CRÉDIT AGRICOLE S.A.

CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2018

Approved by the Crédit Agricole S.A. Board of Directors on 13 February 2019 and subject to approval by the Joint General Meeting of Shareholders on 21 May 2019

UNAUDITED VERSION

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GENERAL FRAMEWORK

LEGAL PRESENTATION OF THE ENTITY

Since the Extraordinary General Meeting of Shareholders of 29 November 2001, the Company's name has been: Crédit Agricole S.A.

Since 1 July 2012, the address of the Company's registered office has been: 12, place des États-Unis, 92127 Montrouge Cedex, France.

Registration number: 784 608 416 Nanterre Trade and Companies Register

NAF code: 6419Z

Crédit Agricole S.A. is a French Public Limited Company (Société Anonyme) with a Board of Directors governed by ordinary company law and more specifically by Book II of the French Commercial Code.

Crédit Agricole S.A. is also subject to the provisions of the French Monetary and Financial Code and more specifically Articles L. 512-47 et seq. thereof.

Crédit Agricole S.A. was licensed as an authorised lending institution in the mutual and cooperative banks category on 17 November 1984. As such, it is subject to oversight by the banking supervisory authorities, and more particularly by the French Regulatory and Resolution Supervisory Authority (ACPR) and the European Central Bank.

Crédit Agricole S.A. shares are admitted for trading on Euronext Paris. Crédit Agricole S.A. is subject to the prevailing stock market regulations particularly with respect to public disclosure obligations.

A bank with mutual roots

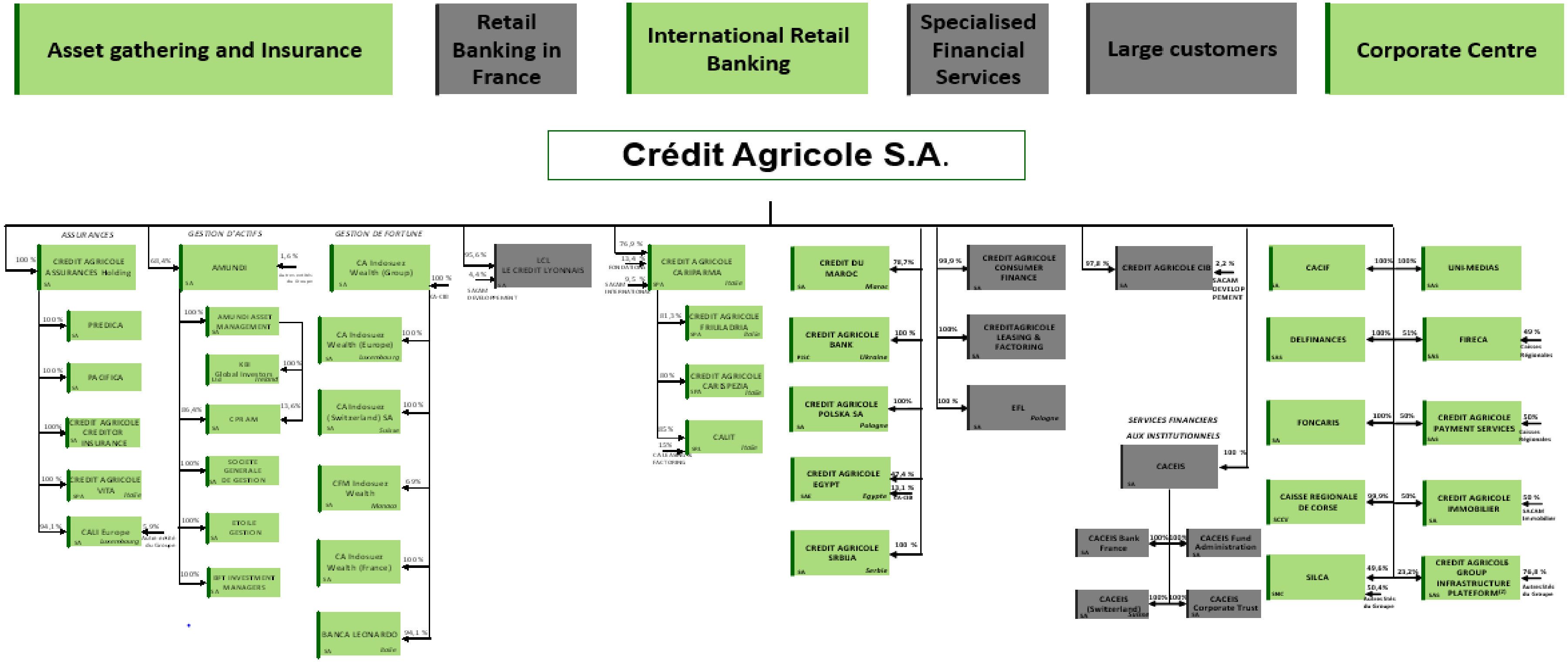
SAS Rue La Boétie, which is wholly owned by the Regional Banks, holds the majority of Crédit Agricole S.A.'s share capital. Shares in SAS Rue La Boétie may not be transferred outside the Regional Banks' network. Furthermore, any trading in these shares between Regional Banks is governed by a liquidity agreement that in particular sets out the procedures for determining the transaction price. This encompasses both disposals of shares between the Regional Banks and capital increases at SAS Rue La Boétie.

The *Fédération Nationale* du Crédit Agricole (FNCA) acts as a consultative and representative body, and as a communication forum for the Regional Banks.

In accordance with the provisions of the French Monetary and Financial Code (Articles L. 511-31 and L. 511-32), as the central body of the Crédit Agricole network, Crédit Agricole S.A. is responsible for exercising administrative, technical and financial control over the institutions affiliated to it in order to maintain a cohesive network (as defined in Article R. 512-18 of the French Monetary and Financial Code) and to ensure their proper functioning and compliance with all regulations and legislation governing them. In that regard, Crédit Agricole S.A. may take all necessary measures notably to ensure the liquidity and solvency of the network as a whole and of each of its affiliated institutions.

CREDIT AGRICOLE S.A. AT 31 DECEMBER 2018

% of interest[(1)]



(1)Direct % of interest hekd by Crédit Agricole SA and its subsidiaries
(2)Consolidated as of January 2019

CREDIT AGRICOLE INTERNAL RELATIONS

Internal financing mechanisms

Crédit Agricole has instituted a number of internal financing mechanisms specific to the Group.

Regional Banks' current accounts

Each Regional Bank holds a current account with Crédit Agricole S.A., which records the financial movements resulting from internal financial transactions within the Group. This account, which may be in credit or debit, is presented in the balance sheet under "Crédit Agricole internal transactions – Current Accounts" and integrated on a specific line item, either "Loans and receivables due from credit institutions" or "Due to credit institutions".

Special savings accounts

Funds held in special savings accounts (popular savings passbook accounts (Livret d'épargne populaire), sustainable development passbook accounts (Livret de développement durable), home purchase savings plans and accounts, popular savings plans, youth passbook accounts (Livrets Jeunes) and passbook savings accounts (Livret A)) are collected by the Regional Banks on behalf of Crédit Agricole S.A. These funds are required to be transferred to the latter. Crédit Agricole S.A. recognises them on its balance sheet as "Due to customers".

Term deposits and advances

The Regional Banks also collect savings funds (passbook accounts, bonds, warrants, certain term accounts and related accounts, etc.) on behalf of Crédit Agricole S.A. These funds are transferred to Crédit Agricole S.A., and are recognised as such on its balance sheet.

Special savings accounts and time deposits and advances are used by Crédit Agricole S.A. to make "advances" (loans) to the Regional Banks, with a view to funding their medium and long-term loans.

A series of four internal financial reforms has been implemented. These reforms have permitted the transfer back to the Regional Banks, in the form of mirror advances (with maturities and interest rates precisely matching those of the savings funds received) of first 15%, 25%, then 33% and, since 31 December 2001, 50% of the savings resources, which they are free to use at their discretion.

Since 1 January 2004, the financial margins generated by the centralised management of funds collected (and not transferred back via mirror advances) are shared by the Regional Banks and Crédit Agricole S.A. and are determined by using replacement models and applying market rates.

Furthermore, 50% of new loans written since 1st January 2004 and falling within the field of application of financial relations between Crédit Agricole S.A. and the Regional Banks may be refinanced in the form of advances negotiated at market rates with Crédit Agricole S.A.

Hence, there are currently two types of advances: advances governed by financial rules from before 1 January 2004 and those governed by the new rules.

Crédit Agricole S.A. may also make additional financing available to the Regional Banks at market rates.

Transfer of Regional Banks' liquidity surpluses

The Regional Banks may use their monetary deposits (demand deposits, non-centralised term deposits and negotiable certificates of deposit) to finance lending to their customers. Surpluses must be transferred to Crédit Agricole S.A. where they are booked as current or term accounts, under "Crédit Agricole internal transactions".

Investment of Regional Banks' surplus capital with Crédit Agricole S.A.

Available surplus capital may be invested with Crédit Agricole S.A. in the form of three to ten-year instruments with the same characteristics of interbank money market transactions in all respects.

Foreign currency transactions

Crédit Agricole S.A. represents the Regional Banks with respect to the Bank of France and centralises their foreign currency transactions.

Medium and long-term notes issued by Crédit Agricole S.A.

These are placed mainly on the market or by the Regional Banks with their customers. They are booked by Crédit Agricole S.A. under liabilities either as "Debt securities" or as "Subordinated debt", depending on the type of security issued.

Hedging of Liquidity and Solvency risks

Under the legal internal financial solidarity mechanism enshrined in Article L. 511-31 of the French Monetary and Financial Code, Crédit Agricole S.A. as a central body, must take all measures necessary to ensure the liquidity and solvency of each affiliated credit institution, as well as the network as a whole. As a result, each member of the network and each affiliated institution benefits from this internal financial solidarity mechanism.

The general provisions of the French Monetary and Financial Code are transposed into internal provisions setting out the operational measures required for this internal financial solidarity mechanism.

During the IPO of Crédit Agricole S.A. in 2001, CNCA (now Crédit Agricole S.A.) signed an agreement with the Regional Banks to govern internal relations within Crédit Agricole Group. The agreement notably provided for the creation of a Fund for Bank Liquidity and Solvency Risks (FRBLS) designed to enable Crédit Agricole S.A. to fulfil its role as central body by providing assistance to any affiliated members that may experience difficulties. The main provisions of this agreement are set out in Chapter III of the Registration document filed by Crédit Agricole S.A. with the Commission des Opérations de Bourse on 22 October 2001 under number R. 01-453. The fund was originally allocated €610 million in assets. At 31 December 2018 it totalled €1,152 million, having been increased by €40 million in the course of the year.

Moreover, European legislation relating to the resolution of banking crises adopted in 2014 (the BRRD directive transposed into French law by Ordinance 2015-1024 of 20 August 2015, which also brought French law into line with the regulation establishing a Single Resolution Mechanism) introduced a number of significant changes to the regulations applicable to credit institutions.

The new framework, which includes measures to prevent and to resolve banking crises, is intended to preserve financial stability, to ensure the continuity of activities, services and operations of institutions whose failure could significantly impact the economy, to protect depositors and to avoid or limit, as much as possible, the use of public financial support. In this context, the European resolution authorities, including the Single Resolution Board, were granted extensive powers to take all necessary measures in connection with the resolution of all or part of a credit institution or the group to which it belongs.

This resolution framework does not affect the legal internal financial solidarity mechanism enshrined in Article L. 511-31 of the French Monetary and Financial Code, which applies to the Crédit Agricole Network, as defined in Article R. 512-18 of the same Code. Crédit Agricole S.A. considers that, in practice, this mechanism should be implemented prior to any resolution procedure.

The application of the resolution procedure to Crédit Agricole Group would thus mean that the legal internal solidarity mechanism had failed to cope with the bankruptcy of one or more Group affiliates, and hence of the network as a whole. By its very nature it also hinders the monitoring of the conditions for implementing the guarantee of the obligations of Crédit Agricole S.A. granted in 1988 to its third party creditors by the Regional Banks on a joint and several basis, and up to the aggregate amount of their own funds. It should be recalled that this guarantee may be exercised in the event of an asset shortfall at Crédit Agricole S.A. identified in the course of its bankruptcy or dissolution.

In connection with the institution of a resolution procedure, the Single Resolution Board (SRB), should respect the fundamental principle that no creditor must suffer losses in connection with a resolution procedure that are greater than those it would suffer if the entity had been liquidated in a normal insolvency procedure (the "No Creditor Worse Off than on Liquidation" – NCWOL – principle, set forth in Article L. 613-57-I – of the French Monetary and Financial Code, and Article 73 of the BRRD directive). Because this principle must be respected, Crédit Agricole S.A. considers that the existence of the guarantee granted in 1988 by the Regional Banks in favour of the creditors of Crédit Agricole S.A., will have to be taken into account by the SRB, although it is not possible to determine how this will be done

Specific guarantees provided by the Regional Banks to Crédit Agricole S.A. *(Switch)*

The Switch guarantee mechanism, established on 23 December 2011 and supplemented by an initial addendum signed on 19 December 2013 and twice amended in 2016 on 17 February (amendment no. 2) and 21 July (amendment no. 3) respectively, forms parts of the financial arrangements between Crédit Agricole S.A., as central body, and the mutual network of Crédit Agricole Regional Banks. The most recent amendments to these guarantees took effect retroactively on 1 July 2016, replacing the previous guarantees, and expire on 1 March 2027, subject to total or partial early termination or extension in accordance with the terms of the contract.

With this mechanism, and subject to the upper limit specified in the agreement, the Regional Banks assume, on behalf of Crédit Agricole S.A., regulatory requirements relating to the equity method of accounting for certain equity investments held by Crédit Agricole S.A. They also assume the associated economic risks in the form of compensation, where applicable.

The guarantees allow the transfer of regulatory requirements that henceforth apply to Crédit Agricole S.A.'s equity investments in Crédit Agricole Assurances (CAA), the latter being equity-accounted for regulatory reasons: we are now talking about the Insurance Switch guarantees. They are subject to fixed remuneration covering the present value of the risk and the cost of capital for the Regional Banks.

The effectiveness of the mechanism is secured by cash deposits paid by the Regional Banks to Crédit Agricole S.A. These cash deposits are calibrated to reflect the capital savings for Crédit Agricole S.A., and are compensated at a fixed rate based on conditions prevailing for long-term liquidity.

The Insurance Switch guarantees protect Crédit Agricole S.A. from a decline in the equity-accounted value of these equity investments, subject to payment by the Regional Banks of compensation from the cash deposit. Likewise, if the equity-accounted value later recovers, Crédit Agricole S.A. could return previously paid compensation in accordance with a clawback provision.

In regulatory terms:

- Crédit Agricole S.A. reduces its capital requirements in proportion to the amount of the guarantee provided by the Regional Banks;
- The Regional Banks symmetrically record capital requirements matching those offloaded by Crédit Agricole S.A.

This mechanism, which is neutral at Crédit Agricole Group level, enables the rebalancing of capital allocation between Crédit Agricole S.A. and the Regional Banks.

In accounting terms:

- The guarantees are essentially insurance contracts, due to the existence of an insurance risk as defined by IFRS 4. For the insured, they are treated as a first demand guarantee received and their compensation is recognised in stages as a deduction from the interest margin under Revenues. In the event of a call on guarantees, or following an improvement in fortunes, where applicable, the compensation payment or redemption proceeds would be recognised under cost of risk.
- It should be noted that the Insurance Switch guarantees are triggered on a half-yearly basis and are assessed on the basis of half-yearly changes in the equity-accounted value of the Crédit Agricole Assurances equity investments. At each quarterly closing, the Regional Banks are required to estimate if there is a risk that compensation will be payable and to fund provisions accordingly. On the other hand, Crédit Agricole, S.A. cannot recognise equivalent income because it is not certain. At each half-yearly close, and if the conditions have been met, Crédit Agricole. S.A. and the Regional Banks recognise on a symmetrical basis the effects of triggering the guarantees (calling or claw-back).

Capital ties between Crédit Agricole S.A. and the Regional Banks

The capital ties between Crédit Agricole S.A. and the Regional Banks are governed by an agreement entered into by the parties prior to Crédit Agricole S.A.'s initial public offering.

Under the terms of this agreement, the Regional Banks exercise their control over Crédit Agricole S.A. through SAS Rue La Boétie, a holding company wholly-owned by them. The purpose of SAS Rue La Boétie is to hold enough shares to ensure that it always owns at least 50% of the share capital and voting rights of Crédit Agricole S.A.

In addition, under the agreement, Crédit Agricole S.A. directly owned approximately 25% of the share capital of each Regional Bank (except for the Caisse Régionale de la Corse which is owned at 99.9%).

Following the transaction to simplify the Group's capital structure on 3 August 2016, the bulk of the cooperative investment certificates (Certificats coopératifs d'investissement or CCIs) and the cooperative associate certificates (Certificats coopératifs d'associés or CCAs) held by Crédit Agricole S.A. were transferred to a holding company ("Sacam Mutualisation") jointly owned by the Regional Banks.

RELATED PARTIES

The related parties of Crédit Agricole S.A. Group are the consolidated companies, including companies accounted for using the equity method, the Group's Senior Executives and the Regional Banks, given the Group's legal structure and due to fact that Crédit Agricole S.A. is the central body of the Crédit Agricole network.

In accordance with the internal financial mechanisms at Crédit Agricole, transactions between Crédit Agricole S.A. and the Regional Banks[1] are presented on the balance sheet and income statement as Crédit Agricole internal transactions (Note 4.1 "Interest income and expenses", Note 4.2 "Fee and commission income and expenses", Note 6.5 "Financial assets at amortised cost" and Note 6.8 "Financial liabilities at amortised cost").

OTHER SHAREHOLDERS' AGREEMENTS

Shareholder agreements signed during the year are detailed in Note 2 "Major structural transactions and material events during the period".

RELATIONSHIPS BETWEEN CONTROLLED COMPANIES AFFECTING THE CONSOLIDATED BALANCE SHEET

A list of Crédit Agricole S.A. Group companies can be found in Note 11 "Scope of consolidation at 31 December 2018". Since the transactions and outstandings at year-end between the Group's fully consolidated companies are eliminated on consolidation, only transactions with companies consolidated by the equity method affect the Group's consolidated financial statements.

The main corresponding outstandings and commitments in the consolidated balance sheet at 31 December 2018 relate to transactions with companies consolidated by the equity method for the following amounts:

- loans and receivables due from credit institutions: € 2,590 million;
- loans and receivables due from customers: € 2,088 million;
- amounts due to credit institutions: € 1,068 million;
- amounts due to customers: € 186 million;
- commitments given on financial instruments: € 4,218 million;
- commitments received on financial instruments: € 4,957 million.

The transactions entered into with these entities did not have a material effect on the income statement for the period.

Management of retirement, early retirement and end-of-career allowances: internal hedging contracts within the Group

As presented in Note 1.2 "Accounting policies and principles", employees are provided with various types of post-employment benefits. These include:

- end-of-career allowances;
- retirement plans, which may be either "defined-contribution" or "defined-benefit" plans.

The liability in this respect is partially funded by collective insurance contracts taken out with Predica, Crédit Agricole Group's life insurance company.

These contracts govern:

- the setting up by the insurance company of mutual funds for investing contributions made by the employer to build up sufficient funds to cover end-of-career allowances or retirement benefits;
- the management of the funds by the insurance company;
- the payment to the beneficiaries of the allowances and of the benefits due under the various plans.

Information on post-employment benefits is provided in Note 7 "Employee benefits and other compensation" in paragraphs 7.3 and 7.4.

[1] *Except for the Caisse Régionale de la Corse, which is fully consolidated.*

Relations with senior management

Detailed information on senior management compensation is provided in paragraph 7.7 of Note 7 “Employee benefits and other compensation”, as well as in the “Compensation policy” section, Chapter 3 “Corporate governance” of the Registration document.
There exist no material transactions between Crédit Agricole S.A. and its senior management, their families or the companies they control and which are not included in the Group’s scope of consolidation.

CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENT

(in millions of euros)		Notes	31/12/2018	31/12/2017
Interest and similar income		4.1	24,817	24,704
Interest and similar expenses		4.1	(13,247)	(12,428)
Fee and commission income		4.2	10,600	9,534
Fee and commission expenses		4.2	(6,441)	(5,729)
Net gains (losses) on financial instruments at fair value through profit or loss		4.3	(3,093)	4,620
Net gains (losses) on held-for-trading assets/liabilities			496	
Net gains (losses) on other financial assets/liabilities at fair value through profit or loss			(3,589)	
Net gains (losses) on financial instruments at fair value through other comprehensive income		4.4	192	
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss			71	
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends)			121	
Net gains (losses) on available-for-sale financial assets				3,028
Net gains (losses) arising from the derecognition of financial assets at amortised cost		4.5	-	
Net gains (losses) arising from the reclassification of financial assets at amortised cost to financial assets at fair value through profit or loss		4.5	-	
Net gains (losses) arising from the reclassification of financial assets at fair value through other comprehensive income to financial assets at fair value through profit or loss		4.5	-	
Income on other activities		4.6	42,517	32,831
Expenses on other activities		4.6	(35,900)	(37,926)
Reclassification of net gains (losses) of designated financial assets applying the overlay approach		5.3	291	
Revenues			**19,736**	**18,634**
Operating expenses		4.7	(11,830)	(11,438)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets		4.8	(759)	(765)
Gross operating income			**7,147**	**6,431**
Cost of risk		4.9	(1,081)	(1,422)
Operating income			**6,066**	**5,009**
Share of net income of equity-accounted entities			255	728
Net gains (losses) on other assets		4.11	89	6
Change in value of goodwill		6.15	86	186
Pre-tax income			**6,496**	**5,929**
Income tax charge		4.11	(1,466)	(1,732)
Net income from discontinued operations			(3)	20
Net income			**5,027**	**4,217**
Non-controlling interests		6.20	627	568
NET INCOME GROUP SHARE			**4,400**	**3,649**
Earnings per share [1]	*(in euros)*	6.19	**1.387**	**1.124**
Diluted earnings per share [1]	*(in euros)*	6.19	**1.387**	**1.124**

[1] *Corresponds to income including net income from discontinued operations.*

NET INCOME AND OTHER COMPREHENSIVE INCOME

(in millions of euros)	Notes	31/12/2018	31/12/2017
Net income		**5,027**	**4,217**
Actuarial gains and losses on post-employment benefits	4.12	51	4
Other comprehensive income on financial liabilities attributable to changes in own credit risk [1]	4.12	383	
Other comprehensive income on equity instruments that will not be reclassified to profit or loss [1]	4.12	130	
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**564**	**4**
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**4.12**	**1**	**24**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**(259)**	**(28)**
Income tax related to items accounted that will not be reclassified to profit or loss on equity-accounted entities	**4.12**	**(3)**	**(1)**
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	**4.12**	**5**	**(9)**
Other comprehensive income on items that will not be reclassified subsequently to profit or loss net of income tax	**4.12**	**308**	**(10)**
Gains and losses on translation adjustments	4.12	248	(683)
Gains and losses on available-for-sale financial assets			(530)
Other comprehensive income on debt instruments that may be reclassified to profit or loss	4.12	(1,225)	
Gains and losses on hedging derivative instruments	4.12	(138)	(356)
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	4.12-5.3	(356)	
Pre-tax other comprehensive income on items that may be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**(1,471)**	**(1,569)**
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities, Group Share	**4.12**	**(11)**	**(386)**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**547**	**355**
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	**4.12**	**1**	**(16)**
Other comprehensive income on items that may be reclassified to profit or loss from discontinued operations	**4.12**	**(2)**	**(15)**
Other comprehensive income on items that may be reclassified subsequently to profit or loss of income tax	**4.12**	**(936)**	**(1,631)**
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	**4.12**	**(628)**	**(1,641)**
NET INCOME AND OTHER COMPREHENSIVE INCOME		**4,399**	**2,576**
Of which Group share		3,805	2,070
Of which non-controlling interests		594	506

[1] *Of which €78 million of items transferred to Reserves of items that cannot be reclassified (see Note 4.12)*

BALANCE SHEET - ASSETS

(in millions of euros)	Notes	31/12/2018	01/01/2018	31/12/2017
Cash, central banks	6.1	66,976	50,755	50,761
Financial assets at fair value through profit or loss	3.1-6.2-6.6.6.7	365,475	363,737	321,404
Financial assets held for trading		225,605	222,136	
Other financial instruments at fair value through profit or loss		139,870	141,601	
Hedging derivative Instruments	3.2-3.4	14,322	16,429	16,435
Financial assets at fair value through other comprehensive income	3.1-6.4-6.6-6.7	253,620	258,603	
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss		250,202	255,478	
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss		3,418	3,125	
Available-for-sale financial assets				307,058
Financial assets at amortised cost	3.1-3.3-6.5-6.6-6.7	840,201	781,522	
Loans and receivables due from credit institutions		412,981	388,716	394,051
Loans and receivables due from customers		369,456	341,114	360,079
Debt securities		57,764	51,692	
Revaluation adjustment on interest rate hedged portfolios		6,375	5,978	5,978
Held-to-maturity financial assets				20,179
Current and deferred tax assets	6.10	4,480	4,741	4,462
Accruals, prepayments and sundry assets	6.11	38,013	36,197	36,197
Non-current assets held for sale and discontinued operations		257	495	495
Deferred participation benefits	6.16	52	-	-
Investments in equity-accounted entities	6.12	6,368	5,108	5,177
Investment property	6.13	6,408	6,196	6,196
Property, plant and equipment	6.14	4,069	4,210	4,210
Intangible assets	6.14	2,287	2,180	2,180
Goodwill	6.15	15,491	15,421	15,421
TOTAL ASSETS		**1,624,394**	**1,551,572**	**1,550,283**

BALANCE SHEET – LIABILITIES & EQUITY

(in millions of euros)	Notes	31/12/2018	01/01/2018	31/12/2017
Central banks	6.1	949	3,185	3,185
Financial liabilities at fair value through profit or loss	6.2	228,111	227,848	227,887
Financial liabilities held for trading		193,956	196,444	
Financial liabilities designated at fair value through profit or loss		34,155	31,404	
Hedging derivative Instruments	3.2-3.4	12,085	13,271	13,271
Financial liabilities at amortised cost		913,600	840,095	
Due to credit institutions	3.3-6.8	131,960	125,590	125,590
Due to customers	3.1-3.3-6.8	597,170	550,746	550,746
Debt securities	3.3-6.8	184,470	163,759	163,708
Revaluation adjustment on interest rate hedged portfolios		6,612	6,565	6,565
Current and deferred tax liabilities	6.10	2,376	3,287	3,482
Accruals, deferred income and sundry liabilities	6.11	42,309	40,530	40,530
Liabilities associated with non-current assets held for sale and discontinued operations		229	354	354
Insurance compagny technical reserves	6.16	324,033	322,516	320,417
Provisions	6.17	5,809	4,935	4,421
Subordinated debt	3.3-6.18	22,765	25,421	25,421
Total Liabilities		**1,558,878**	**1,488,007**	**1,485,577**
Equity		**65,516**	**63,565**	**64,706**
Equity - Group share		**58,811**	**57,135**	**58,056**
Share capital and reserves		27,009	26,749	26,749
Consolidated reserves		26,179	28,568	24,705
Other comprehensive income		1,214	1,812	2,947
Other comprehensive income on discontinued operations		9	6	6
Net income (loss) for the year		4,400		3,649
Non-controlling interests		**6,705**	**6,430**	**6,650**
TOTAL LIABILITIES AND EQUITY		**1,624,394**	**1,551,572**	**1,550,283**

STATEMENT OF CHANGES IN EQUITY

	Group share										Non-controlling interests					
	Share and capital reserves					Other comprehensive income						Other comprehensive income				
(in millions of euros)	*Share capital*	*Share premium and consolidated reserves* [1]	*Elimination of treasury shares*	*Other equity instruments*	**Total capital and consolidated reserves**	*Other comprehensive income on items that may be reclassified to profit and loss*	*Other comprehensive income on items that will not be reclassified to profit and loss*	**Total other comprehensive income**	**Net income**	**Total equity**	**Capital, associated reserves and income**	*Other comprehensive income on items that may be reclassified to profit and loss*	*Other comprehensive income on items that will not be reclassified to profit and loss*	**Total other comprehensive income**	**Total equity**	**Total consolidated equity**
Equity at 1st January 2017	**8,538**	**40,327**	**(132)**	**5,011**	**53,744**	**5,087**	**(555)**	**4,532**	**-**	**58,276**	**5,699**	**(13)**	**(25)**	**(38)**	**5,661**	**63,937**
Capital increase	-	-	-	-	**-**	-	-	**-**	-	-	-	-	-	-	-	-
Changes in treasury shares held	-	-	1	-	**1**	-	-	**-**	-	1	-	-	-	-	-	1
Issuance of equity instruments	-	-	-	(12)	**(12)**	-	-	**-**	-	(12)	-	-	-	-	-	(12)
Remuneration of undated deeply subordinated notes	-	(454)	-	-	**(454)**	-	-	**-**	-	(454)	(12)	-	-	-	(12)	(466)
Dividends paid in 2017	-	(1,716)	-	-	**(1,716)**	-	-	**-**	-	(1,716)	(298)	-	-	-	(298)	(2,014)
Impact of acquisitions/disposals on non-controlling interests	-	(54)	-	-	**(54)**	-	-	**-**	-	(54)	672	-	-	-	672	618
Changes due to share-based payments	-	13	-	-	**13**	-	-	**-**	-	13	6	-	-	-	6	19
Changes due to transactions with shareholders	**-**	**(2,211)**	**1**	**(12)**	**(2,222)**	**-**	**-**	**-**	**-**	**(2,222)**	**368**	**-**	**-**	**-**	**368**	**(1,854)**
Changes in other comprehensive income	**-**	**-**	**-**	**-**	**-**	**(1,178)**	**(33)**	**(1,211)**	**-**	**(1,211)**	**-**	**(51)**	**-**	**(51)**	**(51)**	**(1,262)**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of changes in equity-accounted entities	-	(55)	-	-	**(55)**	(391)	23	**(368)**	-	(423)	4	(11)	-	(11)	(7)	(430)
Net income for 2017	-	-	-	-	**-**	-	-	**-**	3,649	3,649	568	-	-	-	568	4,217
Other changes	-	(13)	-	-	**(13)**	-	-	**-**	-	(13)	111	-	-	-	111	98
Equity at 31 December 2017	**8,538**	**38,048**	**(131)**	**4,999**	**51,454**	**3,518**	**(565)**	**2,953**	**3,649**	**58,056**	**6,750**	**(75)**	**(25)**	**(100)**	**6,650**	**64,706**
Appropriation of 2017 net income	-	3,649	-	-	**3,649**	-	-	**-**	(3,649)	-	-	-	-	-	-	-
Equity at 1st January 2018	**8,538**	**41,697**	**(131)**	**4,999**	**55,103**	**3,518**	**(565)**	**2,953**	**-**	**58,056**	**6,750**	**(75)**	**(25)**	**(100)**	**6,650**	**64,706**
Impacts of new accounting standards [1]	-	214	-	-	**214**	(274)	(861)	**(1,135)**	-	(921)	(232)	(19)	31	12	(220)	(1,141)
Equity at 1st January 2018 Restated	**8,538**	**41,911**	**(131)**	**4,999**	**55,317**	**3,244**	**(1,426)**	**1,818**	**-**	**57,135**	**6,518**	**(94)**	**6**	**(88)**	**6,430**	**63,565**
Capital increase	61	168	-	-	**229**	-	-	**-**	-	229	-	-	-	-	-	229
Changes in treasury shares held	-	-	(20)	-	**(20)**	-	-	**-**	-	(20)	-	-	-	-	-	(20)
Issuance of equity instruments	-	-	-	12	**12**	-	-	**-**	-	12	-	-	-	-	-	12
Remuneration of undated deeply subordinated notes	-	(443)	-	-	**(443)**	-	-	**-**	-	(443)	(13)	-	-	-	(13)	(456)
Dividends paid in 2018	-	(1,802)	-	-	**(1,802)**	-	-	**-**	-	(1,802)	(353)	-	-	-	(353)	(2,155)
Impact of acquisitions/disposals on non-controlling interests	-	(8)	-	-	**(8)**	-	-	**-**	-	(8)	9	-	-	-	9	1
Changes due to share-based payments	-	20	-	-	**20**	-	-	**-**	-	20	9	-	-	-	9	29
Changes due to transactions with shareholders	**61**	**(2,065)**	**(20)**	**12**	**(2,012)**	**-**	**-**	**-**	**-**	**(2,012)**	**(348)**	**-**	**-**	**-**	**(348)**	**(2,360)**
Changes in other comprehensive income	**-**	**(59)**	**-**	**-**	**(59)**	**(908)**	**323**	**(585)**	**-**	**(644)**	**(1)**	**(18)**	**(13)**	**(31)**	**(32)**	**(676)**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	(47)	-	-	(47)	-	47	47	-	-	**(1)**	**-**	**1**	**1**	-	**-**
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	(12)	-	-	(12)	-	12	12	-	-	**-**	**-**	**-**	**-**	-	**-**
Share of changes in equity-accounted entities	-	19	-	-	**19**	(8)	(2)	**(10)**	-	9	2	(2)	-	(2)	-	9
Net income for 2018	-	-	-	-	**-**	-	-	**-**	4,400	4,400	627	-	-	-	627	5,027
Other changes [2]	-	(77)	-	-	**(77)**	-	-	**-**	-	(77)	28	-	-	-	28	(49)
EQUITY AT 31 DECEMBER 2018	**8,599**	**39,729**	**(151)**	**5,011**	**53,188**	**2,328**	**(1,105)**	**1,223**	**4,400**	**58,811**	**6,826**	**(114)**	**(7)**	**(121)**	**6,705**	**65,516**

[1] *Details of the impact on equity related to the application of IFRS 9 are presented in the note "Impact on equity of the application of IFRS 9 at 1 January 2018".*

2 Other changes mainly concern an adjustment pursuant to the treatment of insurance investments and the and the impact of liabilities that are prescribed following new legal analyses.

CASH FLOW STATEMENT

The cash flow statement is presented using the indirect method.

Operating activities are representative of income-generating activities of the Crédit Agricole S.A. Group.

Tax inflows and outflows are included in full within operating activities.

Investment activities show the impact of cash inflows and outflows associated with purchases and sales of investments in consolidated and non-consolidated companies, property, plant and equipment and intangible assets. This section includes strategic equity investments classified as at "Fair value through profit or loss" or "Fair value through other comprehensive income on items that cannot be reclassified".

Financing activities show the impact of cash inflows and outflows associated with operations of financial structure concerning equity and long-term borrowing.

The **net cash flows** attributable to the operating, investment and financing activities **of discontinued operations** are presented on separate lines in the cash flow statement.

Net cash and cash equivalents include cash, debit and credit balances with central banks and debit and credit demand balances with credit institutions.

(in millions of euros)	Notes	31/12/2018	31/12/2017
Pre-tax income		**6,496**	**5,929**
Net depreciation and impairment of property, plant & equipment and intangible assets		759	786
Impairment of goodwill and other fixed assets	6.15	(86)	(186)
Net depreciation charges to provisions		10,333	13,614
Share of net income of equity-accounted entities		(482)	(985)
Net income (loss) from investment activities		(89)	(532)
Net income (loss) from financing activities		2,970	3,214
Other movements		(2,104)	(5,389)
Total non-cash and other adjustment items included in pre-tax income		**11,301**	**10,522**
Change in interbank items		(14,938)	5,363
Change in customer items		15,330	12,327
Change in financial assets and liabilities		7,770	(4,670)
Change in non-financial assets and liabilities		(651)	140
Dividends received from equity-accounted entities [1]		190	245
Tax paid		(568)	(1,275)
Net change in assets and liabilities used in operating activities		**7,133**	**12,130**
Cash provided (used) by discontinued operations		**-**	**1**
Total net cash flows from (used by) operating activities (A)		**24,930**	**28,582**
Change in equity investments [2]		**(1,072)**	**(1,523)**
Change in property, plant & equipment and intangible assets		**(688)**	**(1,060)**
Cash provided (used) by discontinued operations		**6**	**-**
Total net cash flows from (used by) investment activities (B)		**(1,754)**	**(2,583)**
Cash received from (paid to) shareholders [3]		**(2,465)**	**(1,589)**
Other cash provided (used) by financing activities [4]		**535**	**3,654**
Cash provided (used) by discontinued operations		**-**	**-**
Total net cash flows from (used by) financing activities (C)		**(1,930)**	**2,065**
Impact of exchange rate changes on cash and cash equivalent (D)		**864**	**(1,521)**
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENT (A + B + C + D)		**22,110**	**26,543**
Cash and cash equivalents at beginning of period		**52,075**	**25,532**
Net cash accounts and accounts with central banks *		47,565	24,339
Net demand loans and deposits with credit institutions **		4,510	1,193
Cash and cash equivalents at end of period		**74,185**	**52,075**
Net cash accounts and accounts with central banks *		66,017	47,565
Net demand loans and deposits with credit institutions **		8,168	4,510
NET CHANGE IN CASH AND CASH EQUIVALENTS		**22,110**	**26,543**

** Consisting of the net balance of the "Cash, central banks" item, excluding accrued interest and including cash of entities reclassified as discontinued operations.*

*** Consisting of the balance of the "Non doubtful current accounts in debit" and "Non doubtful overnight accounts and advances" items as detailed in Note 6.5 and the "Current accounts in credit" and "Overnight accounts and deposits" items as detailed in Note 6.8 (excluding accrued interest and including Crédit Agricole internal transactions).*

[1] Dividends received from equity-accounted entities:

At 31 December 2018, this amount includes the payment of dividends from insurance entities for €156 million, from Amundi subsidiaries for €16 million, from Wafasalaf for €13 million and from Crédit Agricole Immobilier for €5 million.

[2] Change in equity investments:

This line shows the net effects on cash of acquisitions and disposals of equity investments.

- The net impact on Group cash of acquisitions and disposals of consolidated equity investments (subsidiaries and equity-accounted entities) on 31 December 2018 is -€410 million. The main transactions relate to the acquisition of Banca Leonardo for -€20 million net of cash of acquired, the inclusion into the scope of consolidation of Iris Holding for -€88 million, the sale of Caceis USA and Caceis Canada for +€14 million, the sale of Banque Thémis for -€40 million, the subscription to the capital increases of equity-accounted entities with Frey for -€44 million, Amundi entities for -€69 million and CACF entities for –€89 million.

- During the same period, the net impact on Group cash of acquisitions and disposals of non-consolidated equity investments came to -€656 million, of which -€756 million from insurance investments.

[3] Cash received from (paid to) shareholders:

The main operation relates to the increase of capital reserved to employees for €135 million.

This amount is predominantly comprised of -€2,611 million in dividends paid, excluding dividends paid in shares, by Crédit Agricole S.A. Group. It breaks down as follows:

- dividends paid by Crédit Agricole S.A. for -€1,802 million;

- dividends paid by non-controlled subsidiaries for -€366 million; and

- interest, equivalent to dividends on undated financial instruments treated as equity for -€443 million.

[4] Other net cash flows from financing activities:

At 31 December 2018, bond issues totalled €15,314 million and redemptions -€8,783 million. Subordinated debt issues totalled €2,624 million and redemptions -€5,430 million.

This line also includes cash flows from interest payments on subordinated debt and bonds for -€3,190 million.

EFFECTS OF THE APPLICATION OF IFRS 9 AT 1 JANUARY 2018

TRANSITION FROM THE BALANCE SHEET AT 31 DECEMBER 2017 TO 1 JANUARY 2018

The following tables present the financial Assets and Liabilities affected by the implementation of IFRS 9 at 1 January 2018.

FINANCIAL ASSETS

	Financial assets	31/12/2017	01/01/2018													
		IAS 39	Reclassifications in accordance with IFRS 9													
				Financial assets at fair value through profit or loss						Financial assets at fair value through other comprehensive income		Financial assets at amortised cost				
					Other financial instruments at fair value through profit or loss											
	(in millions of euros)	Carrying amount in accordance with IAS 39	Central banks	Held-for-trading financial assets	Equity instruments	Debt instruments that do not meet the conditions of the "SPPI" test	Assets backing unit-linked contracts	Financial assets designated at fair value through profit or loss	Hedging derivative instruments	Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	Loans and receivables due from credit institutions	Loans and receivables due from customers	Debt securities	Non-current assets held for sale and discontinued operations	Investments in equity-accounted entities
IAS 39	Central banks	49,319	49,319													
	Financial assets at fair value through profit or loss	321,404		221,095	9,905	34,778	51,600	3	(6)	4,028	-	-	-	-		
	Held-for-trading financial assets	221,089		221,095		-		-	(6)	-		-	-			
	Financial assets designated at fair value through profit or loss [1]	100,315		-	9,905	34,778	51,600	3		4,028	-	-	-	-		
	Hedging derivative instruments	16,435		-					16,435							
	Available-for-sale financial assets	307,058		7	23,725	19,193		-		232,952	3,125	-	-	28,056		
	Loans and receivables due from credit institutions	394,051		-		-		-		5,165		388,847	-	39		
	Loans and receivables due from customers	360,079		1,034		2,455		-		-			342,227	14,363		
	Held-to-maturity financial assets	20,179		-		-		-		10,805			-	9,375		
	Non-current assets held for sale and discontinued operations	495				-		-		-			-	-	495	
	Investments in equity-accounted entities	5,177				-		-		-			-	-		5,177
	Carrying amount determined in accordance with IAS 39	**1,474,197**														
	Restatement of carrying amount in accordance with IFRS 9		**(6)**	**-**	**-**	**(58)**		**-**		**2,528**	**-**	**(131)**	**(1,113)**	**(141)**	**-**	**(69)**
01/01/2018	**Carrying amount in accordance with IFRS 9**		**49,313**	**222,136**	**33,630**	**56,368**	**51,600**	**3**	**16,429**	**255,478**	**3,125**	**388,716**	**341,114**	**51,692**	**495**	**5,108**

[1] Reclassifications related to financial assets designated at fair value through profit or loss break down as follows:

(in millions of euros)	IAS 39 Carrying amount in accordance with IAS 39	Reclassifications in accordance with IFRS 9 Of which financial assets reclassified out of financial assets designated at fair value through profit or loss in accordance with IFRS 9 Reclassifications as required by IFRS 9	 Reclassifications elected by the entity
Financial assets designated at fair value through profit or loss	**100,315**	**100,312**	**-**
Debt instruments	83,245	83,242	-
Equity instruments	17,070	17,070	

FINANCIAL LIABILITIES

Financial liabilities		31/12/2017	01/01/2018						
			Reclassifications in accordance with IFRS 9						
		IAS 39	Financial liabilities at fair value through profit or loss			Financial liabilities at amortised cost			Liabilities associated with non-current assets held for sale and discontinued operations
(in millions of euros)		**Carrying amount in accordance with IAS 39**	Held-for-trading financial liabilities	Financial liabilities designated at fair value through profit or loss	Hedging derivative instruments	Due to credit institutions	Due to customers	Debt securities	
IAS 39	Financial liabilities at fair value through profit or loss	227,887	196,444	31,404	-	-	-	39	
	Held-for-trading financial liabilities	196,444	196,444		-				
	Financial liabilities designated at fair value through profit or loss [1]	31,443		31,404		-	-	39	
	Hedging derivative instruments	13,271	-		13,271				
	Due to credit institutions	125,590		-		125,590			
	Due to customers	550,746		-			550,746		
	Debt securities	163,708		-				163,708	
	Liabilities associated with non-current assets held for sale and discontinued operations	354							354
	Carrying amount determined in accordance with IAS 39	**1,081,556**							
	Restatement of carrying amount in accordance with IFRS 9		-	-	-	-	-	12	
01/01/2018	**Carrying amount in accordance with IFRS 9**		**196,444**	**31,404**	**13,271**	**125,590**	**550,746**	**163,759**	**354**

[1] Reclassifications related to financial liabilities designated at fair value through profit or loss break down as follows:

	IAS 39	Reclassifications in accordance with IFRS 9	
	Carrying amount in accordance with IAS 39	Of which financial liabilities reclassified out of financial liabilities designated at fair value through profit or loss in accordance with IFRS 9	
(in millions of euros)		Reclassifications as required by IFRS 9	Reclassifications elected by the entity
Financial liabilities designated at fair value through profit or loss	**31,443**	**-**	**39**

TRANSITION BETWEEN IMPAIRMENT OR PROVISIONS CONSTITUTED UNDER IAS 39 AND CORRECTIONS OF VALUE FOR LOSSES CONSTITUTED UNDER IFRS 9

Pursuant to the application of IFRS 9 at 1 January 2018, the procedures for provisioning change significantly. The following table presents the transition from liability impairment or provisions recognised at 31 December 2017 (under the provisions of IAS 39) to the amount of value correction for losses recognised at 1 January 2018 (under the provisions of IFRS 9):

		31/12/2017	01/01/2018									
			IFRS 9 - Impairment reclassifications									
				Financial assets at fair value through profit or loss				Financial assets at fair value through other comprehensive income		Financial assets at amortised cost		
		IAS 39 - Amount of impairment	Central banks	Held-for-trading financial assets	Other financial instruments at fair value through profit or loss							
(in millions of euros)					Equity instruments	Debt instruments that do not meet the conditions of the "SPPI" test	Financial assets designated at fair value through profit or loss	Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	Loans and receivables due from credit institutions	Loans and receivables due from customers	Debt securities
Impairment in accordance with IAS 39	Central banks	-	-									
	Available-for-sale financial assets	(1,158)		(10)	(545)	(93)	-	(4)	(506)	-	-	-
	Loans and receivables due from credit institutions	(386)		-	-	-	-	-		(386)		-
	Loans and receivables due from customers	(9,979)		-	-	(185)	-	-			(9,794)	-
	Held-to-maturity financial assets	-		-	-	-	-	-				-
	Amount of impairment determined in accordance with IAS 39	**(11,523)**										
	Restatement of impairment in accordance with IFRS 9		**(6)**	**10**	**545**	**278**	**-**	**(144)**	**506**	**(47)**	**(1,113)**	**(15)**
	Of which restatement of assets reclassified out of the fair value through profit or loss category in accordance with IAS 39		-	-				(1)	-	-	-	-
	Of which restatement of assets reclassified out of the available-for-sale category in accordance with IAS 39		-	10	545	93	-	(140)	506	-	-	(10)
	Of which restatement of assets reclassified out of the loans and receivables category in accordance with IAS 39		-	-	-	185	-	-	-	(47)	(1,113)	(2)
	Of which restatement of assets reclassified out of the held-to-maturity category in accordance with IAS 39		-	-	-	-	-	(2)	-	-	-	(3)
01/01/2018	**Amount of impairment in accordance with IFRS 9**		**(6)**	**-**	**-**	**-**	**-**	**(148)**	**-**	**(433)**	**(10,907)**	**(15)**

Provisions for off-balance sheet commitments	31/12/2017		01/01/2018
(in millions of euros)	IAS 39 - Amount of provisions	Restatement of provisions in accordance with IFRS 9	IFRS 9 - Amount of provisions
Financing commitments	119	409	528
Guarantee commitments	370	105	475
Amount of provisions	**489**	**514**	**1,003**

The breakdown between collective impairment and individual impairment under IAS 39 at 31 December 2017 is the following:

Breakdown of impairment of financial assets in accordance with IAS 39	31/12/2017	
(in millions of euros)	Collective impairment	Individual impairment
Amount of impairment in accordance with IAS 39	**(1,946)**	**(9,577)**

The breakdown of impairment by impairment stages (or buckets) under IFRS 9 at 1 January is the following:

Financial assets	01/01/2018		
(in millions of euros)	Bucket 1	Bucket 2	Bucket 3
Financial assets at fair value through other comprehensive income	(104)	(40)	(4)
Loans and receivables due from credit institutions	-	-	-
Loans and receivables due from customers	-	-	-
Debt securities	*(104)*	*(40)*	*(4)*
Financial assets at amortised cost	(805)	(1,558)	(8,992)
Loans and receivables due from credit institutions	*(46)*	*(1)*	*(386)*
Loans and receivables due from customers	*(745)*	*(1,556)*	*(8,606)*
Debt securities	*(14)*	*(1)*	-
Total	**(909)**	**(1,598)**	**(8,996)**

Off-balance sheet commitments	**01/01/2018**		
(in millions of euros)	**Bucket 1**	**Bucket 2**	**Bucket 3**
Financing commitments	133	277	118
Guarantee commitments	52	109	314
Total	**185**	**386**	**432**

FINANCIAL ASSETS THAT WERE RECLASSIFIED DUE TO THE APPLICATION OF IFRS 9

	31/12/2018				
	Recognition in accordance with IFRS 9		**Recognition in accordance with IFRS 9**		
(in millions of euros)	Carrying amount	Interest revenues (expenses) recognised	Fair value	Gain (loss) recognised in net profit or loss	Gain (loss) recognised in other comprehensive income
Financial assets at fair value through profit or loss reclassified into financial assets at fair value through other comprehensive income	3,938	94	3,938	29	
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	3,938	94	3,938	29	
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	-		-	-	
Financial assets at fair value through profit or loss reclassified into financial assets at amortised cost	-	-	-	-	
Loans and receivables due from credit institutions	-	-	-	-	
Loans and receivables due from customers	-	-	-	-	
Debt securities	-	-	-	-	
Financial assets at fair value through other comprehensive income reclassified into financial assets at amortised cost	16,210	159	15,518	57	30
Loans and receivables due from credit institutions					
Loans and receivables due from customers					
Debt securities	16,210	159	15,518	57	30
Total	**20,148**	**253**	**19,456**	**86**	**30**

Impact on equity of the application of IFRS 9 at 1 January 2018.

(in millions of euros)	Impact of 1st application of IFRS 9 at 1 january 2018 [1] Consolidated Shareholders' equity	Equity - Group share	Equity - Non-controlling interests
Equity at 31/12/2017 - IAS 39	**64,706**	**58,056**	**6,650**
Impacts on reserves	***(18)***	***214***	***(232)***
Revaluation related to own credit risk on liabilities designated at fair value through profit or loss	348	341	7
Reclassification from Available-for-sale assets to fair value through profit or loss (including cancellation of impairment where applicable; in the case of fair value hedges, reclassification unhedged portion only)	1,687	1,673	14
Reclassification from Available-for-sale assets to fair value through other comprehensive income that will not be reclassified to profit or loss : impact of cancellation of lasting impairment (where applicable)	445	384	61
Reclassification from Available-for-sale financial assets to financial assets at fair value through other comprehensive income that will not be reclassified to profit or loss : reclassification of fair value of the hedged portion (where applicable)	(499)	(406)	(92)
Reclassification from amortised cost to fair value through profit or loss (including acquisition costs remaining to be amortised; in the case of fair value hedges, reclassification unhedged portion only)	(110)	(108)	(2)
Assets (to fair value through profit or loss)	(110)	(108)	(2)
Liabilities (to fair value through profit or loss)	-	-	-
Reclassification from fair value through profit or loss to fair value through other comprehensive income that may be reclassified to profit or loss	(75)	(75)	-
Reclassification from fair value through profit or loss to amortised cost (including fees and commissions remaining to be amortised)	-	-	-
Assets (from fair value through profit or loss - by type or designated)	-	-	-
Liabilities (from fair value through profit or loss - designated)	-	-	-
Impacts on termination of hedges excluding fair value hedges	-	-	-
Recognition of expected credit losses (on financial assets, assets within the field of application of IAS 17 and IFRS 15, off-balance sheet commitments)	(1,192)	(971)	(221)
Reclassification of equity instruments designated at fair value through profit or loss to fair value through other comprehensive income that will not be reclassified to profit or loss	-	-	-
Impact of changes on financial assets/liabilities measured at amortised cost	(63)	(63)	-
Reclassification of designated financial assets applying the overlay approach	**(494)**	**(494)**	-
Reserves excluding equity-accounted entities	**48**	**280**	**(232)**
Reserves on equity-accounted entities	**(66)**	**(66)**	**-**
Reserves on discontinued operations	**-**	**-**	**-**
Impacts on other comprehensive income on items that may be reclassified to profit or loss	***(293)***	***(274)***	***(19)***
Reclassification from Available-for-sale assets to fair value through profit or loss (in the case of fair value hedges, reclassification unhedged portion only)	(1,687)	(1,673)	(14)
Reclassification from Available-for-sale assets to amortised cost (in the case of fair value hedges, reclassification unhedged portion only)	(99)	(99)	-
Reclassification from amortised cost to fair value through other comprehensive income that may be reclassified to profit or loss (in the case of fair value hedges, reclassification unhedged portion only)	362	360	2
Reclassification of equity instruments from Available-for-sale assets to fair value through other comprehensive income that will not be reclassified to profit or loss	500	508	(8)
Reclassification from fair value through profit or loss to fair value through other comprehensive income that may be reclassified to profit or loss	75	75	-
Impacts on termination of hedges excluding fair value hedges	-	-	-
Recognition of expected credit losses on financial assets at fair value through other comprehensive income that may be reclassified to profit or loss	32	31	1
Reclassification of designated financial assets applying the overlay approach	**494**	**494**	-
Other comprehensive income on items that may be reclassified to profit or loss (net of income tax) excluding equity-accounted entities	**(324)**	**(305)**	**(19)**
Other comprehensive income on items that may be reclassified to profit or loss (net of income tax) on equity-accounted entities	**31**	**31**	**-**
Other comprehensive income on items that may be reclassified to profit or loss from discontinued operations	**-**	**-**	**-**
Impact on other comprehensive income on items that will not be reclassified to profit or loss	**(830)**	**(861)**	**31**
Revaluation related to own credit risk on liabilities designated at fair value through profit or loss	(348)	(341)	(7)
Reclassification of equity instruments from Available-for-sale assets to fair value through other comprehensive income that will not be reclassified to profit or loss	(447)	(486)	39
Reclassification of equity instruments designated at fair value through profit or loss to fair value through other comprehensive income that will not be reclassified to profit or loss	-	-	-
Other comprehensive income on items that will not be reclassified to profit or loss (net of income tax) excluding equity-accounted entities	**(796)**	**(827)**	**31**
Other comprehensive income on items that will not be reclassified to profit or loss (net of income tax) on equity-accounted entities	**(33)**	**(33)**	**-**
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	**-**	**-**	**-**
Total - Impact on equity due to initial application of IFRS9	**(1,141)**	**(921)**	**(220)**
Equity at 01/01/2018 - IFRS 9 Standard	**63,565**	**57,135**	**6,430**

[1] *Amounts net of income tax*

CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 Group accounting policies and principles, assessments and estimates applied

1.1 Applicable standards and comparability

Pursuant to EC Regulation no. 1606/2002, the consolidated financial statements have been prepared in accordance with IAS/IFRS standards and IFRIC interpretations applicable at 31 December 2018 and as adopted by the European Union (carve-out version), thus using certain exceptions in the application of IAS 39 on macro-hedge accounting.

These standards and interpretations are available on the European Commission website at:

https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en

The standards and interpretations are the same as those applied and described in the Group's financial statements for the financial year ended 31 December 2017.

They have been supplemented by the IFRS standards as adopted by the European Union at 31 December 2018 and that must be applied for the first time in 2018. These cover the following:

Standards, amendments or interpretations	Date published by the European Union	Date of first-time application: financial years from	Applicable in the Group
IFRS 9 Financial Instruments Replacing IAS 39 - Financial Instruments: classification and measurement, impairment and hedge accounting	22 November 2016 (EU 2016/2067)	1 January 2018	Yes
Amendment to IFRS 4 "Insurance Contracts"/ IFRS 9 "Financial Instruments" Optional approaches for insurance undertakings to manage the gap between the application of IFRS 9 and IFRS 4	3 November 2017 (EU 2017/1988)	1 January 2018	Yes
IFRS 15 "Revenue from contracts with customers" Replacing IAS 11 on the recognition of construction contracts and IAS 18 on the recognition of revenue	22 September 2016 (EU 2016/1905)	1 January 2018	Yes
Amendment to IFRS 15 "Revenue from Contracts with Customers" Clarifications to IFRS 15	31 October 2017 (EU 2017/1987)	1 January 2018	Yes
Improvements to IFRS cycle 2014-2016: - IFRS 12 "Disclosure of Interests in Other Entities" - IAS 28 "Investments in Associates and Joint Ventures" - IFRS 1 "First-time Adoption of International Financial Reporting Standards"	7 February 2018 (EU 2018/182)	1 January 2017 1 January 2018 1 January 2018	Yes Yes No
Amendment to IFRS 2 "Classification and Measurement of Share-based Payment Transactions" Clarifications to IFRS 2	26 February 2018 (EU 2018/289)	1 January 2018	Yes
Amendment to IAS 40 "Investment Property" Clarifications of the principle of transfer, entry to or exit from the Investment Property category	14 March 2018 (EU 2018/400)	1 January 2018	Yes
IFRIC 22 "Foreign Currency Transactions and Advance Consideration" Clarifications to IAS 21 *"Effects of Changes in Foreign Exchange Rates"*	3 April 2018 (EU 2018/519)	1 January 2018	Yes

Accordingly, the Crédit Agricole Group publishes, for the first time from 1 January 2018, its IFRS financial statements under IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from Contracts with Customers" (see chapter 1.2 "Accounting policies and principles").

IFRS 9 "Financial Instruments" replaces IAS 39 "Financial Instruments: Recognition and Measurement". It sets new principles governing the classification and measurement of financial instruments, impairment of credit risk and hedge accounting, excluding macro-hedging transactions.

IFRS 9 is applied retrospective with a mandatory effective date of 1 January 2018 by adjusting the opening balance sheet on the date of first-time application, with no restatement of the 2017 comparative financial statements. Consequently, the assets and liabilities relative to 2017 financial instruments are recognised and measured under IAS 39 as described in the accounting policies and principles presented in the 2017 financial statements.

IFRS 15 "Revenue from Contracts with Customers" will replace IAS 11 "Construction Contracts" and IAS 18 "Revenue", along with all interpretations relating to IFRIC 13 "Customer Loyalty Programs", IFRIC 15 "Agreements for the Construction of Real Estate", IFRIC 18 "Transfers of Assets from Customers" and SIC 31 "Revenue - Barter Transactions involving Advertising Services".

For the first-time application of IFRS 15, the Crédit Agricole Group has chosen the modified retrospective method without comparison with the 2017 financial year. The application of IFRS 15 did not have any material impact on earnings or equity.

Moreover, as long as the early application of standards and interpretations adopted by the European Union is optional for a period, this option is not selected by the Group, unless otherwise stated.

This in particular applies to:

Standards, amendments or interpretations	Date published by the European Union	Date of first-time mandatory application: financial years from	Applicable in the Group
Amendment to IFRS 9 "Financial Instruments" Options for early redemption with negative penalty	22 March 2018 (EU 2018/498)	1 January 2019[1]	Yes
IFRS 16 "Leases" Replacing IAS 17 on the recognition of leases	31 October 2017 (EU 2017/1986)	1 January 2019	Yes
IFRIC 23 Uncertainty over Income Tax Treatments Clarification of IAS 12 on measuring and recognising a tax asset or liability when there is uncertainty as to the application of tax legislation	23 October 2018 (EU 2018/1595)	1 January 2019	Yes

[1]The Group decided to apply the amendment to IFRS 9 early from 1 January 2018

IFRS 16 "Leases" will supersede IAS 17 and all related interpretations (IFRIC 4 "Determining whether an arrangement Contains a Lease", SIC 15 "Operating Leases - Incentives" and SIC 27 "Evaluating the Substance of Transactions in the Legal Form of a Lease"). It will apply to reporting periods beginning 1 January 2019.

The main change made by IFRS 16 relates to accounting for lessees. IFRS 16 will call for a model in respect of lessees that recognises all leases on the balance sheet, with a lease liability on the liability side representing commitments over the life of the lease and on the asset side, an amortisable right-to-use.

In 2017, Crédit Agricole S.A. Group began taking steps to implement IFRS 16 within the required timeframe, incorporating the Accounting, Finance, Risk and Purchasing functions. An initial study on the impact of the application of the standard on the Group was undertaken in the second half of 2017 on the basis of the financial statements at 31 December 2016. All this work continued in 2018. The Group finalised its key options pertaining to the interpretation of the standard, decided upon the IT solutions needed to allow the processing of the data from all Group leases and in the second half estimated the impact on the basis of the financial statements at 31 December 2017.

The Group will apply the modified retrospective approach in accordance with IFRS 16 C5 (b), recognising the cumulative effect of initial application on the date of transition (1 January 2019). As a result, the Group does not expect IFRS 16 to have a significant impact on its equity. The Group elected to use the two recognition exemptions allowed under the standard for the following leases:

- Short-term leases ;
- Low value asset leases.

The standards and interpretations published by the IASB at 31 December 2018 but not yet adopted by the European Union are not applied by the Group. They will become mandatory only as from the date planned by the European Union and have not been applied by the Group at 31 December 2018.

This concerns IFRS 17 in particular:

IFRS 17 (“Insurance Contracts”) will replace IFRS 4. It will apply to reporting periods beginning 1 January 2021 subject to adoption by the European Union. It sets out the new measurement and recognition principles for insurance contract liabilities and evaluation of their profitability, in addition to their presentation. In 2017, scoping work began on the implementation project in order to identify the challenges and impacts of the standard on the Group's insurance subsidiaries. This work will continue until the standard comes into effect.

In addition, a number of amendments were published by the IASB, which do not significantly impact the Group and which apply subject to their adoption by the European Union. This involved the amendments to IAS 12 Income taxes, IAS 23 Borrowing Costs, IFRS 3/IFRS 11 Business Combinations/Construction Contracts, IAS 19 Employee Benefits and IAS 28 Investments in Associates applicable at 1 January 2019, and an amendment to IAS 1/IAS 8 Presentation of Financial Statements/Accounting Policies, Changes in Accounting Estimates and Errors applicable at 1 January 2020.

1.3 Accounting policies and principales

USE OF ASSESSMENTS AND ESTIMATES TO PREPARE THE FINANCIAL STATEMENTS

Estimates made to draw up the financial statements are by nature based on certain assumptions and involve risks and uncertainties as to whether they will be achieved in the future.

- Future results may be influenced by many factors, including:
- activity in domestic and international financial markets ;
- fluctuations in interest and foreign exchange rates;
- the economic and political climate in certain industries or countries;
- changes in regulations or legislation

This list is not exhaustive.

- Accounting estimates based on assumptions are principally used in the following assessments:
- financial instruments measured at faire value;
- investments in non-consolidated companies;
- pension schemes and other post-employment benefits;
- stock option plans;
- long-term impairment of available-for-sale financial assets and held-to-maturity financial assets;
- impairment of loans;
- provisions;
- impairment of goodwill;
- deferred tax assets;
- valuation of equity-accounted entities;
- policyholders' deferred profit sharing.

The procedures for the use of assessments or estimates are described in the relevant sections below.

1.3.1 FINANCIAL INSTRUMENTS (IFRS 9, IAS 39 AND IAS 32)

Definitions

IAS 32 defines a financial instrument as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity, meaning any contract representing contractual rights or obligations to receive or pay cash or other financial assets.

Derivative instruments are financial assets or liabilities whose value changes according to that of an underlying asset, which requires a low or nil initial investment, and for which settlement occurs at a future date.

Financial assets and liabilities are treated in the financial statements in accordance with IFRS 9 as adopted by the European Union, including for financial assets held by the Group's insurance entities.

IFRS 9 sets the principles governing the classification and measurement of financial instruments, impairment of credit risk and hedging accounting, excluding macro-hedging transactions.

It should nevertheless be noted that the Crédit Agricole S.A. Group has opted not to apply the IFRS 9 general hedging model. All hedging relationships consequently remain within the scope of IAS 39 pending future provisions relating to macro-hedging.

Conventions for valuing financial assets and liabilities

Initial valuation

During their initial recognition, financial assets and liabilities are measured at fair value as defined by IFRS 13.

Fair value as defined by IFRS 13 corresponds to the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants, on the principal or the most advantageous market, at the measurement date.

Subsequent valuation

After initial recognition, financial assets and liabilities are measured according to their classification either at amortised cost using the effective interest rate method (EIR) or at fair value as defined by IFRS 13. For derivative instruments, they are always measured at their fair value.

Amortised cost corresponds to the amount at which the financial asset or liability is measured during its initial recognition, including transaction costs directly attributable to its acquisition or issue, reduced by repayments of principal, increased or reduced by the cumulative amortisation calculated by the effective interest rate method (EIR) on any difference (discount or premium) between the initial amount and the amount at maturity. In the case of a financial asset, the amount is adjusted if necessary in order to correct for impairment.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to obtain the net carrying amount of the financial asset or financial liability.

Financial assets

Classification and measurement of financial assets

Non-derivative financial assets (debt or equity instruments) are classified on the balance sheet in accounting categories that determine their accounting treatment and their subsequent valuation mode. These financial assets are classified in one of the following three categories:

- financial assets at fair value through profit or loss;
- financial assets at amortised cost ;
- financial assets at fair value through other comprehensive income.
- The criteria for the classification and valuation of financial assets depends on the nature of the financial assets, according to whether they are qualified as:
- debt instruments (i.e. loans and fixed or determinable income securities); or
- equity instruments (i.e. shares).

