Crédit Mutuel
Banque Fédérative

UPDATE
OF REGISTRATION DOCUMENT

Filed on April 25th, 2012 under No D.12-0414
Updated October 23th, 2012 under No D.12-0414-A01

AMF | AUTORITÉ DES MARCHÉS FINANCIERS

Only the French version of the update to the 2011 registration document has been submitted to the AMF. It is therefore the only version that is binding in law.
The original document was filed with the AMF (French Securities Regulator) on October 23th, 2012, in accordance with article 212–13 of the AMF’s General Regulations. It may be used in support of a financial transaction only if supplemented by a Transaction Note that has received approval from the AMF.
This document was prepared by the issuer and its signatories assume responsibility for it.

Copies of this document may be obtained free of charge from the headquarters of Banque Fédérative du Crédit Mutuel. The document can also be downloaded in electronic format from the BFCM’s website (http://www.bfcm.creditmutuel.fr).

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Update by chapter of the 2011 registration document

FOREWORD

Accounting treatment of long-term equity investment in Banco Popular Español - Correction of error

The Group's investment in Banco Popular Español (BPE) is recognized using the equity method for the first time with these financial statements, given the existence of significant influence between the Group and BPE. This significant influence is reflected in particular in the representation on the BPE Board of Directors, the existence of commercial agreements between the Crédit Mutuel networks in France and the BPE networks in Spain and Portugal, as well as a partnership in a banking joint-venture in Spain.

These ties have been established since the end of 2010, such that this change is recognized for accounting purposes as a correction of an error in accordance with IAS 8. The impacts on the statement of financial position at end 2011 of the recognition of the investment in BPE using the equity method are detailed in note 1b of the notes to the consolidated financial statements of BFCM Group at June 30th, 2012.

1. Person responsible

1.1. Person responsible for the registration document and its updates

Mr Alain FRADIN, Deputy Chief Executive Officer of Banque Fédérative du Crédit Mutuel.

1.2. Declaration of the person responsible for the report

I hereby declare to the best of my knowledge, and after having taken all reasonable precautions, that the information contained in the present update is in accordance with the facts and contains no omission likely to affect its import.

I certify that, to the best of my knowledge, the condensed consolidated interim financial statements are prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of the company and of all the companies included in the consolidation scope, and that the attached interim management report (pages 8 to 15) gives a true and fair view of major events occurring during the first six months of the year, their impact on the financial statements, the main related party transactions and a description of the main risks and uncertainties faced by those companies during the remaining six months of the year.

I obtained a completion letter from the Statutory Auditors, KPMG Audit and Ernst & Young et Autres, in which they state that they have verified the information contained in the present update about the Group's financial position and accounts and that they have read the update in their entirety.

Strasbourg, October 23th, 2012.

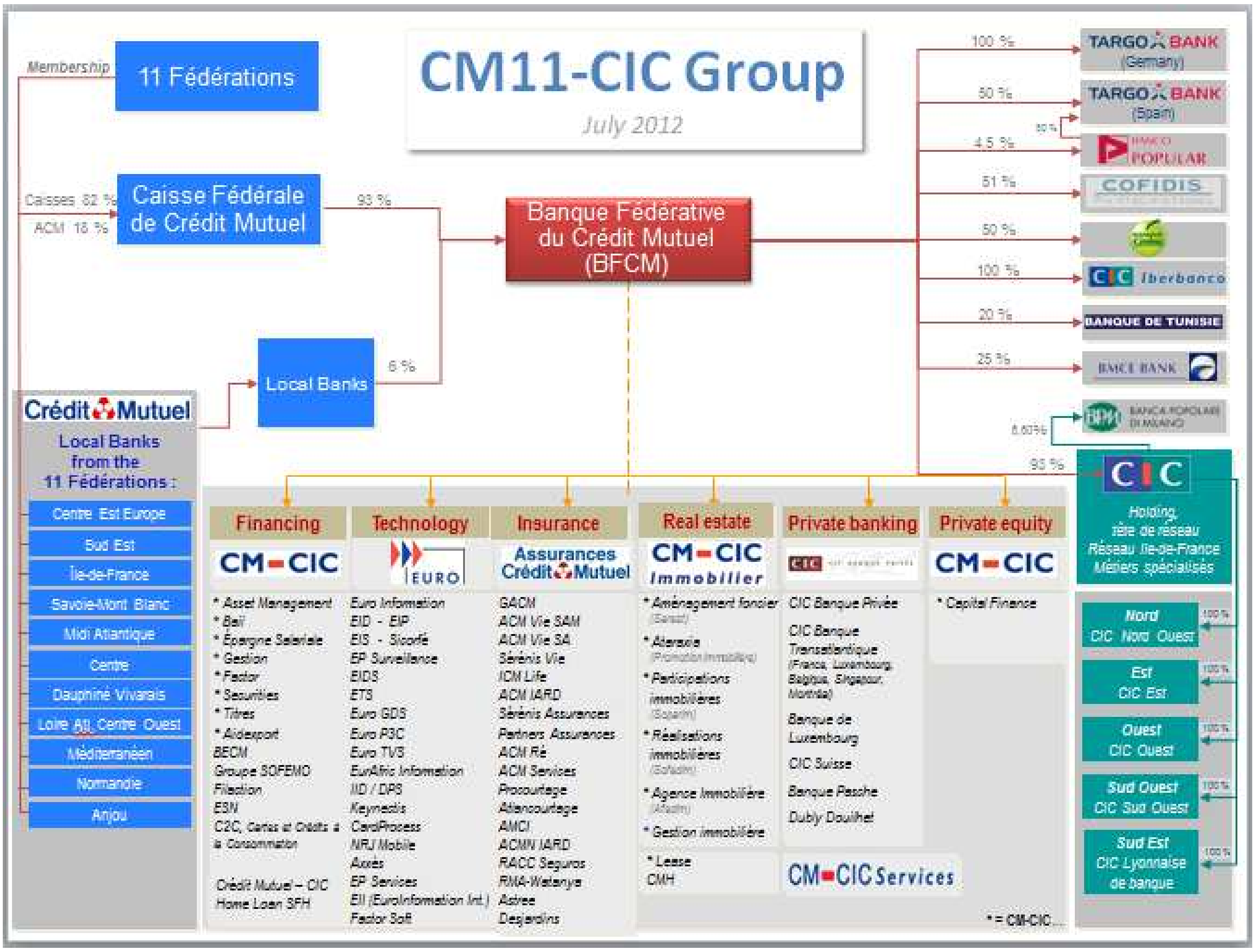
Alain FRADIN
Deputy Chief Executive Officer

1.3. Statutory Auditors

Since July 30th, 2012 and in replacement of Ms Isabelle Santenac, Mr Olivier Durand represents Ernst & Young and Autres, statutory auditors of Banque Fédérative du Crédit Mutuel.

2. Information about the issuer and trends

2.1. Presentation of the company and Group



2.2. Allocation of BFCM’s share capital at June 30th, 2012

Information on the ownership and direct or indirect control of BFCM by CM11-CIC Group and description of the nature of this control following the recognition of the most recent capital increase of June 23rd, 2012.

Shareholders	Address	No. of shares hold	% ownership (3)
Caisse Fédérale de Crédit Mutuel (1)	34 rue du Wacken 67913 Strasbourg, France	24,625,922	92.81%
Fédération du Crédit Mutuel Centre Est Europe	34 rue du Wacken 67913 Strasbourg, France	81	0.00%
CRCM Sud-Est - Lyon	8-10 rue Rhin et Danube 69266 Lyon Cedex 09, France	61,535	0.23%
CRCM Ile-de-France - Paris	18 rue de la Rochefoucauld 75439 Paris, France	146,411	0.55%
CRCM Savoie-Mont Blanc - Annecy	99, avenue de Genève B.P. 56 74054 Annecy Cedex, France	20	0.00%
CRCM Midi-Atlantique - Toulouse	10 rue de la Tuilerie 31132 Balma, France	24,584	0.09%
CRCM Centre - Orleans	Place de l'Europe 105 rue du Faubourg Madeleine 45920 Orléans, France	308,766	1.16%
CRCM Dauphiné-Vivarais -Valence	130-132, av. Victor Hugo B.P. 924 26009 Valence Cedex, France	2,500	0.01%
CRCM Loire-Atlantique et Centre-Ouest - Nantes	46 rue du Port Boyer 44326 Nantes, France	741,979	2.80%
CRCM Mediterraneen - Marseille	494, avenue du Prado - B.P. 115 13267 Marseille Cedex 08, France	74,930	0.28%
CRCM de Normandie - Caen	17 rue du 11 novembre 14052 Caen, France	124,096	0.47%
CRCM Anjou - Angers	1 place Molière 49006 Angers, France	123,870	0.47%
Caisses locales de Crédit Mutuel (2) members of FCM CEE, FCM SE, FCM IdF, FCM SMB, FCM MA, FCM C, FCM DV, FCM LACO, FCM M, FCM N	France	72,417	0.27%
CFCM Maine-Anjou, Basse-Normandie - Laval	43 Boulevard Volney 53083 Laval, France	222,965	0.84%
CFCM Antilles-Guyane - Fort de France	Rue du Prof. Raymond Garcin 97200 Fort-de-France - Martinique	2,477	0.01%
CFCM Nord Europe - Lille	4, place Richebé - B.P. 1009 59011 Lille Cedex, France	1	0.00%
CFCM Océan - La Roche sur Yon	34, rue Léandre-Merlet B.P. 17 85001 La Roche-sur-Yon Cedex 27, France	1	0.00%
Other shareholders		58	0.00%
TOTAL		**26,532,613**	**100.00%**

(1) Caisse Fédérale de Crédit Mutuel (CF de CM) is a cooperative company in the form of a French corporation (*société cooperative ayant la forme de société anonyme*), affiliated with Confédération Nationale du Crédit Mutuel, which is more than 99% owned by the ACM Vie Mutuelle and the Caisses de Crédit Mutuel of the Crédit Mutuel Centre Est Europe, Crédit Mutuel Sud-Est, Crédit Mutuel Ile-de-France, Crédit Mutuel Savoie Mont-Blanc, Crédit Mutuel Midi-Atlantique, Crédit Mutuel Centre, Crédit Mutuel Dauphiné-Vivarais, Crédit Mutuel Loire-Atlantique et Centre-Ouest, Crédit Mutuel Méditerranéen and Crédit Mutuel Normandie federations.

(2) The financially autonomous, variable-capital cooperative companies (*sociétés cooperatives à capital variable*) Caisses de Crédit Mutuel are owned by their individual share-owning members.

(3) The percentage of voting rights is identical to the percentage of share ownership rights.

<u>Changes in the allocation of share capital between January 1st, 2012 and June 30th, 2012</u>

Following a partial asset contribution of a book value of €2,075,600 carried out by the Caisse régionale du Crédit Mutuel du Centre (CR CMC), a capital increase of €1,817,400 by creation and issue of 36,348 new shares took place on June 23rd, 2012, in order to increase BFCM’s share capital from €1,324,813,250 to €1,326,630,650.

2.3. Recent events and outlook

After the release of the registration document, following recent events have concerned BFCM Group:

Rating of BFCM by Fitch Rating and Moody's

The credit rating agencies Fitch and Moody's respectively affirmed October 9th, 2012 and the June 15th, 2012 the rating A+ (Fitch) and Aa3 (Moody's) with a stable outlook of BFCM.
Complete reports (Fitch October 9th, 2012 and Moody's June 15th, 2012) are available on BFCM's website: http://www.bfcm.creditmutuel.fr/fr/bfcm/notation/index.html.

Main risks and uncertainties for the second half of 2012

➢ **Risks**

With the exception of credit risk and sovereign risks, the nature and level of risks to which the Group is exposed related to the risk factors have not changed significantly relative to the situation described in the Risk Report on pages 107 to 132 of the 2011 Registration document and financial report.

Credit risk
In accordance with the request of the market supervisory authority and regulator, note 11 of the notes to the consolidated financial statements discuss the risk exposures related to the financial crisis.

Sovereign risks
On July 26th, 2012, BFCM Group disclosed on its web site the net sovereign debt outstandings as of June 30th, 2012. These outstanding and detailed information are presented in note 7b of the notes to the consolidated financial statements of BFCM Group.

➢ **Uncertainties**

We expect global economic growth to stabilize through the end of the year, but several factors could undermine this assumption:

- A deterioration in the European crisis, with a halt to structural progress and higher interest rates on Italian and Spanish sovereign debt;
- A total political stalemate in the United States, which would result in a halt to all budgetary stimulus measures at the end of the year and plunge the country into recession, requiring the Fed to intervene and having major negative consequences for the dollar;
- Accelerated deterioration of economic conditions in the emerging markets, in particular with a bursting of the real estate bubble in China.

These uncertainties over the economic outlook are causing economic agents to adopt an increasingly wait-and-see attitude. Companies have cut back on investments and hiring, which negatively affects potential household consumption. In this environment, restoring confidence will be an essential step and a prerequisite for an improved economic growth forecast.
Yet another factor of uncertainty is the lack of visibility on the new French tax framework currently being drafted.

Recent events specific to BFCM having a material impact on the measurement of its solvency

There have been no material changes in the Group's financial or commercial position since the closing at June 30th 2012 for which financial statements have been published that are likely to affect its solvency.

3. Administrative, management and supervisory bodies

At the February 23rd, 2012 Board of Directors' Meeting, Mr Gérard DIACQUENOD was appointed to a three-year term as non-voting member, in replacement of Mr Gérard CHAPPUIS. The appointment as non-voting member of Ms Monique GROC was renewed for a period of three years.

At the May 10th, 2012 ordinary Shareholders' Meeting, the appointments as director of Messrs Jean-Louis BOISSON, Gérard BONTOUX, Maurice CORGINI, Jacques HUMBERT, Albert PECCOUX, Alain TETEDOIE and of the Caisse Fédérale du Crédit Mutuel de Maine-Anjou et Basse-Normandie represented by Mr Daniel LEROYER, were renewed for a period of three years.

At the Board of Directors meeting that followed the Shareholders' Meetings, the appointment of Mr Jacques HUMBERT as Vice Chairman was renewed for a period of three years. The appointment of Mr Michel BOKARIUS as non-voting member was renewed for a period of three years. Messrs Bernard FLOURIOT and Jean-Louis BAZILLE were appointed to a three-year terms as non-voting members.

