CRÉDIT AGRICOLE S.A.

CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2017

Approved by the Crédit Agricole S.A. Board of Directors on 13 February 2018 and subject to approval by the General Meeting of Shareholders on 16 May 2018

UNAUDITED VERSION

CONTENTS

GENERAL FRAMEWORK

>> LEGAL PRESENTATION OF THE ENTITY

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

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

Registration number: 784 608 416 Nanterre Trade and Companies Register

NAF code: 6419Z

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

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

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

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

>> CREDIT AGRICOLE INTERNAL RELATIONS

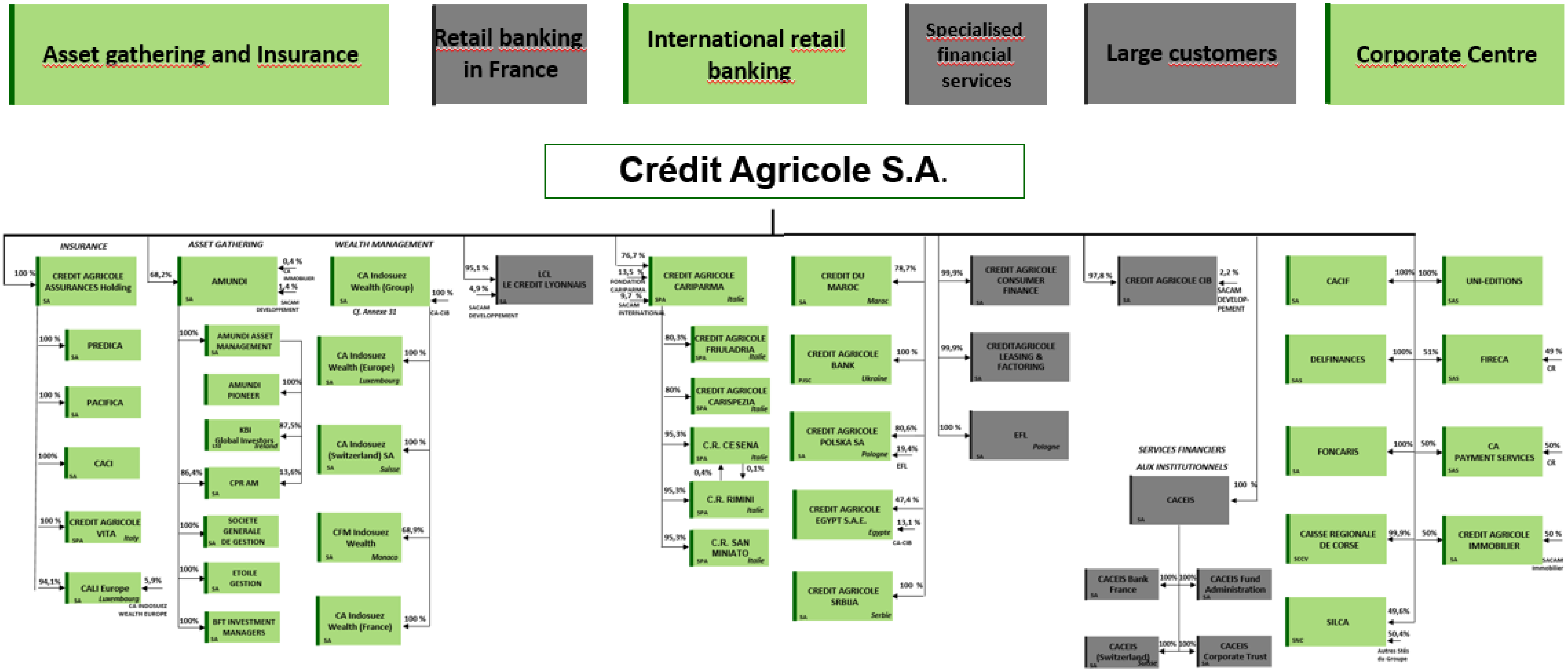
A BANK WITH MUTUAL ROOTS

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

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

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

CREDIT AGRICOLE S.A. AT 31/12/2017 *(% d'intérêts)*



>> CRÉDIT 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 plans (*Livret d'épargne populaire*), sustainable development passbook accounts (*Livret de développement durable*), home purchase savings plans and accounts, youth passbook accounts and *Livret A* passbook savings accounts) 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 2017 it totalled €1,112 million, having been increased by €36 million in the course of the year.

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.

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, given that, as central body, Crédit Agricole must take all measures necessary to ensure the liquidity and solvency of each network member, as well as the network as a whole. As a result, each member of the network (including Crédit Agricole S.A.) benefits from this internal financial solidarity mechanism.

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 new 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 security deposits are calibrated to show the capital savings generated by 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 security 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 100%).
Following the transaction to simplify the Group's capital structure on 3 August 2016, the bulk of the cooperative investment certificates (Certificats coopératifs d'investissement or CCIs) and the cooperative associate certificates (Certificats coopératifs d'associés or CCAs) held by Crédit Agricole S.A. were transferred to a holding company ("Sacam Mutualisation") jointly owned by the Regional Banks (see Note 2 "Major structural transactions and material events during the period", "Simplification of the Group's capital through the transfer of Crédit Agricole S.A.'s equity investments in the Regional Banks to Sacam Mutualisation").

>> RELATED PARTIES

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

In accordance with the internal financial mechanisms at Crédit Agricole, transactions between Crédit Agricole S.A. and the Regional Banks[1] are presented on the balance sheet and income statement as Crédit Agricole internal transactions (Note 4.1 « Interest income and expenses », Note 4.2 « Net fees and commissions », Note 6.5 « Loans and receivables due from credit institutions and due from customers » and Note 6.10 « Due to credit institutions and to customers »).

- **Other shareholders' agreements**

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

- **Relationships between controlled companies affecting the consolidated balance sheet**

A list of Crédit Agricole S.A. Group companies can be found in Note 11 « Scope of consolidation at 31 December 2017 ». Since the transactions and outstandings at year-end between the Group's fully consolidated companies are eliminated on consolidation, only transactions with companies consolidated by the equity method affect the Group's consolidated financial statements.

The main corresponding outstandings and commitments in the consolidated balance sheet at 31 December 2017 relate to transactions with companies consolidated by the equity method for the following amounts:

- loans and receivables due from credit institutions: €3,799 million;
- loans and receivables due from customers: €2,074 million;
- amounts due to credit institutions: €2,076 million ;
- amounts due to customers: €150 million;
- commitments given on financial instruments: €2,369 million;
- commitments received on financial instruments: €994 million.

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

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

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

As presented in Note 1.3 “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**

Detailed information on senior management compensation is provided in paragraph 7.7 of Note 7 "Employee benefits and other compensation", as well as in the "Compensation policy" section, Chapter 3 "Corporate governance" of the Registration Document.

There exist no material transactions between Crédit Agricole S.A. and its senior management, their families or the companies they control and which are not included in the Group’s scope of consolidation.

CONSOLIDATED FINANCIAL STATEMENTS

The transfer of cooperative investment certificates (Certificats coopératifs d'investissement or CCIs) and cooperative associate certificates (Certificats coopératifs d'associés or CCAs) in the Regional Banks held by Crédit Agricole S.A. to Sacam Mutualisation on 3 August 2006, following the simplification of the Group's capital structure, had an impact on a number of headings of the consolidated financial statements at 31 December 2016 : Net income from discontinued operations, Other comprehensive income on items that will not be reclassified to profit and loss from discontinued operations, and Other comprehensive income on items that may be reclassified to profit and loss from discontinued operations.

>> INCOME STATEMENT

(in millions of euros)	*Notes*	31/12/2017	31/12/2016
Interest and similar income	*4.1*	24 704	25 050
Interest and similar expenses	*4.1*	(12 428)	(13 311)
Fee and commission income	*4.2*	9 534	8 014
Fee and commission expenses	*4.2*	(5 729)	(5 168)
Net gains (losses) on financial instruments at fair value through profit or loss	*4.3*	4 620	2 337
Net gains (losses) on available-for-sale financial assets	*4.4-6.4*	3 028	2 199
Income on other activities	*4.5*	32 831	34 976
Expenses on other activities	*4.5*	(37 926)	(37 244)
REVENUES		**18 634**	**16 853**
Operating expenses	*4.6*	(11 438)	(10 992)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	*4.7*	(765)	(702)
GROSS OPERATING INCOME		**6 431**	**5 159**
Cost of risk	*4.8*	(1 422)	(1 787)
OPERATING INCOME		**5 009**	**3 372**
Share of net income of equity-accounted entities		728	518
Net gains (losses) on other assets	*4.9*	6	(52)
Change in value of goodwill	*6.18*	186	(491)
PRE-TAX INCOME		**5 929**	**3 347**
Income tax charge	*4.10*	(1 732)	(695)
Net income from discontinued operations		20	1 303
NET INCOME		**4 217**	**3 955**
Non-controlling interests	*6.22*	568	415
NET INCOME GROUP SHARE		**3 649**	**3 540**
Earnings per share (in euros) [1]	*6.21*	**1,124**	**1,120**
Diluted earnings per share (in euros) [1]	*6.21*	**1,124**	**1,120**

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

>> NET INCOME AND OTHER COMPREHENSIVE INCOME

(in millions of euros)	*Notes*	31/12/2017	31/12/2016
Net income		**4 217**	**3 955**
Actuarial gains and losses on post-employment benefits	*4.11*	4	(127)
Pre-tax other comprehensive income on items that will not be reclassified to profit and loss excluding equity-accounted entities	*4.11*	**4**	**(127)**
Pre-tax other comprehensive income on items that will not be reclassified to profit and loss on equity-accounted entities	*4.11*	**24**	**(9)**
Income tax related to items that will not be reclassified to profit and loss excluding equity-accounted entities	*4.11*	**(28)**	**23**
Income tax related to items that will not be reclassified to profit and loss on equity-accounted entities	*4.11*	**(1)**	**1**
Other comprehensive income on items that will not be reclassified to profit and loss from discontinued operations	*4.11*	**(9)**	**33**
Other comprehensive income on items that will not be reclassified subsequently to profit and loss net of income tax	*4,1*	**(10)**	**(79)**
Gains and losses on translation adjustements	*4.11*	(683)	(245)
Gains and losses on available-for-sale financial assets	*4.11*	(530)	158
Gains and losses on hedging derivative instruments	*4.11*	(356)	(64)
Pre-tax other comprehensive income on items that may be reclassified to profit and loss excluding equity-accounted entities		**(1 569)**	**(151)**
Pre-tax other comprehensive income on items that may be reclassified to profit and loss on equity-accounted entities, Group Share	*4.11*	**(386)**	**39**
Income tax related to items that may be reclassified to profit and loss excluding equity-accounted entities	*4.11*	**355**	**172**
Income tax related to items that may be reclassified to profit and loss on equity-accounted entities	*4.11*	**(16)**	**4**
Other comprehensive income on items that may be reclassified to profit and loss from discontinued operations	*4.11*	**(15)**	**(238)**
Other comprehensive income on items that may be reclassified subsequently to profit and loss net of income tax	*4.11*	**(1 631)**	**(174)**
Other comprehensive income net of income tax	*4.11*	**(1 641)**	**(253)**
Net income and other comprehensive income		**2 576**	**3 702**
Of which Group share		2 070	3 399
Of which non-controlling interests		506	303

>> BALANCE SHEET – ASSETS

(in millions of euros)	*Notes*	31/12/2017	31/12/2016
Cash, central banks	*6.1*	50 761	28 202
Financial assets at fair value through profit or loss	*6.2-6.9*	321 404	326 279
Hedging derivative instruments	*3.2-3.4*	16 435	21 928
Available-for-sale financial assets	*6.4-6.7-6.8-6.9*	307 058	315 916
Loans and receivables due from credit institutions	*3.1-3.3-6.5-6.8-6.9*	394 051	382 838
Loans and receivables due from customers	*3.1-3.3-6.5-6.8-6.9*	360 079	346 254
Revaluation adjustment on interest rate hedged portfolios		5 978	8 190
Held-to-maturity financial assets	*6.6-6.7-6.9*	20 179	14 354
Current and deferred tax assets	*6.13*	4 462	3 993
Accruals, prepayments and sundry assets	*6.14*	36 197	44 373
Non-current assets held for sale and discontinued operations		495	591
Investments in equity-accounted entities	*6.15*	5 177	7 100
Investment property	*6.16*	6 196	5 617
Property, plant and equipment	*6.17*	4 210	3 829
Intangible assets	*6.17*	2 180	1 583
Goodwill	*6.18*	15 421	13 185
TOTAL ASSETS		**1 550 283**	**1 524 232**

>> BALANCE SHEET – LIABILITIES

(in millions of euros)	*Notes*	**31/12/2017**	**31/12/2016**
Central banks	*6.1*	3 185	3 857
Financial liabilities at fair value through profit or loss	*6.2*	227 887	244 008
Hedging derivative instruments	*3.2-3.4*	13 271	17 890
Due to credit institutions	*3.3-6.10*	125 590	112 328
Due to customers	*3.1-3.3-6.10*	550 746	521 828
Debt securities	*3.2-3.3-6.11*	163 708	159 280
Revaluation adjustment on interest rate hedged portfolios		6 565	9 444
Current and deferred tax liabilities	*6.13*	3 482	3 101
Accruals, deferred income and sundry liabilities	*6.14*	40 530	47 917
Liabilities associated with non-current assets held for sale		354	374
Insurance company technical reserves	*6.19*	320 417	306 658
Provisions	*6.20*	4 421	4 283
Subordinated debt	*3.2-3.3-6.11*	25 421	29 327
Total liabilities		**1 485 577**	**1 460 295**
Equity		**64 706**	**63 937**
Equity - Group share		58 056	58 276
Share capital and reserves		26 749	26 723
Consolidated reserves		24 705	23 481
Other comprehensive income		2 947	4 500
Other comprehensive income on discontinued operations		6	32
Net income/ (loss) for the year		3 649	3 540
Non-controlling interests		6 650	5 661
TOTAL EQUITY AND LIABILITIES		**1 550 283**	**1 524 232**

>> STATEMENT OF CHANGES IN EQUITY

	Group share										Non-controlling interests					
	Share capital and reserves					Other comprehensive income						Other comprehensive income				
(in millions of euros)	Share capital	Share premium and consolidated reserves	Elimination of treasury shares	Other equity instruments	**Total capital and consolidated reserves**	Other comprehensive income on items that may be reclassified to profit and loss	Other comprehensive income on items that will not be reclassified to profit and loss	**Total other comprehensive income**	Net income	**Total equity**	**Capital, associated reserves and income**	Other comprehensive income on items that may be reclassified to profit and loss	Other comprehensive income on items that will not be reclassified to profit and loss	**Total other comprehensive income**	**Total equity**	**Total consolidated equity**
Equity at 1 january 2016	**7 918**	**37 508**	**(147)**	**3 861**	**49 140**	**5 151**	**(478)**	**4 673**	**-**	**53 813**	**5 548**	**97**	**(23)**	**74**	**5 622**	**59 435**
Capital increase	620	979	-	-	**1 599**	-	-	-	-	**1 599**	-	-	-	-	-	**1 599**
Change in treasury shares held	-	-	15	-	**15**	-	-	-	-	**15**	-	-	-	-	-	**15**
Issuance of equity instruments	-	(8)	-	1 150	**1 142**	-	-	-	-	**1 142**	-	-	-	-	-	**1 142**
Remuneration of undated deeply subordinated notes	-	(466)	-	-	**(466)**	-	-	-	-	**(466)**	(7)	-	-	-	(7)	**(473)**
Dividends paid in 2016	-	(1 590)	-	-	**(1 590)**	-	-	-	-	**(1 590)**	(286)	-	-	-	(286)	**(1 876)**
Dividends received from Regional Banks and subsidiaries	-	-	-	-	**-**	-	-	-	-	**-**	-	-	-	-	-	**-**
Impact of acquisitions/disposals on non-controlling interests	-	(28)	-	-	**(28)**	-	-	-	-	**(28)**	(6)	-	-	-	(6)	**(34)**
Changes due to share-based payments	-	16	-	-	**16**	-	-	-	-	**16**	2	-	-	-	2	**18**
Changes due to transactions with shareholders	***620***	***(1 097)***	***15***	***1 150***	***688***	***-***	***-***	***-***	***-***	***688***	***(297)***	***-***	***-***	***-***	***(297)***	***391***
Changes in other comprehensive income	***-***	***-***	***-***	***-***	***-***	***(105)***	***(69)***	***(174)***	***-***	***(174)***	***-***	***(112)***	***(2)***	***(114)***	***(114)***	***(288)***
Share of changes in equity-accounted entities	-	(32)	-	-	**(32)**	41	(8)	33	-	**1**	-	2	-	2	2	**3**
Net income for 2016	-	-	-	-	**-**	-	-	-	3 540	**3 540**	415	-	-	-	415	**3 955**
Other changes	-	408	-	-	**408**	-	-	-	-	**408**	33	-	-	-	33	**441**
Equity at 31 December 2016	**8 538**	**36 787**	**(132)**	**5 011**	**50 204**	**5 087**	**(555)**	**4 532**	**3 540**	**58 276**	**5 699**	**(13)**	**(25)**	**(38)**	**5 661**	**63 937**
Appropriation of 2016 net income	-	3 540	-	-	**3 540**	-	-	-	(3 540)	**-**	-	-	-	-	-	**-**
Equity at 1 january 2017	**8 538**	**40 327**	**(132)**	**5 011**	**53 744**	**5 087**	**(555)**	**4 532**	**-**	**58 276**	**5 699**	**(13)**	**(25)**	**(38)**	**5 661**	**63 937**
Capital increase	-	-	-	-	**-**	-	-	-	-	**-**	-	-	-	-	-	**-**
Change in treasury shares held	-	-	1	-	**1**	-	-	-	-	**1**	-	-	-	-	-	**1**
Issuance of equity instruments	-	-	-	(12)	**(12)**	-	-	-	-	**(12)**	-	-	-	-	-	**(12)**
Remuneration of deeply subordinated notes	-	(454)	-	-	**(454)**	-	-	-	-	**(454)**	(12)	-	-	-	(12)	**(466)**
Dividends paid in 2017	**-**	**(1 716)**	**-**	**-**	**(1 716)**	**-**	**-**	**-**	**-**	**(1 716)**	**(298)**	**-**	**-**	**-**	**(298)**	**(2 014)**
Dividends received from Regional Banks and subsidiaries	-	-	-	-	**-**	-	-	-	-	**-**	-	-	-	-	-	**-**
Impact of acquisitions/disposals on non-controlling interests [1]	-	(54)	-	-	**(54)**	-	-	-	-	**(54)**	672	-	-	-	672	**618**
Changes due to share-based payments	-	13	-	-	**13**	-	-	-	-	**13**	6	-	-	-	6	**19**
Changes due to transactions with shareholders	***-***	***(2 211)***	***1***	***(12)***	***(2 222)***	***-***	***-***	***-***	***-***	***(2 222)***	***368***	***-***	***-***	***-***	***368***	***(1 854)***
Changes in other comprehensive income	***-***	***-***	***-***	***-***	***-***	***(1 178)***	***(33)***	***(1 211)***	***-***	***(1 211)***	***-***	***(51)***	***-***	***(51)***	***(51)***	***(1 262)***
Share of changes in equity-accounted entities	-	(55)	-	-	**(55)**	(391)	23	(368)	-	**(423)**	4	(11)	-	(11)	(7)	**(430)**
Net income for 2017	-	-	-	-	**-**	-	-	-	3 649	**3 649**	568	-	-	-	568	**4 217**
Other changes	-	(13)	-	-	**(13)**	-	-	-	-	**(13)**	111	-	-	-	111	**98**
EQUITY AT 31 DECEMBER 2017	**8 538**	**38 048**	**(131)**	**4 999**	**51 454**	**3 518**	**(565)**	**2 953**	**3 649**	**58 056**	**6 750**	**(75)**	**(25)**	**(100)**	**6 650**	**64 706**

(1) As part of efforts to increase the Group's regulatory capital, Crédit Agricole S.A. issued on 19 January 2016 Additional Tier 1 deeply subordinated undated bonds of $1,250 million. The balance of these issues represents €1,142 million, net of issuance costs.

(2) The other changes at 31 December 2016 mainly concern the intra-Group transaction adjustment with respect to the processing of insurance unit-linked investments. This adjustment has no significant effect on the Group's indicators and ratios.

(3) The acquisition of Pioneer Investments on 3 July 2017 was financed for €1,413 million from a capital increase (see Note 2 "Major structural transactions and material events during the period"). The impact of this transaction at 31 December 2017 was €98 million in Shareholder's equity Group share and €817 million in equity - non-controlling interests.

(3) On 22 December 2017, Crédit Agricole S.A. Group completed the €380 million acquisition of the 15% stake held by Natixis in CACEIS, its asset servicing subsidiary, which it now owns outright. The transaction reduced Shareholder's equity Group share by €148 million and non-controlling interests by €232 million.

(3) Crédit Agricole Cariparma acquired 95% of the share capital of the Cesena, Rimini and San Miniato savings banks on 21 December 2017. The acquisition was financed by a €320 million capital increase by Crédit Agricole Cariparma, completed on 21 December 2017, and subscribed by Crédit Agricole S.A. in the amount of €256 million. The impact of these transactions on equity - non-controlling interests was €87 million.

>> *CASH FLOW STATEMENT*

The cash flow statement is presented using the indirect method.

Operating activities show the impact of cash inflows and outflows arising from Crédit Agricole S.A. Group's income-generating activities, including those associated with assets classified as held-to-maturity financial assets.

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 available-for-sale financial assets.

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

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

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

(in millions of euros)	*Notes*	31/12/2017	31/12/2016
Pre-tax income		**5 929**	**3 347**
Net depreciation and impairment of tangible and intangible assets		786	706
Impairment of goodwill and other fixed assets	*5.10*	(186)	491
Net depreciation charges to provisions		13 614	12 377
Share of net income (loss) of equity-accounted entities		(985)	(627)
Net income (loss) from investment activities		(532)	(343)
Net income (loss) from financing activities		3 214	4 041
Other movements		(5 389)	1 112
Total non-cash and other adjustment items included in pre-tax income		**10 522**	***17 757***
Change in interbank items		5 363	(39 161)
Change in customer items		12 327	(932)
Change in financial assets and liabilities		(4 670)	(7 373)
Change in non-financial assets and liabilities		140	2 935
Dividends received from equity-accounted entities [(1)]		245	551
Tax paid		(1 275)	193
Net change in assets and liabilities used in operating activities		**12 130**	***(43 787)***
Cash provided (used) by discontinued operations		**1**	***(23)***
TOTAL Net cash flows from (used by) operating activities (A)		**28 582**	**(22 706)**
Change in equity investments [(2)]		**(1 523)**	***16 768***
Change in property, plant & equipment and intangible assets		**(1 060)**	***(784)***
Cash provided (used) by discontinued operations		**-**	***-***
TOTAL Net cash flows from (used by) investment activities (B)		**(2 583)**	**15 984**
Cash received from (paid to) shareholders [(3)]		**(1 589)**	***422***
Other cash provided (used) by financing activities [(4)]		**3 654**	***1 699***
Cash provided (used) by discontinued operations		**-**	***1***
TOTAL Net cash flows from (used by) financing activities (C)		**2 065**	**2 122**
Impact of exchange rate changes on cash and cash equivalent (D)		**(1 521)**	**799**
Net increase/(decrease) in cash & cash equivalent (A + B + C + D)		**26 543**	**(3 801)**
Cash and cash equivalents at beginning of period		**25 532**	**29 333**
Net cash accounts and accounts with central banks *		24 339	32 546
Net demand loans and deposits with credit institutions **		1 193	(3 213)
Cash and cash equivalents at end of period		**52 075**	**25 532**
Net cash accounts and accounts with central banks *		**47 566**	24 339
Net demand loans and deposits with credit institutions **		**4 510**	1 193
NET CHANGE IN CASH AND CASH EQUIVALENTS		**26 543**	**(3 801)**

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

** Consisting of the balance of Performing current accounts in debit and Performing overnight accounts and advances as detailed in Note 6.5 and Current accounts in credit and overnight accounts and advances as detailed in Note 6.10 (excluding accrued interest).

(1) Dividends received from equity-accounted entities:
At 31 December 2017, this amount includes dividends paid by Banque Saudi Fransi amounting to €93 million, by Insurance companies for €56 million, by FCA Bank S.p.A for €50 million, by subsidiaries of Amundi for €15 million, by Wafasalaf for €13 million, by Eurazeo for €13 million and by Crédit Agricole Immobilier for €6 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 2017 is negative €1,015 billion. The main operations involve the sale of Banque Saudi Fransi for €1,3 billion, Eurazeo for €791 million, Eurosic for €505 million, Crédit Agricole Reinsurance for €186 million, Finasic for €13 million, and partial sales of Altarea for €52 million, as well as the acquisitions of Pionner for -€3 billion net of cash acquired, ICADE for -€715 million, CACEIS for -€380 million, and Cassa Di RIsparmio for €320 million net of cash acquired.

- Over the same period, the net impact on Group cash of acquisitions and disposals of non-consolidated equity investments came to -€508 million, of which -€523 million from insurance company investments.

(3) Cash received from (paid to) shareholders:
This amount corresponds to the portion of capital increase subscribed by third parties for €835 million to finance the acquisition of Pioneer Investments.
In addition, €2,480 million in dividends, excluding dividends paid in shares, were paid by Crédit Agricole S.A. Group, which breaks down as:
- dividends paid by Crédit Agricole S.A. for -€1,716 million;
- dividends paid by non-controlled subsidiaries for -€298 million; and
- interest, equivalent to dividends, on undated financial instruments treated as equity for -€466 million.

(4) Other net cash flows from financing activities:
At 31 December 2017, bond issues totalled €24,582 million and redemptions -€14,400 million. Subordinated debt issues totalled €416 million and redemptions -€3,205 million.
This line also includes cash flows from interest payments on subordinated debt and bonds for -€3,739 million.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Group accounting policies and principles, assessments and estimates.

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 2017 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 2016.

They have been supplemented by the IFRS standards as adopted by the European Union at 31 December 2017and that must be applied for the first time in 2017. These cover the following:

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 IAS 12 *Income Taxes* Recognition of deferred tax assets for unrealised losses	6 November 2017 (EU 2017/1989)	1 January 2017	Yes
Amendment to IAS 7 *Statement of Cash Flows* Disclosure on? liabilities arising from financing activities	6 November 2017 (EU 2017/1990)	1 January 2017	Yes

The application of these texts did not have a 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
IFRS *15 Revenue from contracts with customers* Replacing IAS 11 on the recognition of construction contracts and IAS 18 on the recognition of revenue	22 September 2016 (EU 2016/1905)	1 January 2018	Yes
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
IFRS 16 *Leases* Replacing IAS 17 on the recognition of leases	31 October 2017 (EU 2017/1986)	1 January 2019	Yes
Amendment to IFRS 15 *Revenue from Contracts with Customers* Clarifications to IFRS 15	31 October 2017 (EU 2017/1987)	1 January 2018	Yes
Amendment to IFRS 4 *Insurance Contracts* / IFRS 9 *Financial Instruments* Optional approaches for insurance undertakings to manage the gap between the application of IFRS 9 and IFRS 4	3 November 2017 (EU 2017/1988)	1 January 2018	Yes

IFRS 15 Revenue from Contracts with Customers

IFRS 15 *Revenue from contracts with customers* will become effective for accounting years opening from 1st January 2018 (in accordance with EU regulation 2016/1905). The "Clarification to IFRS 15" amendment, which provides further details, comes into effect on the same date (pursuant to EU Regulation 2017/1987).

For the first-time application of this standard, Crédit Agricole Group chose to apply the modified retrospective method, recognising the cumulative effect as of 1 January 2018, with no comparison for 2017, by detailing any impact that the standard could have on the various items in the financial statements being detailed in the notes.

IFRS 15 will replace IAS 11 *Construction contracts* and IAS 18 *Revenue*, along *with* all the related 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*.

It brings into a single text the principles for recognising revenue for long-term sales contracts, sales of goods and the provision of services that do not enter in the scope the scope of standards related to financial instruments (IAS 39/IFRS 9), insurance contracts (IFRS 4/IFRS 17) or leases (IAS 17/IFRS 16). It introduces new concepts that may affect the accounting treatment of certain components of net banking income.

Based on the findings of the impact assessment carried out in the first half of 2016, the Group considers that the adoption of IFRS 15 will have no material impact on opening equity at 1 January 2018.

IFRS 9 Financial Instruments

IFRS 9 *Financial Instruments* will replace IAS 39 *Financial Instruments: Recognition and Measurement*. It was adopted by the European Union on 22 November 2016 and published in the Official Journal of the European Union on 29 November 2016. It will be mandatory for accounting years opening from the 1st January 2018. The "Prepayment features with negative compensation" amendment, which provides guidance on the recognition of debt instruments with such features is currently being adopted by the European Union and should come into effect on 1 January 2019 with possible early application from 1 January 2018. Crédit Agricole S.A. Group plans to apply the amendment early in line with the AMF's recommendations.

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

- **The main changes introduced by the standard**

  - ✓ **Classification and measurement of financial assets**

Under IFRS 9, the classification and measurement criteria depend on the nature of the financial asset, namely whether it qualifies as a debt instrument (i.e. loan, advance, credit, bond, fund unit) or an equity instrument (i.e. share).

In the case of debt instruments (loans and fixed or determinable income securities), IFRS 9 tests the business model on one side and contractual terms on other side to classify and measure financial assets.

- Three business models:

  - the model of pure collect whose the intention is to collect the contractual cash flows over the life of the asset;
  - the mixed model where the intention is to collect the contractual cash flows over the life of the asset and to dispose of 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 intention is to dispose of the asset.

- The contractual terms (“Solely Payments of Principal & Interest” or “SPPI” test):

This second criterion is applied to the contractual terms of the loan or debt security to finally determine the accounting classification and measurement category to which the instrument belongs.

When the debt instrument has expected cash flows that are not solely payments of principal and interest (i.e. simple rate), its contractual terms are deemed too complex and as a result, the loan or debt security is recognised at fair value through profit or loss regardless of their business model. This involves the instruments that do not satisfy the conditions of the “SPPI” test.

Contractual characteristics (or 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).

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 the contractual cash flows of the underlying assets and the credit risk borne by the tranches subscribed under the “look-through” approach.

On the basis of the foregoing criteria:

- a debt instrument is recognised at amortised cost when it is held to collect cash flows that are solely payments of principal and interest “SPPI” compliant;
- a debt instrument is recognised at fair value through other comprehensive income (items that can be reclassified) in the case of a mixed model to collect cash flows and sell where opportunities arise, provided its contractual terms also comprise solely payments of principal and interest “SPPI” compliant;
- a debt instrument that does not qualify for the amortised cost or fair value through other comprehensive income category (items that can be reclassified) is recognised at fair value through profit or loss. The same applies to debt instruments where the business model is selling only. This also includes non-consolidated UCITS units that are debt instruments that fail to satisfy the “SPPI” test regardless of the business model.

In the case of equity instruments (investments such as shares), they must, by default, be recognised at fair value through profit or loss, except in the case of an irrevocable election to classify them at fair value through other comprehensive income not recyclable (items that cannot be reclassified). If the option is selected, only dividends received on these instruments will be recognised in the income statement.

In summary, the Group’s application of the classification and measurement criteria under IFRS 9 should lead to:

- an increase in assets at fair value through profit or loss, given the reclassification of UCITS and the majority of equity instruments in this category, resulting in increased profit or loss volatility;
- the classification at amortised cost of the vast majority of loans and receivables, provided they pass the SPPI (Solely Payments of Principal and Interest) test;
- the classification of debt instruments at fair value through other comprehensive income (items that can be reclassified) or at amortised cost, depending on the documented business model at the date of initial application.

✓ Impairment

IFRS 9 introduces a new impairment model that requires the recognition of Expected Credit Losses (ECL) on credit and debt instruments measured at amortised cost or at fair value through other comprehensive income (items that can be reclassified), on loan commitments and financial guarantee contracts that are not recognised at fair value, as well as on lease receivables and trade receivables.

This new ECL approach is designed to anticipate as much as possible the recognition of expected credit losses, whereas under the IAS 39 provisioning model, it is subject to there being objective evidence that an impairment loss has been incurred.

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 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 when existent, 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 macro-economic data, whereas the prudential regulation analyses the perspectives Through The Cycle for probability of default and in a downturn for Loss Given Default.
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).

The new credit risk provisioning model has three stages:

- first stage: upon initial recognition of the financial instrument (credit, debt security, guarantee, etc.), the entity recognises the twelve-month expected credit losses;
- second stage: if the credit quality subsequently significantly deteriorates for a particular portfolio or transaction, the entity recognises the full lifetime expected credit losses;
- third stage: at a later date, once one or more default events have occurred on the transaction or on a counterparty having an adverse effect on the estimated future cash flows, the entity recognises incurred credit losses at maturity.

At the second stage, the monitoring and estimation of the significant deterioration in credit risk can be done on a transaction-by-transaction basis or collectively at portfolio level by grouping financial instruments on the basis of similar credit risk characteristics. The approach calls on a wide range of information, including historical data on observed losses, cyclical and structural adjustments, and loss projections based on reasonable scenarios.

This deterioration depends on the risk level on the date of initial recognition and must be recognised before the transaction is impaired (third stage).

In order to assess the significant deterioration, the Group employs a process built around two levels of analysis:

- the first level is based on absolute and relative criteria and rules applying to all Group entities;
- the second level is linked to local assessment of the qualitative criteria of the risk held by each entity in its portfolios that may result in a tightening of the deterioration criteria defined in the first level (switching a portfolio or sub-portfolio to ECL stage 2 at maturity).

There is a rebuttable presumption of a significant deterioration in the event of a non-payment for over thirty days. The Group may rebut this presumption on the scope of outstanding amounts for which internal rating systems have been put in place, in particular exposures using the advanced approach, given that all the information incorporated into the rating systems allow for a more detailed assessment than just the non-payment for over thirty days criterion.

In the absence of the internal rating model, the Group will use the absolute threshold of non-payments for over thirty days as the maximum threshold for significant deterioration and classification in stage 2.

With respect to the scope of instruments subject to stage 3 provisioning, the Group will bring the definition of default into line with the one currently used in management for prudential regulation purposes.

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.

In short, the new provisioning model in IFRS 9 may lead to an increase in the amount of impairment on loans and securities recognised on the balance sheet at amortised cost or at fair value through other comprehensive income (items that can be reclassified), and on off-balance sheet commitments as well as lease receivables and trade receivables.
The change between impairment losses under IAS 39 and impairment losses under IFRS 9 will be recognised in non-recyclable equity.

✓ **Hedge accounting**

With respect to hedge accounting (excluding fair value macro-hedging transactions), IFRS 9 makes limited changes from IAS 39. The standard's requirements apply to the following scope:

- all micro-hedging transactions; and
- only cash flow macro-hedging transactions.

Fair value macro-hedging transactions for interest rate risk are excluded and may remain subject to IAS 39 (option).

Upon first time application of IFRS 9, there are two possibilities under the standard:

- apply the "hedge accounting" requirements of IFRS 9; or
- continue to apply IAS 39 until application of IFRS 9 for all hedging relationships (at the latest when the fair value macro-hedging for interest rate risk text is adopted by the European Union).

After having carried out a feasibility study in the first half of 2015, the Group decided not to apply this aspect of the standard.

Nevertheless, information must be provided in the notes to the financial statements with increased granularity on risk management and the effects of hedge accounting on the financial statements.

✓ **Others requirements relating to first-time application**

IFRS 9 allows the early adoption of requirements relating to specific credit risk relating to financial liabilities designated as at fair value through profit or loss, namely the recognition of changes in value attributable to specific credit risk in other comprehensive income (items that cannot be reclassified). The Group will not apply these requirements early. Moreover, the IASB specified the accounting treatment for a non-substantial amendment to the contractual terms and conditions of a debt not resulting in its derecognition. The impact of the amendment is henceforth immediately recognised in profit and loss with keeping of the original effective interest rate.

In addition, the IASB published an amendment to IFRS 4 Insurance contracts to give companies whose business activity is the issue of insurance contracts two possible approaches to limit the effects of the gap between the application of IFRS 9 and the future standard on the measurement of insurance liabilities (IFRS 17). The Group will apply IFRS 9 to its insurance activities using the overlay approach. Under this approach, the entity will reclassify in other comprehensive income the difference between the amount recognised in profit and loss under IFRS 9 and the amount that should have been recognised in profit and loss under IAS 39 for designated financial assets.

➢ **Project roll-out within Crédit Agricole Group**

In 2015, the Group began taking steps to implement IFRS 9 within the required timeframe, bringing together the accounting, finance, risk and IT functions along with all entities.

✓ **Project milestones and achievements to date**

In the first half of 2015, work focused on:

- examining the standard's requirements, with particular attention on the changes resulting from the new classification and measurement criteria for financial assets and the overhaul

of the credit risk impairment model, which switches from provisioning for incurred credit losses to expected credit losses (ECL);
- the identification of the key questions and of the main areas of accounting interpretation on the basis of the initial high-level assessment of the impact of the standard.

Following this review and assessment phase, the Group launched the project implementation phase in September 2015 by setting out the detailed timelines and road maps of the various areas of work, which were then applied at their level by all Group entities.
In 2016, the main achievements were:

- the standardisation work with identification of the main areas of impact on the financial statements and the definition of the target provisioning through the drafting of a methodological framework shared with the entities;
- methodological work to define the possible options regarding the provision calculation formula, significant deterioration and forward looking, as well as the methodology for calculating the fair value of credit;
- provisional simulations of the impact of the new standard on the financial statements and regulatory capital, in particular to better address the requirements of the European Banking Authority. This work was done in the largest Group entities, on the basis of accounting data at 31 December 2015;
- IT-related work on the major areas of impact on the IT systems, involving the specifications of the Risk and Finance tools and choice of shared tools, namely: a central provisioning tool and, for listed debt securities, a tool to analyse the contractual terms, making it possible to automate the “SPPI” test.

All this implementation work continued in 2017. It incorporated the impact assessment on the basis of the financial statements at 31 December 2016, first and foremost to satisfy the requirements of the European Banking Authority (EBA).

In particular, the Group set out the cross-functional governance applicable to the future provisioning mechanism. This governance will be based on the mechanism put in place to meet the CRR/CRD regulatory prudential requirements. The Group Risk Management Department is responsible for defining the Group's organisational and methodological framework and for disseminating it throughout the entities.

➢ **Transition**

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. As a result, the Group does not plan to restate the financial statements presented for comparative purposes with the 2018 financial statements.

✓ **IFRS 16 *Leases***

IFRS 16 *Leases* will supersede IAS 17 and all related interpretations (IFRIC 4 *Determining whether an arrangement contains alLease*.

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.

An impact study on the implementation of the standard in the Crédit Agricole Group was undertaken in the second quarter of 2017. At this stage of the project, the Group remains wholly focussed on defining the key options relating to the interpretation of the standard.

The standards and interpretations published by the IASB at 31 December 2017 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 2017.

This concerns IFRS 17 in particular.

