

Crédit Mutuel

Banque Fédérative



HALF-YEAR FINANCIAL REPORT

JUNE 30, 2010

The interim financial statements have not been audited but have undergone a limited review

Copies of this document may be obtained free of charge from the headquarters of Banque Fédérative du Crédit Mutuel. The document can also be downloaded in electronic format from the issuer's website (<http://www.bfcm.creditmutuel.fr>).

Banque Fédérative du Crédit Mutuel – Société Anonyme (Public Limited Company) with capital of €1,302,192,250
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Person responsible for the half-year financial report

Mr. Michel Lucas, Chief Executive Officer of Banque Fédérative du Crédit Mutuel.

Declaration of the person responsible for the report

I declare that, to the best of my knowledge, the condensed interim financial statements have been prepared in accordance with all applicable accounting standards and provide an accurate and fair view of the assets, financial position and earnings of all of the companies included in the scope of consolidation, and that the attached report presents an accurate account of all significant events that have taken place during the first six months of the year and their impact on the interim financial statements, of the main transaction with related parties, and a description of all the main risks and uncertainties concerning the remaining six months of the financial year.

Paris, July 29, 2010

(signature)

Chief Executive Officer

Michel Lucas

Chapter I Trend Information

1.1. Outlook for BFCM

Outlook for 2010:

The crisis exit scenarios were still unclear at the date of this report. In particular, the pace of economic growth in developed countries is hard to foresee, raising fears of a double-dip. Signs of recovery are still fragile and deleveraging by private and public economic agents and a return to less expansionary monetary and fiscal policies could have a negative impact. The markets are concerned by the deterioration in public finances, leading the most severely affected euro-zone countries (Greece, Ireland, Portugal and Spain) to implement severe austerity measures. France, whose public finances have been spinning out of control for some time, has now set the target of reducing its fiscal deficit to 3% of GDP by 2013.

The background therefore continues to be difficult for banks. The possibility of a sovereign debt crisis that would substantially undermine banks' financial positions has affected confidence in the interbank market, which once again experienced strong tensions in the first half of 2010. In these uncertain conditions, the ongoing improvement in bank operating conditions observed in the first half of 2010 could be called into question.

1.2. Known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year

In these economic conditions, the main risk factors that could affect earnings for the current financial year are:

- Growing competitive pressure on interest margins and commissions;
- An increase in counterparty risks on customers and banks;
- Another liquidity crisis in the interbank market that could affect the Group's refinancing conditions;
- Unfavourable volatility in the financial markets.

BFCM has concluded a cooperation agreement with Banco Popular in Spain for the creation of a 50/50 jointly-owned banking platform. One hundred and twenty-three Banco Popular branches will be transferred to the new bank. Crédit Mutuel will invest €12 million in the operation, valuing the bank at €25 million based on shareholders' equity of €258 million. The new bank will seek growth opportunities in Spain and Portugal and play an active part in the restructuring currently underway in the Spanish financial market. It will ensure its expansion by drawing on the resources and experience of its two shareholders, particularly in the areas of technology and sales and marketing. The new banking operation will have a Tier 1 ratio of 13% (the highest in the Spanish banking sector), a total of €2 billion in outstanding loans, and €1.7 billion in deposits and managed assets. The branches will be located mainly in areas with strong business activity and, like Banco Popular and Crédit Mutuel, the new bank's business model will focus principally on retail customers and small and medium-sized businesses. It will also benefit in the long term from Banco Popular's resources and services, particularly in the area of IT services. Lastly, Crédit Mutuel and Banco Popular have announced that after this operation Crédit Mutuel will be a key shareholder of Banco Popular with 5% of its capital. The new banking operation is scheduled to be launched before the end of the year, subject to the usual suspensive conditions and to approval by the banking and anti-trust authorities.

This project is part of CM5-CIC's strategy of gradual and controlled expansion in bank-insurance at European level.

Chapter II Half-year financial statements

2.1. Interim information

2.1.1 Half-year activity report

The economic recovery could be threatened

After a sluggish start to the year, growth picked up in Europe in the second quarter of 2010 boosted by an uptick in world demand and the weakening of the euro. This upturn could, however, come under threat very rapidly. During the first half, the financial markets manifested their lack of confidence in the public finances of some of the more fragile euro-zone countries, resulting in a sharp rise in interest rates on the sovereign debt of Greece, Portugal, Spain and Ireland. The euro then weakened against the US dollar and the other main currencies.

The European sovereign debt crisis has influenced fiscal policies in developed countries. Whereas 2009 featured concerted stimulus action at world level, European countries have now been forced by the markets to take restrictive measures so as to reduce their fiscal deficits. Meanwhile, the United States and Japan continue to shore up economic activity with Keynesian support measures.

In France, growth in private consumption – the main growth driver in the past – seems to be grinding to a halt under the impact of a deteriorating labour market, declining household confidence and renewed inflation. Manufacturing business sentiment remains gloomy and the consensus is that growth is unlikely to accelerate beyond the second quarter of 2010. Cleaning up the public finances – a move constantly postponed during less difficult economic conditions – has now become a necessity if France hopes to maintain its credibility in the financial markets.

The main central banks (ECB, Fed, BoE, Bank of Japan) have maintained their key rates unchanged at low levels. This has not, however, prevented tensions in the interbank markets, with operators' distrust resulting in temporary liquidity squeezes.

BFCM's activity within the CM5-CIC Group

Banque Fédérative du Crédit Mutuel is the holding company and refinancing centre for the CM5-CIC group

It performs its role first for the CM5 network, made up of Crédit Mutuel Centre Est Europe, Sud-Est, Ile-de-France, Savoie Mont-Blanc and Midi-Atlantique. BFCM's resources, consisting of cash deposits, grew by 4.9% (to €50.3 billion¹) compared with the end of 2009. During the same period, the refinancing of new loans distributed by the network increased by 3.6% to €63.3 billion¹. Deposits (borrowings and current accounts) held by CIC and its regional banks came to €15.5 billion¹ at end-June and refinancing amounted to €36.7 billion¹.

In the context of its refinancing activities, BFCM issues covered bonds via its subsidiary, CM-CIC Covered Bonds, rated AAA by the three main rating agencies. Outstanding bonds amounted to €16.4 billion¹ at end-June 2010, taking into account new issuance of €2 billion (net of redemptions) during the first half of 2010.

As part of the French national plan to finance the economy and restore confidence, the Government on October 17, 2008 set up the Société de Financement de l'Economie Française (SFEF- Company for Financing the French Economy). The loans issued by SFEF are guaranteed by the State and granted to credit institutions under a number of conditions, both economic and ethical.

BFCM funding from SFEF loans came to €1.6 billion at end-June 2010 compared with €1.1 billion at end-December 2009. The change in the outstanding amount during the first half of 2010 resulted solely from a foreign exchange effect.

¹ Excluding related receivables or liabilities

Group activity and results

Analysis of the consolidated balance sheet (including securities lending transactions)

The main developments affecting the consolidated balance sheet were as follows:

- Loans to customers, including leasing operations, amounted to €160,679 million at June 30, 2010 as against €159,335 million on June 30, 2009. The activity of the new subsidiaries (Targobank, Cofidis and CIC Iberbanco) held firm, with a loan book of €21,952 million despite the difficult economic conditions.
- Customer deposits totalled €101,455² million at June 30, 2010, up by 6% compared with €95,753 million at June 30, 2009. Customer deposits at the new subsidiaries amounted to €1,742 million at end-June 2010.

Analysis of the consolidated statement of profit and loss

In the first half of 2010, the Group's overall net banking income grew by 7.7% (at constant scope) to €4,218 million compared with €3,654 million in the half year to June 30, 2009. Operating expenses came to €2,468 million compared with €2,216 million for the same period the previous year. The cost of risk fell by 51.1% at constant scope, dropping from €24 million in the first half of 2009 to €80 million in the first half of 2010.

Consolidated net income came to €335 million (versus €446 million in the first half of 2009), of which €680 million attributable to equity holders of the parent.

Analysis by activity:

Description of business lines

The business lines correspond to the BFCM group's organisation, which is described in greater detail in the notes to the financial statements: see note 3, which shows the organisation of the group by division, and note 2 showing the breakdown of the balance sheet and profit and loss account by activity.

The elimination in full of reciprocal transactions between the banking and insurance activities gives rise to book transfers of assets and results between banking and insurance, which can skew the assessment of their respective economic performances. Therefore, the analysis by activity presented below shows the insurance activities before elimination of reciprocal transactions, whenever these are representative of policyholders' rights (income from insurance investments in the bank, insurance premiums recorded by the bank on behalf of their staff, etc.). In particular, due to this restatement the "Income from Insurance activities" in the analysis by activity shown below is different from that shown in the publishable financial statements.

- Retail Banking, BFCM's core business, consists of:
the BECM network, the networks of CIC in Paris and of its regional banks and the CIC Iberbanco, Targobank (Germany) and Groupe Cofidis outlets, together with all the specialised financial subsidiaries whose products are marketed through the retail network: consumer credit, equipment and property leasing, seller credit, factoring, mutual funds, employee savings plans, property.
- Insurance comprises Groupe des Assurances du Crédit Mutuel (GACM) and its subsidiaries whose products are marketed through the network. GACM operates in life and non-life insurance, insurance brokerage, reinsurance, video-surveillance and car maintenance cover.
- Finance and Markets covers two businesses:
The financing of large corporate and institutional customers, value-added financing (project and asset financing, export finance, etc.), international activities and foreign branches.
BFCM and CIC carry out their market activities through a single entity, "CM-CIC Marchés", with a single management structure.
The market activities are organised into three segments: Refinancing, Commercial and Proprietary. The transactions carried out at two locations (Paris and Strasbourg) are recorded in two balance sheets:

² Excluding outstanding SFEF loans not included in customer deposits

- * that of BFCM, for Refinancing
- * that of CIC, for Commercial and Proprietary;

- Private Banking comprises all the group's private banking operations in France (CIC Banque Transatlantique, Dubly-Douilhet SA) and abroad (Banque de Luxembourg, Banque CIC Suisse, Banque Transatlantique Luxembourg, CIC Private Banking-Banque Pasche and Banque Transatlantique Belgium).
- Private Equity activities carried out on the group's own behalf now make a significant contribution to earnings. This business is now organised around three entities: CIC Finance, CIC Banque de Vizille and IPO.
- Structure and Holding groups together all the activities that cannot be allocated to any other division and all the purely logistics structures: intermediate holding companies and operating property held by special purpose vehicles.

