Confidence
must be earned
Amundi

HALF-YEAR FINANCIAL REPORT 2020

CONTENTS

About Amundi

Amundi, the leading European asset manager, ranking among the top 10 global players[1], offers its 100 million clients – retail investors, institutional investors and companies – a complete range of savings and investment solutions in active and passive management, in traditional or real assets.

With its six international investment hubs[2], financial and extra-financial research capabilities and long-standing commitment to responsible investment, Amundi is a key player in the asset management landscape.
Amundi clients benefit from the expertise and advice of 4,500 employees in nearly 40 countries. Created in 2010 and listed on the stock exchange in 2015, Amundi currently manages more than €1.6 trillion in assets[3].

Note

Amundi, a limited company under French law, whose registered office is 91-93, boulevard Pasteur, 75015 France, registered under number 314 222 902 in the Trade and Companies Register of Paris, is referred to as the “Company” in this financial report. The terms “Group” or “Amundi Group” are used to refer to the Company and its subsidiaries, branches and equity investments.

On 30 June 2020, the Company’s share capital amounted to €505,408,263, divided into 202,163,305 shares, which are all of the same class and are all fully subscribed and paid up through cash contributions. They all grant the same voting rights.

Financial and other information

This report includes Amundi’s consolidated financial statements for the six-month financial period ended 30 June 2020, on which the statutory auditors have prepared a report. The consolidated financial statements were prepared under IFRS standards.

Forward-looking statements

The information contained in this report, to the extent that it relates to parties other than Amundi or comes from external sources, has not been independently verified, and no representation or warranty has been expressed as to, nor should any reliance be placed on, the fairness, accuracy, correctness or completeness of the information or opinions contained herein. Neither Amundi nor its representatives can be held liable for any negligence or loss that may result from the use of this report or its contents, or anything related to them, or any document or information to which the report may refer.

[1] Source: IPE “Top 500 Asset Managers”, published in June 2020, based on AuM at 31/12/2019.
[2] Boston, Dublin, London, Milan, Paris and Tokyo.
[3] Amundi data at 30/06/2020

1 Economic and financial environment

1.1 Macroeconomic and financial environment in the first half of 2020

1.1.1 A less favourable market context than in 2019

The market environment in the first half of 2020 was generally unfavourable to business. After a major shock in March, linked to the COVID-19 epidemic, the markets partially recovered in the second quarter of 2020, thanks in particular to the interventions of the central banks at the end of March.

However, the average level of the Equity markets in Q2 2020 was significantly lower than in Q1 2020 and Q2 2019 (around -15%) as well as in Q1 2018, when the three-year plan was announced (around -13%).

COVID-19

The health crisis linked to COVID-19, which became an economic crisis, led to a significant fall in financial markets and increased volatility during the first quarter of 2020. After this, equity markets partially recovered in the second quarter of 2020, thanks in particular to the interventions by the central banks. Business in the second quarter of 2020 (net inflows almost at break-even, with a clear recovery of flows in Medium-Long-Term assets) and Amundi's results (maintained at a high level) demonstrate the solidity of its business model.

For Amundi, the main impact of a crisis such as COVID-19 arises from the immediate sensitivity of the assets under management to changes in the financial markets (equities, interest rates, etc.) in terms of valuation and therefore management income.

The magnitude and duration of this crisis are still difficult to predict.

Recap of sensitivity

Change in equity markets	-/+ 10%	-/+ €25/30bn assets under management	**-/+ €80-85m of net income** (run-rate, excluding performance fees)
Change in interest rates	-/+ 100 pts	+/- €30-35bn assets under management	**+/- €35-40m of net income** (run-rate, excluding performance fees)

These sensitivities do not include any indirect effect of market fluctuations on net inflows or financial income.

Faced with this crisis of unprecedented magnitude, the company has remained 100% operational in all its functions (management, risks, middle-office, commercial). Teleworking for employees and then a gradual return to normal business operation were implemented, always mindful of adhering to strict health conditions in order to protect the health of its employees.

1.1.2 Macroeconomic and financial environment in the first half of 2020

The favourable economic outlook at the beginning of the year was swept away by the effects of the COVID-19 epidemic, which has spread globally, resulting in the collapse of demand in most countries and an unprecedented fall in oil prices. This has led the global economy into a deep recession; however, there were growing signs of recovery during the second quarter. The peak of the epidemic has passed in most countries – with the exception of the United States and Latin America. Under these conditions, global GDP growth forecasts were revised downwards significantly for this year and range between -2.9% and -4.3%, with an upturn in the order of 4% to 5.1% expected in 2021. Economic activity will not return to its level at the end of 2019 before 2022 in the most advanced countries and in many emerging markets. China (and some Asian countries) represent an exception with a steeper rebound than expected. Uncertainty factors – which are very numerous and of different types (development of the pandemic, US elections, China-US relations, Brexit, etc.) – will largely determine the outlook.

United States

A deceleration of activity was perceptible at the start of the year. The economic context was then changed completely by the progression of the COVID-19 epidemic, which led the US President to declare a state of emergency on 13 March. Population lockdown measures began to be imposed at the end of the first quarter. The response of public institutions has been unprecedented both in terms of budgetary and monetary policy. The lockdown measures introduced in many regions to curb the epidemic have paralysed many business sectors. The negative effects on consumption and investment were spectacular, while inflation fell sharply. Pressure on the labour market has intensified. In May, economic activity began to recover as the lockdown measures were eased. Data from June confirmed a gradual economic recovery, based primarily on domestic demand, while the pandemic continued to disrupt international trade. Inflation remained moderate, while significant improvement was observed in the labour market. However, the recent increase in the number of cases of coronavirus has raised the risk of fresh lockdown measures, which could hinder recovery.

Eurozone

The eurozone economy began the first quarter of 2020 on a very subdued note. During the first two months of the year, domestic demand, sustained by the dynamism of the labour market, was the main growth driver. In March, the spread of the new coronavirus in Europe had very significant consequences for the economy. The lockdown measures completely or partially stopped many services from operating and disrupted business in the manufacturing sector. The impact of the coronavirus pandemic on the eurozone economy intensified in April. Consumption and investment collapsed, while businesses experienced the sharpest drop in activity ever recorded. Pressure on the labour market increased. However, governments announced unprecedented budgetary stimulus measures, with EU institutions also contributing. The pressure on economic activity began to ease in May, with the relaxation of lockdown measures. In June, the recovery was mainly based on domestic demand. Consumption increased and businesses reported an improvement in activity. Inflation remained very low after falling in April, with major divergences according to product and service categories. To support and stimulate the recovery, the European Commission proposed the creation of a major stimulus fund.

Emerging economies

The beginning of the year was marked by an unprecedented health crisis with the spread of COVID-19 in China and then beyond the country. In the face of this pandemic, most countries adopted lockdown measures. Governments announced a number of budgetary measures to combat the virus and to limit the negative impact of this crisis on the economy as much as possible. The central banks also eased their monetary policies significantly. The responses of public authorities naturally differed between countries depending on their room for manoeuvre. The health crisis continues to have a negative impact on the growth of emerging markets. A return to growth is expected in 2021. The significant economic contraction, combined with the exceptional budgetary policy measures that have been implemented, are leading to a deterioration in the budgetary position in all regions. Emerging markets' budget deficit will reach 10.6% of GDP in 2020 and 8.5% in 2021, which will take their debt-to-GDP ratio to 67%. To limit the negative impacts of this crisis on the economy, central banks continue to ease their monetary policy through QE and interest rate decreases. This is particularly true in Mexico, Brazil, India, Colombia, Indonesia and Russia, among others.

Equity markets

Equity markets bounced back very strongly in the second quarter. After its -20.4% in the first quarter (Q1), the MSCI World AC Index (ACWI) recovered +17.7% in Q2, its best quarterly performance for 22 years (Q4 1998). As a result, the barometer of global equities has only declined by 6.2% since 1 January, while at the height of its fall, on 23 March, it posted a drop of 30.1%. This recovery in Q2 was widespread (Japan +11.4%, Europe +12.2%, China +14.2%, Emerging markets +15.9%, United States +21.2%) and widened at the end of the period to the previously neglected cyclical sectors. After diving in March (ACWI -13.1%), the equity markets recovered quickly from April (ACWI +10.2%). This recovery was first of all fuelled by the huge and very rapid response of the major central banks, supported by the proliferation of crisis budget mechanisms. Then, with the prospect of coming out of lockdown being indicated in Europe and the peak of the pandemic moving away from the northern United States, the recovery continued in May (ACWI +4.0%), despite economic indicators that were still moving in the wrong direction. This continued into June with an additional +2.7% but the market turned out to be more volatile on account of the higher valuation and the surge in the number of infections in the southern United States.

Interest rate markets

In the first quarter, there was a sharp fall in rates in all developed countries. In the second quarter, the first significant aspect in the interest rate market was the stability of core country sovereign rates over the quarter through the intervention of central banks. From mid-March they purchased Treasury securities at an unprecedented rate ($1,600bn for the Fed and €475bn for the ECB) in order to restore the liquidity and smooth functioning of the bond markets. Moreover, the huge supply of sovereign debt did not result in a significant increase in rates because central banks are absorbing governments' new financing needs. They announced that the purchasing programmes will be maintained for the next few months:

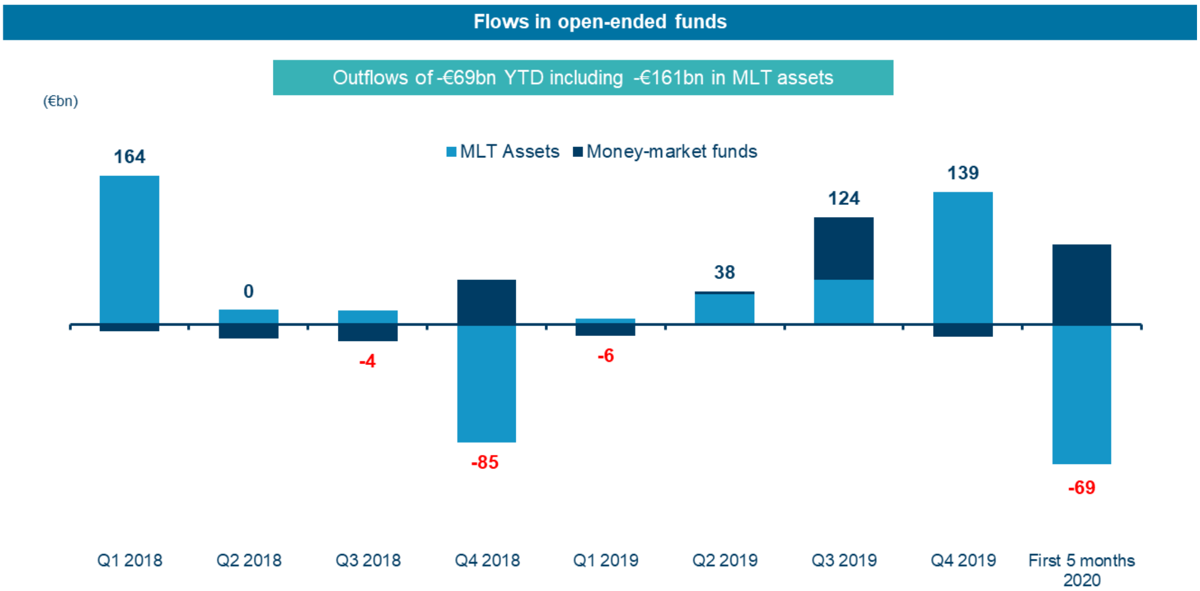
- The ECB increased the envelope of its pandemic emergency purchase programme (PEPP) from €600bn to €1,350bn. The PEPP has been extended until at least the end of June 2021.
- The Chairman of the Federal Reserve, Jérôme Powell, stated that the pace of purchases would be at least $120bn per month.

The second notable aspect is the very good performance of spreads from peripheral countries. The Italian 10-year yield reached a low point of 1.2%. Peripheral countries are benefiting from the ECB's asset purchase programmes and liquidity injections in the form of medium-term loans granted by the ECB to the banks (TLTRO 3). The banks are using this cash to lend to businesses but also to conduct carry trades with government debt.

1.2 Asset management market in the first half of 2020

The exceptional context related to the epidemic led to an increase in risk aversion on the part of savers and investors.

The European asset management sector is therefore down sharply in 2020[4] (outflows of -€69bn at the end of May 2020, of which -€161bn in MLT assets[5]).



[4] Source Broadridge. European open and cross-border funds (excluding mandates and dedicated funds). Data at the end of May 2020.

[5] Medium-Long-Term (MLT) assets: excluding Treasury

2 Operating and financial review for the first half of 2020

2.1 Amundi operations and consolidated results

In the first half-year, Amundi's business was resilient and results were maintained at a good level, in a crisis context, demonstrating the solidity of the business model. Operational efficiency was maintained, with a cost-to-income ratio of 52.5% in the first half of 2020, while preserving development recruitment.

Development dynamics were maintained, particularly in the main growth drivers: Asian JVs, passive management, real assets and ESG.

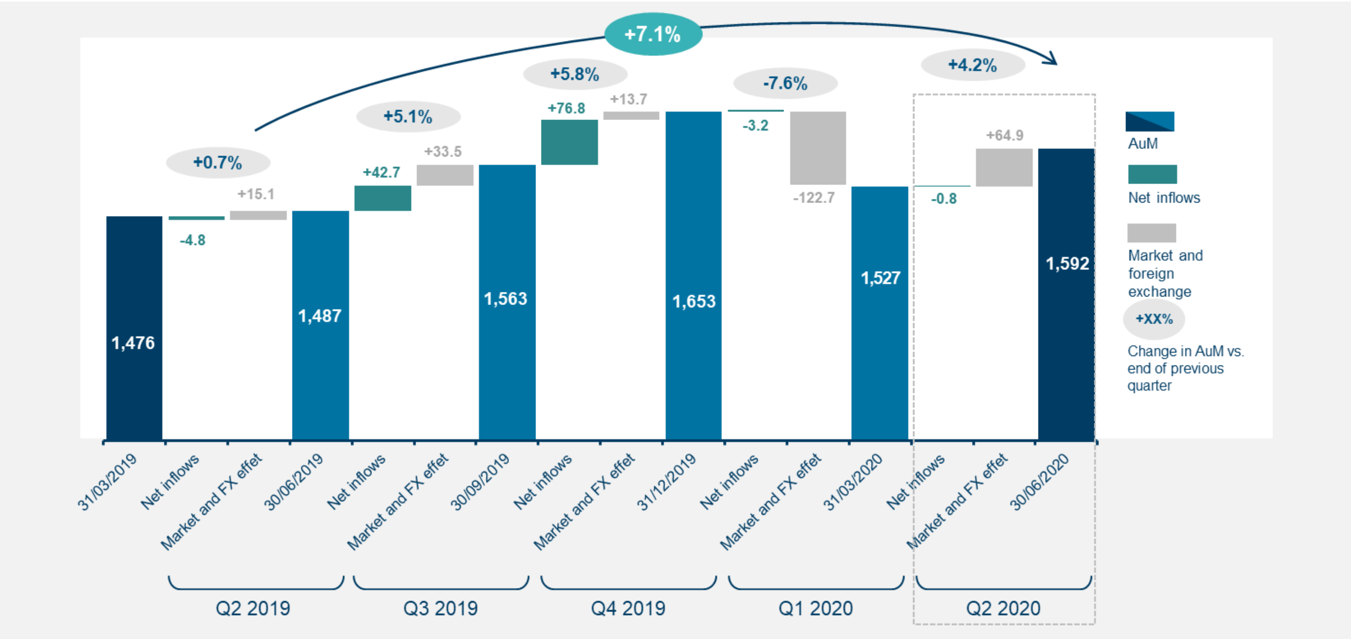
2.1.1 Activity: assets under management and net inflows

2.1.1.1 Development of assets under Amundi management

The assets managed by Amundi reached €1,592bn[6] as at 30 June 2020, compared to €1,653bn at the end of December 2019, down by 3.7%, with a negative market effect of -€58bn and outflow limited to -€4bn, marked, however, by a second quarter recovery in MLT asset flows.

