


AMUNDI ISSUANCE
Annual Report 2018

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Reports of the Board of Directors on the financial year ended 31 December 2018:

- Management report on the financial statements
- Corporate governance report

AMUNDI ISSUANCE
MANAGEMENT REPORT OF THE BOARD OF DIRECTORS
on the financial statements as at 31 December 2018

SIGNIFICANT EVENTS OF THE 2018 FINANCIAL YEAR

Amundi Issuance's main activity is to issue bonds. Amundi Issuance did not issue any securities during 2018.

The total nominal amount outstanding was €24,895 thousand at 31 December 2018. The securities outstanding are set to mature between 2024 and 2026.

INCOME STATEMENT

The company registered an **operating loss** of €131 thousand at 31 December 2018, versus a loss of €138 thousand at 31 December 2017.

Operating income was zero, while operating expenses came to €131 thousand.

These operating expenses mainly include:

- Statutory auditors' fees of €18 thousand versus €19 thousand at 31 December 2017,
- investment fees of €25 thousand versus €26 thousand at 31 December 2017,
- management commissions of €42 thousand versus €53 thousand at 31 December 2017,
- guarantee fees of €26 thousand versus €30 thousand at 31 December 2017.

Financial income amounted to €128 thousand at 31 December 2018 versus a gain of €147 thousand at 31 December 2017. It mainly consisted of:

- Net accrued interest expenses of €11 thousand, including accrued interest to be collected or paid on forward instruments (performance swaps), on hedging assets as well as on bonds.
- Realised net income of €150 thousand, including:
 - a net gain of €147 thousand on assets hedging bonds,
 - a gain of €619 thousand on forward instruments (interest rate and performance swaps),
 - a loss of €616 thousand on bonds (coupons paid to holders and losses on sales).

The **current profit before tax** at 31 December 2018 was a loss of €3 thousand versus a profit of €9 thousand at 31 December 2017.

Net loss comes to €3 thousand versus a profit of €9 thousand at 31 December 2017.

BALANCE SHEET

At 31 December 2018, the balance sheet total stood at €26,905 thousand versus €28,002 thousand at 31 December 2017.

Assets

The assets consist mainly of:

- assets hedging bonds issued by AMUNDI ISSUANCE in the amount of €24,895 thousand,
- available bank balance of €1,999 thousand.

Liabilities

The liabilities consist mainly of:

- bond issues for €24,895 thousand,
- invoices not received of €38 thousand,
- shareholders' equity, which amounted to €1.969 thousand as at 31 December 2018:

**AMUNDI ISSUANCE Annual financial statement management report
31 December 2018**

<i>In thousands of euros</i>	31/12/2017	Appropriation of 2017 earnings	Movement of the period	31/12/2018
Share capital	2,000			2,000
Issue, merger, and acquisition premiums	0			0
Statutory reserve	0	0.4		0.4
Statutory and contractual reserves	0			0
Other reserves	2			2
Retained earnings	-39	8.3		-31
Profit (loss) for the year	8.7	-8.7	-3	-3
Regulated provisions	0			0
Distribution of dividends	0	0		0
Payment of dividends	0	0		0
TOTAL SHAREHOLDERS' EQUITY	1,972	0	-3	1,969

The share capital is divided into 125,000 shares, each with a par value of €16.

DISTRIBUTION OF DIVIDENDS

For the 2018 financial year, it is proposed to allocate the loss of €3,016.67 in retained earnings, which will amount to - €33,582.11 after appropriation.

We inform you that no dividend has been distributed over the last three financial years.

OFF-BALANCE SHEET COMMITMENTS AT 31 DECEMBER 2018

At 31 December 2018, forward financial instruments are recorded for a total of €24,895 thousand and are comprised of performance swaps.

INFORMATION ABOUT SUPPLIER AND CUSTOMERS PAYMENT PERIODS

Article L. 441-6-1 of the French Commercial Code requires companies whose annual accounts are certified by a statutory auditor to publish in their management report the balance of debts in respect of suppliers by maturity date according to the terms of Decree no. 2008-1492, Article D441-4.