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

In addition, a number of amendments and two interpretations to existing standards were published by the IASB, which do not significantly impact the Group, which apply subject to their adoption by the European Union. This firstly includes the amendment to IFRS 12 *Disclosure of Interests in Other Entities* applicable from 1 January 2017, amendments to IFRS 2 *Classification and Measurement of Share-based Payment Transactions, to* IAS 28 *Investments in Associates* and *Joint Ventures and to* IAS 40 *Investment property* applicable from 1 January 2018, and a second amendment to IAS 28 *Investments in Associates and Joint Ventures* applicable from 1 January 2019. Secondly, it includes IFRIC 22 *Foreign Currency Transactions and Advance Consideration* applicable from 1 January 2018 and IFRIC 23 *Uncertainty over Income Tax Treatments* applicable from 1 January 2019.

1.2 Presentation of financial statements

In the absence of a required presentation format under IFRS, Crédit Agricole S.A. Group’s complete set of financial statements (balance sheet, income statement, statement of comprehensive income, statement of changes in equity and cash flow statement) has been presented in the format set out in ANC Recommendation 2013-04 of 7 November 2013.

1.3 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.

FINANCIAL INSTRUMENTS (IAS 32 AND 39)

Financial assets and liabilities are treated in the financial statements in accordance with IAS 39 as endorsed by the European Commission.

At the time of initial recognition, financial assets and liabilities are measured at fair value including transaction costs (with the exception of financial instruments recognised at fair value through profit or loss). Subsequently, financial assets and liabilities are measured according to their classification, either at fair value or at amortised cost based on the effective interest rate method.

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.

The effective interest rate 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.

✓ Securities

▪ Classification of financial assets

Under IAS 39, securities are divided into four categories:

- financial assets at fair value through profit or loss classified as held for trading or designated at fair value through profit or loss;
- held-to-maturity financial assets;
- loans and receivables;
- available-for-sale financial assets.

o Financial assets at fair value through profit or loss classified as held for trading or designated at fair value through profit or loss

According to IAS 39, this portfolio comprises securities that are classified under financial assets at fair value through profit or loss either as a result of a genuine intention to trade them (financial assets held for trading) or of being designated at fair value by Crédit Agricole S.A. Group.

Financial assets at fair value through profit or loss 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.

Financial assets, provided they meet the conditions specified in the standard, can be designated as at fair value through profit or loss in the following three cases: for hybrid instruments comprising one or more embedded derivatives, where the fair value option would reduce an accounting mismatch or for a group of financial assets under management whose performance is measured at fair value. This method is generally used so that derivatives embedded in hybrid instruments do not have to be recognised and measured separately.

To this end, Crédit Agricole S.A. Group has designated the following assets at fair value through profit or loss:

- assets backing unit-linked contracts;
- private equity portfolio.

Securities that are classified under financial assets at fair value through profit or loss are recognised at fair value at inception, excluding transaction costs attributable directly to their acquisition (which are taken directly to profit or loss).

They are subsequently carried at fair value and changes in fair value are taken to profit or loss.

No impairment losses are booked for this category of securities.

Outstanding syndication securities held for sale are recognised as financial assets at fair value through profit or loss and are marked to market.

- **Held-to-maturity financial assets**

The category Held-to-maturity financial assets (applicable to securities with fixed maturities) includes securities with fixed or determinable payments that Crédit Agricole S.A. Group has the intention and ability to hold until maturity, other than:

- securities that are initially designated as financial assets at fair value through profit or loss at the time of initial recognition by Crédit Agricole S.A. Group;
- securities that fall into the “Loans and receivables” category. Hence, debt securities that are not traded in an active market cannot be included in the “Held-to-maturity financial assets” category.

Classification as held-to-maturity means that the entity must abide by the prohibition on the sale of securities prior to maturity, except where allowed under IAS 39.

Hedging of interest rate risk for this category of securities is not allowed for hedge accounting under IAS 39.

Held-to-maturity financial assets are initially recognised at acquisition price, including transaction costs that are directly attributable to the acquisition and including 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.

Impairment rules for this financial asset category are disclosed in the section on “Impairment of securities” for securities measured at amortised cost.

- **Loans and receivables**

Loans and receivables comprise unlisted financial assets that generate fixed or determinable payments.

Securities within the Loans and receivables portfolio are initially recognised at acquisition cost, including transaction costs that are directly attributable to the acquisition and including 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.

Impairment rules for this financial asset category are disclosed in the section on “Impairment of securities” for securities measured at amortised cost.

- **Available-for-sale financial assets**

IAS 39 defines available-for-sale financial assets as default category or as assets that are designated as available-for-sale .

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

Impairment rules for this financial asset category are disclosed in the section on “Impairment of securities”.

- **Impairment of securities**

Impairment shall be booked when there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the securities, other than assets measured as at fair value through profit or loss.

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

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

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

For debt securities, impairment criteria are the same as for loans and receivables.

Such impairment is only recognised when it translates into a probable loss of all or part of the amount invested:

- for securities measured at amortised cost through the use of an impairment account, the amount of the loss is recognised in the income statement, and may be reversed in case of subsequent improvements;

- for available-for-sale securities, the amount of the aggregate loss is transferred from other comprehensive income to the income statement; in the event of subsequent recovery in the price of the securities, the loss previously transferred to the income statement may be reversed when justified by circumstances for debt instruments.

▪ **Recognition date of securities**

Crédit Agricole S.A. recognises on the settlement date securities classified as Assets held for trading, Held-to-maturity financial assets, and Loans and receivables. Other securities, regardless of type or classification, are recognised on the trading date.

✓ **Reclassification of financial assets**

IAS 39 allows Available-for-sale financial assets to be reclassified as Held-to-maturity financial assets where there is a change in management intention and if the criteria for reclassification as Held-to-maturity are respected.

In accordance with the amendment to IAS 39 as published and adopted by the European Union in October 2008, the following reclassifications are also allowed:

- from the Financial assets held for trading and Available-for-sale financial assets categories to the Loans and receivables category, if the entity now has the intention and ability to hold the financial asset for the foreseeable future or until maturity and if the eligibility criteria for this category are met upon the transfer date (in particular, financial asset not listed in an active market);

- in rare documented circumstances, from Financial assets held for trading to Available-for-sale financial assets or Held-to-maturity financial assets if the eligibility criteria are met upon the transfer date for each category.

The fair value on the date of reclassification becomes the new cost or amortised cost, as applicable, of the reclassified financial asset.

Information on reclassifications made by Crédit Agricole S.A. Group under the terms of the amendment to IAS 39 is provided in Note 9 “Reclassification of financial instruments”.

✓ **Temporary investments in/disposals of securities**

Within the meaning of IAS 39, temporary sales of securities (securities lending/borrowing, repurchase agreements) do not generally fulfil the derecognition conditions of IAS 39 and are regarded as collateralised financing.

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

Items borrowed or bought under repurchase agreements are not recognised on the balance sheet of the transferee. A receivable is recognised for 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 assets and liabilities recognised at fair value through profit or loss.

✓ **Lending operations**

Loans are principally allocated to the Loans and receivables category. In accordance with IAS 39, they are initially valued at fair value and subsequently valued at amortised cost using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash payments to the original net loan amount. This rate includes the discounts and any transaction income or costs that are an integral part of the effective interest rate.

Syndication loans held with the aim of disposal in the short term are classified as financial assets held for trading and are marked to market.

Subordinated loans and repurchase agreements (represented by certificates or securities) are included under the various categories of loans and receivables according to counterparty type.

Income calculated based on the effective interest rate is recognised in the balance sheet under accrued interests and in the income statement.

Advances made by Crédit Agricole S.A. to the Regional Banks do not represent a direct risk for Crédit Agricole S.A. with respect to the corresponding customer loans made by the Regional Banks. They do, however, represent a potential indirect risk with respect to the financial strength of the Regional Banks. Crédit Agricole S.A. has not made any provisions for such advances to the Regional Banks.

- **Impairment of loans**

In accordance with IAS 39, loans classified under Loans and receivables are impaired whenever there is objective indication of impairment as a result of one or more loss events occurring after the initial recognition of these loans, such as:

- borrower in serious financial difficulties;
- a breach of contract such as a default on the payment of interest or principal;
- the granting by the lender to the borrower, for economic or legal reasons connected with the borrower's financial difficulties, of a facility that the lender would not have envisaged under other circumstances (loan restructuring);
- increasing probability of bankruptcy or other financial restructuring of the borrower.

Impairment may be individual or collective, or in the form of discounts on loans that have been restructured due to customer default.

Impairment charges and reversals of impairment losses for non-recovery risk are recognised in cost of risk and any increase in the carrying amount of the loan arising from the accretion of the impairment or amortisation of the restructured loan discount is recognised in interest margin.

Impairment losses are discounted and estimated on the basis of several factors, notably business- or sector-related. It is possible that future assessments of the credit risk may differ significantly from current estimates, which may lead to an increase or decrease in the amount of the impairment.

Probable losses in respect off-balance sheet commitments are covered by provisions recognised as liabilities.

- **Loans individually assessed for impairment**

Each loan is first individually assessed for known risk of loss. Projected losses are thus measured by means of individual impairment losses for all types of loans, including collateralised, where there is objective indication of impairment. The amount of impairment losses is the difference between the carrying amount of loans (at amortised cost) and the sum of estimated future flows, discounted at the original effective interest rate.

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

- **Loans collectively assessed for impairment**

Statistical and historical customer default experience shows that there is an identified risk of partial uncollectibility of loans not individually impaired. To cover this risk, which cannot by nature be allocated to individual loans, Crédit Agricole S.A. Group takes various collective impairment charges, calculated using models developed on the basis of these statistical data, by way of deduction from asset values. These are determined for each homogenous class of loans displaying similar credit risk characteristics.

- Calculation of impairment losses using Basel models:

Under Basel regulations, each Crédit Agricole S.A. Group's entity calculates the amount of losses anticipated within one year, using statistical tools and databases, based on a variety of observation criteria that meet the definition of a "loss event" within the meaning of IAS 39.

The amount of impairment is based on the probability of default in each rating class assigned to borrowers, and also on management's experienced judgement.

The amount of this impairment is obtained by applying to the amount of anticipated losses calculated using the Basel models a maturity correction factor designed to take account of the need to record impairment charges for the anticipated losses up to maturity.

- Other loans collectively assessed for impairment:

Crédit Agricole S.A. Group also sets aside collective impairment charges to cover customer risks that are not allocated to individual loans, such as sector or country at risk impairment losses. These provisions are intended to cover estimated risks based on a sector or geographical analysis for which there is statistical or historical risk of partial non-recovery.

- **Loan restructuring**

Loans restructured due to financial difficulties are loans for which the entity changed the initial financial terms (interest rate, term) for economic or legal reasons connected with the borrower's financial difficulties, in a manner that would not have been considered under other circumstances. They therefore consist of loans that are classified as in default and, since 1 January 2014, performing loans at the date they are restructured.

The reduction of future flows granted to a counterparty, which may notably stem from these flows being postponed as part of the restructuring, results in the recognition of a discount. It represents future loss of cash flow discounted at the original effective interest rate.

It is equal to the difference between:
- the carrying amount of the loan;
- and the sum of theoretical future cash flows from the restructured loan, discounted at the original effective interest rate (defined at the date of the financing commitment).

The loss recognised when a loan is restructured is recorded under cost of risk. Its amortisation then affects the interest margin.

Restructured loans are monitored based on ratings in accordance with Basel rules and are impaired on the basis of the estimated credit risk. They are individually impaired within 30 days of a missed payment.

Restructured loans remain in this category for two years (three years if they were in default when restructured).

- **Watch list loans**

Watch list loans consist of loans for which payment arrears have been recorded but for which no individual impairment has been set aside.

- **Commercial renegotiations**

Renegotiated loans 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 accorded to customers are initially recognised at the same date at fair value and subsequently at the same date at amortised cost using the effective interest rate method according to the conditions of the new contract.

- **Subsidised loans (IAS 20)**

Under French Government measures to support the agricultural and rural sector and to help home buyers, certain Crédit Agricole S.A. Group entities grant subsidised loans at rates fixed by the Government. Consequently, the Government pays these entities the difference between the subsidised lending rate and a predetermined benchmark rate. Accordingly, no discounts are recognised against subsidised loans.

The subsidy system is periodically reviewed by the Government.

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

✓ **Financial liabilities**

IAS 39 as endorsed by the European Union recognises three categories of financial liabilities:

- financial liabilities at fair value through profit or loss. Fair value changes on this portfolio are recognised in profit or loss at accounting end-periods;
- financial liabilities designated at fair value through profit or loss. Financial liabilities, provided they meet the conditions specified in the standard, can be designated as at fair value through profit or loss in the following three cases: for hybrid instruments comprising one or more embedded derivatives, where the fair value option would reduce an accounting mismatch or for a group of financial liabilities under management whose performance is measured at fair value. This method is generally used so that derivatives embedded in hybrid instruments do not have to be recognised and measured separately;
- other financial liabilities: this includes other financial liabilities. These liabilities are initially measured at fair value (including transaction income and costs) and subsequently at amortised cost using the effective interest rate method.

The valuation of Group issues recorded at fair value includes the change in own credit risk of the Group.

▪ **Securities classified as financial liabilities or equity**

○ **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 debt instrument is a contractual obligation to:

- deliver cash or another financial asset; or
- exchange instruments under potentially unfavourable conditions.

An equity instrument is a contract that offers a discretionary return, represents a residual interest in a company’s net assets after deducting all liabilities and is not qualified as a debt instrument.

○ **Treasury shares buy-back**

Treasury shares (or equivalent derivative instruments, such as stock options) bought back by Crédit Agricole S.A. Group, 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.

✓ **Deposits and savings accounts**

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

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

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

Provisions are taken where necessary against home purchase savings plans and accounts as set out in Note 6.20 “Provisions”.

✓ **Derivative instruments**

Derivative instruments are financial assets or liabilities and are recognised on the balance sheet at fair value at inception of the transaction. At the end of each reporting period, derivatives are measured at fair value, whether they are held for trading purposes or used for hedging.

Any change in the value of derivatives on the balance sheet is recorded in the income statement (except in the special case of a cash flow hedging relationship).

▪ **Hedge accounting**

Fair value hedges are intended to provide protection from exposure to a change in the fair value of an asset or of a liability that has been recognised, or of a firm commitment that has not been recognised.

Cash flow hedges are intended to provide protection from a change in future cash flows from financial instruments associated with a recognised asset or liability (for example, with all or part of future interest payments on a floating-rate debt) or a projected transaction that is considered to be highly probable.

Hedges of net investments in a foreign operation are intended to provide protection from the risk of an adverse movement in fair value arising from the foreign exchange risks associated with a foreign investment in a currency other than the euro.

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

- the hedging instrument and the instrument hedged must be eligible;
- there must be formal documentation from inception, primarily including the individual identification and characteristics of the hedged item, the hedging instrument, the nature of the hedging relationship and the nature of the hedged risk;

- the effectiveness of the hedge must be demonstrated, at inception and retrospectively, by testing at each reporting date.

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

The Group also 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.

The change in value of the derivative 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 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 in the income statement 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 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 available-for-sale securities, changes in fair value subsequent to the ending of the hedging relationship are recorded in other comprehensive income. 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. 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 true of the CVA/DVA calculation.

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 established by using valuation techniques based on observable data or unobservable inputs.

- **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**

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

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

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

- **Fair value hierarchy**

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

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

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

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

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

- Level 2: fair values 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.

- Absence of accepted valuation method to determine equity instruments' fair value

In accordance with IAS 39 principles, if the estimates obtained using the various methods differ excessively, the security is valued at cost and stays recorded under Available-for-sale financial assets. In this case, the Group does not report a fair value, in accordance with the applicable recommendations of IFRS 7. These primarily include equity investments in companies that are not quoted in an active market and whose fair value is complex to measure.

✓ **Net gains (losses) on financial instruments**

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

For financial instruments designated at fair value through profit or loss and financial assets and liabilities held for trading, this heading mainly includes the following income statement items:

- 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 available-for-sale financial assets**

For available-for-sale financial assets, this heading mainly includes the following income statement items:

- dividends and other revenues from equities and other variable-income securities which are classified as available-for-sale financial assets;
- gains and losses on disposal of fixed-income and variable-income securities which are classified as available-for-sale financial assets;
- losses in value of variable-income securities;
- net income on disposal or termination of instruments used for fair value hedges of available-for-sale financial assets when the hedged item is sold;
- gains and losses on disposal or termination of loans and receivables and held-to-maturity securities in those cases provided for by IAS 39.

✓ Offsetting of financial assets and financial liabilities

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

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

The effect of this offsetting is presented in the table in Note 6.12 on the amendment to IFRS 7 on disclosures regarding the offsetting of financial assets and financial liabilities.

✓ Financial guarantees given

A financial guarantee contract is a contract that calls for specific payments to be made by the issuer to reimburse the holder for a loss incurred due to a specified 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 amount calculated in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; or

- the amount initially recognised, less any depreciation recognised in accordance with IAS 18 *Revenue*.

Financing commitments that are not designated as fair value through profit or loss or not treated as derivative instruments within the meaning of IAS 39 are not recognised on the balance sheet. They are, however, covered by provisions in accordance with IAS 37.

✓ Derecognition of financial instruments

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.

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.

PROVISIONS (IAS 37 and 19)

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

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

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

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

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

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

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

- the provision for operational risks, which although subject to examination for identified risks, requires Management to make assessments with regard to incident frequency and the potential financial impact;

- the provision for legal risks, which is based on Management's best estimate in light of the information in its possession at the end of the reporting period.

Detailed information is provided in Note 6.20 "Provisions".

EMPLOYEE BENEFITS (IAS 19)

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

- short-term employee benefits, including salaries, social security contributions, annual leave, profit-sharing and incentive plans and premiums, are defined as those which are expected to be settled within twelve months of the period in which the related services have been rendered;

- long-term employee benefits (long-service awards, variable compensation and premium payable 12 months or more after the end of the period);

- termination benefits;

- post-employment benefits falling into two categories: defined-benefit schemes and defined-contribution schemes.

✓ Long-term employee benefits

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

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

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

✓ Post-employment benefits

▪ Defined-benefit plans

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

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

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

Discount rates are determined based on the average term of the commitment, that is, the arithmetical average of the terms calculated between the valuation date and the payment date weighted by employee turnover assumptions.
The anticipated return on plan assets is also estimated by Management. Returns are estimated on the basis of expected returns on fixed income securities, and notably bond yields.

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

In accordance with IAS 19 revised, all actuarial gains or losses are recognised in other comprehensive income.
The amount of the provision is equal to:

- the present value of the obligation to provide the defined benefits at the end of the reporting period, calculated in accordance with the actuarial method recommended by IAS 19;

- if necessary, reduced by the fair value of the assets allocated to covering these commitments. These may be represented by an eligible insurance policy. In the event that 100% of the obligation is covered by a policy that meets exactly the expense amount payable over the period for all or part of a defined-benefit plan, the fair value of the policy is deemed to be the value of the corresponding obligation, i.e. the amount of the corresponding actuarial liability.

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

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

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

- **Defined contribution plans**

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

SHARE-BASED PAYMENTS (IFRS 2)

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

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

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

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

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

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

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

CURRENT AND DEFERRED TAXES

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 apporpriate.

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 Franceof long-term capital gains on the sale of equity investments, as defined by the General Tax Code, are exempt from tax as from the tax year commencing on 1 January 2007; with the exception of 12% of long-term capital gains that are taxed at the normally applicable rate. Accordingly, unrealised gains recognised at the end of the year generate a temporary difference requiring the recognition of deferred tax on this share.
Current and deferred tax is recognised in net income for the financial year, unless the tax arises from:

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

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

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

  a) either for the same taxable entity, or

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

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

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

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

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

Land is measured at cost less any impairment losses.

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

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

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

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

Fixed assets are depreciated over their estimated useful lives.

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

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

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

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

FOREIGN CURRENCY TRANSACTIONS (IAS 21)

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

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

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.

FEES AND COMMISSIONS (IAS 18)

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;
- when the result from a transaction involving the rendering of services can be estimated reliably, revenue from fees and commissions associated with the transaction is recognised in Fees and commissions by reference to the stage of completion of the transaction at the end of the reporting period:

a) fees and commissions paid or received in consideration for non-recurring services are fully recognised in the income statement.
Fees and commissions payable or receivable that are contingent upon meeting a performance target are recognised only if all the following conditions are met:

   i) the amount of fees and commissions can be reliably estimated,

   ii) it is probable that the future economic benefits from the services rendered will flow to the Company,

   iii) the stage of completion of the service can be reliably estimated, and the costs incurred for the service and the costs to complete it can be reliably estimated;

b) fees and commissions in consideration for on-going services, such as fees and commissions on payment instruments, are recognised in the income statement and spread over the duration of the service rendered.

INSURANCE BUSINESSES (IFRS 4)

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

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

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

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

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

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

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

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

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

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

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

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

These tests are based:

- firstly, on liquidity analyses of the Company, which show the company's capacity to access funding sources to meet its obligations and its ability to hold assets with unrealised losses even if new production declines. The tests were performed with and without new production;

- secondly, on a comparison between the average value of future services measured by the internal model replicating the Company's management decisions and the value of the assets representing the obligations at market value. This shows the company's ability to meet its obligations.

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

- in the event of a uniform 15% 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 group destined for sale) 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 group destined for sale) 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 group destined for sale) classified as held-for-sale is measured at the lower of its carrying amount and fair value less costs of sale. In case ofunrealised losses, impairment is recognised in the income statement. Non current assets are no longer amortised when they are reclassified.

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

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

- it represents a separate major business line or geographical area of operations;
- it is part of a single coordinated plan to dispose of a separate major business line or geographical area of operations; or
- it is a subsidiary acquired exclusively with a view to resale.

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

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

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

SCOPE OF CONSOLIDATION

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

- ✓ **Definitions of control**

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

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

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

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

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

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

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

✓ **Exclusions from the scope of consolidation**

In accordance with IAS 28 minority interests held by venture capital entities are excluded from the scope of consolidation insofar as they are classified under financial assets at fair value through profit or loss (including financial assets held for trading and financial assets designated at fair value through profit or loss).

CONSOLIDATION METHODS

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

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

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

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

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

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

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

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

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

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

RESTATEMENTS AND ELIMINATIONS

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

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

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

TRANSLATION OF FOREIGN SUBSIDIARIES' FINANCIAL STATEMENTS (IAS 21)

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

- if applicable, the local currency in which the financial statements are prepared is translated into the functional currency (currency of the main business environment of the entity). The translation is made as if the information had been recognised initially in the functional currency (same translation principles as for foreign currency transactions);

- the functional currency is translated into euros, the currency in which the Group's consolidated financial statements are presented. Assets and liabilities are translated at the closing rate. Income and expenses included in the income statement are translated at the average exchange rate for the period. Translation adjustments for assets, liabilities and income statement items are recorded under a specific item in equity. These translation differences are recognised as income during the total or partial transfer of the entity. In the event of the sale of a subsidiary (exclusive control), the reclassification of equity as income takes place only in the event of a loss of control.

BUSINESS COMBINATIONS - GOODWILL

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

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

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

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

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

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

The option may be exercised at each acquisition.

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

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

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

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

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

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

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

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

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 2017».

2.1 Tax law changes in France and the United States

- **Elimination of the 3% surtax on dividends for French companies following the decision of the French Constitutional Court**

Following the ruling by the Court of Justice of the European Union on 17 May 2017 that it violated European Directive 2011/96/EU on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States, the Constitutional Court found the 3% surtax on dividends unconstitutional in its judgement of 6 October 2017, regardless of whether these dividends represent operating profits or dividends of French and foreign subsidiaries.

The 2018 Finance Act thus removed the 3% surtax on dividends from the French General Tax Code. This provision applies to distributions paid out on or after 1 January 2018. The Group also applied for tax relief for prior financial years.

The impact on the Group's net income comprises a request for the repayment of €81 million in respect of this surtax.

- **French tax law changes**

The first 2017 Amending Finance Act was approved by the French National Assembly on 1 December 2017, followed by the 2018 Finance Act and the second 2017 Amending Finance Act on 21 December 2017. The corporate income tax changes had a significant effect on the financial statements of Crédit Agricole SA Group as of 31 December 2017.

Changes to the French corporate income tax rate by 2019/2022

The 2018 Finance Act speeds up the implementation of the reduction in the standard corporate income tax rate for financial years beginning on or after 1 January 2019. For the 2019, 2020, 2021 and 2022 financial years, the maximum standard rate, including the 3.3% social contribution, will be reduced to 32.03%, 28.92%, 27.37% and 25.83%, respectively.

Deferred tax assets and liabilities at 31 December 2017 were measured at the amount that is expected to be paid to or received from the tax authorities having regard to the dates of repayment or the recoverability of the deferred tax bases.

The impact of this law change on the Group's consolidated financial statements is a €61 million increase in the tax charge.

Extraordinary corporate income tax contributions by large French corporates

Following the striking down as unconstitutional of the 3% surcharge on dividend distributions (see above), the following were introduced for financial years ending from 31 December 2017 to 30 December 2018:

- an extraordinary contribution equal to 15% of the corporate income tax payable (before deduction of relief, tax credits and tax receivables of all kinds) by companies with Revenues of over €1 billion. This extraordinary contribution raises the effective tax rate to 39.43%;

- an additional contribution equal to 15% of the corporate income tax payable (before deduction of relief, tax credits and tax receivables of all kinds) by companies with Revenues of over €3 billion. This extraordinary contribution raises the effective tax rate to 44.43%.

The impact on the Group's net income is an additional tax charge of -€336 million.

- **US tax law changes**

Change in the US corporate income tax rate from 1 January 2018

Among other features, the US tax reform adopted at the end of December 2017 cuts the tax rate on corporate profits from 35% to 21%.

Applicable from 1 January 2018, this tax cut has an immediate impact on the deferred taxes of the Group's US subsidiaries, primarily pertaining to the Large Customers and Asset Gathering business lines.

The recognition of the future corporate income tax reduction on the deferred tax assets and liabilities of the Group's US companies had an impact of -€78 million in 2017.

2.2 Main changes in the scope of consolidation

- **Acquisition of Pioneer Investments**

On 3 July 2017, Amundi acquired the Pioneer Investments group companies from Pioneer Global Asset Management S.p.A. ("PGAM"), a UniCredit subsidiary, for a cash consideration of €3,539 million.
Amundi and UniCredit signed a definitive agreement on December 2016 in view of Amundi's acquisition of Pioneer Investments.

Founded in 1928, Pioneer Investments is an international asset management group active in 27 countries. Pioneer Investments primarily operates in Milan, Boston, Dublin and London and has a significant presence among others in Germany, Austria and the Czech Republic. It had around 1,800 employees on the acquisition date.

This deal created the 8th largest global asset management player in terms of assets under management. The combined entity will service all customer segments with a wide range of products and solutions coupled with unrivalled quality of service and commitment.

The 18 subsidiaries and 12 branches acquired are presented in Note 11 "Scope of consolidation at 31 December 2017". They are all fully consolidated, with the Group having a 68.5% interest.

This acquisition was financed, for €1,413 million, by Amundi's capital increase, completed in March 2017, of which €578 million was subscribed by the Group, available capital of €1,481 million, and the issuance of senior and subordinated debt for €645 million subscribed by Crédit Agricole S.A.

Impact of Amundi's capital increase in the consolidated financial statements of Crédit Agricole S.A.

The Group has sold some of its preferential subscription rights for €65 million. As a result of this dilutive capital increase, Crédit Agricole S.A. Group holds 68,5% of Amundi's equity before restatement of Amundi's treasury shares.

Under IFRS 3 (Revised), changes in an equity interest in a fully consolidated entity, without loss of control, are recognised in equity.
The capital increase and the sale of the preferential subscription rights, considered as transactions between shareholders, are recognised in equity.

This capital increase and the sale of the preferential subscription rights resulted in a €98 million increase in consolidated reserves and a €817 million increase in non-controlling interests.

Other impacts of Pioneer's acquisition on the consolidated financial statements of Crédit Agricole S.A. Group

This acquisition increased the Group's balance sheet by €3.5 billion.

The post-combination balance sheet, prepared as of 3 July 2017, reflects the fair value of the assets acquired and liabilities assumed by the Group, namely €664 million, as well as the assets and liabilities identified in the course of allocating Goodwill for €339 million net of deferred taxes and mainly relate to the distribution agreements pertaining to retail customers in Italy, Germany, Austria and the Czech Republic.

The goodwill from the deal totalled €2.5 billion (see Note 6.18 "Goodwill").

In accordance with IFRS 3 (Revised), the assets acquired and liabilities assumed from the subgroup acquired were identified, classified and measured at fair value at the acquisition date; this process could be finalised within 12 months of the acquisition.

Contribution to the Group's consolidated net income and net income of the combined entity

Pursuant to IFRS 3 (Revised), the following are communicated:

- the Revenues and Net Income of Pioneer Investments since the acquisition date, as included in the consolidated income statement at 31 December 2017;
- the Revenues and Net income of the Credit Agricole S.A 's Group for the 2017 financial year, as if the Pioneer Investments had been acquired at the beginning of the 2017 financial year.

In millions of euros	Contribution of Pioneer Investments since the acquisition	Impact as if the Pioneer Investments had been acquired at the beginning of the 2017
REVENUES	408	19 060
NET INCOME	106	4 343

- **Acquisition of three Italian savings banks**

Following the agreement reached with the Italian Interbank Deposit Protection Fund, on 21 December 2017, Crédit Agricole Cariparma acquired 95% of the share capital of the Cesena, Rimini and San Miniato savings banks for €130 million. Following receipt of all regulatory clearance, these entities were fully consolidated in the financial statements as of 31 December 2017.

In order to fund this deal, on 21 December 2017 Crédit Agricole Cariparma carried out a €320 million capital increase to which Crédit Agricole S.A. subscribed for €256 million.

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

The work to identify, classify and measure the assets and liabilities of the companies acquired may be finalised within twelve months of the acquisition.

The contribution of these three banks to the Group's consolidated net income and the net income of the combined entity, excluding the impact of Badwill, is not material.

- **Acquisition by Crédit Agricole S.A. of the 15% stake in CACEIS held by Natixis**

On 22 December 2017, Crédit Agricole S.A. Group completed the €380 million acquisition of the 15% stake held by Natixis in CACEIS, its asset servicing subsidiary, which it now owns outright.

Under IFRS 3 (Revised), changes in an equity interest in a fully consolidated entity, without taking control, are recognised in equity. The transaction reduced Consolidated reserves by €144 million and Non-controlling interests by €236 million.

- **Additional acquisition of Icade shares**

An Icade shareholder since 2013, Crédit Agricole Assurances increased its 5.6% holding on 19 June 2017 by buying out Groupama's 12.9% stake in the company for a consideration of €715 million.

The transaction is in line with the Insurance business' policy of taking minority stakes in listed property companies. Icade is a property development and investment company that owns tertiary sector property and healthcare facilities and is also involved in office and residential property development when favourable market conditions arise. Icade is a major player of the Grand Paris project and in other major French cities.

As a result of the transaction, Crédit Agricole Assurances is now Icade's second-largest shareholder. Accordingly, Icade's shareholding structure is as follows: 39% held by Caisse des Dépôts et Consignations and 18.5% by Crédit Agricole Assurances, with a free float of 42.5%.

The equity investment in Icade, recognised in Investments in equity-accounted entities, was valued at €966 million at 31 December 2017.

- **Disposal by Crédit Agricole S.A. of its stake in Eurazeo**

On 16 June 2017, Crédit Agricole S.A. sold its entire stake in Eurazeo, representing 15.42% of the company's capital, to the Decaux family's investment company, JCDecaux Holding, for a total of €790.5 million.

In parallel, Crédit Agricole S.A. set up a mechanism which offsets the impact of fluctuations in the price of Eurazeo shares, used as collateral for the Crédit Agricole S.A. bonds exchangeable for Eurazeo shares issued in September 2016.

The impact of this transaction on Crédit Agricole S.A.'s net income Group share at 31 December 2017 was +€100 million, including+ €103million recognised in Share of net income of equity-accounted entities, the residual amount corresponding to disposal fees net of tax.

- **Disposal by Crédit Agricole CIB of its stake in Banque Saudi Fransi**

On 20 September 2017, of the 31.1% of Banque Saudi Fransi securities held, Cacib sold 16.2% to Kingdom Holding Company (KHC) for €1.3 billion. This sale led to a significant loss of influence and the securities retained were remeasured at fair value as part of their reclassification as available-for-sale securities.

The impact of this disposal and the remeasurement of the shares that were retained, net of related Saudi and French taxes, amounted to €102 million, recognised under Share of net income of equity-accounted entities, or €101 million in Net income Group share as at 31 December 2017.

- **Disposal by Crédit Agricole Assurances of its stake in Eurosic**

Prior to the transaction, Crédit Agricole Assurances owned 18.3% of the share capital of Eurosic and €70 million in Eurosic subordinated bonds redeemable in shares (OSRA) issued in 2015 and 2016. Eurosic was accounted for under the equity-method in the financial statements of Crédit Agricole S.A. Group. CAA also held 13.2% of the share capital of Gecina, which was not consolidated.
On 29 August 2017, Crédit Agricole S.A. Group sold 88% of its shares and 100% of its Eurosic OSRA to Genica for €505 million at a price of €51 per share and per OSRA. On 1 November 2017, the Group sold its remaining securities for €54 million.

In light of the recognition of net income of equity-accounted entities in the Insurance business as Revenues, the disposal and remeasurement of Eurosic shares generated a consolidated capital gain of +€19.7 million net of policyholders' profit sharing and net of tax. The disposal of the Eurosic OSRA generated a capital gain of €2.4 million net of policyholders' profit sharing and net of tax.

- **Sale of CARE**

CARE, Crédit Agricole S.A.Group's reinsurance company based in Luxembourg and wholly owned by Crédit Agricole Assurances, was classified in Held-for-sale and discontinued operations in the fourth quarter of 2016.

Its sale on 18 May 2017 for a consideration of €186 million generated a capital gain on disposal of €30 million, recognised in Net income from discontinued or held-for-sale operations in the consolidated financial statements at 31 December 2017.

- **Proposed sale of Banque Themis (IFRS 5)**

On 22 June 2017, LCL received a firm offer for the sale of Banque Themis, which is consolidated at 95% by Crédit Agricole S.A. group. This offer is currently before the European supervisory authorities.

In light of the binding offer received, the contribution of Banque Themis to the consolidated financial statements at 31 December 2017 is accounted for in accordance with IFRS 5 on entities held for sale: the balance sheet items are transferred to special headings, namely €156 million under Non-current assets held for sale and discontinued operations and €120 million under Liabilities associated with non-current assets held for sale and discontinued operations. No unrealised loss on disposal is expected.

- **Proposed sale of Forso Nordic AB (IFRS 5)**

Crédit Agricole Consumer Finance (CACF) 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 CACF.

In a registered letter dated 29 May 2017, CACF decided to terminate the agreement, effective from 31 August 2018. On 23 August 2017, HoldCo AB exercised its call option over the shares held by CACF. The exercise of this call option represents a binding and irrevocable promise to buy out all of CACF's stake.

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 €69 million and net income transferred to Net income from discontinued or held-for-sale operations for -€1 million. An unrealised capital loss on disposal of -€15 million was recognised under the same heading in the consolidated financial statements as of 31 December 2017.

2.3 Impairment losses on goodwill International retail banking - Poland CGU

Impairment testing on goodwill resulted in the write-off of the value of the International retail banking – Poland CGU.

This impairment reflects the significant deterioration in the anticipated financial outlook for CA Polska against the background of an adverse regulatory, competitive and interest rate environment that is lasting longer than previously envisaged.

This impairment impacts Net income Group share by €222 million without affecting the Group's solvency ratio, goodwill being fully deducted, or liquidity, the impairment charge being non-cash in nature, or the dividend policy of Crédit Agricole S.A. Group.

2.4 Home purchase savings schemes provision

The Home purchase savings schemes provision at 31 December 2017 was impacted by the change in some models. The extension to 18 years of the run-off model for the Home purchase savings plan led to a €125 million reversal, while the change in calculation method for the savings reference rate resulted in a €29 million reversal.

2.5 Cheque Image Exchange litigation

In its ruling handed down on 21 December 2017, the Paris Court of Appeal confirmed a decision by the French Competition Authority (*Autorité de la Concurrence* - ADLC), which fined the main French banks in 2010 for colluding to fix the prices and conditions for clearing cheques. In the wake of that ruling, the fine owed by Crédit Agricole Group amounts to €97.5 million.
Following allocation of this fine to the companies in the Group, the impact for Crédit Agricole S.A. Group is -€59.2 million recognised under Revenues.

2.6 Consequences of early redemption of macro-hedged loans

Crédit Agricole S.A. group has performed a detailed analysis of its macro-hedging to take into account the low interest rate environment as well as the impact of early repayments and home loan renegotiations.

The persistence of low rates and the volume of early repayment and renegotiation requests observed during the first half of 2017 led the Group to review the calculation assumptions set for the coming years to determine the impacts on its over-hedging position.

In light of this, a -€2 million impact was recognised in Revenues at 31 December 2017, corresponding to the derecognition of the revaluation of the loan book, initially covered, which was repaid, and the inefficiency relative to the redesignation of hedging instruments.

2.7 Optimising the debt of the Crédit Agricole S.A. group

On 15 May 2017, Crédit Agricole S.A. simultaneous launched buy back offers in cash in respect of 6 outstanding undated deeply subordinated debt instruments to optimise its own equity structure and at the same time that of the Credit Agricole Group.

The transaction was conducted between 23 May and 16 June 2017 for a nominal amount of €1,2 billion.
Net of the hedging effect, these redemptions generated income of €39 million before tax in the financial statements at 31 December 2017.

3. Financial management, risk exposure and hedging policy

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

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

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

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

3.1 Credit risk

(see chapter "Risk factors – Credit Risk")

MAXIMUM EXPOSURE TO CREDIT RISK

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

(in millions of euros)	31/12/2017	31/12/2016
Financial assets at fair value through profit or loss (excluding equity securities and assets backing unit-linked contracts)	251 891	267 108
Hedging derivative instruments	16 435	21 928
Available-for-sale financial assets (excluding equity securities)	276 090	286 111
Loans, receivables and security deposits due from credit institutions (excluding Crédit Agricole internal transactions)	106 897	118 065
Loans, receivables and security deposits due from customers	367 814	355 625
Held-to-maturity financial assets	20 180	14 354
Exposure to on-balance sheet commitments (net of impairment losses)	**1 039 307**	**1 063 191**
Financing commitments given (excluding Crédit Agricole internal operations)	149 257	162 409
Financial guarantee commitments given (excluding Crédit Agricole internal operations)	89 599	79 328
Provisions - Financing commitments	(489)	(271)
Exposure to off-balance sheet financing commitments (net of provisions)	**238 367**	**241 466**
Maximum exposure to Credit Risk	**1 277 674**	**1 304 657**

Guarantees and other credit enhancements amount to:

(in millions of euros)	31/12/2017	31/12/2016
Loans and receivables due from credit institutions (excluding Crédit Agricole internal transactions)	2 533	2 224
Loans and receivables due from customers	178 144	179 529
Financing commitments given (excluding Crédit Agricole internal operations)	18 809	12 525
Guarantee commitments given (excluding Crédit Agricole internal operations)	4 715	6 548

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

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

BREAKDOWN OF LOAN ACTIVITY BY CUSTOMER TYPE

Loans and receivables due from credit institutions and due from customers by customer type (excluding Crédit Agricole internal transactions)

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

(1) *Of which €11,449 million in restructured loans.*

(in millions of euros)	31/12/2016 Restated Gross outstanding	of which gross loans and receivables individually impaired	Individual impairment	Collective impairment	Total
General administration	6 237 -	34	22	47	**6 168**
Central banks	14 648 -	-	-	-	**14 648**
Credit institutions	84 286 -	472	435	-	**83 851**
Large corporates	206 480 -	10 600	5 236	1 633	**199 611**
Retail customers	144 342 -	5 736	3 102	765	**140 475**
Total loans and receivables due from credit institutions and due from customers	**455 993** (1)	**16 842**	**8 795**	**2 445**	**444 753**

(1) Of which €12,089 million in restructured loans.