Retail banking activity

<i>(In € million)</i>	June 30, 2010	June 30, 2009	% change³
Net banking income	3,172	2,769	+7.1%
Gross operating profit	1,277	1,009	+19.4%
Income before tax	676	352	x 2.1
Net income	445	211	x 2.4

BFCM remained attentive to the needs of its retail, professional, association and business customers in the first half of 2010.

The dynamic sales momentum of the CIC and BECM networks resulted in:

- A 3.2% increase in the customer base, with 133,522 new customers bringing the total to 4,366,255;
- 3% growth in the loan book to €104.7 billion, with a 6.4% increase in home loans and a 7.9% increase in equipment loans;
- Growth in deposits, up by 6% to €61.1 billion, and in managed savings, up by 7% to €62.5 billion;
- A 7.7% increase in non-life insurance contracts to 2,648,769;
- Progress in all the services activities: remote banking contracts up 9.1% to 1,391,623, telephony contracts up 58.8% to 205,511, video-surveillance contracts up 11.8% to 54,649, etc.

At end-June 2010, the other main networks (the newly acquired Targobank, Cofidis and CIC Iberbanco networks) totalled 7,213,288 customers, with customer loans totalling €1,952 million and deposits amounting to €1,742 million.

Net banking income from the retail activities was up by 7.1% at constant scope to €3,172 million in the first half of 2010 (of which €740 million for TargoBank and €26 million for Cofidis), versus €2,769 million in the first half of 2009.

Operating expenses rose by 1.3%³ to €1,895 million.

The cost of risk totalled €603 million, down from €672 million in the first half of 2009.

Net income from retail banking activities came to €445 million for the period ended June 30, 2010 compared with €211 million for the same period the previous year.

³ At constant scope

Insurance

<i>(In € million)</i>	June 30, 2010	June 30, 2009	% change
Net banking income	512	382	+34.1%
Gross operating profit	333	212	+57.3%
Income before tax	346	224	+54.7%
Net income	242	164	+48.0%

Insurance turnover came to €5 billion, corresponding to an overall increase of 56% with a 93% increase in life insurance. The total invested in life-insurance savings products came to €49.4 billion, corresponding to an increase of nearly 14% year-on-year.

Net insurance revenues came to €12 million in the first half of 2010 compared with €382 million in the first half of 2009. Income before tax came to €346 million versus €224 million the previous year.

Finance and market activities

<i>(In € million)</i>	June 30, 2010	June 30, 2009	% change
Net banking income	580	658	-11.9%
Gross operating profit	441	523	-15.8%
Income before tax	499	380	+31.2%
Net income	360	272	+32.5%

Income before tax came to €499 million for the half year ended June 30, 2010 compared with €380 million for the first half of 2009 on net banking income of €580 million versus €658 million in the same period the previous year.

Net banking income from finance activities grew by 4% to €223 million while income before tax doubled to €157 million.

The cost of risk came to €25 million for the period compared with €9 million the previous year.

Net banking income from market activities decreased from €444 million to €357 million but income before tax rose from €304 million in first half of 2009 to €342 million in the first half of 2010.

The cost of risk made a positive contribution with net reversals of provisions amounting to €33 million at June 30, 2010 compared with a net charge of €45 million the previous year.

Private banking

<i>(In € million)</i>	June 30, 2010	June 30, 2009	% change
Net banking income	198	211	-6.4%
Gross operating profit	49	67	-27.1%
Income before tax	44	69	-36.8%
Net income	35	52	-32.2%

Income before tax dropped from €69 million in the first half of 2009 to €44 million in the first half of 2010 while net banking income dropped from €211 million to €198 million. The division's commercial performance was satisfactory despite the crisis.

Private equity

<i>(In € million)</i>	June 30, 2010	June 30, 2009	% change
Net banking income	100	16	x 6
Gross operating profit	87	4	NA
Income before tax	87	4	NA
Net income	85	3	NA

The private equity business achieved net banking income of €100 million (€16 million in H1 2009) and income before tax of €87 million versus €4 million the previous year. The group has investments in close to 500 French businesses through a total investment portfolio of nearly €1.5 billion.

Structure and Holding

<i>(In € million)</i>	June 30, 2010	June 30, 2009	% change⁴
Net banking income	(288)	(330)	+10.3%
Gross operating profit	(437)	(378)	+11.6%
Income before tax	(455)	(372)	+18.4%
Net income	(333)	(254)	+26.1%

Net banking income from the Structure and Holding division comprises:

- Revenues totalling €105 million from the Structure and Other activities, comprising the revenues from the logistics subsidiaries of Targobank and Cofidis, and Groupe EBRA's sales margin;
- The Holding activities recorded an operating loss of €93 million arising in particular from a shortfall in working capital (€60 million), the cost of refinancing Targobank (€106 million), impairment recorded on Targobank and Cofidis (€86 million), the CIC expansions plans and dividends from shareholdings in associates.

Shareholders' equity – a guarantee of financial strength – amounted to €5.2 billion.

2.1.2 Condensed consolidated financial statements

The consolidated financial statements presented herein have been prepared in accordance with IAS 34.

⁴ At constant scope

Assets - IFRS

In euro million	June 30, 2010	Dec. 31, 2009	Notes
Cash and amounts due from central banks and post office banks	4 563	8 054	4a
Financial assets at fair value through profit or loss	49 580	51 628	5a
Derivatives used for hedging purposes	531	1 710	6a
Available-for-sale financial assets	67 900	67 448	7
Loans and receivables due from credit institutions	119 463	105 547	4a
Loans and receivables due from customers	156 433	152 072	8a
Fair value adjustment on interest-rate risk hedged portfolios	725	522	6b
Held-to-maturity financial assets	9 628	7 672	9
Current tax assets	637	676	13a
Deferred tax assets	1 260	1 128	13b
Accrued income and other assets	17 235	15 543	14a
Deferred profit-sharing	0	0	
Shareholdings in companies consolidated by the equity method	636	615	15
Investment property	675	1 059	16
Property, plant and equipment	1 933	1 955	17a
Intangible assets	905	896	17b
Goodwill	3 995	3 990	18
Total assets	436 099	420 516	

Liabilities - IFRS

In euro million	June 30, 2010	Dec 31, 2009	Notes
Due to central banks and post office banks	569	1 265	4b
Financial liabilities at fair value through profit or loss	40 649	47 839	5b
Derivatives used for hedging purposes	4 136	4 755	6a
Due to credit institutions	104 361	91 481	4b
Customer deposits	109 952	105 649	8b
Debt securities	91 141	86 969	19
Remeasurement adjustment on interest-rate risk hedged portfolios	-2 787	-1 777	6b
Current tax liabilities	381	268	13a
Deferred tax liabilities	996	988	13b
Accrued expenses and other liabilities	11 335	10 892	14b
Technical reserves of insurance companies	53 774	51 004	20
Provisions	1 242	1 074	21
Subordinated debt	7 655	7 819	22
Shareholders' equity	12 695	12 290	
Shareholders' equity - Attributable to equity holders of the parent	9 749	9 409	
Capital and related reserves	1 880	1 880	23a
Consolidated reserves	7 480	6 774	23a
Gains/losses recognised directly in equity	-291	-53	23c
Net income for the year	680	808	
Non-controlling equity interests*	2 945	2 881	
Total liabilities	436 099	420 516	

*Formerly "Minority interests"

PROFIT AND LOSS ACCOUNT - IFRS

In euro million	June 30, 2010	June 30, 2009	Notes - IFRS
Interest income and equivalent	7 611	8 803	25
Interest expense and equivalent	-5 077	-6 665	25
Commission income	1 528	1 435	26
Commission expense	-431	-423	26
Net gain on financial instruments at fair value through profit or loss	34	176	27
Net gain/loss on available for sale financial assets	49	-11	28
Other income	5 834	3 871	29
Other expense	-5 331	-3 532	29
Net banking income - IFRS	4 218	3 654	
Operating expenses	-2 324	-2 116	30a,30b
Depreciation, amortisation and provisions	-144	-100	30c
Gross operating profit - IFRS	1 750	1 438	
Cost of risk	-580	-823	31
Operating profit - IFRS	1 169	614	
Share of net profit of companies consolidated by the equity method	24	39	15
Net gain/loss on other assets	3	4	32
Net income before tax - IFRS	1 197	658	
Corporation tax	-361	-210	34
Net income after tax	835	447	
Non-controlling equity interests*	155	106	
Net income attributable to equity holders of the parent	680	340	

*Formerly "Minority interests"

Net earnings per share in euro*	26,11	13,07	35
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* diluted earnings per share are identical to net earnings per share

Statement of comprehensive income

In euro million	June 30, 2010	June 30, 2009	Notes - IFRS
Total net income	835	447	
Translation differences	29	-12	
Revaluation of available-for-sale financial assets	-223	431	
Revaluation of derivative hedging instruments	-61	-20	
Revaluation of fixed assets	0	0	
Share in unrealized or deferred gains or losses on companies consolidated by the equity method	5	-7	
Total gains and losses directly accounted for in shareholders' equity	-250	391	23c,23d
Net income and gains and losses directly accounted for in shareholders' equity	585	837	
<i>Of which attributable to equity holders of the parent</i>	<i>442</i>	<i>695</i>	
<i>Of which non-controlling interests</i>	<i>143</i>	<i>143</i>	

Items relating to gains and losses directly accounted for in shareholders' equity are presented net of tax

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

In euro million	Capital	Additional paid-in capital	Consolidated reserves (1)	Translation differences	Unrealized or deferred capital gains/losses (net of corporation tax)	Net income for the period	Total equity - Group share	Non-controlling interests	Total consolidated equity	
					Change in fair value of available-for-sale assets	Change in fair value of hedging derivatives				
Balance as at January 1, 2009	1 302	578	6 898	-45	-1 119	-12	29	7 631	1 922	9 553
Capital increase										
Appropriation of income for 2008			29				-29			
Dividends paid in 2009 in respect of 2008								-38		-38
Sub-total of changes in capital linked to relations with shareholders			29				-29	-38		-38
Gains and losses recognised directly in equity					303	3		306	37	343
Income for the first half of 2009							340	340	106	446
Sub-total					303	3	340	646	143	789
Effect of changes in the consolidation scope			3		59	-11		51	697	748
Change in foreign exchange rates				-7				-7	-10	-17
Balance as at June 30, 2009	1 302	578	6 929	-52	-757	-20	340	8 321	2 714	11 035
Balance as at July 1, 2009	1 302	578	6 929	-52	-757	-20	340	8 321	2 714	11 035
Appropriation of income for 2008										
Dividends paid in 2010 in respect of 2009								-22		-22
Sub-total of changes in capital linked to relations with shareholders								-22		-22
Gains and losses recognised directly in equity					756	-34		722	99	821
Income for the second half of 2009							468	468	115	583
Sub-total					756	-34	468	1 190	214	1 404
Effect of changes in the consolidation scope			-115		-9	11		-113	-31	-144
Change in foreign exchange rates				12				12	6	18
Balance as at Dec. 31, 2009	1 302	578	6 814	-40	-10	-43	808	9 409	2 881	12 290
Balance as at January 1, 2010	1 302	578	6 814	-40	-10	-43	808	9 409	2 881	12 290
Appropriation of income for 2009			808				-808			
Dividends paid in 2010 in respect of 2009			-129					-129	-50	-179
Sub-total of changes in capital linked to relations with shareholders			679				-808	-129	-50	-179
Gains and losses recognised directly in equity					-176	-61		-238	-13	-250
Income for 2009							680	680	155	835
Sub-total					-176	-61	680	442	143	585
Effect of changes in the consolidation scope			-3					-3	-35	-39
Change in foreign exchange rates				31				31	7	38
Balance as at June 30, 2010	1 302	578	7 490	-9	-186	-104	680	9 749	2 945	12 695

(1) At June 30, 2010, reserves comprised the legal reserve for €120 million, statutory reserves for €951 million and other reserves for €6,419 million.