Name	Position	Date of initial appointment	Expiry of current mandate	Representative
LUCAS Michel	Chairman and CEO	29/09/1992	31/12/2012	
HUMBERT Jacques	Vice Chairman	13/12/2002	31/12/2014	
BOISSON Jean-Louis	Director	17/12/1999	31/12/2014	
BONTOUX Gerard	Director	06/05/2009	31/12/2014	
ET BASSE	Director	04/07/2008	31/12/2014	LEROYER Daniel
CORGINI Maurice	Director	22/06/1995	31/12/2014	
CORMORECHE Gérard	Director	16/05/2001	31/12/2012	
DANGUEL Roger	Director	13/12/2002	31/12/2013	
DURET François	Director	11/05/2011	31/12/2013	
FILLIGER Pierre	Director	11/05/2011	31/12/2013	
GIRODOT Jean-Louis	Director	22/05/2002	31/12/2013	
GRAD Etienne	Director	17/12/2010	31/12/2012	
MARTIN Jean Paul	Director	13/12/2002	31/12/2012	
OLIGER Gerard	Director	15/12/2006	31/12/2013	
PECCOUX Albert	Director	03/05/2006	31/12/2014	
TETEDOIE Alain	Director	27/10/2006	31/12/2014	
THOMA Eckart	Director	11/05/2011	31/12/2013	
VIEUX Michel	Director	11/05/2011	31/12/2013	

Non-voting members

René BARTHALAY, Jean-Louis BAZILLE, Yves BLANC, Michel BOKARIUS, Alain DEMARE, M. Gérard DIACQUENOD, Marie-Hélène DUMONT, Bernard FLOURIOT, Monique GROC, Robert LAVAL, Fernand LUTZ, Jacques PAGES, Daniel SCHLESINGER, Alain TESSIER.

4. Financial information concerning patrimony, financial statements and results of the issuer

4.1. Date of latest financial information

BFCM's latest reported financial information dates from June 30th, 2012.

4.2. Interim information

4.2.1 Half-year financial report

Economic environment: further deterioration in the European debt crisis

The first half of 2012 was marked by a general economic downturn that resulted primarily from the considerable uncertainty created by deterioration in the euro zone debt crisis.
The European Central Bank's long-term refinancing operations (LTRO) in December 2011 and February 2012 did not bring about increased lending or boost confidence in the domestic market. This persistent sluggishness was a result of substantial uncertainty related to the situation in Greece, marked by private sector participation in that country's debt restructuring and political paralysis following legislative elections in May, all of which raised doubts about the future of the euro zone itself. Meanwhile, new governments in Italy and Spain enjoyed only a very brief respite from investors. Sovereign debt spreads for these countries then rose rapidly to new highs, and countries deemed "safest" such as Germany were able to borrow short term at negative interest rates, a historic first reflecting the significant degree of risk aversion. Despite the tensions, clear progress was made on the institutional front in Europe, with the successive ratifications of the budget agreement signed in December 2011 and the strengthening of the financial support mechanisms. The challenge today involves maintaining economic growth in order to make the austerity policies sustainable.

In the United States, the first half was marked primarily by the snuffing out of nascent optimism with respect to the state of the economy, as disappointing figures — notably involving unemployment — were released. Electoral politics, notably over the fiscal cliff (i.e. budgetary stimulus measures that expire at end-2012 and account for more than 3% of GDP), also muddied the outlook for U.S. economic agents. In this environment, the Fed nevertheless chose to adopt a wait-and-see attitude, which certainly reflected the still favorable state of the U.S. economy but also the narrowing of its room to maneuver following earlier robust interventions.

Emerging markets were negatively affected by rising oil prices early in the year, which prevented a more rapid decline in inflationary pressures. Central banks continued to practice pro-growth monetary easing, but at a slower rate than anticipated. These interventions became even more necessary with the clear slowdown in demand from developed countries. Despite their common problems, the situations in emerging markets are increasingly marked by contrasts. Growth rates in Brazil and India are plummeting, while the slowdown in China and Russia is less pronounced.

BFCM Group performance in the first half of 2012

- **CM10-CIC Group becomes CM11-CIC Group**

As of January 1st, 2012, the 10 Crédit Mutuel federations making up CM10 Group welcomed a new member, Fédération du Crédit Mutuel Anjou, thereby giving rise to an expanded CM11-CIC Group. With 76 points of sale and 684 employees serving 248,000 share-owning members and customers, Crédit Mutuel Anjou joined Caisse Fédérale de Crédit Mutuel, the parent company of BFCM.

BFCM is the holding company for CM11-CIC Group and in that capacity carries out capital market transactions in order to cover the Group's refinancing needs. It also develops financial engineering transactions and carries the long-term equity investment portfolio.

- **Sustained commercial activity**

BFCM continued to add new customers in the first half of 2012, with nearly 920,000 new customers.
This period was also marked by a clear decrease in retail banking net provision allocations/reversals for loan losses and higher lending volume, deposits and insurance premiums written. More than 517,000 new insurance policies were written, bringing the total to nearly 23.6 million.

Using all its resources, notably technological, the Group bolstered its position in the electronic money, cash flow management, remote monitoring and mobile telephony areas.

The combined entity, whose core business is retail banking, continued to improve the quality of its network, which now has 2,616 points of sale.

The Group also expanded its activity and geographic presence in neighboring countries, notably Spain and Germany.

BFCM Group results in the first half of 2012

- **Consolidated financial results**

Consolidated statement of financial position

BFCM Group's total assets stood at more than €385 billion.
Loans and receivables due from customers increased by 1.9% to €166.0 billion, led by investment loans (+10.5%) and residential housing loans (+2.2%).
Total savings managed and held in custody increased by 2.4% to €387.5 billion, of which €124.8 billion in deposits[1] (+11.2%). BFCM Group recorded net inflows of €12.5 billion.
These trends resulted in a 133.1% loan-to-deposit ratio as of June 30, 2012, down from 144.9% one year earlier, which supports the Group's adaptation to Basel III regulatory requirements.

The CIC, BECM and CIC Iberbanco banking networks recorded a 2.1% increase in gross credit outstandings to €126.2 billion and a 13.9% rise in reported deposits to €95.4 billion.

With €21 billion in gross credit volume outstanding, the other principal retail banking subsidiaries (TARGOBANK Germany and Cofidis) performed well despite the challenging economic environment.

Corporate banking credit outstandings totaled €16.6 billion, while those of the private banking business amounted to €7.2 billion.

In private equity, the Group continued to provide long-term support to its business customers. The portfolio reached €2.5 billion in assets under management, of which €704 million on behalf of third parties.

*Consolidated income statement**
**Restated following the posting of Banco Popular Español under the equity method. See note 1B of the annex.*

Through June 30, 2012, BFCM's Group's overall net banking income totaled €4,215 million, compared with €4,473 million one year earlier. This 7.6% decrease at constant scope was due to the narrowing of the net interest margin and the decline in net fee and commission income received.

First-half operating expenses totaled €2,641 million in 2012, compared with €2,539 million one year earlier. This increase was mainly due to the Group's expanded scope (Banque Casino, Groupe Est Républicain) and adjustments to retirement commitments (termination benefits). At constant scope and excluding the update of the discount rate used to calculate termination benefits, operating expenses remained stable.

[1] SFEF issues are not included in customer deposits

Net provision allocations/reversals for loan losses fell by €118 million to €506 million at end-June. They include a €32 million charge following the first quarter market sale of securities received as consideration for CM11-CIC's contribution of Greek sovereign debt eligible for the Private Sector Involvement (PSI) plan adopted February 21, 2012. Following these transactions, the Group no longer holds any Greek sovereign debt. In June 2011, the Group recognized an impairment charge of €142 million for this purpose.
Meanwhile, provision allocations for known risks related to customer loans trended favorably in the first half, with a 14.9% decrease that reflected favorable risk management across all Group business lines despite the challenging market environment.
Overall the ratio of provision allocations to outstanding loans was 0.54%, while the overall non-performing loan coverage ratio was 70.0%.

Net income through June 30, 2012 totaled €650 million, compared with €926 million in the first half of 2011.

*Shareholders' equity and solvency***

As of June 30, 2012, reported shareholders' equity and deeply subordinated notes totaled €17.1 billion.

As of March 31, 2012, the CM11-CIC Group's European tier 1 solvency ratio was 12.7%, while the core tier 1 ratio was 12.3% and tier 1 regulatory capital was €21.8 billion.
The core tier 1 ratio, which exceeds 9% after taking into account unrealized capital gains and losses on sovereign debt of European Union member states classified as available for sale, therefore complies with the European Banking Authority's request in the context of European bank stress tests.

*** BFCM, which is included in the consolidation of CM11-CIC, is not required to comply with sub-group management ratios or the internal capital adequacy provisions of article 17 bis of CRBF Regulation 97-02. This waiver also applies to Basel II requirements (see article 1 of CRBF decree dated February 20, 2007).*

The Group's long-term rating is A+ by Standard & Poor's, Aa3 by Moody's and A+ by Fitch, with a stable outlook confirmed by all three agencies.

- **Activity and results of BFCM Group's main subsidiaries**

CIC Group
Consolidated figures for CIC sub-Group and its direct subsidiaries, all business lines included

Customer loans, including leasing operations, totaled €133.1 billion as of June 30, 2012, up 2.5% from one year earlier. Customer deposits rose by 11.3% to €105.2 billion. Financial savings managed and held in custody amounted to €222.6 billion.

Shareholders' equity, a mark of the Group's sound financial position, totaled €10 billion.

Net banking income stood at €2,228 million as of June 30, 2012, compared with €2,420 million one year earlier.
Operating expenses totaled €1,523 million, up from €1,493 million in the first half of 2011. The 2012 operating expenses included a €28 million charge related to termination benefit commitments following the update of the discount rate.
Net provision allocations/reversals for loan losses totaled €175 million through June 30, 2012, compared with €211 million one year earlier. These allocations include a €32 million expense related to the first quarter market sale of securities received as consideration for the contribution of Greek sovereign debt securities eligible for the Private Sector Involvement (PSI) plan adopted February 21, 2012. Following these transactions, CIC no longer holds any Greek sovereign debt.
In June 2011, CIC recorded an impairment charge of €102.6 million in this respect.
Income before tax totaled €570 million in the first half of 2012, down from €743 million one year earlier.
Net income amounted to €392 million in the first half of 2012, compared with €526 million one year earlier.

Groupe des Assurances du Crédit Mutuel (GACM)

In the first half of 2012, GACM insurance revenues totaled €3,925 million, down 8.7% following a 17.3% decrease in the intake for life insurance and savings products. Nevertheless, in this business line, the ACM companies' indicators remained well above the market average with net outflows of only €50 million (compared with €4.7 billion for the market as a whole – source: FFSA) and a level of new business comparable to 2011.
Excluding life insurance, written premiums in the other segments increased by 5% overall, led by a strong 7.9% increase in the property segment. Despite the relatively unfavorable economic environment, GACM continues to gain market share, in particular in the automobile and homeowners' insurance segments.
Despite the decline in premium income, remittances to the networks continued to increase by 2.9% to €518 million.

Meanwhile, underwriting income continued to perform well, abetted by a favorable loss exposure trend, and it partially offset financial provisions. The main intermediate management balances are discussed in the section "Results by business line."

TARGOBANK Germany

In the first half of 2012, TARGOBANK Germany continued its recovery, furthering the trend that allowed the bank to stabilize its loan outstandings in 2011 and that contributed €12 billion to BFCM Group's gross customer loans outstanding.
On the liabilities side of the balance sheet, a determined policy aimed at increasing customer deposits enabled the bank to improve its loan-to-deposit ratio, which was 98% as of June 30, 2012, compared with 104% as of December 31, 2011.
As of June 30, 2012, reported deposits stood at €10.4 billion, up 19% relative to one year earlier.

In the wealth management area, TARGOBANK Germany's funds line was enhanced through the addition of three new funds from Banque de Luxembourg, bringing the number of Group funds marketed in Germany to nine.

Nevertheless, the earnings trend did not keep pace with the favorable sales performance, as income before tax fell by €29 million to €163 million in the first half of 2012.
This decrease was largely due to narrower interest margins. On the one hand, the credit portfolio's average interest rate is down as a result of the growing weight of the Internet distribution channel in new lending; on the other, the strategy consisting of strengthening the balance sheet by collecting customer deposits weighed on the cost of financing the loans.
Finally, the worsening euro zone crisis prevented the bank from achieving the ambitious goals it set for growing the wealth management activity.

Cofidis Group

In the first half of 2012, Cofidis Participations Group financings were stable relative to last year, even as consumer credit markets contracted in our main countries, i.e. France, Spain and Portugal. Credit volume in the "Partnership" area rose rapidly. In the "Direct" activity, new credit volume rose for the amortizing product but fell for the revolving product.

Net banking income totaled €529 million, down 11% relative to the first half of 2011. Despite the 1% increase in credit outstandings, net banking income fell as a result of lower rates on customer credits, mainly due to the lowering of the usury ceiling in France on the revolving product in the wake of the Lagarde reforms. The share of amortizing credits relative to total outstandings continues to increase. Average rates for this type of customer credit are lower than those of the revolving credit business, despite the increase in new credit issuance since the beginning of the year.

Compared with the first half of 2011, interest expense rose slightly in the first half of 2012, and marketing investments remained stable. Personnel expenses contracted by 1% in the first half despite the increased activity. Other expenses rose slightly in the first half, mainly as a result of the IT convergence project, which requires additional near term investments. Overall operating expenses totaled €263 million as of June 30, 2012, compared with €257 million one year earlier.

Net provision allocations/reversals for loan losses fell for the third consecutive year, with a substantial 16% decline in the first half of 2012. The efforts undertaken during the past three years to limit new risks (credit granting) and existing risks (collection teams) are bearing fruit despite the rise in overindebtedness in various countries, notably in France where the Lagarde reforms in this area have lowered the number of defaults and loss rates on each exposure.
Overall, income before tax was €76 million through June 30, 2012, compared with €107 million one year earlier. The sharp decrease in customer interest payments following the drop in the usury ceiling in France was not entirely offset by the otherwise significant decline in provision allocations at the various entities.

- **Business line results**

The activities presented below correspond to the BFCM Group organization. The reader may also wish to consult Note 2 “Analysis of income statement items by activity and geographic region” as well as Note 3 “Scope of Consolidation,” which show the groupings used.

Retail banking

Retail banking is BFCM Group’s core business. It includes the Banque Européenne du Crédit Mutuel network, the CIC regional bank network and CIC in Île-de-France, the CIC Iberbanco branches, the TARGOBANK network in Germany, the TARGOBANK network in Spain, Cofidis Group, Banque Casino and all specialized activities whose product marketing is performed by the networks, such as equipment leasing and leasing with purchase option, real estate leasing, installment vendor credit, factoring, fund management and employee savings.