Loans and receivables designated at fair value through profit or loss

(in thousands of euros)	31/12/2017 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	

Commitments given to customers by customer type

(in millions of euros)	31/12/2017	31/12/2016
Financing commitments given to customers		
General administration	1 938	2 013
Large corporates	106 652	117 601
Retail customers	16 685	18 547
Total loan commitments	**125 275**	**138 161**
Guarantee commitments given to customers		
General administration	293	1 562
Large corporates	80 126	69 586
Retail customers	1 201	1 568
Total guarantee commitments	**81 620**	**72 716**

Due to customers by customer type

(in millions of euros)	31/12/2017	31/12/2016
General administration	15 575	13 923
Large corporates	174 494	165 365
Retail customers	360 677	342 541
Total amount due to customers	**550 746**	**521 828**

BREAKDOWN OF LOAN ACTIVITY BY GEOGRAPHICAL AREA

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

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

(1) Of which €11,449 million in restructured loans.

	31/12/2016				
(in millions of euros)	Gross outstanding	of which gross loans and receivables individually impaired	Individual impairment	Collective impairment	Total
France (including overseas departments and territories)	220 434	4 525	2 451	611	217 372
Other European Union countries	122 953	8 303	3 967	830	118 156
Other European countries	15 428	558	390	141	14 897
North America	27 038	575	87	211	26 740
Central and South America	13 216	930	689	243	12 284
Africa and Middle East	18 452	1 345	1 009	237	17 206
Asia-Pacific (ex. Japan)	23 594	606	202	169	23 223
Japan	14 768	-	-	3	14 765
Supranational organisations	110	-	-	-	110
Total Loans and receivables due from credit institutions and due from customers	**455 993** (1)	**16 842**	**8 795**	**2 445**	**444 753**

(1) Of which €12,089 million in restructured loans.

Commitments given to customers: geographical analysis

(in millions of euros)	31/12/2017	31/12/2016
Financing commitments given to customers		
France (including overseas departments and territories)	50 489	50 210
Other European Union countries	33 677	38 839
Other European countries	5 094	5 086
North America	19 865	27 696
Central and South America	5 710	4 208
Africa and Middle East	3 545	3 361
Asia-Pacific (ex. Japan)	5 919	6 310
Japan	976	2 451
Total loan Commitments	**125 275**	**138 161**
Guarantee commitments given to customers		
France (including overseas departments and territories)	44 965	38 036
Other European Union countries	16 445	13 209
Other European countries	3 313	3 541
North America	7 502	7 319
Central and South America	1 121	1 160
Africa and Middle East	1 229	1 580
Asia-Pacific (ex. Japan)	4 003	6 178
Japan	3 043	1 693
Total guarantee Commitments	**81 620**	**72 716**

Due to customers: geographical analysis

(in millions of euros)	31/12/2017	31/12/2016
France (including overseas departments and territories)	389 500	365 784
Other European Union countries	100 036	86 625
Other European countries	12 328	12 177
North America	12 704	14 103
Central and South America	5 281	6 995
Africa and Middle East	12 448	13 889
Asia-Pacific (ex. Japan)	10 523	12 596
Japan	7 683	9 441
Supranational organisations	243	218
Total Amount due to customers	**550 746**	**521 828**

INFORMATION ON WATCH LIST OR INDIVIDUALLY IMPAIRED FINANCIAL ASSETS

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

	31/12/2017						31/12/2017
	Payments arrears on watch list loans						
(in millions of euros)	≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year	Net carrying amount of watch list financial assets	Net carrying amount of individually impaired financial assets	Impairment of individually and collectively tested financial assets
Equity instruments	-	-	-	-	-	1 931	1 085
Debt instruments	-	-	-	-	-	57	244
General administration	-	-	0	-	0	-	-
Central banks	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	1	1
Large corporates	-	-	-	-	-	56	243
Retail customers	-	-	-	-	-	-	-
Loans and advances	5 096	165	115	108	5 485	7 278	10 366
General administration	50	3	1	2	55	81	50
Central banks	-	-	-	-	-	-	-
Credit institutions	40	3	2	2	46	25	386
Large corporates	2 170	103	71	78	2 422	4 660	6 225
Retail customers	2 836	56	42	27	2 961	2 512	3 705
Total watch list or individually impaired financial assets	**5 096**	**165**	**115**	**108**	**5 485**	**9 266**	**11 695**

	31/12/2016						31/12/2016
	Payments arrears on watch list loans						
(in millions of euros)	≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year	Net carrying amount of watch list financial assets	Net carrying amount of individually impaired financial assets	Impairment of individually and collectively tested financial assets
Equity instruments	-	-	-	-	-	1 951	1 168
Debt instruments	-	-	-	-	-	52	409
General administration	-	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	151
Large corporates	-	-	-	-	-	52	258
Retail customers	-	-	-	-	-	-	-
Loans and advances	5 262	134	111	95	5 601	8 047	11 240
General administration	47	2	2	1	52	13	69
Central banks	-	-	-	-	-	-	-
Credit institutions	36	3	1	6	46	37	435
Large corporates	2 715	76	59	54	2 904	5 363	6 869
Retail customers	2 463	53	49	33	2 599	2 634	3 867
Total watch list or individually impaired financial assets	**5 262**	**134**	**111**	**95**	**5 601**	**10 050**	**12 817**

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

	31/12/2017				31/12/2016
	Derivative instruments by maturity			Total market value	Total market value
(in millions of euros)	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
Interest rate instruments	**1 529**	**6 163**	**8 125**	**15 817**	**20 785**
. Interest rate swaps	1 445	6 163	**8 124**	15 732	20 701
. Interest rate options	-	-	-	-	-
. Caps - floors - collars	84	-	-	84	83
. Other options	-	-	1	1	1
Currency and gold	**177**	**44**	**73**	**294**	**525**
. Currency futures	173	44	73	290	510
. Currency options	4	-	-	4	15
Other instruments	74	-	-	**74**	**14**
. Equity and index derivatives	**74**	-	-	74	14
Subtotal	**1 780**	**6 207**	**8 198**	**16 185**	**21 324**
. Forward currency transactions	250	-	-	250	604
Total fair value of hedging derivatives - Assets	**2 030**	**6 207**	**8 198**	**16 435**	**21 928**

Hedging derivative instruments – Fair value of liabilities

	31/12/2017				31/12/2016
	Derivative instruments by maturity			Total market value	Total market value
(in millions of euros)	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
Interest rate instruments	**1 250**	**3 897**	**7 653**	**12 800**	**17 460**
. Interest rate swaps	1 232	3 882	7 653	12 767	17 409
. Interest rate options	-	-	-	-	-
. Caps - floors - collars	16	12	-	28	51
. Other options	2	3	-	5	-
Currency and gold	**212**	**13**	**8**	**233**	**204**
. Currency futures	**209**	**13**	**8**	230	189
. Currency options	3	-	-	3	15
Other instruments	**35**	-	-	**35**	**5**
. Equity and index derivatives	**35**	-	-	35	5
Subtotal	**1 497**	**3 910**	**7 661**	**13 068**	**17 669**
. Forward currency transactions	193	10	-	203	221
Total fair value of hedging derivatives - Liabilities	**1 690**	**3 920**	**7 661**	**13 271**	**17 890**

Derivative instruments held for trading – Fair value of assets

(in millions of euros)	31/12/2017							31/12/2016
	Exchange-traded			Over-the-counter			Total market value	Total market value
	≤ 1 year	> 1 year ≤ 5 years	> 5 years	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
Interest rate instruments	**175**	**1 022**	**1 812**	**7 789**	**18 122**	**48 645**	**77 565**	**107 174**
. Futures	168	1 020	1 812	-	-	-	3 000	3 398
. FRAs	-	-	-	258	95	-	353	267
. Interest rate swaps	-	-	-	6 410	14 098	32 905	53 413	73 885
. Interest rate options	-	-	-	486	1 762	14 243	16 491	23 529
. Caps - floors - collars	-	-	-	634	2 167	1 497	4 298	6 074
. Other options	7	2	-	1	-	-	10	21
Currency and gold	**15**	**-**	**-**	**3 510**	**2 985**	**2 256**	**8 766**	**15 322**
. Currency futures	3	-	-	3 046	1 995	1 463	6 507	12 378
. Currency options	12	-	-	464	990	793	2 259	2 944
Other instruments	**86**	**343**	**605**	**1 511**	**2 896**	**545**	**5 986**	**6 433**
. Equity and index derivatives	85	342	605	1 443	2 525	392	5 392	5 670
. Precious metal derivatives	1	-	-	5	-	21	27	7
. Commodities derivatives	-	-	-	-	-	-	-	-
. Credit derivatives	-	-	-	26	367	58	451	704
. Other	-	1	-	37	4	74	116	52
Subtotal	**276**	**1 365**	**2 417**	**12 810**	**24 003**	**51 446**	**92 317**	**128 929**
. Forward currency transactions	-	-	-	11 602	1 762	114	13 478	20 379
Total fair value of transaction derivatives - Assets	**276**	**1 365**	**2 417**	**24 412**	**25 765**	**51 560**	**105 795**	**149 308**

Derivative instruments held for trading – Fair value of liabilities

(in millions of euros)	31/12/2017							31/12/2016
	Exchange-traded			Over-the-counter			Total market value	Total market value
	≤ 1 year	> 1 year ≤ 5 years	> 5 years	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
Interest rate instruments	**136**	**821**	**1 396**	**7 923**	**18 027**	**50 859**	**79 162**	**108 792**
. Futures	135	795	1 396	-	-	-	2 326	2 672
. FRAs	-	-	-	263	89	-	352	265
. Interest rate swaps	-	-	-	7 152	13 841	34 305	55 298	75 125
. Interest rate options	-	-	-	115	1 686	14 564	16 365	24 212
. Caps - floors - collars	-	-	-	391	2 411	1 990	4 792	6 510
. Other options	1	26	-	2	-	-	29	8
Currency and gold	**34**	**-**	**-**	**3 577**	**2 280**	**1 885**	**7 776**	**15 396**
. Currency futures	-	-	-	2 763	1 991	1 333	6 087	13 035
. Currency options	34	-	-	814	289	552	1 689	2 361
Other instruments	**93**	**311**	**656**	**725**	**2 565**	**574**	**4 924**	**5 761**
. Equity and index derivatives	86	311	656	504	1 970	527	4 054	4 629
. Precious metal derivatives	7	-	-	3	1	16	27	-
. Credit derivatives	-	-	-	203	594	31	828	1 056
. Other	-	-	-	15	-	-	15	76
Subtotal	**263**	**1 132**	**2 052**	**12 225**	**22 872**	**53 318**	**91 862**	**129 949**
. Forward currency transactions	-	-	-	11 988	2 578	81	14 647	18 531
Total fair value of transaction derivatives - Liabilities	**263**	**1 132**	**2 052**	**24 213**	**25 450**	**53 399**	**106 509**	**148 480**

DERIVATIVE INSTRUMENTS: TOTAL COMMITMENTS

(in millions of euros)	31/12/2017 Total notional amount outstanding	31/12/2016 Total notional amount outstanding
Interest rate instruments	**10 032 748**	**10 900 592**
. Futures	7 295 162	7 676 655
. FRAs	670	8 784
. Interest rate swaps	1 417 709	1 720 796
. Interest rate options	705 566	795 660
. Caps - floors - collars	461 944	598 247
. Other options	151 697	100 450
Currency and gold	**3 147 371**	**3 982 012**
. Currency futures	2 712 825	3 592 037
. Currency options	434 546	389 975
Other instruments	**123 232**	**127 641**
. Equity and index derivatives	90 188	61 597
. Precious metal derivatives	861	2 809
. Commodities derivatives	1	3
. Credit derivatives	32 182	63 228
. Other	-	4
Subtotal	**13 303 351**	**15 010 245**
. Forward currency transactions	1 021 771	516 900
Total Notional amount	**14 325 122**	**15 527 145**

FOREIGN EXCHANGE RISK

Analysis of the consolidated balance sheet by currency

	31/12/2017		31/12/2016	
(in millions of euros)	Assets	Liabilities	Assets	Liabilities
EUR	1 278 520	1 297 494	1 234 376	1 253 168
Other European Union currencies	34 076	34 099	33 900	32 576
USD	125 669	125 050	177 610	173 897
JPY	37 725	30 698	29 211	29 254
Other currencies	74 293	62 942	49 135	35 337
Total	**1 550 283**	**1 550 283**	**1 524 232**	**1 524 232**

Breakdown of bonds and subordinated debt by currency

(in millions of euros)	31/12/2017 Bonds	31/12/2017 Dated subordinated debt	31/12/2017 Undated subordinated debt	31/12/2016 Bonds	31/12/2016 Dated subordinated debt	31/12/2016 Undated subordinated debt
EUR	66 797	18 535	1 608	61 385	19 668	1 844
Other European Union currencies	341	544	532	436	740	744
USD	10 022	2 149	794	9 893	2 555	2 294
JPY	5 264	639	-	4 920	721	-
Other currencies	3 752	363	-	3 415	312	165
Total	**86 176**	**22 230**	**2 934**	**80 049**	**23 996**	**5 047**

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

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

	31/12/2016					
(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Loans and receivables due from credit institutions (including Crédit Agricole internal transactions)	102 130	86 196	123 238	70 983	727	383 274
Loans and receivables due from customers (of which finance leases)	86 103	35 067	127 647	104 028	4 213	357 058
Total	**188 233**	**121 263**	**250 885**	**175 011**	**4 940**	**740 332**
Impairment						**(11 240)**
Total loans and receivables due from credit institutions and from customers						**729 092**

DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS BY RESIDUAL MATURITY

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

	31/12/2016					
(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Due to credit institutions (including Crédit Agricole internal transactions)	51 364	11 475	28 871	20 589	29	112 328
Due to customers	442 298	36 505	36 427	5 587	1 011	521 828
Total amount due to credit institutions and to customers	**493 662**	**47 980**	**65 298**	**26 176**	**1 040**	**634 156**

DEBT SECURITIES AND SUBORDINATED DEBT

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

	31/12/2016					
(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Debt securities						
Interest bearing notes	62	78	7	-	-	147
Money-market instruments	237	3 282	5 435	6 173	-	15 127
Negotiable debt instruments	40 740	16 573	3 390	158	-	60 861
Bonds	5 952	8 093	27 885	38 119	-	80 049
Other debt securities	865	983	1 248	-	-	3 096
Total Debt securities	**47 856**	**29 009**	**37 965**	**44 450**	**-**	**159 280**
Subordinated debt						
Dated subordinated debt	815	175	7 394	15 611	-	23 995
Undated subordinated debt	91	1	-	-	4 956	5 048
Mutual security deposits	-	-	-	-	163	163
Participating securities and loans	-	-	-	1	120	121
Total subordinated Debt	**906**	**176**	**7 394**	**15 612**	**5 239**	**29 327**

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.

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

	31/12/2016					
(in millions of euros)	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Financial guarantees given	105	43				148

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

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

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

FAIR VALUE HEDGES

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

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

FUTURE CASH FLOW HEDGES

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

Items hedged are principally floating-rate loans and deposits.

HEDGE OF NET INVESTMENT IN FOREIGN CURRENCY

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

HEDGING DERIVATIVE INSTRUMENTS

	31/12/2017			31/12/2016		
	Market value		Notional	Market value		Notional
(in millions of euros)	positive	negative	Amount	positive	negative	Amount
Fair value hedges	**14 627**	**12 997**	**843 951**	**19 810**	**17 652**	**909 682**
Interest rate	14 156	12 687	795 125	18 757	17 359	853 243
Equity instruments	-	-	-	-	-	-
Foreign exchange	471	310	48 826	1 053	293	56 439
Credit	-	-	-	-	-	-
Commodities	-	-	-	-	-	-
Other	-	-	-	-	-	-
Cash flow hedges	**1 783**	**244**	**30 523**	**2 106**	**173**	**32 131**
Interest rate	1 662	112	23 850	2 028	101	26 360
Equity instruments	74	35	159	14	5	191
Foreign exchange	47	97	6 514	64	67	5 580
Credit	-	-	-	-	-	-
Commodities	-	-	-	-	-	-
Other	-	-	-	-	-	-
Hedges of net investments in foreign operations	**25**	**30**	**4 641**	**12**	**65**	**5 612**
Total hedging derivative instruments	**16 435**	**13 271**	**879 115**	**21 928**	**17 890**	**947 425**

3.5 Operational risks

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

3.6 Capital management and regulatory ratios

Crédit Agricole S.A.’s Financial Management department is responsible for organising financial flows within Crédit Agricole S.A. Group, defining and implementing refinancing rules, asset and liability management, and managing regulatory ratios. It sets out the principles and ensures a cohesive financial management system throughout the Group. **Information on management of capital and compliance with regulatory ratios as required by IAS 1 is given 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 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.

4. Notes to the income statement and other comprehensive income

4.1 Interest income and expenses

(in millions of euros)	31/12/2017	31/12/2016
Interbank transactions	1 617	1 184
Crédit Agricole internal transactions	3 285	3 455
Customer transactions	10 264	10 472
Accrued interest receivable on available-for-sale financial assets	5 971	6 287
Accrued interest receivable on held-to-maturity financial assets	524	547
Accrued interest receivable on hedging instruments	2 285	2 322
Finance leases	710	725
Other interest income	48	58
Interest and similar income (1)	**24 704**	**25 050**
Interbank transactions	(1 095)	(870)
Crédit Agricole internal transactions	(1 096)	(1 276)
Customer transactions	(5 102)	(5 072)
Debt securities	(3 064)	(3 798)
Subordinated debt	(1 052)	(1 380)
Accrued interest receivable on hedging instruments	(797)	(727)
Finance leases	(194)	(188)
Other interest expense	**(28)**	-
Interest and similar expenses	**(12 428)**	**(13 311)**

(1) *Including €169 million on receivables impaired individually at 31 December 2017, compared with €149 million at 31 December 2016.*

4.2 Net fees and commissions

(in millions of euros)	31/12/2017			31/12/2016		
	Produits	Charges	Net	Produits	Charges	Net
Interbank transactions	218	(40)	178	184	(42)	**142**
Crédit Agricole internal transactions	812	(544)	268	798	(765)	**33**
Customer transactions	1 841	(213)	1 628	1 916	(193)	**1 723**
Securities transactions	44	(69)	(25)	43	(83)	**(40)**
Foreign exchange transactions	37	(38)	(1)	32	(34)	**(2)**
Derivative instruments and other off-balance sheet items	350	(181)	169	265	(167)	**98**
Payment instruments and other banking and financial services	2 142	(3 378)	(1 236)	2 082	(3 287)	**(1 205)**
Mutual funds management, fiduciary and similar operations	4 090	(1 266)	2 824	2 694	(597)	**2 097**
Net fees and commissions	**9 534**	**(5 729)**	**3 805**	**8 014**	**(5 168)**	**2 846**

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

(in millions of euros)	**31/12/2017**	**31/12/2016**
Dividends received	628	691
Unrealised or realised gains (losses) on assets/liabilities held for trading	1 318	799
Unrealised or realised gains (losses) on assets/liabilities designated at fair value through profit or loss	2 124	562
Net gains (losses) on Foreign exchange transactions and similar financial instruments (excluding gains or losses on hedges of net investments in foreign operations)	580	682
Gains (losses) from hedge accounting	(30)	(397)
Net gains (losses) on financial instruments at fair value through profit or loss	**4 620**	**2 337**

The impact of Crédit Agricole CIB's issuer spread was an expense of €222 million on revenues at 31 December 2017 versus an expense of €158 million at 31 December 2016.

Analysis of net gains (losses) from hedge accounting:

	31/12/2017		
(in millions of euros)	**Gains**	**Losses**	**Net**
Fair value hedges	**5 306**	**(5 316)**	**(10)**
Change in fair value of hedged items attributable to hedged risks	2 910	(1 785)	**1 125**
Change in fair value of hedging derivatives (including termination of hedges)	2 396	(3 531)	**(1 135)**
Cash flow hedges	**-**	**-**	**-**
Change in fair value of hedging derivatives - ineffective portion	-	-	-
Hedges of net investments in foreign operations	**-**	**-**	**-**
Change in fair value of hedging derivatives - ineffective portion	-	-	-
Fair value hedge of the interest rate exposure of a portfolio of financial instruments	**10 848**	**(10 868)**	**(20)**
Change in fair value of hedged items	5 673	(5 143)	530
Change in fair value of hedging derivatives	5 175	(5 725)	(550)
Cash flow hedge of the interest rate exposure of a portfolio of financial instruments	**1**	**(1)**	**-**
Change in fair value of hedging instrument - ineffective portion	1	(1)	-
Total Gains (Losses) from hedge accounting	**16 155**	**(16 185)**	**(30)**

(in millions of euros)	31/12/2016 Gains	Losses	Net
Fair value hedges	**3 370**	**(3 366)**	**4**
Change in fair value of hedged items attributable to hedged risks	1 267	(1 492)	(225)
Change in fair value of hedging derivatives (including termination of hedges)	2 103	(1 874)	229
Cash flow hedges	**-**	**-**	**-**
Change in fair value of hedging derivatives - ineffective portion	-	-	-
Hedges of net investments in foreign operations	**-**	**-**	**-**
Change in fair value of hedging derivatives - ineffective portion	-	-	-
Fair value hedge of the interest rate exposure of a portfolio of financial instruments	**25 089**	**(25 490)**	**(401)**
Change in fair value of hedged items	11 585	(13 686)	(2 101)
Change in fair value of hedging derivatives	13 504	(11 804)	1 700
Cash flow hedge of the interest rate exposure of a portfolio of financial instruments	**-**	**-**	**-**
Change in fair value of hedging instrument - ineffective portion	-	-	-
Total Gains (Losses) from hedge accounting	**28 459**	**(28 856)**	**(397)**

[1] Impact of -€381 million related to the early redemption of macro-hedged loans

4.4 Net gains (losses) on available-for-sale financial assets

(in millions of euros)	31/12/2017	31/12/2016
Dividends received	1 092	1 117
Realised gains (losses) on available-for-sale financial assets [1]	2 025	1 375
Permanent impairment losses on equity investments	(81)	(267)
Gains (losses) on disposal of held-to-maturity financial assets and on loans and receivables	(8)	(26)
Net Gains (Losses) on available-for-sale financial assets	**3 028**	**2 199**

[1] Excluding realised gains or losses on permanently impaired fixed income securities recognised as available-for-sale financial assets mentioned in Note 4.8 « Cost of risk ».

4.5 Net income (expenses) on other activities

(in millions of euros)	31/12/2017	31/12/2016
Gains (losses) on fixed assets not used in operations	(1)	(3)
Other net income from insurance activities (1) (2)	7 779	8 281
Change in insurance technical reserves (3)	(13 260)	(10 913)
Net income from investment property	280	159
Other net income (expense)	107	208
Income (expense) related to other activities	**(5 095)**	**(2 268)**

(1) The €502 million decrease in Other net income from insurance activities was mainly due to a fall in net inflows (-€351 million) and an increase in benefits paid in the amount of €179 million.
(2) The share of income of insurance activities and associates as well as the related share of benfits are classified as Other net income from insurance activities (see Note 6.15 "Joint ventures and associates").
(3) The €2,347 million increase in insurance company technical reserves is due in the main to market developments in unit-linked contracts.

4.6 Operating expenses

(in millions of euros)	31/12/2017	31/12/2016
Employee expenses	(6 933)	(6 591)
Taxes other than on income or payroll-related	(763)	(693)
External services and other operating expenses	(3 742)	(3 708)
Operating expenses	**(11 438)**	**(10 992)**

FEES PAID TO STATUTORY AUDITORS

The breakdown of fees paid to Statutory Auditors by firm and type of engagement by fully consolidated Crédit Agricole S.A. Group companies was as follows in 2017:

Board of Auditors of Crédit Agricole S.A. Group

(in thousands of euros excluding taxes)	Ernst & Young		PricewaterhouseCoopers		Total 2017
	2017	2016	2017	2016	
Independant audit, certification, review of parent company and consolidated financial statements	**17,89**	**14,98**	**14,98**	**11,59**	**32,87**
Issuer	2,19	1,96	2,15	1,92	4,34
Fully consolidated subsidiaries	15,70	13,02	12,83	9,67	28,53
Non audit services (1)	5,91	6,73	6,03	7,95	11,94
Issuer	0,58	0,95	1,36	1,25	1,94
Fully consolidated subsidiaries	5,33	5,78	4,67	6,70	10,00
Total	**23,80**	**21,71**	**21,01**	**19,54**	**44,81**

(1) Unlike what was reported in 2016, ancillary assignments and services linked directly to the statutory auditors' engagement prior to 17 June 2016 have been aggregated with non-audit services, following European audit reform in June 2016.

Other Statutory Auditors engaged in the audit of fully consolidated Crédit Agricole S.A. Group subsidiaries

(in thousands of euros excluding taxes)	Mazars		KPMG		Deloitte		Other		Total
	2017	2016	2017	2016	2017	2016	2017	2016	2017
Independant audit, certification, review of parent company and consolidated financial statements	1,31	1,15	0,29	0,28	0,13	0,08	0,34	0,35	2,07
Non audit services [1]	0,06	0,01	0,26	0,06	-	0,01	0,02	0,02	0,34
Total	**1,37**	**1,16**	**0,55**	**0,34**	**0,13**	**0,09**	**0,36**	**0,37**	**2,41**

[1] Unlike what was reported in 2016, ancillary assignments and services linked directly to the statutory auditors' engagement prior to 17 June 2016 have been aggregated with non-audit services, following European audit reform in June 2016.

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

(in millions of euros)	31/12/2017	31/12/2016
Depreciation charges and amortisation	**(752)**	**(694)**
Property, plant and equipment	(382)	(381)
Intangible assets	(370)	(313)
Impairment losses (reversals)	**(13)**	**(8)**
Property, plant and equipment	(3)	(8)
Intangible assets	(10)	-
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	**(765)**	**(702)**

4.8 Cost of risk

(in millions of euros)	31/12/2017	31/12/2016
Charge to provisions and impairment losses	**(3 424)**	**(3 861)**
Fixed income available-for-sale financial assets	(1)	-
Loans and receivables	(2 883)	(3 390)
Held-to-maturity financial assets	-	-
Other assets	(27)	(59)
Financing commitments	(265)	(87)
Risks and expenses	(249)	(325)
Reversal of provisions and impairment losses	**2 172**	**2 154**
Fixed income available-for-sale financial assets	183	14
Loans and receivables	1 737	1 883
Held-to-maturity financial assets	-	-
Other assets	18	10
Financing commitments	75	46
Risks and expenses	159	201
Net charge to reversal of impairment losses and provisions	**(1 253)**	**(1 707)**
Realised gains (losses) on impaired fixed income available-for-sale financial assets	(138)	(13)
Bad debts written off, not impaired	(217)	(196)
Recoveries on bad debts written off	233	179
Discounts on restructured loans	(21)	(23)
Losses on financing commitments	-	-
Other losses	(27)	(27)
Other gains	-	-
Cost of risk	**(1 422)**	**(1 787)**

4.9 Net gains (losses) on other assets

(in millions of euros)	31/12/2017	31/12/2016
Property, plant & equipment and intangible assets used in operations	**5**	**(45)**
Gains on disposals	28	13
Losses on disposals	(23)	(58)
Consolidated equity investments	**12**	**(7)**
Gains on disposals	18	-
Losses on disposals	(6)	(7)
Net income (expense) on combinations	**(11)**	**-**
Net gains (losses) on other assets	**6**	**(52)**

4.10 Income tax charge

INCOME TAX CHARGE

(in millions of euros)	31/12/2017	31/12/2016
Current tax charge	(1 638)	(253)
Deferred tax charge	(94)	(442)
Tax charge during the period	**(1 732)**	**(695)**

RECONCILIATION OF THEORETICAL TAX RATE AND EFFECTIVE TAX RATE

AT 31 DECEMBER 2017

(in millions of euros)	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	5 015	34,43%	(1 727)
Impact of permanent differences	-	(3,23%)	162
Impact of different tax rates on foreign subsidiaries	-	(2,80%)	140
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences	-	1,06%	(53)
Impact of reduced tax rate	-	(2,51%)	126
Impact of tax rate change	-	7,84%	(393)
Impact of other items	-	(0,22%)	11
Effective tax rate and tax charge	-	**34,57%**	**(1 732)**

[1] The effects of changes in tax law are described in Note 2 "Major structural transactions and material events during the period".

The theoretical tax rate is the standard tax rate (including the additional social contribution) on taxable profits in France at 31 December 2017.

AT 31 DECEMBER 2016

(in millions of euros)	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	3 320	34,43%	(1 143)
Impact of permanent differences	-	(9,31%)	309
Impact of different tax rates on foreign subsidiaries	-	(4,06%)	135
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences	-	1,60%	(53)
Impact of reduced tax rate	-	(4,36%)	145
Impact of taxe rate change	-	4,84%	(161)
Impact of other items	-	(2,20%)	73
Effective tax rate and tax charge	-	**20,93%**	**(695)**

The theoretical tax rate is the tax rate applicable under ordinary law (including the additional social contribution and) to taxable profits in France for the year ended 31 December 2016.

4.11 Changes in other comprehensive income

BREAKDOWN OF TOTAL OTHER COMPREHENSIVE INCOME

(in millions of euros)	31/12/2017	31/12/2016
Other comprehensive income on items that may be reclassified subsequently to profit and loss		-
Gains and losses on translation adjustements	**(683)**	**(245)**
Revaluation adjustment of the period	(683)	(245)
Reclassified to profit and loss	-	-
Other variations	0	-
Gains and losses on available-for-sale financial assets	**(530)**	**158**
Revaluation adjustment of the period	(131)	877
Reclassified to profit and loss	(481)	(735)
Other variations	82	16
Gains and losses on hedging derivative instruments	**(356)**	**(64)**
Revaluation adjustment of the period	(355)	(64)
Reclassified to profit and loss	-	-
Other variations	(1)	-
Pre-tax other comprehensive income on items that may be reclassified to profit and loss on equity-accounted entities	(386)	39
Income tax related to items that may be reclassified to profit and loss excluding equity-accounted entities	355	172
Income tax related to items that may be reclassified to profit and loss on equity-accounted entities	(16)	4
Net other comprehensive income on Items that may be reclassified to profit and loss on equity-accounted entities on discontinued operations	(15)	(238)
Other comprehensive income on items that may be reclassified subsequently to profit and loss, net of income tax	**(1 631)**	**(174)**
Other comprehensive income on items that will not be reclassified subsequently to profit and loss		
Actuarial gains and losses on post-employment benefits	4	(127)
Other comprehensive income on items that will not be reclassified to profit and loss on equity-accounted entities	24	(9)
Income tax related to items that will not be reclassified excluding equity-accounted entities	(28)	23
Income tax related to items that will not be reclassified on equity-accounted entities	(1)	1
Net other comprehensive income on Items that will not be reclassified to profit and loss on equity-accounted entities on discontinued operations	(9)	33
Other comprehensive income on items that will not be reclassified subsequently to profit and loss, net of income tax	**(10)**	**(79)**
Other comprehensive income net of income tax	**(1 641)**	**(253)**
Of which Group share	(1 579)	(141)
Of which non-controlling interests	(62)	(112)

BREAKDOWN OF TAX IMPACTS RELATED TO OTHER COMPREHENSIVE INCOME

(in millions of euros)	31/12/2016				Changes				31/12/2017			
	Gross	Income tax charges	Net of income tax	Net of income tax of which Group Share	Gross	Income tax charges	Net of income tax	Net of income tax of which Group Share	Gross	Income tax charges	Net of income tax	Net of income tax of which Group Share
Other comprehensive income on items that may be reclassified subsequently to profit and loss												
Gains and losses on translation adjustements	185	-	185	270	(678)	(5)	(683)	(657)	(493)	(5)	(498)	(387)
Gains and losses on available-for-sale financial assets	5 023	(1 194)	3 829	3 779	(530)	234	(296)	(279)	4 493	(960)	3 533	3 500
Gains and losses on hedging derivative instruments	981	(313)	668	652	(356)	122	(234)	(225)	625	(191)	434	427
Other comprehensive income on items that may be reclassified to profit and loss excluding equity-accounted entities	**6 189**	**(1 507)**	**4 682**	**4 701**	**(1 564)**	**351**	**(1 213)**	**(1 161)**	**4 625**	**(1 156)**	**3 469**	**3 540**
Other comprehensive income on items that may be reclassified to profit and loss on equity-accounted entities	361	3	364	355	(386)	(16)	(402)	(391)	(25)	(13)	(38)	(36)
Other comprehensive income on Items that may be reclassified to profit and loss on equity-accounted entities on discontinued operations	28	-	28	31	(15)	(1)	(16)	(17)	13	(1)	13	14
Other comprehensive income on items that may be reclassified subsequently to profit and loss	**6 578**	**(1 504)**	**5 074**	**5 087**	**(1 965)**	**334**	**(1 631)**	**(1 569)**	**4 613**	**(1 170)**	**3 444**	**3 518**
Other comprehensive income on items that will not be reclassified subsequently to profit and loss												
Actuarial gains and losses on post-employment benefits	(757)	209	(548)	(523)	4	(28)	(24)	(24)	(753)	181	(572)	(547)
Other comprehensive income on items that will not be reclassified to profit and loss excluding equity-accounted entities	**(757)**	**209**	**(548)**	**(523)**	**4**	**(28)**	**(24)**	**(24)**	**(753)**	**181**	**(572)**	**(547)**
Other comprehensive income on items that will not be reclassified to profit and loss on equity-accounted entities	(35)	3	(32)	(32)	24	(1)	23	23	(11)	2	(9)	(9)
Other comprehensive income on Items that will not be reclassified to profit and loss on equity-accounted entities on discontinued operations	-	-	-	-	(9)	-	(9)	(9)	(9)	-	(9)	(9)
Other comprehensive income on items that will not be reclassified to profit and loss	**(792)**	**212**	**(580)**	**(555)**	**19**	**(29)**	**(10)**	**(10)**	**(773)**	**183**	**(590)**	**(565)**
Other comprehensive income	**5 786**	**(1 292)**	**4 494**	**4 532**	**(1 946)**	**305**	**(1 641)**	**(1 579)**	**3 840**	**(987)**	**2 854**	**2 953**

5. Segment reporting

DEFINITION OF OPERATING SEGMENTS

According to IFRS 8, information disclosed is based on the internal reporting that is used by the Executive Committee to manage Crédit Agricole S.A. Group, to assess performance, and to make decisions about resources to be allocated to the identified operating segments.

Operating segments according to the internal reporting consist of the business lines of the Group.

At 31 December 2017, Crédit Agricole S.A.'s business activities were organised into six operating segments:

- the following five business lines:
  - asset gathering,
  - french retail banking – LCL,
  - international retail banking,
  - specialised financial services,
  - large customers;
- as well as the "Corporate centre".

PRESENTATION OF BUSINESS LINES

1. Asset gathering

This business line encompasses:

- insurance activity:
  - 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;

the asset management activities of the Amundi Group (including the operations of Pioneer Investments since July 2018), offering savings solutions for individuals and investment solutions for institutions;

- 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 AM, etc.).

2. French retail banking - LCL

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 ne noted that Themis Bank's contribution to the consolidated financial statements in the year ended 31 December 2017 is accounted for in accordance with IFRS 5 on entities held for sale.

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 Cariparma Group in Italy, Crédit Agricole Polska in Poland and others in Ukraine and Serbia.

Other subsidiaries operate around the Mediterranean through 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 division, but in "Specialised financial services", except Calit in Italy, which is part of retail banking.

It should ne noted that Cassa di Risparmio di Cesena, Cassa di Risparmio di San Miniato and Cassa di Risparmio di Rimini in Italy have been consolidated.

4. SFS

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;

- specialised financial services for companies such as factoring and lease finance (Crédit Agricole Leasing & Factoring Group, EFL).

5. Large customers

The Large customers division includes the Corporate and Investment bank, which itself consists of two main lines of business most of which are carried out by Crédit Agricole CIB, and asset servicing for institutions (CACEIS):

- financing activities, which include corporate banking in France and internationally and structured finance. Structured Finance consists of originating, structuring and financing large-scale operations in exporting and investing, often collateralised by physical assets (planes, boats, office buildings, commodities, etc.) and complex and structured credit instruments;

- capital markets and investment banking activities bring together capital market activities (treasury, foreign exchange, interest rate derivatives, debt markets), and investment banking activities (mergers and acquisitions consulting and primary equity advisory);

- asset servicing: CACEIS Bank for custody and CACEIS Fund Administration for fund administration.

6. Corporate Centre

This segment mainly encompasses Crédit Agricole S.A.'s central body function, asset and liability management and management of debt connected with acquisitions of subsidiaries or equity investments.

It also includes:

- the results of the private equity business and results of various other Crédit Agricole S.A. Group companies (Uni-édition, Foncaris, etc.);

- the income from management companies, real-estate companies holding properties used in operations by several business lines and by activities undergoing reorganisation;

- the net impact of tax consolidation for Crédit Agricole S.A. as well as the revaluation of structured debt issued by Crédit Agricole CIB.

5.1 Operating segment information

Transactions between operating segments are effected at arm's length.

Segment assets are determined based on balance sheet elements for each operating segment.