Over 12 months, from the end of June 2019 to the end of June 2020, assets were up by 7.1% compared to the end of June 2019.

AuM evolution in €bn:



[6] Assets under management and inflows (excluding Sabadell AM) include assets under advisory and assets sold, comprising 100% of the Asian JVs' inflows and assets under management. For Wafa in Morocco, assets are reported on a proportional consolidation basis

2.1.1.2 Assets under management[5] and inflows by client segment

(€ billion)	Assets Under Management 30/06/2020	Assets Under Management 30/06/2019	var. % 30/06/2019	Net Inflows H1 2020	Net Inflows H1 2019
French networks	104	108	-3.6%	+1.2	-2.7
International networks	118	123	-4.1%	-2.7	+2.3
Third-party distributors	178	180	-1.5%	-0.5	-1.3
Retail excl. JVs	**400**	**412**	**-2.8%**	**-2.0**	**-1.8**
Institutionals[1] and sovereigns	372	359	+3.7%	-1.5	-8.5
Corporates	69	67	+1.6%	-8.5	-8.2
Employee savings	62	61	+2.5%	+2.9	+2.2
CA & SG Insurers	451	443	+1.8%	-7.6	+6.3
Institutional investors	**953**	**930**	**+2.6%**	**-14.7**	**-8.2**
JVs	238	146	**+63.7%**	**+12.7**	**-1.8**
TOTAL	**1,592**	**1,487**	**+7.1%**	**-4.0**	**-11.7**
Half-year average assets excluding JVs	**1,366**	**1,326**	**+3.0%**	/	/

1. Including funds of funds

The first half of 2020 was marked by an exceptional crisis context. For the first six months of the year, outflow was limited, at -€4.0bn, which was due to Treasury outflows (-€10.2bn) from Corporate clients affected by the crisis.

The momentum remained positive in MLT assets (+€6.2bn), driven in particular by the strong resilience of networks in France (+€3.3bn) and the continued development of JVs (+€12.7bn), particularly in India.

Strong resilience in Retail (excluding JVs) in MLT assets

In a wait-and-see and risk aversion context, the Retail segment showed strong resilience, with a positive inflow in MLT assets (+€1.8bn), driven by the French networks (+€3.3bn). On the other hand, the international networks posted outflows (-€2.4bn), albeit with an improvement in the second quarter. In the Third-party distributors segment, the quarter's outflows were concentrated in April and flows became positive again in June.

Continued good momentum in Asian JVs

In Asia, in the JVs (China, India, South Korea), inflows were again sustained (+€12.7bn), particularly in India, where the SBI FM JV became the leading asset manager in assets under management in the Indian market[7].

Institutional MLT business in recovery in the second quarter

This atypical half-year was marked by increased risk aversion in the first quarter (outflow of -€11.8bn), followed by an improvement in risk appetite in the second quarter (+€4.6bn). In total, over the six-month period, flows were -€7.2bn in MLT assets. The Employee Savings segment recorded a good level of activity (+€2.9bn). Amundi retains its leadership with a market share in France of 45.8%[8].

[7] Source: Association of Mutual Funds in India, open funds
[8] Source: AFG at 31/12/2019

2.1.1.3 Assets under management and net inflow by asset class[9]

(€ billion)	Assets Under Management 30/06/2020	Assets Under Management 30/06/2019	var. % 30/06/2019	Net Inflows H1 2020	Net Inflows H1 2019
Equity	234	225	+4.0%	+6.7	-3.0
Multi-asset	234	240	-2.5%	-7.0	+2.5
Bonds	617	610	+1.1%	-7.7	-2.8
Real, alternative and structured assets	85	79	+7.6%	+2.6	+3.7
MLT ASSETS excluding JVs	**1,170**	**1,155**	**+1.3%**	**-5.5**	**+0.4**
Treasury products excluding JVs	183	186	-1.6%	-11.3	-10.4
ASSETS excluding JVs	**1,353**	**1,341**	**+0.9%**	-16.7	**-9.9**
JVs	238	146	+63.0%	+12.8	-1.8
TOTAL	**1,592**	**1,478**	**+7.7%**	**-4.0**	**-11.7**
of which MLT assets	*1,376*	*1,271*	*+8.3%*	*+6.2*	*+1.7*
of which Treasury products	*215*	*215*	*-0.1%*	*-10.2*	*-13.4*

Treasury products

The Treasury products outflow (-€10.2bn) is due to the outflows from Corporate clients affected by the crisis, concentrated on the months of March to May. Since June, inflow on these products has returned to being positive.

MLT ASSETS excluding JVs

Business momentum was driven in particular by Equities and by Real and structured assets that have benefited from the **success of growth drivers and product innovation**:

- **Passive management, ETF[10] and smart beta experienced a good first half-year with +€9.4bn in net inflow, taking assets to €132bn at the end of June 2020**. With inflows of +€1.7bn[5] in Q2 2020 in ETFs[6], Amundi was the third largest player in Europe[11]. In total, ETF assets amounted to €53bn as at 30 June 2020 (fourth place in Europe[6]). The success of Amundi Physical ETC Gold, launched in May 2019 (over €3bn of assets), illustrates our ability to develop products in line with the market.
- **The momentum in Real and structured assets continues, with +€2.6bn of net inflows in H1 2020 (taking assets to over €85bn at the end of June 2020).** Real estate shows a solid net inflow of +€1.1bn (i.e. €40bn of assets at the end of June 2020). A noteworthy event was the launch of Amundi Energies Vertes, a new investment vehicle (with Crédit Agricole Assurances) which allows investors to participate in financing the energy transition and is accessible as a Unit-Links in life insurance contracts.

2.1.1.4 Assets under management and net inflow by geographic area[12]

(€ billion)	Assets Under Management 30/06/2020	Assets Under Management 30/06/2019	var. % 30/06/19	Net Inflows H1 2020	Net Inflows H1 2019
France	864	849	+1.8%	-4.2	-3.5
Italy	167	171	-2.3%	-2.2	-4.6
Europe excluding France and Italy	173	167	+3.6%	+1.5	-0.5
Asia	292	203	+43.8%	+5.7	-6.6
Rest of World	95	96	-1.0%	-4.7	3.4
TOTAL	**1,592**	**1,487**	**+7.1%**	**-4.0**	**-11.7**
TOTAL excl. France	**727**	**638**	**+13.9%**	**+0.1**	**-8.2**

[9] Assets under management and inflows (excluding Sabadell AM) include assets under advisory and assets sold, comprising 100% of the Asian JVs' inflows and assets under management. For Wafa in Morocco, assets are reported on a proportional consolidation basis
[10] Data including all ETP (ETF + ETC)
[11] Source: Morningstar
[12] Assets under management and inflows (excluding Sabadell AM) include assets under advisory and assets sold, comprising 100% of the Asian JVs' inflows and assets under management. For Wafa in Morocco, assets are reported on a proportional consolidation basis

2.1.2 Results

Amundi's results were maintained at a high level and confirm the solidity of its business model. The impact of declining markets on net revenues was offset by the reduction in operating expenses, which allowed a low cost-to-income ratio and good profitability to be maintained.

Amundi demonstrate its ability to control its costs and maintain excellent operational efficiency (whatever the market context) while continuing to invest.

Adjusted income statement

In € million	H1 2020	H1 2019	Change
Adjusted net revenues	1,236	1,332	-7.2%
Net management revenues	1,281	1,299	-1.4%
o/w net management fees	1,205	1,239	-2.8%
o/w performance fees	76	60	26.8%
Net financial income and other net income	(45)	33	NS
General operating expenses	(648)	(680)	-4.7%
Adjusted gross operating income	588	652	-9.8%
Adjusted cost-to-income ratio	*52.5%*	*51.1%*	*1.4 bps*
Equity-accounted companies	29	25	16.5%
Cost of risk & Other	(17)	2	NS
Adjusted pre-tax income	600	679	-11.7%
Corporation tax	(161)	(174)	-7.7%
Adjusted net income, Group share	439	505	-13.1%
Amortisation of distribution contracts after tax	(25)	(25)	0.0%
Net income, Group share	414	480	-13.8%

N.B.: Adjustments: excluding amortisation of distribution contracts.

Adjusted data[13]

In the first half of 2020, the decrease in net revenues (linked to declining markets) was offset by a significant drop in operating expenses (-4.7%); the cost-to-income ratio was thus maintained at a low level, at 52.5%, one of the best in the industry, and gross operating income reached €588m.

After the contribution of equity-accounted companies (mainly Asian JVs) and the tax charge, the adjusted net income Group share was maintained at a good level, at €439m.

Accounting data[14]

H1 2020 accounting net income was €414m, down -13.8% compared to H1 2019.

[13] Adjusted data: excluding amortisation of distribution contracts
[14] Accounting data: including amortisation of distribution contracts

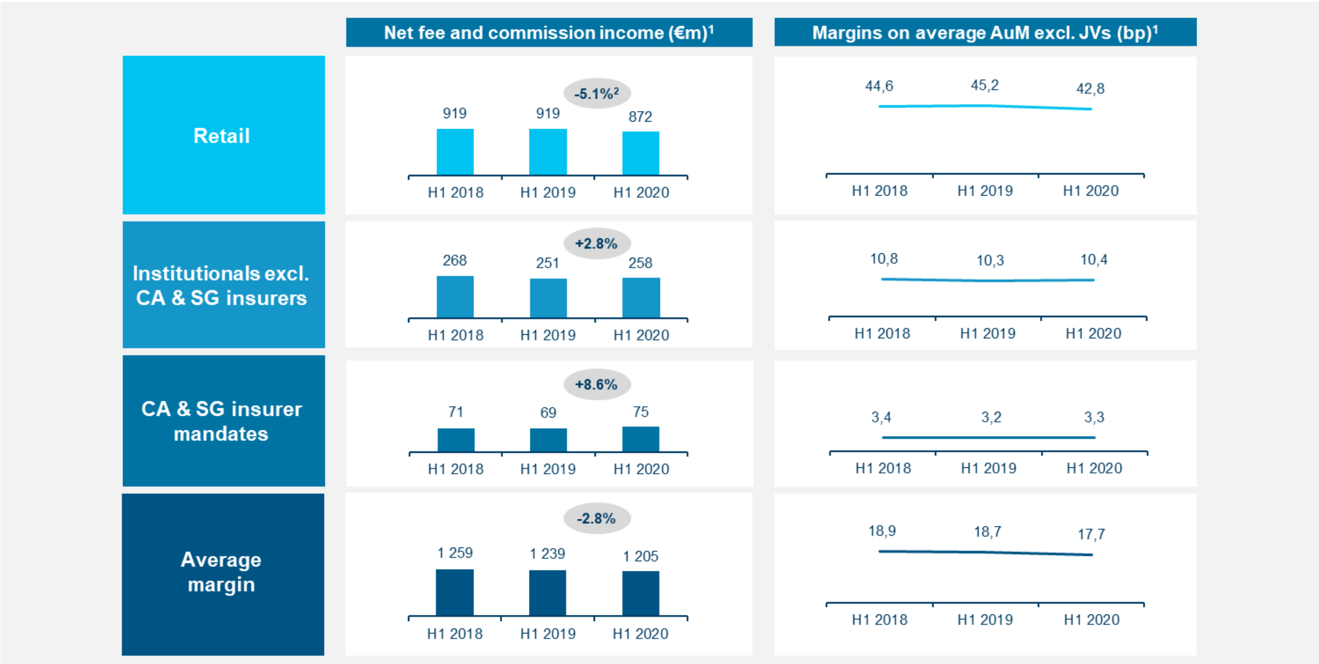
2.1.2.1 Adjusted net revenues

(in € million)	H1 2020	H1 2019	Change (%)
Net management revenues	1,281	1,299	-1.4%
o/w net management fees	*1,205*	*1,239*	*-2.8%*
o/w performance fees	*76*	*60*	*+26.8%*
Financial results (financial income and other net income)	(45)	33	NS
Adjusted net revenues (€m)	**1,236**	**1,332**	**-7.2%**

In H1 2020, total net revenues reached €1,236m (-7.2%, due in particular to the strong negative effect of the market fall on financial results).

The trend in net management fees is linked to a fall in the average level of the equity markets and a less favourable product mix[15]. The average margin was therefore 17.7 pts, compared to 18.7 pts in H1 2019. Performance fees were up (€76m, i.e. +27% vs H1 2019).

Net management fees and margins by client segment



1. Excluding performance fees; 2. H1 2020 vs H1 2019 reflects partly the impact of lower launch of structured products in 2020

[15] The H1 2020/H1 2019 decline also partly reflects the impact of a reduced launch of structured products in 2020

2.1.2.2 Adjusted operating expenses

Adjusted operating expenses fell sharply, thanks to the full effect of synergies associated with the acquisition of Pioneer, the adjustment of variable compensation in line with changes in results and lower travel and advertising expenses, on account of the COVID-19 context. The operating expenses to average assets ratio (excl. JVs) remains one of the lowest in the industry: 9.6 bps

Movement in the workforce from the end of June 2019 (4,745 employees) to the end of June 2020 (4,725 employees) illustrates Amundi's ability to control its costs while maintaining investments for development, which are financed by ongoing productivity gain efforts. Over 12 months, nearly 80 employees were therefore recruited, particularly in passive management/ETF, real assets and IT.

2.1.2.3 Adjusted gross operating income and cost-to-income ratio

In € millions	H1 2020	H1 2019	H1 2020/ H1 2019
Net revenue (a)	1,236	1,332	-7.2%
Operating expenses (b)	(648)	(680)	-4.7%
ADJUSTED GROSS OPERATING INCOME	**558**	**652**	-9.8%
Adjusted cost-to-income ratio (b)/(a) (in %)	***52.5%***	***51.1%***	***+1.4 bps***

The cost-to-income ratio remains one of the lowest in the industry.

2.1.2.4 Alternative Performance Indicators (API)

To present an income statement that is closer to the economic reality, Amundi publishes adjusted data which is determined as follows: it excludes amortisation of the distribution contracts with SG, Bawag and UniCredit from 1 July 2017 (see above).

These adjusted data are reconciled with accounting data as follows:

accounting data | adjusted data

In € million	H1 2020	H1 2019
Net revenue (a)	**1,201**	**1,297**
+ Amortisation of distribution contracts before tax	36	36
Adjusted net revenue (b)	**1,236**	**1,332**
Operating expenses (c)	**-648**	**-680**
Gross Operating Profit (e) = (a)+(c)	**552**	**616**
Adjusted Gross Operating Profit (f) = (b)+(d)	**588**	**652**
Cost-to-income ratio (c)/(a)	***54.0%***	***52.5%***
Adjusted cost-to-income ratio (d)/(b)	***52.5%***	***51.1%***
Equity-accounted companies (g)	29	25
Cost of risk & Other (h)	-17	2
Pre-tax income (i) = (e)+(g)+(h)	**564**	**644**
Adjusted pre-tax income (j) = (f)+(g)+(h)	**600**	**679**
Income tax (k)	-150	-164
Adjusted income tax (l)	-161	-174
Net income, Group share (i)+(k)	**414**	**480**
Adjusted net income, Group share (j)+(l)	**439**	**505**

2.2 Responsible investment

A pioneer in responsible investment since its inception in 2010, Amundi is actively pursuing implementation of the three-year plan announced in October 2018, with the increasing integration of ESG[16] criteria into investment policies, the signing of many partnerships, active participation in local initiatives and enhanced innovation to expand the offering.