Supplier payment periods:

(in thousands of euros)	Article D.441 I.-1: Unpaid invoices <u>received</u> on the closing date of the financial year, the term of which has expired						Article D.441 I.-2: Unpaid invoices <u>issued</u> on the closing date of the financial year, the term of which has expired					
	0 day	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)	0 day	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Late payment tranches												
Number of invoices concerned						0						0
Total amount of invoices concerned including taxes	0	0	0	0	0	0	0	0	0	0	0	0
Total amount of purchases for the financial year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%						
Percentage of turnover for the financial year							0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(B) Invoices excluded from A relating to debts and litigious receivables or not recorded												
Number of invoices excluded						0						0
Amount of excluded invoices												
(C) Reference payment periods used												
Payment periods used to calculate late payments	> 30 days						> 30 days					

SIGNIFICANT EVENT SUBSEQUENT TO 31 DECEMBER 2018

There are no significant events subsequent to the 31 December 2018 reporting date.

GROWTH PROSPECTS AND MAIN RISKS AND UNCERTAINTIES

Amundi Issuance should not continue to develop its securities issuance activity in 2019.

Certain risk factors may affect Amundi Issuance's ability to meet its obligations relating to the securities issued within its programme. These factors are described in the base securities prospectus authorised by the French Financial Markets Authority (AMF). They mainly concern credit, counterparty and market risks, with the company using all or part of the income from securities issues to acquire hedging assets.

CHANGES MADE TO THE METHODS OF PRESENTING THE ACCOUNTS

No significant changes in method were made to the method of presenting the accounts.

ISSUE HEDGING PRINCIPLE

The optional coupon component on issues is systematically hedged either by an asset of the same type or a derivative replicating that remuneration.

SUBSIDIARIES AND EQUITY INVESTMENTS

Amundi Issuance does not hold any subsidiaries and equity interests.

CONTROL OF THE COMPANY

Amundi Finance holds 99.99% of the shares.

PROFITS AND LOSSES OF THE LAST FIVE FINANCIAL YEARS

In euros

<i>Closing date Duration of accounting period (months)</i>	31/12/2018 12	31/12/2017 12	31/12/2016 12	31/12/2015 12	31/12/2014 12
ENDING CAPITAL					
Share capital	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Number of shares					
- ordinary	125,000	125,000	125,000	125,000	125,000
- with priority dividend					
Maximum number of shares to be created					
- by conversion of bonds					
- through subscription rights					
OPERATIONS AND EARNINGS					
Turnover excluding taxes					
Result before tax, profit sharing, amortisation, depreciation and provisions	-3,016.67	8,695.08	-21,141.62	-14,014.63	-3,669.52
Corporate income taxes					
Employee profit sharing					
Allocations Amortisation/depreciation and provisions					
Net income	-3,016.67	8,695.08	-21,141.62	-14,014.63	-3,669.52
Distributed profits					
EARNINGS PER SHARE IN EUROS					
Result before tax, profit sharing, before allocation to amortisation, depreciation and provisions	-0.02	0.07	-0.17	-0.11	-0.03
Earnings after taxes and profit sharing, amortisation, depreciation, and provisions	-0.02	0.07	-0.17	-0.11	-0.03
Allocated dividend					
STAFF					
Average number of employees					
Payroll					
Benefits paid (social security, social work, etc.)					

CORPORATE GOVERNANCE REPORT (Article L.225-37 of the French Commercial Code)

List of mandates and positions held during the financial year 2018 by the company officers

Jean-Philippe BIANQUIS

Company	Position	Represented
AMUNDI FINANCE EMISSIONS	Chairman of the Board of Directors	
LCL EMISSIONS	Chairman of the Board of Directors	
AMUNDI ISSUANCE	Chairman of the Board of Directors	
AMUNDI AUSTRIA GMBH (company was absorbed the 1 st May 2018)*	Vice-Chairman of the Supervisory Board	
LRP	Director	
dnA	Director	

(*) Mandate expired during the financial year

Issiaka BERETE

Company	Position	Represented
AMUNDI FINANCE EMISSIONS	Director and Chief Executive Officer	
LCL EMISSIONS	Director and Chief Executive Officer	
AMUNDI ISSUANCE	Director and Chief Executive Officer	

(*) Mandate expired during the financial year

Claire CORNIL

Company	Position	Represented
AMUNDI ISSUANCE	Director	
AMUNDI FINANCE	Director	AMUNDI ASSET MANAGEMENT

