

# AMUNDI FINANCE

SEMESTRIAL FINANCIAL REPORT AT JUNE 30<sup>th</sup> 2016

# Activity Report at June 30th 2016

**MANAGEMENT REPORT OF THE BOARD OF DIRECTORS OF  
AMUNDI FINANCE**  
**On the financial statements ended at June 30th 2016**

**BUSINESS IN THE FIRST HALF-YEAR**

Amundi Finance's business activity in the first half of 2016 was affected by a drop in net banking income (NBI) to €113,972k compared with €146,928k at 30 June 2015. This decline resulted mainly from:

- A sharp drop in NBI from investment management due to a non-recurring effect (larger non-PEA funds reaching maturity in 2015).
- Alongside this, an ongoing decline in the volume of guarantee commitments on PEA funds recorded over several financial years.
- A fall in financial NBI, linked mainly to the decrease in dividends received on equity securities following payment of an interim dividend at the end of 2015.

**INCOME STATEMENT AT 30 JUNE 2016**

**Net Banking Income** amounted to €113,972k compared with €146,928k at 30 June 2015.

This is broken down as follows:

	30/06/2016	30/06/2015
<i>(in thousands of euros)</i>		
<b>NBI FROM INVESTMENT MANAGEMENT</b>	<b>82,131</b>	<b>111,709</b>
fees (income)	<b>85,356</b>	<b>113,731</b>
<i>of which fixed fees on off-balance-sheet commitments</i>	13,571	15,094
<i>of which variable fees on off-balance-sheet commitments</i>	68,140	89,959
<i>of which provisions for guarantee calls</i>		
<i>of which fees on repurchase commitments and on notes</i>	3,645	8,678
fees (expenses)	<b>- 3,225</b>	<b>- 2,023</b>
<i>of which fees on off-balance-sheet commitments</i>	- 52	- 45
<i>of which market-making fees</i>	- 218	- 202
<i>of which expenses for guarantee calls</i>		
<i>of which fees on repurchase commitments and on notes</i>	- 2,953	- 1,772
<i>of which provisions for guarantee calls</i>		
<b>FINANCIAL NBI</b>	<b>31,841</b>	<b>35,219</b>
Interest and related income	749	343
Interest and related expenses	- 3,655	- 2,798
Gains and losses on the trading portfolio	15,073	5,565
Gains and losses on the investment portfolio and related items	1,008	850
Income from variable-income securities	18,666	31,259
<b>OTHER NET BANKING INCOME</b>		
other banking operating income		
other banking operating expenses		
<b>NET BANKING INCOME</b>	<b>113,972</b>	<b>146,928</b>

▪ **Net Banking Income from investment management** is broken down as follows:

Fee income amounted to €85,356k and included:

Variable guarantee fees of €68,140k compared with €89,959k at 30 June 2015, a sharp fall due to a large volume of non-PEA funds reaching maturity during 2015.

Variable fees on PEA funds also fell owing to the decline in investments in guaranteed fund commitments.

Flat fees amounted to €13,571k compared with €15,094k at 30 June 2015 (having fallen for the same reasons).

Income generated on repurchase commitments and placement fees fell to €3,645k compared with €8,678k in June 2015. This decrease was mainly linked to setting up new processes for structuring forward financial instruments in order to market and launch new formula funds, Amundi Finance Emissions EMTN, LCL Emissions EMTN, Amundi Issuance EMTN and UCO.

Fee income amounted to €3,225k and primarily included:

- €2,953k in trailer fees on the NOTES activity compared with €1,740k at 30 June 2015.
  - market-making fees of €218k.
- The **Financial NBI** amounted to €31,841k, down compared with 2015, and consisted primarily of:
- €18,666k in dividends received from its subsidiaries, of which €13,051k from Amundi Intermédiation and €5,784k from Amundi Tenue de Comptes;
  - €962k in gains on sales of securities in the investment portfolio;
  - €15,073k in transaction income, of which €18,214k from IRC (a sharp increase due to to setting up new processes for structuring forward financial instruments in order to market and launch new formula funds, Amundi Finance Emissions EMTN, LCL Emissions EMTN, Amundi Issuance EMTN and UCO).
- **Other NBI** was zero; however, the expenses linked to re-invoicing by Amundi of the guarantee issued by Crédit Agricole SA as main shareholder amounted to €1,165k and will be recorded during the second half of 2016 (compared with €1,026k in 2015).

**General operating expenses** amounted to €5,200k

(in thousands of euros)	30/06/2016	30/06/2015
<b>Staff costs</b>		
Salaries and wages	-368	-994
Social security costs	-154	-547
Incentive schemes and profit-sharing	-49	-40
Taxes on remuneration	-59	-59
<b>Total staff costs</b>	<b>-629</b>	<b>-1,640</b>
Staff cost re-invoicing and transfers		
<b>Staff costs</b>	<b>-629</b>	<b>-1,640</b>
<b>Administrative expenses</b>		
Tax and duties	-2,429	-1,991
External services and other administrative expenses	-2,142	-727
<b>Total administrative expenses</b>	<b>-4,571</b>	<b>-2,718</b>
Administrative expense re-invoicing and transfers		
<b>Net administrative expenses</b>	<b>-4,571</b>	<b>-2,718</b>
<b>GENERAL OPERATING EXPENSES</b>	<b>-5,200</b>	<b>-4,358</b>

- Staff costs were down (reclassification for H2/2015 of personnel provided for external services) and primarily consist of:
  - €368k in permanent staff salaries.
  - €154k in employee-related social contributions.
  
- External services and other administrative expenses increased to €2,142k compared with €727k at 30 June 2015 and primarily consisted of:
  - €761k re-invoiced by the pooling of personnel resources provided to Amundi Finance (reclassification of personnel provided for external services);
  - The administrative services agreement of €693k compared with €199k in June 2015;
  - Group operations managed by AITS of €450k, expenses linked mainly to "MUREX" back-office operations for swap, collateral and EMTN activities;
  - €86k as a portion of leases and lease expenses;
  - €68k in auditors' fees;
  
  - €37k in database costs.

- Taxes and duties mainly consist of:
  - The contribution based on companies' value added (*Cotisation sur la Valeur Ajoutée des Entreprises – CVAE*) on activity in the first half of 2016 of €1,456k compared with €1,805k at 30 June 2015;
  - The "company social solidarity contribution" (*Contribution Sociale de Solidarité des Sociétés – CSSS*) of €136k compared with €186k in June 2015;
  - other taxes amounted to €837k, of which:
    - ◆ Contributions to the single resolution fund of €505k;
    - ◆ The tax for systemic risk of €204k;
    - ◆ The ACPR tax of €49k;
    - ◆ The regional authority support fund tax of €48k;
    - ◆ The ECB contribution of €30k.

**Gross Operating Income** amounted to €108,771k compared with €142,569k at 30 June 2015.

The **Cost of risk** showed a positive balance of €4,393k compared with a negative balance of €122k in June 2015.

The first half of 2016 was impacted by an unused large reversal from the provision for the risk of guarantee calls for vehicle liabilities of €5,212k thanks to improved spreads on the vehicle assets.

This reversal was offset by additional provisions for - €804k on the CPPI Amundi Objectif Retraite 2020 fund which benefits from a maximum cash NAV in the case of a rate reduction; together with - €41k on the AV Echus N° and N°2 funds.

<i>in thousands of euros</i>	30/06/2016	30/06/2015
Net allocation to provisions on guaranteed funds and mandates	4,393	-122
<b>TOTAL</b>	<b>4,393</b>	<b>-122</b>

The **Operating profit** and **Pre-tax profit** amounted to €113,165k compared with €142,448k for the 2015 financial year.

Corporate income tax amounted to €31,897k compared with €38,469k at 30 June 2015.

**Net income** was €81,267k at 30 June 2016.

## BALANCE SHEET AT 30 JUNE 2016

Total assets amounted to €1,636,983k compared with €1,868,784k at 31 December 2015. These included the following items:

### **Assets:**

- The investment portfolio of €16,763k compared with €17,125k in June 2015;
- The transaction portfolio of €339,146k compared with €24,232k at 31 December 2015 (variation due to fund composition and volume of redemptions versus issues);
- Shares in related companies at €48,349k;
- Other assets consisted mainly of guarantees deposited and paid to external counterparties to the "collateral" business, of €735,432k compared with €1,074,142k in December 2015.
- Adjustment accounts of €48,500k, of which primarily income accruals on off-balance-sheet commitments (guaranteed funds) of €47,735k compared with €72,805k in December 2015, based on the timing of collection of income: variable guarantee fees on PEA funds are collected annually at year-end, repurchase commitment fees at the start of the subscription period and flat-rate guarantee fees generally on maturity of the funds, as is the case for variable guarantee fees on non-PEA funds.



- Current accounts and overnight loans amounted to €185,104k compared with €341,219k at 31 December 2015, of which:
  - €63,019k linked to the "collateral" business;
  - €121,400k in overnight loans to the group's central treasury.

**Liabilities:**

- Other liabilities amounted to €827,982k, mainly including:
  - Guarantees deposited and received from external counterparties to the "collateral" business, of €795,232k compared with €1,073,310k in December 2015.
  - Corporate income tax of €31,953k.
- Provisions for risks and expenses amounted to €12,016k and primarily included:
  - €7,819k in provisions on guaranteed funds (of which €6,294k on the "Testaments obsèques" fund and €1,525k on other guaranteed products);
  - €4,138k in provisions on commitments given on LODEOM investments in 2013.
- Adjustment Accounts amounted to €26,524k, mainly including:
  - €2,822k for forward financial instrument valuations;
  - €16,556k for the counterparty risk provision;
  - €2,417k for IRC cash balances and fees for swaps repurchased from CACIB;
  - €4,729k in expense accruals for accrued invoices.

Changes in the **equity capital** of Amundi Finance were as follows:

(in thousands of euros)	Share capital	Share premiums, reserves and retained earnings	Interim dividend	Regulated provisions and investment subsidies	Net income	Total equity
<b>Balance at 31 December 2015</b>	<b>40,320</b>	<b>591,987</b>	<b>-199,949</b>		<b>154,389</b>	<b>586,747</b>
Dividends paid in respect of 2015						
Change in share capital						
Change in share premiums and reserves						
Appropriation of company net income		-45,560	199,949		-154,389	
Retained earnings						
Net income for financial year 2016					81,267	81,267
Other changes						
<b>Balance at 30 June 2016</b>	<b>40,320</b>	<b>546,427</b>			<b>81,267</b>	<b>668,015</b>

## OFF-BALANCE-SHEET AT 30 JUNE 2016

Guarantee Commitments amounted to €18,133 million compared with €18,424 million at 31 December 2015 and primarily consisted of:

- €18,133 million in commitments given on guaranteed products (Funds and EMTN) compared with €18,424 million at 31 December 2015;

Other Commitments linked with forward financial instruments are recognised at a notional amount of €42,370 million compared with €45,393 million at 31 December 2015.

IFT synthesis

Notional in million of euros	30/06/2016	31/12/2015
IFT Collatéral	33 284	38 035
IFT Notes	839	859
IFT Notes with marges	118	126
IFT Asset Swap Forward	939	934
IFT UCO	2 231	2 007
IFT Emtn	4 958	3 432
<b>TOTAL</b>	<b>42 370</b>	<b>45 393</b>

# Financial Statements at June 30<sup>th</sup> 2016

**AMUNDI FINANCE  
COMPANY FINANCIAL STATEMENTS  
AT 30/06/2016**

**Approved by the AMUNDI FINANCE Board of Directors  
dated 28/07/2016**

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**AMUNDI FINANCE**  
**COMPANY FINANCIAL STATEMENTS AT 30/06/2016**

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**BALANCE SHEET AT 30 JUNE 2016**

**ASSETS**

(in thousands of euros)	Notes	30/06/2016	31/12/2015
<b>Interbank and similar transactions</b>		<b>185,105</b>	<b>341,219</b>
Cash and central banks			
Treasury bills and similar securities			
Loans and receivables due from credit institutions	3	185,105	341,219
<b>Customer transactions</b>	4		
<b>Securities transactions</b>		<b>355,909</b>	<b>41,358</b>
Bonds and other fixed-income securities	5	339,146	24,233
Equities and other variable-income securities	5	16,763	17,125
<b>Fixed assets</b>		<b>275,772</b>	<b>275,772</b>
Participating interests and other long-term securities holdings	6-7		
Investments in subsidiaries and affiliates	6-7	48,349	48,349
Intangible assets	7	227,424	227,424
Property, plant and equipment	7		
<b>Unpaid subscribed capital</b>			
<b>Treasury shares</b>	8		
<b>Accruals, prepayments and sundry assets</b>		<b>820,197</b>	<b>1,210,435</b>
Other	9	771,697	1,137,628
Accruals	9	48,500	72,807
<b>TOTAL ASSETS</b>		<b>1,636,983</b>	<b>1,868,784</b>

**EQUITY AND LIABILITIES**

(in thousands of euros)	Notes	30/06/2016	31/12/2015
<b>Interbank transactions and similar transactions</b>		<b>1</b>	
Due to central banks			
Due to credit institutions	11	1	
<b>Customer deposits</b>	12		
<b>Debt securities</b>	13		
<b>Accruals, deferred income and sundry liabilities</b>		<b>854,505</b>	<b>1,165,540</b>
Other liabilities	14	827,982	1,140,791
Accruals	14	26,524	24,749
<b>Provisions and subordinated debt</b>		<b>114,463</b>	<b>116,496</b>
Provisions	15-16-17	12,016	16,456
Subordinated debt	19	102,447	100,040
<b>Fund for general banking risks (FGBR)</b>	18		
<b>Equity (excluding FGBR)</b>	20	<b>668,015</b>	<b>586,747</b>
Share capital		40,320	40,320
Share premiums		217,511	217,511
Reserves		4,416	4,416
Revaluation adjustment			
Regulated provisions and investment subsidies			
Retained earnings		324,500	370,060
Net Income awaiting approval / interim dividends			-199,949
Net income (loss) for the year		81,267	154,389
<b>TOTAL LIABILITIES</b>		<b>1,636,983</b>	<b>1,868,784</b>

**OFF-BALANCE SHEET AT 30 JUNE 2016**

(in thousands of euros)	Notes	30/06/2016	31/12/2015
<b>COMMITMENTS GIVEN</b>			
Financing commitments	26		
Guarantee commitments	26	18,133,428	18,423,722
Commitments on securities	26		

(in thousands of euros)		30/06/2016	31/12/2015
<b>COMMITMENTS RECEIVED</b>			
Financing commitments	26		
Guarantee commitments	26		
Commitments on securities	26		

**INCOME STATEMENT**

(in thousands of euros)	Notes	30/06/2016	31/12/2015	30/06/2015
Interest and similar income	28-29	749	821	343
Interest and similar expenses	28	-3 655	-5 924	-2 798
Income from variable-income securities	29	18 666	42 815	31 259
Fee and commission (income)	30	85 356	181 325	113 731
Fee and commission (expenses)	30	-3 225	-4 490	-2 023
Net gains (losses) on trading book	31	15 073	19 041	5 565
Net gains (losses) on short-term investment portfolios and similar	32	1 008	843	850
Other banking income	33			
Other banking expenses	33		-1 026	
<b>Net banking income</b>		<b>113 972</b>	<b>233 405</b>	<b>146 928</b>
Operating expenses	34	-5 200	-9 623	-4 358
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets				
<b>Gross operating income</b>		<b>108 771</b>	<b>223 782</b>	<b>142 569</b>
Cost of risk	35	4 393	-5 960	-122
<b>Operating income</b>		<b>113 165</b>	<b>217 822</b>	<b>142 448</b>
Net gains (losses) on fixed assets	36			
<b>Pre-tax income on ordinary activities</b>		<b>113 165</b>	<b>217 822</b>	<b>142 448</b>
Net extraordinary items				
Income tax charge	37	-31 897	-63 432	-38 469
Net allocation to FGBR and regulated provisions				
<b>Net income</b>		<b>81 267</b>	<b>154 389</b>	<b>103 979</b>



## CASH FLOW STATEMENTS AT 30 JUNE 2016

(in thousands of euros)	30/06/2016	31/12/2015	30/06/2015
<b>Pre-tax income</b>	<b>113 165</b>	<b>217 822</b>	<b>142 448</b>
Net depreciation and impairment of property, plant & equipment and intangible assets			
Impairment of goodwill and other fixed assets			
Net depreciation charges to provisions	-4 440	6 003	117
Share of net income of equity-accounted entities			
Net income from investment activities			
Net income from financing activities	2 407	4 814	2 407
Other movements	20 605	26 837	34 941
<b>Total non-cash and other adjustment items included in pre-tax income</b>	<b>18 572</b>	<b>37 654</b>	<b>37 465</b>
Change in interbank items	2		2
Change in customer items			
Change in financial assets and liabilities	-309 076	69 681	34 739
Change in non-financial assets and liabilities	60 915	-456 955	-287 595
Dividends received from equity-accounted entities			
Tax paid	-39 691	-66 680	-39 001
<b>Net change in assets and liabilities used in operating activities</b>	<b>-287 849</b>	<b>-453 954</b>	<b>-291 854</b>
<b>TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>-156 113</b>	<b>-198 478</b>	<b>-111 942</b>
Change in equity investments		-499	-28 471
Change in property, plant & equipment and intangible assets			
<b>TOTAL NET CASH FLOWS FROM INVESTMENT ACTIVITIES (B)</b>		-499	-28 471
Cash received from (paid to) shareholders		-199 949	
Other cash provided by financing activities		-4 801	
<b>TOTAL NET CASH FLOWS FROM FINANCING ACTIVITIES (C)</b>		-204 750	
Impact of exchange rate changes on cash and cash equivalent (D)			
<b>Net increase / decrease in cash and cash equivalent (A+B+C+D)</b>	<b>-156 113</b>	<b>-403 726</b>	<b>-140 413</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>341 217</b>	<b>744 943</b>	<b>744 943</b>
Net cash accounts and accounts with central banks			
Net demand loans and deposits with credit institutions	341 217	744 943	744 943
<b>Cash and cash equivalents at end of period</b>	<b>185 104</b>	<b>341 217</b>	<b>185 104</b>
Net cash account and accounts with central banks			
Net demand loans and deposits with credit institutions	185 104	341 217	604 530
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>-156 113</b>	<b>-403 726</b>	<b>-140 413</b>

## **NOTE 1 LEGAL AND FINANCIAL FRAMEWORK AND SIGNIFICANT EVENTS**

### **1.1 Legal and financial framework**

Amundi Finance's share capital totalled €40,320,157 at 30 June 2016. It is divided into 2,644,829 shares with a nominal value of €15.24 each.

