



CRÉDIT AGRICOLE GROUP

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

CREDIT AGRICOLE GROUP

Crédit Agricole Group comprises 2,442 Local Banks, 39 Regional Banks, its central body "Crédit Agricole S.A." and their subsidiaries.

Crédit Agricole Mutuel was organised by the Act of 5 November 1894, which introduced the principle of creating Crédit Agricole's Local Banks, the Act of 31 March 1899, which federated the Local Banks into Crédit Agricole Regional Banks, and the Act of 5 August 1920, which created the Office National du Crédit Agricole, subsequently transformed into the Caisse Nationale de Crédit Agricole, and then Crédit Agricole S.A. Its role as central body was confirmed and clarified by the French Monetary and Financial Code.

Crédit Agricole Group is a banking group with a central body as defined by the European Union's first directive 77/780:

- the commitments of the central body and of the entities affiliated to it are joint and several;
- the solvency and liquidity of all affiliated entities are monitored together on the basis of consolidated financial statements.

For groups with a central body, directive 86/635 relating to the financial statements of European credit institutions stipulates that the whole group, consisting of the central body and its affiliated entities, must be covered by the consolidated financial statements prepared, audited and published in accordance with this directive.

In line with this directive, the central body and its affiliated entities make up the reporting entity. This reporting entity represents the community of interests created in particular by the system of crossguarantees, which ensure joint and several coverage of the commitments of Crédit Agricole Group network. In addition, the various texts mentioned in the first paragraph explain and organise the community of interests that exists at the legal, financial, economic and political levels between Crédit Agricole S.A., the Regional Banks and the Local Banks of Crédit Agricole Mutuel.

This community relies on a single financial relationship mechanism, a single economic and commercial policy and joint decision-making authorities which, for over a century, have formed the basis of Crédit Agricole Group.

In accordance with European regulation 1606/02, the reporting entity's consolidated financial statements are prepared under IFRS as adopted by the European Union. The reporting entity consists of the Local Banks, the Regional Banks and Crédit Agricole S.A. central body.

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 CCI) and the cooperative associate certificates (Certificats coopératifs d'associés or CCA) 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 Group are the consolidated companies, including companies accounted for using the equity method, and the Group's Senior Executives.

OTHER SHAREHOLDERS' AGREEMENT

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 Group companies can be found in Note 11 "Scope of consolidation at 31st 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 31st 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: €2,136 million ;
- amounts due to credit institutions: €1,068 million ;
- amounts due to customers: €181 million ;
- commitments given on financial instruments : €4,485 million ;
- commitments received on financial instruments : €5,082 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.

RELATIONS WITH SENIOR MANAGEMENT

Given the mutualist structure of Crédit Agricole Group and the broad scope of the reporting entities, the notion of "management" as defined by IAS 24 is not representative of the governance rules applied within Crédit Agricole Group.

Accordingly, the information required by IAS 24 concerning the compensation of key executives is not presented.

CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENT

<i>(in millions of euros)</i>	Notes	31/12/2018	31/12/2017
Interest and similar income	4.1	33,110	33,411
Interest and similar expenses	4.1	(14,594)	(13,734)
Fee and commission income	4.2	13,841	13,147
Fee and commission expenses	4.2	(4,153)	(3,438)
Net gains (losses) on financial instruments at fair value through profit or loss	4.3	(2,934)	4,525
<i>Net gains (losses) on held-for-trading assets/liabilities</i>		632	
<i>Net gains (losses) on other financial assets/liabilities at fair value through profit or loss</i>		(3,566)	
Net gains (losses) on financial instruments at fair value through other comprehensive income	4.4	231	
<i>Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or</i>		71	
<i>Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends)</i>		160	
Net gains (losses) on available-for-sale financial assets			3,301
Net gains (losses) arising from the derecognition of financial assets at amortised cost	4.5	(1)	
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	43,310	33,730
Expenses on other activities	4.6	(36,262)	(38,834)
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	5.3	291	
Revenues		32,839	32,108
Operating expenses	4.7	(20,266)	(19,699)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	4.8	(1,188)	(1,212)
Gross operating income		11,385	11,197
Cost of risk	4.9	(1,719)	(1,651)
Operating income		9,666	9,546
Share of net income of equity-accounted entities		266	732
Net gains (losses) on other assets	4.11	87	5
Change in value of goodwill	6.15	86	186
Pre-tax income		10,105	10,469
Income tax charge	4.11	(2,733)	(3,479)
Net income from discontinued operations		(3)	20
Net income		7,369	7,010
Non-controlling interests	6.20	525	474
NET INCOME GROUP SHARE		6,844	6,536

NET INCOME AND OTHER COMPREHENSIVE INCOME

<i>(in millions of euros)</i>	Notes	31/12/2018	31/12/2017
Net income		7,369	7,010
Actuarial gains and losses on post-employment benefits	4.12	50	-
Other comprehensive income on financial liabilities attributable to changes in own credit risk ¹	4.12	387	-
Other comprehensive income on equity instruments that will not be reclassified to profit or loss ¹	4.12	251	-
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	4.12	688	-
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	4.12	1	23
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	4.12	(271)	(37)
Income tax related to items accounted that will not be reclassified to profit or loss on equity-accounted entities	4.12	(3)	-
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	4.12	5	(7)
Other comprehensive income on items that will not be reclassified subsequently to profit or loss net of income tax	4.12	420	(21)
Gains and losses on translation adjustments	4.12	259	(710)
Gains and losses on available-for-sale financial assets			(500)
Other comprehensive income on debt instruments that may be reclassified to profit or loss	4.12	(1,340)	-
Gains and losses on hedging derivative instruments	4.12	(153)	(304)
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	(1,590)	(1,514)
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities, Group Share	4.12	(11)	(387)
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	4.12	570	355
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	4.12	1	(14)
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	(1,032)	(1,575)
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	4.12	(612)	(1,596)
NET INCOME AND OTHER COMPREHENSIVE INCOME		6,757	5,414
Of which Group share		6,259	4,968
Of which non-controlling interests		498	446

¹ Of which €86 million of items transferred to Reserves of items that cannot be reclassified (see Note 4.12)

BALANCE SHEET - ASSETS

<i>(in millions of euros)</i>	Notes	31/12/2018	01/01/2018	31/12/2017
Cash, central banks	6.1	70,584	54,113	54,119
Financial assets at fair value through profit or loss	3.1-6.2-6.6-6.7	372,142	372,053	320,306
<i>Financial assets held for trading</i>		223,229	220,581	
<i>Other financial instruments at fair value through profit or loss</i>		148,913	151,472	
Hedging derivative Instruments	3.2-3.4	15,829	18,599	18,605
Financial assets at fair value through other comprehensive income	3.1-6.4-6.6-6.7	264,981	269,229	
<i>Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss</i>		260,251	264,989	
<i>Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss</i>		4,730	4,240	
Available-for-sale financial assets				330,450
Financial assets at amortised cost	3.1-3.3-6.5-6.6-6.7	1,032,456	956,257	
<i>Loans and receivables due from credit institutions</i>		97,194	86,823	92,074
<i>Loans and receivables due from customers</i>		854,681	795,476	814,758
<i>Debt securities</i>		80,581	73,958	
Revaluation adjustment on interest rate hedged portfolios		8,337	7,427	7,427
Held-to-maturity financial assets				39,094
Current and deferred tax assets	6.10	6,223	6,152	5,554
Accruals, prepayments and sundry assets	6.11	44,343	42,510	42,510
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	6,308	5,037	5,106
Investment property	6.13	6,967	6,744	6,744
Property, plant and equipment	6.14	7,778	7,625	7,625
Intangible assets	6.14	2,442	2,314	2,314
Goodwill	6.15	16,064	15,988	15,988
TOTAL ASSETS		1,854,763	1,764,543	1,763,169

BALANCE SHEET – LIABILITIES & EQUITY

<i>(in millions of euros)</i>	Notes	31/12/2018	01/01/2018	31/12/2017
Central banks	6.1	1,140	3,434	3,434
Financial liabilities at fair value through profit or loss	6.2	225,902	225,557	225,599
<i>Financial liabilities held for trading</i>		191,684	194,067	
<i>Financial liabilities designated at fair value through profit or loss</i>		34,218	31,490	
Hedging derivative Instruments	3.2-3.4	16,170	17,204	17,204
Financial liabilities at amortised cost		1,084,032	998,427	
<i>Due to credit institutions</i>	3.3-6.8	95,970	88,422	88,425
<i>Due to customers</i>	3.1-3.3-6.8	789,835	732,420	732,420
<i>Debt securities</i>	3.3-6.8	198,227	177,585	177,532
Revaluation adjustment on interest rate hedged portfolios		7,879	8,117	8,117
Current and deferred tax liabilities	6.10	2,442	2,596	2,618
Accruals, deferred income and sundry liabilities	6.11	48,009	45,800	45,799
Liabilities associated with non-current assets held for sale and discontinued operations		229	354	354
Insurance compagny technical reserves	6.16	325,910	324,149	322,051
Provisions	6.17	8,107	6,879	6,365
Subordinated debt	3.3-6.18	22,755	25,514	25,515
Total Liabilities		1,742,575	1,658,031	1,655,433
Equity		112,188	106,512	107,736
Equity - Group share		106,717	101,234	102,291
Share capital and reserves		27,611	26,924	26,924
Consolidated reserves		70,955	72,419	65,098
Other comprehensive income		1,298	1,885	3,727
Other comprehensive income on discontinued operations		9	6	6
Net income (loss) for the year		6,844		6,536
Non-controlling interests		5,471	5,278	5,445
TOTAL LIABILITIES AND EQUITY		1,854,763	1,764,543	1,763,169



STATEMENT OF CHANGES IN EQUITY

(in millions of euros)	Group share								Non-controlling interests					Total consolidated equity		
	Share and capital reserves				Other comprehensive income				Net income	Total equity	Other comprehensive income					
	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			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
Equity at 1st January 2017	10,412	78,157	(253)	5,011	93,327	6,072	(771)	5,301	-	98,628	4,630	(75)	(9)	(84)	4,546	103,174
Capital increase	226	-	-	-	226	-	-	-	-	226	-	-	-	-	-	226
Changes in treasury shares held	-	-	5	-	5	-	-	-	-	5	-	-	-	-	-	5
Issuance of equity instruments	-	-	-	(12)	(12)	-	-	-	-	(12)	5	-	-	-	-	(7)
Remuneration of undated deeply subordinated notes	-	(664)	-	-	(664)	-	-	-	-	(664)	(2)	-	-	-	(2)	(666)
Dividends paid in 2017	-	(2,257)	-	-	(2,257)	-	-	-	-	(2,257)	(272)	-	-	-	(272)	(2,529)
Dividends received from Regional Banks and subsidiaries	-	1,312	-	-	1,312	-	-	-	-	1,312	-	-	-	-	-	1,312
Impact of acquisitions/disposals on non-controlling interests	-	(57)	-	-	(57)	-	-	-	-	(57)	634	-	-	-	634	577
Changes due to share-based payments	-	13	-	-	13	-	-	-	-	13	6	-	-	-	6	19
Changes due to transactions with shareholders	226	(1,452)	5	(12)	(1,233)	-	-	-	-	(1,233)	371	-	-	-	371	(842)
Changes in other comprehensive income	-	-	-	-	-	(1,148)	(42)	(1,190)	-	(1,190)	-	(24)	(2)	(28)	(28)	(1,218)
<i>Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of changes in equity-accounted entities	-	(56)	-	-	(56)	(401)	23	(378)	-	(434)	4	-	-	-	4	(430)
Net income for 2017	-	-	-	-	-	-	-	-	6,536	6,536	474	-	-	-	474	7,010
Other changes	-	(15)	-	-	(15)	-	-	-	-	(15)	78	-	-	-	78	63
Equity at 31 December 2017	10,638	76,634	(248)	4,999	92,022	4,523	(790)	3,733	6,536	102,291	5,557	(101)	(11)	(112)	5,445	107,734
Appropriation of 2017 net income	-	6,536	-	-	6,536	-	-	-	(6,536)	-	-	-	-	-	-	-
Equity at 1st January 2018	10,638	83,170	(248)	4,999	98,559	4,323	(790)	3,733	-	102,291	5,557	(101)	(11)	(112)	5,445	107,734
Impact of new accounting standards ¹	-	784	-	-	784	(1,171)	(670)	(1,841)	-	(1,057)	(180)	(7)	20	13	(167)	(1,224)
Equity at 1st January 2018 Restated	10,638	83,954	(248)	4,999	99,343	3,352	(1,460)	1,892	-	101,234	5,377	(108)	9	(99)	5,278	106,513
Capital increase	507	156	-	-	663	-	-	-	-	663	-	-	-	-	-	663
Changes in treasury shares held	-	-	(26)	-	(26)	-	-	-	-	(26)	-	-	-	-	-	(26)
Issuance of equity instruments	-	-	-	12	12	-	-	-	-	12	-	-	-	-	-	12
Remuneration of undated deeply subordinated notes	-	(453)	-	-	(453)	-	-	-	-	(453)	(3)	-	-	-	(3)	(456)
Dividends paid in 2018	-	(2,352)	-	-	(2,352)	-	-	-	-	(2,352)	(307)	-	-	-	(307)	(2,659)
Dividends received from Regional Banks and subsidiaries	-	1,373	-	-	1,373	-	-	-	-	1,373	-	-	-	-	-	1,373
Impact of acquisitions/disposals on non-controlling interests	-	(8)	-	-	(8)	-	-	-	-	(8)	10	-	-	-	10	2
Changes due to share-based payments	-	22	-	-	22	-	-	-	-	22	8	-	-	-	8	30
Changes due to transactions with shareholders	507	(1,242)	(26)	12	(749)	-	-	-	-	(749)	(292)	-	-	-	(292)	(1,041)
Changes in other comprehensive income	-	(70)	-	-	(70)	(1,012)	437	(575)	-	(445)	1	(10)	(15)	(25)	(24)	(449)
<i>Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves</i>	-	(57)	-	-	(57)	-	57	57	-	-	1	-	(1)	(1)	-	-
<i>Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves</i>	-	(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	-	-	-	-	-	-	-	-	6,844	6,844	525	-	-	-	525	7,369
Other changes ²	-	43	-	-	43	-	-	-	-	43	(16)	-	-	-	(16)	27
EQUITY AT 31 DECEMBER 2018	11,145	82,684	(274)	5,011	98,566	2,332	(1,025)	1,307	6,844	106,717	5,997	(120)	(6)	(124)	5,471	112,188

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 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 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.

<i>(in millions of euros)</i>	Notes	31/12/2018	31/12/2017
Pre-tax income		10,105	10,469
Net depreciation and impairment of property, plant & equipment and intangible assets		1,188	1,233
Impairment of goodwill and other fixed assets	6.15	(86)	(186)
Net depreciation charges to provisions		11,054	13,649
Share of net income of equity-accounted entities		(492)	(990)
Net income (loss) from investment activities		(87)	(525)
Net income (loss) from financing activities		3,015	3,244
Other movements		(1,565)	(5,292)
Total non-cash and other adjustment items included in pre-tax income		13,027	11,133
Change in interbank items		1,493	20,370
Change in customer items		(4,806)	(4,590)
Change in financial assets and liabilities		7,402	(4,191)
Change in non-financial assets and liabilities		(738)	781
Dividends received from equity-accounted entities ¹		188	242
Tax paid		(1,407)	(2,616)
Net change in assets and liabilities used in operating activities		2,132	9,996
Cash provided (used) by discontinued operations		-	1
Total net cash flows from (used by) operating activities (A)		25,264	31,599
Change in equity investments ²		(1,195)	(1,409)
Change in property, plant & equipment and intangible assets		(1,405)	(1,690)
Cash provided (used) by discontinued operations		(6)	-
Total net cash flows from (used by) investment activities (B)		(2,606)	(3,099)
Cash received from (paid to) shareholders ³		(1,023)	(631)
Other cash provided (used) by financing activities ⁴		957	4,208
Cash provided (used) by discontinued operations		-	-
Total net cash flows from (used by) financing activities (C)		(66)	3,577
Impact of exchange rate changes on cash and cash equivalent (D)		878	(1,545)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENT (A + B + C + D)		23,470	30,532
Cash and cash equivalents at beginning of period		65,655	35,124
Net cash accounts and accounts with central banks *		50,675	27,125
Net demand loans and deposits with credit institutions **		14,980	7,999
Cash and cash equivalents at end of period		89,125	65,655
Net cash accounts and accounts with central banks *		69,432	50,675
Net demand loans and deposits with credit institutions **		19,693	14,980
NET CHANGE IN CASH AND CASH EQUIVALENTS		23,470	30,532

* 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 Regional Banks for €3 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 -€493 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 capital increases of equity-accounted entities with Frey for -€44 million, Amundi entities for -€69 million and CACF for -€89 million.

- During the same period, the net impact on Group cash of acquisitions and disposals of non-consolidated equity investments came to -€707 million, of which -€756 million from insurance investments.

3 Cash received from (paid to) shareholders:

The main operation relate to the increase of capital reserved to employees for 135 million and to the increase of capital of the Regional Banks and Local Banks for €443 million.

This amount primarily corresponds to -€1,742 million in dividends paid, excluding dividends paid in shares, by Crédit Agricole Group. It breaks down as follows:

- dividends paid by Crédit Agricole S.A. for -€2,352 million;
- dividends received from Regional Banks and subsidiaries for €1,373 million;
- dividends paid by non-controlled subsidiaries for -€310 million; and
- interest, equivalent to dividends on undated financial instruments treated as equity for -€453 million.

Furthermore, this amount corresponds to Credit Agricole S.A. capital increase reserved for employees for €135 million and Regional and Local Bank's capital share increase for €443 million.

4 Other net cash flows from financing activities:

At 31 December 2018, bond issues totalled €16,264 million and redemptions -€8,879 million. Subordinated debt issues totalled €2,624 million and redemptions -€5,809 million.

This line also includes cash flows from interest payments on subordinated debt and bonds for -€3,243 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.

FINANCIALS ASSETS

31/12/2017		01/01/2018														
IAS 39		Reclassifications in accordance with IFRS 9														
Carrying amount in accordance with IAS 39	Financial assets at fair value through profit or loss						Financial assets at fair value through other comprehensive income				Financial assets at amortised cost		Non-current assets held for sale and discontinued operations	Investments in equity-accounted entities		
	Other financial instruments 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
	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										
(in millions of euros)																
Central banks	50,571	50,571														
Financial assets at fair value through profit or loss	320,306		219,540	9,923	35,154	51,600	66	(6)	4,030	-	-	-	-			
Held-for-trading financial assets	219,535		219,540		-			(6)	2							
Financial assets designated at fair value through profit or loss ¹	100,771		-	9,923	35,154	51,600	66		4,028	-	-	-	-			
Hedging derivative instruments	18,605		-					18,605								
Available-for-sale financial assets	330,450		7	24,569	27,622				242,375	4,239	-	-	31,638			
Loans and receivables due from credit institutions	92,074		1		-				5,145		86,870			38		
Loans and receivables due from customers	814,758		1,034		2,530				11			796,744		14,439		
Held-to-maturity financial assets	39,094		-		63				10,899					28,132		
Non-current assets held for sale and discontinued operations	495				-				-					-	495	
Investments in equity-accounted entities	5,106				-				-					-	5,106	
Carrying amount determined in accordance with IAS 39	1,671,459															
Restatement of carrying amount in accordance with IFRS 9			(6)	-	-	(55)			2,509	1	(47)	(1,268)	(289)	-	(69)	
01/01/2018	Carrying amount in accordance with IFRS 9		50,565	220,581	34,492	65,314	51,600	66	18,599	264,989	4,240	86,823	795,476	73,958	495	5,037

¹ Reclassifications related to financial assets 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 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	
<i>(in millions of euros)</i>				
Financial assets designated at fair value through profit or loss	100,771	100,706	-	
Debt instruments	83,683	83,618	-	
Equity instruments	17,088	17,088		

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		Hedging derivative instruments	Financial liabilities at amortised cost		
	Held-for-trading financial liabilities	Financial liabilities designated at fair value through profit or loss	Due to credit institutions	Due to customers		Debt securities		
(in millions of euros)	Carrying amount in accordance with IAS 39							
Financial liabilities at fair value through profit or loss	225,599	194,071	31,490	-	-	-	38	
<i>Held-for-trading financial liabilities</i>	194,071	194,071		-			-	
<i>Financial liabilities designated at fair value through profit or loss¹</i>	31,528		31,490				38	
Hedging derivative instruments	17,204	-		17,204				
IAS 39								
Due to credit institutions	88,425		-		88,425			
Due to customers	732,420		-			732,420		
Debt securities	177,532		-				177,532	
Liabilities associated with non-current assets held for sale and discontinued operations	354							354
Carrying amount determined in accordance with IAS 39	1,241,534							
Restatement of carrying amount in accordance with IFRS 9		(4)	-	-	(3)	-	15	-
01/01/2018	Carrying amount in accordance with IFRS 9	194,067	31,490	17,204	88,422	732,420	177,585	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	
		Of which financial liabilities reclassified out of financial liabilities designated at fair value through profit or loss in accordance with IFRS 9	
		Reclassifications as required by IFRS 9	Reclassifications elected by the entity
(in millions of euros)	Carrying amount in accordance with IAS 39		
Financial liabilities designated at fair value through profit or loss	31,528	-	38

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									
	IAS 39 - Amount of impairment	IFRS 9 - Impairment reclassifications									
		Central banks	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								
		Held-for-trading financial assets	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	
<i>(in millions of euros)</i>											
Central banks	-	-									
Available-for-sale financial assets	(1,461)		(10)	(636)	(112)	-	(4)	(698)	-	-	-
Loans and receivables due from credit institutions	(387)		-	-	(1)	-	-	(386)			-
Loans and receivables due from customers	(20,287)		-	-	(209)	-	-		(20,077)		-
Held-to-maturity financial assets	(6)		-	-	-	-	-				(6)
Amount of impairment determined in accordance with IAS 39	(22,141)										
Restatement of impairment in accordance with IFRS 9		(6)	10	636	322	-	(148)	698	(47)	(1,269)	(36)
<i>Of which restatement of assets reclassified out of the fair value through profit or loss category in accordance with IAS 39</i>		-	-				(1)	-	-	-	-
<i>Of which restatement of assets reclassified out of the available-for-sale category in accordance with IAS 39</i>		-	10	636	112	-	(145)	698	-	-	(13)
<i>Of which restatement of assets reclassified out of the loans and receivables category in accordance with IAS 39</i>		-	-	-	210	-	-	-	(47)	(1,269)	(1)
<i>Of which restatement of assets reclassified out of the held-to-maturity category in accordance with IAS 39</i>		-	-	-	-	-	(2)	-	-	-	(21)
01/01/2018		(6)	-	-	-	-	(153)	-	(433)	(21,346)	(42)
Amount of impairment in accordance with IFRS 9		(6)	-	-	-	-	(153)	-	(433)	(21,346)	(42)

Provisions for off-balance sheet commitments	31/12/2017		01/01/2018
	IAS 39 - Amount of provisions	Restatement of provisions in accordance with IFRS 9	IFRS 9 - Amount of provisions
<i>(in millions of euros)</i>			
Financing commitments	133	409	542
Guarantee commitments	494	105	599
Amount of provisions	627	514	1,141

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	
	Collective impairment	Individual impairment
<i>(in millions of euros)</i>		
Amount of impairment in accordance with IAS 39	(5,365)	(16,776)

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

Financial assets	01/01/2018		
	Bucket 1	Bucket 2	Bucket 3
<i>(in millions of euros)</i>			
Financial assets at fair value through other comprehensive income	(108)	(40)	(5)
<i>Loans and receivables due from credit institutions</i>	-	-	-
<i>Loans and receivables due from customers</i>	-	-	-
<i>Debt securities</i>	(108)	(40)	(5)
Financial assets at amortised cost	(2,048)	(3,912)	(15,861)
<i>Loans and receivables due from credit institutions</i>	(46)	(1)	(386)
<i>Loans and receivables due from customers</i>	(1,972)	(3,905)	(15,469)
<i>Debt securities</i>	(30)	(6)	(6)
Total	(2,156)	(3,952)	(15,866)



Off-balance sheet commitments <i>(in millions of euros)</i>	01/01/2018		
	Bucket 1	Bucket 2	Bucket 3
Financing commitments	133	277	132
Guarantee commitments	53	109	437
Total	186	386	569

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	
<i>Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss</i>	3,938	94	3,938	29	
<i>Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss</i>				-	
Financial assets at fair value through profit or loss reclassified into financial assets at amortised cost	-	-	-	-	
<i>Loans and receivables due from credit institutions</i>	-	-	-	-	
<i>Loans and receivables due from customers</i>	-	-	-	-	
<i>Debt securities</i>	-	-	-	-	
Financial assets at fair value through other comprehensive income reclassified into financial assets at amortised cost	20,303	186	19,730	80	119
<i>Loans and receivables due from credit institutions</i>					
<i>Loans and receivables due from customers</i>					
<i>Debt securities</i>	20,303	186	19,730	80	119
Total	24,241	280	23,668	109	119

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

	Impact of 1st application of IFRS 9 at 1 January 2018 ¹		
	Consolidated Shareholders' equity	Equity - Group share	Equity - Non-controlling interests
<i>(in millions of euros)</i>			
Equity at 31/12/2017 - IAS 39	107,736	102,291	5,445
Impacts on reserves (A+B+C)	604	784	(180)
Revaluation related to own credit risk on liabilities designated at fair value through profit or loss	350	350	-
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)	2,260	2,253	7
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)	629	583	45
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)	(679)	(614)	(65)
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)	(105)	(105)	-
Assets (to fair value through profit or loss)	(105)	(105)	-
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)	(1,224)	(1,055)	(169)
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	13	11	2
Effect of reclassification of designated financial assets applying the overlay approach on insurance activity	(494)	(494)	-
Reserves excluding equity-accounted entities (A)	673	853	(180)
Reserves on equity-accounted entities (B)	(69)	(69)	-
Reserves on discontinued operations (C)	-	-	-
Impacts on other comprehensive income on items that may be reclassified to profit or loss (D+E+F)	(1,178)	(1,171)	(7)
Reclassification from Available-for-sale assets to fair value through profit or loss (in the case of fair value hedges, reclassification unhedged portion only)	(2,260)	(2,253)	(6)
Reclassification from Available-for-sale assets to amortised cost (in the case of fair value hedges, reclassification unhedged portion only)	(195)	(195)	-
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)	323	323	-
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	319	320	(1)
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	35	34	1
Effect of reclassification of designated financial assets applying the overlay approach on insurance activity	494	494	-
Other comprehensive income on items that may be reclassified to profit or loss (net of income tax) excluding equity-accounted entities	(1,208)	(1,201)	(7)
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 (F)	-	-	-
Impact on other comprehensive income on items that will not be reclassified to profit or loss (G+H+I)	(650)	(670)	20
Revaluation related to own credit risk on liabilities designated at fair value through profit or loss	(350)	(350)	-
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	(270)	(290)	20
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 (G)	(620)	(640)	20
Other comprehensive income on items that will not be reclassified to profit or loss (net of income tax) on equity-accounted entities (H)	(31)	(31)	-
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations (I)	-	-	-
Total - Impact on equity due to initial application of IFRS9	(1,224)	(1,057)	(167)
Equity at 01/01/2018 - IFRS 9 Standard	106,512	101,234	5,278

¹ Amounts net of income tax

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

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

¹The 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 2022 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.