STATEMENT OF CASH FLOWS

	First half 2010	First half 2009
Net income	835	446
Tax	361	210
Income before tax	1 197	657
+/- Net allowance for amortisation of tangible and intangible assets	143	100
- Impairment of goodwill and depreciation of other fixed assets	0	0
+/- Net provisions	31	540
+/- Share in profit of companies consolidated by equity method	-11	-27
+/- Net loss/gain on investment activities	-9	15
+/- (Income)/expenses on financing activities	0	0
+/- Other movements	-1 114	-1 676
= Total of non-monetary items included in income before tax and other adjustments	-960	-1 047
+/- Flows relating to transactions with credit institutions	937	-17 372
+/- Flows relating to transactions with customers	-667	13 836
+/- Flows relating to other transactions affecting financial assets or liabilities	-4 119	-5 360
+/- Flows relating to other transactions affecting non-financial assets or liabilities	340	-1 636
- Tax paid	-184	-40
= Net decrease/increase in assets and liabilities from operating activities	-3 692	-10 572
TOTAL NET CASH FLOW RELATING TO OPERATING ACTIVITIES	-3 455	-10 962
+/- Flows relating to financial assets and equity interests	573	2 164
+/- Flows relating to investment property	0	-177
+/- Flows relating to non-current assets	-110	-152
TOTAL NET CASH FLOW RELATING TO INVESTMENT ACTIVITIES	463	1 834
+/- Cash flows from or to shareholders	-179	-38
+/- Other cash flows from financing activities	748	-838
TOTAL NET CASH FLOW RELATING TO FINANCING ACTIVITIES	569	-877
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	154	-8
Net increase/decrease in cash and cash equivalents	-2 270	-10 013
Net cash flow relating to operating activities	-3 455	-10 962
Net cash flow relating to investment activities	463	1 834
Net cash flow relating to financing activities	569	-877
Effect of exchange rate changes on cash and cash equivalents	154	-8
<u>Cash and cash equivalents at beginning of period</u>	<u>4 667</u>	<u>11 462</u>
Cash and accounts with central banks and post office banks	6 790	11 172
Net balance of accounts, demand deposits/loans with banks	-2 123	290
<u>Cash and cash equivalents at end of period</u>	<u>2 397</u>	<u>1 449</u>
Cash and accounts with central banks and post office banks	3 995	6 652
Net balance of accounts, demand deposits/loans with banks	-1 598	-5 203
CHANGE IN NET CASH	-2 270	-10 013

Notes to the half-year financial statements

The notes to the financial statements are presented in millions of euro.

Note 1: Accounting policies, valuation methods and presentation

The accounting policies applied are the same as those used for the preparation of the financial statements for the financial year ended December 31, 2009. They comply with International Financial Reporting Standards (IFRS) as adopted by the European Union at June 30, 2010. These standards include IAS 1 to 41, IFRS 1 to 8 and the related SIC and IFRIC interpretations adopted to date. These interim financial statements are presented in accordance with CNC Recommendation 2009-R04 relating to summary financial statements and with IAS 34 relating to interim financial reporting, which provides for the publication of condensed financial statements. They supplement the annual financial statements for the year ended December 31, 2009, presented in the 2009 shelf registration document.

The group's business is not subject to seasonal or cyclical effects.

Estimates and assumptions may have been used in the valuation of balance sheet items.

The new accounting standards applied from January 1, 2010 are:

Standards and interpretations	Application date within the EU	Comment
New standards		
IAS 27: Consolidated and Separate Financial Statements and IFRS 3: Business Combinations	15/06/2009	Applied since January 1, 2010
IFRS 1: First Time Adoption of IFRS	29/11/2009	Without impact
Amendments to existing standards		
Improvements to IFRSs	27/03/2010	Without impact
IFRS 2: Group Cash-settled Share-based Payment Transactions	27/03/2010	Without impact
IFRS 1: Additional Exemptions for First-Time Adopters	27/06/2010	Without impact
Interpretations		
IFRIC 12: Service Concession Arrangements	29/03/2009	Without impact
IFRIC 15: Agreements for the Construction of Real Estate	26/07/2009	Without impact
IFRIC 16: Hedges of a Net Investment in a Foreign Operation	08/06/2009	Without impact
IFRIC 17: Distributions of Non-cash Assets to Owners	30/11/2009	Without impact
IFRIC 18: Transfers of Assets from Customers	04/12/2009	Without impact

NOTE 2 - Breakdown of the balance sheet and profit and loss statement by activity and by geographic zone

The group's activities are as follows:

- Retail banking, comprising CIC's regional bank network, Targobank in Germany, Cofidis and all the specialist activities marketed through the banking network: real estate and equipment leasing, factoring, mutual fund management, employee savings plans and real estate.
- Insurance, carried out through Assurances du Crédit Mutuel.
- Financing and market activities, comprising:
 - a) financing of major companies and institutional customers, specialist finance, international and foreign subsidiaries.
 - b) market activities in the broader sense i.e. interest-rate, foreign-exchange and equity market trading both for customers and on the bank's own account, including stock-market brokerage.
- Private banking, through dedicated companies in France and abroad.
- Private equity on own account and financial engineering, grouped in a specific business line.
- The logistics and holding division, which comprises all the elements not allocated to any specific business line and the logistics structures: intermediate holding companies, real estate used in operations and held by specific entities, and IT companies.

The consolidated entities are wholly allocated to their business lines based on their contributions to the consolidated accounts, with the exception of CIC and BFCM whose activities cover several business lines. In these cases, the parent company financial statements are broken down analytically and their assets and liabilities are broken down in the same way.

2a - Breakdown of the profit and loss statement by activity

June 30, 2009 proforma	Retail banking *	Insurance	Finance and markets	Private banking	Private equity	Structure and holding **	Inter activities ***	Total
Net banking income	2 769	382	658	211	16	-330	-53	3 654
General expenses	-1 759	-170	-135	-144	-12	-48	53	-2 216
Gross operating profit	1 010	212	523	67	4	-378	0	1 438
Cost of risk	-672		-143	2	0	-11		-824
Gains on other assets	14	12	0	0		17		43
Income before tax	352	223	380	69	4	-372	0	657
Corporation tax	-141	-60	-108	-18	-1	117		-210
Net income	211	164	272	52	3	-255	0	446
Non-controlling interests								106
Net income attributable to equity holders of the parent								340

For the purposes of comparison between the half-year periods ended June 2009 and June 2010, the figures for the period ended June 30, 2009 have been restated for the following:

a) Impact of reclassification of activities between "Retail banking" and "Structure and holding" (with no impact on consolidated net income).

* Retail banking: General expenses (- €4m) Corporation tax (- €10m) Net income (- €14m)

** Structure and Holding: General expenses (+ €4m) Corporation tax (+ €10m) Net income (+ €14m)

b) Impact of reclassification of activities between "Structure and holding" and "Inter activities" (with no impact on consolidated net income).

** Structure and Holding : Net banking income (- €84m) General expenses (+ €84m)

*** Inter-activities: Net banking income (+€84m), General expenses (-€84m)

Disposal of Lehman Brothers receivables

In the second quarter of 2010, the Group sold the totality of the receivables arising from the collapse of the Lehman Brothers group.

These receivables correspond to the valuation of interest rate and credit derivatives and the valuation of repo transactions.

The disposal of these receivables is final and the recovery rate corresponding to the disposal price has been established for each receivable. However, the value (i.e. the notional amount) of the receivables sold, which depends on the models and market parameters used for their valuation, could be adjusted by the administrators before the Bankruptcy Court of the Southern District of New York and the High Court of Justice of England and Wales, Chancery Division, Companies Court. Therefore, part of the payment for the receivables sold has been deferred and will depend on the notional amounts accepted when the receivables are finally admitted by the administrators.

This uncertainty is covered by a provision for risk.

The gross amount of the receivables sold is €598 million. The impact on the profit and loss account for the period ended June 30, 2010 was a gain before tax of €121 million, comprised of a loss of €52 million at the level of net banking income and the reversal of €173 million of provisions for cost of risk booked to the "Market activities" business line.