Amundi is enjoying increased recognition as a key player. Amundi is thus the first asset manager to use the temperature assessments of the CDP[17] in its ESG analysis.

At 30 June 2020, Amundi manages €331bn according to ESG criteria. In the first half of 2020, ESG inflow was high (+€6bn), driven by strong demand from investors, primarily for solutions and products related to the climate transition.

This business dynamic benefited from an acceleration of ESG initiatives and innovations in the following areas:

Climate change

- Gained an index mandate (replicating the MSCI ACWI climate change index) of €2.6bn for Pensam[18];
- Amundi was selected by a group of French institutional investors to manage the first equity index fund aligned with the Paris Agreement;
- Launch of three ETFs replicating future climate indices (PAB - Paris-Aligned Benchmarks), thereby extending the range of “climate transition” solutions;
- Start-up of the first year of the GRECO fund to promote the development of new green asset classes in Europe, with the support of the EIB[19], thus contributing to a green recovery post COVID.

Social

- Launch of “Social Impact”, the first open fund (active management of international equities by CPR AM) that selects the most principled businesses in terms of reducing social inequalities.

Other ESG initiatives

- Extension of the ESG ETF range with a series of launches, including the MSCI Emerging ESG Leaders ETF, with initial support from Ilmarinen[20].

[16] ESG criteria: Environmental, social and governance.
[17] CDP: international organisation (formerly Carbon Disclosure Project)
[18] Danish pension funds
[19] European Investment Bank
[20] Finnish pension fund

3 Financial situation

Amundi's financial situation remains solid.

At 30 June 2020, Amundi's tangible equity[21] amounted to €2.7bn (including the impact of the acquisition of Sabadell AM), a stable level compared to 31 December 2019.
The CET1 ratio is 17.8% (taking into account the acquisition of Sabadell AM on 30/06 for €430m and non-payment of the dividend for 2019), a level substantially higher than the regulatory minimum.

Furthermore, in May 2020, the ratings agency Fitch confirmed Amundi's A+ rating, one of the best in the sector.

3.1 Solvency ratio

At 30 June 2020, as shown in the table below, Amundi's CET1 solvency ratio was 17.8% versus 15.9% at the end of December 2019.

This increase is due in particular to the allocation to reserves of the 2019 dividend, in accordance with the non-distribution recommendations issued by the ECB on 27 March 2020. This transaction, coupled with the inclusion of the retained portion of net income for the first half of 2020, generates an increase in Tier 1 capital that more than offsets the impact of the acquisition of Sabadell AM.

With a CET1 ratio of 17.8% and a total capital ratio of 20.3%, Amundi fully complies with regulatory requirements.

In € millions	**30/06/2020**	**31/12/2019**
Common Equity Tier 1 capital (CET1)	2,177	1,871
Tier 1 capital (*CET 1* + AT1)	2,177	1,871
Tier 2 capital	300	300
Total regulatory capital	**2,477**	**2,171**
Total risk-weighted assets	**12,206**	**11,782**
o/w credit risk (excl. threshold allowances and CVA)	*5,040*	*5,276*
o/w effect of threshold allowances	*976*	*909*
o/w Credit value adjustment (CVA) effect	*474*	*313*
o/w Operational risk and Market risk	*5,716*	*5,284*
Overall solvency ratio	**20.3%**	**18.4%**
CET 1 solvency ratio	**17.8%**	**15.9%**

21 Shareholders' equity excluding goodwill and other intangibles

3.2 Net financial debt

At 30 June 2020, Amundi had a net lending position (as was the case at 31 December 2019), as shown in the table below:

In € millions		**30/06/2020**	**31/12/2019**
a.	Net cash	2,194	1,126
b.	Voluntary investments (excl. seed money) in money market funds and short-term bank deposits	1,862	227
c.	Voluntary investments (excl. seed money) in fixed income funds	1,712	1,966
d.	**Liquidity (a+b+c)**	**5,768**	**3,319**
e.	**Position net of margin calls on derivatives[(1)]**	**204**	**(516)**
	Debited to balance sheet	*537*	*293*
	Credited to balance sheet	*333*	*809*
f.	Short-term debts to credit institutions	1,733	599
g.	Current portion (< 1 year) of medium and long-term debts to credit institutions	69	69
h.	**Current financial debts to credit institutions (f+g)**	**1,802**	**668**
i.	Long-term portion (>1 year) of medium and long-term debts to credit institutions	2,369	438
j.	**Non-current financial debts to credit institutions**	**2,369**	**438**
K.	**NET FINANCIAL DEBT (h+j-d-e)**	**(1,800)**	**(1,697)**

(1) The main factor in the change to the Group's cash position is margin calls on collateralised derivatives. This amount changes depending on the market value of the underlying derivatives.

(a) Net cash means asset and liability balances of current accounts with credit institutions, as well as cash and central bank accounts.

(h) and (i) Debts to credit institutions carry no guarantees or surety.

In addition, it should be remembered that on 23 October 2015, the Group signed a €1,750m syndicated multi-currency revolving credit agreement with an international syndicate of lenders, with an initial maturity of five years from the date of the agreement which was renewed in October 2017 bringing the maturity date to 23 October 2022. The purpose of the agreement is to increase the Group's liquidity in all currencies in use and to secure access to that liquidity particularly if needed to face outflows in some funds managed by the Group. It includes two covenants, both of which were complied with at 30 June 2020: a minimum level of tangible shareholders' equity and a financial leverage (gearing) ratio of net debt to tangible shareholders' equity.

It is worth noting that on 30 June 2020, Amundi's LCR (Liquidity Coverage Ratio covering its liquidity requirements under a significant stress scenario lasting one month) was 157.5%.

4 Miscellaneous information

4.1 Transactions with related parties

The main related party transactions are described in note 5.2.3 "*Related party transactions*", of the interim condensed consolidated financial statements at 30 June 2020.

4.2 Recent events and outlook

Renewal of partnership with Société Générale

The partnership between Amundi and the Société Générale Group, resulting from the creation of Amundi (CAAM/SGAM merger), had been renewed for five years at the time of the Amundi IPO (November 2015).

The framework partnership agreement was again renewed for five years from 13 November 2020:

- **Amundi continues to act for the Société Générale Group as:**
  - the main provider of savings products and solutions for its networks in France (Société Générale and Crédit du Nord) and in the Czech Republic (KB);
  - the employee savings partner in France;
  - the manager of the Sogecap mandate.
- SGSS remains one of Amundi's two partners for depositary and fund administration services.

The adjustment of certain parameters does not have a significant impact on Amundi's financial trajectory.

This renewal of the partnership with Société Générale has strengthened Amundi's position as a partner to the Retail networks.

Banco Sabadell: a strategic partnership that strengthens Amundi's European leadership, with integration well underway

Announced on 21 January 2020, the acquisition of 100% of Sabadell Asset Management by Amundi was finalised on 30 June 2020. At the same time, the partnership for the distribution of Amundi products through the Banco Sabadell network in Spain began successfully.

- **Sabadell AM is the fifth largest player in Spain with €21bn of assets**[22]. In H1 2020, Sabadell AM showed strong resilience, with a moderate decrease in assets of around 6% vs the end of 2019, mainly due to a negative market effect. However, [23]market share rose slightly in the first half of 2020.
- **Begun in February 2020, the integration of Sabadell AM and the commercial partnership are well underway**, with the promotion of the first products managed by Amundi in the Banco Sabadell network and the integration of Amundi funds into the Banco Sabadell offering (private banking and retail banking). The migration of Sabadell AM's IT systems to the Amundi platform (inc. ALTO) will start in Q4 2020.

A value-creating transaction

Sabadell AM's net income is expected to be €33m in 2020 for the full year.

Synergies are estimated at €20m before tax (€15m net of tax) and will come from three sources:

- internalisation of third-party funds (as funds of funds) and management delegations;
- cost optimisation (e.g. migration of Sabadell AM to the Amundi IT platform, etc.);
- acceleration of the commercial development of Sabadell AM (as a reminder, Banco Sabadell's market shares were around 8% in retail banking and around 6% in financial savings in 2019[24]).

[22] At 30/06/2020
[23] in open funds domiciled in Spain
[24] Source Banco Sabadell and Banco de España

These synergies will be 50% achieved in 2021 and 100% achieved in 2022.

The acquisition price of Sabadell AM was €430m[25], financed in full through Amundi's existing financial resources. This price represents a 2020 PE multiple of ~ 13x excluding synergies and ~ 9x including synergies.

This transaction fully meets Amundi's financial criteria for acquisitions: it is immediately accretive to Amundi's EPS (+5%)[26] and represents a return on investment of more than 10% over three years.

A promising partnership and in line with Amundi's strategy

This acquisition and the partnership with Banco Sabadell (second largest bank in Spain, with 1,900 branches and 7 million clients) allow Amundi to strengthen its position in Spain significantly (doubling of assets in the fourth largest Eurozone market), to consolidate its European leadership and to re-deploy its unique business model to serve the Retail networks.

New JV in China: a strategic project, implemented in compliance with the objectives

In December 2019, the Chinese regulator approved the project to create an asset management JV between Amundi (55%) and BOC Wealth Management (45%). BOC Wealth Management is a subsidiary of Bank of China, the fourth largest Chinese bank, with 500 million private clients and 11,000 branches.

The implementation of this partnership is being rolled out in accordance with the objectives defined. In the first half of 2020, the progress made included the following in particular:

- Finalisation of the joint venture agreement and commercial contract;
- Setting up of the on-site management team (CEO, CIO, COO, etc.)
- Finalisation of more than 50% of local recruitment
- Preparation of the infrastructure (premises, IT platform, etc.).

The final approval from the regulator (CBIRC) is expected at the end of Q3/early Q4, which will allow the first products to be launched on the Chinese market at the end of 2020.

The first months of cooperation between Amundi and BOC Wealth Management confirm the project's potential, which offers both partners promising development prospects on the Wealth Management market in China.

4.3 Shareholding

	31 December 2018		31 December 2019		30 June 2020	
	Number of shares	% of share capital	Number of shares	% of share capital	Number of shares	% of share capital
Crédit Agricole Group	141,057,399	69.9%	141,057,399	69.8%	141,057,399	69.8%
Employees	602,329	0.3%	969,010	0.5%	953,148	0.5%
Free float	59,230,545	29.4%	58,802,932	29.1%	58,928,776	29.1%
Treasury shares	814,081	0.4%	1,333,964	0.7%	1,223,982	0.6%
Number of shares at end of period	**201,704,354**	**100.0%**	**202,163,305**	**100.0%**	**202,163,305**	**100.0%**
Average number of shares for the period	201,591,264	/	201,765,967	/	202,163,305	/

Share capital increase reserved for employees

A share capital increase reserved for employees will take place in the second half of 2020. This operation, which will strengthen employees' sense of belonging, will be carried out under the existing authorisations approved by the General Meeting of May 2019.

[25] There is also an earn-out clause of up to a maximum of €30m, payable in 2024, based on the future performance of the business

[26] Calculated on the 2019 net EPS, including the net income of Sabadell AM and synergies

The impact of this operation on Net Earnings per Share is expected to be negligible: the maximum volume of securities created will be 1 million shares (i.e. 0.5% of share capital and voting rights) and the discount offered to employees will be 30%, in accordance with the guidelines of the PACTE Law[27] recently passed in France.

4.4 Risk factors

The Group's main risk factors are detailed in Chapter 5 "Risk management and capital adequacy" of Amundi Group's 2019 Universal Registration Document filed with the AMF (French Financial Markets Authority) on 14 April 2020.

The occurrence of all or any of these risks could have a negative impact on Amundi Group's businesses, financial position and results. Furthermore, other risks, not yet currently identified or not considered to be significant by the Group on the date of this report, could have a negative impact on Amundi Group.

[27]The PACTE Act:Plan d'Action pour la Croissance et la Transformation des Entreprises (Action Plan for Business Growth and Transformation)

5 Interim condensed consolidated financial statements at 30 June 2020

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

5.1 General framework

Amundi Group ("Amundi") is a group of companies whose primary business is managing assets on behalf of third parties.

Amundi is the consolidating entity of the Amundi Group of companies. It is a Limited Liability Company with a Board of Directors (registered under number 314 222 902 in the Trade and Companies Register of Paris, France) with share capital of €505,408,262.50 comprising 202,163,305 shares with a nominal value of €2.50 each. The Company's registered office is located at 91-93 boulevard Pasteur, 75015 Paris.

Amundi shares are traded on Euronext Paris. Amundi is governed by the applicable stock market regulations, notably with respect to its obligation to inform the public.

Amundi is a credit institution authorised by the Autorité de contrôle prudentiel et de résolution (ACPR) under number 19530.Group companies that perform asset management activities have obtained the necessary approvals from the supervisory authorities they report to in France and other countries.

At 30 June 2020, Amundi was 68.07% owned by Crédit Agricole S.A. and 1.71% by other Crédit Agricole Group companies and fully consolidated in the accounts of Crédit Agricole S.A. and the Crédit Agricole Group.

5.2 Consolidated financial statements

5.2.1 Income statement

5.2.1. Income statement

In € thousands	*Notes*	H1 2020	2019	H1 2019
Revenue from commissions and other income from customer activities (a)		2 223 958	4 725 218	2 295 539
Commission and other customer activity expenses (b)		(970 663)	(2 120 293)	(1 024 084)
Net gains or losses on financial instruments at fair value through profit or loss on customer activities (c)		27 644	58 352	27 657
Interest and similar income (d)		6 123	16 680	7 378
Interest and similar expenses (e)		(20 298)	(30 052)	(14 096)
Net gains or losses on financial instruments at fair value through profit or loss (f)		(32 593)	49 003	36 718
Net gains or losses on financial assets at fair value through equity (g)		3 445	7 038	3 487
Income from other activities (h)		10 711	20 823	26 957
Expenses from other activities (i)		(47 662)	(90 602)	(62 941)
Net revenues from commissions and other customer activities (a)+(b)+(c)	2.1	**1 280 938**	**2 663 276**	**1 299 112**
Net financial income (d)+(e)+(f)+(g)	2.2	**(43 323)**	**42 669**	**33 486**
Other net income (h)+(i)	2.3	**(36 951)**	**(69 779)**	**(35 985)**
NET REVENUES		**1 200 664**	**2 636 166**	**1 296 614**
Operating expenses	2.4	(648 442)	(1 376 773)	(680 326)
GROSS OPERATING INCOME		**552 222**	**1 259 393**	**616 288**
Cost of risk	2.5	(17 232)	(10 696)	2 640
Share of net income of equity-accounted entities		28 924	46 342	24 837
Net gains (losses) on other assets	2.6	20	(11)	(201)
Change in the value of goodwill				-
INCOME BEFORE TAX		**563 934**	**1 295 028**	**643 563**
Income tax charge	2.7	(150 338)	(335 706)	(163 708)
NET INCOME FOR THE PERIOD		**413 597**	**959 322**	**479 855**
Non-controlling interests		44	(40)	74
NET INCOME – GROUP SHARE		**413 641**	**959 282**	**479 929**