The company is:

- 76.12%-owned by Amundi Asset Management,
- 23.87%-owned by Amundi,
- with the remaining shares (0.01%) held by Etoile Gestion, Amundi India Holding, Amundi Immobilier, Société Générale Gestion, and CPR AM.

These notes form an integral part of the interim financial statements of Amundi Finance closed on 30 June 2016. They are expressed in thousands of euros ("€k").

The interim financial statements have been prepared in accordance with the regulations governing credit institutions (Instruction 2000-11 of the French Banking Commission).

Before appropriation of earnings, the balance sheet total for these interim financial statements is €1,636,983k.

Net banking income for these interim financial statements is €113,972k.

Net income for the period is €81,267k (€81,267,344.72).

### **1.2 Significant events relating to the first half of 2016**

During the first half of the year, the "Amundi Issuance" branch launched an initial public offering on the shares in the Bawag PSK network in Austria.

Furthermore, in 2016 two other subsidiaries dedicated to EMTN activity, "Amundi Finance Emissions" and "LCL Emissions", continued their issuance programmes with the Crédit Agricole network (for Amundi Finance) and the LCL and CRELAN networks in Belgium (for LCL Emissions).

### **1.3 Events subsequent to the interim position at 30 June 2016**

None.

## **NOTE 2 ACCOUNTING POLICIES AND PRINCIPLES**

The financial statements of Amundi Finance were prepared in accordance with French accounting standards for banking institutions.

These financial statements are presented in accordance with the provisions of ANC Regulation No. 2014-07 of 26 November 2014. For periods beginning on or after 1 January 2015, this one regulation combines all accounting standards governing credit institutions, pursuant to established law.

Regulations	Date published by the French government	Date of first application: financial years beginning on or after
ANC regulation on corporate accounts in the banking sector	26 November 2014 N° 2014/-07	1 January 2015
Applying these provisions had no significant impact on the income or net cash position of Amundi Finance.		

## Income and expenses

The transactions are recognised in accordance with the accrual basis of accounting.

The income and expenses recorded in foreign currencies are converted into euros at the exchange rate in effect on the day they are recognised.

Recognised commissions refer to compensation received in exchange for the guarantee that Amundi Finance provides for funds. There are two types of these commissions:

- variable:
  - for PEA (equity savings plan) funds, guarantee commissions are set aside each month and charged at the end of the year,
  - for non-PEA funds, no provisions are set aside and guarantee commissions are recognised when the fund matures;
- fixed: commissions are set aside each month and payment is (generally) made:
  - when the fund matures (for funds with a performance guarantee)
  - monthly, quarterly, every six months or annually depending on the contract for funds without a performance guarantee.

## Outstandings and commitments by signature

Outstandings on credit institutions and clients are governed by Articles 2211-1 to 2251-13 (Title 2, "traitement comptable du risque de crédit" [accounting treatment of credit risk], Book II "opérations particulières" [special transactions]) in ANC Regulation 2014-107 of 26 November 2014.

They are broken down according their initial term or the type of loan:

- demand loans and time loans for credit institutions, or
- trade receivables, other ordinary loans and accounts for clients.

Securities bought or sold under repurchase agreements, no matter what kind of assets are concerned, are listed under loans and receivables due from customers when the counterparty for the transaction belongs to this category.

Accrued interest is recognised on the balance sheet under the appropriate category of loans and receivables and booked to the income statement as interest income.

Signed undertakings booked off balance sheet are irrevocable cash loan agreements and guarantee commitments that have not resulted in any fund transfers.

Application of Title 2, Traitement comptable du risque de crédit [Accounting treatment of credit risk], Book II, Opérations particulières [special transactions] in ANC Regulation 2014-07 of 26 November 2014 means Amundi Finance must book loans and receivables that present a risk of default pursuant to the rules hereinafter. Using external and/or internal scoring systems helps determine whether or not there is a credit risk.

## Doubtful loans

Loans and receivables of all kinds, even those which are guaranteed, are classified as doubtful if there is a likelihood or certainty of total or partial non-recovery, or in any event if they have been in arrears for more than one year, or if they are under dispute. These loans and receivables are removed from their original account and recognised under "doubtful loans", provisions are deducted from financial assets based on a review of the files. Unpaid interest is identified in the accounts and provisions are set aside accordingly.

## Securities portfolio

The rules about booking securities transactions are defined by Articles 2311-1 to 2391-1 (Title 3, Comptabilisation des opérations sur titres [booking securities transactions], Book II Opérations particulières [special transactions]) as well as Articles 2211-1 to 2251-13 (Title 2, Traitements comptable du risque de crédit [accounting treatments of credit risk], Book II Opérations particulières [special transactions]) of ANC Regulation 2014-07 of 26 November 2014 for determining credit risk and depreciation of fixed-income securities

These securities are presented in the financial statements according to their asset class: treasury bills (treasury bonds and similar securities), bonds and other fixed income securities (negotiable debt securities and interbank market instruments) and equities and other variable-income securities.

They are classified in portfolios defined by regulation (trading, short term investment, long term investment, medium term portfolio, other long term securities holdings and investments in subsidiaries and affiliates), depending on the initial intention for holding the securities as identified in the accounting IT system at the time they were acquired.

### *Trading securities*

These are securities traded in a market with guaranteed liquidity and bought with the intention of selling them in the near future. They cannot be held in the trading portfolio for more than six months. After this period, their transfer to the short-term investment portfolio is recognised at the market price on the day of the transfer. Trading securities are measured at the most recent market price at the reporting date, with changes in value recognised in the income statement.

### Short-term investment securities

Short-term investment securities are those acquired with the intention of holding them for more than six months, except for those recognised as long-term investment securities. At the reporting date, they are measured based on the last known price for listed securities, and based on their probable trading value for unlisted securities. Unrealised capital losses are provisioned on a line-by-line basis, while unrealised capital gains are not taken into account.

### Long-term investment securities

These are fixed income securities that have been acquired with the intention of holding them over the long term and which are either financed by fully backed resources or are hedged for interest-rate risk. The difference between the acquisition price and redemption price is recorded in the income statement over the remaining life of the securities. A provision for impairment is recognised if the debtor's situation requires it.

### Temporary sales of securities

Securities sold under repurchase agreements continue to be recognised as balance sheet assets and debts to transferees are recorded as balance sheet liabilities. The principles used to assess and recognise income are those that apply to the class to which the securities sold under repurchase agreements belong.

The securities sold exit the portfolio in which they were held and the corresponding debt is recorded as a portfolio asset for the book value of the securities. At the reporting date, the debt is assessed based on the rules that apply to the securities that were lent.

The securities borrowed are recorded as an asset in the category of trading securities borrowed, and as a liability for the debt owed to the lender. These entries are for the market price on the day the securities are borrowed. At the reporting date, the debt is measured at the market price of the borrowed securities. Securities recorded as assets are measured based on the rules applicable to trading securities.

## **Foreign currency transactions**

Money-market receivables and liabilities denominated in foreign currencies are converted into euros using the market exchange rate at the reporting date or at closest available date prior to the period end.

Income received and expenses paid are recorded at the exchange rate on the transaction date. Accrued income and expenses not yet paid or received are converted at the closing rate.

For the application of Title 7, Comptabilisation des opérations en devises [booking transactions in foreign currencies], Book II Opérations particulières [special transactions] of ANC Regulation 2014-07 of 26 November 2014, Amundi Finance has rolled out a multi-currency accounting system so it can track its currency position.

## **Investments in subsidiaries and affiliates, participating interests and other long-term securities holdings**

- Investments in subsidiaries and affiliates are investments in companies that are under exclusive control and that are or are liable to be fully consolidated into a given group that can be consolidated.
- Participating interests are investments (other than investments in subsidiaries and affiliates), of which the long term ownership is judged beneficial to the reporting entity, in particular because it allows it to exercise influence or control over the issuer.
- Other long-term securities holdings are securities held with the intention of promoting long term business relations by creating a special relationship with the issuer, but with no influence on the issuer's management due to the small percentage of voting rights held.

These securities are recognised at purchase price, including transaction fees.

At the reporting date, the value of these securities is measured individually, based on value in use, and they are recorded on the balance sheet at the lower of historical cost or value in use.

Value in use represents the price the reporting entity would be prepared to pay to acquire these securities if it had to buy them, given its reasons for holding them.

Value in use may be estimated on the basis of various factors such as the issuer's profitability and prospective profitability, its equity, the economic environment, the average share price in the preceding months or the mathematical value of the security.

When value in use is lower than historical cost, impairment losses are booked for these unrealised losses and are not offset against any unrealised gains.

Impairment losses and reversals on these securities and capital gains or losses on disposal are recorded under "Net gains (losses) on fixed assets".

### **Forward foreign exchange transactions**

Forward foreign exchange transactions undertaken in order to hedge one or several similar items are valued symmetrically against the hedged item. The results of this valuation correct the results for the hedged item.

Forward foreign exchange transactions carried out for purposes other than hedging are assessed based on the forward foreign exchange price that applies over the remaining term.

### **Derivative transactions**

Off-balance sheet commitments related to these transactions show the notional capital amount of contracts that have not been settled by the reporting date. For options, commitments reflect the nominal capital amount of the underlying instrument.

At 30 June 2016, forward financial commitments totalled €42,369,770k.

Instruments traded on an organised or similar market, or over the counter or included in a trading portfolio are assessed with respect to their market value at the reporting date.

All (realised or unrealised) gains and losses have been recorded on the income statement under "Net gains (losses) on trading book" for a net amount representing income of €15,073,370.10, including €18,214,476.00 in allowances for funding risks related to the launch of new funds and EMTN.

### **Trading**

Trading includes:

- isolated open positions (Category "A", Article 2522-1 of ANC Regulation 2014-07);
- specialised management of a trading portfolio (Category "D", Article 2522 of ANC Regulation 2014-07);
- instruments that are traded on an organised market, similar, OTC, or included in a trading portfolio - within the meaning of ANC Regulation 2014-07.

These are evaluated by reference to their market value on the closing date."

If the instruments are evaluated at market value, this is determined:

- using available prices, if there is an active market;
  
  
- using internal valuation methods and models, if there is no active market.

### **Hedging transactions**

Gains or losses on affected hedging transactions (Category "B", Article 2522-1 of ANC Regulation 2014-07) are reported as income alongside the booking of income and expenses for the hedged item, and in the same accounting item.

Expenses and income related to forward financial instruments that are used for hedging and managing the overall interest-rate exposure of Credit Agricole S.A. (Category "C" Article -2522-1 of ANC Regulation 2014-07) are pro-rated under "Interest and similar income (expenses) – Net income (expense) on macro-hedging transactions." Unrealised gains and losses are not entered.

### **Counterparty risk on derivatives**

Pursuant to ANC Regulation 2014-07 of 26 November 2014, Amundi Finance includes the counterparty risk assessment on asset derivatives (Credit Valuation Adjustment or CVA) in the market value of derivatives. As such, only derivatives booked in isolated open positions or in trading portfolios (derivatives classified according to categories A and D of Article 25221 of the aforementioned regulation) are CVA calculated.

The CVA determines the losses expected on the counterparty from Amundi Finance's viewpoint.

The calculation of CVA relies on estimating the expected losses based on the probability of default and the loss in the event of default.

The methodology used maximises the use of observable entry data.

It is based on:

- market parameters first, such as CDS Single Name or CDS proxy.
- In the absence of CDS Single Name on the counterparty, an approximation based on a basket of CDS Single Name counterparties with the same rating, operating in the same sector and located in the same region.

### **Financing commitments**

Financing commitments are irrevocable commitments made by a credit institution to provide cash loans to the beneficiary following the procedures set out by the contract. Pre-approved loans are recognised once they are accepted by the client.

As Amundi Finance fully respects its obligations in terms of liquidity ratios, it did not use this method of financing in 2016.

### **Guarantee commitments given**

Within the scope of its activity, Amundi Finance provides its guarantee as part of issuing capital guarantees or performance guarantees for Amundi Clients (based on the calculation methods listed below).

At 30 June 2016, these guarantees given as well as guarantees granted directly rose to €18,133,428k.

### **Fixed assets**

Amundi Finance applies ANC Regulation 2014-03 of 5 June 2014 relating to the depreciation, amortisation and impairment of assets.

As a result, Amundi Finance applies component accounting for all of its property, plant and equipment. In accordance with the provisions of this regulation, the depreciable amount takes account of the potential residual value of property, plant and equipment.

The acquisition cost of fixed assets includes the purchase price plus any incidental expenses, namely expenses directly or indirectly incurred in connection with bringing the asset into service or "into inventory". Buildings and equipment are measured at cost less accumulated depreciation and impairment losses since the time they were placed in service.

Property, plant and equipment and intangible assets appear on the balance sheet at their purchase price. They are depreciated using the straight-line method for a variable term depending on the type of fixed asset:

Type of fixed asset	Depreciation period
Capital costs	5 years
Developed or purchased software	5 years
Office furniture and equipment, IT	5 years

Except for capital costs and software, intangible assets are not depreciated. If necessary, provisions can be set aside for impairment losses on such assets.

When Amundi Asset Management contributed to its guarantee activity in 2004, Amundi Finance recorded business assets valued at €227,424k. These business assets have not undergone any depreciation or impairment.

## Provisions

Amundi Finance applies ANC Regulation 2014-03 of 5 June 2014 for the recognition and measurement of provisions.

Provisions include provisions relating to financing commitments, retirement and early retirement liabilities, litigation and various risks.

## Employee profit-sharing and incentive plans

Some Group companies form Economic and Social Units (UES). These include Amundi, Amundi Asset Management, AITS, Amundi Finance, Amundi Tenue de Comptes, Amundi Immobilier, Amundi Intermediation, Amundi AI SAS, Amundi Private and Equity Funds, as well as Etoile Gestion, SGG, BFT Gestion and CPR AM). Agreements on employee profit-sharing and incentive plans have been signed under this framework.

Employee profit-sharing for this UES is recognised in the income statement in the year in which the employees' rights are earned. Its cost is included in Employee expenses.