	31/12/2017						
(in millions of euros)	Asset Gathering	French Retail Banking - LCL	International retail banking	Specialised financial services	Large customers	Corporate centre [1]	Total
Revenues	5 263	3 492	2 482	2 721	5 332	(656)	18 634
Operating expenses	(2 708)	(2 442)	(1 557)	(1 407)	(3 239)	(850)	(12 203)
Gross operating income	**2 555**	**1 050**	**925**	**1 314**	**2 093**	**(1 506)**	**6 431**
Cost of risk	(25)	(204)	(429)	(440)	(318)	(6)	(1 422)
Operating income	**2 530**	**846**	**496**	**874**	**1 775**	**(1 512)**	**5 009**
Share of net income of equity-accounted entities	33	-	-	241	277	177	728
Net gains (losses) on other assets	4	6	(12)	(1)	13	(4)	6
Change in value of goodwill	-	-	-	-	-	186	186
Pre-tax income	**2 567**	**852**	**484**	**1 114**	**2 065**	**(1 153)**	**5 929**
Income tax charge	(646)	(339)	(153)	(229)	(710)	345	(1 732)
Net gains (losses) on discontinued operations	21	-	-	(1)	-	-	20
Net income	**1 942**	**513**	**331**	**884**	**1 355**	**(808)**	**4 217**
Non-controlling interests	222	25	97	118	48	58	568
Net income Group share	**1 720**	**488**	**234**	**766**	**1 307**	**(866)**	**3 649**

[1] The Crédit Agricole CIB issuer spread is classified under the Corporate Centre for -€222 million in Revenues, +€76 million in Income tax charge, -€146 million in Net income including -€3 million in Non-controlling interests.

	31/12/2017						
(in millions of euros)	Asset Gathering	French Retail Banking - LCL	International retail banking	Specialised financial services	Large customers	Corporate centre [1]	Total
Segment assets							-
of which investments in equity-accounted entities	3 044	-	-	1 945	-	188	5 177
of which goodwill	6 793	4 772	1 692	1 023	1 141	-	15 421
Total assets	**433 163**	**141 932**	**81 350**	**74 613**	**684 938**	**134 287**	**1 550 283**

	31/12/2016						
(in millions of euros)	Asset Gathering	French Retail Banking - LCL	International retail banking	Specialised financial services	Large customers	Corporate centre [1]	Total
Revenues	4 744	3 117	2 505	2 646	5 190	(1 349)	16 853
Operating expenses	(2 156)	(2 539)	(1 557)	(1 384)	(3 187)	(871)	(11 694)
Gross operating income	**2 588**	**578**	**948**	**1 262**	**2 003**	**(2 220)**	**5 159**
Cost of risk	(9)	(182)	(454)	(558)	(557)	(27)	(1 787)
Operating income	**2 579**	**396**	**494**	**704**	**1 446**	**(2 247)**	**3 372**
Share of net income of equity-accounted entities	28	-	-	208	211	71	518
Net gains (losses) on other assets	2	1	-	(2)	1	(54)	(52)
Change in value of goodwill	-	-	-	-	-	(491)	(491)
Pre-tax income	**2 609**	**397**	**494**	**910**	**1 658**	**(2 721)**	**3 347**
Income tax charge	(773)	(110)	(157)	(210)	(370)	925	(695)
Net gains (losses) on discontinued operations	23	-	(3)	-	11	1 272	1 303
Net income	**1 859**	**287**	**334**	**700**	**1 299**	**(524)**	**3 955**
Non-controlling interests	169	14	101	91	44	(4)	415
Net income Group share	**1 690**	**273**	**233**	**609**	**1 255**	**(520)**	**3 540**

[1] The Crédit Agricole CIB issuer spread is classified under the Corporate Centre for -€158 million in Revenues, +€54 million in Income tax charge, -€104 million in Net income including -€2 million in Non-controlling interests.

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	31/12/2016						
(in millions of euros)	Asset Gathering	French Retail Banking - LCL	International retail banking	Specialised financial services	Large customers	Corporate centre (1)	Total
Segment assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**
of which investments in equity-accounted entities	2 095	-	-	1 863	2 302	840	7 100
of which goodwill	4 339	4 772	1 909	1 023	1 142	-	13 185
Total assets	**407 372**	**131 841**	**64 121**	**75 687**	**715 642**	**129 569**	**1 524 232**

5.2 Segment information : geographical analysis

The geographical analysis of segment assets and results is based on the place where operations are booked for accounting purposes.

	31/12/2017				31/12/2016			
(in millions of euros)	Net income Group Share	Of which Revenues	Segment assets	Of which goodwill	Net income Group Share	Of which Revenues	Segment assets	Of which goodwill
France (including overseas departments and territories)	1 483	10 089	1 257 683	9 947	1 360	8 656	1 239 657	9 947
Other European Union countries	1 098	5 510	157 555	4 304	1 133	5 224	150 823	2 417
Other European countries	113	673	19 483	654	148	684	18 358	702
North America	337	1 053	50 179	442	315	960	57 148	38
Central and South America	8	62	981	-	4	58	1 140	-
Africa and Middle East	312	457	8 595	32	340	513	11 071	36
Asia-Pacific (ex. Japan)	171	475	21 976	23	145	467	21 411	23
Japan	127	315	33 831	19	95	291	24 624	22
Total	**3 649**	**18 634**	**1 550 283**	**15 421**	**3 540**	**16 853**	**1 524 232**	**13 185**

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5.3 Insurance specificities

(See chapter on "Risk factors – Risk in the insurance sector" on managing this sector risk)

GROSS INCOME FROM INSURANCE ACTIVITIES

(in millions of euros)	31/12/2017	31/12/2016
Premium written	30 426	30 775
Change in unearned premiums	(213)	(173)
Earned premiums	**30 213**	**30 602**
Other operating income	**119**	**105**
Investment income	7 654	7 849
Investment expenses	(565)	(421)
Gains (losses) on disposals of investments net of impairment and amortisation reversals	1 668	894
Change in fair value of investments at fair value through profit or loss	3 002	591
Change in impairment on investments	(54)	(248)
Investment income after expenses	**11 705**	**8 665**
Claims paid (1)	**(35 877)**	**(33 373)**
Income on business ceded to reinsurers	449	536
Expenses on business ceded to reinsurers	(578)	(603)
Net income (expense) on business ceded to reinsurers	**(129)**	**(67)**
Contract acquisition costs	(1 916)	(2 063)
Amortisation of investment securities and similar	(7)	(1)
Administration costs	(2 142)	(1 746)
Other current operating income (expense)	(180)	(243)
Other operating income (expense)	(7)	(12)
Operating income	**1 779**	**1 867**
Financing costs	(279)	(226)
Share of net income of associates	-	-
Income tax charge	(357)	(483)
Net income from discontinued operations	21	23
Consolidated net income	**1 164**	**1 181**
Non-controlling interests	**3**	**5**
Net income Group share	**1 161**	**1 176**

(1) Including -€22,2 billion of cost of claims at 31 December 2017 (unchanged from 31 December 2016), -€2 billion of changes in policyholder profit-sharing at 31 December 2017 (unchanged from 31 December 2016) and -€11 billion of changes in technical reserves at 31 December 2017 (-€9 billion at 31 December 2016).

BREAKDOWN OF INSURANCE COMPANY INVESTMENTS

(in millions of euros)	31/12/2017			31/12/2016		
	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	45 329	2 706	(74)	35 110	2 598	(91)
Bonds and other fixed income securities	162 257	13 464	(346)	168 131	15 891	(415)
Equities and other equity variable income securities	17 934	2 846	(185)	18 745	1 932	(364)
Non-consolidated equity investments	8 209	2 432	(80)	7 373	1 913	(62)
Total available-for-sale financial assets	**233 729**	**21 448**	**(685)**	**229 359**	**22 335**	**(932)**
Income tax charges	(5 545)	(5 774)	228	(6 207)	(6 506)	299
Gains and losses on available-for-sale financial assets recognised in other comprehensive income (net of income tax)	**228 184**	**15 674**	**(457)**	**223 152**	**15 828**	**(633)**

(in millions of euros)	31/12/2017		31/12/2016	
	Carrying amount	Fair value	Carrying amount	Fair value
Bonds and other fixed income securities	3 069	3 803	3 059	3 934
Treasury bills and similar securities	7 736	9 245	8 039	9 872
Impairment	-	-	-	-
Total held-to-maturity financial assets	**10 805**	**13 048**	**11 098**	**13 806**
Loans and receivables	**7 426**	**7 424**	**6 131**	**6 113**
Investment property	**6 103**	**8 674**	**5 539**	**8 213**

(in millions of euros)	Carrying amount	
	31/12/2017	31/12/2016
Financial assets at fair value through profit or loss classified as held-for-trading or designated at fair value through profit or loss	**107 634**	**97 639**
Assets backing unit-linked contracts	59 635	52 432
Treasury bills and similar securities	3 639	3 718
Bonds and other fixed income securities	27 125	24 787
Equities and other equity variable income securities	15 729	15 008
Derivative instruments	1 506	1 694

(in millions of euros)	Carrying amount	
	31/12/2017	31/12/2016
Total insurance company investments	**365 697**	**349 765**

6. Notes to the balance sheet

6.1 Cash, central banks

(in millions of euros)	31/12/2017 Assets	31/12/2017 Liabilities	31/12/2016 Assets	31/12/2016 Liabilities
Cash	1 441	-	1 321	-
Central banks	49 320	3 185	26 881	3 857
Carrying amount	**50 761**	**3 185**	**28 202**	**3 857**

6.2 Financial assets and liabilities at fair value through profit or loss

STRUCTURED ISSUES OF CRÉDIT AGRICOLE CIB

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.

The change in issuer spread on structured issues issued by Crédit Agricole CIB, and valued on the basis of the last end-of-period share issue table, generated:

- at 31 December 2017: an expense of €222 million in Revenues and an expense of €146 million in Net income;
- at 31 December 2016: an expense of €158 million in Revenues and an expense of €104 million in Net income.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(in millions of euros)	31/12/2017	31/12/2016
Financial assets held for trading	221 089	239 187
Financial assets designated at fair value through profit or loss	100 315	87 092
Carrying amount	**321 404**	**326 279**
Of which lent securities	*884*	*876*

FINANCIAL ASSETS HELD-FOR-TRADING

(in millions of euros)	31/12/2017	31/12/2016
Equity instruments	**3 485**	**2 920**
Equities and other variable income securities	*3 485*	*2 920*
Debt securities	**17 250**	**14 471**
Treasury bills and similar securities	*12 804*	12 010
Bonds and other fixed income securities	*4 446*	2 461
Loans and advances	**94 559**	**72 488**
Loans and receivables due from customers	*1 600*	*469*
Securities bought under repurchase agreements	*92 959*	*72 019*
Pledged securities	-	-
Derivative instruments	**105 795**	**149 308**
Carrying amount	**221 089**	**239 187**

Securities acquired under repurchase agreements include those that the entity is authorised to use as collateral.

FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

(in millions of euros)	31/12/2017	31/12/2016
Equity instruments	**17 070**	**16 260**
Equities and other variable income securities	*17 070*	*16 260*
Debt securities	**83 243**	**70 832**
Assets backing unit-linked contracts	*51 600*	*42 934*
Treasury bills and similar securities	*3 639*	*3 718*
Bonds and other fixed income securities	*28 004*	*24 180*
Loans and advances	**2**	**-**
Loans and receivables due from customers	-	-
Loans ans recevables due from credit institutions	*2*	-
Securities bought under repurchase agreements	-	-
Pledged securities	-	-
Carrying amount	**100 315**	**87 092**

FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

(in millions of euros)	31/12/2017	31/12/2016
Financial liabilities held for trading	196 444	212 728
Financial liabilities designated at fair value through profit or loss	31 443	31 280
Carrying amount	**227 887**	**244 008**

HELD-FOR-TRADING FINANCIAL LIABILITIES

(in millions of euros)	31/12/2017	31/12/2016
Securities sold short	22 598	19 940
Securities sold under repurchase agreements	67 335	44 306
Debt securities	2	1
Derivative instruments	106 509	148 481
Carrying amount	**196 444**	**212 728**

FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	31/12/2017		31/12/2016	
(in millions of euros)	Fair value on the balance sheet	Difference between carrying amount and due on maturity	Fair value on the balance sheet	Difference between carrying amount and due on maturity
Deposits and subordinated liabilities	**6 037**	**-**	**5 803**	**-**
Deposits from credit institutions	*-*	*-*	*-*	*-*
Other deposits	*6 037*	*-*	*5 803*	*-*
Subordinated liabilities	*-*	*-*	*-*	*-*
Debt securities	**25 405**	**432**	**25 477**	**308**
Other financial liabilities	**-**	**-**	**-**	**-**
Total Financial liabilities designated at fair value through profit or loss	**31 443**	**432**	**31 280**	**308**

6.3 Hedging derivative instruments

Detailed information is provided in Note 3.4 on cash flow and fair value hedges, and more particularly with respect to interest rates and foreign exchange rates.

6.4 Available-for-sale financial assets

(in millions of euros)	31/12/2017			31/12/2016		
	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	74 346	3 170	(202)	76 973	3 180	(254)
Bonds and other fixed income securities	201 745	13 099	(396)	209 137	15 402	(505)
Equities and other variable income securities	18 690	2 926	(241)	19 346	2 129	(420)
Non-consolidated equity investments	12 277	3 231	(304)	10 460	2 741	(123)
Total available-for-sale securities	**307 058**	**22 426**	**(1 143)**	**315 916**	**23 452**	**(1 302)**
Available-for-sale receivables	-	-	-	-	-	-
Total available-for-sale receivables	**-**	**-**	**-**	**-**	**-**	**-**
Carrying amount of available-for-sale financial assets (1)	**307 058**	**22 426**	**(1 143)**	**315 916**	**23 452**	**(1 302)**
Income tax charge	-	(5 914)	291	-	(6 575)	388
Gains and losses on available-for-sale financial assets recognised in other comprehensive income (net of income tax) (2)	**-**	**16 512**	**(852)**	**-**	**16 877**	**(914)**

(1) The net carrying amount of impaired available-for-sale fixed-income securities is €32 million (€5 million at 31 December 2016) and the net carrying amount of impaired available-for-sale variable-income securities is €1,931 million (€1,953 million at 31 December 2016).

(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 after-tax deferred policyholders' profit-sharing liability of €9,259 million at 31 December 2017 and €12,248 million at 31 December 2016 (see Note 6.19 "Insurance company technical reserves").

6.5 Loans and receivables due from credit institutions and due from customers

LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS

(in millions of euros)	31/12/2017	31/12/2016
Credit institutions	-	-
Debt securities	**5 203**	**6 367**
Securities not traded in an active market	5 203	6 367
Loans and receivables	**89 779**	**92 567**
Loans and receivables	82 801	71 545
of which performing current accounts in debit	6 100	*6 316*
of which performing overnight accounts and advances	16 411	*9 785*
Pledged securities	10	13
Securities bought under repurchase agreements	6 227	20 601
Subordinated loans	665	334
Other loans and receivables	77	74
Gross amount	**94 982**	**98 934**
Impairment	(386)	(435)
Net value of loans and receivables due from credit institutions	**94 596**	**98 499**
Crédit Agricole internal transactions		
Debt securities	**-**	**-**
Securities not traded in an active market	-	-
Loans and advances	**299 455**	**284 339**
Current accounts	4 219	1 224
Term deposits and advances	294 906	283 085
Subordinated loans	330	30
Loans and receivables within Crédit Agricole	**299 455**	**284 339**
Carrying amount	**394 051**	**382 838**

LOANS AND RECEIVABLES DUE FROM CUSTOMERS

(in millions of euros)	31/12/2017	31/12/2016
Loans and receivables due from customers		
Debt securities	**14 599**	**15 269**
Securities not traded in an active market	14 599	15 269
Loans and receivables	**340 264**	**326 894**
Trade receivables	26 065	23 956
Other customer loans	296 930	285 757
Securities bought under repurchase agreements	3 116	3 460
Subordinated loans	104	105
Insurance receivables	262	376
Reinsurance receivables	515	408
Advances in associates current accounts	128	125
Current accounts in debit	13 144	12 707
Gross amount	**354 863**	**342 163**
Impairment	(9 720)	(10 533)
Net value of loans and receivables due from customers	**345 143**	**331 630**
Finance leases		
Property leasing	5 687	6 015
Equipment leases, operating leases and similar transaction	9 508	8 881
Gross amount	**15 195**	**14 896**
Impairment	(259)	(272)
Net carrying amount of lease financing operations	**14 936**	**14 624**
Carrying amount	**360 079**	**346 254**

6.6 Held-to-maturity financial assets

(in millions of euros)	31/12/2017	31/12/2016
Treasury bills and similar securities	17 082	11 295
Bonds and other fixed income securities	3 097	3 059
Total	**20 179**	14 354
Impairment	-	-
Carrying amount	**20 179**	**14 354**

6.7 Transferred assets not derecognised or derecognised with on-going involvement

TRANSFERRED ASSETS NOT DERECOGNISED IN FULL AT 31 DECEMBER 2017

Nature of assets transferred (in millions of euros)	Transferred assets not fully derecognised													
	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	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 securisation (non-deconsolidating)	Of which securities sold/bought under repurchase agreements	Of which other (1)	Fair value (2)	Carrying amount	Of which securisation (non-deconsolidating)	Of which securities sold/bought under repurchase agreements	Of which other (1)	Fair value (2)	Net fair value			
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 or loss	**2 166**	**-**	**2 166**	**-**	**2 126**	**2 166**	**-**	**2 166**	**-**	**2 166**	**(40)**	**-**	**-**	**-**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	2 166	-	2 166	-	2 126	2 166	-	2 166	-	2 166	(40)	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Available-for-sale	**18 482**	**-**	**15 742**	**2 740**	**18 288**	**15 960**	**-**	**15 633**	**327**	**15 960**	**2 328**	**-**	**-**	**-**
Equity instruments	544	-	-	544	544	327	-	-	327	327	217	-	-	-
Debt securities	17 938	-	15 742	2 196	17 744	15 633	-	15 633	-	15 633	2 111	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and receivables	**12 700**	**11 463**	**201**	**1 036**	**12 700**	**9 148**	**9 037**	**201**	**-**	**9 148**	**3 552**	**-**	**-**	**-**
Debt securities	1 237	-	201	1 036	1 237	201	-	201	-	201	1 036	-	-	-
Loans and advances	11 463	11 463	-	-	11 463	8 947	9 037	-	-	8 947	2 516	-	-	-
Held-to-maturity	**2 140**	**-**	**2 140**	**-**	**2 125**	**2 140**	**-**	**2 140**	**-**	**2 140**	**(15)**	**-**	**-**	**-**
Debt securities	2 140	-	2 140	-	2 125	2 140	-	2 140	-	2 140	(15)	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total financial assets	**48 806**	**11 463**	**33 567**	**3 776**	**48 557**	**42 280**	**9 037**	**33 006**	**327**	**42 280**	**6 277**	**-**	**-**	**-**
Finance leases	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total transferred assets	**48 806**	**11 463**	**33 567**	**3 776**	**48 557**	**42 280**	**9 037**	**33 006**	**327**	**42 280**	**6 277**	**-**	**-**	**-**

(1) Including securities lending without cash collateral.

(2) When the "counterparty" (counterparties) to the associated liabilities has (have) recourse only to the transferred assets". (IFRS 7.42D (d))

TRANSFERRED ASSETS NOT DERECOGNISED IN FULL AT 31 DECEMBER 2016

Nature of transferred assets	Transferred assets, but not fully derecognised													
	Transferred assets, but still fully recognised											Transferred assets, but recognised to the extent of 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 asset still recognised (continuing involvement)	Carrying amount of associated liabilities
	Carrying amount	Of which securisation (non-deconsolidating)	Of which securities sold/bought under repurchase agreements	Of which other (1)	Fair value (2)	Carrying amount	Of which securisation (non-deconsolidating)	Of which securities sold/bought under repurchase agreements	Of which other (1)	Fair value (2)	Net fair value			
Held-for-trading	**5 949**	**-**	**5 949**	**-**	**5 949**	**5 850**	**-**	**5 850**	**-**	**5 850**	**99**	**-**	**-**	**-**
Equity instruments	2	-	2	-	2	2	-	2	-	2	-	-	-	-
Debt securities	5 947	-	5 947	-	5 947	5 848	-	5 848	-	5 848	99	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Designated at fair value through profit or loss	**2 286**	**-**	**2 286**	**-**	**2 261**	**2 286**	**-**	**2 286**	**-**	**2 286**	**(25)**	**-**	**-**	**-**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	2 286	-	2 286	-	2 261	2 286	-	2 286	-	2 286	(25)	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Available-for-sale	**17 303**	**-**	**14 609**	**2 694**	**17 299**	**14 898**	**-**	**14 517**	**381**	**14 898**	**2 401**	**-**	**-**	**-**
Equity instruments	1 024	-	-	1 024	1 024	381	-	-	381	381	644	-	-	-
Debt securities	16 279	-	14 609	1 670	16 275	14 517	-	14 517	-	14 517	1 758	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and receivables	**11 948**	**9 252**	**1 377**	**1 319**	**11 948**	**7 673**	**6 296**	**1 377**	**-**	**7 673**	**4 275**	**-**	**-**	**-**
Debt securities	2 696	-	1 377	1 319	2 696	1 377	-	1 377	-	1 377	1 319	-	-	-
Loans and advances	9 252	9 252	-	-	9 252	6 296	6 296	-	-	6 296	2 956	-	-	-
Held-to-maturity	**875**	**-**	**875**	**-**	**872**	**875**	**-**	**875**	**-**	**875**	**(3)**	**-**	**-**	**-**
Debt securities	875	-	875	-	872	875	-	875	-	875	(3)	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total financial assets	**38 361**	**9 252**	**25 096**	**4 013**	**38 329**	**31 582**	**6 296**	**24 905**	**381**	**31 582**	**6 747**	**-**	**-**	**-**
Finance leases	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total transferred assets	**38 361**	**9 252**	**25 096**	**4 013**	**38 329**	**31 582**	**6 296**	**24 905**	**381**	**31 582**	**6 747**	**-**	**-**	**-**

(1) Including securities lending without cash collateral.

(2) When the "counterparty" (counterparties) to the associated liabilities has (have) recourse only to the transferred assets". (IFRS 7.42D (d))

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 2017, Crédit Agricole Consumer Finance managed 15 consolidated vehicles for securitisation of retail consumer loans and car dealer financing in Europe. Securitisation transactions carried out within Crédit Agricole Consumer Finance Group are not considered to form part of a deconsolidation transaction under IFRS and have therefore been reintegrated into Crédit Agricole S.A. Group's consolidated financial statements.
The carrying amounts of the relevant assets (net of related liabilities) amounted to €8,364 million at 31 December 2017. They include, in particular, outstanding customer loans with a net carrying amount of €6,419 million. The amount of securities mobilised on the market stood at €6,899 million. The value of securities still available to be mobilised stood at €7,995 million.

Cariparma Securitisations

At 31 December 2017, Cariparma managed two home loan securitisation vehicles. These securitisation transactions are not considered to form part of a deconsolidation transaction under IFRS and have therefore been reintegrated into Crédit Agricole S.A. Group's consolidated financial statements.
The carrying amounts of the relevant assets amounted to €10,340 million at 31 December 2017.

6.8 Impairment deducted from financial assets

(in millions of euros)	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 institutions	435	-	1	(6)	(41)	-	(3)	386
Loans and receivables due from customers	10 533	292	2 878	(3 588)	(322)	-	(73)	9 720
Of which collective impairment	*2 445*	*69*	*291*	*(687)*	*(115)*	-	*(56)*	*1 947*
Finance leases	272	-	180	(194)	-	-	1	259
Held-to-maturity securities	-	-	-	-	-	-	-	-
Available-for-sale financial assets	1 408	117	82	(436)	(12)	-	(1)	1 158
Other financial assets	173	-	29	(43)	(7)	-	(17)	135
Total Impairment of financial assets	**12 821**	**409**	**3 170**	**(4 267)**	**(382)**	**-**	**(93)**	**11 658**

(in millions of euros)	01/01/2016	Changes in scope	Depreciation	Reversals and utilisations	Translation adjustment	Transfers in non-current assets held for sale and discontinued operations	Other movements	31/12/2016
Loans and receivables due from credit institutions	467	-	2	(42)	8	-	-	435
Loans and receivables due from customers	10 472	-	3 434	(3 383)	20	-	(10)	10 533
Of which collective impairment	*2 607*	-	*346*	*(479)*	*10*	-	*(39)*	*2 445*
Finance leases	270	-	142	(152)	-	-	12	272
Held-to-maturity securities	-	-	-	-	-	-	-	-
Available-for-sale financial assets	1 793	(2)	267	(501)	(3)	(138)	(8)	1 408
Other financial assets	128	-	66	(26)	4	-	1	173
Total Impairment of financial assets	**13 130**	**(2)**	**3 911**	**(4 104)**	**29**	**(138)**	**(5)**	**12 821**

6.9 Exposure to sovereign risk

The scope of sovereign exposures recorded covers exposures to Governments, but does not include local authorities. Tax debt is excluded from these amounts.

Exposure to sovereign debt corresponds to an exposure net of impairment (carrying amount) presented both gross and net of hedging.

The Group's significant exposure to sovereign risk is as follows:

BANKING ACTIVITY

31/12/2017 *(in millions of euros)*	Exposures Banking activity net of impairment							
	Of which banking portfolio							
	Held-to-maturity financial assets	Available-for-sale financial assets	Financial assets at fair value through profit or loss	Loans and receivables	Of which trading book (excluding derivatives)	Total banking activity before hedging	Hedging available-for-sale financial assets	Total banking activity after hedging
Allemagne	114	266	6	-	-	**386**	-	**386**
Arabie Saoudite	-	-	-	542	2	**544**	-	**544**
Belgique	-	3 196	-	-	-	**3 196**	(122)	**3 074**
Brésil	-	7	-	38	86	**131**	-	**131**
Chine	-	65	-	-	3	**68**	-	**68**
Espagne	-	1 463	-	-	-	**1 463**	-	**1 463**
Etats-Unis	-	151	-	-	617	**768**	(3)	**765**
France	7 018	11 568	-	1 529	-	**20 115**	(859)	**19 256**
Grèce	-	-	-	-	-	**-**	-	**-**
Hong-Kong	-	1 044	-	-	38	**1 082**	-	**1 082**
Irlande	-	4	-	-	-	**4**	-	**4**
Italie	2 214	5 210	-	113	64	**7 601**	(187)	**7 414**
Japon	-	2 635	-	255	-	**2 890**	-	**2 890**
Maroc	-	351	-	-	146	**497**	-	**497**
Portugal	-	99	9	-	8	**116**	(2)	**114**
Royaume-Uni	-	-	-	-	-	**-**	-	**-**
Russie	-	8	-	-	5	**13**	-	**13**
Syrie	-	-	-	-	-	**-**	-	**-**
Ukraine	-	32	-	-	-	**32**	-	**32**
Venezuela	-	-	-	4	-	**4**	-	**4**
Yémen	-	-	-	-	-	**-**	-	**-**
Total	**9 346**	**26 099**	**15**	**2 481**	**969**	**38 910**	**(1 173)**	**37 737**

31/12/2016 *(in millions of euros)*	Exposures Banking activity net of impairment							
	Of which banking portfolio							
	Held-to-maturity financial assets	Available-for-sale financial assets	Financial assets at fair value through profit or loss	Loans and receivables	Of which trading book (excluding derivatives)	Total banking activity before hedging	Hedging available-for-sale financial assets	Total banking activity after hedging
Germany	114	-	1	-	-	**115**	-	**115**
Saudi Arabia	-	-	-	617	-	**617**	-	**617**
Belgium	-	2 383	-	-	-	**2 383**	(168)	**2 215**
Brazil	-	-	-	41	5	**46**	-	**46**
China	-	69	-	-	6	**75**	-	**75**
Spain	-	2 202	-	150	-	**2 352**	(8)	**2 344**
United States	-	177	-	-	25	**202**	(7)	**195**
France	3 142	22 095	1	1 162	-	**26 400**	(1 388)	**25 012**
Greece	-	-	-	-	-	**-**	-	**-**
Hong-Kong	-	1 165	-	-	28	**1 193**	-	**1 193**
Ireland	-	4	-	-	-	**4**	-	**4**
Italy	-	5 368	-	111	-	**5 479**	(286)	**5 193**
Japan	-	3 547	-	639	30	**4 216**	-	**4 216**
Morocco	-	404	-	-	131	**535**	-	**535**
Portugal	-	104	1	-	-	**105**	(5)	**100**
United-Kingdom	-	-	-	-	-	**-**	-	**-**
Russia	-	34	-	-	10	**44**	-	**44**
Syria	-	-	-	-	-	**-**	-	**-**
Ukraine	-	23	-	-	-	**23**	-	**23**
Venezuela	-	-	-	4	-	**4**	-	**4**
Yemen	-	-	-	-	-	**-**	-	**-**
Total	**3 256**	**37 575**	**3**	**2 724**	**235**	**43 793**	**(1 862)**	**41 931**

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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 exposure	
(in millions of euros)	31/12/2017	31/12/2016
Germany	244	247
Saudi Arabia	-	-
Belgium	2 419	2 421
Brazil	-	-
China	-	-
Spain	1 015	1 036
United States	17	14
France	42 029	32 255
Greece	-	-
Hong-Kong	-	-
Ireland	587	612
Italy	5 968	5 994
Japan	11	-
Morocco	-	-
Portugal	3	3
United-Kingdom	-	-
Russia	-	-
Syria	-	-
Ukraine	-	-
Venezuela	-	-
Yemen	-	-
Total Exposure	**52 293**	**42 582**

6.10 Due to credit institutions and to customers

DUE TO CREDIT INSTITUTIONS

(in millions of euros)	31/12/2017	31/12/2016
Credit institutions		
Accounts and borrowings	67 123	55 131
Of which current accounts in credit	*7 819*	*7 744*
Of which overnight accounts and deposits	*1 858*	*2 738*
Pledged securities	-	-
Securities sold under repurchase agreements	*22 088*	24 682
TOTAL	***89 211***	**79 813**
Crédit Agricole internal transactions		**-**
Current accounts in credit	12 421	5 664
Term deposits and advances	23 958	26 851
TOTAL	**36 379**	**32 515**
Carrying amount	**125 590**	**112 328**

DUE TO CUSTOMERS

(in millions of euros)	31/12/2017	31/12/2016
Current accounts in credit	182 099	160 278
Special savings accounts	275 058	260 579
Other amounts due to customers	89 768	94 451
Securities sold under repurchase agreements	1 706	4 666
Insurance liabilities	853	749
Reinsurance liabilities	313	338
Cash deposits received from cedants and retrocessionaires against technical insurance commitments	949	767
Carrying amount	**550 746**	**521 828**

6.11 Debt securities and subordinated debt

(in millions of euros)	31/12/2017	31/12/2016
Debt securities		
Interest bearing notes	130	147
Money-market instruments	11 686	15 127
Negotiable debt securities	61 891	60 860
Bonds [(1)]	86 176	80 049
Other debt instruments	3 825	3 097
Carrying amount	**163 708**	**159 280**
Subordinated debt		
Dated subordinated debt [(2)]	22 230	23 996
Undated subordinated debt [(3)]	2 934	5 047
Mutual security deposits	171	163
Participating securities and loans	86	121
Carrying amount	**25 421**	**29 327**

[(1)] *Includes issues of Cover Bonds*

[(2)] *Includes issues of dated subordinated notes "TSR"*

[(3)] *Includes issues of deeply subordinated notes "TSS" and undated subordinated notes "TSDI"*

At 31 December 2017, deeply subordinated notes issued before CRD 4/CRR came into force totalled €2,416 million, down from €4,507 million at 31 December 2016.

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.

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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 IV/CRR came into force), dated subordinated notes "TSR", deeply subordinated notes "TSS" issued before CRD IV/CRR came into force and deeply subordinated notes "TSS" issued after CRD IV/CRR came into force.

Deeply subordinated notes (TSS)

TSS - Volumes issued before CRD IV/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 IV/CRR came into force

The Additional Tier 1 deeply subordinated notes issued by Crédit Agricole S.A. are consistent with the new CRD IV/CRR rules.
The Additional Tier 1 (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 IV/CRR came into force.

Additional Tier 1 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.

Additional Tier 1 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 III Common Equity Tier 1 regulatory ratio of Crédit Agricole Group falls below 7% or the phased-in Basel III 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).

Undated subordinated notes (TSDI) (issued before CRD IV/CRR came into force)

Undated subordinated notes (TSDI) issued by Crédit Agricole S.A. before CRD IV/CRR came into force are usually fixed-rate and pay interest quarterly, on a perpetual basis.

They are only redeemable in the event of Crédit Agricole S.A.'s liquidation (judicial or otherwise), unless they contain a contractually defined early redemption clause and subject to certain conditions (see "Early redemption as part of the conditions for all subordinated note issues (TSDI, TSR or TSS)" below).

Like the dated subordinated notes ("TSR" - see below « Issues of dated subordinated notes (TSR) and contingent capital securities "), they are subordinated securities (principal and interest) in reference to Article L. 228-97 of the French Commercial Code.

In particular, the coupon may be suspended if the General Meeting of Shareholders of Crédit Agricole S.A. duly notes that there were no distributable earnings for the relevant financial year.

It should be noted that TSDI have a contractually defined rank senior to Common Equity Tier 1 Capital (CET1), including Crédit Agricole S.A. shares, TSS (deeply subordinated notes), participating notes granted to Crédit Agricole S.A. and participating securities issued by it; they rank pari passu with other TDSI and TSR (see below) of the same rank and subordinate to all other more senior debt (notably preferred and non-preferred senior bonds).

Dated subordinated notes (TSR) and contingent capital securities

Dated subordinated notes (TSR) issued by Crédit Agricole S.A. are usually fixed-rate and pay interest on a quarterly or annual basis with a fixed maturity. They may be redeemed prior to maturity under contractually defined conditions and subject to certain conditions.

TSR are issued either on the French market under French law or on the international markets under UK, State of New York (United States) or Japanese law.

TSR differ from preferred and non-preferred senior bonds in terms of their ranking (principal and interest) as contractually defined by the subordination clause with reference to Article L. 228-97 of the French Commercial Code.

In the case of notes issued by Crédit Agricole S.A., in the event of liquidation (judicial or otherwise), dated subordinated notes (TSR) will be repaid after all other secured and unsecured creditors (including creditors of preferred and non-preferred senior bonds), but before either participating loans provided to Crédit Agricole S.A., or any participating notes issued by the Bank, as well as any deeply subordinated notes (“TSS”, see above “Deeply subordinated notes (TSS)”).

Early redemption as part of the conditions for all subordinated note issues (TSDI, TSR or TSS)

The above-mentioned TSDI, TSR or TSS may be the subject of:

- buy-back transactions, either on the market through public takeover bids or exchange offers subject to approval by the competent regulator, where appropriate, and/or at the initiative of Crédit Agricole S.A., in accordance with the contractual clauses applicable to each issue;
- the exercise of an early redemption option at the initiative of Crédit Agricole S.A. (“call option”), under the conditions and subject to approval by the competent regulator, where appropriate, at the times defined by the contractual terms of the issue, in the event that the issuance agreement for the securities contains such a clause.

SENIOR NON-PREFERRED DEBT

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 €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 € 25,2 billion at 31 December 2017;
- Crédit Agricole Public Sector SCF, whose initial issue was launched in October 2012. The total amount issued and outstanding was €3 billion at 31 December 2017;
- Cariparma: the total amount issued and outstanding at 31 December 2017 was €7 billion in OBG (covered bonds), including €1,2 billion held at 31 December 2017.

6.12 Information on the offsetting of financial assets and financial liabilities

OFFSETTING – FINANCIAL ASSETS

31/12/2017 *(in millions of euros)*	Offsetting effects on financial assets covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
Type of financial instruments	Gross amounts of recognised financial assets before offsetting	Gross amounts of recognised financial liabilities set off in the financial statements (4)	Net amounts of financial assets presented in the financial statements	Gross amounts of financial liabilities covered by master netting agreements	Amounts of other financial instruments received as collateral, including security deposits	Net amount after all offsetting effects
Derivatives (1)	187 152	75 436	111 716	89 733	13 567	8 416
Reverse repurchase agreements (2)	71 880	29 647	42 233	19 889	22 284	60
Securities lent (3)	1 948	-	1 948	-	-	1 948
Other financial instruments	-	-	-	-	-	-
Total financial assets subjects to offsetting	**260 980**	**105 083**	**155 897**	**109 622**	**35 851**	**10 424**

(1) The amount of derivatives subject to offsetting represents 91,40% of the derivatives on the asset side of the balance sheet at the end of the reporting period.

(2) The amount of reverse repurchase agreements subject to offsetting represents 40,31% of the reverse repurchase agreements on the asset side of the balance sheet at the end of the reporting period.

(3) The amount of securities lent subject to offsetting represents 43% of the securities lent on the asset side of the balance sheet at the end of the reporting period.

(4) Including margin calls.

31/12/2016 Restated *(in millions of euros)*	Offsetting effects on financial assets covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
Type of financial instrument	Gross amounts of recognised financial assets before offsetting	Gross amounts of recognised financial liabilities set off in the financial statements (4)	Net amounts of financial assets presented in the financial statements	Gross amounts of financial liabilities covered by master netting agreements	Amounts of other financial instruments received as collateral, including security deposits	Net amount after all offsetting effects
Derivatives (1)	263 815	120 346	143 470	119 202	14 821	9 447
Reverse repurchase agreements (2)	62 367	16 374	45 993	17 452	28 491	51
Securities lent (3)	1 423	-	1 423	-	-	1 423
Other financial instruments	-	-	-	-	-	-
Total financial assets subject to offsetting	**327 606**	**136 720**	**190 886**	**136 654**	**43 311**	**10 921**

(1) The amount of derivatives subject to offsetting represents 83.78% of the derivatives on the asset side of the balance sheet at the end of the reporting period.

(2) The amount of reverse repurchase agreements subject to offsetting represents 47.86% of the reverse repurchase agreements on the asset side of the balance sheet at the end of the reporting period.

(3) The amount of securities lent subject to offsetting represents 32.11% of the securities lent on the asset side of the balance sheet at the end of the reporting period.

(4) Including margin calls.

OFFSETTING – FINANCIAL LIABILITIES

31/12/2017 *(in millions of euros)*	Offsetting effects on financial liabilities covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
Type of financial instrument	Gross amounts of recognised financial liabilities before offsetting	Gross amounts of recognised financial assets set off in the financial statements (3)	Net amounts of financial liabilities presented in the financial statements	Gross amounts of financial assets covered by master netting agreements	Amounts of other financial instruments given as guarantee, including security deposits	Net amount after all offsetting effects
Derivatives (1)	192 517	75 444	117 073	89 733	15 595	11 744
Repurchase agreements (2)	72 358	29 647	42 711	19 889	20 264	2 559
Securities borrowed	-	-	-	-	-	-
Other financial instruments	-	-	-	-	-	-
Total financial liabilities subject to offsetting	**264 875**	**105 091**	**159 784**	**109 622**	**35 859**	**14 303**

(1) The amount of derivatives subject to offsetting represents 97.74% of the derivatives on the liability side of the balance sheet at the end of the reporting period.

(2) The amount of repurchase agreements subject to offsetting represents 47.22% of the repurchase agreements on the liability side of the balance sheet at the end of the reporting period.

(3) Including margin calls.