(€ millions)	**6/30/2012**	**6/30/2011***	**% change[2]**
Net banking income	2,918	3,148	-8.0%
Gross operating income	980	1,241	-21.4%
Income before tax	573	865	-33.4%
Net income	377	588	-33.5%

**Restated following the posting of Banco Popular Español under the equity method. See note 1B of the annex.*

Retail banking recorded net banking income of €2,918 million in the first half of 2012, compared with €3,148 million one year earlier. The main contributions came from the CIC banking networks (€1,452 million), TARGOBANK Germany (€646 million) and Cofidis (€536 million). The favorable trends in fee and commission income for services and insurance products did not offset the decline in fee and commission income for credits and financial commissions, reflecting the changes in business during the first half and the overall financial market instability, respectively. The decline in net fee and commission income combined with the narrowing net interest margin therefore resulted in declining net banking income.

Operating expenses totaled €1,938 million, up 0.8% at constant scope relative to June 30, 2011. This increase was mainly due to the discounting of retirement commissions.
Net allocations to provisions for loan losses totaled €406 million through June 30, 2012, compared with €413 million one year earlier. This slight decrease confirmed the effective risk control, notably in the consumer credit areas at Cofidis and TARGOBANK Germany.

Retail banking recorded net income of €377 million in the first half of 2012, compared with €588 million one year earlier.

[2] At constant scope

Insurance

BFCM Group’s insurance activities are developed by the subsidiaries of the Groupe des Assurances du Crédit Mutuel (GACM) holding company, in particular ACM Vie SA, Serenis Vie, ACM IARD, Serenis Assurances, Partners Assurances in Belgium and ICM Life in Luxembourg. The GACM companies are present in the life and non-life insurance segments, insurance brokerage and reinsurance. Product marketing is performed by the retail network.

(€ millions)	**6/30/2012**	**6/30/2011**	**% change**
Net banking income	605	648	-6.6%
Gross operating income	431	468	-8.0%
Income before tax	435	476	-8.6%
Net income	275	324	-15.2%

Although the economic and financial environment weighed on demand for insurance products, our insurance business nevertheless recorded solid revenue performance, as noted in the section “Activities and results of the BFCM Group’s main subsidiaries.” Net banking income totaled €605 million as of June 30, 2012. Excluding the impact of impairment of Greek debt in 2011, net banking income contracted by 2.0% in the first half of 2012.

Operating expenses declined by 2.8%, largely as a result of the change in scope (disposal of a subsidiary). At constant scope, these expenses were stable and contributed to the improved operating margins.

Net income totaled €275 million in the first half of 2012, down 15.2% relative to one year earlier. This result was driven by non-recurring items, notably the capital gain on disposal of a subsidiary.

Corporate banking

Corporate banking includes the financing of large corporates and institutional clients, value-added financing (project and asset financing, export financing, etc.), international activities and foreign branches.

In terms of capital managed and in a challenging economic environment marked by a slowdown in activities, gross credits contracted by 6.7% to €16.6 billion even as deposits surged by 7.9% to €5.7 billion.

(€ millions)	**6/30/2012**	**6/30/2011**	**% change**
Net banking income	178	235	-24.5%
Gross operating income	132	191	-30.6%
Income before tax	102	208	-51.2%
Net income	68	136	-50.2%

The decline in the net interest margin and net fee and commission income accounted for the decline in net banking income, which fell from €235 million to €178 million in the first half of 2012.
Operating expenses totaled €45 million, near the first half of 2011’s level of €44 million, while net provision allocations for loan losses totaled €31 million, reflecting the deterioration in the financial situation of companies beginning in the second half of 2011.

Net income amounted to €68 million in the first half of 2012, down from €136 million one year earlier.

Capital markets activities

BFCM and CIC have consolidated their capital markets activities under one roof, CM-CIC Marchés, with a single management team. CM-CIC Marchés carries out the BFCM Group refinancing and commercial and proprietary trading activities from offices in Paris and Strasbourg, as well as through branches in New York, London, Frankfurt and Singapore. These transactions are recognized on two statements of financial position:

* that of BFCM for the refinancing activity,
* that of CIC for the commercial and proprietary trading activities.

The capital markets activities also include stock market intermediation, which is provided by CM-CIC Securities.

(€ millions)	**6/30/2012**	**6/30/2011**	**% change**
Net banking income	385	396	-3.0%
Gross operating income	276	298	-7.4%
Income before tax	257	234	+9.8%
Net income	156	157	-0.1%

CM-CIC Marchés in France recorded robust 15% growth in net banking income in the first half of 2012. However, the other activities (in particular the New York branch and CM-CIC Securities) saw their activity contract, such that overall first-half net banking income was down a slight 3% to €385 million compared to one year earlier.

The increase in operating expenses from €98 million to €109 million in the first half of 2012 was offset by a significant decrease in net provision allocations/reversals for loan losses to €19 million as of June 30, 2012, compared with €63 million one year earlier (the first half of 2011 included €11 million on impairment for Greek sovereign debt).

Net income totaled €156 million in the first half of 2012, comparable to that one year earlier.

Private banking

The private banking segment develops know-how in financial and wealth management, which is offered to the families of business owners and private investors, and includes companies focusing in this area.
These companies operate 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.

(€ millions)	**6/30/2012**	**6/30/2011**	**% change**
Net banking income	248	233	+6.5%
Gross operating income	81	75	+8.6%
Income before tax	88	27	3.3x
Net income	67	21	3.2x

Private banking results trended favorably. Net interest income surged by 21.2% and more than offset the 7.0% decline in fee and commission income. First-half net banking income rose by 6.5% to €248 million thanks in large part to Banque de Luxembourg's strong performance, as this company's net banking income of €140 million accounted for nearly 57% of the overall total.

The 5.6% increase in operating expenses to €167 million was offset by a decrease in net provision allocations/reversals for loan losses, which fell from €48 million in the first half of 2011 to zero in the first half of this year. The first half of 2011 included a more than €43 million impact related to impairment charges on Greek debt.

Net income totaled €67 million in the first half of 2012, compared with €21 million one year earlier.

Private equity

Proprietary private equity is a key pillar of our commercial strategy, enabling us to support efforts to bolster shareholders' equity, notably on behalf of clients of the BFCM Group networks over medium- and long-term periods.
As of January 1, 2011, the entities performing this activity (CIC Finance, CIC Investissement, CIC Banque de Vizille and IPO) were gathered within the CM-CIC Capital Finance division in order to achieve greater efficiency and better service. The regional offices in Lyon, Nantes, Lille, Bordeaux and Strasbourg ensure close ties with our clients.

In the first half of 2012, the private equity business invested €94 million, bringing total investment volume to €1,671 million, of which 83% in unlisted companies. The balance consisted of investments in listed companies and funds. These figures reflect the BFCM Group's commitment to support its company clients on a long-term basis.

(€ millions)	**6/30/2012**	**6/30/2011**	**% change**
Net banking income	72	95	-24.2%
Gross operating income	55	77	-28.0%
Income before tax	55	77	-28.0%
Net income	56	77	-26.6%

Private equity results were down relative to the high levels achieved in the first half of 2011. Net banking income totaled €72 million and net income €56 million in the first half of 2012, compared with €95 million and €77 million, respectively, last year.

Logistics and holding

The "Logistics and holding" division combines all other business activities not allocated to another business division as well as purely logistical entities: intermediary holding companies, operating properties integrated within specific companies, press.

(€millions)	**6/30/2012**	**6/30/2011***	**% change[3]**
Net banking income	(164)	(247)	-8.4%
Gross operating income	(381)	(415)	-6.3%
Income before tax	(485)	(523)	-7.3%
Net income	(349)	(376)	-7.3%

**Restated following the posting of Banco Popular Español under the equity method. See note 1B of the annex.*

This division's net banking income includes:

- Net banking income (NBI) for the Holding activity totaling €(333) million through June 30, 2012 (compared with a NBI of €(356) million one year earlier), including in particular the cost of insufficient working capital (€152 million expense) and the refinancing cost for TARGOBANK Germany (€127 million expense), TARGOBANK Germany allocated goodwill amortization (€100 million expense), CIC business development plans (€41 million expense) and dividends from shareholdings and gains on investment securities totaling income of €140 million.

- Net banking income from the logistics and miscellaneous activity totaling €169 million in the first half of 2012, compared with €109 million one year earlier, consisting of trading margins for the press division (inclusion of Est Républicain and *Dernières Nouvelles d'Alsace* into the scope of consolidation) and net banking income of the TARGOBANK Germany and Cofidis logistics subsidiaries;
  Overall, the entities making up this logistics and miscellaneous activity generated net income of €6 million in the first half of 2012, up from €3 million one year earlier.

This division also recorded an impairment charge of €76 million on Banco Popular Español (BPE) securities, consolidated using the equity method for the first time with this financial statements, given the ties established between the two Groups since 2010.
This charge in the accounting treatment used for the BPE investment has been posted as an error and is discussed in a separate note.

[3] At constant scope

Condensed consolidated financial statements of BFCM Group at June 30, 2012

Assets - IFRS

In € millions	30.06.2012	31.12.2011 restated *	Notes
Cash and amounts due from central banks	4,212	5,430	4a
Financial assets at fair value through profit or loss	42,969	36,875	5a, 5c
Hedging derivative instruments	1,199	1,099	6a, 5c, 6c
Available-for-sale financial assets	63,435	64,126	7, 5c
Loans and receivables due from credit institutions	65,830	66,055	4a
Loans and receivables due from customers	166,003	165,358	8a
Remeasurement adjustment on interest-risk hedged investments	800	738	6b
Held-to-maturity financial assets	11,418	14,377	9
Current tax assets	544	907	12a
Deferred tax assets	1,291	1,478	12b
Accruals and other assets	17,041	15,870	13a
Equity-accounted investments	2,038	2,085	14
Investment property	1,002	869	15
Property and equipment	1,924	1,971	16a
Intangible assets	849	902	16b
Goodwill	4,260	4,203	17
Total assets	**384,815**	**382,340**	

Liabilities and shareholders' equity - IFRS

In € millions	30.06.2012	31.12.2011 restated*	Notes
Due to central banks	360	282	4b
Financial liabilities at fair value through profit or loss	30,157	30,928	5b, 5c
Hedging derivative instruments	2,600	2,974	6a,5c,6c
Due to credit institutions	40,552	49,114	4b
Due to customers	127,982	126,146	8b
Debt securities	89,144	86,673	18
Remeasurement adjustment on interest-risk hedged investments	-1,889	-1,664	6b
Current tax liabilities	434	387	12a
Deferred tax liabilities	849	771	12b
Accruals and other liabilities	12,294	7,596	13b
Technical reserves of insurance companies	58,154	55,907	19
Provisions	1,366	1,365	20
Subordinated debt	8,010	8,025	21
Shareholders' equity	**14,802**	**13,695**	
. Shareholders' equity attributable to the Group	**11,705**	**10,763**	
- Subscribed capital and issue premiums	2,063	2,061	22a
- Consolidated reserves	9,659	8,907	22a
- Unrealized or deferred gains and losses	-534	-1,036	22c
- Net income for the year	517	832	
. Shareholders' equity - Minority interests	**3,098**	**3,072**	
Total liabilities and shareholders' equity	**384,815**	**382,340**	

CONSOLIDATED INCOME STATEMENT - IFRS

In € millions	30.06.2012	30.06.2011 restated*	Notes
Interest income	7,376	7,163	24
Interest expense	-5,950	-4,991	24
Fee and commission income	1,353	1,476	25
Fee and commission expense	-369	-421	25
Net gain (loss) on financial instruments at fair value through profit or loss	795	262	26
Net gain (loss) on available-for-sale financial assets	122	70	27
Income from other activities	5,224	5,491	28
Expenses on other activities	-4,335	-4,578	28
Net banking income	**4,215**	**4,473**	
Operating expenses	-2,501	-2,401	29a,29b
Depreciation, amortization and impairment of non-current assets	-141	-138	29c
Gross operating income	**1,574**	**1,935**	
Net additions to/reversals from provisions for loan losses	-506	-624	30
Operating income	**1,068**	**1,311**	
Share of net income (loss) of associates	-53	4	14
Gains (losses) on other assets	10	50	31
Net income before tax	**1,026**	**1,365**	
Corporate income tax	-375	-438	33
Net income	**650**	**926**	
Net income attributable to minority interests	133	172	
Net income attributable to the Group	**517**	**755**	
Earning per share in euro*	**19.49**	**28.98**	34

** Basic and diluted earnings per share are identical*

Net income and gains and losses recognized directly in shareholders' equity

In € millions	30.06.2012	30.06.2011 restated*	Notes
Net income	**650**	**926**	
Translation adjustments	-4	5	
Remeasurement of available-for-sale financial assets	693	260	
Remeasurement of hedging derivative instruments	-5	29	
Share of unrealized or deferred gains and losses of associates	-55	-4	
Total gains and losses recognized directly in shareholders' equity	**629**	**291**	23c,23d
Net income and gains and losses recognized directly in shareholders' equity	**1,279**	**1,217**	
attributable to the Group	*1,061*	*1,021*	
attributable to minority interests	*218*	*196*	

The items relating to gains and losses recognized directly in shareholders' equity are presented net of related tax effects.