5.2.2 Net income and gains and losses recognised directly in equity

5.2.2. Net income and gains and losses recognised directly in equity

In € thousands	*Notes*	H1 2020	2019	H1 2019
Net income		**413 597**	**959 322**	**479 855**
Actuarial gains and losses on post-employment benefits		*(13)*	*(8 020)*	*(7 424)*
Non-recyclable gains and losses on equity instruments recognised -through equity	3.5	*(43 840)*	*(11 943)*	*(23 811)*
Gains and losses on non-current assets held for sale		-	-	-
Pre-tax non-recyclable gains and losses recognised directly in-equity, excluding equity-accounted entities		(43 853)	(19 963)	(31 235)
Pre-tax non-recyclable gains and losses recognised directly in equity of equity-accounted entities		-	-	-
Tax on non-recyclable gains and losses recognised directly in equity, excluding equity-accounted entities		4	2 292	2 250
Tax non-recyclable gains and losses recognised directly in equity of equity-accounted entities		-	-	-
Net gains and losses recognised directly in equity which cannot be recycled to profit and loss at a later date		**(43 849)**	**(17 671)**	**(28 985)**
Translation gains and losses (a)		*(17 972)*	*23 701*	*6 219*
Gains and losses on debt instruments recognised in recyclable equity (b)	3.5	*(631)*	*(4)*	*569*
Gains and losses on hedging derivative instruments (c)			-	-
Gains and losses on non-current assets held for sale (d)			-	-
Pre-tax recyclable gains and losses recognised directly in -equity, excluding equity-accounted entities (a)+(b)+(c)+(d)		(18 603)	23 697	6 788
Tax on recyclable gains and losses recognised directly in equity, excluding equity-accounted entities		153	3	(181)
Pre-tax recyclable gains and losses recognised directly in equity of equity-accounted entities		(9 707)	875	2 108
Tax on recyclable gains and losses recognised directly in -equity of equity-accounted entities		-	-	-
Net gains and losses recognised directly in equity recyclable to profit or loss at a later date		**(28 158)**	**24 576**	**8 715**
NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY		**(72 007)**	**6 905**	**(20 269)**
TOTAL NET INCOME including NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY		**341 590**	**966 227**	**459 585**
of which Group share		341 634	966 203	459 659
of which non-controlling interests		(44)	24	(74)

5.2.3 Balance sheet assets

In € thousands	*Notes*	30/06/2020	31/12/2019
Cash and central banks	3.1	44	38
Financial assets at fair value through profit or loss	3.2	15 781 454	13 799 697
Financial assets at fair value through equity	3.5	567 786	610 404
Financial assets at amortised cost	3.6	2 393 090	1 185 449
Current and deferred tax assets	3.9	251 726	180 306
Accruals, prepayments and sundry assets	3.10	2 085 243	1 807 150
Investments in equity-accounted entities		284 850	275 269
Property, plant and equipment	3.11	185 046	206 215
Intangible assets	3.11	563 379	485 098
Goodwill	3.12	6 036 471	5 711 745
TOTAL ASSETS		**28 149 090**	**24 261 371**

5.2.4 Balance sheet liabilities and equity

In € thousands	*Notes*	30/06/2020	31/12/2019
Financial liabilities at fair value through profit or loss	3.3	11 922 975	11 081 207
Financial liabilities at amortised cost	3.7	3 970 425	816 724
Current and deferred tax liabilities	3.9	300 931	234 097
Accruals, deferred income and sundry liabilities	3.10	2 206 354	2 766 487
Provisions		197 081	158 722
Subordinated debt	3.8	300 916	303 842
Total debt		**18 898 682**	**15 361 079**
Equity Group share		9 250 144	8 899 984
Share capital and reserves	3.13	2 935 475	2 928 348
Consolidated reserves		6 019 059	5 058 377
Gains and losses recognised directly in equity		(118 030)	(46 023)
Net income/(loss) for the period		413 641	959 282
Non-controlling interests		264	308
Total equity		**9 250 408**	**8 900 292**
TOTAL LIABILITIES		**28 149 090**	**24 261 371**

5.2.5 Statement of changes in equity

in € thousands	Group Share								Non-controlling interests				Consolidated shareholder equity
	Share capital and reserves				Gains and losses recognised directly in equity		Net income	Shareholder equity Group share	Share capital, consolidated reserves and net income	Gains and losses recognised directly in equity		Non-controlling interests	
	Share capital	Paid-in capital and consolidated share capital	Elimination of treasury shares	Total share capital and consolidated reserves	In non-recyclable equity	In recyclable equity				In non-recyclable equity	In recyclable equity		
Equity as of 1 January 2019	**504 261**	**8 118 128**	**(41 321)**	**8 581 068**	**(37 181)**	**(15 763)**	**0**	**8 528 124**	**139**	**(34)**	**-**	**107**	**8 528 230**
Capital increase				**-**				-				-	-
Changes in treasury shares			(77 845)	**(77 845)**				(77 845)				-	(77 845)
Dividends paid in the first half of 2019		(579 365)		**(579 365)**				(579 365)				-	(579 365)
Effect of acquisitions and disposals on non-controlling interests				**-**				-				-	-
Changes related to share-based payments		17 577		**17 577**				17 577				-	17 577
Changes related to transactions with shareholders	**-**	**(561 788)**	**(77 845)**	**(639 633)**	**-**	**-**	**-**	**(639 633)**	**-**	**-**	**-**	**-**	**(639 633)**
Change in gains and losses recognised directly in equity				**-**	(28 985)	6 784		(22 201)				-	(22 201)
Share of change in equity of equity-accounted entities				-		2 108		2 108				-	2 108
Net income for the first half of 2019				-			479 929	479 929	(74)			(74)	479 855
Total income for the first half of 2019	-	-	-	**-**	**(28 985)**	**8 891**	**479 929**	**459 835**	**(74)**	**-**		**(74)**	**459 762**
Other changes	-	(238)		**(238)**				(238)				-	(238)
Equity as of 30 June 2019	**504 261**	**7 556 102**	**(119 166)**	**7 941 197**	**(66 166)**	**(6 872)**	**479 929**	**8 348 087**	**67**	**(34)**	**-**	**35**	**8 348 120**
Capital increase	1 147	18 143		**19 290**				19 290				-	19 290
Changes in treasury shares		(33 116)	40 334	**7 218**				7 218				-	7 218
Dividends paid in the second half of 2019		-		**-**				-	177			177	177
Effect of acquisitions and disposals on non-controlling interests				**-**				-				-	-
Changes related to share-based payments		18 734		**18 734**				18 734				-	18 734
Changes related to transactions with shareholders	**1 147**	**3 761**	**40 334**	**45 242**	**-**	**-**	**-**	**45 242**	**177**	**-**	**-**	**177**	**45 419**
Change in gains and losses recognised directly in equity				**-**	11 330	16 917		28 247		(16)		(16)	28 231
Share of change in equity of equity-accounted entities				-		(1 232)		(1 232)				-	(1 232)
Net income for the second half of 2019				-			479 353	479 353	114			114	479 467
Total income for the second half of 2019	-	-	-	**-**	**11 330**	**15 685**	**479 353**	**506 368**	**114**	**(16)**		**98**	**506 466**
Other changes	-	286		**286**				286				-	286
Equity as of 31 December 2019	**505 408**	**7 560 149**	**(78 832)**	**7 986 725**	**(54 835)**	**8 813**	**959 282**	**8 899 984**	**358**	**(50)**	**-**	**308**	**8 900 292**
Appropriation of 2019 net income		959 282		**959 282**			(959 282)	-				-	-
Equity as of 1 January 2020	**505 408**	**8 519 431**	**(78 832)**	**8 946 007**	**(54 835)**	**8 813**	**-**	**8 899 984**	**358**	**(50)**	**-**	**308**	**8 900 292**
Capital increase				**-**				-				-	-
Changes in treasury shares		(7 192)	7 124	**(68)**				(68)				-	(68)
Dividends paid in the first half of 2020				**-**				-				-	-
Effect of acquisitions and disposals on non-controlling interests				**-**				-				-	-
Changes related to share-based payments		8 577		**8 577**				8 577				-	8 577
Changes related to transactions with shareholders	**-**	**1 385**	**7 124**	**8 509**	**-**	**-**	**-**	**8 509**	**-**	**-**	**-**	**-**	**8 509**
Change in gains and losses recognised directly in equity				**-**	(43 849)	(18 450)		(62 300)				-	(62 300)
Share of change in equity of equity-accounted entities				-		(9 707)		(9 707)				-	(9 707)
Net income for the first half of 2020				-			413 641	413 641	(44)			(44)	413 597
Total income for the first half of 2020	-	-	-	**-**	**(43 849)**	**(28 158)**	**413 641**	**341 634**	**(44)**	**-**		**(44)**	**341 590**
Other changes	-	17		**17**				17				-	17
Equity as of 30 June 2020	**505 408**	**8 520 833**	**(71 708)**	**8 954 533**	**(98 685)**	**(19 345)**	**413 641**	**9 250 144**	**314**	**(50)**	**-**	**265**	**9 250 408**

5.2.6 Cash flow statement

The Group's cash flow statement is presented below using the indirect method. Cash flows are shown by type: operating activities, investment activities and financing activities.

Operating activities represent activities carried out on behalf of third parties and which result mainly in fee and commission cash flows, as well as activities on its own account (investments and related financing, intermediation of swaps between funds and markets, etc.). Tax cash flows are included in full within operating activities.

Investing activities include acquisitions and disposals of investments in consolidated and non-consolidated companies, as well as purchases of tangible and intangible assets.

Financing activities cover all transactions relating to equity (issues and buybacks of shares and other equity instruments, dividend payments, etc.) and long-term borrowings.

Net cash includes cash, debit and credit balances with central banks, debit and credit on demand balances in ordinary bank accounts, demand loans with credit institutions and overnight accounts and loans.

In € thousands	*Notes*	H1 2020	2019	H1 2019
Pre-tax income		**563 934**	**1 295 028**	**643 563**
Net depreciation and amortisation and provisions in relation to tangible and intangible assets		37 510	78 070	37 924
Net write-downs and provisions		37 306	(34 376)	(30 485)
Share of income of equity-accounted companies		(28 924)	(46 342)	(24 837)
Net income from investment activities		(20)	11	201
Net income from financing activities		4 316	7 993	4 291
Other changes		4 605	(35 416)	(9 468)
Total non-monetary items included in net income before taxes and other adjustments		**54 793**	**(30 061)**	**(22 374)**
Changes in interbank items		3 131 591	(402 541)	84 532
Changes in other financial asset and liability	(1)	(1 043 851)	(613 300)	(852 876)
Changes in non-financial assets and liabilities	(2)	(833 334)	1 103 190	1 105 470
Dividends from equity-accounted companies		9 636	18 494	14 682
Tax paid	2.7	(186 569)	(388 776)	(157 911)
Net decrease (increase) in assets and liabilities from operating activities		**1 077 474**	**(282 933)**	**193 897**
Net changes in cash flow from operating activities (a)		**1 696 201**	**982 035**	**815 086**
Changes in equity investments	(3)	(499 917)	10 281	11 153
Changes in property, plant and equipment and intangible assets		(23 869)	(45 336)	(20 425)
Net cash flows from investing activities (b)		**(523 786)**	**(35 055)**	**(9 272)**
Cash flow from or intended for shareholders		(69)	(630 525)	(657 203)
Other net cash flows from financing activities		(99 778)	(124 055)	(99 238)
Net cash flow from financing transactions (c)	(4)	**(99 847)**	**(754 579)**	**(756 441)**
Impact of exchange rate changes and other changes on cash (d)		(5 295)	11 427	4 264
CHANGES IN NET CASH (a + b + c + d)		**1 067 272**	**203 829**	**53 637**
Cash at beginning of the period		**1 132 503**	**928 674**	**928 674**
Net cash balance and central banks		38	40	40
Net balance of accounts, demand loans and borrowings with credit institutions		1 132 464	928 634	928 634
Cash at end of the period		**2 199 774**	**1 132 503**	**982 311**
Net cash balance and central banks		44	38	52
Net balance of accounts, demand loans and borrowings with credit institutions		2 199 730	1 132 464	982 259
CHANGES IN NET CASH		**1 067 272**	**203 829**	**53 637**

(1) Cash flows from transaction having an impact on financial assets and liabilities include investments and disinvestments in the investment portfolio.

(2) Cash flows from non-financial assets and liabilities include margin calls on collateralised derivatives. These amounts fluctuate depending on the fair value of the underlying derivatives.

(3) Changes in equity investments cash flows include cash disbursed as part of the acquisition of Sabadell Asset Management (transaction described in paragraph 5.3).

(4) Financing transaction cash flows include the impact of the partial repayment of the senior loan taken out in 2017 as part of the acquisition of Pioneer Investments. They also incorporate the decreases in lease liabilities recognised as part of applying IFRS 16.

5.3 Notes to the consolidated financial statements

Period highlights

The scope of consolidation and its changes at 30 June 2020 are presented in detail in note 5.3.

We highlight here the main events affecting the Group's life during the first half of 2020.

COVID-19 health crisis

The year 2020 began in an exceptional context with the crisis generated by the coronavirus epidemic, which was of an unprecedented magnitude and which is still affecting all global economic and financial activities today. Amundi quickly adapted its operational set-up, with two objectives: the protection of employees' health and the continuation of a high level of operational efficiency and quality of service for clients.

In this context, the main impacts for Amundi during this first half-year resulted from the significant fall in stock markets values that had consequences both for financial income through the own investment portfolio and for management fee income in relation to the immediate sensitivity of assets under management to any changes in the financial markets (equities, interest rates, etc.).

The magnitude and duration of this crisis are still difficult to predict.

Acquisition of Sabadell Asset Management

On 30 June 2020, Amundi acquired Sabadell Asset Management from Banco Sabadell.

The detailed impacts of this transaction, for which a definitive agreement was signed on 21 January 2020, are described in note 5.3 (changes in scope).

Creation of a joint venture between Amundi and BOC Wealth Management

On 20 December 2019, Amundi and BOC Wealth Management, a Bank of China subsidiary, received the agreement of the China Banking and Insurance Regulatory Commission to establish a joint asset management company.

This partnership will complement and accelerate Amundi's development strategy in China. Bank of China and Amundi have therefore started preparatory work for the creation of their joint venture. The process of obtaining national regulatory approval is underway. The objective is to launch the joint venture during the second half of 2020.

Capital increase reserved to Group employees

On 31 July 2020, Amundi Group published a press release announcing its intention to launch a capital increase reserved to employees during the second half of 2020.

The principle of this transaction was authorised by the General Meeting on 16 May 2019 and will generate a maximum number of 1,000,000 shares.

Note 1. Principles and methods

1.1 Applicable standards and comparability

2 Amundi Group interim condensed consolidated financial statements at 30 June 2020 were prepared in accordance with IAS 34 regarding interim financial reporting, which allows to present selected notes to the financial statements. As such, the interim consolidated financial statements do not include all of the notes and information required by IFRS standards for annual financial statements and must be read in conjunction with the consolidated financial statements for 2019, subject to the specificities of the preparation of interim financial statements.

1.1.1 Standards applied as of 30/06/2020

The accounting principles and methods chosen by Amundi Group to prepare its consolidated financial statements at 30 June 2020 are identical to those used for the preparation of the consolidated statements for the period ended on 31 December 2019, prepared in accordance with EC Regulation 1606/2002, pursuant to IAS/IFRS standards and IFRIC interpretations as adopted by the European Union ("carve out" version).

They were supplemented by the provisions of IFRS standards as adopted by the European Union at 30 June 2020, application of which is mandatory for the first time in 2020.

These cover:

Standards, amendments and interpretations	Date of publication by the European Union	Date of first mandatory application financial year beginning on
Amendment to references to the Conceptual Framework in IFRS standards	6 December 2019 (EU 2019/2075)	1 January 2020
IAS 1/IAS 8 Presentation of Financial Statements Definition of materiality	10 December 2019 (EU 2019/2104)	1 January 2020
Amendment to IFRS 9, IAS 39 and IFRS 7 Financial Instruments Interest Rate Benchmark Reform	15 January 2020 (EU 2020/34)	1 January 2020
Amendment to IFRS 3 Business Combinations Definition of a Business	21 April 2020 (EU 2020/551)	1 January 2020

Term of IFRS 16 leases – IFRS IC decision of 26 November 2019

In the first half of 2019, the IFRS IC was asked a question relating to the determination of the enforceable period for the recognition of leases under IFRS 16, for two types of lease in particular:

- Leases without contractual maturity, which may be terminated by either party, subject to notice;
- Renewable contracts by tacit renewal (unless terminated by one of the parties) and with no contractual penalty due in the event of termination.