An estimated charge corresponding to incentive plans is recognised in the income statement under the same heading as employee profit-sharing. Its cost is also included in Employee expenses.

Employees assigned ("seconded") by Crédit Agricole SA operate under agreements signed as part of that entity's UES. The estimated expense to be paid for profit-sharing and incentive plans has been recognised in the financial statements.

## Post-employment benefits - retirement plans - defined-contribution plans

Employers contribute to a variety of compulsory pension schemes. Plan assets are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to cover all benefits corresponding to services rendered by employees during the year and during prior years.

Consequently, Amundi Finance has no liabilities in this respect, other than contributions to be paid for the most recent financial year.

The amount contributed for these retirement plans is recorded under "Employee expenses".

## Retirement, early retirement and end-of-career allowance commitments – defined-benefit plans

Amundi Finance applies Recommendation 2013-02 of the French Accounting Standards of 7 November 2013 relating to the rules for booking and assessing pension obligations and similar benefits, recommendation repealed and included in Section 4 of Chapter II, Book III of ANC Regulation 2014-03 of 5 June 2014.

In accordance with this regulation, Amundi Finance sets aside provisions to cover its retirement and similar benefit obligations falling within the category of defined-benefit plans.

At 30 June 2016, these obligations are valued at €188k, while provisions amount to €58k.

The sensitivity analysis showed that:

- a 50 basis point increase in discount rates would reduce the commitment by 8.03%;
- a 50 basis point decrease in discount rates would increase the commitment by 8.92%.

### **Retirement commitments**

Within Amundi Group, Amundi has entered into an insurance contract with PREDICA to cover end-of-career allowances (IFC). AMUNDI has signed mandates with UES subsidiaries (including Amundi Finance). This outsourcing of end-of-career allowances is reflected by transferring some of the existing liability provision from the books to the PREDICA contract.

The non-outsourced balance is still recognised as a liability provision.

### **Income tax charge**

In general, only the current tax liability is recognised in the parent company's financial statements.

The tax charge appearing in the income statement is the income tax due for the reporting period. It includes the consequences of the company's contribution of 3.3% of profits.

When tax credits on income from securities portfolios and amounts receivable are effectively used to pay income tax due for the year, they are recognised under the same heading as the income with which they are associated. The corresponding tax charge continues to be recognised under the Income tax charge heading in the income statement.

Amundi Finance has signed a tax consolidation agreement with Amundi. Under this agreement, each company that is part of the tax consolidation mechanism recognises in its financial statements the tax that it would have had to pay in the absence of the mechanism.

Given that the legislative intent when introducing the tax credit for competitiveness and employment (Crédit d'Impôts pour la Compétitivité et l'Emploi – CICE) was to reduce employee expenses, in 2014 Amundi Finance chose to recognise the CICE (Article 244 quater C of the French General Tax Code – CGI) as a reduction in employee expenses rather than a tax reduction.



**NOTE 3 LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS – ANALYSIS BY REMAINING MATURITY**

(in thousands of euros)	30/06/2016						31/12/2015
	<3 months	>3 months <1 year	>1 year <5 years	> 5 years	Total principal	Accrued interest	Total
<b>Credit institutions</b>							
Loans and receivables:							
· demand	185,105				185,105		341,219
· term							
Pledged securities							
Securities bought under repurchase agreements							
Subordinated loans							
<b>Total</b>	<b>185,105</b>				<b>185,105</b>		<b>341,219</b>
<b>Write-down</b>							
<b>NET CARRYING AMOUNT</b>	<b>185,105</b>				<b>185,105</b>		<b>341,219</b>
Current accounts							
Term deposits and advances							
<b>Total</b>							
<b>Write-down</b>							
<b>NET CARRYING AMOUNT</b>							
<b>TOTAL</b>	<b>185,105</b>				<b>185,105</b>		<b>341,219</b>

**NOTE 5 TRADING, SHORT TERM INVESTMENT, LONG-TERM INVESTMENT AND MEDIUM-TERM PORTFOLIO SECURITIES**

(in thousands of euros)	30/06/2016					31/12/2015
	Trading	Investment portfolio	Medium-term portfolio securities	Investments	Total	Total
Treasury bills and similar securities						
· of which residual net premium						
· of which residual net discount						
Accrued interest						
Write-down						
<b>Net carrying amount</b>						
Bonds and other fixed-income securities	339,146				339,146	24,233
Issued by a public entry						
Other issuers	339,146				339,146	24,233
· of which residual net premium						
· of which residual net discount						
Accrued interest						
Write-down						
<b>Net carrying amount</b>	<b>339,146</b>				<b>339,146</b>	<b>24,233</b>
Equities and other variable-income securities		16,763			16,763	17,171
Accrued interest						
Write-down						-45
<b>Net carrying amount</b>		<b>16,763</b>			<b>16,763</b>	<b>17,125</b>
<b>Total</b>	<b>339,146</b>	<b>16,763</b>			<b>355,909</b>	<b>41,358</b>
<b>Estimated values</b>		<b>17,092</b>			<b>17,092</b>	<b>17,125</b>

**NOTE 5.1 TRADING, SHORT-TERM INVESTMENT, LONG-TERM INVESTMENT AND MEDIUM-TERM PORTFOLIO SECURITIES (EXCLUDING TREASURY BILLS) - BREAKDOWN BY MAJOR CATEGORY OF COUNTERPARTY**

(in thousands of euros)	Net outstandings 30/06/2016	Net outstandings 31/12/2015
Government and central banks (including states)		
Credit institutions	28,129	10,902
Financial institutions	327,780	30,502
Local authorities		
Corporates, insurance companies and other customers		
Other and non-allocated		
<b>Total principal</b>	<b>355,909</b>	<b>41,404</b>
Accrued interest		
Write-down		-45
<b>Net carrying amount</b>	<b>355,909</b>	<b>41,358</b>

**NOTE 5.2 BREAKDOWN OF LISTED AND UNLISTED SECURITIES BETWEEN FIXED AND VARIABLE INCOME SECURITIES**

(in thousands of euros)	30/06/2016				31/12/2015			
	Bonds and other fixed-income securities	Treasury bills and similar securities	Equities and other variable-income securities	Total	Bonds and other fixed-income securities	Treasury bills and similar securities	Equities and other variable-income securities	Total
Listed securities	19,808			19,808	5,640			5,640
Unlisted securities	319,338		16,763	336,101	18,593		17,171	35,764
Accrued interest								
Write-down							-45	-45
<b>Net carrying amount</b>	<b>339,146</b>		<b>16,763</b>	<b>355,909</b>	<b>24,233</b>		<b>17,125</b>	<b>41,358</b>

The breakdown of all UCITS by type at 30 June 2016 is as follows:

(in thousands of euros)	Book value	Net asset value
Money-market mutual funds		
Bond mutual funds		
Stock mutual funds		
Other mutual funds	16,763	17,092
<b>TOTAL</b>	<b>16,763</b>	<b>17,092</b>

**NOTE 5.3 TREASURY BILLS, BONDS AND OTHER FIXED-INCOME SECURITIES - ANALYSIS BY REMAINING MATURITY**

(in thousands of euros)	30/06/2016							31/12/2015
	<3 months	>3 months < 1 year	>1 year <5 years	>5 years	Total principal	Accrued interest	Total	Total
Bonds and other fixed-income securities								
Book value		844	260,409	77,893	339,146		339,146	24,233
Write-down								
<b>Net asset value</b>		<b>844</b>	<b>260,409</b>	<b>77,893</b>	<b>339,146</b>		<b>339,146</b>	<b>24,233</b>
Treasury bills								
Gross amount								
Write-down								
<b>Net asset value</b>								

**NOTE 5.4 TREASURY BILLS, BONDS AND OTHER FIXED-INCOME SECURITIES - ANALYSIS BY REMAINING MATURITY**

(in thousands of euros)	Net asset value	Net asset value
	30/06/2016	31/12/2015
France (including overseas departments and territories)	331,090	20,438
Other EU Countries	8,056	3,795
Other European countries		
North America		
Central and Latin America		
Africa and Middle East		
Asia and Oceania (excluding Japan)		
Japan		
<b>Total principal</b>	<b>339,146</b>	<b>24,233</b>
Accrued interest		
Write-down		
<b>CARRYING AMOUNT</b>	<b>339,146</b>	<b>24,233</b>

**NOTE 6 EQUITY INVESTMENTS AND SUBSIDIARIES**

(in thousands of euros)

Company	Financial information				Book value of securities owned		Loans and receivables granted by the company outstanding	Amount of guarantees and other commitments given by the company	NBI or revenue (ex. VAT) for the year ended	Net income (profit or loss) for the year ended	Dividends received by the Company during the financial year
	Currency	Share capital	Equity other than capital	Percentage of capital owned (%)	Gross value	Net value					
<b>Equity investments with a book value higher than 1% of the Company's share capital</b>											
<b>1) Investments in banking subsidiaries and affiliates (over 50% of share capital)</b>											
AMUNDI TENUE DE COMPTE	EUR	24,000	7,789	100.00%	34,167	34,167			32,695	5,730	5,784
<b>2) Investments in banking subsidiaries and affiliates (10% to 50% of share capital)</b>											
AMUNDI INTERMEDIATION	EUR	14,604	65,993	38.53%	5,628	5,628			118,843	67,522	13,051
<b>2) Investments in other subsidiaries and affiliates (more than 50% owned)</b>											
<b>4) Other equity investments (10% to 50% of share capital)</b>											
<b>Equity investments with a book value lower than 1% of Amundi Finance's share capital</b>											
	EUR				8,725	8,553					
<b>TOTAL SUSIDIARIES AND EQUITY INVESTMENT</b>					<b>48,520</b>	<b>48,349</b>					

**NOTE 6.1 ESTIMATED VALUE OF EQUITY INVESTMENTS**

<i>(in thousands of euros)</i>	30/06/2016		31/12/2015	
	Carrying amount	Estimated value	Carrying amount	Estimated value
<b>Investments in subsidiaries and affiliates</b>				
· Unlisted securities	48,520	48,349	48,520	48,349
· Listed securities				
· Advances available for consolidation				
· Accrued interest				
· Write-down	-172		-172	
<b>Net carrying amount</b>	<b>48,349</b>	<b>48,349</b>	<b>48,349</b>	<b>48,349</b>
<b>Equity investments and other long-term equity investments</b>				
<b>Equity investments</b>				
· Unlisted securities				
· Listed securities				
· Advances available for consolidation				
· Accrued interest				
· Write-down				
<b>Sub-total of equity investments</b>				
<b>Other long-term equity investment</b>				
· Unlisted securities				
· Listed securities				
· Advances available for consolidation				
· Accrued interest				
· Write-down				
<b>Sub-total other long-term equity investments</b>				
<b>Net carrying amount</b>				
<b>TOTAL EQUITY INVESTMENTS</b>	<b>48,349</b>	<b>48,349</b>	<b>48,349</b>	<b>48,349</b>

<i>(in thousands of euros)</i>	30/06/2016		31/12/2015	
	Carrying amount	Estimated value	Carrying amount	Estimated value
<b>Total gross values</b>				
Unlisted securities	48,520	48,349	48,520	48,349
Listed securities				
<b>TOTAL</b>	<b>48,520</b>	<b>48,349</b>	<b>48,520</b>	<b>48,349</b>

## NOTE 7 CHANGE IN FIXED ASSETS

### NOTE 7.1 FINANCIAL ASSETS

(in thousands of euros)	01/01/2016	Increases (Acquisitions)	Decreases (disposals, maturity)	Other movements	30/06/2016
<b>Investments in subsidiaries and affiliates</b>					
Gross values	48,520				48,520
Advances available for consolidation					
Accrued interest					
Write-downs	-172				-172
<b>Net carrying amount</b>	<b>48,349</b>				<b>48,349</b>
<b>Equity investments</b>					
Gross values					
Advances available for consolidation					
Accrued interest					
Write-downs					
<b>Other long-term equity investment</b>					
Gross values					
Advances available for consolidation					
Accrued interest					
Write-downs					
<b>Net carrying amount</b>					
<b>TOTAL</b>	<b>48,349</b>				<b>48,349</b>

### NOTE 7.2 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(in thousands of euros)	01/01/2016	Increases (Acquisitions)	Decreases (disposals, maturity)	Other movements	30/06/2016
<b>Property, plant and equipment</b>					
Gross values					
Amortisation and write-downs					
<b>Net carrying amount</b>					
<b>Intangible assets</b>					
Gross values	227,424				227,424
Amortisation and write-downs					
<b>Net carrying amount</b>	<b>227,424</b>				<b>227,424</b>
<b>TOTAL</b>	<b>227,424</b>				<b>227,424</b>

## NOTE 9 ACCRUAL, PREPAYMENTS AND SUNDRY ASSETS

(in thousands of euros)	30/06/2016	31/12/2015
<b>Other assets</b>		
Financial options bought		
Inventory accounts and miscellaneous		
Miscellaneous debtors	771,697	1,137,628
Collective management of Livret de développement durable		
Settlement accounts		
<b>Net carrying amount</b>	<b>771,697</b>	<b>1,137,628</b>
<b>Accrued and prepayments</b>		
Items in course of transmission		
Adjustment accounts		
Unrealised losses and deferred losses on financial instruments		
Accrued income on commitments on forward financial instruments		
Other accrued income	47,735	72,805
Prepaid accrued income	765	2
Deferred charges		
Other accruals		
<b>Net carrying amount</b>	<b>48,500</b>	<b>72,807</b>
<b>Total</b>	<b>820,197</b>	<b>1,210,435</b>

(1) Amounts including accrued interest

SUNDRY ASSETS primarily consist of security deposits paid as part of the collateral business (€735,432k), corporate income tax instalments (€31,682k), trade receivables (€4,121k) and other receivables (€461k). Other accrued income is related to the guarantee business.

## NOTE 10 WRITE-DOWNS DEDUCTED FROM ASSETS

(in thousands of euros)	Balance at 31/12/2015	Write-downs	Reversal and utilisations	Accretion	Other movements	Balance at 30/06/2016
On interbank transactions and similar items						
On loans and receivables due from customers						
On securities transactions	217	-45				172
On fixed assets						
On other assets						
<b>Total</b>	<b>217</b>	<b>-45</b>				<b>172</b>

## NOTE 14 ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIES

(in thousands of euros)	30/06/2016	31/12/2015
<b>Other liabilities (1)</b>		
Counterparty transactions (trading securities)		
Liabilities relating to stock lending transactions		
Optional instruments sold		
Settlement and negotiations accounts		
Miscellaneous creditors	827,982	1,140,791
Payments on securities in process		
<b>Carrying amount</b>	<b>827,982</b>	<b>1,140,791</b>
<b>Accruals</b>		
- Collection and transfer accounts		
- Adjustment accounts		
- Unrealised gains and deferred gains on financial instruments		
- Unearned income	2,417	7,540
- Accrued expenses on commitments on forward financial instruments	19,378	13,902
- Other accrued expenses	4,729	3,308
- Other accruals		
<b>Carrying amount</b>	<b>26,524</b>	<b>24,749</b>
<b>TOTAL</b>	<b>854,505</b>	<b>1,165,540</b>

(1) Amounts including accrued interest.

SUNDRY LIABILITIES primarily consist of security deposits received as part of the collateral business (€795,232k) and corporate income tax charge (€31,953k) with the remainder being made up of other liabilities.