1.2 Accounting policies and principles

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 fair 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.

1.2.1 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 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 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:

		Business models		
Debt instrument		Collection only	Mixed	Selling only
SPPI test	Satisfied	Amortised cost	Fair value through other comprehensive income (items that can be reclassified)	Fair value through 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 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 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.

Interests 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 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 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 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 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 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 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 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 Group, with deposits originating from the Regional Banks centralised at Crédit Agricole. 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 6.17 "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 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 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 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 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 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 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 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 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 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 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 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 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 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 6.17 "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 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 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 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 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 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 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 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 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 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 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 that 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 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 4.6 "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.

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

SCOPE OF CONSOLIDATION

The consolidated financial statements of Crédit Agricole Group include:

- the financial statements of Crédit Agricole S.A. as central body;
- the financial statements of institutions associated with the central body pursuant to directive 86/635 concerning the financial statements of European credit institutions, which with Crédit Agricole S.A., the Regional Banks and the Local Banks make up the "reporting entity."
- and those of all companies over which, in compliance with IFRS 10, IFRS 11 and IAS 28, Crédit Agricole S.A. the Regional Banks and the Local Banks exercise control, joint control or significant influence. This control is presumed when Crédit Agricole S.A., the Regional Banks and the Local Banks hold, directly or indirectly, at least 20% of existing or potential voting rights

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. and the Regional Banks are exposed to or entitled to receive variable returns as a result of their involvement with the entity and if the power they hold over this entity allow them 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. and the Regional Banks are deemed to control a subsidiary through voting rights when their rights give them the practical ability to direct the subsidiary's relevant activities. Crédit Agricole S.A. and the Regional Banks are generally considered to control a subsidiary when they hold 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 them the power to direct its relevant activities. Control is also deemed to exist where Crédit Agricole S.A. and the Regional Banks hold half or less than half of the voting rights, including potential rights, in an entity but are able in practice to direct its relevant activities at its sole discretion, notably because of the existence of contractual arrangements, the size of their 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. and the Regional Banks were involved in creating the entity and what decisions they made at the time, what agreements were made at its inception and what risks are borne by Crédit Agricole S.A. and the Regional Banks, 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. and the Regional Banks are presumed to have significant influence if they own 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 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;
- the equity method, for the entities over which Crédit Agricole 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 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 Group implemented the following provisions 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 -€1,224 million on equity, of which -€1,057 million in Group share. This impact of - € 1,224 million on equity is mainly related to impairment of - € 1,288 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 first 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 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, Crédit 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 a 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 THEMIS

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 100% 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 removal 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, were 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, that 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 -€382 million, compared to -€285 million at 31 December 2017.

NOTE 3 Financial management, risk exposure and hedging policy

Crédit Agricole's Financial Management department is responsible for organising financial flows within Crédit Agricole 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 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 on "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



<i>(in millions of euros)</i>	Performing assets						Total		
	Assets subject to 12-month ECL (Bucket 1)		Assets subject to lifetime ECL (Bucket 2)		Credit-impaired assets (Bucket 3)		Gross carrying amount (a)	Loss allowance (b)	Net carrying amount (a) + (b)
	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance			
Balance at 1 January 2018	86,687	(45)	159	(1)	411	(386)	87,256	(433)	86,823
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	86,720	(45)	130	(1)	407	(386)	87,256	(433)	86,823
Changes in gross carrying amounts and loss allowances	9,018	20	(71)	-	5	(5)	8,952	16	-
New financial assets : acquisition, granting, origination,... ¹	25,791	(15)	44	(1)	-	-	25,835	(16)	-
Derecognition : disposal, repayment, maturity,...	(16,791)	16	(115)	1	(4)	-	(16,910)	17	-
Write-off	-	-	-	-	(4)	4	(4)	4	-
Changes of cash flows resulting in restructuring due to financial difficulties	-	(2)	-	-	-	-	-	(2)	-
Changes in models' credit risk parameters during the period	-	2	-	-	-	5	-	8	-
Changes in model / methodology	-	-	-	-	-	-	-	-	-
Changes in scope	232	-	-	-	-	-	232	-	-
Transfers in non-current assets held for sale and discontinued operations	-	-	-	-	-	-	-	-	-
Other	(214)	19	-	-	13	(14)	(201)	5	-
Total	95,738	(26)	58	(1)	412	(391)	96,208	(417)	95,791
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) ²	1,392	-	12	-	(1)	-	1,403	-	-
Balance at 31 december 2018	97,130	(26)	70	(1)	411	(391)	97,611	(417)	97,194
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: LOANS AND RECEIVABLES DUE FROM CUSTOMERS



(in millions of euros)	Performing assets						Total		
	Assets subject to 12-month ECL (Bucket 1)		Assets subject to lifetime ECL (Bucket 2)		Credit-impaired assets (Bucket 3)				
	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	728,680	(1,972)	62,658	(3,905)	25,484	(15,469)	816,822	(21,346)	795,475
Transfer between buckets during the period	(7,053)	(399)	4,410	653	2,643	(936)	-	(682)	
Transfer from 12-month ECL (Bucket 1) to lifetime ECL (Bucket 2)	(26,519)	210	26,519	(496)			-	(286)	
Return to lifetime ECL (Bucket 2) from 12-month ECL (Bucket 1)	21,019	(626)	(21,019)	1,054			-	428	
Transfer to lifetime ECL impaired (Bucket 3)	(1,934)	40	(1,622)	164	3,556	(1,249)	-	(1,045)	
Return from lifetime ECL impaired (Bucket 3) to lifetime ECL (Bucket 2) / 12-month ECL (Bucket 1)	381	(23)	532	(69)	(913)	313	-	221	
Total after transfer	721,627	(2,371)	67,068	(3,252)	28,126	(16,405)	816,822	(22,028)	794,793
Changes in gross carrying amounts and loss allowances	63,555	571	(938)	(463)	(6,526)	2,445	56,090	2,553	
New financial assets : acquisition, granting, origination... ¹	223,422	(1,010)	13,589	(1,040)			237,011	(2,050)	
Derecognition : disposal, repayment, maturity...	(161,165)	690	(14,704)	964	(3,326)	1,991	(179,196)	3,645	
Write-off					(3,262)	3,115	(3,262)	3,115	
Changes of cash flows resulting in restructuring due to financial difficulties	(5)	(9)	(38)	16	(7)	(4)	(50)	3	
Changes in models' credit risk parameters during the period		727		(585)		(2,745)	-	(2,603)	
Changes in model / methodology		-		-		-	-	-	
Changes in scope	302	(1)	3	-	43	(20)	348	(21)	
Transfers in non-current assets held for sale and discontinued operations	-	-	-	-	-	-	-	-	
Other ²	1,001	174	212	182	26	108	1,239	464	
Total	785,182	(1,800)	66,130	(3,715)	21,600	(13,960)	872,912	(19,475)	853,437
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) ³	233		(437)		1,448		1,244		
Balance at 31 december 2018	785,415	(1,800)	65,693	(3,715)	23,048	(13,960)	874,156	(19,475)	854,681
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 Of which €406m corresponding to the reclassification in provisions of the ECL calculated on the financing engagements and on guarantee commitments given.

³ 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/discouts), 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



<i>(in millions of euros)</i>	Performing assets						Total		
	Assets subject to 12-month ECL (Bucket 1)		Assets subject to lifetime ECL (Bucket 2)		Credit-impaired assets (Bucket 3)		Gross carrying amount (a)	Loss allowance (b)	Net carrying amount (a) + (b)
	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance			
Balance at 1 January 2018	73,827	(30)	168	(6)	6	(6)	74,001	(42)	73,959
Transfer between buckets during the period	40	(1)	(40)	1	-	-	-	-	-
Transfer from 12-month ECL (Bucket 1) to lifetime ECL (Bucket 2)	(22)	-	22	-	-	-	-	-	-
Return to lifetime ECL (Bucket 2) from 12-month ECL (Bucket 1)	62	(1)	(62)	1	-	-	-	-	-
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	73,867	(31)	128	(5)	6	(6)	74,001	(42)	73,960
Changes in gross carrying amounts and loss allowances	6,818	7	(38)	2	26	(14)	6,806	(5)	-
New financial assets: acquisition, granting, origination,...	25,066	(21)	326	(3)	-	-	25,392	(24)	-
Derecognition: disposal, repayment, maturity...	(18,429)	22	(331)	5	-	-	(18,760)	27	-
Write-off	-	-	-	-	-	-	-	-	-
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	-
Changes in models' credit risk parameters during the period	-	6	-	1	-	-	-	6	-
Changes in model / methodology	-	-	-	-	-	-	-	-	-
Changes in scope	-	-	-	-	-	-	-	-	-
Transfers in non-current assets held for sale and discontinued operations	-	-	-	-	-	-	-	-	-
Other	181	-	(33)	-	26	(14)	174	(14)	-
Total	80,685	(24)	90	(3)	32	(20)	80,807	(47)	80,759
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) ¹	(190)	-	11	-	-	-	(179)	-	-
Balance at 31 december 2018	80,495	(24)	101	(3)	32	(20)	80,628	(47)	80,581
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						Total	
	Assets subject to 12-month ECL (Bucket 1)		Assets subject to lifetime ECL (Bucket 2)		Credit-impaired assets (Bucket 3)			
	Carrying amount	Loss allowance	Carrying amount	Loss allowance	Carrying amount	Loss allowance	Carrying amount	Loss allowance
<i>(in millions of euros)</i>								
Balance at 1 January 2018	261,351	(108)	3,638	(40)	-	(4)	264,989	(153)
Transfer between buckets during the period	1,231	2	(1,227)	2	-	-	4	4
Transfer from 12-month ECL (Bucket 1) to lifetime ECL (Bucket 2)	(10)	5	10	(5)			-	-
Return to lifetime ECL (Bucket 2) from 12-month ECL (Bucket 1)	1,241	(3)	(1,237)	7			4	4
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	262,582	(106)	2,411	(39)	-	(4)	264,993	(149)
Changes in gross carrying amounts and loss allowances	(4,768)	(11)	(236)	14	-	-	(5,004)	3
Fair value revaluation during the period	(4,705)		(87)		-		(4,792)	
New financial assets: acquisition, granting, origination,...	33,580	(25)	141	(8)	-	-	33,721	(33)
Derecognition: disposal, repayment, maturity...	(36,059)	17	(301)	5	-	-	(36,360)	22
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		(3)		2		-	-	(1)
Changes in model / methodology		-		-		-	-	-
Changes in scope	126	-	-	-	-	-	126	-
Transfers in non-current assets held for sale and discontinued operations	-	-	-	-	-	-	-	-
Other	2,290	-	(4)	-	-	-	2,286	-
Total	257,814	(117)	2,175	(25)	-	(4)	259,989	(146)
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) ¹	255		6		-		262	
Balance at 31 december 2018	258,069	(117)	2,182	(25)	-	(4)	260,251	(146)
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

<i>(in millions of euros)</i>	Performing commitments						Total		Net amount of commitment (a) + (b)
	Commitments subject to 12-month ECL (Bucket 1)		Commitments subject to lifetime ECL (Bucket 2)		Provisioned commitments (Bucket 3)		Amount of commitment (a)	Loss allowance (b)	
	Amount of commitment	Loss allowance	Amount of commitment	Loss allowance	Amount of commitment	Loss allowance			
Balance at 1 January 2018	193,848	(133)	6,432	(277)	711	(132)	200,991	(542)	200,449
Transfer between buckets during the period	(868)	(45)	781	42	87	(3)	-	(6)	
Transfer from 12-month ECL (Bucket 1) to lifetime ECL (Bucket 2)	(2,260)	14	2,260	(24)			-	(10)	
Return to lifetime ECL (Bucket 2) from 12-month ECL (Bucket 1)	1,472	(60)	(1,472)	66			-	6	
Transfer to lifetime ECL impaired (Bucket 3)	(89)	1	(16)	1	104	(5)	-	(3)	
Return from lifetime ECL impaired (Bucket 3) to lifetime ECL (Bucket 2) / 12-month ECL (Bucket 1)	9	-	9	(1)	(17)	2	-	1	
Total after transfer	192,980	(178)	7,213	(235)	798	(135)	200,991	(548)	200,443
Changes in commitments and loss allowances	19,548	(131)	(353)	(146)	(325)	104	18,870	(173)	
New commitments given	88,140	(191)	3,597	(272)			91,737	(463)	
End of commitments	(71,864)	182	(4,209)	286	(465)	152	(76,537)	620	
Write-off	-	-	-	-	(42)	42	(42)	42	
Changes of cash flows resulting in restructuring due to financial difficulties	-	7	(3)	10	(1)	-	(5)	17	
Changes in models' credit risk parameters during the period		30		(20)		(62)	-	(52)	
Changes in model / methodology		-		-		-	-	-	
Transfers in non-current assets held for sale and discontinued operations	-	-	-	-	-	-	-	-	
Changes in scope	-	-	-	-	-	-	-	-	
Other ¹	3,272	(159)	262	(150)	183	(28)	3,717	(337)	
Balance at 31 december 2018	212,528	(309)	6,860	(381)	473	(31)	219,861	(721)	219,140

¹ Of which €292m corresponding to the reclassification in provisions of the ECL calculated on the financing engagements.



GUARANTEE COMMITMENTS

	Performing commitments						Total		Net amount of commitment (a) + (b)
	Commitments subject to 12-month ECL (Bucket 1)		Commitments subject to lifetime ECL (Bucket 2)		Provisioned commitments (Bucket 3)		Amount of commitment (a)	Loss allowance (b)	
<i>(in millions of euros)</i>	Amount of commitment	Loss allowance	Amount of commitment	Loss allowance	Amount of commitment	Loss allowance			
Balance at 1 January 2018	85,456	(53)	3,756	(109)	3,014	(437)	92,226	(599)	91,628
Transfer between buckets during the period	(236)	(31)	107	51	129	(43)	-	(22)	
Transfer from 12-month ECL (Bucket 1) to lifetime ECL (Bucket 2)	(986)	4	986	(13)			-	(9)	
Return to lifetime ECL (Bucket 2) from 12-month ECL (Bucket 1)	849	(34)	(849)	52			-	18	
Transfer to lifetime ECL impaired (Bucket 3)	(105)	-	(34)	12	139	(45)	-	(32)	
Return from lifetime ECL impaired (Bucket 3) to lifetime ECL (Bucket 2) / 12-month ECL (Bucket 1)	6	(1)	4	-	(10)	2	-	1	
Total after transfer	85,220	(84)	3,863	(58)	3,143	(479)	92,226	(621)	91,605
Changes in commitments and loss allowances	(3,543)	(7)	(289)	(127)	(200)	71	(4,032)	(63)	
New commitments given	30,285	(52)	1,394	(65)			31,679	(117)	
End of commitments	(31,813)	59	(2,054)	147	(385)	179	(34,252)	385	
Write-off	-	-	-	-	(13)	13	(13)	13	
Changes of cash flows resulting in restructuring due to financial difficulties	-	(3)	-	(2)	-	-	-	(5)	
Changes in models' credit risk parameters during the period		15		(112)		(134)	-	(231)	
Changes in model / methodology		-		-		-	-	-	
Transfers in non-current assets held for sale and discontinued operations	-	-	-	-	-	-	-	-	
Changes in scope	-	-	-	-	-	-	-	-	
Other ¹	(2,015)	(26)	371	(95)	198	13	(1,446)	(108)	
Balance at 31 december 2018	81,677	(91)	3,575	(185)	2,943	(408)	88,194	(684)	87,510

¹ Of which €114m corresponding to the reclassification in provisions of the ECL calculated on guarantee commitments given.

IMPAIRMENT DEDUCTED FROM FINANCIAL ASSET AT 31 DECEMBER 2017

<i>(in millions of euros)</i>	31/12/2016	Changes in scope	Depreciation	Reversals and utilisations	Translation adjustment	Transfers in non-current assets held for sale and discontinued operations	Other movements	31/12/2017
Loans and receivables due from credit	436	-	1	(6)	(41)	-	(3)	387
Loans and receivables due from	21,347	293	16,849	(18,142)	(323)	-	(66)	19,958
Of which collective impairment	6,251	69	11,892	(12,683)	(115)	-	(49)	5,365
Finance leases	316	-	206	(215)	-	-	22	329
Held-to-maturity	6	-	-	-	-	-	-	6
Available-for-sale financial assets	1,741	139	104	(494)	(12)	-	(17)	1,461
Other financial	225	(2)	40	(55)	(7)	-	(16)	185
TOTAL IMPAIRMENT OF FINANCIAL ASSETS	24,071	430	17,200	(18,912)	(383)	-	(80)	22,326

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)

<i>(in millions of euros)</i>	31/12/2018					
	Maximum exposure to credit risk	Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
		Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Financial assets at fair value through profit or loss (excluding equity securities and assets backing unit-linked contracts)	288,491	-	1,906	472	35	-
Financial assets held for trading	220,451	-	-	383	-	-
Debt instruments that do not meet the conditions of the "SPPI" test	67,968	-	1,906	89	35	-
Financial assets designated at fair value through profit or loss	72	-	-	-	-	-
Hedging derivative Instruments	15,829	-	-	506	-	-
TOTAL	304,320	-	1,906	978	35	-

FINANCIAL ASSETS SUBJECT TO IMPAIRMENT REQUIREMENTS

	31/12/2018					
	Maximum exposure to credit risk	Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
(in millions of euros)		Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss	260,251	-	-	-	-	-
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	260,250	-	-	-	-	-
of which impaired assets at the reporting date	-	-	-	-	-	-
Financial assets at amortised cost	1,032,440	8,642	215,687	23,207	223,586	387
of which impaired assets at the reporting date	9,120	129	2,567	147	3,800	-
Loans and receivables due from credit institutions	97,178	1,442	-	153	5,790	-
of which impaired assets at the reporting date	20	-	-	-	2,324	-
Loans and receivables due from customers	854,681	7,200	215,687	23,054	217,796	387
of which impaired assets at the reporting date	9,088	129	2,567	147	1,476	-
Debt securities	80,581	-	-	-	-	-
of which impaired assets at the reporting date	12	-	-	-	-	-
Total	1,292,691	8,642	215,687	23,207	223,586	387
of which impaired assets at the reporting date	9,121	129	2,567	147	3,800	-

OFF-BALANCE SHEET COMMITMENTS SUBJECT TO PROVISION REQUIREMENTS

	31/12/2018					
	Maximum exposure to credit risk	Credit risk mitigation				Credit derivatives
		Collateral held as security		Other credit enhancement		
(in millions of euros)		Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	
Guarantee commitments	87,510	26	8	526	6,461	220
of which provisioned commitments at the reporting date	2,534	-	-	27	19	-
Financing commitments	219,140	-	4,243	1,792	20,731	4,409
of which provisioned commitments at the reporting date	442	-	5	20	24	-
Total	306,650	26	4,251	2,318	27,192	4,629
of which provisioned commitments at the reporting date	2,977	-	6	47	43	-

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.

<i>in millions of euros</i>	31/12/2017
Financial assets at fair value through profit or loss (excluding equity securities and assets backing unit-linked contracts)	249,008
Hedging derivative instruments	18,605
Available-for-sale financial assets (excluding equity securities)	295,461
Loans, receivables and security deposits due from credit institutions (excluding Crédit Agricole internal transactions)	104,096
Loans, receivables and security deposits due from customers	825,406
Held-to-maturity financial assets	39,094
Exposure to on-balance sheet commitments (net of impairment losses)	1,531,670
Financing commitments given (excluding Crédit Agricole internal operations)	200,846
Financial guarantee commitments given (excluding Crédit Agricole internal operations)	92,297
Provisions - Financing commitments	(627)
Exposure to off-balance sheet financing commitments (net of provisions)	292,516
MAXIMUM EXPOSURE TO CREDIT RISK	1,824,186

Guarantees and other credit enhancements amount to:

<i>in millions of euros</i>	31/12/2017
Loans and receivables due from credit institutions (excluding Crédit Agricole internal)	2,734
Loans and receivables due from customers	426,311
Financing commitments given (excluding Crédit Agricole internal operations)	26,046
Guarantee commitments given (excluding Crédit Agricole internal operations)	4,763

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 .

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

<i>(in million of euros)</i>	Credit risk rating grades	At 31 december 2018			
		Carrying amount			Total
		Performing assets		Credit-impaired assets (Bucket 3)	
		Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)		
Retail customers	PD ≤ 0,5%	321,878	1,187	-	323,065
	0,5% < PD ≤ 2%	101,459	3,107	-	104,566
	2% < PD ≤ 20%	71,144	30,427	-	101,571
	20% < PD < 100%	-	6,715	-	6,715
	PD = 100%	-	-	12,028	12,028
Total Retail customers		494,481	41,436	12,028	547,945
Non-retail customers	PD ≤ 0,6%	372,462	6,563	-	379,025
	0,6% < PD < 12%	96,099	14,139	-	110,238
	12% ≤ PD < 100%	-	3,726	-	3,726
	PD = 100%	-	-	11,462	11,462
Total Non-retail customers		468,561	24,428	11,462	504,451
Impairment		(1,851)	(3,719)	(14,370)	(19,940)
TOTAL		961,191	62,145	9,120	1,032,456

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			
(in million of euros)	Credit risk rating grades	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	Total
Retail customers	PD ≤ 0,5%	2	-	-	2
	0,5% < PD ≤ 2%	-	-	-	-
	2% < PD ≤ 20%	-	-	-	-
	20% < PD < 100%	-	-	-	-
	PD = 100%	-	-	-	-
Total Retail customers		2	-	-	2
Non-retail customers	PD ≤ 0,6%	255,249	1,459	-	256,708
	0,6% < PD < 12%	2,818	716	-	3,534
	12% ≤ PD < 100%	-	7	-	7
	PD = 100%	-	-	-	-
Total Non-retail customers		258,067	2,182	-	260,249
TOTAL		258,069	2,182	-	260,251

Financing commitments

		At 31 december 2018			
		Amount of commitment			
		Performing commitments		Provisioned commitments (Bucket 3)	Total
(in million of euros)	Credit risk rating grades	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)		
Retail customers	PD ≤ 0,5%	28,381	109	-	28,490
	0,5% < PD ≤ 2%	8,242	206	-	8,448
	2% < PD ≤ 20%	8,191	1,329	-	9,520
	20% < PD < 100%	-	256	-	256
	PD = 100%	-	-	103	103
Total Retail customers		44,814	1,900	103	46,817
Non-retail customers	PD ≤ 0,6%	152,297	3,368	-	155,665
	0,6% < PD < 12%	15,416	1,247	-	16,663
	12% ≤ PD < 100%	-	345	-	345
	PD = 100%	-	-	371	371
Total Non-retail customers		167,713	4,960	371	173,044
Provisions ¹		(309)	(381)	(31)	(721)
TOTAL		212,218	6,479	443	219,140

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

Guarantee commitments

		At 31 december 2018			
		Amount of commitment			
		Performing commitments		Provisioned commitments (Bucket 3)	Total
(in million of euros)	Credit risk rating grades	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)		
Retail customers	PD ≤ 0,5%	1,162	25	-	1,187
	0,5% < PD ≤ 2%	496	6	-	502
	2% < PD ≤ 20%	392	85	-	477
	20% < PD < 100%	-	28	-	28
	PD = 100%	-	-	98	98
Total Retail customers		2,050	144	98	2,292
Non-retail customers	PD ≤ 0,6%	73,162	2,183	-	75,345
	0,6% < PD < 12%	6,465	1,090	-	7,555
	12% ≤ PD < 100%	-	157	-	157
	PD = 100%	-	-	2,845	2,845
Total Non-retail customers		79,627	3,430	2,845	85,902
Provisions ¹		(91)	(185)	(408)	(684)
TOTAL		81,586	3,389	2,535	87,510

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

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	12
Central banks	-
Credit institutions	5
Large corporates	55
Retail customers	-
Total financial assets designated at fair value through profit or loss	72

	31/12/2017
<i>(in millions of euros)</i>	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

<i>(in millions of euros)</i>	At 31 december 2018			
	Carrying amount			
	Performing assets		Credit-impaired assets (Bucket 3)	Total
	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)		
General administration	76,560	292	112	76,964
Central banks	30,140	-	-	30,140
Credit institutions	87,230	76	416	87,722
Large corporates	280,962	25,023	10,933	316,918
Retail customers	488,150	40,473	12,029	540,652
Impairment	(1,851)	(3,719)	(14,370)	(19,940)
TOTAL	961,191	62,145	9,120	1,032,456

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		Credit-impaired assets (Bucket 3)	Total
	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)		
<i>(in million of euros)</i>				
General administration	112,831	447	-	113,278
Central banks	1,025	-	-	1,025
Credit institutions	74,011	8	-	74,019
Large corporates	70,200	1,727	-	71,927
Retail customers	2	-	-	2
TOTAL	258,069	2,182	-	260,251

DUE TO CUSTOMERS BY CUSTOMER TYPE

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
General administration	17,997	16,588
Large corporates	272,161	242,517
Retail customers	499,677	473,315
TOTAL AMOUNT DUE TO CUSTOMERS	789,835	732,420

Financing commitments by customer type

	At 31 December 2018			
	Amount of commitment			
	Performing commitments		Provisioned commitments (Bucket 3)	Total
	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)		
<i>(in million of euros)</i>				
General administration	6,824	11	1	6,836
Central banks	641	-	-	641
Credit institutions	23,882	-	1	23,883
Large corporates	136,244	4,965	369	141,578
Retail customers	44,937	1,884	102	46,923
Provisions ¹	(309)	(381)	(31)	(721)
TOTAL	212,219	6,479	442	219,140

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

Guarantee commitments by customer type

	At 31 December 2018			
	Amount of commitment			
	Performing commitments		Provisioned commitments (Bucket 3)	Total
	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)		
<i>(in million of euros)</i>				
General administration	387	9	-	396
Central banks	568	-	-	568
Credit institutions	7,912	28	65	8,005
Large corporates	70,729	3,407	2,779	76,915
Retail customers	2,081	131	98	2,310
Provisions ¹	(91)	(185)	(408)	(684)
TOTAL	81,586	3,390	2,534	87,510

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 at 31 December 2017

<i>(in millions of euros)</i>	31/12/2017				
	Gross outstanding	of which gross loans and receivables individually impaired	Individual impairment	Collective impairment	Total
General administration	38,913	121	37	50	38,826
Central banks	18,950	-	-	-	18,950
Credit institutions	73,511	412	387	-	73,124
Large corporates	288,695	12,764	7,303	2,616	278,776
Retail customers	507,437	12,848	7,582	2,699	497,156
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND DUE FROM CUSTOMERS	927,506	26,145	15,309	5,365	906,832

¹ Of which €14,277 million in restructured loans

Commitments given to customers by customer type at 31 December 2017

<i>(in millions of euros)</i>	31/12/2017
Financing commitments given to customers	
General administration	5,002
Large corporates	126,776
Retail customers	45,160
TOTAL LOAN COMMITMENTS	176,938
Guarantee commitments given to customers	
General administration	352
Large corporates	81,276
Retail customers	2,500
TOTAL GUARANTEE COMMITMENTS	84,128