At its meeting on 26 November 2019, the IFRS IC reminded that, pursuant to IFRS 16 and generally, a lease is no longer enforceable if the lessee and the lessor each have the right to terminate it without the permission of the other party by, at most, exposing themselves to a negligible penalty; the IFRS IC also clarified that in order to determine the enforceable period, all economic aspects of the contract should be taken into account and the concept of a penalty is understood to be beyond contractual termination indemnities and includes any economic incentive not to terminate the contract.

This decision constitutes a change of method in the approaches selected by the Group in determining the term of leases and goes beyond the specific cases on which the IFRS IC was questioned, as recalled by the AMF in its recommendations on 31 December 2019. In fact, the contract term to be used for assessing the right of use and rental debt is determined pursuant to IFRS 16 within this enforceable period. Furthermore, the application of a new method following a definitive decision by the IFRS IC is generally retrospective in scope and requires the Group to review the periods used for the IFRS 16 transition and for the 2019 financial year.

Since publication of this definitive decision by the IFRS IC, the Group has taken steps to implement this decision as soon as possible, by incorporating the accounting, finance, risks and IT functions into the implementation. A first step of identifying the contracts affected was initiated in the first half of 2020, in parallel with discussions on the implementation of the new method for determining the enforceable period in conjunction with the statutory auditors.

In particular, the Group identified the following types of lease as being affected by this decision:

- Real estate leases under the French commercial lease system: the Group applies the statement of conclusions of the ANC (French accounting standards authority) of 16 February 2018 that states that “in the chart of accounts, there is no option for renewal at the end of the lease and the period during which the contract is enforceable is generally nine years (the non-cancellable period then being three years)”. The Group has planned to analyse, during the second half of 2020, the effects on commercial leases close to the nine-year term in relation to the ANC’s statement of conclusions concerning the application of IFRS 16, published in July 2020, replacing that of 16 February 2018.
- Other contracts across all jurisdictions: the Group is conducting a comprehensive identification of contracts for which the lease term within the meaning of IFRS 16 would be amended by the decision of the IFRS IC. These analyses are carried out on a case-by-case basis, depending on the contractual documentation and the legal provisions in force concerning them.

At this stage, the potential impacts of this decision are still estimated to be non-significant for the Group.

1.1.2 IFRS standards not yet adopted by the European Union

Furthermore, standards and interpretations published by the IASB, but not yet adopted by the European Union, will enter into mandatory force only at the time of their adoption and therefore were not applied to the Group at 30 June 2020.

The IAS 1 amendment presentation of financial statements on the Classification of Liabilities as Currents or Non-current, published by the IASB, is applicable on 1 January 2023 (with the possibility of early application) subject to its adoption by the European Union.

2.1 Presentation format of the financial statements

Amundi presents its balance sheet in decreasing liquidity order. Balance sheet assets and liabilities are presented in notes 6.2.3 and 6.2.4.

The income statement is presented by type in note 6.2.1.

The main income statement aggregates are:

- net income, including net revenue from commissions and other customer activities (note 2.1) and net financial income (note 2.2);
- operating expenses (note 2.4);
- cost of risk (note 2.5);
- the share of net income from equity-accounted entities;
- net gains (losses) on other assets (note 2.6);
- income tax (note 2.7).

2.2 Accounting methods and principles

Use of assumptions and estimates for the preparation of the half-year financial statements

In order to prepare the interim condensed consolidated financial statements, the Group carries out a number of estimates and retains certain assumptions it deems realistic and reasonable. The estimates relate to the identification of income and expenses and the valuation of assets and liabilities as well as the information in the notes to the financial statements.

The exercise assumes that Management applies its judgement based on the information available at the time the statements are prepared.

Due to the uncertainties inherent in any valuation process, the Group revises its estimates based on information updated on a regular basis. It is therefore possible that the future results of the transactions in question may differ from the estimates.

Future results may be impacted by a number of different factors, notably (but not exclusively):

- the economic and political environment in certain business sectors and countries;
- risks associated with the financial markets, which include both national and international market trends as well as interest rate, exchange rate, equity and credit spread fluctuations. Amundi Group, in line with the immediate sensitivity of assets under management to any change in the financial markets (equities, interest rates, etc.), may be affected through its management income;
- changes in regulations and legislation;
- risks of non-compliance with regulations and legislation. Amundi conducts a regulated activity. In this context, its activities are regularly subject to inspections and investigation tasks of various regulators. Such inspections may highlight certain irregularities and may, in certain cases, lead to fines or other penalties.

The significant estimates made by the Group in preparing the interim consolidated financial statements relate primarily to:

- assessment of the recoverable amount of goodwill and other intangible assets;
- the fair value measurement of financial instruments;
- assessment of provisions for guarantees granted to structured funds;
- assessment of provisions for retirement obligations;
- assessment of provisions for legal, regulatory and non-compliance risks.

All these assessments are carried out on the basis of the information available on the date of preparation of the financial statements.

Seasonal nature of the business

Since the Group's business is not seasonal or cyclical in nature, its first-half results are not influenced by such factors.

However, fees and commissions payable or receivable that are contingent upon meeting a performance target are recognised at an interim date only if all the following conditions are met:

- the amount of fees and commissions can be estimated reliably,
- it is probable that the future economic benefits resulting from the services rendered will flow to the Company,
- the stage of completion of the service can be estimated in a reliable way; and the costs incurred for the service and the costs to complete it can be estimated in a reliable way.

Performance fees are therefore recognised at the end of the calculation period.

Income taxes

As part of the preparation of the interim financial statements, the (current and deferred) tax expense was estimated using the estimated average annual rate method.

Retirement obligations

Pension costs for the interim period are calculated based on actuarial valuations made for the previous financial year, as the Group does not conduct actuarial valuations during the year. However, these year-end actuarial valuations are adjusted to take into account non-recurring events during the first half that are likely to have an impact on the Group's obligations. Furthermore, the amounts recognised in respect of defined-benefit plans are adjusted if necessary in order to take into account any major changes that may have affected the yield on bonds issued by leading companies in the area involved (reference used to determine the discount rate) and the actual return on hedging assets.

At 30 June 2020, Amundi did not adjust the discount rate used in the financial statements at 31 December 2019 because iBoxx rates had not changed significantly.

Non-compliance risk

Following a special enquiry conducted between 2017 and 2019, the *Autorité des Marchés Financiers* (« AMF »), the French regulatory body, notified Amundi of various complaints on June 12th 2020. These grievances relate to a number of transactions executed in 2014 and 2015 by two employees of Amundi, and will be reviewed by the *Rapporteur* appointed by the AMF Enforcement Committee for the examination of the case. Amundi fully cooperates with the regulatory authority to address this issue. As of today, no sanction has been imposed on Amundi.

Note 2. Notes on net income and gains and losses recognised directly in equity

2.1 Net management revenues

Commissions and fees break down as follows:

In € thousands	H1 2020	2019	H1 2019
Net fee and commission income	1 204 568	2 492 580	1 238 903
Performance fees	76 371	170 697	60 209
Total net asset management revenues	**1 280 938**	**2 663 276**	**1 299 112**

The analysis of net asset management revenue by client segment is presented in note 5.1.

2.2 Net financial income

In € thousands	H1 2020	2019	H1 2019
Interest income	6 123	16 680	7 378
Interest expense	(20 298)	(30 052)	(14 096)
Net interest margin	**(14 175)**	**(13 372)**	**(6 718)**
Dividends received	*1 545*	*3 520*	*3 508*
Unrealised or realised gains or losses on assets/liabilities designated at fair value through profit or loss by type	(35 863)	51 598	35 319
Unrealised or realised gains or losses on assets/liabilities designated at fair value through profit or loss by option	-	-	-
Net gains/(losses) on currency and similar financial instrument transactions	1 724	(6 115)	(2 110)
Net gains or losses on financial instruments at fair value through profit or loss	**(32 593)**	**49 003**	**36 718**
Net gains or losses on debt instruments recognised in recyclable equity	-	*(8)*	*(8)*
Remuneration of equity instruments recognised in non-recyclable equity (dividends)	*3 445*	*7 046*	*3 495*
Net gains or losses on financial assets at fair value through equity	**3 445**	**7 038**	**3 487**
Total net financial income	**(43 323)**	**42 669**	**33 486**

Analysis of net gains (losses) from hedge accounting:

	H1 2020			2019			H1 2019		
In € thousands	Profits	Losses	Net	Profits	Losses	Net	Profits	Losses	Net
Fair value hedges									
Change in fair value of hedged items attributable to hedged risks	915	315	1 230	4 216	(486)	3 730	6 200	-	6 200
Change in fair value of hedging derivatives (including termination of hedges)	(315)	(915)	(1 230)	486	(4 216)	(3 730)	-	(6 200)	(6 200)
Total gains (losses) from hedge accounting	**600**	**(600)**	**-**	**4 702**	**(4 702)**	**-**	**6 200**	**(6 200)**	**-**

2.3 Other net income

In € thousands	H1 2020	2019	H1 2019
Other net income (expenses) from banking operations	(44 945)	(86 947)	(43 465)
Other net income (expenses) from non-banking operations	7 994	17 167	7 480
Total other net income (expenses)	**(36 951)**	**(69 779)**	**(35 985)**

Other net income includes revenue from non-Group entities generated by the Amundi subsidiary that provides IT services primarily to members of the Group, along with the amortisation expense for intangible assets (distribution agreements) acquired in business combinations in the amount of €35,613 thousand for the first half of 2020 and €71,251 thousand for 2019.

2.4 Operating expenses

In € thousands	H1 2020	2019	H1 2019
Employee expenses (including seconded and temporary personnel)	(422 890)	(886 694)	(432 555)
Other operating expenses	(225 552)	(490 079)	(247 771)
Of which external services related to personnel and similar expenses	*(2 212)*	*(8 636)*	*(4 811)*
Total general operating expenses	**(648 442)**	**(1 376 773)**	**(680 326)**

An analysis of employee expenses is presented below:

In € thousands	H1 2020	2019	H1 2019
Salaries	(316 790)	(635 103)	(310 687)
Retirement fund contributions	(24 993)	(43 732)	(25 317)
Social charges and taxes	(61 109)	(158 336)	(73 015)
Other	(19 999)	(49 523)	(23 536)
Total employee expenses	**(422 890)**	**(886 694)**	**(432 555)**

An expense of €8,577 thousand for share-based payments was recognised during the first half of 2020 in respect of the performance share award scheme for Group employees.

These award schemes are described below:

Performance share award schemes				
Date of General Meeting authorising share award scheme	30/09/2015	18/05/2017	18/05/2017	16/05/2019
Date of Board meeting	09/02/2017	13/12/2017	01/08/2018	13/12/2019
Date of allocation of shares	09/02/2017	13/12/2017	01/08/2018	13/12/2019
Number of shares allocated	139 930	1 551 750	98 310	65 570
Methods of payment	Amundi shares	Amundi shares	Amundi shares	Amundi shares
Vesting period	09/02/2017 09/02/2020	01/07/2017 31/12/2021	01/07/2018 31/12/2021	13/12/2019 13/12/2021
Performance conditions (1)	Yes	Yes	Yes	Yes
Continued employment condition	Yes	Yes	Yes	Yes
Shares remaining as of 31 December 2019 (2)	127 656	899 629	95 760	65 570
Shares issued during the period	*127 656*	-	-	-
Shares cancelled or voided during the period		*3 680*	-	*1 770*
Shares remaining as at 30 June 2020 (2)	-	895 949	95 760	63 800
Fair value of one share – Tranche 1	€43.41	€67.12	€52.27	€62.58
Fair value of one share – Tranche 2	n/a	€63.69	€48.78	n/a
Fair value of one share– Tranche 3	n/a	€59.85	n/a	n/a

(1) Performance conditions are based on Net Income Group Share (NIGS), the amount of net inflow and the Group's cost-to-income ratio.

(2) Shares on the basis of achieving performance conditions of 100%

Amundi measures the shares awarded and recognises an expense determined on the grant date based on the market value on that date. The assumptions relating to beneficiaries (options forfeited on dismissal or resignation) may be revised during the vesting period, giving rise to an adjustment to the expense.

2.5 Cost of risk

In € thousands	H1 2020	2019	H1 2019
Credit risk			
Provisions net of impairment reversals on performing assets (Buckets 1 and 2)	**659**	**2 775**	**2 709**
Bucket 1: Losses valued at amount of credit losses expected in the coming 12 months	**659**	**2 775**	**2 709**
Debt instruments recognised at fair value through profit and loss in recyclable equity	(213)	(52)	(41)
Debt instruments recognised at amortised cost	1 361	1 108	1 094
Commitments made	(489)	1 719	1 656
Bucket 2: Losses valued at amount of credit losses expected over the lifetime	**-**	**-**	**-**
Debt instruments recognised at fair value through profit and loss in recyclable equity	-	-	-
Debt instruments recognised at amortised cost	-	-	-
Commitments made	-	-	-
Provisions net of write-down reversals on impaired assets (Bucket 3)	**(7 701)**	**1 783**	**6 303**
Bucket 3: Impaired assets			
Debt instruments recognised at fair value through profit and loss in recyclable equity	-	-	-
Commitments made	(7 701)	1 783	6 303
Net changes in provisions for credit risk	**(7 042)**	**4 558**	**9 012**
Net changes in provisions for other risks and charges and provisions on other assets (1)	**(8 736)**	**(5 342)**	**(1 351)**
Other net gains (losses) (2)	**(1 455)**	**(9 912)**	**(5 021)**
Total cost of risk	**(17 232)**	**(10 696)**	**2 640**

(1) This item records, in particular, the effects of provisions for litigations and risks of regulatory non-compliance risks.

(2) This item incorporates the net gains or losses resulting from the activity, including in particular the expenses associated with operational risk.

Value adjustments for losses corresponding to provisions for off-balance sheet commitments and recognised under cost of risk (for credit risk) are shown below:

	Performing commitments				Impaired commitments (Bucket 3)		Total		
	Commitments subject to an ECL at 12 months (Bucket 1)		Commitments subject to an ECL at maturity (Bucket 2)						
(in € thousands)	Amount of commitment	Value adjustment for losses	Amount of commitment	Value adjustment for losses	Amount of commitment	Value adjustment for losses	Amount of commitment (a)	Value adjustment for losses (b)	Net amount of commitment (a) + (b)
As of 1 January 2020	**18 349 379**	**(469)**	**-**	**-**	**1 986 423**	**(24 592)**	**20 335 802**	**(25 061)**	**20 310 741**
Transfers of commitments during their lifetime from one bucket to another	**(157 897)**	**-**	**-**	**-**	**157 897**	**(254)**	**-**	**(254)**	
Transfer of 12-month ECLs (Bucket 1) to ECLs at maturity (Bucket 2)							-	-	
Return of ECLs at maturity (Bucket 2) to 12-month ECLs (Bucket 1)							-	-	
Transfers to ECLs at maturity Impaired (Bucket 3)	*(157 897)*				*157 897*	*(254)*	-	*(254)*	
Return of ECLs at maturity Impaired (Bucket 3) to ECLs at maturity (Bucket 2)/12-month ECLs (Bucket 1)									
Total after transfer	**18 191 482**	**(469)**	**-**	**-**	**2 144 320**	**(24 846)**	**20 335 802**	**(25 315)**	**20 310 487**
Changes in commitment amounts and value adjustments for losses	**(2 222 575)**	**(489)**	**-**	**-**	**109 254**	**(6 182)**	**(2 113 321)**	**(6 671)**	
New commitments given							-	-	
Suppression of commitments					(113 875)	880	(113 875)	880	
Transfer to loss					(1 265)	1 265	(1 265)	1 265	
Changes in flows that do not result in derecognition							-	-	
Changes in credit risk parameters over the period		*(84)*				*(8 327)*	-	*(8 411)*	
Change in model/methodology		*(405)*					-	*(405)*	
Other	*(2 222 575)*				*224 394*		*(1 998 181)*	-	
At 30 June 2020	**15 968 907**	**(957)**	**-**	**-**	**2 253 574**	**(31 029)**	**18 222 481**	**(31 986)**	**18 190 495**

Provisions for off-balance sheet commitments are provisions granted by Amundi within the context of fund guarantees.