**NOTE 15 PROVISIONS**

(in thousands of euros)	Balance at 01/01/2016	Increases	Reversals used	Decreases and reversals not used	Other movements	Outstanding at 30/06/2016
<b>Provisions</b>						
For pension commitments and similar	58					58
For other employee commitments						
For financial commitment execution risks	5,965	838	66	5,213		1,525
For tax disputes						
For other litigation						
For country risk						
For credit risk						
For restructuring						
For taxes						
For equity investments						
For operational risk						
Other provisions	10,432					10,432
<b>Carrying amount</b>	<b>16,456</b>	<b>838</b>	<b>66</b>	<b>5,213</b>		<b>12,016</b>

**NOTE 17 LIABILITIES TO EMPLOYEES - POST-EMPLOYMENT BENEFITS, DEFINED-BENEFIT PLANS**

Change in actuarial liability

(in thousands of euros)	30/06/2016	31/12/2015
<b>Actuarial liability at 31/12/N-1</b>	<b>188</b>	<b>137</b>
Cost of services rendered during the period		7
Effect of discounting		3
Employee contributions		
Benefit plan changes, withdrawals and settlement		
Change in scope		
Early retirement allowances		
Benefit paid		
Actuarial (gains) / losses		41
<b>Actuarial liability at 31/12/N</b>	<b>188</b>	<b>188</b>

Change in fair value of plan assets

(in thousands of euros)	30/06/2016	31/12/2015
<b>Fair value of assets / right to reimbursement at 31/12/N-1</b>	<b>130</b>	<b>127</b>
Expected return on assets		3
Actuarial gains (losses)		
Employer contributions		
Employee contributions		
Benefit plan changes / withdrawals / settlement		
Change in scope		
Early retirement allowances		
Benefit paid by the fund		
<b>Fair value of assets / right to reimbursement at 31/12/N</b>	<b>130</b>	<b>130</b>

Net position

Breakdown of the net charge recognised in the income statement

(in thousands of euros)	30/06/2016	31/12/2015	(in thousands of euros)	30/06/2016	31/12/2015
<b>Actuarial liability at 31/12/N</b>			<b>Actuarial liability at 31/12/N</b>	<b>58</b>	<b>188</b>
Cost of services rendered during the period		7	Impact of asset restriction		
Financial cost		3	Fair value of assets at year-end		-130
Expected return of assets during the period		-3	<b>Net position (liabilities) / assets at 31/12/N</b>	<b>58</b>	<b>58</b>
Amortisation of past service cost					
Other gains or losses					
<b>Net charge recognised in the income statement</b>		<b>7</b>			

Changes in provisions

(in thousands of euros)	30/06/2016	31/12/2015
<b>(Provisions) / asset at 31/12/N-1</b>	<b>59</b>	<b>11</b>
Employer contributions		
Changes in scope		
Net charge recognised in income statement		7
Impact on OCI		41
<b>(Provisions) asset at 31/12/N</b>	<b>59</b>	<b>59</b>

**NOTE 19 SUBORDINATED DEBT - ANALYSIS BY REMAINING MATURITY**

(in thousands of euros)	30/06/2016						31/12/2015
	< 3 months	> 3 months < 1 year	> 1 year < 5 years	> 5 years	Total principal	Accrued interest	Total
<b>Fixed-term subordinated debt</b>							
Euro							
Dollar							
<b>Participating securities and loans</b>							
<b>Other subordinated term loans</b>							
<b>Undated subordinated debt (1)</b>				100,000	100,000	2,447	102,447
<b>Frozen current accounts of local banks</b>							
<b>Mutual security deposits</b>							
<b>Carrying amount</b>				<b>100,000</b>	<b>100,000</b>	<b>2,447</b>	<b>102,447</b>

(1) Remaining maturity of perpetual debt classified by default in > 5 years.

Expenses related to subordinated debt total €2,407k at 30 June 2016.

**NOTE 20 CHANGES IN EQUITY (before appropriation)**

(in thousands of euros)	Share capital	Share premiums, reserves and retained earnings	Interim dividend	Regulated provisions and investment subsidies	Net income	Total equity
<b>Balance at 31 December 2015</b>	<b>40,320</b>	<b>591,987</b>	<b>-199,949</b>		<b>154,389</b>	<b>586,747</b>
Dividends paid in respect of 2015						
Change in share capital						
Change in share premiums and reserves						
Appropriation of company net income		-45,560	199,949		-154,389	
Retained earnings						
Net income for financial year 2016					81,267	81,267
Other changes						
<b>Balance at 30 June 2016</b>	<b>40,320</b>	<b>546,427</b>			<b>81,267</b>	<b>668,015</b>

**NOTE 21 COMPOSITION OF CAPITAL**

(in thousands of euros)	30/06/2016	31/12/2015
Equity	668,015	586,747
Fund for general banking risks		
Subordinated debt and participating securities	102,447	100,040
Mutual security deposits		
<b>TOTAL CAPITAL</b>	<b>770,462</b>	<b>686,787</b>

**NOTE 22 TRANSACTIONS WITH SUBSIDIARIES AND AFFILIATES AND EQUITY INVESTMENTS**

(in thousands of euros)	Balance at 30 June 2016 Transactions with subsidiaries and affiliates, and equity investments	Balance at 31 December 2015 Transactions with subsidiaries and affiliates, and equity investments
<b>Loans and receivables</b>	<b>524,251</b>	<b>365,452</b>
Credit and other financial institutions	185,105	341,219
Customers		
Bonds and other fixed income securities	339,146	24,233
<b>Debt</b>	<b>102,447</b>	<b>100,041</b>
Credit and other financial institutions		
Customers		
Debt securities and subordinated debt	102,447	100,040
<b>Commitments given</b>	<b>2,984,837</b>	<b>1,217,482</b>
Financing commitments given to credit institutions		
Financing commitments given to customers		
Guarantees given to credit and other financial institutions		
Guarantees given to customers	2,984,837	1,217,482
Securities acquired with repurchase options		
Other commitments given		

**NOTE 23 FOREIGN CURRENCY DENOMINATED TRANSACTIONS**

(in thousands of euros)	30/06/2016		31/12/2015	
	Assets	Equity and liabilities	Assets	Equity and liabilities
Euro	1,636,983	1,636,983	1,868,784	1,868,784
Other European Union currencies				
Swiss Franc				
Dollar				
Yen				
Other currencies				
<b>Total</b>	<b>1,636,983</b>	<b>1,636,983</b>	<b>1,868,784</b>	<b>1,868,784</b>

**NOTE 25 TRANSACTIONS ON FORWARD FINANCIAL INSTRUMENTS**

	30/06/2016			31/12/2015
	Hedging transactions	Other	Total	Total
(in thousands of euros)				
<b>Futures and forwards</b>		<b>42,369,770</b>	<b>42,369,770</b>	<b>45,393,256</b>
<b>Exchange-traded (1)</b>				
Interest rate futures				
Currency forwards				
Equity and stock index instruments				
Other futures				
<b>Over-the-counter</b>		<b>42,369,770</b>	<b>42,369,770</b>	<b>45,393,256</b>
Interest rate swaps		2,915,253	2,915,253	2,767,802
Other interest rate forwards				
Currency forwards				
FRAs				
Equity and stock index instruments		39,454,517	39,454,517	42,625,454
Other futures				
<b>Options</b>				
<b>Exchange-traded</b>				
Interest rate options				
* Bought				
* Sold				
Equity and stock index options				
* Bought				
* Sold				
Currency options				
* Bought				
* Sold				
<b>Over-the-counter</b>				
Interest rate swap options				
* Bought				
* Sold				
Other interest rate forwards				
* Bought				
* Sold				
Currency futures				
* Bought				
* Sold				
Equity and stock index instruments				
* Bought				
* Sold				
Other futures				
* Bought				
* Sold				
<b>Credit derivatives</b>				
Credit derivative contracts				
* Bought				
* Sold				
<b>TOTAL</b>		<b>42,369,770</b>	<b>42,369,770</b>	<b>45,393,256</b>

(1): The amounts shown in respect of futures and forwards must correspond to aggregate long and short positions (interest rate swaps and interest rate swap options), or to aggregate purchases and sales of contracts (other contracts).

**NOTE 25.1 Transactions on forward financial instruments - Analysis by remaining maturity**

(in thousands of euros)	Total 30/06/2016			o/w over-the-counter			o/w exchange traded and equivalent		
	< 1 year	> 1 year < 5 years	> 5 years	< 1 year	> 1 year < 5 years	> 5 years	< 1 year	> 1 year < 5 years	> 5 years
Futures									
Currency options									
Interest rate options									
Currency futures									
FRA									
Interest rate swaps	77,675	744,229	2,093,349	77,675	744,229	2,093,349			
Interest rate forwards									
Caps, Floors, Collars									
Interest rate forwards									
Equity, equity index and precious metals futures and forwards	4,930,370	19,367,636	15,156,511	4,930,370	19,367,636	15,156,511			
Equity, equity index and precious metals options									
Equity, equity index and precious metals derivatives									
<b>Subtotal</b>	<b>5,008,044</b>	<b>20,111,865</b>	<b>17,249,861</b>	<b>5,008,044</b>	<b>20,111,865</b>	<b>17,249,861</b>			
Forward currency transactions									
<b>Total</b>	<b>5,008,044</b>	<b>20,111,865</b>	<b>17,249,861</b>	<b>5,008,044</b>	<b>20,111,865</b>	<b>17,249,861</b>			

**NOTE 25.2 Forward financial instruments - Fair value**

(in thousands of euros)	30/06/2016		31/12/2015	
	Fair value	Outstanding notional	Fair value	Outstanding notional
Futures	0	0	0	0
Currency options				
Currency futures				
FRAs				
Interest rate swaps	-840	2,915,253	-185	2,767,802
Currency swaps				
Caps, Floors, Collars				
Equity, equity index and precious metals derivatives	-1,982	39,454,517	-641	42,625,454
<b>Gross amount</b>	<b>-2,822</b>	<b>42,369,770</b>	<b>-825</b>	<b>45,393,256</b>
Forward currency transactions				
<b>TOTAL</b>	<b>-2,822</b>	<b>42,369,770</b>	<b>-825</b>	<b>45,393,256</b>

**NOTE 25.3 BREAKDOWN OF INTEREST RATE SWAPS**

(in thousands of euros)

CURRENCY AND INTERST RATE SWAPS	Isolated open position	Micro-Hedging	Macro-hedging	Transaction swaps
Interest rate swaps				2,915,253
Similar contracts (1)				

(1) These are similar contracts as defined by article of CRBF 90.15.

## NOTE 26 COMMITMENTS GIVEN AND RECEIVED

(in thousands of euros)	30/06/2016	31/12/2015
<b>Commitment given</b>	<b>18,133,428</b>	<b>18,423,722</b>
<b>Financing commitments</b>		
Commitments to credit institutions		
Commitments to customers		
- Confirmed credit lines		
Documentary credits		
Other confirmed credit lines		
- Other commitments to customers		
<b>Guarantee commitments</b>	<b>18,133,428</b>	<b>18,423,722</b>
Credit institutions		
- Confirmed documentary credit lines		
- Other guarantees		
Customers	18,133,428	18,423,722
- Real estate guarantees		
- financial guarantees		
- Other customer guarantees	18,133,428	18,423,722
<b>Commitments on securities</b>		
. Securities acquired with repurchase options		
. Other commitments to be given		
<b>Commitments received</b>		
<b>Financing commitments</b>		
Commitments from credit institutions		
Commitments from customers		
<b>Guarantee commitments</b>		
Commitments from credit institutions		
Commitments from customers		
<b>Commitments on securities</b>		
Securities sold with repurchase options		
Other commitments received		

## NOTE 27 INFORMATION ON COUNTERPARTY RISK ON DERIVATIVE PRODUCTS

Management of counterparty risk (businesses, banks, institutions) is based on:

- Organisation into specialised units and business lines that report to General Management.
- Internal procedures that establish the rules for taking and monitoring risk, which apply to various stakeholders in the entity. This principle of setting a limit on commitments is applied to all kinds of counterparties: businesses, banks, financial institutions, and government-related or state entities. Similarly, the assumption of risk in counterparties controlled or resident in a non-OECD country is capped on a country-by-country basis, all transactions and operations combined. These “country limits” are periodically revised.
- risk measurement methods. As a result, each counterparty has a maximum for commitments that includes all transactions.



An entity's exposure to counterparty risk on forward instruments and options on interest rates, foreign exchange, commodities and precious metals may be measured at the market value of these instruments and by the potential credit risk arising from the application of regulatory add-ons, depending on the remaining maturity and the type of contract.

### **Breakdown of counterparty risk on forward financial instruments**

(in thousands of euros)	30/06/2016			31/12/2015		
	Fair value	Potential credit risk	total counterparty risk	Fair value	Potential credit risk	total counterparty risk
Risk regarding OECD governments, central banks and similar organisations						
Risk regarding OECD financial institutions and similar organisations	1,162,194	16,556	1,145,638	1,422,688	13,076	1,409,612
Risk on other counterparties						
<b>Total before impact of netting contracts</b>	<b>1,162,194</b>	<b>16,556</b>	<b>1,145,638</b>	<b>1,422,688</b>	<b>13,076</b>	<b>1,409,612</b>
<b>Risk on:</b>						
Interest rate, exchange rate and commodities contracts	167,768		167,768	131,140		131,140
Equity and index derivative contracts	994,425		994,425	1,291,548		1,291,548
<b>Total before impact of netting contracts</b>	<b>1,162,194</b>		<b>1,162,194</b>	<b>1,422,688</b>		<b>1,422,688</b>
<b>Impact of netting and collateralisation contracts</b>	<b>794,905</b>		<b>794,905</b>	<b>1,073,310</b>		<b>1,073,310</b>
<b>Total after impact of netting contracts</b>	<b>367,289</b>	<b>16,556</b>	<b>350,733</b>	<b>349,378</b>	<b>13,076</b>	<b>336,302</b>

### **NOTE 28 NET INTEREST AND SIMILAR INCOME**

(in thousands of euros)	30/06/2016	30/06/2015	30/06/2015
On transactions with credit institutions	748	815	343
On transactions with customers			
On bonds and other fixed-income securities			
Net income on macro-hedging transactions			
Other interest and similar income	1	6	
<b>Interest and similar income</b>	<b>749</b>	<b>821</b>	<b>343</b>
On transactions with credit institutions	-2 674	-4 969	-2 451
On transactions with customers	-980	-946	-344
On bonds and other fixed-income securities			
Net income on macro-hedging transactions			
Other interest and similar expenses	-1	-9	-3
<b>Interest and similar expenses</b>	<b>-3 655</b>	<b>-5 924</b>	<b>-2 798</b>
<b>NET INTEREST AND SIMILAR INCOME</b>	<b>-2 906</b>	<b>-5 104</b>	<b>-2 454</b>

## NOTE 29 INCOME FROM SECURITIES

(in thousands of euros)	30/06/2016	31/12/2015	30/06/2015
Short-term investment securities			
Sustainable development passbook account (LDD)			
Long-term investment securities			
Other securities transactions			
<b>Income from fixed income securities</b>			
Investments in subsidiaries and affiliates, equity investments and other long-term equity investments	18 666	42 815	31 259
Short-term investment securities and medium-term portfolio securities			
Other securities transactions			
<b>Income from variable-income securities</b>	<b>18 666</b>	<b>42 815</b>	<b>31 259</b>
<b>TOTAL INCOME FROM SECURITIES</b>	<b>18 666</b>	<b>42 815</b>	<b>31 259</b>

## NOTE 30 NET FEE AND COMMISSION INCOME

(in thousands of euros)	30/06/2016			31/12/2015			30/06/2015		
	Income	Expenses	Net	Income	Expenses	Net	Income	Expenses	Net
On transactions with credit institutions									
On transactions with customers									
On securities transactions	3 641	-2 956	686	4 564	-4 047	517	1 928	-1 744	185
On forward financial instruments and other off-balance sheet transactions	81 715	-270	81 445	176 761	-443	176 318	111 803	-279	111 524
On financial services									
Provisions for fee and commission risks									
<b>TOTAL NET FEE AND COMMISSION INCOME</b>	<b>85 356</b>	<b>-3 225</b>	<b>82 131</b>	<b>181 325</b>	<b>-4 490</b>	<b>176 835</b>	<b>113 731</b>	<b>-2 023</b>	<b>111 709</b>

## NOTE 31 NET GAINS (LOSSES) ON TRADING BOOK

(in thousands of euros)	30/06/2016	31/12/2015	30/06/2015
Gains (losses) on trading securities	1 031	419	79
Gains (losses) on foreign currency transactions and similar financial instruments			
Gains (losses) on other forward financial instruments	14 042	18 622	5 486
<b>NET GAINS (LOSSES) ON TRADING BOOK</b>	<b>15 073</b>	<b>19 041</b>	<b>5 565</b>