CREDIT RISK CONCENTRATIONS BY GEOGRAPHICAL AREA

FINANCIAL ASSETS AT AMORTISED COST BY GEOGRAPHICAL AREA

<i>(in millions of euros)</i>	At 31 december 2018				
	Carrying amount				
	Performing assets			Credit-impaired assets (Bucket 3)	Total
	Assets subject to 12- month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)			
France (including overseas departments and territories)	705,835	48,520	14,255	768,610	
Other European Union countries	151,018	8,616	6,421	166,055	
Other European countries	18,029	1,218	376	19,623	
North America	31,939	879	129	32,947	
Central and South America	8,814	1,583	709	11,106	
Africa and Middle East	14,878	2,006	1,285	18,169	
Asia-Pacific (ex. Japan)	24,986	2,752	315	28,053	
Japan	5,223	290	-	5,513	
Supranational organisations	2,320	-	-	2,320	
Impairment	(1,851)	(3,719)	(14,370)	(19,940)	
TOTAL	961,191	62,145	9,120	1,032,456	

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		Credit-impaired assets (Bucket 3)	Total
	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)		
<i>(in million of euros)</i>				
France (including overseas departments and territories)	127,771	1,095	-	128,866
Other European Union countries	92,497	1,087	-	93,584
Other European countries	4,354	-	-	4,354
North America	21,075	-	-	21,075
Central and South America	238	-	-	238
Africa and Middle East	1,346	-	-	1,346
Asia-Pacific (ex. Japan)	6,027	-	-	6,027
Japan	426	-	-	426
Supranational organisations	4,335	-	-	4,335
TOTAL	258,069	2,182	-	260,251

DUE TO CUSTOMERS BY GEOGRAPHICAL AREA

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
France (including overseas departments and territories)	599,850	566,330
Other European Union countries	115,126	103,024
Other European countries	16,610	13,649
North America	14,364	12,890
Central and South America	4,202	5,314
Africa and Middle East	12,946	12,648
Asia-Pacific (ex. Japan)	12,915	10,629
Japan	13,733	7,692
Supranational organisations	89	243
TOTAL AMOUNT DUE TO CUSTOMERS	789,835	732,420

FINANCING COMMITMENTS BY GEOGRAPHICAL AREA

	At 31 December 2018			
	Amount of commitment			
	Performing commitments		Provisioned commitments (Bucket 3)	Total
	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)		
<i>(in million of euros)</i>				
France (including overseas departments and territories)	113,134	3,431	311	116,876
Other European Union countries	45,789	1,537	133	47,459
Other European countries	6,651	226	13	6,890
North America ¹	26,979	1,160	13	28,152
Central and South America	3,185	149	-	3,334
Africa and Middle East	5,774	155	3	5,932
Asia-Pacific (ex. Japan)	7,424	202	-	7,626
Japan	3,592	-	-	3,592
Supranational organisations	-	-	-	-
Provisions ¹	(309)	(381)	(31)	(721)
TOTAL	212,219	6,479	442	219,140

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

GUARANTEE COMMITMENTS BY GEOGRAPHICAL AREA

	Amount of commitment				Total
	Performing commitments		Provisioned commitments (Bucket 3)		
	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)			
<i>(in million of euros)</i>					
France (including overseas departments and territories)	37,645	781	454		38,880
Other European Union countries	16,659	1,221	2,352		20,232
Other European countries	4,201	607	-		4,808
North America	9,829	312	24		10,165
Central and South America	1,485	18	69		1,572
Africa and Middle East	3,266	105	43		3,414
Asia-Pacific (ex. Japan)	5,397	298	-		5,695
Japan	3,195	233	-		3,428
Supranational organisations	-	-	-		-
Provisions ¹	(91)	(185)	(408)		(684)
TOTAL	81,586	3,390	2,534		87,510

¹Expected 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 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)	696,382	14,839	9,054	3,964	683,364
Other European Union countries	130,796	8,111	4,077	749	125,970
Other European countries	16,136	456	314	77	15,745
North America	26,190	154	54	246	25,890
Central and South America	11,714	964	756	59	10,899
Africa and Middle East	17,450	1,171	897	150	16,403
Asia-Pacific (ex. Japan)	25,137	430	157	115	24,865
Japan	3,587	20	-	5	3,582
Supranational organisations	114	-	-	-	114
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND DUE FROM CUSTOMERS	927,506	26,145	15,309	5,365	906,832

¹ Of which €14,277 million in restructured loans

COMMITMENTS GIVEN TO CUSTOMERS: GEOGRAPHICAL ANALYSIS AT 31 DECEMBER 2017
Financing commitments given to customers

France (including overseas departments and territories)	101,579
Other European Union countries	34,112
Other European countries	5,197
North America	19,870
Central and South America	5,714
Africa and Middle East	3,554
Asia-Pacific (ex. Japan)	5,935
Japan	976
Total loan Commitments	176,938

Guarantee commitments given to customers

France (including overseas departments and territories)	47,297
Other European Union countries	16,617
Other European countries	3,316
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	84,128

3.1.2 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)		
	≤ 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
<i>(in millions of euros)</i>									
Debt securities	-	-	-	-	-	-	-	-	-
General administration	-	-	-	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-	-
Large corporates	-	-	-	-	-	-	-	-	-
Retail customers	-	-	-	-	-	-	-	-	-
Loans and receivables	7,247	1,274	-	2,798	1,649	45	210	647	6,622
General administration	413	167	-	3	1	-	-	-	67
Central banks	-	-	-	-	-	-	-	-	-
Credit institutions	108	24	-	2	1	-	-	-	-
Large corporates	3,918	692	-	482	791	10	31	313	3,519
Retail customers	2,808	391	-	2,311	856	35	179	334	3,036
TOTAL	7,247	1,274	-	2,798	1,649	45	210	647	6,622

31/12/2017							
Payments arrears on watch list loans							
<i>(in millions of euros)</i>	≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year	<i>Net carrying amount of individually impaired financial assets</i>	Net carrying amount of individually impaired financial assets	Impairment of individually and collectively tested financial assets
Equity instruments	-	-	-	-	-	2,085	1,379
Debt instruments	-	-	-	-	-	70	269
General administration	-	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	11	9
Large corporates	-	-	-	-	-	59	260
Retail customers	-	-	-	-	-	-	-
Loans and advances	11,791	228	140	109	12,269	10,836	20,672
General administration	853	5	2	2	862	84	87
Central banks	-	-	-	-	-	-	-
Credit institutions	40	3	2	2	47	25	385
Large corporates	4,340	135	80	78	4,634	5,461	9,919
Retail customers	6,558	85	56	27	6,726	5,266	10,281
TOTAL WATCH LIST OR INDIVIDUALLY IMPAIRED FINANCIAL ASSETS	11,791	228	140	109	12,269	12,991	22,320

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			Total market value
	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	
<i>(in millions of euros)</i>							
Interest rate instruments	-	-	-	1,636	5,979	7,814	15,430
Futures	-	-	-	-	-	-	-
FRAs	-	-	-	-	-	-	-
Interest rate swaps	-	-	-	1,546	5,971	7,810	15,328
Interest rate options	-	-	-	-	-	-	-
Caps - floors - collars	-	-	-	90	8	4	102
Other options	-	-	-	-	-	-	-
Currency	-	-	-	100	49	19	168
Currency futures	-	-	-	100	49	19	168
Currency options	-	-	-	-	-	-	-
Other instruments	-	-	-	46	-	-	46
Other	-	-	-	46	-	-	46
Subtotal	-	-	-	1,782	6,028	7,834	15,644
Forward currency transactions	-	-	-	170	4	11	185
TOTAL FAIR VALUE OF HEDGING DERIVATIVES - ASSETS	-	-	-	1,952	6,032	7,845	15,829

<i>(in millions of euros)</i>	31/12/2017			
	Derivative instruments by maturity			Total market value
	≤ 1 year	> 1 year ≤ 5 years	> 5 years	
Interest rate instruments	1,565	7,025	9,371	17,961
Interest rate swaps	1,481	7,025	9,362	17,868
Interest rate options	-	-	-	-
Caps - floors - collars	84	-	7	91
Other options	-	-	2	2
Currency and gold	177	43	73	293
Currency futures	173	43	73	289
Currency options	4	-	-	4
Other instruments	74	-	-	74
Equity and index derivatives	74	-	-	74
Subtotal	1,816	7,068	9,444	18,328
Forward currency transactions	252	8	17	277
TOTAL FAIR VALUE OF HEDGING DERIVATIVES - ASSETS	2,068	7,076	9,461	18,605

HEDGING DERIVATIVE INSTRUMENTS – FAIR VALUE OF LIABILITIES

	31/12/2018							Total market value
	Exchange-traded transactions			Over-the-counter transactions				
	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years		
<i>(in millions of euros)</i>								
Interest rate instruments	-	-	-	1,255	5,553	8,936	15,744	
Futures	-	-	-	-	-	-	-	
FRAs	-	-	-	-	-	-	-	
Interest rate swaps	-	-	-	1,246	5,548	8,936	15,729	
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	-	-	-	1,431	5,557	8,941	15,928	
Forward currency transactions	-	-	-	238	2	2	242	
TOTAL FAIR VALUE OF HEDGING DERIVATIVES - LIABILITIES	-	-	-	1,669	5,559	8,943	16,170	

	31/12/2017				Total market value
	Derivative instruments by maturity				
	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
<i>(in millions of euros)</i>					
Interest rate instruments	1,360	4,719	10,649	16,728	
Interest rate swaps	1,341	4,703	10,649	16,693	
Interest rate options	-	-	-	-	
Caps - floors - collars	17	13	-	30	
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	1,607	4,732	10,657	16,996	
Forward currency transactions	195	12	1	208	
TOTAL FAIR VALUE OF HEDGING DERIVATIVES - LIABILITIES	1,802	4,744	10,658	17,204	

DERIVATIVE INSTRUMENTS HELD FOR TRADING – FAIR VALUE OF ASSETS

	31/12/2018							Total market value
	Exchange-traded transactions			Over-the-counter transactions				
	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years		
DERIVATIVE INSTRUMENTS HELD FOR TRADING – FAIR VALUE OF ASSETS								
<i>(in millions of euros)</i>								
Interest rate instruments	687	1,460	2,207	2,319	16,018	41,579	64,272	
Futures	674	1,458	2,207	-	-	-	4,340	
FRAs	-	-	-	3	-	-	3	
Interest rate swaps	-	-	-	1,551	12,129	29,454	43,135	
Interest rate options	-	-	-	309	2,082	10,730	13,121	
Caps - floors - collars	-	-	-	456	1,807	1,395	3,658	
Other options	13	2	-	-	-	-	15	
Currency	29	-	-	3,988	2,480	2,691	9,188	
Currency futures	29	-	-	2,929	1,596	2,218	6,772	
Currency options	-	-	-	1,059	884	473	2,416	
Other instruments	563	245	51	1,705	3,659	1,278	7,503	
Equity and index derivatives	563	245	51	1,046	3,658	1,240	6,804	
Precious metal derivatives	-	-	-	30	1	-	31	
Commodities derivatives	-	-	-	1	-	-	1	
Credit derivatives	-	-	-	528	-	35	563	
Other	-	-	-	100	-	3	104	
Subtotal	1,279	1,705	2,258	8,012	22,157	45,548	80,963	
Forward currency transactions	-	-	-	10,932	1,155	48	12,136	
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES - ASSETS	1,279	1,705	2,258	18,944	23,312	45,596	93,099	

<i>(in millions of euros)</i>	31/12/2017						Total market value
	Exchange-traded			Over-the-counter			
	≤ 1 year	> 1 year ≤ 5 years	> 5 years	≤ 1 year	> 1 year ≤ 5 years	> 5 years	
Interest rate instrument	175	1,022	1,812	7,677	17,847	47,673	76,206
Futures	168	1,020	1,812	-	-	-	3,000
FRAs	-	-	-	258	95	-	353
Interest rate swaps	-	-	-	6,300	13,826	31,935	52,061
Interest rate options	-	-	-	486	1,762	14,243	16,491
Caps - floors - collars	-	-	-	632	2,164	1,495	4,291
Other options	7	2	-	1	-	-	10
Currency and gold	15	-	-	3,510	2,986	2,254	8,765
Currency futures	3	-	-	3,047	1,995	1,462	6,507
Currency options	12	-	-	463	991	792	2,258
Other instruments	86	343	605	1,512	2,899	546	5,991
Equity and index derivatives	85	342	605	1,443	2,527	392	5,394
Precious metal derivatives	1	-	-	5	-	21	27
Commodities derivatives	-	-	-	-	-	-	-
Credit derivative	-	-	-	26	368	58	452
Other	-	1	-	38	4	75	118
Subtotal	276	1,365	2,417	12,699	23,732	50,473	90,962
Forward currency transactions	-	-	-	11,573	1,760	114	13,447
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES - ASSETS	276	1,365	2,417	24,272	25,492	50,587	104,409

DERIVATIVE INSTRUMENTS HELD FOR TRADING – FAIR VALUE OF LIABILITIES

	31/12/2018							Total market value
	Exchange-traded transactions			Over-the-counter transactions				
	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years		
<i>(in millions of euros)</i>								
Interest rate instruments	739	1,113	2,077	2,114	15,586	41,941	63,569	
Futures	732	1,112	2,077	-	-	-	3,920	
FRAs	-	-	-	-	-	-	-	
Interest rate swaps	-	-	-	1,828	11,929	29,220	42,976	
Interest rate options	-	-	-	132	1,608	10,795	12,535	
Caps - floors - collars	-	-	-	153	1,888	1,926	3,968	
Other options	7	1	-	1	161	-	170	
Currency	103	-	-	3,477	2,173	2,266	8,018	
Currency futures	103	-	-	2,441	1,862	1,889	6,293	
Currency options	-	-	-	1,036	311	377	1,725	
Other instruments	251	518	190	1,636	1,778	1,540	5,914	
Equity and index derivatives	251	518	190	720	1,693	1,493	4,865	
Precious metal derivatives	-	-	-	40	-	-	41	
Commodities derivatives	-	-	-	-	-	-	-	
Credit derivatives	-	-	-	760	82	41	883	
Other	-	-	-	116	3	6	125	
Subtotal	1,093	1,631	2,267	7,227	19,537	45,747	77,501	
Forward currency transactions	-	-	-	11,502	1,909	13	13,426	
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES - LIABILITIES	1,093	1,631	2,267	18,729	21,446	45,760	90,927	

<i>(in millions of euros)</i>	31/12/2017						Total market value
	Exchange-traded			Over-the-counter			
	≤ 1 year	> 1 year ≤ 5 years	> 5 years	≤ 1 year	> 1 year ≤ 5 years	> 5 years	
Interest rate instrument	136	821	1,396	7,902	17,585	49,810	77,650
Futures	135	795	1,396	-	-	-	2,326
FRAs	-	-	-	263	89	-	352
Interest rate swaps	-	-	-	7,132	13,397	33,257	53,786
Interest rate options	-	-	-	115	1,686	14,564	16,365
Caps - floors - collars	-	-	-	390	2,413	1,989	4,792
Other options	1	26	-	2	-	-	29
Currency and gold	34	-	-	3,576	2,283	1,884	7,777
Currency futures	-	-	-	2,762	1,991	1,332	6,085
Currency options	34	-	-	814	292	552	1,692
Other instruments	93	311	656	746	2,575	579	4,960
Equity and index derivatives	86	311	656	503	1,977	527	4,060
Precious metal derivatives	7	-	-	3	1	16	27
Credit derivative	-	-	-	203	594	31	828
Other	-	-	-	37	3	5	45
Subtotal	263	1,132	2,052	12,224	22,443	52,273	90,387
Forward currency transactions	-	-	-	11,969	2,569	78	14,616
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES - LIABILITIES	263	1,132	2,052	24,193	25,012	52,351	105,003

DERIVATIVE INSTRUMENTS: TOTAL COMMITMENTS

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
	Total notional amount outstanding	Total notional amount outstanding
Interest rate instruments	9,793,671	9,912,931
Futures	2,630,799	2,071,182
FRAs	2,180	670
Interest rate swaps	5,771,983	6,520,522
Interest rate options	719,832	705,566
Caps - floors - collars	471,924	463,294
Other options	196,953	151,697
Currency	580,125	1,586,610
Currency futures	288,760	1,358,926
Currency options	291,365	227,684
Other instruments	127,194	123,323
Equity and index derivatives	90,317	90,280
Precious metal derivatives	4,433	860
Commodities derivatives	8	1
Credit derivatives	29,196	32,182
Other	3,240	-
Subtotal	10,500,990	11,622,864
Forward currency transactions	1,879,898	533,036
TOTAL NOTIONAL AMOUNT	12,380,888	12,155,900

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

<i>(in millions of euros)</i>	31/12/2018					Total
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	
Loans and receivables due from credit institutions	50,789	6,630	37,593	2,600	-	97,612
Loans and receivables due from customers (of which finance leases)	113,648	85,027	299,730	371,559	4,192	874,156
Total	164,437	91,657	337,323	374,159	4,192	971,768
Impairment						(19,893)
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND FROM CUSTOMERS						951,875

<i>(in millions of euros)</i>	31/12/2017					Total
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	
Loans and receivables due from credit institutions	46,742	5,861	37,617	2,241	-	92,461
Loans and receivables due from customers (of which finance leases)	119,745	81,695	281,267	347,579	4,759	835,045
Total	166,487	87,556	318,884	349,820	4,759	927,506
Impairment						(20,674)
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND FROM CUSTOMERS						906,832

DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS BY RESIDUAL MATURITY

<i>(in millions of euros)</i>	31/12/2018					Total
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	
Due to credit institutions	52,397	11,271	24,781	7,521	-	95,970
Due to customers	679,787	50,415	51,741	7,892	-	789,835
TOTAL AMOUNT DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS	732,184	61,686	76,522	15,413	-	885,805

<i>(in millions of euros)</i>	31/12/2017					Total
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	
Due to credit institutions	42,553	10,354	29,088	6,430	-	88,425
Due to customers	629,479	42,375	51,841	8,725	-	732,420
TOTAL AMOUNT DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS	672,032	52,729	80,929	15,155	-	820,845

DEBT SECURITIES AND SUBORDINATED DEBT

<i>(in millions of euros)</i>	31/12/2018					Total
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	
Debt securities						
Interest bearing notes	56	58	26	-	-	140
Money-market securities	329	1,576	6,273	2,128	-	10,306
Negotiable debt securities	51,823	31,940	6,773	231	-	90,768
Bonds	4,947	5,023	41,677	42,285	-	93,931
Other debt securities	887	937	1,258	-	-	3,081
TOTAL DEBT SECURITIES	58,042	39,534	56,007	44,644	-	198,227
Subordinated debt						
Dated subordinated debt	231	2,232	2,639	15,470	-	20,572
Undated subordinated debt	-	-	-	-	1,959	1,959
Mutual security deposits	1	-	-	-	161	162
Participating securities and loans	62	-	-	-	-	62
TOTAL SUBORDINATED DEBT	294	2,232	2,639	15,470	2,120	22,755

<i>(in millions of euros)</i>	31/12/2017					Total
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	
Debt securities						
Interest bearing notes	66	74	13	-	-	153
Money-market securities	221	1,359	6,306	3,800	-	11,686
Negotiable debt securities	43,575	24,960	5,971	428	-	74,934
Bonds	4,693	4,262	32,668	45,309	-	86,932
Other debt securities	853	1,203	1,771	-	-	3,827
TOTAL DEBT SECURITIES	49,408	31,858	46,729	49,537	-	177,532
Subordinated debt						
Dated subordinated debt	2,059	790	5,586	13,989	-	22,424
Undated subordinated debt	67	-	-	-	2,765	2,832
Mutual security deposits	1	-	-	-	171	172
Participating securities and loans	2	-	-	-	85	87
TOTAL SUBORDINATED DEBT	2,129	790	5,586	13,989	3,021	25,515

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.

<i>(in millions of euros)</i>	31/12/2018					Total
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	
Financial guarantees given	168	245	-	-	-	413

<i>(in millions of euros)</i>	31/12/2017					Total
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	
Financial guarantees given	192	130	-	-	-	322

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

<i>(in millions of euros)</i>	31/12/2018		
	Market value		Notional amount
	positive	negative	
Fair value hedges	14,132	15,742	948,264
Interest rate	13,881	15,514	910,644
Foreign exchange	251	228	37,620
Other	-	-	-
Cash flow hedges	1,687	381	62,618
Interest rate	1,548	231	28,325
Foreign exchange	93	85	34,153
Other	46	65	140
Hedges of net investments in foreign operations	9	48	4,543
TOTAL HEDGING DERIVATIVE INSTRUMENTS	15,828	16,171	1,015,425

<i>(in millions of euros)</i>	31/12/2017		
	Market value		Notional Amount
	Positive	Négative	
Fair value hedges	16,761	16,823	984,864
Interest rate	16,290	16,513	949,363
Equity instruments	-	-	-
Foreign exchange	471	310	35,501
Credit	-	-	-
Commodities	-	-	-
Other	-	-	-
Cash flow hedges	1,819	351	32,051
Interest rate	1,671	214	24,600
Equity instruments	74	35	159
Foreign exchange	74	102	7,292
Credit	-	-	-
Commodities	-	-	-
Other	-	-	-
Hedges of net investments in foreign operations	25	30	3,187
TOTAL HEDGING DERIVATIVE INSTRUMENTS	18,605	17,204	1,020,102

DERIVATIVE INSTRUMENTS : ANALYSIS BY REMAINING MATURITY (NOTIONALS)

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

(in millions of euros)	31/12/2018							Total notional
	Exchange-traded			Over-the-counter				
	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years		
Interest rate instruments	-	-	-	295,698	315,834	327,437	938,969	
Futures	-	-	-	-	-	-	-	
FRAs	-	-	-	-	-	-	-	
Interest rate swaps	-	-	-	294,786	314,433	324,029	933,248	
Interest rate options	-	-	-	-	-	-	-	
Caps - floors - collars	-	-	-	912	1,401	3,408	5,721	
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	-	-	-	308,188	317,818	327,437	953,443	
Forward currency transactions	-	-	-	57,192	2,082	2,707	61,981	
TOTAL NOTIONAL OF HEDGING DERIVATIVES	-	-	-	365,380	319,900	330,144	1,015,424	

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

<i>(in millions of euros)</i>	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	-	-	-	-
<i>Futures</i>	-	-	-	-
<i>Options</i>	-	-	-	-
Foreign exchange	-	-	-	-
<i>Futures</i>	-	-	-	-
<i>Options</i>	-	-	-	-
Other	-	-	-	-
Over-the-counter markets	3,278	6,268	788	242,171
Interest rate	3,027	6,040	753	204,551
<i>Futures</i>	2,942	6,040	735	203,619
<i>Options</i>	85	-	18	932
Foreign exchange	251	228	35	37,620
<i>Futures</i>	251	228	35	37,620
<i>Options</i>	-	-	-	-
Other	-	-	-	-
Total Fair value microhedging	3,278	6,268	788	242,171
Fair value hedges of the interest rate exposure of a portfolio of financial instruments	10,854	9,474	(1,420)	706,093
TOTAL FAIR VALUE HEDGES	14,132	15,742	(632)	948,264

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	
	Carrying amount	of which accumulated fair value hedge adjustments	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be amortised	Fair value hedge adjustments during the period (including termination of hedges during the period)
<i>(in millions of euros)</i>				
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	36,789	449	-	(254)
Interest rate	36,739	449	-	(254)
Foreign exchange	50	-	-	-
Other	-	-	-	-
Debt instruments at amortised cost	78,381	2,399	2	(3)
Interest rate	62,541	2,397	2	(60)
Foreign exchange	15,840	2	-	57
Other	-	-	-	-
Total fair value hedges on assets items	115,170	2,848	2	(257)
Debt instruments at amortised cost	108,604	2,034	18	531
Interest rate	100,648	1,887	18	422
Foreign exchange	7,956	147	-	109
Other	-	-	-	-
TOTAL FAIR VALUE HEDGES ON LIABILITIES ITEMS	108,604	2,034	18	531

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.

Macro-hedging	31/12/2018	
	Carrying amount	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be adjusted, on ended hedges
<i>(in millions of euros)</i>		
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	159	-
Debt instruments at amortised cost	358,886	436
Total - Assets	359,045	436
Debt instruments at amortised cost	382,353	557
Total - Liabilities	382,353	557

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

	31/12/2018		
	Net Income (Total Gains (losses) from hedge accounting)		
<i>(in millions of euros)</i>	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	(667)	674	7
Foreign exchange	35	(52)	(16)
Other	-	-	-
TOTAL	(632)	622	(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
	Assets	Liabilities		
<i>(in millions of euros)</i>				
Cash flow hedges				
Regulated markets	-	-	-	-
Interest rate	-	-	-	-
<i>Futures</i>	-	-	-	-
<i>Options</i>	-	-	-	-
Foreign exchange	-	-	-	-
<i>Futures</i>	-	-	-	-
<i>Options</i>	-	-	-	-
Other	-	-	-	-
Over-the-counter markets	1,188	182	(21)	32,696
Interest rate	1,080	88	(19)	7,639
<i>Futures</i>	1,080	88	(19)	7,624
<i>Options</i>	-	-	-	15
Foreign exchange	62	29	(2)	24,917
<i>Futures</i>	62	29	(2)	24,917
<i>Options</i>	-	-	-	-
Other	46	65	-	140
Total Cash flow micro-hedging	1,188	182	(21)	32,696
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	468	142	(76)	20,686
Cash flow hedges of the foreign exchange exposure of a portfolio of financial instruments	31	57	(1)	9,236
Total Cash flow macro-hedging	499	199	(77)	29,922
Total Cash flow hedges	1,687	381	(98)	62,618
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

<i>(in millions of euros)</i>	31/12/2018		
	Other comprehensive income on items that may be reclassified to profit and loss		Net income (Hedge accounting income or loss)
	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	(95)	-	1
Foreign exchange	(3)	-	-
Commodities	-	-	-
Other	-	-	-
Total Cash flow hedges	(98)	-	1
Hedges of net investments in foreign operations	5	7	-
TOTAL CASH FLOW HEDGES AND HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	(93)	7	1

3.5 Operational risks

(See chapter on "Risk factors – Operational risks")

3.6 Capital management and regulatory ratios

The Crédit Agricole 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

<i>(in millions of euros)</i>	31/12/2018
On financial assets at amortised cost	24,637
Interbank transactions	1,684
Crédit Agricole internal transactions	3
Customer transactions	21,097
Finance leases	959
Debt securities	894
On financial assets recognised at fair value through other comprehensive income	5,683
Interbank transactions	-
Customer transactions	-
Debt securities	5,683
Accrued interest receivable on hedging instruments	2,750
Other interest income	39
INTEREST AND SIMILAR INCOME ¹	33,110
On financial liabilities at amortised cost	(12,452)
Interbank transactions	(1,284)
Crédit Agricole internal transactions	(1)
Customer transactions	(6,550)
Finance leases	(271)
Debt securities	(3,483)
Subordinated debt	(863)
Accrued interest receivable on hedging instruments	(2,119)
Other interest expenses	(22)
INTEREST AND SIMILAR EXPENSES	(14,594)

¹ Including €339 million in impaired receivables (Bucket 3) at 31 December 2018.