**see note 1b to the half-year financial statements, related to the accounting treatment of investment in Banco Popular Español.*

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

In € millions	Capital	Additional paid-in capital	Retained earnings(1)	Unrealized or deferred gains and losses, net of tax: Translation reserve	Available-for-sale financial assets	Hedging derivative instruments	Net income attributable to the Group	Equity attributable to the Group	Non-controlling interests	Total shareholders' equity
Shareholders' equity at January 1, 2011	**1,302**	**578**	**7,509**		**-275**	**-88**	**1,405**	**10,430**	**3,151**	**13,581**
Shareholders' equity at January 1, 2011	1,302	578	7,509		-275	-88	1,405	10,430	3,151	13,581
Capital increase										
Appropriation of 2010 earnings			1,405				-1,405			
2011 dividend paid out of 2010 earnings									-148	-148
Sub-total: movements arising from shareholder relations			**1,405**				**-1,405**		**-148**	**-148**
Changes of unrealized or deferred gains and losses recognized in shareholder's equity					244	29		273	18	291
Income for the first half of 2011							745	745	171	916
Sub-total					**244**	**29**	**745**	**1,018**	**189**	**1,207**
Impact of changes in group structure			-91		-6			-97	-95	-192
Translation adjustments			-9					-9	2	-7
Other changes	0	0	0		0	0	0	0	0	0
Shareholders' equity at June 30, 2011	**1,302**	**578**	**8,814**		**-37**	**-59**	**745**	**11,341**	**3,099**	**14,441**
Shareholders' equity at July 1, 2011	**1,302**	**578**	**8,814**		**-37**	**-59**	**745**	**11,341**	**3,099**	**14,441**
Capital increase	23	158						181		181
Appropriation of 2010 earnings										
2011 dividend paid out of 2010 earnings									-5	-5
Sub-total: movements arising from shareholder relations	**23**	**158**						**181**	**-5**	**176**
Changes of unrealized or deferred gains and losses recognized in shareholder's equity					-942	-46		-988	-67	-1,055
Income for the second half of 2011							72	72	62	134
Sub-total					**-942**	**-46**	**72**	**-916**	**-5**	**-921**
Impact of changes in group structure			-14		6			-8	-17	-25
Translation adjustments			24					24	1	25
Other changes	0	0	0		0	0	0	1	-1	0
Shareholders' equity at December 31, 2011	**1,325**	**736**	**8,823**		**-973**	**-105**	**817**	**10,623**	**3,072**	**13,695**
Shareholders' equity restated at December 31, 2011 (see note 1b)	**1,325**	**736**	**8,906**		**-931**	**-105**	**832**	**10,763**	**3,072**	**13,835**
Shareholders' equity at January 1, 2012	**1,325**	**736**	**8,906**		**-931**	**-105**	**832**	**10,763**	**3,072**	**13,835**
Capital increase	2							2		2
Appropriation of 2011 earnings			832				-832			
2012 dividend paid out of 2011 earnings			-52					-52	-120	-172
Sub-total: movements arising from shareholder relations	**2**		**780**				**-832**	**-50**	**-120**	**-170**
Changes of unrealized or deferred gains and losses recognized in shareholder's equity					451	16		467	84	551
Income for the first half of 2012							517	517	133	650
Sub-total					**451**	**16**	**517**	**984**	**218**	**1,202**
Impact of changes in group structure									-73	-73
Translation adjustments				13				13	1	14
Other changes	0	0	-27	22	0	0		-5	0	-6
Shareholders' equity at June 30, 2012	**1,327**	**736**	**9,659**	**35**	**-480**	**-89**	**517**	**11,705**	**3,098**	**14,802**

(1) Reserves at June 30, 2012 include a legal reserve of €132 million, regulatory reserves for a total of €1,477 million and other reserves amounting to €8,050 million.

STATEMENT OF NET CASH FLOWS

	First Half 2012	First Half 2011 restated
Net income	650	926
Corporate income tax	375	438
Income before income tax	**1,026**	**1,365**
+/- Net depreciation/amortization expense on property, equipment and intangible assets	140	137
- Impairment of goodwill and other non-current assets	16	0
+/- Net additions to/reversals from provisions and impairment losses	-376	-62
+/- Share of net income/loss of associates	-8	-45
+/- Net loss/gain from investment activities	-48	-58
+/- Income/expense from financing activities	0	0
+/- Other movements	-390	607
= Total non-monetary items included in income before tax and other adjustments	**-666**	**579**
+/- Cash flows relating to interbank transactions	8,346	-5,322
+/- Cash flows relating to customer transactions	738	-366
+/- Cash flows relating to other transactions affecting financial assets and liabilities	-6,243	-2,085
+/- Cash flows relating to other transactions affecting non-financial assets and liabilities	3,532	-2,070
- Corporate income tax paid	-38	-329
= Net decrease/increase in assets and liabilities from operating activities	**6,335**	**-10,172**
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	**6,695**	**-8,229**
+/- Cash flows relating to financial assets and investments in non-consolidated companies	4,896	164
+/- Cash flows relating to investment property	-5	-14
+/- Cash flows relating to property, equipment and intangible assets	-50	-25
NET CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES	**4,841**	**126**
+/- Cash flows relating to transactions with shareholders	-170	-148
+/- Other cash flows relating to financing activities	3,658	6,934
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	**3,488**	**6,786**
IMPACT OF MOVEMENTS IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	**5**	**-165**
Net increase (decrease) in cash and cash equivalents	**15,030**	**-1,482**
Net cash flows from (used in) operating activities	6,695	-8,229
Net cash flows from (used in) investing activities	4,841	126
Net cash flows from (used in) financing activities	3,488	6,786
Impact of movements in exchange rates on cash and cash equivalents	5	-165
Cash and cash equivalents at beginning of year	**-10,387**	**-4,805**
Cash accounts and accounts with central banks and post office banks	5,147	6,499
Demand loans and deposits - credit institutions	-15,534	-11,304
Cash and cash equivalents at end of period	**4,643**	**-6,287**
Cash accounts and accounts with central banks and post office banks	3,852	9,880
Demand loans and deposits - credit institutions	791	-16,167
CHANGE IN CASH AND CASH EQUIVALENTS	**15,030**	**-1,482**

Notes to the half-year financial statements

The notes to the financial statements are presented in millions of euros.

Note 1 : Accounting policies, valuation methods and presentation

1a - Accounting policies and methods

The accounting policies applied are the same as those used for the preparation of the financial statements for the financial year ended December 31, 2011

Pursuant to regulation (EC) 1606/2002 on the application of international accounting standards and regulation (EC) 1126/2008 on the adoption of said standards, the consolidated financial statements have been drawn up in accordance with IFRS as adopted by the European Union at June 30, 2012. These standards include IAS 1 to 41, IFRS 1 to 8 and any SIC and IFRIC interpretations adopted at that date. Standards not adopted by the European Union have not been applied. The financial statements are presented in accordance with CNC recommendation 2009-R.04. All IAS and IFRS were updated on November 3, 2008 by regulation 1126/2008 which replaced regulation 1725/2003.

These standards are available on the European Commission's website at: http://ec.europa.eu/internal_market/accounting/ias/index_en.htm. These interim financial statements are presented in accordance with IAS 34 relating to interim financial reporting, which allows the publication of condensed financial statements. They supplement the annual financial statements for the year ended December 31, 2011, presented in the 2011 registration document. The group's business is not subject to seasonal or cyclical effects. Estimates and assumptions may have been used in the valuation of balance sheet items..

Standards and interpretations applicable as of January 1, 2012 and not yet apllied	Date of application specified by the IASB (fiscal years beginning on)	Date of application in the UE (fiscal years beginning on)	Application Impacts
Amendments to IFRS 7 - Disclosures - Transfers of Financial Assets	7/1/2011	7/1/2011	Limited

1b - Accounting treatment of long-term equity investment in Banco Popular Español - Correction of error

The Group's investment in Banco Popular Español (BPE) is recognized using the equity method for the first time with these financial statements, given the existence of significant influence between the Group and BPE. This significant influence is reflected in particular in the representation on the BPE Board of Directors, the existence of commercial agreements between the Crédit Mutuel networks in France and the BPE networks in Spain and Portugal, as well as a partnership in a banking joint venture in Spain.

These ties have been established since the end of 2010, such that this change is recognized for accounting purposes as a correction of an error in accordance with IAS 8. The recognition of the investment in BPE using the equity method had the following impact on the statement of financial position at end-2011 (€ millions):

	12/31/2011 reported	12/31/2011 restated
Available-for-sale financial assets	64,374	64,126
Equity-accounted investments	1,697	2,085
Total assets	***382,200***	***382,340***
Shareholders' equity attributable to the Group	10,623	10,763
Consolidated reserves	8,824	8,907
Unrealized or deferred gains and losses	-1,078	-1,036
Net income for the year	817	831

In the 2011 income statement, the restatement involves a €26.9 million increase to the line item "Share of net income of associates" and a €12.6 million reduction in the line item "Net gain (loss) on available-for-sale financial assets," yielding a €14.3 million positive net impact on net income.

On the June 30,2011 income statement

	06/30/2011 reported	06/30/2011 restated
Net gain (loss) on available-for-sale financial assets	76	70
Share of net income of associates	-12	4
Net income	916	926

The fair value of the investment in BPE pursuant to paragraph 37 of IAS 28 using the stock market price was €164 million as of June 30, 2012. An impairment test of the investment relative to its estimated value in use was performed, in accordance with IAS 39 and IAS 36, resulting in an impairment charge of €76 million in the income statement for the period ending June 30, 2012.

NOTE 2 - Analysis of statement of financial position and income statement items by activity and geographic region

The Group's activities are as follows:

• Retail banking brings together
CIC's regional banks, Targobank Germany, Targobank Spain, Cofidis, Banque Marocaine du Commerce Exterieur and all specialist activities the products of which are sold by the network: equipment and real estate leasing, factoring, collective investment, employee savings plans and real estate.

• The Insurance business line comprises the Assurances du Crédit Mutuel Group

• Financing and capital markets covers:
a) financing for major corporations and institutional clients, specialized lending, international operations and foreign branches;
b) capital markets activities in general, spanning customer and own account transactions involving interest rate instruments, foreign exchange and equities, including brokerage services.

• Private banking encompasses all companies specializing in this area, both in France and internationally.

• Private equity, conducted for the Group's own account, and financial engineering make up a business unit.

• Logistics and holding company services include all activities that cannot be attributed to another business line (holding) and units that provide solely logistical support: intermediate holding companies, as well as specific entities and IT entities holding real estate used for operations.

Each consolidated company is included in only one business line, corresponding to its core business, on the basis of the contribution to the BFCM Group's results. The only exceptions are CIC and BFCM because of their presence across several business lines. As such, their income, expenses and statement of financial position balances are subject to an analytical distribution.

2a - Breakdown of the income statement items by business line

June 30,2012	Retail banking	Insurance	Financing and capital markets	Private banking	Private equity	Logistics and holding company	Inter-businesses	Total
Net banking income	2,918	605	562	248	72	-164	-26	4,215
General operating expenses	-1,938	-174	-154	-167	-17	-217	26	-2,641
Gross operating income	980	431	408	81	55	-381	0	1,574
Net additions to/reversals from provisions for loan losses	-406	0	-49	0		-50		-506
Net gain (loss) on disposal of other assets	0	5	0	7		-54		-43
Net income before tax	573	435	359	88	55	-485	0	1,026
Corporate income tax	-197	-161	-134	-21	1	136		-376
Net income	**377**	**275**	**225**	**67**	**56**	**-349**	**0**	**650**
Non-controlling interests								133
Net income attributable to the Group								**517**

June 30,2011 *(restated)*	Retail banking	Insurance	Financing and capital markets	Private banking	Private equity	Logistics and holding company	Inter-businesses	Total
Net banking income	3,148	648	632	233	95	-247	-36	4,473
General operating expenses	-1,907	-179	-143	-158	-18	-168	36	-2,539
Gross operating income	1,241	469	489	75	77	-415	0	1,934
Net additions to/reversals from provisions for loan losses	-413	-39	-46	-48		-77		-623
Net gain (loss) on disposal of other assets	38	47		0		-31		54
Net income before tax	865	476	443	27	77	-523	0	1,365
Corporate income tax	-278	-152	-149	-6		147		-438
Net income	**588**	**324**	**293**	**21**	**77**	**-377**	**0**	**926**
Non-controlling interests								172
Net income attributable to the Group								**755**

** The disposal in the first half of 2012 of securities received as consideration for Greek sovereign debt securities and contributed to the exchange offer under the Private Sector Involvement (PSI) plan had a negative impact of €30 million in net provision allocations for loan losses, of which a €34 million negative impact at the holding company and €4 million positive impact in the capital markets activities.*

2b - Breakdown of the statement of financial position items by geographic region

	June 30,2012				June 30,2011(restated)			
	France	Europe, excluding France	Rest of the world*	Total	France	Europe, excluding France	Rest of the world*	Total
Net banking income**	3,223	914	78	4,215	3,346	979	148	4,473
General operating expenses	-1,960	-647	-34	-2,641	-1,861	-647	-31	-2,539
Gross operating income	1,263	267	44	1,574	1,485	332	117	1,935
Net additions to/reversals from provisions for loan losses	-295	-181	-30	-506	-320	-260	-44	-624
Net gain (loss) on disposal of other assets**	-49	-9	15	-42	20	19	15	54
Net income before tax	919	77	29	1,026	1,185	91	89	1,365
Net income	577	60	14	650	790	71	66	926
Net income attributable to the Group	472	31	14	517	647	46	62	755

* USA, Singapore, Tunisia and Morocco

** inclunding net income of associates and impairment losses on goodwill

NOTE 3 - Scope of consolidation

The changes in the consolidations scope compared to December 31,2011 are as follows:
- additions to the scope of consolidation, BECM Monaco, GEIE Synergie
- mergers, acquisitions : CMCIC Laviolette Financement with Factocic who changed of name and became CMCIC Factor, Cime et Mag with les Editions de l'Echiquier, RL Voyage with GRLC, Société d'édition des hebdomadaires et périodiques locaux with EBRA
- removals from the scope of consolidation: Société Alsacienne de Presse et d'Audiovisuelle