Debt instruments

The classification and valuation of a debt instrument depends on the combination of two criteria: the business model and the analysis of the contractual terms, unless the fair value option is used.

  - The three business models

The business model represents the strategy followed by the management of the Crédit Agricole S.A. Group for managing its financial assets in order to achieve its objectives. The business model is specified for a portfolio of assets and does not constitute a case-by-case intention for an isolated financial asset.

We distinguish three business models:

- the collection only model for which the aim is to collect contractual cash flows over the lifetime of the assets; this model does not always imply holding all of the assets until their contractual maturity; however, sales of assets are strictly governed;
- the mixed model where the aim is to collect the contractual cash flows over the lifetime of the assets and to sell the assets; under this model, both the sale of the financial assets and receipt of cash flows are essential; and
- the selling only model, where the main aim is to sell the assets.

In particular, it concerns portfolios where the aim is to collect cash flows via sales, portfolios whose performance is assessed based on fair value and portfolios of financial assets held for trading.

- The contractual terms ("Solely Payments of Principal & Interest" [SPPI] test):

SPPI testing combines a set of criteria, examined cumulatively, to establish whether contractual cash flows meet the characteristics of simple financing (principal repayments and interest payments on the remaining amount of principal due).

The test is satisfied when the financing gives entitlement only to the repayment of the principal and when the payment of interest received reflects the time value of money, the credit risk associated with the instrument, the other costs and risks of a conventional loan contract and a reasonable margin, whether the interest rate is fixed or variable.

In simple financing, interest represents the cost of the passage of time, the price of credit and liquidity risk over the period, and other components related to the cost of carrying the asset (e.g. administrative costs).

In some cases, when qualitative analysis of this nature does not allow a conclusion to be made, quantitative analysis (or benchmark testing) is carried out. This additional analysis consists of comparing the contractual cash flows of the asset under review with the cash flows of a benchmark asset.

If the difference between the cash flows of the financial asset and the benchmark asset is considered immaterial, the asset is deemed to be simple financing.

Moreover, specific analysis is conducted when the financial asset is issued by special purpose entities establishing a differentiated order of payment among the holders of the financial assets by contractually linking multiple instruments and creating concentrations of credit risk ("tranches").

Each tranche is assigned a rank of subordination that specifies the order of distribution of cash flows generated by the structured entity.

In this case, the SPPI test requires an analysis of the characteristics of contractual cash flows of the asset concerned and underlying assets according to the "look-through" approach and the credit risk borne by the tranches subscribed compared to the credit risk of the underlying assets.

The mode of recognition of debt instruments resulting from qualification of the business model combined with the SPPI test may be presented in the following diagram:

Debt instrument		**Business models**		
		Collection only	**Mixed**	**Selling only**
SPPI test	**Satisfied**	Amortised cost	Fair value through other comprehensive income (items that can be reclassified)	Fair value trhough profit or loss
	Non satisfied	Fair value through profit or loss	Fair value through profit or loss	Fair value through profit or loss

- Debt instruments at amortised cost

Debt instruments are measured at amortised cost if they are eligible for the collection model and if they pass the SPPI test.

They are recorded at the settlement date and their initial valuation also includes accrued interest and transaction costs.

This category of financial assets is impaired under the conditions described in the specific paragraph "Provisioning for credit risks".

- Debt instruments at fair value through other comprehensive income (items that can be reclassified)

Debt instruments are measured at fair value through other comprehensive income on items that can be reclassified if they are eligible for the mixed model and if they pass the SPPI test.

They are recorded at the trade date and their initial valuation also includes accrued interest and transaction costs.

Amortisation of any premiums or discounts and transaction costs on fixed-income securities is recognised in the income statement using the effective interest rate method.

These financial assets are subsequently measured at fair value, with changes in fair value recorded in other comprehensive income on items that can be reclassified and offset against the outstandings account (excluding accrued interest recognised in profit or loss according to the effective interest rate method).

If the securities are sold, these changes are transferred to the income statement.

This category of financial instruments is impaired under the conditions described in the specific paragraph "Provisions for credit risks" (without this affecting the fair value on the balance sheet).

- Debt instruments at fair value through profit or loss

Debt instruments are measured at fair value through profit or loss in the following cases:

- the instruments are classified in portfolios composed of financial assets held for trading or for which the main objective is disposal ;

Financial assets held for trading are assets acquired or generated by the enterprise primarily with the aim of disposal in the short term or which are included in a portfolio of financial instruments managed as a unit and with the purpose of making a profit from short term price fluctuations or an arbitrage margin. Although contractual cash flows are received during the period that the Crédit Agricole S.A. Group holds the assets, the collection of these contractual cash flows is not essential but ancillary.

- debt instruments that do not fulfil the criteria of the SPPI test. This is notably the case of UCITS ;
- financial instruments classified in portfolios which the Crédit Agricole S.A. Group designates at fair value in order to reduce an accounting treatment difference on the income statement. In this case, the instrument is classified as designated at fair value through profit or loss.

Financial assets measured at fair value through profit or loss are initially recognised at fair value, excluding transaction costs (directly recorded to profit or loss) and including accrued interest.

They are subsequently measured at fair value and changes in fair value are recognised in profit or loss, under Revenues, offset against the outstandings account.

This category of financial assets is not impaired.

Debt instruments measured by definition at fair value through profit or loss are recorded on the settlement date.

Debt instruments designated at fair value through profit or loss are recorded on the trade date.

- Equity instruments issued

Equity instruments are by default recognised at fair value through profit or loss, except in the case of the irrevocable option for classification at fair value through other comprehensive income on items that cannot be reclassified, providing that these instruments are not held for trading purposes.

- Equity instruments at fair value through profit or loss

Financial assets measured at fair value through profit or loss are initially recognised at fair value, excluding transaction costs (directly recorded to profit or loss). They are recorded at the settlement date.

They are subsequently measured at fair value and changes in fair value are recognised in profit or loss, under Revenues, offset against the outstandings account.

This category of financial assets is not impaired.

- Equity instruments at fair value through other comprehensive income on items that cannot be reclassified (irrevocable option)

The irrevocable option to recognise equity instruments at fair value through other comprehensive income on items that cannot be reclassified is adopted at the transactional level (line by line) and applies from the date of initial recognition. These securities are recorded at the trade date.

The initial fair value includes transaction costs.

During subsequent valuations, changes in fair value are recognised in other comprehensive income on items that cannot be reclassified. In case of disposal, these changes are not reclassified to profit or loss. The gain or loss on disposal is recognised in other comprehensive income.

Only dividends are recognised in profit or loss.

Reclassification of financial assets

In the case of a significant change in the business model used for managing financial assets (new activity, acquisition of entities, disposal or discontinuation of a significant activity), a reclassification of these financial assets is necessary. The reclassification applies to all financial assets in the portfolio from the date of reclassification.

In other cases, the business model remains unchanged for existing financial assets. If a new business model is identified, it applies prospectively to new financial assets grouped in a new management portfolio.

Temporary investments in/disposals of securities

Temporary disposals of securities (loans of securities, securities delivered under repurchase agreements) do not generally fulfil the conditions for derecognition.

Securities lent or sold under repurchase agreements remain on the balance sheet. In the case of securities under repurchase agreements, the amounts received, representing the liability to the transferee, are recognised on the liabilities side of the balance sheet by the transferor.

Securities borrowed or received under repurchase agreements are not recognised on the balance sheet of the transferee.

In the case of securities under repurchase agreements, a debt to the transferor is recorded on the balance sheet of the transferee and offset against the amount paid. If the security is subsequently resold, the transferee records a liability equivalent to the fair value of fulfilling their obligation to return the security received under the agreement.

Revenue and expenses relating to such transactions are posted to profit and loss on a prorata temporis basis, except in the case of classification of assets and liabilities at fair value through profit or loss.

Derecognition of financial assets

A financial asset (or group of financial assets) is fully or partially derecognised if:

- The contractual rights to the cash flows from the financial asset expire;

- or are transferred or are deemed to have expired or been transferred because they belong de facto to one or more beneficiaries; and substantially all the risks and rewards of the financial asset are transferred.

In this case, any rights or obligations created or retained at the time of transfer are recognised separately as assets and liabilities.

If the contractual rights to the cash flows are transferred but some of the risks and rewards of ownership as well as control are retained, the financial assets continue to be recognised to the extent of the Group's continuing involvement in the asset.

Financial assets renegotiated for commercial reasons without financial difficulties of the counterpart with the aim of developing or keeping a commercial relation are derecognised at the date of the renegotiation. The new loans granted to customers are recorded at this date at their fair value on the date of renegotiation. Subsequent recognition depends on the business model and the SPPI test.

Interets paid by the Government (IAS 20)

Under French Government measures to support the agricultural and rural sector and to help home buyers, certain Crédit Agricole S.A. Group entities grant subsidised loans at rates fixed by the Government. Consequently, the Government pays these entities the difference between the subsidised lending rate and a predetermined benchmark rate. Thus, the loans that benefit from these subsidies are granted at market rates.

The subsidy system is periodically reviewed by the Government.

In accordance with IAS 20, subsidies received from the Government are recorded in profit or loss under Interest and similar income and spread over the life of the corresponding loans.

Overlay approach applicable to insurance activities

The Crédit Agricole S.A. Group uses the overlay approach for financial assets held for the purposes of an activity related to insurance contracts, which are designated in accordance with the option offered by the amendments to IFRS 4 "Applying IFRS 9 'Financial Instruments' with IFRS 4 'Insurance Contracts'", published by the IASB in September 2016.

This approach aims to remedy the temporary accounting consequences of the discrepancy between the date of entry into force of IFRS 9 and that of the new standard on insurance contracts replacing IFRS 4 (IFRS 17). This has the effect of eliminating from the income statement part of the additional accounting mismatch and the temporary volatility which could be caused by application of IFRS 9 before the entry into force of IFRS 17.

Eligible financial assets are designated instrument by instrument, and this may be done:

- at 1 January 2018, during the initial application of IFRS 9; or
- subsequently, but only at the time of the initial recognition of the assets in question.

In application of the overlay approach, the Crédit Agricole S.A. Group reclassifies, for designated financial assets only, their impact in the income statement under other comprehensive income such that the amount presented in the income statement corresponds to that which would have been presented in the income statement if IAS 39 had been applied.

Consequently, the amount reclassified is equal to the difference between:

- the amount presented in net income under IFRS 9 for designated financial assets; and
- the amount that would have been presented in net income for designated financial assets if the insurer had applied IAS 39.

In the income statement, the effects of this reclassification are recognised in revenues, before tax effects, on the line "Reclassification of net gains or losses on financial assets related to the overlay approach". The tax effects related to this reclassification are presented on the line "Income tax charge".

In the statement of other comprehensive income, the effects of this reclassification are recognised as net gains and losses recognised directly in other comprehensive income (items that can be reclassified) on the line "Reclassification of net gains or losses on financial assets related to the overlay approach".

The financial assets that may be designated must fulfil the following characteristics:

- they are held by insurers within the Group for purposes of the insurance activity;
- they are measured at fair value through profit or loss under IFRS 9 but would not have been measured in this way under IAS 39; they are financial assets which, under IAS 39 would have been recognised at amortised cost (assets held to maturity, loans and receivables) or at fair value through other comprehensive income (available-for-sale financial assets).

Evaluation of the impact of the designated financial assets on the income statement

Pursuant to the overlay approach, the Crédit Agricole S.A. Group continues to apply the accounting policies and principles that the Group applied under IAS 39 for the recognition of profit or loss from designated financial assets:

- Financial assets at amortised cost under IAS 39

Financial assets at amortised cost are initially recognised at their initial fair value, including directly-attributable transaction costs and accrued interest.

They are subsequently measured at amortised cost with amortisation of any premium or discount and transaction costs using the corrected effective interest rate method.

- Available-for-sale financial assets under IAS 39

Available-for-sale financial assets are initially recognised at initial fair value, including transaction costs that are directly attributable to the acquisition, and accrued interest.

Available-for-sale financial assets are later measured at fair value and subsequent changes in fair value are recorded in other comprehensive income.

If the securities are sold, these changes are transferred to the income statement.

Amortisation of any premiums or discounts and transaction costs on fixed-income securities is recognised in the income statement using the effective interest rate method.

- Depreciation of designated financial assets under IAS 39

Impairment must be recognised when there is objective evidence of impairment resulting from one or more events occurring after the initial recognition of the financial asset.

Objective evidence of loss corresponds to a prolonged or significant decline in the value of the security for equity securities or the appearance of significant deterioration in credit risk evidenced by a risk of non-recovery for debt securities.

For equity securities, Crédit Agricole S.A. Group uses quantitative criteria as indicators of potential impairment. These quantitative criteria are mainly based on a loss of 30% or more of the value of the equity instrument over a period of six consecutive months. Crédit Agricole S.A. Group may also take account of other factors such as financial difficulties of the issuer, or short term prospects, etc.

Notwithstanding the above-mentioned criteria, Crédit Agricole S.A. Group recognises an impairment loss when there is a decline in the value of the equity instrument higher than 50% or prolonged over three years.

Financial liabilities

Classification and measurement of financial liabilities

Financial liabilities are classified on the balance sheet in the following two accounting categories:

- financial liabilities at fair value through profit or loss, either due to their nature or optionally;
- financial liabilities at amortised cost.

Financial liabilities at fair value through profit or loss due to their nature

Financial instruments issued primarily to be bought back in the short term, instruments forming part of an identified portfolio of financial instruments which are managed together and which have indications of a recent profile of short-term profit-taking, and derivatives (with the exception of certain hedging derivatives) are measured at fair value due to their nature.

Changes in the fair value of this portfolio are recognised through profit or loss.

Financial liabilities designated at fair value through profit or loss

Financial liabilities fulfilling one of the three conditions defined by the standard may be designated for measurement at fair value through profit or loss: for hybrid issues comprising one or more separable embedded derivatives, in order to reduce or eliminate the distortion of accounting treatment, or in the case of groups of managed financial liabilities for which performance is measured at fair value.

This option is irrevocable and applies mandatorily from the date of initial recognition of the instrument.

During subsequent measurement, these financial liabilities are measured at fair value through profit or loss for changes in fair value not related to own credit risk and through other comprehensive income on items that cannot be reclassified for changes in value related to own credit risk, unless this aggravates an accounting mismatch.

Financial liabilities measured at amortised cost

All other liabilities fulfilling the definition of a financial liability (excluding derivatives) are measured at amortised cost.

These liabilities are initially measured at fair value (including transaction income and costs) and subsequently at amortised cost using the effective interest rate method.

Deposits and savings accounts

Deposits and savings accounts are recorded under the category "Financial liabilities at amortised cost – Due to customers" in spite of the characteristics of the collection system within the Crédit Agricole S.A. Group, with deposits originating from the Regional Banks centralised at Crédit Agricole S.A. For the Group, the ultimate counterparty for these deposits is the end customer.

The deposits and savings are initially measured at fair value and subsequently at amortised cost.

Regulated savings products are by nature deemed to be at market rates.

Provisions are taken where necessary against home purchase savings plans and accounts as set out in Note 6.18 "Provisions".

Reclassification of financial liabilities

The initial classification of financial liabilities is irrevocable. No subsequent reclassification is authorised.

Only requalification (debt instrument versus equity instrument) may take place.

Distinction between debt instruments and equity

Securities are classed as debt instruments or equity instruments based on the economic substance of the contractual terms.

A financial liability is a debt instrument if it includes a contractual obligation: Securities are classed as debt instruments or equity instruments based on the economic substance of the contractual terms.

A financial liability is a debt instrument if it includes a contractual obligation:

to provide another entity with cash, another financial asset or a variable number of equity instruments; or

to exchange financial assets and liabilities with another entity at potentially unfavourable conditions.

An equity instrument is a non-redeemable financial instrument which offers discretionary return representing a residual interest in a company after deduction of all its financial liabilities (net assets) and which is not qualified as a debt instrument.

Treasury share buyback

Treasury shares or equivalent derivative instruments such as options on shares bought by the Crédit Agricole S.A. Group with a fixed strike ratio, including shares held to cover stock option plans, do not meet the definition of a financial asset and are deducted from equity. They do not generate any impact on the income statement.

Derecognition and modification of financial liabilities

A financial liability is derecognised in full or in part:

- when it is extinguished; or
- when quantitative or qualitative analyses suggest it has undergone a substantial change following restructuring.

A substantial modification of an existing financial liability must be recorded as an extinction of an initial financial liability and the recognition of a new financial liability (novation). Any differential between the carrying amount of the extinct liability and the new liability will be recognised immediately in the income statement.

If the financial liability is not derecognised, the original effective interest rate is maintained. A discount/premium is recognised immediately in the income statement on the date of modification and is then spread, using the original effective interest rate, over the residual lifetime of the instrument.

Provisions for credit risks

Scope of application

In accordance with IFRS 9, the Crédit Agricole S.A. Group recognises a correction for changes in value for expected credit losses (ECL) on the following outstandings:

- financial assets of debt instruments recognised at amortised cost or fair value through other comprehensive income (items that can be reclassified) (loans and receivables, debt securities);
- financing commitments which are not measured at fair value through profit or loss;
- guarantee commitments coming under IFRS 9 and which are not measured at fair value through profit or loss;
- rental receivables coming under IAS 17; and

- trade receivables generated by transactions under IFRS 15.

Equity instruments (at fair value through profit or loss or through other comprehensive income on items that cannot be reclassified) are not concerned by impairment provisions.

Derivative instruments and other instruments at fair value through profit or loss are subject to the calculation of counterparty risk which is not covered by the ECL model. This calculation is described in chapter 5 "Risk factors and Pillar 3" of the Crédit Agricole S.A. Registration Document.

Credit risk and provisioning stages

Credit risk is defined as risk of loss related to default by a counterparty leading to its inability to meet its commitments to the Group.

The process of provisioning credit risk has three stages (Buckets):

bucket 1: upon initial recognition of the financial instrument (credit, debt security, guarantee, etc.), the entity recognises the 12-month expected credit losses;

bucket 2: if the credit quality deteriorates significantly for a given transaction or portfolio, the entity recognises the losses expected to maturity;

bucket 3: when one or more default events have occurred on the transaction or on a counterparty with an adverse effect on the estimated future cash flows, the entity recognises incurred credit losses to maturity. Subsequently, if the conditions for classifying financial instruments in bucket 3 are not met, the financial instruments are reclassified in bucket 2, then in bucket 1 according to the subsequent improvement in the quality of the credit risk.

Definition of default

The definition of default for the requirements of ECL provisioning is identical to that used in management and for the calculation of regulatory ratios. A debtor is, therefore, considered to be in default when at least one of the following conditions has been met:

- a payment generally more than ninety days past due, unless specific circumstances point to the fact that the delay is due to reasons independent of the debtor's financial situation;
- the entity believes that the debtor is unlikely to settle its credit obligations unless it avails itself of certain measures such as enforcement of collateral security right.

The definition of "default" is applied uniformly to all financial instruments, unless information becomes available indicating that another definition of "default" is more suitable for a specific financial instrument.

A loan in default (Bucket 3) is said to be impaired when one or more events occur which have a negative effect on the estimated future cash flows from this financial asset. Indications of impairment of a financial asset cover observable data on the following events:

- significant financial difficulties of the issuer or borrower;
- a breach of contract, such as default or overdue payment;
- the granting, by the lender(s) to the borrower, for economic or contractual reasons related to financial difficulties of the borrower, of one or more favours that the lender(s) would not have considered under other circumstances;
- the growing probability of bankruptcy or financial restructuring of the borrower;
- the disappearance of an active market for the financial asset due to financial difficulties;
- the purchase or creation of a financial asset with a significant discount, which reflects the credit losses suffered.

It is not necessarily possible to isolate a particular event. The impairment of the financial asset could result from the combined effect of several events.

On the Large Customers scope: the defaulting counterparty does not return to a sound situation until it has completely regularised the delay recorded and the other elements triggering the default (elimination of default for the parent company, elimination of an alert leading to default, etc.).

On the retail banking scope: loans in default only return to non-default status after full settlement of unpaid amounts.

Definition of expected credit loss ("ECL")

ECL is defined as the weighted expected probable value of the discounted credit loss (principal and interest). It represents the present value of the difference between the contractual cash flows and the expected cash flows (including principal and interest).

The ECL approach is designed to anticipate as early as possible the recognition of expected credit losses.

ECL governance and measurement

The governance of the system for measuring IFRS 9 parameters is based on the structure implemented as part of the Basel framework. The Group's Risk Management Department is responsible for defining the methodological framework and supervising the loan loss provisioning system.

The Group primarily relies on the internal rating system and current Basel processes to generate the IFRS 9 parameters required to calculate ECL. The assessment of the change in credit risk is based on an expected loss model and extrapolation based on reasonable scenarios. All information that is available, relevant, reasonable and justifiable, including of a forward-looking nature, must be retained.

The formula includes the probability of default, loss given default and exposure at default parameters.

These calculations are broadly based on the internal models used as part of the regulatory framework, but with adjustments to determine an economic ECL. IFRS 9 recommends a Point in Time analysis while having regard to historical loss data and forward-looking macroeconomic data, whereas the prudential regulation uses Through the Cycle analysis for probability of default and Downturn analysis for Loss Given Default (LGD).

The accounting approach also requires the recalculation of certain Basel parameters, in particular to eliminate internal recovery costs or floors that are imposed by the regulator in the regulatory calculation of loss given default (LGD).

ECLs are calculated according to the type of product concerned, i.e. financial instruments or off-balance sheet instruments.

The expected credit losses for the coming 12 months make up a percentage of the lifetime expected credit losses, and represent the lifetime cash flow shortfalls in the event of a default during the 12 months following the reporting period (or a shorter period if the expected lifetime of the financial instrument is less than 12 months), weighted by the probability of default.

Expected credit losses are discounted at the effective interest rate used for the initial recognition of the financial instrument.

The IFRS 9 parameters are measured and updated in accordance with the methodologies defined by the Group and thus enable the establishment of a first benchmark provisioning level or shared base.

The models and parameters used are backtested at least annually.

Forward-looking macroeconomic data are taken into account in accordance with a methodological framework applicable at two levels:

- at Group level for the determination of a shared framework for the consideration of forward-looking data in the estimation of PD and LGD parameters over the transaction amortisation period;
- at the level of each entity in respect of its own portfolios.

Significant deterioration of credit risk

All Group entities must assess, for each financial instrument, the deterioration of credit risk from origination to each reporting date. Based on this assessment of the change in credit risk, the entities must classify their exposure into different risk categories (Buckets).

To assess significant deterioration, the Group employs a process based on two levels of analysis:

- the first level is based on absolute and relative Group criteria and rules that apply to all Group entities;
- the second level is linked to the expert assessment, based on local forward-looking information, of the risk held by each entity in its portfolios that may lead to an adjustment in the Group Bucket 2 reclassification criteria (switching a portfolio or sub-portfolio to ECL at maturity).

Each financial instrument is, without exception, assessed for significant deterioration. Contagion is not required for the downgrading of financial instruments of the same counterparty from Bucket 1 to Bucket 2. The significant deterioration assessment must consider the change in credit risk of the principal debtor without taking account of any guarantee, including for transactions with a shareholder guarantee.

Possible losses in respect of portfolios of small loans with similar characteristics may be estimated on a statistical basis rather than individually assessed.

To measure the significant deterioration of credit risk since initial recognition, it is necessary to look back at the internal rating and PD (probability of default) at origination.

Origination means the trading date, on which the entity became bound by the contractual terms of the financial instrument. For financing and guarantee commitments, origination means the date on which the irrevocable commitment was made.

In the absence of an internal rating model, Crédit Agricole Group uses the absolute threshold of non-payment for over thirty days as the maximum threshold for significant deterioration and classification in Bucket 2.

For outstandings (with the exception of securities) for which internal rating systems are in place (in particular exposures monitored by authorised methods), Crédit Agricole Group considers that all of the information incorporated into the rating systems allows for a more detailed assessment than the non-payment for over thirty days criterion alone.

If deterioration since origination is no longer observed, impairment may be reduced to 12-month expected credit losses (Bucket 1)

To make up for the fact that certain significant deterioration factors or indicators may not be identifiable at instrument level, the standard allows for the assessment of significant deterioration at financial instrument portfolio level, or for groups of portfolios or parts of portfolios.

Portfolios can be created for the collective assessment of deterioration for instruments that share common characteristics, such as:

- instrument type;
- credit risk rating (including internal Basel II rating for entities with an internal ratings system);
- collateral type;
- date of initial recognition;
- remaining term until maturity;
- business sector;
- geographical location of the borrower;
- the value of collateral relative to the financial assets, if this has an impact on the probability of default (for example, non-recourse loans in certain countries or loan-to-value ratios);
- distribution channel, purpose of financing, etc.

Differentiation of significant deterioration by market is therefore possible (home loans, consumer finance, loans to farmers or small businesses, corporate finance, etc.).

The grouping of financial instruments for the purposes of collective credit risk assessment may change over time, as new information becomes available.

For securities, Crédit Agricole S.A. Group uses an approach that consists of applying an absolute level of credit risk, in accordance with IFRS 9, below which exposures are classified in Bucket 1 and provisions are made based on 12-month ECL.

As such, the following rules shall apply for monitoring the significant deterioration of securities:

- "Investment Grade" securities, at the reporting date, are classified in Bucket 1 and provisions are made based on 12-month ECL;
- "Non-Investment Grade" securities (NIG), at the reporting date, must be subject to monitoring for significant deterioration, since origination, and be classified in Bucket 2 (lifetime ECL) in the event of significant deterioration in credit risk.

Relative deterioration must be assessed prior to the occurrence of a known default (Bucket 3).

Restructuring due to financial difficulty

Debt instruments restructured due to financial difficulties are those for which the Group has amended the original financial terms (interest rate, term) for economic or legal reasons linked to the financial difficulties of the borrower, under conditions that would not have been considered under other circumstances. As such, these can be any debt instruments, regardless of the security's credit risk deterioration category since initial recognition.

In accordance with the EBA (European Banking Authority) definition as stated in the "Risk Factors" Chapter of the Crédit Agricole S.A. Registration Document, loan restructuring corresponds to any amendments made to one or more credit agreements, as well as refinancings granted due to financial difficulties experienced by the client.

This definition of restructuring must be applied to each agreement and not at client level (no contagion).

The definition of loans restructured due to financial difficulty is therefore comprised of two cumulative criteria :

- amendments to agreements or loan refinancings;
- a client in financial difficulty.

"Amendments to agreements" cover the following example situations:

- there is a difference between the amended agreement and the former conditions of the agreement, to the benefit of the borrower;
- the amendments made to the agreement result in more favourable conditions for the borrower, from which other customers of the bank, with a similar risk profile and at the same time, do not benefit.

"Refinancings" cover situations in which a new debt is granted to the client to enable it to repay in full or in part another debt for which it cannot meet the contractual terms and conditions due to its financial position.

The restructuring of a loan (whether performing or in default) infers the presumed existence of a proven risk of loss (Bucket 3). The need to recognise impairment on the restructured exposure must therefore be analysed accordingly (a restructuring does not automatically result in the recognition of impairment for proven losses or classification as default).

The "restructured loan" classification is temporary.

Once the restructuring, as defined by the EBA, has been completed, the exposure maintains this "restructured" status for a minimum period of two years, if the exposure was normal at the time of restructuring, or a minimum period of three years if the exposure was in default at the time of the restructuring. These periods are extended in the event of the occurrence of certain events provided for by the Group's standards (e.g. further incidents).

In the absence of derecognition, the reduction of future cash flows granted to a counterparty, or the postponing of these flows as part of a restructuring, shall result in the recognition of a discount in the cost of risk.

The restructuring discount is equal to the difference between:

- the carrying amount of the loan;
- and the sum of the "restructured" future cash flows discounted at the effective interest rate at origination.

In the event of a waiver of part of the capital, this amount shall constitute a loss to be recorded in cost of risk.

Upon reversal of the discount, the portion associated with the passage of time is recorded in revenues.

Accounts uncollectible

When a loan is deemed uncollectible, i.e. when it cannot be recovered in full or in part, the amount deemed uncollectible must be derecognised from the balance sheet and written off.

The decision as to when to write off a loan is taken on the basis of an expert opinion. This must therefore be established by each entity, with its Risk Management Department, according to its own business knowledge. Before any write-offs, a Bucket 3 provision must be made (with the exception of assets at fair value through profit or loss).

For loans at amortised cost or fair value through other comprehensive income on items that can be reclassified, the amount written off is recorded under cost of risk (nominal amount) and revenues (interest).

Derivative financial instruments

Classification and measurement

Derivative instruments are financial assets or liabilities classified by default as derivative instruments held-for-trading unless they can be considered to be hedging derivatives.

They are recorded on the balance sheet at their initial fair value on the trading date.

They are subsequently recognised at their fair value.

At the end of each reporting period, the counterparty of the change in fair value of derivatives on the balance sheet is recorded:

- through profit or loss for derivative instruments held-for-trading and for fair value hedges;
- through other comprehensive income for cash flow hedging derivatives and net investments in foreign operations for the effective portion of the hedge.

Hedge accounting

GENERAL FRAMEWORK

In accordance with a decision made by the Group, Crédit Agricole S.A. Group chooses not to apply the "hedge accounting" component of IFRS 9, as permitted by the standard. All hedging relationships will continue to be documented in accordance with the rules of IAS 39 until, at the latest, the date on which the fair value macro-hedging text is adopted by the European Union. However, the eligibility of financial instruments for hedge accounting under IAS 39 takes into account the IFRS 9 principles for the classification and measurement of financial instruments.

Under IFRS 9, and taking account of the IAS 39 hedging principles, debt instruments at amortised cost or fair value through other comprehensive income (items that may be reclassified) are eligible for fair value hedging and cash flow hedging.

Documentation

Hedging relationships must comply with the following principles:

- fair value hedges are intended to provide protection from exposure to changes in the fair value of an asset or a liability that has been recognised, or of a firm commitment that has not been recognised, attributable to the risk(s) hedged and that may have an impact on net income (for instance, the hedging of all or some changes in fair value caused by the interest rate risk of a fixed-rate debt);
- cash flow hedges are intended to provide protection from exposure to changes in the future cash flow of an asset or liability that has been recognised, or of a transaction considered to be highly probable, attributable to the risk(s) hedged and that could (in the event of a planned transaction not carried out) have an impact on net income (for instance, the hedging of changes in all or some of the future interest payments on a floating-rate debt);
- net investment hedges in foreign operations are intended to provide protection against the risk of unfavourable changes in fair value associated with the foreign exchange risk of an investment carried out abroad in a currency other than the euro, Crédit Agricole S.A. Group's presentation currency.

Hedges must also meet the following criteria in order to be eligible for hedge accounting :

- the hedging instrument and the instrument hedged must be eligible;
- there must be formal documentation from inception, primarily including the individual identification and characteristics of the hedged item, the hedging instrument, the nature of the hedging relationship and the nature of the hedged risk;
- the effectiveness of the hedge must be demonstrated, at inception and retrospectively, by testing at each reporting date.

For interest rate hedges for a portfolio of financial assets or financial liabilities, Crédit Agricole S.A. Group documents the hedging relationship for fair value hedges in accordance with the carve-out version of IAS 39 as adopted by the European Union. In particular:

- the Group documents these hedging relationships based on its gross position in derivative instruments and hedged items;
- the effectiveness of the hedging relationships is measured by maturity schedules.

Further details on the Group's risk management strategy and its application are presented in Chapter 5 "Risk factors and Pillar 3".

Measurement

The remeasurement of the derivative at fair value is recorded in the financial statements as follows:

- fair value hedges: the change in value of the derivative is recognised in the income statement symmetrically with the change in value of the hedged item in the amount of the hedged risk. Only the net amount of any ineffective portion of the hedge is recognised in the income statement;
- cash flow hedges: the change in value of the derivative is recognised in the balance sheet through a specific account in other comprehensive income (items that may be reclassified) for the effective portion and any eventual ineffective portion of the hedge is recognised in the income statement. Profits or losses on the derivative accrued through other comprehensive income are reclassified to profit or loss when the hedged cash flows occur;
- hedges of net investment in a foreign operation: the change in value of the derivative is recognised in the balance sheet in the translation adjustment equity account (items that may be reclassified) and any ineffective portion of the hedge is recognised in the income statement.

Where the conditions for benefiting from hedge accounting are no longer met, the following accounting treatment must be applied prospectively:

- fair value hedges: only the hedging instrument continues to be revalued through profit or loss. The hedged item is wholly accounted for according to its classification. For debt instruments at fair value through other comprehensive income (items that may be reclassified), changes in fair value subsequent to the ending of the hedging relationship are recorded in other comprehensive income in their entirety. For hedged items valued at amortised cost, which were interest rate hedged, the revaluation adjustment is amortised over the remaining life of those hedged items;

- cash flow hedges: the hedging instrument is valued at fair value through profit or loss. The amounts accumulated in other comprehensive income under the effective portion of the hedging remain in other comprehensive income until the hedged element affects profit or loss. For interest rate hedged instruments, income statement is affected according to the payment of interest. The revaluation adjustment is therefore amortised over the remaining life of those hedged items;
- hedges of net investment in a foreign operation: the amounts accumulated in other comprehensive income under the effective portion of the hedging remain in other comprehensive income as long as the net investment is held. The income is recorded once the net investment in a foreign operation exits the scope of consolidation.

Embedded derivatives

An embedded derivative is a component of a hybrid contract that meets the definition of a derivative product. This definition applies only to financial liabilities and non-financial contracts. Embedded derivatives must be accounted for separately from the host contract if the following three conditions are met:

- the hybrid contract is not measured at fair value through profit or loss;
- the embedded component taken separately from the host contract has the characteristics of a derivative;
- the characteristics of the derivative are not closely related to those of the host contract.

Determination of the fair value of financial instruments

When determining the fair value of financial instruments observable inputs must be prioritised. It is presented using the hierarchy defined in IFRS 13.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants, on the principal or the most advantageous market, at the measurement date.

Fair value applies individually to each financial asset or financial liability. A portfolio exemption may be used where the management and risk monitoring strategy so allow and are appropriately documented. Thus, certain fair value parameters are calculated on a net basis when a group of financial assets and financial liabilities is managed on the basis of its net exposure to market or credit risks. This is notably the case for the CVA/DVA calculation described in Chapter 5 "Risk factors and Pillar 3" of the Crédit Agricole S.A. Registration Document.

The Group considers that the best evidence of fair value is reference to quoted prices published in an active market.

When such quoted prices are not available, fair value is determined using valuation techniques that maximise the use of relevant observable data and minimise the use of unobservable data.

When a debt is valued at fair value through profit or loss (by nature or designated), fair value takes account of the own credit risk of the issuer.

Fair value of structured issues

In accordance with IFRS 13, the Group values its structured issues, recognised at fair value, by taking as a reference the issuer spread that specialist participants agree to receive to acquire new Group issues.

Counterparty risk on derivative instruments

The Group incorporates into fair value the assessment of counterparty risk for derivative assets (Credit Valuation Adjustment or CVA) and, using a symmetrical treatment, the non-performance risk for derivative liabilities (Debit Valuation Adjustment or DVA or own credit risk).

The CVA makes it possible to determine the expected losses due to the counterparty from the perspective of Crédit Agricole Group, and DVA, the expected losses due to Crédit Agricole Group from the perspective of the counterparty.

The CVA/DVA is calculated on the basis of an estimate of expected losses based on the probability of default and loss given default. The methodology used maximises the use of observable market inputs. It is primarily based on market data such as registered and listed CDS (or Single Name CDS) or index CDS in the absence of registered CDS on the counterparty. In certain circumstances, historical default data may also be used.

Fair value hierarchy

The standard classifies fair value into three levels based on the observability of inputs used in valuation techniques

Level 1: fair value corresponding to quoted prices (unadjusted) in active markets.

Level 1 is composed of financial instruments that are directly quoted in active markets for identical assets and liabilities that the entity can access at the measurement date. These are stocks and bonds quoted in active markets (such as the Paris Stock Exchange, the London Stock Exchange or the New York Stock Exchange, etc.) and also fund securities quoted in an active market and derivatives traded on an organised market, in particular futures.

A market is regarded as being active if quoted prices are readily and regularly available from an exchange, broker, dealer, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For financial assets and liabilities with offsetting market risks, Crédit Agricole S.A. Group uses mid-prices as a basis for establishing fair values for the offsetting risk positions. The Group applies the current asking price to open short positions and the current bid price to open long positions.

Level 2: fair value measured using directly or indirectly observable inputs other than those in Level 1.

The inputs used are observable either directly (i.e. prices) or indirectly (derived from prices) and generally consist of data from outside the Company, which are publicly available or accessible and based on a market consensus.

Level 2 is composed of:

- stocks and bonds quoted in an inactive market or not quoted in an active market but for which the fair value is established using a valuation methodology usually used by market participants (such as discounted cash flow techniques or the Black & Scholes model) and based on observable market data;
- instruments that are traded over the counter, the fair value of which is measured with models using observable market data, i.e. derived from various independently available external sources which can be obtained on a regular basis. For example, the fair value of interest rate swaps is generally derived from the yield curves of market interest rates as observed at the reporting date.

When the models are consistent notably with standard models based on observable market data (such as interest rate yield curves or implied volatility surfaces), the day one gain or loss resulting from the initial fair value measurement of the related instruments is recognised in profit or loss at inception.

Level 3: fair value that is measured using significant unobservable inputs

For some complex instruments that are not traded in an active market, fair value measurement is based on valuation techniques using assumptions that cannot be observed on the market for an identical instrument. These instruments are disclosed within Level 3.

This mainly concerns complex interest rate instruments, equity derivatives, structured credit instruments for which fair value measurement includes, for instance, correlation or volatility inputs that are not directly benchmarkable with market data.

The transaction price is deemed to reflect the fair value at initial recognition, any recognition of day one gain or loss is deferred.

The margin relating to these structured financial instruments is generally recognised through profit or loss over the period during which inputs are deemed unobservable. When market data become "observable", the remaining margin to be deferred is immediately recognised in profit or loss.

Valuation methodologies and models used for financial instruments that are disclosed within Levels 2 and 3 incorporate all factors that market participants would consider in setting a price. They shall be beforehand validated by an independent control. Fair value measurement notably includes both liquidity risk and counterparty risk.

Offsetting of financial assets and financial liabilities

In accordance with IAS 32, Crédit Agricole S.A. Group nets a financial asset and a financial liability and reports the net amount when, and only when, it has a legally enforceable right to offset the amounts reported and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The derivative instruments and the repurchase agreements handled with clearing houses that meet the two criteria required by IAS 32 have been offset on the balance sheet.

Net gains (losses) on financial instruments

Net gains (losses) on financial instruments at fair value through profit or loss

For financial instruments recognised at fair value through profit or loss, this item notably includes the following income statement elements:

- dividends and other revenues from equities and other variable-income securities which are classified under financial assets at fair value through profit or loss;
- changes in fair value of financial assets or liabilities at fair value through profit or loss;
- gains and losses on disposal of financial assets at fair value through profit or loss;

- changes in fair value and gains and losses on disposal or termination of derivative instruments not included in a fair value hedging relationship or cash flow hedge.

This heading also includes the ineffective portion of hedges.

Net gains (losses) on financial instruments at fair value through other comprehensive income

For financial assets recognised at fair value through other comprehensive income, this item notably includes the following income statements elements:

- dividends from equity instruments classified as financial assets at fair value through other comprehensive income that cannot be reclassified;
- gains (losses) on disposals and income associated with the termination of hedging relationships on debt instruments classified as financial assets at fair value through other comprehensive income that can be reclassified;
- net income on disposals or associated with the termination of fair value hedging instruments of financial assets at fair value through other comprehensive income when the hedged item is sold.

Financing commitments and guarantees given

Financing commitments that are not designated as fair value through profit or loss or not treated as derivative instruments within the meaning of IFRS 9 are not recognised on the balance sheet. They are, however, covered by provisions in accordance with the provisions of IFRS 9.

A financial guarantee contract is a contract under which the issuer must make specific payments to reimburse the holder for a loss incurred due to a specific debtor's failure to make a payment when due under the initial or amended terms of a debt instrument.

Financial guarantee contracts are recognised at fair value initially then subsequently at the higher of :

- the value adjustment amount for losses determined in accordance with the provisions of the "Impairment" section of IFRS 9; or
- the amount originally recognised less, where applicable, the sum of income recognised in accordance with the principles of IFRS 15 "Revenue from Contracts with Customers".

PROVISIONS (IAS 37 AND 19)

Crédit Agricole S.A. Group has identified all obligations (legal or constructive) resulting from a past event for which it is probable that an outflow of resources will be required to settle the obligation, and for which the due date or amount of the settlement is uncertain but can be reliably estimated. These estimates are discounted where applicable whenever there is a material impact.

For obligations other than those related to credit risk, Crédit Agricole S.A. Group has set aside general provisions to cover:

- operational risks;
- employee benefits;
- commitment execution risks;
- claims and liability guarantees;
- tax risks;
- risks related to home purchase savings schemes.

The latter provision is designed to cover the Group's obligations in the event of unfavourable moves impacting home purchase savings schemes. These obligations are: i) to pay a fixed interest rate on the savings contract determined at inception for an undefined period of time; and ii) to grant a loan to home purchase savings plan and account savers at a rate fixed at inception of the contract. The provision is calculated for each generation of home purchase savings plan and for all home purchase savings accounts, with no netting of obligations between generations.

The amount of these obligations is calculated taking account notably of:

- subscriber behaviour models, based on assumptions regarding subscriber behaviour drawn from historical experience, which may not necessarily reflect actual trends in future behaviour;
- an estimate of the amount and term of the loans that will be granted in the future, based on historical experience over an extended period of time;

- the yield curve for market rates and reasonably foreseeable trends.

Certain estimates may be made to determine the amount of the following provisions:

- the provision for operational risks, which although subject to examination for identified risks, requires Management to make assessments with regard to incident frequency and the potential financial impact;
- the provision for legal risks, which is based on Management's best estimate in light of the information in its possession at the end of the reporting period.

Detailed information is provided in Note 6.18 "Provisions".

EMPLOYEE BENEFITS (IAS 19)

In accordance with IAS 19, employee benefits are recorded in four categories:

- short-term employee benefits, including salaries, social security contributions, annual leave, profit-sharing and incentive plans and premiums, are defined as those which are expected to be settled within twelve months of the period in which the related services have been rendered;
- long-term employee benefits (long-service awards, variable compensation and premium payable 12 months or more after the end of the period);
- termination benefits;
- post-employment benefits falling into two categories: defined-benefit schemes and defined-contribution schemes.

Long-term employee benefits

Long-term employee benefits are employee benefits other than post-employment benefits or termination benefits but not fully due to employees within twelve months after the end of the period in which the related services have been rendered.

These include, in particular, bonuses and other deferred compensation payable twelve or more months after the end of the period in which they were earned, but which are not share-based.

The measurement method is similar to the one used by the Group for post-employment benefits with defined-benefit plans.

Post-employment benefits

Defined-benefit plans

At each reporting date, Crédit Agricole S.A. Group sets aside reserves to cover its liabilities for retirement and similar benefits and all other employee benefits falling in the category of defined-benefit plans.

In keeping with IAS 19, these commitments are stated based on a set of actuarial, financial and demographic assumptions, and in accordance with the Projected Credit Units method. Under this method, for each year of service, a charge is booked in an amount corresponding to the employee's vested benefits for the period. The charge is calculated based on the discounted future benefit.

Liabilities for retirement and other future employee benefits are based on assumptions made by Management with respect to the discount rate, staff turnover rate and probable increases in salary and social security costs. If the actual figures differ from the assumptions made, the retirement liability may increase or decrease in future years (see Note 7.4 "Post-employment benefits, defined-benefit plans").

Discount rates are determined based on the average term of the commitment, that is, the arithmetical average of the terms calculated between the valuation date and the payment date weighted by employee turnover assumptions.

The anticipated return on plan assets is also estimated by Management. Returns are estimated on the basis of expected returns on fixed income securities, and notably bond yields.

The expected return on plan assets is determined using discount rates applied to measure the defined benefit obligation.

In accordance with IAS 19 revised, all actuarial gains or losses are recognised in other comprehensive income.

The amount of the provision is equal to:

- the present value of the obligation to provide the defined benefits at the end of the reporting period, calculated in accordance with the actuarial method recommended by IAS 19;
- if necessary, reduced by the fair value of the assets allocated to covering these commitments. These may be represented by an eligible insurance policy. In the event that 100% of the obligation is covered by a policy that meets exactly the expense amount payable over the period for all or part of a defined-benefit plan, the fair value of the policy is deemed to be the value of the corresponding obligation, i.e. the amount of the corresponding actuarial liability.

For such obligations that are not covered, a provision for retirement benefits is recognised under Provisions on the liabilities side of the balance sheet. This provision is equal to Crédit Agricole S.A. Group's liabilities towards employees in service at financial year-end, governed by the Crédit Agricole Group collective agreement that came into effect on 1 January 2005.

A provision to cover the cost of early retirement commitments is also listed under Provisions. This provision covers the additional discounted cost of the various early retirement agreements signed by Crédit Agricole Group entities under which employees of eligible age may take early retirement.

Lastly, certain Group companies are liable to pay supplementary retirement benefits. A provision is calculated on the basis of the Company's actuarial liability for these benefits. These provisions are also shown on the liabilities side of the balance sheet under Provisions.

Defined contribution plans

Employers contribute to a variety of compulsory pension schemes. Pension schemes assets are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds managed do not have sufficient assets to cover all benefits corresponding to services rendered by employees during the year and during prior years. Consequently, Crédit Agricole S.A. Group has no liabilities in this respect other than its on-going contributions.

SHARE-BASED PAYMENTS (IFRS 2)

IFRS 2 on "Share-based payment" requires valuation of share-based payment transactions in the Company's income statement and balance sheet. This standard applies to transactions with employees and more specifically to:

- share-based payment transactions settled in equity instruments;
- share-based payment transactions settled in cash.

Share-based payment plans initiated by Crédit Agricole S.A. Group that are eligible for IFRS 2 are mainly transactions settled in equity instruments (stock options, free share allocation plans, variable compensation settled in indexed cash or in shares, etc.).

Options granted are measured at their fair value on the date of grant primarily using the Black & Scholes model. These options are recognised as a charge under Employee expenses, with a corresponding adjustment to equity, spread over the vesting period (four years for existing plans).

Employee share issues offered to employees as part of the Employee savings plans are also subject to the IFRS 2 standard. Shares may be offered to employees with a maximum discount of 20%. These plans have no vesting period but the shares are subject to a lock-up period of five years. The benefit granted to employees is measured as the difference between the fair value per share acquired taking account of the lock-up period and the purchase price paid by the employee on the subscription date multiplied by the number of shares subscribed.

A more detailed description of the method, existing plans and valuation methods is provided in Note 7.6 "Share-based payments".

The cost of share based payments settled in Crédit Agricole S.A. equity instruments and the cost of share subscriptions are recognised in the financial statements of the entities that employ the plan beneficiaries. The impact is recorded under Employee expenses, with a corresponding increase in Consolidated reserves-Group share.

CURRENT AND DEFERRED TAXES (IAS 12)

In accordance with IAS 12, the income tax charge includes all income taxes, whether current or deferred.

IAS 12 defines current tax liability as "the amount of income tax payable (recoverable) in respect of the taxable profit (tax loss) for a reporting period". Taxable income is the profit (or loss) for a given accounting period measured in accordance with the rules determined by the tax authorities.

The applicable rates and rules used to measure the current tax liability are those in effect in each country where the Group's companies are established.

The current tax liability includes all taxes on income, payable or recoverable, for which payment is not subordinated to the completion of future transactions, even if payment is spread over several years.

The current tax liability must be recognised as a liability until it is paid. If the amount that has already been paid for the current year and previous years exceeds the amount due for these years, the surplus must be recognised under assets.

Moreover, certain transactions carried out by the entity may have tax consequences that are not taken into account in measuring the current tax liability. IAS 12 defines a difference between the carrying amount of an asset or liability and its tax base as a temporary difference.

This standard requires that deferred taxes be recognised in the following cases:

- a deferred tax liability should be recognised for any taxable temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base, unless the deferred tax liability arises from:
  - initial recognition of goodwill,
  - the initial recognition of an asset or a liability in a transaction that is not a business combination and that does not affect either the accounting or the taxable profit (taxable loss) at the transaction date;
- a deferred tax asset should be recognised for any deductible temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base, insofar as it is deemed probable that a future taxable profit will be available against which such deductible temporary differences can be allocated;
- a deferred tax asset should also be recognised for carrying forward unused tax losses and tax credits insofar as it is probable that a future taxable profit will be available against which the unused tax losses and tax credits can be allocated.

The tax rates applicable in each country are used as appropriate.

Deferred taxes are not discounted.

Taxable unrealised gains on securities do not generate any taxable temporary differences between the carrying amount of the asset and the tax base. As a result, deferred tax is not recognised on these gains. When the relevant securities are classified as available-for-sale securities, unrealised gains and losses are recognised directly through other comprehensive income. The tax charge or saving effectively borne by the entity arising from these unrealised gains or losses is reclassified as a deduction from these gains.

In France long-term capital gains on the sale of equity investments, as defined by the General Tax Code, are exempt from tax as from the tax year commencing on 1 January 2007; with the exception of 12% of long-term capital gains that are taxed at the normally applicable rate. Accordingly, unrealised gains recognised at the end of the year generate a temporary difference requiring the recognition of deferred tax on this share.

Current and deferred tax is recognised in net income for the financial year, unless the tax arises from:

- either a transaction or event that is recognised directly through other comprehensive income, during the same year or during another year, in which case it is directly debited or credited to other comprehensive income;
- or a business combination.

Deferred tax assets and liabilities are offset against each other if, and only if:

- the entity has a legally enforceable right to offset current tax assets against current tax liabilities; and
- the deferred tax assets and liabilities apply to income taxes assessed by the same tax authority:

a) either for the same taxable entity, or

b) for different taxable entities that intend either to settle current tax assets and liabilities on a net basis, or to settle their tax assets and liabilities at the same time during each future financial year in which it is expected that substantial deferred tax assets or liabilities will be paid or recovered.

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.

However, given that the legislative intent when introducing the tax credit for competitiveness and employment (*Crédit d'impôt pour la compétitivité et l'emploi* – CICE) was to reduce employee expenses, Crédit Agricole S.A. Group chose to recognise the CICE (Article 244 *quater* C of the French General Tax Code – CGI) as a reduction in employee expenses.

TREATMENT OF FIXED ASSETS (IAS 16, 36, 38 AND 40)

Crédit Agricole S.A. Group applies component accounting for all of its property, plant and equipment. In accordance with the provisions of IAS 16, the depreciable amount takes account of the potential residual value of property, plant and equipment.

Land is measured at cost less any impairment losses.

Property used in operations, investment property and equipment are measured at cost less accumulated depreciation and impairment losses since the time they were placed in service.

Purchased software is measured at acquisition cost less accumulated depreciation and impairment losses since acquisition.

Proprietary software is measured at cost less accumulated depreciation and impairment losses since completion.

Apart from software, intangible assets are mainly assets acquired during a business combination resulting from contractual rights (e.g. distribution agreement). These were valued on the basis of corresponding future economic benefits or expected service potential.

Fixed assets are depreciated over their estimated useful lives.

The following components and depreciation periods have been adopted by Crédit Agricole S.A. Group following the application of the measures on component accounting for property, plant and equipment. These depreciation periods are adjusted according to the type of asset and its location:

Component	Depreciation period
Land	Not depreciable
Structural works	30 to 80 years
Non-structural works	8 to 40 years
Plant and equipment	5 to 25 years
Fixtures and fittings	5 to 15 years
Computer equipment	4 to 7 years
Special equipment	4 to 5 years

Exceptional depreciation charges corresponding to tax-related depreciation and not to any real impairment in the value of the asset are eliminated in the consolidated financial statements.

Based on available information, Crédit Agricole S.A. Group has concluded that impairment testing would not lead to any change in the existing amount of its fixed assets at the end of the reporting period.

FOREIGN CURRENCY TRANSACTIONS (IAS 21)

In accordance with IAS 21, a distinction is made between monetary and non-monetary items.

On the reporting date, foreign-currency denominated monetary assets and liabilities are translated into Crédit Agricole S.A. Group's functional currency at the closing rate. The resulting translation adjustments are recorded in the income statement. There are three exceptions to this rule:

- for available-for-sale financial assets, only the translation adjustments calculated on amortised cost are taken to the income statement; the balance is recorded in equity;
- translation adjustments on elements designated as cash flow hedges or forming part of a net investment in a foreign entity are recognised in other comprehensive income.
- for financial liabilities designated at fair value through profit or loss, translation adjustments related to value changes attributable to specific credit risk accounted in other comprehensive income (items than cannot be reclassified).

Non-monetary items are treated differently depending on the type of items:

- items at historical cost are measured at the foreign exchange rate on the transaction date;
- items at fair value are measured at the foreign exchange rate at the end of the reporting period.

Translation adjustments on non-monetary items are recognised:

- in the income statement if the gain or loss on the non-monetary item is recorded in the income statement;
- in other comprehensive income if the gain or loss on the non-monetary item is recorded in other comprehensive income.

REVENUES FROM CONTRACTS WITH CUSTOMERS (IFRS 15)

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

Fees and commissions that are an integral part of the effective yield on a financial instrument are recognised as an adjustment to the yield on the instrument and included in its effective interest rate.

The recognition of other types of fees and commissions on the income statement must reflect the rate of transfer to the customer of control of the goods or services sold:

- the net income from a transaction associated with the provision of services is recognised under Fee and commission income at the time of transfer of control of the service to the customer, if this can be reliably estimated. This transfer may occur as the service is provided (ongoing service) or on a specific date (one-off service).
    - Fee and commission income from ongoing services (fees and commissions on payment instruments, for example) is recognised in income according to the degree of progress of the service provided.
    - Fee and commission income paid or received as compensation for one-off services is recognised in income, in its entirety, when the service is provided.

Fee and commission income payable or receivable and contingent upon the achievement of a performance target is recognised for the amount at which it is highly probable that the income thus recognised will not later be subject to a significant downward adjustment upon resolution of the contingency. These estimates are updated at the end of each reporting period. In practice, this condition can result in the deferred recognition of certain items of performance-related fee and commission income until the expiry of the performance assessment period and until such income has been definitively acquired.

INSURANCE BUSINESSES (IFRS 4)

Liabilities remain partially valued under French GAAP, as permitted by IAS and IFRS regulations, pending further amendments to the existing standards. Financial assets held by Crédit Agricole S.A. Group's insurance companies have been reclassified into the financial assets categories set out in IAS 39.

The technical reserves of non-life insurance contracts include (i) reserves for claims, to cover the total cost of claims incurred but not yet paid, and (ii) reserves relating to earned premiums (mainly provisions for unearned premiums), allowing for the recognition of premiums relating to risks hedged over the course of a financial year as earnings for said year, and therefore to carry forward the portion of premiums written over the course of the year for a risk hedging period subsequent to the current financial year.

The mathematical provisions of life insurance contracts and financial contracts containing discretionary participation features correspond to the difference between the current value of insurer commitments and policyholder commitments. Provisions are calculated using actuarial methods that include assumptions pertaining to the premiums, the performance of financial assets, contract redemption rates and changes in operating expenses.

Contracts containing discretionary participation features are collectively classified as a liability under insurance company's technical reserves. They are recognised in the same way as insurance contracts. Premiums on these contracts are recognised as income and the increase in obligations to policyholders is recognised as an expense.

Life insurance technical reserves are conservatively estimated based on the technical rates defined in the contracts. Liabilities associated with contracts with or without discretionary participation features or minimum guarantee are measured based on the fair value of the underlying assets or its equivalent at the end of the reporting period and are recorded under financial liabilities.

The financial margin on these policies is taken to profit or loss, after reversal of technical items (premiums, benefits, etc.), according to deposit accounting principles.

Property and casualty insurance policy liabilities are estimated at the end of the reporting period, without applying any discount. Claims management costs associated with technical reserves are charged to a provision in the financial statements at the reporting date.

For non-life insurance contracts, acquisition costs are recognised as and when the premium is earned. For life insurance contracts, directly identifiable acquisition costs are deferred over the profit generation period.

Total expenses related to the insurance business are presented in Note 4.5 “Net income (expenses) on other activities”.

As permitted by the extension of local GAAP specified by IFRS 4 and CRC Regulation 2000-05 pertaining to consolidated financial statements for insurance companies, “shadow accounting” is used to account for insurance liabilities for contracts with discretionary participation features. Under this practice, positive or negative valuation differences in the corresponding financial assets that will potentially revert to policyholders are recognised in a “Deferred profit sharing” account.

This policyholders’ deferred profit sharing is recognised on the liabilities side of the balance sheet under Insurance company technical reserves or on the asset side with an offsetting entry in the income statement or in the valuation reserve, in the same way as unrealised gains and losses on the underlying assets.

The method used for valuation of deferred policyholders’ profit-sharing, resulting from the application of shadow accounting, was changed in 2015.

The rate of deferred policyholders’ profit-sharing, previously based on historically observed data, is now valued prospectively on the basis of analysis scenarios consistent with the Company’s management policies. It is only updated if it changes significantly.

To determine whether the deferred profit-sharing asset is recoverable, tests are carried out to determine whether any unrealised losses can be applied to future surpluses before testing for liability shortfall in accordance with the CNC recommendation of 19 December 2008.

These tests are based:

- firstly, on liquidity analyses of the Company, which show the company’s capacity to access funding sources to meet its obligations and its ability to hold assets with unrealised losses even if new production declines. The tests were performed with and without new production;
- secondly, on a comparison between the average value of future services measured by the internal model replicating the Company’s management decisions and the value of the assets representing the obligations at market value. This shows the company’s ability to meet its obligations.

Lastly, sensitivity tests on the ability to activate the deferred profit sharing are also carried out:

- in the event of a uniform 10% increase in redemptions applied to redemption rates drawn from scenarios similar to those used by the French Regulatory and Resolution Supervisory Authority;
- in the event of an additional 10% decline in the equity markets.

In accordance with IFRS 4, at each reporting date, the Group also ascertains that insurance liabilities (net of deferred acquisition costs and associated intangible assets) are adequate to meet estimated future cash flows.

The liability adequacy test used to verify this must meet the following minimum requirements, as defined in paragraph 16 of the standard:

- it must consider all future contractual cash flows, including associated management costs, fees and commissions as well as options and guarantees implicit in these contracts;
- If the test shows that the liability is inadequate, it is wholly recognised in profit or loss.

LEASES (IAS 17)

As required by IAS 17, leases are analysed in accordance with their substance and financial reality. They are classified as operating leases or finance leases.

Finance lease transactions are treated as an acquisition of a fixed asset by the lessee financed by a loan from the lessor.

In the lessor’s financial statements, analysis of the economic substance of the transactions results in the following:

- recognition of a financial receivable from the customer, which is amortised by the lease payments received;
- lease payments are broken down into interest and principal, known as financial amortisation;

- recognition of a net reserve for unrealised gains or losses. This is equal to the difference between:

a) the net lease receivable: amount owed by the lessee, comprising outstanding finance lease receivable and financial amortisation for the period between the most recent instalment and the reporting date,

b) the net carrying amount of the leased fixed assets,

c) the provision for deferred taxes.

In the lessee's financial statements, finance leases are restated such that they are recognised in the same way as if the asset had been purchased on credit, by recognising a financial liability, recording the purchased asset on the balance sheet and depreciating the asset.

In the income statement, the theoretical depreciation charge (the charge that would have been recognised if the asset had been purchased) and the finance expenses (incurred in connection with the financing) are recorded in the place of the lease payments.

For operating leases, the lessee recognises payments as expenses and the lessor records the corresponding income under rents, and the leased assets on its balance sheet.

NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (IFRS 5)

A non-current asset (or a disposal group) is classified as held-for-sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition and its sale must be highly probable.

The relevant assets and liabilities are shown separately on the balance sheet under Non-current assets held-for-sale and discontinued operations and Liabilities associated with non-current assets held-for-sale and discontinued operations.

A non-current asset (or disposal group) classified as held-for-sale is measured at the lower of its carrying amount and fair value less costs of sale. In case of unrealised losses, impairment is recognised in the income statement. Non current assets are no longer amortised when they are reclassified.

If the fair value of a group held for sale less selling costs is less than its carrying amount after impairment of non-current assets, the difference is allocated to other group held for sale assets including the financial assets and is recognised under net income of held-for-sale operations.

A discontinued operation is a component that the Group has either disposed of, or that is classified as held-for-sale, according to the following situations:

- it represents a separate major business line or geographical area of operations;
- it is part of a single coordinated plan to dispose of a separate major business line or geographical area of operations; or

it is a subsidiary acquired exclusively with a view to resale.

The following are disclosed on a separate line of the income statement:

- the profit or loss from discontinued operations until the date of disposal, net of tax;
- the gain or loss recognised on the disposal or on measurement to fair value less costs of sale of the assets and liabilities constituting the discontinued operations, net of tax.

1.4 Consolidation principles and methods (IFRS 10, IFRS 11 and IAS 28)

SCOPE OF CONSOLIDATION

The consolidated financial statements include the financial statements of Crédit Agricole S.A. and those of all companies over which, in compliance with IFRS 10, IFRS 11 and IAS 28, Crédit Agricole S.A. exercises control, joint control or significant influence.

Definitions of control

In compliance with international accounting standards, all entities under control, under joint control or under significant influence are consolidated, provided that they are not covered by the exclusions below.

Exclusive control over an entity is deemed to exist if Crédit Agricole S.A. is exposed to or entitled to receive variable returns as a result of its involvement with the entity and if the power it holds over this entity allows it to influence these returns. Power in this context means substantive (voting or contractual) rights. Rights are considered substantive if the holder of the rights can in practice exercise them when decisions about the Company's relevant activities are made.

Crédit Agricole S.A. is deemed to control a subsidiary through voting rights when its rights give it the practical ability to direct the subsidiary's relevant activities. Crédit Agricole S.A. is generally considered to control a subsidiary when it holds more than half the existing or potential voting rights in an entity, whether directly or indirectly through subsidiaries, except when it can be clearly demonstrated that such ownership does not give it the power to direct its relevant activities. Control is also deemed to exist where Crédit Agricole S.A. holds half or less than half of the voting rights, including potential rights, in an entity but is able in practice to direct its relevant activities at its sole discretion, notably because of the existence of contractual arrangements, the size of its stake in the voting rights compared to those of other investors, or other reasons.

Control of a structured entity is not assessed on the basis of voting rights as these have no effect on the entity's returns. When assessing control, consideration is given not only to contractual arrangements in force but also to whether Crédit Agricole S.A. was involved in creating the entity and what decisions it made at that time, what agreements were made at its inception and what risks are borne by Crédit Agricole S.A., any rights under agreements that give the investor the power to direct relevant activities in specific circumstances only and any other facts or circumstances that indicate the investor can direct the entity's relevant activities. Where there is a management agreement, the extent of decision-making powers granted to the delegated manager and the remuneration accorded by such contractual arrangements are examined to establish whether the manager is in practice acting as an agent (with delegated powers) or as a principal (on their own account).

Furthermore, when decisions on the entity's relevant activities are taken, the indicators used to assess whether an entity is acting as agent or principal are as follows: the extent of the decision-making powers compared to the powers over the entity delegated to the manager, the remuneration provided for under the contractual arrangements, any substantive rights that may affect the decision-making capacity of other parties involved in the entity and the exposure to variable returns of other interests in the entity.

Joint control is deemed to exist when there is a contractual division of control over an economic activity. Decisions affecting the entity's relevant activities require unanimous agreement of the joint controllers.

In traditional entities, significant influence is defined as the power to influence but not control a company's financial and operational policies. Crédit Agricole S.A. is presumed to have significant influence if it owns 20% or more of the voting rights in an entity, whether directly or indirectly through subsidiaries.

Exclusions from the scope of consolidation

In accordance with IAS 28.18 minority interests held by venture capital entities are excluded from the scope of consolidation insofar as they are classified under financial assets at fair value through profit or loss (including financial assets held for trading and financial assets designated at fair value through profit or loss).

CONSOLIDATION METHODS

The methods of consolidation are respectively defined by IFRS 10 and IAS 28 (revised). They depend on the type of control exercised by Crédit Agricole S.A. over the entities that can be consolidated, regardless of activity or whether or not they have legal entity status:

full consolidation, for controlled entities, including entities with different financial statement structures, even if their business is not an extension of that of Crédit Agricole S.A.;

the equity method, for the entities over which Crédit Agricole S.A. exercises significant influence and joint control.

Full consolidation consists in substituting for the value of the shares each of the assets and liabilities carried by each subsidiary. The equity and income attributable to non-controlling interests is presented separately in the consolidated balance sheet and income statement.

Non-controlling interests are as defined by IFRS 10 and incorporate instruments representing present ownership interests and that give right to a proportional share of the net assets in the event of liquidation and the other equity instruments issued by the subsidiary and not held by the Group.

The equity method consists in substituting for the value of shares the Group's proportional share of the equity and income of the companies concerned.