2b - Breakdown of financial position by geographic zone

	June 30, 2010				December 31, 2009			
	France	Rest of Europe	Other countries*	Total	France	Rest of Europe	Other countries*	Total
ASSETS								
Cash and amounts due from central banks and post office banks	1 152	2 162	1 249	4 563	4 719	2 280	1 055	8 054
Financial assets at fair value through profit or loss	48 001	925	654	49 580	50 965	285	377	51 628
Derivatives used for hedging purposes	513	17	0	531	1 676	32	3	1 710
Available-for-sale financial assets	60 601	6 096	1 203	67 900	60 256	6 306	886	67 448
Loans and receivables due from credit institutions	111 586	4 465	3 412	119 463	97 080	5 509	2 959	105 547
Loans and receivables due from customers	132 510	20 570	3 353	156 433	128 623	20 572	2 877	152 072
Held-to-maturity financial assets	9 622	6	0	9 628	7 666	6	0	7 672
Shareholdings in companies consolidated by the equity method	217	167	252	636	196	160	260	615
LIABILITIES								
Due to central banks and post office banks	0	569	0	569	0	1 265	0	1 265
Financial liabilities at fair value through profit or loss	39 183	1 251	215	40 649	43 438	4 205	195	47 839
Derivatives used for hedging purposes	3 578	535	23	4 136	4 285	465	4	4 755

Due to credit institutions	104 327	0	34	104 361	89 400	0	2 081	91 481
Customer deposits	85 022	23 864	1 066	109 952	81 651	23 136	862	105 649
Debt securities	73 042	9 688	8 412	91 141	70 505	11 413	5 051	86 969

* USA, Singapore, Tunisia and Morocco

2c - Breakdown of profit and loss by geographic zone

	June 30, 2010				June 30, 2009			
	France	Rest of Europe	Other countries*	Total	France	Rest of Europe	Other countries*	Total
Net banking income	2 983	990	245	4 218	2 461	1 013	179	3 654
General expenses	-1 776	-656	-36	-2 468	-1 505	-685	-26	-2 216
Gross operating profit	1 207	334	210	1 750	957	328	153	1 438
Cost of risk	-136	-354	-91	-580	-455	-297	-72	-823
Gains on other assets **	14	-2	14	27	21	7	15	43
Net income before tax	1 085	-22	133	1 197	523	38	97	658
Net income	738	-8	105	835	363	26	58	447
Net income attributable to equity holders of the parent	608	-24	96	680	274	11	55	340

* USA, Singapore, Tunisia and Morocco

** including net profit of entities consolidated by the equity method and goodwill impairment

NOTE 3 - Consolidation scope

	June 30, 2010			December 31, 2009		
	% Control	% Interest	Method *	% Control	% Interest	Method *
A. Banking network						
Banque de l'Economie du Commerce et de la Monétique	99	99	FC	99	99	FC
Banque du Crédit Mutuel Ile-de-France (BCMI)	100	100	FC	100	100	FC
CIC Ouest (formerly CIC Banque CIO - BRO)	100	92	FC	100	92	FC
CIC Banque Nord-Ouest (formerly CIC Banque Scalbert Dupont - CIN)	100	92	FC	100	92	FC
Crédit Industriel et Commercial (CIC)	92	92	FC	92	92	FC
CIC Est (formerly Société Nancéienne Varin Bernier)	100	92	FC	100	92	FC
CIC Iberbanco (formerly Banco Popular France)	100	100	FC	100	100	FC
CIC Lyonnaise de Banque (LB)	100	92	FC	100	92	FC
CIC Société Bordelaise (SBCIC)	100	92	FC	100	92	FC
KGaA)	100	100	FC	100	100	FC
B. Subsidiaries of banking network						
Banque de Tunisie	20	20	EM	20	20	EM
Banca Popolare di Milano	5	4	EM	5	4	EM
CM-CIC Asset Management (formerly Crédit Mutuel Finance)	74	73	FC	74	72	FC
CM-CIC Bail (formerly Bail Equipement)	99	92	FC	99	92	FC
CM-CIC Covered Bonds	100	100	FC	100	100	FC
CM-CIC Epargne salariale (formerly CIC Epargne salariale)	100	92	FC	100	92	FC
CM-CIC Gestion	100	92	FC	100	92	FC
CM-CIC Laviolette Financement	100	92	FC	100	92	FC
CM-CIC Lease	100	96	FC	100	96	FC
CM-CIC Leasing Benelux (formerly CM-CIC Bail Belgium)	100	92	FC	100	92	FC
CM-CIC Leasing GmbH	100	92	FC	100	92	FC
Cofidis Argentine	66	23	FC	66	23	FC
Cofidis Belgique	100	34	FC	100	34	FC
Cofidis Espagne	100	34	FC	100	34	FC
Cofidis France	100	34	FC	100	34	FC
Cofidis Italie	100	34	FC	100	34	FC
Cofidis République Tchèque	100	34	FC	100	34	FC
Cofidis Roumanie	100	34	FC	100	34	FC
Cofidis Slovaquie	100	34	FC	100	34	FC
Creatis	100	34	FC	100	34	FC
Crefidis	100	34	FC	100	34	FC
C2C	100	34	FC	100	34	FC
Factocic	85	79	FC	51	47	FC
FCT Home loans	100	100	FC	100	100	FC
Monabanq	100	34	FC	66	23	FC
Saint-Pierre SNC	100	92	FC	100	92	FC
SCI La Tréflière	46	46	EM	46	46	EM
Sofim	100	92	FC	100	92	FC
SOFEMO - Société Fédérative Europ.de Monétique et de Financement	100	97	FC	100	97	FC
Targo Finanzberatung GmbH (formerly Citi Finanzberatung GmbH)	100	100	FC	100	100	FC
Targo Dienstleistungs GmbH (formerly Citicorp Dienstleistung GmbH)	100	100	FC	100	100	FC
C. Finance and market activities						
Cigogne Management	100	96	FC	100	96	FC
CM-CIC Securities	100	92	FC	100	92	FC
Ventadour Investissement	100	100	FC	100	100	FC
D. Private banking						
Agefor SA Genève	70	65	FC	70	65	FC

Alternative gestion SA Genève	45	57	EM	45	57	EM
Banque de Luxembourg	100	95	FC	100	95	FC
Banque Pasche (Liechtenstein) AG	53	49	FC	53	49	FC
Banque Pasche Monaco SAM	100	92	FC	100	92	FC
Banque Transatlantique	100	92	FC	100	92	FC
Banque Transatlantique Belgium	100	91	FC	100	91	FC
Banque Transatlantique Luxembourg (formerly Mutual Bank Luxembourg)	90	85	FC	90	85	FC
Calypso Management Company	70	65	FC	70	65	FC
CIC Private Banking - Banque Pasche	100	92	FC	100	92	FC
CIC Suisse (formerly Banque CIAL Suisse)	100	92	FC	100	92	FC
Dubly-Douilhet	62	57	FC	63	58	FC
GPK Finance	100	92	FC	89	82	FC
LRM Advisory SA	70	65	FC	70	65	FC
Pasche Bank & Trust Ltd Nassau	100	92	FC	100	92	FC
Pasche Finance SA Fribourg	100	92	FC	100	92	FC
Pasche Fund Management Ltd	100	92	FC	100	92	FC
Pasche International Holding Ltd	100	92	FC	100	92	FC
Pasche SA Montevideo	100	92	FC	100	92	FC
Serficom Family Office Inc	100	92	FC	100	92	FC
Serficom Family Office Ltda Rio	52	48	FC	52	48	FC
Serficom Family Office SA	100	92	FC	100	92	FC
Serficom Investment Consulting (Shanghai)	100	92	FC	100	92	FC
Serficom Maroc SARL	100	92	FC	100	92	FC
Transatlantique Finance			M	100	92	FC
Transatlantique Gestion (formerly BLC Gestion)	100	92	FC	100	92	FC
Valeroso Management Ltd	100	92	FC	45	57	EM
<i>E. Private equity</i>						
CIC Banque de Vizille	98	91	FC	98	91	FC
CIC Finance	100	92	FC	100	92	FC
	June 30, 2010			December 31, 2009		
	% Control	% Interest	Method *	% Control	% Interest	Method *
CIC Investissement (formerly CIC Capital Développement)	100	92	FC	100	92	FC
CIC Investissement Alsace (formerly Finances et Stratégies)	100	92	FC	100	92	FC
CIC Investissement Est (formerly SNVB Participations)	100	92	FC	100	92	FC
CIC Investissement Nord (formerly CIC Régions Expansion)	100	92	FC	100	92	FC
CIC Vizille Participation (formerly CIC Lyonnaise de Participations)	100	92	FC	100	91	FC
Financière Voltaire	100	92	FC	100	92	FC
Institut de Participations de l'Ouest (IPO)	100	92	FC	100	92	FC
IPO Ingénierie	100	92	FC	100	92	FC
Sudinnova	57	52	FC	57	52	FC
Vizille Capital Finance	100	91	FC	100	91	FC
Vizille Capital Innovation	100	91	FC	100	91	FC
<i>F. Structure and Holding</i>						
Adepi	100	92	FC	100	92	FC
Carmen Holding Investissement	67	67	FC	67	67	FC
CIC Migrations	100	92	FC	100	92	FC
CIC Participations	100	92	FC	100	92	FC
Cicor	100	92	FC	100	92	FC
Cicoval	100	92	FC	100	92	FC
CM Akquisitions	100	100	FC	100	100	FC
CMCP - Crédit Mutuel Cartes de Paiement	45	46	EM	45	46	EM
Cofidis Participations	51	34	FC	51	34	FC

Est Bourgogne Rhone Alpes (EBRA)	100	100	FC	100	100	FC
Efsa	100	92	FC	100	92	FC
Euro-Information	26	25	EM	26	25	EM
Gesteurop	100	92	FC	100	92	FC
Gestunion 2	100	92	FC	100	92	FC
Gestunion 3	100	92	FC	100	92	FC
Gestunion 4	100	92	FC	100	92	FC
Impex Finance	100	92	FC	100	92	FC
Marsovalor	100	92	FC	100	92	FC
Pargestion 2	100	92	FC	100	92	FC
Pargestion 4	100	92	FC	100	92	FC
Placinvest	100	92	FC	100	92	FC
Sofiholding 2	100	92	FC	100	92	FC
Sofiholding 3	100	92	FC	100	92	FC
Sofiholding 4	100	92	FC	100	92	FC
Sofinaction	100	92	FC	100	92	FC
Targo Akademie GmbH (formerly Citicorp Akademie GmbH)	100	100	FC	100	100	FC
Targo Deutschland GmbH (formerly Citicorp Deutschland GmbH)	100	100	FC	100	100	FC
Targo IT Consulting GmbH (formerly Citigroup IT Consulting GmbH)	100	100	FC	100	100	FC
Targo Management AG (formerly Citicorp Management AG)	100	100	FC	100	100	FC
Targo Realty Services GmbH (formerly Citigroup Realty Services GmbH)	100	100	FC	100	100	FC
Ufigestion 2	100	92	FC	100	92	FC
Ugépar Service	100	92	FC	100	92	FC
Valimar 2	100	92	FC	100	92	FC
Valimar 4	100	92	FC	100	92	FC
VTP 1	100	92	FC	100	92	FC
VTP 5	100	92	FC	100	92	FC
<i>G. Insurance</i>						
ACM IARD	96	69	FC	96	69	FC
ACM Nord IARD	49	35	EM	49	35	EM
ACM Vie	100	72	FC	100	72	FC
Astree	30	22	EM	30	22	EM
Euro Protection Services	100	72	FC	100	72	FC
Groupe des Assurances du Crédit Mutuel (GACM)	73	72	FC	73	72	FC
ICM Life	100	72	FC	100	72	FC
ICM Ré	100	69	FC	100	69	FC
Immobilière ACM	100	72	FC	100	72	FC
Partners	100	72	FC	100	72	FC
Procourtage	100	72	FC	100	72	FC
RMA Watanya	20	14	EM	20	14	EM
Serenis Assurances (formerly Assurances du Sud)	100	72	FC	100	72	FC
Serenis Vie (formerly Télévie)	100	72	FC	100	72	FC
Royal Automobile Club de Catalogne	49	35	EM	49	35	EM
<i>H. Other</i>						
ACM GIE	100	72	FC	100	72	FC
ACM Services	100	72	FC	100	72	FC
Agence Générale d'Informations régionales	100	49	EM	100	100	FC
Darcy presse			NC	100	100	FC
Documents AP	100	100	FC	100	100	FC
Groupe Progrès	100	100	FC	100	100	FC
Immocity	100	100	FC	100	100	FC
Information pour la communication			M	50	50	FC
Jean Bozzi Communication	100	100	FC	100	100	FC
La Gazette indépendante de Saone et Loire			M	100	100	FC
La Tribune	100	100	FC	100	100	FC