(*) Mandate expired during the financial year

Frédéric FOUQUET

Company	Position	Represented
AMUNDI FINANCE EMISSIONS	Director	
LCL EMISSIONS	Director	
AMUNDI ISSUANCE	Director	

(*) Mandate expired during the financial year

Pierre BOSIO

Company	Position	Represented
AMUNDI FINANCE *	Chief Executive Officer and Person “Effectively Running” the company	
AMUNDI FINANCE EMISSIONS *	Director and Chief Executive Officer	
LCL EMISSIONS *	Director and Chief Executive Officer	
AMUNDI ISSUANCE *	Deputy Chief Executive Officer	
LRP *	Director	
Amundi Real Assets Company - ARAC	Director	
ANATEC *	Censor	

(*) Mandate expired during the financial year

Béatrice PAILLOLE

Company	Position	Represented
AMUNDI ISSUANCE *	Director and Chief Executive Officer	
AMUNDI FINANCE EMISSIONS *	Deputy Chief Executive Officer	
LCL EMISSIONS *	Deputy Chief Executive Officer	
AMUNDI FINANCE *	Deputy Chief Executive Officer and Person “Effectively Running” the company	

(*) Mandate expired during the financial year

Regulated agreements

During the financial year ended 31st December 2018, no agreement was concluded within the scope of Article L. 225-38 of the French Commercial Code.

Delegations granted by the general shareholders' meeting on capital increase

Nil.

Terms of exercise of the general management

The Board of Directors' decision is to separate the functions of Chairman of the Board of Directors and of Chief Executive Officer. Therefore, General Management of the Company is carried out by the Chief Executive Officer, until a contrary decision is made.

Composition of the Board of the Directors at year-end

Chairman of the Board of Directors

Mr Jean-Philippe BIANQUIS

Chief Executive Officer and Director

Mr Issiaka BERETE

Directors

Mrs Claire CORNIL

Mr Frédéric FOUQUET

Statutory Auditor

ERNST & YOUNG ET AUTRES
represented par Mrs Claire ROCHAS

Work of the Board of Directors

During the financial year:

Your Board of Directors met four times during the course of the financial period, and discussed the following matters.

Board of Directors meeting of 29th March 2018

- Reports of the Board of Directors, examination and approval of the financial statements at 31st December 2017:
 - Management report on the financial statements
 - Corporate Governance Report
- Convening of the Ordinary General Meeting

Board of Directors meeting of 29th June 2018

- Renewal of bond issue programme

Board of Directors meeting of 26th July 2018

- Resignation of Mrs Béatrice PAILLOLE as Chief Executive Officer
- Examination and approval of the half-year financial statements at 30th June 2018

Board of Directors meeting of 31st August 2018

- Appointment of Mr Issiaka BERETE as Chief Executive Officer
- Co-option of Mr Issiaka BERETE as Director
- Proposal to submit to the Ordinary General Meeting the ratification of co-option of Mr Issiaka BERETE
- Resignation of Mr Pierre BOSIO as Deputy Chief Executive

Since the end of the period:

Board of Directors meeting of 20th March 2019

- Renewal of bond issue programme
- Reports of the Board of Directors, examination and approval of the financial statements at 31st December 2018:
 - Management report on the financial statements
 - Corporate Governance Report
- Convening of the Ordinary General Meeting

Directors' compensation

In accordance with the provisions of Article L.225-37-3 of the French Commercial Code, we are required to report on the total compensation (fixed, variable and exceptional items) including the allocation of equity securities, debt securities or other securities giving access to the capital or to the allocation of debt securities and benefits of any nature granted during the course of the past financial period to any Director who holds at least one mandate in a company, the shares of which are admitted to trading on a regulated market.

We are also required to set out the undertakings of any nature made by the Company for the benefit of its Directors holding at least one mandate in a company the securities of which are admitted to trading on a regulated market, corresponding to compensation, indemnities or benefits likely to be due as a result of the taking, the discontinuing or the change in these functions or subsequent thereto, as well as the methods of determining these undertakings.