## NOTE 32 NET GAINS (LOSSES) ON SHORT TERM INVESTMENT PORTFOLIOS AND SIMILAR

(in thousands of euros)	30/06/2016	31/12/2015	30/06/2015
Short-term investment securities			
Write-down losses	45	-52	
Reversal of write-down losses		505	498
Net write-downs	45	453	498
Gains on disposals	962	390	352
Losses on disposals			
Net gains (losses) on disposals	962	390	352
<b>Net gains (losses) on short-term investment securities</b>	<b>1 008</b>	<b>843</b>	<b>850</b>
Medium-term portfolio securities			
Write-downs			
Reversal of impairment losses			
Net losses / reversals			
Gains on disposals			
Losses on disposals			
Net gains (losses) on disposals			
<b>Net gains (losses) on medium term portfolio securities</b>			
<b>GAINS (LOSSES) ON SHORT TERM INVESTMENT PORTFOLIOS AND SIMILAR</b>	<b>1 008</b>	<b>843</b>	<b>850</b>

## NOTE 33 OTHER BANKING INCOME AND EXPENSES

(in thousands of euros)	30/06/2016	31/12/2015	30/06/2015
Sundry income			
Share of joint ventures			
Charge-backs and expense reclassification			
Provision reversals			
<b>Other income from banking operations</b>			
Sundry expenses			
Share of joint ventures			
Charge-backs and expense reclassification		-1 026	
Provisions			
<b>Other expenses operations and similar</b>		<b>-1 026</b>	
<b>OTHER INCOME AND EXPENSES FROM BANKING OPERATIONS</b>		<b>-1 026</b>	

## NOTE 34 OPERATING EXPENSES

(in thousands of euros)	30/06/2016	31/12/2015	30/06/2015
<b>Employee expenses</b>			
Salaries	-368	-702	-994
Social security charges	-154	-281	-547
Profit-sharing and incentive plans	-49	-70	-40
Payroll-related tax	-59	-96	-59
<b>Total employee expenses</b>	<b>-629</b>	<b>-1 149</b>	<b>-1 640</b>
Charge-backs and reclassification of employee expenses			
<b>Net employee expenses</b>	<b>-629</b>	<b>-1 149</b>	<b>-1 640</b>
<b>Administrative expenses</b>			
Taxes other than on income or payroll-related	-2 429	-4 274	-1 991
External services and other administrative expenses	-2 142	-4 200	-727
<b>Total administrative expenses</b>	<b>-4 571</b>	<b>-8 474</b>	<b>-2 718</b>
Charge-backs and reclassification of administrative expenses			
<b>Net administrative expenses</b>	<b>-4 571</b>	<b>-8 474</b>	<b>-2 718</b>
<b>OPERATING EXPENSES</b>	<b>-5 200</b>	<b>-9 623</b>	<b>-4 358</b>

### NOTE 34.1 Headcount by category

(average number of employees)	30/06/2016	31/12/2015
Executives	10	8
Non-executives	0	0
<b>TOTAL</b>	<b>10</b>	<b>8</b>
<i>O/w: France</i>	<i>10</i>	<i>8</i>
<i>Abroad</i>		
<i>O/w: seconded employees</i>		

## NOTE 35 COST OF RISK

(in thousands of euros)	30/06/2016	31/12/2015	30/06/2015
<b>Depreciation charges to provisions and impairment</b>	<b>-838</b>	<b>-5 978</b>	<b>-136</b>
Impairment of doubtful loans and receivables			
Other depreciation and impairment losses	-838	-5 978	-136
<b>Reversal of provisions and impairment losses</b>	<b>5 279</b>	<b>23</b>	<b>19</b>
Reversal of impairment losses on doubtful loans and receivables			
Other reversals of provisions and impairment losses	5 279	23	19
<b>Change in provisions and impairment</b>	<b>4 440</b>	<b>-5 955</b>	<b>-117</b>
Losses on non-impaired irrevocable loans			
Losses on impaired irrevocable loans	-47		
Discounts on restructured loans			
Recoveries on loans written off			
Other losses		-5	-5
Other income			
<b>COST OF RISK</b>	<b>4 393</b>	<b>-5 960</b>	<b>-122</b>

## NOTE 37 INCOME TAX CHARGE

(in thousands of euros)

Breakdown to income tax charge	Pre-tax income	Income tax owed	Net Income after tax
net recurring income	113,194	31,891	81,303
Regulatory provisions			
Employee profit-sharing	-29	7	-35
Net Income	113,165	31,897	81,267
Tax credits			
Tax assets			
Charge			
Corporate Tax	113,165	31,897	81,267

Amundi Finance has been part of Amundi's tax consolidation group since 1 January 2010.

# Statutory Auditors' Report



**AMUNDI FINANCE**

## Statutory Auditors' Report

on the interim financial statements

For the period January 1<sup>st</sup> to June 30, 2016  
Amundi Finance  
90, boulevard Pasteur - 75015 Paris



**PricewaterhouseCoopers Audit**  
63, rue de Villiers  
92208 Neuilly-sur-Seine Cedex



**ERNST & YOUNG et Autres**  
1/2, place des Saisons  
92400 Courbevoie – Paris-La Défense 1  
S.A.S. à capital variable

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

## **Statutory Auditors' Report on the interim financial statements**

For the period January 1<sup>st</sup> to June 30, 2016

To the Shareholders  
**Amundi Finance**  
90, boulevard Pasteur  
75015 Paris

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 interim financial statements of Amundi Finance for the period January 1st to June 30, 2016;
- the verification of the information contained in the interim management report.

We underline that your company is issuing for the first time interim financial statements. Therefore, all the information relating to the period January 1<sup>st</sup> to June 30, 2015 presented for comparative purposes, has not been subject to any audit or review.

These interim financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

### **I. Conclusion on the interim 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 interim financial statements do not give a true and fair view of the assets and liabilities and of the financial position of the group as at June 30, 2016 and of the results of its operations for the period then ended in accordance with the accounting rules and principles applicable in France.





## **II. Specific verification**

We have also verified the information given in the interim management report on the interim financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the interim financial statements.

Neuilly-sur-Seine and Paris-La Défense, on August 3, 2016

**The statutory auditors**  
*French original signed by*

**PricewaterhouseCoopers Audit**

**ERNST & YOUNG et Autres**

Emmanuel Benoist

Olivier Drion

**AMUNDI FINANCE  
COMPANY FINANCIAL STATEMENTS  
AT 30/06/2016**

**Approved by the AMUNDI FINANCE Board of Directors  
dated 28/07/2016**

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**AMUNDI FINANCE**  
**COMPANY FINANCIAL STATEMENTS AT 30/06/2016**

**BALANCE SHEET AT 30 JUNE 2016**

**ASSETS**

(in thousands of euros)	Notes	30/06/2016	31/12/2015
<b>Interbank and similar transactions</b>		<b>185,105</b>	<b>341,219</b>
Cash and central banks			
Treasury bills and similar securities			
Loans and receivables due from credit institutions	3	185,105	341,219
<b>Customer transactions</b>	4		
<b>Securities transactions</b>		<b>355,909</b>	<b>41,358</b>
Bonds and other fixed-income securities	5	339,146	24,233
Equities and other variable-income securities	5	16,763	17,125
<b>Fixed assets</b>		<b>275,772</b>	<b>275,772</b>
Participating interests and other long-term securities holdings	6-7		
Investments in subsidiaries and affiliates	6-7	48,349	48,349
Intangible assets	7	227,424	227,424
Property, plant and equipment	7		
<b>Unpaid subscribed capital</b>			
<b>Treasury shares</b>	8		
<b>Accruals, prepayments and sundry assets</b>		<b>820,197</b>	<b>1,210,435</b>
Other	9	771,697	1,137,628
Accruals	9	48,500	72,807
<b>TOTAL ASSETS</b>		<b>1,636,983</b>	<b>1,868,784</b>

**EQUITY AND LIABILITIES**

(in thousands of euros)	Notes	30/06/2016	31/12/2015
<b>Interbank transactions and similar transactions</b>		<b>1</b>	
Due to central banks			
Due to credit institutions	11	1	
<b>Customer deposits</b>	12		
<b>Debt securities</b>	13		
<b>Accruals, deferred income and sundry liabilities</b>		<b>854,505</b>	<b>1,165,540</b>
Other liabilities	14	827,982	1,140,791
Accruals	14	26,524	24,749
<b>Provisions and subordinated debt</b>		<b>114,463</b>	<b>116,496</b>
Provisions	15-16-17	12,016	16,456
Subordinated debt	19	102,447	100,040
<b>Fund for general banking risks (FGBR)</b>	18		
<b>Equity (excluding FGBR)</b>	20	<b>668,015</b>	<b>586,747</b>
Share capital		40,320	40,320
Share premiums		217,511	217,511
Reserves		4,416	4,416
Revaluation adjustment			
Regulated provisions and investment subsidies			
Retained earnings		324,500	370,060
Net Income awaiting approval / interim dividends			-199,949
Net income (loss) for the year		81,267	154,389
<b>TOTAL LIABILITIES</b>		<b>1,636,983</b>	<b>1,868,784</b>

**OFF-BALANCE SHEET AT 30 JUNE 2016**

(in thousands of euros)	Notes	30/06/2016	31/12/2015
<b>COMMITMENTS GIVEN</b>			
Financing commitments	26		
Guarantee commitments	26	18,133,428	18,423,722
Commitments on securities	26		

(in thousands of euros)		30/06/2016	31/12/2015
<b>COMMITMENTS RECEIVED</b>			
Financing commitments	26		
Guarantee commitments	26		
Commitments on securities	26		

## INCOME STATEMENT AT 30 JUNE 2016

### INCOME STATEMENT

(in thousands of euros)	Notes	30/06/2016	31/12/2015	30/06/2015
Interest and similar income	28-29	749	821	343
Interest and similar expenses	28	-3 655	-5 924	-2 798
Income from variable-income securities	29	18 666	42 815	31 259
Fee and commission (income)	30	85 356	181 325	113 731
Fee and commission (expenses)	30	-3 225	-4 490	-2 023
Net gains (losses) on trading book	31	15 073	19 041	5 565
Net gains (losses) on short-term investment portfolios and similar	32	1 008	843	850
Other banking income	33			
Other banking expenses	33		-1 026	
<b>Net banking income</b>		<b>113 972</b>	<b>233 405</b>	<b>146 928</b>
Operating expenses	34	-5 200	-9 623	-4 358
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets				
<b>Gross operating income</b>		<b>108 771</b>	<b>223 782</b>	<b>142 569</b>
Cost of risk	35	4 393	-5 960	-122
<b>Operating income</b>		<b>113 165</b>	<b>217 822</b>	<b>142 448</b>
Net gains (losses) on fixed assets	36			
<b>Pre-tax income on ordinary activities</b>		<b>113 165</b>	<b>217 822</b>	<b>142 448</b>
Net extraordinary items				
Income tax charge	37	-31 897	-63 432	-38 469
Net allocation to FGBR and regulated provisions				
<b>Net income</b>		<b>81 267</b>	<b>154 389</b>	<b>103 979</b>

## CASH FLOW STATEMENTS AT 30 JUNE 2016

(in thousands of euros)	30/06/2016	31/12/2015	30/06/2015
<b>Pre-tax income</b>	<b>113 165</b>	<b>217 822</b>	<b>142 448</b>
Net depreciation and impairment of property, plant & equipment and intangible assets			
Impairment of goodwill and other fixed assets			
Net depreciation charges to provisions	-4 440	6 003	117
Share of net income of equity-accounted entities			
Net income from investment activities			
Net income from financing activities	2 407	4 814	2 407
Other movements	20 605	26 837	34 941
<b>Total non-cash and other adjustment items included in pre-tax income</b>	<b>18 572</b>	<b>37 654</b>	<b>37 465</b>
Change in interbank items	2		2
Change in customer items			
Change in financial assets and liabilities	-309 076	69 681	34 739
Change in non-financial assets and liabilities	60 915	-456 955	-287 595
Dividends received from equity-accounted entities			
Tax paid	-39 691	-66 680	-39 001
<b>Net change in assets and liabilities used in operating activities</b>	<b>-287 849</b>	<b>-453 954</b>	<b>-291 854</b>
<b>TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>-156 113</b>	<b>-198 478</b>	<b>-111 942</b>
Change in equity investments		-499	-28 471
Change in property, plant & equipment and intangible assets			
<b>TOTAL NET CASH FLOWS FROM INVESTMENT ACTIVITIES (B)</b>		-499	-28 471
Cash received from (paid to) shareholders		-199 949	
Other cash provided by financing activities		-4 801	
<b>TOTAL NET CASH FLOWS FROM FINANCING ACTIVITIES (C)</b>		-204 750	
Impact of exchange rate changes on cash and cash equivalent (D)			
<b>Net increase / decrease in cash and cash equivalent (A+B+C+D)</b>	<b>-156 113</b>	<b>-403 726</b>	<b>-140 413</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>341 217</b>	<b>744 943</b>	<b>744 943</b>
Net cash accounts and accounts with central banks			
Net demand loans and deposits with credit institutions	341 217	744 943	744 943
<b>Cash and cash equivalents at end of period</b>	<b>185 104</b>	<b>341 217</b>	<b>185 104</b>
Net cash account and accounts with central banks			
Net demand loans and deposits with credit institutions	185 104	341 217	604 530
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>-156 113</b>	<b>-403 726</b>	<b>-140 413</b>

## **NOTE 1 LEGAL AND FINANCIAL FRAMEWORK AND SIGNIFICANT EVENTS**

### **1.1 Legal and financial framework**

Amundi Finance's share capital totalled €40,320,157 at 30 June 2016. It is divided into 2,644,829 shares with a nominal value of €15.24 each.

The company is:

- 76.12%-owned by Amundi Asset Management,
- 23.87%-owned by Amundi,
- with the remaining shares (0.01%) held by Etoile Gestion, Amundi India Holding, Amundi Immobilier, Société Générale Gestion, and CPR AM.

These notes form an integral part of the interim financial statements of Amundi Finance closed on 30 June 2016. They are expressed in thousands of euros ("€k").

The interim financial statements have been prepared in accordance with the regulations governing credit institutions (Instruction 2000-11 of the French Banking Commission).

Before appropriation of earnings, the balance sheet total for these interim financial statements is €1,636,983k.

Net banking income for these interim financial statements is €113,972k.

Net income for the period is €81,267k (€81,267,344.72).

### **1.2 Significant events relating to the first half of 2016**

During the first half of the year, the "Amundi Issuance" branch launched an initial public offering on the shares in the Bawag PSK network in Austria.

Furthermore, in 2016 two other subsidiaries dedicated to EMTN activity, "Amundi Finance Emissions" and "LCL Emissions", continued their issuance programmes with the Crédit Agricole network (for Amundi Finance) and the LCL and CRELAN networks in Belgium (for LCL Emissions).

### **1.3 Events subsequent to the interim position at 30 June 2016**

None.

## **NOTE 2 ACCOUNTING POLICIES AND PRINCIPLES**

The financial statements of Amundi Finance were prepared in accordance with French accounting standards for banking institutions.

These financial statements are presented in accordance with the provisions of ANC Regulation No. 2014-07 of 26 November 2014. For periods beginning on or after 1 January 2015, this one regulation combines all accounting standards governing credit institutions, pursuant to established law.

Regulations	Date published by the French government	Date of first application: financial years beginning on or after
ANC regulation on corporate accounts in the banking sector	26 November 2014 N° 2014/-07	1 January 2015
Applying these provisions had no significant impact on the income or net cash position of Amundi Finance.		



## Income and expenses

The transactions are recognised in accordance with the accrual basis of accounting.

The income and expenses recorded in foreign currencies are converted into euros at the exchange rate in effect on the day they are recognised.

Recognised commissions refer to compensation received in exchange for the guarantee that Amundi Finance provides for funds. There are two types of these commissions:

- variable:
  - for PEA (equity savings plan) funds, guarantee commissions are set aside each month and charged at the end of the year,
  - for non-PEA funds, no provisions are set aside and guarantee commissions are recognised when the fund matures;
- fixed: commissions are set aside each month and payment is (generally) made:
  - when the fund matures (for funds with a performance guarantee)
  - monthly, quarterly, every six months or annually depending on the contract for funds without a performance guarantee.

## Outstandings and commitments by signature

Outstandings on credit institutions and clients are governed by Articles 2211-1 to 2251-13 (Title 2, "traitement comptable du risque de crédit" [accounting treatment of credit risk], Book II "opérations particulières" [special transactions]) in ANC Regulation 2014-107 of 26 November 2014.

They are broken down according their initial term or the type of loan:

- demand loans and time loans for credit institutions, or
- trade receivables, other ordinary loans and accounts for clients.