	June 30,2012			December 31,2011		
	% Control	% Interest	Méthod *	% Control	% Interest	Méthod *
A. Banking network						
Banque du Crédit Mutuel Ile-de-France (BCMI)	100	100	FC	100	100	FC
Banque Européenne du Crédit Mutuel (ex Banque de l'Economie du Commerce et de la Monétique)	96	96	FC	96	96	FC
CIC Banque Nord Ouest	100	93	FC	100	93	FC
CIC Est	100	93	FC	100	93	FC
CIC Iberbanco	100	100	FC	100	100	FC
CIC Lyonnaise de Banque (LB)	100	93	FC	100	93	FC
CIC Ouest	100	93	FC	100	93	FC
CIC Sud Ouest	100	93	FC	100	93	FC
Crédit Industriel et Commercial (CIC)	93	93	FC	93	93	FC
Targobank AG & Co. KgaA	100	100	FC	100	100	FC
Targobank Espagne	50	50	PC	50	50	PC
B. Banking network subsidiaries						
Banca Popolare di Milano	7	6	EM	7	6	EM
Bancas	50	50	PC			NC
Banco Popular Español	4	4	EM	5	5	EM
Banque de Tunisie	20	20	EM	20	20	EM
Banque du groupe Casino	50	50	PC	50	50	PC
Banque Européenne du Crédit Mutuel Monaco	100	96	FC			NC
Banque Marocaine du Commerce Extérieur (BMCE)	25	25	EM	25	25	EM
Cartes et crédits à la Consommation (ex C2C)	100	100	FC	100	43	FC
CM-CIC Asset Management	74	73	FC	74	73	FC
CM-CIC Bail	99	92	FC	99	92	FC
CM-CIC Epargne salariale	100	92	FC	100	92	FC
CM-CIC Factor (ex Factocic)	96	88	FC	96	88	FC
CM-CIC Gestion	100	93	FC	100	93	FC
CM-CIC Home Loan SFH	100	100	FC	100	100	FC
CM-CIC Laviolette Financement			MER	100	88	FC
CM-CIC Lease	100	96	FC	100	96	FC
CM-CIC Leasing Benelux	100	92	FC	100	92	FC
CM-CIC Leasing GmbH	100	92	FC	100	92	FC
Cofidis Argentine	66	28	FC	66	28	FC
Cofidis Belgique	100	43	FC	100	43	FC
Cofidis France	100	43	FC	100	43	FC
Cofidis Italie	100	43	FC	100	43	FC
Cofidis République Tchèque	100	43	FC	100	43	FC
Cofidis Slovaquie	100	43	FC	100	43	FC
Creatis	100	43	FC	100	43	FC
FCT CMCIC Home loans	100	100	FC	100	100	FC
Monabanq	100	43	FC	100	43	FC
Saint-Pierre SNC	100	93	FC	100	93	FC
SCI La Tréflière	46	46	EM	46	46	EM
SOFEMO - Société Fédérative Europ.de Monétique et de Financement	100	98	FC	100	98	FC
Sofim	100	93	FC	100	93	FC
Targo Dienstleistungs GmbH	100	100	FC	100	100	FC
Targo Finanzberatung GmbH	100	100	FC	100	100	FC
C. Financing and capital markets banks						
Cigogne Management	100	96	FC	100	96	FC
CM-CIC Securities	100	93	FC	100	93	FC
Diversified Debt Securities	100	95	FC	100	95	FC
Divhold	100	95	FC	100	95	FC
Ventadour Investissement	100	100	FC	100	100	FC
D. Private banking						
Agefor SA Genève	70	65	FC	70	65	FC
Alternative gestion SA Genève	45	57	EM	45	57	EM
Banque de Luxembourg	100	95	FC	100	95	FC
Banque Pasche (Liechtenstein) AG	53	49	FC	53	49	FC
Banque Pasche Monaco SAM	100	93	FC	100	93	FC
Banque Transatlantique	100	93	FC	100	93	FC
Banque Transatlantique Belgium	100	92	FC	100	92	FC
Banque Transatlantique Luxembourg	100	93	FC	90	86	FC
Banque Transatlantique Singapore	100	93	FC	100	93	FC
Calypso Management Company	70	65	FC	70	65	FC
CIC Private Banking - Banque Pasche	100	93	FC	100	93	FC
CIC Suisse	100	93	FC	100	93	FC
Dubly-Douilhet	63	58	FC	63	58	FC
LRM Advisory SA	70	65	FC	70	65	FC
Pasche Bank & Trust Ltd Nassau	100	93	FC	100	93	FC
Pasche Finance SA Fribourg	100	93	FC	100	93	FC
Pasche Fund Management Ltd	100	93	FC	100	93	FC
Pasche International Holding Ltd	100	93	FC	100	93	FC
Pasche SA Montevideo	100	93	FC	100	93	FC
Serficom Brasil Gestao de Recursos Ltda	50	46	FC	50	46	FC
Serficom Family Office Brasil Gestao de Recursos Ltda	52	48	FC	52	48	FC
Serficom Family Office Inc	100	93	FC	100	93	FC
Serficom Family Office SA	100	93	FC	100	93	FC
Serficom Investment Consulting (Shanghaï)	100	93	FC	100	93	FC
Serficom Maroc SARL	100	93	FC	100	93	FC
Transatlantique Gestion	100	93	FC	100	93	FC
Valeroso Management Ltd	100	93	FC	100	93	FC

	June 30,2012			December 31,2011		
	% Control	% Interest	Méthod *	% Control	% Interest	Méthod *
E. Private equity						
CM-CIC Capital Finance	100	93	FC	100	93	FC
CM-CIC Capital Innovation	100	92	FC	100	92	FC
CM-CIC Conseil	100	93	FC	100	93	FC
CM-CIC Investissement	100	92	FC	100	92	FC
Sudinnova	66	61	FC	66	61	FC
F. Logistics and holding company						
Adepi	100	93	FC	100	93	FC
Carmen Holding Investissement	84	84	FC	84	84	FC
CIC Migrations	100	93	FC	100	93	FC
CIC Participations	100	93	FC	100	93	FC
Cicor	100	93	FC	100	93	FC
Cicoval	100	93	FC	100	93	FC
CM Akquisitions	100	100	FC	100	100	FC
CMCP - Crédit Mutuel Cartes de Paiement	45	46	EM	45	46	EM
Cofidis Participations	51	43	FC	51	43	FC
Efsa	100	93	FC	100	93	FC
Est Bourgogne Rhone Alpes (EBRA)	100	100	FC	100	100	FC
Euro-Information	26	25	EM	26	25	EM
France Est	100	98	FC	100	98	FC
Gesteurop	100	93	FC	100	93	FC
Gestunion 2	100	93	FC	100	93	FC
Gestunion 3	100	93	FC	100	93	FC
Gestunion 4	100	93	FC	100	93	FC
Groupe Républicain Lorrain Communication (GRLC)	100	100	FC	100	100	FC
Impex Finance	100	93	FC	100	93	FC
L'Est Républicain	92	91	FC	92	91	FC
Marsovalor	100	93	FC	100	93	FC
Pargestion 2	100	93	FC	100	93	FC
Pargestion 4	100	93	FC	100	93	FC
Placinvest	100	92	FC	100	92	FC
Société Civile de Gestion des Parts dans l'Alsace (SCGPA)	50	50	FC	50	50	FC
Société Française d'Edition de Journaux et d'Imprimés Commerciaux (SFEJIC)	99	97	FC	99	97	FC
Sofiholding 2	100	93	FC	100	93	FC
Sofiholding 3	100	93	FC	100	93	FC
Sofiholding 4	100	93	FC	100	93	FC
Sofinaction	100	93	FC	100	93	FC
Targo Akademie GmbH	100	100	FC	100	100	FC
Targo Deutschland GmbH	100	100	FC	100	100	FC
Targo IT Consulting GmbH	100	100	FC	100	100	FC
Targo Management AG	100	100	FC	100	100	FC
Targo Realty Services GmbH	100	100	FC	100	100	FC
Ufigestion 2	100	93	FC	100	93	FC
Ugépar Service	100	93	FC	100	93	FC
Valimar 2	100	93	FC	100	93	FC
Valimar 4	100	93	FC	100	93	FC
VTP 1	100	93	FC	100	93	FC
VTP 5	100	93	FC	100	93	FC
G. Insurance companies						
ACM GIE	100	72	FC	100	72	FC
ACM IARD	96	69	FC	96	69	FC
ACM Nord IARD	49	35	EM	49	35	EM
ACM Services	100	72	FC	100	72	FC
ACM Vie	100	72	FC	100	72	FC
Astree	30	22	EM	30	22	EM
Atlancourtage	100	72	FC	100	72	FC
Groupe des Assurances du Crédit Mutuel (GACM)	73	72	FC	73	72	FC
ICM Life	100	72	FC	100	72	FC
Immobilière ACM	100	72	FC	100	72	FC
Partners	100	72	FC	100	72	FC
Procourtage	100	72	FC	100	72	FC
RMA Watanya	22	16	EM	22	16	EM
Royal Automobile Club de Catalogne	49	35	EM	49	35	EM
Serenis Assurances	100	72	FC	100	72	FC
Serenis Vie	100	72	FC	100	72	FC
Voy Mediacion	90	63	FC	100	63	FC

	June 30,2012			December 31,2011		
	% Control	% Interest	Méthod *	% Control	% Interest	Méthod *
H. Other companies						
A. TELE	69	49	FC	69	49	FC
Affiches D'Alsace Lorraine	100	89	FC	100	89	FC
Agence Générale d'informations régionales	100	98	FC	100	97	FC
Alsace Média Participation	100	89	FC	100	89	FC
Alsacienne de Portage des DNA	100	89	FC	100	89	FC
ALSATIC	80	71	FC	80	71	FC
Cime & Mag			MER	100	97	FC
CM-CIC Immobilier	100	100	FC	100	100	FC
Distripub	100	97	FC	100	97	FC
Documents AP	100	100	FC	100	100	FC
Est Bourgogne Médias	100	100	FC	100	100	FC
Est Imprimerie	100	97	FC	100	97	FC
Europe Régie	66	64	FC	66	64	FC
Foncière Massena	100	72	FC	78	56	FC
France Régie	100	89	FC	100	89	FC
GEIE Synergie	100	43	FC			NC
Groupe Progrès	100	100	FC	100	100	FC
Groupe Républicain Lorrain Imprimeries - GRLI	100	100	FC	100	100	FC
Immocity	100	100	FC	100	100	FC
Imprimerie Michel	100	100	FC	100	100	FC
Interprint	100	100	FC	100	100	FC
Jean Bozzi Communication	100	100	FC	100	100	FC
Journal de la Haute Marne	50	46	EM	50	46	EM
La Liberté de L'est	100	88	FC	96	92	FC
La Tribune	100	100	FC	100	100	FC
L'Alsace	100	97	FC	100	97	FC
L'Alsace Magazines Edition - L'ame	100	97	FC	100	97	FC
Le Dauphiné Libéré	100	100	FC	100	100	FC
Le Républicain Lorrain	100	100	FC	100	100	FC
Les Dernières Nouvelles d'Alsace	100	89	FC	100	89	FC
Les Dernières Nouvelles de Colmar	100	89	FC	100	89	FC
Les Editions de l'Echiquier	100	97	FC	100	97	FC
Lumedia	50	50	PC	50	50	PC
Massena Property	100	72	FC	100	72	FC
Massimob	100	69	FC	100	69	FC
Mediaportage	100	97	FC	100	97	FC
Presse Diffusion	100	100	FC	100	100	FC
Promopresse	100	100	FC	100	100	FC
Publicité Moderne	100	91	FC	100	91	FC
Publiprint Dauphiné	100	100	FC	100	100	FC
Publiprint province n°1	100	100	FC	100	100	FC
Républicain Lorrain Communication	100	100	FC	100	100	FC
Républicain Lorrain Tv News	100	100	FC	100	100	FC
Républicain Lorrain Voyages			MER	100	100	FC
Roto Offset	100	97	FC	100	97	FC
SCI Acm (ex SCI ADS)	83	60	FC	100	71	FC
SCI Alsace	90	87	FC	90	87	FC
SCI Ecriture	100	97	FC	100	97	FC
SCI Gutenberg	100	100	FC	100	100	FC
SCI Le Progrès Confluence	100	100	FC	100	100	FC
SCI Roseau d'Or	100	97	FC	100	97	FC
SDV Plurimédia	20	18	EM	20	19	EM
Société Alsacienne de Presse et d'Audiovisuelle			NC	60	53	FC
Société de Presse Investissement	100	91	FC	100	91	FC
Société d'Edition de l'Hebdomadaire du Louhannais et du Jura	100	100	FC	100	100	FC
Société d'Edition des hebdomadaires & périodiques locaux			MER	100	100	FC
Sofiliest	100	91	FC	100	96	FC
Top Est 88	100	91	FC	100	46	FC

* Method:
FC = full consolidation
PC = proportionate consolidation
EM = equity method
NC = not consolidated
MER = merged.

NOTE 4 - Cash, central banks

4.a - Loans and receivables due from credit institutions

	June 30,2012	December 31,2011
Cash and amounts due from central banks		
Due from central banks	3,693	4,920
including reserve requirements	1,224	1,364
Cash	519	510
Total	**4,212**	**5,430**
Loans and receivables due from credit institutions		
Crédit Mutuel network accounts (1)	3,646	3,114
Other current accounts	2,077	1,974
Loans	52,931	54,280
Other receivables	676	532
Securities not listed in an active market	2,773	3,672
Repurchase agreements	2,510	1,141
Individually impaired receivables	1,062	1,099
Accrued interest	472	553
Impairment provisions	-316	-310
Total	**65,830**	**66,055**

(1) mainly outstanding repayments - CDC (Caisse des Dépôts et Consignations) relating to LEP, LDD and Livret bleu passbook savings accounts)

4b - Amounts due to credit institutions

	June 30,2012	December 31,2011
Due to central banks	360	282
Due to credit institutions		
Other current accounts	10,225	16,400
Borrowings	26,839	27,463
Other	522	2,597
Repurchase agreements	2,853	2,573
Accrued interest	113	81
Total	**40,912**	**49,397**

NOTE 5 - Financial assets and liabilities at fair value through profit or loss

5a - Financial assets at fair value through profit or loss

	June 30,2012			December 31,2011		
	Transaction	Fair value option	Total	Transaction	Fair value option	Total
.Securities	17,189	15,003	32,192	13,860	13,381	27,241
- Government securities	986	1	987	1,409	24	1,433
- Bonds and other fixed-income securities	14,947	3,262	18,209	11,977	2,875	14,852
. Listed	*14,947*	*2,570*	*17,517*	*11,977*	*2,786*	*14,763*
. Unlisted	*0*	*692*	*692*	*0*	*88*	*88*
- Equities and other variable-income securities	1,256	11,740	12,996	473	10,483	10,956
. Listed	*1,256*	*9,990*	*11,246*	*473*	*8,774*	*9,247*
. Unlisted	*0*	*1,750*	*1,750*	*0*	*1,709*	*1,709*
. Trading derivative instruments	2,341	0	2,341	2,534	0	2,534
. Other financial assets		8,437	8,437		7,100	7,100
including resale agreements		*8,435*	*8,435*		*7,096*	*7,096*
TOTAL	**19,530**	**23,440**	**42,969**	**16,394**	**20,481**	**36,875**

5b - Financial liabilities at fair value through profit or loss

	June 30,2012	December 31,2011
Financial liabilities held for trading	6,757	6,676
Financial liabilities at fair value by option through profit or loss	23,400	24,252
TOTAL	**30,157**	**30,928**