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31/12/2016 Restated *(in millions of euros)*	Offsetting effects on financial liabilities covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
Type of financial instrument	Gross amounts of recognised financial liabilities before offsetting	Gross amounts of recognised financial assets set off in the financial statements [3]	Net amounts of financial liabilities presented in the financial statements	Gross amounts of financial assets covered by master netting agreements	Amounts of other financial instruments given as guarantee, including security deposits	Net amount after all offsetting effects
Derivatives [1]	265 872	120 385	145 487	119 202	18 548	7 737
Repurchase agreements [2]	54 481	16 374	38 107	17 452	17 591	3 064
Securities borrowed	-	-	-	-	-	-
Other financial instruments	-	-	-	-	-	-
Total financial liabilities subject to offsetting	**320 353**	**136 759**	**183 594**	**136 654**	**36 139**	**10 801**

(1) The amount of derivatives subject to offsetting represents 87.45% of the derivatives on the liability side of the balance sheet at the end of the reporting period.

(2) The amount of repurchase agreements subject to offsetting represents 51.73% of the repurchase agreements on the liability side of the balance sheet at the end of the reporting period.

(3) Including margin calls.

6.13 Current and deferred tax assets and liabilities

(in millions of euros)	31/12/2017	31/12/2016
Current tax	1 490	1 417
Deferred tax	2 972	2 576
Total current and deferred tax assets [1]	**4 462**	**3 993**
Current tax	1 144	788
Deferred tax	2 338	2 313
Total current and deferred tax liabilities	**3 482**	**3 101**

(1)Including a decrease in the deferred tax amounts for 2017 of -€61 million due to the finance law enacted in 2018 that progressively brings the tax rate from 34.43% in 2018 to 25.83% from 2022.

Net deferred tax assets and liabilities break down as follows:

(in millions of euros)	31/12/2017	31/12/2016
Temporary timing differences	**1 550**	**1 743**
Non-deductible accrued expenses	279	277
Non-deductible provisions for liabilities and charges	1 871	2 226
Other temporary differences [1]	(600)	(760)
Deferred tax on reserves for unrealised gains or losses	**(793)**	**(1 019)**
Available-for-sale assets	(517)	(735)
Cash flow hedges	(411)	(443)
Gains and losses / Actuarial differences	135	159
Deferred tax on Income	**(123)**	**(461)**
Total deferred tax	**634**	**263**

(1) The portion of deferred tax related to tax loss carryforwards is €626 million for 2017 compared to €425 million with respect to 2016.

Deferred tax assets are netted on the balance sheet by taxable entity.

In order to assess the level of deferred tax assets to be recognised, Crédit Agricole S.A. takes into account for each company or tax group concerned the dedicated tax status and the earnings projections established during the budgetary process.

6.14 Accrued income and expenses and other assets and liabilities

ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS

(in millions of euros)	31/12/2017	31/12/2016
Other assets	**28 776**	**38 075**
Inventory accounts and miscellaneous	139	129
Sundry debtors [(1)]	24 824	34 327
Settlement accounts	1 887	1 864
Due from shareholders - unpaid capital	-	-
Other insurance assets	281	270
Reinsurers' share of technical reserves	1 645	1 485
Accruals and deferred income	**7 421**	**6 298**
Items in course of transmission	2 640	2 439
Adjustment and suspense accounts	463	828
Accrued income	2 712	2 275
Prepaid expenses	593	375
Other accrual prepayments and sundry assets	1 013	381
Carrying amount	**36 197**	**44 373**

[(1)] *Including €40 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)	31/12/2017	31/12/2016
Other liabilities	**29 411**	**33 713**
Settlement accounts	2 493	2 579
Sundry creditors	26 718	30 967
Liabilities related to trading securities	176	138
Other insurance liabilities	24	29
Accruals and deferred income	**11 119**	**14 204**
Items in course of transmission	3 735	3 087
Adjustment and suspense accounts	307	4 497
Unearned income	1 307	1 375
Accrued expenses	5 049	4 342
Other accruals prepayments and sundry liabilities	721	903
Carrying amount	**40 530**	**47 917**

6.15 Joint ventures and associates

FINANCIAL INFORMATION OF JOINT VENTURE AND ASSOCIATES

At 31 December 2017:

- the equity-accounted value of joint ventures totalled €1,797 million (€1,719 million at 31 December 2016);
- the equity-accounted value of associates totalled €3,380 million (€5,381 million at 31 December 2016).

FCA Bank is a joint venture created with the Fiat Chrysler Automobiles group. In July 2013, Crédit Agricole S.A., Crédit Agricole Consumer Finance and Fiat Chrysler Automobiles (formerly Fiat Group Automobiles) signed an agreement to extend their 50/50 joint venture until 31 December 2021. Active in 16 European countries, the company manages all financing transactions for car dealers and private customers for the following brands: Fiat, Lancia, Alfa Romeo, Maserati, Chrysler, Jeep, Fiat Professional, Abarth, Ferrari in Europe as well as Jaguar Land Rover in continental Europe. It is key to the development of the Group's automotive joint venture business.

Material associates and joint ventures are presented in the table below. These are the main joint ventures and associates that make up the "Equity-accounted value on the balance sheet".

	31/12/2017					
(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 shareholders' equity (2)
Joint ventures						
FCA Bank (3)	50%	1 573	-	50	193	1 270
Others		224	-	5	6	504
Net carrying amount of investments in equity-accounted entities (Joint ventures)		**1 797**			**199**	**1 774**
Associates						
Banque Saudi Fransi (3)	0,0%	-	-	92	173	-
Icade (4)	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 (4)	29,9%	171	164	7	1	171
Infra Foch Topco	36,9%	91	168	26	27	(50)
Patrimoine et Commerce (4)	19,9%	68	55	3	18	68
Eurosic (5)	0,0%	-	-	21	56	-
Autres	0,0%	367	-	-	128	267
Net carrying amount of investments in equity-accounted entities (Associates)		**3 380**			**583**	**2 377**
Net carrying amount of investments in equity-accounted entities		**5 177**			**783**	**4 151**

(1) The share of income of insurance activities and associates as well as the related share of benfits 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 10 September 2017.

(4) SCI Cargo Property Holding, Icade and Patrimoine et Commerce entered the scope of consolidation under the equity method in 2017.

(5) In connection with the merger Gecina and Eurosic CAA disposed of all of its Eurosic shares. The company exited the scope of consolidation on 31 december 2017.

(in millions of euros)	31/12/2016					
	% of interest	Equity-accounted value	Share of market value	Dividends paid to Group's entities	Share of net income (1)	Share of shareholders' equity (2)
Joint ventures						
FCA Bank (3)	0%	-	-	-	-	-
Others		1 433	-	63	150	1 132
Net carrying amount of investments in equity-accounted entities (Joint ventures)		**286**			**23**	**524**
Associates						
Banque Saudi Fransi	30,4%	2 302	2 459	46	211	2 334
Eurazeo	16,0%	648	597	25	46	616
Ramsay – Générale De Santé	38,4%	412	459	-	14	154
Infra Foch Topco	36,9%	92	168	26	10	(49)
Altarea	26,6%	498	740	39	17	395
Korian	23,7%	490	529	11	10	451
Autres		939	-	52	145	814
Net carrying amount of investments in equity-accounted entities (Associates)		**5 381**			**453**	**4 715**
Net carrying amount of investments in equity-accounted entities		**7 100**			**626**	**6 371**

(1) The share of income from insurance associates is recognised in Revenues through profit and loss
(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) Formerly known as FGA Capital

The market value shown in the table above is the quoted price of the shares on the market at 31 December 2017. 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:

(in millions of euros)	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
Altarea	335	335	7 624	2 979
Korian	137	137	6 687	2 097
Ramsay - Générale De Santé	57	57	2 346	502
Gac - Sofinco Auto Finance Co.Ltd	161	59	4 099	873
SCI Cargo Property Holding (1)	4	4	606	593
Infra Foch Topco	72	72	3 081	603
Patrimoine et Commerce (1)	93	93	722	337

(1) SCI Cargo Property Holding, Icade and Patrimoine et Commerce entered the scope of consolidation under the equity method in 2017.

(in millions of euros)	31/12/2016			
	Revenues	Net income	Total assets	Total Equity
Joint ventures				
FCA Bank	725	301	23 301	2 263
Associates				
Banque Saudi Fransi (2)	-	-	-	-
Regional Banks and subsidiaries	1 547	845	51 432	7 503
Eurazeo (1)	-	-	-	-
Ramsay – Générale De Santé	1 248	74	8 700	3 852
Infra Foch Topco	37	37	2 354	438
Altarea	28	28	3 049	674
Korian	64	64	6 872	2 552

(1) Net income in the above table corresponds to the sum of the net income of the second half of 2015 and of the first half of 2016.
(2) *Crédit Agricole Banque CIB sold 16.2% of Banque Saudi Fransi on 11 September 2017.*

SIGNIFICANT RESTRICTIONS ON JOINT VENTURES AND ASSOCIATES

Crédit Agricole S.A Group has the following retrictions :

Regulatory constraints

The subsidiaries of Crédit Agricole S.A. Group are subject to prudential regulation and regulatory capital requirements in their host countries. The minimum equity capital (solvency ratio), leverage ratio and liquidity ratio requirements limit the capacity of these entities to pay dividends or to transfer assets to Crédit Agricole S.A. Group.

Legal constraints

The subsidiaries of Crédit Agricole S.A. Group are subject to legal provisions concerning the distribution of capital and distributable earnings. These requirements limit the ability of the subsidiaries to distribute dividends. In the majority of cases, these are less restrictive than the regulatory limitations mentioned above.

Restriction on assets backing unit-linked contracts for the insurance business

Assets backing unit-linked contracts of Crédit Agricole S.A. Group are held for the benefit of policyholders. Assets of the insurance subsidiaries of Crédit Agricole S.A. Group are mainly held for satisfying their obligation towards their policyholders. Assets transfers to other entities are possible following the legal conditions. However, in case of a transfer, a part of the profit due to the transfer must be intended for the policyholders.

Other constraints

The subsidiaries of Crédit Agricole CIB, Crédit Agricole CIB Algérie, Crédit Agricole Ukraine and Crédit Agricole Serbie are required to obtain prior approval for the payment of dividends from their prudential authorities (namely Banque d'Algérie and Banque Nationale d'Ukraine, Banque Nationale de Serbie).

The payment of dividends by Crédit Agricole Egypt is limited by the foreign exchange restrictions on the Egyptian pound imposed by the Central Bank of Egypt.

6.16 Investment properties

(in millions of euros)	31/12/2016	Changes in scope	Increases (acquisitions)	Decreases (disposals and redemptions)	Translation adjustments	Other movements	Autres mouvements
Gross amount	5 697	14	1 484	(1 130)	-	218	6 283
Amortisation and impairment	(80)	-	(3)	5	-	(9)	(87)
Net carrying amount [(1)]	**5 617**	**14**	**1 481**	**(1 125)**	**-**	**209**	**6 196**

[(1)] *Including investment property let to third parties.*

(in millions of euros)	01/01/2016	Changes in scope	Increases (acquisitions)	Decreases (disposals and redemptions)	Translation adjustments	Other movements	31/12/2016
Gross amount	5 473	-	2 296	(2 135)	-	63	5 697
Amortisation and impairment	(83)	-	(2)	11	-	(6)	(80)
Net carrying amount [(1)]	**5 390**	**-**	**2 294**	**(2 124)**	**-**	**57**	**5 617**

[(1)] *Including investment property let to third parties.*

FAIR VALUE OF INVESTMENT PROPERTIES

The market value of investment property recorded at amortised cost, as valued by "expert appraisers", was €8,845 million at 31 December 2017 compared to €8,364 million at 31 December 2016.

(in millions of euros)		31/12/2017	31/12/2016
Quoted prices in active markets for identical instruments	Level 1	-	-
Valuation based on observable data	Level 2	8 774	8 312
Valuation based on unobservable data	Level 3	71	52
Market value		8 845	**8 364**

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

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

(in millions of euros)	31/12/2016	Changes in scope	Increases (Acquisitions, business combinations)	Decreases (disposals and redemptions)	Translation adjustments	Other movements	31/12/2017
Property, plant & equipment used in operations							
Gross amount	7 884	319	556	(392)	(72)	105	8 400
Depreciation and impairment (1)	(4 055)	(50)	(395)	333	41	(64)	(4 190)
Carrying amount	**3 829**	**269**	**161**	**(59)**	**(31)**	**41**	**4 210**
Intangible assets							
Gross amount	5 386	737	564	(104)	(14)	(39)	6 530
Amortisation and impairment	(3 803)	(176)	(435)	58	11	(5)	(4 350)
Carrying amount	**1 583**	**561**	**129**	**(46)**	**(3)**	**(44)**	**2 180**

(1) *Including depreciation on fixed assets let to third parties.*

(in millions of euros)	01/01/2016	Changes in scope	Increases (Acquisitions, business combinations)	Decreases (disposals and redemptions)	Translation adjustments	Other movements	31/12/2016
Property, plant & equipment used in operations							
Gross amount	7 918	(29)	386	(417)	(65)	91	7 884
Depreciation and impairment (1)	(3 986)	10	(396)	332	29	(44)	(4 055)
Carrying amount	**3 932**	**(19)**	**(10)**	**(85)**	**(36)**	**47**	**3 829**
Intangible assets							
Gross amount	5 267	-	465	(332)	(12)	(2)	5 386
Amortisation and impairment	(3 692)	3	(334)	256	8	(44)	(3 803)
Carrying amount	**1 575**	**3**	**131**	**(76)**	**(4)**	**(46)**	**1 583**

(1) *Including depreciation on fixed assets let to third parties.*

6.18 Goodwill

(in millions of euros)	31/12/2016 GROSS	31/12/2016 NET	Increases (Acquisitions)	Decreases (Divestments)	Impairment losses during the period	Translation adjustments	Other movements	31/12/2017 GROSS	31/12/2017 NET
Asset Gathering	**4 339**	**4 339**	**2 537**	**-**	**-**	**(82)**	**-**	**6 793**	**6 793**
- of which insurance	1 214	1 214	-	-	-	-	-	1 214	1 214
- of which asset management	2 318	2 318	2 537	-	-	(24)	-	4 830	4 831
- of which international wealth management	807	807	-	-	-	(58)	-	749	749
French Retail Banking - LCL Group	**5 263**	**4 772**	**-**	**-**	**-**	**-**	**-**	**5 263**	**4 772**
International retail banking	**3 224**	**1 909**	**-**	**-**	**- 222**	**4**	**-**	**3 223**	**1 692**
- of which Italy	2 872	1 660	-	-	-	-	-	2 872	1 660
- of which Poland	213	214	-	-	- 222	7	-	225	0
- of which Ukraine	46	0	-	-	-	(0)	-	39	**0**
- of which other countries	93	35	-	-	-	(4)	-	86	32
Specialised financial services	**2 714**	**1 023**	**-**	**-**	**-**	**-**	**-**	**2 714**	**1 023**
- of which Consumer finance	1 692	954	-	-	-	-	-	1 692	954
- of which Consumer finance - Agos	569	-	-	-	-	-	-	569	-
- of which Factoring	453	69	-	-	-	-	-	453	69
Large Customers	**2 367**	**1 142**	**-**	**-**	**-**	**(1)**	**-**	**2 366**	**1 141**
- of which Corporate and investment banking	1 712	487	-	-	-	(1)	-	1 711	486
- of which Asset servicing	655	655	-	-	-	(0)	-	655	655
Corporate centre	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	**-**	**-**	**-**	**-**	**-**	**-**	**0**	**0**
Total	**17 907**	**13 185**	**2 537**	**-**	**(222)**	**(80)**	**-**	**20 358**	**15 421**
Group Share	**17 303**	**12 760**	**1 737** (1)	**-**	**(222)**	**(70)**	**(159)** (2)	**18 820**	**14 046**
Non-controlling interests	**604**	**425**	**800 -**	**-**	**-**	**(9)**	**159**	**1 538**	**1 375**

(1) *Impact related to the acquisition of Pioneer Investments.*

(2) *Due to Amundi's dilutive capital increase.*

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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) to which it is associated. The determination of value in use was calculated by discounting the CGUs' estimated future cash flows calculated from activities forecasts over a period over three years (2018-2020) developed for Group management purposes, potentially extrapolated over the 2 following years.

The projected financial trajectories were based on an economic scenario of consolidated growth, with no significant inflationary risk and no financial tensions, on the assumption that central banks will move slowly and gradually to tighten monetary policy:

- Economic growth in the eurozone will be more sustained than in recent years, including in France and Italy; growth will not be inflationary. Nevertheless, this growth will dip after 2018.
- The European Central Bank's very accommodating monetary policy will continue, but it will take gradual steps to tighten policy: short-term rates will not move out of negative territory until the end of the projection period. Long-term rates will continue their very gradual climb.
- The Fed will continue its monetary normalisation policy and the US economy will continue to grow steadily, with no inflationary tensions, ensuring that rates rise slowly with no steepening of the rate curve.
- A slight return to growth is expected in emerging countries but with different outcomes depending on their economic environment: very gradual slowdown in the Chinese economy lasting a number of years, persistent high growth rates in India, an improvement in Brazil and Russia, which are moving out of recession but with relatively low rates of growth.

At 31 December 2017, 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 2017	Perpetual growth rates	Discount rate	Capital allocated
French Retail Banking - LCL	2,0%	7,70%	9,5%
International retail banking - Italy	2,0%	9,10%	9,5%
International retail banking - Others	3,0% to 7,0%	9,5% to 19,0%	9,5%
Specialised financial services	2,0%	7,7% to 8,1%	9,5%
Asset Gathering	2,0%	7,7% to 8,6%	9,5% 80% of solvency margin
Large Customers	2,0%	8,1% to 9,5%	0,0%

The increase by the European Central Bank (ECB) of regulatory prudential requirements under Pillar 1 and Pillar 2 with effect from 2016 led Crédit Agricole S.A. to gradually raise the level of capital allocated as a percentage of risk-weighted assets for some entities. The new capital requirements announced at the end of 2017 following SREP has made no change to the regulatory prudential requirements under Pillar 2 applied to Crédit Agricole S.A. Nevertheless, for each CGU, including those not subject to Pillar 2 requirements, we applied a capital requirement of 9.5% of risk-weighted assets, which is the higher of the ratio required under the Pillar 2 Requirement and the allocation rate used in 2016 for CGUs that must meet a Pillar 2 requirement. Thus, at 31 December 2017, the capital allocated to all bank CGUs amounted to 9.5% of risk weighted assets.

The discount rates determined at 31 December 2017 for all business lines reflect the continued low long-term interest rates in Europe and more particularly in France. Equity risk premiums remain stable overall or marginally higher. This has led to a slight decline in the discount rates used relative to end 2016.

The perpetual growth rates at 31 December 2017 were unchanged from those used at 31 December 2016.

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	
	+100bp	*-50bp*	*+50bp*	*-10bp*	*+10bp*
French Retail Banking - LCL	(2,6%)	+10,1%	(8,5%)	+2,4%	(2,4%)
International retail banking - Italy	(3,5%)	+6,6%	(5,7%)	+2,4%	(2,4%)
International retail banking - Others	(6,2%)	+6,4%	(5,5%)	+7,2%	(2,4%)
Specialised financial services	(5,6%)	+9,7%	(8,2%)	+10,6%	(10,6%)
Asset Gathering	(0,5%)	+8,2%	(6,9%)	NS	NS
Large Customers	(7,5%)	+7,9%	(6,8%)	+2,4%	(2,4%)

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 French retail banking CGU in France, LCL, affected by the factoring in of persistently low rates, is the most sensitive to the downgraded parameters of the model. In the case of the International Retail Banking CGU - Poland, inasmuch as goodwill is impaired in full, the sensitivity tests performed did not naturally lead to envisaging additional impairment.

- 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 €270 million on the LCL-French Retail Banking CGU;
  - A variation of +100 basis points in the cost/income ratio in the terminal year would not result in any impairment.

- With regard to operational parameters, these showed that the valuation of CGUs is particularly sensitive to downgraded cost-of-risk assumptions in the terminal year:

- A variation of +100 basis points in the cost/income ratio in the terminal year would not result in any impairment;
- While a +10% variation in the cost of risk in the terminal year would only result in a negative difference between value in use and the carrying amount of less than €50 million for the Specialized Financial Services-Consumer Credit CGU, excluding Agos.

6.19 Insurance company technical reserves

BREAKDOWN OF INSURANCE TECHNICAL RESERVES

	31/12/2017				
(in millions of euros)	Life	Non-life	International	Creditor	Total
Insurance contracts	169 685	4 892	16 516	1 773	**192 866**
Investment contracts with discretionary profit-sharing	90 169	-	12 789	-	**102 958**
Investment contracts without discretionary profit-sharing	2 507	-	1 394	-	**3 901**
Deferred participation benefits (liability)	20 978	-	500	-	**21 478**
Total technical reserves	**283 339**	**4 892**	**31 199**	**1 773**	**321 203**
Deferred participation benefits (asset)	-	-	-	-	**-**
Reinsurers' share of technical reserves	(918)	(398)	(59)	(270)	**(1 645)**
Net technical reserves	**282 421**	**4 494**	**31 140**	**1 503**	**319 558**

	31/12/2016				
(in millions of euros)	Life	Non-life	International	Creditor	Total
Insurance contracts	159 397	4 442	14 314	1 636	**179 789**
Investment contracts with discretionary profit-sharing	91 550	-	12 017	-	**103 567**
Investment contracts without discretionary profit-sharing	2 476	-	1 193	-	**3 669**
Deferred participation benefits (liability)	20 554	-	474	-	**21 028**
Total technical reserves	**273 977**	**4 442**	**27 998**	**1 636**	**308 053**
Deferred participation benefits (asset)	-	-	-	-	**-**
Reinsurers' share of technical reserves	(827)	(342)	(55)	(261)	**(1 485)**
Net technical reserves	**273 150**	**4 100**	**27 943**	**1 375**	**306 568**

Reinsurers' share in technical reserves and other insurance liabilities is recognised under accruals, prepayments and sundry liabilities. The breakdown of insurance company technical provisions contracts is presented before elimination of emissions in euro and in units of account subscribed by insurance companies.

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Deferred policyholders' profit-sharing, before tax, at 31 December 2017 and 31 December 2016 breaks down as follows:

Deferred participation benefits	31/12/2017 Deferred participation benefits in liabilities	31/12/2016 Deferred participation benefits in liabilities
Deferred participation on revaluation of held-for-sale securities and hedging derivatives	18 255	18 830
of which deferred participation on revaluation of held-for-sale securities [1]	*17 408*	*17 933*
of which deferred participation hedging derivatives	*847*	*897*
Deferred participation on trading securities mark-to-market adjustment	443	(323)
Other deferred participation (liquidity risk reserve cancellation)	2 780	2 521
Total	**21 478**	**21 028**

[1] *Note 6.4 « Available-for-sale financial assets »*

6.20 Provisions

(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 savings plan risks	463	-	-	-	(222)	-	-	**241**
Financing commitment execution risks	271	18	265	(7)	(76)	(19)	37	**489**
Operational risks	167	1	32	(120)	(16)	-	(1)	**63**
Employee retirement and similar benefits	1 762	182	187	(227)	(46)	(25)	(1)	**1 832**
Litigation	895	180	400	(122)	(209)	(4)	(1)	**1 139**
Equity investments	6	-	10	(3)	-	-	-	**13**
Restructuring	44	1	-	(8)	(2)	-	-	**35**
Other risks	675	3	131	(96)	(110)	(7)	13	**609**
Total	**4 283**	**385**	**1 025**	**(583)**	**(681)**	**(55)**	**47**	**4 421**

[1] *See Notes 7.4 "Post employment benefits" and 7.5 "Other employee benefits".*

(in millions of euros)	31/12/2015	Changes in scope	Depreciation charges	Reversals, amounts used	Reversals, amounts not used	Translation adjustments	Other movements	31/12/2016
Home purchase savings plan risks	380	-	83	-	-	-	-	**463**
Financing commitment execution risks	215	(1)	87	(1)	(46)	17	-	**271**
Operational risks	64	-	127	(10)	(14)	-	-	**167**
Employee retirement and similar benefits	1 719	-	210	(185)	(84)	(3)	105	**1 762**
Litigation	919	1	265	(103)	(156)	(2)	(29)	**895**
Equity investments	6	-	3	-	(2)	-	(1)	**6**
Restructuring	12	3	34	(5)	-	-	-	**44**
Other risks	776	-	191	(158)	(162)	3	25	**675**
Total	**4 091**	**3**	**1 000**	**(462)**	**(464)**	**15**	**100**	**4 283**

At 31 December 2017, employment-related commitments (retirement schemes) and similar benefits included €79 million (€122 million in 2016) of provisions arising from social costs of restructuring plans and the provision for restructuring includes the non-social costs of those plans.

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TAX AUDITS

- **Crédit Agricole S.A. tax audit**

Crédit Agricole S.A. 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.

This adjustment is being contested. In view of the circumstances of the case, no provision has been set aside. The assessment notice dated 15 March 2017 for an amount of 312 million euros resulted in a payment, and concurrently, a debt of the same amount was recorded at 31 December 2017.

On 13 January 2017, the National Tax Commission decided that the tax adjustment should be abandoned.

Crédit Agricole S.A. underwent another tax audit covering the years 2014 and 2015. A provision was recognised to cover the estimated risks.

- **LCL tax audit**

In 2010 and 2011, LCL was the object of an audit of accounts covering years 2007, 2008 and 2009, as well as an audit on regulated savings. All the resulting financial consequences have been paid, with only one sanction relating to regulated savings currently the subject of a dispute. It culminated in cancelling the fines in 2017, which were repaid in full during this financial year.

LCL was the object of an audit of accounts in 2015 and 2016, as well as an audit on regulated savings for the 2011, 2012 and 2013 financial years. All adjustments and fines have been paid and the financial consequences were covered by a reversal of the provision constituted for this purpose.

Some adjustments and penalties have been or will be contested. In 2017, LCL challenged the fines imposed under the audit of regulated savings. The challenge led to a full tax credit and full repayment of the fines during the 2017 financial year.

- **Crédit Agricole CIB Paris tax audit**

Crédit Agricole CIB is currently the object of an audit of accounts covering years 2013, 2014 and 2015. Two adjustment notices suspending the limitation period were received in late 2016 and late 2017. 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.

- **Crédit Agricole CIB Milan and London tax audit regarding transfer pricing**

Following audits, Crédit Agricole CIB Milan and London respectively received adjustment notices for 2005 to 2012, 2003 to 2006 and 2008 from the Italian and UK tax authorities regarding transfer pricing. Crédit Agricole CIB challenged the proposed adjustments. At the same time, the case has been referred to the competent French - Italian and French - British authorities for all years. A provision was recognised to cover the estimated risk.

- **CLSA liability guarantee**

In 2013 Crédit Agricole S.A. 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. Group. Reasoned arguments have been submitted challenging the adjustments. A provision was recognised to cover the estimated risk.

- **Crédit Agricole Indosuez Wealth**

Crédit Agricole Indosuez Wealth (formerly Crédit Agricole Private Banking) had two tax audits covering the years 2012 to 2015. All adjustments have been paid. One of the adjustments is currently the subject of a dispute

- **Crédit Agricole Assurances tax audit**

Crédit Agricole Assurances underwent a tax audit covering the years 2008 and 2009. The notified adjustment, for a non-material amount, is currently the subject of a dispute and has been submitted to the Administrative Court of Appeal by the Council of State. It has been paid in full.

- **Pacifica tax audit**

Pacifica underwent a tax audit covering the years 2009 and 2010. A comprehensive settlement notice has been issued. Only one notified adjustment, which is fully provisioned, remains outstanding and is currently the subject of a dispute.
Pacifica was also the object of an audit of accounts covering the years 2013 and 2014. The notified adjustments have been challenged in part and provisions made.

- **Crédit Agricole Consumer Finance tax audit**

Crédit Agricole Consumer Finance is currently the object of an audit of accounts covering years 2014 and 2015. It received an adjustment notice in late 2017. CA Consumer Financing is in discussions with the tax authorities to challenge the adjustments. A provision has been recognised to cover the estimated risk in the 2017 financial statements.

INQUIRIES AND REQUESTS FOR REGULATORY INFORMATION

The main files linked to inquiries and requests for regulatory information are:

- **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 (Federal Reserve) 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. The USAO and DANY have agreed to take no further action against Crédit Agricole CIB, CASA, or any of Crédit Agricole CIB's subsidiaries or affiliates regarding the conduct subject to this investigation if Crédit Agricole CIB complies with its obligations under the DPAs.

Within the framework of the implementation of these agreements, 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 regarding this matter, 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 KFTC investigation into certain foreign exchange derivatives (ABS-NDF) is ongoing.

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 SA 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. Crédit Agricole S.A. and Crédit Agricole CIB have filed a motion to dismiss. The New York Federal Court, ruling in first instance, granted this request last August 18th, in favor of Crédit Agricole S.A. and Crédit Agricole CIB. Following federal procedure which allows them to do so, the plaintiffs modified the terms of their action to refer the case to the judge again. As a consequence, Crédit Agricole S.A. and Crédit Agricole CIB have submitted a new motion to dismiss, which must be examined by the New York Federal Court soon.

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.

- **Bonds SSA**

Several regulators have demanded information to Crédit Agricole SA and to Crédit Agricole CIB for inquiries relating to activities of different banks involved on Bonds SSA market (Supranational, Sub-Sovereign and Agencies). Crédit Agricole CIB is included with other banks in various consolidated class actions before the United States District Court for the Southern District of New York. Crédit Agricole SA and Crédit Agricole CIB are included with other banks in two class actions filed in Canada, one before the Ontario Superior Court of Justice and the other before the Federal Court. Through the cooperation with these regulators, Crédit Agricole CIB proceeded to internal inquiries to gather the required information. It is not possible at this stage to predict the outcome of these investigations or class actions or the date on which they will end.

HOME PURCHASE SAVINGS PLAN PROVISION

Deposits collected in home purchase savings accounts and plans during the savings phase

(in millions of euros)	31/12/2017	31/12/2016
Home purchase savings plans		
Under 4 years old	10 559	41 725
Between 4 and 10 years old	35 755	26 152
Over 10 years old	50 603	25 919
Total home purchase savings plans	**96 917**	**93 796**
Total home purchase savings accounts	**11 560**	**11 380**
Total Deposits collected under home purchase savings contracts	**108 478**	**105 175**

Age of plan is determined in accordance with CRC Regulation 2007-01 of 14 December 2007.

Customer deposits outstanding, excluding government subsidies, are based on the carrying amount at the end of November 2017 for the financial statements at 31 December 2017 and at the end of November 2016 for the financial statements at 31 December 2016.

Outstanding loans granted to holders of home purchase savings accounts and plans

(in millions of euros)	31/12/2017	31/12/2016
Home purchase savings plans	6	10
Home purchase savings accounts	44	66
Total Outstanding loans granted under home purchase savings contracts	**50**	**76**

Provision for home purchase savings accounts and plans

(in millions of euros)	31/12/2017	31/12/2016
Home purchase savings plans		
Under 4 years old	2	22
Between 4 and 10 years old	20	8
Over 10 years old	219	433
Total home purchase savings plans	**241**	**463**
Total home purchase savings accounts	**-**	**-**
Total Provisions for home purchase savings contracts	**241**	**463**

(in millions of euros)	31/12/2016	Depreciation charges	Reversals	Other movements	31/12/2017
Home purchase savings plans	463	-	(222)	-	241
Home purchase savings accounts	-	-	-	-	-
Total Provisions for home purchase savings contracts	**463**	**-**	**(222)**	**-**	**241**

Age plan is determined based on the date of the midway point in the generation of plans to which they belong.

All of the home purchase savings plans and accounts collected by the Regional Banks are recognised at 100% as liabilities in the consolidated financial statements of Crédit Agricole S.A. Group.

Half of the amount of outstanding loans related to home purchase savings plans and accounts is recognised by Crédit Agricole S.A. Group and the other half by the Regional Banks in the tables above.

The amounts recognised under provisions represent the portion of risk borne by Crédit Agricole S.A. and LCL.

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

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6.21 Equity

OWNERSHIP STRUCTURE AT 31 DECEMBER 2017

At 31 December 2017, to the knowledge of Crédit Agricole S.A., the distribution of capital and voting rights is as follows:

Shareholders	Number of shares at 31/12/2017	% of the share capital	% of voting rights
S.A.S. Rue La Boétie	**1 611 969 963**	**56,60%**	**56,70%**
Treasury shares	**2 146 133**	**0,10%**	
Employees (ESOP)	**114 039 868**	**4,00%**	**4,00%**
Public	**1 117 948 562**	**39,30%**	**39,30%**
TOTAL	**2 846 104 526**	**100%**	**100%**

At 31 December 2017, Crédit Agricole S.A.'s share capital stood at €8,538,313,578 divided into 2,846,104,526 fully paid up ordinary shares each with a par value of €3.

SAS Rue La Boétie is wholly-owned by the Crédit Agricole Regional Banks.

Concerning Crédit Agricole S.A. stock, a liquidity agreement was signed on 25 October 2006 with Crédit Agricole Cheuvreux S.A., purchased by Kepler, and renamed Kepler Cheuvreux in 2013. This agreement is automatically renewed every year. So that the operator can conduct the operations stipulated in the agreement with complete independence the agreement has been allocated an amount of €50 million.

To the Company's knowledge, no other shareholder owns 5% or more of the share capital or voting rights, either directly or indirectly or with others.

EARNINGS PER SHARE

	31/12/2017	31/12/2016
Net income Group share during the period (in millions of euros)	3 649	3 540
Net income attributable to undated deeply subordinated securities	(454)	(474)
Net income attributable to holders of ordinary shares	3 195	3 066
Weighted average number of ordinary shares in circulation during the period	2 843 579 170	2 736 877 451
Adjustment ratio	1,000	1,000
Weighted average number of ordinary shares for calculation of diluted earnings per share	2 843 579 170	2 736 877 451
Basic earnings per share (in euros)	**1,124**	**1,120**
Basic earnings per share from ongoing activities (in euros)	**1,116**	**0,644**
Basic earnings per share from discontinued operations (in euros)	**0,008**	**0,476**
Diluted earnings per share (in euros)	**1,124**	**1,120**
Diluted earnings per share from ongoing activities (in euros)	**1,116**	**0,644**
Diluted earnings per share from discontinued operations (in euros)	**0,008**	**0,476**

The earnings per share calculation includes the issuance costs and accrued interest on subordinated and deeply subordinated Additional Tier 1 debt issued in 2017 for the amount of -€454 million (-€474 million in 2016).
Taking into consideration the change in the average price of Crédit Agricole S.A. share, all Crédit Agricole S.A. stock option plans are non-dilutive.

Without any dilutive issue by Crédit Agricole S.A., the basic earnings per share are identical to the diluted earnings per share.

DIVIDENDS

In respect of 2017, Crédit Agricole S.A.'s Board of Directors' meeting of 13 February 2018 decided to recommend to the General Meeting of Shareholders of 16 May 2018 the payment of a dividend of €0.63 per share in cash, plus a 10% bonus for shares eligible for a loyalty dividend to be paid on 24 May.

(in euros)	2017	2016	2015	2014	2013
Ordinary dividend	0,63	0,60	0,60	0,35	0,35
Loyalty dividend	0,693	0,660	0,660	0,385	0,385

DIVIDENDS PAID DURING THE REPORTING PERIOD

In respect of 2016, the General Meeting of Shareholders of 24 May 2017 voted to pay a cash dividend of €0.60 per share, with a 10% loyalty bonus for eligible shares.

Dividends amounting to €1,716 million are shown in the statement of changes in equity.

APPROPRIATION OF NET INCOME

The proposed appropriation of net income is set out in the draft resolutions to be presented by the Board of Directors at Crédit Agricole S.A.'s Combined General Meeting on Wednesday 16 May 2018.

Crédit Agricole S.A. posted net income of €1,564,130,517.42 in 2017.

The Board of Directors proposes that the Annual General Meeting of Shareholders agree:

- to record that profit for the year and distributable earnings amount respectively to €1,564,130,517.42 and €15,649,153,031.87, taking into account retained earnings of €14,085,022,514.45;

- to set the ordinary dividend at €0.63 per share, and the loyalty dividend at €0.693 per share, rounded to the lower rounding figure, for shares meeting the eligibility conditions for the loyalty dividend at the date of the actual dividend payment;

- to distribute the dividend paid out of distributable earnings in the amount of €1803,842,387.11[(1)];
- to allocate the undistributed balance of €13,845,310,064.76[1], to retained earnings.

[1] *This amount will be adjusted where appropriate to reflect the following events: (a) creation of new shares eligible for dividends before the ex-dividend date, (b) change in the number of treasury shares prior to the ex-dividend date, (c) loss of entitlement to the additional 10% dividend for some registered shares before the payment date*

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 2016	Partial repurchases and redemptions	Amount in currency at 31 December 2017	Amount in euros at inception rate
			(in millions of units)		*(in millions of euros)*
14/10/2014	EUR	745	-	**745**	**745**
13/01/2015	EUR	1 000	-	**1 000**	**1 000**
TOTAL					**1 745**

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

(in millions of euros)	31/12/2017	31/12/2016
Undated deeply subordinated notes		
Interest paid accounted as reserves	**(378)**	(390)
Income tax savings related to interest paid to security holders recognised in net income	**130**	134
Issuance costs (net of tax)	**-**	(8)
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)	**-**	-

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6.22 Non-controlling interests

INFORMATION ON SIGNIFICANT NON-CONTROLLING INTERESTS

The table below presents information on the consolidated subsidiaries and structured entities with significant non-controlling interests in relation to the total equity of the Group or of the sub-group level or where the total balance sheet of the entities held by the non-controlling interests is significant.

	31/12/2017				
(In millions of euros)	% of voting rights held by non-controlling interests	% of ownership interests held by non-controlling interests	Net income allocated to non-controlling interests during the reporting period	Accumulated non-controlling interests at the end of the reporting period	Dividends paid to non-controlling interests
Cariparma Group	23%	23%	151	1 397	38
Amundi Group	32%	31%	196	1 960	140
CACEIS Group (1)	-	-	22	-	9
Agos	39%	39%	115	536	67
Others (2)	-	-	48	2 302	29
Total			**532**	**6 195**	**282**

(1) On 22 December 2017, CACEIS completed the acquisition of the 15% stake held by Natixis.
(2) Of which €1,745 million related to the issuance of Additional Tier 1 undated subordinated bonds realised on 14 October 2014 and 13 January 2015 by Crédit Agricole Assurances, accounted for in equity of non-controlling interests.

	31/12/2016				
(In millions of euros)	% of voting rights held by non-controlling interests	% of ownership interests held by non-controlling interests	Net income allocated to non-controlling interests during the reporting period	Accumulated non-controlling interests at the end of the reporting period	Dividends paid to non-controlling interests
Cariparma Group	23%	23%	56	1 189	48
Amundi Group	26%	26%	143	1 103	89
CACEIS Group	15%	15%	18	219	-
Agos	39%	39%	87	489	66
Others (1)	**0**	**0**	111	2 661	83
Total	**0**	**0**	**415**	**5 661**	**286**

(1) Of which €1,745 million related to the issuance of Additional Tier 1 undated subordinated bonds realised on 14 October 2014 and 13 January 2015 by Crédit Agricole Assurances, accounted for in equity of non-controlling interests.

