


AMUNDI FINANCE

Semestrial Financial Report

June 30th 2018

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Activity Report as at June 30th 2018

HALF-YEAR REPORT OF THE BOARD OF DIRECTORS OF AMUNDI FINANCE On the financial statements as at 30 June 2018

ACTIVITIES IN THE FIRST HALF

Amundi Finance's main activities are as follows:

- the provision of guarantees,
- the issuance of notes through its subsidiaries or directly,
- swaps and collateralisation between guaranteed funds, its subsidiaries and the market.

1. The provision of guarantees to funds

	Engagements 2017	Engagements 2018	variation
Fonds à formule non PEA	8 265 070 927	6 468 826 662	-22%
Fonds à formule PEA	3 749 955 582	3 667 401 865	-2%
Fonds en assurance de portefeuille	4 657 706 930	5 588 545 613	20%
autre fonds garantis (OPC monétaire)	973 602 266	835 846 904	-14%
Total Fonds garantis	17 646 335 705	16 560 621 043	-6%

Exposure and commitment

Market conditions improved slightly in the first quarter, before deteriorating for the launch of structured and guaranteed funds during the first half of 2018, with interest rate levels and spreads particularly low. Commitments fell by 6% over the period compared with end-December 2017.

Formula-based funds (structured funds): commitments in respect of formula-based funds fell by 15.63%, with a decline of 22% for formula-based funds not eligible for the French equity savings plan (PEA) and of 2% for formula-based funds eligible for the PEA in the first half of 2018.

Portfolio insurance funds and other funds: commitments in respect of portfolio insurance funds offset the decline in guaranteed fund commitments in the first half of 2018, with a rise of 20%.

Impact on the guarantor's activity in 2018

Calls on the guarantor totalled €2,158 K in 2018. These concerned formula-based fund recycling funds and issues due with capital guarantee funds over 6 months. Provisions were booked for formula-based fund recycling funds (€1,857 K) and issues and a CPPI with a MAX NAV Amundi Objectif Retraite 2020 guarantee (€1,294 K). The source of these provisions is the low interest rates which have resulted in funds' assets being unable to cover the guarantee.

From a credit risk viewpoint, the situation is, however, stable and the prospects of guarantee calls are low. Thus, no provisions associated with formula-based funds were booked.

2. Note issuance through its subsidiaries dnA, Amundi Finance Emissions, LCL Emissions and Amundi Issuance.

The three subsidiaries dedicated to EMTN activity, Amundi Finance Emissions, LCL Emissions and Amundi Issuance continued their issue programme in 2018 to the Crédit Agricole and the LCL networks respectively for a notional of €168.5 million and €895 million. Outstanding amounts at end-June 2018 were €2,665 million for Amundi Finance Emissions, €1,777 million for LCL Emissions and €26 million for Amundi Issuance.

For these transactions, Amundi Finance provided a counter-guarantee to Crédit Agricole S.A. and LCL and to the issuance vehicles Amundi Finance Emissions and LCL Emissions.

€4,251 K in new allocations were registered to cover the risk of calls relating to shortfalls on vehicles owing to the deterioration of spreads on vehicle assets.

Amundi Finance's commitments for the issuance vehicles dnA, Amundi Finance Emissions and LCL Emissions stood at €4,932,752 K at 29 June 2018.

3. Swap and collateralisation

The centralisation of derivatives by Amundi Finance represented a notional €57,629 million at 30 June 2018 (including external counterparties and funds) versus €52,298 million at 31 December 2017.

INCOME STATEMENT AT 30 JUNE 2018

Net Banking Income totalled €82,363 K versus €58,403 K at 30 June 2017. This rise was mainly due to:

- the increase in Management NBI, owing to a non-recurring impact (early maturity in 2018 of non-PEA funds), offset by a drop in the outstandings of all guaranteed funds.
- the increase in Financial NBI, owing to the dividends received from the largest subsidiaries in 2018.

The contribution of the main activities to Net Banking Income was as follows:

	30/06/2018	30/06/2017
<i>(in thousands of euros)</i>		
MANAGEMENT NBI	33,923	23,805
fees and commissions (income)	45,856	34,211
<i>of which fixed fees on off-balance sheet commitments</i>	14,567	16,057
<i>of which variable fees on off-balance sheet commitments</i>	21,197	7,202
<i>of which provisions for guarantee calls</i>	2,036	
<i>of which fees on notes</i>	8,055	10,952
fees and commissions (expenses)	- 11,933	- 10,406
<i>of which fees on off-balance sheet commitments</i>	- 78	- 64
<i>of which market-making fees</i>	- 247	- 75
<i>of which expenses for guarantee calls</i>	- 2,158	
<i>of which fees on notes</i>	- 7,362	- 10,246
<i>of which provisions for guarantee calls</i>	- 2,076	
FINANCIAL NBI	49,040	34,598
Interest and similar income	3,314	2,552
Interest and similar expenses	- 5,983	- 4,913
Gains (losses) on trading book	13,244	25,672
Gains (losses) on investment portfolio and similar	- 11	65
Income from variable-income securities	38,476	11,222
OTHER NBI	- 599	
other banking operating income		
other banking operating expenses	- 599	
NET BANKING INCOME	82,363	58,403

Management NBI amounted to €33,923 K versus €23,805 K at 30 June 2017.

It is made up of three elements:

- variable income on guarantees of €21,197 K versus €7,202 K at 30 June 2017,
- fixed income on guarantees of €14,567 K versus €16,057 K at 30 June 2017.
- income on investment fees from note issuance of €8,055 K versus €10,952 K in June 2017.
- reversals of provisions for guarantee calls of €2,036 K on the recycling funds (in connection with the guarantee calls registered over the period)

- The item fees and commissions (expenses) amounted to €11,933 K versus €10,406 K at 30 June 2017, and mainly comprised:
 - retrocessions of fees on the EMTN activity totalling €7,362 K versus €10,246 K at 30 June 2017,
 - market-making fees of €247 K versus €75 K at 30 June 2017.
 - €4,234 K on the recycling funds, of which:
 - fees of €2,158 K on guarantee calls following the maturity of these funds,
 - €2,076 K in new allocations.

Financial NBI totalled €49,040 K, an increase on 2017, and mainly consisting of:

- dividends received from its subsidiaries totalling €38,476 K (of which €31,987 K from Amundi Intermédiation and €6,936 K from Amundi Tenue de Comptes), versus €11,216 K at 30 June 2016 (of which €5,552 K from Amundi Intermédiation and €5,664 K from Amundi Tenue de Comptes),
- losses on sales of securities in the investment portfolio in the amount of €11 K (no activity on the ACACIA portfolio in 2018),
- net income on swap issuance, notes, collateral and transaction portfolio activities of €13,244 K, of which:
 - €22,373 K (versus € 23,459 K at 30 June 2017) corresponding to allowances for funding risks for these activities,
 - €9,698 K relating to the correction in the value in respect of the counterparty risk on derivatives (CVA),
 - €569 K in financial forward contracts and the carrying of securities on all structures.

Other NBI totalled €599 K and mainly includes the 2018 fee concerning Amundi Finance's contribution to the cost of the obligations of Crédit Agricole SA in its capacity as reference shareholder.

General operating expenses rose to €4,698 K versus €4,445 K at 30 June 2017.