2.6 Net gains (losses) on other assets

In € thousands	H1 2020	2019	H1 2019
Gains on disposals of tangible and intangible assets	34	71	34
Losses on disposals of tangible and intangible assets	(14)	(81)	(235)
Income from sales of securities from consolidated holdings	-	-	-
Net income from business combination operations	-	-	-
Total net gains (losses) on other assets	**20**	**(11)**	**(201)**

2.7 Income taxes

In € thousands	H1 2020	2019	H1 2019
Current tax charge	(128 197)	(378 846)	(192 799)
Deferred tax income (expense)	(22 140)	43 140	29 091
Total tax expense for the period	**(150 338)**	**(335 706)**	**(163 708)**

2.8 Change in gains and losses recognised directly in equity

Net gains and losses recognised directly in equity for the first half of 2020 are detailed below:

In thousands of euros - **recyclable gains and losses**	**H1 2020**	**2019**	**H1 2019**
Translation gains and losses	**(17 972)**	**23 701**	**6 220**
Revaluation adjustment for the period	(17 972)	23 701	6 220
Reclassified to profit and loss	-	-	-
Other reclassifications	-	-	-
Gains and losses on debt instruments recognised in recyclable equity	**(631)**	**(4)**	**569**
Revaluation adjustment for the period	(844)	(12)	520
Reclassified to profit and loss	-	8	8
Other reclassifications	213	-	41
Gains and losses on hedging derivative instruments		**-**	
Revaluation adjustment for the period	-	-	-
Reclassified to profit and loss	-	-	-
Other reclassifications	-	-	-
Pre-tax gains and losses recognised directly in recyclable equity from equity-accounted entities	**(9 707)**	**875**	**2 108**
Tax on gains and losses recognised directly in recyclable equity, excluding equity-accounted entities	**153**	**3**	**(181)**
Tax on gains and losses recognised directly in recyclable equity from equity-accounted entities	**-**	**-**	**-**
Total net gains and losses recognised directly in equity recyclable to profit or loss at a later date	**(28 158)**	**24 576**	**8 715**

In thousands of euros - **Non-recyclable gains and losses**	**H1 2020**	**2019**	**H1 2019**
Actuarial gains and losses on post-employment benefits	**(13)**	**(8 020)**	**(7 424)**
Gains and losses on equity instruments recognised in non-recyclable equity through profit and loss	**(43 840)**	**(11 943)**	**(23 811)**
Revaluation adjustment for the period	(43 840)	(11 943)	(23 811)
Transfers to reserves	-	-	-
Other reclassifications	-	-	-
Pre-tax gains and losses recognised directly in non-recyclable equity from equity-accounted entities	-	-	-
Income tax on gains and losses recognised directly in non-recyclable equity, excluding equity-accounted entities	4	2 292	2 250
Income tax on gains and losses recognised directly in non-recyclable equity from equity-accounted entities	-	-	-
Total net gains and losses recognised directly in equity that will not be recycled to profit or loss at a later date	**(43 849)**	**(17 671)**	**(28 985)**

Total net gains and losses recognised directly in equity	**(72 007)**	**6 905**	**(20 269)**
Of which Group share	(72 007)	6 921	(20 269)
Of which non-controlling interests	-	(16)	-

Details of the tax effect on gains and losses recognised directly in equity are shown below:

In € thousands	31/12/2019				H1 2020 change				30/06/2020			
	Gross	Tax	Net of tax	Net Group share	Gross	Tax	Net of tax	Net Group share	Gross	Tax	Net of tax	Net Group share
Gains and losses recognised directly in recyclable equity												
Translation gains and losses	18 115	-	18 115	18 115	(17 972)		(17 972)	(17 972)	143	-	143	143
Gains and losses on debt instruments recognised in recyclable equity	(702)	223	(479)	(479)	(631)	153	(478)	(478)	(1 333)	376	(957)	(957)
Gains and losses on hedging derivative instruments	-	-	-	-			-		-	-	-	-
Net gains and losses recognised directly in recyclable equity excluding equity-accounted entities	**17 413**	**223**	**17 636**	**17 636**	**(18 603)**	**153**	**(18 450)**	**(18 450)**	**(1 190)**	**376**	**(814)**	**(814)**
Net gains and losses recognised directly in recyclable equity from ~~of~~ equity-accounted entities	(8 822)	-	(8 822)	(8 822)	(9 707)		(9 707)	(9 707)	(18 530)	-	(18 530)	(18 530)
Gains and losses recognised directly in recyclable equity	**8 591**	**223**	**8 813**	**8 813**	**(28 311)**	**153**	**(28 158)**	**(28 158)**	**(19 720)**	**376**	**(19 344)**	**(19 345)**
Gains and losses recognised directly in non-recyclable equity												
Actuarial gains and losses on post-employment benefits	(25 477)	6 941	(18 534)	(18 483)	(13)	4	(9)	(9)	(25 490)	6 946	(18 544)	(18 493)
Gains and losses on equity instruments recognised in non-recyclable equity through profit and loss	(36 351)	-	(36 351)	(36 351)	(43 840)		(43 840)	(43 840)	(80 191)	-	(80 191)	(80 191)
Gains and losses recognised directly in non-recyclable equity excluding equity-accounted entities	**(61 828)**	**6 941**	**(54 885)**	**(54 835)**	**(43 853)**	**4**	**(43 849)**	**(43 849)**	**(105 681)**	**6 946**	**(98 735)**	**(98 684)**
Gains and losses recognised directly in non-recyclable equity from equity-accounted entities	-	-	-	-	-	-	-	-	-	-	-	-
Gains and losses recognised directly in non-recyclable equity	**(61 828)**	**6 941**	**(54 885)**	**(54 835)**	**(43 853)**	**4**	**(43 849)**	**(43 849)**	**(105 681)**	**6 946**	**(98 735)**	**(98 684)**
Total gains and losses recognised directly in equity	**(53 237)**	**7 164**	**(46 072)**	**(46 023)**	**(72 164)**	**157**	**(72 007)**	**(72 007)**	**(125 401)**	**7 322**	**(118 079)**	**(118 030)**

Note 3. Notes on the balance sheet

3.1 Cash and central banks

In € thousands	30/06/2020	31/12/2019
Cash	44	38
Total cash & central banks	**44**	**38**

3.2 Financial assets at fair value through profit or loss

In € thousands	30/06/2020	31/12/2019
Financial assets held for trading	2 669 850	3 095 280
Derivative hedging instruments	171	486
Equity instruments at fair value through profit or loss	665 299	577 330
Debt instruments at fair value through profit or loss by category	3 977 977	2 677 030
Financial assets designated at fair value through profit or loss	8 468 158	7 449 570
Total financial assets at fair value through profit or loss	**15 781 454**	**13 799 697**

3.2.1 Financial assets held for trading

In € thousands	30/06/2020	31/12/2019
Derivative trading instruments	**2 669 850**	**3 095 280**
of which, interest rate swaps	110 195	104 860
of which, equity and index swaps	2 544 939	2 985 211
Total financial assets held for trading	**2 669 850**	**3 095 280**

This section includes the fair value of derivatives contracted by Amundi as part of its intermediation business: derivatives contracted with funds and executed with market counterparties.

3.2.2 Assets – hedging derivatives

In € thousands	30/06/2020			31/12/2019		
	Market value		Notional amount	Market value		Notional amount
	Positive	Negative		Positive	Negative	
FAIR VALUE HEDGING						
Interest rate risk	171	8 910	386 000	486	7 996	386 000

This section refers to the hedges on Treasury Bills (OATs) held by Amundi as collateral under the EMIR Regulation.

3.2.3 Other financial assets at fair value through profit or loss

In € thousands	30/06/2020	31/12/2019
Equity instruments at fair value through profit or loss	**665 299**	**577 330**
Shares and other variable-income securities	491 296	478 507
Non-consolidated equity holdings	174 003	98 824
Debt instruments at fair value through profit or loss by category	**3 977 977**	**2 677 030**
Funds	3 977 977	2 601 320
Treasury bills and similar securities	-	75 710
Financial assets designated at fair value through profit or loss	**8 468 158**	**7 449 570**
Loans and receivables due from credit institutions	4 765 149	4 102 246
Bonds and other fixed-income securities	3 703 009	3 347 324
Treasury bills and similar securities		
Total financial assets at fair value through profit or loss	**13 111 433**	**10 703 931**

This section includes the fair value of seed money, proprietary investments and hedging assets for EMTN issues (see note 3.3.3).

3.3 Financial liabilities at fair value through profit or loss

In € thousands	30/06/2020	31/12/2019
Financial liabilities held for trading	2 599 228	2 655 510
Derivative hedging instruments	8 910	7 996
Financial liabilities designated at fair value through profit or loss	9 314 837	8 417 701
Total financial liabilities at fair value through profit or loss	**11 922 975**	**11 081 207**

3.3.1 Liabilities held for trading

In € thousands	30/06/2020	31/12/2019
Derivative trading instruments	**2 599 228**	**2 655 510**
of which, interest rate swaps	39 726	36 787
of which, equity and index swaps	2 546 120	2 608 773
Total financial liabilities held for trading	**2 599 228**	**2 655 510**

This section includes the fair value of derivatives contracted by Amundi as part of its intermediation business: derivatives contracted with funds and executed with market counterparties.

3.3.2 Liabilities – hedging derivatives

See note 3.2.2. Assets – Hedging derivatives.

3.3.3 Financial liabilities designated at fair value through profit or loss

In € thousands	30/06/2020	31/12/2019
Debt securities	9 314 837	8 417 701
Total financial liabilities designated at fair value through profit or loss	**9 314 837**	**8 417 701**

This section records the securities issued by EMTN issuance vehicles for customers. The nominal value of these issues was €9,134,246 thousand at 30 June 2020 and €7,865,792 thousand at 31 December 2019.

3.4 Information on the netting of financial assets and liabilities

3.4.1 Netting – Financial assets

Effects of netting on financial assets under the master netting agreement and other similar agreements

in thousands of euros Type of transaction	Gross amount of assets recognised before netting (a)	Gross amount of liabilities actually netted (b)	Net amount of financial assets shown in the summary statements (c) = (a) - (b)	Other amounts that can be netted under given conditions Gross amount of financial liabilities covered by master netting agreement	Other amounts that can be netted under given conditions Amounts of other financial instruments received as collateral, including security deposits (d)	Net amount after total netting effect (e) = (c) - (d)
30/06/2020						
Derivatives	2 655 344	-	2 655 344	1 995 209	294 749	365 386
Financial assets subject to netting	**2 655 344**	**-**	**2 655 344**	**1 995 209**	**294 749**	**365 386**
31/12/2019						
Derivatives	3 090 562	-	3 090 562	2 155 853	654 748	279 961
Financial assets subject to netting	**3 090 562**	**-**	**3 090 562**	**2 155 853**	**654 748**	**279 961**

The gross amounts of the derivatives presented in the statements exclude adjustments for counterparty risks, Credit Valuation Adjustment (CVA) and Debit Valuation Adjustment (DVA).

3.4.2 Netting – Financial liabilities

Effects of netting on financial liabilities under the master netting agreement and other similar agreements

in thousands of euros Type of transaction	Gross amount of liabilities recognised before netting (a)	Gross amount of assets actually netted (b)	Net amount of financial liabilities shown in the summary statements (c) = (a) - (b)	Other amounts that can be netted under given conditions Gross amount of financial assets covered by master netting agreement	Other amounts that can be netted under given conditions Amounts of other financial instruments given as collateral, including security deposits (d)	Net amount after total netting effect (e) = (c) - (d)
30/06/2020						
Derivatives	2 594 756	-	2 594 756	1 995 209	413 839	185 708
Financial liabilities subject to netting	**2 594 756**	**-**	**2 594 756**	**1 995 209**	**413 839**	**185 708**
31/12/2019						
Derivatives	2 653 643	-	2 653 643	2 155 853	214 447	283 343
Financial liabilities subject to netting	**2 653 643**	**-**	**2 653 643**	**2 155 853**	**214 447**	**283 343**

The gross amounts of the derivatives presented in the statements exclude adjustments for counterparty risks, Credit Valuation Adjustment (CVA) and Debit Valuation Adjustment (DVA).

3.5 Financial assets at fair value through equity

In € thousands	30/06/2020 Balance sheet value	30/06/2020 Unrealised losses	31/12/2019 Balance sheet value	31/12/2019 Unrealised losses
Debt instruments recognised at fair value through recyclable equity	**417 622**	**(1 333)**	**416 400**	**(702)**
Treasury bills and similar securities	*417 622*	*(1 333)*	*416 400*	*(702)*
Equity instruments recognised at fair value through non-recyclable equity	**150 164**	**(80 191)**	**194 004**	**(36 351)**
Non-consolidated equity holdings	*150 164*	*(80 191)*	*194 004*	*(36 351)*
Financial assets at fair value through equity	**567 786**	**(81 524)**	**610 404**	**(37 053)**

3.6 Financial assets at amortised cost

In € thousands	**30/06/2020**	**31/12/2019**
Current accounts and overnight loans	2 293 106	1 136 718
Accounts and term deposits	97 701	47 745
Accrued interest	2 283	986
Total financial assets at amortised cost (net value)	**2 393 090**	**1 185 449**

“Financial assets at amortised cost” are loans and receivables due from credit institutions primarily granted to Crédit Agricole Group.

As at 30 June 2020, no value adjustments for credit risk affected this item.

3.7 Financial liabilities at amortised cost

In € thousands	30/06/2020	31/12/2019
Accounts and term deposits	3 875 692	811 698
Accrued interest	1 357	772
Current accounts	93 376	4 254
Total financial liabilities at amortised cost	**3 970 425**	**816 724**

The main counterparty in respect of “financial liabilities at amortised cost” is the Crédit Agricole Group.

3.8 Subordinated debt

In € thousands	30/06/2020	31/12/2019
Fixed-term subordinated debt	300 916	303 842
Total subordinated debt	**300 916**	**303 842**

3.9 Current and deferred tax assets and liabilities

In € thousands	30/06/2020	31/12/2019
Current tax receivables	128 531	33 435
Deferred tax assets	123 194	146 872
Total current and deferred tax assets	**251 726**	**180 306**
Current tax liabilities	157 194	114 841
Deferred tax liabilities	143 737	119 256
Total current and deferred tax liabilities	**300 931**	**234 097**

3.10 Accruals and sundry assets and liabilities

3.10.1 Accruals, prepayments and sundry assets

In € thousands	**30/06/2020**	**31/12/2019**
Miscellaneous debtors	1 313 986	1 280 226
Accrued income	505 635	290 660
Prepaid expenses	265 622	236 264
Assets – total accruals, prepayments and sundry assets	**2 085 243**	**1 807 150**

Accruals, prepayments and sundry assets include management and performance fees due and the collateral paid for derivative contracts. The collateral was recorded in balance sheet assets in the amount of €537,267 thousand at 30 June 2020 and €293,469 thousand at 31 December 2019.