<i>(in millions of euros)</i>	31/12/2017
Interbank transactions	1,647
Customer transactions	21,296
Accrued interest receivable on available-for-sale financial assets	6,127
Accrued interest receivable on held-to-maturity financial assets	823
Accrued interest receivable on hedging instruments	2,523
Finance leases	948
Other interest income	47
INTERESTS AND SIMILAR INCOME ¹	33,411
Interbank transactions	(1,110)
Customer transactions	(6,054)
Debt securities	(3,256)
Subordinated debt	(1,081)
Accrued interest receivable on hedging instruments	(1,962)
Finance leases	(270)
INTERESTS AND SIMILAR EXPENSES	(13,734)

¹ Including €382 million on receivables impaired individually at 31 December 2017

4.2 Fees and commissions income and expense

<i>(in millions of euros)</i>	31/12/2018			31/12/2017		
	Income	Expense	Net	Income	Expense	Net
Interbank transactions	225	(53)	172	225	(51)	174
Customer transactions	3,892	(281)	3,611	3,703	(258)	3,445
Securities transactions	38	(80)	(42)	44	(69)	(25)
Foreign exchange transactions	44	(44)	-	44	(38)	6
Derivative instruments and other off-balance sheet items	212	(193)	19	322	(153)	169
Payment instruments and other banking and financial services	4,457	(1,834)	2,623	4,615	(1,661)	2,954
Mutual funds management, fiduciary and similar operations	4,973	(1,668)	3,305	4,194	(1,208)	2,986
NET FEES AND COMMISSIONS	13,841	(4,153)	9,688	13,147	(3,438)	9,709

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

<i>(in millions of euros)</i>	31/12/2018
Dividends received	1,103
Unrealised or realised gains (losses) on assets/liabilities held for trading	93
Unrealised or realised gains (losses) on equity instruments at fair value through profit or loss	(1,380)
Unrealised or realised gains (losses) on debt instruments at fair value through profit or loss	(1,003)
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	(139)

Net gains (losses) on Foreign exchange transactions and similar financial instruments (excluding gains or losses on hedges of net investments in foreign operations)	1,753
Gains (losses) from hedge accounting	(9)
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	(2,934)

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.

<i>(in millions of euros)</i>	31/12/2017
Dividends received	628
Unrealised or realised gains (losses) on assets/liabilities held for trading	1,382
Unrealised or realised gains (losses) on assets/liabilities designated at fair value through profit or loss	2,150
Net gains (losses) on Foreign exchange transactions and similar financial instruments (excluding gains or losses on hedges of net investments in foreign operations)	629
Gains (losses) from hedge accounting	(264)
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	4,525

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:

<i>(in millions of euros)</i>	31/12/2018		
	Gains	Losses	Net
Fair value hedges	7,806	(7,803)	3
Changes in fair value of hedged items attributable to hedged risks	3,395	(4,180)	(785)
Changes in fair value of hedging derivatives (including termination of hedges)	4,411	(3,623)	788
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	13,558	(13,571)	(13)
Changes in fair value of hedged items	7,374	(5,967)	1,407
Changes in fair value of hedging derivatives	6,184	(7,604)	(1,420)
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	21,365	(21,374)	(9)

(in millions of euros)	31/12/2017		
	Gains	Losses	Net
Fair value hedges	9,857	(9,873)	(16)
Changes in fair value of hedged items attributable to hedged risks	4,976	(4,484)	492
Changes in fair value of hedging derivatives (including termination of hedges)	4,881	(5,389)	(508)
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 ¹	19,269	(19,517)	(248)
Changes in fair value of hedged items	9,332	(10,003)	(671)
Changes in fair value of hedging derivatives	9,937	(9,514)	423
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	29,127	(29,391)	(264)

¹ Impact of €-226 million related to the early redemption of macro-hedged loans

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	160
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	231

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 period for €3 million

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

(in millions of euros)	31/12/2017
Dividends received	1,135
Realised gains (losses) on available-for-sale financial assets ¹	2,266
Permanent impairment losses on equity investments	(101)
Gains (losses) on disposal of held-to-maturity financial assets and on loans and receivables	2
NET GAINS (LOSSES) ON AVAILABLE-FOR-SALE FINANCIAL ASSETS	3,301

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

<i>(in millions of euros)</i>	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	(1)
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	(6)
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

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Gains (losses) on fixed assets not used in operations	(2)	-
Other net income from insurance activities ¹²	11,578	8,258
Change in insurance technical reserves ³	(5,235)	(13,549)
Net income from investment property	302	296
Other net income (expense)	405	(109)
INCOME (EXPENSE) RELATED TO OTHER ACTIVITIES	7,048	(5,104)

¹ The €3,377million 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 €8,285million decrease in insurance company technical reserves is due in the main to market developments in unit-linked contracts.

4.7 Operating expenses

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Employee expenses	(12,198)	(11,857)
Taxes other than on income or payroll-related and regulatory contributions ¹	(1,171)	(1,146)
External services and other operating expenses	(6,897)	(6,696)
OPERATING EXPENSES	(20,266)	(19,699)

¹ Of which -€382 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 Group companies was as follows in 2018:

BOARD OF AUDITORS OF CRÉDIT AGRICOLE

<i>(in millions of euros excluding taxes)</i>	Ernst & Young		PricewaterhouseCoopers		Total 2018
	2018	2017	2018	2017	
Independant audit, certification, review of parent company and consolidated financial statements	20.45	21.58	15.37	15.93	35.82
Issuer	2.08	2.19	2.12	2.16	4.20
Fully consolidated subsidiaries	18.37	19.39	13.25	13.77	31.62
Non audit services	5.86	6.37	5.30	6.26	11.16
Issuer	0.70	0.58	1.07	1.35	1.77
Fully consolidated subsidiaries	5.16	5.79	4.23	4.91	9.39
TOTAL	26.31	27.95	20.67	22.19	46.98

The total sum of fees paid to PricewaterhouseCoopers Audit, statutory auditor of Crédit Agricole, appearing in the consolidated income statement for the year, amounts to € 11.8 million, of which € 9.5 million relates to the certification of the accounts of Crédit Agricole and its subsidiaries, and € 2.4 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, appearing in the consolidated income statement for the year, amounts to €13 million, of which €10.9 million relates to the certification of the accounts of Crédit Agricole and its subsidiaries, and €2.1 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. SUBSIDIARIES

<i>(in millions of euros excluding taxes)</i>	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	2.54	2.60	1.77	1.90	0.28	0.15	1.73	2.13	6.32
Non audit services ¹	0.28	0.13	0.18	0.40	0.03	-	0.12	0.04	0.61
TOTAL	2.82	2.73	1.95	2.30	0.31	0.15	1.85	2.17	6.93

¹ Services other than the certification of the accounts listed correspond to the assignments carried out by these firms in the companies where they are Statutory Auditors.

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

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Depreciation charges and amortisation	(1,193)	(1,184)
Property, plant and equipment	(817)	(804)
Intangible assets	(376)	(380)
Impairment losses (reversals)	5	(28)
Property, plant and equipment	1	(3)
Intangible assets	4	(25)
DEPRECIATION, AMORTISATION AND IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS	(1,188)	(1,212)

4.9 Cost of risk

<i>(in millions of euros)</i>	31/12/2018
Charges net of reversals to impairments on performing assets (Bucket 1 or Bucket 2)	(25)
Bucket 1 : Loss allowance measured at an amount equal to 12-month expected credit loss	(44)
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	2
Debt instruments at amortised cost	(18)
Commitments by signature	(28)
Bucket 2 : Loss allowance measured at an amount equal to lifetime expected credit loss	19
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-
Debt instruments at amortised cost	(46)
Commitments by signature	65
Charges net of reversals to impairments on credit-impaired assets (Bucket 3)	(1,513)
Bucket 3 : Credit-impaired assets	(1,513)
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-
Debt instruments at amortised cost	(1,602)
Commitments by signature	89
Other assets	-
Risks and expenses	(65)
Charges net of reversals to impairment losses and provisions	(1,603)
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	(280)
Recoveries on loans and receivables written off	238
<i>recognised at amortised cost</i>	238
<i>recognised in other comprehensive income that may be reclassified to profit or loss</i>	-
Discounts on restructured loans	(40)
Losses on commitments by signature	(4)
Other losses	(44)
Other gains	14
COST OF RISK	(1,719)

<i>(in millions of euros)</i>	31/12/2017
Charge to provisions and impairment losses	(17,610)
Fixed income available-for-sale financial assets	(2)
Loans and receivables	(16,796)
Other assets	(38)
Financing commitments	(331)
Risks and expenses	(442)
Reversal of provisions and impairment losses	16,152
Fixed income available-for-sale financial assets	187
Loans and receivables	15,507
Other assets	23
Financing commitments	148
Risks and expenses	287
Net charge to reversal of impairment losses and provisions	(1,458)
Realised gains (losses) on impaired fixed income available-for-sale financial assets	(141)
Bad debts written off, not impaired	(264)
Recoveries on bad debts written off	280
Discounts on restructured loans	(30)
Losses on financing commitments	(1)
Other losses	(37)
COST OF RISK	(1,651)

4.10 Net gains (losses) on other assets

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Property, plant & equipment and intangible assets used in operations	74	3
Gains on disposals	106	45
Losses on disposals	(32)	(42)
Consolidated equity investments	15	13
Gains on disposals	15	18
Losses on disposals	-	(5)
Net income (expense) on combinations	(3)	(11)
NET GAINS (LOSSES) ON OTHER ASSETS	87	5

4.11 Tax

INCOME TAX CHARGE

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Current tax charge	(2,552)	(2,665)
Deferred tax charge	(34)	(815)
Reclassification of current tax charge (income) related to overlay approach	(147)	-
TOTAL TAX CHARGE	(2,733)	(3,479)

RECONCILIATION OF THEORETICAL TAX RATE AND EFFECTIVE TAX RATE
AT 31 DECEMBER 2018

<i>(in millions of euros)</i>	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	9,753	34.43%	(3,358)
Impact of permanent differences		(0.74)%	72
Impact of different tax rates on foreign subsidiaries		(2.97)%	290
Impact of losses for the year, utilisation of tax loss carryforwards		0.18%	(18)
Impact of reduced tax rate		(1.17)%	115
Impact of other items		(1.70)%	166
EFFECTIVE TAX RATE AND TAX CHARGE		28.02%	(2,733)

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

<i>(in millions of euros)</i>	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	9,551	34.43%	(3,288)
Impact of permanent differences		(1.70)%	162
Impact of different tax rates on foreign subsidiaries		(1.51)%	144
Impact of losses for the year, utilisation of tax loss carryforwards		0.92%	(88)
Impact of reduced tax rate		(1.51)%	144
Impact of tax rate change		7.00%	(669)
Impact of other items		(1.22)%	116
EFFECTIVE TAX RATE AND TAX CHARGE		36.41%	(3,479)

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

<i>(in millions of euros)</i>	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	259
Revaluation adjustment of the period	252
Reclassified to profit or loss	7
Other changes	-
Other comprehensive income on debt instruments that may be reclassified to profit or loss	(1,340)
Revaluation adjustment of the period	(1,259)
Reclassified to profit or loss	(65)
Other changes	(16)
Gains and losses on hedging derivative instruments	(153)
Revaluation adjustment of the period	(122)
Reclassified to profit or loss	-
Other changes	(31)
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	570
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	(1,032)
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	50
Other comprehensive income on financial liabilities attributable to changes in own credit risk	387
Revaluation adjustment of the period	369
Reclassified to reserves	18
Other changes	-
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	251
Revaluation adjustment of the period	172
Reclassified to reserves	68
Other changes	11
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	(271)
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	420
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	(612)
Of which Group share	(585)



Of which non-controlling interests

(27)

<i>(in millions of euros)</i>	31/12/2017
Other comprehensive income on items that may be reclassified subsequently to profit and loss	
Gains and losses on translation adjustments	(710)
Revaluation adjustment of the period	(710)
Reclassified to profit and loss	-
Other variations	-
Gains and losses on available-for-sale financial assets	(500)
Revaluation adjustment of the period	165
Reclassified to profit and loss	(691)
Other variations	26
Gains and losses on hedging derivative instruments	(304)
Revaluation adjustment of the period	(295)
Reclassified to profit and loss	-
Other variations	(9)
Pre-tax other comprehensive income on items that may be reclassified to profit and loss on equity-accounted entities	(387)
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	(14)
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	(1,575)
Other comprehensive income on items that will not be reclassified subsequently to profit and loss	
Actuarial gains and losses on post-employment benefits	-
Other comprehensive income on items that will not be reclassified to profit and loss on equity-accounted entities	23
Income tax related to items that will not be reclassified excluding equity-accounted entities	(37)
Income tax related to items that will not be reclassified on equity-accounted entities	-
Net other comprehensive income on Items that will not be reclassified to profit and loss on equity-accounted entities on discontinued operations	(7)
Other comprehensive income on items that will not be reclassified subsequently to profit and loss, net of income tax	(21)
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	(1,596)
Of which Group share	(1,568)
Of which non-controlling interests	(28)



BREAKDOWN OF TAX IMPACTS RELATED TO OTHER COMPREHENSIVE INCOME

	31/12/2017				01/01/2018				Changes				31/12/2018			
	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
<i>(in millions of euros)</i>																
Other comprehensive income on items that may be reclassified subsequently to profit or loss	-															
Gains and losses on translation adjustments	(465)	(4)	(469)	(350)	(461)	(5)	(466)	(348)	259	1	260	243	(202)	(4)	(206)	(105)
Gains and losses on available-for-sale financial assets	5,613	(1,121)	4,492	4,475												
Gains and losses on debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-	-	-	-	3,805	(1,011)	2,793	2,785	(1,340)	354	(986)	(960)	2,465	(657)	1,808	1,825
Gains and losses on hedging derivative instruments	597	(172)	425	422	599	(175)	424	422	(153)	49	(104)	(103)	446	(126)	320	319
Reclassification of net gains (losses) of designated financial assets applying the overlay approach					509	(15)	494	492	(356)	166	(190)	(190)	153	151	304	302
Other comprehensive income on items that may be reclassified to profit or loss excluding equity-accounted entities	5,745	(1,297)	4,448	4,547	4,452	(1,206)	3,245	3,351	(1,590)	570	(1,020)	(1,010)	2,862	(636)	2,226	2,341
Other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities	(30)	(9)	(39)	(38)	(16)	-	(15)	(13)	(11)	1	(10)	(8)	(27)	1	(26)	(21)
Other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities on discontinued operations	14	(1)	13	14	15	(1)	14	14	(2)	-	(2)	(2)	13	(1)	12	12
Other comprehensive income on items that may be reclassified subsequently to profit or loss	5,729	(1,307)	4,422	4,523	4,451	(1,207)	3,244	3,352	(1,603)	571	(1,032)	(1,020)	2,848	(636)	2,212	2,332
Other comprehensive income on items that will not be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial gains and losses on post-employment benefits	(1,037)	252	(785)	(774)	(1,038)	252	(785)	(773)	50	(12)	38	45	(988)	241	(747)	(729)
Other comprehensive income on financial liabilities attributable to changes in own credit risk	-	-	-	-	(524)	175	(349)	(349)	387	(139)	248	248	(137)	36	(101)	(101)
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	-	-	-	-	(284)	10	(274)	(294)	251	(120)	131	139	(33)	(110)	(143)	(155)
Other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	(1,037)	252	(785)	(774)	(1,846)	437	(1,408)	(1,416)	688	(271)	417	432	(1,158)	167	(991)	(985)
Other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	(11)	2	(9)	(9)	(24)	(12)	(36)	(36)	1	(3)	(2)	(2)	(23)	(15)	(38)	(38)
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	(7)	-	(7)	(7)	(7)	-	(7)	(7)	5	-	5	5	(2)	-	(2)	(2)
Other comprehensive income on items that will not be reclassified subsequently to profit or loss	(1,055)	254	(801)	(790)	(1,877)	425	(1,451)	(1,460)	694	(274)	420	435	(1,183)	152	(1,031)	(1,025)
OTHER COMPREHENSIVE INCOME	4,674	(1,053)	3,621	3,733	2,574	(782)	1,793	1,892	(909)	297	(612)	(585)	1,665	(484)	1,181	1,307

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 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 Group's business activities were organised into seven operating segments:

- the following six business lines:
 - French retail banking – Regional Banks
 - French retail banking - LCL,
 - International retail banking,
 - Asset gathering,
 - Specialised financial services,
 - Large customers,
- as well as the “Corporate centre”.

PRESENTATION OF BUSINESS LINE

1. French retail banking – Regional bank

This business line comprises the Regional Banks and their subsidiaries.

The Regional Banks have a strong local presence, providing banking services for individual customers, farmers, small businesses, corporates and local authorities.

Crédit Agricole Regional Banks provide a full range of banking and financial products and services: savings products (money market, bonds, securities), life insurance products, lending (notably mortgages and consumer credit) to corporates, small businesses and farmers, payment instruments, personal services, banking-related services and wealth management. The Regional Banks also sell a wide range of property & casualty and death & disability insurance products.

2. 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.

3. 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 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 Crédit Agricole Cariparma S.p.A in 2018.

4. 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.

5. 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 December 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).

6. 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.

7. Corporate Centre

This segment mainly encompasses Crédit Agricole'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 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.

<i>(in millions of euros)</i>	31/12/2018							Total
	French Retail Banking		International retail banking	Asset gathering	Specialised financial services	Large customers	Corporate center	
	Regional banks	LCL						
Revenues	13,040	3,433	2,835	5,770	2,769	5,370	(378)	32,839
Operating expenses	(8,744)	(2,391)	(1,812)	(2,836)	(1,380)	(3,339)	(952)	(21,454)
Gross operating income	4,296	1,042	1,023	2,934	1,389	2,031	(1,330)	11,385
Cost of risk	(634)	(220)	(359)	(17)	(467)	64	(86)	(1,719)
Operating income	3,662	822	664	2,917	922	2,095	(1,416)	9,666
Share of net income of equity-accounted entities	12	-	-	47	188	-	19	266
Net gains (losses) on other assets	(1)	50	14	(3)	1	14	12	87
Change in value of goodwill	-	-	-	-	-	-	86	86
Pre-tax income	3,673	872	678	2,961	1,111	2,109	(1,299)	10,105
Income tax charge	(1,280)	(288)	(191)	(773)	(244)	(551)	594	(2,733)
Net income from discontinued operations	-	(1)	-	(1)	(1)	-	-	(3)
Net income	2,393	583	487	2,187	866	1,558	(705)	7,369
Non-controlling interests	-	-	101	271	128	(2)	27	525
NET INCOME GROUP SHARE	2,393	583	386	1,916	738	1,560	(732)	6,844

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.

<i>(in millions of euros)</i>	31/12/2018							Total
	French Retail Banking		International retail banking	Asset gathering	Specialised financial services	Large customers	Corporate center	
	Regional banks	LCL						
Segment assets	-	-	-	-	-	-	-	-
of which investments in equity-accounted entities	125	-	-	4,048	2,135	-	-	6,308
of which goodwill	8	5,018	1,795	6,997	1,026	1,148	72	16,064
TOTAL ASSETS	658,690	147,428	85,426	447,976	71,318	770,529	(326,604)	1,854,763

31/12/2017								
(in millions of euros)	French Retail Banking		International retail banking	Asset gathering	Specialised financial services	Large customers	Corporate center ¹	Total
	Regional banks	LCL						
Revenues	13,277	3,491	2,594	5,255	2,721	5,328	(558)	32,108
Operating expenses	(8,530)	(2,442)	(1,634)	(2,709)	(1,407)	(3,238)	(951)	(20,911)
Gross operating income	4,747	1,049	960	2,546	1,314	2,090	(1,509)	11,197
Cost of risk	(218)	(204)	(433)	(25)	(440)	(319)	(12)	(1,651)
Operating income	4,529	845	527	2,521	874	1,771	(1,521)	9,546
Share of net income of equity-accounted entities	6	-	-	33	241	277	175	732
Net gains (losses) on other assets	(6)	6	(7)	4	(1)	13	(4)	5
Change in value of goodwill	-	-	-	-	-	-	186	186
Pre-tax income	4,529	851	520	2,558	1,114	2,061	(1,164)	10,469
Income tax charge	(1,772)	(338)	(159)	(647)	(230)	(709)	376	(3,479)
Net income from discontinued operations	-	-	-	21	(1)	-	-	20
Net income	2,757	513	361	1,932	883	1,352	(788)	7,010
Non-controlling interests	-	-	80	208	118	21	47	474
NET INCOME GROUP SHARE	2,757	513	281	1,724	765	1,331	(835)	6,536

¹ The Crédit Agricole CIB issuer spread is classified under the Corporate Centre for -€222 millions in Revenues, +€76 millions in Income tax charge, -€146 millions in Net income.

31/12/2017								
(in millions of euros)	French Retail Banking		International retail banking	Asset gathering	Specialised financial services	Large customers	Corporate center	Total
	Regional banks	LCL						
Segment assets	-	-	-	-	-	-	-	-
of which investments in equity-accounted entities	117	-	-	3,044	1,945	-	-	5,106
of which goodwill	2	5,018	1,793	6,925	1,026	1,152	72	15,988
TOTAL ASSETS	629,975	141,258	87,199	435,274	74,528	683,100	(288,165)	1,763,169

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.

<i>(in millions of euros)</i>	31/12/2018				31/12/2017			
	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)	4,242	23,444	1,530,120	10,393	4,243	23,390	1,467,337	10,389
Italy	630	3,167	88,308	2,075	806	2,686	90,386	2,075
Other European Union countries	822	3,032	79,569	2,352	384	2,937	68,420	2,331
Other European countries	148	793	20,946	704	129	732	21,464	676
North America	500	1,093	56,023	461	345	1,053	50,179	442
Central and South America	20	46	988	-	8	62	981	-
Africa and Middle East	150	450	9,861	33	317	457	8,595	32
Asia-Pacific (ex. Japan)	212	502	22,440	24	174	476	21,976	24
Japan	120	312	46,508	22	130	315	33,831	19
TOTAL	6,844	32,839	1,854,763	16,064	6,536	32,108	1,763,169	15,988

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		
	Income statement prior to reclassification of overlay approach	Reclassification related to overlay approach	Income statement post reclassification of overlay approach
<i>(in millions of euros)</i>			
Written premium	34,078	-	34,078
Change in unearned premiums	(210)	-	(210)
Earned premiums	33,868	-	33,868
Other operating income	257	-	257
Investment income	7,553	(3)	7,550
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	(6,704)	1,828	(4,876)
Change in impairment on investments	(8)	(49)	(57)
Investment income net of expenses	513	2,157	2,670
Claims expenses ¹	(28,004)	(1,866)	(29,870)
Revenue from reinsurance operations	520	-	520
Expenses from reinsurance operations	(625)	-	(625)
Net reinsurance income (expense)	(105)	-	(105)
Contract acquisition costs	(2,196)	-	(2,196)
Amortisation of investment securities and similar	-	-	-
Administration costs	(2,000)	-	(2,000)
Other current operating income (expense)	(353)	-	(353)
Other operating income (expense)	(6)	-	(6)
Operating income	1,974	291	2,265
Financing expenses	(429)	-	(429)
Share of net income of associates	-	-	-
Income tax charge	(342)	(147)	(489)
Net income from discontinued or held-for-sale operations	(1)	-	(1)
Consolidated net income	1,201	144	1,345
Non-controlling interests	12	-	12
NET INCOME GROUP SHARE	1,189	144	1,333

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

	31/12/2017
<i>(in millions of euros)</i>	
Written premium	31,010
Change in unearned premiums	(213)
Earned premiums	30,797
Other operating income	124
Investment income	7,701
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	2,992
Change in impairment on investments	(54)
Investment income net of expenses	11,742
Claims expenses ¹	(36,238)
Revenue from reinsurance operations	457
Expenses from reinsurance operations	(592)
Net reinsurance income (expense)	(135)
Contract acquisition costs	(2,070)
Amortisation of investment securities and similar	(7)
Administration costs	(2,171)
Other current operating income (expense)	(181)
Other operating income (expense)	(8)
Operating income	1,853
Financing expenses	(279)
Share of net income of associates	-
Income tax charge	(376)
Net income from discontinued operations	21
Consolidated net income	1,219
Non-controlling interests	3
NET INCOME GROUP SHARE	1,216

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

<i>(in millions of euros)</i>	31/12/2018
Financial assets at fair value through profit or loss	143,152
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	142,692
Equity instruments	25,336
<i>Equity and other variable income securities</i>	8,652
<i>Non-consolidated equity investments</i>	(328)
<i>Designated financial assets applying the overlay approach</i>	17,012
Debt instruments that do not meet the conditions of the "SPPI" test	57,713
<i>Loans and receivables</i>	296
<i>Debt securities</i>	57,417
<i>Treasury bills and similar securities</i>	153
<i>Bonds and other fixed income securities</i>	5,004
<i>Mutual funds</i>	34,522
<i>Designated financial assets applying the overlay approach</i>	17,738
Assets backing unit-linked contracts	59,643
<i>Treasury bills and similar securities</i>	988
<i>Bonds and other fixed income securities</i>	12,213
<i>Equity and other variable income securities</i>	5,161
<i>Mutual funds</i>	41,281
Financial assets designated at fair value through profit or loss	-
<i>Loans and receivables</i>	-
<i>Debt securities</i>	-
<i>Treasury bills and similar securities</i>	-
<i>Bonds and other fixed income securities</i>	-
Hedging derivative Instruments	1,072
Financial assets at fair value through other comprehensive income	216,900
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	216,708
Debt securities	216,708
<i>Treasury bills and similar securities</i>	62,396
<i>Bonds and other fixed income securities</i>	154,312
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	192
Equity and other variable income securities	2
Non-consolidated equity investments	190
Financial assets at amortised cost	5,853
Loans and receivables	5,516
Debt securities	337
<i>Treasury bills and similar securities</i>	-
<i>Bonds and other fixed income securities</i>	337
<i>Impairment</i>	-
Investment property	6,296
Investments in associates and joint venture	3,785
TOTAL INSURANCE COMPANY INVESTMENTS	377,058

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.