As such, we inform you that the Company has not granted any compensation, benefits in kind or attendance fees to its Directors during the year 2018. In addition, no option plan (options for purchase or options for subscription) has been put in place within the Company.

Some Directors hold a mandate in a company, controlled by the Company or that controls it, the securities of which are admitted to trading on a regulated market. However, the compensation they receive from this company is not related to their mandates but to their main activities as employees of the group Amundi and, more broadly, of the group Crédit Agricole SA, the Company's main indirect shareholder. As such, they receive compensation and benefits in accordance with the classification grids in force within the group Crédit Agricole S.A.

In accordance with the policy within the group Crédit Agricole S.A. regarding employees who do not hold corporate mandates in listed companies of the group Crédit Agricole S.A., Amundi does not disclose these compensation and benefits to its subsidiaries.

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Statutory auditor's reports on the financial year ended 31 December 2018:

- Report on the financial statements
- Report on related party agreements

This is a translation into English of the statutory auditor's report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditor's report includes information required by French law, such as the verification of the management report and other documents provided to the shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Amundi Issuance

Year ended December 31, 2018

Statutory auditor's report on the financial statements

ERNST & YOUNG et Autres

Amundi Issuance

Year ended December 31, 2018

Statutory auditor's report on the financial statements

To the Annual General Meeting of Amundi Issuance,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Amundi Issuance for the year ended December 31, 2018.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2018 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

■ Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

■ Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1, 2018 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in the French Code of Ethics (*Code de déontologie*) for Statutory Auditors.

Justification of Assessments

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you that, in our professional judgment, the most significant assessments we made, were related to the appropriateness of the accounting policies used.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

■ Information given in the Management Report and in the Other Documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest that the information relating to payment terms referred to in Article D. 441-4 of the French Commercial Code (*Code de commerce*) is fairly presented and consistent with the financial statements.

■ Report on Corporate Governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code (*Code de commerce*).

In accordance with French law, we inform you that the information given in accordance with the requirements of Article L. 225-37-3 of the French Commercial Code (*Code de commerce*) relating to remunerations and benefits received by the directors and any other commitments made in their favor, are not mentioned in the Board of Directors' report on corporate governance. As a consequence, we cannot attest the accuracy and fair presentation of the information relating to remunerations and benefits received by the directors and any other commitments made in their favor.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the Board of Directors.

Statutory Auditor's Responsibilities for the Audit of the Financial Statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- ▶ Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- ▶ Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- ▶ Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- ▶ Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Paris-La Défense, March 29, 2019

The Statutory Auditor
French original signed by
ERNST & YOUNG et Autres

Claire Rochas

AMUNDI ISSUANCE

**90 boulevard Pasteur
75015 PARIS**

**Financial Statements at 31 December 2018
in thousands of euros**

BALANCE SHEET - ASSETS

Name: AMUNDI ISSUANCE

Items	Gross amount	Amort./Depr. Prov.	31/12/2018	31/12/2017
Capital subscribed – not called I				
INTANGIBLE ASSETS				
PLANT, PROPERTY, AND EQUIPMENT				
LONG-TERM INVESTMENTS AND LOANS				
TOTAL II	0	0	0	0
INVENTORIES AND WORK IN PROGRESS				
RECEIVABLES				
Other receivables	71		71	4
OTHER				
Short-term investments	24,912	-77	24,835	26,006
Cash and cash equivalents	1,999		1,999	1,993
ACCRUALS				
TOTAL III	26,982	-77	26,905	28,002
Loan issue expenses to be spread over several periods IV			0	
Premiums on redemption of debentures V	0		0	0
Unrealised foreign exchange losses VI			0	
GRAND TOTAL: ASSETS (I to VI)	26,982	-77	26,905	28,002

BALANCE SHEET – EQUITY & LIABILITIES

Name: AMUNDI ISSUANCE

Items	31/12/2018	31/12/2017
Share capital (multiple or single shareholder) (of which paid up: 2,000)	2,000	2,000
Special regulated reserves (o/w exch. rate prov.)	2	2
Retained earnings	-31	-39
PROFIT(LOSS) FOR THE YEAR	-3	9
RESULT PENDING ALLOCATION		
TOTAL I	1,969	1,972
OTHER SHAREHOLDERS' EQUITY		
TOTAL II	0	0
PROVISIONS FOR LIABILITIES AND CHARGES		
TOTAL III	0	0
PAYABLES		
Other debenture loans	24,895	25,988
Long-term loans and liabilities with financial institutions	0	0
Trade payables	38	39
Other liabilities	3	3
ACCRUALS		
TOTAL IV	24,936	26,030
Unrealised foreign exchange gains V		
GRAND TOTAL (I to V)	26,905	28,002