Securities bought or sold under repurchase agreements, no matter what kind of assets are concerned, are listed under loans and receivables due from customers when the counterparty for the transaction belongs to this category.

Accrued interest is recognised on the balance sheet under the appropriate category of loans and receivables and booked to the income statement as interest income.

Signed undertakings booked off balance sheet are irrevocable cash loan agreements and guarantee commitments that have not resulted in any fund transfers.

Application of Title 2, Traitement comptable du risque de crédit [Accounting treatment of credit risk], Book II, Opérations particulières [special transactions] in ANC Regulation 2014-07 of 26 November 2014 means Amundi Finance must book loans and receivables that present a risk of default pursuant to the rules hereinafter. Using external and/or internal scoring systems helps determine whether or not there is a credit risk.

## Doubtful loans

Loans and receivables of all kinds, even those which are guaranteed, are classified as doubtful if there is a likelihood or certainty of total or partial non-recovery, or in any event if they have been in arrears for more than one year, or if they are under dispute. These loans and receivables are removed from their original account and recognised under "doubtful loans", provisions are deducted from financial assets based on a review of the files. Unpaid interest is identified in the accounts and provisions are set aside accordingly.

## Securities portfolio

The rules about booking securities transactions are defined by Articles 2311-1 to 2391-1 (Title 3, Comptabilisation des opérations sur titres [booking securities transactions], Book II Opérations particulières [special transactions]) as well as Articles 2211-1 to 2251-13 (Title 2, Traitements comptable du risque de crédit [accounting treatments of credit risk], Book II Opérations particulières [special transactions]) of ANC Regulation 2014-07 of 26 November 2014 for determining credit risk and depreciation of fixed-income securities

These securities are presented in the financial statements according to their asset class: treasury bills (treasury bonds and similar securities), bonds and other fixed income securities (negotiable debt securities and interbank market instruments) and equities and other variable-income securities.

They are classified in portfolios defined by regulation (trading, short term investment, long term investment, medium term portfolio, other long term securities holdings and investments in subsidiaries and affiliates), depending on the initial intention for holding the securities as identified in the accounting IT system at the time they were acquired.

#### Trading securities

These are securities traded in a market with guaranteed liquidity and bought with the intention of selling them in the near future. They cannot be held in the trading portfolio for more than six months. After this period, their transfer to the short-term investment portfolio is recognised at the market price on the day of the transfer. Trading securities are measured at the most recent market price at the reporting date, with changes in value recognised in the income statement.

#### Short-term investment securities

Short-term investment securities are those acquired with the intention of holding them for more than six months, except for those recognised as long-term investment securities. At the reporting date, they are measured based on the last known price for listed securities, and based on their probable trading value for unlisted securities. Unrealised capital losses are provisioned on a line-by-line basis, while unrealised capital gains are not taken into account.

#### Long-term investment securities

These are fixed income securities that have been acquired with the intention of holding them over the long term and which are either financed by fully backed resources or are hedged for interest-rate risk. The difference between the acquisition price and redemption price is recorded in the income statement over the remaining life of the securities. A provision for impairment is recognised if the debtor's situation requires it.

#### Temporary sales of securities

Securities sold under repurchase agreements continue to be recognised as balance sheet assets and debts to transferees are recorded as balance sheet liabilities. The principles used to assess and recognise income are those that apply to the class to which the securities sold under repurchase agreements belong.

The securities sold exit the portfolio in which they were held and the corresponding debt is recorded as a portfolio asset for the book value of the securities. At the reporting date, the debt is assessed based on the rules that apply to the securities that were lent.

The securities borrowed are recorded as an asset in the category of trading securities borrowed, and as a liability for the debt owed to the lender. These entries are for the market price on the day the securities are borrowed. At the reporting date, the debt is measured at the market price of the borrowed securities. Securities recorded as assets are measured based on the rules applicable to trading securities.

### **Foreign currency transactions**

Money-market receivables and liabilities denominated in foreign currencies are converted into euros using the market exchange rate at the reporting date or at closest available date prior to the period end.

Income received and expenses paid are recorded at the exchange rate on the transaction date. Accrued income and expenses not yet paid or received are converted at the closing rate.

For the application of Title 7, Comptabilisation des opérations en devises [booking transactions in foreign currencies], Book II Opérations particulières [special transactions] of ANC Regulation 2014-07 of 26 November 2014, Amundi Finance has rolled out a multi-currency accounting system so it can track its currency position.

### **Investments in subsidiaries and affiliates, participating interests and other long-term securities holdings**

- Investments in subsidiaries and affiliates are investments in companies that are under exclusive control and that are or are liable to be fully consolidated into a given group that can be consolidated.
- Participating interests are investments (other than investments in subsidiaries and affiliates), of which the long term ownership is judged beneficial to the reporting entity, in particular because it allows it to exercise influence or control over the issuer.

- Other long-term securities holdings are securities held with the intention of promoting long term business relations by creating a special relationship with the issuer, but with no influence on the issuer's management due to the small percentage of voting rights held.

These securities are recognised at purchase price, including transaction fees.

At the reporting date, the value of these securities is measured individually, based on value in use, and they are recorded on the balance sheet at the lower of historical cost or value in use.

Value in use represents the price the reporting entity would be prepared to pay to acquire these securities if it had to buy them, given its reasons for holding them.

Value in use may be estimated on the basis of various factors such as the issuer's profitability and prospective profitability, its equity, the economic environment, the average share price in the preceding months or the mathematical value of the security.

When value in use is lower than historical cost, impairment losses are booked for these unrealised losses and are not offset against any unrealised gains.

Impairment losses and reversals on these securities and capital gains or losses on disposal are recorded under "Net gains (losses) on fixed assets".

### **Forward foreign exchange transactions**

Forward foreign exchange transactions undertaken in order to hedge one or several similar items are valued symmetrically against the hedged item. The results of this valuation correct the results for the hedged item.

Forward foreign exchange transactions carried out for purposes other than hedging are assessed based on the forward foreign exchange price that applies over the remaining term.

### **Derivative transactions**

Off-balance sheet commitments related to these transactions show the notional capital amount of contracts that have not been settled by the reporting date. For options, commitments reflect the nominal capital amount of the underlying instrument.

At 30 June 2016, forward financial commitments totalled €42,369,770k.

Instruments traded on an organised or similar market, or over the counter or included in a trading portfolio are assessed with respect to their market value at the reporting date.

All (realised or unrealised) gains and losses have been recorded on the income statement under "Net gains (losses) on trading book" for a net amount representing income of €15,073,370.10, including €18,214,476.00 in allowances for funding risks related to the launch of new funds and EMTN.

### **Trading**

Trading includes:

- isolated open positions (Category "A", Article 2522-1 of ANC Regulation 2014-07);
- specialised management of a trading portfolio (Category "D", Article 2522 of ANC Regulation 2014-07);
- instruments that are traded on an organised market, similar, OTC, or included in a trading portfolio - within the meaning of ANC Regulation 2014-07.

These are evaluated by reference to their market value on the closing date."

If the instruments are evaluated at market value, this is determined:

- using available prices, if there is an active market;

- using internal valuation methods and models, if there is no active market.

### **Hedging transactions**

Gains or losses on affected hedging transactions (Category "B", Article 2522-1 of ANC Regulation 2014-07) are reported as income alongside the booking of income and expenses for the hedged item, and in the same accounting item.

Expenses and income related to forward financial instruments that are used for hedging and managing the overall interest-rate exposure of Credit Agricole S.A. (Category "C" Article -2522-1 of ANC Regulation 2014-07) are pro-rated under "Interest and similar income (expenses) – Net income (expense) on macro-hedging transactions." Unrealised gains and losses are not entered.

### **Counterparty risk on derivatives**

Pursuant to ANC Regulation 2014-07 of 26 November 2014, Amundi Finance includes the counterparty risk assessment on asset derivatives (Credit Valuation Adjustment or CVA) in the market value of derivatives. As such, only derivatives booked in isolated open positions or in trading portfolios (derivatives classified according to categories A and D of Article 25221 of the aforementioned regulation) are CVA calculated.

The CVA determines the losses expected on the counterparty from Amundi Finance's viewpoint.

The calculation of CVA relies on estimating the expected losses based on the probability of default and the loss in the event of default.

The methodology used maximises the use of observable entry data.

It is based on:

- market parameters first, such as CDS Single Name or CDS proxy.
- In the absence of CDS Single Name on the counterparty, an approximation based on a basket of CDS Single Name counterparties with the same rating, operating in the same sector and located in the same region.

### **Financing commitments**

Financing commitments are irrevocable commitments made by a credit institution to provide cash loans to the beneficiary following the procedures set out by the contract. Pre-approved loans are recognised once they are accepted by the client.

As Amundi Finance fully respects its obligations in terms of liquidity ratios, it did not use this method of financing in 2016.

### **Guarantee commitments given**

Within the scope of its activity, Amundi Finance provides its guarantee as part of issuing capital guarantees or performance guarantees for Amundi Clients (based on the calculation methods listed below).

At 30 June 2016, these guarantees given as well as guarantees granted directly rose to €18,133,428k.

### **Fixed assets**

Amundi Finance applies ANC Regulation 2014-03 of 5 June 2014 relating to the depreciation, amortisation and impairment of assets.

As a result, Amundi Finance applies component accounting for all of its property, plant and equipment. In accordance with the provisions of this regulation, the depreciable amount takes account of the potential residual value of property, plant and equipment.

The acquisition cost of fixed assets includes the purchase price plus any incidental expenses, namely expenses directly or indirectly incurred in connection with bringing the asset into service or "into inventory". Buildings and equipment are measured at cost less accumulated depreciation and impairment losses since the time they were placed in service.

Property, plant and equipment and intangible assets appear on the balance sheet at their purchase price. They are depreciated using the straight-line method for a variable term depending on the type of fixed asset:

<i>Type of fixed asset</i>	<i>Depreciation period</i>
Capital costs	5 years
Developed or purchased software	5 years
Office furniture and equipment, IT	5 years

Except for capital costs and software, intangible assets are not depreciated. If necessary, provisions can be set aside for impairment losses on such assets.

When Amundi Asset Management contributed to its guarantee activity in 2004, Amundi Finance recorded business assets valued at €227,424k. These business assets have not undergone any depreciation or impairment.

## **Provisions**

Amundi Finance applies ANC Regulation 2014-03 of 5 June 2014 for the recognition and measurement of provisions.

Provisions include provisions relating to financing commitments, retirement and early retirement liabilities, litigation and various risks.

## **Employee profit-sharing and incentive plans**

Some Group companies form Economic and Social Units (UES). These include Amundi, Amundi Asset Management, AITS, Amundi Finance, Amundi Tenue de Comptes, Amundi Immobilier, Amundi Intermediation, Amundi AI SAS, Amundi Private and Equity Funds, as well as Etoile Gestion, SGG, BFT Gestion and CPR AM). Agreements on employee profit-sharing and incentive plans have been signed under this framework.

Employee profit-sharing for this UES is recognised in the income statement in the year in which the employees' rights are earned. Its cost is included in Employee expenses.

An estimated charge corresponding to incentive plans is recognised in the income statement under the same heading as employee profit-sharing. Its cost is also included in Employee expenses.

Employees assigned ("seconded") by Crédit Agricole SA operate under agreements signed as part of that entity's UES. The estimated expense to be paid for profit-sharing and incentive plans has been recognised in the financial statements.

## **Post-employment benefits - retirement plans - defined-contribution plans**

Employers contribute to a variety of compulsory pension schemes. Plan assets are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to cover all benefits corresponding to services rendered by employees during the year and during prior years.

Consequently, Amundi Finance has no liabilities in this respect, other than contributions to be paid for the most recent financial year.

The amount contributed for these retirement plans is recorded under "Employee expenses".

## **Retirement, early retirement and end-of-career allowance commitments – defined-benefit plans**

Amundi Finance applies Recommendation 2013-02 of the French Accounting Standards of 7 November 2013 relating to the rules for booking and assessing pension obligations and similar benefits, recommendation repealed and included in Section 4 of Chapter II, Book III of ANC Regulation 2014-03 of 5 June 2014.

In accordance with this regulation, Amundi Finance sets aside provisions to cover its retirement and similar benefit obligations falling within the category of defined-benefit plans.

At 30 June 2016, these obligations are valued at €188k, while provisions amount to €58k.

The sensitivity analysis showed that:

- a 50 basis point increase in discount rates would reduce the commitment by 8.03%;
- a 50 basis point decrease in discount rates would increase the commitment by 8.92%.

### **Retirement commitments**

Within Amundi Group, Amundi has entered into an insurance contract with PREDICA to cover end-of-career allowances (IFC). AMUNDI has signed mandates with UES subsidiaries (including Amundi Finance). This outsourcing of end-of-career allowances is reflected by transferring some of the existing liability provision from the books to the PREDICA contract.

The non-outsourced balance is still recognised as a liability provision.

### **Income tax charge**

In general, only the current tax liability is recognised in the parent company's financial statements.

The tax charge appearing in the income statement is the income tax due for the reporting period. It includes the consequences of the company's contribution of 3.3% of profits.

When tax credits on income from securities portfolios and amounts receivable are effectively used to pay income tax due for the year, they are recognised under the same heading as the income with which they are associated. The corresponding tax charge continues to be recognised under the Income tax charge heading in the income statement.

Amundi Finance has signed a tax consolidation agreement with Amundi. Under this agreement, each company that is part of the tax consolidation mechanism recognises in its financial statements the tax that it would have had to pay in the absence of the mechanism.

Given that the legislative intent when introducing the tax credit for competitiveness and employment (Crédit d'Impôts pour la Compétitivité et l'Emploi – CICE) was to reduce employee expenses, in 2014 Amundi Finance chose to recognise the CICE (Article 244 quater C of the French General Tax Code – CGI) as a reduction in employee expenses rather than a tax reduction.

**NOTE 3 LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS – ANALYSIS BY REMAINING MATURITY**

(in thousands of euros)	30/06/2016						31/12/2015
	<3 months	>3 months <1 year	>1 year <5 years	> 5 years	Total principal	Accrued interest	Total
<b>Credit institutions</b>							
Loans and receivables:							
· demand	185,105				185,105		341,219
· term							
Pledged securities							
Securities bought under repurchase agreements							
Subordinated loans							
<b>Total</b>	<b>185,105</b>				<b>185,105</b>		<b>341,219</b>
<b>Write-down</b>							
<b>NET CARRYING AMOUNT</b>	<b>185,105</b>				<b>185,105</b>		<b>341,219</b>
Current accounts							
Term deposits and advances							
<b>Total</b>							
<b>Write-down</b>							
<b>NET CARRYING AMOUNT</b>							
<b>TOTAL</b>	<b>185,105</b>				<b>185,105</b>		<b>341,219</b>

**NOTE 5 TRADING, SHORT TERM INVESTMENT, LONG-TERM INVESTMENT AND MEDIUM-TERM PORTFOLIO SECURITIES**

(in thousands of euros)	30/06/2016					31/12/2015
	Trading	Investment portfolio	Medium-term portfolio securities	Investments	Total	Total
Treasury bills and similar securities						
· of which residual net premium						
· of which residual net discount						
Accrued interest						
Write-down						
<b>Net carrying amount</b>						
Bonds and other fixed-income securities	339,146				339,146	24,233
Issued by a public entry						
Other issuers	339,146				339,146	24,233
· of which residual net premium						
· of which residual net discount						
Accrued interest						
Write-down						
<b>Net carrying amount</b>	<b>339,146</b>				<b>339,146</b>	<b>24,233</b>
Equities and other variable-income securities		16,763			16,763	17,171
Accrued interest						
Write-down						-45
<b>Net carrying amount</b>		<b>16,763</b>			<b>16,763</b>	<b>17,125</b>
<b>Total</b>	<b>339,146</b>	<b>16,763</b>			<b>355,909</b>	<b>41,358</b>
<b>Estimated values</b>		<b>17,092</b>			<b>17,092</b>	<b>17,125</b>

**NOTE 5.1 TRADING, SHORT-TERM INVESTMENT, LONG-TERM INVESTMENT AND MEDIUM-TERM PORTFOLIO SECURITIES (EXCLUDING TREASURY BILLS) - BREAKDOWN BY MAJOR CATEGORY OF COUNTERPARTY**