(in thousands of euros)	30/06/2018	30/06/2017
Personnel expenses		
Wages and salaries	-454	-397
Social security contributions	-157	-165
Incentive and profit-sharing plans	-36	-13
Payroll-related tax	-84	-80
Total personnel expenses	-731	-654
Rebilling and transfers of personnel expenses		
Net personnel expenses	-731	-654
Administrative expenses		
Taxes other than on income or payroll-related (1)	-1,356	-1,390
External services and other administrative expenses	-2,611	-2,400
Total administrative expenses	-3,967	-3,791
Rebilling and transfers of administrative expenses		
Net administrative expenses	-3,967	-3,791
GENERAL OPERATING EXPENSES	-4,698	-4,445

(1) of which €386 K for the resolution fund.

- Personnel expenses rose to €731 K at 30 June 2018 versus €654 K at 30 June 2017, and mainly comprised:
 - salaries for permanent staff of €454 K (including severance pay),
 - social security contributions relating to staff of €157 K.

- External services and other administrative expenses rose to €2,611 K at 30 June 2018 versus €2,400 K at 30 June 2017, and mainly comprised:
 - re invoicing by the staff resources grouping provided to Amundi Finance in the amount of €934 K,
 - the administrative management agreement in the amount of €972 K,

- group operations managed by AITS in the amount of €458 K, charges mainly related to the functioning of the MUREX back office for swap, collateral and EMTN activities,
 - the portion of rent and service charges in the amount of €69 K,
 - statutory auditors' fees of €92 K,
 - database expenses of €42 K.
- Taxes and duties chiefly include:
- CVAE (company value-added contribution) for activity in the first half of 2018 in the amount of €670 K,
 - CSSS (company social solidarity contribution) in the amount of €69 K,
 - other taxes totalled €617 K, and were made up of:
 - the contribution to the single resolution fund, of €386 K,
 - the systemic risk tax in the amount of €105 K,
 - the ACPR tax, in the amount of €49 K,
 - the territorial authorities support fund, in the amount of €48 K,
 - the BCE contribution, in the amount of €28 K.

Gross operating income rose to €77,665 K versus €53,957 K at 30 June 2017.

The **cost of risk** was booked at a charge of €3,437 K versus a charge of €211 K at 30 June 2017, and mainly includes:

- - €4,251 K in new allocations on the risks of calls relating to shortfalls on vehicles owing to the deterioration of spreads on vehicle assets;
- + €415 K in reversals of provisions on the guarantees given on rates benefiting from a guarantee of the max monetarised NAV in the case of a fall in rates (CPPI Amundi Objectif Retraite 2020 guaranteed funds);
- + €446 K in reversals of provision on the LODEOM tax advance;
- - €48 K in allocation to the provision on ECLs of guaranteed funds.

Operating income and **current profit before tax** was + €74,228 K, versus + €53,747 K at 30 June 2017.

Corporation tax was €14,454 K versus €14,901 K at 30 June 2017.

Net profit at 30 June 2018 was €59,774 K versus €38,846 K at 30 June 2017.

BALANCE SHEET AT 30 JUNE 2018

The balance sheet total was €2,615,504 K versus €2,988,476 K at 31 December 2017. It consisted of the following:

Assets (excluding forward financial instruments):

- The item Treasury bills and similar securities in the amount of €215,191 K concerning securities transactions relating to EMIR regulation, versus €163,172 K at 31 December 2017.
- The item Loans and receivables due from credit institutions in the amount of €106,392 K, versus €221,520 K at 31 December 2017, which mainly consists of:
 - €100,069 K corresponding to overnight loans to the collateral activities,
 - €1,000 K in long-term loans.

- Shares in affiliated companies in the amount of €50,897 K,

SUBSIDIARIES AND EQUITY INVESTMENTS	Currency	% Control at 31/12/2017	Provision 2017	Net book value at 31/12/2017	Increases	Decreases	Gross book value at 30/06/2018	Provision 2018	Net book value at 30/06/2018
AMUNDI TC	EUR	99.99		34,166,579			34,166,579		34,166,579
AMUNDI INTERMÉDIATION	EUR	38.53		5,628,480			5,628,480		5,628,480
SITS	EUR	NS	7,032	3,128			10,160	7,032	3,128
SCI LES PALMIERS BLEUS	EUR	100	999	0			999	999	0
SCI MASCARIN	EUR	100	999	0	2,597,885		2,598,884	999	2,597,885
DNA SA	EUR	100	163,000	2,068,000			2,231,000	163,000	2,068,000
LRP	EUR	100		31,000			31,000		31,000
Amundi Finance Emissions	EUR	99.99		2,225,106			2,225,106		2,225,106
LCL Emissions	EUR	99.99		2,225,063			2,225,063		2,225,063
AMUNDI ISSUANCE	EUR	99.99	48,000	1,951,914			1,999,914	48,000	1,951,914
TOTAL			220,030	48,299,270	2,597,885	0	51,117,185	220,030	50,897,155

- Bonds and other fixed-income securities totalled €599,572 K versus €652,407 K at 31 December 2017. This position mainly corresponds to the carrying of bonds issued by the subsidiaries Amundi Finance Emissions, LCL Emissions and Amundi Issuance and by Crédit Agricole SA before repurchase for destruction by these issuing companies.
- Equities and other variable-income securities totalled €317 K, versus €328 K at 31 December 2017.
- The item Other assets (excluding forward financial instruments) came in at €790,184 K versus €928,162 K at 31 December 2017. It mainly consisted of:
 - guarantee deposits made as part of the collateral business in the amount of €761,410 K compared with €853,821 K at 31 December 2017,
 - interim payments of corporation tax in the amount of €18,947 K versus €48,583 K at 31 December 2017,
 - trade receivables in the amount of €787 K compared with €3,572 thousand at 31 December 2017.
- The item Adjustment accounts (excluding forward financial instruments) came in at €51,980 K versus €59,137 thousand at 31 December 2017. They are mainly made up of income receivable on off-balance sheet commitments (guarantee funds and EMTNs) in line with the collection of revenues: variable guarantee commissions on PEA funds are collected annually, commission on fixed guarantees for the most part on maturity of the fund, and the same applies to commission on the variable guarantee on non-PEA funds.

Investment fees, repurchase compensation and guarantee commissions on EMTN issuances are collected on a quarterly basis.

Liabilities (excluding forward financial instruments):

- The item Liabilities due to credit institutions in the amount of €363,002 K compared with €460,218 K at 31 December 2017, of which:
 - €157,000 K in overnight loans to the Group's treasury office versus overnight loans of €304,000 K at end-2017.
 - €206,000 K in long-term loans corresponding to the financing of activities relating to EMIR regulation applicable since 2017, compared with €156,000 K at 31 December 2017.
- The item Debt securities in the amount of €12,015 K corresponding to the EMTN issues programme by Amundi Finance.
- The item Other liabilities (excluding forward financial instruments) in the amount of €851,990 K (€1,077,847 K at 31 December 2017) mainly records deposits received in relation to the collateral activity (€835,571 K) and the provision of corporation tax (€14,459 K).
- The item Adjustment accounts (excluding forward financial instruments) in the amount of €12,541 K versus €11,994 K at 31 December 2017.
 - €5,353 K in deferred income representing the spread of indemnities for collection risk on structures being marketed such as formula-based funds, EMTN Amundi Finance Emissions, EMTN LCL Emissions and UCO.
 - €7,188 K in accruals, of which:
 - €3,864 K in retrocessions on investment fees,
 - €2,536 K in operating charges of which €1,843 K relates to the re-invoicing by the staff resources grouping provided for 2018,
 - €312 K in market making fees on structures such as CA Oblig Immo
 - €414 K in IFRIC 21 levies (FRU, BCE FGDR) .