Profit (loss) for the period in cents **-3,016.67**
Balance sheet total in cents 26,904,555.86

INCOME STATEMENT (list format)

Name: AMUNDI ISSUANCE

Items	France	Export	31/12/2018	31/12/2017
NET REVENUES				
Other income			0	0
TOTAL OPERATING INCOME		I	0	0
Other purchases and external expenses			131	138
Taxes and similar charges			0	0
OPERATING ALLOWANCES				
Other expenses			0	0
TOTAL OPERATING EXPENSES		II	131	138
1. OPERATING PROFIT OR LOSS (I - II)			-131	-138
JOINT VENTURES				
Appropriated profit or transferred loss		III		
Incurred loss or transferred profit		IV		
Financial income				
Other interest and similar income			886	907
Net profits on disposals of short-term investments			21	11
TOTAL FINANCIAL INCOME		V	907	918
Financial depreciation and amortisation charges and transfers to provisions			77	
Interest and similar expenses			701	770
Net losses on disposals of short-term investments				1
TOTAL FINANCIAL EXPENSES		VI	778	771
2. FINANCIAL INCOME (V - VI)			128	147
3. EARNINGS FROM ORDINARY ACTIVITIES BEFORE TAXES (I - II + III - IV + V - VI)			-3	9
TOTAL EXTRAORDINARY INCOME		VII		
TOTAL ADMINISTRATIVE EXPENSES		VIII		
4. EXTRAORDINARY PROFIT (VII - VIII)				
Employee profit sharing		IX		
Corporate income taxes		X		
TOTAL INCOME (I + III + V + VII)			907	918
TOTAL EXPENSES (II + IV + VI + VIII + IX + X)			910	909
5. PROFIT OR LOSS (total income - total expenses)			-3	9

OFF-BALANCE SHEET (list)

Name: AMUNDI ISSUANCE

Items	31/12/2018	31/12/2017
Equity swaps (*)	24,895	25,988
Interest rate risk swaps	0	0
TOTAL SWAPS	24,895	25,988
Guarantees, sureties and warranties given	0	0
Guarantees, sureties and warranties received	0	0
TOTAL GUARANTEES, SURETIES AND WARRANTIES	0	0
Guarantees received from credit institutions	24,895	25,988
TOTAL GUARANTEES RECEIVED FROM CREDIT INSTITUTIONS	24,895	25,988

(*) At 31 December 2018, the net asset value of equity swaps was a loss of €807 thousand.

NOTES

1. SIGNIFICANT EVENTS

Significant events during the financial year

Amundi Issuance did not issue any securities during 2018.

Change in shareholders' equity

Shareholders' equity totalled €1,968,551.36 at 31 December 2018, compared with €1,971,568.03 at 31 December 2017.

The Ordinary General Meeting of 17 May 2018 decided to allocate the profit of €8,695.08 for the financial year 2017 in the amount of €8,260.33 to retained earnings (taking it to €30,565.44) and to the legal reserve in the amount of €434.75 (i.e. 5% of €8,695.08).

Amundi Issuance posted a loss of €3,016.67 at 31 December 2018.

2. SUBSEQUENT EVENTS

None

3. ACCOUNTING PRINCIPLES AND VALUATION METHODS

Presentation of the financial statements

The information pertaining to the financial year 2018 provided in the financial statements and notes is stated in thousands of euro.

The accounts as presented were drawn up within the context of the AMUNDI multi-issuer programme.

General Principles

The presentation of the financial statements of AMUNDI ISSUANCE is consistent with the provisions of regulation ANC 2014-03 of 5 June 2014 (which, starting with financial years opening on or after 1 January 2015, brings together all of the accounting standards governing the Plan comptable général (French generally accepted accounting principles) on the basis of established law into a single regulation), as well as the rules defined by Crédit Agricole SA, acting as the Central Body in charge of adapting the general principles to the specific characteristics of the Crédit Agricole Group.