(in thousands of euros)	Net outstandings 30/06/2016	Net outstandings 31/12/2015
Government and central banks (including states)		
Credit institutions	28,129	10,902
Financial institutions	327,780	30,502
Local authorities		
Corporates, insurance companies and other customers		
Other and non-allocated		
<b>Total principal</b>	<b>355,909</b>	<b>41,404</b>
Accrued interest		
Write-down		-45



<b>Net carrying amount</b>	<b>355,909</b>	<b>41,358</b>
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**NOTE 5.2 BREAKDOWN OF LISTED AND UNLISTED SECURITIES BETWEEN FIXED AND VARIABLE INCOME SECURITIES**

(in thousands of euros)	30/06/2016				31/12/2015			
	Bonds and other fixed-income securities	Treasury bills and similar securities	Equities and other variable-income securities	Total	Bonds and other fixed-income securities	Treasury bills and similar securities	Equities and other variable-income securities	Total
Listed securities	19,808			19,808	5,640			5,640
Unlisted securities	319,338		16,763	336,101	18,593		17,171	35,764
Accrued interest								
Write-down							-45	-45
<b>Net carrying amount</b>	<b>339,146</b>		<b>16,763</b>	<b>355,909</b>	<b>24,233</b>		<b>17,125</b>	<b>41,358</b>

The breakdown of all UCITS by type at 30 June 2016 is as follows:

(in thousands of euros)	Book value	Net asset value
Money-market mutual funds		
Bond mutual funds		
Stock mutual funds		
Other mutual funds	16,763	17,092
<b>TOTAL</b>	<b>16,763</b>	<b>17,092</b>

**NOTE 5.3 TREASURY BILLS, BONDS AND OTHER FIXED-INCOME SECURITIES - ANALYSIS BY REMAINING MATURITY**

(in thousands of euros)	30/06/2016						31/12/2015
	<3 months	>3 months < 1 year	>1 year <5 years	>5 years	Total principal	Accrued interest	Total
Bonds and other fixed-income securities							
Book value		844	260,409	77,893	339,146		24,233
Write-down							
<b>Net asset value</b>		<b>844</b>	<b>260,409</b>	<b>77,893</b>	<b>339,146</b>		<b>24,233</b>
Treasury bills							
Gross amount							
Write-down							
<b>Net asset value</b>							

## NOTE 5.4 TREASURY BILLS, BONDS AND OTHER FIXED-INCOME SECURITIES - ANALYSIS BY REMAINING MATURITY

(in thousands of euros)	Net asset value	Net asset value
	30/06/2016	31/12/2015
France (including overseas departments and territories)	331,090	20,438
Other EU Countries	8,056	3,795
Other European countries		
North America		
Central and Latin America		
Africa and Middle East		
Asia and Oceania (excluding Japan)		
Japan		
<b>Total principal</b>	<b>339,146</b>	<b>24,233</b>
Accrued interest		
Write-down		
<b>CARRYING AMOUNT</b>	<b>339,146</b>	<b>24,233</b>

## NOTE 6 EQUITY INVESTMENTS AND SUBSIDIARIES

(in thousands of euros)

Company	Financial information				Book value of securities owned		Loans and receivables granted by the company outstanding	Amount of guarantees and other commitments given by the company	NBI or revenue (ex. VAT) for the year ended	Net income (profit or loss) for the year ended	Dividends received by the Company during the financial year
	Currency	Share capital	Equity other than capital	Percentage of capital owned (%)	Gross value	Net value					
<b>Equity investments with a book value higher than 1% of the Company's share capital</b>											
<b>1) Investments in banking subsidiaries and affiliates (over 50% of share capital)</b>											
AMUNDI TENUE DE COMPTE	EUR	24,000	7,789	100.00%	34,167	34,167			32,695	5,730	5,784
<b>2) Investments in banking subsidiaries and affiliates (10% to 50% of share capital)</b>											
AMUNDI INTERMEDIATION	EUR	14,604	65,993	38.53%	5,628	5,628			118,843	67,522	13,051
<b>2) Investments in other subsidiaries and affiliates (more than 50% owned)</b>											
<b>4) Other equity investments (10% to 50% of share capital)</b>											
<b>Equity investments with a book value lower than 1% of Amundi Finance's share capital</b>											
	EUR				8,725	8,553					
<b>TOTAL SUSIDIARIES AND EQUITY INVESTMENT</b>					<b>48,520</b>	<b>48,349</b>					

## NOTE 6.1 ESTIMATED VALUE OF EQUITY INVESTMENTS

<i>(in thousands of euros)</i>	30/06/2016		31/12/2015	
	Carrying amount	Estimated value	Carrying amount	Estimated value
<b>Investments in subsidiaries and affiliates</b>				
· Unlisted securities	48,520	48,349	48,520	48,349
· Listed securities				
· Advances available for consolidation				
· Accrued interest				
· Write-down	-172		-172	
<b>Net carrying amount</b>	<b>48,349</b>	<b>48,349</b>	<b>48,349</b>	<b>48,349</b>
<b>Equity investments and other long-term equity investments</b>				
<b>Equity investments</b>				
· Unlisted securities				
· Listed securities				
· Advances available for consolidation				
· Accrued interest				
· Write-down				
<b>Sub-total of equity investments</b>				
<b>Other long-term equity investment</b>				
· Unlisted securities				
· Listed securities				
· Advances available for consolidation				
· Accrued interest				
· Write-down				
<b>Sub-total other long-term equity investments</b>				
<b>Net carrying amount</b>				
<b>TOTAL EQUITY INVESTMENTS</b>	<b>48,349</b>	<b>48,349</b>	<b>48,349</b>	<b>48,349</b>
<i>(in thousands of euros)</i>	30/06/2016		31/12/2015	
	Carrying amount	Estimated value	Carrying amount	Estimated value
<b>Total gross values</b>				
Unlisted securities	48,520	48,349	48,520	48,349
Listed securities				
<b>TOTAL</b>	<b>48,520</b>	<b>48,349</b>	<b>48,520</b>	<b>48,349</b>

## NOTE 7 CHANGE IN FIXED ASSETS

### NOTE 7.1 FINANCIAL ASSETS

(in thousands of euros)	01/01/2016	Increases (Acquisitions)	Decreases (disposals, maturity)	Other movements	30/06/2016
<b>Investments in subsidiaries and affiliates</b>					
Gross values	48,520				48,520
Advances available for consolidation					
Accrued interest					
Write-downs	-172				-172
<b>Net carrying amount</b>	<b>48,349</b>				<b>48,349</b>
<b>Equity investments</b>					
Gross values					
Advances available for consolidation					
Accrued interest					
Write-downs					
<b>Other long-term equity investment</b>					
Gross values					
Advances available for consolidation					
Accrued interest					
Write-downs					
<b>Net carrying amount</b>					
<b>TOTAL</b>	<b>48,349</b>				<b>48,349</b>

### NOTE 7.2 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(in thousands of euros)	01/01/2016	Increases (Acquisitions)	Decreases (disposals, maturity)	Other movements	30/06/2016
<b>Property, plant and equipment</b>					
Gross values					
Amortisation and write-downs					
<b>Net carrying amount</b>					
<b>Intangible assets</b>					
Gross values	227,424				227,424
Amortisation and write-downs					
<b>Net carrying amount</b>	<b>227,424</b>				<b>227,424</b>
<b>TOTAL</b>	<b>227,424</b>				<b>227,424</b>

## NOTE 9 ACCRUAL, PREPAYMENTS AND SUNDRY ASSETS

(in thousands of euros)	30/06/2016	31/12/2015
<b>Other assets</b>		
Financial options bought		
Inventory accounts and miscellaneous		
Miscellaneous debtors	771,697	1,137,628
Collective management of Livret de développement durable		
Settlement accounts		
<b>Net carrying amount</b>	<b>771,697</b>	<b>1,137,628</b>
<b>Accrued and prepayments</b>		
Items in course of transmission		
Adjustment accounts		
Unrealised losses and deferred losses on financial instruments		
Accrued income on commitments on forward financial instruments		
Other accrued income	47,735	72,805
Prepaid accrued income	765	2
Deferred charges		
Other accruals		
<b>Net carrying amount</b>	<b>48,500</b>	<b>72,807</b>
<b>Total</b>	<b>820,197</b>	<b>1,210,435</b>

(1) Amounts including accrued interest

SUNDRY ASSETS primarily consist of security deposits paid as part of the collateral business (€735,432k), corporate income tax instalments (€31,682k), trade receivables (€4,121k) and other receivables (€461k). Other accrued income is related to the guarantee business.

## NOTE 10 WRITE-DOWNS DEDUCTED FROM ASSETS

(in thousands of euros)	Balance at 31/12/2015	Write-downs	Reversal and utilisations	Accretion	Other movements	Balance at 30/06/2016
On interbank transactions and similar items						
On loans and receivables due from customers						
On securities transactions	217	-45				172
On fixed assets						
On other assets						
<b>Total</b>	<b>217</b>	<b>-45</b>				<b>172</b>

## NOTE 14 ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIES

(in thousands of euros)	30/06/2016	31/12/2015
<b>Other liabilities (1)</b>		
Counterparty transactions (trading securities)		
Liabilities relating to stock lending transactions		
Optional instruments sold		
Settlement and negotiations accounts		
Miscellaneous creditors	827,982	1,140,791
Payments on securities in process		
<b>Carrying amount</b>	<b>827,982</b>	<b>1,140,791</b>
<b>Accruals</b>		
- Collection and transfer accounts		
- Adjustment accounts		
- Unrealised gains and deferred gains on financial instruments		
- Unearned income	2,417	7,540
- Accrued expenses on commitments on forward financial instruments	19,378	13,902
- Other accrued expenses	4,729	3,308
- Other accruals		
<b>Carrying amount</b>	<b>26,524</b>	<b>24,749</b>
<b>TOTAL</b>	<b>854,505</b>	<b>1,165,540</b>

(1) Amounts including accrued interest.

SUNDRY LIABILITIES primarily consist of security deposits received as part of the collateral business (€795,232k) and corporate income tax charge (€31,953k) with the remainder being made up of other liabilities.

**NOTE 15 PROVISIONS**

(in thousands of euros)	Balance at 01/01/2016	Increases	Reversals used	Decreases and reversals not used	Other movements	Outstanding at 30/06/2016
<b>Provisions</b>						
For pension commitments and similar	58					58
For other employee commitments						
For financial commitment execution risks	5,965	838	66	5,213		1,525
For tax disputes						
For other litigation						
For country risk						
For credit risk						
For restructuring						
For taxes						
For equity investments						
For operational risk						
Other provisions	10,432					10,432
<b>Carrying amount</b>	<b>16,456</b>	<b>838</b>	<b>66</b>	<b>5,213</b>		<b>12,016</b>

## NOTE 17 LIABILITIES TO EMPLOYEES - POST-EMPLOYMENT BENEFITS, DEFINED-BENEFIT PLANS

### Change in actuarial liability

(in thousands of euros)	30/06/2016	31/12/2015
<b>Actuarial liability at 31/12/N-1</b>	<b>188</b>	<b>137</b>
Cost of services rendered during the period		7
Effect of discounting		3
Employee contributions		
Benefit plan changes, withdrawals and settlement		
Change in scope		
Early retirement allowances		
Benefit paid		
Actuarial (gains) / losses		41
<b>Actuarial liability at 31/12/N</b>	<b>188</b>	<b>188</b>

### Change in fair value of plan assets

(in thousands of euros)	30/06/2016	31/12/2015
<b>Fair value of assets / right to reimbursement at 31/12/N-1</b>	<b>130</b>	<b>127</b>
Expected return on assets		3
Actuarial gains (losses)		
Employer contributions		
Employee contributions		
Benefit plan changes / withdrawals / settlement		
Change in scope		
Early retirement allowances		
Benefit paid by the fund		
<b>Fair value of assets / right to reimbursement at 31/12/N</b>	<b>130</b>	<b>130</b>

### Net position

#### Breakdown of the net charge recognised in the income statement

(in thousands of euros)	30/06/2016	31/12/2015	(in thousands of euros)	30/06/2016	31/12/2015
<b>Actuarial liability at 31/12/N</b>			<b>Actuarial liability at 31/12/N</b>	<b>58</b>	<b>188</b>
Cost of services rendered during the period		7	Impact of asset restriction		
Financial cost		3	Fair value of assets at year-end		-130
Expected return of assets during the period		-3	<b>Net position (liabilities) / assets at 31/12/N</b>	<b>58</b>	<b>58</b>
Amortisation of past service cost					
Other gains or losses					
<b>Net charge recognised in the income statement</b>		<b>7</b>			

### Changes in provisions

(in thousands of euros)	30/06/2016	31/12/2015
<b>(Provisions) / asset at 31/12/N-1</b>	<b>59</b>	<b>11</b>
Employer contributions		
Changes in scope		
Net charge recognised in income statement		7
Impact on OCI		41
<b>(Provisions) asset at 31/12/N</b>	<b>59</b>	<b>59</b>



## NOTE 19 SUBORDINATED DEBT - ANALYSIS BY REMAINING MATURITY

(in thousands of euros)	30/06/2016						31/12/2015
	< 3 months	> 3 months < 1 year	> 1 year < 5 years	> 5 years	Total principal	Accrued interest	Total
<b>Fixed-term subordinated debt</b>							
Euro							
Dollar							
<b>Participating securities and loans</b>							
<b>Other subordinated term loans</b>							
<b>Undated subordinated debt (1)</b>				100,000	100,000	2,447	102,447
<b>Frozen current accounts of local banks</b>							
<b>Mutual security deposits</b>							
<b>Carrying amount</b>				<b>100,000</b>	<b>100,000</b>	<b>2,447</b>	<b>102,447</b>

(1) Remaining maturity of perpetual debt classified by default in > 5 years.

Expenses related to subordinated debt total €2,407k at 30 June 2016.

## NOTE 20 CHANGES IN EQUITY (before appropriation)

(in thousands of euros)	Share capital	Share premiums, reserves and retained earnings	Interim dividend	Regulated provisions and investment subsidies	Net income	Total equity
<b>Balance at 31 December 2015</b>	<b>40,320</b>	<b>591,987</b>	<b>-199,949</b>		<b>154,389</b>	<b>586,747</b>
Dividends paid in respect of 2015						
Change in share capital						
Change in share premiums and reserves						
Appropriation of company net income		-45,560	199,949		-154,389	
Retained earnings						
Net income for financial year 2016					81,267	81,267
Other changes						
<b>Balance at 30 June 2016</b>	<b>40,320</b>	<b>546,427</b>			<b>81,267</b>	<b>668,015</b>

## NOTE 21 COMPOSITION OF CAPITAL

(in thousands of euros)	30/06/2016	31/12/2015
Equity	668,015	586,747
Fund for general banking risks		
Subordinated debt and participating securities	102,447	100,040
Mutual security deposits		
<b>TOTAL CAPITAL</b>	<b>770,462</b>	<b>686,787</b>

## NOTE 22 TRANSACTIONS WITH SUBSIDIARIES AND AFFILIATES AND EQUITY INVESTMENTS

(in thousands of euros)	Balance at 30 June 2016 Transactions with subsidiaries and affiliates, and equity investments	Balance at 31 December 2015 Transactions with subsidiaries and affiliates, and equity investments
<b>Loans and receivables</b>	<b>524,251</b>	<b>365,452</b>
Credit and other financial institutions	185,105	341,219
Customers		
Bonds and other fixed income securities	339,146	24,233
<b>Debt</b>	<b>102,447</b>	<b>100,041</b>
Credit and other financial institutions		
Customers		
Debt securities and subordinated debt	102,447	100,040
<b>Commitments given</b>	<b>2,984,837</b>	<b>1,217,482</b>
Financing commitments given to credit institutions		
Financing commitments given to customers		
Guarantees given to credit and other financial institutions		
Guarantees given to customers	2,984,837	1,217,482
Securities acquired with repurchase options		
Other commitments given		

## NOTE 23 FOREIGN CURRENCY DENOMINATED TRANSACTIONS

(in thousands of euros)	30/06/2016		31/12/2015	
	Assets	Equity and liabilities	Assets	Equity and liabilities
Euro	1,636,983	1,636,983	1,868,784	1,868,784
Other European Union currencies				
Swiss Franc				
Dollar				
Yen				
Other currencies				
<b>Total</b>	<b>1,636,983</b>	<b>1,636,983</b>	<b>1,868,784</b>	<b>1,868,784</b>

**NOTE 25 TRANSACTIONS ON FORWARD FINANCIAL INSTRUMENTS**

	30/06/2016		31/12/2015
(in thousands of euros)	Hedging transactions	Other	Total
<b>Futures and forwards</b>		<b>42,369,770</b>	<b>42,369,770</b>
<b>Exchange-traded (1)</b>			
Interest rate futures			
Currency forwards			
Equity and stock index instruments			
Other futures			
<b>Over-the-counter</b>		<b>42,369,770</b>	<b>42,369,770</b>
Interest rate swaps		2,915,253	2,915,253
Other interest rate forwards			
Currency forwards			
FRAs			
Equity and stock index instruments		39,454,517	39,454,517
Other futures			
<b>Options</b>			
<b>Exchange-traded</b>			
Interest rate options			
* Bought			
* Sold			
Equity and stock index options			
* Bought			
* Sold			
Currency options			
* Bought			
* Sold			
<b>Over-the-counter</b>			
Interest rate swap options			
* Bought			
* Sold			
Other interest rate forwards			
* Bought			
* Sold			
Currency futures			
* Bought			
* Sold			
Equity and stock index instruments			
* Bought			
* Sold			
Other futures			
* Bought			
* Sold			
<b>Credit derivatives</b>			
Credit derivative contracts			
* Bought			
* Sold			
<b>TOTAL</b>		<b>42,369,770</b>	<b>42,369,770</b>
			<b>45,393,256</b>

(1): The amounts shown in respect of futures and forwards must correspond to aggregate long and short positions (interest rate swaps and interest rate swap options), or to aggregate purchases and sales of contracts (other contracts).