The change in the carrying amount of these shares includes changes in goodwill.

In the event of incremental share purchases or partial disposals with continued joint control or significant influence, Crédit Agricole S.A. Group recognises:

in the case of an increase in the percentage of interest, additional goodwill;

in the case of a reduction in the percentage of interest, a gain or loss on disposal/dilution in profit or loss

RESTATEMENTS AND ELIMINATIONS

Where necessary, financial statements are restated to harmonise the valuation methods applied by consolidated companies.

The impact of Group internal transactions on the consolidated balance sheet and income statement is eliminated for fully consolidated entities.

Capital gains or losses arising from intra-Group asset transfers are eliminated; any potential lasting impairment measured at the time of disposal in an internal transaction is recognised.

TRANSLATION OF FOREIGN SUBSIDIARIES' FINANCIAL STATEMENTS (IAS 21)

Financial statements of subsidiaries denominated in foreign currencies are translated into euros in two stages:

- if applicable, the local currency in which the financial statements are prepared is translated into the functional currency (currency of the main business environment of the entity). The translation is made as if the information had been recognised initially in the functional currency (same translation principles as for foreign currency transactions);
- the functional currency is translated into euros, the currency in which the Group's consolidated financial statements are presented. Assets and liabilities are translated at the closing rate. Income and expenses included in the income statement are translated at the average exchange rate for the period. Translation adjustments for assets, liabilities and income statement items are recorded under a specific item in equity. These translation differences are recognised as income during the total or partial transfer of the entity. In the event of the sale of a subsidiary (exclusive control), the reclassification of equity as income takes place only in the event of a loss of control.

BUSINESS COMBINATIONS – GOODWILL

Business combinations are accounted for using the acquisition method in accordance with IFRS 3, except for business combinations under common control (in particular mergers of Regional Banks), which are excluded from the field of application of IFRS 3. Pursuant to IAS 8, these transactions are entered at carrying amount using the pooling of interests method, with reference to US standard ASU805-50 which seems to comply with the IFRS general principles.

On the date of acquisition, the identifiable assets, liabilities and contingent liabilities of the acquired entity which satisfy the conditions for recognition set out in IFRS 3 are recognised at their fair value.

Notably, restructuring liabilities are only recognised as a liability of the acquired entity if, at the date of acquisition, the acquiree is under an obligation to complete the restructuring.

Price adjustment clauses are recognised at fair value even if their application is not probable. Subsequent changes in the fair value of clauses if they are financial liabilities are recognised in the income statement. Only price adjustment clauses relating to transactions where control was obtained at the latest by 31 December 2009 may still be recorded against goodwill, because these transactions were accounted for under IFRS 3 pre revision (2004).

The non-controlling interests that are shares of current interests giving rights to a share of the net assets in the event of liquidation may be measured, at acquirer's choice, in two ways:

- at fair value on the date of acquisition;
- at the share of the identifiable assets and liabilities of the acquired company revalued at fair value.

The option may be exercised at each acquisition.

The balance of interests not allowing control (equity instruments issued by the subsidiary and not held by the Group) should be recognised for its fair value on the date of acquisition.

The initial assessment of assets, liabilities and contingent liabilities may be revised within a maximum period of 12 months after the date of acquisition.

Some transactions relating to the acquired entity are recognised separately from the business combination. This applies primarily to:

- transactions that end an existing relationship between the acquired company and the acquiring company;
- transactions that compensate employees or the selling shareholders of the acquired company for future services;
- transactions whose aim is to have the acquired company or its former shareholders repay expenses borne by the acquirer.

These separate transactions are generally recognised in the income statement at the acquisition date.

The transferred consideration at the time of a business combination (the acquisition cost) is measured as the total of fair values transferred by the acquirer, on the date of acquisition in exchange for control of the acquired entity (for example: cash, equity instruments, etc.).

The costs directly attributable to the business combination shall be recognised as expenses, separately from the business combination. If the transaction has very strong possibilities of occurring, they are recognised under the heading Net gains (losses) on other assets, otherwise they are recognised under the heading Operating expenses.

The difference between the sum of acquisition costs and non-controlling interests and the net balance on the date of acquisition of acquired identifiable assets and liabilities assumed, valued at their fair value, is recognised, when it is positive, in the assets side of the consolidated balance sheet, under the heading Goodwill when the acquired entity is fully consolidated and under the heading Investments in equity-accounted entities when the acquired company is consolidated using the equity method of accounting. Any badwill is recognised immediately through profit or loss.

Goodwill is carried in the balance sheet at its initial amount in the currency of the acquired entity and translated at the closing rate at the end of the reporting period.

When control is taken by stages, the interest held before taking control is revalued at fair value through profit or loss at the date of acquisition and the goodwill is calculated once, using the fair value at the date of acquisition of acquired assets and liabilities taken over.

Goodwill is tested for impairment whenever there is objective evidence of a loss of value and at least once a year.

The choices and assumptions used in assessing the holdings that do not allow control at the date of acquisition may influence the amount of initial goodwill and any impairment resulting from a loss of value.

For the purpose of impairment testing, goodwill is allocated to the Group Cash Generating Units (CGUs) that are expected to benefit from the business combination. The CGUs have been defined within the Group's business lines as the smallest identifiable group of assets and liabilities functioning in a single business model. Impairment testing consists of comparing the carrying amount of each CGU, including any goodwill allocated to it, with its recoverable amount.

The recoverable amount of the CGU is defined as the higher of fair value diminished of selling costs and value in use. The value in use is the present value of the future cash flows of the CGU, as set out in medium-term business plans prepared by the Group for management purposes.

When the recoverable amount is lower than the carrying amount, a corresponding impairment loss is recognised for the goodwill allocated to the CGU. This impairment is irreversible.

In the case of an increase in the percentage ownership interest of the Group in an entity that is already exclusively controlled, the difference between the acquisition cost and the share of net assets acquired is recognised under the item Consolidated reserves, Group share; in the event that the Group's percentage ownership interest in an entity that remains under its exclusive control declines, the difference between the selling price and the carrying amount of the share of net assets sold is also recognised directly under Consolidated reserves, Group share. The expenses arising from these transactions are recognised in equity.

The accounting treatment of sale options granted to minority shareholders is as follows:

- when a sale option is granted to the minority shareholders of a fully consolidated subsidiary, a liability is recognised in the balance sheet; on initial recognition, the liability is measured at the estimated present value of the exercise price of the options granted to the minority shareholders. Against this liability, the share of net assets belonging to the minority shareholders concerned is reduced to zero and the remainder is deducted from equity;
- subsequent changes in the estimated value of the exercise price will affect the amount of the liability, offset by an equity adjustment. Symmetrically, subsequent changes in the share of net assets due to minority shareholders are cancelled, offset in equity.

When there is a loss of control, the proceeds from the disposal are calculated on the entirety of the entity sold and any investment share kept is recognised in the balance sheet at its fair value on the date control was lost.

NOTE 2 Major structural transactions and material events during the period

The scope of consolidation and changes to it are shown in detail at the end of the notes in Note 11 "Scope of consolidation at 31 December 2018".

2.1 Application of the new IFRS 9 standard

In accordance with the IFRS standards and amendments adopted by the European Union on 22 November 2016, 3 November 2017 and 22 March 2018, the Crédit Agricole S.A. Group implemented the following provisions as at 1 January 2018:

- application of IFRS 9 on financial instruments;
- application of the overlay approach applicable to insurance activities;
- early application of the amendment to Prepayment Features with Negative Compensation.

The regulatory provisions for the application of these texts to the Group's consolidated financial statements are presented in Note 1 "Group accounting policies and principles, assessments and estimates applied".

The impact of the first application of the new IFRS 9 standard, adopted with effect from 1 January 2018, is -€1,141 million on equity, of which -€921 million in Group share. This impact of - € 1,141 million on equity is mainly related to impairment of - € 1,260 million. The first application impact on bucket 3 impairment is mainly related to the Italian entities of the group.

The detailed impacts of the application of IFRS 9 as at 1 January 2018 are presented in the notes to the consolidated financial statements.

2.2 Application of the new IFRS 15 standard

The IFRS 15 standard applicable at 1 January 2018, introduced as a replacement for IAS 18, aims to standardise the accounting principles related, in particular, to long-term manufacturing and construction contracts, IT service contracts and licences, and sales of bundles of goods and services. It does not apply to income on financial instruments (IFRS 9), income on leases (see new IFRS 16 applicable from 1 January 2019) or to income on insurance contracts (IFRS 17 applicable from 1 January 2022).

The accounting consequences of this new standard are minimal for the Crédit Agricole Group insofar as Group practices for the recognition of fee and commission income already comply with this text.

The current rate of recognition of income complies with the requirements of IFRS 15, whether the services are ongoing or are one-offs. Therefore, the variable components of fee and commission income (e.g. asset management) are recognised only at the time at which they become certain, as required by IFRS 15.

2.3 Partnership between Crédit Agricole Consumer Finance and Banco BPM for consumer credit in Italy

On 30 November 2018, Crédit Agricole Consumer Finance and Banco BPM signed a final Memorandum of Understanding with a view to reinforcing their global partnership across Italy in consumer credit for the next 15 years.

The transaction will significantly reinforce Agos' leading position and market share in the sector. At 31 December 2018, Agos had €13.9 billion in consumer credit under management. It is highly profitable with net profit of €323 million in 2018.

As part of the agreement, Agos will acquire ProFamily S.p.A., a subsidiary of Banco BPM, which offers consumer loans distributed across the BPM network. This transaction will take place once the ProFamily S.p.A. business distributed outside the banking network of BPM has been carved out in a separate entity, which will remain a fully-owned subsidiary of Banco BPM before being sold.

Agos will extend the distribution of its products to the entire Banco BPM network and distribution channels, including 2,300 branches, under an exclusive 15-year agreement starting on closing of the transaction.

The Memorandum of Understanding envisages the signing of various definitive agreements between Banco BPM, Crédit Agricole S.A. and Crédit Agricole Consumer Finance, which will specify the terms and conditions of the partnership, including in relation to funding.

Agos' current shareholding structure will be maintained (61% held by Crédit Agricole Consumer Finance and 39% held by Banco BPM). However, Crédit Agricole Consumer Finance and Banco BPM agreed to consider the possibility of an initial public offering of Agos. Such a transaction may provide flexibility to both shareholders while preserving their respective commitment to the future development of the company. In the event of a listing, Banco BPM would have the option to reduce its stake in Agos, while committing to maintain a minimum holding of 10%.

The whole operation enables Banco BPM to reinforce its capital structure while remaining associated in the long term with the economic development of Agos. At the same time, Crédit Agricole Consumer Finance is strengthening an important partnership and continuing to develop its consumer finance business in Italy.

2.4 Exclusive partnership between Crédit Agricole Consumer Finance and Bankia

Following negotiations beginning 7 March 2018, Crédit Agricole Consumer Finance and Bankia signed an agreement on 28 May 2018 to jointly create a consumer finance company in Spain.

The obtaining of regulatory authorisations and the approval of the competition authority allowed for the creation on 2 July 2018 of the joint venture Bamboo Consulting S.A., now called Crédit Agricole Consumer Finance Bankia S.A.

The aim of this exclusive partnership is to accelerate the presence of Crédit Agricole Consumer Finance in Spain, the fourth-largest consumer finance market in the eurozone. Crédit Agricole Consumer Finance builds on Bankia's significant client base and its in-depth knowledge of the Spanish market. This partnership also provides Bankia with access to a subsidiary dedicated to consumer finance, a growing market in Spain. Bankia capitalises on Crédit Agricole Consumer Finance's experience in partnership management.

2.5 Bancassurance partnership with Credito Valtellinese in Italy

On 24 July 2018, Crédit Agricole Assurances announced a new strategic bancassurance partnership in Italy with Italian bank Credito Valtellinese (CreVal). The partnership will provide Crédit Agricole Assurances with exclusive access, via its Italian subsidiary Crédit Agricole Vita S.p.A., to Credito Valtellinese's distribution network for all savings products as well as certain death & disability products for a term of up to 15 years. Credito Valtellinese has a network of 412 branches serving nearly one million customers.

Under this agreement, in the fourth quarter 2018, Crédit Agricole Assurances acquired all the shares of a Credito Valtellinese Global Assicurazioni S.p.A. subsidiary, now called Stelvio Agenzia Assicurativa, following a reorganisation to refocus on only life, death and disability insurance activities distributed by the Credito Valtellinese network.

This operation was carried out for an amount of €70 million payable at the conclusion of the transaction, plus an additional amount of up to €10 million, payable at the end of the fifth year of the partnership, subject to achieving of certain pre-agreed objectives.

To reinforce this partnership, in July 2018, Crédit Agricole Assurances acquired a 5% minority interest in Credito Valtellinese.

2.6 Main changes in the scope of consolidation

2.6.1 ACQUISITION OF BANCA LEONARDO

On 3 May 2018, Indosuez Wealth Management finalised the acquisition of 94.1% of the share capital of Banca Leonardo, a leading independent wealth management company in Italy, sealing the deal made in November 2017.

This purchase is part of Crédit Agricole's Medium-Term Plan "Strategic Ambition 2020", which provides for targeted acquisitions for the Group's wealth management business. This is a milestone for Indosuez Wealth Management, enabling it to strengthen its presence in Europe by integrating an entity that operates in Crédit Agricole Group S.A.'s second domestic market.

In accordance with IFRS 3 (Revised), the balance sheet of Banca Leonardo, as at 3 May 2018, reflects the fair value of the assets acquired and the liabilities assumed by the Group, which totalled €1,140 million. On this basis, goodwill in the amount of €22 million was recorded on the assets side of the balance sheet.

2.6.2 ACQUISITION AND MERGER OF THE ITALIAN SAVINGS BANKS

- Recognition of additional negative goodwill on the acquisition of Italian savings banks

Following the agreement reached with the Italian Interbank Deposit Protection Fund, on 21 December 2017, Crédit Agricole Cariparma S.p.A acquired 95.3% of the share capital of the Cesena and Rimini, plus 95.6% of San Miniato, savings banks for €130 million. Following receipt of all regulatory clearance, these entities were fully consolidated in the financial statements as at 31 December 2017.

In accordance with IFRS 3 (Revised), the post-combination balance sheets of these three banks, as at 21 December 2017, reflected a provisional fair value of the assets acquired and liabilities assumed by the Group of €538 million. On this basis, negative goodwill totalling €408 million was recognised under "Change in value of goodwill" in the income statement.

Following the finalisation of the work to identify, classify and measure the assets and liabilities of the acquired companies, additional negative goodwill of €86 million was recognised under the same heading on the income statement as at 31 March 2018.

- Merger of the San Miniato, Cesena and Rimini Italian savings banks with Crédit Agricole Cariparma S.p.A.

The San Miniato, Cesena and Rimini Italian savings banks were absorbed by Crédit Agricole Cariparma S.p.A. on 24 June, 22 July and 9 September 2018 respectively.

Before these mergers took place, Credit Agricole Cariparma S.p.A. had launched public exchange offers of minority shares in these three subsidiaries in the second half of 2018.

Crédit Agricole Cariparma S.p.A. launched public exchange offers on the remaining minority shares in the absorbed entities in exchange for newly issued Crédit Agricole Cariparma S.p.A. shares.

2.6.3 ACQUISITION BY CRÉDIT AGRICOLE ASSURANCES OF ADDITIONAL SHARES IN GNB SEGUROS

Founded in 1996, GNB Seguros is the 13th non-life insurance company located in Portugal with over €78 million in premiums issued as at end 2018.

GNB Seguros has been fully consolidated into the Crédit Agricole S.A. Group.

On 21 December 2018, Crédit Agricole Assurances increased its stake in GNB Seguros from 50% to 75%. The remaining 25% stake is held by Novo Banco, a Portuguese banking group.

This additional acquisition impacted Group equity by -€10.3 million.

The transaction confirms Crédit Agricole Assurances' ambition to continue developing its non-life insurance activities in Portugal and to strengthen its partnership with Novo Banco.

2.6.4 SALE OF BANQUE THÉMIS

On 22 June 2017, LCL received a firm offer, approved by the European supervisory authorities, for the sale of Banque Thémis, which is consolidated at 95% by the Crédit Agricole S.A. Group.

Banque Thémis was sold by LCL on 8 March 2018.

As at 31 December 2018, there were no gains or losses made on the sale of Thémis, its consolidated cost being equal to the sale price. There were no significant sale-related costs.

2.6.5 SALE OF CACEIS USA AND CACEIS CANADA

The entities Caceis USA and Caceis Canada, both wholly owned by CACEIS, were sold on 31 May 2018. This sale generated a consolidated capital gain of €9 million (€14 million recorded under Net gains (losses) on other assets and -€5 million of currency effect recorded in Revenues).

2.6.6 SALE OF FORSO NORDIC AB

Crédit Agricole Consumer Finance and Saracen HoldCo AB (HoldCo AB), a holding company wholly owned by FCE (FORD), signed a partnership on 30 June 2008 covering automotive financing activities in Sweden, Denmark, Norway and Finland through a joint venture, Forso Nordic AB, owned 50:50 by HoldCo AB and Crédit Agricole Consumer Finance.

On 29 May 2017, Crédit Agricole Consumer Finance decided to end the partnership, with termination effective from 31 August 2018. On 23 August 2017, HoldCo AB exercised its call option on the shares held by Crédit Agricole Consumer Finance. The exercise of this call option represents a binding and irrevocable commitment to buy out all of Crédit Agricole Consumer Finance's stake.

As at 31 December 2017, with the conditions for applying IFRS 5 satisfied and the disposal being treated as discontinued operations, the value of the Forso stake was transferred to a separate balance sheet line under Non-current assets held for sale and discontinued operations for €60.3 million and net income transferred to Net income from discontinued or held-for-sale operations for -€1 million. A capital loss on disposal of -€15 million was recognised under the same heading in the consolidated financial statements.

Following the approval of the Swedish regulator, the sale of Forso Nordic AB took place on 29 August 2018 and generated no additional profit in the financial statements as at 31 December 2018. There were no significant sale-related costs.

2.7 Proposed sale of Crédit Agricole Life (IFRS 5)

The sales contract signed on 7 July 2018 was sent to the regulator for finalisation at the end of August. On 21 January 2019, the sale process with the identified buyer was halted.

In view of an unchanged sale plan and the search for a new buyer for the entity or its portfolios, Crédit Agricole Life Greece was recorded under IFRS 5 in the consolidated financial statements as at 31 December 2018.

2.8 Removal of loyalty dividend

The removal of the loyalty dividend was approved by the Special Meeting of eligible shareholders on 4 April 2018 and later by the non-eligible shareholders at the Extraordinary General Meeting held on 16 May 2018.

As a reminder, this loyalty dividend applied to shares held and registered for more than two calendar years as at the reporting date of the financial year to which the dividend related and that continued to be held on the date of payment of the dividend. Eligible shareholders received, as a compensatory measure, one new ordinary share for every 26 eligible shares held in registered form for more than two years at 31 December 2017 and still held on the date of payment of the dividend relating to the 2017 financial year.

This transaction resulted in the creation of 6,530,044 new ordinary shares (representing a capital increase of approximately 0.23%), of which the delivery and admission for trading on Euronext Paris took place on 24 May 2018.

These new shares, which bear dividend rights from 1 January 2018, are immediately fungible with the ordinary shares making up the share capital of Crédit Agricole S.A.

Following this transaction, the share capital stands at €8,557,903,710, divided into 2,852,634,570 ordinary shares with a par value each of €3, fully paid-up.

2.9 Crédit Agricole S.A. capital increase reserved for employees

The Crédit Agricole S.A. capital increase reserved for employees was carried out on 1 August 2018. Some 19,000 Crédit Agricole Group employees, in France and 14 other countries, subscribed for a total amount of €135.5 million.

The proposed investment scheme was a standard offer with a subscription including a 20% rebate on the share price. The new shares were issued and delivered to employees on 1 August 2018.

This capital increase created 13,802,586 new shares, thereby bringing the total number of shares comprising the share capital of Crédit Agricole S.A. to 2,866,437,156.

The effect of this capital increase in the Group's consolidated financial statements translated into increases of €41.4 million in the share capital and of €94.1 million in share premiums and consolidated reserves.

2.10 Amundi capital increase reserved for employees

On 21 June 2018, Amundi announced the launch of a capital increase reserved for employees, which was first announced on 9 February 2018.

The subscription period for this capital increase reserved for employees ended on 9 July 2018.

Nearly 1,000 employees from 14 countries participated in this capital increase, subscribing to 193,792 new shares (i.e. 0.1% of the capital) for a total amount of €10 million.

At the end of this transaction, employees hold 0.3% of the capital, compared to 0.2% previously.

This issue therefore increased the number of shares comprising the capital of Amundi to 201,704,354.

2.11 Launch of a programme to buy back Amundi shares

On 20 November 2018, Amundi announced via a press release that it was launching a share buyback programme as part of a performance share award plan for key managers of the Group.

This programme, which could run until 15 November 2019, includes the acquisition of approximately 2 million shares (at a maximum price of €100 per share).

2.12 LCL capital increase

In a decision issued on 19 December 2017, the ECB imposed a new requirement on LCL in connection with Pillar 2. As a result, compliance with a minimum CET 1 ratio of 9.5% (full Basel III regime) was mandatory from 30 June 2018.

As such, on 15 June 2018, LCL performed a capital increase of €950 million, through the issue of 36,651,200 new shares with a unit price of €25.92, subscribed in their entirety by Crédit Agricole S.A., thus increasing its stake from 95.10% to 95.56%.

2.13 Tax litigation on Emporiki securities

On 17 May 2018, Crédit Agricole S.A. benefited from a favourable decision by the Versailles Court of Appeal (CAA Versailles), which found that the securities issued as part of the July 2012 capital increase were investment securities since it has been proven that there existed, at the date of this transaction, an intention to sell the issued securities, resulting in non-compliance with the accounting criteria of use and long-term possession and justifying the registration of said securities as investment securities. Consequently, the provision made for 100% of the issue value of the securities was tax deductible.

This legally enforceable decision was the subject of an appeal by the tax authorities to the French Supreme Administrative Court (Conseil d'État) dated 18 July 2018. The tax income corresponding to the deduction of the provision with non-controlling interests was recognised at 31 December 2018 for a total amount of €954 million and gives rise to a provision for liabilities in the same amount due to the non-definitive nature of the decision by the Court of Appeal.

Furthermore, a claim was filed by Crédit Agricole S.A. on 6 March 2018, following the upholding by the tax authorities of the adjustment relating to the securities issued as part of the January 2013 capital increase, despite the favourable opinion by the National Tax Commission given on 13 January 2017, which stated that the tax adjustment should be abandoned. This claim was rejected by the tax authorities on 7 August 2018. Thus, on 4 October 2018, Crédit Agricole S.A. filed a request to the Administrative Court of Montreuil.

2.14 FCA Bank fine

During the third quarter of 2018, FCA Bank (a joint venture held equally by Crédit Agricole Consumer Finance and FCA Italy SpA) was notified of monopolistic practices by the Italian Competition Authority (ICA).

On 9 January 2019, the Italian Competition Authority sanctioned several banks and car manufacturers for breaching competition law.

Accordingly, a fine totalling €178.9 million was imposed on FCA Bank SpA. This notification resulted in the Crédit Agricole S.A. Group making provision of €89.5 million.

2.15 Social and governmental measures

On 20 December 2018, after final reading, the French National Assembly (Assemblée Nationale) adopted the draft 2019 Finance Act. Following approval by the French Constitutional Council (Conseil Constitutionnel), the 2019 Finance Act (Act no. 2018-1317 of 28 December 2018) was published in the Official Journal of the French Republic on 30 December 2018.

As a result of the adoption of said act, a reduction of the corporate income tax rate was recognised, gradually lowering the rate to 25% in 2022, as originally voted for in the 2018 Finance Act. The 2019 Finance Act does not call into question this 25% downwards trend initially planned for the corporate income tax rate.

A supplementary Finance Act announced for spring 2019 could provide for the cancellation of the corporate income tax rate reduction, solely in 2019 for companies whose revenue is greater than €250 million.

As at 31 December 2018, given that the supplementary 2019 Finance Act was neither adopted or close to being adopted, it is therefore necessary to use the 32.02% corporate income tax rate for 2019 when determining the deferred tax charge for drawing up the consolidated financial statements as at 31 December 2018.

In addition, under the 2019 Finance Act, the taxable share of costs and expenses for gains on disposals of equity investments within a consolidated group will no longer be neutralised.

The 12% share of costs and expenses of the gain will now apply to sales of these investments within the tax consolidation.

2.16 Deposit Guarantee and resolution Fund and Single Resolution Fund

The Deposit Guarantee and Resolution Fund (FGDR) was created in 2013 by the Law on the Separation and Regulation of Banking Activities of 26 July 2013, and essentially takes over the tasks of the Deposit Guarantee Fund (FGD):

- management and implementation of deposit and security guarantee schemes in France. To this end, it has raised ex-ante contributions from French institutions;
- with regard to resolution: it acts as an intermediary between the French institutions and the Single Resolution Fund.

The Single Resolution Fund (SRF) was created in 2014. It is a supranational fund financed by eurozone member states, notably enabling the pooling of financial resources to be used for banking resolution.

The Single Resolution Fund will be gradually built up by contributions from national resolution funds for a period of eight years from 2016, to reach a target of at least 1% of the covered deposits of all approved credit institutions of the participating member states combined by 2023.

Having observed a strong increase in deposits in the participating member states, the Single Resolution Fund realised that it needed to review the contribution calculation, taking into account projection to 2023 of said deposits: this new methodology resulted in an increase in contributions in 2018. As at 31 December 2018, expenses recorded by the Crédit Agricole S.A. Group as "General Expenses" amounted to -€301 million, compared to -€242 million at 31 December 2017.

NOTE 3 Financial management, risk exposure and hedging policy

Crédit Agricole S.A.'s Financial Management department is responsible for organising financial flows within Crédit Agricole S.A. Group, defining and implementing refinancing rules, asset and liability management, and managing regulatory prudential ratios. It sets out the principles and ensures a cohesive financial management system throughout the Group.

The Group's management of banking risks is handled by the Group Risk Management and Permanent Controls department.

This department reports to the Chief Executive Officer of Crédit Agricole S.A. and its task is to control credit, financial and operational risks.

A description of these processes and commentary now appear in the chapter on "Risk factors" in the management report, as allowed by IFRS 7 standard. Nonetheless, the accounting breakdowns are still presented in the financial statements.

3.1 Credit risk

(see chapter "Risk factors – Credit Risk")

3.1.1 CHANGE IN CARRYING AMOUNTS AND VALUE ADJUSTMENTS FOR LOSSES DURING THE PERIOD

Value adjustments for losses correspond to the impairment of assets and to provisions for off-balance sheet commitments recognised in net income ("Cost of risk") relating to credit risk.

The different stages of impairment ('Performing assets' - Bucket 1 & Bucket 2 and 'Impaired assets' – Bucket 3) are presented in Note 1.2 "Accounting policies and principles" in the chapter on "Financial Instruments – Provision for Credit Risk".

The following tables present a reconciliation of the opening and closing balances of value adjustments for losses recognised under Cost of risk and associated carrying amounts, by accounting category and type of instrument.

FINANCIAL ASSETS AT AMORTISED COST: LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS (EXCLUDING CREDIT AGRICOLE INTERNAL TRANSACTIONS

	Performing assets				Credit-impaired assets (Bucket 3)		Total		
	Assets subject to 12-month ECL (Bucket 1)		Assets subject to lifetime ECL (Bucket 2)						
(in millions of euros)	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	**Gross carrying amount (a)**	**Loss allowance (b)**	**Net carrying amount (a) + (b)**
Balance at 1 january 2018	**89,209**	**(46)**	**159**	**(1)**	**411**	**(386)**	**89,778**	**(433)**	**89,345**
Transfer between buckets during the period	**33**	**-**	**(29)**	**-**	**(4)**	**-**	**-**	**-**	
Transfer from 12-month ECL (Bucket 1) to lifetime ECL (Bucket 2)	-	-	-	-			-	-	
Return to lifetime ECL (Bucket 2) from 12-month ECL (Bucket 1)	29	-	(29)	-	-	-	-	-	
Transfer to lifetime ECL impaired (Bucket 3)	-	-	-	-	-	-	-	-	
Return from lifetime ECL impaired (Bucket 3) to lifetime ECL (Bucket 2) / 12-month ECL (Bucket 1)	4	-	-	-	(4)	-	-	-	
Total after transfer	**89,242**	**(46)**	**130**	**(1)**	**407**	**(386)**	**89,778**	**(433)**	**89,345**
Changes in gross carrying amounts and loss allowances	**9,165**	**19**	**(71)**	**-**	**5**	**(5)**	**9,099**	**14**	
New financial assets : acquisition, granting, origination,… [1]	25,834	(15)	44	(1)			25,878	(16)	
Derecognition : disposal, repayment, maturity...	(16,801)	15	(115)	1	(4)	-	(16,920)	16	
Write-off					(4)	4	(4)	4	
Changes of cash flows resulting in restructuring due to financial difficulties	-	(3)	-	-	-	-	-	(3)	
Changes in models' credit risk parameters during the period		3		-		5	-	8	
Changes in model / methodology		-		-		-	-	-	
Changes in scope	227	-	-	-	-	-	227	-	
Transfers in non-current assets held for sale and discontinued operations	-	-	-	-	-	-	-	-	
Other	(95)	19	-	-	13	(14)	(82)	5	
Total	**98,407**	**(27)**	**59**	**(1)**	**412**	**(391)**	**98,877**	**(419)**	**98,457**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [2]	1,412		12		-		1,425		
Balance at 31 december 2018	**99,819**	**(27)**	**71**	**(1)**	**412**	**(391)**	**100,302**	**(419)**	**99,883**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

[1] *Originations in Bucket 2 could include some originated loans in Bucket 1 reclassified in Bucket 2 during the period.*

[1] *Includes the variations of fair value adjustments of micro-hedged instruments, the variations relating to the use of the EIR method (notably the amortisation of premiums/discounts), the variations of the accretion of discounts on restructured loans (recovered as revenue over the remaining term of the asset), and the variations of changes in related receivables*

FINANCIAL ASSETS AT AMORTISED COST: LOANS AND RECEIVABLES DUE FROM CUSTOMERS

	Performing assets				Credit-impaired assets (Bucket 3)		Total		
	Assets subject to 12-month ECL (Bucket 1)		Assets subject to lifetime ECL (Bucket 2)						
(in millions of euros)	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount (a)	Loss allowance (b)	Net carrying amount (a) + (b)
Balance at 1 january 2018	**303,914**	**(746)**	**33,017**	**(1,556)**	**15,092**	**(8,606)**	**352,022**	**(10,908)**	**341,114**
Transfer between buckets during the period	**(1,015)**	**(77)**	**(689)**	**182**	**1,704**	**(478)**	**-**	**(374)**	
Transfer from 12-month ECL (Bucket 1) to lifetime ECL (Bucket 2)	(8,204)	49	8,204	(164)			-	(115)	
Return to lifetime ECL (Bucket 2) from 12-month ECL (Bucket 1)	8,068	(127)	(8,068)	284	-	-	-	157	
Transfer to lifetime ECL impaired (Bucket 3)	(1,025)	20	(1,113)	112	2,138	(609)	-	(478)	
Return from lifetime ECL impaired (Bucket 3) to lifetime ECL (Bucket 2) / 12-month ECL (Bucket 1)	146	(19)	288	(50)	(434)	131	-	62	
Total after transfer	**302,899**	**(823)**	**32,328**	**(1,374)**	**16,795**	**(9,085)**	**352,022**	**(11,282)**	**340,740**
Changes in gross carrying amounts and loss allowances	**31,089**	**31**	**(222)**	**(43)**	**(4,243)**	**1,739**	**26,624**	**1,727**	
New financial assets : acquisition, granting, origination,… [1]	114,977	(595)	7,500	(480)			122,477	(1,075)	
Derecognition : disposal, repayment, maturity…	(85,023)	273	(7,895)	528	(1,758)	767	(94,676)	1,568	
Write-off					(2,534)	2,464	(2,534)	2,464	
Changes of cash flows resulting in restructuring due to financial difficulties	(2)	(8)	(33)	13	(3)	2	(38)	7	
Changes in models' credit risk parameters during the period		376		(63)		(1,514)	-	(1,201)	
Changes in model / methodology		-		-		-	-	-	
Changes in scope	294	(1)	2	-	43	(20)	339	(21)	
Transfers in non-current assets held for sale and discontinued operations	-	-	-	-	-	-	-	-	
Other	843	(14)	204	(41)	9	40	1,056	(15)	
Total	**333,988**	**(792)**	**32,106**	**(1,417)**	**12,552**	**(7,346)**	**378,646**	**(9,555)**	**369,091**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [2]	309		(408)		464		365		
Balance at 31 december 2018	**334,297**	**(792)**	**31,698**	**(1,417)**	**13,016**	**(7,346)**	**379,011**	**(9,555)**	**369,456**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

[1] *Originations in Bucket 2 could include some originated loans in Bucket 1 reclassified in Bucket 2 during the period.*

[2] *Includes the variations of fair value adjustments of micro-hedged instruments, the variations relating to the use of the EIR method (notably the amortisation of premiums/discounts), the variations of the accretion of discounts on restructured loans (recovered as revenue over the remaining term of the asset), and the variations of changes in related receivables*

FINANCIAL ASSETS AT AMORTISED COST: DEBT SECURITIES

	Performing assets				Credit-impaired assets (Bucket 3)		Total		
	Assets subject to 12-month ECL (Bucket 1)		Assets subject to lifetime ECL (Bucket 2)						
(in millions of euros)	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	**Gross carrying amount (a)**	**Loss allowance (b)**	**Net carrying amount (a) + (b)**
Balance at 1 january 2018	**51,634**	**(14)**	**72**	**(1)**	**-**	**-**	**51,706**	**(15)**	**51,692**
Transfer between buckets during the period	**(1)**	**-**	**1**	**-**	**-**	**-**	**-**	**-**	
Transfer from 12-month ECL (Bucket 1) to lifetime ECL (Bucket 2)	(10)	-	10	-	-		-	-	
Return to lifetime ECL (Bucket 2) from 12-month ECL (Bucket 1)	9	-	(9)	-	-		-	-	
Transfer to lifetime ECL impaired (Bucket 3)	-	-	-	-	-	-	-	-	
Return from lifetime ECL impaired (Bucket 3) to lifetime ECL (Bucket 2) / 12-month ECL (Bucket 1)	-	-	-	-	-	-	-	-	
Total after transfer	**51,633**	**(14)**	**73**	**(1)**	**-**	**-**	**51,706**	**(15)**	**51,692**
Changes in gross carrying amounts and loss allowances	**5,974**	**(2)**	**(2)**	**(1)**	**26**	**(14)**	**5,998**	**(17)**	
New financial assets : acquisition, granting, origination,…	17,123	(8)	30	(1)	-		17,153	(9)	
Derecognition : disposal, repayment, maturity...	(11,436)	4	-	-	-	-	(11,436)	4	
Write-off						-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	
Changes in models' credit risk parameters during the period		2		-		-	-	2	
Changes in model / methodology		-		-		-	-	-	
Changes in scope	-	-	-	-	-	-	-	-	
Transfers in non-current assets held for sale and discontinued operations	-	-	-	-	-	-	-	-	
Other	287	-	(32)	-	26	(14)	281	(14)	
Total	**57,608**	**(16)**	**71**	**(2)**	**26**	**(14)**	**57,704**	**(32)**	**57,672**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [1]	92		-		-		92		
Balance at 31 december 2018	**57,699**	**(16)**	**71**	**(2)**	**26**	**(14)**	**57,796**	**(32)**	**57,764**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

[1] *Includes the variations of fair value adjustments of micro-hedged instruments, the variations relating to the use of the EIR method (notably the amortisation of premiums/discounts), the variations of the accretion of discounts on restructured loans (recovered as revenue over the remaining term of the asset)*

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: DEBT SECURITIES

	Performing assets				Credit-impaired assets (Bucket 3)		Total	
	Assets subject to 12-month ECL (Bucket 1)		Assets subject to lifetime ECL (Bucket 2)					
(in millions of euros)	Carrying amount	Loss allowance	Carrying amount	Loss allowance	Carrying amount	Loss allowance	**Carrying amount**	**Loss allowance**
Balance at 1 january 2018	**251,848**	**(104)**	**3,630**	**(40)**	**-**	**(4)**	**255,478**	**(148)**
Transfer between buckets during the period	**1,237**	**(3)**	**(1,234)**	**6**			**3**	**3**
Transfer from 12-month ECL (Bucket 1) to lifetime ECL (Bucket 2)	(1)	-	1	-			-	-
Return to lifetime ECL (Bucket 2) from 12-month ECL (Bucket 1)	1,238	(3)	(1,235)	6	-	-	3	3
Transfer to lifetime ECL impaired (Bucket 3)	-	-	-	-	-	-	-	-
Return from lifetime ECL impaired (Bucket 3) to lifetime ECL (Bucket 2) / 12-month ECL (Bucket 1)	-	-	-	-	-	-	-	-
Total after transfer	**253,085**	**(107)**	**2,396**	**(34)**	**-**	**(4)**	**255,481**	**(145)**
Changes in gross carrying amounts and loss allowances	**(4,996)**	**(6)**	**(236)**	**12**	**-**	**-**	**(5,232)**	**6**
Fair value revaluation during the period	(4,659)		(93)		-		(4,752)	
New financial assets : acquisition, granting, origination,…	31,607	(19)	144	(6)			31,751	(25)
Derecognition : disposal, repayment, maturity...	(33,768)	17	(301)	4	-	-	(34,069)	21
Write-off					-	-	-	-
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	15	15	-	-	15	15
Changes in models' credit risk parameters during the period		(4)		(1)		-	-	(5)
Changes in model / methodology		-		-		-	-	-
Changes in scope	124	-	-	-	-	-	124	-
Transfers in non-current assets held for sale and discontinued operations	-	-	-	-	-	-	-	-
Other	1,700	-	(1)	-	-	-	1,699	-
Total	**248,089**	**(113)**	**2,160**	**(22)**	**-**	**(4)**	**250,249**	**(139)**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [1]	(53)		6		-		(47)	
Balance at 31 december 2018	**248,036**	**(113)**	**2,166**	**(22)**	**-**	**(4)**	**250,202**	**(139)**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-	

[1] *Includes the impacts of the use of the EIR method (notably the amortisation of premiums/discounts)*

FINANCING COMMITMENTS (EXCLUDING CRÉDIT AGRICOLE INTERNAL OPERATIONS)

	Performing commitments				Provisioned commitments (Bucket 3)		Total		
	Commitments subject to 12-month ECL (Bucket 1)		Commitments subject to lifetime ECL (Bucket 2)						
(in millions of euros)	Amount of commitment	Loss allowance	Amount of commitment	Loss allowance	Amount of commitment	Loss allowance	**Amount of commitment (a)**	**Loss allowance (b)**	**Net amount of commitment (a) + (b)**
Balance at 1 january 2018	**142,487**	**(133)**	**6,432**	**(277)**	**484**	**(118)**	**149,403**	**(528)**	**148,875**
Transfer between buckets during the period	**(441)**	**(35)**	**374**	**33**	**67**	**(3)**	**-**	**(5)**	
Transfer from 12-month ECL (Bucket 1) to lifetime ECL (Bucket 2)	(1,373)	7	1,373	(13)			-	(7)	
Return to lifetime ECL (Bucket 2) from 12-month ECL (Bucket 1)	996	(42)	(997)	46			-	4	
Transfer to lifetime ECL impaired (Bucket 3)	(66)	-	(5)	-	71	(3)	-	(3)	
Return from lifetime ECL impaired (Bucket 3) to lifetime ECL (Bucket 2) / 12-month ECL (Bucket 1)	2	-	2	-	(4)	1	-	1	
Total after transfer	**142,046**	**(168)**	**6,806**	**(245)**	**551**	**(121)**	**149,403**	**(533)**	**148,870**
Changes in commitments and loss allowances	**21,119**	**7**	**(1,625)**	**(1)**	**(304)**	**102**	**19,190**	**108**	
New commitments given	62,704	(93)	1,518	(162)			64,222	(255)	
End of commitments	(44,975)	92	(3,225)	190	(400)	147	(48,600)	429	
Write-off					(42)	42	(42)	42	
Changes of cash flows resulting in restructuring due to financial difficulties	-	8	(3)	9	-	-	(3)	17	
Changes in models' credit risk parameters during the period		8		(26)		(60)		(78)	
Changes in model / methodology		-		-		-		-	
Transfers in non-current assets held for sale and discontinued operations									
Changes in scope									
Other	3,390	(8)	86	(12)	138	(27)	3,614	(47)	
Balance at 31 december 2018	**163,165**	**(160)**	**5,181**	**(246)**	**247**	**(19)**	**168,593**	**(425)**	**168,168**

GUARANTEE COMMITMENTS (EXCLUDING CRÉDIT AGRICOLE INTERNAL OPERATIONS)

	Performing commitments				Provisioned commitments (Bucket 3)		Total		
	Commitments subject to 12-month ECL (Bucket 1)		Commitments subject to lifetime ECL (Bucket 2)						
(in millions of euros)	Amount of commitment	Loss allowance	Amount of commitment	Loss allowance	Amount of commitment	Loss allowance	**Amount of commitment (a)**	**Loss allowance (b)**	**Net amount of commitment (a) + (b)**
Balance at 1 january 2018	**82,642**	**(52)**	**4,061**	**(109)**	**2,875**	**(314)**	**89,578**	**(475)**	**89,103**
Transfer between buckets during the period	**(369)**	**(8)**	**253**	**20**	**116**	**(41)**	**-**	**(29)**	
Transfer from 12-month ECL (Bucket 1) to lifetime ECL (Bucket 2)	(976)	2	976	(4)			-	(2)	
Return to lifetime ECL (Bucket 2) from 12-month ECL (Bucket 1)	698	(10)	(698)	14			-	4	
Transfer to lifetime ECL impaired (Bucket 3)	(95)	-	(25)	10	120	(42)	-	(32)	
Return from lifetime ECL impaired (Bucket 3) to lifetime ECL (Bucket 2) / 12-month ECL (Bucket 1)	4	-	-	-	(4)	1	-	1	
Total after transfer	**82,273**	**(60)**	**4,314**	**(89)**	**2,991**	**(355)**	**89,578**	**(504)**	**89,074**
Changes in commitments and loss allowances	**(3,827)**	**4**	**(501)**	**(17)**	**(201)**	**70**	**(4,529)**	**57**	
New commitments given	23,560	(35)	814	(28)			24,374	(63)	
End of commitments	(24,270)	21	(1,598)	52	(337)	122	(26,205)	195	
Write-off	-	-	-	-	(5)	5	(5)	5	
Changes of cash flows resulting in restructuring due to financial difficulties	-	(2)	-	2	-	-	-	-	
Changes in models' credit risk parameters during the period		16		(31)		(75)	-	(90)	
Changes in model / methodology		-		-		-	-	-	
Transfers in non-current assets held for sale and discontinued operations		-		-		-	-	-	
Changes in scope	-	-	-	-	-	-			
Other	(3,117)	4	283	(12)	141	18	(2,693)	10	
Balance at 31 december 2018	**78,446**	**(56)**	**3,813**	**(106)**	**2,790**	**(285)**	**85,049**	**(447)**	**84,602**

IMPAIRMENT DEDUCTED FROM FINANCIAL ASSETS AT 31 DECEMBER 2017

(in millions of euros)	31/12/2016	Changes in scope	Depreciation	Reversals and utilisations	Translation adjustments	Transfers in non-current assets held for sale and discontinued operations	Other movements	31/12/2017
Loans and receivables due from credit institutions	435	-	1	(6)	(41)	-	(3)	386
Loans and receivables due from customers	10,533	292	2,878	(3,588)	(322)	-	(73)	9,720
Of which collective impairment	2,445	69	291	(687)	(115)	-	(56)	1,947
Finance leases	272	-	180	(194)	-	-	1	259
Held-to-maturity securities	-	-	-	-	-	-	-	-
Available-for-sale financial assets	1,408	117	82	(436)	(12)	-	(1)	1,158
Other financial assets	173	-	29	(43)	(7)	-	(17)	135
TOTAL IMPAIRMENT OF FINANCIAL ASSETS	**12,821**	**409**	**3,170**	**(4,267)**	**(382)**	**-**	**(93)**	11,658

3.1.2 MAXIMUM EXPOSURE TO CREDIT RISK

An entity's maximum exposure to credit risk represents the carrying amount, net of any impairment loss recognised and without taking account of any collateral held or other credit enhancements (e.g. netting agreements that do not qualify for offset in accordance with IAS 32).

The tables below show the maximum exposures as well as the amount of collateral held and other credit enhancements allowing this exposure to be reduced.

Impaired assets at the end of the reporting period constitute the impaired assets (Bucket 3).

FINANCIAL ASSETS NOT SUBJECT TO IMPAIRMENT REQUIREMENTS (ACCOUNTED AT FAIR VALUE THROUGH PROFIT OR LOSS)

	31/12/2018					
		Credit risk mitigation				
	Maximum exposure to credit risk	Collateral held as security			Other credit enhancement	
(in millions of euros)		Financial instruments provided as collateral	Mortgages	Pledged securities	Financial guarantees	Credit derivatives
Financial assets at fair value through profit or loss (excluding equity securities and assets backing unit-linked contracts)	**282,737**	**-**	**1,906**	**472**	**35**	**-**
Financial assets held for trading	222,828	-	-	383	-	-
Debt instruments that do not meet the conditions of the "SPPI" test	59,907	-	1,906	89	35	-
Financial assets designated at fair value through profit or loss	2	-	-	-	-	-
Hedging derivative Instruments	**14,322**	**-**	**-**	**506**	**-**	**-**
TOTAL	**297,059**	**-**	**1,906**	**978**	**35**	**-**

FINANCIAL ASSETS SUBJECT TO IMPAIRMENT REQUIREMENTS

	31/12/2018					
		Credit risk mitigation				
	Maximum exposure to credit risk	Collateral held as security			Other credit enhancement	
(in millions of euros)		Financial instruments provided as collateral	Mortgages	Pledged securities	Financial guarantees	Credit derivatives
Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss	**250,202**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	1	-	-	-	-	-
Loans and receivables due from credit institutions	**-**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Loans and receivables due from customers	**1**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	1	-	-	-	-	-
Debt securities	**250,201**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Financial assets at amortised cost	**527,087**	**8,641**	**76,224**	**6,031**	**105,003**	**387**
of which impaired assets at the reporting date	5,703	128	1,291	26	2,999	-
Loans and receivables due from credit institutions	**99,867**	**1,442**	**-**	**137**	**5,790**	**-**
of which impaired assets at the reporting date	20	-	-	-	2,324	-
Loans and receivables due from customers	**369,456**	**7,199**	**76,224**	**5,894**	**99,213**	**387**
of which impaired assets at the reporting date	5,670	128	1,291	26	675	-
Debt securities	**57,764**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	12	-	-	-	-	-
Total	**777,289**	**8,641**	**76,224**	**6,031**	**105,003**	**387**
of which impaired assets at the reporting date	5,704	128	1,291	26	2,999	-

OFF-BALANCE SHEET COMMITMENTS SUBJECT TO PROVISION REQUIREMENTS

	31/12/2018					
		Credit risk mitigation				
	Maximum exposure to credit risk	Collateral held as security			Other credit enhancement	
(in millions of euros)		Financial instruments provided as collateral	Mortgages	Pledged securities	Financial guarantees	Credit derivatives
Guarantee commitments	**84,603**	**-**	**8**	**357**	**5,995**	**4**
of which provisioned commitments at the reporting date	2,505	-	-	27	13	-
Financing commitments	**168,168**	**-**	**868**	**810**	**16,854**	**4,409**
of which provisioned commitments at the reporting date	228	-	3	8	4	-
Total	**252,771**	**-**	**876**	**1,167**	**22,849**	**4,413**
of which provisioned commitments at the reporting date	2,733	-	3	35	16	-

A description of the assets held as collateral is provided in note 8 "Commitments given and received and other guarantees".

MAXIMUM EXPOSURE TO CREDIT RISK AT 31 DECEMBER 2017

An entity's maximum exposure to credit risk is the gross carrying amount, net of any offset amount and any recognised loss of value.

in millions of euros	**31/12/2017**
Financial assets at fair value through profit or loss (excluding equity securities and assets backing unit-linked contracts)	251,891
Hedging derivative instruments	16,435
Available-for-sale financial assets (excluding equity securities)	276,090
Loans, receivables and security deposits due from credit institutions (excluding Crédit Agricole internal transactions)	106,897
Loans, receivables and security deposits due from customers	367,814
Held-to-maturity financial assets	20,179
Exposure to on-balance sheet commitments (net of impairment losses)	**1,039,306**
Financing commitments given (excluding Crédit Agricole internal operations)	149,257
Financial guarantee commitments given (excluding Crédit Agricole internal operations)	89,600
Provisions - Financing commitments	(489)
Exposure to off-balance sheet financing commitments (net of provisions)	**238,368**
Maximum exposure to Credit Risk	**1,277,674**

Guarantees and other credit enhancements amount to:

in millions of euros	**31/12/2017**
Loans and receivables due from credit institutions (excluding Crédit Agricole internal transactions)	2,533
Loans and receivables due from customers	178,144
Financing commitments given (excluding Crédit Agricole internal operations)	18,809
Guarantee commitments given (excluding Crédit Agricole internal operations)	4,715

The amounts represent the amounts of guarantees and collateral used in the calculation of capital requirements for the purposes of the solvency ratio. They are valued by the Risk department on the basis of rules drawn up by the Standards and Methodology Committee of Crédit Agricole S.A. Group.

The method used to update this valuation and the frequency at which it is done depends on the nature of the collateral, and is done at least once a year. The amount declared with respect to guarantees received shall be no greater than the amount of assets covered.

CONCENTRATIONS OF CREDIT RISK

The carrying amounts and commitments are presented net of impairment and provisions.

EXPOSURE TO CREDIT RISK BY CATEGORY OF CREDIT RISK

The credit risk categories are presented by probability of default intervals. The correspondence between internal ratings and probability of default intervals is discussed in the Chapter entitled "Risk Factors and Pillar 3 – Credit Risk Management" in the Crédit Agricole S.A. Registration Document.

Financial assets at amortised cost (excluding Crédit Agricole internal transactions)

		At 31 december 2018			
		Carrying amount			
		Performing assets		**Credit-impaired assets (Bucket 3)**	**Total**
(in million of euros)	**Credit risk rating grades**	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)		
Retail customers	PD ≤ 0,5%	87,946	316	-	**88,262**
	0,5% < PD ≤ 2%	35,973	887	-	**36,860**
	2% < PD ≤ 20%	20,572	10,655	-	**31,227**
	20% < PD < 100%	-	1,711	-	**1,711**
	PD = 100%	-	-	4,897	**4,897**
Total Retail customers		**144,491**	**13,569**	**4,897**	**162,957**
Non-retail customers	PD ≤ 0,6%	285,549	6,194	-	**291,743**
	0,6% < PD < 12%	61,775	9,323	-	**71,098**
	12% ≤ PD < 100%	-	2,754	-	**2,754**
	PD = 100%	-	-	8,557	**8,557**
Total Non-retail customers		**347,324**	**18,271**	**8,557**	**374,152**
Impairment		(835)	(1,420)	(7,751)	**(10,006)**
TOTAL		**490,980**	**30,420**	**5,703**	**527,103**

Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss

		At 31 december 2018			
		Carrying amount			
		Performing assets		Credit-impaired assets (Bucket 3)	Total
(in million of euros)	Credit risk rating grades	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)		
Retail customers	PD ≤ 0,5%	-	-	-	-
	0,5% < PD ≤ 2%	-	-	-	-
	2% < PD ≤ 20%	-	-	-	-
	20% < PD < 100%	-	-	-	-
	PD = 100%	-	-	-	-
Total Retail customers		**-**	**-**	**-**	**-**
Non-retail customers	PD ≤ 0,6%	246,353	1,446	-	**247,799**
	0,6% < PD < 12%	1,682	716	-	**2,398**
	12% ≤ PD < 100%	-	4	-	**4**
	PD = 100%	-	-	-	-
Total Non-retail customers		**248,035**	**2,166**	**-**	**250,201**
TOTAL		248,035	2,166	-	**250,201**

Financing commitments (excluding Crédit Agricole internal transactions)

		At 31 december 2018			
		Amount of commitment			
		Performing commitments			
(in million of euros)	Credit risk rating grades	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	Total
Retail customers	PD ≤ 0,5%	12,177	54	-	**12,231**
	0,5% < PD ≤ 2%	3,010	133	-	**3,143**
	2% < PD ≤ 20%	2,627	636	-	**3,263**
	20% < PD < 100%	-	58	-	**58**
	PD = 100%	-	-	17	**17**
Total Retail customers		**17,814**	**881**	**17**	**18,712**
Non-retail customers	PD ≤ 0,6%	136,687	3,289	-	**139,976**
	0,6% < PD < 12%	8,663	751	-	**9,414**
	12% ≤ PD < 100%	-	260	-	**260**
	PD = 100%	-	-	231	**231**
Total Non-retail customers		**145,350**	**4,300**	**231**	**149,881**
Provisions [1]		(160)	(246)	(19)	**(425)**
TOTAL		**163,004**	**4,935**	**229**	**168,168**

[1] *Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.*

Garantee commitments (excluding Crédit Agricole internal transactions)

		At 31 december 2018			
		Amount of commitment			
		Performing commitments			
(in million of euros)	Credit risk rating grades	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	Total
Retail customers	PD ≤ 0,5%	868	15	-	**883**
	0,5% < PD ≤ 2%	135	1	-	**136**
	2% < PD ≤ 20%	35	19	-	**54**
	20% < PD < 100%	-	3	-	**3**
	PD = 100%	-	-	69	**69**
Total Retail customers		**1,038**	**38**	**69**	**1,145**
Non-retail customers	PD ≤ 0,6%	74,849	2,840	-	**77,689**
	0,6% < PD < 12%	2,558	878	-	**3,436**
	12% ≤ PD < 100%	-	58	-	**58**
	PD = 100%	-	-	2,721	**2,721**
Total Non-retail customers		**77,407**	**3,776**	**2,721**	**83,904**
Provisions [1]		(56)	(106)	(285)	**(447)**
TOTAL		**78,389**	**3,708**	**2,505**	**84,602**

[1] *Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.*

3.1.3 CREDIT RISK CONCENTRATIONS BY CUSTOMER TYPE

Financial assets designated at fair value through profit or loss by customer type

	31/12/2018
(in millions of euros)	Carrying amount
General administration	-
Central banks	-
Credit institutions	-
Large corporates	2
Retail customers	-
Total financial assets designated at fair value through profit or loss	2

	31/12/2017
(in millions of euros)	Carrying amount
General administration	-
Central banks	-
Credit institutions	-
Large corporates	2
Retail customers	-
TOTAL LOANS AND RECEIVABLES DESIGNATED AT FAIR VALUE	**2**
Carrying amount of credit derivatives and similar instruments limiting risk exposure	**-**

Financial assets at amortised cost by customer type (excluding Crédit Agricole internal transactions)

	At 31 december 2018			
	Carrying amount			
	Performing assets			
(in millions of euros)	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	**Credit-impaired assets (Bucket 3)**	**Total**
General administration	32,642	137	87	**32,866**
Central banks	30,140	-	-	**30,140**
Credit institutions	83,432	70	411	**83,913**
Large corporates	201,057	18,064	8,059	**227,180**
Retail customers	144,544	13,569	4,897	**163,010**
Impairment	(835)	(1,420)	(7,751)	**(10,006)**
TOTAL	**490,980**	**30,420**	**5,703**	**527,103**

Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss by customer type

	At 31 december 2018			
	Carrying amount			
	Performing assets			
(in millions of euros)	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	**Credit-impaired assets (Bucket 3)**	**Total**
General administration	107,245	447	-	**107,692**
Central banks	1,025	-	-	**1,025**
Credit institutions	71,789	3	-	**71,792**
Large corporates	67,977	1,716	-	**69,693**
Retail customers	-	-	-	**-**
TOTAL	**248,036**	**2,166**	**-**	**250,202**

DUE TO CUSTOMERS BY CUSTOMER TYPE

(in millions of euros)	**31/12/2018**	**31/12/2017**
General administration	16,803	15,575
Large corporates	200,104	174,494
Retail customers	380,263	360,677
TOTAL AMOUNT DUE TO CUSTOMERS	**597,170**	**550,746**

Financing commitments by customer type (excluding Crédit Agricole internal transactions)

	At 31 december 2018			
	Amount of commitment			
	Performing commitments			
(in millions of euros)	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	**Provisioned commitments (Bucket 3)**	**Total**
General administration	4,076	8	-	**4,084**
Central banks	641	-	-	**641**
Credit institutions	23,983	-	1	**23,984**
Large corporates	116,651	4,292	230	**121,173**
Retail customers	17,814	881	16	**18,711**
Provisions [1]	(160)	(246)	(19)	**(425)**
TOTAL	**163,005**	**4,935**	**228**	**168,168**

[1] Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.

Garantee commitments by customer type (excluding Crédit Agricole internal transactions)

	At 31 december 2018			
	Amount of commitment			
	Performing commitments			
(in million of euros)	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	**Provisioned commitments (Bucket 3)**	**Total**
General administration	332	6	-	**338**
Central banks	568	-	-	**568**
Credit institutions	7,811	28	59	**7,898**
Large corporates	68,696	3,742	2,662	**75,100**
Retail customers	1,038	38	69	**1,145**
Provisions [1]	(56)	(106)	(285)	**(447)**
TOTAL	**78,389**	**3,708**	**2,505**	**84,602**

[1] Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.

Loans and receivables due from credit institutions and due from customers by type (excluding Crédit Agricole internal transactions) at 31 December 2017

	31/12/2017				
(in millions of euros)	Gross outstanding	of which gross loans and receivables individually impaired	Individual impairment	Collective impairment	Total
General administration	6,008	102	21	29	**5,958**
Central banks	18,955	-	-	-	**18,955**
Credit institutions	76,027	(411)	386	-	**75,641**
Large corporates	209,796	9,656	4,996	1,229	**203,571**
Retail customers	154,254	5,528	3,016	689	**150,549**
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND DUE FROM CUSTOMERS [1]	**465,040**	**15,697**	**8,419**	**1,947**	**454,674**

[1] *Of which €11,449 million in restructured loans*

Commitments given to customers by customer type at 31 December 2017

(in millions of euros)	**31/12/2017**
Financing commitments given to customers	
General administration	1,938
Large corporates	106,652
Retail customers	16,685
TOTAL LOAN COMMITMENTS	**125,275**
Guarantee commitments given to customers	
General administration	293
Large corporates	80,126
Retail customers	1,201
TOTAL GUARANTEE COMMITMENTS	**81,620**

CREDIT RISK CONCENTRATIONS BY GEOGRAPHICAL AREA

FINANCIAL ASSETS AT AMORTISED COST BY GEOGRAPHICAL AREA (EXCLUDING CRÉDIT AGRICOLE INTERNAL TRANSACTIONS)

	At 31 december 2018			
	Carrying amount			
	Performing assets			
	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	**Credit-impaired assets (Bucket 3)**	**Total**
France (including overseas departments and territories)	247,024	14,920	4,495	**266,439**
Other European Union countries	141,448	8,403	6,238	**156,089**
Other European countries	15,940	1,038	297	**17,275**
North America	31,693	871	123	**32,687**
Central and South America	8,782	1,581	709	**11,072**
Africa and Middle East	14,636	1,991	1,278	**17,905**
Asia-Pacific (ex. Japan)	24,761	2,746	314	**27,821**
Japan	5,211	290	-	**5,501**
Supranational organisations	2,320	-	-	**2,320**
Impairment	(835)	(1,420)	(7,751)	**(10,006)**
TOTAL	**490,980**	**30,420**	**5,703**	**527,103**

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS BY GEOGRAPHICAL AREA

	At 31 december 2018			
	Carrying amount			
	Performing assets			
	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	Total
France (including overseas departments and territories)	123,231	1,088	-	**124,319**
Other European Union countries	87,396	1,078	-	**88,474**
Other European countries	4,248	-	-	**4,248**
North America	20,866	-	-	**20,866**
Central and South America	238	-	-	**238**
Africa and Middle East	1,269	-	-	**1,269**
Asia-Pacific (ex. Japan)	6,027	-	-	**6,027**
Japan	426	-	-	**426**
Supranational organisations	4,335	-	-	**4,335**
TOTAL	**248,036**	**2,166**	**-**	**250,202**

DUE TO CUSTOMERS BY GEOGRAPHICAL AREA

(in millions of euros)	31/12/2018	31/12/2017
France (including overseas departments and territories)	412,491	389,500
Other European Union countries	111,558	100,036
Other European countries	15,434	12,328
North America	14,180	12,704
Central and South America	4,170	5,281
Africa and Middle East	12,736	12,448
Asia-Pacific (ex. Japan)	12,789	10,523
Japan	13,723	7,683
Supranational organisations	89	243
TOTAL AMOUNT DUE TO CUSTOMERS	**597,170**	**550,746**

FINANCING COMMITMENTS BY GEOGRAPHICAL AREA (EXCLUDING CRÉDIT AGRICOLE INTERNAL TRANSACTIONS)

	At 31 december 2018			
	Amount of commitment			
	Performing commitments			
(in millions of euros)	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	**Provisioned commitments (Bucket 3)**	**Total**
France (including overseas departments and territories)	64,377	1,755	88	**66,220**
Other European Union countries	45,323	1,535	132	**46,990**
Other European countries	6,552	225	11	**6,788**
North America [1]	26,962	1,159	13	**28,134**
Central and South America	3,182	149	-	**3,331**
Africa and Middle East	5,766	155	3	**5,924**
Asia-Pacific (ex. Japan)	7,412	202	-	**7,614**
Japan	3,591	1	-	**3,592**
Supranational organisations	-	-	-	**-**
Provisions [1]	(160)	(246)	(19)	**(425)**
TOTAL	**163,005**	**4,935**	**228**	**168,168**

[1] Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.

GARANTEE COMMITMENTS BY GEOGRAPHICAL AREA (EXCLUDING CRÉDIT AGRICOLE INTERNAL TRANSACTIONS)

	At 31 december 2018			
	Amount of commitment			
	Performing commitments			
(in millions of euros)	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	**Provisioned commitments (Bucket 3)**	**Total**
France (including overseas departments and territories)	34,766	1,022	309	**36,097**
Other European Union countries	16,323	1,219	2,345	**19,887**
Other European countries	4,197	607	-	**4,804**
North America	9,828	312	24	**10,164**
Central and South America	1,485	18	69	**1,572**
Africa and Middle East	3,256	105	43	**3,404**
Asia-Pacific (ex. Japan)	5,395	298	-	**5,693**
Japan	3,195	233	-	**3,428**
Supranational organisations	-	-	-	**-**
Provisions [1]	(56)	(106)	(285)	**(447)**
TOTAL	**78,389**	**3,708**	**2,505**	**84,602**

[1] *Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.*

Loans and receivables due from credit institutions and due from customers by geographical area (excluding Crédit Agricole internal transactions) at 31 December 2017

(in millions of euros)	31/12/2017				
	Gross outstanding	**of which gross loans and receivables individually impaired**	**Individual impairment**	**Collective impairment**	**Total**
France (including overseas departments and territories)	240,312	4,671	2,314	562	**237,436**
Other European Union countries	127,014	7,907	3,963	741	**122,310**
Other European countries	14,239	391	283	70	**13,886**
North America	25,931	152	53	246	**25,632**
Central and South America	11,678	964	756	59	**10,863**
Africa and Middle East	17,196	1,164	894	149	**16,153**
Asia-Pacific (ex. Japan)	24,981	429	156	115	**24,710**
Japan	3,575	19	-	5	**3,570**
Supranational organisations	114	-	-	-	**114**
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND DUE FROM CUSTOMERS	**465,040** [1]	**15,697**	**8,419**	**1,947**	**454,674**

[1] *Of which €11,449 million in restructured loans*

Commitments given to customers: geographical analysis at 31 December 2017

(in millions of euros)	**31/12/2017**
Financing commitments given to customers	
France (including overseas departments and territories)	50,489
Other European Union countries	33,677
Other European countries	5,094
North America	19,865
Central and South America	5,710
Africa and Middle East	3,545
Asia-Pacific (ex. Japan)	5,919
Japan	976
Total loan Commitments	**125,275**
Guarantee commitments given to customers	
France (including overseas departments and territories)	44,965
Other European Union countries	16,445
Other European countries	3,313
North America	7,502
Central and South America	1,121
Africa and Middle East	1,229
Asia-Pacific (ex. Japan)	4,003
Japan	3,043
Total guarantee Commitments	**81,620**

3.1.4 INFORMATION ON WATCH LIST OR INDIVIDUALLY IMPAIRED FINANCIAL ASSETS

Analysis of watch list or individually impaired financial assets by customer type

	31/12/2018								
	Assets without significant increase in credit risk since initial recognition (Bucket 1)			Assets with significant increase in credit risk since initial recognition but not impaired (Bucket 2)			Credit-impaired assets (Bucket 3)		
(in millions of euros)	*≤ 30 days*	*> 30 days up to ≤ 90 days*	*> 90 days*	*≤ 30 days*	*> 30 days up to ≤ 90 days*	*> 90 days*	*≤ 30 days*	*> 30 days up to ≤ 90 days*	*> 90 days*
Debt securities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
General administration	-	-	-	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-	-
Large corporates	-	-	-	-	-	-	-	-	-
Retail customers	-	-	-	-	-	-	-	-	-
Loans and receivables	**4,189**	**1,015**	**-**	**995**	**1,149**	**41**	**64**	**477**	**4,668**
General administration	51	163	-	3	1	-	-	-	60
Central banks	-	-	-	-	-	-	-	-	-
Credit institutions	28	24	-	2	1	-	-	-	-
Large corporates	2,819	577	-	147	713	8	11	284	3,149
Retail customers	1,290	252	-	843	434	33	53	193	1,458
TOTAL	**4,189**	**1,015**	**-**	**995**	**1,149**	**41**	**64**	**477**	**4,668**

	31/12/2017						
	Payments arrears on watch list loans						
(in millions of euros)	≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year	*Net carrying amount of indidually impaired financial assets*	**Net carrying amount of individually impaired financial assets**	**Impairment of individually and collectively tested financial assets**
Equity instruments	**-**	**-**	**-**	**-**	**-**	**1,931**	**1,085**
Debt instruments	**-**	**-**	**-**	**-**	**-**	**57**	**244**
General administration	-	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	1	1
Large corporates	-	-	-	-	-	56	243
Retail customers	-	-	-	-	-	-	-
Loans and advances	**5,096**	**165**	**115**	**108**	**5,485**	**7,278**	**10,366**
General administration	50	3	1	2	55	81	50
Central banks	-	-	-	-	-	-	-
Credit institutions	40	3	2	2	46	25	386
Large corporates	2,170	103	71	78	2,422	4,660	6,225
Retail customers	2,836	56	42	27	2,961	2,512	3,705
TOTAL WATCH LIST OR INDIVIDUALLY IMPAIRED FINANCIAL ASSETS	**5,096**	**165**	**115**	**108**	**5,485**	**9,266**	**11,695**

3.2 Market risk

(See chapter on « Risk factors – Market risk »)

DERIVATIVE INSTRUMENTS : ANALYSIS BY REMAINING MATURITY

The breakdown of market values of derivative instruments is shown by remaining contractual maturity.