Le Bien Public	100	100	FC	100	100	FC
Le Dauphiné Libéré	100	100	FC	100	100	FC
Les journaux de Saone et Loire	100	100	FC	100	100	FC
Lyon Plus			M	100	100	FC
	June 30, 2010			December 31, 2009		
	%	%	Method	%	%	Method
	Control	Interest	*	Control	Interest	*
Lyonnaise de Télévision			NC	60	60	FC
Massena Property	100	72	FC	100	72	FC
Massimob	100	69	FC	100	69	FC
Presse Diffusion	100	100	FC	100	100	FC
Promopresse	100	100	FC	100	100	FC
Publprint Dauphiné	100	100	FC	100	100	FC
Publprint Province n°1	100	100	FC	100	100	FC
Rhone Offset Presse	100	100	FC	100	100	FC
SCI ADS	100	71	FC	100	71	FC
SCI du Palais			NC	100	100	FC
SCI Hotel de Ville			NC	100	100	FC
SCI Le Progrès Confluence	100	100	FC	30	30	EM
SCI 6 Place Joubert			NC	100	100	FC
SNC Foncière Massena	99	71	FC	77	55	FC
Société d'Édition des Hebdomadaires & Périodiques						
Locaux	100	100	FC	100	100	FC

* Method:

FC = Full consolidation

PC = Proportional consolidation

EM = Equity method

NC = Not consolidated

M = Merged

NOTE 4 - Cash and cash equivalents, due from central banks

4a - Loans and receivables due from credit institutions

	June 30, 2010	Dec. 31, 2009
<i>Cash and cash equivalents, due from central banks</i>		
Central banks	4 101	7 485
of which mandatory reserves	1 364	2 560
Cash and cash equivalents	462	569
Total	4 563	8 054
<i>Loans and receivables due from credit institutions</i>		
Crédit Mutuel network accounts (1)	2 281	1 423
Other ordinary accounts	2 891	3 396
Loans	106 431	91 951
Other receivables	724	890
Securities not listed on an active market	5 287	5 881
Loan of securities	539	855
Individually impaired receivables	1 485	1 506
Related receivables	158	165
Provisions, impairment, write-downs	-334	-520
Total	119 463	105 547

(1) mainly amounts due from CDC (LEP, LDD, Livret Bleu)

4b - Due to credit institutions

	June 30, 2010	Dec. 31, 2009
<i>Central banks</i>	569	1 265
<i>Due to credit institutions</i>		
Crédit Mutuel network accounts	0	0
Other ordinary accounts	9 377	2 097
Borrowings	91 225	86 817
Other liabilities	374	550
Borrowed securities	3 230	1 929
Related liabilities	155	88
<i>Total</i>	<i>104 930</i>	<i>92 746</i>

NOTE 5 - Financial assets at fair value through profit or loss

5a - Financial assets at fair value through profit or loss

	June 30, 2010			December 31, 2009		
	Transaction	Fair value by option	Total	Transaction	Fair value by option	Total
.Securities	18 768	14 561	33 330	19 302	13 966	33 268
- Government securities	4 371	50	4 421	4 754	88	4 843
- Bonds and other fixed income securities	13 007	3 585	16 592	12 307	3 419	15 725
. Listed	13 007	3 269	16 276	12 307	3 350	15 656
. Not listed	0	316	316	0	69	69
- Shares and other variable-yield securities	1 391	10 926	12 316	2 241	10 459	12 700
. Listed	1 391	9 406	10 797	2 241	8 948	11 188
. Not listed	0	1 520	1 520	0	1 511	1 511
. Derivative instruments	4 095	0	4 095	3 384	0	3 384
. Other financial assets		12 155	12 155		14 975	14 975
of which repurchase agreements		12 155	12 155		14 974	14 974
TOTAL	22 864	26 717	49 580	22 686	28 942	51 628

5b - Financial liabilities at fair value through profit or loss

	June 30, 2010	Dec. 31, 2009
Financial liabilities held for trading purposes	10 559	9 784
Financial liabilities at fair value by option through profit or loss	30 090	38 055
TOTAL	40 649	47 839

Financial liabilities held for trading purposes

	June 30, 2010	Dec. 31, 2009
.Short sales of securities	3 572	4 168
- Government securities	8	0
- Bonds and other fixed income securities	2 896	3 496
- Shares and other variable-yield securities	668	673
. Trading derivatives	6 490	5 274
. Other financial liabilities held for trading purposes	497	342
TOTAL	10 559	9 784

Financial liabilities at fair value through profit or loss

	June 30, 2010			December 31, 2009		
	Carrying amount	Amount due at maturity	Difference	Carrying amount	Amount due at maturity	Difference
.Debt securities	702	702	0	3 670	3 668	2
. Due to credit institutions	26 606	24 470	2 136	27 193	27 175	18
. Due to customers	2 782	2 782	0	7 192	7 192	0
Total	30 090	27 954	2 136	38 055	38 035	20

NOTE 6 - Hedging

6a - Derivatives used for hedging purposes

	June 30, 2010		Dec. 31, 2009	
	Assets	Liabilities	Assets	Liabilities
. Cash flow hedges	2	72	2	26
. Fair value hedges (change through profit or loss)	529	4 064	1 709	4 729
TOTAL	531	4 136	1 710	4 755

6b - Remeasurement adjustment on interest-rate risk hedged portfolios

	Fair value	Fair value	Change in fair value
	June 30, 2010	Dec. 31, 2009	
Fair value of interest-rate risk by portfolio			
. financial assets	725	522	203
. financial liabilities	-2 787	-1 777	-1 010

6c - Analysis of derivative instruments

	June 30, 2010			December 31, 2009		
	Notional	Assets	Liabilities	Notional	Assets	Liabilities
<i>Derivatives used for trading purposes</i>						
<i>Interest rate instruments</i>						
Swaps	370 437	2 256	4 768	353 557	1 993	4 137
Other firm contracts	15 024	9	1	13 486	24	1
Options and conditional instruments	92 023	325	431	60 907	457	437
<i>Foreign exchange instruments</i>						
Swaps		29	95		21	43
Other firm contracts	265	105	66	231	147	123
Options and conditional instruments	17 027	260	261	14 769	157	158
<i>Other instruments</i>						
Swaps	25 662	417	332	23 699	289	230
Other firm contracts	5 126	0	8	6 045	0	3
Options and conditional instruments	35 396	694	528	14 376	296	142
Sub-total	560 961	4 095	6 490	487 070	3 384	5 274
<i>Derivatives used for hedging purposes</i>						
<i>Fair Value Hedge</i>						
Swaps	71 742	529	4 064	72 375	1 658	4 729
Other firm contracts	0	0	0	0	0	0
Options and conditional instruments	3	1	0	14	51	0
<i>Cash Flow Hedge</i>						
Swaps	96	0	72	86	0	26
Other firm contracts	0	0	0	0	0	0
Options and conditional instruments	0	2	0	0	1	0
Sub-total	71 841	531	4 136	72 474	1 710	4 755
Total	632 802	4 626	10 626	559 545	5 095	10 028

NOTE 7 - Available-for-sale financial assets

7a - Available-for-sale financial assets

	June 30, 2010	Dec. 31, 2009
. Government securities	14 421	15 270
. Bonds and other fixed income securities	45 960	44 950
- Listed	45 498	44 512
- Not listed	461	438
. Shares and other variable-yield securities	4 576	4 697
- Listed	4 494	4 596
- Not listed	82	101
. Long-term investments	2 629	2 223
- Investments in associates	1 859	1 410
- Other long-term investments	343	393
- Investments in related undertakings	422	420
- Securities lent	5	0
- Non-performing current account advances	0	0
. Related receivables	315	309

TOTAL (1)	67 900	67 448
<i>o/w unrealised gains or losses on bonds and other fixed income securities and government securities recognised directly in shareholders' equity</i>	-630	-443
<i>o/w unrealised gains or losses on shares and other variable-yield securities recognised directly in shareholders' equity</i>	426	433
<i>o/w impairment of bonds and other fixed income securities</i>	-81	-84
<i>o/w impairment of shares and other variable-yield securities and long-term investments</i>	-1 587	-1 535

NOTE 8 - Customers

8a - Customer loans and receivables

	June 30, 2010	Dec. 31, 2009
Performing receivables	145 524	141 182
. Commercial lending	3 784	3 941
. Other lending to customers	140 694	136 550
- home loans	58 329	56 408
- other lending and receivables including securities lending	82 365	80 142
. Related receivables	333	333
. Securities not quoted on an active market	714	358
Insurance and reinsurance receivables	182	160
Loans having given rise to specific provisions	9 941	9 186
Gross loans and advances	155 647	150 527
Specific provisions	-6 070	-5 517
General provisions	-361	-336
SUB-TOTAL I	149 216	144 674
Finance leases (net investment)	7 335	7 507
. Equipment	4 619	4 897
. Property	2 557	2 461
. Receivables having given rise to specific provisions	160	149
Provisions for impairment	-118	-109
SUB-TOTAL II	7 217	7 398
TOTAL	156 433	152 072
<i>Of which participating loans</i>	7	6
<i>Of which subordinated loans</i>	11	168

Finance leases with customers

	Dec. 31, 2009	Acquisition	Disposal	Other	June 30, 2010
Gross carrying amount	7 507	326	-503	5	7 335
Impairment of uncollectable lease payments	-109	-20	11	0	-118
Net carrying amount	7 398	306	-492	5	7 217

8b - Due to customers

	June 30, 2010	Dec. 31, 2009
. Regulated savings deposits	29 011	30 296
- On demand	18 634	18 770
- Term	10 377	11 525
. Liabilities associated with savings deposits	251	18
Sub-total	29 262	30 314
• Demand accounts	40 764	40 820
• Term accounts and borrowings	37 910	31 925
• Repurchase agreements	1 203	1 876
• Related liabilities	693	667
• Insurance and reinsurance liabilities	119	47
Sub-total	80 690	75 335

TOTAL	109 952	105 649
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NOTE 9 - Financial assets held to maturity

	June 30, 2010	Dec. 31, 2009
.Securities	9 592	7 653
- Government securities	0	0
- Bonds and other fixed-income securities	9 592	7 653
. Listed	9 586	7 636
. Not listed	5	16
. Related receivables	41	20
TOTAL - GROSS	9 633	7 672
<i>Of which written down for impairment</i>	5	7
Provisions for impairment	-5	-1
TOTAL - NET	9 628	7 672

NOTE 10 - Change in impairment provisions

	Dec. 31, 2009	Allowance	Write-back	Other	June 30, 2010
Loans and receivables due from credit institutions	-520	-60	293	-46	-334
Customer loans and receivables	-5 962	-1 250	717	-55	-6 549
Available-for-sale securities	-1 620	-29	77	-96	-1 669
Held-to-maturity securities	-1	-5	0	1	-5
Total	-8 103	-1 344	1 087	-197	-8 557

As at June 30, 2010, provisions for customer loans and receivables from customers amounted to €6,549 million, versus €5,962 million at end-2009, of which €360 million of general provisions. Specific provisions related mainly to ordinary accounts in an amount of €836 million compared with €848 million at end-2009, and provisions against commercial receivables and other lending (including home loans), in the amount of €5,235 million, compared with €4,669 million at end 2009.