**NOTE 25.1 Transactions on forward financial instruments - Analysis by remaining maturity**

(in thousands of euros)	Total 30/06/2016			o/w over-the-counter			o/w exchange traded and equivalent		
	< 1 year	> 1 year < 5 years	> 5 years	< 1 year	> 1 year < 5 years	> 5 years	< 1 year	> 1 year < 5 years	> 5 years
Futures									
Currency options									
Interest rate options									
Currency futures									
FRA									
Interest rate swaps	77,675	744,229	2,093,349	77,675	744,229	2,093,349			
Interest rate forwards									
Caps, Floors, Collars									
Interest rate forwards									
Equity, equity index and precious metals futures and forwards	4,930,370	19,367,636	15,156,511	4,930,370	19,367,636	15,156,511			
Equity, equity index and precious metals options									
Equity, equity index and precious metals derivatives									
<b>Subtotal</b>	<b>5,008,044</b>	<b>20,111,865</b>	<b>17,249,861</b>	<b>5,008,044</b>	<b>20,111,865</b>	<b>17,249,861</b>			
Forward currency transactions									
<b>Total</b>	<b>5,008,044</b>	<b>20,111,865</b>	<b>17,249,861</b>	<b>5,008,044</b>	<b>20,111,865</b>	<b>17,249,861</b>			

## NOTE 25.2 Forward financial instruments - Fair value

(in thousands of euros)	30/06/2016		31/12/2015	
	Fair value	Outstanding notional	Fair value	Outstanding notional
Futures	0	0	0	0
Currency options				
Currency futures				
FRAs				
Interest rate swaps	-840	2,915,253	-185	2,767,802
Currency swaps				
Caps, Floors, Collars				
Equity, equity index and precious metals derivatives	-1,982	39,454,517	-641	42,625,454
<b>Gross amount</b>	<b>-2,822</b>	<b>42,369,770</b>	<b>-825</b>	<b>45,393,256</b>
Forward currency transactions				
<b>TOTAL</b>	<b>-2,822</b>	<b>42,369,770</b>	<b>-825</b>	<b>45,393,256</b>

## NOTE 25.3 BREAKDOWN OF INTEREST RATE SWAPS

(in thousands of euros)

CURRENCY AND INTERST RATE SWAPS	Isolated open position	Micro-Hedging	Macro-hedging	Transaction swaps
Interest rate swaps				2,915,253
Similar contracts (1)				

(1) These are similar contracts as defined by article of CRBF 90.15.

## NOTE 26 COMMITMENTS GIVEN AND RECEIVED

(in thousands of euros)	30/06/2016	31/12/2015
<b>Commitment given</b>	<b>18,133,428</b>	<b>18,423,722</b>
<b>Financing commitments</b>		
Commitments to credit institutions		
Commitments to customers		
- Confirmed credit lines		
Documentary credits		
Other confirmed credit lines		
- Other commitments to customers		
<b>Guarantee commitments</b>	<b>18,133,428</b>	<b>18,423,722</b>
Credit institutions		
- Confirmed documentary credit lines		
- Other guarantees		
Customers	18,133,428	18,423,722
- Real estate guarantees		
- financial guarantees		
- Other customer guarantees	18,133,428	18,423,722
<b>Commitments on securities</b>		
. Securities acquired with repurchase options		
. Other commitments to be given		
<b>Commitments received</b>		
<b>Financing commitments</b>		
Commitments from credit institutions		
Commitments from customers		
<b>Guarantee commitments</b>		
Commitments from credit institutions		
Commitments from customers		
<b>Commitments on securities</b>		
Securities sold with repurchase options		
Other commitments received		

## NOTE 27 INFORMATION ON COUNTERPARTY RISK ON DERIVATIVE PRODUCTS

Management of counterparty risk (businesses, banks, institutions) is based on:

- Organisation into specialised units and business lines that report to General Management.
- Internal procedures that establish the rules for taking and monitoring risk, which apply to various stakeholders in the entity. This principle of setting a limit on commitments is applied to all kinds of counterparties: businesses, banks, financial institutions, and government-related or state entities. Similarly, the assumption of risk in counterparties controlled or resident in a non-OECD country is capped on a country-by-country basis, all transactions and operations combined. These “country limits” are periodically revised.
- risk measurement methods. As a result, each counterparty has a maximum for commitments that includes all transactions.

An entity's exposure to counterparty risk on forward instruments and options on interest rates, foreign exchange, commodities and precious metals may be measured at the market value of these instruments and by the potential credit risk arising from the application of regulatory add-ons, depending on the remaining maturity and the type of contract.

### **Breakdown of counterparty risk on forward financial instruments**

(in thousands of euros)	30/06/2016			31/12/2015		
	Fair value	Potential credit risk	total counterparty risk	Fair value	Potential credit risk	total counterparty risk
Risk regarding OECD governments, central banks and similar organisations						
Risk regarding OECD financial institutions and similar organisations	1,162,194	16,556	1,145,638	1,422,688	13,076	1,409,612
Risk on other counterparties						
<b>Total before impact of netting contracts</b>	<b>1,162,194</b>	<b>16,556</b>	<b>1,145,638</b>	<b>1,422,688</b>	<b>13,076</b>	<b>1,409,612</b>
<b>Risk on:</b>						
Interest rate, exchange rate and commodities contracts	167,768		167,768	131,140		131,140
Equity and index derivative contracts	994,425		994,425	1,291,548		1,291,548
<b>Total before impact of netting contracts</b>	<b>1,162,194</b>		<b>1,162,194</b>	<b>1,422,688</b>		<b>1,422,688</b>
<b>Impact of netting and collateralisation contracts</b>	<b>794,905</b>		<b>794,905</b>	<b>1,073,310</b>		<b>1,073,310</b>
<b>Total after impact of netting contracts</b>	<b>367,289</b>	<b>16,556</b>	<b>350,733</b>	<b>349,378</b>	<b>13,076</b>	<b>336,302</b>

### **NOTE 28 NET INTEREST AND SIMILAR INCOME**

(in thousands of euros)	30/06/2016	30/06/2015	30/06/2015
On transactions with credit institutions	748	815	343
On transactions with customers			
On bonds and other fixed-income securities			
Net income on macro-hedging transactions			
Other interest and similar income	1	6	
<b>Interest and similar income</b>	<b>749</b>	<b>821</b>	<b>343</b>
On transactions with credit institutions	-2 674	-4 969	-2 451
On transactions with customers	-980	-946	-344
On bonds and other fixed-income securities			
Net income on macro-hedging transactions			
Other interest and similar expenses	-1	-9	-3
<b>Interest and similar expenses</b>	<b>-3 655</b>	<b>-5 924</b>	<b>-2 798</b>
<b>NET INTEREST AND SIMILAR INCOME</b>	<b>-2 906</b>	<b>-5 104</b>	<b>-2 454</b>

## NOTE 29 INCOME FROM SECURITIES

(in thousands of euros)	30/06/2016	31/12/2015	30/06/2015
Short-term investment securities			
Sustainable development passbook account (LDD)			
Long-term investment securities			
Other securities transactions			
<b>Income from fixed income securities</b>			
Investments in subsidiaries and affiliates, equity investments and other long-term equity investments	18 666	42 815	31 259
Short-term investment securities and medium-term portfolio securities			
Other securities transactions			
<b>Income from variable-income securities</b>	<b>18 666</b>	<b>42 815</b>	<b>31 259</b>
<b>TOTAL INCOME FROM SECURITIES</b>	<b>18 666</b>	<b>42 815</b>	<b>31 259</b>

## NOTE 30 NET FEE AND COMMISSION INCOME

(in thousands of euros)	30/06/2016			31/12/2015			30/06/2015		
	Income	Expenses	Net	Income	Expenses	Net	Income	Expenses	Net
On transactions with credit institutions									
On transactions with customers									
On securities transactions	3 641	-2 956	686	4 564	-4 047	517	1 928	-1 744	185
On forward financial instruments and other off-balance sheet transactions	81 715	-270	81 445	176 761	-443	176 318	111 803	-279	111 524
On financial services									
Provisions for fee and commission risks									
<b>TOTAL NET FEE AND COMMISSION INCOME</b>	<b>85 356</b>	<b>-3 225</b>	<b>82 131</b>	<b>181 325</b>	<b>-4 490</b>	<b>176 835</b>	<b>113 731</b>	<b>-2 023</b>	<b>111 709</b>

## NOTE 31 NET GAINS (LOSSES) ON TRADING BOOK

(in thousands of euros)	30/06/2016	31/12/2015	30/06/2015
Gains (losses) on trading securities	1 031	419	79
Gains (losses) on foreign currency transactions and similar financial instruments			
Gains (losses) on other forward financial instruments	14 042	18 622	5 486
<b>NET GAINS (LOSSES) ON TRADING BOOK</b>	<b>15 073</b>	<b>19 041</b>	<b>5 565</b>



## NOTE 32 NET GAINS (LOSSES) ON SHORT TERM INVESTMENT PORTFOLIOS AND SIMILAR

(in thousands of euros)	30/06/2016	31/12/2015	30/06/2015
Short-term investment securities			
Write-down losses	45	-52	
Reversal of write-down losses		505	498
Net write-downs	45	453	498
Gains on disposals	962	390	352
Losses on disposals			
Net gains (losses) on disposals	962	390	352
<b>Net gains (losses) on short-term investment securities</b>	<b>1 008</b>	<b>843</b>	<b>850</b>
Medium-term portfolio securities			
Write-downs			
Reversal of impairment losses			
Net losses / reversals			
Gains on disposals			
Losses on disposals			
Net gains (losses) on disposals			
<b>Net gains (losses) on medium term portfolio securities</b>			
<b>GAINS (LOSSES) ON SHORT TERM INVESTMENT PORTFOLIOS AND SIMILAR</b>	<b>1 008</b>	<b>843</b>	<b>850</b>

## NOTE 33 OTHER BANKING INCOME AND EXPENSES

(in thousands of euros)	30/06/2016	31/12/2015	30/06/2015
Sundry income			
Share of joint ventures			
Charge-backs and expense reclassification			
Provision reversals			
<b>Other income from banking operations</b>			
Sundry expenses			
Share of joint ventures			
Charge-backs and expense reclassification		-1 026	
Provisions			
<b>Other expenses operations and similar</b>		<b>-1 026</b>	
<b>OTHER INCOME AND EXPENSES FROM BANKING OPERATIONS</b>		<b>-1 026</b>	

## NOTE 34 OPERATING EXPENSES

(in thousands of euros)	30/06/2016	31/12/2015	30/06/2015
<b>Employee expenses</b>			
Salaries	-368	-702	-994
Social security charges	-154	-281	-547
Profit-sharing and incentive plans	-49	-70	-40
Payroll-related tax	-59	-96	-59
<b>Total employee expenses</b>	<b>-629</b>	<b>-1 149</b>	<b>-1 640</b>
Charge-backs and reclassification of employee expenses			
<b>Net employee expenses</b>	<b>-629</b>	<b>-1 149</b>	<b>-1 640</b>
<b>Administrative expenses</b>			
Taxes other than on income or payroll-related	-2 429	-4 274	-1 991
External services and other administrative expenses	-2 142	-4 200	-727
<b>Total administrative expenses</b>	<b>-4 571</b>	<b>-8 474</b>	<b>-2 718</b>
Charge-backs and reclassification of administrative expenses			
<b>Net administrative expenses</b>	<b>-4 571</b>	<b>-8 474</b>	<b>-2 718</b>
<b>OPERATING EXPENSES</b>	<b>-5 200</b>	<b>-9 623</b>	<b>-4 358</b>

### NOTE 34.1 Headcount by category

(average number of employees)	30/06/2016	31/12/2015
Executives	10	8
Non-executives	0	0
<b>TOTAL</b>	<b>10</b>	<b>8</b>
<i>O/w: France</i>	<i>10</i>	<i>8</i>
<i>Abroad</i>		
<i>O/w: seconded employees</i>		

## NOTE 35 COST OF RISK

(in thousands of euros)	30/06/2016	31/12/2015	30/06/2015
<b>Depreciation charges to provisions and impairment</b>	<b>-838</b>	<b>-5 978</b>	<b>-136</b>
Impairment of doubtful loans and receivables			
Other depreciation and impairment losses	-838	-5 978	-136
<b>Reversal of provisions and impairment losses</b>	<b>5 279</b>	<b>23</b>	<b>19</b>
Reversal of impairment losses on doubtful loans and receivables			
Other reversals of provisions and impairment losses	5 279	23	19
<b>Change in provisions and impairment</b>	<b>4 440</b>	<b>-5 955</b>	<b>-117</b>
Losses on non-impaired irrevocable loans			
Losses on impaired irrevocable loans	-47		
Discounts on restructured loans			
Recoveries on loans written off			
Other losses		-5	-5
Other income			
<b>COST OF RISK</b>	<b>4 393</b>	<b>-5 960</b>	<b>-122</b>

## NOTE 37 INCOME TAX CHARGE

(in thousands of euros)

Breakdown to income tax charge	Pre-tax income	Income tax owed	Net Income after tax
net recurring income	113,194	31,891	81,303
Regulatory provisions			
Employee profit-sharing	-29	7	-35
Net Income	113,165	31,897	81,267
Tax credits			
Tax assets			
Charge			
Corporate Tax	113,165	31,897	81,267

Amundi Finance has been part of Amundi's tax consolidation group since 1 January 2010.

## Statement of the Chief Executive Officer

**AMUNDI FINANCE**  
**Société Anonyme (joint-stock company)**  
**With authorised capital of 40,320,157 euros**  
**Registered office: 90, boulevard Pasteur 75015 Paris, France**  
**Trade and commercial registry no.: 421 304 601 RCS Paris**

## **Statement of the Chief Executive Officer**

We hereby certify, after taking all reasonable measures for this purpose, that the information contained in this Interim Financial Report is, to our knowledge, faithful and sincere and contains no material omissions.

We hereby certify that, to our knowledge, the interim accounts for the first half of the year have been drawn up in accordance with generally accepted accounting standards and that they provide a faithful and sincere image of the Company's value, financial situation and results, and that the appended interim management report presents a faithful reflection of the Company's business developments during the first six months, its results and its financial situation, as well as a description of the main risks and uncertainties facing it during the remaining six months of the financial year.

The interim financial information presented in this document has been reviewed by the Company's Statutory Auditor.

Paris, 03/08/2016

Chief Financial Officer  
Monsieur Pierre BOSIO



**AMUNDI FINANCE**

Public Limited Company with a Share capital of 40.320.157 euros

Certified Credit Institution by ACPR

Head office: 90 boulevard pasteur - 75015 PARIS –

RCS Paris 421 304 601