HEDGING DERIVATIVE INSTRUMENTS - FAIR VALUE OF ASSETS

	31/12/2018						
	Exchange-traded transactions			Over-the-counter transactions			
(in millions of euros)	*≤ 1 year*	*> 1 year up to ≤ 5 years*	*> 5 years*	*≤ 1 year*	*> 1 year up to ≤ 5 years*	*> 5 years*	**Total market value**
Interest rate instruments	**-**	**-**	**-**	**1,586**	**5,291**	**7,062**	**13,938**
Futures	-	-	-	-	-	-	**-**
FRAs	-	-	-	-	-	-	**-**
Interest rate swaps	-	-	-	1,496	5,283	7,062	**13,840**
Interest rate options	-	-	-	-	-	-	**-**
Caps - floors - collars	-	-	-	90	8	-	**98**
Other options	-	-	-	-	-	-	**-**
Currency	**-**	**-**	**-**	**100**	**49**	**19**	**168**
Currency futures	-	-	-	100	49	19	**168**
Currency options	-	-	-	-	-	-	**-**
Other instruments	**-**	**-**	**-**	**46**	**-**	**-**	**46**
Other	-	-	-	46	-	-	**46**
Subtotal	**-**	**-**	**-**	**1,731**	**5,340**	**7,081**	**14,152**
Forward currency transactions	-	-	-	170	-	-	**170**
TOTAL FAIR VALUE OF HEDGING DERIVATIVES - ASSETS	**-**	**-**	**-**	**1,901**	**5,340**	**7,081**	**14,322**

	31/12/2017			
	Derivative instruments by maturity			
(in millions of euros)	≤ 1 year	> 1 year ≤ 5 years	> 5 years	**Total market value**
Interest rate instruments	**1,529**	**6,163**	**8,125**	**15,817**
Interest rate swaps	1,445	6,163	8,124	**15,732**
Interest rate options	-	-	-	**-**
Caps - floors - collars	84	-	-	**84**
Other options	-	-	1	**1**
Currency and gold	**177**	**44**	**73**	**294**
Currency futures	173	44	73	**290**
Currency options	4	-	-	**4**
Other instruments	**74**	**-**	**-**	**74**
Equity and index derivatives	74	-	-	**74**
Subtotal	**1,780**	**6,207**	**8,198**	**16,185**
Forward currency transactions	250	-	-	**250**
TOTAL FAIR VALUE OF HEDGING DERIVATIVES - ASSETS	**2,030**	**6,207**	**8,198**	**16,435**

HEDGING DERIVATIVE INSTRUMENTS – FAIR VALUE OF LIABILITIES

	31/12/2018						
	Exchange-traded transactions			Over-the-counter transactions			
(in millions of euros)	*≤ 1 year*	*> 1 year up to ≤ 5 years*	*> 5 years*	*≤ 1 year*	*> 1 year up to ≤ 5 years*	*> 5 years*	**Total market value**
Interest rate instruments	**-**	**-**	**-**	**1,165**	**4,745**	**5,755**	**11,665**
Futures	-	-	-	-	-	-	**-**
FRAs	-	-	-	-	-	-	**-**
Interest rate swaps	-	-	-	1,156	4,739	5,755	**11,650**
Interest rate options	-	-	-	-	-	-	**-**
Caps - floors - collars	-	-	-	9	6	-	**15**
Other options	-	-	-	-	-	-	**-**
Currency	**-**	**-**	**-**	**111**	**3**	**5**	**119**
Currency futures	-	-	-	111	3	5	**119**
Currency options	-	-	-	-	-	-	**-**
Other instruments	**-**	**-**	**-**	**65**	**-**	**-**	**65**
Other	-	-	-	65	-	-	**65**
Subtotal	**-**	**-**	**-**	**1,341**	**4,748**	**5,760**	**11,849**
Forward currency transactions	-	-	-	236	-	-	**236**
TOTAL FAIR VALUE OF HEDGING DERIVATIVES - LIABILITIES	**-**	**-**	**-**	**1,577**	**4,748**	**5,760**	**12,085**

	31/12/2017			
	Derivative instruments by maturity			
(in millions of euros)	≤ 1 year	> 1 year ≤ 5 years	> 5 years	**Total market value**
Interest rate instruments	**1,250**	**3,897**	**7,653**	**12,800**
Interest rate swaps	1,232	3,882	7,653	**12,767**
Interest rate options	-	-	-	**-**
Caps - floors - collars	16	12	-	**28**
Other options	2	3	-	**5**
Currency and gold	**212**	**13**	**8**	**233**
Currency futures	209	13	8	**230**
Currency options	3	-	-	**3**
Other instruments	**35**	**-**	**-**	**35**
Equity and index derivatives	35	-	-	**35**
Subtotal	**1,497**	**3,910**	**7,661**	**13,068**
Forward currency transactions	193	10	-	**203**
TOTAL FAIR VALUE OF HEDGING DERIVATIVES - LIABILITIES	**1,690**	**3,920**	**7,661**	**13,271**

DERIVATIVE INSTRUMENTS HELD FOR TRADING – FAIR VALUE OF ASSETS

	31/12/2018						
	Exchange-traded transactions			Over-the-counter transactions			Total market value
(in millions of euros)	*≤ 1 year*	*> 1 year up to ≤ 5 years*	*> 5 years*	*≤ 1 year*	*> 1 year up to ≤ 5 years*	*> 5 years*	
Interest rate instruments	**687**	**1,460**	**2,207**	**2,431**	**16,344**	**42,584**	**65,713**
Futures	674	1,458	2,207	-	-	-	**4,339**
FRAs	-	-	-	3	-	-	**3**
Interest rate swaps	-	-	-	1,660	12,458	30,457	**44,575**
Interest rate options	-	-	-	309	2,082	10,732	**13,123**
Caps - floors - collars	-	-	-	459	1,804	1,395	**3,658**
Other options	13	2	-	-	-	-	**15**
Currency	**29**	**-**	**-**	**3,997**	**2,479**	**2,692**	**9,197**
Currency futures	29	-	-	2,928	1,596	2,219	**6,772**
Currency options	-	-	-	1,069	883	473	**2,425**
Other instruments	**563**	**245**	**51**	**1,703**	**3,659**	**1,277**	**7,498**
Equity and index derivatives	563	245	51	1,046	3,658	1,240	**6,803**
Precious metal derivatives	-	-	-	30	1	-	**31**
Commodities derivatives	-	-	-	1	-	-	**1**
Credit derivatives	-	-	-	528	-	35	**563**
Other	-	-	-	98	-	2	**100**
Subtotal	**1,279**	**1,705**	**2,258**	**8,131**	**22,482**	**46,553**	**82,408**
Forward currency transactions	-	-	-	10,942	1,156	48	**12,146**
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES - ASSETS	**1,279**	**1,705**	**2,258**	**19,073**	**23,638**	**46,601**	**94,554**

	31/12/2017						
	Exchange-traded			Over-the-counter			Total market value
(in millions of euros)	≤ 1 year	> 1 year ≤ 5 years	> 5 years	≤ 1 year	> 1 year ≤ 5 years	> 5 years	
Interest rate instruments	**175**	**1,022**	**1,812**	**7,789**	**18,122**	**48,645**	**77,565**
Futures	168	1,020	1,812	-	-	-	**3,000**
FRAs	-	-	-	258	95	-	**353**
Interest rate swaps	-	-	-	6,410	14,098	32,905	**53,413**
Interest rate options	-	-	-	486	1,762	14,243	**16,491**
Caps - floors - collars	-	-	-	634	2,167	1,497	**4,298**
Other options	7	2	-	1	-	-	**10**
Currency and gold	**15**	**-**	**-**	**3,510**	**2,985**	**2,256**	**8,766**
Currency futures	3	-	-	3,046	1,995	1,463	**6,507**
Currency options	12	-	-	464	990	793	**2,259**
Other instruments	**86**	**343**	**605**	**1,511**	**2,896**	**545**	**5,986**
Equity and index derivatives	85	342	605	1,443	2,525	392	**5,392**
Precious metal derivatives	1	-	-	5	-	21	**27**
Commodities derivatives	-	-	-	-	-	-	**-**
Credit derivatives	-	-	-	26	367	58	**451**
Other	-	1	-	37	4	74	**116**
Subtotal	**276**	**1,365**	**2,417**	**12,810**	**24,003**	**51,446**	**92,317**
Forward currency transactions	-	-	-	11,602	1,762	114	**13,478**
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES - ASSETS	**276**	**1,365**	**2,417**	**24,412**	**25,765**	**51,560**	**105,795**

DERIVATIVE INSTRUMENTS HELD FOR TRADING – FAIR VALUE OF LIABILITIES

	31/12/2018						
	Exchange-traded transactions			Over-the-counter transactions			
(in millions of euros)	*≤ 1 year*	*> 1 year up to ≤ 5 years*	*> 5 years*	*≤ 1 year*	*> 1 year up to ≤ 5 years*	*> 5 years*	**Total market value**
Interest rate instruments	**739**	**1,113**	**2,077**	**2,149**	**15,957**	**43,041**	**65,076**
Futures	732	1,112	2,077	-	-	-	**3,921**
FRAs	-	-	-	-	-	-	**-**
Interest rate swaps	-	-	-	1,863	12,463	30,319	**44,646**
Interest rate options	-	-	-	132	1,608	10,795	**12,535**
Caps - floors - collars	-	-	-	153	1,886	1,927	**3,965**
Other options	7	1	-	1	-	-	**9**
Currency	**103**	**-**	**-**	**3,481**	**2,171**	**2,270**	**8,023**
Currency futures	103	-	-	2,441	1,862	1,891	**6,295**
Currency options	-	-	-	1,040	309	379	**1,728**
Other instruments	**251**	**518**	**190**	**1,616**	**1,931**	**1,534**	**6,041**
Equity and index derivatives	251	518	190	720	1,849	1,493	**5,021**
Precious metal derivatives	-	-	-	40	-	-	**41**
Commodities derivatives	-	-	-	-	-	-	**-**
Credit derivatives	-	-	-	760	82	41	**883**
Other	-	-	-	96	-	-	**96**
Subtotal	**1,093**	**1,631**	**2,267**	**7,246**	**20,059**	**46,845**	**79,139**
Forward currency transactions	-	-	-	11,531	1,918	14	**13,465**
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES - LIABILITIES	**1,093**	**1,631**	**2,267**	**18,777**	**21,977**	**46,859**	**92,604**

	31/12/2017						
	Exchange-traded			Over-the-counter			Total market value
(in millions of euros)	≤ 1 year	> 1 year ≤ 5 years	> 5 years	≤ 1 year	> 1 year ≤ 5 years	> 5 years	
Interest rate instruments	**136**	**821**	**1,396**	**7,923**	**18,027**	**50,859**	**79,162**
Futures	135	795	1,396	-	-	-	**2,326**
FRAs	-	-	-	263	89	-	**352**
Interest rate swaps	-	-	-	7,152	13,841	34,305	**55,298**
Interest rate options	-	-	-	115	1,686	14,564	**16,365**
Caps - floors - collars	-	-	-	391	2,411	1,990	**4,792**
Other options	1	26	-	2	-	-	**29**
Currency and gold	**34**	**-**	**-**	**3,577**	**2,280**	**1,885**	**7,776**
Currency futures	-	-	-	2,763	1,991	1,333	**6,087**
Currency options	34	-	-	814	289	552	**1,689**
Other instruments	**93**	**311**	**656**	**725**	**2,565**	**574**	**4,924**
Equity and index derivatives	86	311	656	504	1,970	527	**4,054**
Precious metal derivatives	7	-	-	3	1	16	**27**
Credit derivatives	-	-	-	203	594	31	**828**
Other	-	-	-	15	-	-	**15**
Subtotal	**263**	**1,132**	**2,052**	**12,225**	**22,872**	**53,318**	**91,862**
Forward currency transactions	-	-	-	11,988	2,578	81	**14,647**
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES - LIABILITIES	**263**	**1,132**	**2,052**	**24,213**	**25,450**	**53,399**	**106,509**

DERIVATIVE INSTRUMENTS: TOTAL COMMITMENTS

(in millions of euros)	31/12/2018 Total notional amount outstanding	31/12/2017 Total notional amount outstanding
Interest rate instruments	**9,932,779**	**10,032,748**
Futures	2,630,775	2,071,162
FRAs	2,180	670
Interest rate swaps	5,912,426	6,641,709
Interest rate options	719,866	705,566
Caps - floors - collars	470,579	461,944
Other options	196,953	151,697
Currency	**578,345**	**1,582,256**
Currency futures	288,920	1,358,839
Currency options	289,425	223,417
Other instruments	**127,095**	**123,232**
Equity and index derivatives	90,220	90,188
Precious metal derivatives	4,433	861
Commodities derivatives	8	1
Credit derivatives	29,196	32,182
Other	3,238	-
Subtotal	**10,638,219**	**11,738,236**
Forward currency transactions	1,878,752	533,483
TOTAL NOTIONAL AMOUNT	**12,516,971**	**12,271,719**

3.3 Liquidity and financing risk

(See chapter on "Risk factors – Asset/Liability Management")

LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND DUE FROM CUSTOMERS BY RESIDUAL MATURITY

(in millions of euros)	31/12/2018					
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Loans and receivables due from credit institutions (including Crédit Agricole internal transactions)	97,278	92,938	149,050	74,134	-	**413,400**
Loans and receivables due from customers (of which finance leases)	84,774	39,763	134,781	115,915	3,778	**379,011**
Total	**182,052**	**132,701**	**283,831**	**190,049**	**3,778**	**792,411**
Impairment						**(9,974)**
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND FROM CUSTOMERS						**782,437**

(in millions of euros)	31/12/2017					
	≤ 3 months	**> 3 months to ≤ 1 year**	**> 1 year to ≤ 5 years**	**> 5 years**	**Indefinite**	**Total**
Loans and receivables due from credit institutions (including Crédit Agricole internal transactions)	92,041	89,025	143,588	69,782	-	**394,436**
Loans and receivables due from customers (of which finance leases)	91,928	38,308	126,191	109,320	4,312	**370,059**
Total	**183,969**	**127,333**	**269,779**	**179,102**	**4,312**	**764,495**
Impairment						**(10,365)**
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND FROM CUSTOMERS						**754,130**

DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS BY RESIDUAL MATURITY

(in millions of euros)	31/12/2018					
	≤ 3 months	**> 3 months to ≤ 1 year**	**> 1 year to ≤ 5 years**	**> 5 years**	**Indefinite**	**Total**
Due to credit institutions (including Crédit Agricole internal transactions)	66,961	13,880	37,035	14,084	-	**131,960**
Due to customers	517,118	43,794	30,836	5,422	-	**597,170**
TOTAL AMOUNT DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS	**584,079**	**57,674**	**67,871**	**19,506**	**-**	**729,130**

(in millions of euros)	31/12/2017					
	≤ 3 months	**> 3 months to ≤ 1 year**	**> 1 year to ≤ 5 years**	**> 5 years**	**Indefinite**	**Total**
Due to credit institutions (including Crédit Agricole internal transactions)	55,616	13,960	38,252	17,762	-	**125,590**
Due to customers	479,428	36,163	29,575	5,580	-	**550,746**
TOTAL AMOUNT DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS	**535,044**	**50,123**	**67,827**	**23,342**	**-**	**676,336**

DEBT SECURITIES AND SUBORDINATED DEBT

	31/12/2018					
(in millions of euros)	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Debt securities						
Interest bearing notes	54	55	17	-	-	**126**
Money-market securities	329	1,576	6,273	2,128	-	**10,306**
Negotiable debt securities	48,947	25,455	4,150	57	-	**78,609**
Bonds	4,946	5,023	41,565	40,813	-	**92,347**
Other debt securities	887	937	1,258	-	-	**3,082**
TOTAL DEBT SECURITIES	**55,163**	**33,046**	**53,263**	**42,998**	**-**	**184,470**
Subordinated debt						
Dated subordinated debt	217	2,147	2,551	15,567	-	**20,482**
Undated subordinated debt	-	-	-	-	2,061	**2,061**
Mutual security deposits	-	-	-	-	161	**161**
Participating securities and loans	60	-	-	1	-	**61**
TOTAL SUBORDINATED DEBT	**277**	**2,147**	**2,551**	**15,568**	**2,222**	**22,765**

	31/12/2017					
(in millions of euros)	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Debt securities						
Interest bearing notes	61	69	-	-	-	**130**
Money-market securities	221	1,359	6,306	3,800	-	**11,686**
Negotiable debt securities	40,331	17,653	3,715	192	-	**61,891**
Bonds	4,693	4,262	32,546	44,675	-	**86,176**
Other debt securities	849	1,206	1,770	-	-	**3,825**
TOTAL DEBT SECURITIES	**46,155**	**24,549**	**44,337**	**48,667**	**-**	**163,708**
Subordinated debt						
Dated subordinated debt	2,141	543	5,483	14,063	-	**22,230**
Undated subordinated debt	67	-	-	-	2,867	**2,934**
Mutual security deposits	-	-	-	-	171	**171**
Participating securities and loans	-	-	-	1	85	**86**
TOTAL SUBORDINATED DEBT	**2,208**	**543**	**5,483**	**14,064**	**3,123**	**25,421**

FINANCIAL GUARANTEES AT RISK GIVEN BY EXPECTED MATURITY

The amounts presented correspond to the expected amount of the call of financial guarantees at risk, *i.e.* guarantees that have been impaired or are on a watch-list.

(in millions of euros)	31/12/2018 ≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Financial guarantees given	164	103	-	-	-	**267**

(in millions of euros)	31/12/2017 ≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Financial guarantees given	154	67	-	-	-	221

Contractual maturities of derivative instruments are given in Note 3.2 "Market risk".

3.4 Cash flow and fair value interest rate and foreign exchange hedging

(See chapter on « Risk factors – Asset/Liability Management »)

FAIR VALUE HEDGES

A fair value hedge modifies the risk caused by changes in the fair value of a fixed-rate financial instrument as a result of changes in interest rates. Fair value hedges transform fixed-rate assets or liabilities into floating-rate assets or liabilities.

Items hedged are principally fixed-rate loans, securities, deposits and subordinated debt.

FUTURE CASH FLOW HEDGES

A cash flow hedge modifies the risk related to variability in cash flows arising from floating-rate financial instruments.

Items hedged are principally floating-rate loans and deposits.

HEDGE OF NET INVESTMENT IN FOREIGN CURRENCY

A hedge of a net investment in foreign currency modifies the risk inherent in exchange rate fluctuations connected with foreign currency investments in subsidiaries.

HEDGING DERIVATIVE INSTRUMENTS

	31/12/2018		
	Market value		Notional amount
(in millions of euros)	*positive*	*negative*	
Fair value hedges	**12,648**	**11,750**	**783,720**
Interest rate	12,397	11,522	746,100
Foreign exchange	251	228	37,620
Other	-	-	-
Cash flow hedges	**1,665**	**287**	**61,999**
Interest rate	1,541	143	27,724
Foreign exchange	78	79	34,135
Other	46	65	140
Hedges of net investments in foreign operations	**9**	**48**	**4,543**
TOTAL HEDGING DERIVATIVE INSTRUMENTS	**14,322**	**12,085**	**850,262**

(in millions of euros)	31/12/2017 Market value Positive	Négative	Notional Amount
Fair value hedges	**14,627**	**12,997**	**829,366**
Interest rate	14,156	12,687	795,125
Equity instruments	-	-	-
Foreign exchange	471	310	34,241
Credit	-	-	-
Commodities	-	-	-
Other	-	-	-
Cash flow hedges	**1,783**	**244**	**30,443**
Interest rate	1,662	112	23,850
Equity instruments	74	35	159
Foreign exchange	47	97	6,434
Credit	-	-	-
Commodities	-	-	-
Other	-	-	-
Hedges of net investments in foreign operations	**25**	**30**	**3,187**
TOTAL HEDGING DERIVATIVE INSTRUMENTS	**16,435**	**13,271**	**862,996**

DERIVATIVE INSTRUMENTS : ANALYSIS BY REMAINING MATURITY (NOTIONALS)

The breakdown of notionals values of derivative instruments is shown by remaining contractual maturity.

	31/12/2018						
	Exchange-traded transactions			Over-the-counter transactions			
(in millions of euros)	*≤ 1 year*	*> 1 year up to ≤ 5 years*	*> 5 years*	*≤ 1 year*	*> 1 year up to ≤ 5 years*	*> 5 years*	**Total notional**
Interest rate instruments	**-**	**-**	**-**	**273,147**	**255,434**	**245,243**	**773,824**
Futures	-	-	-	-	-	-	**-**
FRAs	-	-	-	-	-	-	**-**
Interest rate swaps	-	-	-	273,043	254,339	242,755	**770,137**
Interest rate options	-	-	-	-	-	-	**-**
Caps - floors - collars	-	-	-	104	1,095	2,488	**3,687**
Other options	-	-	-	-	-	-	**-**
Currency	**-**	**-**	**-**	**12,350**	**1,984**	**-**	**14,334**
Currency futures	-	-	-	12,350	1,984	-	**14,334**
Currency options	-	-	-	-	-	-	**-**
Other instruments	**-**	**-**	**-**	**140**	**-**	**-**	**140**
Other	-	-	-	140	-	-	**140**
Subtotal	-	-	-	**285,637**	**257,418**	**245,243**	**788,298**
Forward currency transactions	-	-	-	57,193	2,082	2,689	**61,964**
TOTAL NOTIONAL OF HEDGING DERIVATIVES	-	-	-	**342,830**	**259,500**	**247,932**	**850,262**

Note 3.2 "Market risk - Derivative instruments: analysis by remaining maturity" breaks down the market value of hedging derivative instruments by remaining contractual maturity.

FAIR VALUE HEDGE

Hedging derivative instruments

(in millions of euros)	31/12/2018			
	Carrying amount		Changes in fair value during the period (of which end of hedges during the period)	Notional Amount
	Assets	Liabilities		
Fair value hedges				
Regulated markets	**-**	**-**	**-**	**-**
Interest rate	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Foreign exchange	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Over-the-counter markets	**3,214**	**4,176**	**709**	**220,690**
Interest rate	2,963	3,948	674	183,070
Futures	2,882	3,948	653	183,069
Options	81	-	21	1
Foreign exchange	251	228	35	37,620
Futures	251	228	35	37,620
Options	-	-	-	-
Other	-	-	-	-
Total Fair value microhedging	**3,214**	**4,176**	**709**	**220,690**
Fair value hedges of the interest rate exposure of a portfolio of financial instruments	9,434	7,574	(568)	563,030
TOTAL FAIR VALUE HEDGES	**12,648**	**11,750**	**141**	**783,720**

Changes in the fair value of hedging derivatives are recognised under "Net gains (losses) on financial instruments at fair value through profit or loss" in the income statement.

Hedged items

Micro-hedging	**31/12/2018**			
	Present hedges		**Ended hedges**	**Fair value hedge adjustments during the period (including termination of hedges during the period)**
(in millions of euros)	Carrying amount	of which accumulated fair value hedge adjustments	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be amortised	
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**31,064**	**377**	**-**	**(342)**
Interest rate	31,014	377	-	(342)
Foreign exchange	50	-	-	-
Other	-	-	-	-
Debt instruments at amortised cost	**63,327**	**655**	**-**	**148**
Interest rate	47,016	654	-	91
Foreign exchange	16,311	1	-	57
Other	-	-	-	-
Total fair value hedges on assets items	**94,391**	**1,032**	**-**	**(194)**
Debt instruments at amortised cost	**109,027**	**2,012**	**16**	**513**
Interest rate	100,442	1,858	16	398
Foreign exchange	8,585	154	-	115
Other	-	-	-	-
TOTAL FAIR VALUE HEDGES ON LIABILITIES ITEMS	**109,027**	**2,012**	**16**	**513**

The fair value of the hedged portions of micro-hedged financial instruments at fair value is recognised on the balance sheet line item to which it relates. Changes in the fair value of the hedged portions of micro-hedged financial instruments at fair value are recognised under "Net gains (losses) on financial instruments at fair value through profit or loss" in the income statement.

Macro-hedging	**31/12/2018**	
(in millions of euros)	**Carrying amount**	**Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be adjusted, on ended hedges**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	159	-
Debt instruments at amortised cost	248,848	94
Total - Assets	**249,007**	**94**
Debt instruments at amortised cost	342,175	373
Total - Liabilities	**342,175**	**373**

The fair value of the hedged portions of macro-hedged financial instruments at fair value is recognised under "Revaluation adjustment on interest rate hedged portfolios" on the balance sheet. Changes in the fair value of the hedged portions of macro-hedged financial instruments at fair value are recognised under "Net gains (losses) on financial instruments at fair value through profit or loss" in the income statement.

Gains (losses) from hedge accounting

(in millions of euros)	31/12/2018		
	Net Income (Total Gains (losses) from hedge accounting)		
	Change in fair value of hedging derivatives (including termination of hedges)	Change in fair value of hedged items (including termination of hedges)	Hedge ineffectiveness portion
Interest rate	106	(92)	14
Foreign exchange	35	(58)	(23)
Other	-	-	-
TOTAL	**141**	**(150)**	**(9)**

CASH FLOW HEDGES AND HEDGES OF NET INVESTMENTS IN FOREIGN OPERATION (NIH)

Hedging derivative instruments

	31/12/2018			
	Carrying amount		Changes in fair value during the period (including termination of hedges during the period)	Notional amount
(in millions of euros)	Assets	Liabilities		
Cash flow hedges				
Regulated markets	**-**	**-**	**-**	**-**
Interest rate	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Foreign exchange	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Over-the-counter markets	**1,165**	**88**	**(44)**	**32,124**
Interest rate	1,072	-	(55)	7,085
Futures	*1,072*	-	*(55)*	*7,085*
Options	-	-	-	-
Foreign exchange	47	23	11	24,899
Futures	*47*	*23*	*11*	*24,899*
Options	-	-	-	-
Other	46	65	-	140
Total Cash flow micro-hedging	**1,165**	**88**	**(44)**	**32,124**
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	469	143	(76)	20,639
Cash flow hedges of the foreign exchange exposure of a portfolio of financial instruments	31	56	(1)	9,236
Total Cash flow macro-hedging	**500**	**199**	**(77)**	**29,875**
Total Cash flow hedges	**1,665**	**287**	**(122)**	**61,999**
HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**9**	**48**	**(5)**	**4,543**

Changes in the fair value of hedging derivatives are recognised under "Other comprehensive income" save for the ineffective portion of the hedging relationship which is recognised under "Net gains (losses) on financial instruments at fair value through profit or loss" in the income statement.

Gains (losses) from hedge accounting

	31/12/2018		
	Other comprehensive income on items that may be reclassified to profit and loss		**Net income (Hedge accounting income or loss)**
(in millions of euros)	Effective portion of the hedge recognised during the period	Amount reclassified from other comprehensive income into profit or loss during the period	Hedge ineffectiveness portion
Cash flow hedges	**-**	**-**	**-**
Interest rate	(132)	-	-
Foreign exchange	10	-	-
Commodities	-	-	-
Other	-	-	-
Total Cash flow hedges	**(122)**	**-**	**-**
Hedges of net investments in foreign operations	**5**	**7**	**-**
TOTAL CASH FLOW HEDGES AND HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**(117)**	**7**	**-**

3.5 Operational risks

(See chapter on “Risk factors – Operational risks”)

3.6 Capital management and regulatory ratios

The Crédit Agricole S.A. Finance department is tasked with ensuring the adequacy of liquidity and capital between the requirements generated by the Group’s global operations and its liquidity and capital financial resources. It is responsible for monitoring the prudential and regulatory ratios (solvency, liquidity, leverage, resolution) of Crédit Agricole Group and of Crédit Agricole S.A. To this end, it sets out the principles and ensures a cohesive financial management system throughout the Group.

Information on capital management and compliance with regulatory ratios as required by IAS 1 is presented in the Chapter “Risk factors and pillar 3”.

The Group’s management of banking risks is handled by the Group Risk Management and Permanent Controls department. This department reports to the Chief Executive Officer of Crédit Agricole S.A. and its task is to control credit, financial and operational risks.

A description of these processes and commentary appear in the chapter on “Risk factors” in the management report, as allowed by IFRS 7 standard. Nonetheless, the accounting breakdowns are still presented in the financial statements.

NOTE 4 Notes on net income and other comprehensive income

4.1 Interest income and expenses

(in millions of euros)	31/12/2018
On financial assets at amortised cost	**16,637**
Interbank transactions	1,664
Crédit Agricole internal transactions	2,955
Customer transactions	10,726
Finance leases	714
Debt securities	578
On financial assets recognised at fair value through other comprehensive income	**5,581**
Interbank transactions	-
Customer transactions	-
Debt securities	5,581
Accrued interest receivable on hedging instruments	**2,561**
Other interest income	**38**
INTEREST AND SIMILAR INCOME [1]	**24,817**
On financial liabilities at amortised cost	**(12,259)**
Interbank transactions	(1,299)
Crédit Agricole internal transactions	(1,112)
Customer transactions	(5,628)
Finance leases	(194)
Debt securities	(3,203)
Subordinated debt	(823)
Accrued interest receivable on hedging instruments	**(939)**
Other interest expenses	**(49)**
INTEREST AND SIMILAR EXPENSES	**(13,247)**

[1] *Including €137 million in impaired receivables (Bucket 3) at 31 December 2018.*

(in millions of euros)	**31/12/2017**
Interbank transactions	1,617
Crédit Agricole internal transactions	3,285
Customer transactions	10,264
Accrued interest receivable on available-for-sale financial assets	5,971
Accrued interest receivable on held-to-maturity financial assets	524
Accrued interest receivable on hedging instruments	2,285
Finance leases	710
Other interest income	48
INTERESTS AND SIMILAR INCOME [1]	**24,704**
Interbank transactions	(1,095)
Crédit Agricole internal transactions	(1,096)
Customer transactions	(5,102)
Debt securities	(3,064)
Subordinated debt	(1,052)
Accrued interest receivable on hedging instruments	(797)
Finance leases	(194)
Other interest expense	(28)
INTERESTS AND SIMILAR EXPENSES	**(12,428)**

[1] *Including €169 million on receivables impaired individually at 31 December 2017*

4.2 Fees and commissions income and expense

	31/12/2018			**31/12/2017**		
(in millions of euros)	**Income**	**Expense**	**Net**	**Income**	**Expense**	**Net**
Interbank transactions	217	(43)	**174**	218	(40)	**178**
Crédit Agricole internal transactions	754	(505)	**249**	812	(544)	**268**
Customer transactions	1,991	(230)	**1,761**	1,841	(213)	**1,628**
Securities transactions	38	(79)	**(41)**	44	(69)	**(25)**
Foreign exchange transactions	38	(44)	**(7)**	37	(38)	**(1)**
Derivative instruments and other off-balance sheet items	272	(196)	**76**	350	(181)	**169**
Payment instruments and other banking and financial services	2,419	(3,550)	**(1,132)**	2,142	(3,378)	**(1,236)**
Mutual funds management, fiduciary and similar operations	4,872	(1,794)	**3,078**	4,090	(1,266)	**2,824**
NET FEES AND COMMISSIONS	**10,600**	**(6,441)**	**4,160**	**9,534**	**(5,729)**	**3,805**

Large customers and Retail banking (French and International) are the main contributors of the commission income from the Savings Management and Insurance and Specialized Financial Services businesses.
Commission income from managing Mutual funds, trusts and similar activities are mainly related to savings and insurance management activities.

4.3 Net gains (losses) on financial instruments at fair value through profit or loss

(in millions of euros)	**31/12/2018**
Dividends received	1,085
Unrealised or realised gains (losses) on assets/liabilities held for trading	(37)
Unrealised or realised gains (losses) on equity instruments at fair value through profit or loss	(1,372)
Unrealised or realised gains (losses) on debt instruments at fair value through profit or loss	(974)
Net gains (losses) on assets backing unit-linked contracts	(3,351)
Unrealised or realised gains (losses) on assets/liabilities designated at fair value through profit or loss [1]	(135)
Net gains (losses) on Foreign exchange transactions and similar financial instruments (excluding gains or losses on hedges of net investments in foreign operations)	1,701
Gains (losses) from hedge accounting	(9)
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	**(3,093)**

[1] Excluding issuer credit spread for the relevant liabilities designated at fair value through profit or loss

Under IFRS 9, the Crédit Agricole CIB issuer spread is classified with effect from 1 January 2018 as Equity under Other comprehensive income on items that will not be reclassified subsequently to profit or loss.

(in millions of euros)	**31/12/2017**
Dividends received	628
Unrealised or realised gains (losses) on assets/liabilities held for trading	1,318
Unrealised or realised gains (losses) on assets/liabilities designated at fair value through profit or loss	2,124
Net gains (losses) on Foreign exchange transactions and similar financial instruments (excluding gains or losses on hedges of net investments in foreign operations)	580
Gains (losses) from hedge accounting	(30)
NET GAINS LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	**4,620**

The impact of Crédit Agricole CIB's issuer spread was an expense of €222 million on revenues at 31 December 2017.

Analysis of net gains (losses) from hedge accounting:

	31/12/2018		
(in millions of euros)	**Gains**	**Losses**	**Net**
Fair value hedges	**4,002**	**(4,000)**	2
Changes in fair value of hedged items attributable to hedged risks	1,574	(2,281)	(707)
Changes in fair value of hedging derivatives (including termination of hedges)	2,428	(1,719)	709
Cash flow hedges	**-**	**-**	**-**
Changes in fair value of hedging derivatives - ineffective portion	-	-	-
Hedges of net investments in foreign operations	**-**	**-**	**-**
Changes in fair value of hedging derivatives - ineffective portion	-	-	-
Fair value hedges of the interest rate exposure of a portfolio of financial instruments	**7,130**	**(7,141)**	**(11)**
Changes in fair value of hedged items	3,743	(3,186)	557
Changes in fair value of hedging derivatives	3,387	(3,955)	(568)
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	**-**	**-**	**-**
Changes in fair value of hedging instrument - ineffective portion	-	-	-
TOTAL GAINS (LOSSES) FROM HEDGE ACCOUNTING	**11,132**	**(11,141)**	**(9)**

	31/12/2017		
(in millions of euros)	**Gains**	**Losses**	**Net**
Fair value hedges	**5,402**	**(5,412)**	**(10)**
Changes in fair value of hedged items attributable to hedged risks	3,095	(1,970)	1,125
Changes in fair value of hedging derivatives (including termination of hedges)	2,307	(3,442)	(1,135)
Cash flow hedges	-	-	-
Changes in fair value of hedging derivatives - ineffective portion	-	-	-
Hedges of net investments in foreign operations	**-**	**-**	**-**
Changes in fair value of hedging derivatives - ineffective portion	-	-	-
Fair value hedges of the interest rate exposure of a portfolio of financial instruments	**10,903**	**(10,923)**	**(20)**
Changes in fair value of hedged items	5,687	(5,157)	530
Changes in fair value of hedging derivatives	5,216	(5,766)	(550)
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	**1**	**(1)**	**-**
Changes in fair value of hedging instrument - ineffective portion	1	(1)	-
TOTAL GAINS (LOSSES) FROM HEDGE ACCOUNTING	**16,306**	**(16,336)**	**(30)**

Details of gains (losses) from hedge accounting by type of relationship (fair value hedges, cash flow hedges, etc.) are presented in Note 3.4 “Hedge accounting”.

4.4 Net gains (losses) on financial instruments at fair value through other comprehensive income

(in millions of euros)	31/12/2018
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss [1]	71
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends) [2]	121
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	**192**

[1] *Excluding realised gains or losses from impaired debt instruments (Bucket 3) mentioned in Note 4.9 "Cost of risk"*

[2] *Of which dividends on equity instruments at fair value through non-recyclable equity derecognised during the €11 million period*

Net gains (losses) on available-for-sale financial assets at 31 December 2017

(in millions of euros)	31/12/2017
Dividends received	1,092
Realised gains (losses) on available-for-sale financial assets [1]	2,025
Permanent impairment losses on equity investments	(81)
Gains (losses) on disposal of held-to-maturity financial assets and on loans and receivables	(8)
NET GAINS (LOSSES) ON AVAILABLE-FOR-SALE FINANCIAL ASSETS	**3,028**

[1] *Excluding realised gains or losses on permanently impaired fixed income securities recognised as available-for-sale financial assets mentioned in note 4.9 "Cost of risk".*

4.5 Net gains (losses) from the derecognition of financial assets at amortised cost

(in millions of euros)	31/12/2018
Debt securities	5
Loans and receivables due from credit institutions	-
Loans and receivables due from customers	-
Gains arising from the derecognition of financial assets at amortised cost	**5**
Debt securities	-
Loans and receivables due from credit institutions	-
Loans and receivables due from customers	(5)
Losses arising from the derecognition of financial assets at amortised cost	**(5)**
NET GAINS (LOSSES) ARISING FROM THE DERECOGNITION OF FINANCIAL ASSETS AT AMORTISED COST [1]	**-**

[1] *Excluding realised gains or losses from the derecognition of impaired debt instruments (Bucket 3) mentioned in Note 4.9 "Cost of risk"*

4.6 Net income (expenses) on other activities

(in millions of euros)	31/12/2018	31/12/2017
Gains (losses) on fixed assets not used in operations	(3)	(1)
Other net income from insurance activities [1] [2]	11,156	7,779
Change in insurance technical reserves [3]	(4,975)	(13,260)
Net income from investment property	284	280
Other net income (expense)	155	107
INCOME (EXPENSE) RELATED TO OTHER ACTIVITIES	**6,617**	**(5,095)**

[1] The €3,377 million increase in other net income from insurance activities was mainly due to an increase in net inflows in the amount of €3,100 million of which €2,500 million on the Retirement Savings activity.

[2] The share of income of insurance activities and associates as well as the related share of benefits are classified as Other net income from insurance activities (see Note 6.12 "Joint ventures and associates").

[3] The €8,285 million decrease in insurance company technical reserves is due in the main to market developments in unit-linked contracts.

4.7 Operating expenses

(in millions of euros)	31/12/2018	31/12/2017
Employee expenses	(7,123)	(6,933)
Taxes other than on income or payroll-related and regulatory contributions [1]	(792)	(763)
External services and other operating expenses	(3,915)	(3,742)
OPERATING EXPENSES	**(11,830)**	**(11,438)**

[1] Of which €-301 million recognised in relation to the Single Resolution Fund at 31 December 2018

FEES PAID TO STATUTORY AUDITORS

The breakdown of fees paid to Statutory Auditors by firm and type of engagement by fully consolidated Crédit Agricole S.A. Group companies was as follows in 2018 :

BOARD OF AUDITORS OF CRÉDIT AGRICOLE S.A. GROUP

	Ernst & Young		PricewaterhouseCoopers		
(in millions of euros excluding taxes)	2018	2017	2018	2017	Total 2018
Independant audit, certification, review of parent company and consolidated financial statements	**16.94**	**17.53**	**14.27**	**14.87**	**31.21**
Issuer	2.08	2.19	2.12	2.16	4.20
Fully consolidated subsidiaries	14.86	15.34	12.15	12.71	27.01
Non audit services	**5.19**	**5.91**	**5.21**	**6.16**	**10.40**
Issuer	0.70	0.58	1.07	1.36	1.77
Fully consolidated subsidiaries	4.49	5.33	4.14	4.80	8.63
TOTAL	**22.13**	**23.44**	**19.48**	**21.03**	**41.61**

The total sum of fees paid to PricewaterhouseCoopers Audit, statutory auditor of Crédit Agricole S.A., appearing in the consolidated income statement for the year, amounts to €10.8 million, of which €8.5 million relates to the certification of the accounts of Crédit Agricole S.A. and its subsidiaries, and €2.3 million relates to non-audit services (comfort letters, agreed-upon procedures, responsibility statements, services relating to social and environmental information, consultations, etc.).

The total sum of fees paid to Ernst & Young & Autres, statutory auditor of Crédit Agricole S.A., appearing in the consolidated income statement for the year, amounts to €9.8 million, of which €8 million relates to the certification of the accounts of Crédit Agricole S.A. and its subsidiaries, and €1.8 million relates to non-audit services (comfort letters, agreed-upon procedures, responsibility statements, review of tax returns, services relating to social and environmental information, consultations, etc.).

OTHER STATUTORY AUDITORS ENGAGED IN THE AUDIT OF FULLY CONSOLIDATED CRÉDIT AGRICOLE S.A. GROUP SUBSIDIARIES

(in millions of euros excluding taxes)	Mazars		KPMG		Deloitte		Autres		Total 2018
	2018	2017	2018	2017	2018	2017	2018	2017	
Independant audit, certification, review of parent company and consolidated financial statements	**1.16**	**1.31**	**0.05**	**0.29**	**-**	**0.14**	**0.27**	**0.34**	**1.48**
Non audit services [1]	**0.13**	**0.06**	**0.01**	**0.26**	**-**	**-**	**0.01**	**0.02**	**0.15**
TOTAL	**1.29**	**1.37**	**0.06**	**0.55**	**-**	**0.14**	**0.28**	**0.36**	**1.63**

[1] Non audit services identified in this table correspond to assigments performed by these firms in the companies where they are statutory auditors.

4.8 Depreciation, amortisation and impairment of property, plant & equipment and intangible assets

(in millions of euros)	31/12/2018	31/12/2017
Depreciation charges and amortisation	**(760)**	**(752)**
Property, plant and equipment	(396)	(382)
Intangible assets	(364)	(370)
Impairment losses (reversals)	**1**	**(13)**
Property, plant and equipment	-	(3)
Intangible assets	1	(10)
DEPRECIATION, AMORTISATION AND IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS	**(759)**	**(765)**

4.9 Cost of risk

(in millions of euros)	31/12/2018
Charges net of reversals to impairments on performing assets (Bucket 1 or Bucket 2)	**99**
Bucket 1 : Loss allowance measured at an amount equal to 12-month expected credit loss	**(83)**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	2
Debt instruments at amortised cost	(57)
Commitments by signature	(28)
Bucket 2 : Loss allowance measured at an amount equal to lifetime expected credit loss	**182**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	2
Debt instruments at amortised cost	122
Commitments by signature	58
Charges net of reversals to impairments on credit-impaired assets (Bucket 3)	**(1,030)**
Bucket 3 : Credit-impaired assets	**(1,030)**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-
Debt instruments at amortised cost	(1,120)
Commitments by signature	90
Other assets	-
Risks and expenses	(88)
Charges net of reversals to impairment losses and provisions	**(1,019)**
Realised gains (losses) on disposal of impaired debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	-
Realised gains (losses) on impaired debt instruments at amortised cost	-
Losses on non-impaired loans and bad debt	(197)
Recoveries on loans and receivables written off	189
recognised at amortised cost	189
recognised in other comprehensive income that may be reclassified to profit or loss	-
Discounts on restructured loans	(28)
Losses on commitments by signature	(4)
Other losses	(36)
Other gains	14
COST OF RISK	**(1,081)**

(in millions of euros)	31/12/2017
Charge to provisions and impairment losses	**(3,424)**
Fixed income available-for-sale financial assets	(1)
Loans and receivables	(2,883)
Held-to-maturity financial assets	-
Other assets	(27)
Financing commitments	(265)
Risks and expenses	(249)
Reversal of provisions and impairment losses	**2,172**
Fixed income available-for-sale financial assets	183
Loans and receivables	1,737
Held-to-maturity financial assets	-
Other assets	18
Financing commitments	75
Risks and expenses	159
Net charge to reversal of impairment losses and provisions	**(1,253)**
Realised gains (losses) on impaired fixed income available-for-sale financial assets	(138)
Bad debts written off, not impaired	(217)
Recoveries on bad debts written off	233
Discounts on restructured loans	(21)
Losses on financing commitments	-
Other losses	(27)
Other gains	-
COST OF RISK	**(1,422)**

4.10 Net gains (losses) on other assets

(in millions of euros)	31/12/2018	31/12/2017
Property, plant & equipment and intangible assets used in operations	**77**	**5**
Gains on disposals	82	28
Losses on disposals	(6)	(23)
Consolidated equity investments	**15**	**12**
Gains on disposals	15	18
Losses on disposals	-	(6)
Net income (expense) on combinations	**(3)**	**(11)**
NET GAINS (LOSSES) ON OTHER ASSETS	**89**	**6**

4.11 Income tax charge

INCOME TAX CHARGE

(in millions of euros)	31/12/2018	31/12/2017
Current tax charge	(1,310)	(1,638)
Deferred tax charge	(9)	(94)
Reclassification of current tax charge (income) related to overlay approach	(147)	-
TOTAL TAX CHARGE	**(1,466)**	**(1,732)**

RECONCILIATION OF THEORETICAL TAX RATE AND EFFECTIVE TAX RATE

AT 31 DECEMBER 2018

(in millions of euros)	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	6,155	34.43%	(2,119)
Impact of permanent differences		(3.82)%	235
Impact of different tax rates on foreign subsidiaries		(4.65)%	286
Impact of losses for the year, utilisation of tax loss carryforwards		0.53%	(32)
Impact of reduced tax rate		(1.60)%	99
Impact of other items		(1.07)%	66
EFFECTIVE TAX RATE AND TAX CHARGE		**23.81%**	**(1,466)**

The theoretical tax rate is the standard tax rate (including the additional social contribution) on taxable profits in France at 31 December 2018.

AT 31 DECEMBER 2017

(in millions of euros)	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	5,015	34.43%	(1,727)
Impact of permanent differences		(3.23)%	162
Impact of different tax rates on foreign subsidiaries		(2.80)%	140
Impact of losses for the year, utilisation of tax loss carryforwards		1.06%	(53)
Impact of reduced tax rate		(2.51)%	126
Impact of tax rate change		7.84%	(393)
Impact of other items		(0.22)%	11
EFFECTIVE TAX RATE AND TAX CHARGE		**34.57%**	**(1,732)**

The theoretical tax rate is the standard tax rate (including the additional social contribution) on taxable profits in France at 31 December 2017.

4.12 Changes in other comprehensive income

The breakdown of income and expenses recognised for the period is presented below:

BREAKDOWN OF TOTAL OTHER COMPREHENSIVE INCOME

(in millions of euros)	31/12/2018
Other comprehensive income on items that may be reclassified subsequently to profit or loss of income tax	
Gains and losses on translation adjustments	**248**
Revaluation adjustment of the period	241
Reclassified to profit or loss	7
Other changes	-
Other comprehensive income on debt instruments that may be reclassified to profit or loss	**(1,225)**
Revaluation adjustment of the period	(1,153)
Reclassified to profit or loss	(65)
Other changes	(7)
Gains and losses on hedging derivative instruments	**(138)**
Revaluation adjustment of the period	(146)
Reclassified to profit or loss	-
Other changes	8
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	**(356)**
Revaluation adjustment of the period	(291)
Reclassified to profit or loss	-
Other changes	(65)
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities	**(11)**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**547**
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	**1**
Other comprehensive income on items that may be reclassified to profit or loss from discontinued operations	**(2)**
Other comprehensive income on items that may be reclassified subsequently to profit or loss of income tax	**(936)**
Other comprehensive income on items that will not be reclassified subsequently to profit or loss net of income tax	
Actuarial gains and losses on post-employment benefits	51
Other comprehensive income on financial liabilities attributable to changes in own credit risk	**383**
Revaluation adjustment of the period	365
Reclassified to reserves	18
Other changes	-
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	**130**
Revaluation adjustment of the period	115
Reclassified to reserves	60
Other changes	(45)
Other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**1**
Income tax related to items that will not be reclassified excluding equity-accounted entities	**(259)**
Income tax related to items that will not be reclassified on equity-accounted entities	**(3)**
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	**5**
Other comprehensive income on items that will not be reclassified subsequently to profit or loss net of income tax	**308**
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	**(628)**
Of which Group share	(595)
Of which non-controlling interests	(33)

(in millions of euros)	**31/12/2017**
Other comprehensive income on items that may be reclassified subsequently to profit and loss	
Gains and losses on translation adjustements	**(683)**
Revaluation adjustment of the period	(683)
Reclassified to profit or loss	-
Other variations	-
Gains and losses on available-for-sale financial assets	**(530)**
Revaluation adjustment of the period	(131)
Reclassified to profit or loss	(481)
Other variations	82
Gains and losses on hedging derivative instruments	**(356)**
Revaluation adjustment of the period	(355)
Reclassified to profit or loss	-
Other variations	(1)
Pre-tax other comprehensive income on items that may be reclassified to profit and loss on equity-accounted entities	**(386)**
Income tax related to items that may be reclassified to profit and loss excluding equity-accounted entities	**355**
Income tax related to items that may be reclassified to profit and loss on equity-accounted entities	**(16)**
Net other comprehensive income on Items that may be reclassified to profit and loss on equity-accounted entities on discontinued operations	**(15)**
Other comprehensive income on items that may be reclassified subsequently to profit and loss, net of income tax	**(1,631)**
Other comprehensive income on items that will not be reclassified subsequently to profit and loss	
Actuarial gains and losses on post-employment benefits	4
Other comprehensive income on items that will not be reclassified to profit and loss on equity-accounted entities	24
Income tax related to items that will not be reclassified excluding equity-accounted entities	(28)
Income tax related to items that will not be reclassified on equity-accounted entities	(1)
Net other comprehensive income on Items that will not be reclassified to profit and loss on equity-accounted entities on discontinued operations	(9)
Other comprehensive income on items that will not be reclassified subsequently to profit and loss, net of income tax	**(10)**
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	**(1,641)**
Of which Group share	(1,579)
Of which non-controlling interests	(62)

BREAKDOWN OF TAX IMPACTS RELATED TO OTHER COMPREHENSIVE INCOME

	31/12/2017				01/01/2018				Changes				31/12/2018			
(in millions of euros)	Gross	Income tax charges	Net of income tax	Net of income tax of which Group Share	Gross	Income tax charges	Net of income tax	Net of income tax of which Group Share	Gross	Income tax charges	Net of income tax	Net of income tax of which Group Share	Gross	Income tax charges	Net of income tax	Net of income tax of which Group Share
Other comprehensive income on items that may be reclassified subsequently to profit or loss																
Gains and losses on translation adjustments	(493)	(5)	(498)	(387)	(492)	(5)	(497)	(387)	248	1	249	228	(244)	(4)	(248)	(158)
Gains and losses on available-for-sale financial assets	4,493	(960)	3,533	3,500												
Gains and losses on debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss					3,702	(985)	2,717	2,704	(1,225)	332	(893)	(856)	2,477	(653)	1,824	1,848
Gains and losses on hedging derivative instruments	625	(191)	434	427	625	(191)	434	427	(138)	48	(90)	(88)	487	(143)	344	339
Reclassification of net gains (losses) of designated financial assets applying the overlay approach					509	(15)	494	494	(356)	166	(190)	(190)	153	151	304	304
Other comprehensive income on items that may be reclassified to profit or loss excluding equity-accounted entities	**4,625**	**(1,156)**	**3,469**	**3,540**	**4,344**	**(1,196)**	**3,148**	**3,238**	**(1,471)**	**547**	**(924)**	**(906)**	**2,873**	**(649)**	**2,224**	**2,333**
Other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities	(25)	(13)	(38)	(36)	(11)	-	(11)	(8)	(11)	1	(10)	(8)	(22)	1	(21)	(16)
Other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities on discontinued operations	13	(1)	13	14	15	(1)	14	14	(3)	-	(2)	(2)	12	(1)	11	11
Other comprehensive income on items that may be reclassified subsequently to profit or loss	4,613	(1,170)	3,444	3,518	4,348	(1,197)	3,151	3,244	(1,485)	548	(936)	(916)	2,863	(649)	2,214	2,328
Other comprehensive income on items that will not be reclassified subsequently to profit or loss																
Actuarial gains and losses on post-employment benefits	(753)	181	(572)	(547)	(752)	178	(574)	(548)	51	(12)	39	44	(701)	166	(535)	(504)
Other comprehensive income on financial liabilities attributable to changes in own credit risk					(523)	175	(348)	(341)	383	(138)	245	241	(140)	37	(103)	(100)
Other comprehensive income on equity instruments that will not be reclassified to profit or loss					(492)	40	(452)	(490)	130	(109)	21	33	(362)	(69)	(431)	(457)
Other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	**(753)**	**181**	**(572)**	**(547)**	**(1,767)**	**393**	**(1,374)**	**(1,379)**	**564**	**(259)**	**305**	**318**	**(1,203)**	**134**	**(1,069)**	**(1,061)**
Other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	(11)	2	(9)	(9)	(28)	(12)	(40)	(40)	1	(3)	(2)	(2)	(27)	(15)	(42)	(42)
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	(9)	-	(9)	(9)	(7)	-	(7)	(7)	5	-	5	5	(2)	-	(2)	(2)
Other comprehensive income on items that will not be reclassified subsequently to profit or loss	(773)	183	(590)	(565)	(1,802)	381	(1,421)	(1,426)	570	(262)	308	321	(1,232)	119	(1,112)	(1,105)
OTHER COMPREHENSIVE INCOME	3,840	(987)	2,854	**2,953**	2,546	(816)	1,730	**1,818**	(915)	286	(628)	(595)	1,631	(530)	1,102	1,223

NOTE 5 Segment reporting

DEFINITION OF OPERATING SEGMENTS

According to IFRS 8, information disclosed is based on the internal reporting that is used by the Executive Committee to manage Crédit Agricole S.A. Group, to assess performance, and to make decisions about resources to be allocated to the identified operating segments.

Operating segments according to the internal reporting consist of the business lines of the Group.

At 31 December 2018, Crédit Agricole S.A.'s business activities were organised into six operating segments:

- the following five business lines :
  - French retail banking – LCL,
  - International retail banking,
  - Asset gathering,
  - Specialised financial services,
  - Large customers ;
- as well as the "Corporate Centre".

PRESENTATION OF BUSINESS LINES

1. French retail banking – LCL

LCL is a french retail banking network with a strong presence in urban areas. It is organised into four business lines: retail banking for individual customers, retail banking for small businesses, private banking and corporate banking.

LCL offers a full range of banking products and services, together with asset management, insurance and wealth management products.

It should be noted that the Banque Themis contribution recognised in the consolidated financial statements at 31 December 2017, in accordance with IFRS 5 on held-for-sale entities, was sold on 8 March 2018 with no material impact on net income.

2. International retail banking

This business line encompasses foreign subsidiaries and investments that are mainly involved in Retail banking.

These subsidiaries and equity investments are primarily located in Europe: with Crédit Agricole Group Italy in Italy, Crédit Agricole Polska in Poland and others in Ukraine and Serbia.

Other subsidiaries operate around the Mediterranean, e.g. Crédit du Maroc and Crédit Agricole Egypt.

Finally, this division also includes banks that are not significant in size.

Foreign consumer credit, leasing and factoring subsidiaries (subsidiaries of Crédit Agricole Consumer Finance, Crédit Agricole Leasing & Factoring and EFL in Poland, etc.) are not included in this segment, but in "Specialised financial services", except Calit in Italy, which is part of Retail banking abroad.

It should be noted that savings banks of Cesena, San Miniato and Rimini in Italy were consolidated on 21 December 2017. These three savings banks have been merged into Cariparma in 2018.

3. Asset gathering

This business line brings together :

- insurance activities (savings solutions and property and casualty insurance):
  - life insurance and personal insurance, conducted mainly by Predica in France and CA Vita in Italy,
  - property & casualty insurance, conducted primarily by Pacifica,
  - creditor insurance, conducted by Crédit Agricole Creditor Insurance and group insurance conducted mainly by Predica in France,
- asset management activities of the Amundi Group (including operations of Pioneer Investments since July 2017), offering savings solutions for retail clients and investment solutions for institutionals ;

■ as well as wealth management activities conducted mainly by Crédit Agricole Indosuez Wealth Management subsidiaries (CA Indosuez Switzerland S.A. CA Indosuez Wealth Europe, CFM Indosuez Wealth, CA Indosuez Wealth France). Banca Leonardo was integrated within this business line with effect from 3 May 2018.

4. Specialised financial services

Specialised financial services comprises the Group subsidiaries that provide financial products and services to individual customers, small businesses, corporates and local authorities in France and abroad. These include:

■ consumer finance companies around Crédit Agricole Consumer Finance in France and through its subsidiaries or partnerships outside France (Agos, CreditPlus Bank, Ribank, Credibom, Interbank Group and FCA Bank). Forso was reclassified under IFRS 5 in the financial statements at 31 Décember 2017, following the end of the partnership with Ford and was sold in the third quarter 2018;

■ Specialised financial services for companies such as factoring and lease finance (Crédit Agricole Leasing & Factoring Group, EFL).

5. Large customers

The Large customers division includes the Corporate and Investment bank, which itself consists of two main lines of business most of which are carried out by Crédit Agricole CIB, and Asset servicing for institutions (CACEIS):

■ financing activities, which include corporate banking in France and internationally and structured finance. Structured Finance consists of originating, structuring and financing large-scale operations in exporting and investing, often collateralised by physical assets (planes, boats, office buildings, commodities, etc.) and complex and structured credit instruments;

■ capital markets and investment banking activities bring together capital market activities (treasury, foreign exchange,interest rate derivatives, debt markets), and investment banking activities (mergers and acquisitions consulting and primary equity advisory);

■ asset servicing: CACEIS Bank for custody and CACEIS Fund Administration for fund administration.

6. Corporate Centre

This segment mainly encompasses Crédit Agricole S.A.'s central body function, asset and liability management and management of debt connected with acquisitions of subsidiaries or equity investments.

It also includes:

■ the results of the private equity business and results of various other Crédit Agricole S.A. Group companies (Uni-médias, Foncaris, etc.);

■ the results from management companies, real-estate companies holding properties used in operations by several business lines and by activities undergoing reorganisation;

■ the net impact of tax consolidation for Crédit Agricole S.A. as well as the revaluation of structured debt issued by Crédit Agricole CIB.

5.1 Operating segment information

Transactions between operating segments are effected at arm's length.

Segment assets are determined based on balance sheet elements for each operating segment.

	31/12/2018						
(in millions of euros)	Asset gathering	French retail banking - LCL	International retail banking	Specialised financial services	Large customers	Corporate center	Total
Revenues	5,778	3,433	2,732	2,769	5,368	(344)	**19,736**
Operating expenses	(2,836)	(2,391)	(1,738)	(1,380)	(3,339)	(905)	**(12,589)**
Gross operating income	**2,942**	**1,042**	**994**	**1,389**	**2,029**	**(1,249)**	**7,147**
Cost of risk	(17)	(220)	(358)	(467)	64	(83)	**(1,081)**
Operating income	**2,925**	**822**	**636**	**922**	**2,093**	**(1,332)**	**6,066**
Share of net income of equity-accounted entities	47	-	-	187	-	21	**255**
Net gains (losses) on other assets	(3)	50	14	1	14	13	**89**
Change in value of goodwill	-	-	-	-	-	86	**86**
Pre-tax income	**2,969**	**872**	**650**	**1,110**	**2,107**	**(1,212)**	**6,496**
Income tax charge	(774)	(288)	(185)	(244)	(550)	575	**(1,466)**
Net income from discontinued operations	(2)	(1)	-	-	-	-	**(3)**
Net income	**2,193**	**583**	**465**	**866**	**1,557**	**(637)**	**5,027**
Non-controlling interests	285	26	124	128	29	35	**627**
NET INCOME GROUP SHARE	**1,908**	**557**	**341**	**738**	**1,528**	**(672)**	**4,400**

Under IFRS 9, the Crédit Agricole CIB issuer spread is classified with effect from 1 January 2018 as equity under Other comprehensive income on items that will not be reclassified to profit or loss.

	31/12/2018						
(in millions of euros)	Asset gathering	French retail banking - LCL	International retail banking	Specialised financial services	Large customers	Corporate center	Total
Segment assets	-	-	-	-	-	-	-
of which investments in equity-accounted entities	4,048	-	-	2,135	-	185	**6,368**
of which goodwill	6,864	4,772	1,693	1,025	1,137	-	**15,491**
TOTAL ASSETS	**445,766**	**148,102**	**79,231**	**71,402**	**772,463**	**107,430**	**1,624,394**

(in millions of euros)	31/12/2017 Asset gathering	French retail banking - LCL	International retail banking	Specialised financial services	Large customers	Corporate center [1]	Total
Revenues	5,263	3,492	2,482	2,721	5,332	(656)	**18,634**
Operating expenses	(2,708)	(2,442)	(1,557)	(1,407)	(3,239)	(850)	**(12,203)**
Gross operating income	**2,555**	**1,050**	**925**	**1,314**	**2,093**	**(1,506)**	**6,431**
Cost of risk	(25)	(204)	(429)	(440)	(318)	(6)	**(1,422)**
Operating income	**2,530**	**846**	**496**	**874**	**1,775**	**(1,512)**	**5,009**
Share of net income of equity-accounted entities	33	-	-	241	277	177	**728**
Net gains (losses) on other assets	4	6	(12)	(1)	13	(4)	**6**
Change in value of goodwill	-	-	-	-	-	186	**186**
Pre-tax income	**2,567**	**852**	**484**	**1,114**	**2,065**	**(1,153)**	**5,929**
Income tax charge	(646)	(339)	(153)	(229)	(710)	345	**(1,732)**
Net income from discontinued operations	21	-	-	(1)	-	-	**20**
Net income	**1,942**	**513**	**331**	**884**	**1,355**	**(808)**	**4,217**
Non-controlling interests	222	25	97	118	48	58	**568**
NET INCOME GROUP SHARE	**1,720**	**488**	**234**	**766**	**1,307**	**(866)**	**3,649**

[1] The Crédit Agricole CIB issuer spread is classified under the Corporate Centre for -€222 in Revenues, +€76 in Income tax charge, -€146 in Net income including -€3 million in Non-controlling interests.

(in millions of euros)	31/12/2017 Asset gathering	French retail banking - LCL	International retail banking	Specialised financial services	Large customers	Corporate center	Total
Segment assets	-	-	-	-	-	-	-
of which investments in equity-accounted entities	3,044	-	-	1,945	-	188	**5,177**
of which goodwill	6,793	4,772	1,692	1,023	1,141	-	**15,421**
TOTAL ASSETS	**433,163**	**141,932**	**81,530**	**74,613**	**684,938**	**134,287**	**1,550,283**

5.2 Segment information: geographical analysis

The geographical analysis of segment assets and results is based on the place where operations are booked for accounting purposes.