	31/12/2018		
	Carrying amount	Unrealised gains	Unrealised losses
<i>(in millions of euros)</i>			
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	216,708	14,694	(743)
Debt securities	216,708	14,694	(743)
Treasury bills and similar securities	62,396	4,437	(171)
Bonds and other fixed income securities	154,312	10,257	(572)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	192	8	(21)
Equity and other variable income securities	2	-	-
Non-consolidated equity investments	190	8	(21)
Carrying amount on financial assets at fair value through other comprehensive income	216,900	14,702	(764)
Income tax charge		(3,863)	204
OTHER COMPREHENSIVE INCOME ON FINANCIAL ASSETS AT FAIR VALEUR THROUGH OTHER COMPREHENSIVE INCOME (NET OF INCOME TAX)		10,839	(560)

	31/12/2017		
	Carrying amount	Unrealised gains	Unrealised losses
<i>(in millions of euros)</i>			
Treasury bills and similar securities	45,999	2,738	(74)
Bonds and other fixed income securities	163,627	13,529	(346)
Equities and other equity variable income securities	17,900	2,835	(184)
Non-consolidated equity investments	8,224	2,433	(80)
Total available-for-sale financial assets	235,750	21,535	(684)
Income tax charges		(5,797)	228
GAINS AND LOSSES ON AVAILABLE-FOR-SALE FINANCIAL ASSETS RECOGNISED IN OTHER COMPREHENSIVE INCOME (NET OF INCOME TAX)		15,738	(456)

	31/12/2017	
	Carrying amount	Fair value
<i>(in millions of euros)</i>		
Bonds and other fixed income securities	3,069	-
Treasury bills and similar securities	7,736	-
Impairment	-	-
Total held-to-maturity financial assets	10,805	-
Loans and receivables	7,490	2,444
Investment property	6,120	8,367

<i>(in millions of euros)</i>	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	108,281
Assets backing unit-linked contracts	59,635
Treasury bills and similar securities	3,639
Bonds and other fixed-income securities	27,772
Equities and other equity variable-income securities	15,729
Derivative instruments	1,506
	31/12/2017
	Carrying amount
TOTAL INSURANCE COMPANY INVESTMENTS	368,446

RECLASSIFICATION BETWEEN NET INCOME AND OTHER COMPREHENSIVE INCOME FOR FINANCIAL ASSETS DESIGNATED UNDER THE OVERLAY APPROACH

<i>(in millions of euros)</i>	31/12/2018		
	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

<i>(in millions of euros)</i>	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

<i>(in millions of euros)</i>	31/12/2018		31/12/2017	
	Assets	Liabilities	Assets	Liabilities
Cash	3,750	-	3,548	-
Central banks	66,834	1,140	50,571	3,434
CARRYING AMOUNT	70,584	1,140	54,119	3,434

6.2 Financial assets and liabilities at fair value through profit or loss
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

<i>(in millions of euros)</i>	31/12/2018
Financial assets held for trading	223,229
Other financial instruments at fair value through profit or loss	148,913
Equity instruments	29,259
Debt instruments that do not meet the conditions of the "SPPI" test	68,197
Assets backing unit-linked contracts	51,385
Financial assets designated at fair value through profit or loss	72
CARRYING AMOUNT	372,142
<i>Of which lent securities</i>	2,823

<i>(in millions of euros)</i>	31/12/2017
Financial assets held for trading	219,535
Financial assets designated at fair value through profit or loss	100,771
CARRYING AMOUNT	320,306
<i>Of which lent securities</i>	884

HELD-FOR-TRADING FINANCIAL ASSETS

<i>(in millions of euros)</i>	31/12/2018
Equity instruments	2,777
Equity and other variable income securities	2,777
Debt securities	19,294
Treasury bills and similar securities	14,219
Bonds and other fixed income securities	5,042
Mutual funds	33
Loans and receivables	108,061
Loans and receivables due from credit institutions	191
Loans and receivables due from customers	1,374
Securities bought under repurchase agreements	106,496
Pledged securities	-
Derivative instruments	93,097
CARRYING AMOUNT	223,229

<i>(in millions of euros)</i>	31/12/2017
Equity instruments	3,485
Equities and other variable income securities	3,485
Debt securities	17,249
Treasury bills and similar securities	12,804
Bonds and other fixed income securities	4,445
Loans and advances	94,392
Loans and receivables due from customers	1,600
Securities bought under repurchase agreements	92,792
Pledged securities	-
Derivative instruments	104,409
CARRYING AMOUNT	219,535

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

<i>(in millions of euros)</i>	31/12/2018
Equity and other variable income securities	19,823
Non-consolidated equity investments	9,436
TOTAL EQUITY INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	29,259

DEBT INSTRUMENTS NOT MEETING THE SPPI CRITERIA

<i>(in millions of euros)</i>	31/12/2018
Debt securities	65,138
Treasury bills and similar securities	156
Bonds and other fixed income securities	10,977
Mutual funds	54,005
Loans and receivables	3,059
Loans and receivables due from credit institutions	-
Loans and receivables due from customers	3,059
Securities bought under repurchase agreements	-
Pledged securities	-
TOTAL DEBT INSTRUMENTS THAT DO NOT MEET THE CONDITIONS OF THE "SPPI" TEST	68,197

FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

<i>(in millions of euros)</i>	31/12/2018
Loans and receivables	-
Loans and receivables due from credit institutions	-
Loans and receivables due from customers	-
Debt securities	72
Treasury bills and similar securities	12
Bonds and other fixed income securities	60
TOTAL FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	72

<i>(in millions of euros)</i>	31/12/2017
Equity instruments	17,088
Equities and other variable income securities	17,088
Debt securities	83,681
Assets backing unit-linked contracts	51,600
Treasury bills and similar securities	3,651
Bonds and other fixed income securities	28,430
Loans and advances	2
Loans and receivables due from credit institutions	-
Loans and receivables due from customers	2
Securities bought under repurchase agreements	-
Pledged securities	-
CARRYING AMOUNT	100,771

FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Financial liabilities held for trading	191,684	194,071
Financial liabilities designated at fair value through profit or loss	34,218	31,528
CARRYING AMOUNT	225,902	225,599

HELD-FOR-TRADING FINANCIAL LIABILITIES

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Securities sold short	25,433	22,598
Securities sold under repurchase agreements	75,323	66,468
Debt securities	-	2
Derivative instruments	90,928	105,003
CARRYING AMOUNT	191,684	194,071

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

<i>(in millions of euros)</i>	31/12/2018				
	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	27,659	607	137	(369)	(18)
Other financial liabilities	-	-	-	-	-
TOTAL	27,659	607	137	(369)	(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			
	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
<i>(in millions of euros)</i>				
Deposits and subordinated liabilities	6,559	-	-	-
Deposits	6,559	-	-	-
Subordinated liabilities	-	-	-	-
Debt securities	-	-	-	-
Other financial liabilities	-	-	-	-
TOTAL	6,559	-	-	-

	31/12/2017	
	Fair value on the balance sheet	Difference between carrying amount and due on maturity
<i>(in millions of euros)</i>		
Deposits and subordinated liabilities	6,037	-
Deposits from credit institutions	-	-
Other deposits	6,037	-
Subordinated liabilities	-	-
Debt securities	25,491	872
Other financial liabilities	-	-
TOTAL	31,528	872

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		
	Carrying amount	Unrealised gains	Unrealised losses
<i>(in millions of euros)</i>			
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	260,251	14,645	(1,135)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	4,730	1,134	(1,168)
TOTAL	264,981	15,779	(2,303)

DEBT INSTRUMENTS RECOGNISED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT CAN BE RECLASSIFIED

<i>(in millions of euros)</i>	31/12/2018		
	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	77,613	4,710	(375)
Bonds and other fixed income securities	182,638	9,935	(760)
Total Debt securities	260,251	14,645	(1,135)
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	260,251	14,645	(1,135)
Income tax charge		(3,867)	296
OTHER COMPREHENSIVE INCOME ON DEBT INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		10,778	(839)

EQUITY INSTRUMENTS RECOGNISED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT CANNOT BE RECLASSIFIED
Other comprehensive income on equity instruments that cannot be reclassified

<i>(in millions of euros)</i>	31/12/2018			
	Carrying amount	Unrealised gains	Unrealised losses	Unrealised gains/losses during the period
Equity and other variable income securities	439	30	(48)	(3)
Non-consolidated equity investments	4,291	1,104	(1,120)	175
Total Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	4,730	1,134	(1,168)	172
Income tax charge		(129)	14	(55)
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		1,005	(1,154)	117

Equity instruments derecognised during the period

(in millions of euros)	31/12/2018		
	Fair value at the date of derecognition	Cumulative gains realised ¹	Cumulative losses realised ¹
Equity and other variable income securities	32	5	(5)
Non-consolidated equity investments	345	22	(90)
Total Investments in equity instruments	377	27	(95)
Income tax charge		-	12
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX) ¹		27	(83)

¹ Realised gains and losses are transferred to consolidated reserves.

AVAILABLE-FOR-SALE FINANCIAL ASSETS AT 31 DECEMBER 2017

(in millions of euros)	31/12/2017		
	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	77,379	3,324	(215)
Bonds and other fixed income securities	218,082	13,269	(451)
Equities and other variable income securities	21,199	3,264	(276)
Non-consolidated equity investments	13,790	3,855	(389)
Total available-for-sale securities	330,450	23,712	(1,331)
Available-for-sale receivables	-	-	-
Total available-for-sale receivables	-	-	-
Carrying amount of available-for-sale financial assets ¹	330,450	23,712	(1,331)
Income tax charge		(6,083)	303
GAINS AND LOSSES ON AVAILABLE-FOR-SALE FINANCIAL ASSETS RECOGNISED IN OTHER COMPREHENSIVE INCOME (NET OF INCOME TAX) ²		17,629	(1,028)

¹ The net carrying amount of impaired available-for-sale fixed-income securities is €45 million and the net carrying amount of impaired available-for-sale variable-income securities is €2,085 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 €12,792 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	97,194
Loans and receivables due from customers	854,681
Debt securities	80,581
CARRYING AMOUNT	1,032,456

LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS

<i>(in millions of euros)</i>	31/12/2018
Credit institutions	
Loans and receivables	91,353
<i>of which non doubtful current accounts in debit ¹</i>	6,366
<i>of which non doubtful overnight accounts and advances ¹</i>	25,375
Pledged securities	1
Securities bought under repurchase agreements	5,617
Subordinated loans	614
Other loans and receivables	27
Gross amount	97,612
Impairment	(418)
Net value of loans and receivables due from credit institutions	97,194

¹ These transactions are partly comprised of the item "Net demand loans and deposits with credit institutions" on the "Cash Flow Statement".

<i>(in millions of euros)</i>	31/12/2017
Credit institutions	
Debt securities	5,204
Securities not traded in an active market	5,204
Loans and receivables	87,257
Loans and receivables	79,873
<i>of which performing current accounts in debit</i>	5,973
<i>of which performing overnight accounts and advances</i>	16,459
Pledged securities	10
Securities bought under repurchase agreements	6,609
Subordinated loans	765
Other loans and receivables	-
Gross amount	92,461
Impairment	(387)
Net value of loans and receivables due from credit institutions	92,074
CARRYING AMOUNT	92,074

LOANS AND RECEIVABLES DUE FROM CUSTOMERS

<i>(in millions of euros)</i>	31/12/2018
Loans and receivables due from customers	
Trade receivables	32,039
Other customer loans	803,707
Pledged securities	131
Securities bought under repurchase agreements	2,976
Subordinated loans	116
Insurance receivables	642
Reinsurance receivables	634
Advances in associates' current accounts	1,003
Current accounts in debit	16,257
Gross amount	857,505
Impairment	(18,992)
Net value of loans and receivables due from customers	838,513
Finance leases	
Property leasing	5,550
Equipment leases, operating leases and similar transactions	11,100
Gross amount	16,650
Impairment	(482)
Net value of lease financing operations	16,168
CARRYING AMOUNT	854,681
<hr/>	
<i>(in millions of euros)</i>	31/12/2017
Loans and receivables due from customers	
Debt securities	14,707
Securities not traded in an active market	14,707
Loans and receivables	804,190
Trade receivables	26,847
Other customer loans	756,168
Securities bought under repurchase agreements	3,116
Subordinated loans	116
Insurance receivables	279
Reinsurance receivables	516
Advances in associates current accounts	1,016
Current accounts in debit	16,132
Gross amount	818,897
Impairment	(19,958)
Net value of loans and receivables due from customers	798,939
Finance Leases	
Property leasing	5,695
Equipment leases, operating leases and similar transactions	10,453
Gross amount	16,148
Impairment	(329)
Net value of lease financing operations	15,819
CARRYING AMOUNT	814,758

DEBT SECURITIES

<i>(in millions of euros)</i>	31/12/2018
Treasury bills and similar securities	33,400
Bonds and other fixed income securities	47,228
Total	80,628
Impairment	(47)
CARRYING AMOUNT	80,581

HELD-TO-MATURITY FINANCIAL ASSETS AT 31 DECEMBRE 2017

<i>(in millions of euros)</i>	31/12/2017
Treasury bills and similar securities	26,076
Bonds and other fixed income securities	13,024
Total	39,100
Impairment	(6)
CARRYING AMOUNT	39,094

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		Initial total carrying amount of assets prior to transfer	Carrying amount of assets still recognised (continuing involvement)	Carrying amount of 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			
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	20,702	6	19,625	1,071	20,399	19,702	-	19,702	-	19,601	798	-	-	-	
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities	20,702	6	19,625	1,071	20,399	19,702	-	19,702	-	19,601	798	-	-	-	
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Financial assets at amortised cost	15,477	13,765	1,160	552	15,494	12,185	11,053	1,132	-	12,207	3,287	-	-	-	
Debt securities	1,712	-	1,160	552	1,710	1,132	-	1,132	-	1,132	578	-	-	-	
Loans and receivables	13,765	13,765	-	-	13,784	11,053	11,053	-	-	11,074	2,709	-	-	-	
Loans and receivables	46,667	13,771	31,273	1,623	46,381	42,024	11,053	30,972	-	41,945	4,436	-	-	-	



Finance leases	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERRED ASSETS	46,667	13,771	31,273	1,623	46,381	42,024	11,053	30,972	-	41,945	4,436	-	-

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 <i>(in millions of euros)</i>	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 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
	Carrying amount	Of which securitisation (non-deconsolidating)	Of which securities bought under repurchase agreements	Of which other ¹	Fair value ²	Carrying amount	Of which securitisation (non-deconsolidating)	Of which securities bought under repurchase agreements	Of which other ¹	Fair value ²					
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	17,853	-	15,034	2,819	17,579	15,252	-	14,925	327	15,252	2,328	-	-	-	
Equity instruments	623	-	-	623	544	327	-	-	327	327	217	-	-	-	
Debt securities	17,230	-	15,034	2,196	17,035	14,925	-	14,925	-	14,925	2,111	-	-	-	
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans and receivables	13,653	12,416	201	1,036	13,641	9,984	9,873	201	-	9,918	3,723	-	-	-	
Debt securities	1,237	-	201	1,036	1,237	201	-	201	-	201	1,036	-	-	-	
Loans and advances	12,416	12,416	-	-	12,404	9,783	9,873	-	-	9,717	2,687	-	-	-	
Held-to-maturity	910	-	910	-	896	852	-	852	-	903	(7)	-	-	-	
Debt securities	910	-	910	-	896	852	-	852	-	903	(7)	-	-	-	
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total financial assets	47,900	12,416	31,629	3,855	47,560	41,120	9,873	31,010	327	41,105	6,456	-	-	-	
Finance leases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL TRANSFERRED ASSETS	47,900	12,416	31,629	3,855	47,560	41,120	9,873	31,010	327	41,105	6,456	-	-	-	

¹ Including securities lending without cash collateral.

² When the "counterparty" (counterparties) to the associated liabilities has (have) recourse only 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 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 Group's consolidated financial statements.

The carrying amounts of the relevant assets amounted to €10,502 million at 31 December 2018.

FCT Securitisation, Crédit Agricole home loans 2015, 2017 and 2018

At 31 December 2018 the Regional Banks handled three vehicles for securitising home loans. These securitisation transactions are not considered to form part of a deconsolidation transaction under IFRS and have therefore been reintegrated into Crédit Agricole Group's consolidated financial statements.

The carrying amounts of the relevant assets amounted to €11,825 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.

Crédit Agricole Group's exposure to sovereign risk is as follows:

BANKING ACTIVITY

31/12/2018 (in millions of euros)	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
	Held-for-trading financial assets	Other financial instruments at fair value through profit or loss					
Saudi Arabia	8	-	-	880	888	-	888
Austria	-	35	15	155	205	(5)	200
Belgium	50	56	2,493	1,412	4,011	(136)	3,875
Brazil	381	-	-	211	592	-	592
China	6	-	-	19	25	-	25
Spain	-	5	539	264	808	(2)	806
United States	1,578	-	152	1,610	3,340	1	3,341
France	3	621	6,212	20,013	26,849	(732)	26,117
Greece	-	-	-	-	-	-	-
Hong Kong	71	-	-	978	1,049	-	1,049
Iran	-	-	-	-	-	-	-
Ireland	-	-	-	2	2	-	2
Italy	519	5	3,019	5,175	8,718	(184)	8,534
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	384	2,006	3,051	6,330	(244)	6,086
Total	3,532	1,106	15,211	35,811	55,660	(1,302)	54,358

31/12/2017	Exposures net of impairment							
	Of which banking portfolio				Of which trading book (excluding derivatives)	Total banking activity before hedging	Hedging available-for-sale financial assets	Total banking activity after hedging
	(in millions of euros)	Held-to-maturity financial assets	Available-for-sale financial assets	Financial assets at fair value through profit				
Saudi Arabia	-	-	-	542	2	544	-	544
Austria	112	35	-	-	44	191	(12)	179
Belgium	373	3,285	-	-	-	3,658	(130)	3,528
Brazil	-	7	-	38	86	131	-	131
China	-	65	-	-	3	68	-	68
Spain	51	1,572	2	-	-	1,625	-	1,625
United States	-	151	-	-	617	768	(3)	765
France	14,464	13,194	2	3,056	-	30,716	(1,149)	29,567
Greece	-	-	-	-	-	-	-	-
Hong Kong	-	1,044	-	-	38	1,082	-	1,082
Iran	-	-	-	-	-	-	-	-
Ireland	2	7	2	-	-	11	-	11
Italy	2,329	5,304	4	113	64	7,814	(187)	7,627
Japan	-	2,635	-	255	-	2,890	-	2,890
Lithuania	-	-	-	-	-	-	-	-
Poland	-	759	-	-	2	761	-	761
United Kingdom	-	-	-	-	-	-	-	-
Russia	-	8	-	-	5	13	-	13
Syria	-	-	-	-	-	-	-	-
Turkey	-	-	-	-	-	-	-	-
Ukraine	-	32	-	-	-	32	-	32
Venezuela	-	-	-	4	-	4	-	4
Yemen	-	-	-	-	-	-	-	-
Other countries	1,010	3,384	17	(551)	1,972	5,833	(274)	5,559
Total	18,340	31,482	27	3,457	2,833	56,141	(1,756)	54,386

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		
<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Saudi Arabia	-	-
Austria	3,672	3,388
Austria	2,859	2,419
Brazil	-	1
China	-	-
Spain	1,148	1,015
United States	39	17
France	48,417	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	2,118	1,633
TOTAL EXPOSURE	65,446	57,426

6.8 Financial liabilities at amortised cost

<i>(in millions of euros)</i>	31/12/2018
Due to credit institutions	95,970
Due to customers	789,835
Debt securities	198,227
CARRYING AMOUNT	1,084,032

DUE TO CREDIT INSTITUTIONS

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Credit institutions		
Accounts and borrowings	73,414	65,636
<i>of which current accounts in credit ¹</i>	10,582	5,882
<i>of which overnight accounts and deposits ¹</i>	1,671	1,858
Pledged securities	-	-
Securities sold under repurchase agreements	22,556	22,789
CARRYING AMOUNT	95,970	88,425

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

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Current accounts in credit	350,525	315,978
Special savings accounts	292,923	280,316
Other amounts due to customers	142,795	132,211
Securities sold under repurchase agreements	900	1,797
Insurance liabilities	1,306	882
Reinsurance liabilities	334	287
Cash deposits received from ceding and retroceding companies against technical insurance commitments	1,052	949
CARRYING AMOUNT	789,835	732,420

DEBT INSTRUMENTS

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Interest bearing notes	140	153
Money-market securities	10,306	11,686
Negotiable debt securities	90,768	74,934
Bonds ¹	93,932	86,932
Other debt securities	3,081	3,827
CARRYING AMOUNT	198,227	177,532

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					
	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	Other amounts that can be offset under given conditions		Net amount after all offsetting effects
Gross amounts of financial liabilities covered by master netting agreements				Amounts of other financial instruments received as collateral, including security deposits		
(in millions of euros)						
Derivatives ¹	167,668	57,578	110,090	80,480	14,564	15,047
Reverse repurchase agreements ²	168,238	53,017	115,221	6,771	103,888	4,561
Securities lent	5,593	-	5,593	-	-	5,593
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL ASSETS SUBJECTS TO OFFSETTING	341,499	110,595	230,904	87,251	118,452	25,201

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					
	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	Other amounts that can be offset under given conditions		Net amount after all offsetting effects
Gross amounts of financial liabilities covered by master netting agreements				Amounts of other financial instruments received as collateral, including security deposits		
(in millions of euros)						
Derivatives ¹	199,284	75,436	123,848	97,755	11,064	15,029
Reverse repurchase agreements ²	132,174	29,647	102,527	17,619	22,008	62,900
Securities lent	4,531	-	4,531	-	-	4,531
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL ASSETS SUBJECTS TO OFFSETTING	335,989	105,083	230,906	115,374	33,072	82,460

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

(in millions of euros)	31/12/2018					
	Offsetting effects on financial assets covered by master netting agreements and similar agreements					
	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	Other amounts that can be offset under given conditions		Net amount after all offsetting effects
Gross amounts of financial liabilities covered by master netting agreements				Amounts of other financial instruments received as collateral, including security deposits		
Derivatives ¹	165,577	57,544	108,033	80,516	24,374	3,142
Repurchase agreements ²	151,822	53,017	98,805	6,771	85,221	6,812
Securities borrowed	5,977	-	5,977	-	-	5,977
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFSETTING	323,376	110,562	212,814	87,288	109,595	15,932

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

(in millions of euros)	31/12/2017					
	Offsetting effects on financial liabilities covered by master netting agreements and similar agreements					
	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	Other amounts that can be offset under given conditions		Net amount after all offsetting effects
Gross amounts of financial assets covered by master netting agreements				Amounts of other financial instruments received as collateral, including security deposits		
Derivatives ¹	198,613	75,444	123,169	97,755	12,801	12,613
Repurchase agreements ²	120,723	29,647	91,076	17,619	20,259	53,198
Securities borrowed	5,010	-	5,010	-	-	5,010
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFSETTING	324,346	105,091	219,255	115,374	33,060	70,821

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

6.10 Current and deferred tax assets and liabilities

(in millions of euros)	31/12/2018	31/12/2017
Current tax	1,629	1,807
Deferred tax	4,594	3,747
TOTAL CURRENT AND DEFERRED TAX ASSETS	6,223	5,554
Current tax	764	763
Deferred tax	1,678	1,855
TOTAL CURRENT AND DEFERRED TAX LIABILITIES	2,442	2,618

Net deferred tax assets and liabilities break down as follows:

<i>(in millions of euros)</i>	31/12/2018
Temporary timing differences - tax	4,194
Non-deductible accrued expenses	384
Non-deductible for liabilities and charges	3,433
Other temporary differences ¹	377
Deferred tax on reserves for unrealised gains or losses	(297)
Financial assets at fair value through other comprehensive income	(362)
Cash flow hedges	(269)
Gains and losses/Actuarial differences	143
Other comprehensive income attributable to changes in own credit risk	57
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	135
Deferred tax on income and reserves	(981)
of which Reclassification of net gains (losses) of designated financial assets applying the overlay approach	(135)
TOTAL DEFERRED TAX	2,916

¹ The portion of deferred tax related to tax loss carryforwards is €444 million for 2018.

<i>(in millions of euros)</i>	31/12/2017
Temporary timing differences	3,329
Non-deductible accrued expenses	333
Non-deductibles provisions for liabilities and charges	3,083
Other temporary differences ¹	(87)
Deferred tax on reserves for unrealised gains or losses	(779)
available-for-sale assets	(776)
Cash flow hedges	(183)
Gains and losses/Actuarial differences	180
Deferred tax on Income	(658)
TOTAL DEFERRED TAX	1,892

¹ The portion of deferred tax related to tax loss carryforwards is €640 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 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

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Other assets	36,259	33,308
Inventory accounts and miscellaneous	212	216

Sundry debtors ¹	31,729	29,248
Settlement accounts	2,150	1,909
Other insurance assets	344	280
Reinsurer's share of technical reserves	1,824	1,655
Accruals and deferred income	8,084	9,202
Items in course of transmission	3,477	4,335
Adjustment and suspense accounts	703	496
Accrued income	2,092	2,337
Prepaid expenses	555	623
Other accrual prepayments and sundry assets	1,256	1,411
CARRYING AMOUNT	44,343	42,510

¹ including €67 million in respect of the contribution to the Single Resolution Fund in the form of a security deposit. 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	30,623	29,342
Settlement accounts	2,657	2,495
Sundry creditors	27,239	26,212
Liabilities related to trading securities	705	611
Other insurance liabilities	22	24
Accruals and deferred income	17,386	16,459
Items in course of transmission ²	3,942	4,161
Adjustment and suspense accounts	868	332
Unearned income	4,023	3,793
Accrued expenses	7,712	7,062
Other accrual prepayments and sundry assets	841	1,111
Carrying amount	48,009	45,800

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 €2,019 million (€1,609 million au 31 December 2017),
- the equity-accounted value of associates totalled €4,289 million (€3,504 million at 31 Decembre 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".

(in millions of euros)	31/12/2018					
	% of interest	Equity-accounted	Share of market	Dividends paid to	Share of net income ¹	Share of shareholder
Joint ventures						
Fca Bank S.P.A	50.0%	1,672	-	-	133	1,427
Others		347	-	-	61	454
Net carrying amount of investments in equity-accounted entities (Joint ventures)		2,019			194	1,881
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	23.3%	121	-	-	20	121
Frey	19.2%	114	100	2	14	112
Others	0.0%	607			94	273
Net carrying amount of investments in equity-accounted entities (Associates)		4,289			297	3,136
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		6,308			491	5,017

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

³ SCI Heart of La Défense entered the scope of consolidation under the equity method in 2018.

31/12/2017						
(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 shareholder s' equity ²
Joint ventures ²						
FCA Bank	50.0%	1,573	-	50	193	1,270
Others		36	31	5	10	228
Net carrying amount of investments in equity- accounted entities (Joint ventures)		1,609			203	1,498
Associates						
Banque Saudi Fransi ³	-	-	-	92	173	-
Eurazeo ⁴	-	-	-	13	77	-
Icade ⁵	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		485	-	-	51	343
Net carrying amount of investments in equity- accounted entities (Associates)		3,498			584	2,453
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		5,106			787	3,951

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.

³ Crédit Agricole Banque CIB sold 16.2% of Banque Saudi Fransi on 20 September 2017. The contribution of Banque Saudi Fransi covers the period starting 1 January 2017 to 20 September 2017. The remaining participation has been reclassified in Available-for-sale financial assets.

⁴ Crédit Agricole 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 with 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 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:

<i>(in millions of euros)</i>	31/12/2018			
	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
Altaarea	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.