3.10.2 Accruals, deferred income and sundry liabilities

In € thousands	**30/06/2020**	**31/12/2019**
Miscellaneous creditors	834 175	633 196
Accrued expenses	782 118	1 078 853
Prepaid income	31 942	8 463
IFRS 16 lease liability	149 882	172 973
Other accruals	408 237	873 002
Liabilities – total accruals and sundry liabilities	**2 206 354**	**2 766 487**

Accruals, deferred income and sundry liabilities include bonus debt, inducements payable to distributors and collateral received for derivative contracts. Collateral amounting to €333,570 thousand was recorded in balance sheet liabilities at 30 June 2020 and €809,220 thousand at 31 December 2019.

3.11 Tangible and intangible assets

3.11.1 Tangible assets used in operations

In € thousands	**31/12/2019**	Change of scope	Increase	Decrease	Foreign exchange gains and	Other transactions	**30/06/2020**
Gross value	420 148	-	12 478	(4 980)	(1 112)	(1 375)	425 160
Amortisation and provisions	(213 933)	-	(31 492)	4 737	471	103	(240 114)
Net tangible assets	**206 215**	**-**	**(19 014)**	**(243)**	**(641)**	**(1 272)**	**185 046**

In € thousands	**31/12/2018**	Change of scope	Increase	Decrease	Foreign exchange gains and	Other transactions	**31/12/2019**
Gross value	204 953	(6 443)	26 417	(20 895)	2 448		420 148
Amortisation and provisions	(162 329)	6 483	(64 819)	8 312	(587)	(993)	(213 933)
Net tangible assets	**42 624**	**41**	**(38 402)**	**(12 583)**	**1 861**	**(993)**	**206 215**

3.11.2 Intangible assets used in operations

In € thousands	**31/12/2019**	Change of scope (1)	Increase	Decrease	Foreign exchange gains and	Other transactions	**30/06/2020**
Gross value	1 114 788	108 000	12 887	(33)	(830)	40	1 234 853
Amortisation and provisions	(629 690)	-	(42 233)	20	468	(40)	(671 474)
Net intangible assets	**485 098**	**108 000**	**(29 345)**	**(13)**	**(362)**	**-**	**563 379**

In € thousands	**31/12/2018**	Change of scope	Increase	Decrease	Foreign exchange gains and	Other transactions	**31/12/2019**
Gross value	1 089 692	(1 000)	26 213	(1 136)	462	556	1 114 788
Amortisation and provisions	(545 464)	1 114	(85 693)	1 127	(216)	(558)	(629 690)
Net intangible assets	**544 228**	**115**	**(59 479)**	**(9)**	**246**	**(3)**	**485 098**

(1) Impact associated with the acquisition of Sabadell Asset Management (see notes 5.3)

Intangible assets consist primarily of:

- distribution contracts with partner networks acquired through business combinations and amortised over a maximum period of 10 years;
- software acquired or developed in-house.

3.12 Goodwill

Goodwill was €6,036.5 million at 30 June 2020 compared to €5,711.7 million at 31 December 2019. This development was mainly due to the acquisition of Sabadell Asset Management (see note 5.3) and exchange rate fluctuations over the period.

Goodwill is tested for impairment based on the Group’s value in use. Determination of the value in use is based on the present value of estimated future cash flows of the Group as set out in the medium-term business plans prepared by the Group for management purposes.

The impairment test conducted on 30 June 2020 was carried out using results forecasts for the 2020-2022 period. The results forecasts were primarily based on the following assumptions about the economic environment:

- Equity markets, which show a significant drop in 2020 linked to the COVID-19 health crisis, against a background of continuing low rates;

- Markets that are gradually recovering to reach their pre-crisis level in the 2022 timeframe.

- A recovery of inflow from 2021;

Amundi used a perpetual growth rate of 2% for the tests as of 30 June 2020 and 2019 and a discount rate of 8.20% for the test as of 30 June 2020 (compared to 7.80% for the tests as of 31 December 2019).

A change in these assumptions (+/-50 basis points in the discount rate and +/-50 basis points in the perpetual growth rate) would not change the conclusions of the impairment test as of 30 June 2020.

3.13 Equity

3.13.1 Composition of the share capital

As of 30 June 2020, the allocation of share capital and voting rights was as follows:

Shareholders	Number of securities	% of share capital	% of voting rights
Crédit Agricole S.A	137 606 742	68,07%	68,48%
Other Crédit Agricole Group companies	3 450 657	1,71%	1,72%
Employees	953 148	0,47%	0,47%
Treasury stock	1 223 982	0,61%	-
Free float	58 928 776	29,15%	29,33%
Total securities	**202 163 305**	**100,00%**	**100,00%**

3.13.2 Dividends

In accordance with the decision of the General Meeting of 12 May 2020, the total income for the 2019 financial year was carried forward. No dividend distribution was passed.

In €	For the 2019 financial year	For the 2018 financial year
Ordinary dividend per share	n/a	2,90

Note 4. Fair value of financial instruments

Financial instruments measured at fair value on the balance sheet are valued on the basis of listed prices or valuation techniques that maximise the use of observable data.

4.1 Derivatives

The valuation of derivatives includes:

- an adjustment for the quality of the counterparty (Credit Value Adjustment or CVA) intended to include the credit risk associated with the counterparty in the valuation of derivative instruments (risk of non-payment of the amount due in the event of default). The adjustment is calculated on an aggregate basis by counterparty according to the future exposure profile of the transactions after deducting any collateral. This adjustment is always negative and is deducted from the fair value of the financial instruments.
- a value adjustment for the credit risk for our Company (Debt Value Adjustment – DVA) intended to integrate the risk associated with our counterparties into the valuation of derivative instruments. The adjustment is calculated on an aggregate basis by counterparty based on the future exposure profile of the transactions. This adjustment is always positive and is deducted from the fair value of the financial instruments.

4.2 Other financial assets and liabilities

Other financial assets

Listed unconsolidated equity securities (primarily Resona Holding), listed bonds and fund units with a liquidation value available at least twice a month are classified as Level 1. All other assets and liabilities valued at fair value are classified as Level 2 with the exception of Private Equity funds which are classified as Level 3.

Other financial liabilities

Liabilities designated at fair value result from the consolidation of EMTN issuance vehicles. These liabilities are classified as Level 2.

4.3 Financial assets at fair value on the balance sheet

The tables below show the balance sheet financial assets and liabilities valued at fair value and classified by fair value level:

In € thousands	**Total 30/06/2020**	Price listed on active markets for identical instruments **Level 1**	Valuation based on observable data **Level 2**	Valuation based on non-observable data **Level 3**
Financial assets held for trading	**2 669 850**	-	**2 669 850**	-
Derivative instruments	2 669 850	-	2 669 850	-
Financial assets at fair value through profit or loss	**13 111 434**	**7 646 374**	**5 445 856**	**19 204**
Equity instruments	**665 299**	**13 422**	**651 877**	**-**
Shares and other variable-income securities	491 296	-	491 296	-
Non-consolidated equity holdings	174 003	13 422	160 581	-
Debt instruments at fair value by category	**3 977 977**	**3 929 943**	**28 830**	**19 204**
Funds	3 977 977	3 929 943	28 830	19 204
Treasury bills and similar securities	-		-	-
Financial assets designated at fair value through profit or loss	**8 468 158**	**3 703 009**	**4 765 149**	-
Bonds and other fixed-income securities	3 703 009	3 703 009	-	-
Loans and receivables due from credit institutions	4 765 149	-	4 765 149	-
Treasury bills and similar securities	-	-	-	-
Financial assets recognised in equity	**567 786**	**554 626**	**13 160**	**-**
Equity instruments recognised in non-recyclable equity	**150 164**	**137 004**	**13 160**	**-**
Shares and other variable-income securities	-	-	-	-
Non-consolidated equity holdings	150 164	137 004	13 160	-
Debt instruments recognised in non-recyclable equity	**417 622**	**417 622**	**-**	**-**
Treasury bills and similar securities	417 622	417 622	-	
Total financial assets measured at fair value	**16 349 241**	**8 201 000**	**8 129 037**	**19 204**

In € thousands	**Total 31/12/2019**	Price listed on active markets for identical instruments **Level 1**	Valuation based on observable data **Level 2**	Valuation based on non-observable data **Level 3**
Financial assets held for trading	**3 095 280**	-	**3 095 280**	-
Derivative instruments	3 095 280	-	3 095 280	-
Financial assets at fair value through profit or loss	**10 703 931**	**5 986 195**	**4 697 642**	**20 095**
Equity instruments	**577 330**	**12 304**	**565 027**	**-**
Shares and other variable-income securities	478 507	-	478 507	-
Non-consolidated equity holdings	98 824	12 304	86 520	-
Debt instruments that do not meet SPPI criteria	**2 677 030**	**2 626 567**	**30 369**	**20 095**
Funds	2 601 320	2 550 857	30 369	20 095
Assets backing unit-linked contracts	75 710	75 710	-	-
Financial assets designated at fair value through profit or loss	**7 449 570**	**3 347 324**	**4 102 246**	-
Bonds and other fixed-income securities	3 347 324	3 347 324	-	-
Loans and receivables due from credit institutions	4 102 246	-	4 102 246	-
Treasury bills and similar securities	-	-	-	-
Financial assets recognised in equity	**610 404**	**593 266**	**17 138**	**-**
Equity instruments recognised in non-recyclable equity	**194 004**	**176 866**	**17 138**	**-**
Shares and other variable-income securities	-	-	-	-
Non-consolidated equity holdings	194 004	176 866	17 138	-
Debt instruments recognised in non-recyclable equity	**416 400**	**416 400**	**-**	**-**
Treasury bills and similar securities	416 400	416 400	-	-
Derivative hedging instruments	**486**	**-**	**486**	**-**
Total financial assets measured at fair value	**14 410 100**	**6 579 460**	**7 810 546**	**20 095**

4.4 Financial liabilities at fair value on the balance sheet

In € thousands	**Total 30/06/2020**	Price listed on active markets for identical instruments **Level 1**	Valuation based on observable data **Level 2**	Valuation based on non-observable data **Level 3**
Financial liabilities held for trading	**2 599 228**	**-**	**2 599 228**	**-**
Due to credit institutions	-	-	-	-
Derivative instruments	2 599 228	-	2 599 228	-
Derivative hedging instruments	**8 910**	**-**	**8 910**	**-**
Financial liabilities designated at fair value through profit or loss	**9 314 837**		**9 314 837**	
Total financial liabilities measured at fair value	**11 922 975**	**-**	**11 922 975**	**-**

In € thousands	**Total 31/12/2019**	Price listed on active markets for identical instruments **Level 1**	Valuation based on observable data **Level 2**	Valuation based on non-observable data **Level 3**
Financial liabilities held for trading	**2 655 510**	**-**	**2 655 510**	**-**
Due to credit institutions	-	-	-	-
Derivative instruments	2 655 510	-	2 655 510	-
Derivative hedging instruments	**7 996**	**-**	**7 996**	**-**
Financial liabilities designated at fair value through profit or loss	**8 417 701**	**-**	**8 417 701**	**-**
Total financial liabilities measured at fair value	**11 081 207**	**-**	**11 081 207**	**-**

4.5 Fair value of financial assets and liabilities measured at cost

Financial assets and liabilities valued at cost primarily include loans to and receivables from credit institutions and the collateral paid and received for derivatives contracts.

With respect to daily margin calls, Amundi Group considers that the collateral recorded and received is recognised at its fair value under “Accruals, prepayments and sundry assets” and “Accruals, deferred income and sundry liabilities”.

Amundi Group considers that the amortised cost of debts and receivables to credit institutions is a good approximation of fair value. This consists primarily of:

- variable-rate assets and liabilities for which interest rate changes do not have a significant impact on fair value, since the rates of return of these instruments frequently adjust themselves to market rates (loans and borrowings);
- short-term assets and liabilities where the redemption value is close to the market value.

Note 5. Other information

5.1 Segment information

Amundi's business is solely focused on managing assets for third parties. It therefore has only one operating segment within the meaning of IFRS 8.

The Group's operational performance is not tracked more closely than the Group overall. Items that are reviewed at a closer level are limited to monthly reports on Group business volume (inflows, outstanding assets) and periodic reports on income net of commissions by client segment (retail, institutional). The Group believes that this information better corresponds to monitoring commercial activity than to measurement of operational performance for the purposes of decision-making for resource allocation. Operating expenses are not allocated to client segments (Retail and Institutional Investors).

However, the Group believes that it is helpful to publish the information about commercial activity which is shown below as information complementary to that required by IFRS 8:

In millions of euros	H1 2020	2019	H1 2019
Retail	872	1 813	919
Institutional investors	333	679	320
Institutional investors, Corporate and employee savings	258	533	251
Insurers (1)	75	146	69
Net fee and commission income	**1 205**	**2 493**	**1 239**
Performance fees	76	171	60
Total net asset management revenues	**1 281**	**2 663**	**1 299**
Net financial income	**-43**	**43**	**33**
Other net income	**(37)**	**(70)**	**(36)**
Total net revenues	**1 201**	**2 636**	**1 297**

(1) Crédit Agricole Group

In addition, the breakdown of net revenue is broken down by geographical area as follows:

In millions of euros	H1 2020	2019	H1 2019
France	607	1 412	708
Abroad	594	1 224	589
Total net revenues	**1 201**	**2 636**	**1 297**

The net revenue breakdown is based on the location at which the accounting information is recorded.

5.2 Related parties

5.2.1 Scope of related parties

Related parties are companies which directly or indirectly control or are controlled by, or which are under joint control of the Company presenting the financial statements.

Amundi's related parties are (i) the consolidated companies, including equity-accounted companies, (ii) the Crédit Agricole Group companies, that is, the Regional Banks, Crédit Agricole SA, its subsidiaries, associates and joint ventures. No provisions for write-downs were made for these relationships.

In addition, the funds in which Crédit Agricole Group has invested are not considered to be related parties.

A list of Amundi Group's consolidated companies is presented in note 5.3. The transactions carried out and the assets under management at the end of the period between the fully consolidated companies of the Group are entirely eliminated on consolidation.

5.2.2 Nature of the transactions with related parties

Amundi has commercial relationships with companies in the Crédit Agricole Group.

Crédit Agricole Group is a distributor of Amundi Group's financial products, a lender and borrower, a derivative counterparty and also a depositary and calculation agent. In addition, Crédit Agricole Group makes certain resources available to Amundi and manages Amundi's end-of-career allowance insurance.

Amundi handles asset management and certain mandates for the Crédit Agricole Group and also provides account-keeping services for the Crédit Agricole Group's employee savings plans.

5.2.3 Transactions with related parties

The following tables present the transactions undertaken with the Crédit Agricole Group and with the equity-accounted entities of Amundi Group.

Amundi's transactions with its key executives consist solely of the compensation paid under employment contracts and directors' fees.