Own credit risk is insignificant

Financial liabilities held for trading

	June 30,2012	December 31,2011
. Short selling of securities	1,015	1,087
- Government securities	1	0
- Bonds and other fixed-income securities	434	641
- Equities and other variable-income securities	581	447
. Trading derivative instruments	4,776	4,786
. Other financial liabilities held for trading	966	802
TOTAL	**6,757**	**6,676**

Financial liabilities designated under the fair value option through profit or loss

	June 30,2012			December 31,2011		
	Carrying amount	Maturity amount	Variance	Carrying amount	Maturity amount	Variance
. Securities issued	126	126	0	60	60	0
. Interbank liabilities	22,980	22,976	4	23,577	23,564	13
. Due to customers	294	294	0	615	615	0
Total	**23,400**	**23,396**	**4**	**24,252**	**24,239**	**13**

5c - Fair value hierarchy

	Level 1	Level 2	Level 3	Total
Financial assets				
Available-for-sale (AFS)	61,005	964	1,466	63,435
- Government and similar securities - AFS	14,355	96	0	14,451
- Bonds and other fixed-income securities - AFS	41,318	836	495	42,649
- Equities and other variable-income securities - AFS	4,457	0	138	4,595
- Investments in non-consolidated companies and other LT investments - AFS	867	9	565	1,441
- Investments in associates - AFS	8	23	268	299
Held for trading / Fair value option (FVO)	22,168	17,054	3,389	42,970
- Government and similar securities - Held for trading	691	295	0	986
- Government and similar securities - FVO	1	0	0	1
- Bonds and other fixed-income securities - Held for trading	8,922	5,038	987	14,947
- Bonds and other fixed-income securities - FVO	2,091	1,169	2	3,262
- Equities and other variable-income securities - Held for trading	1,242	0	14	1,256
- Equities and other variable-income securities - FVO	9,206	359	2,175	11,740
- Loans and receivables due from credit institutions - FVO	0	4,475	0	4,475
- Loans and receivables due from customers - FVO	0	3,962	0	3,962
- Derivative instruments and other financial assets - Held for trading	14	2,115	212	2,341
Hedging derivative instruments	0	1,199	0	1,199
Total	**83,172**	**19,577**	**4,856**	**107,604**
	Level 1	Level 2	Level 3	Total
Financial liabilities				
Held for trading / Fair value option (FVO)	1,987	28,045	125	30,157
- Due to credit institutions - FVO	0	22,980	0	22,980
- Due to customers - FVO	0	294	0	294
- Debt securities - FVO	0	126	0	126
- Subordinated debt - FVO	0	0	0	0
- Derivative instruments and other financial liabilities - Held for trading	1,987	4,645	125	6,757
Hedging derivative instruments	0	2,657	-57	2,600
Total	**1,987**	**30,702**	**68**	**32,757**

There are three levels of fair value of financial instruments, in accordance with what has been defined by IFRS 7:
- Level 1 instruments: valued using stock market prices. In the case of capital markets activities, these include debt securities with prices quoted by at least four contributors and derivative instruments quoted on a regulated market.
- Level 2 instruments: measured using valuation techniques based primarily on observable inputs. In the case of capital markets activities, these comprise debt securities with prices quoted by two to three contributors and derivative instruments traded over the counter, which are not included in Level 3.
- Level 3 instruments: measured using valuation techniques based primarily on unobservable inputs. These involve unquoted equities, and, in the case of capital markets activities, debt securities quoted by a single contributor and derivative instruments valued using primarily unobservable parameters.

NOTE 6 - Hedging

6a - Hedging derivative instruments

	June 30,2012		December 31,2011	
	Assets	Liabilities	Assets	Liabilities
. Cash flow hedges	7	51	5	44
. Fair value hedges (change in value recognized through profit or loss)	1,192	2,549	1,094	2,930
TOTAL	**1,199**	**2,600**	**1,099**	**2,974**

Fair value hedging is a hedge against changes in the fair value of a financial instrument attributable to a specific risk.

Changes in fair value hedging as well as the part attributable to the hedged risk, are recognised in the income statement.

6b - Remeasurement adjustment on interest-rate risk hedged investments

	Fair Value June 30,2012	Fair value December 31,2011	Change in fair value
Fair value of interest-rate risk by investment category			
. financial assets	800	738	62
. financial liabilities	-1,889	-1,664	-225

6c - Analysis of derivative instruments

	June 30,2012			December 31,2011		
	Notional	Assets	Liabilities	Notional	Assets	Liabilities
Trading derivative instruments						
Interest-rate derivative instruments						
Swaps	386,152	1,643	4,057	365,377	1,540	3,987
Other forward contracts	6,540	5	0	8,394	4	1
Options and conditional transactions	26,385	120	203	32,490	116	121
Foreign exchange derivative instruments						
Swaps	82,653	21	79	84,374	41	77
Other forward contracts	13,463	113	90	17,422	172	116
Options and conditional transactions	22,827	111	112	17,493	195	195
Derivative instruments other than interest-rate and foreign exchange						
Swaps	13,256	251	159	16,567	372	242
Other forward contracts	2,145	0	0	1,951	0	0
Options and conditional transactions	1,626	76	76	788	95	48
Sub-total	**555,047**	**2,341**	**4,776**	**544,856**	**2,534**	**4,786**
Hedging derivative instruments						
Fair value hedges						
Swaps	81,942	1,192	2,549	83,927	1,094	2,930
Options and conditional transactions	1	0	0	1	0	0
Cash flow hedges						
Swaps	162	7	47	157	4	39
Other forward contracts	0	0	3	0	0	4
Options and conditional transactions	0	0	0	0	1	0
Sub-total	**82,104**	**1,199**	**2,600**	**84,085**	**1,099**	**2,974**
Total	**637,152**	**3,539**	**7,376**	**628,941**	**3,634**	**7,760**

Note 7 - Available-for-sale financial assets

7a - Available-for-sale financial assets

	June 30,2012	December 31,2011
. Government securities	14,266	15,144
. Bonds and other fixed-income securities	42,566	42,478
- Listed	41,871	41,746
- Unlisted	695	732
. Equities and other variable-income securities	4,607	4,190
- Listed	4,466	4,087
- Unlisted	142	104
. Long-term investments	1,722	1,988
- Investments in non-consolidated companies	1,203	1,463
- Other long-term investments	234	242
- Investments in associates	281	280
- Securities lent	4	3
. Accrued interest	273	326
TOTAL	**63,435**	**64,126**
Including unrealized gains (losses) on bonds, other fixed-income securities and government securities recognized directly in equity	-831	-1,329
Including unrealized gains (losses) on equities, other variable-income securities and long-term investments recognized directly in equity	486	296
Including impairment of bonds and other fixed-income securities	-95	-684
Including impairment of equities and other variable-income securities and long-term investments	-2,054	-1,996

7b - Exposure to sovereign risks

The securities issued by the Greek government were contributed to the Private Sector Involvement (PSI) plan exchange offer. The securities received as consideration were sold in the market. As of June 30, 2012, the Group has no more exposure to Greek sovereign debt. This transaction resulted in a €30 million loss recognized under net provision allocations for loan losses.

The Irish and Portuguese governments received financial support under a plan implemented by the European Union and the International Monetary Fund, since their budget deterioration and the markets' lack of confidence prevented them from raising the funds needed to finance themselves. Currently, the projected recovery of the debt of these two States does not appear to be in doubt and therefore does not require an impairment charge.

Countries benefiting from a support plan

	June 30, 2012		December 31,2011	
Net exposure * **	**Portugal**	**Ireland**	**Portugal**	**Ireland**
Financial assets at fair value through profit or loss	48		50	
Available-for-sale financial assets	80	102	104	99
Held-to-maturity financial assets				
TOTAL	**128**	**102**	**154**	**99**

Other sovereign risk in the banking portfolio

	June 30, 2012		December 31,2011	
Net exposure **	**Spain**	**Italy**	**Spain**	**Italy**
Financial assets at fair value through profit or loss	108	69	131	99
Available-for-sale financial assets	106	4,607	130	4,396
Held-to-maturity financial assets				
TOTAL	**214**	**4,676**	**261**	**4,495**

* Net exposure amounts are shown net of any insurance policyholder profit-sharing portion.

** Capital market activities in market value, others business lines in nominal value. Oustanding are presented net of CDS.

NOTE 8 - Customers

Loans and receivables due from customers

	June 30,2012	December 31,2011
Performing loans	154,554	154,058
. Commercial loans	4,956	5,081
. Other customer loans	148,967	148,263
- Home loans	63,396	63,311
- Other loans and receivables, including resale agreements	85,571	84,952
. Accrued interest	345	343
. Securities not listed in an active market	286	371
Insurance and reinsurance receivables	193	169
Individually impaired receivables	8,936	9,101
Gross receivables	**163,683**	**163,327**
Individual impairment	-5,758	-5,906
Collective impairment	-485	-437
Sub-total I	**157,440**	**156,985**
Finance leases (net investment)	8,699	8,515
. Furniture and movable equipment	5,406	5,315
. Real estate	3,118	3,019
. Individually impaired receivables	176	181
Provisions for impairment	-137	-142
Sub-total II	**8,562**	**8,373**
TOTAL	**166,003**	**165,358**
of which non-voting loan stock	10	9
of which subordinated notes	12	12

Finance leases with customers

	December 31,2011	Acquisition	Sale	Other	June 30,2012
Gross carrying amount	8,515	772	-543	-44	8,699
Impairment of irrecoverable rent	-142	-16	21	0	-137
Net carrying amount	8,373	756	-522	-45	8,562

8b - Amounts due to customers

	June 30,2012	December 31,2011
. Regulated savings accounts	37,458	35,183
- demand	28,654	26,217
- term	8,804	8,967
. Accrued interest on savings accounts	413	5
Sub-total	**37,871**	**35,188**
. Demand deposits	42,795	44,367
. Term accounts and loans	46,426	45,921
. Repurchase agreements	276	151
. Accrued interest	442	438
. Insurance and reinsurance payables	171	81
Sub-total	**90,110**	**90,958**
TOTAL	**127,982**	**126,146**

NOTE 9 - Held-to-maturity financial assets

	June 30,2012	December 31,2011
. Securities	11,416	14,442
- Government securities	0	84
- Bonds and other fixed-income securities	11,416	14,357
. Listed	11,351	9,436
. Unlisted	65	4,921
. Accrued interest	15	13
GROSS TOTAL	**11,431**	**14,454**
of which impaired assets	*25*	*109*
Provisions for impairment	-13	-78
NET TOTAL	**11,418**	**14,377**

NOTE 10 - Movements in provisions for impairment

	December 31,2011	Additions	Reversals	Other	June 30,2012
Loans and receivables due from credit institutions	-310	-21	23	-8	-316
Loans and receivables due from customers	-6,485	-621	734	-8	-6,380
Available-for-sale securities	-2,680	-116	629	18	-2,149
Held-to-maturity securities	-78	0	65	0	-13
Total	**-9,553**	**-757**	**1,451**	**2**	**-8,858**

NOTE 11 - Exposures affected by the financial crisis

The exposures affected by the financial crisis are presented below.

The portfolios are carried at market value established on the basis of external inputs obtained from regulated markets, major brokers or, where no price was available, on the basis of comparable listed securities.

Summary	Carrying amount June 30, 2012	Carrying amount Dec. 31, 2011
RMBS	2,855	3,985
CMBS	369	366
CLO	1,107	1,543
Other ABS	616	897
CLO covered by CDS	701	721
Other ABS covered by CDS	26	28
Liquidity facilities	321	351
TOTAL	5,994	7,890

Unless otherwise stated, securities are not covered by CDS.

Exposures at June 30,2012	**RMBS**	**CMBS**	**CLO**	**Other ABS**	**Total**
Trading	958	298		387	1,643
AFS	668	72	185	88	1,012
Loans	1,228		922	141	2,291
TOTAL	**2,855**	**369**	**1,107**	**616**	**4,947**
France	3	2		366	371
Spain	112		5	102	220
United Kingdom	436	17		51	504
Europe excluding France, Spain and United Kingdom	792	65	686	71	1,615
USA	1,395	278	415	26	2,115
Rest of the world	116	6			123
TOTAL	**2,855**	**369**	**1,107**	**616**	**4,947**
US agencies	491				491
AAA	614	269	295	318	1,496
AA	513	17	717	145	1,393
A	125	79	62	88	354
BBB	72		14	15	101
BB	156		18	21	195
B or below	884	4		30	918
Not rated					0
TOTAL	**2,855**	**369**	**1,107**	**616**	**4,947**
Origination 2005 and before	560	130	3	43	735
Origination 2006	655	94	359	59	1,168
Origination 2007	931	140	414	76	1,561
Origination after 2008	707	6	331	438	1,483
TOTAL	**2,855**	**369**	**1,107**	**616**	**4,947**

Exposures at December 31,2011	RMBS	CMBS	CLO	Other ABS	Total
Trading	1,173	353	26	366	1,918
AFS	966	13	192	227	1,399
Loans	1,845	0	1325	304	3,474
TOTAL	**3,985**	**366**	**1,543**	**897**	**6,791**
France	14	2	0	354	369
Spain	305	0	20	206	531
United Kingdom	413	30	0	52	496
Europe excluding France, Spain and United Kingdom	1,306	0	694	144	2,144
USA	1,795	320	828	121	3,064
Rest of the world	151	13	0	21	186
TOTAL	**3,985**	**366**	**1,543**	**897**	**6,791**
US agencies	521	0	0	0	521
AAA	1,560	303	716	421	3,001
AA	187	30	737	107	1,062
A	242	23	51	98	413
BBB	145	2	26	121	294
BB	119	0	12	20	151
B or below	1211	8	0	131	1,350
Not rated	0	0	0	0	0
TOTAL	**3,985**	**366**	**1,543**	**897**	**6,791**
Origination 2005 and before	943	28	39	207	1,217
Origination 2006	1153	119	595	112	1,979
Origination 2007	1125	174	550	183	2,032
Origination after 2008	764	45	358	396	1,563
TOTAL	**3,985**	**366**	**1,543**	**897**	**6,791**

NOTE 12 - Corporate income tax

12a - Current income tax

	June 30,2012	Dec. 31, 2011
Asset (by income)	544	907
Liability (by income)	434	387

12b - Deferred income tax

	June 30,2012	Dec. 31, 2011
Asset (by income)	673	673
Asset (by shareholders' equity)	618	805
Liability (by income)	577	586
Liability (by shareholders' equity)	271	185