	31/12/2018				31/12/2017			
(in millions of euros)	Net income Group Share	Of which Revenues	Segment assets	Of which goodwill	Net income Group Share	Of which Revenues	Segment assets	Of which goodwill
France (including overseas departments and territories)	1,886	10,436	1,303,129	9,945	1,483	10,089	1,257,683	9,947
Italy	597	3,167	88,934	1,974	750	2,686	90,973	1,974
Other European Union countries	799	2,989	77,701	2,351	348	2,824	66,582	2,330
Other European countries	135	741	18,809	682	113	673	19,483	654
North America	489	1,093	56,023	461	337	1,053	50,179	442
Central and South America	20	46	988	-	8	62	981	-
Africa and Middle East	149	450	9,861	33	312	457	8,595	32
Asia-Pacific (ex. Japan)	207	502	22,441	24	171	475	21,976	23
Japan	118	312	46,508	21	127	315	33,831	19
TOTAL	**4,400**	**19,736**	**1,624,394**	**15,491**	**3,649**	**18,634**	**1,550,283**	**15,421**

5.3 Insurance specificities

(See chapter on "Risk factors – Insurance sector risks" on managing this sector risk)

Gross income from insurance activities

	31/12/2018		
(in millions of euros)	**Income statement prior to reclassification of overlay approach**	**Reclassification related to overlay approach**	**Income statement post-reclassification of overlay approach**
Written premium	33,534	-	33,534
Change in unearned premiums	(210)	-	(210)
Earned premiums	**33,324**	**-**	**33,324**
Other operating income	**252**	**-**	**252**
Investment income	7,509	(3)	7,506
Investment expenses	(370)	1	(369)
Gains (losses) on disposals of investments net of impairment and amortisation reversals	41	379	420
Change in fair value of investments at fair value through profit or loss	(6,702)	1,828	(4,874)
Change in impairment on investments	(8)	(49)	(57)
Investment income net of expenses	**471**	**2,157**	**2,628**
Claims expenses [1]	**(27,685)**	**(1,866)**	**(29,551)**
Revenue from reinsurance operations	518	-	518
Expenses from reinsurance operations	(608)	-	(608)
Net reinsurance income (expense)	**(90)**	**-**	**(90)**
Contract acquisition costs	(2,054)	-	(2,054)
Amortisation of investment securities and similar	-	-	-
Administration costs	(1,970)	-	(1,970)
Other current operating income (expense)	(353)	-	(353)
Other operating income (expense)	(3)	-	(3)
Operating income	**1,892**	**291**	**2,182**
Financing expenses	(429)	-	(429)
Share of net income of associates	-	-	-
Income tax charge	(307)	(147)	(454)
Net income from discontinued or held-for-sale operations	(1)	-	(1)
Consolidated net income	**1,154**	**144**	**1,298**
Non-controlling interests	**12**	**-**	**12**
NET INCOME GROUP SHARE	**1,142**	**144**	**1,286**

[1] *Including -€22 billion of cost of claims, -€1 billion of changes in policyholder profit-sharing and -€6 billion of changes in technical reserves at 31 December 2018*

(in millions of euros)	**31/12/2017**
Written premium	30,426
Change in unearned premiums	(213)
Earned premiums	**30,213**
Other operating income	**119**
Investment income	7,654
Investment expenses	(565)
Gains (losses) on disposals of investments net of impairment and amortisation reversals	1,668
Change in fair value of investments at fair value through profit or loss	3,002
Change in impairment on investments	(54)
Investment income net of expenses	**11,705**
Claims expenses [1]	**(35,877)**
Revenue from reinsurance operations	449
Expenses from reinsurance operations	(578)
Net reinsurance income (expense)	**(129)**
Contract acquisition costs	(1,916)
Amortisation of investment securities and similar	(7)
Administration costs	(2,142)
Other current operating income (expense)	(180)
Other operating income (expense)	(7)
Operating income	**1,779**
Financing expenses	(279)
Share of net income of associates	-
Income tax charge	(357)
Net income from discontinued operations	21
Consolidated net income	**1,164**
Non-controlling interests	**3**
NET INCOME GROUP SHARE	**1,161**

[1] Including -€22 billion of cost of claims, -€2 billion of changes in policyholder profit-sharing and -€11 billion of changes in technical reserves at 31 December 2017

BREAKDOWN OF INSURANCE COMPANY INVESTMENTS

(in millions of euros)	31/12/2018
Financial assets at fair value through profit or loss	**142,954**
Financial assets held for trading	**460**
Treasury bills and similar securities	-
Bonds and other fixed income securities	-
Equity and other variable income securities	-
Derivative instruments	460
Other financial instruments at fair value through profit or loss	**142,494**
Equity instruments	25,414
Equity and other variable income securities	8,730
Non-consolidated equity investments	(328)
Designated financial assets applying the overlay approach	17,012
Debt instruments that do not meet the conditions of the "SPPI" test	57,437
Loans and receivables	296
Debt securities	57,141
Treasury bills and similar securities	153
Bonds and other fixed income securities	4,973
Mutual funds	34,277
Designated financial assets applying the overlay approach	17,738
Assets backing unit-linked contracts	59,643
Treasury bills and similar securities	988
Bonds and other fixed income securities	12,213
Equity and other variable income securities	5,161
Mutual funds	41,281
Financial assets designated at fair value through profit or loss	-
Loans and receivables	-
Debt securities	-
Treasury bills and similar securities	-
Bonds and other fixed income securities	-
Hedging derivative Instruments	**1,072**
Financial assets at fair value through other comprehensive income	**214,284**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**214,109**
Debt securities	214,109
Treasury bills and similar securities	61,593
Bonds and other fixed income securities	152,516
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**175**
Equity and other variable income securities	-
Non-consolidated equity investments	175
Financial assets at amortised cost	**5,867**
Loans and receivables	**5,530**
Debt securities	337
Treasury bills and similar securities	-
Bonds and other fixed income securities	337
Impairment	-
Investment property	**6,280**
Investments in associates and joint venture	**3,785**
TOTAL INSURANCE COMPANY INVESTMENTS	**374,242**

As of 31 December 2018, investments in Insurance entities on equity accounting method amount to €3,785 million compared with €2,864 million at 31 December 2017.

(in millions of euros)	31/12/2018 Carrying amount	Unrealised gains	Unrealised losses
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**214,109**	**14,615**	**(743)**
Debt securities	214,109	14,615	(743)
Treasury bills and similar securities	61,593	4,412	(171)
Bonds and other fixed income securities	152,516	10,203	(572)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**175**	**3**	**(21)**
Equity and other variable income securities	-	-	-
Non-consolidated equity investments	175	3	(21)
Carrying amount on financial assets at fair value through other comprehensive income	**214,284**	**14,618**	**(764)**
Income tax charge		(3,839)	198
OTHER COMPREHENSIVE INCOME ON FINANCIAL ASSETS AT FAIR VALEUR THROUGH OTHER COMPREHENSIVE INCOME (NET OF INCOME TAX)		**10,779**	**(566)**

(in millions of euros)	31/12/2017 Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	45,329	2,706	(74)
Bonds and other fixed income securities	162,257	13,464	(346)
Equities and other equity variable income securities	17,934	2,846	(185)
Non-consolidated equity investments	8,209	2,432	(80)
Total available-for-sale financial assets	**233,729**	**21,448**	**(685)**
Income tax charges		(5,774)	228
GAINS AND LOSSES ON AVAILABLE-FOR-SALE FINANCIAL ASSETS RECOGNISED IN OTHER COMPREHENSIVE INCOME (NET OF INCOME TAX)		**15,674**	**(457)**

(in millions of euros)	31/12/2017 Carrying amount	Fair value
Bonds and other fixed income securities	3,069	3,803
Treasury bills and similar securities	7,736	9,245
Impairment	-	-
Total held-to-maturity financial assets	**10,805**	**13,048**
Loans and receivables	**7,426**	**7,424**
Investment property	**6,103**	**8,674**

(in millions of euros)	31/12/2017 Carrying amount
Financial assets at fair value through profit or loss classified as held-for-trading or designated at fair value through profit or loss	**107,634**
Assets backing unit-linked contracts	59,635
Securities bought under repurchase agreements	-
Treasury bills and similar securities	3,639
Bonds and other fixed-income securities	27,125
Equities and other equity variable-income securities	15,729
Derivative instruments	1,506

(in millions of euros)	31/12/2017 Carrying amount
TOTAL INSURANCE COMPANY INVESTMENTS	**365,697**

RECLASSIFICATION BETWEEN NET INCOME AND OTHER COMPREHENSIVE INCOME FOR FINANCIAL ASSETS DESIGNATED UNDER THE OVERLAY APPROACH

	31/12/2018		
(in millions of euros)	**Amount reported for the designated financial assets applying IFRS9**	**Amount that would have been reported for the designated financial assets applying IAS39**	**Amount reclassified in other comprehensive income applying the overlay approach**
Investment income	929	926	(3)
Investment expenses	(10)	(9)	1
Gains (losses) on disposals of investments net of impairment and amortisation reversals	25	405	379
Change in fair value of investments at fair value through profit or loss	(1,828)	-	1,828
Change in impairment on investments	-	(49)	(49)
Investment income net of expenses	**(884)**	**1,272**	**2,157**
Claims paid			**(1,866)**
Operating income			**291**
Income tax charge			(147)
NET INCOME GROUP SHARE			**144**

NOTES IN THE EVENT OF A CHANGE IN THE DESIGNATION OF FINANCIAL ASSETS AS PART OF THE APPLICATION OF THE OVERLAY APPROACH

(in millions of euros)	**31/12/2018**
Newly designated financial assets (newly held assets for insurance contract activity)	**5,043**
Amount reclassified between profit or loss and other comprehensive income in the reporting period	(27)
Financial assets that have been de-designated (assets that are no longer held for insurance contract activity)	
Amount that would have been reclassified between profit or loss and other comprehensive income in the reporting period if the financial assets had not been de-designated	-
Reclassification to profit or loss from accumulated other comprehensive income in the reporting period	-

NOTE 6 Notes to the balance sheet

6.1 Cash, central banks

	31/12/2018		31/12/2017	
(in millions of euros)	Assets	Liabilities	Assets	Liabilities
Cash	1,581		1,441	
Central banks	65,395	949	49,320	3,185
CARRYING AMOUNT	**66,976**	**949**	**50,761**	**3,185**

6.2 Financial assets and liabilities at fair value through profit or loss

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(in millions of euros)	31/12/2018
Financial assets held for trading	225,605
Other financial instruments at fair value through profit or loss	139,870
Equity instruments	28,351
Debt instruments that do not meet the conditions of the "SPPI" test	60,131
Assets backing unit-linked contracts	51,386
Financial assets designated at fair value through profit or loss	2
CARRYING AMOUNT	**365,475**
Of which lent securities	2,823

(in millions of euros)	31/12/2017
Financial assets held for trading	221,089
Financial assets designated at fair value through profit or loss	100,315
CARRYING AMOUNT	**321,404**
Of which lent securities	884

HELD-FOR-TRADING FINANCIAL ASSETS

(in millions of euros)	31/12/2018
Equity instruments	**2,777**
Equity and other variable income securities	2,777
Debt securities	**19,295**
Treasury bills and similar securities	14,219
Bonds and other fixed income securities	5,043
Mutual funds	33
Loans and receivables	**108,979**
Loans and receivables due from credit institutions	191
Loans and receivables due from customers	1,374
Securities bought under repurchase agreements	107,414
Pledged securities	-
Derivative instruments	**94,554**
CARRYING AMOUNT	**225,605**

(in millions of euros)	31/12/2017
Equity instruments	**3,485**
Equities and other variable income securities	3,485
Debt securities	**17,250**
Treasury bills and similar securities	12,804
Bonds and other fixed income securities	4,446
Loans and advances	**94,559**
Loans and receivables due from customers	1,600
Securities bought under repurchase agreements	92,959
Pledged securities	-
Derivative instruments	**105,795**
CARRYING AMOUNT	**221,089**

Securities acquired under repurchase agreements include those that the entity is authorised to use as collateral.

EQUITY INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

(in millions of euros)	31/12/2018
Equity and other variable income securities	19,315
Non-consolidated equity investments	9,036
TOTAL EQUITY INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	**28,351**

DEBT INSTRUMENTS NOT MEETING THE SPPI CRITERIA

(in millions of euros)	31/12/2018
Debt securities	**57,128**
Treasury bills and similar securities	156
Bonds and other fixed income securities	11,637
Mutual funds	45,335
Loans and receivables	**3,003**
Loans and receivables due from credit institutions	-
Loans and receivables due from customers	3,003
Securities bought under repurchase agreements	-
Pledged securities	-
TOTAL DEBT INSTRUMENTS THAT DO NOT MEET THE CONDITIONS OF THE "SPPI" TEST	**60,131**

FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

(in millions of euros)	31/12/2018
Loans and receivables	**-**
Loans and receivables due from credit institutions	-
Loans and receivables due from customers	-
Debt securities	**2**
Treasury bills and similar securities	-
Bonds and other fixed income securities	2
TOTAL FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	**2**

(in millions of euros)	31/12/2017
Equity instruments	**17,070**
Equities and other variable income securities	17,070
Debt securities	**83,243**
Assets backing unit-linked contracts	51,600
Treasury bills and similar securities	3,639
Bonds and other fixed income securities	28,004
Loans and advances	**2**
Loans ans recevables due from credit institutions	-
Loans and receivables due from customers	2
Securities bought under repurchase agreements	-
Pledged securities	-
CARRYING AMOUNT	**100,315**

FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

(in millions of euros)	31/12/2018	31/12/2017
Financial liabilities held for trading	193,956	196,444
Financial liabilities designated at fair value through profit or loss	34,155	31,443
CARRYING AMOUNT	**228,111**	**227,887**

HELD-FOR-TRADING FINANCIAL LIABILITIES

(in millions of euros)	31/12/2018	31/12/2017
Securities sold short	25,433	22,598
Securities sold under repurchase agreements	75,917	67,335
Debt securities	2	2
Derivative instruments	92,603	106,509
CARRYING AMOUNT	**193,956**	**196,444**

Detailed information on derivative instruments held-for-trading can be found in Note 3.2 on market risk, in particular on interest rates.

FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial liabilities for which changes in issuer spread are recognised in other comprehensive income and will not be reclassified

	31/12/2018				
(in millions of euros)	Carrying amount	Difference between carrying amount and amount contractually required to pay at maturity	Accumulated amount of change in fair value attributable to changes in own credit risk	Amount of change in fair value during the period attributable to changes in own credit risk	Amount realised at derecognition [1]
Deposits and subordinated liabilities	-	-	-	-	-
Deposits	-	-	-	-	-
Subordinated liabilities	-	-	-	-	-
Debt securities	**27,596**	**398**	**140**	**(365)**	**(18)**
Other financial liabilities	-	-	-	-	-
TOTAL	**27,596**	**398**	**140**	**(365)**	**(18)**

[1] *The amount realised upon derecognition is transferred to consolidated reserves.*

Pursuant to IFRS 9, Crédit Agricole's Group calculates changes in fair value attributable to changes in own credit risk using a methodology that allows for them to be separated from changes in value attributable to changes in market conditions.

- Basis for calculating own credit risk

The source taken into account for the calculation of own credit risk may vary from one issuer to another. Within Crédit Agricole's Group, the source used is the change in its cost of market refinancing.

- Calculation of unrealised gains/losses on own credit adjustment (recognised in other comprehensive income)

The Crédit Agricole's Group preferred approach is based on the liquidity component of issues. All issues are replicated by a group of vanilla loans/borrowings. Changes in fair value attributable to changes in own credit risk of all issues therefore correspond to those of said loans. These are equal to the changes in fair value of the loan book caused by changes in the cost of refinancing.

- Calculation of realised gains/losses on own credit risk (recognised in consolidated reserves)

The Group has elected to transfer fair value changes attributable to changes in own credit risk upon unwinding to consolidated reserves. Accordingly, when there is a total or partial early redemption, a sensitivity-based calculation is done. This consists of measuring the change in fair value attributable to the changes in own credit risk of a given issuance as being the sum of the credit spread sensitivities multiplied by the change in this spread between the issuance date and the redemption date.

Financial liabilities for which changes in the issuer spread are recognised in net income

	31/12/2018			
(in millions of euros)	Carrying amount	Difference between carrying amount and due on maturity	Accumulated amount of change in fair value attributable to changes in own credit risk	Amount of change in fair value during the period attributable to changes in own credit risk
Deposits and subordinated liabilities	**6,559**	**-**	**-**	**-**
Deposits	6,559	-	-	-
Subordinated liabilities	-	-	-	-
Debt securities	**-**	**-**	**-**	**-**
Other financial liabilities	**-**	**-**	**-**	**-**
TOTAL	6,559	-	-	-

	31/12/2017	
(in millions of euros)	Fair value on the balance sheet	Difference between carrying amount and due on maturity
Deposits and subordinated liabilities	**6,037**	**-**
Deposits from credit institutions	-	-
Other deposits	6,037	-
Subordinated liabilities	-	-
Debt securities	**25,406**	**432**
Other financial liabilities	**-**	**-**
TOTAL	31,443	432

6.3 Hedging derivative instruments

Detailed information is provided in Note 3.4 on "Hedging accounting".

6.4 Financial assets at fair value through other comprehensive income

	31/12/2018		
(in millions of euros)	Carrying amount	Unrealised gains	Unrealised losses
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	250,202	14,554	(1,077)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	3,418	619	(985)
TOTAL	253,620	15,173	(2,062)

DEBT INSTRUMENTS RECOGNISED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT CAN BE RECLASSIFIED

	31/12/2018		
(in millions of euros)	**Carrying amount**	**Unrealised gains**	**Unrealised losses**
Treasury bills and similar securities	75,753	4,658	(372)
Bonds and other fixed income securities	174,449	9,896	(705)
Total Debt securities	**250,202**	**14,554**	**(1,077)**
Loans and receivables due from credit institutions	-	-	-
Loans and receivables due from customers	-	-	-
Total Loans and receivables	-	-	-
Total Debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	**250,202**	**14,554**	**(1,077)**
Income tax charge		(3,845)	290
OTHER COMPREHENSIVE INCOME ON DEBT INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**10,709**	**(787)**

EQUITY INSTRUMENTS RECOGNISED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT CANNOT BE RECLASSIFIED

Other comprehensive income on equity instruments that cannot be reclassified

	31/12/2018			
(in millions of euros)	**Carrying amount**	**Unrealised gains**	**Unrealised losses**	**Unrealised gains/losses during the period**
Equity and other variable income securities	283	24	(46)	(3)
Non-consolidated equity investments	3,135	595	(939)	118
Total Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**3,418**	**619**	**(985)**	**115**
Income tax charge		(88)	16	(54)
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**531**	**(969)**	**61**

Equity instruments derecognised during the period

	31/12/2018		
(in millions of euros)	Fair value at the date of derecognition	Cumulative gains realised 1	Cumulative losses realised 1
Equity and other variable income securities	31	5	(5)
Non-consolidated equity investments	234	14	(74)
Total Investments in equity instruments	**265**	**19**	**(79)**
Income tax charge		-	12
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX) [1]		**19**	**(67)**

[1] *Realised gains and losses are transferred to consolidated reserves.*

AVAILABLE-FOR-SALE FINANCIAL ASSETS AT 31 DECEMBER 2017

	31/12/2017		
(in millions of euros)	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	74,346	3,170	(202)
Bonds and other fixed income securities	201,745	13,099	(396)
Equities and other variable income securities	18,690	2,926	(241)
Non-consolidated equity investments	12,277	3,231	(304)
Total available-for-sale securities	**307,058**	**22,426**	**(1,143)**
Available-for-sale receivables	-	-	-
Total available-for-sale receivables	**-**	**-**	**-**
Carrying amount of available-for-sale financial assets [1]	**307,058**	**22,426**	**(1,143)**
Income tax charge		(5,914)	291
GAINS AND LOSSES ON AVAILABLE-FOR-SALE FINANCIAL ASSETS RECOGNISED IN OTHER COMPREHENSIVE INCOME (NET OF INCOME TAX) [2]		**16,512**	**(852)**

[1] *The net carrying amount of impaired available-for-sale fixed-income securities is €32 million and the net carrying amount of impaired available-for-sale variable-income securities is €1,931 million.*

[2] *For insurance companies, gains and losses on available-for-sale financial assets recognised in other comprehensive income (net of income tax) are offset by aftertax deferred policyholders' profit-sharing liability of €12,747 million at 31 December 2017 (see Note 6.16 "Insurance company technical reserves").*

6.5 Financial assets at amortised cost

(in millions of euros)	31/12/2018
Loans and receivables due from credit institutions	412,981
Loans and receivables due from customers	369,456
Debt securities	57,764
CARRYING AMOUNT	**840,201**

LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS

(in millions of euros)	**31/12/2018**
Credit institutions	
Loans and receivables	94,457
of which non doubtful current accounts in debit [1]	*6,548*
of which non doubtful overnight accounts and advances [1]	*25,369*
Pledged securities	1
Securities bought under repurchase agreements	5,225
Subordinated loans	516
Other loans and receivables	103
Gross amount	**100,302**
Impairment	(419)
Net value of loans and receivables due from credit institutions	**99,883**
Crédit Agricole internal transactions	
Current accounts	1,944
Term deposits and advances	309,037
Subordinated loans	371
Total Crédit Agricole internal transactions	**313,098**
CARRYING AMOUNT	**412,981**

[1] *These transactions are partly comprised of the item "Net demand loans and deposits with credit institutions" on the Cash Flow Statement*

(in millions of euros)	**31/12/2017**
Credit institutions	
Debt securities	**5,203**
Securities not traded in an active market	5,203
Loans and receivables	**89,779**
Loans and receivables	82,801
of which performing current accounts in debit	6,100
of which performing overnight accounts and advances	16,411
Pledged securities	10
Securities bought under repurchase agreements	6,227
Subordinated loans	665
Other loans and receivables	77
Gross amount	**94,982**
Impairment	(386)
Net value of loans and receivables due from credit institutions	**94,596**
Crédit Agricole internal transactions	
Debt securities	**-**
Securities not traded in an active market	-
Loans and advances	**299,455**
Current accounts	1,752
Term deposits and advances	294,906
Securities bought under repurchase agreements	2,467
Subordinated loans	330
Gross amount	**299,455**
Impairment	-
Net value of loans and receivables within Crédit Agricole	**299,455**
CARRYING AMOUNT	**394,051**

LOANS AND RECEIVABLES DUE FROM CUSTOMERS

(in millions of euros)	31/12/2018
Loans and receivables due from customers	
Trade receivables	31,510
Other customer loans	313,894
Pledged securities	131
Securities bought under repurchase agreements	2,976
Subordinated loans	104
Insurance receivables	655
Reinsurance receivables	634
Advances in associates' current accounts	144
Current accounts in debit	13,249
Gross amount	**363,297**
Impairment	(9,168)
Net value of loans and receivables due from customers	**354,129**
Finance leases	
Property leasing	5,544
Equipment leases, operating leases and similar transactions	10,170
Gross amount	**15,714**
Impairment	(387)
Net value of lease financing operations	**15,327**
CARRYING AMOUNT	**369,456**

(in millions of euros)	**31/12/2017**
Loans and receivables due from customers	
Debt securities	**14,599**
Securities not traded in an active market	14,599
Loans and receivables	**340,264**
Trade receivables	26,065
Other customer loans	296,930
Securities bought under repurchase agreements	3,116
Subordinated loans	104
Insurance receivables	262
Reinsurance receivables	515
Advances in associates current accounts	128
Current accounts in debit	13,144
Gross amount	**354,863**
Impairment	(9,720)
Net value of loans and receivables due from customers	**345,143**
Finance Leases	
Property leasing	5,687
Equipment leases, operating leases and similar transactions	9,508
Gross amount	**15,195**
Impairment	(259)
Net value of lease financing operations	**14,936**
CARRYING AMOUNT	**360,079**

DEBT SECURITIES

(in millions of euros)	**31/12/2018**
Treasury bills and similar securities	23,222
Bonds and other fixed income securities	34,574
Total	**57,796**
Impairment	(32)
CARRYING AMOUNT	**57,764**

HELD-TO-MATURITY FINANCIAL ASSETS AT 31 DECEMBRE 2017

(in millions of euros)	**31/12/2017**
Treasury bills and similar securities	17,082
Bonds and other fixed income securities	3,097
Total	**20,179**
Impairment	-
CARRYING AMOUNT	**20,179**

6.6 Transferred assets not derecognised or derecognised with on-going involvement

TRANSFERRED ASSETS NOT DERECOGNISED IN FULL AT 31 DECEMBER 2018

	Transferred assets but still fully recognised											Transferred assets recognised to the extent of on the entity's continuing involvement		
	Transferred assets					Associated liabilities					Assets and associated liabilities			
(in millions of euros)	*Carrying amount*	*Of which securitisation (non-deconsolidating)*	*Of which securities sold/bought under repurchase agreements*	*Of which other* [1]	*Fair value* [2]	*Carrying amount*	*Of which securitisation (non-deconsolidating)*	*Of which securities sold/bought under repurchase agreements*	*Of which other* [1]	*Fair value* [2]	*Net fair value* [2]	**Initial total carrying amount of assets prior to transfer**	**Carrying amount of assets still recognised (continuing involvement)**	**Carrying amount of associated liabilities**
Financial assets held for trading	**10,488**	**-**	**10,488**	**-**	**10,488**	**10,137**	**-**	**10,137**	**-**	**10,137**	**351**	**-**	**-**	**-**
Equity instruments	1,665	-	1,665	-	1,665	1,609	-	1,609	-	1,609	56	-	-	-
Debt securities	8,823	-	8,823	-	8,823	8,528	-	8,528	-	8,528	295	-	-	-
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial instruments at fair value through profit or loss	-	**-**	**-**	**-**	-	-	**-**	**-**	**-**	-	-	**-**	**-**	-
Equity instruments	**-**	-	-	-	**-**	**-**	-	-	-	**-**	**-**	-	-	**-**
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	**21,435**	**6**	**20,501**	**929**	**21,274**	**20,435**	**-**	**20,435**	**-**	**20,335**	**939**	**-**	**-**	**-**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	21,435	6	20,501	929	21,274	20,435	-	20,435	-	20,335	939	-	-	-
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets at amortised cost	**14,094**	**11,886**	**1,572**	**636**	**14,094**	**10,908**	**9,356**	**1,552**	**-**	**10,908**	**3,186**	**-**	**-**	**-**
Debt securities	2,208	-	1,572	636	2,208	1,552	-	1,552	-	1,552	656	-	-	-
Loans and receivables	11,886	11,886	-	-	11,886	9,356	9,356	-	-	9,356	2,530	-	-	-
Loans and receivables	**46,017**	**11,891**	**32,561**	**1,565**	**45,856**	**41,481**	**9,356**	**32,125**	**-**	**41,380**	**4,476**	-	-	-
Finance leases	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL TRANSFERRED ASSETS	**46,017**	**11,891**	**32,561**	**1,565**	**45,856**	**41,481**	**9,356**	**32,125**	**-**	**41,380**	**4,476**	-	-	-

[1] Including securities lending without cash collateral.

[2] When the "counterparty" (counterparties) to the associated liabilities has (have) recourse only to the transferred assets".

TRANSFERRED ASSETS NOT DERECOGNISED IN FULL AT 31 DECEMBER 2017

Nature of assets transferred	Transferred assets still fully recognised											Transferred assets recognised to the extent of the entity's continuing involvement		
	Transferred assets					Associated liabilities					Assets and associated liabilities			
(ei millions of euros)	Carrying amount	Of which securisation (non-deconsolidating)	Of which securities bought under repurchase agreements	Of which other [1]	Fair value [2]	Carrying amount	Of which securisation (non-deconsolidating)	Of which securities bought under repurchase agreements	Of which other [1]	Fair value [2]	Net fair value	Initial total carrying amount of assets prior to transfer	Carrying amount of assets still recognised (continuing involvement)	Carrying amount of associated liabilities
Held-for-trading	**13,318**	**-**	**13,318**	**-**	**13,318**	**12,866**	**-**	**12,866**	**-**	**12,866**	**452**	**-**	**-**	**-**
Equity instruments	177	-	177	-	177	177	-	177	-	177	-	-	-	-
Debt securities	13,141	-	13,141	-	13,141	12,689	-	12,689	-	12,689	452	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Designated at fair value through profit and loss	**2,166**	**-**	**2,166**	**-**	**2,126**	**2,166**	**-**	**2,166**	**-**	**2,166**	**40**	**-**	**-**	**-**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	2,166	-	2,166	-	2,126	2,166	-	2,166	-	2,166	40	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Available-for-sale	**18,482**	**-**	**15,742**	**2,740**	**18,288**	**15,960**	**-**	**15,633**	**327**	**15,960**	**2,328**	**-**	**-**	**-**
Equity instruments	544	-	-	544	544	327	-	-	327	327	217	-	-	-
Debt securities	17,938	-	15,742	2,196	17,744	15,633	-	15,633	-	15,633	2,111	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and receivables	**12,700**	**11,463**	**201**	**1,036**	**12,700**	**9,148**	**9,037**	**201**	**-**	**9,148**	**3,552**	**-**	**-**	**-**
Debt securities	1,237	-	201	1,036	1,237	201	-	201	-	201	1,036	-	-	-
Loans and advances	11,463	11,463	-	-	11,463	8,947	9,037	-	-	8,947	2,516	-	-	-
Held-to-maturity	**2,140**	**-**	**2,140**	**-**	**2,125**	**2,140**	**-**	**2,140**	**-**	**2,140**	**(15)**	**-**	**-**	**-**
Debt securities	2,140	-	2,140	-	2,125	2,140	-	2,140	-	2,140	(15)	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total financial assets	**48,806**	**11,463**	**33,567**	**3,776**	**48,557**	**42,280**	**9,037**	**33,006**	**327**	**42,280**	**6,277**	**-**	**-**	**-**
Finance leases	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**	**-**	**-**	**-**
TOTAL TRANSFERRED ASSETS	**48,806**	**11,463**	**33,567**	**3,776**	**48,557**	**42,280**	**9,037**	**33,006**	**327**	**42,280**	**6,277**	**-**	**-**	**-**

[1] *Including securities lending without cash collateral.*

[2] *When the "counterparty" (counterparties) to the associated liabilities has (have) recourseonly to the transferred assets.*

Securitisations

Consolidated securitisations with external investors are a transfer of assets within the meaning of the amendment to IFRS 7. The Group effectively has an indirect contractual obligation to deliver to external investors the cash flows from assets sold to the securitisation fund (although these assets are recorded in the Group balance sheet through the consolidation of the fund). Receivables assigned to the securitisation fund are used as collateral for investors.

Fully self-subscribed consolidated securitisations do not constitute a transfer of assets within the meaning of IFRS 7.

Crédit Agricole Consumer Finance Securitisations

At 31 December 2018, Crédit Agricole Consumer Finance managed 16 consolidated vehicles for securitisation of retail consumer loans and car dealer financing in Europe. Securitisation transactions carried out within Crédit Agricole Consumer Finance Group are not considered to form part of a deconsolidation transaction under IFRS and have therefore been reintegrated into Crédit Agricole S.A. Group's consolidated financial statements.

The carrying amounts of the relevant assets (net of related liabilities) amounted to €7,365 million at 31 December 2018. They include, in particular, outstanding customer loans with a net carrying amount of €5,571 million. The amount of securities mobilised on the market stood at €5,042 million. The value of securities still available to be mobilised stood at €9,500 million.

Cariparma Securitisations

At 31 December 2018, Cariparma managed two home loan securitisation vehicles. These securitisation transactions are not considered to form part of a deconsolidation transaction under IFRS and have therefore been reintegrated into Crédit Agricole S.A. Group's consolidated financial statements.

The carrying amounts of the relevant assets amounted to €10,502 million at 31 December 2018.

6.7 Exposure to sovereign risk

The scope of sovereign exposures recorded covers exposures to Governments, but does not include local authorities. Tax debt is excluded from these amounts.

Exposure to sovereign debt corresponds to an exposure net of impairment (carrying amount) presented both gross and net of hedging.

The Group's exposure to sovereign risk is as follows:

BANKING ACTIVITY

31/12/2018	Exposures Banking activity net of impairment						
	Other financial instruments at fair value through profit or loss		Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss	Financial assets at amortised cost	Total banking activity before hedging	Hedging	Total banking activity after hedging
(in millions of euros)	*Held-for-trading financial assets*	*Other financial instruments at fair value through profit or loss*					
Saudi Arabia	8	-	-	880	888	-	**888**
Austria	-	-	-	15	15	-	**15**
Belgium	50	-	2,395	1,007	3,452	(129)	**3,323**
Brazil	381	-	-	211	592	-	**592**
China	6	-	-	19	25	-	**25**
Spain	-	-	332	52	384	-	**384**
United States	1,578	-	152	1,610	3,340	1	**3,341**
France	3	45	5,840	11,582	17,470	(611)	**16,859**
Greece	-	-	-	-	-	-	**-**
Hong Kong	71	-	-	978	1,049	-	**1,049**
Iran	-	-	-	-	-	-	**-**
Ireland	-	-	-	-	-	-	**-**
Italy	519	-	3,013	4,985	8,517	(183)	**8,334**
Japan	23	-	-	1,948	1,971	-	**1,971**
Lithuania	-	-	-	-	-	-	**-**
Poland	3	-	737	-	740	-	**740**
United Kingdom	-	-	-	-	-	-	**-**
Russia	1	-	7	-	8	-	**8**
Syria	-	-	-	-	-	-	**-**
Turkey	-	-	-	-	-	-	**-**
Ukraine	-	-	31	34	65	-	**65**
Venezuela	-	-	-	59	59	-	**59**
Yemen	-	-	-	-	-	-	**-**
Other countries	889	9	1,647	2,438	4,983	(6)	**4,977**
TOTAL	**3,532**	**54**	**14,154**	**25,818**	**43,558**	**(928)**	**42,630**

31/12/2017	Exposures net of impairment							
	Of which banking portfolio							
(in millions of euros)	Held-to-maturity financial assets	Available-for-sale financial assets	Financial assets at fair value through profit or loss	Loans and receivables	**Of which trading book (excluding derivatives)**	**Total banking activity before hedging**	**Hedging available-for-sale financial assets**	**Total banking activity after hedging**
Saudi Arabia	-	-	-	542	2	**544**	-	**544**
Austria	-	15	-	-	44	**59**	-	**59**
Belgium	-	3,196	-	-	-	**3,196**	(122)	**3,074**
Brazil	-	7	-	38	86	**131**	-	**131**
China	-	65	-	-	3	**68**	-	**68**
Spain	-	1,463	-	-	-	**1,463**	-	**1,463**
United States	-	151	-	-	617	**768**	(3)	**765**
France	7,018	11,568	-	1,529	-	**20,115**	(859)	**19,256**
Greece	-	-	-	-	-	**-**	-	**-**
Hong-Kong	-	1,044	-	-	38	**1,082**	-	**1,082**
Iran	-	-	-	-	-	**-**	-	**-**
Ireland	-	4	-	-	-	**4**	-	**4**
Italy	2,214	5,210	-	113	64	**7,601**	(187)	**7,414**
Japan	-	2,635	-	255	-	**2,890**	-	**2,890**
Lithuania	-	-	-	-	-	**-**	-	**-**
Poland	-	759	-	-	2	**760**	-	**761**
United Kingdom	-	-	-	-	-	**-**	-	**-**
Russia	-	8	-	-	5	**13**	-	**13**
Syria	-	-	-	-	-	**-**	-	**-**
Turkey	-	-	-	-	-	**-**	-	**-**
Ukraine	-	32	-	-	-	**32**	-	**32**
Venezuela	-	-	-	4	-	**4**	-	**4**
Yemen	-	-	-	-	-	**-**	-	**-**
Other countries	114	2,961	15	(581)	1,972	**4,481**	(10)	**4,470**
TOTAL	**9,346**	**29,118**	**15**	**1,899**	**2,833**	**43,211**	**(1,181)**	**42,030**

INSURANCE ACTIVITY

For the insurance activity, exposure to sovereign debt is presented as net of impairment, before hedging, and corresponds to an exposure before application of sharing mechanisms between insurer and policyholder specific to life insurance.

Gross exposures *(in millions of euros)*	31/12/2018	31/12/2017
Saudi Arabia		
Austria	3,667	3,388
Belgium	2,859	2,419
Brazil	-	1
China	-	-
Spain	1,148	1,015
United States	39	17
France	47,510	42,029
Greece	-	-
Hong Kong	-	-
Iran	-	-
Ireland	759	587
Italy	6,042	5,968
Japan	39	11
Lithuania	-	2
Poland	349	356
United Kingdom	4	-
Russia	-	-
Syria	-	-
Turkey	-	-
Ukraine	-	-
Venezuela	-	-
Yemen	-	-
Other countries	1,977	964
TOTAL EXPOSURE	**64,393**	**56,757**

6.8 Financial liabilities at amortised cost

(in millions of euros)	31/12/2018
Due to credit institutions	131,960
Due to customers	597,170
Debt securities	184,470
CARRYING AMOUNT	**913,600**

DUE TO CREDIT INSTITUTIONS

(in millions of euros)	**31/12/2018**	**31/12/2017**
Credit institutions		
Accounts and borrowings	75,531	67,123
of which current accounts in credit [1]	*12,817*	*7,819*
of which overnight accounts and deposits [1]	*1,678*	*1,858*
Pledged securities	-	-
Securities sold under repurchase agreements	22,131	22,088
Total	**97,662**	**89,211**
Crédit Agricole internal transactions		
Current accounts in credit [1]	11,223	10,109
Term deposits and advances	21,478	23,958
Securities sold under repurchase agreements	1,597	2,312
Total	**34,298**	**36,379**
CARRYING AMOUNT	**131,960**	**125,590**

[1] *These transactions are partly comprised of the item "Net demand loans and deposits with credit institutions" on the Cash Flow Statement*

DUE TO CUSTOMERS

(in millions of euros)	**31/12/2018**	**31/12/2017**
Current accounts in credit	203,495	182,099
Special savings accounts	288,414	275,058
Other amounts due to customers	101,775	89,768
Securities sold under repurchase agreements	840	1,706
Insurance liabilities	1,260	853
Reinsurance liabilities	334	313
Cash deposits received from ceding and retroceding companies against technical insurance commitments	1,052	949
CARRYING AMOUNT	**597,170**	**550,746**

DEBT INSTRUMENTS

(in millions of euros)	**31/12/2018**	**31/12/2017**
Interest bearing notes	126	130
Money-market securities	10,306	11,686
Negotiable debt securities	78,610	61,891
Bonds [1]	92,347	86,176
Other debt securities	3,081	3,825
CARRYING AMOUNT	**184,470**	**163,708**

[1] *Includes issues of Covered Bonds and issues of senior non-preferred bonds.*

The debt instruments issued by Crédit Agricole S.A. and subscribed for by Crédit Agricole S.A. Group insurance companies were eliminated for euro contracts. They were eliminated for the portion backing unit-linked contracts with financial risk borne by the policyholder.

6.9 Information on the offsetting of financial assets and financial liabilities

OFFSETTING – FINANCIAL ASSETS

	31/12/2018					
	Offsetting effects on financial assets covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
Type of financial instrument *(in millions of euros)*	*Gross amounts of recognised financial assets before offsetting*	*Gross amounts of recognised financial liabilities set off in the financial statements*	*Net amounts of financial assets presented in the financial statements ²*	*Gross amounts of financial liabilities covered by master netting agreements*	*Amounts of other financial instruments received as collateral, including security deposits*	*Net amount after all offsetting effects*
Derivatives ¹	167,617	57,578	110,039	80,604	17,018	12,417
Reverse repurchase agreements	170,511	53,017	117,493	8,609	104,480	4,404
Securities lent	5,669	-	5,669	-	-	5,669
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL ASSETS SUBJECTS TO OFFSETTING	**343,797**	**110,595**	**233,201**	**89,213**	**121,499**	**22,490**

¹ Including margin calls but before any XVA impact

² The net amount of financial assets shown in the summary statements is equal to the amount shown on the balance sheet as assets

	31/12/2017					
	Offsetting effects on financial assets covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
Type of financial instrument *(in millions of euros)*	*Gross amounts of recognised financial assets before offsetting*	*Gross amounts of recognised financial liabilities set off in the financial statements ⁴*	*Net amounts of financial assets presented in the financial statements*	*Gross amounts of financial liabilities covered by master netting agreements*	*Amounts of other financial instruments received as collateral, including security deposits*	*Net amount after all offsetting effects*
Derivatives ¹	198,500	75,436	123,064	97,826	13,097	12,142
Reverse repurchase agreements ²	134,424	29,647	104,777	19,889	22,284	62,604
Securities lent	4,531	-	4,531	-	-	4,531
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL ASSETS SUBJECTS TO OFFSETTING	**337,456**	**105,083**	**232,373**	**117,715**	**35,381**	**79,277**

¹ Including margin calls but before any XVA impact

² The net amount of financial assets shown in the summary statements is equal to the amount shown on the balance sheet as assets

OFFSETTING – FINANCIAL LIABILITIES

	31/12/2018					
	Offsetting effects on financial assets covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
Type of financial instrument *(in millions of euros)*	*Gross amounts of recognised financial assets before offsetting*	*Gross amounts of recognised financial liabilities set off in the financial statements* [3]	*Net amounts of financial assets presented in the financial statements*	*Gross amounts of financial liabilities covered by master netting agreements*	*Amounts of other financial instruments received as collateral, including security deposits*	*Net amount after all offsetting effects*
Derivatives [1]	163,263	57,544	105,719	80,641	24,421	657
Repurchase agreements [2]	153,529	53,017	100,512	8,609	85,682	6,221
Securities borrowed	5,977	-	5,977	-	-	5,977
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFESTTING	**322,771**	**110,562**	**212,209**	**89,249**	**110,104**	**12,856**

[1] Including margin calls mais avant tout impact XVA

[2] The net amount of financial liabilities shown in the summary statements is equal to the amount shown on the balance sheet as liabilities

	31/12/2017					
	Offsetting effects on financial liabilities covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
Type of financial instrument *(in millions of euros)*	*Gross amounts of recognised financial liabilities before offsetting*	*Gross amounts of recognised financial assets set off in the financial statements* [3]	*Net amounts of financial liabilities presented in the financial statements*	*Gross amounts of financial assets covered by master netting agreements*	*Amounts of other financial instruments received as collateral, including security deposits*	*Net amount after all offsetting effects*
Derivatives [1]	196,186	75,444	120,742	97,826	11,272	11,644
Repurchase	120,799	29,647	91,152	19,889	20,264	50,999
Securities borrowed	5,010	-	5,010	-	-	5,010
Other financial	-	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFESTTING	**321,995**	**105,091**	**216,904**	**117,715**	**31,536**	**67,653**

[1] Including margin calls mais avant tout impact XVA

[2] The net amount of financial liabilities shown in the summary statements is equal to the amount shown on the balance sheet as liabilities

6.10 Current and deferred tax assets and liabilities

(in millions of euros)	31/12/2018	31/12/2017
Current tax	1,350	1,490
Deferred tax	3,130	2,972
TOTAL CURRENT AND DEFERRED TAX ASSETS	**4,480**	**4,462**
Current tax	692	1,144
Deferred tax	1,684	2,338
TOTAL CURRENT AND DEFERRED TAX LIABILITIES	**2,376**	**3,482**

Net deferred tax assets and liabilities break down as follows:

(in millions of euros)	31/12/2018
Temporary timing differences - tax	**2,179**
Non-deductible accrued expenses	329
Non-deductible for liabilities and charges	2,066
Other temporary differences [1]	(216)
Deferred tax on reserves for unrealised gains or losses	**(308)**
Financial assets at fair value through other comprehensive income	(316)
Cash flow hedges	(286)
Gains and losses/Actuarial differences	103
Other comprehensive income attributable to changes in own credit risk	56
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	135
Deferred tax on income and reserves	**(425)**
of which Reclassification of net gains (losses) of designated financial assets applying the overlay approach	(135)
TOTAL DEFERRED TAX	**1,446**

[1] *The portion of deferred tax related to tax loss carryforwards is €431 million for 2018.*

(in millions of euros)	31/12/2017
Temporary timing differences - tax	**1,550**
Non-deductible accrued expenses	279
Non-deductibles provisions for liabilities and charges	1,871
Other temporary differences [1]	(600)
Deferred tax on reserves for unrealised gains or losses	**(793)**
Available-for-sale assets	(736)
Cash flow hedges	(192)
Gains and losses/Actuarial differences	135
Deferred tax on income and reserves	**(123)**
TOTAL DEFERRED TAX	**634**

[1] *The portion of deferred tax related to tax oss carryforwards is €626 million for 2017.*

Deferred tax assets are netted on the balance sheet by taxable entity.

In order to assess the level of deferred tax assets to be recognised, Crédit Agricole S.A. takes into account for each company or tax group concerned the dedicated tax status and the earnings projections established during the budgetary process.

6.11 Accrued income and expenses and other assets and liabilities

ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS

(in millions of euros)	31/12/2018	31/12/2017
Other assets	**30,966**	**28,776**
Inventory accounts and miscellaneous	144	139
Collective management of Livret de Développement Durable (LDD) savings account	-	-
Sundry debtors [1]	26,533	24,824
Settlement accounts	2,126	1,887
Due from shareholders - unpaid capital	-	-
Other insurance assets	344	281
Reinsurer's share of technical reserves	1,819	1,645
Accruals and deferred income	**7,047**	**7,421**
Items in course of transmission	2,324	2,640
Adjustment and suspense accounts	673	463
Accrued income	2,592	2,712
Prepaid expenses	514	593
Other accrual prepayments and sundry assets	945	1,013
CARRYING AMOUNT	**38,013**	**36,197**

[1] including €49 million in respect of the contribution to the Single Resolution Fund in the form of a security deposit at 31 December 2018. The Single Resolution Fund may use the security deposit to provide funding unconditionally and at any time.

ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIES

(in millions of euros)	31/12/2018	31/12/2017
Other liabilities [1]	**30,705**	**29,411**
Settlement accounts	2,654	2,493
Sundry creditors	27,798	26,718
Liabilities related to trading securities	231	176
Other insurance liabilities	22	24
Other	-	-
Accruals and deferred income	**11,603**	**11,119**
Items in course of transmission [2]	3,271	3,735
Adjustment and suspense accounts	845	307
Unearned income	1,309	1,307
Accrued expenses	5,639	5,049
Other accrual prepayments and sundry liabilities	540	721
Carrying amount	**42,309**	**40,530**

[1] *The amounts shown include related debts.*

[2] *Net amounts are shown.*

6.12 Joint ventures and associates

FINANCIAL INFORMATION OF JOINT VENTURES AND ASSOCIATES

At 31 december 2018,

- the equity-accounted value of joint ventures totalled €2,204 million (€1,797 million at 31 December 2017);
- the equity-accounted value of associates totalled €4,164 million (€3,380 million at 31 December 2017).

FCA Bank is a joint venture created with the Fiat Chrysler Automobiles Group. In July 2013, Crédit Agricole S.A. , Crédit Agricole Consumer Finance and Fiat Chrysler Automobiles (formerly Fiat Group Automobiles) signed an agreement to extend their 50/50 joint venture until 31 December 2021. Active in 16 European countries, the company manages all financing transactions for car dealers and private customers for the following brands: Fiat, Lancia, Alfa Romeo, Maserati, Chrysler, Jeep, Fiat Professional, Abarth, Ferrari in Europe as well as Jaguar Land Rover in continental Europe. It is key to the development of the Group's automotive joint venture business.

Material associates and joint ventures are presented in the table below. These are the main joint ventures and associates that make up the "Equity-accounted value on the balance sheet".

	31/12/2018					
(in millions of euros)	% of interest	Equity-accounted value	Share of market value	Dividends paid to Group's entities	Share of net income [1]	Share of shareholders' equity [2]
Joint ventures						
Fca Bank S.P.A	50.0%	1,672	-	-	133	1,427
Others		532	-	10	63	738
Net carrying amount of investments in equity-accounted entities (Joint ventures)		**2,204**			**196**	**2,165**
Associates						
Icade	18.4%	935	911	59	22	566
Korian	23.2%	615	591	5	42	578
Altarea	24.7%	559	657	50	54	462
Ramsay – Generale De Sante	38.4%	439	624	-	3	181
Gac - Sofinco Auto Finance Co. Ltd.	50.0%	311	-	-	38	311
Sci Heart Of La Defense[3]	33.3%	271	271	-	(5)	271
Sci Cargo Property Holding	28.0%	182	207	10	3	182
Wafasalaf	49.0%	135	-	13	12	79
Abc-Ca Fund Management Co	22.8%	121	-	-	20	121
Frey	19.2%	114	100	2	14	112
Others		482			82	174
Net carrying amount of investments in equity-accounted entities (Associates)		**4,164**			**285**	**3,037**
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**6,368**			**481**	**5,202**

[1] The share of income of insurance activities and associates as well as the related share of benefits are classified as Net Banking Income in the income statement.

[2] Shareholders' equity Group share in the financial statements of the joint venture or associate when the joint venture or associate is a sub-group. The effect of 2018 inclusion into the scope of consolidation of the insurance entities generate an impact of -€46m in gains and losses on equity securities accounted in other comprehensive income that cannot be reclassified.

[3] SCI Heart of La Défense entered the scope of consolidation under the equity method in 2018.

(in millions of euros)	31/12/2017 % of interest	Equity-accounted value	Share of market value	Dividends paid to Group's entities	Share of net income [1]	Share of shareholders' equity [2]
Joint ventures						
FCA BANK	50.0%	1,573	-	50	193	1,270
Autres	0.0%	224	-	5	6	504
Net carrying amount of investments in equity-accounted entities (Joint ventures)		**1,797**			**199**	**1,774**
Associates						
Banque Saudi Fransi [3]	0.0%	-	-	92	173	-
Eurazeo [4]	0.0%	-	-	13	77	-
Icade	18.5%	966	1,123	-	14	597
Altarea	24.7%	544	825	42	83	447
Korian	23.0%	521	547	11	32	484
Ramsay - Générale De Santé	38.4%	435	459	-	22	177
Gac - Sofinco Auto Finance Co.Ltd	50.0%	216	-	-	30	216
SCI Cargo Property Holding [5]	29.9%	171	164	7	1	171
Infra Foch Topco	36.9%	91	168	26	27	(50)
Patrimoine et Commerce [5]	19.9%	68	55	3	18	68
Eurosic [6]	-	-	-	21	56	-
Autres		367	-	-	51	267
Net carrying amount of investments in equity-accounted entities (Associates)		**3,380**			**563**	**2,377**
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**5,177**			**783**	**4,151**

[1] *The share of income of insurance activities and associates as well as the related share of benefits are classified as Net Banking Income in the income statement.*

[2] *Shareholders' equity Group share in the financial statements of the joint venture or associate when the joint venture or associate is a sub-group. L'effet des entrées de périmètre 2018 des sociétés d'assurance génère un impact de -46 millions d'euros en Gains et pertes sur instruments de capitaux propres comptabilisés en capitaux propres non recyclables.*

[3] *Crédit Agricole Banque CIB sold 16.2% of Banque Saudi Fransi on 20 September 2017. The contribution of Banque Sandi Fransi covers the period strating 1 January 2017 to 20 September 2017. The remaining participation has been reclassified in Available-for-sale financial assets.*

[4] *Crédit Agricole S.A. has sold its entire stake in Eurazeo on 16 June 2017. The contribution of Eurazeo covers the period starting 1 january 2017 to 16 June 2017.*

[5] *SCI Cargo Property Holding, Icade and Patrimoine et Commerce entered the scope of consolidation under the equity method in 2017.*

[6] *In connection Gecina and Eurosic merger CAA disposed of all of its Eurosic shares. The company exited the scope of consolidation on 31 December 2017.*

The market value shown in the table above is the quoted price of the shares on the market at 31 december 2018. This value may not be representative of the selling value since the value in use of equity-accounted entities may be different from the equity-accounted value determined pursuant to IAS 28. Investments in equity-accounted entities were subject to impairment tests, in case of an indication of impairment, using the same methodology as for goodwill.

Condensed financial information for the material associates and joint ventures of Crédit Agricole S.A. Group is shown below:

	31/12/2018			
(in millions of euros)	**Revenues**	**Net income**	**Total assets**	**Total Equity**
Joint ventures				
Fca Bank S.P.A	954	387	30,396	2,854
Associates				
Icade	120	120	11,388	3,812
Korian	180	180	7,279	2,480
Altarea	220	220	8,247	3,060
Ramsay – Generale De Sante	7	7	2,502	511
Gac - Sofinco Auto Finance Co. Ltd.	172	76	5,520	1,267
Sci Heart Of La Defense[1]	(15)	(15)	1,876	825
Sci Cargo Property Holding	10	10	595	576
Wafasalaf	-	25	-	161
Abc-Ca Fund Management Co	108	59	420	724
Frey	71	71	1,048	581

[1] *SCI Heart of La Défense entered the scope of consolidation under the equity method in 2018.*

	31/12/2017			
(in millions of euros)	**Revenues**	**Net income**	**Total assets**	**Total Equity**
Joint ventures				
FCA Bank S.P.A	821	387	27,081	2,540
Associates				
Icade [1]	77	77	10,049	3,864
Altarea	335	335	7,624	2,979
Korian	137	137	6,687	2,097
Ramsay - Générale De Santé	57	57	2,346	502
Gac - Sofinco Auto Finance Co.Ltd	161	59	4,099	873
SCI Cargo Property Holding [1]	4	4	606	593
Infra Foch Topco	72	72	3,081	603
Patrimoine et Commerce [1]	93	93	722	337

[1] *SCI Cargo Property Holding, Icade and Patrimoine et Commerce entered the scope of consolidation under the equity method in 2017.*

SIGNIFICANT RESTRICTIONS ON JOINT VENTURES AND ASSOCIATES

Crédit Agricole S.A. Group has the following restrictions:

Regulatory constraints

The subsidiaries of Crédit Agricole S.A. Group are subject to prudential regulation and regulatory capital requirements in their host countries. The minimum equity capital (solvency ratio), leverage ratio and liquidity ratio requirements limit the capacity of these entities to pay dividends or to transfer assets to Crédit Agricole S.A. Group.

Legal constraints

The subsidiaries of Crédit Agricole S.A. Group are subject to legal provisions concerning the distribution of capital and distributable earnings. These requirements limit the ability of the subsidiaries to distribute dividends. In the majority of cases, these are less restrictive than the regulatory limitations mentioned above.

Restriction on assets backing unit-linked contracts for the Insurance business

Assets backing unit-linked contracts of Crédit Agricole S.A. Group are held for the benefit of policyholders. Assets of the insurance subsidiaries of Crédit Agricole S.A. Group are mainly held for satisfying their obligation towards their policyholders. Assets transfers to other entities are possible following the legal conditions. However, in case of a transfer, a part of the profit due to the transfer must be intended for the policyholders.

6.13 Investment properties

(in millions of euros)	31/12/2017	01/01/2018	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31/12/2018
Gross amount	6,283	6,283	153	518	(558)	-	96	**6,492**
Amortisation and impairment	(87)	(87)	-	(3)	18	-	(12)	**(84)**
CARRYING AMOUNT [1]	**6,196**	**6,196**	**153**	**515**	**(540)**	**-**	**84**	**6,408**

[1] *Including investment property let to third parties.*

(in millions of euros)	01/01/2017	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31/12/2017
Gross amount	5,697	14	1,484	(1,130)	-	218	**6,283**
Amortisation and impairment	(80)	-	(3)	5	-	(9)	**(87)**
CARRYING AMOUNT [1]	**5,617**	**14**	**1,481**	**(1,125)**	**-**	**209**	**6,196**

[1] *Including investment property let to third parties.*

FAIR VALUE OF INVESTMENT PROPERTIES

The market value of investment property recorded at amortised cost, as valued by "expert appraisers", was € 9,314 million at 31 december 2018 compared to € 8,845 million at 31 december 2017.

(in millions of euros)		31/12/2018	31/12/2017
Quoted prices in active markets for identical instruments	Level 1	-	-
Valuation based on observable data	Level 2	9,215	8,774
Valuation based on unobservable data	Level 3	99	71
MARKET VALUE		**9,314**	**8,845**

All investment property are recognised at amortised cost in the balance sheet.

6.14 Property, plant & equipment and intangible assets (excluding goodwill)

(in millions of euros)	31/12/2017	1/1/2018	Changes in scope	Increases (acquisitions)	Decreases (disposals and redemptions)	Translation adjustments	Other movements	31/12/2018
Property, plant & equipment used in operations								
Gross amount	8,400	8,400	5	331	(271)	29	(28)	**8,466**
Amortisation and impairment [1]	(4,190)	(4,190)	(6)	(398)	187	(14)	24	**(4,397)**
CARRYING AMOUNT	**4,210**	**4,210**	**(1)**	**(67)**	**(84)**	**15**	**(4)**	**4,069**
Intangible assets								
Gross amount	6,530	6,530	2	534	(142)	3	58	**6,985**
Amortisation and impairment	(4,350)	(4,350)	(1)	(438)	120	(1)	(28)	**(4,698)**
CARRYING AMOUNT	**2,180**	**2,180**	**1**	**96**	**(22)**	**2**	**30**	**2,287**

[1] *Including depreciation on fixed assets let to third parties.*

(in millions of euros)	01/01/2017	Changes in scope	Increases (acquisitions)	Decreases (disposals and redemptions)	Translation adjustments	Other movements	31/12/2017
Property, plant & equipment used in operations							
Gross amount	7,884	319	556	(392)	(72)	105	**8,400**
Amortisation and impairment [1]	(4,055)	(50)	(395)	333	41	(64)	**(4,190)**
CARRYING AMOUNT	**3,829**	**269**	**161**	**(59)**	**(31)**	**41**	**4,210**
Intangible assets							
Gross amount	5,386	737	564	(104)	(14)	(39)	**6,530**
Amortisation and impairment	(3,803)	(176)	(435)	58	11	(5)	**(4,350)**
CARRYING AMOUNT	**1,583**	**561**	**129**	**(46)**	**(3)**	**(44)**	**2,180**

[1] *Including depreciation on fixed assets let to third parties.*

6.15 Goodwill

(in millions of euros)	31/12/2017 GROSS	31/12/2017 NET	01/01/2018 GROSS	01/01/2018 NET	Increases (acquisitions)	Decreases (Divestments)	Impairment losses during the period	Translation adjustments	Other movements	31/12/2018 GROSS	31/12/2018 NET
Asset gathering	**6,793**	**6,793**	**6,793**	**6,793**	**22**	**-**	**-**	**48**	**-**	**6,864**	**6,864**
of which insurance	1,214	1,214	1,214	1,214	-	-	-	-	-	1,214	1,214
of which asset management	4,830	4,831	4,830	4,831	-	-	-	20	-	4,851	4,851
of which international wealth management	749	749	749	749	22	-	-	28	-	799	799
French Retail Banking - LCL	**5,263**	**4,772**	**5,263**	**4,772**	**-**	**-**	**-**	**-**	**-**	**5,263**	**4,772**
International retail banking	**3,223**	**1,692**	**3,223**	**1,692**	**-**	**-**	**-**	**1**	**-**	**3,219**	**1,693**
of which Italy	2,872	1,660	2,872	1,660	-	-	-	-	-	2,872	1,660
of which Poland	225	-	225	-	-	-	-	-	-	220	-
of which Ukraine	39	-	39	-	-	-	-	-	-	39	-
of which other countries	86	32	86	32	-	-	-	1	-	88	33
Specialised financial services	**2,714**	**1,023**	**2,714**	**1,023**	**2**	**-**	**-**	**-**	**-**	**2,716**	**1,025**
of which Consumer finance (excl.Agos)	1,692	954	1,692	954	2	-	-	-	-	1,694	956
of which Consumer finance Agos	569	-	569	-	-	-	-	-	-	569	-
of which Factoring	453	69	453	69	-	-	-	-	-	453	69
Large customers	**2,366**	**1,141**	**2,366**	**1,141**	**-**	**(4)**	**-**	**-**	**-**	**2,362**	**1,137**
of which Corporate and investment banking	1,711	486	1,711	486	-	-	-	-	-	1,711	486
of which Asset servicing	655	655	655	655	-	(4)	-	-	-	651	651
Corporate Centre	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**20,358**	**15,421**	**20,358**	**15,421**	**24**	**(4)**	**-**	**49**	**-**	**20,424**	**15,491**
Group Share	**18,820**	**14,046**	**18,820**	**14,046**	**23**	**(4)**	**-**	**46**	**-**	**18,879**	**14,111**
Non-controlling interests	**1,538**	**1,375**	**1,538**	**1,375**	**1**	**-**	**-**	**3**	**-**	**1,545**	**1,380**

DETERMINING THE VALUE IN USE OF THE CGUS

Goodwill was subject to impairment tests based on the assessment of the value in use of the cash generating units (CGU) with which it is associated. Determining the value in use was based on discounting the CGUs' estimated future cash flows calculated from activities forecasts over a period over three years (2019-2022) developed for Group management purposes, potentially extrapolated over the 2 following years.

The economic scenario on which the projected financial trajectories are based is that of a slight downturn in economic growth in the main areas, accompanied by inflation that remains measured and a financial environment that is not without volatility, given the elements of uncertainty prevailing at the time the scenario was prepared, but without a systemic shock. Central banks are gradually moving towards a less accommodating monetary policy, aware that the United States is ahead of schedule in this respect. Therefore:

- in the Euro zone, after a very dynamic 2017, the scenario incorporates a gradual convergence of the growth trajectory towards the level of long-term potential. At distinct absolute levels, this is also the scenario envisaged for both France and Italy individually. Real and core inflation would remain moderate;
- The European Central Bank should continue to pursue a very accommodating monetary policy, even if a gradual tightening is implemented: short-term rates could leave their current negative territory by the end of 2019, but their continued increase will be very gradual. Long-term core rates are expected to move relatively parallel to key rates, resulting in a curve with a constant, rather shallow slope. Overall, therefore, a scenario that is rather favourable to retail banking activities in the euro zone, but in a moderate and gradual manner;
- The monetary normalisation of the FED could continue - less strongly than in 2018 - and the US economy would slow down after the period of strong growth triggered by the fiscal easing initiated in 2017. In the medium term, American and European growth rates would scarcely be different, but with a capacity for defence through monetary policy more clearly reconstituted in the United States;
- Economic developments in emerging countries are expected to remain broadly positive, although contrasted by varying degrees of vulnerability to monetary developments in the developed world and trade conflicts: slowdown in China, acceleration in India, temporary negative shock in Turkey, slight recovery in Brazil...

As of 31 December 2018, perpetual growth rates, discount rates and capital allocated rates as a proportion of risk-weighted assets were distributed by business lines as shown in the table below:

In 2018 (for Crédit Agricole S.A. fully consolidated entities)	Perpetual growth rates	Discount rate	Capital allocated
French retail banking - LCL	2.0%	7.8%	9.75%
International retail banking - Italy	2.0%	9.6%	9.75%
International retail banking - Others	7.0%	17.0%	9.5%
Specialised financial services	2.0%	7.8 % à 8.3 %	9.6 % à 9.7 %
Asset gathering	2.0%	7.8 % à 8.7 %	9.7 % 80 % of the solvency margin (Insurance)
Large customers	2.0%	8.3 % à 9.7 %	9.7%

The increase by the European Central Bank (ECB) of regulatory prudential requirements under Pillar 1 and Pillar 2 with effect from 2016 led Crédit Agricole S.A. progressively to raise the level of capital allocated to CGUs as a percentage of risk-weighted assets for certain entities. Last year, this allocation was 9.5% of RWA for all CGUs. The French High Committee for Financial Stability has decided to implement a counter-cyclical cushion of 0.25% of weighted assets corresponding to French exposures, applicable as from 1 July 2019. As a precautionary measure, we have taken into account the impact of this cushion, as well as the very marginal impact of the existing cushions in some foreign countries for allocating equity capital to CGUs from the beginning of 2019. This ultimately results in the adoption, for the various banking CGUs, of a CET1 equity allocation of between 9.50% and 9.75% of risk-weighted assets.

The discount rates determined at 31 December 2018 for all business lines reflect the continued low long-term interest rates in Europe and more particularly in France. Equity risk premiums increased slightly. These changes are reflected in a slight increase in the discount rates used compared to the end of 2017, a slightly more marked increase for the CGU discount rate(s)"International retail banking - Italy" (+0.5 %).

The perpetual growth rates at 31 December 2018 were unchanged from those used at 31 December 2017.

SENSITIVITY OF THE VALUATION OF CGUS TO THE MAIN VALUATION PARAMETERS

The sensitivity of the value in use of the CGUs comprising each of the major business segments to the variation of certain valuation parameters is presented in the following table:

In 2018	Sensitivity to capital allocated	Sensitivity to discount rates		Sensitivity to cost of risk in the final year		Sensitivity to the cost/income ratio in the final year	
	+ 100pb	- 50pb	+ 50pb	(10)%	+10%	- 100 pb	+ 100 pb
French retail banking - LCL	(8.1)%	+9.2%	(7.7)%	+2.6%	(2.6)%	+3.2%	(3.2)%
International retail banking - Italy	(4.6)%	+6.6%	(5.8)%	+3.5%	(3.5)%	+3.5%	(3.5)%
International retail banking - Others	(1.8)%	+4.9%	(4.5)%	+0.9%	(0.9)%	+1.5%	(1.5)%
Specialised financial services	(5.7)%	+9.9%	(8.4)%	+11.5%	(11.5)%	+5%	(5)%
Asset gathering	(0.6)%	+8.2%	(7)%	NS	NS	+1.3%	(1.3)%
Large customers	(8.5)%	+8.3%	(6)%	+1.2%	(1.2)%	+2.6%	(2.6)%

Sensitivity tests were conducted on goodwill Group share with changes in the main valuation parameters applied equally for all CGUs. These tests showed that among all CGUs, only the Italian international retail banking CGU affected by the factoring in of persistently low rates as well as a significant increase in the discount rate used to value it, is the most sensitive to the downgraded parameters of the model. The value of the LCL retail banking CGU in France is also sensitive to the tightening of certain parameters, but to a lesser extent.