NOTE 11 - Reclassifications of financial instruments

In application of the new accounting standards and given the totally abnormal market conditions at the time, the group transferred as from July 1, 2008 an amount of €18.8 billion from the trading portfolio to the Available-For-Sale (€16.1 billion) and Loans & Receivables (€2.7 billion) portfolios; and transferred €6.5 billion from the AFS portfolio to the Loans & Receivables (€5.9 billion) and Held-To-Maturity (€0.6 billion) portfolios. No further reclassification has been made since then.

	June 30, 2010		Dec. 31, 2009	
	Carrying amount	Fair value	Carrying amount	Fair value
Loans & Receivables portfolio	6 384	5 916	6 862	6 558
AFS portfolio	10 966	10 968	13 590	13 590

	1st half 2010	1st half 2009
Gains/losses that would have been recognised at fair value in profit or loss had the assets not been reclassified	89	527
Unrealised gains/losses that would have been recognised in equity had the assets not been reclassified	-192	-449
Gains/loss recognised in profit or loss (NBI and cost of risk) in respect of the reclassified assets	102	-138

NOTE 12 - Note on exposure linked to the financial crisis

As requested by the French banking and financial markets regulators, exposure linked to the financial crisis is described below. The portfolios have been valued at market prices based on external data from organised markets, leading brokers and, when the market price was not available, on the basis of comparable securities quoted in the market.

1/ Exposure to residential mortgage backed securities (RMBS)

	Carrying amount	Acquisition cost	Carrying amount
	June 30, 2010	June 30, 2010	Dec. 31, 2009
Trading	1 193	1 230	1 067
Available For Sale	1 978	2 034	1 959
Loans	2 364	2 915	2 361
Total	5 535	6 179	5 387
France	15	17	18
Rest of Europe	2 844	2 945	2 777
USA	2 206	2 736	2 082
Other	470	481	510
Total	5 535	6 179	5 387
Agencies	719	702	688
AAA	3 018	3 106	3 080
AA	243	258	263
A	126	127	85
BBB	74	111	27

BB	81	100	42
Rated B or less	1 274	1 775	1 194
Not rated	0	0	8
Total	5 535	6 179	5 387

1-1/ Exposure to US RMBS

	Carrying amount June 30, 2010	Acquisition cost June 30, 2010	Carrying amount Dec. 31, 2009
Origination 2005 and before	455	586	529
Origination 2006	727	943	716
Origination 2007	776	952	722
Origination since 2008	248	255	115
Total	2 206	2 736	2 082

Guarantees received from "monoliner" insurance companies on US RMBS

	Carrying amount June 30, 2010	Acquisition cost June 30, 2010	Carrying amount Dec. 31, 2009
Ambac	20	20	22
MBIA	5	5	4
FGIC	29	54	35
Total	53	79	61

2/ Exposure to commercial mortgage backed securities (CMBS)

	Carrying amount June 30, 2010	Acquisition cost June 30, 2010	Carrying amount Dec. 31, 2009
France	1	2	1
Rest of Europe	84	99	79
USA	222	222	0
Other	106	114	118
Total	413	437	198
Trading	234	239	14
AFS	172	191	177
Loans	7	7	7
Total	413	437	198

3/ Exposure to Asset Backed Securities (ABS)

3-1/ Exposure to CLO / CDO

Collateralized debt obligations (CDO) not hedged by credit default swaps (CDS)	Carrying amount June 30, 2010	Acquisition cost June 30, 2010	Carrying amount Dec. 31, 2009
Trading			
Available for sale	263	239	33
Loans	1 906	1 909	1 773
Total	2 169	2 148	1 806
France			
Rest of Europe	778	781	801
USA	307	283	62
Other	1 084	1 084	943
Total	2 169	2 148	1 806
AAA	1 391	1 381	1 434
AA	713	703	322
Other	65	64	50

Total	2 169	2 148	1 806
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3-2/ Exposure to other ABS

Other ABS not hedged by credit default swaps (CDS)	Carrying amount	Acquisition cost	Carrying amount
	June 30, 2010	June 30, 2010	Dec. 31, 2009
Trading	466	472	689
Available for sale	500	501	528
Loans	292	298	315
Total	1 258	1 271	1 532
France	492	493	559
Rest of Europe	715	727	903
USA	0	0	
Other	51	51	70
Total	1 258	1 271	1 532
AAA	949	951	1 180
AA	123	127	148
A	10	10	13
BBB	176	183	191
BB			0
Rated B or less			0
Not rated			0
Total	1 258	1 271	1 532

3-3/ Exposures hedged by credit default swaps (CDS)

At June 30, 2010, the exposure to ABS hedged by CDS amounted to €797 million.

4/ Exposure to Leverage Buy Outs (LBO)

Geographic breakdown of LBO financing structures	Carrying amount	Carrying amount
	June 30, 2010	Dec. 31, 2009
France	1 399	1 371
Rest of Europe	472	494
USA	142	140
Other	51	50
Total	2 064	2 055
Breakdown of LBO structures by sector (in %)		
Industrial goods and services	20	22
Industrial transport	14	11
Healthcare	10	13
Travel and leisure	10	10
Construction	10	11
Telecommunication	6	6
Retail	6	6
Media	4	5
Other < 4%	20	16
Total	100	100

5/ Transactions with special purpose vehicles

At June 30, 2010, the cash facilities extended to 3 FCC amounted to €321 million.

NOTE 13 - Tax

13a - Current tax

	June 30, 2010	Dec. 31, 2009
Current tax assets (through profit or loss)	637	676
Current tax liabilities (through profit or loss)	381	268

13b - Deferred tax

	June 30, 2010	Dec. 31, 2009
Deferred tax assets (through profit or loss)	759	756
Deferred tax assets (through equity)	501	372
Deferred tax liabilities (through profit or loss)	797	815
Deferred tax liabilities (through equity)	199	173

NOTE 14 - Accrual accounts and other assets and liabilities

14a - Prepayments, accrued income and other assets

	June 30, 2010	Dec. 31, 2009
<i>Prepayments and accrued income</i>		
Securities collection accounts	215	523
Currency adjustment accounts	1 335	413
Accrued income	425	395
Sundry accruals	1 640	2 123
Sub-total	3 616	3 454
<i>Other assets</i>		
Settlement accounts on securities transactions	433	163
Other debtors	12 851	11 605
Inventories and similar	5	5
Sundry	-11	-11
Sub-total	13 278	11 761
<i>Other insurance assets</i>		
Other	341	328
Sub-total	341	328
Total	17 235	15 543

14b - Accrued charges, deferred income and other liabilities

	June 30, 2010	Dec. 31, 2009
<i>Accrued charges and deferred income</i>		
Blocked accounts on collection transactions	234	689
Currency adjustment accounts	17	596
Accrued charges	659	525
Sundry accruals	5 885	5 956
Sub-total	6 795	7 767
<i>Other liabilities</i>		
Settlement accounts on securities transactions	587	151
Payments to be made on securities	82	114
Other creditors	3 716	2 728
Sub-total	4 384	2 992
<i>Other insurance liabilities</i>		
Security deposits and guarantees received	155	133
Other	0	0
Sub-total	155	133
Total	11 335	10 892

NOTE 15 - Investments in companies accounted for using the equity method

Share in net profit or loss of companies accounted for using the equity method

	June 30, 2010		Dec. 31, 2009	
	Investment	Share of profit/loss	Investment	Share of profit/loss
ACM Nord	17	1	17	3
Alternative Gestion SA Genève	1	0	1	0
ASTREE Assurance	17	1	16	2
Banca Popolare di Milano	127	-2	128	9
Banque de Tunisie	47	4	46	8
CMCP	5	0	5	8
Euro Information	184	9	174	18
RMA Watanaya	188	9	198	19
Royal Automobile Club de Catalogne	39	2	31	1
SCI Treflière	11	0	13	1
Valeroso Management Ltd	0	0	0	0
Subsidiaries of the EBRA sub-group	0	0	-14	-16
TOTAL	636	24	615	55

NOTE 16 - Investment property

	Dec. 31, 2009	Increase	Decrease	Other	June 30, 2010
Historical cost	1 176	1	0	-348	828
Depreciation and impairment	-116	-1	0	-36	-153
Net carrying amount	1 059	0	0	-384	675

NOTE 17 - Non-current assets

17a - Property, plant and equipment

	Dec. 31, 2009	Increase	Decrease	Other	June 30, 2010
Historical cost					
Land used in operations	381	5	0	-20	366
Buildings used in operations	2 417	74	-8	-36	2 447
Other property, plant and equipment	1 098	29	-43	13	1 098
Total	3 896	109	-51	-43	3 911
Depreciation and impairment					
Land used in operations	-1	0	0	0	-1
Buildings used in operations	-1 192	-61	6	21	-1 226
Other property, plant and equipment	-749	-32	29	0	-751
Total	-1 942	-93	35	22	-1 979
Net carrying amount	1 955	16	-16	-22	1 933

17 b - Intangible assets

	Dec. 31, 2009	Increase	Decrease	Other	June 30, 2010
Historical cost					
. Non-current assets produced internally	12	1	0	0	13

Non-current assets acquired	1 100	37	-25	43	1 155
- Software	420	20	-9	0	431
- Other	680	16	-16	44	723
Total	1 112	37	-25	43	1 168
Amortisation and impairment					
Non-current assets acquired	-217	-50	9	-5	-262
- Software	-140	-32	9	0	-164
- Other	-77	-18	0	-5	-99
Total	-217	-50	9	-5	-262
Net carrying amount	896	-13	-16	38	905

NOTE 18 - Goodwill

	Dec. 31, 2009	Increase	Decrease	Other	June 30, 2010
Gross	4 114	5	0	0	4 119
Impairment	-124	0	0	0	-124
Net	3 990	5	0	0	3 995

Subsidiaries	Goodwill at Dec. 31, 2009	Increase	Decrease	Impairment	Goodwill at June 30, 2010
Banca Popolare di Milano	41				41
Banque du Luxembourg	13				13
Banque Transatlantique	6				6
CIC Iberbanco	15				15
CIC Private Banking - Banque Pasche	43	5			49
Cofidis Participation	389				389
Crédit Industriel et Commercial (CIC)	506				506
GPK Finance	5				5
IPO	21				21
Monabanq	17				17
Targobank	2 760				2 760
Other	172				172
TOTAL	3 990	5	0	0	3 995

Goodwill is reviewed in detail at the end of each financial year to test for impairment. Depending on the situation, this test consists in:

- checking that the most recent transaction value exceeds the carrying amount, or
- checking that the assumptions used for valuation on acquisition are still applicable.