<i>(in millions of euros)</i>	31/12/2017			
	Revenues	Net income	Total assets	Total Equity
Joint ventures				
FCA Bank	821	387	27,081	2,540
Associates				
Icade ¹	77	77	10,049	3,864
Altaarea	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 Group has the following restrictions:

Regulatory constraints

The subsidiaries of Crédit Agricole 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 Group.

Legal constraints

The subsidiaries of Crédit Agricole 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 Group are held for the benefit of policyholders. Assets of the insurance subsidiaries of Crédit Agricole 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

<i>(in millions of euros)</i>	31/12/2017	01/01/2018	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31/12/2018
Gross amount	7,203	7,203	154	568	(576)	-	90	7,439
Amortisation and impairment	(459)	(459)	-	(31)	28	-	(10)	(472)
CARRYING AMOUNT ¹	6,744	6,744	154	537	(548)	-	80	6,967

¹ Including investment property let to third parties.

<i>(in millions of euros)</i>	01/01/2017	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31/12/2017
Gross amount	6,571	23	1,544	(1,161)	-	226	7,203
Amortisation and impairment	(442)	-	(30)	21	-	(8)	(459)
CARRYING AMOUNT ¹	6,129	23	1,514	(1,140)	-	218	6,744

¹ Including investment property let to third parties.

FAIR VALUE OF INVESTMENTS PROPERTIES

The market value of investment property recorded at amortised cost, as valued by “expert appraisers”, was € 10,346 million at 31 December 2018 compared to € 9,787 million at 31 December 2017.

<i>(in millions of euros)</i>		31/12/2018	31/12/2017
Quoted prices in active markets for identical instruments	Level 1	2	2
Valuation based on observable data	Level 2	10,137	9,606
Valuation based on unobservable data	Level 3	207	179
MARKET VALUE		10,346	9,787

All investment property are recognised at amortised cost in the balance sheet.

6.14 Property, plant & equipment and intangible assets (excluding goodwill)

<i>(in millions of euros)</i>	31/12/2017	01/01/2018	Changes in scope	Increases (acquisitions)	Decreases (disposals and redemptions)	Translation adjustments	Other movements	31/12/2018
Property, plant & equipment used in operations								
Gross amount	17,371	17,371	18	1,240	(771)	29	(26)	17,861
Amortisation and impairment ¹	(9,746)	(9,746)	(7)	(820)	482	(14)	22	(10,083)
CARRYING AMOUNT	7,625	7,625	11	420	(289)	15	(4)	7,778
Intangible assets								
Gross amount	6,991	6,991	19	599	(204)	3	58	7,466
Amortisation and impairment	(4,677)	(4,677)	(2)	(458)	142	(1)	(28)	(5,024)
CARRYING AMOUNT	2,314	2,314	17	141	(62)	2	30	2,442

¹ Including depreciation on fixed assets let to third parties.

<i>(in millions of euros)</i>	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	16,742	152	1,291	(870)	(73)	129	17,371
Amortisation and impairment ¹	(9,568)	(10)	(820)	688	41	(77)	(9,746)
CARRYING AMOUNT	7,174	142	471	(182)	(32)	52	7,625
Intangible assets							
Gross amount	5,847	735	587	(124)	(15)	(39)	6,991
Amortisation and impairment	(4,124)	(175)	(461)	76	12	(5)	(4,677)
CARRYING AMOUNT	1,723	560	126	(48)	(3)	(44)	2,314

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
French Retail Banking	5,573	5,020	5,573	5,020	6	-	-	-	-	5,579	5,026
of which LCL Group	5,558	5,018	5,558	5,018	-	-	-	-	-	5,558	5,018
of which CR	15	2	15	2	6	-	-	-	-	21	8
International retail banking	3,392	1,794	3,392	1,794	-	-	-	1	-	3,387	1,795
of which Italy	3,042	1,762	3,042	1,762	-	-	-	-	-	3,042	1,762
of which Poland	225	-	225	-	-	-	-	-	-	218	-
of which Ukraine	39	-	39	-	-	-	-	-	-	39	-
of which other countries	86	32	86	32	-	-	-	1	-	88	33
Asset gathering	6,925	6,926	6,925	6,926	22	-	-	48	-	6,997	6,997
of which asset management	4,893	4,893	4,893	4,893	-	-	-	20	-	4,914	4,914
of which insurance	1,261	1,262	1,261	1,262	-	-	-	-	-	1,262	1,262
of which international wealth management	771	771	771	771	22	-	-	28	-	821	821
Specialised financial services	2,727	1,025	2,727	1,025	2	-	-	-	-	2,729	1,026
of which Consumer finance (excl. Agos)	1,693	954	1,693	954	2	-	-	-	-	1,695	956
of which Consumer finance Agos	569	-	569	-	-	-	-	-	-	569	-
of which Factoring	465	70	465	70	-	-	-	-	-	465	70
Large customers	2,472	1,152	2,472	1,152	-	(4)	-	-	-	2,468	1,148
of which Corporate and investment banking	1,817	497	1,817	497	-	-	-	-	-	1,817	497
of which Asset servicing	655	655	655	655	-	(4)	-	-	-	651	651
Corporate Centre	72	72	72	72	-	-	-	-	-	72	72
TOTAL	21,161	15,988	21,161	15,988	30	(4)	-	49	-	21,232	16,064
Group Share	19,831	14,755	19,831	14,755	30	(4)	-	37	-	19,890	14,819
Non-controlling interests	1,330	1,233	1,330	1,233	-	-	-	12	-	1,342	1,245

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 four years (2019-2022) developed for Group management purposes, potentially extrapolated over the next year.

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 Group 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 %
				9.7 %
				80 % of the solvency margin (Insurance)
Asset gathering		2.0%	7.8 % à 8.7 %	
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 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:

	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
In 2018							
French retail banking - LCL	(1,5)%	+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	(8.6)%	+8.2%	(6,1)%	+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 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 €340 million on the LCL retail banking CGU in France and approximately €220 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 €160 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 €100 million between the value in use and the consolidated value.

6.16 Insurance company technical reserves

BREAKDOWN OF INSURANCE TECHNICAL RESERVES

<i>(in millions of euros)</i>	31/12/2018				
	Life	Non-Life	International	Creditor	Total
Insurance contracts	190,622	7,432	19,475	1,860	219,389
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	42	-	-	16,286
Total technical reserves	282,548	7,474	34,778	1,860	326,660
Deferred participation benefits (asset)	-	-	52	-	52
Reinsurer's share of technical reserves	(1,015)	(462)	(71)	(275)	(1,823)
NET TECHNICAL RESERVES	281,533	7,012	34,759	1,585	324,889

<i>(in millions of euros)</i>	31/12/2017				
	Life	Non-Life	International	Borrower	Total
Insurance contracts	169,685	6,786	16,516	1,773	194,760
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	60	500	-	21,538
Total technical reserves	283,339	6,846	31,199	1,773	323,157
Deferred participation benefits (asset)	-	-	-	-	-
Reinsurer's share of technical reserves	(918)	(408)	(59)	(270)	(1,655)
NET TECHNICAL RESERVES	282,421	6,438	31,140	1,503	321,502

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	31/12/2018
<i>(in millions of euros)</i>	Deferred participation benefits liabilities (in assets when appropriate)
Deferred participation on revaluation of financial assets at fair value through other comprehensive income and hedging derivatives	(14,669)
<i>of which deferred participation on revaluation of financial assets at fair value through other comprehensive income ¹</i>	(15,561)
<i>of which deferred participation hedging derivatives</i>	892
Deferred participation on financial assets at fair value through profit or loss adjustment	479
Other deferred participation	(2,043)
TOTAL PRE-TAX OTHER DEFERRED PARTICIPATION BENEFITS	(16,233)

¹ See Note 6.4 "Assets at fair value through other comprehensive income"

Deferred participation benefits (in millions of euros)	31/12/2017 Deferred participation benefits in liabilities
Deferred participation on revaluation of held-for-sale securities and hedging derivatives	18,314
<i>of which deferred participation on revaluation of held-for-sale securities ¹</i>	17,467
<i>of which deferred participation hedging derivatives</i>	847
Deferred participation on trading securities mark-to-market adjustment	443
Other deferred participation (liquidity risk reserve cancellation)	2,781
TOTAL	21,538

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	Depreciation charges	Reversals, amounts used	Reversals, amounts not used	Translation adjustments	Other movements	31/12/2018
Home purchase schemes risks	747	747	-	30	-	(11)	-	-	766
Execution risks of commitments by signature	627	1,142	-	1,210	(55)	(1,336)	3	442	1,406
Operational risks	428	427	-	62	(19)	(86)	-	1	385
Employee retirement and similar benefits ¹	2,116	2,116	(1)	176	(223)	(65)	11	(41)	1,973
Litigation ²	1,477	1,477	5	1,380	(101)	(230)	6	(92)	2,445
Equity investments	21	21	(1)	3	(13)	(3)	-	(1)	6
Restructuring	37	37	-	-	(4)	(8)	-	-	25
Other risks	912	912	3	384	(175)	(153)	(1)	131	1,101
TOTAL	6,365	6,879	6	3,245	(590)	(1,892)	19	440	8,107

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	Depreciation charges	Reversals, amounts used	Reversals, amounts not used	Translation adjustments	Other movements	31/12/2017
Home purchase schemes risks	1,189	-	-	-	(442)	-	-	747
Execution risks of commitments by signature	425	18	331	(16)	(148)	(19)	36	627
Operational risks	518	1	131	(133)	(88)	-	(1)	428
Employee retirement and similar benefits	2,042	182	238	(252)	(58)	(26)	(10)	2,116
Litigation	1,235	181	486	(155)	(267)	(4)	1	1,477
Equity investments	14	-	13	(4)	(2)	-	-	21
Restructuring	48	1	-	(8)	(4)	-	-	37
Other risks	1,039	1	266	(224)	(168)	(8)	6	912
TOTAL	6,510	384	1,465	(792)	(1,177)	(57)	32	6,365

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 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 subsidiary 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

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Home purchase savings plans		
Under 4 years old	12,429	10,573
Between 4 and 10 years old	38,159	35,798
Over 10 years old	50,082	50,686
Total home purchase savings plans	100,670	97,057
Total home purchase savings accounts	11,682	11,576
TOTAL DEPOSITFS COLLECTED UNDER HOME PURCHASE SAVINGS CONTRACTS	112,352	108,633

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 for the financial statements at 31 December 2017.

OUTSTANDING LOANS GRANTED TO HOLDERS OF HOME PURCHASE SAVINGS ACCOUNTS AND PLANS

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Home purchase savings plans	87	121
Home purchase savings accounts	465	664
TOTAL OUTSTANDING LOANS GRANTED UNDER HOME PURCHASE SAVINGS CONTRACTS	552	785

OUTSTANDING LOANS GRANTED TO HOLDERS OF HOME PURCHASE SAVINGS ACCOUNTS AND PLANS

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Home purchase savings plans		
Under 4 years old	27	13
Between 4 and 10 years old	292	286
Over 10 years old	447	448
Total home purchase savings plans	766	747
Total home purchase savings accounts	1	-
TOTAL FOR HOME PURCHASE SAVINGS CONTRACTS	767	747

<i>(in millions of euros)</i>	31/12/2017	01/01/2018	Depreciation charges	Reversals	Other movements	31/12/2018
Home purchase savings plans	747		30	(11)	-	766
Home purchase savings accounts	-		1	-	-	1
TOTAL FOR HOME PURCHASE SAVINGS CONTRACTS	747		31	(11)	-	767

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 .

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 and Regional Banks.

Consequently, the ratio between the provision booked and the outstanding amounts shown on Crédit Agricole balance sheet is not representative of the level of provisioning for home purchase savings risk.

6.18 Subordinated debt

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Dated subordinated debt ¹	20,572	22,424
Undated subordinated debt ²	1,959	2,832
Mutual security deposits	162	172
Participating securities and loans	62	87
CARRYING AMOUNT	22,755	25,515

¹ Includes issues of dated subordinated notes "TSR"

² Includes issues of deeply subordinated notes "TSS" and undated subordinated notes "TSDI"

At 31 December 2018, deeply subordinated notes issued 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 6.19.

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 TSDI 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 Undated financial instruments

The main issues of undated subordinated and deeply subordinated debt classified in shareholders' equity Group share 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)	At 31 december 2018			
					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					-	5	-	5
Issues subscribed by Crédit Agricole CIB for currency					-	-	-	-
TOTAL					5,011	(1,935)	(38)	3,038

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		Partial repurchases and redemptions	Amount in currency at 31 december 2018	Amount in euros at inception rate
		(in millions of units)	(in millions of units)			
14/10/2014	EUR	745	-	-	745	745
13/01/2015	EUR	987	-	-	987	987
TOTAL						1,732

Changes relating to undated subordinated and deeply subordinated debt affecting shareholders' equity Group share are as follows:

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Undated deeply subordinated notes		
Interest paid accounted as reserves	(377)	(388)
Income tax savings related to interest paid to security holders recognised in net income	131	133
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.

<i>(in millions of euros)</i>	31/12/2018				
	% 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	30%	30%	265	1,990	151
Groupe Caripama	14%	14%	66	833	28
AGOS S.p.A.	39%	39%	126	493	87
Crédit Agricole Egypt S.A.E.	40%	40%	38	117	23
Autres entités			31	2,038	18
TOTAL	-	-	525	5,471	307

¹ Of which €1,726 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.

<i>(in millions of euros)</i>	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	30%	30%	186	1,879	133
Groupe Caripama	13%	13%	92	902	26
Groupe CACEIS ¹	0%	0%	22	-	9
Agos S.p.A.	39%	39%	115	536	67
Other entities ²			59	2,127	37
TOTAL	-	-	474	5,445	272

¹ On 22 December 2017, Crédit Agricole S.A. completed the acquisition of the 15% stake in CACEIS held by Natixis, and now holds 100% of the capital.

² Of which €1,726 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 group Crédit Agricole on the basis of the IFRS financial statements.

<i>(in millions of euros)</i>	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

<i>(in millions of euros)</i>	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".

<i>(in millions of euros)</i>	31/12/2018					Total
	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	
Cash, central banks	70,584	-	-	-	-	70,584
Financial assets at fair value through profit or loss	105,279	28,597	37,176	66,664	134,426	372,142
Hedging derivative Instruments	1,209	743	6,032	7,845	-	15,829
Financial assets at fair value through other comprehensive income	8,939	18,921	94,490	137,490	5,141	264,981
Financial assets at amortised cost	171,256	103,518	358,002	396,990	2,690	1,032,456
Revaluation adjustment on interest rate hedged portfolios	8,337					8,337
TOTAL FINANCIAL ASSETS BY MATURITY	365,604	151,779	495,700	608,989	142,257	1,764,329
Central banks	1,140	-	-	-	-	1,140
Financial liabilities at fair value through profit or loss	99,899	13,558	41,975	70,470	-	225,902
Hedging derivative Instruments	1,061	608	5,559	8,942	-	16,170
Financial liabilities at amortised cost	790,226	101,219	132,529	60,058	-	1,084,032
Subordinated debt	294	2,232	2,639	15,470	2,120	22,755
Revaluation adjustment on interest rate hedged portfolios	7,879					7,879
TOTAL FINANCIAL LIABILITIES BY MATURITY	900,499	117,617	182,702	154,940	2,120	1,357,878

<i>(in millions of euros)</i>	31/12/2017					Total
	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	
Cash, central banks	54,119	-	-	-	-	54,119
Financial assets at fair value through profit or loss	98,900	23,628	37,966	72,251	87,561	320,306
Hedging derivative instruments	1,517	551	7,076	9,461	-	18,605



Available-for-sale financial assets	14,499	22,700	97,054	155,584	40,613	330,450
Loans and receivables due from credit institutions	46,386	5,827	37,620	2,241	-	92,074
Loans and receivables due from customers	112,008	79,822	277,056	342,641	3,231	814,758
Value adjustment on interest rate risk hedged portfolios	7,427					7,427
Held-to-maturity financial assets	1,293	2,545	13,841	21,415	-	39,094
TOTAL FINANCIAL ASSETS BY MATURITY	336,149	135,073	470,613	603,592	131,405	1,676,833
Central banks	3,243	-	191	-	-	3,434
Financial liabilities at fair value through profit or loss	90,012	16,428	43,811	75,348	-	225,599
Hedging derivative instruments	1,213	589	4,744	10,658	-	17,204
Due to credit institutions	42,553	10,354	29,088	6,430	-	88,425
Due to customers	629,479	42,375	51,841	8,725	-	732,420
Debt securities	49,408	31,858	46,729	49,537	-	177,532
Subordinated debt	2,129	790	5,586	13,989	3,021	25,515
Value adjustment on interest rate risk hedged portfolios	8,117					8,117
TOTAL FINANCIAL LIABILITIES BY MATURITY	826,154	102,394	181,990	164,687	3,021	1,278,246

NOTE 7 Employee benefits and other compensation

7.1 Analysis of employee expenses

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Salaries ¹	(7,689)	(7,389)
Contributions to defined-contribution plans	(684)	(666)
Contributions to defined-benefit plans	(130)	(214)
Other social security expenses	(2,190)	(2,016)
Profit-sharing and incentive plans	(714)	(702)
Payroll-related tax	(792)	(870)
TOTAL EMPLOYEE EXPENSES	(12,198)	(11,857)

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 number of employees	31/12/2018	31/12/2017
France	103,898	103,332
International	36,985	35,280
TOTAL	140,882	138,612

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, the group Crédit Agricole 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 31/12/2017
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

(in millions of euros)	31/12/2018			31/12/2017
	Eurozone	Outside Eurozone	All Zones	All Zones
Actuarial liability at 31/12/N-1	2,891	1,550	4,441	4,388
Translation adjustments	-	31	31	(113)
Cost of service rendered during the period	151	38	189	186
Financial cost	37	27	64	64
Employee contributions	1	17	18	15
Benefit plan changes, withdrawals and settlement ²	(9)	3	(6)	(23)
Changes in scope	-	-	-	92
Benefits paid (mandatory)	(121)	(67)	(188)	(240)
Taxes, administrative expenses, and bonuses	-	-	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions ¹	9	(14)	(5)	9
Actuarial (gains)/losses arising from changes in financial assumptions ¹	(5)	(56)	(61)	63
ACTUARIAL LIABILITY AT 31/12/N	2,954	1,529	4,483	4,441

¹ Of which actuarial gains/losses related to experience adjustment.

BREAKDOWN OF NET CHARGE RECOGNISED IN THE INCOME STATEMENT

(in millions of euros)	31/12/2018			31/12/2017
	Eurozone	Outside Eurozone	All Zones	All Zones
Service cost	(142)	(41)	(184)	(164)
Income/expenses on net interests	(9)	(4)	(13)	(14)
IMPACT IN PROFIT AND LOSS AT 31/12/N	(151)	(45)	(196)	(178)

BREAKDOWN OF INCOME RECOGNISED IN OCI THAT WILL NOT BE RECLASSIFIED TO PROFIT AND LOSS

(in millions of euros)	31/12/2018			31/12/2017
	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	709	311	1,020	1,015
Translation adjustments	-	7	7	(24)
Actuarial gains/losses on assets	1	4	5	(63)
Actuarial (gains)/losses arising from changes in demographic assumptions ¹	9	(14)	(5)	9
Actuarial (gains)/losses arising from changes in financial assumptions ¹	(5)	(56)	(61)	63
Adjustment of assets restriction's impact	-	5	5	(1)
IMPACT IN OTHER COMPREHENSIVE INCOME AT 31/12/N	-	(53)	(53)	(16)

¹ Of which actuarial gains/losses related to experience adjustment.

CHANGE IN FAIR VALUE OF ASSETS

(in millions of euros)	31/12/2018			31/12/2017
	Eurozone	Outside Eurozone	All Zones	All Zones
Fair value of assets at 31/12/N-1	1,587	1,294	2,881	2,749
Translation adjustments	-	22	22	(89)
Interests on asset (income)	25	24	49	47
Actuarial gains/(losses)	(1)	(4)	(5)	62
Employer contributions	111	62	173	226
Employee contributions	-	17	17	16
Benefit plan changes, withdrawals and settlement	-	-	-	-
Changes in scope	-	(1)	(1)	22
Taxes, administrative expenses, and bonuses	-	-	-	(1)
Benefits paid out under the benefit plan	(52)	(64)	(116)	(151)
FAIR VALUE OF ASSETS AT 31/12/N	1,670	1,350	3,020	2,881

CHANGE IN FAIR VALUE OF REIMBURSEMENT RIGHTS

	31/12/2018			31/12/2017
	Eurozone	Outside Eurozone	All Zones	All Zones
<i>(in millions of euros)</i>				
Fair value of reimbursement rights at 31/12/N-1	341	-	341	323
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	(1)
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
	Eurozone	Outside Eurozone	All Zones	All Zones
<i>(in millions of euros)</i>				
Closing actuarial liability	(2,954)	(1,529)	(4,483)	(4,441)
Impact of asset restriction	-	(6)	(6)	-
Fair value of assets at end of period	1,670	1,350	3,020	2,881
NET POSITION OF ASSETS/(LIABILITIES) AT END OF PERIOD	(1,284)	(185)	(1,469)	(1,560)

DEFINED-BENEFIT PLANS: MAIN ACTUARIAL ASSUMPTIONS

	31/12/2018		31/12/2017	
	Eurozone	Outside Eurozone	Eurozone	Outside Eurozone
<i>(in millions of euros)</i>				
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

(in millions of euros)	Eurozone			Outside Eurozone			All Zones		
	%	Amount	of which listed	%	Amount	of which listed	%	Amount	of which listed
Equities	8.8%	176	59	25.9%	349	349	15.7%	525	408
Bonds	67.6%	1,356	360	47.1%	635	635	59.3%	1,991	995
Property/Real estate	5.2%	104		12.0%	161		7.9%	265	
Other assets	18.5%	372		15.0%	202		17.1%	574	

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 3.72%;
- a 50 basis point decrease in discount rates would increase the commitment by 4.39%.

Crédit Agricole'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 75% 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 Group for these other employee benefit obligations amounted to €487 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).



NOTE 8 Commitments given and received and other guarantees

Financing and guarantee commitments and other guarantees include discontinued operations.

COMMITMENTS GIVEN AND RECEIVED

<i>(in millions of euros)</i>	31/12/2018	31/12/2017
Commitments given		
Financing commitments	219,861	200,846
Commitments given to credit institutions	24,524	23,908
Commitments given to customers	195,337	176,938
Confirmed credit lines	136,655	132,322
Documentary credits	5,645	5,355
Other confirmed credit lines	131,010	126,967
Other commitments given to customers	58,682	44,616
Guarantee commitments	88,271	92,297
Credit institutions	8,650	8,169
Confirmed documentary credit lines	4,368	3,834
Other	4,282	4,335
Customers	79,621	84,128
Property guarantees	5,431	5,465
Other customer guarantees	74,190	78,663
Securities commitments	7,045	-
Securities to be delivered	7,045	-
Commitments received		
Financing commitments	94,582	87,925
Commitments received from credit institutions	85,958	81,960
Commitments received from customers	8,624	5,965
Guarantee commitments	337,185	282,586
Commitments received from credit institutions	96,996	89,122
Commitments received from customers	240,189	193,464
Guarantees received from government bodies or similar institutions	45,140	38,503
Other guarantees received	195,049	154,961
Securities commitments	10,369	-
Securities to be received	10,369	-

FINANCIAL INSTRUMENTS GIVEN AND RECEIVED AS COLLATERAL

<i>(in millions of euros)</i>	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.)	184,651	181,511
Securities lent	11,569	9,533
Security deposits on market transactions	16,261	16,986
Other security deposits	-	-
Securities sold under repurchase agreements	98,805	91,076
TOTAL CARRYING AMOUNT OF FINANCIAL ASSETS PROVIDED AS COLLATERAL	311,286	299,106
Carrying amount of financial assets received in guarantee		
Other security deposits	-	-
Fair value of instruments received as reusable and reused collateral		
Securities borrowed	3	7
Securities bought under repurchase agreements	132,659	114,285
Securities sold short	29,368	22,594
TOTAL FAIR VALUE OF INSTRUMENTS RECEIVED AS REUSABLE AND REUSED COLLATERAL	162,030	136,885

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 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 CREDIT AGRICOLE GROUP

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.