Forward financial instruments: The activity shows a liability of €38,187 K compared with €39,894 K at 31 December 2017, and mainly consists of:

- €20,383 K on the correction in the value in respect of the counterparty risk on derivatives (CVA) versus €10,684 K in 2017,

- €15,343 K on the position on options versus €20,528 K at 31 December 2017,
 - – €6,023 K relating to the valuation of FFIs versus + €1,953 K at 31 December 2017,
 - €8,486 K in respect of hedging positions versus €6,729 K at 31 December 2017.
- Provisions for liabilities and charges of €17,873 K versus €13,731 K in 2017, of which:
- €6,294 K provisions for the “Testaments obsèques” guarantee fund,
 - €1,857 K of provisions for the recycling funds,
 - €6,264 K of provisions for risks on the fund guarantee activity (including ECLs on guaranteed funds) and issuance vehicles,
 - €3,373 K of provisions on commitments given on LODEOM investments in 2013.

The item Subordinated debts was stable at €102,447 K; it corresponds to the perpetual subordinated debt that will increase the level of the company’s own funds, as well as the related debts.

Amundi Finance's shareholders' equity underwent the following changes:

(in thousands of euros)	Share capital	Premiums, reserves and retained earnings	Interim dividends	Regulated provisions and investment subsidies	Net income	Total shareholders' equity
Balance at 31 December 2017	40,320	462,855			81,536	584,711
Dividends paid for 2017						
Change in share capital						
Change in share premiums and reserves						
Appropriation of company income		81,536			-81,536	
Retained earnings						
Profit for financial year 2018					59,774	59,774
Other changes		-668				-668
Balance at 30 June 2018	40,320	543,724			59,774	643,817

OFF-BALANCE SHEET COMMITMENTS AT 30 JUNE 2018

At 30 June 2018, forward financial instruments (FFIs) were recorded for a notional amount of €57,629 million versus €52,298 million at 31 December 2017.

FFI overview

Notional in millions of euro	30/06/2018	31/12/2017
FFIs Collateral	40,761	40,757
FFIs Notes	367	457
FFIs Notes with margin	58	63
FFIs Asset Swap Forward	1,133	1,147
FFIs EMTN CASA network	7,762	6,451
FFIs EMTN Crelan network	206	277
FFIs EMTN LCL network	7,041	2,926
FFIs EMTN Other networks	81	52
FFIs EMTN AMUNDI FINANCE network	12	12
FFIs Collateral Securities Hedging	206	156
TOTAL	57,629	52,298

The item Guarantee commitments given came in at €22,608 million compared with €22,490 million at 31 December 2017.

The item Assets given as collateral was €194 million at 30 June 2018 versus €110 million at 31 December 2017, and corresponds to the Securities Collateral given to the market counterparty within the framework of EMIR regulation.

The item Assets received as collateral was €866 million versus €526 million at 31 December 2017, and corresponds to the Securities Collateral received from funds and market counterparties within the framework of EMIR regulation.

GROWTH PROSPECTS AND MAIN RISKS AND UNCERTAINTIES

The trends seen in 2017 are expected to continue in 2018, with a stabilisation in the outstandings of guaranteed funds.

Guaranteed bond issues are expected to continue at a similar pace to that seen in 2017 in its subsidiaries Amundi Finance Emissions and LCL Emissions.

02

Financial Statements as at June 30th 2018

**AMUNDI FINANCE
INDIVIDUAL FINANCIAL STATEMENTS
AT 30/06/2018**

**Approved by the Board of Directors of *AMUNDI FINANCE*
on 26/07/2018**

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AMUNDI FINANCE
INDIVIDUAL FINANCIAL STATEMENTS AT 30/06/2018

BALANCE SHEET AT 30 JUNE 2018

ASSETS

(in thousands of euros)	Notes	30/06/2018	31/12/2017
Interbank and similar transactions		321,583	384,692
Cash, central banks			
Treasury bills and similar securities	5	215,191	163,172
Loans and receivables due from credit institutions	3	106,392	221,520
Customer transactions	4		
Securities transactions		599,889	652,735
Bonds and other fixed-income securities	5	599,572	652,407
Equities and other variable-income securities	5	317	328
Fixed assets		278,321	275,723
Equity investments and other long-term securities holdings	6-7		
Shares in affiliated companies	6-7	50,897	48,299
Intangible assets	7	227,424	227,424
Property, plant and equipment	7		
Unpaid subscribed capital			
Treasury shares	8		
Accruals, prepayments and sundry assets		1,415,711	1,675,327
Other assets	9	1,341,288	1,602,574
Accruals	9	74,423	72,753
TOTAL ASSETS		2,615,504	2,988,476

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

EQUITY & LIABILITIES

(in thousands of euros)	Notes	30/06/2018	31/12/2017
Interbank and similar transactions		363,002	460,218
Due to central banks			
Due to credit institutions	11	363,002	460,218
Customer deposits	12		
Debt securities	13	12,015	12,015
Accruals, deferred income and sundry liabilities		1,476,350	1,817,761
Other liabilities	14	1,434,776	1,795,083
Accruals	14	41,574	22,678
Provisions and subordinated debt		120,320	113,771
Provisions	15-16-17	17,873	13,731
Subordinated debt	19	102,447	100,040
Fund for general banking risks (FGBR)	18		
Shareholders' equity excluding FGBR:	20	643,817	584,711
Share capital		40,320	40,320
Share premiums		217,511	217,511
Reserves		4,416	4,416
Revaluation adjustment			
Regulated provisions and investment subsidies			
Retained earnings		321,796	240,928
Net income pending approval / interim dividends			
Profit for the year		59,774	81,536
TOTAL EQUITY & LIABILITIES		2,615,504	2,988,476

OFF-BALANCE SHEET

(in thousands of euros)	Notes	30/06/2018	31/12/2017
COMMITMENTS GIVEN			
Financing commitments	26		
Guarantee commitments	26	22,608,484	22,490,183
Securities commitments	26		

(in thousands of euros)		30/06/2018	31/12/2017
COMMITMENTS RECEIVED			
Financing commitments	26		
Guarantee commitments	26		
Securities commitments	26		

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

INCOME STATEMENT AT 30 JUNE 2018

INCOME STATEMENT

(in thousands of euros)	Notes	30/06/2018	31/12/2017	30/06/2017
Interest and similar income	28-29	3,314	5,967	2,552
Interest and similar expenses	28	-5,983	-10,418	-4,913
Income from variable-income securities	29	38,476	10,781	11,222
Fees and commissions (income)	30	45,856	86,256	34,211
Fees and commissions (expenses)	30	-11,933	-21,672	-10,406
Gains (losses) on trading book	31	13,244	56,126	25,672
Gains (losses) on short-term investment portfolios and similar	32	-11	996	65
Other banking income	33			
Other banking operating expenses	33	-599	-1,026	
Net banking income		82,363	127,010	58,403
General operating expenses	34	-4,698	-9,404	-4,445
Allocations to depreciation and amortisation of property, plant and equipment, and intangible assets				
Gross operating income		77,665	117,606	53,957
Cost of risk	35	-3,437	1,027	-211
Operating income		74,228	118,633	53,747
Net income on fixed assets	36			
Earnings before taxes and extraordinary items		74,228	118,633	53,747
Net extraordinary items				
Corporate income tax	37	-14,454	-37,098	-14,901
Net allocation to FGBR and regulated provisions				
Net income		59,774	81,536	38,846