NOTE 13 - Accruals and other assets and liabilities

13a - accruals and other assets

	June 30,2012	Dec. 31, 2011
Accruals - assets		
Collection accounts	281	317
Currency adjustment accounts	271	334
Accrued income	411	438
Other accruals	1,569	1,468
Sub-total	**2,532**	**2,557**
Other assets		
Securities settlement accounts	144	110
Guarantee deposits paid	8,562	7,645
Miscellaneous receivables	5,444	5,209
Inventories	14	14
Other	2	-2
Sub-total	**14,167**	**12,978**
Other insurance assets		
Technical provisions - reinsurers' share	254	255
Other	89	81
Sub-total	**343**	**335**
Total	**17,041**	**15,870**

13b - Accruals and other liabilities

	June 30,2012	Dec. 31, 2011
Accrual accounts - liabilities		
Accounts unavailable due to collection procedures	524	452
Currency adjustment accounts	190	349
Accrued expenses	628	551
Deferred income	673	670
Other accruals	5,846	1,743
Sub-total	**7,861**	**3,764**
Other liabilities		
Securities settlement accounts	117	83
Outstanding amounts payable on securities	105	53
Other payables	4,053	3,546
Sub-total	**4,275**	**3,682**
Other insurance liabilities		
Deposits and guarantees received	157	150
Sub-total	**157**	**150**
Total	**12,294**	**7,596**

Note 14 - Equity-accounted investments

Equity value and share of net income (loss)

			June 30,2012			Dec. 31, 2011		
			Percent interest	Investment value	Share of net income (loss)	Percent interest	Investment value	Share of net income (loss)
ACM Nord	Unlisted	Unlisted	49.00%	17	1	49.00%	19	3
ASTREE Assurance	Listed	Listed	30.00%	18	1	30.00%	18	-1
Banca Popolare di Milano (1)	Listed	Listed	6.87%	156	-22	6.87%	191	-31
Banco Popular Español (see note 1b)	Listed	Listed	4.49%	377	-60	5.03%	388	16
Banque de Tunisie	Listed	Listed	20.00%	50	3	20.00%	52	6
Banque Marocaine du Commerce Extérieur	Listed	Listed	24.64%	842	12	24.64%	831	21
CMCP	Unlisted	Unlisted		5	0		5	0
Euro Information	Unlisted	Unlisted	26.36%	212	10	26.36%	206	13
RMA Watanya	Unlisted	Unlisted	22.02%	285	0	22.02%	298	16
Royal Automobile Club de Catalogne	Unlisted	Unlisted	48.99%	62	2	48.99%	62	-13
SCI Treflière	Unlisted	Unlisted	46.09%	11	1	46.09%	11	1
Autres participations	Unlisted	Unlisted		3	0		3	0
TOTAL				**2,038**	**-53**		**2,085**	**31**

(1) During the period under review, the Group recognized as income its share of BPM's net income. BPM recorded a substantial net loss in the fourth quarter of 2011 and this loss was announced following the close of the 2011 financial statements such that it is recognized in the first-half 2012 income statement.

NOTE 15 - Investment Property

	Dec. 31, 2011	Additions	Disposals	Other movements	June 30,2012
Historical cost	1,050	148	-9	4	1,193
Accumulated depreciation and impairment losses	-181	-23	1	12	-190
Net amount	**869**	**126**	**-8**	**16**	**1,002**

NOTE 16 - Non-current assets

16a - Property, plant and equipment

	Dec. 31, 2011	Additions	Disposals	Other movements	June 30,2012
Historical cost					
Land used in operations	382	1	-4	0	379
Buildings used in operations	2,680	41	-17	2	2,706
Other property and equipment	1,250	30	-26	1	1,255
Total	**4,313**	**72**	**-47**	**3**	**4,340**
Accumulated depreciation and impairment losses					
Land used in operations	-3	0	0	0	-3
Buildings used in operations	-1,430	-62	12	30	-1,449
Other property and equipment	-909	-33	10	-32	-964
Total	**-2,342**	**-95**	**23**	**-2**	**-2,416**
Net amount	**1,971**	**-23**	**-25**	**1**	**1,924**

16 b - Intangible assets

	Dec. 31, 2011	Additions	Disposals	Other movements	June 30,2012
Historical cost					
. Internally developed intangible assets	15	0	-1	0	15
. Purchased intangible assets	1,325	13	-11	-1	1,326
- software	476	4	-8	0	471
- other	849	10	-3	-1	855
Total	**1,341**	**13**	**-12**	**-1**	**1,341**
Accumulated depreciation and impairment losses					
. Purchased intangible assets	-439	-61	10	-2	-492
- software	-248	-32	9	1	-271
- other	-190	-29	1	-3	-222
Total	**-439**	**-61**	**10**	**-2**	**-492**
Net amount	**902**	**-48**	**-2**	**-3**	**849**

NOTE 17 - Goodwill

	Dec. 31, 2011	Additions	Disposals	Other movements	June 30,2012
Goodwill, gross	4,385	56		0	4,441
Accumulated impairment losses	-182	0	0	0	-182
Goodwill, net	**4,203**	**56**	**0**	**0**	**4,260**

Subsidiaries	Goodwill at December 31,2011	Additions	Disposals	Impairment charges/reversals	Other movements	Goodwill at June 30,2012
Targobank Allemagne	2763					2,763
Crédit Industriel et Commercial (CIC)	506					506
Cofidis Participations	378					378
Targobank Espagne (ex Banco Popular Hipotecario)	183					183
CIC Private Banking - Banque Pasche	53				1	54
Banque Casino (a)	27					27
Foncière Massena		56				56
CM-CIC Investissement	21					21
Monabanq	17					17
CIC Iberbanco	15					15
Banque de Luxembourg	13					13
Banque Transatlantique	6					6
Transatlantique Gestion	5					5
Autres (b)	216					216
TOTAL	**4,204**	**56**	**0**	**0**	**1**	**4,260**

Goodwill is reviewed at the end of the financial period to identify any permanent impairment. Depending on the particular situation, this review consists of:
- verifying that the price used for the most recent transaction is above the carrying amount, or
- verifying that the valuation assumptions at the acquisition date are still valid.

NOTE 18 - Debt securities

	June 30,2012	Dec. 31, 2011
Retail certificates of deposit	183	101
Interbank instruments and money market securities	45,050	46,584
Bonds	42,887	38,871
Accrued interest	1,025	1,117
TOTAL	**89,144**	**86,673**

NOTE 19 - Insurance companies' technical provisions

	June 30,2012	Dec. 31, 2011
Life	49,888	47,709
Non-life	2,139	2,083
Unit of account	5,888	5,916
Other	239	199
TOTAL	**58,154**	**55,907**
Of which deferred profit-sharing - liability	**2,150**	**1,424**
Reinsurers’ share of technical reserves	**254**	**255**
TOTAL - Net technical provisions	**57,900**	**55,652**

NOTE 20 - Provisions

	Dec. 31, 2011	Additions	Reversals - provisions used	Reversals - provisions not used	Other movements	June 30,2012
Provisions for risks	**354**	**34**	**-22**	**-35**	**-4**	**327**
Signature commitments	126	21	-2	-29	0	116
Financing and guarantee commitments	0	0	0	0	0	0
On country risks	18	0	0	0	0	18
Provision for taxes	65	6	-16	0	-1	54
Provisions for claims and litigation	123	3	-2	-4	-3	117
Provision for risks on miscellaneous receivables	22	4	-2	-2	0	22
Other provisions	**635**	**25**	**-4**	**-34**	**1**	**622**
Provisions for home savings accounts and plans	43	0	0	-8	0	35
Provisions for miscellaneous contingencies	314	24	-5	-5	0	328
Other provisions	278	1	1	-21	1	259
Provisions for retirement benefits(1)	**376**	**50**	**-4**	**0**	**-5**	**417**
Retirement benefits - defined benefit and equivalent, excluding pension funds						
Retirement bonuses(*)	261	45	-1	0	-5	299
Supplementary retirement benefits	68	5	-3	0	-1	69
Long service awards (other long-term benefits)	36	0	0	0	0	37
Sub-total to statement of financial position	365	50	-4	0	-6	405
Supplementary retirement benefit - defined benefit, provided by Group's pension funds						
Provision for pension fund shortfalls(*)	11	0	0	0	0	11
Fair value of plan assets						
Sub-total to statement of financial position	11	0	0	0	0	11
Total	**1,365**	**109**	**-30**	**-69**	**-9**	**1,366**

* A total charge of €32 million was recognized during the year for termination benefits following the updating of the discount rate (IBOXX).

NOTE 21 - SUBORDINATED DEBT

	June 30,2012	Dec. 31, 2011
Subordinated notes	4,873	5,005
Non-voting loan stock	34	39
Perpetual subordinated notes	2,863	2,863
Other debt	3	19
Accrued interest	238	99
TOTAL	**8,010**	**8,025**

Main subordinated debt issues

(in € millions)	Type	Issue date	Amount issued	Amount at year end(1)	Rate	Maturity
Banque Fédérative du Crédit Mutuel	Subordinated note	July 19, 2001	€700m	€651m	6.50	July 19, 2013
Banque Fédérative du Crédit Mutuel	Subordinated note	Sept. 30, 2003	€800m	€791m	5.00	Sep. 30, 2015
Banque Fédérative du Crédit Mutuel	Subordinated note	Dec. 18, 2007	€300m	€300m	5.10	Dec. 18, 2015
Banque Fédérative du Crédit Mutuel	Subordinated note	June 16, 2008	€300m	€300m	5.50	June 16, 2016
Banque Fédérative du Crédit Mutuel	Subordinated note	Dec. 16,2008	€500m	€500m	6.10	Dec. 16, 2016
Banque Fédérative du Crédit Mutuel	Subordinated note	Dec. 6, 2011	€1000m	€1000m	5.30	Dec. 6, 2018
Banque Fédérative du Crédit Mutuel	Subordinated note	Oct. 22, 2010	€1000m	€926m	4.00	Oct. 22, 2020
CIC	Non-voting loan stock	May, 28, 1985	€137m	€18m	(2)	(3)
CIC	Perpetual subordinated note	June 6, 2006	€200m	€200m	(4)	Perpetual
CIC	Perpetual subordinated note	June 6, 2006	€550m	€550m	(5)	Perpetual
Banque Fédérative du Crédit Mutuel	Loan	Dec. 28, 2005	€500m	€500m	(6)	Perpetual
Banque Fédérative du Crédit Mutuel	Deeply subordinated note	Dec. 15, 2004	€750m	€749m	(7)	Perpetual
Banque Fédérative du Crédit Mutuel	Deeply subordinated note	Feb. 25, 2005	€250m	€250m	(8)	Perpetual
Banque Fédérative du Crédit Mutuel	Deeply subordinated note	April 28, 2005	€404m	€393m	(9)	Perpetual
Banque Fédérative du Crédit Mutuel	Deeply subordinated note	Oct. 17, 2008	€147m	€147m	(10)	Perpetual

(1) Amounts net of intra-Group balances
(2) Minimum 85% (TAM+TMO)/2 Maximum 130% (TAM+TMO)/2
(3) Non amortizable, but redeemable at borrower's discretion with effect from May 28,1997 at 130% of par revalued by 1.5% annually for subsequent years
(4) 6-month Euribor + 167 basis points
(5) 6-month Euribor + 107 basis points for the first 10 years and + 207 basis points for subsequent years, unless redeemed
(6) 1-year Euribor + 0.3 basis points
(7) 10-year CMS ISDA CIC + 10 basis points
(8) 10-year CMS ISDA + 10 basis points
(9) Fixed-rate 4.471 until October 10, 2015 and thereafter 3-month Euribor + 185 basis points
(10) 3-month Euribor + 665 basis points

NOTE 22 - Shareholders' equity

22a - Shareholders' equity - Group share (excluding unrealized or deferred gains or losses)

	June 30,2012	Dec. 31, 2011
Capital stock and additional paid-in capital and reserves	2,063	2,061
- Capital	1,327	1,325
- Premium relating to issue, transfer, merger, split, conversion	736	736
. Consolidated reserves	9,659	8,907
- Regulated reserves	7	7
- Translation reserve	0	20
- Other reserves (including effects related to first application of standards)	9,655	8,882
- Retained earnings	-3	-3
. Net income	517	832
TOTAL	**12,239**	**11,799**

22b - Unrealized or deferred gains and losses

	June 30,2012	Dec. 31, 2011
Unrealized or deferred gains and losses* relating to:		
Available-for-sale financial assets		
- equities	506	296
- bonds	-831	-1,329
. Cash flow hedges	-110	-105
. Translation adjustments	-20	
. Share of unrealised or deferred gains/losses of companies accounted for by the equity method	-39	58
TOTAL	**-494**	**-1,080**
Attributable to the Group	-534	-1,036
Non-controlling interests	40	-44

** Net of tax*

22c - Recycling of gains and losses recognized directly in equity

	Movements 2012	Movements 2011
Translation adjustments		
Reclassification in income	0	0
Other movements	-20	-5
Sub-total	***-20***	***-5***
Remeasurement of available-for-sale financial assets		
Reclassification in income	-225	216
Other movements	934	-946
Sub-total	***709***	***-730***
Remeasurement of hedging derivative instruments		
Reclassification in income	0	0
Other movements	-5	-16
Sub-total	***-5***	***-16***
Share of unrealized or deferred gains and losses of associates	-97	-13
TOTAL	**587**	**-764**

22d - Tax on components of gains and losses recognized directly in equity

	Movements 2012			Movements 2011		
	Gross amount	Tax	Net amount	Gross amount	Tax	Net amount
Translation adjustments	-20	0	-20	-5	0	-5
Remeasurement of available-for-sale financial assets	534	174	709	-1,092	361	-730
Remeasurement of hedging derivative instruments	-8	3	-5	-19	2	-16
Share of unrealized or deferred gains and losses of associates	-97	0	-97	-13	0	-13
Total gains and losses recognized directly in shareholders' equity	**410**	**177**	**587**	**-1128**	**364**	**-764**

NOTE 23 - Commitments given and received

Commitments given	June 30,2012	Dec. 31, 2011
Financing commitments		
To credit institutions	3,914	1,622
To customers	39,048	40,578
Guarantee commitments		
To credit institutions	2,139	2,257
To customers	12,160	13,188
Commitments on securities		
Other commitments given	965	429
Commitments given by Insurance business line	265	285

Commitments received	June 30,2012	Dec. 31, 2011
Financing commitments		
From credit institutions	23,952	20,665
Guarantee commitments		
From credit institutions	27,564	28,589
From customers	5,455	5,669
Commitments received on securities		
Other commitments received	885	20
Commitments received by Insurance business line	7,068	6,735