RECLASSIFICATIONS PERFORMED BY CREDIT AGRICOLE GROUP

Reclassification of financial assets in 2018

In 2018, Crédit Agricole 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	
	Carrying amount 31/12/2017	Estimated market value at 31/12/2017
<i>(in millions of euros)</i>		
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	
	Actual income and expenses recognised	If asset had been retained in its former category (change in fair value)
<i>(in millions of euros)</i>		
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

<i>(in millions of euros)</i>	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	951,875	976,407	-	329,875	646,532
Loans and receivables due from credit institutions	97,194	100,528	-	99,810	718
Current accounts and overnight loans	31,741	32,408	-	32,382	26
Accounts and long-term loans	59,221	61,827	-	61,321	506
Pledged securities	1	1	-	-	1
Securities bought under repurchase agreements	5,617	5,650	-	5,650	-
Subordinated loans	614	620	-	435	185
Other loans and receivables	-	22	-	22	-
Loans and receivables due from customers	854,681	875,879	-	230,065	645,814
Trade receivables	48,049	47,350	-	20,291	27,059
Other customer loans	786,930	807,454	-	194,440	613,014
Pledged securities	131	131	-	131	-
Securities bought under repurchase agreements	2,976	2,976	-	2,976	-
Subordinated loans	113	114	-	11	103
Insurance receivables	642	642	-	88	554
Reinsurance receivables	634	634	-	53	581
Advances in associates' current accounts	930	974	-	512	462
Current accounts in debit	14,276	15,604	-	11,563	4,041
Debt securities	80,581	81,903	64,106	13,672	4,125
Treasury bills and similar securities	33,389	33,946	31,025	2,871	50
Bonds and other fixed income securities	47,192	47,957	33,081	10,801	4,075
TOTAL FINANCIAL ASSETS OF WHICH FAIR VALUE IS DISCLOSED	1,032,456	1,058,310	64,106	343,547	650,657

<i>(in millions of euros)</i>	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
<i>Financial assets not measured at fair value on balance sheet</i>					
Loans and receivables	906,832	935,055	1	258,914	676,140
Loans and receivables due from credit institutions	92,074	92,343	1	91,801	541
Current accounts and overnight loans	22,432	22,454	-	22,440	14
Accounts and term deposits	57,055	57,294	-	57,103	191
Pledged securities	10	10	-	-	10
Securities bought under repurchase agreements	6,609	6,610	-	6,610	-
Subordinated loans	765	767	1	473	293
Securities not listed on an active market	5,203	5,208	-	5,175	33
Other loans and receivables	-	-	-	-	-
Loans and receivables due from customers	814,758	842,712	-	167,113	675,599
Trade receivables	42,549	42,900	-	20,159	22,741
Other customer loans	737,922	764,533	-	127,414	637,119
Securities bought under repurchase agreements	3,116	3,116	-	2,957	159
Subordinated loans	115	115	-	12	103
Securities not listed on an active market	14,529	14,535	-	403	14,132
Insurance receivables	279	279	-	69	210
Reinsurance receivables	516	516	-	42	474
Advances in associates current accounts	931	975	-	762	213
Current accounts in debit	14,801	15,743	-	15,295	448
Held-to-maturity financial assets	39,094	42,023	41,608	395	20
Treasury bills and similar securities	26,076	27,925	27,783	142	-
Bonds and other fixed income securities	13,018	14,098	13,825	253	20
TOTAL FINANCIAL ASSETS OF WHICH FAIR VALUE IS DISCLOSED	945,926	977,078	41,609	259,309	676,160

FINANCIAL LIABILITIES RECOGNISED AT AMORTISED COST AND MEASURED AT FAIR VALUE ON THE BALANCE SHEET

<i>(in millions of euros)</i>	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	95,970	109,052	-	109,052	-
Current accounts and overnight loans	12,253	12,308	-	12,308	-
Accounts and term deposits	61,162	74,198	-	74,198	-
Pledged securities	-	-	-	-	-
Securities sold under repurchase agreements	22,555	22,546	-	22,546	-
Due to customers	789,836	790,519	-	494,481	296,038
Current accounts in credit	350,526	350,872	-	350,872	-
Special savings accounts	292,923	292,923	-	-	292,923
Other amounts due to customers	142,795	143,133	-	142,541	592
Securities sold under repurchase agreements	900	900	-	900	-
Insurance liabilities	1,306	1,306	-	105	1,201
Reinsurance liabilities	334	333	-	63	270
Cash deposits received from ceding and retroceding companies against technical insurance commitments	1,052	1,052	-	-	1,052
Debt securities	198,227	200,371	67,997	132,191	183
Subordinated debt	22,755	22,876	7,389	15,487	-
TOTAL FINANCIAL LIABILITIES OF WHICH FAIR VALUE IS DISCLOSED	1,106,788	1,122,818	75,386	751,211	296,221

<i>(in millions of euros)</i>	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	88,425	90,478	-	88,793	1,685
Current accounts and overnight loans	7,740	7,743	-	7,739	4
Accounts and term deposits	57,896	59,922	-	58,241	1,681
Pledged securities	-	-	-	-	-
Securities sold under repurchase agreements	22,789	22,813	-	22,813	-
Due to customers	732,420	732,866	-	387,633	345,233
Current accounts in credit	315,978	316,334	-	307,371	8,963
Special savings accounts	280,316	280,316	-	3,358	276,958
Other amounts due to customers	132,211	132,276	-	74,952	57,324
Securities sold under repurchase agreements	1,797	1,797	-	1,797	-
Insurance liabilities	882	882	-	112	770
Reinsurance liabilities	287	312	-	43	269
Cash deposits received from cedants and retrocessionaires against technical insurance commitments	949	949	-	-	949
Debt securities	177,532	179,636	55,944	123,492	200
Subordinated debt	25,515	25,646	23,570	2,076	-
TOTAL FINANCIAL LIABILITIES OF WHICH FAIR VALUE IS DISCLOSED	1,023,892	1,028,626	79,514	601,994	347,118

10.2 Information about financial instruments measured at fair value

MEASUREMENT OF THE COUNTERPARTY RISK ON DERIVATIVE INSTRUMENT ASSETS (CREDIT VALUATION ADJUSTMENT OR CVA) FOR THE RISK OF NON-PERFORMANCE ON DERIVATIVE INSTRUMENTS LIABILITIES (DEBT VALUATION ADJUSTMENT OR DVA OR OWN CREDIT RISK).

The value adjustment linked to the counterpart's 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 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) 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 of Crédit Agricole's default and the effective liquidation of all positions). The methodology used maximises the use of observable market inputs (use of Crédit Agricole 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

<i>(in millions of euros)</i>	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	223,229	24,635	194,308	4,286
Loans and receivables due from credit institutions	191	-	191	-
Loans and receivables due from customers	1,374	-	-	1,374
Securities bought under repurchase agreements	106,496	-	105,529	967
Pledged securities	-	-	-	-
Held-for-trading securities	22,071	19,393	2,154	524
<i>Treasury bills and similar securities</i>	14,219	12,134	1,640	445
<i>Bonds and other fixed income securities</i>	5,042	4,482	506	54
<i>Mutual funds</i>	33	3	5	25
<i>Equity and other variable income securities</i>	2,777	2,774	3	-
Derivative instruments	93,097	5,242	86,434	1,421
Other financial instruments at fair value through profit or loss	148,913	98,812	42,883	7,218
Equity instruments at fair value through profit or loss	29,259	19,167	7,090	3,002
Equity and other variable income securities	19,823	16,835	1,980	1,008
Non-consolidated equity investments	9,436	2,332	5,110	1,994
Debt instruments that do not meet the conditions of the "SPPI" test	68,197	42,399	21,586	4,212
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	3,059	-	2,939	120
Debt securities	65,138	42,399	18,647	4,092
<i>Treasury bills and similar securities</i>	156	73	83	-
<i>Bonds and other fixed income securities</i>	10,977	1,894	8,329	754
<i>Mutual funds</i>	54,005	40,432	10,235	3,338
Assets backing unit-linked contracts	51,385	37,221	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	41,280	33,929	7,347	4
Financial assets designated at fair value through profit or loss	72	25	47	-
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Debt securities	72	25	47	-
<i>Treasury bills and similar securities</i>	12	12	-	-
<i>Bonds and other fixed income securities</i>	60	13	47	-
Financial assets at fair value through other comprehensive income	264,981	239,383	24,932	666
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	4,730	1,606	2,530	594
<i>Equity and other variable income securities</i>	438	18	386	34
<i>Non-consolidated equity investments</i>	4,292	1,588	2,144	560

Debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	260,251	237,777	22,402	72
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	1	-	1	-
Debt securities	260,250	237,777	22,401	72
<i>Treasury bills and similar securities</i>	77,612	76,767	773	72
<i>Bonds and other fixed income securities</i>	182,638	161,010	21,628	-
Hedging derivative instruments	15,829	7	15,822	-
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	652,952	362,837	277,945	12,170
Transfers from Level 1: Quoted prices in active markets for identical instruments			-	75
Transfers from Level 2: Valuation based on observable data		291		769
Transfers from Level 3: Valuation based on unobservable data		8	101	
TOTAL TRANSFERS TO EACH LEVEL		299	101	844

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.

<i>(in millions of euros)</i>	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	219,535	23,035	193,582	2,918
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	1,600	-	-	1,600
Securities bought under repurchase agreements	92,792	-	92,792	-
Pledged securities	-	-	-	-
Securities held for trading	20,734	19,667	945	122
<i>Treasury bills and similar securities</i>	12,804	12,033	771	-
<i>Bonds and other fixed income securities</i>	4,445	4,150	173	122
<i>Equities and other equity variable income securities</i>	3,485	3,484	1	-
Derivative instruments	104,409	3,368	99,845	1,196
Financial assets designated at fair value through profit or loss	100,771	77,088	18,911	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	49,169	38,171	6,234	4,764
<i>Treasury bills and similar securities</i>	3,651	3,629	22	-
<i>Bonds and other fixed income securities</i>	28,430	25,450	2,772	208
<i>Equities and other equity variable income securities</i>	17,088	9,092	3,440	4,556
Available-for-sale financial assets	330,450	281,475	47,119	1,856
Treasury bills and similar securities	77,379	76,429	950	-
Bonds and other fixed income securities	218,082	183,277	34,524	281
Equities and other equity variable income securities (1)	34,989	21,769	11,645	1,575
Available-for-sale receivables	-	-	-	-
Hedging derivative instruments	18,605	6	18,599	-
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	669,361	381,604	278,211	9,546

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

<i>(in millions of euros)</i>	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	191,684	29,803	157,638	4,243
Securities sold short	25,433	24,810	403	220
Securities sold under repurchase agreements	75,323	-	72,999	2,324
Debt securities	-	-	-	-
Due to credit institutions	-	-	-	-
Due to customers	-	-	-	-
Derivative instruments	90,928	4,993	84,236	1,699
Financial liabilities designated at fair value through profit or loss	34,218	7,499	18,340	8,379
Hedging derivative instruments	16,170	-	15,819	351
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	242,072	37,302	191,797	12,973
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	380	
TOTAL TRANSFERS TO EACH LEVEL		10	380	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.

<i>(in millions of euros)</i>	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	194,071	25,046	167,465	1,560
Securities sold short	22,598	22,372	226	-
Securities sold under repurchase agreements	66,468	-	66,468	-
Debt securities	2	2	-	-
Due to customers	-	-	-	-
Due to credit institutions	-	-	-	-
Derivative instruments	105,003	2,672	100,771	1,560
Financial liabilities designated at fair value through profit or loss	31,528	6,817	19,163	5,548
Hedging derivative instruments	17,204	-	16,956	248
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	242,803	31,863	203,584	7,356
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 independent 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)		Main product types comprising Level 3	Valuation technique used	Main unobservable inputs	Unobservable data interval
	Assets	Liabilities				
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%
			Multiple-underlying products (dual range, etc.)		Interest rate/FX correlation	-50%/75%
				Valuation models for instruments with multiple underlyings	FX/equity correlation	-20%/75%
					FX/FX correlation	-25%/50%
Credit derivatives	10	15	CDOs indexed to corporate credit baskets	Correlation projection techniques and expected cash flow modelling	Interest rate/equity correlation	-25%/75%
					Interest rate/interest rate correlation	-10%/100%
					Interest rate/FX correlation	-10%/100%
					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

(in millions of euros)	Total	Held-for-trading financial assets						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 of fair value through profit or loss			Pledged securities				Equity instruments of 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			
		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)	9,556	1,571	-	-	122	-	122	1,190	1,425	813	102	424	3,280	3,704	4	2	63	523	-	37	37
Gains or losses during the period ¹	371	49	-	-	1	(2)	(1)	(56)	94	126	8	(15)	52	37	(4)	-	(4)	122	-	-	-
Recognised in profit or loss	197	(6)	-	-	1	(2)	(1)	(56)	94	125	8	(15)	52	37	(4)	-	-	-	-	-	-
Recognised in other comprehensive income	174	55	-	-	-	-	-	-	-	1	-	-	-	-	-	-	(4)	122	-	-	-
Purchases	3,752	-	617	445	8	28	481	716	131	481	3	459	754	1,213	-	4	-	106	-	-	-
Sales	(3,288)	(1,614)	-	-	-	(1)	(1)	-	(133)	(274)	(23)	(131)	(748)	(879)	-	(2)	(19)	(304)	-	(39)	(39)
Issues	41	-	-	-	-	-	-	-	2	18	-	19	-	19	-	-	-	2	-	-	-
Settlements	(504)	-	-	-	(46)	-	(46)	(450)	-	-	(1)	(1)	-	(1)	-	-	-	(6)	-	-	-
Reclassifications	1,521	1,368	-	-	-	-	-	-	(550)	543	-	-	-	-	-	-	-	160	-	-	-
Changes associated with scope during the period	(14)	-	-	-	-	-	-	-	13	-	-	(1)	-	(1)	-	-	(6)	(22)	-	2	2
Transfers	735	-	350	-	(31)	-	(31)	21	26	287	31	-	-	-	-	-	-	(21)	72	-	72
Transfers to Level 3	844	-	350	-	-	-	-	93	26	293	31	-	-	-	-	-	-	(21)	72	-	72
Transfers from Level 3	(109)	-	-	-	(31)	-	(31)	(72)	-	(6)	-	-	-	-	-	-	-	-	-	-	-
CLOSING BALANCE (31/12/2018)	12,170	1,374	967	445	54	25	524	1,421	1,008	1,994	120	754	3,338	4,092	-	4	34	560	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:

<i>Gains/ losses for the period from level 3 assets held at the end of the period</i>	244
Recognised in profit or loss	188
Recognised in other comprehensive income	56

Financial liabilities measured at fair value according to Level 3

<i>(in millions of euros)</i>	Total	Financial liabilities held for trading						Financial liabilities designated at fair value through profit or loss	Hedging derivative instruments
		Securities sold short	Securities sold under repurchase agreements	Debt securities	Due to credit institutions	Due to customers	Derivative Instruments		
Opening balance (01/01/2018)	7,356	-	-	-	-	-	1,560	5,548	248
Gains or losses during the period ¹	4	-	-	-	-	-	(129)	132	1
Recognised in profit or loss	4	-	-	-	-	-	(129)	132	1
Recognised in other comprehensive income	-	-	-	-	-	-	-	-	-
Purchases	3,127	220	2,324	-	-	-	455	-	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	421	-	-	-	-	-	(70)	491	-
Transfers to Level 3	811	-	-	-	-	-	127	684	-
Transfers from Level 3	(390)	-	-	-	-	-	(197)	(193)	-
CLOSING BALANCE (31/12/2018)	12,973	220	2,324	-	-	-	1,699	8,379	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:

<i>Gains/ losses for the period from level 3 assets held at the end of the period</i>	5
Recognised in profit or loss	5
Recognised in other comprehensive income	-

The net change in the fair value of assets and liabilities measured at fair value under level 3 totalled €8,231 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 million
- Negotiable debt securities designated at fair value through profit or loss: €2,696 million

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 +/- €12 million.

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

<i>(in millions of euros)</i>	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 31st December 2018

11.1 Information on subsidiaries

11.1.1 RESTRICTIONS ON ENTITIES

The Crédit Agricole Group is subject to the following restrictions:

Regulatory constraints

The subsidiaries of the Crédit Agricole 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 the Crédit Agricole Group

Legal constraints

The subsidiaries of the Crédit Agricole 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 the Crédit Agricole Group are held for the benefit of policyholders. Assets of the insurance subsidiaries of Crédit Agricole 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 Group.

11.2 Scope of consolidation

Crédit Agricole 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
FRENCH RETAIL BANKING									
Banking and financial institutions									
2.432 Caisses locales	Parent		France		Parent company	100.0	100.0	100.0	100.0
38 Caisses régionales	Parent		France		Parent company	100.0	100.0	100.0	100.0
Banque Chalus	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Banque Thémis	Full	S2	France		Subsidiary		100.0		100.0
Bforbank S.A.	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Caisse Régionale Provence - Côte D'Azur, Agence de Monaco	Full		Monaco	France	Branch	100.0	100.0	100.0	100.0
Cofam	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CRCAM SUD MED. SUC	Full		Spain	France	Branch	100.0	100.0	100.0	100.0
Interfimo	Full		France		Subsidiary	99.0	99.0	99.0	99.0
LCL	Full		France		Subsidiary	100.0	100.0	100.0	100.0
LCL succursale de Monaco	Full		Monaco	France	Branch	100.0	100.0	100.0	100.0
Sircam	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Lease financing companies									
Locam	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Investment companies									
Audaxis France	Equity Accounted		France		Associate	6.1	6.3	5.8	6.1
Bercy Participations	Full		France		Subsidiary	100.0	100.0	100.0	100.0
BMDR Editions	Equity Accounted	E3	France		Associate	2.6		2.3	
CA Centre France Développement	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CACF Immobilier	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CADS Capital	Full	E1	France		Subsidiary	100.0		100.0	
CADS Développement	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Calixte Investissement	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CAP REGIES	Equity Accounted		France		Associate	25.2	25.2	23.0	22.4
CD COM (ChampagneFM)	Equity Accounted		France		Associate	25.2	25.2	24.2	24.2
Cercle Bleu	Equity Accounted		France		Associate	25.0	25.0	23.9	23.9
Contact FM	Equity Accounted		France		Associate	25.2	25.2	24.2	24.2
Courier Picard	Equity Accounted		France		Associate	24.9	24.9	23.9	23.9
Crédit Agricole F.C. Investissement	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Languedoc Energies Nouvelles	Full	E1	France		Subsidiary	100.0		100.0	

Crédit Agricole 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
Foncière du Maine	Full	E2	France		Subsidiary	100.0		100.0	
GRUPE ROSSEL LA VOIX	Equity Accounted		France		Associate	25.2	25.2	25.2	25.2
HEBDO PRESSE DEVELOPPEMENT	Equity Accounted		France		Associate	8.4	8.4	7.7	7.7
Images en Nord	Equity Accounted		France		Associate	13.3	13.3	12.7	12.7
Imprimerie du Messenger	Equity Accounted		France		Associate	25.2	25.2	24.1	24.1
Internep	Equity Accounted		France		Associate	25.2	25.2	24.2	24.2
L' ARDENNAIS	Equity Accounted		France		Associate	25.2	25.2	23.0	23.0
L' EST ECLAIR	Equity Accounted		France		Associate	25.2	25.2	23.0	23.0
La Voix du Nord	Equity Accounted		France		Associate	24.2	24.2	24.2	24.2
La Voix FM	Equity Accounted		France		Associate	25.2	25.2	24.2	24.2
LA VOIX MEDIAS	Equity Accounted		France		Associate	25.2	25.2	24.2	24.2
L'Aisne Nouvelle	Equity Accounted		France		Associate	24.5	24.5	23.2	23.2
L'Immobilier d'A Côté	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
L'Indépendant du P. de Calais	Equity Accounted		France		Associate	12.4	12.4	11.9	11.9
My Vidéo Place	Equity Accounted	E3	France		Associate	3.8		3.3	
NECI	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Nép TV	Equity Accounted		France		Associate	25.2	25.2	24.2	24.2
NEW POLE CAP	Equity Accounted		France		Associate	23.9	23.9	23.0	23.0
Newsmaster France	Equity Accounted	E2	France		Associate	12.6		12.1	
Nord Capital Investissement	Full		France		Subsidiary	99.3	99.3	99.3	99.3
Nord Eclair	Equity Accounted		France		Associate	25.2	25.2	24.2	24.2
Nord Est Expansion	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Nord Littoral	Equity Accounted		France		Associate	25.2	25.2	24.2	24.2
NORDISPRESS	Equity Accounted		France		Associate	25.2	25.2	24.2	24.2
Normandie Conseil Medias	Equity Accounted	E2	France		Associate	25.2		24.2	
Picardie Matin	Equity Accounted		France		Associate	25.2	25.2	23.8	23.8
Presse Flamande	Equity Accounted		France		Associate	24.9	24.9	23.9	23.9
Répondances	Equity Accounted		France		Associate	25.2	23.1	24.2	22.2
Sequana	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
SOC D'EDITION & PUBLICATION LIBERATION (LIBERATION CHAMPAGNE)	Equity Accounted		France		Associate	25.1	25.1	22.9	22.9
Socadif	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SOCIETE DU JOURNAL L'UNION Société Financière du Languedoc Roussillon (SOFILARO)	Equity Accounted		France		Associate	25.2	24.3	23.0	22.1
	Full	E1	France		Subsidiary	100.0		100.0	



Crédit Agricole 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	
Société Normande D'information et Medias	Equity Accounted	E2	France		Associate	25.2		24.2		
STM	Equity Accounted		France		Associate	15.8	15.8	8.5	8.5	
TELE SAINT QUENTIN	Equity Accounted		France		Associate	5.7	5.7	5.4	5.4	
Voix du Nord Etudiant	Equity Accounted		France		Associate	12.6	12.6	12.1	12.1	
Insurance										
Camca Assurance	Full		Luxembourg		Subsidiary	100.0	100.0	100.0	100.0	
Camca Courtage	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
Camca Lux Finance Management Company	Full		Luxembourg		Subsidiary	100.0	100.0	100.0	100.0	
Camca Réassurance	Full		Luxembourg		Subsidiary	100.0	100.0	100.0	100.0	
Fcp Camca Lux Finance	Full	D3	Luxembourg		Subsidiary	100.0		100.0		
Groupe CAMCA	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
Sci 32 Liberté	Full		Luxembourg		Subsidiary	100.0	100.0	100.0	100.0	
Sci Haussmann 122	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
Sci La Boétie 65	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
Tourism - property development										
Angle Neuf	Full	E1	France		Subsidiary	100.0		100.0		
Aquitaine Immobilier Investissement	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
Franche Comté Développement Foncier	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
Franche Comté Développement Immobilier	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
Immeuble Franche Comté	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
Nacarat	Equity Accounted		France		Associate	30.8	30.8	30.8	30.8	
Native Immobilier	Equity Accounted		France		Associate	40.0	40.0	40.0	40.0	
Nord Est Aménagement Promotion	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
Nord Est Gestion Immobilière	Full	S5	France		Subsidiary		100.0		100.0	
Nord Est Immo	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
Nord Est Optimmo S.A.S.	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
Nord Est Patrimoine Immobilier	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
Normandie Seine Foncière	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
S.A. Foncière de l'Érable	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
S.A.S. Chalons Mont Bernard	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
S.A.S. Charleville Forest	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
S.A.S. Laon Brosselette	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
SAS CENTRE D'AFFAIRES DU PARC LUMIERE	Full		France		Subsidiary	100.0	100.0	100.0	100.0	

Crédit Agricole 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 Crystal Europe	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI DE LA CROIX ROCHERAN	Full	E1	France		Subsidiary	100.0		100.0	
SCI Euralliance Europe	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI LE BRETAGNE	Full		France		Subsidiary	75.0	75.0	75.0	75.0
SCI Quartz Europe	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Square Habitat Nord de France	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Other									
Adret Gestion	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Alsace Elite	Full		France		Consolidated structured entity	97.0	97.0	97.0	97.0
Anjou Maine Gestion	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Aquitaux Rendement	Full		France		Subsidiary	100.0	100.0	100.0	100.0
ARGOAT Finances	Full	S1	France		Subsidiary		100.0		100.0
Armor Fonds Dédié	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Bercy Champ de Mars	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Brie Picardie Croissance	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
C.L. Verwaltungs und Beteiligungsgesellschaft GmbH	Full		Germany		Subsidiary	100.0	100.0	100.0	100.0
CA Aquitaine Agences Immobilières	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CA Aquitaine Immobilier	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CA Centre-Est Développement Immobilier	Full	D1	France		Subsidiary	100.0	100.0	100.0	100.0
CAAP CREATION	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAAP Immo	Full	D1	France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAAP IMMO GESTION	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Caapimmo 4	Full	S5	France		Consolidated structured entity		100.0		100.0
CAM HYDRO	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CAP ACTIONS 3	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAP Régulier 1	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
CAP Régulier 2	Full	D1	France		Subsidiary	100.0	100.0	100.0	100.0
CAPG ENERGIES NOUVELLES	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CAPG INVESTISSEMENTS ENERGETIQUES	Full		France		Subsidiary	65.0	65.0	65.0	65.0
CAP1 Centre-Est	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CASRA CAPITAL	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Centre France Location Immobilière	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Chabrilac	Full		France		Subsidiary	100.0	100.0	88.9	88.9



Crédit Agricole 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
Compagnie Foncière Lyonnaise	Full	D1	France		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Centre Est Immobilier	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Languedoc Immobilier	Full	E1	France		Subsidiary	100.0		100.0	
Crédit Lyonnais Développement Économique (CLDE)	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Edokial	Full		France		Subsidiary	66.0	66.0	58.7	58.7
Émeraude Croissance	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
EPV6	Full		France		Subsidiary	100.0	100.0	65.0	65.0
Everbreizh	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCP Centre Loire	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT Crédit Agricole Habitat 2015 (sauf compartiment Corse)	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT Crédit Agricole Habitat 2017 (sauf compartiment Corse)	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT Crédit Agricole Habitat 2018 (sauf compartiment Corse)	Full	E2	France		Consolidated structured entity	100.0		100.0	
Financière PCA	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Finarmor Gestion	Full		France		Subsidiary	100.0	100.0	100.0	100.0
FINIST-LCR	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Foncière Crédit Agricole Sud Rhone Alpes	Full	D1	France		Subsidiary	100.0	100.0	100.0	100.0
Fonds dédié Elstar	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Force 29	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Force Alsace	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Force Charente Maritime Deux Sèvres	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Force Iroise	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Force Languedoc	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Force Lorraine Duo	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Force Profile 20	Full		France		Subsidiary	100.0	100.0	99.9	99.9
Force Run	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Force Toulouse Diversifié	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Force 4	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
HAPPY FM	Equity Accounted		France		Associate	25.2	25.2	24.2	24.2
Inforsud Diffusion	Full		France		Subsidiary	100.0	100.0	88.9	88.9
Inforsud Gestion	Full		France		Consolidated structured entity	93.5	88.9	93.5	88.9
Merico Delta Print	Full		France		Subsidiary	100.0	100.0	88.9	88.9
Morbihan Gestion	Full	S1	France		Consolidated structured entity		100.0		100.0
NMP Gestion	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0



Crédit Agricole 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
Ozenne Institutionnel	Full		France		Consolidated structured entity	99.8	99.8	99.8	99.8
PCA IMMO	Full		France		Subsidiary	100.0	100.0	100.0	100.0
PG Développement	Full	E1	France		Subsidiary	100.0		100.0	
PG IMMO	Full		France		Subsidiary	100.0	100.0	100.0	100.0
PG Invest	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Prestimmo	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Pyrénées Gascogne Altitude	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Pyrénées Gascogne Gestion	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SAINT CLAR (SNC)	Full		France		Subsidiary	100.0	99.8	65.0	64.9
SAS Brie Picardie Expansion	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI SRA BELLEDONNE	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI SRA CHARTREUSE	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI SRA VERCORS	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Scica HL	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Septi	Full	S4	France		Subsidiary		100.0		100.0
SNC Les Fauvins	Full	S5	France		Consolidated structured entity		100.0		100.0
SOCIETE D'EXPLOITATION DES TELEPHERIQUES TARENTEISE-MAURIENNE	Equity Accounted		France		Associate	38.1	38.1	38.1	38.1
Square Habitat Gestion Sud Rhône Alpes	Full	E1	France		Subsidiary	100.0		100.0	
Square Habitat Pays Basque	Full	E1	France		Subsidiary	100.0		100.0	
Square Habitat Sud Rhône Alpes	Full	E1	France		Subsidiary	100.0		100.0	
Sud Rhône Alpes Placement	Full		France		Subsidiary	100.0	100.0	99.9	99.9
TENERGIE INVEST 3	Equity Accounted	S2	France		Subsidiary		35.0		35.0
Toulouse 31 Court Terme	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Val de France Rendement	Full		France		Subsidiary	100.0	100.0	100.0	100.0

INTERNATIONAL RETAIL BANKING

Banking and financial institutions

Arc Broker	Full		Poland		Subsidiary	100.0	100.0	100.0	100.0
Bankoa	Full		Spain		Subsidiary	99.8	99.8	99.8	99.8
BANKOA KARTERA SA	Full		Spain		Subsidiary	100.0	100.0	99.8	99.8
CASSA DI RISPARMIO DI CESENA S.P.A.	Full	S4	Italy		Subsidiary		95.3		82.4
CASSA DI RISPARMIO DI RIMINI S.P.A.	Full	S4	Italy		Subsidiary		95.4		82.5
CASSA DI RISPARMIO DI SAN MINIATO S.P.A.	Full	S4	Italy		Subsidiary		95.6		82.7
CREDIT AGRICOLE BANK	Full		Ukraine		Subsidiary	100.0	100.0	100.0	100.0