In € thousands	Crédit Agricole Group		
Income statement	**H1 2020**	**2019**	**H1 2019**
Net interest and similar income (expenses)	(12 228)	(13 677)	(6 383)
Net fee and commission income (expenses)	(103 866)	(279 446)	(139 132)
Other net income (expenses)	(9 881)	(16 541)	(8 715)
General operating expenses	(4 790)	(7 153)	(3 709)
Balance sheet	**30/06/2020**	**31/12/2019**	**30/06/2019**
Assets			
Loans and receivables due from credit institutions	1 882 644	633 813	603 256
Accruals, prepayments and sundry assets	139 961	72 558	82 920
Financial assets at fair value through profit or loss	8 760 151	7 712 442	6 466 408
Equity and liabilities			
Subordinated debt	300 916	303 842	300 899
Due to credit institutions	3 963 593	808 497	1 384 623
Accruals, deferred income and sundry liabilities	227 791	255 056	205 891
Financial liabilities at fair value through profit or loss	352 858	264 040	226 931
Off-balance sheet items			
Guarantees given	3 695 299	4 577 634	3 835 406
Guarantees received	-	-	-

In € thousands	Joint-Ventures and associates		
Income statement	**H1 2020**	**2019**	**H1 2019**
Net interest and similar income (expenses)	-	-	-
Net fee and commission income (expenses)	(1 408)	(2 831)	(1 268)
General operating expenses	-	-	-
Balance sheet	**30/06/2020**	**31/12/2019**	**30/06/2019**
Assets			
Loans and receivables due from credit institutions	-	-	-
Accruals, prepayments and sundry assets	382	230	442
Financial assets at fair value through profit or loss	-	-	-
Equity and liabilities			
Due to credit institutions	-	-	-
Accruals, deferred income and sundry liabilities	874	1 141	745
Off-balance sheet items			
Guarantees given	-	-	-
Guarantees received	-	-	-

5.3 Scope of consolidation

5.3.1 Scope at 30 June 2020 and change over the period

Consolidated companies	Notes	Change of scope	Method	30/06/2020		31/12/2019		Principal place of business
				% Control	as a % of interest	% Control	as a % of interest	
FRENCH COMPANIES								
AMUNDI			Full	100,0	100,0	100,0	100,0	France
AMUNDI ASSET MANAGEMENT			Full	100,0	100,0	100,0	100,0	France
AMUNDI FINANCE			Full	100,0	100,0	100,0	100,0	France
AMUNDI FINANCE EMISSIONS			Full	100,0	100,0	100,0	100,0	France
AMUNDI IMMOBILIER			Full	100,0	100,0	100,0	100,0	France
AMUNDI INDIA HOLDING			Full	100,0	100,0	100,0	100,0	France
AMUNDI INTERMEDIATION			Full	100,0	100,0	100,0	100,0	France
AMUNDI ISSUANCE			Full	100,0	100,0	100,0	100,0	France
AMUNDI IT SERVICES			Full	95,4	95,4	95,4	95,4	France
AMUNDI PRIVATE EQUITY FUND			Full	100,0	100,0	100,0	100,0	France
AMUNDI ESR			Full	100,0	100,0	100,0	100,0	France
AMUNDI VENTURES			Full	100,0	100,0	100,0	100,0	France
BFT INVESTMENT MANAGERS			Full	100,0	100,0	100,0	100,0	France
CPR AM			Full	100,0	100,0	100,0	100,0	France
ETOILE GESTION			Full	100,0	100,0	100,0	100,0	France
LCL EMISSIONS			Full	100,0	100,0	100,0	100,0	France
SOCIETE GENERALE GESTION			Full	100,0	100,0	100,0	100,0	France
FUNDS AND OPCI								
ACAJOU			Full	100,0	100,0	100,0	100,0	France
CEDAR			Full	100,0	100,0	100,0	100,0	France
CHORIAL ALLOCATION			Full	99,9	99,9	99,9	99,9	France
LONDRES CROISSANCE 16			Full	100,0	100,0	100,0	100,0	France
OPCI IMMANENS			Full	100,0	100,0	100,0	100,0	France
OPCI IMMO EMISSIONS			Full	100,0	100,0	100,0	100,0	France
PEG – PORTFOLIO EONIA GARANTI			Full	98,9	98,9	94,6	94,6	France
RED CEDAR			Full	100,0	100,0	100,0	100,0	France
AMUNDI PE SOLUTION ALPHA			Full	100,0	100,0	100,0	100,0	France

Consolidated companies	Notes	Change of scope	Method	30/06/2020		31/12/2019		Principal place of business
				% Control	as a % of interest	% Control	as a % of interest	
FOREIGN COMPANIES								
AMUNDI DEUTSCHLAND GMBH			Full	100,0	100,0	100,0	100,0	Germany
AMUNDI AUSTRIA GMBH			Full	100,0	100,0	100,0	100,0	Austria
AMUNDI ASSET MANAGEMENT BELGIUM BRANCH	(1)		Full	100,0	100,0	100,0	100,0	Belgium
AMUNDI CZECH REPUBLIC ASSET MANAGEMENT SOFIA BRANCH	(2)		Full	100,0	100,0	100,0	100,0	Bulgaria
AMUNDI ASSET MANAGEMENT AGENCIA IN CHILE	(1)		Full	100,0	100,0	100,0	100,0	Chile
ABC-CA FUND MANAGEMENT CO. LTD			Equity-accounte	33,3	33,3	33,3	33,3	China
NH-AMUNDI ASSET MANAGEMENT			Equity-accounte	30,0	30,0	30,0	30,0	Korea
AMUNDI ASSET MANAGEMENT DUBAI BRANCH	(1)		Full	100,0	100,0	100,0	100,0	United Arab Emirates
AMUNDI IBERIA SGIIC SA			Full	100,0	100,0	100,0	100,0	Spain
SABADELL ASSET MANAGEMENT, S.A, S.G.I.I.C		Entry	Full	100,0	100,0	-	-	Spain
AMUNDI USA INC			Full	100,0	100,0	100,0	100,0	United States
AMUNDI PIONEER ASSET MANAGEMENT USA, INC			Full	100,0	100,0	100,0	100,0	United States
AMUNDI PIONEER ASSET MANAGEMENT, INC.			Full	100,0	100,0	100,0	100,0	United States
AMUNDI PIONEER DISTRIBUTOR, INC.			Full	100,0	100,0	100,0	100,0	United States
AMUNDI PIONEER INSTITUTIONAL ASSET MANAGEMENT, INC.			Full	100,0	100,0	100,0	100,0	United States
VANDERBILT CAPITAL ADVISORS LLC			Full	100,0	100,0	100,0	100,0	United States
AMUNDI HELLAS			Full	100,0	100,0	100,0	100,0	Greece
AMUNDI ASSET MANAGEMENT HONG KONG BRANCH	(1)		Full	100,0	100,0	100,0	100,0	Hong Kong
AMUNDI HONG KONG LTD			Full	100,0	100,0	100,0	100,0	Hong Kong
AMUNDI INVESTMENT FUND MGMT PRIVATE LTD CO.			Full	100,0	100,0	100,0	100,0	Hungary
SBI FUNDS MANAGEMENT PRIVATE LIMITED			Equity-accounte	37,0	37,0	37,0	37,0	India
KBI GLOBAL INVESTORS LTD			Full	87,5	100,0	87,5	100,0	Ireland
KBI FUND MANAGERS LTD			Full	87,5	100,0	87,5	100,0	Ireland
KBI GLOBAL INVESTORS (NORTH AMERICA) LTD			Full	87,5	100,0	87,5	100,0	Ireland
AMUNDI IRELAND LTD			Full	100,0	100,0	100,0	100,0	Ireland
AMUNDI INTERMEDIATION DUBLIN BRANCH	(4)		Full	100,0	100,0	100,0	100,0	Ireland
AMUNDI REAL ESTATE ITALIA SGR SPA			Full	100,0	100,0	100,0	100,0	Italy
AMUNDI SGR SPA			Full	100,0	100,0	100,0	100,0	Italy
AMUNDI JAPAN			Full	100,0	100,0	100,0	100,0	Japan
AMUNDI JAPAN HOLDING		Merger	Full	-	-	100,0	100,0	Japan
AMUNDI GLOBAL SERVICING			Full	100,0	100,0	100,0	100,0	Luxembourg
FUND CHANNEL			Equity-accounte	50,0	50,0	50,0	50,0	Luxembourg
AMUNDI LUXEMBOURG			Full	100,0	100,0	100,0	100,0	Luxembourg
AMUNDI MALAYSIA SDN BHD			Full	100,0	100,0	100,0	100,0	Malaysia
WAFA GESTION			Equity-accounte	34,0	34,0	34,0	34,0	Morocco
AMUNDI ASSET MANAGEMENT MEXICO BRANCH	(1)		Full	100,0	100,0	100,0	100,0	Mexico
PIONEER GLOBAL INVESTMENTS LTD MEXICO CITY BRANCH	(1)		Full	100,0	100,0	100,0	100,0	Mexico
AMUNDI ASSET MANAGEMENT NEDERLAND	(1)		Full	100,0	100,0	100,0	100,0	Netherlands
AMUNDI POLSKA			Full	100,0	100,0	100,0	100,0	Poland
AMUNDI CZECH REPUBLIC INVESTICNI SPOLECNOST AS			Full	100,0	100,0	100,0	100,0	Czech Republic
AMUNDI CZECH REPUBLIC ASSET MANAGEMENT			Full	100,0	100,0	100,0	100,0	Czech Republic
AMUNDI ASSET MANAGEMENT SAI. SA			Full	100,0	100,0	100,0	100,0	Romania
AMUNDI ASSET MANAGEMENT LONDON BRANCH	(1)		Full	100,0	100,0	100,0	100,0	United Kingdom
AMUNDI UK Ltd			Full	100,0	100,0	100,0	100,0	United Kingdom
AMUNDI INTERMEDIATION LONDON BRANCH	(4)		Full	100,0	100,0	100,0	100,0	United Kingdom
AMUNDI SINGAPORE Ltd			Full	100,0	100,0	100,0	100,0	Singapore
AMUNDI INTERMEDIATION ASIA PTE LTD			Full	100,0	100,0	100,0	100,0	Singapore
FUND CHANNEL SINGAPORE BRANCH	(3)		Equity-accounte	50,0	50,0	50,0	50,0	Singapore
AMUNDI CZECH REPUBLIC ASSET MANAGEMENT BRATISLAVA BRANCH	(2)		Full	100,0	100,0	100,0	100,0	Slovakia
AMUNDI SUISSE			Full	100,0	100,0	100,0	100,0	Switzerland
AMUNDI TAIWAN			Full	100,0	100,0	100,0	100,0	Taiwan

(1) AMUNDI ASSET MANAGEMENT branches
(2) AMUNDI CZECH REPUBLIC ASSET MANAGEMENT branches
(3) FUND CHANNEL branch
(4) AMUNDI INTERMEDIATION branch

5.3.2 Significant changes in scope during the financial year

On 30 June 2020, Amundi announced the acquisition of the Sabadell Asset Management company from Banco Sabadell. The 10-year strategic partnership for the distribution of Amundi products through the Banco Sabadell network in Spain began on that same date, with the business strategy and priorities having already been defined by both partners.

One of the objectives of this transaction is to combine Banco Sabadell's large distribution network with Amundi's full range of savings products and solutions. This transaction and the partnership with Banco Sabadell enable Amundi to significantly strengthen its position in Spain, an important market in Europe for Retail client savings, to consolidate its European leadership and to implement its unique business model aimed at serving the retail networks.

In accordance with the revised IFRS 3 standard (business combinations), Amundi Group made the provisional allocation of the acquisition cost at year-end and consequently the amounts allocated to the identifiable assets and liabilities acquired and to goodwill may be changed within the one-year period (valuation period) from the date of the combination in the event of obtaining new information relating to facts and circumstances that existed on the acquisition date.

Net assets acquired (after provisional allocation of the acquisition cost)

In € thousands	**30/06/2020**
Total assets acquired	**179 009**
Financial assets at fair value through profit or loss	*471*
Loans and receivables due from credit institutions	*49 156*
Current and deferred tax assets	*760*
Accruals, prepayments and sundry assets	*20 622*
Intangible assets	*108 000*

In € thousands	**30/06/2020**
Total liabilities assumed	**70 197**
Current and deferred tax liabilities	*33 055*
Accruals, deferred income and sundry liabilities	*37 142*
Net assets acquired at 100%	**108 812**

At the time of provisional allocation of the acquisition cost, a distribution contract with Banco Sabadell network was identified and therefore constituted a depreciable asset separable from goodwill.

The purpose of this 10-year distribution contract is to organise the distribution and promotion by Banco Sabadell network of certain Group products to their clients and the contract has been valued at €108m.

Furthermore, in accordance with the IFRS standards, the recognition of this asset resulted in the recording of deferred tax liabilities totalling €27.0m, calculated in line with the tax rate in force in Spain, the country where this intangible asset is recognised.

The amortization period of this distribution contract, in line with the contract term, is 10 years.

Fair value of the counterparty transferred

In € thousands		30/06/2020
Net assets acquired at 100%		108 812
Net assets accruing to non-controlling stakeholders		-
Goodwill on portion acquired	*(1)*	335 016
Acquisition price (fair value of the counterparty transferred to the seller)	*(2)*	**443 828**

(1) After identification of all separable assets, residual goodwill constituted as part of this combination corresponds to the future economic benefits expected from the effects of synergies, the value of human capital and the ability to develop the new Group's business.

(2) The price of this acquisition amounts to €430m, before a price adjustment of -€6.2m and an additional price estimated at €20m (which may go up to €30m), payable in 2024, based on the future performance of the business.

Acquisition costs

In accordance with the revised IFRS 3 standard, the acquisition costs associated with this transaction have been recognised as expenses.

5.4 Off-balance sheet commitments

Off-balance sheet commitments include:

- fund guarantee commitments;

In € thousands	30/06/2020	31/12/2019
Guarantee commitments given	18 222 481	20 335 802

- the financial commitments for the Revolving Credit Facility granted to Amundi for €1,750 million;
- the notional value of the derivatives contracted with funds and market counterparties whose fair values are presented in notes 3.2 and 3.3;

In € thousands	30/06/2020	31/12/2019
Interest-rate instruments	2 439 865	2 707 533
Other instruments	55 610 292	54 481 427
Notional total	**58 050 157**	**57 188 960**

6 Statutory auditors' review report on the half-yearly financial information

This is a translation into English of the statutory auditors' review report on the half-yearly financial information issued in French language and is provided solely for the convenience of English- speaking readers. This report includes information relating to the specific verification of information given in the Groups half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Period from January 1 to June 30, 2020

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meetings and in accordance with the requirements of Article L. 451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying condensed half-year consolidated financial statements of Amundi, for the period from January 1 to June 30, 2020;
- the verification of the information contained in the half-year management report.

These condensed half-yearly consolidated financial statements were prepared under the responsibility of your Board of Directors on July 30, 2020, based on information available at that date in the evolving context of the crisis related to Covid-19 and of difficulties in assessing its impacts and future prospects. Our role is to express a conclusion on these financial statements based on our review.

I - Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34, standard of IFRSs as adopted by the European Union applicable to interim financial information.

II - Specific verification

We have also verified the information given in the half-yearly management report on the condensed half-yearly consolidated financial statements prepared on July 30, 2020 subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Done at Neuilly-sur-Seine and Paris-La Défense, on 31 July 2020

The Statutory Auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Laurent Tavernier Anik Chaumartin	Olivier Durand Claire Rochas

7 Person responsible for the half-year financial report

I declare that, after taking all reasonable measures for this purpose and to the best of my knowledge, the information contained in this financial report is in accordance with the facts and that it contains no omission likely to affect its import.

I declare that, to the best of my knowledge, the interim condensed consolidated financial statements were prepared in accordance with the applicable accounting standards and provide a true and fair view of the assets and liabilities, financial position and results of the Company and of all entities included in the consolidated group, and that the operating and financial review for the first-half mentioned in Chapter 2 of this report provides a true and fair view of the significant events over the first six months of this financial year, of their impact on the financial statements and of major transactions with related parties, together with a description of the main risks and uncertainties for the remaining six months of the year.

The report on the review of the interim condensed consolidated financial statements for the six-month period ended 30 June 2020 is presented above in Chapter 6.

On 31 July 2020
Yves Perrier
Chief Executive Officer of the Company

Amundi

Limited company with share capital of €505,408,263
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Amundi

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