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INDIVIDUAL SUMMARY FINANCIAL INFORMATION ON SIGNIFICANT NON-CONTROLLING INTERESTS

The table below presents summary information on subsidiaries with significant non-controlling interests for Crédit Agricole S.A. Group on the basis of the IFRS financial statements.

	31/12/2017			
(In millions of euros)	Total assets	Revenues	Net income	Net income and other comprehensive income
Cariparma Group	66 596	1 710	616	609
Amundi Group	18 819	2 257	681	590
CACEIS Group	61 573	809	153	289
Agos	17 262	893	294	294
Total	**164 250**	**5 669**	**1 745**	**1 782**

	31/12/2016			
(In millions of euros)	Total assets	Revenues	Net income	Net income and other comprehensive income
Cariparma Group	52 992	1 710	219	125
Amundi Group	13 918	1 677	569	602
CACEIS Group	62 087	750	118	198
Agos	17 078	913	240	240
Total	**146 075**	**5 050**	**1 146**	**1 165**

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6.23 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”.
Value adjustments on interest rate risk hedged portfolios are considered to have an indefinite maturity given the absence of a defined maturity.

	31/12/2017					
(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Cash, central banks	50 761	-	-	-	-	50 761
Financial assets at fair value through profit or loss	98 957	23 786	38 341	72 923	87 397	321 404
Hedging derivative instruments	1 501	529	6 207	8 198	-	16 435
Available-for-sale financial assets	13 399	21 965	92 233	144 548	34 913	307 058
Loans and receivables due from credit institutions	91 686	88 991	143 592	69 782	-	394 051
Loans and receivables due from customers	87 703	37 565	124 641	107 346	2 824	360 079
Value adjustment on interest rate risk hedged portfolios	5 978	-	-	-	-	5 978
Held-to-maturity financial assets	909	1 611	6 543	11 116	-	20 179
Total financial Assets by maturity	**350 894**	**174 447**	**411 557**	**413 913**	**125 134**	**1 475 945**
Central banks	3 185	-	-	-	-	3 185
Financial liabilities at fair value through profit or loss	90 162	17 051	44 233	76 441	-	227 887
Hedging derivative instruments	1 198	492	3 920	7 661	-	13 271
Due to credit institutions	55 616	13 960	38 252	17 762	-	125 590
Due to customers	479 428	36 163	29 575	5 580	-	550 746
Debt securities	46 155	24 549	44 337	48 667	-	163 708
Subordinated debt	2 208	543	5 483	14 064	3 123	25 421
Value adjustment on interest rate risk hedged portfolios	6 565	-	-	-	-	6 565
Total financial Liabilities by maturity	**684 517**	**92 758**	**165 800**	**170 175**	**3 123**	**1 116 373**

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(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
	31/12/2016					
Cash, central banks	28 202	-	-	-	-	28 202
Financial assets at fair value through profit or loss	85 926	28 160	44 925	94 391	72 877	326 279
Hedging derivative instruments	1 942	2 873	6 225	10 888	-	21 928
Available-for-sale financial assets	17 675	28 752	86 956	149 077	33 456	315 916
Loans and receivables due from credit institutions	101 735	86 156	123 237	70 983	727	382 838
Loans and receivables due from customers	81 212	34 381	125 848	102 227	2 586	346 254
Value adjustment on interest rate risk hedged portfolios	8 190	-	-	-	-	8 190
Held-to-maturity financial assets	666	312	4 296	9 080	-	14 354
Total financial Assets by maturity	**325 548**	**180 634**	**391 487**	**436 646**	**109 646**	**1 443 961**
Central banks	1 957	-	1 900	-	-	3 857
Financial liabilities at fair value through profit or loss	72 745	21 118	52 291	97 823	31	244 008
Hedging derivative instruments	1 222	1 830	5 486	9 352	-	17 890
Due to credit institutions	51 364	11 475	28 871	20 589	29	112 328
Due to customers	442 298	36 505	36 427	5 587	1 011	521 828
Debt securities	47 856	29 009	37 965	44 450	-	159 280
Subordinated debt	906	176	7 394	15 612	5 239	29 327
Value adjustment on interest rate risk hedged portfolios	9 444	-	-	-	-	9 444
Total financial Liabilities by maturity	**627 792**	**100 113**	**170 334**	**193 413**	**6 310**	**1 097 962**

7. Employee benefits and other compensation

7.1 Analysis of employee expenses

(in millions of euros)	31/12/2017	31/12/2016
Salaries [1]	(4 720)	(4 503)
Contributions to defined-contribution plans	(376)	(364)
Contributions to defined-benefit plans	(124)	(52)
Other social security expenses	(1 109)	(1 100)
Profit-sharing and incentive plans	(243)	(224)
Payroll-related tax	(361)	(348)
Total employee expenses	(6 933)	**(6 591)**

[1] Regarding deferred variable compensation paid to market professionals, the Crédit Agricole S.A. Group booked a charge for share-based payments of €56 million at 31 December 2017 compared to €55 million at 31 December 2016.

7.2 Headcount at year-end

Number of employees	Average headcount 31/12/2017	Headcount at year end 31/12/2017	Headcount at year end 31/12/2016
France	36 559	36 210	36 968
International	34 749	37 497	33 862
Total	**71 308**	**73 707**	**70 830**

7.3 Post-employment benefits, defined-contribution plans

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

Within the Group, there are several compulsory defined-contribution plans, the main ones being Agirc/Arrco, which are French supplementary retirement plans, and some supplementary plans in place notably within UES Crédit Agricole S.A.

ANALYSIS OF SUPPLEMENTARY PENSION PLANS IN FRANCE

Business Line	Entity	Compulsory supplementary pension plans	Number of employees covered Estimate at 31/12/2017	Number of employees covered Estimate at 31/12/2016
Central Support Functions	UES Crédit Agricole SA	Agriculture industry plan 1.24%	**2 799**	2 883
Central Support Functions	UES Crédit Agricole SA	"Article 83" Group Executive managers plan	**198**	202
French retail banking	LCL	"Article 83" Group Executive managers plan	**338**	338
Large Customers	CA CIB	"Article 83" type plan	**4 561**	4 402
Savings management and Insurance	CAAS/Pacifica/SIRCA/LA MDF	Agriculture industry plan 1.24%	**3 679**	3 511
Savings management and Insurance	CAAS/Pacifica/CACI/LA MDF	"Article 83" Group Executive managers plan	**68**	68
Savings management and Insurance	CACI / CA Indosuez Wealth (France)/CA Indosuez Wealth (Group)/Amundi	"Article 83" type plan	**2 959**	758

7.4 Post-employment benefits, defined-benefit plans

CHANGE IN ACTUARIAL LIABILITY

(in millions of euros)	Eurozone 31/12/2017	Outside Eurozone 31/12/2017	All Zones 31/12/2017	All Zones 31/12/2016 Restated
Change in actuarial liability				
Actuarial liability at 31/12/N-1	1 484	1 616	3 100	3 002
Translation adjustments	-	(110)	(110)	(87)
Current service cost during the period	61	37	98	95
Financial cost	18	28	46	58
Employee contributions	-	13	13	13
Benefit plan changes, withdrawals and settlement	(25)	2	(23)	(48)
Changes in scope	96	-	96	10
Benefits paid (mandatory)	(92)	(88)	(180)	(128)
Taxes, administrative expenses, and bonuses	-	-	-	-
Actuarial (gains) /losses arising from changes in demographic assumptions [1]	19	(12)	7	(55)
Actuarial (gains) /losses arising from changes in financial assumptions [1]	30	27	57	240
Actuarial liability at 31/12/N	**1 591**	**1 513**	**3 104**	**3 100**

[1] *Of which actuarial gains/losses related to experience adjustment*

BREAKDOWN OF NET CHARGE RECOGNISED IN THE INCOME STATEMENT

(in millions of euros)	Eurozone 31/12/2017	Outside Eurozone 31/12/2017	All Zones 31/12/2017	All Zones 31/12/2016 Restated
Breakdown of net charge recognised in the income statement				
Service cost	(36)	(39)	(75)	(47)
Income/expenses on net interests	(10)	(4)	(14)	(17)
Impact in profit and loss at 31/12/N	**(46)**	**(43)**	**(89)**	**(64)**

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

(in millions of euros)	Eurozone 31/12/2017	Outside Eurozone 31/12/2017	All Zones 31/12/2017	All Zones 31/12/2016 Restated
Breakdown of charge recognised in OCI that will not be reclassified to profit and loss				
Revaluation from net liabilities (from net assets)	-	-	-	-
Total amount of actuarial gains or losses recognised in OCI that will not be reclassified to profit and loss at 31/12/N-1	391	340	731	619
Translation adjustment	-	(24)	(24)	1
Actuarial gains / losses on assets	(2)	(57)	(59)	(72)
Actuarial (gains) /losses arising from changes in demographic assumptions (1)	19	(12)	7	(55)
Actuarial (gains) /losses arising from changes in financial assumptions (1)	30	27	57	240
Adjustment of assets restriction's impact	(1)	-	(1)	-
Impact in OCI at 31/12/N	**46**	**(66)**	**(20)**	**114**

(1) of which actuarial gains/losses related to experience adjustment.

CHANGE IN FAIR VALUE OF ASSETS

(in millions of euros)	Eurozone 31/12/2017	Outside Eurozone 31/12/2017	All Zones 31/12/2017	All Zones 31/12/2016 Restated
Change in fair value of assets				
Fair value of assets at 31/12/N-1	386	1 297	1 683	1 627
Translation adjustments	-	(87)	(87)	(88)
Interests on asset (income)	5	25	30	37
Actuarial gains / (losses)	-	57	57	73
Employer contributions	93	27	120	87
Employee contributions	1	13	14	13
Benefit plan changes, withdrawals and settlement	-	-	-	-
Changes in scope	24	-	24	8
Tax, administrative costs and bonuses	-	-	-	-
Benefits paid out under the benefit plan	(22)	(68)	(90)	(73)
Fair value of assets at 31/12/N	**487**	**1 264**	**1 751**	**1 683**

CHANGE IN FAIR VALUE OF REIMBURSEMENT RIGHTS

(in millions of euros)	Eurozone 31/12/2017	Outside Eurozone 31/12/2017	All Zones 31/12/2017	All Zones 31/12/2016 Restated
Change in fair value of reimbursement rights				
Fair value of reimbursement rights at 31/12/N-1	324	-	324	289
Translation adjustments	-	-	-	-
Interests on reimbursement rights	3	-	3	4
Actuarial gains / (losses)	1	-	1	(1)
Employer contributions	38	-	38	47
Employee contributions	-	-	-	-
Benefit plan changes, withdrawals and settlement	-	-	-	-
Changes in scope	(2)	-	(2)	2
Tax, administrative costs and bonuses	-	-	-	-
Benefits paid out under the benefit plan	(23)	-	(23)	(17)
Fair value of reimbursement rights at 31/12/N	**341**	**-**	**341**	**324**

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NET POSITION

(in millions of euros)	Eurozone 31/12/2017	Outside Eurozone 31/12/2017	All Zones 31/12/2017	All Zones 31/12/2016 Restated
Net position				
Closing actuarial liability	(1 591)	(1 513)	(3 104)	(3 100)
Impact of asset restriction	-	-	-	-
Fair value of assets at end of period	487	1 264	1 751	1 683
Net position of assets/(liabilities) at end of period	**(1 104)**	**(249)**	**(1 353)**	**(1 417)**

DEFINED-BENEFIT PLANS: MAIN ACTUARIAL ASSUMPTIONS

Defined-benefit plans : main actuarial assumptions	Euro zone 31/12/2017	Outside Euro zone 31/12/2017	Euro zone 31/12/2016	Off Euro zone 31/12/2016
Discount rate[(1)]	1,21%	1,76%	1,20%	1,85%
Actual return on plan assets and on reimbursement rights	1,37%	6,66%	1,32%	8,39%
Expected salary increase rates[(2)]	1,36%	1,88%	1,37%	1,87%
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)]

Information of plan assets [(1)]	Eurozone			Outside Eurozone			All zones		
Allocation of assets *(in millions of euros)*	%	Amount	of which listed	%	Amount	of which listed	%	Amount	of which listed
Equities	7,5%	61	61	24,7%	312	312	17,9%	373	373
Bonds	45,2%	375	365	49,1%	621	621	47,6%	996	986
Property /Real estate	3,8%	31		7,3%	91		5,9%	122	
Other	43,5%	361		19,0%	240		28,7%	601	

(1) of which fair value of reimbursement rights.

At 31 December 2017, the sensitivity analysis showed that:
- a 50 basis point increase in discount rates would reduce the commitment by 6.95%;
- a 50 basis point decrease in discount rates would increase the commitment by 7.65%.

The benefits expected to be paid in respect of post-employment plans for 2018 are as follows:
- benefits paid by the employer or by reimbursement rights funds: €85 million (compared to €90 million paid in 2017);
- benefits paid by plan assets: €68 million (compared to €89 million paid in 2017).

Crédit Agricole S.A.'s policy on covering employee benefit obligations reflects local rules on funding post-employment benefits in countries with minimum funding requirements. Overall, commitments arising from the Group's post-employment obligations were 67.46% covered at 31 December 2017 (including reimbursement rights).

7.5 Other employee benefits

In France, the Group's main entities pay long-service awards. The amounts vary according to practices and collective bargaining agreements in place.

The provisions funded by Crédit Agricole S.A. Group for these other employee benefit obligations amounted to €375 million at 31 December 2017.

7.6 Share-based payments

7.6.1 STOCK OPTION PLAN

No new plan was implemented in 2017.

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 2018, March 2019 and March 2020.

The expense related to these plans is recognised in compensation expenses on a straight-line basis over the vesting period to factor in continued employment, and a liability is recorded in employee expenses, the amount of which is subject to periodical revaluation through profit or loss until the settlement date, depending on the evolution of the share price of Crédit Agricole S.A. and on *vesting* conditions (continued employment and performance).

7.7 Executive compensation

Senior management includes all members of the Executive Committee, namely the Chief Executive Officer, Deputy Chief Executive Officer, Deputy Chief Executive Officers for the Group's different divisions, Chief Executive Officers of the main subsidiaries and the heads of the Group's core business activities.

Compensation and benefits paid to the members of the Executive Committee in 2017 were as follows:

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- short-term benefits: €26.3 million for fixed and variable compensation (of which €4.1 million paid in share-indexed instruments), including social security expenses and benefits in kind;
- post-employment benefits: €4.5 million for end-of-career allowances and for the supplementary pension plan for Group executive managers;
- other long-term employee benefits: the amount of long-service awards granted was not material;
- employment contract termination indemnities: not material;
- other share-based payment: not applicable.

Total Directors' fees paid to members of Crédit Agricole S.A.'s Board of Directors in 2017 in consideration for serving as Directors of Crédit Agricole S.A. amounted to €839,141.

These amounts included the compensation and benefits paid to the Chief Executive Officer and Deputy Chief Executive Officer of Crédit Agricole S.A.

8. Commitments given and received

Financing and guarantee commitments and other guarantees include discontinued operations.

COMMITMENTS GIVEN AND RECEIVED

(in millions of euros)	31/12/2017	31/12/2016
Commitments given		
Financing commitments	**151 070**	**164 999**
. Commitments given to credit institutions	25 796	26 838
. Commitments given to customers	125 274	138 161
Confirmed credit lines	103 475	110 761
- Documentary credits	5 129	4 803
- Other confirmed credit lines	98 346	105 958
Other commitments given to customers	21 799	27 400
Guarantee commitments	**89 694**	**79 464**
. Credit institutions	8 074	6 748
Confirmed documentary credit lines	3 803	2 238
Other	4 271	4 510
. Customers	81 620	72 716
Property guarantees	2 430	2 395
Other customer guarantees	79 190	70 321
Commitments received		
Financing commitments	**88 270**	**83 572**
. Commitments received from credit institutions	82 305	80 028
. Commitments received from customers	5 965	3 544
Guarantee commitments	**249 880**	**248 146**
. Commitments received from credit institutions (1)	81 281	74 730
. Commitments received from customers	168 599	173 416
Guarantees received from government bodies or similar institutions	20 056	20 886
Other guarantees received	148 543	152 530

(1) Of which €9.2 billion for the Switch Insurance guarantee set up on 1 July 2016.

FINANCIAL INSTRUMENTS GIVEN AND RECEIVED AS COLLATERAL

(in millions of euros)	31/12/2017	31/12/2016
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.)	181 501	181 227
Securities lent	9 534	11 726
Security deposits on market transactions	17 279	26 488
Other security deposits	93 464	-
Securities sold under repurchase agreements	301 778	73 664
Total carrying amount of financial assets provided as collateral	**603 556**	**293 105**
Carrying amount of financial assets received in guarantee		
Other security deposits (1)	**3 102**	**3 102**
Fair value of instruments received as reusable and reused collateral		
Securities borrowed	7	5
Securities bought under repurchase agreements	244 590	233 246
Securities sold short	22 594	19 937
Total fair value of instruments received as reusable and reused collateral	**267 191**	**253 188**

(1) Of which €3.1 billion for the deposits received under the Switch Insurance guarantee, set up on 1 July 2016, amending the previous deposits received since 2 January 2014 in the amount of €8.1 billion.

RECEIVABLES PLEDGED AS COLLATERAL

At 31 December 2017, Crédit Agricole S.A. deposited €81.3 billion of receivables (mainly on behalf of the Regional Banks) for refinancing transactions to the Banque de France, compared to €73.6 billion at 31 December 2016, and €21.5 billion of receivables were deposited directly by subsidiaries.

At 31 December 2017, Crédit Agricole S.A. deposited €13.7 billion of receivables for refinancing transactions to the *Caisse de Refinancement de l'Habitat* on behalf of the Regional Banks, compared to €16.6 billion at 31 December 2016, and €3.2 billion of receivables were deposited directly by LCL.

At 31 December 2017, €1.4 billion of Crédit Agricole CIB receivables 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.

At 31 December 2017, €39.9 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 6.7 "Transferred assets not derecognised or derecognised with on-going involvement".

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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 €97 billion and within Crédit Agricole CIB for €117,2 billion. The majority of these are receivables pledged as collateral by the Regional Banks to Crédit Agricole S.A., the latter acting as the central body with regard to the external refinancing organisations, in order to obtain refinancing. These receivables (property-related, or loans to businesses or local authorities) are selected and rated for their quality and retained on the balance sheet of the Regional Banks.

The majority of these guarantees consist of mortgage liens, collateral or guarantees received, regardless of the quality of the assets guaranteed. They are mainly related to repurchase agreements and securities pledged to guarantee brokerage transactions.

Crédit Agricole S.A. Group policy is to sell seized collateral as soon as possible. Crédit Agricole CIB and Crédit Agricole S.A. had no such assets at 31 December 2017.

9. Reclassification of financial instruments

PRINCIPLES APPLIED BY CRÉDIT AGRICOLE S.A. GROUP

Reclassifications outside the categories “Financial assets held for trading” and “Available-for-sale financial assets” were decided and performed in accordance with IAS 39 amended, adopted by the European Union on 15 October 2008. They were entered in the new accounting category at fair value on the reclassification date.

RECLASSIFICATIONS PERFORMED BY CRÉDIT AGRICOLE S.A. GROUP

Pursuant to the amendment to IAS 39 as published and adopted by the European Union on 15 October 2008, in 2016 the Group carried out reclassifications as authorised by this amendment. Information on these and previous reclassifications is shown below.

Nature, justification and amount of reclassifications

No reclassifications were made during 2017 from "Available-for-sale financial assets" and "Financial assets at fair value through profit or loss" to "loans and receivables".

Reclassifications in prior years concern reclassifications from “Available-for-sale financial assets” and “Financial assets at fair value through profit and loss” to “loans and receivables”.

For assets reclassified during 2017, the table below shows their value on the reclassification date, as well as the value at 31 December 2017 and the value at 31 December 2017 of assets reclassified before this date and still included in the Group’s assets at this date:

	Total reclassified assets		Assets reclassified in 2017			Assets reclassified before			
(in millions of euros)	Carrying amount 31/12/2017	Estimated market value at 31/12/2017	Reclassification value	Carrying amount 31/12/2017	Estimated market value 31/12/2017	Carrying amount 31/12/2017	Estimated market value at 31/12/2017	Carrying amount 31/12/2016	Estimated market value 31/12/2016
Financial assets at fair value through profit or loss reclassified as loans and receivables	78	72	-	-	-	78	72	638	629
Available-for-sale financial assets reclassified as loans and receivables	132	132	-	-	-	132	132	139	139
Total reclassified assets	**210**	**204**	**-**	**-**	**-**	**210**	**204**	**777**	**768**

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CONTRIBUTION OF RECLASSIFIED ASSETS TO NET INCOME SINCE THE RECLASSIFICATION DATE

The contribution of the transferred assets since the date of reclassification to net income for the year includes all gains, losses, income and expenses recognised in profit or loss or in other comprehensive income.

Analysis of the impact of the transferred assets:

	Reclassified assets in 2017		Assets reclassified before					
	Impact at 31/12/2017		Cumulative impact at 31/12/2016		Impact in 2017		Cumulative impact at 31/12/2017	
(in millions of euros)	Actual income and expenses recognised	If asset had been retained in its former category (change in fair value)	Actual income and expenses recognised	If asset had been retained in its former category (change in fair value)	Actual income and expenses recognised	If asset had been retained in its former category (change in fair value)	Actual income and expenses recognised	If asset had been retained in its former category (change in fair value)
Financial assets at fair value through profit or loss reclassified as loans and receivables	-	-	(38)	(122)	1	2	(37)	(120)
Available-for-sale financial assets reclassified as loans and receivables	-	-	20	20	-	-	20	20
Total reclassified assets	**-**	**-**	**(18)**	**(102)**	**1**	**2**	**(17)**	**(100)**

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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 received under repurchase agreements with underlyings quoted in an active market are also included in Level 2 of the hierarchy, as are financial assets 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 we consider the redemption value to be close to the market value;

- demand assets and liabilities;

- transactions for which there are no reliable observable data.

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10.1 Fair value of financial assets and liabilities measured at cost

Amounts presented below include accruals and prepayments and are net of impairment.

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

(in millions of euros)	Value at 31st December 2017	Estimated fair value at 31st December 2017	Quoted prices in active markets for identical instruments : Level 1	Valuation based on observable data : Level 2	Valuation based on unobservable data : Level 3
Financial assets not measured at fair value on balance sheet					
Loans and receivables	**754 130**	**776 402**	**-**	**477 833**	**298 569**
Loans and receivables due from credit institutions	**394 051**	**397 722**	**-**	**397 182**	**540**
Current accounts and overnight loans	24 264	24 267	-	24 254	13
Accounts and term deposits	354 809	358 471	-	358 280	191
Pledged securities	10	10	-	-	10
Securities bought under repurchase agreements	8 693	8 693	-	8 693	-
Subordinated loans	995	997	-	704	293
Securities not listed on an active market	5 203	5 207	-	5 174	33
Other loans and receivables	77	77	-	77	-
	-	-	-	-	-
Loans and receivables due from customers	**360 079**	**378 680**	**-**	**80 651**	**298 029**
Trade receivables	40 909	41 126	-	19 956	21 170
Other customer loans	288 066	305 723	-	44 152	261 571
Securities bought under repurchase agreements	3 116	3 116	-	2 957	159
Subordinated loans	104	104	-	4	100
Securities not listed on an active market	14 428	14 428	-	296	14 132
Insurance receivables	262	262	-	4	258
Reinsurance receivables	516	516	-	42	474
Advances in associates current accounts	128	128	-	12	116
Current accounts in debit	12 550	13 277	-	13 228	49
	-	-	-	-	-
Held-to-maturity financial assets	**20 179**	**22 229**	**22 209**	**-**	**20**
Treasury bills and similar securities	17 082	18 398	18 398	-	-
Bonds and other fixed Income securities	3 097	3 831	3 811	-	20
Total financial assets of which fair value is disclosed	**774 309**	**798 631**	**22 209**	**477 833**	**298 589**

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(in millions of euros)	Value at 31st December 2016	Estimated fair value at 31st December 2016	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	**729 092**	**755 412**	**-**	**464 363**	**291 049**
Loans and receivables due from credit institutions	**382 838**	**389 757**	**-**	**389 145**	**612**
Current accounts and overnight loans	17 311	17 311	-	17 275	36
Accounts and term deposits	338 095	345 010	-	344 838	172
Pledged securities	13	13	-	-	13
Securities bought under repurchase agreements	20 614	20 614	-	20 614	-
Subordinated loans	364	368	-	74	294
Securities not listed on an active market	6 367	6 367	-	6 270	97
Other loans and receivables	74	74	-	74	-
	-	-	-	-	-
Loans and receivables due from customers	**346 254**	**365 655**	**-**	**75 218**	**290 437**
Trade receivables	38 469	38 590	-	19 000	19 590
Other customer loans	276 151	294 746	-	39 983	254 763
Securities bought under repurchase agreements	3 460	3 460	-	3 345	115
Subordinated loans	104	105	-	3	102
Securities not listed on an active market	15 101	15 101	-	168	14 933
Insurance receivables	376	376	-	-	376
Reinsurance receivables	408	408	-	2	406
Advances in associates current accounts	125	125	-	11	114
Current accounts in debit	12 060	12 744	-	12 706	38
	-	-	-	-	-
Held-to-maturity financial assets	**14 354**	**17 044**	**16 378**	**666**	**-**
Treasury bills and similar securities	11 295	13 110	12 444	666	-
Bonds and other fixed Income securities	3 059	3 934	3 934	-	-
Total financial assets of which fair value is disclosed	**743 446**	**772 456**	**16 378**	**465 029**	**291 049**

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

(in millions of euros)	Value at 31st December 2017	Estimated fair value at 31st December 2017	Quoted prices in active markets for identical Instruments : Level 1	Valuation based on observable data : Level 2	Valuation based on unobservable data : Level 3
Financial liabilities not measured at fair value on balance sheet					
Due to credit institutions	**125 590**	**125 778**	**-**	**124 097**	**1 681**
Current accounts and overnight loans	19 786	19 787	-	19 787	-
Accounts and term deposits	81 404	81 591	-	79 910	1 681
Pledged securities	-	-	-	-	-
Securities sold under repurchase agreements	24 400	24 400	-	24 400	-
	-	-	-	-	-
Due to customers	**550 746**	**551 114**	**-**	**212 573**	**338 541**
Current accounts in credit	182 099	182 457	-	177 439	5 018
Special savings accounts	275 058	275 059	-	826	274 233
Other amounts due to customers	89 768	89 777	-	32 481	57 296
Securities sold under repurchase agreements	1 706	1 706	-	1 706	-
Insurance liabilities	853	853	-	77	776
Reinsurance liabilities	313	313	-	44	269
Cash deposits received from cedants and retrocessionaires against technical insurance commitments	949	949	-	-	949
	-	-	-	-	-
Debt securities	**163 708**	**165 896**	**55 361**	**110 335**	**200**
	-	-	-	-	-
Subordinated debt	**25 421**	**25 508**	**23 353**	**2 046**	**109**
	-	-	-	-	-
Total financial liabilities of which fair value is disclosed	**865 465**	**868 296**	**78 714**	**449 051**	**340 531**

(in millions of euros)	Value at 31st December 2016	Estimated fair value at 31st December 2016	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	**112 328**	**112 847**	**-**	**112 025**	**822**
Current accounts and overnight loans	16 146	16 146	-	16 146	-
Accounts and term deposits	71 500	72 017	-	71 195	822
Pledged securities	-	-	-	-	-
Securities sold under repurchase agreements	24 682	24 684	-	24 684	-
	-	-	-	-	-
Due to customers	**521 828**	**521 848**	**-**	**186 472**	**335 376**
Current accounts in credit	160 278	160 278	-	156 858	3 420
Special savings accounts	260 579	260 579	-	846	259 733
Other amounts due to customers	94 451	94 463	-	24 059	70 404
Securities sold under repurchase agreements	4 666	4 674	-	4 674	-
Insurance liabilities	749	749	-	35	714
Reinsurance liabilities	338	338	-	-	338
Cash deposits received from cedants and retrocessionaires against technical insurance commitments	767	767	-	-	767
	-	-	-	-	-
Debt securities	**159 280**	**160 088**	**27 060**	**132 812**	**216**
	-	-	-	-	-
Subordinated debt	**29 327**	**28 595**	**26 720**	**1 770**	**105**
	-	-	-	-	-
Total financial liabilities of which fair value is disclosed	**822 763**	**823 378**	**53 780**	**433 079**	**336 519**

10.2 Information about financial instruments measured at fair value

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: 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.

- 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 Credit Valuation Adjustment (CVA) is a mark-to-market adjustment that aims to price into the fair value of the OTC derivatives the market value of our counterparties' default risk (risk that amounts due to us are not repaid in the event of default or a deterioration in creditworthiness). 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 (of our counterparties) and losses given default. To the maximum extent possible, the CVA estimation methodology uses observable 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.

DVA - Debit Valuation Adjustment

The Debit Valuation Adjustment (DVA) is a mark-to-market adjustment that aims to price into the fair value of OTC derivatives the market value of our own default risk (potential losses to which CASA may expose its counterparties in the event of default or a deterioration in its creditworthiness). This adjustment is calculated for the scope of the transactions covered by a perfect/golden CSA (Credit Support Annex) and on the basis of the negative future exposure of the trading portfolio weighted by (CASA's) probability of default and losses given default. The calculation aims to factor in the Margin Period of Risk (MPR, calculated as the sum of "collateral contract period" + "estimated time to liquidate the portfolio"). To the maximum extent possible, the DVA estimation methodology uses observable inputs (CASA CDS to determine the probability of default). 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 price into the fair value of OTC derivatives the additional future funding costs and benefits based on ALM (Asset & Liability Management) funding costs. This adjustment is calculated for the scope of the transactions not covered by a CSA (Credit Support Annex), or covered by an imperfect/not golden CSA, and on the basis of the positive and negative future exposures weighted by ALM funding spreads.

BREAKDOWN OF FINANCIAL INSTRUMENTS AT FAIR VALUE BY VALUATION MODEL

Amounts presented below include accruals and prepayments and are net of impairment.

Financial assets measured at fair value

(in millions of euros)	31/12/2017	Quoted prices in active markets for identical instruments : Level 1	Valuation based on observable data : Level 2	Valuation based on unobservable data : Level 3
Financial assets held for trading	**221 089**	**23 036**	**195 053**	**3 000**
Loans and recevables due from credit institutions	-	-	-	-
Loans and receivables due from customers	1 600	-	-	1 600
Securities bought under repurchase agreements	92 959	-	92 959	-
Pledged securities	-	-	-	-
Securities held for trading	20 735	19 668	945	122
Treasury bills and similar securities	*12 804*	*12 033*	*771*	-
Bonds and other fixed income securities	*4 446*	*4 151*	*173*	*122*
Equities and other equity variable income securities	*3 485*	*3 484*	*1*	-
Derivative instruments	105 795	3 368	101 149	1 278
Financial assets designated at fair value through profit or loss	**100 315**	**76 364**	**19 179**	**4 772**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	2	-	-	2
Assets backing unit-linked contracts	51 600	38 917	12 677	6
Securities designated at fair value through profit or loss	48 713	37 447	6 502	*4 764*
Treasury bills and similar securities	*3 639*	*3 617*	*22*	-
Bonds and other fixed income securities	*28 004*	*24 738*	*3 058*	*208*
Equities and other equity variable income securities	*17 070*	*9 092*	*3 422*	*4 556*
	-	-	-	-
Available-for-sale financial assets	**307 058**	**269 028**	**36 192**	**1 838**
Treasury bills and similar securities	74 346	73 803	543	-
Bonds and other fixed income securities	201 745	174 589	26 875	281
Equities and other equity variable income securities (1)	30 967	20 636	8 774	1 557
Available-for-sale receivables	-	-	-	-
Hedging derivative instruments	**16 435**	**4**	**16 431**	**-**
Total financial Assets measured at fair value	**644 897**	**368 432**	**266 855**	**9 610**

Transfers from level 1 : Quoted prices in active markets for identical instruments			119	-
Transfers from level 2 : Valuation based on observable data		21		100
Transfers from level 3 : Valuation based on unobservable data		8	267	
Total transfers to each level		**29**	**386**	**100**

(1) SAS Rue La Boétie shares have been included in Equities and other variable income equity securities in Level 2 for €50 million.

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.

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(in millions of euros)	31/12/2016	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	**239 187**	**19 620**	**217 004**	**2 563**
Loans and receivables due from customers	469	-	-	469
Securities bought under repurchase agreements	72 019	-	72 019	-
Securities held for trading	17 391	15 925	1 248	218
Treasury bills and similar securities	*12 010*	*11 134*	*876*	*-*
Bonds and other fixed income securities	*2 461*	*1 894*	*349*	*218*
Equities and other equity variable income securities	*2 920*	*2 897*	*23*	*-*
Derivative instruments	149 308	3 695	143 737	1 876
Financial assets designated at fair value through profit or loss	**87 092**	**52 010**	**30 907**	**4 175**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Assets backing unit-linked contracts	42 934	32 441	10 491	2
Securities designated at fair value through profit or loss	44 158	29 067	10 918	4 173
Treasury bills and similar securities	3 718	3 718	-	-
Bonds and other fixed income securities	24 180	*19 142*	*4 858*	*180*
Equities and other equity variable income securities	16 260	*8 095*	*4 172*	*3 993*
Available-for-sale financial assets	**315 916**	**271 078**	**42 400**	**2 438**
Treasury bills and similar securities	76 973	76 512	461	-
Bonds and other fixed income securities	209 137	181 173	27 689	275
Equities and other equity variable income securities (1)	29 806	19 685	7 958	2 163
Available-for-sale receivables	-	-	-	-
Hedging derivative instruments	21 928	**3**	**21 908**	17
Total financial Assets measured at fair value	**664 123**	**342 711**	**312 219**	**9 193**

Transfers from level 1 : Quoted prices in active markets for identical instruments			9 697	9
Transfers from level 2 : Valuation based on observable data		870		260
Transfers from level 3 : Valuation based on unobservable data		4	1 372	
Total transfers to each level		**874**	**11 069**	**269**

(1) SAS Rue La Boétie shares have been included in Equities and other equity variable income securities in the Level 2 for €47 million.

Level 1 to Level 2 transfers involve available-for-sale securities.
Level 2 to Level 3 transfers mainly involve interest rate derivatives.
Level 3 to Level 2 transfer mainly involve interest rate derivatives.

Financial liabilities measured at fair value

(in millions of euros)	31/12/2017	Quoted prices in active markets for identical instruments : Level 1	Valuation based on observable data : Level 2	Valuation based on unobservable data : Level 3
Financial liabilities held for trading	**196 444**	**25 045**	**169 802**	**1 597**
Securities sold short	22 598	22 372	226	-
Securities sold under repurchase agreements	67 335	-	67 335	-
Debt securities	2	2	-	-
Derivative instruments	106 509	2 671	102 241	1 597
	-	-	-	-
Financial liabilities designated at fair value through profit or loss	**31 443**	**6 817**	**19 078**	**5 548**
	-	-	-	-
Hedging derivative instruments	**13 271**	**-**	**13 023**	**248**
	-	-	-	-
Total financial liabilities measured at fair value	**241 158**	**31 862**	**201 903**	**7 393**
Transfers from level 1 : Quoted prices in active markets for identical instruments			-	3
Transfers from level 2 : Valuation based on observable data		-		127
Transfers from level 3 : Valuation based on unobservable data		-	2 171	
Total transfers to each level		**-**	**2 171**	**130**

Level 2 to Level 3 transfers mainly concern marketable debt securities accounted under the fair value option.
Level 3 to Level 2 transfers mainly concern marketable debt securities accounted under the fair value option.

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(in millions of euros)	31/12/2016	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	**212 728**	**23 199**	**186 319**	**3 210**
Securities sold short	19 940	19 376	504	60
Securities sold under repurchase agreements	44 306	389	43 917	-
Debt securities	1	1	-	-
Derivative instruments	148 481	3 433	141 898	3 150
	-	-	-	-
Financial liabilities designated at fair value through profit or loss	**31 280**	**6 385**	**16 191**	**8 704**
	-	-	-	-
Hedging derivative instruments	**17 890**	**-**	**17 456**	**434**
	-	-	-	-
Total financial liabilities measured at fair value	**261 898**	**29 584**	**219 966**	**12 348**

Transfers from level 1 : Quoted prices in active markets for identical instruments			505	9
Transfers from level 2 : Valuation based on observable data		-		731
Transfers from level 3 : Valuation based on unobservable data		-	808	
Total transfers to each level		**-**	**1 313**	**740**

Level 1 to Level 2 transfers mainly involve financial liabilities held for trading.
Level 2 to Level 3 transfer involves negotiable debt securities accounted under the fair value option.
Level 3 to Level 2 transfer involves 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.

Products that are not observable due to the underlying items: some products, which are mostly classified in Level 2, may be considered to fall within Level 3 due to their underlying currency or maturity. An observability table defines the maximum maturity considered to be observable for each instrument/currency pair. Observability is a function of the input's liquidity and the availability of observable sources enabling its valuation.

Level 3 mainly comprises:

- interest rate exposures or very long-dated currency swaps;

- 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. It also includes vanilla options and simple exotic derivatives such as cancellable swaps;

- 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, which mainly involve the USD/JPY currency pair 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). This category includes cross-asset products such as dual range, emerging market currency baskets and Credit Default Baskets. Correlations are determined conservatively as a function of the bank's aggregate exposure, based on historical data. If the diversity of correlations is high, exposures to each one remain measured;

- equity correlation and hybrid equity products, whose payoff depends on the relative performance of shares or indices in a basket (a basket which may sometimes include not just equities but other instruments such as indices or commodities). Measurements of these products are sensitive to the correlation between the basket components and may be classed as Level 3 depending on their maturity, hybrid nature and the composition of the underlying basket;

- interest rate derivatives whose coupon is indexed to forward volatility (Vol bonds);

- CDOs based on corporate credit baskets. The valuation model for these products uses both observable inputs (credit default swap (CDS) prices) and unobservable inputs (default correlations). For the least liquid Senior tranches, Crédit Agricole CIB has introduced valuation inputs that are tailored to its assessment of the intrinsic risk of its exposures. The market risk of the CDO derivatives book was sold to a fund managed by JP Morgan Capital in 2012;

- the market risk on complex equity derivative portfolios was transferred to an external counterparty on 31 December 2013.

For most of these products, the table below shows the valuation techniques and the main unobservable inputs with their value interval.