Changes to the accounting methods and to the presentation of the financial statements

The changes to the accounting method and presentation of the financial statements compared to the previous financial year concern the following points:

Regulations	Date of publication by the French State	Date of 1st application: financial years opening on or after
ANC regulation no. 2017-01 on the PCG concerning the accounting treatment of mergers and similar transactions.	30/12/2017	2018
Regulation 2018-01 on changes to accounting methods, changes to estimates and error correction	20/04/2018	2018
The application of the above regulations does not concern Amundi ISSUANCE for the 2018 period.		

Fixed Assets

Fixed assets are recorded on the balance sheet at their purchase price.

Equity investments and subsidiaries

Equity investments and subsidiaries are recognised at historical cost. Disposals are valued on a first-in, first-out basis. At the end of the period, each is the subject of an individual provision for impairment when the value in use is lower than the historical cost.

The revenue and profit or loss figures provided in the list of equity investments and subsidiaries are those of the current period, subject to their approval by the Ordinary General Meeting.

Receivables and payables

Receivables and payables are stated at their nominal value and broken down by type.

Receivables are written down through an allowance for doubtful accounts to take into account any difficulties in recovering outstanding amounts. Receivables and payables are valued on a *pro rata temporis* basis and are recognised with an offsetting entry in the income statement.

Short-term investments

These securities are recorded at their purchase price, excluding transaction fees. Disposals are valued on a first-in, first-out basis. Any losses in relation to the probable trading value, determined on a line-by-line basis, are subject to a provision for impairment.

Forward financial instruments

FFIs (forward financial instruments, interest rate or performance) are taken out at the beginning of each issue to hedge EMTNs.

The nominal amount of these forward financial instruments is recorded as an off-balance sheet item.

The income and expenses relating to hedging instruments are recognised on the income statement symmetrically with the accounting of the income and expenses on the hedged item. Thus, changes in the value of hedging instruments are not recognised on the balance sheet.

The accounting principles applied to forward financial instruments and hedging transactions were modified by ANC Regulation 2015-05 of 2 July 2015 (PCG, new articles 628-6 to 628-17) and by its presentation note. These new principles must be applied for the financial years beginning from 1 January 2017, and retrospectively.

As the forward financial instruments contracted by Amundi Issuance have already been booked as hedging transactions for issues conducted, the application of ANC 2015-05 does not have any impact on the accounts of Amundi Issuance.

Expenses and Income

Fee and commission income and expenses are recognised in income, based on the nature of services with which they are associated.

The nominal amounts of these items are booked as off-balance sheet items and detailed in the notes.

Corporation taxes

The tax charge appearing in the income statement is the corporation tax due for the reporting period. It includes the social security contribution of 3.3%.

Tax consolidation

AMUNDI ISSUANCE has been part of the AMUNDI tax consolidation grouping since 1 January 2015.

Parent company regime

AMUNDI ISSUANCE is part of the consolidated entity of the AMUNDI Group.

Ownership structure

Amundi ISSUANCE's share capital consists exclusively of 125,000 fully paid-up ordinary shares with a par value of €16.

Executive compensation

The arrangements for executive compensation are known to the shareholders.

4. NOTES TO THE BALANCE SHEET

Fixed Assets

None.

Amortisation & depreciation

There was no amortisation or depreciation at 31/12/2018.

Provisions

At 31 December 2018, a provision for impairment of short-term investments is recognised in the amount of €77 thousand. (Table 1 – Provisions)

Loans and financial payables (Table 2 – Statement of repayment schedules of receivables and payables)

At 31 December 2018, loans and financial payables totalled €24,895 thousand.

The EMTNs outstanding are set to mature between 2024 and 2026.

Accrued expenses (Table 3 – Breakdown of accrued expenses)

The item consists of invoices not received for €38 thousand, and accrued expenses concerning commitments in respect of swaps for €3 thousand.

Accrued income (Table 4 – Breakdown of accrued income)

Receivables consist of accrued interest to be received on swaps booked as off-balance sheet items in the amount of €3 thousand and a guarantee call for the impairment of bonds in the amount of €67 thousand.