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

CASH FLOW STATEMENT AT 30 JUNE 2018

(in thousands of euros)	30/06/2018	31/12/2017	30/06/2017
Profit (loss) before taxes	74,228	118,633	53,747
Net depreciation and provisions for property, plant and equipment			
Impairment of goodwill			
Net allocation to impairments	3,475	124	-435
Share of earnings of equity-method companies			
Net loss/gain of investment activities			
Income/expenses of financing activities	2,407	4,814	2,407
Other movements	7,704	-5,111	5,455
Total non-monetary items included in the profit (loss) before tax and other adjustments	13,586	-173	7,426
Flows related to transactions with credit institutions	49,927	154,948	-68
Flows relating to transactions with customers			
Flows relating to other transactions affecting financial assets or liabilities	-2,637	-765,838	-758,079
Flows relating to transactions affecting non-financial assets or liabilities	-92,237	381,073	456,336
Dividends received from equity-method companies			
Taxes paid	-8,255	-33,799	-9,507
Net decrease/(increase) in assets and liabilities from operating activities	-53,201	-263,616	-311,318
TOTAL NET CASH FLOWS FROM OPERATING ACTIVITIES (A)	34,613	-145,156	-250,145
Flows relating to investments	-2,598	7	
Flows relating to property, plant and equipment and intangible fixed assets			
TOTAL NET CASH FLOWS FROM INVESTMENT OPERATIONS (B)	-2,598	7	
cash flows from or to shareholders			
Other net cash flows from financing activities		-4,814	
TOTAL NET CASH FLOWS FROM FINANCING OPERATIONS (C)		-4,814	
Effect of exchange rate changes and other changes on cash and cash equivalents (D)			
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	32,015	-149,962	-250,145
Cash and cash equivalents at beginning of period	-83,749	66,214	66,214
Net cash accounts and accounts with central banks			
Net demand loans and deposits with credit institutions	-83,749	66,214	66,214
Cash and cash equivalents at end of period	-51,734	-83,749	-183,931
Net cash accounts and accounts with central banks			
Net demand loans and deposits with credit institutions	-51,734	-83,749	-183,931
CHANGE IN NET CASH AND CASH EQUIVALENTS	32,015	-149,962	-250,145

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Notes to the half-year financial statements – 30 June 2018

NOTE 1 LEGAL AND FINANCIAL FRAMEWORK AND SIGNIFICANT EVENTS

1.1 Legal and financial framework

Amundi Finance's share capital totalled €40,320,157 at 30 June 2018. It is divided into 2,644,829 shares, each with a par value of €15.24.

Since 19 February 2002, Amundi Finance has held an approval issued by the CECEI (now the ACPR). Amundi Finance is authorised as a credit institution to provide capital and/or performance guarantees in the area of asset management, specifically for the clients of the Crédit Agricole group or UCITS managed thereby.

Ownership of the company:

- 76.12% by Amundi Asset Management,
- 23.87% by Amundi,
- with the remaining balance held by other group companies.

These notes are an integral part of Amundi Finance's interim financial statements for the period ended 30 June 2018. They are expressed in thousands of euros ("€K").

The balance sheet total before appropriation in these financial statements is €2,615,504 K.

Net banking income (NBI) in these financial statements is €82,363 K.

Net income for the financial year is €59,774 K (€59,773,614.23).

1.2 Significant events in the first half of 2018

During the first half of 2018, the subsidiaries dedicated to EMTN activity (Amundi Finance Emissions and LCL Emissions) continued their issuance programme with the Crédit Agricole and LCL networks,

1.3 Events subsequent to the interim situation at 30 June 2018

None.

NOTE 2 ACCOUNTING POLICIES AND PRINCIPLES

Amundi Finance's financial statements are prepared in compliance with the general accounting principles in France applicable to credit institutions, such as those appearing in regulation ANC 2014-07 of 26 November 2014.

2.1 Loans and receivables due from credit institutions and customers – signed commitments

Loans and receivables due from credit institutions and customers are broken down according to their initial duration or the nature of the amounts: demand loans (current accounts and overnight transactions) and term loans for credit institutions, other loans to customers.

Only payables and receivables meeting the following conditions have been offset on the balance sheet: same counterparty, identical due date and currency, same accounting entity and existence of a letter certifying the merger of the accounts.

Subordinated loans are included under the different receivables headings according to the nature of the counterparty (interbank, customer).

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Accrued interest not yet due on receivables is recorded in related receivables on the income statement.

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

Doubtful loans and receivables

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

2.2 Securities portfolio

The rules for accounting for securities transactions are defined by articles 2311-1 to 2391-1 (Title 3 Booking transactions in securities of Book II Special transactions) and articles 2211-1 to 2251-13 (Title 2 Accounting treatment of the credit risk of Book II Special transactions) of ANC Regulation 2014-07 of 26 November 2014 for the determination of credit risk and the impairment of fixed-income securities.

Securities are presented in the financial statements depending on their nature: Treasury bills and similar securities, bonds, and other fixed-income securities (negotiable debt securities and securities of the interbank market), equities, and other variable-income securities.

Securities are classified under the following categories: trading securities, short-term investment securities, long-term equity holdings, investment securities, other long-term securities, and investments in related companies.

Trading securities

These are securities that were acquired at the outset with the intention of selling them or sold with the intention of buying them back in the short term.

Securities acquired or sold as part of specialised management of a trading book including forward financial instruments, securities or other financial instruments that are managed together are also considered to be trading securities.

Trading securities are recorded on the balance sheet at their acquisition price, excluding transaction fees.

They are valued on the basis of their market value on the reporting date.

The resulting net income, along with net income on the sale of securities, is recognised on the income statement under “gains (losses) on trading securities transactions”.

Short-term investment securities

These are securities that are not classified as trading securities, investment securities, other long-term securities, equity securities, or investments in related companies.

Bonds and other fixed-income securities

These securities are recorded at purchase price, including the coupon accrued at purchase. The difference between the purchase price and the redemption value is staggered on an actuarial basis over the remaining life of the security.

Revenues are recognised on the income statement under “Interest and similar income on bonds and other fixed-income securities”.

Equities and other variable-income securities

Equities are recorded on the balance sheet at their purchase price, excluding transaction fees, or at their contribution value. At year-end, they are valued at the lower of their purchase price and their market value. Accordingly, when the inventory value of a line is lower than the book value, the unrealised loss is written down as an impairment loss.

Potential capital gains are not recorded.

The cost of sale of short-term investment securities is calculated using the FIFO method. Gains and losses on sales are booked under “gains (losses) on short-term investment portfolios and similar”.

Shares in affiliated companies, participating interests and other long-term securities holdings

- Shares in affiliated companies are shares held in companies exclusively controlled, consolidated or likely to be fully consolidated in a single consolidatable unit.
- Participating interests are investments (other than investments in a related company), of which the long-term ownership is judged beneficial to the reporting entity, in particular because it allows it to exercise influence or control over the issuer.
- Other long-term securities holdings are investments made with the intention of promoting long-term business relations by creating a special relationship with the issuer, but with no influence on the issuer’s management due to the small percentage of voting rights held.

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

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

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

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

Market price

The market price at which, if applicable, the different categories of shares are valued, is determined as follows:

- securities traded in an active market are valued at their most recent price, if the market on which the security is traded is not or is no longer considered to be active, or if the share is not listed, Amundi Finance determines the probable trading value of the security in question by using valuation techniques. Firstly, these techniques refer to recent transactions carried out in normal competitive conditions. If applicable, Amundi Finance uses standard valuation techniques used by market players to value these securities when it has been determined that these techniques produce reliable estimations of prices achieved in transactions on the real market.

2.3 Fixed assets

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

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

In accordance with CRC 2004-06, the acquisition cost of fixed assets includes the purchase price plus any incidental expenses, namely expenses directly or indirectly incurred in connection with bringing the asset into service or “into inventory”.