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At 31 December 2017

Instrument classes	Carrying amount (in millions of euros) Assets	Liabilities	Main product types comprising Level 3	Valuation technique used	Main unobservable inputs	Unobservable data interval
Interest rate derivatives	1 216	1 583	Long-dated cancellable products (cancellable swaps, 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%/80%
					Interest rate/FX correlation	-50%/50%
			Multiple-underlying products (dual range, etc.)	Valuation models for instruments with multiple underlyings	Fx/equity correlation	-50%/75%
					FX/FX correlation	-20%/50%
					Interest rate/equity correlation	-25%/75%
					Interest rate/interest rate correlation	-10%/100%
					Interest rate/FX correlation	-75%/75%
Credit derivatives	39	11	CDOs indexed to corporate credit baskets	Correlation projection techniques and expected cash flow modelling	Default correlations	50%/90%

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NET CHANGE IN FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE ACCORDING TO LEVEL 3

Financial assets measured at fair value according to Level 3

		Financial assets held for trading					Financial assets designated at fair value through profit or loss					Available-for-sale financial assets			Hedging derivative instruments
			Securities held for trading						Securities designated as at fair value through profit or loss						
(in millions of euros)	Total	Loans and receivables due from customers	*Bonds and other fixed income securities*	*Equities and other variable income securities*	Securities held for trading	Derivative instruments	Assets backing unit-linked contracts	Loans and receivables due from customers	*Bonds and other fixed income securities*	*Equities and other variable income securities*	Securities designated at fair value through profit or loss	Treasury bills and similar securities	Bonds and other fixed income securities	Equities and other variable income securities	
Opening balance restated (01/01/2017)	**9 193**	**469**	***218***	**-**	**218**	**1 876**	**2**	**-**	***180***	***3 993***	**4 173**	**-**	**275**	**2 163**	**17**
Gains or losses during the period	(742)	(88)	*3*	-	3	(438)	5	2	*28*	*172*	200	-	(9)	(417)	-
Recognised in profit and loss	*(373)*	-	*3*	-	*3*	*(438)*	*5*	*2*	*28*	*172*	*200*	-	*(8)*	*(137)*	-
Recognised in other comprehensive income	*(369)*	*(88)*	-	-	-	-	-	-	-	-	-	-	*(1)*	*(280)*	-
Purchases	1 914	20	*5*	-	5	146	2	-	-	*1 121*	1 121	-	8	612	-
Sales	(1 794)	(335)	*(23)*	-	(23)	-	(3)	-	-	*(730)*	(730)	-	(11)	(692)	-
Issues	(3)	-	-	-	-	-	-	-	-	-	-	-	-	(3)	-
Settlements	(372)	-	*(3)*	-	(3)	(390)	-	-	-	-	-	-	-	21	-
Reclassifications	1 614	1 614	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes associated with scope during the period	(25)	(80)	-	-	-	-	-	-	-	-	-	-	23	32	-
Transfers	(175)	-	*(78)*	-	(78)	84	-	-	-	-	-	-	(5)	(159)	(17)
Transfers to Level 3	*100*	-	-	-	-	*100*	-	-	-	-	-	-	-	-	-
Transfers from Level 3	*(275)*	-	*(78)*	-	*(78)*	*(16)*	-	-	-	-	-	-	*(5)*	*(159)*	*(17)*
Closing balance (31/12/2017)	**9 610**	**1 600**	***122***	**-**	**122**	**1 278**	**6**	**2**	***208***	***4 556***	**4 764**	**-**	**281**	**1 557**	**-**

[1] *Gains and losses recognised through profit or loss on financial instruments held for trading are booked in "Net gains (losses) on financial instruments at fair value through profit or loss".*

Financial liabilities measured at fair value according to Level 3

		Financial liabilities held for trading			Financial liabilities designated at fair value through profit or loss	Hedging derivative instruments
(in millions of euros)	Total	Securities sold short	Securities sold under repurchase agreements	Derivative instruments		
Opening balance restated (01/01/2017)	**12 348**	**60**	**-**	**3 150**	**8 704**	**434**
Gains or losses during the period	(1 078)	(55)	-	(619)	(399)	(5)
Recognised in profit and loss	*(1 078)*	*(55)*	-	*(619)*	*(399)*	*(5)*
Recognised in other comprehensive income	-	-	-	-	-	-
Purchases	69	-	-	69	-	-
Sales	(247)	(5)	-	-	-	(242)
Issues	854	-	-	-	793	61
Settlements	(2 512)	-	-	(1 059)	(1 453)	-
Reclassifications	-	-	-	-	-	-
Changes associated with scope during the period	-	-	-	-	-	-
Transfers	(2 041)	-	-	56	(2 097)	-
Transfers to Level 3	130	-	-	103	27	-
Transfers out of Level 3	(2 171)	-	-	(47)	(2 124)	-
Closing balance (30/06/2017)	**7 393**	**-**	**-**	**1 597**	**5 548**	**248**

[(1)] *Gains and losses recognised through profit or loss on financial instruments held for trading are booked in "Net gains (losses) on financial instruments at fair value through profit or loss".*

The change in the fair value of assets and liabilities measured at fair value according to Level 3 amounts to €5,372 million at 31 December 2017.

However, the fair value (and change in fair value) on these products alone is not 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, are not given in the table of Financial assets and liabilities measured at fair value according to level 3 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.

As regards interest rate derivatives, two key inputs are considered to be unobservable and require products valued on this basis to be classified in Level 3: correlation and prepayment rates (i.e. early redemption).

- Correlation

Many products are sensitive to a correlation input. However, this input 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;

- *interest rate/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.

The biggest source of correlation exposure is, within the Non-Linear business line, the cross asset business.

- 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 shocks:
- correlations between successive indices in the same currency (*i.e.* CMS correlations): 3%;
- cross-asset correlations (e.g. Equity/FX or IR/Equity) and between two interest-rate curves in different currencies: 5%.

The result of the stress test is obtained by adding up the absolute values obtained. For each correlation type, we took the absolute values by currency and by book, therefore assuming that the correlations were not correlated among themselves. For the CMS correlations, we considered the various underlyings independently (e.g. 1y10y, 2y10y).

At 29 December 2017, sensitivity to the inputs used in the interest rate derivative models was therefore +/-€5.7 million, with the level down by €1.2 million compared to 31 December 2016 (+/-€6.9 million).
There are no longer any *Legacy* activities, the transactions having been unwound or transferred to the Euro, *Non-Euro* and JPY structured books;

The main contributors are now:
- Cross Asset : €1.4 million (vs. €1.9 million at 31 December 2016) with the €0.5 million decline being mainly due to the decline in the interest rate-EUR/GBP exchange rate correlation;
- Structured Non-Euro: €1.4 million (vs. €1.9 million at 31 December 2016) with a decline of €0.5 million as a result of lower interest rate/interest rate correlations;
- Structured Euro: €2.2 million (versus €2.0 million at 31 December 2016);
- Long Term FX: €0.3 million (versus €0.6 million at 31 December 2016).

Contributions from other scopes are immaterial.

- With respect to the prepayment rate

Direct exposure to assets comprising a prepayment 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 prepayment rate is thus considered to be negligible.

The prepayment rate is not an observable market input 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 prepayment rate and using a very slow prepayment rate. A "normal" variation in the prepayment rate will therefore have no material impact on mark-to-market, no Day One thus being used for these products.

10.3 Estimated impact of inclusion of the margin at inception

(in millions of euros)	31/12/2017	31/12/2016
Deferred margin at 1st January	**69**	**45**
Margin generated by new transactions during the period	20	33
Recognised in net income during the period	-	-
Amortisation and cancelled / reimbursed / matured transactions	(22)	(9)
Profit-sharing and incentive plans	-	-
Effects of inputs or products reclassified as observable during the period	-	-
Deferred margin at the end of the period	**67**	**69**

11. Scope of consolidation at 31 December 2017

11.1 Information on subsidiaires

11.1.1RESTRICTIONS ON ENTITIES

Crédit Agricole S.A. Group is subject to the following restrictions:

Regulatory constraints

The subsidiaries of Crédit Agricole S.A. Group are subject to prudential regulation and regulatory capital requirements in their host countries. The minimum equity capital (solvency ratio), leverage ratio and liquidity ratio requirements limit the capacity of these entities to pay dividends or to transfer assets to Crédit Agricole S.A. Group.

Legal constraints

The subsidiaries of Crédit Agricole S.A. Group are subject to legal provisions concerning the distribution of capital and distributable earnings. These requirements limit the ability of the subsidiaries to distribute dividends. In the majority of cases, these are less restrictive than the regulatory limitations mentioned above.

Restriction on assets backing unit-linked contracts for the insurance business

Assets backing unit-linked contracts of Crédit Agricole S.A. Group are held for the benefit of policyholders. Assets of the insurance subsidiaries of Crédit Agricole S.A. Group are mainly held for satisfying their obligation towards their policyholders. Assets transfers to other entities are possible following the legal conditions. However, in case of a transfer, a part of the profit due to the transfer must be intended for the policyholders.

Other constraints

The subsidiaries of Crédit Agricole S.A., Crédit Agricole CIB Algérie and Crédit Agricole Ukraine ans Crédit Agricole Serbie are required to obtain prior approval for the payment of dividends from their prudential authority (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.

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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 2017, the outstanding volume of these issues was €24 billion compared to €21 billion at 31 December 2016.

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 2017, these liquidity lines totalled €32 billion compared to €31 billion at 31 December 2016.

Crédit Agricole S.A. provided no other financial support for any structured entities consolidated at 31 December 2017 and 31 December 2016.

11.2 SECURITISATION TRANSACTIONS AND DEDICATED FUNDS

Various Group entities conduct securitisation operations on their own account as part of collateralised refinancing transactions. Depending on the circumstances, these transactions can be wholly or partially placed with investors, sold under repurchase agreements or kept on the issuer's balance sheet as liquid securities reserves that can be used to manage refinancing. Following the IAS 39 decision tree, these transactions are considered to form part of deconsolidating or non-deconsolidating transactions: for non-deconsolidating transactions, the assets are retained on the consolidated balance sheet of Crédit Agricole S.A. Group.

11.2 Scope of consolidation

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control		% interest	
						Dec 31st 2017	Dec 31st 2016	Dec 31st 2017	Dec 31st 2016
FRENCH RETAIL BANKING									
Banking and financial institutions									
Banque Thémis	Full	D4	France		Subsidiary	100,0	100,0	95,1	95,1
Interfimo	Full		France		Subsidiary	99,0	99,0	94,1	94,1
LCL	Full		France		Subsidiary	95,1	95,1	95,1	95,1
LCL succursale de Monaco	Full		Monaco	France	Branch	95,1	95,1	95,1	95,1
Lease financing companies									
Investment companies									
Tourism - property development									
Other									
C.L. Verwaltungs und Beteiligungsgesellschaft GmbH	Full		Germany		Subsidiary	100,0	100,0	95,1	95,1
Crédit Lyonnais Développement Économique (CLDE)	Full		France		Subsidiary	100,0	100,0	95,1	95,1
INTERNATIONAL RETAIL BANKING									
Banking and financial institutions									
Arc Broker	Full		Poland		Subsidiary	100,0	100,0	100,0	100,0
CASSA DI RISPARMIO DI CESENA S.P.A.	Full	E3	Italy		Subsidiary	95,3		73,1	
CASSA DI RISPARMIO DI RIMINI S.P.A.	Full	E3	Italy		Subsidiary	95,4		73,2	
CASSA DI RISPARMIO DI SAN MINIATO S.P.A.	Full	E3	Italy		Subsidiary	95,6		73,3	
CREDIT AGRICOLE BANK	Full		Ukraine		Subsidiary	100,0	100,0	100,0	100,0
Crédit Agricole Bank Polska S.A.	Full		Poland		Subsidiary	100,0	100,0	100,0	100,0
Crédit Agricole Banka Srbija a.d. Novi Sad	Full		Serbia		Subsidiary	100,0	100,0	100,0	100,0
Crédit Agricole Cariparma	Full		Italy		Subsidiary	76,7	76,5	76,7	76,5
Crédit Agricole Carispezia S.p.A.	Full	D1	Italy		Subsidiary	80,0	80,0	61,4	61,2
Crédit Agricole Egypt S.A.E.	Full		Egypt		Subsidiary	60,5	60,5	60,2	60,2
Crédit Agricole Friuladria S.p.A.	Full	D1	Italy		Subsidiary	81,3	80,7	62,4	61,7
Crédit Agricole Group Solutions	Full		Italy		Consolidated structured entity	100,0	100,0	75,0	74,8
Crédit Agricole Leasing Italia	Full		Italy		Subsidiary	100,0	100,0	80,2	80,0
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
Other									
Crédit du Maroc Succursale de France	Full	D4	France	Morocco	Branch	78,7	78,7	78,7	78,7
IUB Holding	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	Equity Accounted		France		Associate	20,0	20,0	20,0	20,0
Antera Incasso B.V.	Full		Netherlands		Subsidiary	100,0	100,0	100,0	100,0
Crealfi	Full		France		Subsidiary	51,0	51,0	51,0	51,0
Credibom	Full		Portugal		Subsidiary	100,0	100,0	100,0	100,0
Crediet Maatschappij " De Ijssel" B.V.	Full		Netherlands		Subsidiary	100,0	100,0	100,0	100,0
Crédit Agricole Consumer Finance	Full		France		Subsidiary	100,0	100,0	100,0	100,0
Crédit Agricole Consumer Finance Nederland	Full		Netherlands		Subsidiary	100,0	100,0	100,0	100,0
Crédit LIFT	Full		France		Subsidiary	100,0	100,0	100,0	100,0
Creditplus Bank AG	Full		Germany		Subsidiary	100,0	100,0	100,0	100,0
De Kredietdesk B.V.	Full		Netherlands		Subsidiary	100,0	100,0	100,0	100,0
DE NEDERLANDSE VOORSCHOTBANK BV	Full	D1	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	D1	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		Norw ay		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		Sw itzerland		Joint venture	50,0	50,0	50,0	50,0
FCA Capital Sverige	Equity Accounted		Sw eden		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 Fleet 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	25,0	25,0
FGA Capital Danmark A/S, Finland Branch	Equity Accounted		Finland		Joint venture	50,0	50,0	50,0	50,0
Financierings Data Netw erk 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		Netherlands		Subsidiary	100,0	100,0	100,0	100,0

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control		% interest	
						Dec 31st 2017	Dec 31st 2016	Dec 31st 2017	Dec 31st 2016
Finata Zuid-Nederland B.V.	Full		Netherlands		Subsidiary	98,1	97,9	98,1	97,9
FORSO Denmark	Equity Accounted	D4	Denmark		Joint venture	50,0	50,0	50,0	50,0
Forso Finance OY	Equity Accounted	D4	Finland		Joint venture	50,0	50,0	50,0	50,0
Forso Nordic A.B.	Equity Accounted	D4	Sweden		Joint venture	50,0	50,0	50,0	50,0
Forso Norge	Equity Accounted	D4	Norway		Joint venture	50,0	50,0	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 N.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	D1	Netherlands		Subsidiary	100,0	100,0	100,0	100,0
INTERMEDIAIRE VOORSCHOTBANK BV	Full	D1	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	D1	France		Joint venture	50,0	50,0	50,0	50,0
LEASYS SPA GERMAN BRANCH	Equity Accounted	E2	Germany		Joint venture	50,0		50,0	
LEASYS SPA SUCURSAL ESPANA	Equity Accounted	E2	Spain		Joint venture	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	D1	Netherlands		Subsidiary	100,0	100,0	100,0	100,0
SMART PREPAID	Equity Accounted		France		Associate	49,0	49,0	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 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
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	D1	Spain	France	Branch	100,0	100,0	100,0	100,0
Crédit du Maroc Leasing et Factoring	Full		Morocco		Subsidiary	100,0	100,0	85,8	85,8
Europejski Fundusz Leasingowy (E.F.L.)	Full		Poland		Subsidiary	100,0	100,0	100,0	100,0
Finamur	Full		France		Subsidiary	100,0	100,0	100,0	100,0
Lixxbail	Full		France		Subsidiary	100,0	100,0	100,0	100,0
Lixxcourtage	Full		France		Subsidiary	100,0	100,0	100,0	100,0
Lixxcredit	Full		France		Subsidiary	100,0	100,0	100,0	100,0
Unifergie	Full		France		Subsidiary	100,0	100,0	100,0	100,0
Investment companies									
Insurance									
ARES Reinsurance Ltd.	Full		Ireland		Subsidiary	100,0	100,0	61,0	61,0
Other									
A-BEST ELEVEN UG	Equity Accounted	D3	Germany		Structured joint venture	50,0		50,0	
A-BEST FIFTEEN	Equity Accounted	E2	Italy		Structured joint venture	50,0		50,0	
A-BEST FOUR	Equity Accounted	D3	Italy		Structured joint venture	50,0		50,0	
A-BEST FOURTEEN	Equity Accounted	D3	Italy		Structured joint venture	50,0		50,0	
A-BEST NINE SRL	Equity Accounted	D3	Italy		Structured joint venture	50,0		50,0	
A-BEST Ten SRL	Equity Accounted	D3	Italy		Structured joint venture	50,0		50,0	
A-BEST THIRTEEN	Equity Accounted	D3	Spain		Structured joint venture	50,0		50,0	
A-BEST TWELVE	Equity Accounted	D3	Italy		Structured joint venture	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	Parent	E2	Ireland		Consolidated structured entity	100,0		100,0	
ERASMUS FINANCE	Equity Accounted	D3	Ireland		Structured joint venture	50,0		50,0	
FAST THREE SRL	Equity Accounted	D3	Italy		Structured joint venture	50,0		50,0	
FCT GINGKO CLOANS 2013-1	Parent	D3	France		Consolidated structured entity	100,0		100,0	
FCT GINGKO DEBT CONSO 2015-1	Parent	D3	France		Consolidated structured entity	100,0		100,0	
FCT GINGKO PERSONAL LOANS 2016-1	Parent	D3	France		Consolidated structured entity	100,0		100,0	
FCT GINGKO PLOANS 2015-1	Parent	D3	France		Consolidated structured entity	100,0		100,0	
FCT GINGKO SALES FIN 2014-1	Parent	D3	France		Consolidated structured entity	100,0		100,0	
FCT GINGKO SALES FINANCE 2015-1	Parent	D3	France		Consolidated structured entity	100,0		100,0	
FCT GINKGO MASTER REVOLVING LOANS	Parent	D3	France		Consolidated structured entity	100,0		100,0	
FCT GINKGO SALES FINANCE 2017-1	Parent	D3	France		Consolidated structured entity	100,0		100,0	
GAC - SOFINCO 2014-01	Equity Accounted	D3	China		Structured Associate	50,0		50,0	
Green FCT Lease	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
MATSUBA BV	Parent	D3	Netherlands		Consolidated structured entity	100,0		100,0	
NIXES SEVEN SRL	Equity Accounted	D3	Netherlands		Structured joint venture	50,0		50,0	
NIXES SIX (LTD)	Equity Accounted	D3	Italy		Structured joint venture	50,0		50,0	
OCHIBA 2015 B.V	Parent	D3	Netherlands		Consolidated structured entity	100,0		100,0	
RETAIL CONSUMER CP GERMANY 2016 UG	Parent	D3	Germany		Consolidated structured entity	100,0		100,0	
SUNRISE SPV 20 SRL	Parent	D3	Italy		Consolidated structured entity	100,0		100,0	
SUNRISE SPV 30 SRL	Parent	D3	Italy		Consolidated structured entity	100,0		100,0	
SUNRISE SRL	Parent	D3	Italy		Consolidated structured entity	100,0		100,0	
THETIS FINANCE 2015-1	Parent	D3	Portugal		Consolidated structured entity	100,0		100,0	
SAVINGS MANAGEMENT									
Banking and financial institutions									
ABC-CA Fund Management CO	Equity Accounted		China		Associate	33,3	33,3	22,8	24,7
AMUNDI	Full		France		Subsidiary	68,6	74,3	68,5	74,1
AMUNDI (UK) Ltd.	Full		United Kingdom		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI ASSET MANAGEMENT	Full		France		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI ASSET MANAGEMENT BELGIUM	Full		Belgium		Branch	100,0	100,0	68,5	74,1
AMUNDI ASSET MANAGEMENT DEUTSCHLAND	Full	S4	Germany		Branch		100,0		74,1
AMUNDI ASSET MANAGEMENT DUBAI BRANCH	Full	E2	United Arab Emirates		Branch	100,0		68,5	
AMUNDI ASSET MANAGEMENT HONG KONG BRANCH	Full		Hong Kong		Branch	100,0	100,0	68,5	74,1
AMUNDI ASSET MANAGEMENT LONDON BRANCH	Full		United Kingdom		Branch	100,0	100,0	68,5	74,1
AMUNDI ASSET MANAGEMENT NEDERLAND	Full		Netherlands		Branch	100,0	100,0	68,5	74,1
Amundi Austria	Full		Austria		Subsidiary	100,0	100,0	68,5	74,1
Amundi Distributors Usa Llc	Full	S1	United States		Subsidiary		100,0		74,1
AMUNDI Finance	Full		France		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Finance Emissions	Full		France		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI GLOBAL SERVICING	Full		Luxembourg		Subsidiary	100,0	100,0	68,5	74,1

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control		% interest	
						Dec 31st 2017	Dec 31st 2016	Dec 31st 2017	Dec 31st 2016
AMUNDI Hellas MFMC S.A.	Full		Greece		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Hong Kong Ltd.	Full		Hong Kong		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Iberia S.G.I.I.C S.A.	Full		Spain		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Immobilier	Full		France		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI India Holding	Full		France		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Intermédiation	Full		France		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Issuance	Full		France		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Japan	Full		Japan		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Japan Holding	Full		Japan		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Luxembourg S.A.	Full		Luxembourg		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Malaysia Sdn Bhd	Full		Malaysia		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Polska	Full		Poland		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Private Equity Funds	Full		France		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Real Estate Italia SGR S.p.A.	Full		Italy		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI SGR S.p.A.	Full		Italy		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Singapore Ltd.	Full		Singapour		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Smith Breeden	Full		United States		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Suisse	Full		Switzerland		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Tenue de Comptes	Full		France		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI USA Inc	Full		United States		Subsidiary	100,0	100,0	68,5	74,1
AMUNDI Ventures	Full		France		Subsidiary	100,0	100,0	68,5	74,1
BFT INVESTMENT MANAGERS	Full		France		Subsidiary	100,0	100,0	68,5	74,1
CA Indosuez (Suisse) S.A. Hong Kong Branch	Full		Hong Kong	Switzerland	Branch	100,0	100,0	97,8	97,8
CA Indosuez (Suisse) S.A. Singapore Branch	Full		Singapour	Switzerland	Branch	100,0	100,0	97,8	97,8
CA Indosuez (Suisse) S.A. Switzerland Branch	Full	D3	Switzerland		Branch	100,0		97,8	
CA Indosuez (Switzerland) S.A.	Full		Switzerland		Subsidiary	100,0	100,0	97,8	97,8
CA Indosuez Finanziaria S.A.	Full		Switzerland		Subsidiary	100,0	100,0	97,8	97,8
CA Indosuez Gestion	Full		France		Subsidiary	100,0	100,0	97,8	97,8
CA Indosuez Wealth (Europe)	Full		Luxembourg		Subsidiary	100,0	100,0	97,8	97,8
CA Indosuez Wealth (Europe) Belgium Branch	Full		Belgium	Luxembourg	Branch	100,0	100,0	97,8	97,8
CA Indosuez Wealth (Europe) Italy Branch	Full		Italy	Luxembourg	Branch	100,0	100,0	97,8	97,8
CA Indosuez Wealth (Europe) Spain Branch	Full		Spain	Luxembourg	Branch	100,0	100,0	97,8	97,8
CA Indosuez Wealth (France)	Full		France		Subsidiary	100,0	100,0	97,8	97,8
CFM Indosuez Wealth	Full		Monaco		Subsidiary	70,1	70,1	67,4	67,4
CPR AM	Full		France		Subsidiary	100,0	100,0	68,5	74,1
Etoile Gestion	Full		France		Subsidiary	100,0	100,0	68,5	74,1
Fund Channel	Equity Accounted		Luxembourg		Joint venture	50,0	50,0	34,3	37,1
Fund Channel Singapore Branch	Equity Accounted	E2	Singapour	Luxembourg	Joint venture	50,0		34,3	
Amundi Czech Republic, Investicni Spolecnost, A.S.	Full	D1	Czech Republic		Subsidiary	100,0	100,0	68,5	74,1
KBI Fund Managers Limited	Full		Ireland		Subsidiary	87,5	87,5	68,5	74,1
KBI Global Investors (North America) Limited	Full		Ireland		Subsidiary	87,5	87,5	68,5	74,1
KBI Global Investors Limited	Full		Ireland		Subsidiary	87,5	87,5	68,5	74,1
LCL Emissions	Full		France		Subsidiary	100,0	100,0	68,5	74,1
NH-AMUNDI ASSET MANAGEMENT	Equity Accounted		South Korea		Associate	30,0	30,0	20,5	22,2
Amundi Czech Republic Asset Management, A.S.	Full	E3 ; D1	Czech Republic		Subsidiary	100,0		68,5	
Pioneer Asset Management A.S. Bratislava Branch	Full	E3	Slovakia		Branch	100,0		68,5	
Pioneer Asset Management A.S. Sofia	Full	E3	Bulgaria		Branch	100,0		68,5	
Pioneer Asset Management S.A.	Full	E3	Luxembourg		Subsidiary	100,0		68,5	
Amundi Asset Management S.A.I SA	Full	E3 ; D1	Romania		Subsidiary	100,0		68,5	
Amundi Pioneer Distributor Inc	Full	E3 ; D1	United States		Subsidiary	100,0		68,5	
Pioneer Global Investments (Australia) Pty Limited	Full	E3	Australia		Subsidiary	100,0		68,5	
Pioneer Global Investments (Taiwan) LTD	Full	E3	Taiwan		Subsidiary	100,0		68,5	
Pioneer Global Investments LTD	Full	E3	Ireland		Subsidiary	100,0		68,5	
Pioneer Global Investments LTD Buenos Aires Branch	Full	E3	Argentina		Branch	100,0		68,5	
Pioneer Global Investments LTD Jelling Branch	Full	E3	Denmark		Branch	100,0		68,5	
Pioneer Global Investments LTD London Branch	Full	E3	United Kingdom		Branch	100,0		68,5	
Pioneer Global Investments LTD Madrid Branch	Full	E3	Spain		Branch	100,0		68,5	
Pioneer Global Investments LTD Mexico city Branch	Full	E3	Mexico		Branch	100,0		68,5	
Pioneer Global Investments LTD Paris Branch	Full	E3	France		Branch	100,0		68,5	
Pioneer Global Investments LTD Santiago Branch	Full	E3	Chile		Branch	100,0		68,5	
Amundi Pioneer Institutional Asset Management Inc	Full	E3 ; D1	United States		Subsidiary	100,0		68,5	
Pioneer Invesments Austria GmbH	Full	E3	Austria		Subsidiary	100,0		68,5	
Pioneer Investment Company A.S.	Full	E3	Czech Republic		Subsidiary	100,0		68,5	
Amundi Investment Fund Management Private Limited Company	Full	E3 ; D1	Hungary		Subsidiary	100,0		68,5	
Amundi Pioneer Asset Management Inc	Full	E3 ; D1	United States		Subsidiary	100,0		68,5	
Pioneer Investment Management Limited	Full	E3	Ireland		Subsidiary	100,0		68,5	
Pioneer Investment Management Limited London Branch	Full	E3	United Kingdom		Branch	100,0		68,5	
Pioneer Investment Management Limited Singapore Branch	Full	E3	Singapour		Branch	100,0		68,5	
Pioneer Investment Management Sgr p.A.	Full	E3	Italy		Subsidiary	100,0		68,5	
Amundi Pioneer Asset Management USA Inc	Full	E3 ; D1	United States		Subsidiary	100,0		68,5	
Amundi Deutschland GmbH	Full	E3 ; D1	Germany		Subsidiary	100,0		68,5	
Société Générale Gestion (S2G)	Full		France		Subsidiary	100,0	100,0	68,5	74,1
State Bank of India Fund Management	Equity Accounted		India		Associate	37,0	37,0	25,3	27,4
TOBAM	Equity Accounted		France		Associate	4,1	4,1	13,7	14,8
TOBAM HOLDING COMPANY	Equity Accounted		France		Associate	25,6	25,6	17,5	18,9
Vanderbilt Capital Advisors LLC	Full	E3	United States		Subsidiary	100,0		68,5	
WAFA Gestion	Equity Accounted		Morocco		Associate	34,0	34,0	23,3	25,2
Investment companies									
CA Indosuez Wealth (Brazil) S.A. DTVM	Full		Brazil		Subsidiary	100,0	100,0	97,8	97,8
CA Indosuez Wealth (Group)	Full		France		Subsidiary	100,0	100,0	97,8	97,8
Insurance									
ASSUR&ME	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CA Assicurazioni	Full		Italy		Subsidiary	100,0	100,0	100,0	100,0
CACI DANNI	Full		Italy	Ireland	Branch	100,0	100,0	100,0	100,0
CACI LIFE LIMITED	Full		Ireland		Subsidiary	100,0	100,0	100,0	100,0
CACI NON LIFE LIMITED	Full		Ireland		Subsidiary	100,0	100,0	100,0	100,0
CACI NON VIE	Full		France	Ireland	Branch	100,0	100,0	100,0	100,0
CACI Reinsurance Ltd.	Full		Ireland		Subsidiary	100,0	100,0	100,0	100,0
CACI VIE	Full		France	Ireland	Branch	100,0	100,0	100,0	100,0
CACI VITA	Full		Italy	Ireland	Branch	100,0	100,0	100,0	100,0
CALIE Europe Succursale France	Full		France	Luxembourg	Branch	100,0	100,0	100,0	100,0
CALIE Europe Succursale Pologne	Full		Poland	Luxembourg	Branch	100,0	100,0	100,0	100,0
Crédit Agricole Assurances (CAA)	Full		France		Subsidiary	100,0	100,0	100,0	100,0
Crédit Agricole Creditor Insurance (CACI)	Full		France		Subsidiary	100,0	100,0	100,0	100,0
Crédit Agricole Life	Full	D4	Greece		Subsidiary	100,0	100,0	100,0	100,0
Crédit Agricole Life Insurance Company Japan Ltd.	Full		Japan		Subsidiary	100,0	100,0	100,0	100,0
Crédit Agricole Life Insurance Europe	Full		Luxembourg		Subsidiary	100,0	100,0	99,9	99,9
Crédit Agricole Reinsurance S.A.	Full	D4 ; S2	Luxembourg		Subsidiary		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	50,0	50,0	50,0	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

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control		% interest	
						Dec 31st 2017	Dec 31st 2016	Dec 31st 2017	Dec 31st 2016
UCITS									
ACACIA	Full		France		Consolidated structured entity	100,0	100,0	68,5	74,1
ACAJOU	Full		France		Consolidated structured entity	100,0	100,0	68,5	74,1
AGRICOLE RIVAGE DETTE	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
AMUNDI GRD 24 FCP	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
Amundi Hk - Green Planet Fund	Full	S2	Hong Kong		Consolidated structured entity		99,4		73,6
Amundi Performance Absolue Equilibre	Full	S2	France		Consolidated structured entity		100,0		74,1
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
CA VITA INFRASTRUCTURE CHOICE FIPS c.I.A.	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CA VITA PRIVATE DEBT CHOICE FIPS cl.A	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CA VITA PRIVATE EQUITY CHOICE	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CAA 2013 COMPARTIMENT 5 A5	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CAA 2013 FCPR B1	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CAA 2013 FCPR C1	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CAA 2013 FCPR D1	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CAA 2013-2	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CAA 2013-3	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CAA 2014 COMPARTIMENT 1 PART A1	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CAA 2014 INVESTISSMENT PART A3	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CAA 2015 COMPARTIMENT 1	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CAA 2015 COMPARTIMENT 2	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CAA 2016	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CAA INFRASTRUCTURE	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
CAA INFRASTRUCTURE 2017	Full	E2	France		Consolidated structured entity	100,0		100,0	
CAA PR FI II C1 A1	Full	E1	France		Consolidated structured entity	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	D3	France		Consolidated structured entity	100,0		100,0	
CAA PRIVATE EQUITY 2017 BIS	Full	D3	France		Consolidated structured entity	100,0		100,0	
CAA PRIVATE EQUITY 2017 FRANCE INVESTISSEMENT	Full	D3	France		Consolidated structured entity	100,0		100,0	
CAA PRIVATE EQUITY 2017 MEZZANINE	Full	D3	France		Consolidated structured entity	100,0		100,0	
CAA PRIVATE EQUITY 2017 TER	Full	D3	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	68,5	74,1
Chorial Allocation	Full		France		Consolidated structured entity	99,7	99,7	68,2	73,9
CNP ACP 10 FCP	Equity Accounted		France		Structured joint venture	50,2	50,2	50,2	50,2
CNP ACP OBLIG	Equity Accounted		France		Structured joint venture	50,2	50,2	50,2	50,2
CORSAIR 1.52% 25/10/38	Full	D3	Luxembourg		Consolidated structured entity	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	D3	Ireland		Consolidated structured entity	100,0		100,0	
CORSAIRE FINANCE IRELAND 1.24 % 25-10-38	Full	D3	Ireland		Consolidated structured entity	100,0		100,0	
CORSAIRE FINANCE IRELANDE 0.7% 25-10-38	Full	D3	Ireland		Consolidated structured entity	100,0		100,0	
EFFITHERMIE FPCI	Full	E2	France		Consolidated structured entity	89,1		89,1	
FCPR CAA 2013	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR CAA COMP TER PART A3	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR CAA COMPART BIS PART A2	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR CAA COMPARTIMENT 1 PART A1	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR CAA France croissance 2 A	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR PREDICA 2007 A	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR PREDICA 2007 C2	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR PREDICA 2008 A1	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR PREDICA 2008 A2	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR PREDICA 2008 A3	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR PREDICA SECONDAIRE I A1	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR PREDICA SECONDAIRE I A2	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR PREDICA SECONDAIRES II A	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR PREDICA SECONDAIRES II B	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR Roosevelt Investissements	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR UI CAP AGRO	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCPR UI CAP SANTE A	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCT BRIDGE 2016-1	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCT CAA – Compartment 2017-1	Full	E2	France		Consolidated structured entity	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		France		Consolidated structured entity	52,3	52,3	35,8	38,7
GRD 44	Full	D3	France		Consolidated structured entity	100,0		100,0	
GRD 44 N°3	Full	E2	France		Consolidated structured entity	100,0		100,0	
GRD 44 N2	Full	D3	France		Consolidated structured entity	100,0		100,0	
GRD 54	Full	D3	France		Consolidated structured entity	100,0		100,0	
GRD TOBAM AB A	Full	S1	France		Consolidated structured entity		100,0		100,0
GRD01	Full	S1	France		Consolidated structured entity		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		France		Consolidated structured entity	100,0	100,0	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		France		Consolidated structured entity	100,0	100,0	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		France		Consolidated structured entity	100,0	100,0	100,0	100,0
IAA CROISSANCE INTERNATIONALE	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
Londres Croissance C16	Full		France		Consolidated structured entity	100,0	100,0	68,5	74,1
LRP - CPT JANVIER 2013 0.30 13-21 11/01A	Full		Luxembourg		Consolidated structured entity	84,2	84,2	84,2	84,2