- With regard to financial parameters:
  - a variation of +50 basis points in discount rates would result in a negative difference between value in use and the carrying amount of approximately €300 million on the LCL retail banking CGU in France and approximately €190 million for the LCL retail banking CGU in Italy;
  - a variation of +100 basis point in the level of equity allocated to banking CGUs would result in a negative difference between value in use and consolidated value of approximately €135 million on the International Retail Banking - Italy CGU.

- With regard to operational parameters, they show that only the International Retail banking - Italy CGU is sensitive to the deterioration in operational parameters we have simulated.
  - the scenario of a +100 basis point change in the cost/income ratio in the last year of the projection and a 10% increase in the cost of risk for the same year would result in a negative adjustment of approximately €85 million between the value in use and the consolidated value.

6.16 Insurance company technical reserves

BREAKDOWN OF INSURANCE TECHNICAL RESERVES

(in millions of euros)	31/12/2018				
	Life	Non-Life	International	Creditor	Total
Insurance contracts	190,622	5,394	19,475	1,860	**217,351**
Investment contracts with discretionary profit-sharing	73,316	-	13,819	-	**87,135**
Investment contracts without discretionary profit-sharing	2,366	-	1,484	-	**3,850**
Deferred participation benefits (liability)	16,244	-	-	-	**16,244**
Other technical reserves	-	-	-	-	**-**
Total technical reserves	**282,548**	**5,394**	**34,778**	**1,860**	**324,580**
Deferred participation benefits (asset)	-	-	52	-	**52**
Reinsurer's share of technical reserves	(1,015)	(457)	(71)	(275)	**(1,818)**
NET TECHNICAL RESERVES	**281,533**	**4,937**	**34,759**	**1,585**	**322,814**

	31/12/2017				
(in millions of euros)	**Life**	**Non-Life**	**International**	**Creditor**	**Total**
Insurance contracts	169,685	4,892	16,516	1,773	**192,866**
Investment contracts with discretionary profit-sharing	90,169	-	12,789	-	**102,958**
Investment contracts without discretionary profit-sharing	2,507	-	1,394	-	**3,901**
Deferred participation benefits (liability)	20,978	-	500	-	**21,478**
Total technical reserves	**283,339**	**4,892**	**31,199**	**1,773**	**321,203**
Deferred participation benefits (asset)	-	-	-	-	-
Reinsurer's share of technical reserves	(918)	(398)	(59)	(270)	**(1,645)**
NET TECHNICAL RESERVES	**282,421**	**4,494**	**31,140**	**1,503**	**319,558**

Reinsurers' share in technical reserves and other insurance liabilities is recognised under "Accruals, prepayments and sundry liabilities". The breakdown of insurance company technical reserves is presented before elimination of issues in euro and in units of account subscribed by insurance companies.

Deferred policyholders' profit sharing, before tax, at 31 December 2018 and 31 December 2017 breaks down as follows:

Deferred participation benefits *(in millions of euros)*	**31/12/2018** **Deferred participation benefits in liabilities (in assets when appropriate)**
Deferred participation on revaluation of financial assets at fair value through other comprehensive income and hedging derivatives	(14,627)
of which deferred participation on revaluation of financial assets at fair value through other comprehensive income [1]	*(15,519)*
of which deferred participation hedging derivatives	*892*
Deferred participation on financial assets at fair value through profit or loss adjustement	479
Other deferred participation	(2,043)
TOTAL PRE-TAX OTHER DEFERRED PARTICIPATION BENEFITS	**(16,191)**

[1] *See Note 6.2 "Assets at fair value through other comprehensive income"*

Deferred participation benefits (in millions of euros)	**31/12/2017 Deferred participation benefits in liabilities (in assets when appropriate)**
Deferred participation on revaluation of held-for-sale securities and hedging derivatives	18,255
of which deferred participation on revaluation of held-for-sale securities [1]	17,408
of which deferred participation hedging derivatives	847
Deferred participation on trading securities mark-to-market adjustment	443
Other deferred participation (liquidity risk reserve cancellation)	2,780
TOTAL PRE-TAX OTHER DEFERRED PARTICIPATION BENEFITS	**21,478**

[1] *See Note 6.4 "Assets at fair value through other comprehensive income"*

When loadings on premiums or outstandings, or levies on financial income prove to be insufficient to cover future management expenses, Crédit Agricole Group records an overall provision for management in accordance with

Article 142-6 of ANC Regulation 2015-11. This is established by segmenting the contract portfolio into homogeneous categories; for each category, forecasts are based on conservative assumptions set out in regulatory texts (e.g. redemption rates, financial rate of return, management cost per unit) and no offsetting is made between deficit categories and profitable categories.

Over the course of 2017, and in the context of persistently low rates, the review of assessment models and assumptions led to a €175 million provision being made.

Of the technical reserves for non-life insurance contracts, the reserve for increasing risks may be required for sickness and disability insurance transactions. This is equal to the difference between the current values of commitments made by the insurer and those made by policyholders in accordance with Article R.343-7, paragraph 5 of the French Insurance Code.

In 2017, an additional provision for increasing risks was made for the long-term care insurance product, in light of the updated assessment assumptions (likelihood of needing long-term care, time spent in long-term care, etc.). This takes the form of an overall provision, separate from the regulatory provision, making it possible to cover, from today, any shortfall in future financial returns that would not be offset by an increase in premiums paid by policyholders, insofar as annual adjustments may be contractually limited. As at 31 December 2017, the provision for increasing long-term care risks stood at €798 million.

6.17 Provisions

(in millions of euros)	31/12/2017	01/01/2018	Changes in scope	Additions	Reversals, amounts used	Reversals, amounts not used	Translation adjustments	Other movements	31/12/2018
Home purchase schemes risks	241	241	-	11	-	(7)	-	-	**245**
Execution risks of commitments by signature	489	1,003	-	777	(47)	(898)	3	34	**872**
Operational risks	63	64	-	16	(3)	(10)	-	1	**68**
Employee retirement and similar benefits [1]	1,832	1,832	(1)	145	(198)	(51)	10	(28)	**1,709**
Litigation [2]	1,139	1,139	5	1,298	(65)	(158)	6	(94)	**2,132**
Equity investments	13	12	(1)	1	(9)	(1)	-	(1)	**1**
Restructuring	35	35	-	-	(4)	(7)	-	-	**24**
Other risks	609	609	2	210	(61)	(103)	(1)	102	**758**
TOTAL	**4,421**	**4,935**	**6**	**2,458**	**(387)**	**(1,235)**	**18**	**14**	**5,809**

[1] *See Notes 7.4 "Post employment benefits" and 7.5 "Other employee benefits".*

[2] *See "Tax litigation on Emporiki securities" under Note 2 "Major structural transactions and material events during the period"*

(in millions of euros)	31/12/2016	Changes in scope	Additions	Reversals, amounts used	Reversals, amounts unused	Translation adjustments	Other movements	31/12/2017
Home purchase schemes risks	463	-	-	-	(222)	-	-	**241**
Execution risks of commitments by signature	271	18	265	(7)	(76)	(19)	37	**489**
Operational risks	167	1	32	(120)	(16)	-	(1)	**63**
Employee retirement and similar benefits	1,762	182	187	(227)	(46)	(25)	(1)	**1,832**
Litigation	895	180	400	(122)	(209)	(4)	(1)	**1,139**
Equity investments	6	-	10	(3)	-	-	-	**13**
Restructuring	44	1	-	(8)	(2)	-	-	**35**
Other risks	675	3	131	(96)	(110)	(7)	13	**609**
TOTAL	**4,283**	**385**	**1,025**	**(583)**	**(681)**	**(55)**	**47**	**4,421**

At 31 december 2018, employee retirement and similar benefits included € 176 million (€139 million at 31 December 2017) of provisions arising from social costs of the adaptation plans. The provision for restructuring includes the non-social costs of those plans.

TAX AUDITS

Crédit Agricole S.A. tax audit

After an audit of accounts for the 2014 and 2015 financial years, Crédit Agricole S.A. has been the subject of adjustments as part of a proposed correction received at the end of December 2018. Crédit Agricole S.A. is challenging most of the proposed adjustments in a motivated manner. A provision has been recognised to cover the estimated risk.

Crédit Agricole S.A. earlier underwent a tax audit covering the 2013 financial year. On conclusion of the audit the tax authorities issued a tax adjustment rejecting a tax deduction that was made, following the loss on the disposal of Emporiki Bank securities issued from a capital increase on 28 January 2013, four days prior to the sale of Emporiki Bank to Alpha Bank. The tax authorities dispute the fact that the securities of this subsidiary were treated as investment securities.

The assessment notice dated 15 March 2017 relating to this adjustment, for the amount of €312 million, resulted in a payment, and concurrently, a receivable of the same amount was recorded on 31 December 2017. In the context of this litigation, on 13 January 2017, the National Tax Commission decided that the tax adjustment should be abandoned. The administration maintained it nonetheless, and on 4 October 2018 an appeal was lodged with the Administrative Court.

Crédit Agricole CIB Paris tax audit

After an audit of accounts for the 2013, 2014 and 2015 financial years, Crédit Agricole CIB has been the subject of adjustments as a part of a proposed correction received at the end of December 2018. Crédit Agricole CIB is challenging the proposed adjustments. A provision has been recognised to cover the estimated risk.

Merisma tax audit

Merisma, a Crédit Agricole CIB subsidiary, consolidated by Crédit Agricole S.A. Group for tax purposes, has been the object of tax adjustment notices for financial years 2006 to 2010, plus surcharges for abuse of law.

Although still challenged, provisions have been set aside for the adjustments.

Tax audit Crédit Agricole CIB Milan regarding transfer pricing

Following audits, Crédit Agricole CIB Milan received adjustment notices for the 2005 to 2013 financial years regarding transfer pricing from the Italian tax authorities. Crédit Agricole CIB challenged the proposed adjustments. At the same time, the case has been referred to the competent French-Italian authorities for all financial years. A provision was recognised to cover the estimated risk.

CLSA liability guarantee

In 2013, Crédit Agricole Group sold the CLSA entities to the Chinese group CITICS.

Following tax adjustments made to some CLSA entities in India and the Philippines, CITICS invoked the liability guarantee against Crédit Agricole S.A. Reasoned arguments have been submitted challenging the adjustments. A provision was recognised to cover the estimated risk.

Crédit Agricole Consumer Finance tax audit

Crédit Agricole Consumer Finance was the subject of an audit of accounts for the 2014 and 2015 financial years. It received an adjustment notice in late 2017. CA Consumer Finance has recorded a provision in its accounts for the adjustments that are disputed.

Crédit Agricole Assurances tax audit

Following a tax audit covering the 2008 and 2009 financial years, Crédit Agricole Assurances was the subject of a contested adjustment before the administrative court. In 2018, Crédit Agricole Assurances obtained full relief for the adjustment, and thus recorded a receivable from the State as an amount due that will be recovered in 2019.

Crédit Agricole Assurances was the subject of a tax audit in 2018 relating to the financial years 2014, 2015 and 2016, which did not result in an adjustment.

LCL tax audit

LCL was the subject of a tax audit in 2015 and 2016, which pertained to the 2010, 2011, 2012 and 2013 financial years. All financial consequences, covered by a provision, have been paid in 2016 and 2017. The fines imposed under the audit of regulated savings were repaid in 2017, following contest. Other adjustments remain contested.

INQUIRIES AND REQUESTS FOR REGULATORY INFORMATION

The main files linked to inquiries and requests for regulatory information are:

Strauss/Wolf/Faudem

US citizens and members of their families who were victims of terrorist attacks attributed to Hamas and committed in Israel between 2001 and 2004 have brought proceedings against Crédit Lyonnais and another bank before a New York court.

They claim that these banks gave support to terrorists as they each kept an account opened (in 1990 in the case of Crédit Lyonnais) by a charity providing aid to Palestinians. The plaintiffs allege that the account was used to transfer funds to Palestinian entities accused of financing Hamas. The plaintiffs, who have not put a figure on the damages they have suffered, are claiming compensation for « injury, anguish and emotional pain ».

As the matter and the proceedings currently stand, the plaintiffs have not provided proof that the charity was actually linked to terrorists, nor that Crédit Lyonnais was aware that its client could have been involved (if it were to be proven) in financing terrorism. The Court nonetheless demanded that this be demonstrated by the plaintiffs if they are to win their case. Crédit Lyonnais vigorously denies the plaintiffs' allegations.

Under a ruling made on 28 February 2013, the judge issued a Summary Judgement referring Crédit Lyonnais and the plaintiffs to a jury trial on the merits.

In February 2018, Crédit Lyonnais filed a new motion for a summary judgement based on a recent case-law so that the plaintiffs' claims can be dismissed without such a jury trial.

On January 2019 the plaintiffs tried to modify their briefs in order to add new plaintiffs before their action

be time-barred. The judge refused this request and two new actions (Fisher and Miller) have been filed before the same court as the one in charge of the procedures Strauss /Wolf. They are similar to the pending actions, their legal analysis are identical and their result will depend on the outcome of the motion for a summary judgement filed by Crédit Lyonnais in February 2018.

From a procedural standpoint they will remain outstanding until then.

CIE case (Cheque Image Exchange)

In March 2008, LCL and Crédit Agricole S.A. and ten other banks were served notice of grievances on behalf of the Conseil de la concurrence i.e. the French Competition Council (now the Autorité de la concurrence).

They are accused of colluding to implement and apply interchange fees for cashing cheques, since the passage of the Cheque Image Exchange system, i.e. between 2002 and 2007. In the opinion of the Autorité de la concurrence, these fees constitute anti-competitive price agreements in the meaning of Articles 81 paragraph 1 of the treaty establishing the European Community and Article L. 420-1 of the French Commercial Code, and allegedly caused damage to the economy.

In their defense, the banks categorically refuted the anticompetitiveness of the fees and contested the legality of the proceedings.

In a decision published on 20 September 2010, the Autorité de la concurrence stated that the Cheque Image Exchange fee (CEIC) was anti-competitive by its very aim and that it artificially increased the costs borne by remitting banks, which resulted in an unfavourable impact on the prices of banking services. Concerning one of the fees for related services, the fee for cancellation of wrongly cleared transactions (AOCT), the Autorité de la concurrence called on the banks to revise their amount within six months of the notification of the decision.

The accused banks were sanctioned for an overall amount of €384.92 million.

LCL and Crédit Agricole were respectively sentenced to pay €20.7 million and €82.1 million for the CEIC and €0.2 million and €0.8 million for the AOCT.

All of the banks appealed the decision to the Paris Court of Appeal. By a decree of 23 February 2012, the Court overruled the decision, stating that the Autorité de la concurrence had not proven the existence of competition restrictions establishing the agreement as having an anti-competitive purpose.

The Autorité de la concurrence filed an appeal with the Supreme Court on 23 March 2012.

On 14 April 2015, the French Supreme Court (Cour de cassation) overruled the Paris Court of Appeal's decision dated 23 February 2012 and remanded the case to the Paris Court of Appeal with a change in the composition of the Court on the sole ground that the Paris Court of Appeal declared the UFC-Que Choisir and ADUMPE's interventions in the proceedings devoid of purpose without having considered their arguments.

The Supreme Court did not rule on the merits of the case and Crédit Agricole has brought the case before the Paris Court of Appeal.

The Paris Court of Appeal issued a decree on 21 December 2017. It confirmed the decision of the Autorité de la concurrence dated 20 September 2010 but reduced from euros 82 940 000 to euros 76 560 000 the sanction on Crédit Agricole. LCL's sanction remains unchanged, at an amount of 20,930,000 euros.

As well as the other banks parties to this procedure, LCL and Crédit Agricole filed an appeal with the Supreme Court.

Office of Foreign Assets Control (OFAC)

In October 2015, Crédit Agricole S.A. and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) reached agreements with the US and New York authorities that had been conducting investigations regarding US dollar transactions with countries subject to US economic sanctions. The events covered by this agreement took place between 2003 and 2008.

Crédit Agricole CIB and Crédit Agricole S.A., which cooperated with the US and New York authorities in connection with their investigations, have agreed to pay a total penalty amount of $787.3 million (i.e. €692.7 million). The payment of this penalty has been allocated to the pre-existing reserve that had already been taken and, therefore, has not affected the accounts for the second half of 2015.

The agreements with the Board of Governors of the Federal Reserve System (Fed) and the New-York State Department of Financial Services (NYDFS) are with CASA and Crédit Agricole CIB. The agreement with the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury is with Crédit Agricole CIB. Crédit Agricole CIB also entered into separate deferred prosecution agreements (DPAs) with the United States Attorney's Office for the District of Columbia (USAO) and the District Attorney of the County of New York (DANY), the terms of which are three years. On October 19, 2018 the two deferred prosecution agreements with USAO and DANY ended at the end of the three year period, Crédit Agricole CIB having complied with all its obligations under the DPAs.

Crédit Agricole continues to strengthen its internal procedures and its compliance programs regarding laws on international sanctions and will continue to cooperate fully with the US and New York authorities with its home regulators, the European Central Bank and the French Regulatory and Resolution Supervisory Authority (ACPR), and with the other regulators across its worldwide network.

Pursuant to the agreements with NYDFS and the US Federal Reserve, Crédit Agricole's compliance program is subject to regular reviews to evaluate its effectiveness, including a review by an independent consultant appointed by NYDFS for a term of one year and annual reviews by an independent consultant approved by the Federal Reserve.

Euribor/Libor and other indexes

Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB, in their capacity as contributors to a number of interbank rates, have received requests for information from a number of authorities as part of investigations into: (i) the calculation of the Libor (London Interbank Offered Rates) in a number of currencies, the Euribor (Euro Interbank Offered Rate) and certain other market indices; and (ii) transactions connected with these rates and indices. These demands covered several periods from 2005 to 2012.

As part of its cooperation with the authorities, Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB carried out investigations in order to gather the information requested by the various authorities and in particular the American authorities – the DOJ (Department of Justice) and CFTC (Commodity Future Trading Commission) – with which they are in discussions. It is currently not possible to know the outcome of these discussions, nor the date when they will be concluded.

Furthermore, Crédit Agricole CIB is currently under investigation opened by the Attorney General of the State of Florida on both the Libor and the Euribor.

Following its investigation and an unsuccessful settlement procedure, on 21 May 2014, the European Commission sent a notification of grievances to Crédit Agricole S.A. and to Crédit Agricole CIB pertaining to agreements or concerted practices for the purpose and/or effect of preventing, restricting or distorting competition in derivatives related to the Euribor.

In a decision dated 7 December 2016, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €114,654,000 for participating in a cartel in euro interest rate derivatives. Crédit Agricole S.A. and Crédit Agricole CIB are challenging this decision and have asked the European Court of Justice to overturn it.

Additionally, the Swiss competition authority, COMCO, is conducting an investigation into the market for interest rate derivatives, including the Euribor, with regard to Crédit Agricole S.A. and several Swiss and international banks. Moreover, in June 2016 the South Korean competition authority (KFTC) decided to close the investigation launched in September 2015 into Crédit Agricole CIB and the Libor index on various currencies, Euribor and Tibor indices. The investigation into certain foreign exchange derivatives (ABS-NDF) has been closed by the KFTC according to a decision notified to Crédit Agricole CIB on 20 December 2018.

Concerning the two class actions in the United States of America in which Crédit Agricole S.A. and Crédit Agricole CIB have been named since 2012 and 2013 along with other financial institutions, both as defendants in one ("Sullivan" for the Euribor) and only Crédit Agricole S.A. as defendant for the other ("Lieberman" for Libor), the "Lieberman" class action is at the preliminary stage that consists in the examination of its admissibility; proceedings are still suspended before the US District Court of New York State. Concerning the“Sullivan” class action, Crédit Agricole S.A. and Crédit Agricole CIB introduced a motion to dismiss the applicants' claim. The US District Court of New York State upheld the motion to dismiss regarding Crédit Agricole S.A. and Crédit Agricole CIB in first instance. This decision is subject to appeal.

Since 1 July 2016, Crédit Agricole S.A. and Crédit Agricole CIB, together with other banks, are also party to a new class action suit in the United States (“Frontpoint”) relating to the SIBOR (Singapore Interbank Offered Rate) and SOR (Singapore Swap Offer Rate) indices. After having granted a first motion to dismiss filed by Crédit Agricole SA and Crédit Agricole CIB, the New York Federal District Court, ruling on a new request by the plaintiffs, excluded Crédit Agricole SA from the Frontpoint case on the grounds that it had not contributed to the relevant indexes. The Court considered, however, taking into account recent developments in case law, that its jurisdiction could apply to Crédit Agricole CIB, as well as to all the banks that are members of the SIBOR index panel. The allegations contained in the complaint regarding the SIBOR/USD index and the SOR index were also rejected by the court, therefore the index SIBOR/Singapore dollar alone is still taken into account. On 26 December, the plaintiffs filed a new complaint aimed at reintroducing into the scope of the Frontpoint case the alleged manipulations of the SIBOR and SOR indexes that affected the transactions in US dollars. Crédit Agricole CIB, alongside the other defendants, will oppose the terms of this new complaint and has also filed a new motion to dismiss to contest the jurisdiction maintained against it

These class actions are civil actions in which the plaintiffs claim that they are victims of the methods used to set the Euribor, Libor, SIBOR and SOR rates, and seek repayment of the sums they allege were unlawfully received, as well as damages and reimbursement of costs and fees paid.

Banque Saudi Fransi

Crédit Agricole Corporate Investment Bank (Crédit Agricole CIB) has received a Request for Arbitration submitted by Banque Saudi Fransi (BSF) before the International Chamber of Commerce (ICC). The dispute relates to the performance of a Technical Services Agreement between BSF and Crédit Agricole CIB that is no longer in force. On 7 August 2018, BSF quantified its claim at SAR 1,011,670,654.00, the equivalent of about €232 million and reserved the right to submit additional claims. Crédit Agricole CIB totally denies BSF's allegations and claim.

Bonds SSA

Several regulators have demanded information to Crédit Agricole S.A. and to Crédit Agricole CIB for inquiries relating to activities of different banks involved in the secondary trading of Bonds SSA (Supranational, Sub-Sovereign and Agencies) denominated in American dollars. Through the cooperation with these regulators, Crédit Agricole CIB proceeded to internal inquiries to gather the required information available. On 20 December 2018, the European Commission issued a Statement of Objections to a number of banks including Crédit Agricole S.A. and Crédit Agricole CIB within its inquiry on a possible infringement of rules of European Competition law in the secondary trading of Bonds SSA denominated in American dollars. Crédit Agricole S.A. and Crédit Agricole CIB became aware of these objections and will issue a response.

Crédit Agricole CIB is included with other banks in a putative consolidated class action before the United States District Court for the Southern District of New York. That action was dismissed on 29 August 2018 on the basis that the plaintiffs failed to allege an injury sufficient to give them standing. However the plaintiffs have been given an opportunity to attempt to remedy that defect. The plaintiffs filed an amended complaint on 7 November 2018. Crédit Agricole CIB as well as the other defendants have filed motions to dismiss the amended complaint.

On 7 February 2019, another class action was filed against CACIB and the other defendants named in the class action already pending before the United States District Court for the Southern District of New York.

On 11 July 2018, Crédit Agricole S.A. and Crédit Agricole CIB were notified with other banks of a class action filed in Canada, before the Ontario Superior Court of Justice. Another class action, not notified to date, would have been filed before the Federal Court of Canada. It is not possible at this stage to predict the outcome of these investigations, proceedings or class actions or the date on which they will end.

O'Sullivan and Tavera

On November 9, 2017, a group of individuals, (or their families or estates), who claimed to have been injured or killed in attacks in Iraq filed a complaint *("O'Sullivan I")* against several banks including Crédit Agricole S.A., and its subsidiary Crédit Agricole Corporate Investment Bank (Crédit Agricole CIB), in US Federal District Court in New York.

On December 29, 2018, the same group of individuals, together with 57 new plaintiffs, filed a separate action ("*O'Sullivan II*") against the same defendants.

On December 21, 2018, a different group of individuals filed a complaint (*"Tavera"*) against the same defendants.

All three complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants conspired with Iran and its agents to violate US sanctions and engage in transactions with Iranian entities in violation of the US Anti-Terrorism Act and the Justice Against Sponsors of Terrorism Act. Specifically, the complaints allege that

Crédit Agricole S.A., Crédit Agricole CIB, and other defendants processed US dollar transactions on behalf of Iran and Iranian entities in violation of sanctions administered by the US Treasury Department's Office of Foreign Assets Control, which allegedly enabled Iran to fund terrorist organizations that, as is alleged, attacked plaintiffs. The plaintiffs are seeking an unspecified amount of compensatory damages.

On 2 March 2018, Crédit Agricole CIB and other defendants filed a motion to dismiss the *O' Sullivan I* Complaint.

Italian Competition Authority

On 5 October 2018, CA Consumer Finance SA ("CACF") and its subsisidiary FCA Bank SpA owned at 50% received – together with several other banks and certain car manufacturers – a statement of objections from the Autorità Garante della Concorrenza e del Mercato (Italian Competition Authority).

It was alleged in this statement of objections that several banks offering financing solutions for vehicles commercialized by certain car manufacturers have restricted competition as a result of certain exchanges of information, in particular within two professional associations.

In a decision notified on 9 January 2019 the Autorità Garante della Concorrenza e del Mercato considered that FCA Bank SpA had participated in this alleged infringement and this infringement was also attributable to CACF.

FCA Bank SpA has been fined 178.9 million euro. FCA Bank SpA and CACF are going to appeal against this decision.

Intercontinental Exchange, Inc. ("ICE")

On January 15, 2019 a class action was filed before a federal court in New-York (US District Court Southern District of New-York) against the Intercontinental Exchange, Inc. ("ICE") and a number of banks including Crédit Agricole S.A., Crédit Agricole CIB and Crédit Agricole Securities-USA. This action has been filed by plaintiffs who allege that they have invested in financial instruments indexed to the USD ICE LIBOR. They accuse the banks of having collusively set the index USD ICE LIBOR at artificially low levels since February 2014 and made thus illegal profits.

On January 31, 2019 a similar action has been filed before the US District Court Southern District of New-York, against a number of banks including Crédit Agricole S.A., Crédit Agricole CIB and Crédit Agricole Securities-USA. On February 1, 2019, these two class actions were consolidated for pre-trial purposes.

Crédit Agricole Consumer Finance Nederland B.V.

The conditions for the review of the interest rates of revolving loans marketed by Crédit Agricole Consumer Finance Nederland BV, a fully owned subsidiary of Crédit Agricole Consumer Finance SA, and its subsidiaries are the subject of borrowers' claims relating to the criteria for revising these rates and possible overpayments of interests.

On 21 January 2019, in 2 individual cases concerning two subsidiaries of Crédit Agricole Consumer Finance Nederland BV, the Appeals Committee of KIFID (the Financial Services Complaints Authority) in the Netherlands decided that in case the consumers had no or insufficient information on the specific factors that determine the interest rate, the individual interest rate needed to follow the movement of market interest rates on consumer loans.

Crédit Agricole Consumer Finance Nederland BV and its subsidiaries are analysing the impact of this decision on the concerned portfolios.

CACEIS Germany

CACEIS Germany learned from the Bavarian tax authorities that they intend to claim repayment of the dividend tax refunded to a number of its customers in 2010.

The Bavarian tax authorities would claim repayment of tax in the amount of 312 million euros, without prejudice to any potential interests. CACEIS Germany would strongly challenge this claim, should such claim be addressed to it.

Binding agreements

Crédit Agricole S.A. does not depend on any industrial, commercial or financial patent, license or contract.

HOME PURCHASE SAVINGS PLAN PROVISION

DEPOSITS COLLECTED IN HOME PURCHASE SAVINGS ACCOUNTS AND PLANS DURING THE SAVINGS PHASE

(in millions of euros)	31/12/2018	31/12/2017
Home purchase savings plans		
Under 4 years old	12,412	10,559
Between 4 and 10 years old	38,112	35,755
Over 10 years old	50,001	50,603
Total home purchase savings plans	**100,525**	**96,917**
Total home purchase savings accounts	**11,665**	**11,560**
TOTAL DEPOSITFS COLLECTED UNDER HOME PURCHASE SAVINGS CONTRACTS	**112,190**	**108,478**

Customer deposits outstanding, excluding government subsidies, are based on the carrying amount at the end of November 2018 for the financial statements at 31 december 2018 and at the end of November 2017 pfor the financial statements at 31 december 2017.

OUTSTANDING LOANS GRANTED TO HOLDERS OF HOME PURCHASE SAVINGS ACCOUNTS AND PLANS

(in millions of euros)	31/12/2018	31/12/2017
Home purchase savings plans	4	6
Home purchase savings accounts	29	44
TOTAL OUTSTANDING LOANS GRANTED UNDER HOME PURCHASE SAVINGS CONTRACTS	**33**	**50**

PROVISION FOR HOME PURCHASE SAVINGS ACCOUNTS AND PLANS

(in millions of euros)	31/12/2018	31/12/2017
Home purchase savings plans		
Under 4 years old	3	2
Between 4 and 10 years old	20	20
Over 10 years old	222	219
Total home purchase savings plans	**245**	**241**
Total home purchase savings accounts	**-**	**-**
TOTAL FOR HOME PURCHASE SAVINGS CONTRACTS	**245**	**241**

(in millions of euros)	31/12/2017	01/01/2018	Additions	Reversals	Other movements	31/12/2018
Home purchase savings plans	241	241	11	(7)	-	245
Home purchase savings accounts	-	-	-	-	-	-
TOTAL FOR HOME PURCHASE SAVINGS CONTRACTS	**241**	**241**	**11**	**(7)**	**-**	**245**

Age plan is determined based on the date of the midway point in the generation of plans to which they belong.

All of the home purchase savings plans and accounts collected by the Regional Banks are recognised at 100% as liabilities in the consolidated financial statements of Crédit Agricole S.A. Group.

Half of the amount of outstanding loans related to home purchase savings plans and accounts is recognised by Crédit Agricole S.A. Group and the other half by the Regional Banks in the tables above.

The amounts recognised under provisions represent the portion of risk borne by Crédit Agricole S.A. and LCL.

Consequently, the ratio between the provision booked and the outstanding amounts shown on Crédit Agricole S.A. Group's balance sheet is not representative of the level of provisioning for home purchase savings risk.

6.18 Subordinated debt

(in millions of euros)	31/12/2018	31/12/2017
Dated subordinated debt [1]	20,482	22,230
Undated subordinated debt [2]	2,061	2,934
Mutual security deposits	161	171
Participating securities and loans	61	86
CARRYING AMOUNT	**22,765**	**25,421**

[1] *Includes issues of dated subordinated notes "TSR".*

[2] *This item includes issues of deeply subordinated "TSS" securities issued before the Basel 3 came into effect and issues of undated subordinated "TSDI" securities issued under CRD4/CRR being classified as equity.*

At 31 December 2018, deeply subordinated notes issued before CRD 4/CRR came into force totalled €1,763 million, down from €2,416 million at 31 December 2017.

The debt instruments issued by Crédit Agricole S.A. and subscribed for by Crédit Agricole S.A. Group insurance companies were eliminated for euro contracts. They were eliminated for the portion backing unit-linked contracts with financial risk borne by the policyholder.

SUBORDINATED DEBT ISSUES

The issue of subordinated debt plays a part in regulatory capital management while contributing to refinancing all of Crédit Agricole S.A. 's operations.

The Capital Requirements Regulation and Directive (CRD 4/CRR) define the conditions under which subordinated instruments qualify as regulatory capital and set out the terms and conditions for progressive disqualification of older instruments that do not meet these requirements, between 1 January 2014 (effective date of the CRD 4/CRR) and 1 January 2022.

All subordinated debt issuance, whether new or old, is likely to be subject to Bail-in in certain circumstances, particularly in the event of resolution of the issuing bank, in accordance with the Order of 20 August 2015 containing various provisions adapting French legislation to EU law on financial matters, transposing EU Directive of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (Bank Recovery and Resolution Directive, or BRRD).

Details of the types of subordinated debt issued by Crédit Agricole S.A. and still outstanding are as follows: they comprise undated subordinated debt (issued before CRD 4/CRR came into force), dated subordinated notes "TSR", deeply subordinated notes "TSS" issued before CRD 4/CRR came into force and deeply subordinated notes "TSS" issued after CRD 4/CRR came into force.

Deeply subordinated notes (TSS)

TSS – Volumes issued before CRD 4/CRR came into force

Deeply subordinated notes (TSS) issued by Crédit Agricole S.A. are either fixed or floating-rate and undated (unless they contain a contractually defined early redemption clause and subject to certain conditions). They are senior to Common Equity Tier 1 Capital (CET1), including Crédit Agricole S.A. shares, but subordinated (lower-ranking) to all other more senior subordinated debt (including dated subordinated notes and undated subordinated notes).

Deeply subordinated notes are generally fixed-rate then floating-rate beyond a certain duration and include early repayment options at the discretion of Crédit Agricole S.A. (with certain reserves) beyond this same duration.

The coupons are non-cumulative and payment of a dividend by Crédit Agricole S.A. entails the obligation to pay the coupon on the TSS for a period of one year. However, the coupons may not be paid if Crédit Agricole S.A. experiences a regulatory event, *i.e.*, falls below the legal minimum equity ratio as defined by Pillar 1 or Pillar 2, or if the competent regulator anticipates such an event in the near future.

The notional amount and accrued interest are impaired, up to a maximum of 0.01 of the security's monetary unit if the issuer's total capital ratio falls below a minimum threshold, either contractual or regulatory, or by decision of the competent regulator.

Additional Tier 1 (AT1) TSS issued after CRD 4/CRR came into force

The Additional Tier 1 deeply subordinated notes (AT1 TSS) issued by Crédit Agricole S.A. are consistent with the new CRD 4/CRR rules.

The AT1 TSS issued by Crédit Agricole S.A. are either fixed and/or floating-rate and undated (unless they contain a contractually defined early redemption clause and subject to certain conditions). They are senior to Common Equity Tier 1 Capital (CET1), including Crédit Agricole S.A. shares, but subordinated to all other more senior subordinated debt and rank *pari passu* with TSS issued before CRD 4/CRR came into force.

AT1 TSS are generally fixed-rate but resettable beyond a certain duration and can include early repayment options subject to certain conditions beyond this same duration.

AT1 TSS issued by Crédit Agricole S.A. contain a clause providing for temporary partial impairment of the securities in the event the phased-in Basel 3 Common Equity Tier 1 regulatory ratio of Crédit Agricole Group falls below 7% or the phased-in Basel 3 Common Equity Tier 1 regulatory ratio of Crédit Agricole S.A. falls below 5.125%. They may be impaired up to a maximum of 0.01 of the issue's monetary unit.

Coupons are optional at the discretion of Crédit Agricole S.A. (which may decide on the suspension of interest payments) or at the competent regulator's request, and subject to regulatory limits if distributable amounts are insufficient or the Crédit Agricole Group or Crédit Agricole S.A. Group fails to meet regulatory requirements for total capital (including capital buffers).

Instruments classified as Tier 1 equity instruments (AT1 issued after the entry into force of CRD 4/CRR), recorded in Group equity, are detailed in Note 6.21.

Undated subordinated notes (TSDI) (issued before CRD 4/CRR came into force)

Undated subordinated notes (TSDI) issued by Crédit Agricole S.A. before CRD 4/CRR came into force are usually fixed-rate and pay interest quarterly, on a perpetual basis.

They are only redeemable in the event of Crédit Agricole S.A.'s liquidation (judicial or otherwise), unless they contain a contractually defined early redemption clause and subject to certain conditions (see "Early redemption as part of the conditions for all subordinated note issues (TSDI, TSR or TSS)" below).

Like the dated subordinated notes ("TSR" – see below "Issues of dated subordinated notes (TSR) and contingent capital securities"), they are subordinated securities (principal and interest) in reference to Article L. 228-97 of the French Commercial Code. In particular, the coupon may be suspended if the General Meeting of Shareholders of Crédit Agricole S.A. duly notes that there were no distributable earnings for the relevant financial year.

It should be noted that TSDI have a contractually defined rank senior to Common Equity Tier 1 Capital (CET1), including Crédit Agricole S.A. shares, TSS (deeply subordinated notes), participating notes granted to Crédit Agricole S.A. and participating securities issued by it; they rank *pari passu* with other TDSI and TSR (see below) of the same rank and subordinate to all other more senior debt (notably preferred and non-preferred senior bonds).

Dated subordinated notes (TSR) and contingent capital securities

Dated subordinated notes (TSR) issued by Crédit Agricole S.A. are usually fixed-rate and pay interest on a quarterly or annual basis with a fixed maturity. They may be redeemed prior to maturity under contractually defined conditions and subject to certain conditions.

TSR are issued either on the French market under French law or on the international markets under UK, State of New York (United States) or Japanese law.

TSR differ from preferred and non-preferred senior bonds in terms of their ranking (principal and interest) as contractually defined by the subordination clause with reference to Article L. 228-97 of the French Commercial Code.

In the case of notes issued by Crédit Agricole S.A. , in the event of liquidation (judicial or otherwise), dated subordinated notes (TSR) will be repaid after all other secured and unsecured creditors (including creditors of preferred and non-preferred senior bonds), but before either participating loans provided to Crédit Agricole S.A. , or any participating notes issued by the Bank, as well as any deeply subordinated notes ("TSS", see above "Deeply subordinated notes (TSS)").

Early redemption as part of the conditions for all subordinated note issues (TSDI, TSR or TSS)

The above-mentioned TSDI, TSR or TSS may be the subject of:

buy-back transactions, either on the market through public takeover bids or exchange offers subject to approval by the competent regulator, where appropriate, and/or at the initiative of Crédit Agricole S.A. , in accordance with the contractual clauses applicable to each issue;

the exercise of an early redemption option at the initiative of Crédit Agricole S.A. ("call option"), under the conditions and subject to approval by the competent regulator, where appropriate, at the times defined by the contractual terms of the issue, in the event that the issuance agreement for the securities contains such a clause.

SENIOR NON-PREFERRED DEBT ISSUES

The law on transparency, the fight against corruption and the modernisation of the economy (also referred to as the "Sapin 2 Law") was published in the Official Journal on 10 December 2016 and became effective on 11 December, 2016. As part of this law, France created a new category of senior debt -- senior "non-preferred" debt -- meeting the eligibility criteria of the TLAC and MREL ratios (as they are presently defined). This new category of debt is also taken into account in the draft amendment to the Bank Recovery and Resolution Directive (BRRD) published on 23 November, 2016, which points to a harmonisation of banks' creditor ranking.

In the course of a resolution process (likely to occur prior to liquidation), it will be possible to impair senior non-preferred securities in full or in part, or to convert them into equity as part of the bail-in procedure, ahead of other senior debt securities (senior "preferred" debt securities), but only after the full depreciation or the conversion into equity of subordinated instruments. The latter include own funds-related instruments of first category (CET1 and Additional Tier 1) and second category instruments (Tier 2). Only if the impairment or conversion of these instruments is insufficient will senior-non preferred debt securities be used in the bail-in of a particular institution.

In a liquidation event, senior non-preferred securities will be redeemed if there still are funds available, after the repayment of all senior preferred instruments, but ahead of subordinated securities (in particular of dated subordinated notes TSR known as "Tier 2" own funds).

The inaugural issue of these new senior non-preferred debt securities was launched by Crédit Agricole S.A. on 13 December 2016. The outstanding amount of senior non-preferred securities of Crédit Agricole S.A. and Crédit Agricole Group thus stood at €13.5 billion at 31 December 2018, compared to €7.6 billion at 31 December 2017.

COVERED BOND-TYPE ISSUES

In order to increase the amount of medium and long-term financing, the Group issues Covered Bonds through two subsidiaries in France and one subsidiary in Italy:

- Crédit Agricole Home Loan SFH, whose initial issue was launched in January 2009. The total amount outstanding, in euro equivalent, was €28.3 billion at 31 December 2018;
- Crédit Agricole Public Sector SCF, whose initial issue was launched in October 2012. The total amount issued and outstanding was €3,5 billion at 31 December 2018;
- Cariparma: the total amount issued and outstanding at 31 December 2018 was €7.5 billion in OBG (covered bonds), including €1.2 billion held at 31 December 2018.

6.19 Equity

OWNERSHIP STRUCTURE AT 31 DECEMBER 2018

At 31 December 2018, to the knowledge of Crédit Agricole S.A., the distribution of capital and voting rights is as follows:

Shareholders	Number of shares at 31/12/2018	% of the share capital	% of voting rights
SAS Rue La Boétie	1,612,517,290	56.26%	56.34%
Treasury shares	4,378,305	0.15%	-
Employees (ESOP)	126,627,820	4.42%	4.42%
Public	1,122,913,741	39.17%	39.24%
TOTAL	**2,866,437,156**	**100.00%**	**100.00%**

At 31 december 2018, Crédit Agricole S.A.'s share capital stood at €8,599,311,468 divided into 2,866,437,156 fully paid up ordinary shares each with a par value of €3.

SAS Rue La Boétie is wholly-owned by the Crédit Agricole Regional Banks.

Concerning Crédit Agricole S.A. stock, a liquidity agreement was signed on 25 October 2006 with Crédit Agricole Cheuvreux S.A., purchased by Kepler, and renamed Kepler Cheuvreux in 2013.

This agreement is automatically renewed every year. So that the operator can conduct the operations stipulated in the agreement with complete independence the agreement has been allocated an amount of €50 million.

To the Company's knowledge, no other shareholder owns 5% or more of the share capital or voting rights, either directly or indirectly or with others.

In 2018, Crédit Agricole S.A. carried out a €135.5 million capital increase reserved for Crédit Agricole Group employees and eligible persons. This capital increase resulted in the creation of 13,802,586 new shares at 1 August 2018.

EARNING PER SHARE

		31/12/2018	31/12/2017
Net income Group share during the period	*(in millions of euros)*	4,400	3,649
Net income attributable to undated deeply subordinated securities		(443)	(454)
Net income attributable to holders of ordinary shares		**3,957**	**3,195**
Weighted average number of ordinary shares in circulation during the period		2,853,704,584	2,843,579,170
Adjustment ratio		1.000	1.000
Weighted average number of ordinary shares for calculation of diluted earnings per share		2,853,704,584	2,843,579,170
BASIC EARNINGS PER SHARE	*(in euros)*	**1.387**	**1.124**
Basic earnings per share from ongoing activities	*(in euros)*	**1.388**	**1.116**
Basic earnings per share from discontinued operations	*(in euros)*	**(0.001)**	**0.008**
DILUTED EARNINGS PER SHARE	*(in euros)*	**1.387**	**1.124**
Diluted earnings per share from ongoing activities	*(in euros)*	**1.388**	**1.116**
Diluted earnings per share from discontinued operations	*(in euros)*	**(0.001)**	**0.008**

Net income attributable to subordinated and deeply subordinated securities corresponds to the issuance costs and interest accrued on subordinated and deeply subordinated Additional Tier 1 bond issues. This amounts to -€443 million at 31 December 2018.

Taking into consideration the change in the average price of Crédit Agricole S.A. share, all Crédit Agricole S.A. stock option plans are non-dilutive.

In the absence of any dilutive issue by Crédit Agricole S.A., basic earnings per share are identical to diluted earnings per share.

DIVIDENDS

For the 2018 financial year, Crédit Agricole S.A.'s Board of Directors' Meeting of 13 February 2019 decided to recommend to the General Meeting of Shareholders of 21 May 2019 the payment of a dividend of €0.69 per share in cash, to be paid on 28 May 2019.

Proposal in respect of the year (in euros)	2018	2017	2016	2015	2014
Ordinary dividend	0.69	0.63	0.60	0.60	0.35
Loyalty dividend	N/A	0.693	0.660	0.660	0.385

DIVIDENDS PAID DURING THE REPORTING PERIOD

For the 2017 financial year, the General Meeting of Shareholders of 16 May 2018 voted to pay a cash dividend of €0.63 per share plus a 10% loyalty bonus for eligible shares.

Dividends amounting to €1,802 million are shown in the statement of changes in equity.

APPROPRIATION OF NET INCOME

The proposed appropriation of net income is set out in the draft resolutions to be presented by the Board of Directors at Crédit Agricole S.A.'s Combined General Meeting on Tuesday 21 May 2019.

Crédit Agricole S.A. parent company posted positive net income of €2,740,175,354.78 in the 2018 financial year.

The Board of Directors decided to propose that the combined General Meeting of Shareholders agree:

- to record that the profit for the financial year amounts to €2,740,175,354.78,

- to allocate the amount of €6,099,789.00 to the legal reserve to bring it up to 10% of the share capital, which amounts to €8,599,311,468.00;
- to record that the distributable earnings amounts to €16,573,437,649.54, taking into account retained earnings of €13,839,362,083.76;
- to establish the amount of the regular dividend at €0.69 per share;
- to distribute the dividend paid out of distributable earnings in the amount of €1,977,841,637.64[1];
- to allocate the undistributed balance of €14,595,596,011.90[1] to retained earnings

[1]*This amount will be adjusted where appropriate to reflect the following events: (a) creation of new shares eligible for dividends before the ex-dividend date, (b) change in the number of treasury shares at ex-dividend date.*

UNDATED SUBORDINATED AND DEEPLY SUBORDINATED DEBT

The main issues of undated subordinated and deeply subordinated debt classified in shareholders' equity Group share are:

					At 31 december 2018			
Issue date	Currency	Amount in currency at 31 december 2017 *(in millions of units)*	Partial repurchases and redemptions *(in millions of units)*	Amount in currency at 31 december 2018 *(in millions of units)*	Amount in euros at inception rate *(in millions of euros)*	Interests paid Group share *(in millions of euros)*	Issuance costs net of taxes *(in millions of euros)*	Shareholders' equity Group share *(in millions of euros)*
23/01/2014	USD	1,750	-	1,750	1,283	(584)	(8)	691
08/04/2014	GBP	500	-	500	607	(216)	(4)	387
08/04/2014	EUR	1,000	-	1,000	1,000	(306)	(6)	688
18/09/2014	USD	1,250	-	1,250	971	(311)	(6)	654
19/01/2016	USD	1,250		1,250	1,150	(260)	(8)	882
Crédit Agricole S.A. Issues					**5,011**	**(1,677)**	**(32)**	**3,302**
14/10/2014	EUR				-	(135)	(3)	(138)
13/01/2015	EUR				-	(128)	(3)	(131)
Insurance Issues					**-**	**(263)**	**(6)**	**(269)**
Issues subscribed in-house :								
Group share / Non controlling interests effect					-	32	-	32
Issues subscribed by Crédit Agricole CIB for currency regulation					-	-	-	-
TOTAL					**5,011**	**(1,908)**	**(38)**	**3,065**

The main issues of undated subordinated and deeply subordinated debt classified in shareholder's equity – Non controlling interests share (insurance) are:

Issue date	Currency	Amount in currency at 31 december 2017 *(in millions of units)*	Partial repurchases and redemptions *(in millions of units)*	Amount in currency at 31 december 2018 *(in millions of units)*	Amount in euros at inception rate *(in millions of euros)*
14/10/2014	EUR	745	-	745	745
13/01/2015	EUR	1,000	-	1,000	1,000
TOTAL					**1,745**

Changes relating to undated subordinated and deeply subordinated debt affecting shareholders' equity Group share are as follows:

(in millions of euros)	31/12/2018	31/12/2017
Undated deeply subordinated notes		
Interest paid accounted as reserves	(367)	(378)
Income tax savings related to interest paid to security holders recognised in net income	131	130
Issuance costs (net of tax) accounted as reserves	-	-
Undated subordinated notes		
Interest paid accounted as reserves	(76)	(76)
Income tax savings related to interest paid to security holders recognised in net income	26	26
Issuance costs (net of tax) accounted as reserves	-	-

6.20 Non-controlling interests

INFORMATION ON SIGNIFICANT NON-CONTROLLING INTERESTS

The table below presents information on the consolidated subsidiaries and structured entities with significant non-controlling interests in relation to the total equity of the Group or of the sub-group level or where the total balance sheet of the entities held by the non-controlling interests is significant.

	31/12/2018				
(in millions of euros)	% of voting rights held by non-controlling interests	% of ownership interests held by non-controlling interests	Net income allocated to non-controlling interests during the reporting period	Accumulated noncontrolling interests at the end of the reporting period	Dividends paid to non-controlling interests
Groupe Amundi	31%	32%	278	2,069	159
Groupe Cariparma	23%	23%	99	1,302	39
Agos S.p.A.	39%	39%	126	493	87
Crédit Agricole Egypt S.A.E.	40%	40%	38	116	23
Autres entités [1]			86	2,725	45
TOTAL			**627**	**6,705**	**353**

[1] Of which €1,745 million related to the issuance of Additional Tier 1 undated subordinated bonds realised on 14 October 2014 and 13 January 2015 by Crédit Agricole Assurances, accounted for in equity of non-controlling interests.

(in millions of euros)	31/12/2017 % of voting rights held by non-controlling interests	% of ownership interests held by non-controlling interests	Net income allocated to non-controlling interests during the reporting period	Accumulated noncontrolling interests at the end of the reporting period	Dividends paid to non-controlling interests
Groupe Amundi	32%	32%	196	1,960	**140**
Groupe Cariparma	23%	23%	151	1,397	**38**
Groupe CACEIS[1]	0%	0%	22	-	**9**
Agos S.p.A	39%	39%	115	536	**67**
Autres entités[2]			84	2,727	**45**
TOTAL			**568**	**6,650**	**298**

[1] On 22 December 2017, Crédit Agricole S.A. completed the acquisition of the 15% stake in CACEIS held by Natixis and now wholly owns this group.

[2] Of which €1,745 million related to the issuance of Additional Tier 1 undated subordinated bonds realised on 14 October 2014 and 13 January 2015 by Crédit Agricole Assurances, accounted for in equity of non-controlling interests

INDIVIDUAL SUMMARY FINANCIAL INFORMATION ON SIGNIFICANT NON-CONTROLLING INTERESTS

The table below presents summary information on subsidiaries with significant non-controlling interests for Crédit Agricole S.A. Group on the basis of the IFRS financial statements.

(in millions of euros)	31/12/2018 Total assets	Revenues	Net income	Net income and other comprehensive income
Groupe Amundi	20,937	2,510	855	832
Groupe Cariparma	63,189	1,941	376	262
Agos S.p.A.	16,873	888	323	324
Crédit Agricole Egypt S.A.E.	2,636	183	95	85
TOTAL	**103,635**	**5,523**	**1,649**	**1,502**

(in millions of euros)	31/12/2017 Total assets	Revenues	Net income	Net income and other comprehensive income
Groupe Amundi	18,819	2,257	681	590
Groupe Cariparma	66,596	1,710	616	609
Groupe CACEIS	61,573	809	153	289
Agos S.p.A	17,262	893	294	294
TOTAL	**164,250**	**5,669**	**1,745**	**1,782**

6.21 Breakdown of financial assets and financial liabilities by contractual maturity

The breakdown of balance sheet financial assets and liabilities is made according to contractual maturity date.

The maturities of derivative instruments held for trading and for hedging correspond to their date of contractual maturity.

Equities and other variable-income securities are by nature without maturity; they are classified "Indefinite".

	31/12/2018					
(in millions of euros)	**≤ 3 months**	**> 3 months up to ≤ 1 year**	**> 1 year up to ≤ 5 years**	**> 5 years**	**Indefinite**	**Total**
Cash, central banks	66,976	-	-	-	-	**66,976**
Financial assets at fair value through profit or loss	105,247	29,266	38,465	67,065	125,432	**365,475**
Hedging derivative Instruments	1,177	724	5,340	7,081	-	**14,322**
Financial assets at fair value through other comprehensive income	8,650	18,593	90,783	131,770	3,824	**253,620**
Financial assets at amortised cost	191,634	144,010	297,314	204,918	2,325	**840,201**
Revaluation adjustment on interest rate hedged portfolios	6,375	-	-	-	-	**6,375**
TOTAL FINANCIAL ASSETS BY MATURITY	**380,059**	**192,593**	**431,902**	**410,834**	**131,581**	**1,546,969**
Central banks	949	-	-	-	-	**949**
Financial liabilities at fair value through profit or loss	100,064	14,080	42,383	71,584	-	**228,111**
Hedging derivative Instruments	1,038	539	4,748	5,760	-	**12,085**
Financial liabilities at amortised cost	639,242	90,720	121,134	62,504	-	**913,600**
Subordinated debt	277	2,147	2,551	15,568	2,222	**22,765**
Revaluation adjustment on interest rate hedged portfolios	6,612	-	-	-	-	**6,612**
TOTAL FINANCIAL LIABILITIES BY MATURITY	**748,182**	**107,486**	**170,816**	**155,416**	**2,222**	**1,184,122**

	31/12/2017					
(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	**Total**
Cash, central banks	50,761	-	-	-	-	**50,761**
Financial assets at fair value through profit or loss	98,957	23,786	38,341	72,923	87,397	**321,404**
Hedging derivative instruments	1,501	529	6,207	8,198	-	**16,435**
Available-for-sale financial assets	13,399	21,965	92,233	144,548	34,913	**307,058**
Loans ad receivables due from credit institutions	91,686	88,991	143,592	69,782	-	**394,051**
Loans and receivables due from customers	87,703	37,565	124,641	107,346	2,824	**360,079**
Value adjustment on interest rate risk hedged portfolios	5,978					**5,978**
Held-to-maturity financial assets	909	1,611	6,543	11,116	-	**20,179**
TOTAL FINANCIAL ASSETS BBY MATURITY	**350,894**	**174,447**	**411,557**	**413,913**	**125,134**	**1,475,945**
Central banks	3,185	-	-	-	-	**3,185**
Financial liabilities at fair value through profit or loss	90,162	17,051	44,233	76,441	-	**227,887**
Hedging derivative instruments	1,198	492	3,920	7,661	-	**13,271**
Due to credit institutions	55,616	13,960	38,252	17,762	-	**125,590**
Due to customers	479,428	36,163	29,575	5,580	-	**550,746**
Debt securities	46,155	24,549	44,337	48,667	-	**163,708**
Subordinated debt	2,208	543	5,483	14,064	3,123	**25,421**
Value adjustment on interest rate risk hedged portfolios	6,565					**6,565**
TOTAL FINANCIAL LIABILITIES BY MATURITY	**684,517**	**92,758**	**165,800**	**170,175**	**3,123**	**1,116,373**

NOTE 7 Employee benefits and other compensation

7.1 Analysis of employee expenses

(in millions of euros)	31/12/2018	31/12/2017
Salaries [1]	(4,934)	(4,720)
Contributions to defined-contribution plans	(384)	(376)
Contributions to defined-benefit plans	(43)	(124)
Other social security expenses	(1,169)	(1,109)
Profit-sharing and incentive plans	(241)	(243)
Payroll-related tax	(351)	(361)
TOTAL EMPLOYEE EXPENSES	**(7,123)**	**(6,933)**

[1] *Regarding deferred variable compensation paid to market professionals, the Crédit Agricole S.A. Group booked a charge for share-based payments of €58 million at 31 December 2018 compared to €56 million at 31 December 2017.*

7.2 Average headcount

Average headcount	31/12/2018	31/12/2017
France	36,059	36,559
International	36,451	34,749
TOTAL	**72,510**	**71,308**

7.3 Post-employment benefits, 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, Crédit Agricole S.A. Group companies have no liability in this respect other than the contributions payable.

Within the Group, there are several compulsory defined-contribution plans, the main ones being Agirc/Arrco, which are French supplementary retirement plans, and some supplementary plans in place notably within UES Crédit Agricole S.A.

ANALYSIS OF SUPPLEMENTARY PENSION PLANS IN FRANCE

Business Line	Entity	Compulsory supplementary pension plans	Number of employees covered Estimate at 31/12/2018	Number of employees covered Estimate at 31/12/2016
Central Support functions	UES Crédit Agricole S.A.	Agriculture industry plan 1.24%	2,343	2,799
Central Support functions	UES Crédit Agricole S.A.	"Article 83" Group Executive managers plan	204	198
French retail banking	LCL	"Article 83" Group Executive managers plan	314	338
Large customers	Crédit Agricole CIB	"Article 83" type plan	5,010	4,561
Asset gathering and Insurance	CAAS/Pacifica/SIRCA/LA MDF	Agriculture industry plan 1.24%	4,107	3,679
Asset gathering and Insurance	CAAS/Pacifica/CACI/LA MDF	"Article 83" Group Executive managers plan	63	68
Asset gathering and Insurance	CACI/CA Indosuez Wealth (France)/CA Indosuez Wealth (Group)/Amundi	"Article 83" type plan	3,188	2,959

7.4 Post-employment benefits, defined-benefit plans

CHANGE IN ACTUARIAL LIABILITY

	31/12/2018			31/12/2017
(in millions of euros)	**Eurozone**	**Outside Eurozone**	**All Zones**	**All Zones**
Actuarial liability at 31/12/N-1	**1,591**	**1,513**	**3,104**	**3,100**
Translation adjustments	-	29	**29**	**(110)**
Cost of service rended during the period	62	34	**96**	**98**
Financial cost	19	27	**46**	**46**
Employee contributions	-	16	**16**	**13**
Benefit plan changes, withdrawals and settlement	(6)	4	**(2)**	**(23)**
Changes in scope	3	-	**3**	**96**
Benefits paid (mandatory)	(81)	(65)	**(146)**	**(180)**
Taxes, administrative expenses, and bonuses	-	-	**-**	**-**
Actuarial (gains)/losses arising from changes in demographic assumptions [1]	(7)	(14)	**(21)**	**7**
Actuarial (gains)/losses arising from changes in financial assumptions [1]	2	(55)	**(53)**	**57**
ACTUARIAL LIABILITY AT 31/12/N	**1,583**	**1,489**	**3,072**	**3,104**

[1] *Of which actuarial gains/losses related to experience adjustment.*

BREAKDOWN OF NET CHARGE RECOGNISED IN THE INCOME STATEMENT

	31/12/2018			31/12/2017
(in millions of euros)	**Eurozone**	**Outside Eurozone**	**All Zones**	**All Zones**
Service cost	(56)	(39)	**(93)**	**(75)**
Income/expenses on net interests	(9)	(4)	**(13)**	**(14)**
IMPACT IN PROFIT AND LOSS AT 31/12/N	**(65)**	**(41)**	**(108)**	**(89)**

BREAKDOWN OF INCOME RECOGNISED IN OCI THAT WILL NOT BE RECLASSIFIED TO PROFIT AND LOSS

	31/12/2018			31/12/2017
(in millions of euros)	**Eurozone**	**Outside Eurozone**	**All Zones**	**All Zones**
Revaluation from net liabilities (from net assets)				
Total amount of actuarial gains or losses recognised in other comprehensive income that will not be reclassified to profit and loss at 31/12/N-1	**427**	**307**	**734**	**731**
Translation adjustments	-	7	**7**	**(24)**
Actuarial gains/losses on assets	7	5	**12**	**(59)**
Actuarial (gains)/losses arising from changes in demographic assumptions [1]	(7)	(14)	**(21)**	**7**
Actuarial (gains)/losses arising from changes in financial assumptions [1]	2	(55)	**(53)**	**57**
Adjustment of assets restriction's impact	-	5	**5**	**(1)**
IMPACT IN OTHER COMPREHENSIVE INCOME AT 31/12/N	**2**	**(52)**	**(50)**	**(20)**

[1] *Of which actuarial gains/losses related to experience adjustment.*

CHANGE IN FAIR VALUE OF ASSETS

	31/12/2018			31/12/2017
(in millions of euros)	**Eurozone**	**Outside Eurozone**	**All Zones**	**All Zones**
Fair value of assets at 31/12/N-1	**487**	**1,264**	**1,751**	**1,683**
Translation adjustments	-	21	**21**	**(87)**
Interests on asset (income)	7	24	**31**	**30**
Actuarial gains/(losses)	(7)	(5)	**(12)**	**57**
Employer contributions	5	59	**64**	**120**
Employee contributions	-	16	**16**	**14**
Benefit plan changes, withdrawals and settlement	-	-	**-**	**-**
Changes in scope	3	-	**3**	**24**
Taxes, administrative expenses, and bonuses	-	-	**-**	**-**
Benefits paid out under the benefit plan	(12)	(62)	**(74)**	**(90)**
FAIR VALUE OF ASSETS AT 31/12/N	**483**	**1,317**	**1,800**	**1,751**

CHANGE IN FAIR VALUE OF REIMBURSEMENT RIGHTS

	31/12/2018			31/12/2017
(in millions of euros)	**Eurozone**	**Outside Eurozone**	**All Zones**	**All Zones**
Fair value of reimbursement rights at 31/12/N-1	**341**	**-**	**341**	**324**
Translation adjustments	-	-	-	-
Interests on reimbursement rights (income)	3	-	**3**	**3**
Actuarial gains/(losses)	-	-	-	**1**
Employer contributions	8	-	**8**	**38**
Employee contributions	-	-	-	-
Benefit plan changes, withdrawals and settlement	-	-	-	-
Changes in scope	3	-	**3**	**(2)**
Taxes, administrative expenses, and bonuses	-	-	-	-
Benefits paid out under the benefit plan	(18)	-	**(18)**	**(23)**
FAIR VALUE OF REIMBURSEMENT RIGHTS AT 31/12/N	**337**	**-**	**337**	**341**

NET POSITION

	31/12/2018			31/12/2017
(in millions of euros)	**Eurozone**	**Outside Eurozone**	**All Zones**	**All Zones**
Closing actuarial liability	**(1,583)**	**(1,489)**	**(3,072)**	**(3,104)**
Impact of asset restriction	-	(6)	**(6)**	-
Fair value of assets at end of period	483	1,317	**1,800**	**1,751**
NET POSITION OF ASSETS/(LIABILITIES) AT END OF PERIOD	**(1,100)**	**(178)**	**(1,278)**	**(1,353)**

DEFINED-BENEFIT PLANS: MAIN ACTUARIAL ASSUMPTIONS

	31/12/2018		31/12/2017	
(in millions of euros)	**Eurozone**	**Outside Eurozone**	**Eurozone**	**Outide Eurozone**
Discount rate [1]	1.26%	1.97%	1.21%	1.76%
Actual return on plan assets and on reimbursement rights	0.33%	1.66%	1.37%	6.66%
Expected salary increase rates [2]	1.37%	1.88%	1.36%	1.88%
Rate of change in medical costs	4.59%	10.00%	4.59%	10.00%

[1] *Discount rates are determined as a function of the average duration of the commitment, that is, the arithmetic mean of durations calculated between the assessment date and the payment date weighted by assumptions of staff turnover. The underlying used is the discount rate by reference to the iBoxx AA.*

[2] *Depending on the employees concerned (managers or non-managers).*

INFORMATION OF PLAN ASSETS: ALLOCATION OF ASSETS [1]

	Eurozone			Outside Eurozone			All Zones		
(in millions of euros)	%	Amount	of which listed	%	Amount	of which listed	%	Amount	of which listed
Equities	7.3%	60	59	25.9%	340	340	18.7%	400	399
Bonds	45.2%	371	360	47.6%	626	626	46.7%	996	986
Property/Real estate	3.8%	31		11.7%	154		8.7%	185	
Other assets	43.7%	358		14.9%	196		25.9%	554	

[1] *Of which fair value of reimbursement rights.*

At 31 december 2018, the sensitivity analysis showed that::

- a 50 basis point increase in discount rates would reduce the commitment by 6.56%;
- a 50 basis point decrease in discount rates would increase the commitment by 7.43%.

The benefits expected to be paid in respect of post-employment plans for 2018 are as follows:

- benefits paid by the employer or by reimbursement rights funds: €72 million (compared to €85 million paid in 2017);
- benefits paid by plan assets: €74 million (compared to €68 million paid in 2017).

Crédit Agricole S.A. 's policy on covering employee benefit obligations reflects local rules on funding post-employment benefits in countries with minimum funding requirements. Overall, commitments arising from the Group's post-employment obligations were 70% covered at 31 December 2018 (including reimbursement rights).

7.5 Other employee benefits

In France, the Group's main entities pay long-service awards. The amounts vary according to practices and collective bargaining agreements in place.

The provisions funded by Crédit Agricole S.A. Group for these other employee benefit obligations amounted to €415 million at 31 December 2018.

7.6 Share-based payments

7.6.1 STOCK OPTION PLAN

No new plan was implemented in 2018.