Buildings and equipment are measured at cost less accumulated depreciation and impairment losses since the time

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Notes to the half-year financial statements – 30 June 2018

they were placed in service.

Software acquired is measured at cost less depreciation and impairment losses since the date of purchase.

Proprietary software is measured at cost less accumulated depreciation and impairment losses since completion. With the exception of software, patents, and licenses, intangible assets are not amortised.

If applicable, they can be impaired.

Fixed assets are depreciated over their estimated useful lives.

The following components and depreciation periods were applied by Amundi Finance following the application of the component method of fixed asset accounting. It should be remembered that these depreciation periods should be adapted to the nature of the construction and its location:

Component	Period of depreciation
Technical installations and fixtures	5 years
IT equipment	3 years

When Amundi Asset Management contributed to its guarantee activity in 2004, Amundi Finance booked business capital valued at €227,424 K. This business capital was not subject to depreciation.

From 1 January 2016, ANC Regulation 2015-06 modified the provisions of the General Accounting Plan (PCG) relating to the accounting of fixed assets. Specifically, the amendments concern the definition of the business capital, which is assumed to be non-depreciable, without it being necessary to justify it. This presumption remains refutable, however. The business capital must be subject to an annual impairment test, showing any indications of loss in value.

2.4 Liabilities due to credit institutions and customers

Liabilities due to credit institutions and customers are presented in the financial statements according to their initial durations or their nature:

- Demand or term liabilities for institutions,
- Other liabilities for customers (including, in particular, financial customers).

Accrued interest on these liabilities is recognised under accrued interest and taken to the income statement.

2.5 Debt securities

Debt securities are presented according to the type of vehicle: interbank market instruments, negotiable debt securities and bonds, excluding subordinated securities included in liabilities under "Subordinated debt".

Accrued interest not yet due is recognised under accrued interest and posted to the income statement.

2.6 Provisions

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

In particular, these provisions include provisions relating to financing commitments, retirement and early retirement liabilities, litigation and various risks.

All of these risks are assessed on a quarterly basis.

2.7 Derivatives transactions

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

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instrument.

At 30 June 2018, forward financial commitments totalled €57,628,788 K.

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

All (realised or unrealised) gains and losses were recorded on the income statement under "Net gains (losses) on trading book" for a net amount representing income of €13,243,757.75, including €22,490,183.00 in allowances for funding risks related to the launch of new funds and EMTN.

Trading

Trading includes:

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

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

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

using available prices, if there is an active market;

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

Hedging transactions

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

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

Counterparty risk on derivatives

Pursuant to ANC Regulation 2014-07 of 26 November 2014, Amundi Finance includes the counterparty risk assessment on asset derivatives (Credit Valuation Adjustment or CVA) in the market value of derivatives. As such, only derivatives booked in isolated open positions or in trading portfolios (derivatives classified according to categories A and D of Article 2522-1 of the aforementioned regulation) are calculated on a CVA basis.

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

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

The methodology used maximises the use of observable entry data.

It is based on:

firstly, market parameters, such as CDS Single Name or CDS proxy.

In the absence of CDS Single Name on the counterparty, an approximation based on a basket of CDS Single Name counterparties with the same rating, operating in the same sector and located in the same region.

2.8 Transactions in foreign currencies

Monetary receivables and payables denominated in foreign currencies are converted at the market price in force as at the closing date or at the market price noted at the nearest available date.

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Expenses paid and income received are recorded at the price of the day of the transaction, and accrued expenses and income not paid or collected are converted at the closing price.

For the application of Title 7, booking transactions in foreign currencies, Book II special transactions of ANC Regulation 2014-07 of 26 November 2014, Amundi Finance has rolled out a multi-currency accounting system so that it can track its currency position.

2.9 Off-balance sheet commitments

Financing commitments

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

As Amundi Finance fully respects its obligations in terms of liquidity ratios, it did not use this method of financing in the first half of 2018.

Guarantee commitments given

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

At 30 June 2018, these guarantees given as well as guarantees granted directly totalled €22,608,483 K.

Off-balance sheet commitments for publication do not include commitments on forward financial instruments or foreign exchange transactions. They also do not include commitments received on Treasury notes, similar securities and other securities provided as guarantees.

These items are however detailed in notes 26 and 26.1.

2.10 Employee profit-sharing and incentive plans

Some group companies have formed an Economic and Social Unit (UES) (Amundi, Amundi AM, Amundi ITS, Amundi Finance, Amundi Tenue de Comptes, Amundi Immobilier, Amundi Intermédiation, Amundi Private Equity Funds, Etoile Gestion, BFT IM, Société Générale Gestion, CPR AM, and Amundi Transition Energétique). Agreements on employee profit sharing and incentive plans have been signed within this framework.

Employee profit-sharing for this UES is recognised in the income statement in the year in which the employees' rights are earned. It appears in personnel expenses.

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

Employees assigned ("seconded") by Crédit Agricole S.A. operate under agreements signed as part of that entity's UES. The estimated accrued expense for profit sharing and incentive plans allocated within this framework has been recognised in the financial statements.

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

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

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

The amount contributed for these pension schemes is recorded in "Employee expenses".

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Notes to the half-year financial statements – 30 June 2018

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

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

As such, Amundi Finance establishes provisions for its pension commitments and similar benefits falling within the category of defined-benefit schemes.

At 30 June 2018, these obligations were valued at €224 K, while provisions amounted to €85 K.

The sensitivity rates demonstrate that:

- a 50 basis point increase in discount rates would reduce the commitment by 7.46%.
- a 50 basis point decrease in discount rates would increase the commitment by 8.28%.

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

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

2.12 Corporate income tax

In general, only the current tax liability is recognised in the individual financial statements.

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

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

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

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

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

(in thousands of euros)	30/06/2018						31/12/2017
	<3 months	>3 months <1 year	>1 year <5 years	>5 years	Total principal	Accrued interest	Total
Credit institutions							
Accounts and loans:							
· demand	105,266				105,266		220,465
· term				1,000	1,000	125	1,055
Securities received under repurchase agreements							
Securities bought under repurchase agreements							
Subordinated loans							
Total	105,266			1,000	106,266	125	221,520
Impairment							
NET CARRYING AMOUNT	105,266			1,000	106,266	125	221,520
Ordinary accounts							
Term deposits and advances							
Total							
Impairment							
NET CARRYING AMOUNT							
TOTAL	105,266			1,000	106,266	125	221,520

NOTE 4 CUSTOMER TRANSACTIONS

None

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Notes to the half-year financial statements – 30 June 2018

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

In thousands of euros	30/06/2018			31/12/2017
	Transaction	Investment	Portfolio securities	Total
Treasury bills and similar securities:		214,486		214,486
· o/w residual net premium		8,486		8,486
· o/w residual net discount				
Accrued interest		706		706
Impairment				
Net carrying amount		215,191		215,191
Bonds and other fixed income securities:	588,562	11,000		599,562
Issued by public bodies				
Other issuers	588,562	11,000		599,562
· o/w residual net premium				
· o/w residual net discount				
Accrued interest		10		10
Impairment				
Net carrying amount	588,562	11,010		599,572
Equities and other variable-income securities		331		331
Accrued interest				
Impairment		-13		-13
Net carrying amount		317		328
Total	588,562	226,519		815,081
Estimated values	588,562	226,519		815,081

NOTE 5.1 TRADING, SHORT-TERM INVESTMENT, LONG-TERM INVESTMENT AND PORTFOLIO SECURITIES (excluding treasury bills): BREAKDOWN BY MAJOR CATEGORY OF COUNTERPARTY