At June 30, 2010, there was no additional impairment relative to December 31, 2009.

NOTE 19 - Debt securities

	June 30, 2010	Dec. 31, 2009
Certificates of deposit	63	36
Interbank certificates and negotiable debt securities	59 467	56 461
Bonds	31 039	29 917
Related liabilities	573	555
TOTAL	91 141	86 969

NOTE 20 - Insurance technical reserves

	June 30, 2010	Dec. 31, 2009
Life	45 081	43 006
Non life	2 010	1 945
Unit-linked	6 454	5 858
Other	229	196
TOTAL	53 774	51 004

NOTE 21 - Provisions

	Dec. 31, 2009	Increase	Write-backs (provision used)	Writebacks (provision not used)	Other changes	June 30, 2010
Provisions for retirement commitments	172	17	-3	-17	-3	167
Obligations relating to defined benefit retirement plans and similar, excluding pension funds						
Retirement indemnities (1)	61	16	-1	-9	-3	63
Top-up retirement benefits	66	2	0	-2	0	66
Premiums linked to long-service awards and other long term benefits	35	0	0	-7	0	29
Sub-total	162	17	-1	-17	-3	158
Top-up defined benefit plans covered by the group's retirement funds						
Provision for pension funding shortfall (2)	10	0	-2	0	0	9
Fair value of assets						
Sub-total	10	0	-2	0	0	9
Provisions for risks	399	55	-21	-43	1	392
On signature commitments	140	30	-10	-25	-5	130
On financing and guarantee commitments	1				0	1
On country risk	3				-1	2
Provision for tax	136	4	-7	-5	0	128
Provisions for disputes	70	18	-2	-4	6	88
Provision for risk on sundry receivables	49	4	-1	-9	0	43
Other provisions for counterparty risk	0				0	0
Other provisions	503	206	-10	-22	6	683
Provisions for home savings schemes	70	3	-1	-5	0	67
Provisions for other contingencies	236	176	-9	-12	16	407
Other provisions	197	26	-1	-5	-9	208
Total	1 074	279	-34	-82	4	1 242

The assumptions used are the same as at December 31, 2009.

NOTE 22 - Subordinated debt

	June 30, 2010	Dec. 31, 2009
Subordinated debt	4 312	4 346
Participating loans	155	156
Perpetual subordinated debt	2 990	3 096
Other debt	1	127
Related liabilities	198	94
TOTAL	7 655	7 819

Principal subordinated debt issues

In euro thousands	Type	Date of issue	Amount issued	Amount outstanding at year end	Interest rate	Maturity
Banque Fédérative du Crédit Mutuel	TSR	29.06.01	€50m	€50m	5,40	29.06.2011
Banque Fédérative du Crédit Mutuel	TSR	19.07.01	€700m	€700m	6,50	19.07.2013
Banque Fédérative du Crédit Mutuel	TSR	30.09.03	€800m	€800m	5,00	30.09.2015
CIC	Participating	28.05.85	€137m	€137m	(1)	(2)
CIC	TSDI	30.06.06	€200m	€200m	(3)	Undated
CIC	TSDI	30.06.06	€550m	€550m	(4)	Undated
Banque Fédérative du Crédit Mutuel	TSS		€1,600m	€1,600m		Undated
Banque Fédérative du Crédit Mutuel	Loan	28.12.05	€500m	€500m	(7)	Undated
Banque Fédérative du Crédit Mutuel	TSR	19.12.06	€1,000m	€1,000m	(5)	19.12.2016
Banque Fédérative du Crédit Mutuel	TSR	18.12.07	€300m	€300m	5,10	18.12.2015
Banque Fédérative du Crédit Mutuel	TSR	16.06.08	€300m	€300m	5,50	16.06.2016
Banque Fédérative du Crédit Mutuel	TSS	17.10.08	€147m	€147m	(6)	Undated
Banque Fédérative du Crédit Mutuel	TSR	16.12.08	€500m	€500m	6,10	16.12.2016

(1) Minimum 85% (TAM+TMO)/2 Maximum 130% (TAM+TMO)/2

(2) Non amortizable, but redeemable at borrower's discretion with effect from May 28, 1997 at 130% of par revalued by 1.5% annually for subsequent years

(3) Rate Euribor 6 months + 167 basis points

(4) Rate Euribor 6 months increased by 107 basis points for the first ten years and for the following years, and if not redeemed early, increased by 207 basis points

(5) Rate Euribor 3 months + 25 basis points

(6) Rate Euribor 3 months + 665 basis points

(7) Rate Euribor 1 year + 0.3 basis points

NOTE 23 - Shareholders' equity and reserves

23a - Shareholders' equity attributable to equity holders of the parent (excluding unrealised or deferred gains or losses)

	June 30, 2010	Dec. 31, 2009
. Capital and capital reserves	1 880	1 880
- Share capital	1 302	1 302
- Additional paid-in capital	578	578
. Consolidated reserves	7 480	6 774
- Regulated reserves	7	7
- Translation reserve	-9	-40
- Other reserves (including effects of first-time IFRS adoption)	7 486	6 940
- Retained earnings	-3	-133
. Income for the period	680	808
TOTAL	10 040	9 462

23b - Unrealised or deferred gains and losses

	June 30, 2010	Dec. 31, 2009
<i>Unrealized or deferred gains or losses* on:</i>		
. Available-for-sale assets		
- Equities	426	433
- Bonds	-630	-443
. Hedging derivatives (CFH)	-104	-43
. Share of unrealised or deferred gains/losses of companies accounted for by the equity method	24	19
TOTAL	-284	-34
<i>of which attributable to equity holders of the parent</i>	<i>-291</i>	<i>-53</i>
<i>of which non-controlling interests</i>	<i>7</i>	<i>19</i>

* net of tax.

23c - Recycling of gains and losses recognised directly in equity

	Change June 30, 2010	Change Dec. 31, 2009
<i>Translation differences</i>		
Reclassification to profit or loss	0	0
Other movements	29	-23
Sub-total	29	-23
<i>Remeasurement of available-for-sale financial assets</i>		
Reclassification to profit or loss	-141	595
Other movements	-82	668
Sub-total	-223	1 263
<i>Remeasurement of hedging derivatives</i>		
Reclassification to profit or loss	0	0
Other movements	-61	-31
Sub-total	-61	-31
Share of unrealised or deferred gains/losses of companies accounted for by the equity method	5	6
TOTAL	-250	1 214

23d - Tax on gains and losses recognised directly in equity

	Change June 30, 2010			Change Dec. 31, 2009		
	Gross	Tax	Net	Gross	Tax	Net
Translation differences	29	0	29	-23	0	-23
Remeasurement of available-for-sale financial assets	-316	93	-223	1 708	-445	1 263
Remeasurement of hedging derivatives	-62	1	-61	-30	-1	-31
Share of unrealised or deferred gains/losses of companies accounted for by the equity method	5	0	5	6		6
Total changes in gains and losses recognised directly in equity	-345	94	-250	1 660	-446	1 214

NOTE 24 - Commitments given and received

Commitments given	June 30, 2010	Dec. 31, 2009
<i>Financing commitments</i>		
Commitments given to credit institutions	1 642	1 472
Commitments given to customers	39 118	38 147
<i>Guarantee commitments</i>		
Commitments given to credit institutions	3 581	4 198
Commitments given to customers	12 476	12 381
<i>Commitments on securities</i>		
Securities acquired under resale agreements	0	0
Other commitments given	1 113	1 155
Insurance commitments given	241	301
Commitments received	June 30, 2010	Dec. 31, 2009

<i>Financing commitments</i>		
Commitments received from credit institutions	14 727	14 754
Commitments received from customers	0	0
<i>Guarantee commitments</i>		
Commitments received from credit institutions	42 390	19 715
Commitments received from customers	5 648	5 672
<i>Commitments on securities</i>		
Securities sold under repurchase agreements	0	0
Other commitments received	1 223	532
<i>Insurance commitments received</i>	7 484	7 497

NOTE 25 - Interest and similar income and expenses

	1st half 2010		1st half 2009	
	Income	Expense	Income	Expense
. Credit institutions and central banks	1 740	-1 368	2 482	-2 092
. Customers	4 553	-1 733	4 675	-1 929
- Of which finance and operating leases	1 140	-994	1 159	-990
. Hedging derivative instruments	920	-1 124	1 143	-1 203
. Available-for-sale financial assets	317		462	
. Held-to-maturity financial assets	82		40	
. Debt securities		-793		-1 324
Subordinated debt		-59		-117
TOTAL (1)	7 611	-5 077	8 803	-6 665

NOTE 26 - Commissions

	1st half 2010		1st half 2009	
	Income	Expense	Income	Expense
Credit institutions	3	-2	2	-3
Customers	425	-9	411	-12
Securities	375	-44	305	-37
<i>of which third-party management activities</i>	<i>257</i>		<i>227</i>	
Derivative instruments	2	-12	3	-4
Foreign exchange	8	-3	10	-2
Financing and guarantee commitments	14	-7	15	-10
Services	701	-354	688	-355
TOTAL	1 528	-431	1 435	-423

NOTE 27 - Net gains (losses) on financial instruments at fair value through profit or loss

	1st half 2010	1st half 2009
Trading instruments	-132	381
Instruments at fair value by option	56	-112
Ineffective portion of hedges	87	-121
. On cash flow hedges	-1	0
. On fair value hedges	88	-121
. Change in fair value of hedged items	-75	364
. Change in fair value of hedging items	162	-485
Foreign exchange gain (loss)	23	27
Total changes in fair value	34	175