7.6.2 DEFERRED VARIABLE COMPENSATION SETTLED EITHER IN SHARES OR IN CASH INDEXED TO THE SHARE PRICE

The deferred variable compensation plans implemented by the Group take two forms:

- equity-settled plans;
- cash-settled plans indexed to the Crédit Agricole S.A. share price.

Since 1 January 2016, all existing and future deferred variable compensation plans are now cash-settled plans indexed to the Crédit Agricole S.A. share price. The impact of the revaluation of the commitment on the basis of the Crédit Agricole S.A. share price, which is not material, was recognised in equity.

This deferred variable compensation is subject to continued employment and a performance condition. It is broken down into thirds that are payable in March 2019, March 2020 and March 2021.

The expense related to these plans is recognised in compensation expenses on a straight-line basis over the vesting period to factor in continued employment, and a liability is recorded in employee expenses, the amount of which is subject to periodical revaluation through profit or loss until the settlement date, depending on the evolution of the share price of Crédit Agricole S.A. and on vesting conditions (continued employment and performance).

7.7 Executive compensation

Senior management includes all members of the Executive Committee, namely the Chief Executive Officer, Deputy Chief Executive Officer, Deputy Chief Executive Officers for the Group's different divisions, Chief Executive Officers of the main subsidiaries and the Heads of the Group's core business activities.

Compensation and benefits paid to the members of the Executive Committee in 2018 were as follows:

- short-term benefits: €26 million for fixed and variable compensation (of which €3.8 million paid in share-indexed instruments), including social security expenses and benefits in kind;
- post-employment benefits: €3.9 million for end-of-career allowances and for the supplementary pension plan for Group executive managers;
- other long-term employee benefits: the amount of long-service awards granted was not material;
- employment contract termination indemnities: not material;
- other share-based payment: not applicable.

Total Directors' fees paid to members of Crédit Agricole S.A. 's Board of Directors in 2018 in consideration for serving as Directors of Crédit Agricole S.A. amounted to €972,703.

These amounts included the compensation and benefits paid to the Chief Executive Officer and Deputy Chief Executive Officer of Crédit Agricole S.A.

NOTE 8 Commitments given and received and other guarantees

Financing and guarantee commitments and other guarantees include discontinued operations.

COMMITMENTS GIVEN AND RECEIVED

(in millions of euros)	31/12/2018	31/12/2017
Commitments given		
Financing commitments	**169,768**	**151,071**
Commitments given to credit institutions	25,799	25,796
Commitments given to customers	143,969	125,275
Confirmed credit lines	109,553	103,476
Documentary credits	*5,423*	*5,129*
Other confirmed credit lines	*104,130*	*98,347*
Other commitments given to customers	34,416	21,799
Guarantee commitments	**85,166**	**89,694**
Credit institutions	8,582	8,074
Confirmed documentary credit lines	4,364	3,803
Other	4,218	4,271
Customers	76,584	81,620
Property guarantees	2,005	2,430
Other customer guarantees	74,579	79,190
Securities commitments	**7,045**	
Securities to be delivered	7,045	
Commitments received		
Financing commitments	**94,567**	**88,270**
Commitments received from credit institutions	85,943	82,305
Commitments received from customers	8,624	5,965
Guarantee commitments	**294,729**	**249,880**
Commitments received from credit institutions	87,558	81,281
Commitments received from customers	207,171	168,599
Guarantees received from government bodies or similar institutions	*24,842*	*20,056*
Other guarantees received	*182,329*	*148,543*
Securities commitments	**10,369**	
Securities to be received	10,369	

FINANCIAL INSTRUMENTS GIVEN AND RECEIVED AS COLLATERAL

(in millions of euros)	31/12/2018	31/12/2017
Carrying amount of financial assets provided as collateral (including transferred assets)		
Securities and receivables provided as collateral for the refinancing structures (Banque de France, CRH, etc.)	184,640	181,501
Securities lent	11,645	9,534
Security deposits on market transactions	16,367	17,279
Other security deposits	-	-
Securities sold under repurchase agreements	100,512	93,464
TOTAL CARRYING AMOUNT OF FINANCIAL ASSETS PROVIDED AS COLLATERAL	**313,164**	**301,778**
Carrying amount of financial assets received in garantee		
Other security deposits [1]	3,102	3,102
Fair value of instruments received as reusable and reused collateral		
Securities borrowed	3	7
Secutities bought under repurchase agreements	270,427	244,590
Securities sold short	29,368	22,594
TOTAL FAIR VALUE OF INSTRUMENTS RECEIVED AS REUSABLE AND REUSED COLLATERAL	**299,798**	**267,191**

[1] Of which €3.1 billion for the deposits received under the Switch Insurance guarantee, set up on 1 July 2016, amending the previous deposits received since 2 January 2014 in the amount of €8.1 billion

RECEIVABLES PLEDGED AS COLLATERAL

At 31 December 2018, Crédit Agricole S.A. deposited €83.9 billion of receivables (mainly on behalf of the Regional Banks) for refinancing transactions to the Banque de France, compared to €81.3 billion at 31 December 2017, and €22.3 billion of receivables were deposited directly by others subsidiaries.

At 31 December 2018, Crédit Agricole S.A. deposited €12.9 billion of receivables for refinancing transactions to the Caisse de Refinancement de l'Habitat on behalf of the Regional Banks, compared to €13.7 billion at 31 December 2017, and €2.1 billion of receivables were deposited directly by LCL.

On 31 December 2018, €3.8 billion receivables of the Regional Banks had been pledged as collateral for the covered bonds issued by European Secured Notes Issuer (ESNI), a French securitisation company formed by five banks including Crédit Agricole Group, and €1.4 billion of Crédit Agricole CIB's receivables were fully transferred as collateral.

At 31 December 2018, €42.5 billion of Regional Banks and LCL receivables had been pledged as collateral for the covered bond issues of Crédit Agricole Home Loan SFH, a financial company wholly owned by Crédit Agricole S.A.

These processes, for which there is no transfer of contractual cash flows, do not form part of the asset transfers mentioned in Note 6.6 "Transferred assets not derecognised or derecognised with on-going involvement".

GUARANTEES HELD

Guarantees held and assets received as collateral by Crédit Agricole S.A. Group which it is allowed to sell or to use as collateral are mostly held within Crédit Agricole S.A. for €98.6 billion and within Crédit Agricole CIB for €138 billion. The majority of these are receivables pledged as collateral by the Regional Banks to Crédit Agricole S.A. , the latter acting as the central body with regard to the external refinancing organisations, in order to obtain refinancing. These receivables (property-related, or loans to businesses or local authorities) are selected and rated for their quality and retained on the balance sheet of the Regional Banks.

The majority of these guarantees consist of mortgage liens, collateral or guarantees received, regardless of the quality of the assets guaranteed. They are mainly related to repurchase agreements and securities pledged to guarantee brokerage transactions.

Crédit Agricole S.A. Group policy is to sell seized collateral as soon as possible. Crédit Agricole CIB and Crédit Agricole S.A. had no such assets at 31 December 2018.

NOTE 9 Reclassifications of financial instruments

PRINCIPLES APPLIED BY CRÉDIT AGRICOLE S.A.

Reclassifications are performed only under exceptional circumstances and following a decision by the Executive Management of the entity as a result of internal or external changes: significant changes in the entity's activity.

RECLASSIFICATION PERFORMED BY CRÉDIT AGRICOLE S.A. GROUP

Reclassification of financial assets in 2018

In 2018, Crédit Agricole S.A. Group did not carry out any reclassification pursuant to paragraph 4.4.1 of IFRS 9.

Reclassification of financial assets during prior financial years

Pursuant to the amendment to IAS 39 as published and adopted by the European Union on 15 October 2008, reclassifications were carried out as authorised by this amendment. Information on these and previous reclassifications is shown below.

For assets reclassified at 31 December 2017, the table below presents their net carrying amount and their estimated market value:

	Total reclassified assets	
(in millions of euros)	Carrying amount 31/12/2017	Estimated market value at 31/12/2017
Financial assets at fair value through profit or loss reclassified as loans and receivables	78	72
Available-for-sale financial assets reclassified as loans and receivables	132	132
TOTAL RECLASSIFIED ASSETS	**210**	**204**

Contribution of assets reclassified to profit and loss since the reclassification date

The contribution of the assets transferred to profit and loss at 31 December 2017, since the reclassification date, includes all gains, losses, income and expenses recognised in profit or loss and/or in other comprehensive income.

Analysis of the impact of the transferred assets:

	Assets reclassified before	
	Cumulative impact at 31/21/2017	
(in millions of euros)	Actual income and expenses recognised	If asset had been retained in its former category (change in fair value)
Financial assets at fair value through profit or loss reclassified as loans and receivables	(36)	(122)
Available-for-sale financial assets reclassified as loans and receivables	21	21
TOTAL RECLASSIFIED ASSETS	**(15)**	**(101)**

NOTE 10 Fair value of financial instruments

Fair value is the price that would be received at the sale of an asset or paid to transfer a liability in a standard transaction between market participants at the measurement date.

Fair value is defined on the basis of the exit price.

The fair values shown below are estimates made on the reporting date using observable market data wherever possible. These are subject to change in subsequent periods due to developments in market conditions or other factors.

The calculations represent best estimates. They are based on a number of assumptions. It is assumed that market participants act in their best economic interest.

To the extent that these models contain uncertainties, the fair values shown may not be achieved upon actual sale or immediate settlement of the financial instruments concerned.

The fair value hierarchy of financial assets and liabilities is broken down according to the general observability criteria of the valuation inputs, pursuant to the principles defined under IFRS 13.

Level 1 applies to the fair value of financial assets and liabilities quoted in active markets.

Level 2 applies to the fair value of financial assets and liabilities with observable inputs. This agreement includes market data relating to interest rate risk or credit risk when the latter can be revalued based on Credit Default Swap (CDS) spread. Securities bought or sold under repurchase agreements with underlyings quoted in an active market are also included in Level 2 of the hierarchy, as are financial assets and liabilities with a demand component for which fair value is measured at unadjusted amortised cost.

Level 3 indicates the fair value of financial assets and liabilities with unobservable inputs or for which some data can be revalued using internal models based on historical data. This mainly includes market data relating to credit risk or early redemption risk.

In some cases, market values are close to carrying amounts. This applies primarily to:

- assets or liabilities at variable rates for which interest rate changes do not have a significant influence on the fair value, since the rates on these instruments frequently adjust themselves to the market rates;
- short-term assets or liabilities where the redemption value is considered to be close to the market value;
- instruments executed on a regulated market for which the prices are set by the public authorities;
- demand assets and liabilities;
- transactions for which there are no reliable observable data.

10.1 Fair value of financial assets and liabilities recognised at amortised cost

Amounts presented below include accruals and prepayments and are net of impairment.

FINANCIAL ASSETS RECOGNISED AT COST AND MEASURED AT FAIR VALUE ON THE BALANCE SHEET

(in millions of euros)	Value at 31/12/2018	Estimated fair value at 31/12/2018	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial assets not measured at fair value on balance sheet					
Loans and receivables	**782,437**	**804,094**	**-**	**497,697**	**306,397**
Loans and receivables due from credit institutions	**412,981**	**420,599**	**-**	**419,632**	**967**
Current accounts and overnight loans	33,861	34,482	-	34,381	101
Accounts and long-term loans	371,185	378,149	-	377,469	680
Pledged securities	1	1	-	-	1
Securities bought under repurchase agreements	6,972	6,974	-	6,974	-
Subordinated loans	887	895	-	710	185
Other loans and receivables	75	98	-	98	-
Loans and receivables due from customers	**369,456**	**383,495**	**-**	**78,065**	**305,430**
Trade receivables	46,700	45,895	-	20,015	25,880
Other customer loans	306,140	319,954	-	45,468	274,486
Pledged securities	131	131	-	131	-
Securities bought under repurchase agreements	2,976	2,976	-	2,976	-
Subordinated loans	103	102	-	3	99
Insurance receivables	655	655	-	14	641
Reinsurance receivables	634	634	-	53	581
Advances in associates' current accounts	144	145	-	7	138
Current accounts in debit	11,973	13,003	-	9,398	3,605
Debt securities	**57,764**	**58,210**	**41,161**	**12,927**	**4,122**
Treasury bills and similar securities	23,214	23,269	20,507	2,712	50
Bonds and other fixed income securities	34,550	34,941	20,654	10,215	4,072
TOTAL FINANCIAL ASSETS OF WHICH FAIR VALUE IS DISCLOSED	**840,201**	**862,304**	**41,161**	**510,624**	**310,519**

(in millions of euros)	Value at 31st December 2017	Estimated fair value at 31st December 2017	Quoted prices in active markets for identical instruments : Level 1	Valuation based on observable data : Level 2	Valuation based on unobservable data : Level 3
Financial assets not measured at fair value on balance sheet					
Loans and receivables	**754,130**	**776,402**	**-**	**477,833**	**298,569**
Loans and receivables due from credit institutions	**394,051**	**397,722**	**-**	**397,182**	**540**
Current accounts and overnight loans	24,264	24,267	-	24,254	13
Accounts and long-term loans	354,809	358,471	-	358,280	191
Pledged securities	10	10	-	-	10
Securities bought under repurchase agreements	8,693	8,693	-	8,693	-
Subordinated loans	995	997	-	704	293
Securities not listed on an active market	5,203	5,207	-	5,174	33
Other loans and receivables	77	77	-	77	-
Loans and receivables due from customers	**360,079**	**378,680**	**-**	**80,651**	**298,029**
Trade receivables	40,909	41,126	-	19,956	21,170
Other customer loans	288,066	305,723	-	44,152	261,571
Securities bought under repurchase agreements	3,116	3,116	-	2,957	159
Subordinated loans	104	104	-	4	100
Securities not listed on an active market	14,428	14,428	-	296	14,132
Insurance receivables	262	262	-	4	258
Reinsurance receivables	516	516	-	42	474
Advances in associates current accounts	128	128	-	12	116
Current accounts in debit	12,550	13,277	-	13,228	49
Held-to-maturity financial assets	**20,179**	**22,229**	**22,209**	**-**	**20**
Treasury bills and similar securities	17,082	18,398	18,398	-	-
Bonds and other fixed Income securities	3,097	3,831	3,811	-	20
TOTAL FINANCIAL ASSETS OF WHICH FAIR VALUE IS DISCLOSED	**774,309**	**798,631**	**22,209**	**477,833**	**298,589**

FINANCIAL LIABILITIES RECOGNISED AT AMORTISED COST AND MEASURED AT FAIR VALUE ON THE BALANCE SHEET

(in millions of euros)	Value at 31/12/2018	Estimated fair value at 31/12/2018	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial liabilities not measured at fair value on balance sheet					
Due to credit institutions	**131,960**	**132,329**	**-**	**132,329**	**-**
Current accounts and overnight loans	25,718	25,760	-	25,760	-
Accounts and term deposits	82,514	82,841	-	82,841	-
Pledged securities	-	-	-	-	-
Securities sold under repurchase agreements	23,728	23,728	-	23,728	-
Due to customers	**597,170**	**597,664**	**-**	**306,142**	**291,522**
Current accounts in credit	203,494	203,847	-	203,847	-
Special savings accounts	288,413	288,413	-	-	288,413
Other amounts due to customers	101,776	101,919	-	101,333	586
Securities sold under repurchase agreements	840	840	-	840	-
Insurance liabilities	1,260	1,260	-	59	1,201
Reinsurance liabilities	334	333	-	63	270
Cash deposits received from ceding and retroceding companies against technical insurance	1,053	1,052	-	-	1,052
Debt securities	**184,470**	**186,668**	**66,396**	**120,197**	**75**
Subordinated debt	**22,765**	**22,849**	**7,165**	**15,579**	**105**
TOTAL FINANCIAL LIABILITIES OF WHICH FAIR VALUE IS DISCLOSED	**936,365**	**939,510**	**73,561**	**574,247**	**291,702**

(in millions of euros)	Value at 31st December 2017	Estimated fair value at 31st December 2017	Quoted prices in active markets for identical instruments : Level 1	Valuation based on observable data : Level 2	Valuation based on unobservable data : Level 3
Financial liabilities not measured at fair value on balance sheet					
Due to credit institutions	**125,590**	**125,778**	**-**	**124,097**	**1,681**
Current accounts and overnight loans	19,786	19,787	-	19,787	-
Accounts and term deposits	81,404	81,591	-	79,910	1,681
Pledged securities	-	-	-	-	-
Securities sold under repurchase agreements	24,400	24,400	-	24,400	-
Due to customers	**550,746**	**551,114**	**-**	**212,573**	**338,541**
Current accounts in credit	182,099	182,457	-	177,439	5,018
Special savings accounts	275,058	275,059	-	826	274,233
Other amounts due to customers	89,768	89,777	-	32,481	57,296
Securities sold under repurchase agreements	1,706	1,706	-	1,706	-
Insurance liabilities	853	853	-	77	776
Reinsurance liabilities	313	313	-	44	269
Cash deposits received from cedants and retrocessionaires against technical insurance	949	949	-	-	949
Debt securities	**163,708**	**165,896**	**55,361**	**110,335**	**200**
Subordinated debt	**25,421**	**25,508**	**23,353**	**2,046**	**109**
TOTAL FINANCIAL LIABILITIES OF WHICH FAIR VALUE IS DISCLOSED	**865,465**	**868,296**	**78,714**	**449,051**	**340,531**

10.2 Information about financial instruments measured at fair value

The value adjustment linked to the counterparts quality (CVA) aims to incorporate in derivatives' valuation the credit risk associated with the counterparty (risk of non-payment of sums due in the event of default). This adjustment is calculated on an aggregate basis by counterparty according to the future exposure profile of the transactions after deducting any collateral. This adjustment is always negative and reduces the fair value of the financial instruments.

The value adjustment linked to our institution's own credit risk (Debt Value Adjustment - DVA) aims to incorporate the risk borne by our counterparties in the valuation of derivative instruments. This adjustment is calculated on an aggregate basis by counterparty according to the future exposure profile of the transactions. This adjustment is always positive and reduces the fair value of the financial instruments.

The CVA/DVA is calculated on the basis of estimated expected losses based on the probability of default and loss given default. The methodology used maximises the use of observable market inputs. The probability of a default is deducted from quoted CDS or proxies from quoted CDS when they are considered sufficiently liquid.

VALUATION METHODS

Financial instruments are valued by management information systems and checked by a team that reports to the Risk Management department and is independent from the market operators.

Valuations are based on the following:

- prices or inputs obtained from independent sources and/or validated by the Market Risk department using a series of available sources such as pricing service vendors, market consensus data and brokers;
- models approved by the quantitative teams in the Market Risk department.

The valuation produced for each instrument is a mid-market valuation, which does not take account of the direction of the trade, the bank's aggregate exposure, market liquidity or counterparty quality. Adjustments are then made to the market valuations to incorporate those factors, as well as the potential uncertainties inherent in the models or inputs used.

The main types of valuation adjustments are the following:

Mark-to-Market adjustments: these adjustments correct any potential variance between the mid-market valuation of an instrument obtained using internal valuation models and the associated inputs and the valuation obtained from external sources or market consensus data. These adjustments can be positive or negative.

Bid/ask reserves: these adjustments incorporate the bid/ask spread for a given instrument in order to reflect the price at which the position could be reversed. These adjustments are always negative.

Uncertainty reserves: these adjustments constitute a risk premium taken into account by all market participants. These adjustments are always negative.

- input uncertainty reserves seek to incorporate in the valuation of an instrument any uncertainty that might exist as regards one or more of the inputs used;
- model uncertainty reserves seek to incorporate in the valuation of an instrument any uncertainty that might exist due to the choice of model used.

In addition, in accordance with IFRS 13 "Fair value measurement", Crédit Agricole S.A. prices in to the fair value calculated for its OTC derivatives (i.e. those traded over the counter) various adjustments linked to the default risk and credit quality (Credit Valuation Adjustment, Debit Valuation Adjustment) and also to future funding costs and benefits (Funding Valuation Adjustment).

Credit Valuation Adjustment (CVA)

The CVA (Credit Valuation Adjustment) is a mark-to-market adjustment to incorporate the market value of the default risk (risk of non-payment of amounts due in the event of default or deterioration in credit quality) in the value of OTC derivatives of our counterparties. This adjustment is calculated per counterparty based on the positive future exposure of the trading portfolio (taking into account any netting or collateral agreements, where such exist) weighted by the probabilities of default and losses given default. The methodology used maximises the use of observable market inputs (probabilities of default are derived in priority directly from listed CDS, proxies of listed CDS and other credit instruments where these are deemed sufficiently liquid). This adjustment is always negative and reduces the fair value of the OTC derivative assets held in the portfolio.

Debit Valuation Adjustment (DVA)

The Debit Valuation Adjustment (DVA) is a mark-to-market adjustment that aims to incorporate the market value of the default risk (potential losses to which Crédit Agricole S.A. may expose its counterparties in the event of default or a deterioration in its creditworthiness) in the value of perfectly collateralised OTC derivatives. This adjustment is calculated by collateral contract type on the basis of negative future exposure profiles of the trading portfolio weighted by default probabilities (Crédit Agricole S.A.) and losses incurred in the event of default. The calculation is intended to take into account the Margin Period of Risk (MPR, the time period between the occurrence Crédit Agricole S.A.'s default and the effective liquidation of all positions). The methodology used maximises the use of observable market inputs (use of Crédit Agricole S.A. CDS to determine default probabilities). This adjustment is always positive and reduces the fair value of the OTC derivative liabilities held in the portfolio.

Funding Valuation Adjustment (FVA)

The Funding Valuation Adjustment (FVA) is a mark-to-market adjustment that aims to incorporate the additional future funding costs and benefits based on ALM (Asset & Liability Management) funding costs in the value of not collateralised or imperfectly collateralised OTC derivatives. This adjustment is calculated per counterparty based on the positive future exposure of the trading portfolio (taking into account any netting or collateral agreements, where such exist).
As regards the scope of "clear" derivatives, an FVA adjustment called IMVA (Initial Margin Value Adjustment) is calculated to take into account the future financing costs and gains of the initial margins to be posted with the main derivatives clearing houses until the portfolio matures.

BREAKDOWN OF FINANCIAL INSTRUMENTS AT FAIR VALUE BY VALUATION MODEL

Amounts presented below include accruals and prepayments and are net of impairment.

Financial assets measured at fair value

(in millions of euros)	31/12/2018	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial assets held for trading	**225,605**	**24,636**	**196,612**	**4,357**
Loans and receivables due from credit institutions	191	-	191	-
Loans and receivables due from customers	1,374	-	-	1,374
Securities bought under repurchase agreements	107,414	-	106,447	967
Pledged securities	-	-	-	-
Held-for-trading securities	22,072	19,394	2,154	524
Treasury bills and similar securities	14,219	12,134	1,640	445
Bonds and other fixed income securities	5,043	4,483	506	54
Mutual funds	33	3	5	25
Equity and other variable income securities	2,777	2,774	3	-
Derivative instruments	94,554	5,242	87,820	1,492
Other financial instruments at fair value through profit or loss	**139,870**	**93,239**	**39,423**	**7,208**
Equity instruments at fair value through profit or loss	**28,351**	**19,159**	**6,190**	**3,002**
Equity and other variable income securities	19,315	16,839	1,468	1,008
Non-consolidated equity investments	9,036	2,320	4,722	1,994
Debt instruments that do not meet the conditions of the "SPPI" test	**60,131**	**36,856**	**19,073**	**4,202**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	3,003	-	2,890	113
Debt securities	57,128	36,856	16,183	4,089
Treasury bills and similar securities	156	73	83	-
Bonds and other fixed income securities	11,637	1,760	9,126	751
Mutual funds	45,335	35,023	6,974	3,338
Assets backing unit-linked contracts	**51,386**	**37,222**	**14,160**	**4**
Treasury bills and similar securities	988	975	13	-
Bonds and other fixed income securities	3,956	1,150	2,806	-
Equity and other variable income securities	5,161	1,167	3,994	-
Mutual funds	41,281	33,930	7,347	4
Financial assets designated at fair value through profit or loss	**2**	**2**	**-**	**-**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Debt securities	2	2	-	-
Treasury bills and similar securities	-	-	-	-
Bonds and other fixed income securities	2	2	-	-
Financial assets at fair value through other comprehensive income	**253,620**	**235,272**	**17,699**	**649**
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	3,418	1,988	853	577
Equity and other variable income securities	283	16	233	34
Non-consolidated equity investments [1]	3,135	1,972	620	543
Debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	250,202	233,284	16,846	72
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	1	-	1	-
Debt securities	250,201	233,284	16,845	72
Treasury bills and similar securities	75,753	75,286	395	72
Bonds and other fixed income securities	174,448	157,998	16,450	-
Hedging derivative Instruments	**14,322**	**7**	**14,315**	**-**
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**633,417**	**353,154**	**268,049**	**12,214**
Transfers from Level 1: Quoted prices in active markets for identical instruments			-	75
Transfers from Level 2: Valuation based on observable data		291		801
Transfers from Level 3: Valuation based on unobservable data		8	114	
TOTAL TRANSFERS TO EACH LEVEL		**299**	**114**	**876**

[1] *SAS Rue La Boétie shares have been included in Non-consolidated equity investments in Level 2 for €47 million.*

Level 1 to Level 3 transfers mainly involve Treasury bills.

Level 2 to Level 3 transfers mainly involve repurchase agreements and interest rate swaps.

Level 3 to Level 1 transfers mainly involve derivative instruments on foreign exchange and gold transactions.

Level 3 to Level 2 transfers mainly involve derivative instruments on unsubordinated debt securities and trading derivatives.

(in millions of euros)	31/12/2017	Quoted prices in active markets for identical instruments : Level 1	Valuation based on observable data : Level 2	Valuation based on unobservable data : Level 3
Financial assets held for trading	**221,089**	**23,036**	**195,053**	**3,000**
Loans and recevables due from credit institutions	-	-	-	-
Loans and receivables due from customers	1,600	-	-	1,600
Securities bought under repurchase agreements	92,959	-	92,959	-
Pledged securities	-	-	-	-
Securities held for trading	20,735	19,668	945	122
Treasury bills and similar securities	*12,804*	*12,033*	*771*	-
Bonds and other fixed income securities	*4,446*	*4,151*	*173*	*122*
Equities and other equity variable income securities	*3,485*	*3,484*	*1*	-
Derivative instruments	105,795	3,368	101,149	1,278
Financial assets designated at fair value through profit or loss	**100,315**	**76,364**	**19,179**	**4,772**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	2	-	-	2
Assets backing unit-linked contracts	51,600	38,917	12,677	6
Securities designated at fair value through profit or loss	48,713	37,447	6,502	4,764
Treasury bills and similar securities	*3,639*	*3,617*	*22*	-
Bonds and other fixed income securities	*28,004*	*24,738*	*3,058*	*208*
Equities and other equity variable income securities	*17,070*	*9,092*	*3,422*	*4,556*
Available-for-sale financial assets	**307,058**	**269,028**	**36,192**	**1,838**
Treasury bills and similar securities	74,346	73,803	543	-
Bonds and other fixed income securities	201,745	174,589	26,875	281
Equities and other equity variable income securities (1)	30,967	20,636	8,774	1,557
Available-for-sale receivables	-	-	-	-
Hedging derivative instruments	**16,435**	**4**	**16,431**	**-**
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**644,897**	**368,432**	**266,855**	**9,610**

Transfers from level 1: Quoted prices in active markets for identical instruments			119	-
Transfers from level 2: Valuation based on observable data		21		100
Transfers from level 3: Valuation based on unobservable data		8	267	
TOTAL TRANSFERS TO EACH LEVEL		**29**	**386**	**100**

Level 1 to Level 2 transfers involve available-for-sale securities and bonds.

Level 2 to Level 1 transfers mainly involve equities.

Level 2 to Level 3 transfers mainly involve interest rate swaps.

Level 3 to Level 2 transfers mainly involve bonds.

Financial liabilities measured at fair value

(in millions of euros)	31/12/2018	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial liabilities held for trading	**193,956**	**29,801**	**159,881**	**4,274**
Securities sold short	25,433	24,810	403	220
Securities sold under repurchase agreements	75,917	-	73,593	2,324
Debt securities	2	-	2	-
Due to credit institutions	-	-	-	-
Due to customers	-	-	-	-
Derivative instruments	92,604	4,991	85,883	1,730
Financial liabilities designated at fair value through profit or loss	**34,155**	**7,499**	**18,241**	**8,415**
Hedging derivative Instruments	**12,085**	**-**	**11,734**	**351**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**240,196**	**37,300**	**189,856**	**13,040**
Transfers from Level 1: Quoted prices in active markets for identical instruments			-	-
Transfers from Level 2: Valuation based on observable data		-		811
Transfers from Level 3: Valuation based on unobservable data		10	381	
TOTAL TRANSFERS TO EACH LEVEL		**10**	**381**	**811**

Level 2 to Level 3 transfers mainly concern negotiable debt securities accounted under the fair value and earnings option and interest rate swaps.

Level 3 to Level 1 transfers mainly involve derivative instruments on derivative trading instruments.

Level 3 to Level 2 transfers mainly concern negotiable debt securities accounted under the fair value and earnings option and derivative trading instruments.

(in millions of euros)	31/12/2017	Quoted prices in active markets for identical instruments : Level 1	Valuation based on observable data : Level 2	Valuation based on unobservable data : Level 3
Financial liabilities held for trading	**196,444**	**25,045**	**169,802**	**1,597**
Securities sold short	22,598	22,372	226	-
Securities sold under repurchase agreements	67,335	-	67,335	-
Debt securities	2	2	-	-
Due to customers	-	-	-	-
Due to credit institutions	-	-	-	-
Derivative instruments	106,509	2,671	102,241	1,597
Financial liabilities designated at fair value through profit or loss	**31,443**	**6,817**	**19,078**	**5,548**
Hedging derivative instruments	**13,271**	**-**	**13,023**	**248**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**241,158**	**31,862**	**201,903**	**7,393**
Transfers from level 1: Quoted prices in active markets for identical instruments			-	3
Transfers from level 2: Valuation based on observable data		-		127
Transfers from level 3: Valuation based on unobservable data		-	2,171	
TOTAL TRANSFERS TO EACH LEVEL		**-**	**2,171**	**130**

Level 2 to Level 3 transfers mainly concern marketable debt securities accounted under the fair value option.

Level 3 to Level 2 transfers mainly concern marketable debt securities accounted under the fair value option.

Financial instruments classified in Level 1

Level 1 comprises all derivatives quoted in an active market (options, futures, etc.), regardless of their underlying (interest rate, exchange rate, precious metals, key stock indices), as well as equities and bonds quoted in an active market.

A market is considered as being active if quoted prices are readily and regularly available from exchange, brokers, dealers, pricing services or regulatory agencies, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Corporate and government and agency bonds that are valued on the basis of prices obtained from independent sources, deemed to be enforceable and updated regularly, are classified in Level 1. This covers the bulk of sovereign and agency bonds and corporate securities held. Issuers whose bonds are not quoted are classified in Level 3.

Financial instruments classified in Level 2

The main financial instruments classified in Level 2 are:

- liabilities designated at fair value through profit or loss;

Financial liabilities designated at fair value are classified in Level 2 when their embedded derivative is deemed to be classified in Level 2;

- over-the-counter derivatives.

The main OTC derivatives classified in Level 2 are those valued using inputs considered to be observable and where the valuation technique does not generate any significant exposure to a model risk.

Level 2 therefore mainly includes:

- linear derivative products such as interest rate swaps, currency swaps and forward FX. They are valued using simple models widely used in the market, based either on directly observable inputs (foreign exchange rates, interest rates), or inputs derived from observable market prices (currency swaps);
- non-linear vanilla instruments such as caps, floors, swaptions, currency options, equity options and credit default swaps, including digital options. They are valued using simple models widely used in the market, based either on directly observable inputs (foreign exchange rates, interest rates, share prices) or inputs that can be derived from observable market prices (volatilities);
- simple exotic single-underlying instruments such as cancellable swaps, currency baskets of major currencies. They are valued using models that are sometimes slightly more complex but still widely used in the market. The inputs are mainly observable inputs and market prices, obtained notably from brokers and/or market consensus data, which can be used to corroborate internal valuations;
- securities listed on a market deemed inactive and for which independant valuation data are available.

Financial instruments classified in Level 3

Financial instruments classified in Level 3 are those which do not meet the conditions for classification in Level 1 or 2. They are therefore mainly financial instruments with a high model risk whose valuation requires substantial use of unobservable inputs.

The initial margin on all new transactions classified in Level 3 is reserved at the date of initial recognition. It is reintegrated in the profit or loss account either spread over the period during which the inputs are considered to be unobservable or in full on the date when the inputs become observable.

Level 3 therefore mainly comprises:

- Securities

Level 3 securities mainly include:

  - unlisted shares or bonds for which no independent valuation is available,
  - ABSs and CLOs for which there are indicative independent quotes but which are not necessarily executable,
  - ABSs, CLOs and super senior and mezzanine CDO tranches where it cannot be demonstrated that the market is active;

- liabilities designated at fair value through profit or loss;

Financial liabilities designated at fair value are classified in Level 3 when their embedded derivative is deemed to be classified in Level 3.

- over-the-counter derivatives.

Unobservable income includes complex financial instruments that are significantly exposed to model risk or that involve parameters that are considered unobservable.

The aggregate of these principles is mapped for observability according to the three levels indicating for each product, currency and maturity the classification used. Level 3 mainly comprises:

- interest rate exposures or very long-dated currency swaps or covering emerging currencies;
- equity exposures, mainly through products traded on shallow option markets or indexed to volatility and long-dated
- forward or futures contracts;
- exposures to non-linear long-dated products (interest rate or currency) on key currencies/indices.
- non-linear exposures to emerging market currencies.
- Complex derivatives: complex derivatives are classified in Level 3 as their valuation requires the use of unobservable inputs.

The main exposures involved are:

- products whose underlying is the difference between two interest rates, such as options, binary options or exotic
- products. These products are based on a correlation between the two rates, which is considered to be unobservable due to reduced liquidity. The valuation of these exposures is nonetheless adjusted at the month-end on the basis of correlation levels derived from market consensus data;
- products whose underlying is the forward volatility of an index (Euribor, CMS spread). These products are deemed unobservable as there is significant model risk and their thin liquidity prevents regular accurate estimates of inputs;
- securitisation swaps generating an exposure to the prepayment rate. The prepayment rate is determined on the basis of historical data on similar portfolios. The assumptions and inputs used are checked regularly on the basis of actual prepayments;
- hybrid long-term interest rate/FX products, such as Power Reverse Dual Currency notes, or products whose underlying is a basket of currencies. The correlation parameters between interest rates and currencies as well as between the two interest rates are determined using an internal methodology based on historical data. Results are cross-checked against market consensus data to ensure that the overall method is coherent;
- multiple-underlying products generating an exposure to correlations, regardless of the underlyings concerned (interest rates, credit, FX, inflation).
- CDOs based on corporate credit baskets. These are no longer significant;
- certain portfolios of complex equity derivatives.

At 31 DECEMBER 2018

Instrument classes	Carrying amount *(in millions of euros)* Assets	Liabilities	Main product types comprising Level 3	Valuation technique used	Main unobservable inputs	Unobservable data interval
Interest rate derivatives	1,277	1,649	Long-dated cancellable products (cancellable zero coupon swaps)	Interest rate options valuation model	Forward volatility	
			Options on interest rate differentials		CMS correlations	0%/100%
			Securitisation swaps	Prepayment modelling and discounted future cash flows	Prepayment rate	0%/50%
			Long-dated hybrid interest rate/exchange rate products (PRDC)	Interest rate/FX hybrid product valuation model	Interest rate/interest rate correlation	-50%/50%
					Interest rate/FX correlation	-50%/75%
			Multiple-underlying products (dual range, etc.)	Valuation models for instruments with multiple underlyings	FX/equity correlation	-20%/75%
					FX/FX correlation	-25%/50%
					Interest rate/equity correlation	-25%/75%
					Interest rate/interest rate correlation	-10%/100%
					Interest rate/FX correlation	-10%/100%
Credit derivatives	10	15	CDOs indexed to corporate credit baskets	Correlation projection techniques and expected cash flow modelling	Default correlations	50%/90%

NET CHANGE IN FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE ACCORDING TO LEVEL 3

Financial assets measured at fair value according to Level 3

		Held-for-trading financial assets							Other financial instruments at fair value through profit or loss						Other financial instruments at fair value through profit or loss		Financial assets at fair value through other comprehensive income				
				Held-for-trading securities	Held-for-trading securities				Equity instruments at fair value through profit or loss		Pledged securities				Assets backing unit-linked contracts		Equity instruments at fair value through other comprehensive income that will not be reclassified to profit and loss		Financial assets designated at fair value through profit or loss		
												Equities and other variable income securities							Debt securities		
(in millions of euros)	Total	Loans and receivables due from customers	Securities bought under repurchase agreements	Treasury bills and similar securities	Bonds and other fixed income securities	Mutual funds	Held-for-trading securities	Derivative instruments	Equity and other variable income securities	Non-consolidated equity investments	Loans and receivables due from customers	Bonds and other fixed income securities	Mutual funds	Debt securities	Bonds and other fixed income securities	Mutual funds	Equities and other variable income securities	Non-consolidated equity investments	Treasury bills and similar securities	Bonds and other fixed income securities	Debt securities
Opening balance (01/01/2018)	**9,644**	**1,571**	**-**	**-**	122	**-**	**122**	**1,272**	**1,426**	**813**	**94**	438	3,280	**3,718**	**4**	**2**	**63**	**522**	-	37	**37**
Gains or losses during the period [1]	**364**	49	-	-	1	(2)	(1)	(64)	94	126	9	(15)	52	37	(4)	-	(4)	122	-	-	-
Recognised in profit or loss	***190***	*(6)*	-	-	*1*	*(2)*	*(1)*	*(64)*	*94*	*125*	*9*	*(15)*	*52*	*37*	*(4)*	-	-	-	-	-	-
Recognised in other comprehensive income	***174***	*55*	-	-	-	-	-	-	-	*1*	-	-	-	-	-	-	*(4)*	*122*	-	-	-
Purchases	**3,754**	-	617	445	8	28	481	717	131	481	3	459	754	1,213	-	4	-	107	-	-	-
Sales	**(3,287)**	(1,614)	-	-	-	(1)	(1)	-	(132)	(274)	(24)	(130)	(748)	(878)	-	(2)	(19)	(304)	-	(39)	(39)
Issues	**20**	-	-	-	-	-	-	-	-	18	-	-	-	-	-	-	-	2	-	-	-
Settlements	**(506)**	-	-	-	(46)	-	(46)	(453)	-	-	-	(1)	-	(1)	-	-	-	(6)	-	-	-
Reclassifications	**1,484**	1,368	-	-	-	-	-	-	(550)	543	-	-	-	-	-	-	-	123	-	-	-
Changes associated with scope during the period	**(13)**	-	-	-	-	-	-	-	13	-	-	-	-	-	-	-	(6)	(22)	-	2	2
Transfers	**754**	-	350	-	(31)	-	(31)	20	26	287	31	-	-	-	-	-	-	(1)	72	-	72
Transfers to Level 3	***876***	-	*350*	-	-	-	-	*105*	*26*	*293*	*31*	-	-	-	-	-	-	*(1)*	*72*	-	*72*
Transfers from Level 3	***(122)***	-	-	-	*(31)*	-	*(31)*	*(85)*	-	*(6)*	-	-	-	-	-	-	-	-	-	-	-
CLOSING BALANCE (31/12/2018)	**12,214**	**1,374**	**967**	**445**	**54**	**25**	**524**	**1,492**	**1,008**	**1,994**	**113**	**751**	**3,338**	**4,089**	**-**	**4**	**34**	**543**	**72**	**-**	**72**

[1] this balance includes the gains and losses of the period made on assets reported on the balance sheet at the closing date, for the following amounts:

Gains/ losses for the period from level 3 assets held at the end of the period	**237**
Recognised in profit or loss	181
Recognised in other comprehensive income	56

Financial liabilities measured at fair value according to Level 3

		Financial liabilities held for trading							
(in millions of euros)	Total	Securities sold short	Securities sold under repurchase agreements	Debt securities	Due to credit institutions	Due to customers	Derivative Instruments	Financial liabilities designated at fair value through profit or loss	Hedging derivative instruments
Opening balance (01/01/2018)	**7,393**	**-**	**-**	**-**	**-**	**-**	**1,597**	**5,548**	**248**
Gains or losses during the period [1]	**34**	-	-	-	-	-	(135)	168	1
Recognised in profit or loss	***34***	-	-	-	-	-	*(135)*	*168*	*1*
Recognised in other comprehensive income	**-**	-	-	-	-	-	-	-	-
Purchases	**3,128**	220	2,324	-	-	-	456	-	128
Sales	**(32)**	-	-	-	-	-	(2)	-	(30)
Issues	**2,706**	-	-	-	-	-	-	2,695	11
Settlements	**(609)**	-	-	-	-	-	(115)	(487)	(7)
Reclassifications	**-**	-	-	-	-	-	-	-	-
Changes associated with scope during the period	**-**	-	-	-	-	-	-	-	-
Transfers	**420**	-	-	-	-	-	(71)	491	-
Transfers to Level 3	***811***	-	-	-	-	-	*127*	*684*	-
Transfers from Level 3	***(391)***	-	-	-	-	-	*(198)*	*(193)*	-
CLOSING BALANCE (31/12/2018)	**13,040**	**220**	**2,324**	**-**	**-**	**-**	**1,730**	**8,415**	**351**

[1] this balance includes the gains and losses of the period made on liabilities reported on the balance sheet at the closing date, for the following amounts:

Gains/ losses for the period from level 3 assets held at the end of the period	**35**
Recognised in profit or loss	35
Recognised in other comprehensive income	-

The net change in the fair value of assets and liabilities measured at fair value under level 3 totalled €8,217 million at 31 December 2018, stemming in particular from:

- Loans and receivables due from customers held for trading: €1,368 million
- Securities sold under repurchase agreements: €2,324 billion
- Negotiable debt securities designated at fair value through profit or loss: €2,696 billion

The fair value (and change in fair value) on these products alone is not, however, representative. These products are essentially hedged by other, simpler products that are individually measured based on inputs considered to be observable. The valuations (and their changes) of these hedging instruments, mostly symmetrical to valuations of products measured based on unobservable inputs, do not themselves appear in the table above.

SENSITIVITY ANALYSIS FOR FINANCIAL INSTRUMENTS MEASURED USING THE LEVEL 3 VALUATION MODEL

The use of unobservable inputs introduces uncertainty, which we have assessed below using a sensitivity calculation on instruments valued using these inputs.

SCOPE OF INTEREST RATE DERIVATIVES

As regards interest rate derivatives, two key inputs are considered to be unobservable and of such a type that they result in the classification of the associated products in level 3: correlation and prepayment rates (i.e. early redemption).

Correlation

Many products are sensitive to a correlation parameter. However, this parameter is not unique and there are many different types of correlation, including:

- forward correlation between two successive indices in the same currency, e.g. 2-year CMS/10-year CMS;
- interestrate/interest rate correlation (different indices), e.g. Libor 3M USD/Libor 3M EUR;
- interest rate/FX correlation (or Quanto), e.g. USD/JPY – USD;
- equity/equity correlation;
- equity/FX correlation;
- equity/interest rate correlation;
- FX/FX correlation.

Prepayment rate

The prepayment rate is the rate of early repayment on securitisation portfolios, whether voluntary or involuntary (default). Exposure to this risk factor may stem from two types of source: direct exposure to these asset classes, or certain "securitisation" swaps, i.e. where the variations in their nominal amounts are adjusted automatically to the nominal amount of the underlying portfolio, with no mark-to-market payment. The prepayment rate plays a significant part in their valuation.

CALCULATION OF IMPACT

WITH RESPECT TO CORRELATION

The results presented below have been obtained by applying the following distinct risk shocks:

- correlations between successive indices in the same currency (i.e. CMS correlations):
- cross assets correlations (e.g.: Equity/FX or IR/ Equity) and between two interest-rate curves in different currencies.

The result of the stress test is the sum of the absolute values obtained.

For each type of correlation we considered absolute values by currency, maturity and portfolio, thus making a conservative assumption. For the CMS correlations, we considered the various underlyings independently (e.g. 1y10y, 2y10y).

As at 31 December 2018, the sensitivity to the parameters used in interest rate derivative models was therefore +/- €12m.

The quantity expressed is a sensitivity for a normalised market variation assumption that is not intended to measure the impact of extreme variations.

WITH RESPECT TO THE PREPAYMENT RATE

Direct exposure to assets comprising a pre-payment risk concerns securitisations such as RMBS and CLO and mezzanine CDO tranches. These exposures are marginal. They can be taken into account through sensitivity to a 1 bp change in credit spreads. This sensitivity being very low (<€50k/bp), exposure to pre-payment rate is thus considered to be negligible.

The pre-payment rate is not an observable market parameter and the valuation model used for the securitisation swaps is particularly conservative. The valuation used is defined as the lower of the valuation obtained using a very fast pre-payment rate and using a very slow pre-payment rate. A "normal" variation in the pre-payment rate will therefore have no material impact on M-to-M, no Day One thus being used for these products.

10.3 Estimated impact of inclusion of the margin at inception

(in millions of euros)	31/12/2018	31/12/2017
Deferred margin at 1st January	**67**	**69**
Margin generated by new transactions during the period	26	20
Recognised in net income during the period	-	-
Amortisation and cancelled / reimbursed / matured transactions	(32)	(22)
Profit-sharing and incentive plans	-	-
Effects of inputs or products reclassified as observable during the period	-	-
DEFERRED MARGIN AT THE END OF THE PERIOD	**61**	**67**

The 1st day margin on market transactions falling within Level 3 of fair value is reserved for the balance sheet and recognised in profit or loss as time passes or when unobservable parameters become observable again.

NOTE 11 Scope of consolidation at 31 December 2018

11.1 Information on subsidiaries

11.1.1 RESTRICTIONS ON ENTITIES

Crédit Agricole S.A. Group is subject to the following restrictions:

Regulatory constraints

The subsidiaries of Crédit Agricole S.A. Group are subject to prudential regulation and regulatory capital requirements in their host countries. The minimum equity capital (solvency ratio), leverage ratio and liquidity ratio requirements limit the capacity of these entities to pay dividends or to transfer assets to Crédit Agricole S.A. Group.

Legal constraints

The subsidiaries of Crédit Agricole S.A. Group are subject to legal provisions concerning the distribution of capital and distributable earnings. These requirements limit the ability of the subsidiaries to distribute dividends. In the majority of cases, these are less restrictive than the regulatory limitations mentioned above.

Restriction on assets backing unit-linked contracts for the insurance business

Assets backing unit-linked contracts of Crédit Agricole S.A. Group are held for the benefit of policyholders. Assets of the insurance subsidiaries of Crédit Agricole S.A. Group are mainly held for satisfying their obligation towards their policyholders. Assets transfers to other entities are possible following the legal conditions. However, in case of a transfer, a part of the profit due to the transfer must be intended for the policyholders.

Other constraints

Certain subsidiaries of Crédit Agricole S.A., namely Crédit Agricole CIB Algérie, Crédit Agricole Ukraine and Crédit Agricole Serbie, are required to obtain prior approval for the payment of their dividends from their respective prudential authorities (Banque d'Algérie and Banque Nationale d'Ukraine and Banque Nationale de Serbie).

The payment of CA Egypt dividends is subject to a currency translation restriction on the Egyptian pound imposed by the Banque Centrale d'Égypte.

11.1.2 SUPPORT FOR STRUCTURED ENTITIES UNDER GROUP CONTROL

Crédit Agricole CIB has contractual arrangements with some consolidated structured entities that equate to commitments to provide financial support.

To meet its funding needs, Crédit Agricole CIB uses structured debt issuance vehicles to raise cash on financial markets. Securities issued by these entities are fully underwritten by Crédit Agricole CIB. At 31 December 2018, the outstanding volume of these issues was €27 billion compared to €24 billion at 31 December 2017.

As part of its third-party securitisation business, Crédit Agricole CIB provides liquidity lines to its ABCP conduits (see Note 1.1 for more detail). At 31 December 2018, these liquidity lines totalled €35 billion compared to €32 billion at 31 December 2017.

Crédit Agricole S.A. provided no other financial support for any structured entities consolidated at 31 December 2018 and 31 December 2017.

11.1.3 SECURITISATION TRANSACTIONS AND DEDICATED FUNDS

Various Group entities conduct securitisation operations on their own account as part of collateralised refinancing transactions. Depending on the circumstances, these transactions can be wholly or partially placed with investors, sold under repurchase agreements or kept on the issuer's balance sheet as liquid securities reserves that can be used to manage refinancing. Following the IAS 39 decision tree, these transactions are considered to form part of deconsolidating or non-deconsolidating transactions: for non-deconsolidating transactions, the assets are retained on the consolidated balance sheet of Crédit Agricole S.A. Group.

11.2 Scope of consolidation

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
SAVINGS MANAGEMENT									
Banking and financial institutions									
ABC-CA Fund Management CO	Equity Accounted		China		Associate	33.3	33.3	22.8	22.8
AMUNDI	Full		France		Subsidiary	68.6	68.6	68.4	68.5
AMUNDI (UK) Ltd.	Full		United Kingdom		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI ASSET MANAGEMENT	Full		France		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI ASSET MANAGEMENT BELGIUM	*Full*		*Belgium*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
AMUNDI ASSET MANAGEMENT DUBAI (OFF SHORE) BRANCH	*Full*	*D1*	*United Arab Emirates*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
AMUNDI ASSET MANAGEMENT HONG KONG BRANCH	*Full*		*Hong Kong*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
AMUNDI ASSET MANAGEMENT LONDON BRANCH	*Full*		*United Kingdom*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
AMUNDI ASSET MANAGEMENT NEDERLAND	*Full*		*Netherlands*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
Amundi Asset Management S.A.I SA	Full		Romania		Subsidiary	100.0	100.0	68.4	68.5
Amundi Austria	Full	S4	Austria		Subsidiary		100.0		68.5
Amundi Austria GmbH	Full	D1	Austria		Subsidiary	100.0	100.0	68.4	68.5
Amundi Czech Republic Asset Management Bratislava Branch	*Full*	*D1*	*Slovakia*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
Amundi Czech Republic Asset Management Sofia Branch	*Full*	*D1*	*Bulgaria*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
Amundi Czech Republic Asset Management, A.S.	Full		Czech Republic		Subsidiary	100.0	100.0	68.4	68.5
Amundi Czech Republic, Investicni Spolecnost, A.S.	Full		Czech Republic		Subsidiary	100.0	100.0	68.4	68.5
Amundi Deutschland GmbH	Full		Germany		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Finance	Full		France		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Finance Emissions	Full		France		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI GLOBAL SERVICING	Full		Luxembourg		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Hellas MFMC S.A.	Full		Greece		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Hong Kong Ltd.	Full		Hong Kong		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Iberia S.G.I.I.C S.A.	Full		Spain		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Immobilier	Full		France		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI India Holding	Full		France		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Intermédiation	Full		France		Subsidiary	100.0	100.0	68.4	68.5
Amundi Intermédiation Asia PTE Ltd	Full	E2	Singapour		Subsidiary	100.0		68.4	
Amundi Intermédiation Dublin Branch	*Full*	*E2*	*Ireland*		*Branch*	*100.0*		*68.4*	
Amundi Intermédiation London Branch	*Full*	*E2*	*United Kingdom*		*Branch*	*100.0*		*68.4*	
Amundi Investment Fund Management Private Limited Company	Full		Hungary		Subsidiary	100.0	100.0	68.4	68.5

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
Amundi Ireland Ltd	Full	D1	Ireland		Subsidiary	100.0	100.0	68.4	68.5
Amundi Ireland Ltd London Branch	*Full*	*D1*	*United Kingdom*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
Amundi Ireland Ltd Singapore Branch	*Full*	*D1*	*Singapour*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
AMUNDI Issuance	Full		France		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Japan	Full		Japan		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Japan Holding	Full		Japan		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Luxembourg S.A.	Full	S4	Luxembourg		Subsidiary		100.0		68.5
Amundi Luxembourg SA	Full	D1	Luxembourg		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Malaysia Sdn Bhd	Full		Malaysia		Subsidiary	100.0	100.0	68.4	68.5
Amundi Pioneer Asset Management Inc	Full		United States		Subsidiary	100.0	100.0	68.4	68.5
Amundi Pioneer Asset Management USA Inc	Full		United States		Subsidiary	100.0	100.0	68.4	68.5
Amundi Pioneer Distributor Inc	Full		United States		Subsidiary	100.0	100.0	68.4	68.5
Amundi Pioneer Institutional Asset Management Inc	Full		United States		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Polska	Full		Poland		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Private Equity Funds	Full		France		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Real Estate Italia SGR S.p.A.	Full		Italy		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI SGR S.p.A.	Full		Italy		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Singapore Ltd.	Full		Singapour		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Smith Breeden	Full	S4	United States		Subsidiary		100.0		68.5
AMUNDI Suisse	Full		Switzerland		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Tenue de Comptes	Full		France		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI USA Inc	Full		United States		Subsidiary	100.0	100.0	68.4	68.5
AMUNDI Ventures	Full		France		Subsidiary	100.0	100.0	68.4	68.5
Banca Leonardo	Full	E3	Italy		Subsidiary	94.2		92.0	
BFT INVESTMENT MANAGERS	Full		France		Subsidiary	100.0	100.0	68.4	68.5
CA Indosuez (Suisse) S.A. Hong Kong Branch	*Full*		*Hong Kong*	*Switzerland*	*Branch*	*100.0*	*100.0*	*97.8*	*97.8*
CA Indosuez (Suisse) S.A. Singapore Branch	*Full*		*Singapour*	*Switzerland*	*Branch*	*100.0*	*100.0*	*97.8*	*97.8*
CA Indosuez (Suisse) S.A. Switzerland Branch	*Full*		*Switzerland*		*Branch*	*100.0*	*100.0*	*97.8*	*97.8*
CA Indosuez (Switzerland) S.A.	Full		Switzerland		Subsidiary	100.0	100.0	97.8	97.8
CA Indosuez Finanziaria S.A.	Full		Switzerland		Subsidiary	100.0	100.0	97.8	97.8
CA Indosuez Gestion	Full		France		Subsidiary	100.0	100.0	97.8	97.8
CA Indosuez Wealth (Europe)	Full		Luxembourg		Subsidiary	100.0	100.0	97.8	97.8
CA Indosuez Wealth (Europe) Belgium Branch	*Full*		*Belgium*	*Luxembourg*	*Branch*	*100.0*	*100.0*	*97.8*	*97.8*
CA Indosuez Wealth (Europe) Italy Branch	*Full*		*Italy*	*Luxembourg*	*Branch*	*100.0*	*100.0*	*97.8*	*97.8*

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
CA Indosuez Wealth (Europe) Spain Branch	*Full*		*Spain*	*Luxembourg*	*Branch*	*100.0*	*100.0*	*97.8*	*97.8*
CA Indosuez Wealth (France)	Full		France		Subsidiary	100.0	100.0	97.8	97.8
CFM Indosuez Wealth	Full		Monaco		Subsidiary	70.1	70.1	67.4	67.4
CPR AM	Full		France		Subsidiary	100.0	100.0	68.4	68.5
Etoile Gestion	Full		France		Subsidiary	100.0	100.0	68.4	68.5
Fund Channel	Equity Accounted		Luxembourg		Joint venture	50.0	50.0	34.2	34.3
Fund Channel Singapore Branch	Equity Accounted		Singapour	Luxembourg	Joint venture	50.0	50.0	34.3	34.3
KBI Fund Managers Limited	Full		Ireland		Subsidiary	87.5	87.5	68.4	68.5
KBI Global Investors (North America) Limited	Full		Ireland		Subsidiary	87.5	87.5	68.4	68.5
KBI Global Investors Limited	Full		Ireland		Subsidiary	87.5	87.5	68.4	68.5
LCL Emissions	Full		France		Subsidiary	100.0	100.0	68.4	68.5
NH-AMUNDI ASSET MANAGEMENT	Equity Accounted		South Korea		Associate	30.0	30.0	20.5	20.5
Pioneer Global Investments (Australia) Pty Limited	Full	S1	Australia		Subsidiary		100.0		68.5
Pioneer Global Investments (Taiwan) LTD	Full		Taiwan		Subsidiary	100.0	100.0	68.4	68.5
Pioneer Global Investments LTD	Full		Ireland		Subsidiary	100.0	100.0	68.4	68.5
Pioneer Global Investments LTD Buenos Aires Branch	*Full*		*Argentina*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
Pioneer Global Investments LTD Jelling Branch	*Full*		*Denmark*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
Pioneer Global Investments LTD London Branch	*Full*		*United Kingdom*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
Pioneer Global Investments LTD Madrid Branch	*Full*		*Spain*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
Pioneer Global Investments LTD Mexico city Branch	*Full*		*Mexico*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
Pioneer Global Investments LTD Paris Branch	*Full*		*France*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
Pioneer Global Investments LTD Santiago Branch	*Full*		*Chile*		*Branch*	*100.0*	*100.0*	*68.4*	*68.5*
Pioneer Investment Company A.S.	Full	S4	Czech Republic		Subsidiary		100.0		68.5
Pioneer Investment Management Sgr p.A.	Full	S4	Italy		Subsidiary		100.0		68.5
Société Générale Gestion (S2G)	Full		France		Subsidiary	100.0	100.0	68.4	68.5
State Bank of India Fund Management	Equity Accounted		India		Associate	37.0	37.0	25.3	25.3
TOBAM	Equity Accounted		France		Associate	4.1	4.1	13.7	13.7
TOBAM HOLDING COMPANY	Equity Accounted		France		Associate	25.6	25.6	17.5	17.5
Vanderbilt Capital Advisors LLC	Full		United States		Subsidiary	100.0	100.0	68.4	68.5
WAFA Gestion	Equity Accounted		Morocco		Associate	34.0	34.0	23.3	23.3
Investment companies									
CA Indosuez Wealth (Brazil) S.A. DTVM	Full		Brazil		Subsidiary	100.0	100.0	97.8	97.8
CA Indosuez Wealth (Group)	Full		France		Subsidiary	100.0	100.0	97.8	97.8
CFM Indosuez Conseil en Investissement	Full	E1	France		Subsidiary	70.1		67.4	

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control		% interest	
						12/31/2018	12/31/2017	12/31/2018	12/31/2017
CFM Indosuez Conseil en Investissement, Succursale de Noumea	*Full*	*E1*		*France*	*Branch*	*70.1*		*67.4*	
CFM Indosuez Gestion	Full	E1	Monaco		Subsidiary	70.1		66.1	
Insurance									
ASSUR&ME	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CA Assicurazioni	Full		Italy		Subsidiary	100.0	100.0	100.0	100.0
CACI DANNI	*Full*		*Italy*	*Ireland*	*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
CACI LIFE LIMITED	Full		Ireland		Subsidiary	100.0	100.0	100.0	100.0
CACI NON LIFE LIMITED	Full		Ireland		Subsidiary	100.0	100.0	100.0	100.0
CACI NON VIE	*Full*		*France*	*Ireland*	*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
CACI Reinsurance Ltd.	Full		Ireland		Subsidiary	100.0	100.0	100.0	100.0
CACI VIE	*Full*		*France*	*Ireland*	*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
CACI VITA	*Full*		*Italy*	*Ireland*	*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
CALIE Europe Succursale France	*Full*		*France*	*Luxembourg*	*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
CALIE Europe Succursale Pologne	*Full*		*Poland*	*Luxembourg*	*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
Crédit Agricole Assurances (CAA)	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Creditor Insurance (CACI)	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Life	Full	D4	Greece		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Life Insurance Company Japan Ltd.	Full		Japan		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Life Insurance Europe	Full		Luxembourg		Subsidiary	100.0	100.0	99.9	99.9
Crédit Agricole Vita S.p.A.	Full		Italy		Subsidiary	100.0	100.0	100.0	100.0
Finaref Risques Divers	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Finaref Vie	Full		France		Subsidiary	100.0	100.0	100.0	100.0
GNB SEGUROS	Full		Portugal		Subsidiary	75.0	50.0	75.0	50.0
Médicale de France	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Pacifica	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Predica	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Predica - Prévoyance Dialogue du Crédit Agricole	*Full*		*Spain*		*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
Space Holding (Ireland) Limited	Full		Ireland		Subsidiary	100.0	100.0	100.0	100.0
Space Lux	Full		Luxembourg		Subsidiary	100.0	100.0	100.0	100.0
Spirica	Full		France		Subsidiary	100.0	100.0	100.0	100.0
UCITS									
ACACIA	Full		France		Consolidated structured entity	100.0	100.0	68.4	68.5
ACAJOU	Full		France		Consolidated structured entity	100.0	100.0	68.4	68.5
AGRICOLE RIVAGE DETTE	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
AM DESE FIII DS3IMDI	Full	E3	France		Consolidated structured entity	100.0		100.0	
AMUNDI GRD 24 FCP	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
AMUNDI PE Solution Alpha	Full	E1	France		Consolidated structured entity	100.0		68.4	
ARTEMID	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
BFT opportunité	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
BFT VALUE PREM OP CD	Full	E3	France		Consolidated structured entity	100.0		100.0	
CA VITA INFRASTRUCTURE CHOICE FIPS c.I.A.	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CA VITA PRIVATE DEBT CHOICE FIPS cl.A	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CA VITA PRIVATE EQUITY CHOICE	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA 2013 COMPARTIMENT 5 A5	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA 2013 FCPR B1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA 2013 FCPR C1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA 2013 FCPR D1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA 2013-2	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA 2013-3	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA 2014 COMPARTIMENT 1 PART A1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA 2014 INVESTISSMENT PART A3	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA 2015 COMPARTIMENT 1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA 2015 COMPARTIMENT 2	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA 2016	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA INFRASTRUCTURE	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA INFRASTRUCTURE 2017	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA INFRASTRUCTURE 2018 - COMPARTIMENT 1	Full	E3	France		Consolidated structured entity	100.0		100.0	
CAA PR FI II C1 A1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA PRIV.FINANC.COMP.1 A1 FIC	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA PRIV.FINANC.COMP.2 A2 FIC	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2017	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2017 BIS	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2017 FRANCE INVESTISSEMENT	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2017 MEZZANINE	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2017 TER	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2018 - COMPARTIMENT 1	Full	E3	France		Consolidated structured entity	100.0		100.0	
CAA PRIVATE EQUITY 2018 - COMPARTIMENT FRANCE INVESTISSEMENT	Full	E3	France		Consolidated structured entity	100.0		100.0	
CAA SECONDAIRE IV	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
CA-EDRAM OPPORTUNITES FCP 3DEC	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAREPTA R 2016	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CEDAR	Full		France		Consolidated structured entity	100.0	100.0	68.4	68.5
Chorial Allocation	Full		France		Consolidated structured entity	99.7	99.7	68.2	68.2
CNP ACP 10 FCP	Equity Accounted		France		Structured joint venture	56.9	50.2	50.2	50.2
CNP ACP OBLIG	Equity Accounted		France		Structured joint venture	45.4	50.2	50.2	50.2
COMPARTIMENT DS3 - IMMOBILIER VAUGIRARD	Full	E3	France		Consolidated structured entity	100.0		100.0	
COMPARTIMENT DS3 - VAUGIRARD	Full	E3	France		Consolidated structured entity	100.0		100.0	
CORSAIR 1.52% 25/10/38	Full		Luxembourg		Consolidated structured entity	100.0	100.0	100.0	100.0
CORSAIR 1.5255% 25/04/35	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
CORSAIRE FINANCE IRELAND 0.83% 25-10-38	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
CORSAIRE FINANCE IRELAND 1.24 % 25-10-38	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
CORSAIRE FINANCE IRELANDE 0.7% 25-10-38	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
EFFITHERMIE FPCI	Full		France		Consolidated structured entity	89.1	89.1	89.1	89.1
FCPR CAA 2013	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR CAA COMP TER PART A3	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR CAA COMPART BIS PART A2	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR CAA COMPARTIMENT 1 PART A1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR CAA France croissance 2 A	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR PREDICA 2007 A	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR PREDICA 2007 C2	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR PREDICA 2008 A1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR PREDICA 2008 A2	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR PREDICA 2008 A3	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR PREDICA SECONDAIRE I A1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR PREDICA SECONDAIRE I A2	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR PREDICA SECONDAIRES II A	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR PREDICA SECONDAIRES II B	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR Roosevelt Investissements	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR UI CAP AGRO	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCPR UI CAP SANTE A	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT BRIDGE 2016-1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT CAA – Compartment 2017-1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT CAREPTA - COMPARTIMENT 2014-1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
FCT CAREPTA - COMPARTIMENT 2014-2	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT CAREPTA - COMPARTIMENT RE-2016-1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT CAREPTA - RE 2015 -1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT CAREPTA 2-2016	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT MID CAP 2 05/12/22	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FEDERIS CORE EU CR 19 MM	Full		France		Consolidated structured entity	43.6	43.6	43.6	43.6
Federval	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FPCI Cogeneration France I	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Genavent	Full	S1	France		Consolidated structured entity		52.3		35.8
GRD 44	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD 44 N°3	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD 44 N2	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD 54	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD02	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD03	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD04	Full	S2	France		Consolidated structured entity		100.0		100.0
GRD05	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD07	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD08	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD09	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD10	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD11	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD12	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD13	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD14	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD16	Full	S2	France		Consolidated structured entity		100.0		100.0
GRD17	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD18	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD19	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD20	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD21	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GRD23	Full	S2	France		Consolidated structured entity		100.0		100.0
IAA CROISSANCE INTERNATIONALE	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Londres Croissance C16	Full		France		Consolidated structured entity	100.0	100.0	68.4	68.5