In thousands of euros	Net outstandings 30/06/2018	Net outstandings 31/12/2017
Governments and central banks (including central governments)		
Credit institutions	83,564	27,217
Financial companies	516,329	625,510
Local authorities		
Corporates, insurers and other clients		
Other and non-allocated		
Total principal	599,893	652,727
Accrued interest	10	10
Impairment	-13	-2
Net carrying amount	599,889	652,735

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Notes to the half-year financial statements – 30 June 2018

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

(in thousands of euros)	30/06/2018				31/12/2017			
	Bonds and other fixed-income securities	Treasury bills and similar securities	Equities and other variable-income securities	Total	Bonds and other fixed-income securities	Treasury bills and similar securities	Equities and other variable-income securities	Total
Listed securities	546,412	214,486		760,897	631,530	162,729		794,259
Unlisted securities	53,150		331	53,481	20,866		331	21,197
Accrued interest	10	706		716	10	443		453
Impairment			-13	-13			-2	-2
Net carrying amount	599,572	215,191	317	815,081	652,407	163,172	328	815,907

The breakdown of all UCITS by type at 30 June 2018 is as follows:

In thousands of euros	Inventory value	Net asset value
Money market UCITS		
Bond UCITS		
Share UCITS		
Other UCITS	317	317
TOTAL	317	317

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

In thousands of euros	30/06/2018							31/12/2017
	<3 months	>3 months <1 year	>1 year <5 years	>5 years	Total principal	Accrued interest	Total	Total
Bonds and other fixed-income securities								
Gross value					599,562	10	599,572	652,407
Impairment								
Net carrying amount					599,562	10	599,572	652,407
Treasury bills and similar securities								
Gross value					214,486	706	215,191	163,172
Impairment								
Net carrying amount					214,486	706	215,191	163,172

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Notes to the half-year financial statements – 30 June 2018

NOTE 5.4 TREASURY BILLS, BONDS AND OTHER FIXED INCOME SECURITIES: ANALYSIS BY REGION

In thousands of euros	Net outstandings 30/06/2018	Net outstandings 31/12/2017
France (including overseas departments and territories)	811,963	811,992
Other EU countries	2,084	3,134
Other European countries		
North America		
Central and South America		
Africa and the Middle East		
Asia and Oceania (excluding Japan)		
Japan		
Total principal	814,047	815,126
Accrued interest	716	453
Impairment		
NET CARRYING AMOUNT	814,763	815,579

NOTE 6 EQUITY INVESTMENTS AND SUBSIDIARIES

(in thousands of euros)

Company	Financial information				Book value of securities owned		Outstanding loans and advances granted by the company	Guarantees and other commitments given by the company	Revenue excl. tax for the year ended	Net income (profit or loss for the year ended)	Dividends received by the company during the financial year
	Currency	Share capital	Equity other than share capital	Percentage of capital owned	Gross value	Net value					
Equity investments with a book value higher than 1% of the company's share capital											
1) Shares in affiliated companies held in credit institutions (more than 50% of share capital)											
2) Shares in affiliated companies held in credit institutions (10% to 50% of share capital)											
3) Other shares in affiliated companies (more than 50% of share capital)											
AMUNDI TENUE DE COMPTES	EUR	24,000	1,849	100.00%	34,167	34,167			22,519	3,149	6,936
AMUNDI INTERMEDIATION	EUR	14,604	38,904	38.53%	5,628	5,628			85,915	45,649	31,987
4) Other equity investments (10% to 50% of share capital)											
Equity investments with a book value lower than 1% of Amundi Finance's share capital											
	EUR				11,322	11,102					
TOTAL SUBSIDIARIES AND EQUITY INVESTMENTS					51,117	50,897					

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Notes to the half-year financial statements – 30 June 2018

NOTE 6.1 ESTIMATED VALUE OF EQUITY INVESTMENTS

<i>(in thousands of euros)</i>	30/06/2018		31/12/2017	
	Carrying amount	Estimated value	Carrying amount	Estimated value
Shares in affiliated companies				
- Unlisted securities	51,117	50,897	48,519	48,299
- Listed securities				
- Advances available for consolidation				
- Accrued interest				
- Impairment	-220		-220	
Net carrying amount	50,897	50,897	48,299	48,299
Equity investments and other long-term securities				
Equity investments				
- Unlisted securities				
- Listed securities				
- Advances available for consolidation				
- Accrued interest				
- Impairment				
Sub-total of equity investments				
Other long-term securities holdings				
- Unlisted securities				
- Listed securities				
- Advances available for consolidation				
- Accrued interest				
- Impairment				
Sub-total of other long-term securities holdings				
Net carrying amount				
Total equity investments	50,897	50,897	48,299	48,299

<i>(in thousands of euros)</i>	30/06/2018		31/12/2017	
	Carrying amount	Estimated value	Carrying amount	Estimated value
TOTAL GROSS VALUES				
Unlisted securities	51,117	50,897	48,519	48,299
Listed securities				
TOTAL	51,117	50,897	48,519	48,299

NOTE 7 CHANGE IN FIXED ASSETS

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Notes to the half-year financial statements – 30 June 2018

NOTE 7.1 Financial assets

(in thousands of euros)	01/01/2018	Increases (Acquisitions)	Decreases (disposals, maturity)	Other movements	30/06/2018
Shares in affiliated companies					
Gross values	48,519	2,598			51,117
Advances available for consolidation					
Accrued interest					
Impairment	-220				-220
NET CARRYING AMOUNT	48,299	2,598			50,897
Equity investments					
Gross values					
Advances available for consolidation					
Accrued interest					
Impairment					
Other long-term securities holdings					
Gross values					
Advances available for consolidation					
Accrued interest					
Impairment					
NET CARRYING AMOUNT					
TOTAL	48,299	2,598			50,897

NOTE 7.2 Property, plant and equipment, and intangible assets

(in thousands of euros)	01/01/2018	Increases (Acquisitions)	Decreases (disposals, maturity)	Other movements	30/06/2018
Property, plant and equipment					
Gross values					
Depreciation and impairment					
NET CARRYING AMOUNT					
Intangible assets					
Gross values	227,424				227,424
Amortisation and impairment					
NET CARRYING AMOUNT	227,424				227,424
TOTAL	227,424				227,424

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Notes to the half-year financial statements – 30 June 2018

NOTE 8 TREASURY SHARES

None

NOTE 9 ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS

(in thousands of euros)	30/06/2018	31/12/2017
Other assets (1)		
Options purchased	551,189	674,412
Inventory accounts and other resources used		
Sundry debtors (2)	790,099	928,162
Collective management of LDD securities		
Settlement accounts		
Net carrying amount	1,341,288	1,602,574
Accruals		
Collection and transfer accounts		
Adjustment accounts and variance accounts		
Unrealised losses and deferred losses on financial instruments		
Accrued income on commitments on financial futures		
Other accrued income	51,776	59,137
Prepaid expenses	204	
Deferred expenses	165	-6,729
Other accruals	22,278	20,344
Net carrying amount	74,423	72,753
Total	1,415,711	1,675,327

(1) Amounts including accrued interest.

(2) including €426 K contributed to the Resolution Fund and paid in the form of a security deposit. This security deposit can be used unconditionally and at any time by the Resolution Fund to finance an operation.