Assets pledged as collateral for liabilities	June 30,2012	Dec. 31, 2011
Loaned securities	4	5
Security deposits on market transactions	8,562	7,645
Securities sold under repurchase agreements	25,703	26,645
Total	**34,269**	**34,295**

NOTE 24 - Interest income, interest expense and equivalent

	1st Half 2012		1st Half 2011	
	Income	Expense	Income	Expense
. Credit institutions and central banks	851	-1,014	900	-668
. Customers	4,818	-2,463	4,819	-2,103
- of which finance leases and operating leases	1,340	-1,175	1,347	-1,190
. Hedging derivative instruments	1,147	-1,312	992	-1,134
. Available-for-sale financial assets	336		358	
. Held-to-maturity financial assets	223		95	
. Debt securities		-1,105		-997
. Subordinated debt		-56		-88
TOTAL	**7,376**	**-5,950**	**7,163**	**-4,991**

NOTE 25 - Fees and commissions

	1st Half 2012		1st Half 2011	
	Income	Expense	Income	Expense
Credit institutions	2	-1	2	-2
Customers	426	-5	453	-6
Securities	326	-35	380	-45
Of which funds managed for third parties	*230*		*251*	
Derivative instruments	2	-2	2	-4
Foreign Exchange	7	-1	8	-1
Financing and guarantee commitments	13	-4	14	-4
Services provided	576	-320	616	-358
TOTAL	**1,353**	**-369**	**1,476**	**-421**

NOTE 26 - Net gain (loss) on financial instruments at fair value through profit or loss

	1st Half 2012	1st Half 2011
Trading derivative instruments	693	233
Instruments designated under the fair value option(1)	115	47
Ineffective portion of hedging instruments	-29	-38
. Cash flow hedges	0	0
. Fair value hedges	-29	-38
. Change in fair value of hedged items	-388	-7
. Change in fair value of hedging items	359	-30
Foreign exchange gains (losses)	16	20
Total changes in fair value	**795**	**262**

(1) of which €67 millions relating to the private equity business line

Of the inefficiency in the first half of 2012, €58 million resulted from a change in the yield curve used during the first half, with the OIS yield curve used instead of the Euribor yield curve, to discount swaps collateralized by cash.

NOTE 27 - Net gain (loss) on available-for-sale financial assets

	1st Half 2012			
	Dividends	Realized gains (losses)	Impairment losses	Total
. Government securities, bonds and other fixed-income securities		5	0	5
. Equities and other variable-income securities	6	-5	19	21
. Long-term investments	39	39	19	97
. Other	0	-1	0	-1
Total	**45**	**38**	**39**	**122**

	1st Half 2011			
	Dividends	Realized gains (losses)	Impairment losses	Total
. Government securities, bonds and other fixed-income securities		-23	6	-17
. Equities and other variable-income securities	0	18	-1	17
. Long-term investments	59	9	1	69
. Other	0	2	0	2
TOTAL	**59**	**6**	**5**	**70**

NOTE 28 - Other income and expense

	1st Half 2012	1st Half 2011
Income from other activities		
. Insurance contracts	4,781	5,080
. Investment property	0	0
- gains on disposals	0	0
. Other income	432	401
Sub-total	**5,224**	**5,491**
Expenses on other activities		
. Insurance contracts	-4,058	-4,319
. Investment property	-11	-8
- net movements in depreciation, amortization and impairment (based on the accounting method selected)	-11	-8
- losses on disposals	0	0
Other expenses	-267	-251
Sub-total	**-4,335**	**-4,578**
Other income and expense, net	**888**	**913**

Net income from the Insurance business line

	1st Half 2012	1st Half 2011
Earned premiums	3,794	4,164
Claims and benefits expenses	-2,859	-2,535
Movements in provisions	-1,213	-1,800
Other technical and non-technical income and expense	39	36
Net investment income	963	896
Total	**724**	**762**

NOTE 29 - General operating expenses

	1st Half 2012	1st Half 2011
Payroll costs	-1,467	-1,362
Other operating expenses	-1,175	-1,177
TOTAL	**-2,641**	**-2,539**

29a - Payroll costs

	1st Half 2012	1st Half 2011
Salaries and wages	-969	-882
Social security contributions	-371	-347
Employee benefits	-1	-5
Incentive bonuses and profit-sharing	-52	-54
Payroll taxes	-72	-74
Other expenses	-2	0
TOTAL	**-1,467**	**-1,362**

Number of employees

Average number of employees	1st Half 2012	1st Half 2011
Banking staff	26,184	24,685
Management	14,118	13,337
Total	**40,302**	**38,022**
Analysis by country		
France	29,813	27,868
Rest of the world	10,489	10,154
Total	**40,302**	**38,022**

Includes 283 employees of TARGOBANK Spain and 86 employees of Banque Casino, consolidated using the proportionnal method

	1st Half 2012	1st Half 2011
Number of employees at end of period*	**42,925**	**40,699**

* The number of employees at the end of period corresponds to the total number of employees in all entities controlled by the Group at June 30. In contrast, the consolidated average number of employees (full-time equivalent, or FTE) is limited to the scope of financial consolidation (full or proportional consolidation).

29b - Other operating expenses

	1st Half 2012	1st Half 2011
Taxes and duties	-112	-129
External services	-932	-920
Other miscellaneous expenses (transportation, travel, etc)	10	10
Total	**-1,034**	**-1,039**

* The 2012 amended French budget calls for an additional tax on systemic risk in the same amount as the systemic tax, or €36 million payable on August 31. It will represent an expense in the third quarter.

29c - Depreciation, amortization and impairment of property, equipment and intangible assets

	1st Half 2012	1st Half 2011
Depreciation and amortization	-140	-138
- property and equipment	-95	-95
- intangible assets	-45	-43
Total	**-141**	**-138**

NOTE 30 - Impairment and loan loss provisions

1st Half 2012	Additions	Reversals	Loan losses covered by provisions	Loan losses not covered by provisions	Recoveries on loans written off in previous years	TOTAL
Credit institutions	-21	23	-1	0	0	1
Customers	-599	608	-344	-178	51	-462
. Finance leases	-3	3	-2	-2	0	-3
. Other customer items	-597	604	-342	-176	51	-459
Sub-total	**-620**	**631**	**-345**	**-178**	**51**	**-460**
Held-to-maturity financial assets	0	0	0	0	0	0
Available-for-sale financial assets(1)	-1	409	-461	-23	21	-55
Other	-25	34	0	0	0	9
Total	**-646**	**1,074**	**-806**	**-200**	**72**	**-506**

(1) Includes €30 millions related to the sale of Greek sovereign securities. (see note 7b)

1st Half 2011	Additions	Reversals	Loan losses covered by provisions	Loan losses not covered by provisions	Recoveries on loans written off in previous years	TOTAL
Credit institutions	-55	19	0	0	0	-36
Customers	-690	738	-342	-197	53	-438
. Finance leases	-10	4	-1	-1	0	-9
. Other customer items	-680	734	-341	-196	53	-429
Sub-total	**-744**	**757**	**-342**	**-197**	**53**	**-474**
Held-to-maturity financial assets	0	0	0	0	0	0
Available-for-sale financial assets[(1)]	-146	0	-19	-31	31	-165
Other	-28	44	0	0	0	15
Total	**-919**	**801**	**-361**	**-228**	**84**	**-624**

(1) Includes €142 million impairment losses on Greek sovereign debt

NOTE 31 - Gains (losses) on other assets

	1st Half 2012	1st Half 2011
Property, equipment and intangible assets	9	50
. Losses on disposals	-3	-2
. Gains on disposals	12	52
Gain (loss) on consolidated securities sold	1	0
TOTAL	**10**	**50**

NOTE 32 - Change in value of goodwill

	1st Half 2012	1st Half 2011
Impairment of goodwill	0	0
Negative goodwill recognized in income	0	0
TOTAL	**0**	**0**

NOTE 33 - Corporate income tax

Breakdown of income tax expense

	1st Half 2012	1st Half 2011
Current taxes	-377	-419
Deferred taxes	3	-21
Adjustments in respect of prior years	-1	2
TOTAL	**-375**	**-438**

NOTE 34 - Earnings per share

	1st Half 2012	1er Half 2011 restated
Net income attributable to the Group	517	755
Number of shares at beginning of period	26,496,265	26,043,845
Number os shares at end of period	26,532,613	26,043,845
Weighted average number of shares	26,514,439	26,043,845
Basic earnings per share	19.49	28.98
Additionnal weighted average number of shares assuming full dilution	0	0
Diluted earnings per share	19.49	28.98

NOTE 35 - Related party transactions

Statement of financial position items relating to related party transactions

	1st Half 2012				31.12.2011			
	Companies consolidated using the equity method	Companies consolidated using the proportional method	Other companies affiliated to the Confédération Nationale	Parent companies CM11 Group	Companies consolidated using the equity method	Companies consolidated using the proportional method	Other companies affiliated to the Confédération Nationale	Parent companies CM10 Group
Assets								
Loans, advances and securities								
Loans and receivables due from credit institutions	12	213	1 002	39 576	0	160	1 275	47 844
Loans and receivables due from customers	36	0	22	0	40	0	44	0
Securities	0	0	459	389	0	0	522	352
Other assets	0	4	0	0	0	0	0	0
Total	48	217	1 483	39 965	40	160	1 842	48 195
Liabilities								
Deposits								
Due to credit institutions	0	3	6 588	8 627	0	0	4 470	15 275
Due to customers	124	3	15	26	140	0	38	25
Debt securities	0	0	1 011	0	0	0	1 003	3
Other liabilities	56	0	184	1 256	32	0	174	1 250
Total	180	6	7 799	9 908	172	0	5 685	16 553
Financing and guarantee commitments								
Financing commitments given	0	97	0	2 200	0	102	0	0
Guarantee commitments given	0	0	0	0	0	0	0	2
Financing commitments received	0	0	0	0	0	0	0	0
Guarantee commitments received	0	0	248	648	0	0	226	564

Income statement items relating to related party transactions

	1st Half 2012				31.12.2011			
	Companies consolidated using the equity method	Companies consolidated using the proportional method	Other companies affiliated to the Confédération Nationale	Parent companies CM11 Group	Companies consolidated using the equity method	Companies consolidated using the proportional method	Other companies affiliated to the Confédération Nationale	Parent companies CM10 Group
Interest received	5	0	21	649	6	0	55	665
Interest paid	0	0	-49	-100	0	0	-76	-107
Fee and commissions received	4	0	0	11	3	0	0	12
Fee and commissions paid	-5	0	0	-93	-2	0	-2	-120
Other income (expense)	8	0	2	7	9	0	-38	14
General operating expenses	-156	4	0	-17	-151	0	0	-17
TOTAL	-144	4	-26	457	-136	0	-61	447

4.2.2 Statutory auditors' report on the limited review of the first yearly financial information

This is a free translation into English of the statutory auditors' report on the 2012 half-yearly financial information issued in French and it is provided solely for the convenience of English-speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether qualified or not. This information is presented below the audit conclusion on the condensed consolidated financial statements and includes explanatory paragraphs discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were made for the purpose of issuing an audit conclusion on the condensed consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the condensed consolidated financial statements. This report also includes information relating to the specific verification of information in the group management report. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

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A unit of KPMG S.A.
1, Cours Valmy
92923 Paris-La Défense Cedex

Statutory Auditor
Member of the Versailles regional institute of accountants

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S.A.S. à capital variable
(Simplified stock company with variable capital)
Statutory Auditor
Member of the Versailles regional institute of accountants

Banque Fédérative du Crédit Mutuel

BFCM
Period from January 1 to June 30, 2012

Statutory Auditors' report on the half-yearly financial information

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meeting and in accordance with Article L. 451-1-2 III of the French Monetary and Financial Code, we hereby report to you on:

- our limited review of BFCM's condensed half-year consolidated financial statements for the period from January 1 to June 30, 2012, as attached to this report; and;
- the verification of the information contained in the interim management report.

These condensed half-year consolidated financial statements have been prepared under the Board of Directors' responsibility. Our role is to express a conclusion on these financial statements based on our limited review.

1. Conclusion on the financial statements

We conducted our review in accordance with the professional standards applicable in France. A review of interim financial information consists mainly in making enquiries of the senior executives responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially more limited in scope than an audit conducted in accordance with the professional standards applicable in France and consequently does not enable us to obtain the same degree of assurance that the financial statements, taken as a whole, are free from material misstatements.

Based on our review, no significant irregularities have come to our attention that might cause us to believe that these condensed half-year consolidated financial statements are not prepared in all material respects in accordance with IAS 34 – IFRS as adopted by the European Union relating to interim financial information.

2. Specific verification

We also verified the information provided in the interim management report in respect of the condensed half-year consolidated financial statements subject to our review.

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

Paris-La Défense, July 31, 2012

French original signed by

The Statutory Auditors

KPMG Audit *department of KPMG S.A.*	ERNST & YOUNG et Autres
Jean-François Dandé	Isabelle Santenac

5. Documents available to the public

5.1. Documents available to the public

During the period of validity of the registration document, the following documents (or copies thereof) may be consulted:

a) By electronic means on BFCM's website *(Institutional site)*

http://www.bfcm.creditmutuel.fr

- The historical financial information of BFCM and the CM11-CIC Group for each of the two financial years preceding publication of the registration document.

- The registration document and those for the two preceding financial years.

b) On physical media

- The issuer's deed of constitution and bylaws,

- All reports, correspondence and other documents, historical financial information, evaluations and declarations drawn up by an expert at the issuer's request, of which a part is included in or referred to in the registration document.

- Historical financial information on BFCM's subsidiaries for each of the two financial years preceding publication of the registration document.

Please send request by post to:
Banque Fédérative du Crédit Mutuel
Département Juridique
34 Rue du Wacken BP 412
67002 STRASBOURG Cedex

5.2. Person responsible for the information

Mr Marc Bauer
Deputy Chief Executive Officer of BFCM and Chief Financial Officer of CM11-CIC Group
Telephone: +33 (0)3 88 14 68 03
Email: marc.bauer@creditmutuel.fr

6. Table of concordance

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Half-year financial report

In accordance with article 212-13 of the Règlement Général of the French Autorité des Marchés Financiers, this update includes information from the half-year financial statement specified in Article L.451-1-2 of the French Financial and Monetary Code.
The half-year financial statement has been filed with the AMF and posted on line in the website BFCM as of August 1st, 2012.

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