NOTE 28 - Net gains/losses on available-for-sale financial assets

	1st half 2010			
	Dividends	Gain/loss	Impairment	Total
. Government securities, bonds and other fixed-income securities		15	0	15
. Equities and other variable yield securities	6	6	-10	2

. Long-term investments	50	6	-19	37
. Other	0	-4	0	-4
Total	56	23	-29	49

	1st half 2009			
	Dividends	Gain/loss	Impairment	Total
. Government securities, bonds and other fixed-income securities		-53	0	-53
. Equities and other variable yield securities	11	11	-5	16
. Long-term investments	53	-19	-6	27
. Other	0	-1	0	-1
Total	64	-63	-11	-11

NOTE 29 - Income / expenses from other activities

	1st half 2010	1st half 2009
<i>Income from other activities</i>		
. Insurance contracts:	5 542	3 761
- Premiums earned	4 902	3 119
- Net investment income	618	625
- Technical and non-technical income	22	17
. Investment property:	0	3
- Reversal of provisions/depreciation	0	2
- Gains on disposal	0	1
. Other income	291	106
Sub-total	5 834	3 871
<i>Expenses on other activities</i>		
. Insurance contracts:	-4 987	-3 362
- Cost of benefits	-2 314	-2 264
- Changes in provisions	-2 679	-1 109
- Technical and non-technical expenses	7	12
. Investment property:	-9	-11
- Changes in provisions/depreciation (depending on method used)	-9	-11
. Other expenses	-335	-159
Sub-total	-5 331	-3 532
Total other net income/expenses	503	339

NOTE 30 - General operating expenses

	1st half 2010	1st half 2009
Staff costs	-1 246	-1 192
Other expenses	-1 222	-1 024
TOTAL	-2 468	-2 216

30 a - Staff costs

	1st half 2010	1st half 2009
Wages and salaries	-824	-759
Social security costs	-298	-268
Short-term benefits	-3	-4
Employee profit-sharing and incentives	-55	-100
Payroll tax and other similar taxes	-69	-62
Other	2	0
TOTAL	-1 246	-1 192

Average staff numbers

	1st half 2010	1st half 2009
Operational staff	23 526	21 606
Executives	12 667	10 763

Total	36 193	32 369
<i>Geographic breakdown</i>		
France	26 686	24 100
Abroad	9 507	8 269
Total	36 193	32 369

30 b - Other operating expenses

	1st half 2010	1st half 2009
Taxes other than corporation tax	-111	-88
External services	-972	-843
Sundry expenses (transport, travel, etc.)	5	8
Total	-1 078	-924

30 c - Allowance to / reversals of amortization and provisions for non-current assets

	1st half 2010	1st half 2009
Depreciation and amortisation:	-144	-100
- Property, plant and equipment	-94	-86
- Intangible assets	-50	-13
Impairment:	0	0
- Property, plant and equipment	0	0
- Intangible assets	0	0
Total	-144	-100

NOTE 31 - Cost of risk

June 30, 2010	Allowance	Writeback	Uncollectable receivables covered	Uncollectable receivables not-covered	Collection of receivables previously written off	TOTAL
Credit institutions	-60	293	-116	0	0	116
Customers	-872	696	-316	-246	27	-710
. Finance leases	-1	1	-1	-4	0	-4
. Other	-871	695	-316	-242	27	-707
Sub-total	-932	989	-433	-246	27	-595
Held-to-maturity assets	-5	0	0	0	0	-5
Available-for-sale assets	0	1	-34	-28	0	-60
Other	-34	103	0	-4	15	79
Total (1)	-971	1 093	-467	-277	42	-580

June 30, 2009	Allowance	Writeback	Uncollectable receivables covered	Uncollectable receivables not-covered	Collection of receivables previously written off	TOTAL
Credit institutions	-40	0	0	0	0	-40
Customers	-828	417	-111	-323	91	-754
. Finance leases	-2	1	-1	-1	0	-3
. Other	-826	416	-111	-322	91	-752

Sub-total	-868	417	-111	-323	91	-794
Held-to-maturity assets	0	0	0	0	0	0
Available-for-sale assets	0	0	0	-4	0	-4
Other	-51	32	0	-6	1	-25
Total	-919	449	-111	-333	92	-823

NOTE 32 - Net gains / losses on other assets

	1st half 2010	1st half 2009
Property, plant and equipment and intangible assets	3	4
. Losses on disposals	-8	-1
. Gains on disposals	11	5
Gains (losses) on disposals of consolidated securities	0	0
TOTAL	3	4

NOTE 33 - Changes in goodwill

	1st half 2010	1st half 2009
Impairment	0	0
Negative goodwill charged to profit and loss	0	0
TOTAL	0	0

NOTE 34 - Corporation tax

Breakdown of tax charge

	1st half 2010	1st half 2009
Current taxes	-316	-269
Deferred taxes	-52	53
Adjustments for prior years	6	5
TOTAL (1)	-361	-210

NOTE 35 - Earnings per share

	1st half 2010	1st half 2009
Net income attributable to equity holders of the parent	680	340
Number of shares at start of period	26 043 845	26 043 845
Number of shares at end of period	26 043 845	26 043 845
Weighted average number of shares	26 043 845	26 043 845
Basic earnings per share	26,11	13,07
Average weighted number of shares available for issuance	0	0
Diluted earnings per share	26,11	13,07

NOTE 36 - Transactions with related parties

Balance sheet items relating to transactions with related parties

	June 30, 2010			Dec. 31, 2009		
	Companies accounted for by the equity method	Confédération Nationale	Parent companies CM5 group	Companies accounted for by the equity method	Confédération Nationale	Parent companies CM5 group
Assets						
Loans, advances and securities						
Loans and advances to credit institutions		3 868	88 305	0	3 584	84 688
Loans and advances to customers	0	39	0	0	36	0
Securities	0	363	31	0	419	27
Other assets	0	0	0	0	0	0
Total	4	4 270	88 335	0	4 039	84 715
Liabilities						
Deposits						
Due to credit institutions	0	5 592	57 381	0	5 821	51 683
Due to customers	0	35	0	0	37	0
Debt securities	0	760	16	0	831	0
Other liabilities	0	308	1 258	0	266	1 250
Total	0	6 694	58 655	0	6 955	52 933
Finance and guarantee commitments						
Finance commitments given	0	0	0	0	0	0
Guarantee commitments given	2	0	0	0	0	0
Finance commitments received	0	0	0	0	0	0
Guarantee commitments received	0	59	253	0	54	245

Elements of profit and loss relating to transactions with related parties

	1st half 2010			1st half 2009		
	Companies accounted for by the equity method	Confédération Nationale	Parent companies CM5 group	Companies accounted for by the equity method	Confédération Nationale	Parent companies CM5 group
Interest received	5	56	1 247	4	85	1 620
Interest paid	0	-17	-739	0	-115	-935
Commissions received	2	0	11	3	0	10
Commissions paid	-2	0	-117	-2	-2	-115
Other income and expenses	1	-64	7	0	-99	5
General operating expenses	-132	0	-11	-108	0	-9
Total	-126	-25	397	-103	-131	576

The national confederation is made up of the other Crédit Mutuel regional federations not affiliated to the CMCEE group. Relations with parent companies consist mainly of loans and borrowings for cash management purposes

Chapter III Auditors' report on the limited review of the half-year financial statements

KPMG Audit

ERNST & YOUNG et Autres

A department of KPMG S.A.

Banque Fédérative du Crédit Mutuel – BFCM

Period from January 1, 2010 to June 30, 2010

Independent Auditors' report on the 2010 half-year financial report

A department of KPMG S.A.

Banque Fédérative du Crédit Mutuel – BFCM

Period from January 1, 2010 to June 30, 2010

Independent Auditors' report on the 2010 half-year financial report

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meeting and in accordance with article L. 451-1-2 III of the French monetary and financial code (Code monétaire et financier), we hereby report to you on:

- ■ our limited review of the BFCM's condensed half-year consolidated financial statements for the period from January 1 to June 30, 2010, as attached to this report; and
- ■ the verification of the information contained in the interim management report.

These condensed half-year consolidated financial statements have been prepared under the Board of Directors' responsibility, against a background of still mediocre economic and market conditions. Our role is to express a conclusion on these financial statements based on our limited review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists mainly in making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially more limited in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain the same degree of assurance that the financial statements, taken as a whole, are free from material misstatements.

Based on our review, no significant irregularities have come to our attention that might cause us to believe that these condensed half-year consolidated financial statements are not prepared in all material respects in accordance with IAS 34 – IFRS as adopted by the European Union relating to interim financial information.

2. Specific verification

We have also verified the information provided in the interim management report in respect of the condensed half-year consolidated financial statements that were the object of our review.

We have no matters to report on the fairness and consistency of this information with the condensed half-year consolidated financial statements.

Paris – La Défense and Neuilly-sur-Seine, July 29, 2010

The Independent Auditors

KPMG Audit

ERNST & YOUNG et Autres

A department of KPMG S.A.

(signature)

(signature)

Arnaud Bourdeille

Isabelle Santenac

Chapter IV Documents available to the public

4.1. Documents available to the public

During the period of validity of the reference document, the following documents (or copies of documents) may be consulted as follows:

a) Electronically on the BFCM website (*Institutional pages*).

<http://www.bfcm.creditmutuel.fr>

- The historical financial information of BFCM and the CM5-CIC Group for each of the two financial years prior to the publication of the registration document on file.
- The 2009 reference document and the reference documents of the two preceding financial years.
- The annual information document: *in accordance with the provisions of Articles L. 451-1-1 of the French Monetary and Financial Code and of Article 222-7 of the Autorité des Marchés Financiers (General Regulations), the annual information document mentions the information published or made public by Banque Fédérative du Crédit Mutuel, its major subsidiary, CIC, and Groupe Crédit Mutuel Centre Est Europe, thereby meeting its obligations under law or regulations. The document refers to all the information relating to the previous twelve months and classifies it by distribution medium.*

b) Physical medium

- The issuer's act of incorporation and articles of association
- All reports, correspondence and other documents, historical financial information, evaluations and declarations drawn up by an expert at the issuer's request, of which a part is included in or referred to in the reference document.
- Historical financial information relating to the subsidiaries of BFCM in respect of each of the two financial years prior to the publication of the reference document.

Please send request by post to:

Banque Fédérative du Crédit Mutuel
Legal Department
34 Rue du Wacken BP 412
67002 STRASBOURG Cedex

4.2. Person responsible for the information

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