Crédit Agricole 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 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	
CREDIT AGRICOLE BANKOIA GESTION	Full		Spain		Subsidiary	100.0	100.0	99.8	99.8	
Crédit Agricole Cariparma	Full		Italy		Subsidiary	86.4	86.5	86.4	86.5	
Crédit Agricole Carispezia S.p.A.	Full		Italy		Subsidiary	80.0	80.0	69.1	69.2	
Crédit Agricole Egypt S.A.E.	Full		Egypt		Subsidiary	60.5	60.5	60.5	60.5	
Crédit Agricole Friuladria S.p.A.	Full		Italy		Subsidiary	81.3	81.3	70.3	70.3	
Crédit Agricole Group Solutions	Full		Italy		Consolidated structured entity	100.0	100.0	84.4	84.5	
Crédit Agricole Leasing Italia	Full		Italy		Subsidiary	100.0	100.0	88.4	88.5	
Crédit Agricole next bank (Suisse) SA	Full		Switzerland		Subsidiary	100.0	100.0	100.0	100.0	
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	
SWISS HOME LOAN	Full		Switzerland		Consolidated structured entity	94.5	94.5	94.5	94.5	
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	
SAVINGS MANAGEMENT										
Banking and financial institutions										
ABC-CA Fund Management CO	Equity Accounted		China		Associate	33.3	33.3	23.3	23.3	
AMUNDI	Full		France		Subsidiary	70.0	70.0	70.0	70.0	
AMUNDI (UK) Ltd.	Full		United Kingdom		Subsidiary	100.0	100.0	70.0	70.0	
AMUNDI Asset Management	Full		France		Subsidiary	100.0	100.0	70.0	70.0	
AMUNDI ASSET MANAGEMENT BELGIUM	Full		Belgium		Branch	100.0	100.0	70.0	70.0	
AMUNDI ASSET MANAGEMENT DUBAI (OFF SHORE) BRANCH	Full	D1	United Arab Emirates		Branch	100.0	100.0	70.0	70.0	
AMUNDI ASSET MANAGEMENT HONG KONG BRANCH	Full		Hong Kong		Branch	100.0	100.0	70.0	70.0	
AMUNDI ASSET MANAGEMENT LONDON BRANCH	Full		United Kingdom		Branch	100.0	100.0	70.0	70.0	
AMUNDI ASSET MANAGEMENT NEDERLAND	Full		Netherlands		Branch	100.0	100.0	70.0	70.0	
Amundi Asset Management S.A.I SA	Full		Romania		Subsidiary	100.0	100.0	70.0	70.0	
Amundi Austria	Full	S4	Austria		Subsidiary		100.0		70.0	
Amundi Austria GmbH	Full	D1	Austria		Subsidiary	100.0	100.0	70.0	70.0	



Crédit Agricole 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
Amundi Czech Republic Asset Management Bratislava Branch	Full	D1	Slovakia		Branch	100.0	100.0	70.0	70.0
Amundi Czech Republic Asset Management Sofia Branch	Full	D1	Bulgaria		Branch	100.0	100.0	70.0	70.0
Amundi Czech Republic Asset Management, A.S.	Full		Czech Republic		Subsidiary	100.0	100.0	70.0	70.0
Amundi Czech Republic, Investicni Spolecnost, A.S.	Full		Czech Republic		Subsidiary	100.0	100.0	70.0	70.0
Amundi Deutschland GmbH	Full		Germany		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Finance	Full		France		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Finance Emissions	Full		France		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI GLOBAL SERVICING	Full		Luxembourg		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Hellas MFMC S.A.	Full		Greece		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Hong Kong Ltd.	Full		Hong Kong		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Iberia S.G.I.I.C S.A.	Full		Spain		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Immobilier	Full		France		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI India Holding	Full		France		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Intermédiation	Full		France		Subsidiary	100.0	100.0	70.0	70.0
Amundi Intermédiation Asia PTE Ltd	Full	E2	Singapour		Subsidiary	100.0		70.0	
Amundi Intermédiation Dublin Branch	Full	E2	Ireland		Branch	100.0		70.0	
Amundi Intermédiation London Branch	Full	E2	United Kingdom		Branch	100.0		70.0	
Amundi Investment Fund Management Private Limited Company	Full		Hungary		Subsidiary	100.0	100.0	70.0	70.0
Amundi Ireland Ltd	Full	D1	Ireland		Subsidiary	100.0	100.0	70.0	70.0
Amundi Ireland Ltd London Branch	Full	D1	United Kingdom		Branch	100.0	100.0	70.0	70.0
Amundi Ireland Ltd Singapore Branch	Full	D1	Singapour		Branch	100.0	100.0	70.0	70.0
AMUNDI Issuance	Full		France		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Japan	Full		Japan		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Japan Holding	Full		Japan		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Luxembourg S.A.	Full	S4	Luxembourg		Subsidiary		100.0		70.0
Amundi Luxembourg SA	Full	D1	Luxembourg		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Malaysia Sdn Bhd	Full		Malaysia		Subsidiary	100.0	100.0	70.0	70.0
Amundi Pioneer Asset Management Inc	Full		United States		Subsidiary	100.0	100.0	70.0	70.0
Amundi Pioneer Asset Management USA Inc	Full		United States		Subsidiary	100.0	100.0	70.0	70.0
Amundi Pioneer Distributor Inc	Full		United States		Subsidiary	100.0	100.0	70.0	70.0
Amundi Pioneer Institutional Asset Management Inc	Full		United States		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Polska	Full		Poland		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Private Equity Funds	Full		France		Subsidiary	100.0	100.0	70.0	70.0



Crédit Agricole 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
AMUNDI Real Estate Italia SGR S.p.A.	Full		Italy		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI SGR S.p.A.	Full		Italy		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Singapore Ltd.	Full		Singapour		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Smith Breeden	Full	S4	United States		Subsidiary		100.0		70.0
AMUNDI Suisse	Full		Switzerland		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Tenue de Comptes	Full		France		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI USA Inc	Full		United States		Subsidiary	100.0	100.0	70.0	70.0
AMUNDI Ventures	Full		France		Subsidiary	100.0	100.0	70.0	70.0
Banca Leonardo	Full	E3	Italy		Subsidiary	94.2		94.1	
BFT Investment Managers	Full		France		Subsidiary	100.0	100.0	70.0	70.0
CA Indosuez (Suisse) S.A. Hong Kong Branch	Full		Hong Kong	Switzerland	Branch	100.0	100.0	100.0	100.0
CA Indosuez (Suisse) S.A. Singapore Branch	Full		Singapour	Switzerland	Branch	100.0	100.0	100.0	100.0
CA Indosuez (Suisse) S.A. Switzerland Branch	Full		Switzerland		Branch	100.0	100.0	100.0	100.0
CA Indosuez (Switzerland) S.A.	Full		Switzerland		Subsidiary	100.0	100.0	100.0	100.0
CA Indosuez Finanziaria S.A.	Full		Switzerland		Subsidiary	100.0	100.0	100.0	100.0
CA Indosuez Gestion	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CA Indosuez Wealth (Europe)	Full		Luxembourg		Subsidiary	100.0	100.0	100.0	100.0
CA Indosuez Wealth (Europe) Belgium Branch	Full		Belgium	Luxembourg	Branch	100.0	100.0	100.0	100.0
CA Indosuez Wealth (Europe) Italy Branch	Full		Italy	Luxembourg	Branch	100.0	100.0	100.0	100.0
CA Indosuez Wealth (Europe) Spain Branch	Full		Spain	Luxembourg	Branch	100.0	100.0	100.0	100.0
CA Indosuez Wealth (France)	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CFM Indosuez Wealth	Full		Monaco		Subsidiary	70.1	70.1	69.0	69.0
CPR AM	Full		France		Subsidiary	100.0	100.0	70.0	70.0
Etoile Gestion	Full		France		Subsidiary	100.0	100.0	70.0	70.0
Fund Channel	Equity Accounted		Luxembourg		Joint venture	50.0	50.0	35.0	35.0
Fund Channel Singapore Branch	Equity Accounted		Singapour	Luxembourg	Joint venture	50.0	50.0	35.0	35.0
KBI Fund Managers Limited	Full		Ireland		Subsidiary	87.5	87.5	70.0	70.0
KBI Global Investors (North America) Limited	Full		Ireland		Subsidiary	87.5	87.5	70.0	70.0
KBI Global Investors Limited	Full		Ireland		Subsidiary	87.5	87.5	70.0	70.0
LCL Emissions	Full		France		Subsidiary	100.0	100.0	70.0	70.0
NH-AMUNDI ASSET MANAGEMENT	Equity Accounted		South Korea		Associate	30.0	30.0	21.0	21.0
Pioneer Global Investments (Australia) Pty Limited	Full	S1	Australia		Subsidiary		100.0		70.0
Pioneer Global Investments (Taiwan) LTD	Full		Taiwan		Subsidiary	100.0	100.0	70.0	70.0



Crédit Agricole 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
Pioneer Global Investments LTD	Full		Ireland		Subsidiary	100.0	100.0	70.0	70.0
Pioneer Global Investments LTD Buenos Aires Branch	Full		Argentina		Branch	100.0	100.0	70.0	70.0
Pioneer Global Investments LTD Jelling Branch	Full		Denmark		Branch	100.0	100.0	70.0	70.0
Pioneer Global Investments LTD London Branch	Full		United Kingdom		Branch	100.0	100.0	70.0	70.0
Pioneer Global Investments LTD Madrid Branch	Full		Spain		Branch	100.0	100.0	70.0	70.0
Pioneer Global Investments LTD Mexico City Branch	Full		Mexico		Branch	100.0	100.0	70.0	70.0
Pioneer Global Investments LTD Paris Branch	Full		France		Branch	100.0	100.0	70.0	70.0
Pioneer Global Investments LTD Santiago Branch	Full		Chile		Branch	100.0	100.0	70.0	70.0
Pioneer Investment Company A.S.	Full	S4	Czech Republic		Subsidiary		100.0		70.0
Pioneer Investment Management Sgr p.A.	Full	S4	Italy		Subsidiary		100.0		70.0
Société Générale Gestion (S2G)	Full		France		Subsidiary	100.0	100.0	70.0	70.0
State Bank of India Fund Management	Equity Accounted		India		Associate	37.0	37.0	25.9	25.9
TOBAM	Equity Accounted		France		Associate	4.1	4.1	14.0	14.0
TOBAM HOLDING COMPANY	Equity Accounted		France		Associate	25.6	25.6	17.9	17.9
Vanderbilt Capital Advisors LLC	Full		United States		Subsidiary	100.0	100.0	70.0	70.0
WAFA Gestion	Equity Accounted		Morocco		Associate	34.0	34.0	23.8	23.8
Investment companies									
CA Indosuez Wealth (Brazil) S.A. DTVM	Full		Brazil		Subsidiary	100.0	100.0	100.0	100.0
CA Indosuez Wealth (Group)	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CFM Indosuez Conseil en Investissement	Full	E1	France		Subsidiary	70.1		69.0	
CFM Indosuez Conseil en Investissement, Succursale de Naumea	Full	E1	France		Branch	70.1		69.0	
CFM Indosuez Gestion	Full	E1	Monaco		Subsidiary	70.1		67.6	
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
CAIIE Europe Succursale France	Full		France	Luxembourg	Branch	100.0	100.0	100.0	100.0

Crédit Agricole 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	
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 Céditor 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	100.0	100.0	
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	70.0	70.0	
ACAJOU	Full		France		Consolidated structured entity	100.0	100.0	70.0	70.0	
AGRICOLE RIVAGE DETTE	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0	
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		70.0		
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.J.A.	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0	
CA VITA PRIVATE DEBT CHOICE FIPS c.l.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	

Crédit Agricole 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
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 INVESTISSEMENT 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
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	70.0	70.0
Chorial Allocation	Full		France		Consolidated structured entity	99.7	99.7	69.8	69.8
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

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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 – Compartiment 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
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		36.6
GRD 44	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0

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						12/31/2018	12/31/2017	12/31/2018	12/31/2017
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	70.0	70.0
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	67.8	67.8
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



Crédit Agricole 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
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
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	70.0	70.0

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						12/31/2018	12/31/2017	12/31/2018	12/31/2017
UI CAP SANTE 2	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Unit-linked funds (Fonds UC)									
61 Unit-linked funds with a detention rate equal or above 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
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



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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.PLEIFD 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
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



Crédit Agricole 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
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 DEVELOPEM.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 FL0-100	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
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



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						12/31/2018	12/31/2017	12/31/2018	12/31/2017	
OPCIMMO PREM SPPICAV SDEC	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	70.0	70.0	
OPCI Immo Emissions	Full		France		Consolidated structured entity	100.0	100.0	70.0	70.0	
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	
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	



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						12/31/2018	12/31/2017	12/31/2018	12/31/2017
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
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

Crédit Agricole 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 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
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



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						12/31/2018	12/31/2017	12/31/2018	12/31/2017
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
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



Crédit Agricole 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 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	
SCI WASHINGTON	Equity Accounted	E1	France		Associate	34.0		34.0	



Crédit Agricole 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	
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	71.0	71.0	
ARCAPARK SAS	Equity Accounted	E1	France		Joint venture	50.0		50.0		
Azqore	Full	E2	Switzerland		Subsidiary	80.0		80.0		
Azqore SA Singapore Branch	Full	E2	Singapour	Switzerland	Branch	100.0		100.0		
CA Indosuez Wealth (Asset Management)	Full		Luxembourg		Subsidiary	100.0	100.0	100.0	100.0	
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 PRED-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	
SPECIALISED FINANCIAL SERVICES										
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	



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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 IUT	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
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



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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
INTERMEDIARE 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
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	



Crédit Agricole 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 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	
Lixbail	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 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
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 GINGKO MASTER REVOLVING LOANS	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT GINGKO 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	



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						12/31/2018	12/31/2017	12/31/2018	12/31/2017
SUNRISE SPV 50 SRL	Full	E2	Italy		Consolidated structured entity	100.0		100.0	
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	100.0	100.0
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 Agricole CIB (Belgique)	Full		Belgium	France	Branch	100.0	100.0	100.0	100.0
Crédit Agricole CIB (ABU DHABI)	Full		United Arab Emirates	France	Branch	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Allemagne)	Full		Germany	France	Branch	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Canada)	Full		Canada	France	Branch	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Corée du Sud)	Full		South Korea	France	Branch	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Dubai DIFC)	Full		United Arab Emirates	France	Branch	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Dubai)	Full		United Arab Emirates	France	Branch	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Espagne)	Full		Spain	France	Branch	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Etats-Unis)	Full		United States	France	Branch	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Finlande)	Full		Finland	France	Branch	100.0	100.0	100.0	100.0



Crédit Agricole 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 (Hong-Kong)	Full		Hong Kong	France	Branch	100.0	100.0	100.0	100.0	
Crédit Agricole CIB (Inde)	Full		India	France	Branch	100.0	100.0	100.0	100.0	
Crédit Agricole CIB (Italie)	Full		Italy	France	Branch	100.0	100.0	100.0	100.0	
Crédit Agricole CIB (Japon)	Full		Japan	France	Branch	100.0	100.0	100.0	100.0	
Crédit Agricole CIB (Luxembourg)	Full		Luxembourg	France	Branch	100.0	100.0	100.0	100.0	
Crédit Agricole CIB (Miami)	Full		United States	France	Branch	100.0	100.0	100.0	100.0	
Crédit Agricole CIB (Royaume-Uni)	Full		United Kingdom	France	Branch	100.0	100.0	100.0	100.0	
Crédit Agricole CIB (Singapour)	Full		Singapour	France	Branch	100.0	100.0	100.0	100.0	
Crédit Agricole CIB (Suède)	Full		Sweden	France	Branch	100.0	100.0	100.0	100.0	
Crédit Agricole CIB (Taipei)	Full		Taiwan	France	Branch	100.0	100.0	100.0	100.0	
Crédit Agricole CIB Algérie Bank Spa	Full		Algeria		Subsidiary	100.0	100.0	100.0	100.0	
Crédit Agricole CIB AO	Full		Russia		Subsidiary	100.0	100.0	100.0	100.0	
Crédit Agricole CIB Australia Ltd.	Full		Australia		Subsidiary	100.0	100.0	100.0	100.0	
Crédit Agricole CIB China Ltd.	Full		China		Subsidiary	100.0	100.0	100.0	100.0	
Crédit Agricole CIB China Ltd. Chinese Branch	Full		China		Branch	100.0	100.0	100.0	100.0	
Crédit Agricole CIB S.A.	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
Crédit Agricole CIB Services Private Ltd.	Full		India		Subsidiary	100.0	100.0	100.0	100.0	
Ester Finance Titrisation	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
UBAF	Equity Accounted		France		Joint venture	47.0	47.0	47.0	47.0	
UBAF (Corée du Sud)	Equity Accounted		South Korea	France	Joint venture	47.0	47.0	47.0	47.0	
UBAF (Japon)	Equity Accounted		Japan	France	Joint venture	47.0	47.0	47.0	47.0	
UBAF (Singapour)	Equity Accounted		Singapour	France	Joint venture	47.0	47.0	47.0	47.0	
Stockbrokers										
Credit Agricole Securities (Asia) Limited Hong Kong	Full		Hong Kong		Subsidiary	100.0	100.0	100.0	100.0	
Credit Agricole Securities (Asia) Limited Seoul Branch	Full		South Korea		Branch	100.0	100.0	100.0	100.0	
Crédit Agricole Securities (USA) Inc	Full		United States		Subsidiary	100.0	100.0	100.0	100.0	
Crédit Agricole Securities Asia BV (Tokyo)	Full		Japan	Netherlands	Branch	100.0	100.0	100.0	100.0	
Investment companies										
CLTR	Full	S3	France		Subsidiary		100.0		100.0	
Compagnie Française de l'Asie (CFA)	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
Crédit Agricole CIB Air Finance S.A.	Full		France		Subsidiary	100.0	100.0	100.0	100.0	
Crédit Agricole CIB Holdings Ltd.	Full		United Kingdom		Subsidiary	100.0	100.0	100.0	100.0	
Crédit Agricole Global Partners Inc.	Full		United States		Subsidiary	100.0	100.0	100.0	100.0	



Crédit Agricole 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 Securities Asia BV	Full		Netherlands		Subsidiary	100.0	100.0	100.0	100.0
Doumer Finance S.A.S.	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Fininvest	Full		France		Subsidiary	98.3	98.3	98.3	98.3
Fletirec	Full		France		Subsidiary	100.0	100.0	100.0	100.0
I.P.F.O.	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Igasus LLC	Full	S3	United States		Subsidiary		100.0		100.0
Insurance									
CAIRS Assurance S.A.	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Other									
Atlantic Asset Securitization LLC	Full		United States		Consolidated structured entity	100.0	100.0	-	-
Benelpart	Full		Belgium		Subsidiary	100.0	100.0	97.4	97.4
Calixis Finance	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Calliope SRL	Full		Italy		Consolidated structured entity	100.0	100.0	100.0	100.0
Clifap	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole America Services Inc.	Full		United States		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Asia Shipfinance Ltd.	Full		Hong Kong		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole CIB Finance (Guernsey) Ltd.	Full		Guernsey		Consolidated structured entity	99.9	99.9	99.9	99.9
Crédit Agricole CIB Financial Prod. (Guernsey) Ltd.	Full		Guernsey		Consolidated structured entity	99.9	99.9	99.9	99.9
Crédit Agricole CIB Financial Solutions	Full		France		Consolidated structured entity	99.9	99.7	99.9	99.7
Crédit Agricole CIB Global Banking	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole CIB Pension Limited Partnership	Full		United Kingdom		Consolidated structured entity	100.0	100.0	100.0	100.0
Crédit Agricole CIB Transactions	Full	E1	France		Subsidiary	100.0		100.0	
Crédit Agricole Leasing (USA) Corp.	Full		United States		Subsidiary	100.0	100.0	100.0	100.0
DGAD International SARL	Full		Luxembourg		Subsidiary	100.0	100.0	100.0	100.0
Elipso Finance S.r.l	Equity Accounted		Italy		Structured joint venture	50.0	50.0	50.0	50.0
ESNI (compartiment Crédit Agricole CIB)	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Eucalyptus FCT	Full		France		Consolidated structured entity	100.0	100.0	-	-
FIC-FDC	Full		Brazil		Consolidated structured entity	100.0	100.0	100.0	100.0
Financière des Scarabées	Full		Belgium		Subsidiary	100.0	100.0	98.7	98.7
Financière Lumis	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Fundo A De Investimento Multimercado	Full		Brazil		Consolidated structured entity	100.0	100.0	100.0	100.0
Héphaïstos EUR FCC	Full		France		Consolidated structured entity	100.0	100.0	-	-
Héphaïstos GBP FCT	Full		France		Consolidated structured entity	100.0	100.0	-	-



Crédit Agricole 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
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	100.0	100.0
Indosuez Management Luxembourg II	Full		Luxembourg		Consolidated structured entity	100.0	100.0	100.0	100.0
Investar 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	100.0	100.0
ItalAsset Finance SRL	Full		Italy		Consolidated structured entity	100.0	100.0	100.0	100.0
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	97.7	97.7
LMA SA	Full		France		Consolidated structured entity	100.0	100.0	-	-
Merisma	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
Molinier Finances	Full		France		Subsidiary	100.0	100.0	97.1	97.1
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	97.4	97.4
Sagrantino Italy SRL	Full		Italy		Consolidated structured entity	100.0	100.0	100.0	100.0
Shark FCC	Full		France		Consolidated structured entity	100.0	100.0	-	-
SNGI	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SNGI Belgium	Full		Belgium		Subsidiary	100.0	100.0	100.0	100.0
Sococlabecq	Full		Belgium		Subsidiary	100.0	100.0	97.7	97.7
Solipac	Full		Belgium		Subsidiary	98.6	98.6	96.0	96.0
TCB	Full		France		Subsidiary	98.7	98.7	97.4	97.4
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 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 S.A.	Parent		France		Parent company	100.0	100.0	100.0	100.0
Succursale Crédit 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	Parent		France		Parent company	100.0	100.0	100.0	100.0
CL Développement de la Corse	Parent		France		Parent company	100.0	100.0	100.0	100.0
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
Radian	Full		France		Consolidated structured entity	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
S.A.S. La Boetie	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Sacam Assurances Cautions	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Sacam Développement	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Sacam Fireca	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Sacam Immobilier	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Sacam International	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Sacam Mutualisation	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Sacam Participations	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Sodica	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Other									
BFT LCR	Full		France		Subsidiary	100.0	100.0	100.0	100.0
BFT LCR ACTIONS BETA NEUTRE	Full		France		Subsidiary	100.0	100.0	100.0	100.0
BFT LCR NIVEAU 2	Full		France		Subsidiary	100.0	100.0	100.0	100.0
CA Grands Crus	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Cariou Holding	Full		France		Subsidiary	50.0	50.0	50.0	50.0
CPR EuroGov LCR	Full		France		Subsidiary	95.9	96.4	91.8	94.7
Crédit Agricole Agriculture	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Immobilier	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Payment Services	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
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
DELTA	Full		France		Subsidiary	100.0	100.0	100.0	100.0

Crédit Agricole 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
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	100.0	100.0
FCT Crédit Agricole Habitat 2017 Compartiment Corse	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
FCT Crédit Agricole Habitat 2018 Compartiment Corse	Full	E2	France		Consolidated structured entity	100.0		100.0	
FIRECA	Full		France		Subsidiary	100.0	100.0	100.0	100.0
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	
PORTFOLIO LCR CREDIT	Full		France		Consolidated structured entity	100.0	100.0	98.6	97.0
PORTFOLIO LCR GOV	Full		France		Consolidated structured entity	99.7	100.0	95.9	95.5
PORTFOLIO LCR GOV 4A	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
S.A.S. Evergreen Montrouge	Full		France		Consolidated structured entity	100.0	100.0	100.0	100.0
S.A.S. Sacam Avenir	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SCI D2 CAM	Full		France		Subsidiary	99.9	99.9	99.9	99.9
SCI Quentyvel	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SILCA	Full		France		Consolidated structured entity	100.0	100.0	99.4	99.4
SNC Kalliste Assur	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Uni-medias	Full	D1	France		Subsidiary	100.0	100.0	100.0	100.0
Tourism - property development									
Crédit Agricole Immobilier Promotion	Full		France		Subsidiary	100.0	100.0	100.0	100.0
Crédit Agricole Immobilier Services	Full		France		Subsidiary	100.0	100.0	100.0	100.0
SNC Eole	Full	S3	France		Subsidiary		100.0		100.0
SO.GI.CO	Full		France		Subsidiary	100.0	100.0	100.0	100.0

(1) 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

(2) 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 €13,728 million at 31 December 2018, compared with €13,790 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 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 Group website at the time of publication of the Registration Document.

12.2 Non-consolidated structured entities

IFRS 12 defines a structured entity as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to the administrative tasks only and the relevant activities are directed by means of contractual arrangements.

INFORMATION ON THE NATURE AND EXTENT OF INTERESTS HELD

At 31 December 2018, Crédit Agricole 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 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 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 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 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 Group, through 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 Group sponsors structured entities in the following instances:

- Crédit Agricole 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 Group and it is the main user thereof;
- Crédit Agricole Group transfers its own assets to the structured entity;
- Crédit Agricole Group is the manager;
- The name of a subsidiary or of the parent company of Crédit Agricole 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 interest income and expenses 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 million and for Crédit Agricole CIB €4 million as at 31 December 2018.

INFORMATION ON THE RISKS RELATED TO INTERESTS

Financial support for structured entities

In 2018, Crédit Agricole did not provide financial support to any non-consolidated structured entities.

At 31 December 2018, Crédit Agricole did not intend to provide financial support to any non-consolidated structured entities.

Risks associated with interests in non-consolidated structured entities

At 31 December 2018 and 31 December 2017, the Group's implication in non-consolidated structured entities is disclosed in the following tables, for each group of significant sponsored structured entities:

	31/12/2018															
	Securitisation vehicles				Asset management				Investments funds ¹				Structured finance ¹			
	Maximum loss				Maximum loss				Maximum loss				Maximum loss			
	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
<i>(in millions of euros)</i>																
Financial assets at fair value through profit or loss	66	66	-	66	2,101	2,101	-	2,101	42,468	42,467	-	38,567	35	35	-	35
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	481	481	-	26	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	42,950	42,949	-	38,593	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	-	-	-	323,224	-	-	-	2,349	-	-	-

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	
	Carrying amount	Maximum loss			Carrying amount	Maximum loss	Carrying amount	Maximum loss	Carrying amount	Maximum loss
Maximum exposure to losses		Guarantees received and other credit enhancements	Net exposure	Maximum exposure to losses		Maximum exposure to losses		Maximum exposure to losses		
<i>(in millions of euros)</i>										
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	30,598	30,598	-	-
Available-for-sale financial assets	212	212	22	190	665	665	12,908	12,908	851	851
Loans and receivables	20,580	20,438	-	20,438	-	-	49	49	2,593	2,593
Held to maturity financial assets	-	-	-	-	-	-	-	-	-	-
Total assets recognised relating to non-consolidated structured entities	21,030	20,888	22	20,866	2,183	2,183	43,945	43,945	3,495	3,495
Equity instruments issued	11	-	-	-	-	-	-	-	-	-
Financial liabilities held for trading	133	-	-	-	1,416	-	589	-	18	-
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-
Liabilities	856	-	-	-	-	-	180	-	565	-
Total liabilities recognised 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		324,526		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 "Maximum exposure to 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.