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Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control		% interest	
						Dec 31st 2017	Dec 31st 2016	Dec 31st 2017	Dec 31st 2016
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	96,4	66,6	71,4
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	93,8	100,0	93,8	100,0
PREDICA 2010 A1	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
PREDICA 2010 A2	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
PREDICA 2010 A3	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
PREDICA SECONDAIRES III	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
Predicant A1 FCP	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
Predicant A2 FCP	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
Predicant A3 FCP	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
Prediquant Eurocroissance A2	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
Prediquant opportunité	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
PREDIQUANT PREMIUM	Full	E2	France		Consolidated structured entity	100,0		100,0	
PREDIQUANT STRATEGIES	Full		France		Consolidated structured entity	100,0	99,6	100,0	99,6
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	D3	Ireland		Consolidated structured entity	100,0		100,0	
PREMIUM GREEN 0.63% 25-10-38	Full	D3	Ireland		Consolidated structured entity	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	D3	Ireland		Consolidated structured entity	100,0		100,0	
PREMIUM GREEN 1.55% 25-07-40	Full	D3	Ireland		Consolidated structured entity	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	D3	Ireland		Consolidated structured entity	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 TV06-16 EMTN	Full	S1	Ireland		Consolidated structured entity		100,0		100,0
PREMIUM GREEN TV07-17 EMTN	Full	S1	Ireland		Consolidated structured entity		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	D3	Luxembourg		Consolidated structured entity	100,0		100,0	
PurpleProtAsset 1.093% 20/10/2038	Full	D3	Luxembourg		Consolidated structured entity	100,0		100,0	
RED CEDAR	Full		France		Consolidated structured entity	100,0	100,0	68,5	74,1
UI CAP SANTE 2	Full	E2	France		Consolidated structured entity	100,0		100,0	
Unit-linked funds (Fonds UC)									
71 United-linked funds with a detention rate equal or above 95%	Full		France		Consolidated structured entity	≥ 95 %	> 95 %	≥ 95 %	> 95 %
AF EQUI.GLOB.AHE CAP	Full		Luxembourg		Consolidated structured entity	91,5	88,3	91,5	88,3
AF INDEX EQ JAPAN AE CAP	Full		Luxembourg		Consolidated structured entity	41,8	47,0	41,8	47,0
AF INDEX EQ USA A4E	Full		Luxembourg		Consolidated structured entity	84,1	69,3	84,1	69,3
AM AC FR ISR PC 3D	Full		France		Consolidated structured entity	50,0	46,2	50,0	46,2
AM.AC.MINER.-P-3D	Full		France		Consolidated structured entity	44,1	44,6	44,1	44,6
AMUN TRESO CT PC 3D	Full	E1	France		Consolidated structured entity	63,1		63,1	
AMUN.ACT.REST.P-C	Full	E1	France		Consolidated structured entity	52,3		52,3	
AMUN.TRES.EONIA ISR E FCP 3DEC	Full		France		Consolidated structured entity	90,9	87,6	90,9	84,6
AMUNDI 12 M P	Full	S2	France		Consolidated structured entity		79,8		79,8
AMUNDI 3 M P	Full	S3	France		Consolidated structured entity		77,6		77,6
AMUNDI ACTIONS FRANCE C 3DEC	Full		France		Consolidated structured entity	78,0	50,3	78,0	50,3
AMUNDI AFD AV DURABL P1 FCP 3DEC	Full		France		Consolidated structured entity	75,3	72,7	75,3	72,7
AMUNDI CRED.EURO ISR P FCP 3DEC	Full	S3	France		Consolidated structured entity		62,0		62,0
AMUNDI EQ E IN AHEC	Full		Luxembourg		Consolidated structured entity	45,5	58,6	45,5	58,6
AMUNDI GBL MACRO MULTI ASSET P	Full		France		Consolidated structured entity	71,0	71,4	71,0	71,4
AMUNDI HORIZON 3D	Full		France		Consolidated structured entity	66,0	65,2	66,0	65,2
AMUNDI KBI ACTIONS C	Full	E1	France		Consolidated structured entity	85,3		85,3	
AMUNDI OBLIG EURO C	Full		France		Consolidated structured entity	46,1	43,6	46,1	43,6
AMUNDI PATRIMOINE C 3DEC	Full		France		Consolidated structured entity	83,7	81,4	83,7	81,4
AMUNDI PULSACTIONS	Full		France		Consolidated structured entity	57,8	57,0	57,8	57,0
AMUNDI VALEURS DURAB	Full		France		Consolidated structured entity	63,1	52,3	63,1	52,3
ANTINEA FCP	Full		France		Consolidated structured entity	65,8	53,9	65,8	53,9
ARAMIS PATRIM D 3D	Full		France		Consolidated structured entity	43,1	44,4	43,1	44,4
ARC FLEXIBOND-D	Full		France		Consolidated structured entity	55,5	60,7	55,5	60,7
ATOUT EUROPE C FCP 3DEC	Full		France		Consolidated structured entity	81,9	81,4	81,9	81,4
ATOUT FRANCE C FCP 3DEC	Full		France		Consolidated structured entity	42,1	41,1	42,1	41,1
ATOUT MONDE C FCP 3DEC	Full		France		Consolidated structured entity	88,6	87,9	88,6	87,9
ATOUT VERT HORIZON FCP 3 DEC	Full		France		Consolidated structured entity	35,6	35,1	35,6	35,1
AXA EUR.SM.CAP E 3D	Full		France		Consolidated structured entity	70,1	53,9	70,1	53,9
BNP PAR.CRED.ERSC	Full		France		Consolidated structured entity	66,1	64,7	66,1	64,7
CA MASTER EUROPE	Full		France		Consolidated structured entity	47,1	47,3	47,1	47,3
CAPITOP MON. C 3DEC	Full	E1	France		Consolidated structured entity	45,6		45,6	
CONVERT.EUROP.AE	Full	S3	Luxembourg		Consolidated structured entity		59,5		59,5
CPR CONSO ACTIONNAIRE FCP P	Full		France		Consolidated structured entity	51,0	49,9	51,0	49,9
CPR CROIS.REA.-P	Full		France		Consolidated structured entity	28,7	23,4	28,7	23,4
CPR EUROLAND P 3D	Full	S3	France		Consolidated structured entity		50,1		50,1
CPR OBLIG 12 M.P 3D	Full		France		Consolidated structured entity	65,8	41,2	65,8	41,2
CPR REFL.RESP.0-100 P FCP 3DEC	Full		France		Consolidated structured entity	55,3	61,5	55,3	61,5
CPR RENAI.JAP.-P-3D	Full		France		Consolidated structured entity	59,4	56,0	59,4	56,0
CPR SILVER AGE P 3DEC	Full		France		Consolidated structured entity	45,5	43,2	45,5	43,2
DNA 0% 12-211220	Full		Luxembourg		Consolidated structured entity	89,0	92,7	89,0	92,7
DNA 0% 21/12/20 EMTN	Full		Luxembourg		Consolidated structured entity	70,7	71,1	70,7	71,1
DNA 0% 23/07/18 EMTN INDX	Full		Luxembourg		Consolidated structured entity	78,6	77,5	78,6	77,5
DNA 0% 27/06/18 INDX	Full		Luxembourg		Consolidated structured entity	82,1	82,9	82,1	82,9
DNA 0%11-231216 INDX	Full	S1	Luxembourg		Consolidated structured entity		77,7		77,7
DNA 0%12-240418 INDX	Full		Luxembourg		Consolidated structured entity	79,7	79,9	79,7	79,9
ECOFI MULTI OPPORTUN.FCP 3DEC	Full		France		Consolidated structured entity	81,4	87,9	81,4	87,9
EMERITE 2 FCP 3DEC	Full	S1	France		Consolidated structured entity		99,9		99,9
FLORIS.EQUIL.3DEC	Full	S2	France		Consolidated structured entity		100,0		100,0
FLORIS.PRUDEN.3DEC	Full	S2	France		Consolidated structured entity		100,0		100,0
FLORISS.DYNAM.3DEC	Full	S2	France		Consolidated structured entity		100,0		100,0
FLORISS.EXPAN.3DEC	Full	S2	France		Consolidated structured entity		100,0		100,0
FONDS AV ECHUS N°2	Full	S2	France		Consolidated structured entity		97,9		97,9
HMG GLOBETROTTER D	Full	S3	France		Consolidated structured entity		57,3		57,3
IND.CAP EMERG.-C-3D	Full		France		Consolidated structured entity	88,8	59,6	88,8	59,6
INDO.FLEX.100 -C-3D	Full	S2	France		Consolidated structured entity		92,7		92,7
INDOS.EURO.PAT.PD 3D	Full		France		Consolidated structured entity	45,0	45,6	45,0	45,6
INVEST RESP S3 3D	Full		France		Consolidated structured entity	64,4	62,6	64,4	62,6

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control		% interest	
						Dec 31st 2017	Dec 31st 2016	Dec 31st 2017	Dec 31st 2016
LCL 4 HOR. AV 06/14	Full	S1	France		Consolidated structured entity		100,0		100,0
LCL 5 HOR.AV 0415 C	Full	S1	France		Consolidated structured entity		100,0		100,0
LCL AC.DEV.DU.EURO	Full		France		Consolidated structured entity	57,8	49,3	57,8	49,3
LCL AC.EMERGENTS 3D	Full		France		Consolidated structured entity	51,5	49,9	51,5	49,9
LCL ACT RES NATUREL	Full	E1	France		Consolidated structured entity	59,6		59,6	
LCL ACT.E-U ISR 3D	Full	E1	France		Consolidated structured entity	43,2		43,2	
LCL ACT.IMMOBI.3D	Full		France		Consolidated structured entity	47,8	75,5	47,8	75,5
LCL ACT.USA ISR 3D	Full		France		Consolidated structured entity	52,1	49,7	52,1	49,7
LCL ACTIONS EURO C	Full		France		Consolidated structured entity	82,0	68,1	82,0	68,1
LCL ACTIONS MONDE FCP 3 DEC	Full	E1	France		Consolidated structured entity	41,9		41,9	
LCL ALLOCATION DYNAMIQUE 3D FCP	Full		France		Consolidated structured entity	94,8	94,4	94,8	94,4
LCL AUTOCALL VIE 17	Full	E3	France		Consolidated structured entity	90,3		90,3	
LCL D.CAPT.JU.10 3D	Full		France		Consolidated structured entity	86,6	84,3	86,6	84,3
LCL DEVELOPPEM.PME C	Full		France		Consolidated structured entity	71,3	75,3	71,3	75,3
LCL FDS ECH.MONE.3D	Full		France		Consolidated structured entity	82,8	84,6	82,8	84,6
LCL FLEX 30	Full		France		Consolidated structured entity	63,5	67,0	63,5	67,0
LCL INVEST.EQ C	Full		France		Consolidated structured entity	91,9	91,8	91,9	91,8
LCL INVEST.PRUD.3D	Full		France		Consolidated structured entity	90,8	91,6	90,8	91,6
LCL MGEST 60 3DEC	Full		France		Consolidated structured entity	84,6	83,9	84,6	83,9
LCL MGEST FL.0-100	Full		France		Consolidated structured entity	80,7	81,0	80,7	81,0
LCL OPTIM II VIE 17	Full	E3	France		Consolidated structured entity	94,4		94,4	
LCL OPTIM VIE T 17 C	Full	E3	France		Consolidated structured entity	94,7		94,7	
LCL PHOENIX VIE 2016	Full		France		Consolidated structured entity	93,7	93,7	93,7	93,7
LCL PREMIUM VIE 2015	Full		France		Consolidated structured entity	94,8	94,8	94,8	94,8
LCL SEC 100 AV(JUIN08)FCP 3D	Full	S1	France		Consolidated structured entity		99,5		99,5
LCL SECU.100(JUIL.11)	Full	S2	France		Consolidated structured entity		48,4		48,4
LCL TRIP HORIZ SEP16	Full		France		Consolidated structured entity	78,1	78,3	78,1	78,3
LCL VOCATION RENDEMENT NOV 12 3D	Full		France		Consolidated structured entity	80,1	79,9	80,1	79,9
OBJECTIF MEDIAN FCP	Full		France		Consolidated structured entity	92,5	100,0	92,5	100,0
OPALIA VIE 3DEC	Full	S1	France		Consolidated structured entity		99,9		99,9
OPCIMMO LCL SPPICAV 5DEC	Full		France		Consolidated structured entity	93,6	93,1	93,6	93,1
OPCIMMO PREM SPPICAV 5DEC	Full		France		Consolidated structured entity	93,1	94,9	93,1	94,9
OPTIMIZ BES TIMING II 3DEC	Full	S1	France		Consolidated structured entity		87,3		87,3
ORIANCE VIE FCP 3DEC	Full	S1	France		Consolidated structured entity		100,0		100,0
PREMIUM PLUS 0% 09-17 EMTN	Full	S1	Ireland		Consolidated structured entity		99,9		99,9
PREMIUM PLUS PLC 0% 09-17	Full	S1	Ireland		Consolidated structured entity		100,0		100,0
PREMIUM PLUS PLC 0% 09-17 IND	Full	S1	Ireland		Consolidated structured entity		99,3		99,3
SOLIDARITE AMUNDI P	Full		France		Consolidated structured entity	56,1	47,4	56,1	47,4
SOLIDARITE INITIATIS SANTE	Full		France		Consolidated structured entity	86,1	83,9	86,1	83,9
TRIALIS 6 ANS	Full		France		Consolidated structured entity	68,3	68,0	68,3	68,0
TRIALIS 6 ANS N2 C	Full	S1	France		Consolidated structured entity		61,0		61,0
TRIALIS 6 ANS N3 FCP	Full	S4	France		Consolidated structured entity		60,1		60,1
TRIALIS C	Full	S4	France		Consolidated structured entity		66,7		66,7
TRIANANCE 6 ANS	Full		France		Consolidated structured entity	61,8	61,6	61,8	61,6
TRIANANCE 6 ANS N 4	Full	E3	France		Consolidated structured entity	73,4		73,4	
VENDOME INV.FCP 3DEC	Full		France		Consolidated structured entity	90,4	91,5	90,4	91,5
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	80,1	100,0	80,1
OPCI ECO CAMPUS SPPICAV	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
OPCI Immanens	Full		France		Consolidated structured entity	100,0	100,0	68,5	74,1
OPCI Immo Emissions	Full		France		Consolidated structured entity	100,0	100,0	68,5	74,1
OPCI Iris Invest 2010	Full		France		Consolidated structured entity	100,0	80,1	100,0	80,1
OPCI KART	Full	S4	France		Consolidated structured entity		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	94,5	100,0	94,5
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)									
DS Campus	Full	E1	France		Consolidated structured entity	100,0		100,0	
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	E1	France		Consolidated structured entity	99,0		99,0	
IMEFA 178	Full	E1	France		Consolidated structured entity	99,0		99,0	
IMEFA 179	Full	E1	France		Consolidated structured entity	99,0		99,0	
Issy Pont	Full	E1	France		Consolidated structured entity	75,0		75,0	
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	E1	France		Associate	29,9		29,9	
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 GRENIER VELLEF	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
SCI Holding Dahlia	Full	E1	France		Consolidated structured entity	100,0		100,0	
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
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

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control		% interest	
						Dec 31st 2017	Dec 31st 2016	Dec 31st 2017	Dec 31st 2016
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
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
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	99,0	100,0	99,0
SCI IMEFA 148	Full		France		Subsidiary	100,0	99,0	100,0	99,0
SCI IMEFA 149	Full		France		Subsidiary	99,0	99,0	99,0	99,0
SCI IMEFA 150	Full		France		Subsidiary	100,0	99,0	100,0	99,0
SCI IMEFA 155	Full		France		Subsidiary	100,0	99,0	100,0	99,0
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	99,0	100,0	99,0
SCI IMEFA 159	Full		France		Subsidiary	100,0	99,0	100,0	99,0
SCI IMEFA 164	Full		France		Subsidiary	100,0	99,0	100,0	99,0
SCI IMEFA 169	Full		France		Subsidiary	100,0	99,0	100,0	99,0
SCI IMEFA 170	Full		France		Subsidiary	100,0	99,0	100,0	99,0
SCI IMEFA 171	Full		France		Consolidated structured entity	99,0	99,0	99,0	99,0
SCI IMEFA 172	Full		France		Consolidated structured entity	99,0	99,0	99,0	99,0
SCI IMEFA 173	Full		France		Subsidiary	99,0	99,0	99,0	99,0
SCI IMEFA 174	Full		France		Subsidiary	99,0	99,0	99,0	99,0
SCI IMEFA 175	Full		France		Subsidiary	99,0	99,0	99,0	99,0
SCI IMEFA 176	Full		France		Subsidiary	99,0	99,0	99,0	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	E1	France		Subsidiary	100,0		100,0	
Other									
ALTAREA	Equity Accounted		France		Associate	24,7	26,6	24,7	26,6
AMUNDI IT Services	Full		France		Subsidiary	99,6	99,6	69,5	74,8
CA Indosuez Wealth (Asset Management)	Full		Luxembourg		Subsidiary	100,0	100,0	97,8	97,8
CACI Gestion	Full		France		Subsidiary	99,0	100,0	99,0	100,0
Crédit Agricole Assurances Solutions	Full	E2	France		Subsidiary	100,0		100,0	
EUROPEAN MOTORWAY INVESTMENTS 1	Full		Luxembourg		Subsidiary	60,0	60,0	60,0	60,0
EUROSIC	Equity Accounted	S2	France		Associate		24,3		24,3
FONCIERE HYPERSUD	Equity Accounted		France		Joint venture	51,4	51,4	51,4	51,4
FREY	Equity Accounted		France		Associate	17,9	20,0	17,9	20,0
Icade	Equity Accounted	E3	France		Associate	18,5		18,5	
INFRA FOCH TOPCO	Equity Accounted		France		Associate	36,9	36,9	36,9	36,9
KORIAN	Equity Accounted		France		Associate	23,0	23,7	23,0	23,7
PATRIMOINE ET COMMERCE	Equity Accounted	E1	France		Associate	19,9		19,9	
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 Caagis	Full	S4	France		Subsidiary		50,0		50,2
Via Vita	Full		France		Subsidiary	100,0	100,0	100,0	100,0

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Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control		% interest	
						Dec 31st 2017	Dec 31st 2016	Dec 31st 2017	Dec 31st 2016
CORPORATE AND INVESTMENT BANKING									
Banking and financial institutions									
Banco Crédit Agricole Brasil S.A.	Full		Brazil		Subsidiary	100,0	100,0	97,8	97,8
Banque Saudi Fransi - BSF	Equity Accounted	S2	Saudi Arabia		Associate		31,1		30,4
CACEIS (Canada) Ltd.	Full	D4	Canada		Subsidiary	100,0	100,0	100,0	85,0
CACEIS (USA) Inc.	Full	D4	United States		Subsidiary	100,0	100,0	100,0	85,0
CACEIS Bank	Full		France		Subsidiary	100,0	100,0	100,0	85,0
CACEIS Bank S.A., Germany Branch	Full		Germany		Branch	100,0	100,0	100,0	85,0
CACEIS Bank, Belgium Branch	Full		Belgium		Branch	100,0	100,0	100,0	85,0
CACEIS Bank, Ireland Branch	Full		Ireland		Branch	100,0	100,0	100,0	85,0
CACEIS Bank, Italy Branch	Full		Italy		Branch	100,0	100,0	100,0	85,0
CACEIS Bank, Luxembourg Branch	Full		Luxembourg		Branch	100,0	100,0	100,0	85,0
CACEIS Bank, Netherlands Branch	Full		Netherlands		Branch	100,0	100,0	100,0	85,0
CACEIS Bank, Switzerland Branch	Full		Switzerland		Branch	100,0	100,0	100,0	85,0
CACEIS Bank, UK Branch	Full		United Kingdom		Branch	100,0	100,0	100,0	85,0
CACEIS Belgium	Full		Belgium		Subsidiary	100,0	100,0	100,0	85,0
CACEIS Corporate Trust	Full		France		Subsidiary	100,0	100,0	100,0	85,0
CACEIS Fund Administration	Full		France		Subsidiary	100,0	100,0	100,0	85,0
CACEIS Ireland Limited	Full		Ireland		Subsidiary	100,0	100,0	100,0	85,0
CACEIS S.A.	Full		France		Subsidiary	100,0	85,0	100,0	85,0
CACEIS Switzerland S.A.	Full		Switzerland		Subsidiary	100,0	100,0	100,0	85,0
Crédit Agriciole CIB (Belgique)	Full		Belgium	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (ABU DHABI)	Full		United Arab Emirates	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Allemagne)	Full		Germany	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Canada)	Full		Canada	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Corée du Sud)	Full		South Korea	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Dubai DIFC)	Full		United Arab Emirates	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Dubai)	Full		United Arab Emirates	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Espagne)	Full		Spain	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Finlande)	Full		Finland	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Hong-Kong)	Full		Hong Kong	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Îles Caïmans)	Full	S1	Cayman Islands	France	Branch		97,8		97,8
Crédit Agricole CIB (Inde)	Full		India	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Italie)	Full		Italy	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Japon)	Full		Japan	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Luxembourg)	Full		Luxembourg	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Miami)	Full		United States	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (New-York)	Full		United States	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Royaume-Uni)	Full		United Kingdom	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Singapour)	Full		Singapour	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Suède)	Full		Sweden	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Taipei)	Full		Taiwan	France	Branch	97,8	97,8	97,8	97,8
Crédit Agricole CIB (Vietnam)	Full	S1	Vietnam	France	Branch		97,8		97,8
Crédit Agricole CIB Algérie Bank Spa	Full		Algeria		Subsidiary	100,0	100,0	97,8	97,8
Crédit Agricole CIB AO	Full		Russia		Subsidiary	100,0	100,0	97,8	97,8
Crédit Agricole CIB Australia Ltd.	Full		Australia		Subsidiary	100,0	100,0	97,8	97,8
Crédit Agricole CIB China Ltd.	Full		China		Subsidiary	100,0	100,0	97,8	97,8
Crédit Agricole CIB China Ltd. Chinese Branch	Full	D3	China		Branch	100,0		97,8	
Crédit Agricole CIB S.A.	Full		France		Subsidiary	97,8	97,8	97,8	97,8
Crédit Agricole CIB Services Private Ltd.	Full		India		Subsidiary	100,0	100,0	97,8	97,8
Ester Finance Titrisation	Full		France		Subsidiary	100,0	100,0	97,8	97,8
UBAF	Equity Accounted		France		Joint venture	47,0	47,0	46,0	46,0
UBAF (Corée du Sud)	Equity Accounted		South Korea	France	Joint venture	47,0	47,0	46,0	46,0
UBAF (Japon)	Equity Accounted		Japan	France	Joint venture	47,0	47,0	46,0	46,0
UBAF (Singapour)	Equity Accounted		Singapour	France	Joint venture	47,0	47,0	46,0	46,0
Stockbrokers									
Credit Agricole Securities (Asia) Limited Hong Kong	Full		Hong Kong		Subsidiary	100,0	100,0	97,8	97,8
Credit Agricole Securities (Asia) Limited Seoul Branch	Full		South Korea		Branch	100,0	100,0	97,8	97,8
Crédit Agricole Securities (USA) Inc	Full		United States		Subsidiary	100,0	100,0	97,8	97,8
Crédit Agricole Securities Asia BV (Tokyo)	Full		Japan	Netherlands	Branch	100,0	100,0	97,8	97,8
Investment companies									
Compagnie Française de l'Asie (CFA)	Full		France		Subsidiary	100,0	100,0	97,8	97,8
Crédit Agricole CIB Air Finance S.A.	Full		France		Subsidiary	100,0	100,0	97,8	97,8
Crédit Agricole CIB Holdings Ltd.	Full		United Kingdom		Subsidiary	100,0	100,0	97,8	97,8
Crédit Agricole Global Partners Inc.	Full		United States		Subsidiary	100,0	100,0	97,8	97,8
Crédit Agricole Securities Asia BV	Full		Netherlands		Subsidiary	100,0	100,0	97,8	97,8
CLTR	Full	E1	France		Subsidiary	100,0		97,8	
Doumer Finance S.A.S.	Full		France		Subsidiary	100,0	100,0	97,8	97,8
Fininvest	Full		France		Subsidiary	98,3	98,3	96,1	96,1
Fletirec	Full		France		Subsidiary	100,0	100,0	97,8	97,8
Igasus LLC	Full	E1	United States		Subsidiary	100,0		97,8	
I.P.F.O.	Full		France		Subsidiary	100,0	100,0	97,8	97,8
Insurance									
CAIRS Assurance S.A.	Full		France		Subsidiary	100,0	100,0	97,8	97,8
Other									
Acieralliage EURO FCC	Full	S1	France		Consolidated structured entity		100,0		0,0
Acieralliage USD FCC	Full	S1	United States		Consolidated structured entity		100,0		0,0
Atlantic Asset Securitization LLC	Full		United States		Consolidated structured entity	100,0	100,0	0,0	0,0
Benelpart	Full		Belgium		Subsidiary	100,0	100,0	95,3	95,3
Calixis Finance	Full		France		Consolidated structured entity	100,0	100,0	97,8	97,8
Calliope SRL	Full		Italy		Consolidated structured entity	100,0	100,0	97,8	97,8
Clifap	Full		France		Subsidiary	100,0	100,0	97,8	97,8
Crédit Agricole America Services Inc.	Full		United States		Subsidiary	100,0	100,0	97,8	97,8
Crédit Agricole Asia Shipfinance Ltd.	Full		Hong Kong		Subsidiary	100,0	100,0	97,8	97,8

Crédit Agricole S.A. Group Scope of consolidation	Consolidation method	Scope changes (a)	Principal place of business	Country of incorporation if different from the principal place of business	Nature of control (b)	% control		% interest	
						Dec 31st 2017	Dec 31st 2016	Dec 31st 2017	Dec 31st 2016
Crédit Agricole CIB Finance (Guernsey) Ltd.	Full		Guernsey		Consolidated structured entity	99,9	99,9	97,7	97,7
Crédit Agricole CIB Financial Prod. (Guernsey) Ltd.	Full		Guernsey		Consolidated structured entity	99,9	99,9	97,7	97,7
Crédit Agricole CIB Financial Solutions	Full		France		Consolidated structured entity	99,7	99,7	97,5	97,5
Crédit Agricole CIB Global Banking	Full		France		Subsidiary	100,0	100,0	97,8	97,8
Crédit Agricole CIB Pension Limited Partnership	Full		United Kingdom		Consolidated structured entity	100,0	100,0	97,8	97,8
Crédit Agricole Leasing (USA) Corp.	Full		United States		Subsidiary	100,0	100,0	97,8	97,8
DGAD International SARL	Full		Luxembourg		Subsidiary	100,0	100,0	97,8	97,8
Elipso Finance S.r.l	Equity Accounted		Italy		Structured joint venture	50,0	50,0	48,9	48,9
ESNI (compartiment Crédit Agricole CIB)	Full		France		Consolidated structured entity	100,0	100,0	97,8	97,8
Eucalyptus FCT	Full		France		Consolidated structured entity	100,0	100,0	0,0	0,0
FCT Cablage FCT	Full	S1	France		Consolidated structured entity		100,0		0,0
FIC-FIDC	Full		Brazil		Consolidated structured entity	100,0	100,0	97,8	97,8
Financière des Scarabées	Full		Belgium		Subsidiary	100,0	100,0	96,5	96,5
Financière Lumis	Full		France		Subsidiary	100,0	100,0	97,8	97,8
Fundo A De Investimento Multimercado	Parent	E1	Brazil		Consolidated structured entity	100,0		97,8	
Héphaïstos EUR FCC	Full		France		Consolidated structured entity	100,0	100,0	0,0	0,0
Héphaïstos GBP FCT	Full		France		Consolidated structured entity	100,0	100,0	0,0	0,0
Héphaïstos Multidevises FCT	Full		France		Consolidated structured entity	100,0	100,0	0,0	0,0
Héphaïstos USD FCT	Full		France		Consolidated structured entity	100,0	100,0	0,0	0,0
Indosuez Holding SCA II	Full		Luxembourg		Consolidated structured entity	100,0	100,0	97,8	97,8
Indosuez Management Luxembourg II	Full		Luxembourg		Consolidated structured entity	100,0	100,0	97,8	97,8
Investor Service House S.A.	Full		Luxembourg		Subsidiary	100,0	100,0	100,0	85,0
Island Refinancing SRL	Full		Italy		Consolidated structured entity	100,0	100,0	97,8	97,8
ItalAsset Finance SRL	Full		Italy		Consolidated structured entity	100,0	100,0	97,8	97,8
La Fayette Asset Securitization LLC	Full		United States		Consolidated structured entity	100,0	100,0	0,0	0,0
Lafina	Full		Belgium		Subsidiary	100,0	100,0	95,6	95,6
LMA SA	Full		France		Consolidated structured entity	100,0	100,0	0,0	0,0
Merisma	Full		France		Consolidated structured entity	100,0	100,0	97,8	97,8
Molinier Finances	Full		France		Subsidiary	100,0	100,0	95,0	95,0
Pacific EUR FCC	Full		France		Consolidated structured entity	100,0	100,0	0,0	0,0
Pacific IT FCT	Full		France		Consolidated structured entity	100,0	100,0	0,0	0,0
Pacific USD FCT	Full		France		Consolidated structured entity	100,0	100,0	0,0	0,0
Partinvest S.A.	Full		Luxembourg		Subsidiary	100,0	100,0	100,0	85,0
Placements et réalisations immobilières (SNC)	Full		France		Subsidiary	100,0	100,0	95,3	95,3
Sagrantino Italy SRL	Full		Italy		Consolidated structured entity	100,0	100,0	97,8	97,8
Shark FCC	Full		France		Consolidated structured entity	100,0	100,0	0,0	0,0
SNGI	Full		France		Subsidiary	100,0	100,0	97,8	97,8
SNGI Belgium	Full		Belgium		Subsidiary	100,0	100,0	97,8	97,8
Sococlabecq	Full		Belgium		Subsidiary	100,0	100,0	95,6	95,6
Sofipac	Full		Belgium		Subsidiary	98,6	98,6	93,9	93,9
TCB	Full		France		Subsidiary	98,7	98,7	95,3	95,3
Triple P FCC	Full		France		Consolidated structured entity	100,0	100,0	0,0	0,0
TSUBAKI ON (FCT)	Full	E2	France		Consolidated structured entity	100,0		0,0	
TSUBAKI OFF (FCT)	Full	E2	France		Consolidated structured entity	100,0		0,0	
Vulcain EUR FCT	Full		France		Consolidated structured entity	100,0	100,0	0,0	0,0
Vulcain Multi-Devises FCT	Full	D1	France		Consolidated structured entity	100,0	100,0	0,0	0,0
Vulcain USD FCT	Full		France		Consolidated structured entity	100,0	100,0	0,0	0,0
CORPORATE CENTRE									
Crédit Agricole S.A.									
Crédit Agricole S.A.	Parent		France		Structured Associate	100,0	100,0	100,0	100,0
Succursale Credit Agricole SA	Full		United Kingdom	France	Branch	100,0	100,0	100,0	100,0
Banking and financial institutions									
Caisse régionale de Crédit Agricole mutuel de la Corse	Full		France		Subsidiary	99,9	99,9	99,9	99,9
CL Développement de la Corse	Full		France		Subsidiary	99,9	99,9	99,9	99,9
Crédit Agricole Home Loan SFH	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
Foncaris	Full		France		Subsidiary	100,0	100,0	100,0	100,0
Investment companies									
Crédit Agricole Capital Investissement et Finance (CACIF)	Full		France		Subsidiary	100,0	100,0	100,0	100,0
Delfinances	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
Eurazeo	Equity Accounted	S2	France		Associate		23,2		16,0
Sodica	Full		France		Subsidiary	100,0	100,0	100,0	100,0
Other									
CA Grands Crus	Full		France		Subsidiary	77,9	77,9	77,9	77,9
Cariou Holding	Full	E1	France		Subsidiary	50,0		50,0	
Crédit Agricole Agriculture	Full	E1	France		Subsidiary	100,0		100,0	
Crédit Agricole Immobilier	Equity Accounted		France		Joint venture	50,0	50,0	50,0	50,0
Crédit Agricole Payment Services	Full		France		Consolidated structured entity	50,0	50,0	50,3	50,3
Crédit Agricole Public Sector SCF	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
Crédit Agricole Régions Développement	Full	E1	France		Subsidiary	81,7		81,7	
ESNI (compartiment Crédit Agricole S.A.)	Full		France		Consolidated structured entity	100,0	100,0	100,0	100,0
FCT Crédit Agricole Habitat 2015 Compartiment Corse	Full		France		Consolidated structured entity	100,0	100,0	99,9	99,9
FCT Crédit Agricole Habitat 2017 Compartiment Corse	Full	E2	France		Consolidated structured entity	100,0		100,0	
FCT Evergreen HL1	Full	S1	France		Consolidated structured entity		100,0		100,0
Fia Net Europe	Full	S1	Luxembourg		Subsidiary		50,0		50,0
Finasic	Full	S2	France		Subsidiary		100,0		100,0
FIRECA	Full	E1	France		Subsidiary	51,0		51,0	
IDIA	Full		France		Subsidiary	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
SCI D2 CAM	Equity Accounted		France		Joint venture	50,0	50,0	50,0	50,0
SCI Quentyvel	Full		France		Subsidiary	100,0	100,0	100,0	100,0
SILCA	Full		France		Consolidated structured entity	100,0	100,0	97,9	93,9
SIS (Société Immobilière de la Seine)	Full	S3	France		Subsidiary		72,9		72,9
SNC Kalliste Assur	Full		France		Subsidiary	100,0	100,0	99,9	99,9
UI Vavin 1	Full	S4	France		Subsidiary		100,0		100,0
Uni-Edition	Full		France		Subsidiary	100,0	100,0	100,0	100,0
Tourism - property development									
Crédit Agricole Immobilier Promotion	Equity Accounted		France		Joint venture	50,0	50,0	50,0	50,0
Crédit Agricole Immobilier Services	Equity Accounted		France		Joint venture	50,0	50,0	50,0	50,0
SNC Eole	Equity Accounted		France		Joint venture	50,0	50,0	50,0	50,0
SO.GI.CO	Equity Accounted	E3	France		Joint venture	50,0		50,0	

Branches are mentioned in italic.

(a) Scope changes

Inclusions (E) into the scope of consolidation :

E1 : Breach of threshold
E2 : Creation
E3 : Acquisition (including controlling interests)

Exclusions (S) from the scope of consolidation :

S1 : Discontinuation of business (including dissolution and liquidation)
S2 : Sale to non-Group companies or deconsolidation following loss of control
S3 : Deconsolidated due to non-materiality
S4 : Merger or takeover
S5 : Transfer of all assets and liabilities

Other :

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

(b) Nature of control

Subsidiary
Branch
Consolidated structured entity
Joint Venture
Structured joint venture
Joint operation
Associate
Structured associate

12. Investments in non-consolidated companies and structured entities

12.1 Information on subsidiaries

This line item amounted to € 12,277 million at 31 December 2017, compared with €10,460 million at 31 December 2016. At 31 December 2017, 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 33% of Crédit Logement's capital and amounts to €617 million but does not confer any significant influence over this entity, which is jointly held by various French banks and companies.

12.1.1 Non-consolidated controlled entities

Information relating to conventional entities under exclusive control, under joint control and subject to significant influence, and to controlled structured entities not included in the scope of consolidation are available on the Crédit Agricole S.A. Group website at the following address:
https://www.credit-agricole.com/en/finance/finance/financial-publications

12.1.2 Material non-consolidated equity investments

Equity investments accounting for a fraction of capital greater than or equal to 10% and not included in the scope of consolidation are presented in a table available online on the Crédit Agricole S.A. Group website at:
https://www.credit-agricole.com/en/finance/finance/financial-publications

12.2 Non-consolidated structured entities

INFORMATION ON THE NATURE AND EXTENT OF INTERESTS HELD

At 31 December 2017, Crédit Agricole S.A. Group entities had interests in certain non-consolidated structured entities, the main characteristics of which are presented below on the basis of their type of activity:

Securitisation

Crédit Agricole S.A. Group, mainly through its subsidiaries in the Large Customers business line, is tasked with structuring securitisation vehicles through the purchase of trade or financial receivables. The vehicles fund such purchases by issuing multiple tranches of debt and equity investments, with repayment being linked to the performance of the assets in such vehicles. It invests in and provides liquidity facilities to the securitisation vehicles it has sponsored on behalf of customers.

Asset management

Crédit Agricole S.A. Group, through its subsidiaries in the Asset gathering business line, structures and manages entities on behalf of customers wishing to invest in specific assets in order to obtain the best possible return having regard to the chosen level of risk. Crédit Agricole S.A. Group entities may thus either be required to hold interests in such entities in order to ensure a successful launch or to guarantee the performance of such structures.

Investment funds

Entities in the Crédit Agricole S.A. Group Asset gathering business line invest in companies established to meet investor demand in connection with treasury management and with the investment of insurance premiums received from insurance company customers, in accordance with the regulatory provisions in the French Insurance Code. Insurance company investments cover commitments to policyholders over the life of insurance policies. Their value and returns are correlated to these commitments.

Structured finance

Lastly, Crédit Agricole S.A. Group, via its subsidiaries in the Large customers business line, is involved in special purpose asset acquisition entities. These entities may take the form of asset financing companies or lease financing companies. In structured entities, the financing is secured by the asset. The Group's involvement is often limited to the financing or to financing commitments.

Sponsored entities

Crédit Agricole S.A. Group sponsors structured entities in the following instances:

- Crédit Agricole S.A. Group is involved in establishing the entity and that involvement, which is remunerated, is deemed essential for ensuring the proper completion of transactions;
- structuring takes place at the request of Crédit Agricole S.A. Group and it is the main user thereof;
- Crédit Agricole S.A. Group transfers its own assets to the structured entity;
- Crédit Agricole S.A. Group is the manager;
- The name of a subsidiary or of the parent company of Crédit Agricole S.A. Group is linked to the name of the structured entity or of the financial instruments issued by it.

Gross revenues from sponsored entities mainly comprise commissions in securitisation and investment funds, in which Crédit Agricole Assurances and Crédit Agricole CIB do not hold any interests at the reporting date. For Crédit Agricole Assurances they amount to €6 million and for Crédit Agricole CIB €22 million as at 31 December 2017.

INFORMATION ON THE RISKS RELATED TO INTERESTS

Financial support for structured entities

In 2017, Crédit Agricole S.A did not provide financial support to any non-consolidated structured entities.

At 31 December 2017, Crédit Agricole S.A did not intend to provide financial support to any non-consolidated structured entities.

Risks related to interests in non-consolidated structured entities

	31/12/2017							
	Securitisation vehicles		Asset management		Investment Funds (1)		Structured finance (1)	
		Maximum loss		Maximum loss		Maximum loss		Maximum loss
(in millions of euros)	Carrying amount	Maximum exposure to losses	Carrying amount	Maximum exposure to losses	Carrying amount	Maximum exposure to losses	Carrying amount	Maximum exposure to losses
Financial assets held for trading	238	238	705	705	390	390	50	50
Financial assets designated at fair value through profit or loss			813	813	30 580	30 580		
Available-for-sale financial assets	212	212	665	665	4 813	4 813	741	741
Loans and receivables	20 580	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**	**2 183**	**2 183**	**35 832**	**35 832**	**3 385**	**3 385**
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 relating to non-consolidated structured entities	**1 000**		**1 416**		**769**		**583**	
Commitments given								
Financing commitments		10 357						625
Guarantee commitments		0		21 322				417
Others		3						
Provisions for execution risks - commitments given				(20)				
Total commitments (net of provision) to non-consolidated structured entities		**10 360**		**21 302**		**0**		**1 043**
Total Balance sheet relating to non-consolidated structured entities	**21 914**		**86 014**		**311 250**		**2 674**	

(1) Non-sponsored structured entities generate no specific risk related to the nature of the entity. Information concerning these exposures is set out in Note 3.1 “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.

	31/12/2016 Restated							
	Securitisation vehicles		Asset management		Investment Funds [1]		Structured finance [1]	
		Maximum loss		Maximum loss		Maximum loss		Maximum loss
(in millions of euros)	Carrying amount	Maximum exposure to losses	Carrying amount	Maximum exposure to losses	Carrying amount	Maximum exposure to losses	Carrying amount	Maximum exposure to losses
Financial assets held for trading	394	394	885	885	335	335	67	67
Financial assets designated at fair value through profit or loss			462	462	17 444	17 444		
Available-for-sale financial assets	56	56	1 555	1 555	4 187	4 187	92	92
Loans and receivables	16 770	16 770			171	171	3 461	3 461
Held-to maturity financial assets								
Total assets recognised relating to non-consolidated structured entities	**17 220**	**17 220**	**2 902**	**2 902**	**22 137**	**22 137**	**3 620**	**3 620**
Equity instruments issued								
Financial liabilities held for trading	1 099		1 220		609		6	
Financial liabilities designated at fair value through profit or loss								
Liabilities	1 642				1 153		646	
Total liabilities recognised relating to non-consolidated structured entities	**2 741**	**0**	**1 220**	**0**	**1 762**	**0**	**652**	**0**
Commitments given								
Financing commitments		13 442				9		975
Guarantee commitments				17 487				222
Others								
Provisions for execution risks - commitments given				(8)				
Total commitments (net of provision) to non-consolidated structured entities		**13 442**		**17 479**		**9**		**1 197**
Total Balance sheet relating to non-consolidated structured entities	**17 401**		**76 484**		**224 029**		**3 809**	

(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.

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13. Events subsequent to 31 December 2017

13.1 Agreement to acquire the majority of the share capital of Banca Leonardo

Indosuez Wealth Management signed an agreement to acquire the majority of the share capital of Banca Leonardo, a leading independent wealth management player in Italy.

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

The transaction, which will be subject to approval by the competent supervisory authorities, should be finalised in the first half of 2018.

13.2 Elimination of loyalty dividends

Since its 2011 General Meeting, Crédit Agricole S.A. has had a loyalty dividend mechanism to reward shareholder loyalty, in accordance with the provisions of Article L. 232-14 of the French Commercial Code(1) and Article 31 of its Articles of Association.

As part of its remit, the European Banking Authority (EBA) concluded that the payment of a loyalty dividend by Crédit Agricole S.A. to its shareholders constituted a "preferential distribution" that violated the Capital Requirements Regulation (CRR).

The European Central Bank (ECB) confirmed this view and asked Crédit Agricole S.A. to remove the loyalty dividend clause from its articles of association by September 2018.

Crédit Agricole S.A. will implement the ECB's request, asking the General Meeting of Shareholders scheduled for 16 May 2018 to remove the loyalty dividend clause from the Articles of Association. The General Meeting of Shareholders will be preceded by a Special Meeting, called for 4 April 2018, of the beneficiaries of the loyalty dividend.

A compensatory measure for the beneficiary shareholders is being looked at(2).

(1) Only 6% of ordinary shares are currently eligible for the loyalty dividend, which represented an additional pay-out of €10 million euros last year.

(2) It should be noted that only holders of Crédit Agricole S.A. shares registered in the name of the same shareholder without interruption from 31/12/2015 to the date of payment of the dividend for the 2017 financial year are eligible for the loyalty dividend for the 2017 financial year.