NOTE 10 IMPAIRMENT LOSSES DEDUCTED FROM ASSETS

(in thousands of euros)	Balance at 31/12/2017	Increases	Reversals and uses	Accretion	Other movements	Balance at 30/06/2018
On interbank and similar transactions						
On customer receivables						
On securities transactions	222	11				233
On fixed assets						
On other assets						
Total	222	11				233

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Notes to the half-year financial statements – 30 June 2018

NOTE 11 LOANS AND PAYABLES DUE TO CREDIT INSTITUTIONS – ANALYSIS BY REMAINING MATURITY

(in thousands of euros)	30/06/2018							31/12/2017
	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Credit institutions								
Accounts and borrowings:								
· demand	157,000				157,000	2	157,002	304,218
· term	70,000	136,000			206,000		206,000	156,000
Pledged securities								
Securities sold under repurchase agreements								
CARRYING AMOUNT	227,000	136,000			363,000	2	363,002	460,218

NOTE 12 CUSTOMER DEPOSITS

None

NOTE 13 DEBT SECURITIES

Note 13.1 Debt securities – Analysis by remaining maturity

(in thousands of euros)	30/06/2018							31/12/2017
	≤3 months	>3 months ≤1 year	> 1 year ≤5 years	>5 years	Total principal	Accrued interest	Total	Total
Short-term borrowing note								
Interbank market securities								
Negotiable debt securities				12,000	12,000	15	12,015	12,015
Bonds								
Other debt securities								
CARRYING AMOUNT				12,000	12,000	15	12,015	12,015

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

NOTE 14 ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIES

(in thousands of euros)	30/06/2018	31/12/2017
Other liabilities (1)		
Counterparty transactions (trading securities)		
Liabilities representing borrowed securities		
Options sold	582,786	717,237
Settlement and trading accounts		-2,325
Miscellaneous creditors	851,990	1,080,172
Payments on securities in process		
Carrying amount	1,434,776	1,795,083
Accruals		
- Collection and transfer accounts		
- Adjustment accounts and variance accounts		
- Unrealised gains and gains to be spread out on financial instruments	8,650	
- Deferred income	5,353	5,275
- Accrued expenses on commitments on financial futures	20,383	10,684
- Other accrued expenses	7,188	6,718
- Other accruals		
Carrying amount	41,574	22,678
TOTAL	1,476,350	1,817,761

(1) Amounts including accrued interest.

OTHER LIABILITIES primarily consist of security deposits received as part of the collateral business (€835,571 K), options sold (€582,786 K) and corporate income tax charges (€14,459 K) with the remainder consisting of other liabilities.

NOTE 15 PROVISIONS

In thousands of euros	Balance at 01/01/2018	Increases	Reversals used	Reversals not used	Other movements	Balance at 30/06/2018
Provisions						
For pensions and similar obligations	85					85
For other employee commitments						
For financial commitment execution risks	1,715	4,966	-2	-415		6,264
For tax disputes						
For other litigation						
For country risk						
For credit risk						
For restructuring						
For taxes						
For equity investments						
For operational risk						
Other provisions	11,932	2,076	-2,036	-446		11,525
CARRYING AMOUNT	13,731	7,042	-2,038	-861		17,873

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

NOTE 16 HOME OWNERSHIP SAVINGS

None

NOTE 17 Liabilities to employees – Post-employment benefits, defined-benefit plans

Change in actuarial liability

(in thousands of euros)	30/06/2018	31/12/2017
Actuarial liability at 31/12/N-1	224	213
Cost of services rendered during the period		11
Effect of discounting		3
Employee contributions		
Benefit plan changes, withdrawals, and settlement		
Change in scope		
Early retirement allowances		
Benefits paid		
Actuarial gains (losses)		-3
Actuarial liability at 31/12/N	224	224

Change in fair value of plan assets

(in thousands of euros)	30/06/2018	31/12/2017
Fair value of assets/right to reimbursement at 31/12/N-1	139	139
Expected return on assets		2
Actuarial gains (losses)		-2
Employer contribution		
Employee contribution		
Benefit plan changes/withdrawals/settlement		
Change in scope		
Early retirement allowances		
Benefits paid by the fund		
Fair value of assets / right to reimbursement at 31/12/N	139	139

Breakdown of the net charge recognised in the income statement

(in thousands of euros)	30/06/2018	31/12/2017
Cost of services rendered during the period		11
Financial cost		3
Expected return on assets during the period		-2
Amortisation of past service cost		
Other gains or losses		
Net charge recognised in the income statement		12

Net position

(in thousands of euros)	30/06/2018	31/12/2017
Actuarial liability at 31/12/N	224	224
Impact of asset restriction		
Fair value of assets at year-end	-139	-139
Net position (liabilities)/assets at 31/12/N	-85	-85

Change in the provision

(in thousands of euros)	30/06/2018	31/12/2017
(Provisions)/assets at 31/12/N-1	-85	-74
Employer contribution		
Change in scope		
Net charge recognised in the income statement		-12
Impact in OCI		1
(Provisions)/assets at 31/12/N	-85	-85

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

NOTE 18 FUND FOR GENERAL BANKING RISKS

None

NOTE 19 SUBORDINATED DEBT: ANALYSIS BY REMAINING MATURITY

(in thousands of euros)	30/06/2018						31/12/2017
	<3 months	>3 months <1 year	>1 year <5 years	>5 years	Total principal	Accrued interest	Total
Forward subordinated debt							
Euro							
Dollar							
Shares and subordinated loans							
Other forward subordinated loans							
Perpetual subordinated debt (1)				100,000	100,000	2,447	102,447
Frozen current accounts of local banks							
Mutual security deposits							
CARRYING AMOUNT				100,000	100,000	2,447	102,447

(1) remaining maturity of perpetual subordinated debt classified by default in > 5 years

Expenses related to subordinated debt total €2,407 K at 30 June 2018.

NOTE 20 STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY

(in thousands of euros)	Share capital	Premiums, reserves and retained earnings	Interim dividends	Regulated provisions and investment subsidies	Net income	Total shareholders' equity
Balance at 31 December 2017	40,320	462,855			81,536	584,711
Dividends paid for 2017						
Change in share capital						
Change in share premiums and reserves						
Appropriation of company income		81,536			-81,536	
Retained earnings						
Profit for financial year 2018					59,774	59,774
Other changes		-668				-668
Balance at 30 June 2018	40,320	543,724			59,774	643,817

NOTE 21 COMPOSITION OF EQUITY

(in thousands of euros)	30/06/2018	31/12/2017
Shareholders' equity	643,817	584,711
Fund for general banking risks		
Subordinated debt and participating securities	102,447	100,040
Mutual security deposits		
TOTAL CAPITAL	746,264	684,751

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

NOTE 22 TRANSACTIONS WITH AFFILIATED COMPANIES AND EQUITY INVESTMENTS

(in thousands of euros)	Balance at 30 June 2018 Transactions with affiliated companies and equity investments	Balance at 31 December 2017 Transactions with affiliated companies and equity investments
Loans and receivables	702,498	873,927
Credit institutions and financial institutions	102,926	221,520
Customers		
Bonds and other fixed-income securities	599,572	652,407
Debts	465,448	560,044
Credit institutions and financial institutions	363,001	460,004
Customers		
Debt securities and subordinated debt	102,447	100,040
Commitments given	8,299,111	5,915,258
Financing commitments to credit institutions		
Financing commitments to customers		
Guarantees given to credit institutions		
Guarantees given to customers	8,299,111	5,915,258
Securities acquired with purchase or buyback option		
Other commitments given		

NOTE 23 TRANSACTIONS IN FOREIGN CURRENCIES

(in thousands of euros)	30/06/2018		31/12/2017	
	Assets	Liabilities	Assets	Liabilities
Euro	2,615,487	2,615,504	2,988,476	2,988,476
Other EU currencies				
Swiss franc				
Dollar	7			
Yen				
Other currencies	10			
Total	2,615,504	2,615,504	2,988,476	2,988,476