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
LRP - CPT JANVIER 2013 0.30 13-21 11/01A	Full		Luxembourg		Consolidated structured entity	100.0	84.2	100.0	84.2
OBJECTIF LONG TERME FCP	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Peg - Portfolio Eonia Garanti	Full		France		Consolidated structured entity	97.2	97.2	66.5	66.6
Predica 2005 FCPR A	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Predica 2006 FCPR A	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Predica 2006-2007 FCPR	Full		France		Consolidated structured entity	100.0	93.8	100.0	93.8
PREDICA 2010 A1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
PREDICA 2010 A2	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
PREDICA 2010 A3	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
PREDICA SECONDAIRES III	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Predicant A1 FCP	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Predicant A2 FCP	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Predicant A3 FCP	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Prediquant Eurocroissance A2	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Prediquant opportunité	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
PREDIQUANT PREMIUM	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
PREDIQUANT STRATEGIES	Full	S2	France		Consolidated structured entity		100.0		100.0
PREMIUM GR 0% 28	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN 0.508% 25-10-38	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN 0.63% 25-10-38	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN 1.24% 25/04/35	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN 1.531% 25-04-35	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN 1.55% 25-07-40	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN 4.52%06-21 EMTN	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN 4.54%06-13.06.21	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN 4.5575%21 EMTN	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN 4.56%06-21	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN 4.7% EMTN 08/08/21	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN 4.72%12-250927	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN PLC 1.095% 25-10-38	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN PLC 4.30%2021	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN TV 06/22	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN TV 07/22	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN TV 07-22	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
PREMIUM GREEN TV 22	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN TV 26/07/22	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN TV2027	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN TV23/05/2022 EMTN	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PREMIUM GREEN4.33%06-29/10/21	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
PurpleProtAsset 1,36% 25/10/2038	Full		Luxembourg		Consolidated structured entity	100.0	100.0	100.0	100.0
PurpleProtAsset 1.093% 20/10/2038	Full		Luxembourg		Consolidated structured entity	100.0	100.0	100.0	100.0
RED CEDAR	Full		France		Consolidated structured entity	100.0	100.0	68.4	68.5
UI CAP SANTE 2	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Unit-linked funds (Fonds UC)									
61 fonds UC dont le taux de détention est supérieur ou égal à 95%	Full		France		Consolidated structured entity	> 95 %	> 95 %	> 95 %	> 95 %
A FD EQ E CON AE(C)	Full	E1	Luxembourg		Consolidated structured entity	54.3		54.3	
A FD EQ E FOC AE (C)	Full	E1	Luxembourg		Consolidated structured entity	61.3		61.3	
AF EQUI.GLOB.AHE CAP	Full		Luxembourg		Consolidated structured entity	52.2	91.5	52.2	91.5
AF INDEX EQ JAPAN AE CAP	Full		Luxembourg		Consolidated structured entity	20.7	41.8	20.7	41.8
AF INDEX EQ USA A4E	Full		Luxembourg		Consolidated structured entity	91.1	84.1	91.1	84.1
AM AC FR ISR PC 3D	Full		France		Consolidated structured entity	62.7	50.0	62.7	50.0
AM.AC.MINER.-P-3D	Full		France		Consolidated structured entity	49.5	44.1	49.5	44.1
AMU-AB RET MS-EEUR	Full	E1	Luxembourg		Consolidated structured entity	59.4		59.4	
AMUN TRESO CT PC 3D	Full		France		Consolidated structured entity	64.7	63.1	64.7	63.1
AMUN.ACT.REST.P-C	Full		France		Consolidated structured entity	52.7	52.3	52.7	52.3
AMUN.TRES.EONIA ISR E FCP 3DEC	Full		France		Consolidated structured entity	61.3	90.9	61.3	89.6
AMUNDI ACTIONS FRANCE C 3DEC	Full		France		Consolidated structured entity	68.2	78.0	68.2	78.0
AMUNDI AFD AV DURABL P1 FCP 3DEC	Full		France		Consolidated structured entity	78.7	75.3	78.7	75.3
AMUNDI EQ E IN AHEC	Full		Luxembourg		Consolidated structured entity	29.5	45.5	29.5	45.5
AMUNDI GBL MACRO MULTI ASSET P	Full		France		Consolidated structured entity	68.3	71.0	68.3	71.0
AMUNDI HORIZON 3D	Full		France		Consolidated structured entity	65.9	66.0	65.9	66.0
AMUNDI KBI ACTION PC	Full	E3	France		Consolidated structured entity	87.2		87.2	
AMUNDI KBI ACTIONS C	Full		France		Consolidated structured entity	85.8	85.3	50.8	49.6
AMUNDI OBLIG EURO C	Full		France		Consolidated structured entity	47.7	46.1	47.7	46.1
AMUNDI PATRIMOINE C 3DEC	Full		France		Consolidated structured entity	84.2	83.7	84.2	83.7
AMUNDI PULSACTIONS	Full		France		Consolidated structured entity	57.6	57.8	57.6	57.8
AMUNDI VALEURS DURAB	Full		France		Consolidated structured entity	70.7	63.1	70.7	63.1

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AMUNDIOBLIGMONDEP	Full	E1	France		Consolidated structured entity	50.3		50.3	
ANTINEA FCP	Full		France		Consolidated structured entity	52.5	65.8	52.5	65.8
ARAMIS PATRIM D 3D	Full	S4	France		Consolidated structured entity		43.1		43.1
ARC FLEXIBOND-D	Full		France		Consolidated structured entity	52.8	55.5	52.8	55.5
ATOUT EUROPE C FCP 3DEC	Full		France		Consolidated structured entity	82.1	81.9	82.1	81.9
ATOUT FRANCE C FCP 3DEC	Full		France		Consolidated structured entity	42.1	42.1	42.1	42.1
ATOUT MONDE C FCP 3DEC	Full	S4	France		Consolidated structured entity		88.6		88.6
ATOUT VERT HORIZON FCP 3 DEC	Full		France		Consolidated structured entity	35.3	35.6	35.3	35.6
AXA EUR.SM.CAP E 3D	Full		France		Consolidated structured entity	71.1	70.1	71.1	70.1
BFT FRAN FUT-C SI.3D	Full	E1	France		Consolidated structured entity	48.1		48.1	
BFT STATERE P (C)	Full	E1	France		Consolidated structured entity	48.0		48.0	
BNP PAR.CRED.ERSC	Full		France		Consolidated structured entity	67.3	66.1	67.3	66.1
CA MASTER EUROPE	Full		France		Consolidated structured entity	47.3	47.1	47.3	47.1
CAPITOP MON. C 3DEC	Full	S2	France		Consolidated structured entity		45.6		45.6
CPR CONSO ACTIONNAIRE FCP P	Full		France		Consolidated structured entity	52.0	51.0	52.0	51.0
CPR CROIS.REA.-P	Full		France		Consolidated structured entity	38.5	28.7	38.5	28.7
CPR FOCUS INF.-P-3D	Full	E1	France		Consolidated structured entity	63.3		63.3	
CPR OBLIG 12 M.P 3D	Full		France		Consolidated structured entity	89.1	65.8	89.1	65.8
CPR REFL.RESP.0-100 P FCP 3DEC	Full		France		Consolidated structured entity	85.6	55.3	85.6	55.3
CPR RENAI.JAP.-P-3D	Full		France		Consolidated structured entity	59.2	59.4	59.2	59.4
CPR SILVER AGE P 3DEC	Full		France		Consolidated structured entity	50.2	45.5	50.2	45.5
DNA 0% 12-211220	Full	S1	Luxembourg		Consolidated structured entity		89.0		89.0
DNA 0% 21/12/20 EMTN	Full		Luxembourg		Consolidated structured entity	71.1	70.7	71.1	70.7
DNA 0% 23/07/18 EMTN INDX	Full	S2	Luxembourg		Consolidated structured entity		78.6		78.6
DNA 0% 27/06/18 INDX	Full	S2	Luxembourg		Consolidated structured entity		82.1		82.1
DNA 0%12-240418 INDX	Full	S1	Luxembourg		Consolidated structured entity		79.7		79.7
ECOFI MULTI OPPORTUN.FCP 3DEC	Full		France		Consolidated structured entity	83.7	81.4	83.7	81.4
ENMIUM FCP 3DEC	Full	S1	France		Consolidated structured entity		100.0		100.0
EXAN.PLEI.FD P	Full	E1	France		Consolidated structured entity	61.6		61.6	
EXPANSIA VIE	Full	S2	France		Consolidated structured entity		100.0		100.0
FONDS AV ECHUS FIA A	Full	S2	France		Consolidated structured entity		99.9		99.9
FONDS AV ECHUS FIA C	Full	S2	France		Consolidated structured entity		99.4		99.4
FONDS AV ECHUS FIA D	Full	S2	France		Consolidated structured entity		99.9		99.9
IND.CAP EMERG.-C-3D	Full		France		Consolidated structured entity	80.6	88.8	80.6	88.8

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INDO ALLOC MANDAT C	Full	E1	France		Consolidated structured entity	93.7		93.7	
INDOS.EURO.PAT.PD 3D	Full		France		Consolidated structured entity	44.3	45.0	44.3	45.0
INVEST RESP S3 3D	Full		France		Consolidated structured entity	69.8	64.4	69.8	64.4
LCL AC.DEV.DU.EURO	Full		France		Consolidated structured entity	69.5	57.8	69.5	57.8
LCL AC.EMERGENTS 3D	Full		France		Consolidated structured entity	54.6	51.5	54.6	51.5
LCL ACT RES NATUREL	Full		France		Consolidated structured entity	38.9	59.6	38.9	59.6
LCL ACT.E-U ISR 3D	Full		France		Consolidated structured entity	54.7	43.2	54.7	43.2
LCL ACT.IMMOBI.3D	Full		France		Consolidated structured entity	49.2	47.8	49.2	47.8
LCL ACT.USA ISR 3D	Full		France		Consolidated structured entity	53.2	52.1	53.2	52.1
LCL ACTIONS EURO C	Full		France		Consolidated structured entity	81.9	82.0	81.9	82.0
LCL ACTIONS MONDE FCP 3 DEC	Full		France		Consolidated structured entity	42.4	41.9	42.4	41.9
LCL AUTOCALL VIE 17	Full		France		Consolidated structured entity	90.3	90.3	90.3	90.3
LCL BDP MONETAR B C	Full	E3 ; S2	France		Consolidated structured entity				
LCL D.CAPT.JU.10 3D	Full	S1	France		Consolidated structured entity		86.6		86.6
LCL DBL HOR AV NOV15	Full	S1	France		Consolidated structured entity		100.0		100.0
LCL DEVELOPPEM.PME C	Full		France		Consolidated structured entity	69.5	71.3	69.5	71.3
LCL FDS ECH.MONE.3D	Full	S4	France		Consolidated structured entity		82.8		82.8
LCL FLEX 30	Full		France		Consolidated structured entity	51.1	63.5	51.1	63.5
LCL INVEST.EQ C	Full		France		Consolidated structured entity	92.2	91.9	92.2	91.9
LCL INVEST.PRUD.3D	Full		France		Consolidated structured entity	91.4	90.8	91.4	90.8
LCL LATITUDE VIE17 C	Full	S2	France		Consolidated structured entity		96.9		96.9
LCL MGEST 60 3DEC	Full		France		Consolidated structured entity	84.9	84.6	84.9	84.6
LCL MGEST FL.0-100	Full		France		Consolidated structured entity	80.0	80.7	80.0	80.7
LCL MONETAIRE C SI	Full	E1 ; S4	France		Consolidated structured entity				
LCL OPTIM II VIE 17	Full		France		Consolidated structured entity	94.7	94.4	94.7	94.4
LCL OPTIM VIE T 17 C	Full	S2	France		Consolidated structured entity		94.7		94.7
LCL PHOENIX VIE 2016	Full	S1	France		Consolidated structured entity		93.7		93.7
LCL PREMIUM VIE 2015	Full		France		Consolidated structured entity	94.7	94.8	94.7	94.8
LCL T.H. AV(04/14) C	Full	S2	France		Consolidated structured entity		99.9		99.9
LCL TEMPO 6 ANS AV	Full	S1	France		Consolidated structured entity		99.6		99.6
LCL TRIP HORIZ SEP16	Full	S2	France		Consolidated structured entity		78.1		78.1
LCL TRIPLE HORIZ AV JANV 14 C 3D	Full	S2	France		Consolidated structured entity		100.0		100.0
LCL TRIPLE HORIZON AV (09 2014)	Full	S1	France		Consolidated structured entity		100.0		100.0
LCL TRIPLE HORIZON AV (JANV. 2015	Full	S2	France		Consolidated structured entity		99.9		99.9

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
LCL V.RDM 8 AV(FEV.10) FCP3DEC	Full	S2	France		Consolidated structured entity		100.0		100.0
LCL VOCATION RENDEMENT NOV 12 3D	Full		France		Consolidated structured entity	80.0	80.1	80.0	80.1
OBJECTIF PRUDENCE FCP	Full		France		Consolidated structured entity	81.3	100.0	81.3	100.0
OPALIA VIE 2 FCP 3DEC	Full	S1	France		Consolidated structured entity		100.0		100.0
OPALIA VIE 3 3DEC	Full	S2	France		Consolidated structured entity		99.7		99.7
OPCIMMO LCL SPPICAV 5DEC	Full		France		Consolidated structured entity	94.2	93.6	94.2	93.6
OPCIMMO PREM SPPICAV 5DEC	Full		France		Consolidated structured entity	93.5	93.1	93.5	93.1
PREFERENCE RENDEMENT EXCLUSIF 3D	Full	S2	France		Consolidated structured entity		100.0		100.0
PREFERENCE RENDEMENT FCP 3DEC	Full	S2	France		Consolidated structured entity		100.0		100.0
SELECTANCE 2017 3DEC	Full	S1	France		Consolidated structured entity		100.0		100.0
SOLIDARITE AMUNDI P	Full		France		Consolidated structured entity	62.3	56.1	62.3	56.1
SOLIDARITE INITIATIS SANTE	Full		France		Consolidated structured entity	84.6	86.1	84.6	86.1
TRIALIS 6 ANS	Full	S4	France		Consolidated structured entity		68.3		68.3
TRIANANCE 6 ANS	Full		France		Consolidated structured entity	61.8	61.8	61.8	61.8
TRIANANCE 6 ANS 5 C	Full	E3	France		Consolidated structured entity	79.2		79.2	
TRIANANCE 6 ANS N 4	Full		France		Consolidated structured entity	74.6	73.4	74.6	73.4
VENDOME INV.FCP 3DEC	Full		France		Consolidated structured entity	90.3	90.4	90.3	90.4
Real estate collective investment fund (OPCI)									
Nexus 1	Full		Italy		Consolidated structured entity	100.0	100.0	100.0	100.0
OPCI Camp Invest	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
OPCI ECO CAMPUS SPPICAV	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
OPCI Immanens	Full		France		Consolidated structured entity	100.0	100.0	68.4	68.5
OPCI Immo Emissions	Full		France		Consolidated structured entity	100.0	100.0	68.4	68.5
OPCI Iris Invest 2010	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
OPCI MASSY BUREAUX	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
OPCI Messidor	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Predica OPCI Bureau	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Predica OPCI Commerces	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Predica OPCI Habitation	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Non-trading real estate investment company (SCI)									
B IMMOBILIER	Full	E1	France		Subsidiary	100.0		100.0	
DS Campus	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FREY RETAIL VILLEBON	Equity Accounted	E1	France		Joint venture	47.5		47.5	
HDP BUREAUX	Full		France		Subsidiary	95.0	95.0	95.0	95.0

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control		% interest	
						12/31/2018	12/31/2017	12/31/2018	12/31/2017
HDP HOTEL	Full		France		Subsidiary	95.0	95.0	95.0	95.0
HDP LA HALLE BOCA	Full		France		Subsidiary	95.0	95.0	95.0	95.0
IMEFA 177	Full		France		Consolidated structured entity	100.0	99.0	100.0	99.0
IMEFA 178	Full		France		Consolidated structured entity	100.0	99.0	100.0	99.0
IMEFA 179	Full		France		Consolidated structured entity	100.0	99.0	100.0	99.0
Issy Pont	Full		France		Consolidated structured entity	75.0	75.0	75.0	75.0
RUE DU BAC (SCI)	Equity Accounted	E1	France		Joint venture	50.0		50.0	
SCI 1 TERRASSE BELLINI	Equity Accounted	E1	France		Joint venture	33.3		33.3	
SCI BMEDIC HABITATION	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI CAMPUS MEDICIS ST DENIS	Full		France		Subsidiary	70.0	70.0	70.0	70.0
SCI CAMPUS RIMBAUD ST DENIS	Full		France		Subsidiary	70.0	70.0	70.0	70.0
SCI CARGO PROPERTY HOLDING	Equity Accounted		France		Associate	28.0	29.9	28.0	29.9
SCI CARPE DIEM	Equity Accounted	E1	France		Joint venture	50.0		50.0	
SCI EUROMARSEILLE 1	Equity Accounted	E1	France		Joint venture	50.0		50.0	
SCI EUROMARSEILLE 2	Equity Accounted	E1	France		Joint venture	50.0		50.0	
SCI FEDERALE PEREIRE VICTOIRE	Full		France		Subsidiary	99.0	99.0	99.0	99.0
SCI FEDERALE VILLIERS	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI FEDERLOG	Full		France		Subsidiary	99.9	99.9	99.9	99.9
SCI FEDERLONDRES	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI FEDERPIERRE	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI FONDIS	Equity Accounted	E1	France		Associate	25.0		25.0	
SCI GRENIER VELLEF	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
SCI HEART OF LA DEFENSE	Equity Accounted	E1	France		Associate	33.3		33.3	
SCI Holding Dahlia	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
SCI ILOT 13	Equity Accounted	E1	France		Joint venture	50.0		50.0	
SCI IMEFA 001	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 002	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 003	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 004	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 005	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 006	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 008	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 009	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 010	Full		France		Subsidiary	100.0	100.0	100.0	100.0

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SCI IMEFA 011	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 012	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 013	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 016	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 017	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 018	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 020	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 022	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 025	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
SCI IMEFA 032	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 033	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 034	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 035	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 036	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 037	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 038	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 039	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 042	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 043	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 044	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 047	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 048	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 051	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 052	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 054	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 057	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 058	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 060	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 061	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 062	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 063	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 064	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 067	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 068	Full		France		Subsidiary	100.0	100.0	100.0	100.0

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
SCI IMEFA 069	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 072	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 073	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 074	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 076	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 077	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 078	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 079	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 080	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 081	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 082	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 083	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 084	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 085	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 089	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 091	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 092	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 096	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 100	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 101	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 102	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 103	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 104	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 105	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 107	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 108	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 109	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 110	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 112	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 113	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 115	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 116	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 117	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 118	Full		France		Subsidiary	100.0	100.0	100.0	100.0

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control		% interest	
						12/31/2018	12/31/2017	12/31/2018	12/31/2017
SCI IMEFA 120	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 121	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 122	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 123	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 126	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 128	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 129	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 131	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 132	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 140	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
SCI IMEFA 148	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 149	Full		France		Subsidiary	100.0	99.0	100.0	99.0
SCI IMEFA 150	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 155	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 156	Full		France		Subsidiary	90.0	90.0	90.0	90.0
SCI IMEFA 157	Full		France		Subsidiary	90.0	90.0	90.0	90.0
SCI IMEFA 158	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 159	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 164	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 169	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 170	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI IMEFA 171	Full		France		Consolidated structured entity	100.0	99.0	100.0	99.0
SCI IMEFA 172	Full		France		Consolidated structured entity	100.0	99.0	100.0	99.0
SCI IMEFA 173	Full		France		Subsidiary	100.0	99.0	100.0	99.0
SCI IMEFA 174	Full		France		Subsidiary	100.0	99.0	100.0	99.0
SCI IMEFA 175	Full		France		Subsidiary	100.0	99.0	100.0	99.0
SCI IMEFA 176	Full		France		Subsidiary	100.0	99.0	100.0	99.0
SCI LE VILLAGE VICTOR HUGO	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI MEDI BUREAUX	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI PACIFICA HUGO	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI PORTE DES LILAS - FRERES FLAVIEN	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI VALHUBERT	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI VAUGIRARD 36-44	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI WAGRAM 22/30	Equity Accounted	E1	France		Joint venture	50.0		50.0	

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control		% interest	
						12/31/2018	12/31/2017	12/31/2018	12/31/2017
SCI WASHINGTON	Equity Accounted	E1	France		Associate	34.0		34.0	
TOUR MERLE (SCI)	Equity Accounted	E1	France		Joint venture	50.0		50.0	
Other									
ALTAREA	Equity Accounted		France		Associate	24.7	24.7	24.7	24.7
AMUNDI IT Services	Full		France		Subsidiary	99.6	99.6	69.5	69.5
ARCAPARK SAS	Equity Accounted	E1	France		Joint venture	50.0		50.0	
Azqore	Full	E2	Switzerland		Subsidiary	80.0		78.2	
Azqore SA Singapore Branch	*Full*	*E2*	*Singapour*	*Switzerland*	*Branch*	*100.0*		*97.8*	
CA Indosuez Wealth (Asset Management)	Full		Luxembourg		Subsidiary	100.0	100.0	97.8	97.8
CACI Gestion	Full	S1	France		Subsidiary		99.0		99.0
Crédit Agricole Assurances Solutions	Full		France		Subsidiary	100.0	100.0	100.0	100.0
EUROPEAN MOTORWAY INVESTMENTS 1	Full		Luxembourg		Subsidiary	60.0	60.0	60.0	60.0
FONCIERE HYPERSUD	Equity Accounted		France		Joint venture	51.4	51.4	51.4	51.4
FREY	Equity Accounted		France		Associate	19.2	17.9	19.2	17.9
HOLDING EUROMARSEILLE	Full	E1	France		Subsidiary	100.0		100.0	
Icade	Equity Accounted		France		Associate	18.4	18.5	18.4	18.5
INFRA FOCH TOPCO	Equity Accounted		France		Associate	49.0	36.9	49.0	36.9
IRIS HOLDING FRANCE	Full	E1	France		Subsidiary	80.1		80.1	
KORIAN	Equity Accounted		France		Associate	23.2	23.0	23.2	23.0
PATRIMOINE ET COMMERCE	Equity Accounted		France		Associate	20.3	19.9	20.3	19.9
PREDICA ENERGIES DURABLES	Full	E1	France		Subsidiary	100.0		100.0	
PREDIPARK	Full		France		Subsidiary	100.0	100.0	100.0	100.0
RAMSAY – GENERALE DE SANTE	Equity Accounted		France		Associate	38.4	38.4	38.4	38.4
SA RESICO	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SAS CRISTAL	Equity Accounted	E1	France		Associate	46.0		46.0	
SAS PARHOLDING	Equity Accounted	E1	France		Associate	50.0		50.0	
SAS PREDI-RUNGIS	Full	E1	France		Subsidiary	85.0		85.0	
SH PREDICA ENERGIES DURABLES SAS	Full	E1	France		Subsidiary	99.7		99.7	
Via Vita	Full		France		Subsidiary	100.0	100.0	100.0	100.0
FRENCH RETAIL BANKING									
Banking and financial institutions									
Banque Thémis	Full	S2	France		Subsidiary		100.0		95.1
Interfimo	Full		France		Subsidiary	99.0	99.0	94.6	94.1
LCL	Full		France		Subsidiary	95.6	95.1	95.6	95.1

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
LCL succursale de Monaco	*Full*		*Monaco*	*France*	*Branch*	*95.6*	*95.1*	*95.6*	*95.1*
Lease financing companies									
Investment companies									
Tourism - property development									
Angle Neuf	Full	E1	France		Subsidiary	100.0		95.6	
Other									
C.L. Verwaltungs und Beteiligungsgesellschaft GmbH	Full		Germany		Subsidiary	100.0	100.0	95.6	95.1
Crédit Lyonnais Développement Économique (CLDE)	Full		France		Subsidiary	100.0	100.0	95.6	95.1
INTERNATIONAL RETAIL BANKING									
Banking and financial institutions									
Arc Broker	Full		Poland		Subsidiary	100.0	100.0	100.0	100.0
CASSA DI RISPARMIO DI CESENA S.P.A.	Full	S4	Italy		Subsidiary		95.3		73.1
CASSA DI RISPARMIO DI RIMINI S.P.A.	Full	S4	Italy		Subsidiary		95.4		73.2
CASSA DI RISPARMIO DI SAN MINIATO S.P.A.	Full	S4	Italy		Subsidiary		95.6		73.3
CREDIT AGRICOLE BANK	Full		Ukraine		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Bank Polska S.A.	Full		Poland		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Banka Srbija a.d. Novi Sad	Full		Serbia		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Cariparma	Full		Italy		Subsidiary	76.9	76.7	76.9	76.7
Crédit Agricole Carispezia S.p.A.	Full		Italy		Subsidiary	80.0	80.0	61.5	61.4
Crédit Agricole Egypt S.A.E.	Full		Egypt		Subsidiary	60.5	60.5	60.2	60.2
Crédit Agricole Friuladria S.p.A.	Full		Italy		Subsidiary	81.3	81.3	62.5	62.4
Crédit Agricole Group Solutions	Full		Italy		Consolidated structured entity	100.0	100.0	75.2	75.0
Crédit Agricole Leasing Italia	Full		Italy		Subsidiary	100.0	100.0	80.4	80.2
Crédit Agricole Polska S.A.	Full		Poland		Subsidiary	100.0	100.0	100.0	100.0
Credit Agricole Romania	Full		Romania		Subsidiary	100.0	100.0	100.0	100.0
Credit Agricole Service sp z o.o.	Full		Poland		Subsidiary	100.0	100.0	100.0	100.0
Crédit du Maroc	Full		Morocco		Subsidiary	78.7	78.7	78.7	78.7
Lukas Finanse S.A.	Full		Poland		Subsidiary	100.0	100.0	100.0	100.0
Other									
Crédit du Maroc Succursale de France	*Full*	*D4 ; S1*	*France*	*Morocco*	*Branch*		*78.7*		*78.7*
IUB Holding	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SPECIALISED FINANCIAL SERVICES									

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
Banking and financial institutions									
Agos	Full		Italy		Subsidiary	61.0	61.0	61.0	61.0
Alsolia	Full	D2	France		Associate	100.0	20.0	100.0	20.0
Antera Incasso B.V.	Full	S1	Netherlands		Subsidiary		100.0		100.0
Crealfi	Full		France		Subsidiary	51.0	51.0	51.0	51.0
Credibom	Full		Portugal		Subsidiary	100.0	100.0	100.0	100.0
Crediet Maatschappij " De Ijssel" B.V.	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Consumer Finance	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Consumer Finance Nederland	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
Crédit LIFT	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Creditplus Bank AG	Full		Germany		Subsidiary	100.0	100.0	100.0	100.0
De Kredietdesk B.V.	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
DE NEDERLANDSE VOORSCHOTBANK BV	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
EFL Services	Full		Poland		Subsidiary	100.0	100.0	100.0	100.0
EUROFACTOR GmbH	Full		Germany		Subsidiary	100.0	100.0	100.0	100.0
Eurofactor Italia S.p.A.	Full		Italy		Subsidiary	100.0	100.0	100.0	100.0
EUROFACTOR NEDERLAND	*Full*		*Netherlands*	*Germany*	*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
EUROFACTOR POLSKA S.A.	Full		Poland		Subsidiary	100.0	100.0	100.0	100.0
Eurofactor SA - NV (Benelux)	*Full*		*Belgium*		*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
Eurofactor S.A. (Portugal)	Full		Portugal		Subsidiary	100.0	100.0	100.0	100.0
Eurofintus Financieringen B.V.	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
FCA Automotive Services UK Ltd	Equity Accounted		United Kingdom		Joint venture	50.0	50.0	50.0	50.0
FCA Bank	Equity Accounted		Italy		Joint venture	50.0	50.0	50.0	50.0
FCA Bank Gmbh, Hellenic Branch	Equity Accounted		Greece		Joint venture	50.0	50.0	50.0	50.0
FCA BANK SPA, IRISH BRANCH	Equity Accounted		Ireland		Joint venture	50.0	50.0	50.0	50.0
FCA Bank Germany GmbH	Equity Accounted		Germany		Joint venture	50.0	50.0	50.0	50.0
FCA Bank GmbH	Equity Accounted		Austria		Joint venture	50.0	50.0	50.0	50.0
FCA Capital Belgium S.A.	Equity Accounted		Belgium		Joint venture	50.0	50.0	50.0	50.0
FCA Capital Danmark A/S	Equity Accounted		Denmark		Joint venture	50.0	50.0	50.0	50.0
FCA Capital España EFC S.A.	Equity Accounted		Spain		Joint venture	50.0	50.0	50.0	50.0
FCA Capital France S.A.	Equity Accounted		France		Joint venture	50.0	50.0	50.0	50.0
FCA Capital Hellas S.A.	Equity Accounted		Greece		Joint venture	50.0	50.0	50.0	50.0
FCA Capital IFIC	Equity Accounted		Portugal		Joint venture	50.0	50.0	50.0	50.0
FCA Capital Nederland B.V.	Equity Accounted		Netherlands		Joint venture	50.0	50.0	50.0	50.0

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
FCA Capital Norge AS	Equity Accounted		Norway		Joint venture	50.0	50.0	50.0	50.0
FCA Capital Re Limited	Equity Accounted		Ireland		Joint venture	50.0	50.0	50.0	50.0
FCA Capital Suisse S.A.	Equity Accounted		Switzerland		Joint venture	50.0	50.0	50.0	50.0
FCA Capital Sverige	Equity Accounted		Sweden		Joint venture	50.0	50.0	50.0	50.0
FCA DEALER SERVICES ESPANA SA, Morocco Branch	Equity Accounted		Morocco	Spain	Joint venture	50.0	50.0	50.0	50.0
FCA Dealer services España, S.A.	Equity Accounted		Spain		Joint venture	50.0	50.0	50.0	50.0
FCA Dealer Services Portugal S.A.	Equity Accounted		Portugal		Joint venture	50.0	50.0	50.0	50.0
FCA Dealer Services UK Ltd	Equity Accounted		United Kingdom		Joint venture	50.0	50.0	50.0	50.0
FCA GROUP BANK POLSKA S.A.	Equity Accounted		Poland		Joint venture	50.0	50.0	50.0	50.0
FCA Insurance Hellas S.A.	Equity Accounted		Greece		Joint venture	50.0	50.0	50.0	50.0
FCA Leasing France	Equity Accounted		France		Joint venture	50.0	50.0	50.0	50.0
FCA Leasing Polska	Equity Accounted		Poland		Joint venture	50.0	50.0	50.0	50.0
FCA Leasing GmbH	Equity Accounted		Austria		Joint venture	50.0	50.0	50.0	50.0
FERRARI FINANCIAL SERVICES GMBH	Equity Accounted		Germany		Joint venture	50.0	50.0	25.5	25.0
FERRARI FINANCIAL SERVICES GMBH, UK Branch	Equity Accounted	E2	United Kingdom		Joint venture	50.0		25.5	
FGA Capital Danmark A/S, Finland Branch	Equity Accounted		Finland		Joint venture	50.0	50.0	50.0	50.0
Financierings Data Netwerk B.V.	Equity Accounted		Netherlands		Joint venture	50.0	50.0	50.0	50.0
Finaref Assurances S.A.S.	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Finata Bank N.V.	Full	S4	Netherlands		Subsidiary		100.0		100.0
Finata Zuid-Nederland B.V.	Full		Netherlands		Subsidiary	98.1	98.1	98.1	98.1
FORSO Denmark	Equity Accounted	D4 ; S2	Denmark		Joint venture		50.0		50.0
Forso Finance OY	Equity Accounted	D4 ; S2	Finland		Joint venture		50.0		50.0
Forso Nordic A.B.	Equity Accounted	D4 ; S2	Sweden		Joint venture		50.0		50.0
Forso Norge	Equity Accounted	D4 ; S2	Norway		Joint venture		50.0		50.0
GAC - Sofinco Auto Finance Co.	Equity Accounted		China		Associate	50.0	50.0	50.0	50.0
GSA Ltd	Full		Mauritius		Subsidiary	100.0	100.0	100.0	100.0
IDM Finance B.V.	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
IDM Financieringen B.V.	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
IDM lease maatschappij B.V.	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
Iebe Lease B.V.	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
INTERBANK NV	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
INTERMEDIAIRE VOORSCHOTBANK BV	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
Krediet '78 B.V.	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
Leasys	Equity Accounted		Italy		Joint venture	50.0	50.0	50.0	50.0

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control		% interest	
						12/31/2018	12/31/2017	12/31/2018	12/31/2017
LEASYS France S.A.S	Equity Accounted		France		Joint venture	50.0	50.0	50.0	50.0
LEASYS Nederland	Equity Accounted	E2	Netherlands		Joint venture	50.0		50.0	
LEASYS SPA Belgian Branch	Equity Accounted	E2	Belgium		Joint venture	50.0		50.0	
LEASYS SPA GERMAN BRANCH	Equity Accounted		Germany		Joint venture	50.0	50.0	50.0	50.0
LEASYS SPA SUCURSAL ESPANA	Equity Accounted		Spain		Joint venture	50.0	50.0	50.0	50.0
Leasys UK Ltd	Equity Accounted	D1	United Kingdom		Joint venture	50.0	50.0	50.0	50.0
Mahuko Financieringen B.V.	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
Menafinance	Equity Accounted		France		Joint venture	50.0	50.0	50.0	50.0
Money Care B.V.	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
NL Findio B.V	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
RIBANK NV	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
SMART PREPAID	Equity Accounted	S2	France		Associate		49.0		49.0
Sofinco Participations	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Ste Européenne de Développement d'Assurances	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Ste Européenne de Développement d'Assurances, Succursale du Maroc	*Full*	*D3*	*Morocco*		*Branch*	*100.0*		*100.0*	
Ste Européenne de Développement du Financement	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Themis Courtage	Equity Accounted		Morocco		Associate	49.0	49.0	49.0	49.0
Ucafleet	Equity Accounted		France		Associate	35.0	35.0	35.0	35.0
VoordeelBank B.V.	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
Wafasalaf	Equity Accounted		Morocco		Associate	49.0	49.0	49.0	49.0
WINRENT	Equity Accounted	E3	Italy		Joint venture	50.0		50.0	
Lease financing companies									
Auxifip	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Carefleet S.A.	Full		Poland		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Leasing & Factoring	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Leasing & Factoring, Sucursal en Espana	*Full*		*Spain*	*France*	*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
Crédit du Maroc Leasing et Factoring	Full		Morocco		Subsidiary	100.0	100.0	85.8	85.8
Europejski Fundusz Leasingowy (E.F.L.)	Full		Poland		Subsidiary	100.0	100.0	100.0	100.0
Finamur	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Lixxbail	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Lixxcourtage	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Lixxcredit	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Unifergie	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Investment companies									

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
Insurance									
ARES Reinsurance Ltd.	Full		Ireland		Subsidiary	100.0	100.0	61.0	61.0
Other									
A-BEST ELEVEN UG	Equity Accounted		Germany		Structured joint venture	50.0	50.0	50.0	50.0
A-BEST FIFTEEN	Equity Accounted		Italy		Structured joint venture	50.0	50.0	50.0	50.0
A-BEST FOUR	Equity Accounted	S1	Italy		Structured joint venture		50.0		50.0
A-BEST FOURTEEN	Equity Accounted		Italy		Structured joint venture	50.0	50.0	50.0	50.0
A-BEST NINE SRL	Equity Accounted		Italy		Structured joint venture	50.0	50.0	50.0	50.0
A-BEST Ten SRL	Equity Accounted		Italy		Structured joint venture	50.0	50.0	50.0	50.0
A-BEST THIRTEEN	Equity Accounted		Spain		Structured joint venture	50.0	50.0	50.0	50.0
A-BEST TWELVE	Equity Accounted		Italy		Structured joint venture	50.0	50.0	50.0	50.0
EFL Finance S.A.	Full		Poland		Subsidiary	100.0	100.0	100.0	100.0
EFL Lease Abs 2017-1 Designated Activity Company	Full		Ireland		Consolidated structured entity	100.0	100.0	100.0	100.0
ERASMUS FINANCE	Equity Accounted		Ireland		Structured joint venture	50.0	50.0	50.0	50.0
FAST THREE SRL	Equity Accounted		Italy		Structured joint venture	50.0	50.0	50.0	50.0
FCT GINGKO CLOANS 2013-1	Full	S1	France		Consolidated structured entity		100.0		100.0
FCT GINGKO DEBT CONSO 2015-1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT GINGKO PERSONAL LOANS 2016-1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT GINGKO PLOANS 2015-1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT GINGKO SALES FIN 2014-1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT GINGKO SALES FINANCE 2015-1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT GINKGO MASTER REVOLVING LOANS	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT GINKGO SALES FINANCE 2017-1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
GAC - SOFINCO 2014-01	Equity Accounted		China		Structured Associate	50.0	50.0	50.0	50.0
Green FCT Lease	Full	S1	France		Consolidated structured entity		100.0		100.0
MATSUBA BV	Full		Netherlands		Consolidated structured entity	100.0	100.0	100.0	100.0
NIXES SEVEN SRL	Equity Accounted		Netherlands		Structured joint venture	50.0	50.0	50.0	50.0
NIXES SIX (LTD)	Equity Accounted		Italy		Structured joint venture	50.0	50.0	50.0	50.0
OCHIBA 2015 B.V	Full		Netherlands		Consolidated structured entity	100.0	100.0	100.0	100.0
RETAIL CONSUMER CP GERMANY 2016 UG	Full		Germany		Consolidated structured entity	100.0	100.0	100.0	100.0
SUNRISE SPV 20 SRL	Full		Italy		Consolidated structured entity	100.0	100.0	100.0	100.0
SUNRISE SPV 30 SRL	Full		Italy		Consolidated structured entity	100.0	100.0	100.0	100.0
SUNRISE SPV 40 SRL	Full	E2	Italy		Consolidated structured entity	100.0		100.0	
SUNRISE SPV 50 SRL	Full	E2	Italy		Consolidated structured entity	100.0		100.0	

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
SUNRISE SRL	Full		Italy		Consolidated structured entity	100.0	100.0	100.0	100.0
THETIS FINANCE 2015-1	Full		Portugal		Consolidated structured entity	100.0	100.0	100.0	100.0
CORPORATE AND INVESTMENT BANKING									
Banking and financial institutions									
Banco Crédit Agricole Brasil S.A.	Full		Brazil		Subsidiary	100.0	100.0	97.8	97.8
CACEIS (Canada) Ltd.	Full	D4 ; S2	Canada		Subsidiary		100.0		100.0
CACEIS (USA) Inc.	Full	D4 ; S2	United States		Subsidiary		100.0		100.0
CACEIS Bank	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CACEIS Bank S.A., Germany Branch	*Full*		*Germany*		*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
CACEIS Bank, Belgium Branch	*Full*		*Belgium*		*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
CACEIS Bank, Ireland Branch	*Full*		*Ireland*		*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
CACEIS Bank, Italy Branch	*Full*		*Italy*		*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
CACEIS Bank, Luxembourg Branch	*Full*		*Luxembourg*		*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
CACEIS Bank, Netherlands Branch	*Full*		*Netherlands*		*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
CACEIS Bank, Switzerland Branch	*Full*		*Switzerland*		*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
CACEIS Bank, UK Branch	*Full*		*United Kingdom*		*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
CACEIS Belgium	Full		Belgium		Subsidiary	100.0	100.0	100.0	100.0
CACEIS Corporate Trust	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CACEIS Fund Administration	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CACEIS Ireland Limited	Full		Ireland		Subsidiary	100.0	100.0	100.0	100.0
CACEIS S.A.	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CACEIS Switzerland S.A.	Full		Switzerland		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agriciole CIB (Belgique)	*Full*		*Belgium*	*France*	*Branch*	*97.8*	*97.8*	*97.8*	*97.8*
Crédit Agricole CIB (ABU DHABI)	*Full*		*United Arab Emirates*	*France*	*Branch*	*97.8*	*97.8*	*97.8*	*97.8*
Crédit Agricole CIB (Allemagne)	*Full*		*Germany*	*France*	*Branch*	*97.8*	*97.8*	*97.8*	*97.8*
Crédit Agricole CIB (Canada)	*Full*		*Canada*	*France*	*Branch*	*97.8*	*97.8*	*97.8*	*97.8*
Crédit Agricole CIB (Corée du Sud)	*Full*		*South Korea*	*France*	*Branch*	*97.8*	*97.8*	*97.8*	*97.8*
Crédit Agricole CIB (Dubai DIFC)	*Full*		*United Arab Emirates*	*France*	*Branch*	*97.8*	*97.8*	*97.8*	*97.8*
Crédit Agricole CIB (Dubai)	*Full*		*United Arab Emirates*	*France*	*Branch*	*97.8*	*97.8*	*97.8*	*97.8*
Crédit Agricole CIB (Espagne)	*Full*		*Spain*	*France*	*Branch*	*97.8*	*97.8*	*97.8*	*97.8*
Crédit Agricole CIB (Etats-Unis)	*Full*		*United States*	*France*	*Branch*	*97.8*	*97.8*	*97.8*	*97.8*
Crédit Agricole CIB (Finlande)	*Full*		*Finland*	*France*	*Branch*	*97.8*	*97.8*	*97.8*	*97.8*
Crédit Agricole CIB (Hong-Kong)	*Full*		*Hong Kong*	*France*	*Branch*	*97.8*	*97.8*	*97.8*	*97.8*
Crédit Agricole CIB (Inde)	*Full*		*India*	*France*	*Branch*	*97.8*	*97.8*	*97.8*	*97.8*

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control		% interest	
						12/31/2018	12/31/2017	12/31/2018	12/31/2017
Crédit Agricole CIB (Italie)	Full		Italy	France	Branch	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Japon)	Full		Japan	France	Branch	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Luxembourg)	Full		Luxembourg	France	Branch	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Miami)	Full		United States	France	Branch	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Royaume-Uni)	Full		United Kingdom	France	Branch	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Singapour)	Full		Singapour	France	Branch	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Suède)	Full		Sweden	France	Branch	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Taipei)	Full		Taiwan	France	Branch	97.8	97.8	97.8	97.8
Crédit Agricole CIB Algérie Bank Spa	Full		Algeria		Subsidiary	100.0	100.0	97.8	97.8
Crédit Agricole CIB AO	Full		Russia		Subsidiary	100.0	100.0	97.8	97.8
Crédit Agricole CIB Australia Ltd.	Full		Australia		Subsidiary	100.0	100.0	97.8	97.8
Crédit Agricole CIB China Ltd.	Full		China		Subsidiary	100.0	100.0	97.8	97.8
Crédit Agricole CIB China Ltd. Chinese Branch	Full		China		Branch	100.0	100.0	97.8	97.8
Crédit Agricole CIB S.A.	Full		France		Subsidiary	97.8	97.8	97.8	97.8
Crédit Agricole CIB Services Private Ltd.	Full		India		Subsidiary	100.0	100.0	97.8	97.8
Ester Finance Titrisation	Full		France		Subsidiary	100.0	100.0	97.8	97.8
UBAF	Equity Accounted		France		Joint venture	47.0	47.0	46.0	46.0
UBAF (Corée du Sud)	Equity Accounted		South Korea	France	Joint venture	47.0	47.0	46.0	46.0
UBAF (Japon)	Equity Accounted		Japan	France	Joint venture	47.0	47.0	46.0	46.0
UBAF (Singapour)	Equity Accounted		Singapour	France	Joint venture	47.0	47.0	46.0	46.0
Stockbrokers									
Credit Agricole Securities (Asia) Limited Hong Kong	Full		Hong Kong		Subsidiary	100.0	100.0	97.8	97.8
Credit Agricole Securities (Asia) Limited Seoul Branch	Full		South Korea		Branch	100.0	100.0	97.8	97.8
Crédit Agricole Securities (USA) Inc	Full		United States		Subsidiary	100.0	100.0	97.8	97.8
Crédit Agricole Securities Asia BV (Tokyo)	Full		Japan	Netherlands	Branch	100.0	100.0	97.8	97.8
Investment companies									
CLTR	Full	S3	France		Subsidiary		100.0		97.8
Compagnie Française de l'Asie (CFA)	Full		France		Subsidiary	100.0	100.0	97.8	97.8
Crédit Agricole CIB Air Finance S.A.	Full		France		Subsidiary	100.0	100.0	97.8	97.8
Crédit Agricole CIB Holdings Ltd.	Full		United Kingdom		Subsidiary	100.0	100.0	97.8	97.8
Crédit Agricole Global Partners Inc.	Full		United States		Subsidiary	100.0	100.0	97.8	97.8
Crédit Agricole Securities Asia BV	Full		Netherlands		Subsidiary	100.0	100.0	97.8	97.8
Doumer Finance S.A.S.	Full		France		Subsidiary	100.0	100.0	97.8	97.8
Fininvest	Full		France		Subsidiary	98.3	98.3	96.1	96.1

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
Fletirec	Full		France		Subsidiary	100.0	100.0	97.8	97.8
I.P.F.O.	Full		France		Subsidiary	100.0	100.0	97.8	97.8
Igasus LLC	Full	S3	United States		Subsidiary		100.0		97.8
Insurance									
CAIRS Assurance S.A.	Full		France		Subsidiary	100.0	100.0	97.8	97.8
Other									
Atlantic Asset Securitization LLC	Full		United States		Consolidated structured entity	100.0	100.0	-	-
Benelpart	Full		Belgium		Subsidiary	100.0	100.0	95.3	95.3
Calixis Finance	Full		France		Consolidated structured entity	100.0	100.0	97.8	97.8
Calliope SRL	Full		Italy		Consolidated structured entity	100.0	100.0	97.8	97.8
Clifap	Full		France		Subsidiary	100.0	100.0	97.8	97.8
Crédit Agricole America Services Inc.	Full		United States		Subsidiary	100.0	100.0	97.8	97.8
Crédit Agricole Asia Shipfinance Ltd.	Full		Hong Kong		Subsidiary	100.0	100.0	97.8	97.8
Crédit Agricole CIB Finance (Guernsey) Ltd.	Full		Guernsey		Consolidated structured entity	99.9	99.9	97.7	97.7
Crédit Agricole CIB Financial Prod. (Guernsey) Ltd.	Full		Guernsey		Consolidated structured entity	99.9	99.9	97.7	97.7
Crédit Agricole CIB Financial Solutions	Full		France		Consolidated structured entity	99.9	99.7	97.7	97.5
Crédit Agricole CIB Global Banking	Full		France		Subsidiary	100.0	100.0	97.8	97.8
Crédit Agricole CIB Pension Limited Partnership	Full		United Kingdom		Consolidated structured entity	100.0	100.0	97.8	97.8
Crédit Agricole CIB Transactions	Full	E1	France		Subsidiary	100.0		97.8	
Crédit Agricole Leasing (USA) Corp.	Full		United States		Subsidiary	100.0	100.0	97.8	97.8
DGAD International SARL	Full		Luxembourg		Subsidiary	100.0	100.0	97.8	97.8
Elipso Finance S.r.l	Equity Accounted		Italy		Structured joint venture	50.0	50.0	48.9	48.9
ESNI (compartiment Crédit Agricole CIB)	Full		France		Consolidated structured entity	100.0	100.0	97.8	97.8
Eucalyptus FCT	Full		France		Consolidated structured entity	100.0	100.0	-	-
FIC-FIDC	Full		Brazil		Consolidated structured entity	100.0	100.0	97.8	97.8
Financière des Scarabées	Full		Belgium		Subsidiary	100.0	100.0	96.5	96.5
Financière Lumis	Full		France		Subsidiary	100.0	100.0	97.8	97.8
Fundo A De Investimento Multimercado	Full		Brazil		Consolidated structured entity	100.0	100.0	97.8	97.8
Héphaïstos EUR FCC	Full		France		Consolidated structured entity	100.0	100.0	-	-
Héphaïstos GBP FCT	Full		France		Consolidated structured entity	100.0	100.0	-	-
Héphaïstos Multidevises FCT	Full		France		Consolidated structured entity	100.0	100.0	-	-
Héphaïstos USD FCT	Full		France		Consolidated structured entity	100.0	100.0	-	-
Indosuez Holding SCA II	Full		Luxembourg		Consolidated structured entity	100.0	100.0	97.8	97.8
Indosuez Management Luxembourg II	Full		Luxembourg		Consolidated structured entity	100.0	100.0	97.8	97.8

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
Investor Service House S.A.	Full		Luxembourg		Subsidiary	100.0	100.0	100.0	100.0
Island Refinancing SRL	Full		Italy		Consolidated structured entity	100.0	100.0	97.8	97.8
ItalAsset Finance SRL	Full		Italy		Consolidated structured entity	100.0	100.0	97.8	97.8
La Fayette Asset Securitization LLC	Full		United States		Consolidated structured entity	100.0	100.0	-	-
La Route Avance	Full	E2	France		Consolidated structured entity	100.0		-	
Lafina	Full		Belgium		Subsidiary	100.0	100.0	95.6	95.6
LMA SA	Full		France		Consolidated structured entity	100.0	100.0	-	-
Merisma	Full		France		Consolidated structured entity	100.0	100.0	97.8	97.8
Molinier Finances	Full		France		Subsidiary	100.0	100.0	95.0	95.0
Pacific EUR FCC	Full		France		Consolidated structured entity	100.0	100.0	-	-
Pacific IT FCT	Full		France		Consolidated structured entity	100.0	100.0	-	-
Pacific USD FCT	Full		France		Consolidated structured entity	100.0	100.0	-	-
Partinvest S.A.	Full		Luxembourg		Subsidiary	100.0	100.0	100.0	100.0
Placements et réalisations immobilières (SNC)	Full		France		Subsidiary	100.0	100.0	95.3	95.3
Sagrantino Italy SRL	Full		Italy		Consolidated structured entity	100.0	100.0	97.8	97.8
Shark FCC	Full		France		Consolidated structured entity	100.0	100.0	-	-
SNGI	Full		France		Subsidiary	100.0	100.0	97.8	97.8
SNGI Belgium	Full		Belgium		Subsidiary	100.0	100.0	97.8	97.8
Sococlabecq	Full		Belgium		Subsidiary	100.0	100.0	95.6	95.6
Sofipac	Full		Belgium		Subsidiary	98.6	98.6	93.9	93.9
TCB	Full		France		Subsidiary	98.7	98.7	95.3	95.3
Triple P FCC	Full		France		Consolidated structured entity	100.0	100.0	-	-
TSUBAKI OFF (FCT)	Full		France		Consolidated structured entity	100.0	100.0	-	-
TSUBAKI ON (FCT)	Full		France		Consolidated structured entity	100.0	100.0	-	-
Vulcain EUR FCT	Full		France		Consolidated structured entity	100.0	100.0	-	-
Vulcain Multi-Devises FCT	Full		France		Consolidated structured entity	100.0	100.0	-	-
Vulcain USD FCT	Full		France		Consolidated structured entity	100.0	100.0	-	-
CORPORATE CENTRE									
Crédit Agricole S.A.									
Crédit Agricole S.A.	Parent		France		Parent company	100.0	100.0	100.0	100.0
Succursale Credit Agricole SA	*Full*		*United Kingdom*	*France*	*Branch*	*100.0*	*100.0*	*100.0*	*100.0*
Banking and financial institutions									
Caisse régionale de Crédit Agricole mutuel de la Corse	Full		France		Subsidiary	99.9	99.9	99.9	99.9
CL Développement de la Corse	Full		France		Subsidiary	99.9	99.9	99.9	99.9

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control 12/31/2018	% control 12/31/2017	% interest 12/31/2018	% interest 12/31/2017
Crédit Agricole Home Loan SFH	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Foncaris	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Investment companies									
Crédit Agricole Capital Investissement et Finance (CACIF)	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Delfinances	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Sodica	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Other									
CA Grands Crus	Full		France		Subsidiary	77.9	77.9	77.9	77.9
Cariou Holding	Full		France		Subsidiary	50.0	50.0	50.0	50.0
Crédit Agricole Agriculture	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Immobilier	Equity Accounted		France		Joint venture	50.0	50.0	50.0	50.0
Crédit Agricole Payment Services	Full		France		Consolidated structured entity	50.2	50.2	50.2	50.2
Crédit Agricole Public Sector SCF	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Crédit Agricole Régions Développement	Full		France		Subsidiary	81.7	81.7	81.7	81.7
ESNI (compartiment Crédit Agricole S.A.)	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT Crédit Agricole Habitat 2015 Compartiment Corse	Full		France		Consolidated structured entity	100.0	100.0	99.9	99.9
FCT Crédit Agricole Habitat 2017 Compartiment Corse	Full		France		Consolidated structured entity	100.0	100.0	99.9	99.9
FCT Crédit Agricole Habitat 2018 Compartiment Corse	Full	E2	France		Consolidated structured entity	100.0		99.9	
FIRECA	Full		France		Subsidiary	51.0	51.0	51.0	51.0
IDIA	Full		France		Subsidiary	100.0	100.0	100.0	100.0
IDIA DEVELOPPEMENT	Full	E1	France		Subsidiary	100.0		100.0	
IDIA PARTICIPATIONS	Full	E1	France		Subsidiary	100.0		100.0	
S.A.S. Evergreen Montrouge	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
SCI D2 CAM	Equity Accounted		France		Joint venture	50.0	50.0	50.0	50.0
SCI Quentyvel	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SILCA	Full		France		Consolidated structured entity	100.0	100.0	97.9	97.9
SNC Kalliste Assur	Full		France		Subsidiary	100.0	100.0	99.9	99.9
Uni-medias	Full	D1	France		Subsidiary	100.0	100.0	100.0	100.0
Tourism - property development									
Crédit Agricole Immobilier Promotion	Equity Accounted		France		Joint venture	50.0	50.0	50.0	50.0
Crédit Agricole Immobilier Services	Equity Accounted		France		Joint venture	50.0	50.0	50.0	50.0
SNC Eole	Equity Accounted	S3	France		Joint venture		50.0		50.0
SO.GI.CO	Equity Accounted		France		Joint venture	50.0	50.0	50.0	50.0

(a) Scope changes

Inclusions (E) into the scope of consolidation :

E1 : Breach of threshold

E2 : Creation

E3 : Acquisition (including controlling interests)

Exclusions (S) from the scope of consolidation :

S1 : Discontinuation of business (including dissolution and liquidation)

S2 : Sale to non-Group companies or deconsolidation following loss of control

S3 : Deconsolidated due to non-materiality

S4 : Merger or takeover

S5 : Transfer of all assets and liabilities

Other (D):

D1 : Change of company name

D2 : Change in consolidation method

D3 : First time listed in the Note on scope of consolidation

D4 : IFRS 5 entities

(n) Nature of control

Subsidiary

Branch

Consolidated structured entity

Joint Venture

Structured joint venture

Joint operation

Associate

Structured associate

NOTE 12 Investments in non-consolidated companies and structured entities

12.1 Information on subsidiaries

This line item amounted to €12,170 million at 31 December 2018, compared with €12,277 million at 31 December 2017. At 31 December 2018, the main investment in non-consolidated companies where percentage of control is greater than 20% and which have significant value on the balance sheet is Crédit Logement (shares A and B). The Group's investment represents 32.49% of Crédit Logement's capital and amounts to €522 million but does not confer any significant influence over this entity, which is jointly held by various French banks and companies.

12.1.1 NON-CONSOLIDATED CONTROLLED ENTITIES

Information relating to conventional entities under exclusive control, under joint control and subject to significant influence, and to controlled structured entities not included in the scope of consolidation are available on the Crédit Agricole S.A. Group website at the time of publication of the Registration Document.

12.1.2 MATERIAL NON-CONSOLIDATED EQUITY INVESTMENTS

Material equity investments accounting for a fraction of capital greater than or equal to 10% and not included in the scope of consolidation are presented in a table available online on the Crédit Agricole S.A. website at the time of publication of the Registration Document.

12.2 Non-consolidated structured entities

INFORMATION ON THE NATURE AND EXTENT OF INTERESTS HELD

At 31 December 2018, Crédit Agricole S.A. Group entities had interests in certain non-consolidated structured entities, the main characteristics of which are presented below on the basis of their type of activity:

Securitisation

Crédit Agricole S.A. Group, mainly through its subsidiaries in the Large customers business line, is tasked with structuring securitisation vehicles through the purchase of trade or financial receivables. The vehicles fund such purchases by issuing multiple tranches of debt and equity investments, with repayment being linked to the performance of the assets in such vehicles. It invests in and provides liquidity facilities to the securitisation vehicles it has sponsored on behalf of customers.

Asset management

Crédit Agricole S.A. Group, through its subsidiaries in the Asset gathering business line, structures and manages entities on behalf of customers wishing to invest in specific assets in order to obtain the best possible return having regard to the chosen level of risk. Crédit Agricole S.A. Group entities may thus either be required to hold interests in such entities in order to ensure a successful launch or to guarantee the performance of such structures.

Investment funds

Entities in the Crédit Agricole S.A. Group Asset gathering business line invest in companies established to meet investor demand in connection with treasury management and with the investment of insurance premiums received from insurance company customers, in accordance with the regulatory provisions in the French Insurance Code. Insurance company investments cover commitments to policyholders over the life of insurance policies.

Their value and returns are correlated to these commitments.

Structured finance

Lastly, Crédit Agricole S.A. Group, *via* its subsidiaries in the Large customers business line, is involved in special purpose asset acquisition entities. These entities may take the form of asset financing companies or lease financing companies. In structured entities, the financing is secured by the asset. The Group's involvement is often limited to the financing or to financing commitments.

Sponsored entities

Crédit Agricole S.A. Group sponsors structured entities in the following instances:

- Crédit Agricole S.A. Group is involved in establishing the entity and that involvement, which is remunerated, is deemed essential for ensuring the proper completion of transactions;

- structuring takes place at the request of Crédit Agricole S.A. Group and it is the main user thereof;
- Crédit Agricole S.A. Group transfers its own assets to the structured entity;
- Crédit Agricole S.A. Group is the manager;
- The name of a subsidiary or of the parent company of Crédit Agricole S.A. Group is linked to the name of the structured entity or of the financial instruments issued by it.

Gross revenues from sponsored entities mainly comprise commissions in securitisation and investment funds, in which Crédit Agricole Assurances and Crédit Agricole CIB do not hold any interests at the reporting date. For Crédit Agricole Assurances they amount to -€2 millions and for Crédit Agricole CIB €4 millions at 31 December 2018.

INFORMATION ON THE RISKS RELATED TO INTERESTS

Financial support for structured entities

In 2018, Crédit Agricole S.A. did not provide financial support to any non-consolidated structured entities.

At 31 December 2018, Crédit Agricole S.A. did not intend to provide financial support to any non-consolidated structured entities.

Risks associated with interests in non-consolidated structured entities

	31/12/2018															
	Securitisation vehicules				Asset management				Investments funds [1]				Structured finance [1]			
		Maximum loss				Maximum loss				Maximum loss				Maximum loss		
(in millions of euros)	**Carrying amount**	*Maximum exposure to losses*	*Guarantees received and other credit enhancements*	*Net exposure*	**Carrying amount**	*Maximum exposure to losses*	*Guarantees received and other credit enhancements*	*Net exposure*	**Carrying amount**	*Maximum exposure to losses*	*Guarantees received and other credit enhancements*	*Net exposure*	**Carrying amount**	*Maximum exposure to losses*	*Guarantees received and other credit enhancements*	*Net exposure*
Financial assets at fair value through profit or loss	66	66	-	66	2,101	2,101	-	2,101	33,254	33,254	-	33,151	35	35	-	35
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	1	1	-	1	12	12	-	12
Financial assets at amortised cost	16,537	16,540	152	16,388	-	-	-	-	-	-	-	-	2,346	2,346	-	2,346
Total Assets recognised relating to non-consolidated structured entities	**16,603**	**16,606**	**152**	**16,454**	**2,101**	**2,101**	**-**	**2,101**	**33,254**	**33,254**	**-**	**33,152**	**2,393**	**2,393**	**-**	**2,393**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	43	-	-	43	833	833	-	833	1,055	15	-	15	4	-	-	4
Liabilities	173	-	-	-	-	-	-	-	-	-	-	-	569	-	-	-
Total Liabilities recognised relating to non-consolidated structured entities	**215**	**-**	**-**	**43**	**833**	**833**	**-**	**833**	**1,055**	**15**	**-**	**15**	**573**	**-**	**-**	**4**
Commitments given	**-**	**5,484**	**-**	**5,484**	**-**	**20,098**	**302**	**19,827**	**-**	**1,920**	**-**	**1,920**	**-**	**1,445**	**-**	**1,445**
Financing commitments	-	5,387	-	5,387	-	-	-	-	-	-	-	-	-	1,258	-	1,258
Guarantee commitments	-	-	-	-	-	20,129	302	19,827	-	-	-	-	-	187	-	187
Other	-	97	-	97	-	-	-	-	-	1,920	-	1,920	-	-	-	-
Provisions for execution risks - commitments given	-	-	-	-	-	(31)	-	-	-	-	-	-	-	-	-	-
Total Commitments (net of provision) to non-consolidated structured entities	**-**	**5,484**	**-**	**5,484**	**-**	**20,098**	**302**	**19,827**	**-**	**1,920**	**-**	**1,920**	**-**	**1,445**	**-**	**1,445**
Total Balance sheet relating to non-consolidated structured entities	**16,423**	**-**	**-**	**-**	**94,702**	**-**	**-**	**-**	**297,806**	**-**	**-**	**-**	**2,349**	**-**	**-**	**-**

[1] 1 Non-sponsored structured entities generate no specific risk related to the nature of the entity. Information concerning these exposures is set out in Note 3.1 "Credit risk" and Note " 3.2 "Market risk". These are investment funds in which the Group is not a manager, and structured financing entities in which the Group has only granted a loan.

	31/12/2017									
	Securisation vehicles				**Asset management**		**Investment Funds [1]**		**Structured finance [1]**	
		Maximum loss				Maximum loss		Maximum loss		Maximum loss
(in millions of euros)	*Carrying amount*	*Maximum exposure to losses*	*Guarantees received and other credit enhancements*	*Net exposure*	*Carrying amount*	*Maximum exposure to losses*	*Carrying amount*	*Maximum exposure to losses*	*Carrying amount*	*Maximum exposure to losses*
financial assets held for trading	238	238	-	238	705	705	390	390	50	50
Financial assets designated at fair value through profit or loss	-		-	-	813	813	30,580	30,580	-	-
Available-for-sale financial assets	212	212	22	190	665	665	4,813	4,813	741	741
Loans and receivables	20,580	20,438	-	20,438	-	-	49	49	2,593	2,593
Held to maturity finacial assets	-	-	-	-	-	-	-	-	-	-
Total asets recognised relating to non-consolidated stuctured entities	**21,030**	**20,888**	**22**	**20,866**	**2,183**	**2,183**	**35,832**	**35,832**	**3,385**	**3,385**
Equity instruments issued	11			-	-		-		-	
Fiancial liabilities held for trading	133			-	1,416		589		18	
Finanical liabilities designated at fair value through profit or loss	-			-	-		-		-	
Liabilities	856			-	-		180		565	
Total liabilities recognises designated relating to non-consolidated structured entities	**1,000**		**-**	**-**	**1,416**		**769**		**583**	
Commitments given										
Financing commitments		10,357		10,357		-		-		625
Guarantee commitments		-		-		21,322		-		417
Others		3		3		-		-		-
Provisions for execution risks - commitments given		-		-		(20)		-		-
Total commitments (net of provision) to non-consolidated structured entities		**10,360**		**10,360**		**21,302**		**-**		**1,043**
TOTAL BALANCE SHEET RELATING TO NON-CONSOLIDATED STRUCTURED ENTITIES	**21,914**				**86,014**		**311,250**		**2,674**	

[1] Non-sponsored structured entities generate no specific risk related to the nature of the entity. Information concerning these exposures is set out in Note 3.1 "Credit risk" and Note " 3.2 "Market risk". These are investment funds in which the Group is not a manager, and structured financing entities in which the Group has only granted a loan.

MAXIMUM EXPOSURE TO LOSS RISK

The maximum exposure to loss risk on financial instruments corresponds to the value recognised on the balance sheet, with the exception of option sale derivatives and credit default swaps for which the exposure corresponds to assets for the notional amount and to liabilities for the notional amount less the mark-to-market. The maximum exposure to loss risk on commitments given corresponds to the notional amount and the provision for commitments given in the amount recognised on the balance sheet.

NOTE 13 Events subsequent to 31 December 2018

No significant events took place after the balance sheet date.