Guarantees, sureties and warranties

The guarantee commitments received by AMUNDI FINANCE (the guarantor) are the amounts due by the issuer AMUNDI ISSUANCE, in principal and interest in virtue of all categories of securities, in the case of a shortfall of financial flows from hedging instruments or income generated by their execution.

The nominal amounts of these items are booked as off-balance sheet items and detailed in the notes.

Shareholders' equity
shareholders' equity)

(Table 5 – Statement of changes to

Cash flow statement

(Table 6 – Cash flow statement)

Parent companies consolidating the company's accounts

(Table 7 – Identity of parent companies)

The identity of parent companies is shown in the notes.

Short-term investments

Short-term investments are bond issue hedging instruments.

They consist of investments in bonds (Crédit Agricole) in the amount of €24,895 thousand.

Statutory auditor fees

The company is fully consolidated in AMUNDI's financial statements.

As a result, information relating to statutory auditors' fees is indicated in the notes to the consolidated financial statements of the AMUNDI Group.

5. OTHER INFORMATION

Off-balance sheet commitments

Off-balance sheet amounts break down as follows:

- Guarantee commitment received in the amount of €24,895 thousand corresponding to the guarantee granted by Amundi on hedging assets.
- Performance swaps for the performance index activity for a notional amount of €24,895 thousand.

Table 1 – PROVISIONS

Name: AMUNDI ISSUANCE

31/12/2018

Nature of provisions	Amount at start of period	INCREASES Allocations	DECREASES Write-backs	Amount at end of period
TOTAL I				
TOTAL II				
Other provisions for impairment	0	77	0	77
TOTAL III	0	77	0	77
GRAND TOTAL (I + II + III)				
Of which allowances and write-backs		0	0	
- operating		77	0	
- financial				
- extraordinary				
Impairment of equity-method securities at closing of financial year				

Table 2 – STATEMENT OF REPAYMENT SCHEDULES OF RECEIVABLES AND PAYABLES

Name: AMUNDI ISSUANCE

31/12/2018

SECTION A	RECEIVABLES	Gross amount	Up to 1 year	More than 1 year
	Sundry debtors (including securities lending)	71	71	
	TOTALS	71	71	0

SECTION B	PAYABLES	Gross amount	Up to 1 year	More than 1 year and up to 5 years	More than 5 years
	Other debenture loans	24,895			24,895
	Trade payables, related accounts	38	38		
	Social security and other social services				
	Other payables (securities lending)	3	3		
	TOTALS	24,936	41	0	24,895

Table 3 - BREAKDOWN OF ACCRUED EXPENSES

Name: AMUNDI ISSUANCE

31/12/2018

Accrued expenses		Amount
40800000	Suppliers - accrued invoices	14
40800009	Suppliers - accrued invoices GL	23
46869999	accrued expenses - swaps	3
Closing position		41

Table 4 - BREAKDOWN OF ACCRUED INCOME

Name: AMUNDI ISSUANCE

31/12/2018

Accrued income		Amount
46879999	Accrued income/Swaps	3
46870900	Accrued income_guarantee call	67
Closing position		71

Table 5 - STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY

Name:

AMUNDI ISSUANCE

31/12/2018

Opening position		Balance
Equity before distribution of prior-year dividends		1,972
Prior-year dividends		
Equity after distribution of prior-year dividends		1,972
		Less
		More
Changes in capital		0
Changes in additional paid-in capital		
Changes in reserves		
Changes in investment grants		
Changes in regulated provisions		
Other changes		-3
BALANCE	0	-3
Closing position		Balance
Equity before appropriation		1,969

Table 6 - CASH FLOW STATEMENT

Name: AMUNDI ISSUANCE

31/12/2018

Use	Period N	Period N-1	Supply	Period N	Period N-1
Dividend distributions over the period			Self-financing capacity in the period	74	9
Acquisition of fixed assets - Intangible assets - Property, plant and equipment - Financial assets			Disposal of fixed assets - Intangible assets - Property, plant and equipment - Financial assets		
Deferred expenses on multiple periods			Increase in shareholders' equity - Capital or contributions		
Reduction in shareholders' equity			- Other shareholders' equity		
Repayment of financial debt	1,093		Increase of financial debt		7,055
TOTAL USE	1,093		TOTAL SUPPLY	74	7,064
NET SUPPLY	1,019		NET USE		7,064
Change in overall net working capital					
			Requirements (B)	Releases (D)	Balance N (D-B)
OPERATING CHANGES					
Changes in operating assets - Inventories and work in progress - Advance payments to suppliers					
Trade receivables, related accounts and other receivables					
Changes in operating expenses - Advance payments from customers - Trade payables, related accounts and other payables				-1	
TOTAL OPERATING			0	-1	
A NET OPERATING CHANGE					
					-1
CHANGES EXCLUDING OPERATING					
Changes in other debtors Changes in other creditors				-67	
TOTAL EXCLUDING OPERATING			0	-67	
B NET CHANGE EXCLUDING OPERATING					
					-67
TOTAL [A+B] NET RELEASE OF WORKING CAPITAL					
					-68
CHANGES IN CASH FLOWS					
Changes in cash and cash equivalents Changes in bank overdrafts, bank credit balances			-1,087		
TOTAL CASH FLOW			-1,087		
C NET CHANGE IN CASH FLOW					
				1,087	-7,067
CHANGE IN OVERALL NET WORKING CAPITAL [A+B+C]: NET SUPPLY					
				1,019	-7,064

Table 7 - IDENTITY OF PARENT COMPANIES CONSOLIDATING THE COMPANY'S ACCOUNTS

Name: AMUNDI ISSUANCE

31/12/2018

Name - Siren no. - Registered office			Form	Capital	% held
CREDIT AGRICOLE	784,608,416	12 place des Etats-Unis 92127 MONTROUGE CEDEX	SA	8,599,311	68%
AMUNDI	314,222,902	91 / 93 boulevard Pasteur 75015 PARIS	SA	504,261	100%

The consolidated financial statements of the parent companies constitute an integral part of their registration document, which is available at:

- For Crédit Agricole, at the site: <https://www.credit-agricole.com/finance/finance/publications-financieres>
- For AMUNDI, at the site: <http://legroupe.amundi.com>

*This is a translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users.
This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

Amundi Issuance

Annual General Meeting held to approve the financial statements for the year ended December 31, 2018

Statutory auditor's report on related party agreements

ERNST & YOUNG et Autres

Amundi Issuance

Annual General Meeting held to approve the financial statements for the year ended December 31, 2018

Statutory auditor's report on related party agreements

To the Annual General Meeting of Amundi Issuance,

In our capacity as statutory auditor of your Company, we hereby present to you our report on related party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*), to assess the relevance of these agreements prior to their approval.

We are also required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*) of the continuation of the implementation, during the year ended December 31, 2018, of the agreements previously approved by the Annual General Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this type of engagement.

Agreements submitted for approval to the Annual General Meeting

We hereby inform you that we have not been notified of any agreements authorized and entered into during the year ended December 31, 2018 to be submitted to the Annual General Meeting for approval in accordance with Article R. 225-38 of the French Commercial Code (*Code de commerce*).

Agreements previously approved by the Annual General Meeting

We hereby inform you that we have not been notified of any agreements previously approved by the Annual General Meeting, whose implementation continued during the year ended December 31, 2018

Paris-La Défense, March 29, 2019

The Statutory Auditor
ERNST & YOUNG et Autres
French original signed by

Claire Rochas

03

Declaration by the Chief Executive Officer


AMUNDI ISSUANCE
“Société Anonyme” (Public Limited Company)
with share capital of € 2,000,000
Registered office: 90, boulevard Pasteur, 75015 Paris
529 235 442 RCS PARIS

Declaration by the Chief Executive Officer

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

I declare that, to my knowledge, the financial statements were prepared in accordance with the applicable accounting standards and provide a true and fair view of the financial position and results of the Company, and that the management report provides a true and fair view of the business trends, results and financial position of the Company.

The financial information presented in this document were the subject of reports by the Statutory Auditors.

Paris, on 28/03/2019


Issiaka BERETE
Chief Executive Officer

LEGAL MENTIONS

AMUNDI ISSUANCE

Société Anonyme (Public Limited Company) with share capital of €2,000,000

Registered office : 90 boulevard Pasteur

75015 PARIS

529 235 442 RCS Paris