NOTE 24 FOREIGN EXCHANGE TRANSACTIONS AND FOREIGN CURRENCY LENDING AND BORROWING

None

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

NOTE 25 TRANSACTIONS ON FORWARD FINANCIAL INSTRUMENTS

	30/06/2018			31/12/2017
(in thousands of euros)	Hedging transactions	Other transactions	Total	Total
Outright transactions	206,000	44,528,809	44,734,809	45,300,516
Transactions on organised markets (1)				
Interest rate futures				
Currency futures				
Equity and stock market index forwards				
Other forwards				
Over-the-counter transactions (1)	206,000	44,528,809	44,734,809	45,300,516
Interest rate swaps	206,000	3,180,716	3,386,716	3,653,586
Other interest rate forwards				
Currency forwards				
FRAs				
Equity and stock market index forwards		41,348,093	41,348,093	41,646,930
Other forwards				
Conditional transactions		12,893,979	12,893,979	6,997,480
Transactions on organised markets				
Interest rate futures				
* Bought				
* Sold				
Equity and stock market index forwards				
* Bought				
* Sold				
Currency futures				
* Bought				
* Sold				
Over-the-counter transactions		12,893,979	12,893,979	6,997,480
Interest rate swaptions:				
* Bought				
* Sold				
Other forward Interest rate instruments				
* Bought				
* Sold				
Currency forwards:				
* Bought				
* Sold				
Equities and stock market index forwards				
* Bought		8,525,820	8,525,820	4,218,740
* Sold		4,368,158	4,368,158	2,778,740
Other forwards				
* Bought				
* Sold				
Credit derivatives				
Credit derivative contracts:				
* Bought				
* Sold				
TOTAL	206,000	57,422,788	57,628,788	52,297,996

(1): The amounts indicated for outright transactions must match the total of lending and borrowing positions (interest rate swaps and interest rate swap options), or the total of contracts purchased and sold (other contracts)

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

NOTE 25.1 TRANSACTIONS ON FORWARD FINANCIAL INSTRUMENTS NOTIONAL ASSETS BY REMAINING MATURITY

(in thousands of euros)	Total 30/06/2018			o/w over-the-counter			o/w transactions on organised markets and similar		
	<1 year	> 1 year < 5 years	> 5 years	<1 year	> 1 year < 5 years	> 5 years	<1 year	> 1 year < 5 years	> 5 years
Futures									
Currency options									
Interest rate options									
Outright currency transactions on organised markets									
FRA's									
Interest rate swaps	27,733	645,548	1,148,187	27,733	645,548	1,148,187			
Currency swaps									
Caps, Floors, Collars									
Interest rate forwards									
Outright transactions on equities and indices	6,573,291	13,136,669	21,638,134	6,573,291	6,573,291	21,638,134			
Conditional transactions on equities and indices			12,893,979			12,893,979			
Equity and equity index derivatives									
Sub-total	6,601,023	13,782,216	35,680,300	6,601,023	7,218,838	35,680,300			
Forward currency transactions									
Grand total	6,601,023	13,782,216	35,680,300	6,601,023	7,218,838	35,680,300			

NOTE 25.2 FORWARD FINANCIAL INSTRUMENTS: FAIR VALUE

(in thousands of euros)	30/06/2018		31/12/2017	
	Fair value	Outstanding notional amount	Fair value	Outstanding notional amount
Futures				
Currency options				
Outright currency transactions on organised markets				
FRA's				
Interest rate swaps	-259	3,386,716	-595	3,653,586
Currency swaps				
Caps, Floors, Collars				
Equity, equity index and precious metal derivatives	-9,060	54,242,072	-21,885	48,644,410
Sub-total	-9,319	57,628,788	-22,480	52,297,996
Forward currency transactions				
TOTAL	-9,319	57,628,788	-22,480	52,297,996

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

NOTE 25.3 BREAKDOWN OF INTEREST RATE SWAPS

(in thousands of euros)

INTEREST RATE AND CURRENCY SWAPS	Isolated open position	Micro-hedging	Macro-hedging	Transaction swaps
Exchange rate contracts		206,000		3,180,716
Similar contracts (1)				

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

NOTE 26 FINANCING AND GUARANTEE COMMITMENTS AND OTHER GUARANTEES

(in thousands of euros)

	30/06/2018	31/12/2017
COMMITMENTS GIVEN	22,608,484	22,490,183
Financing commitments		
Commitments to credit institutions		
Commitments to customers		
- Confirmed credit lines		
Documentary credit lines		
Other confirmed credit lines		
- Other commitments to customers		
Guarantee commitments	22,608,484	22,490,183
Commitments to credit institutions		
- Confirmed documentary credit lines		
- Other guarantees		
Commitments to customers	22,608,484	22,490,183
- Property guarantees		
- Financial guarantees		
- Other guarantees to customers	22,608,484	22,490,183
Securities commitments		
. Securities acquired with repurchase or buyback option		
. Other commitments to be given		
COMMITMENTS RECEIVED		
Financing commitments		
Commitments received from credit institutions		
Commitments received from customers		
Guarantee commitments		
Commitments received from credit institutions		
Commitments received from customers		
Securities commitments		
Securities sold with repurchase or buyback option		
Other commitments received		

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

NOTE 26.1 ASSETS GIVEN AND RECEIVED AS COLLATERAL

Pursuant to the the European Market and Infrastructure Regulation (EMIR), applicable to all financial credit institutions, insurance companies, asset management companies, etc.) and non-financial counterparties that perform OTC derivative transactions, Amundi Finance records the following amounts related to its activity:

- securities received from counterparties as guarantees in the amount of €866,223 K,
- securities given to counterparties as guarantees in the amount of €193,977 K.

NOTE 27 INFORMATION ON COUNTERPARTY RISK ON DERIVATIVES

The management of counterparty risk (companies, banks, institutions) is based on:

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

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

Breakdown of counterparty risk on forward financial instruments

	30/06/2018			31/12/2017		
	Market value	Potential credit risk	Total counterparty risk	Market value	Potential credit risk	Total counterparty risk
(in thousands of euros)						
Risk regarding OECD governments and central banks and similar organisations						
Risk regarding OECD financial institutions and similar organisations	1,535,693	20,383	1,515,311	1,827,419	10,684	1,816,734
Risks on other counterparties						
Total before impact of netting agreements	1,535,693	20,383	1,515,311	1,827,419	10,684	1,816,734
O/w risk on:						
interest rate, currency and commodities contracts	61,146		61,146	142,701		142,701
Equity and index derivatives	1,474,548		1,474,548	1,684,718		1,684,718
Total before impact of netting agreements	1,535,693		1,535,693	1,827,419		1,827,419
Impact of netting agreements	835,571		835,571	1,038,981		1,038,981
Total after impact of netting agreements	700,122	20,383	679,740	788,438	10,684	777,753

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

NOTE 28 NET INTEREST AND SIMILAR INCOME

(in thousands of euros)	30/06/2018	31/12/2017	30/06/2017
On transactions with credit institutions	1,827	3,614	1,623
On transactions with customers		1	
On bonds and other fixed-income securities	23	24	
Net income on macro-hedging transactions			
Other interest and similar income	31	137	929
Interest and similar income	1,880	3,776	2,552
On transactions with credit institutions	-2,823	-5,594	-3,475
On transactions with customers	-1,153	-2,246	-1,090
Net expense on macro-hedging transactions	-457	-283	
On bonds and other fixed-income securities	-34	-32	
Other interest and similar expenses	-83	-71	-348
Interest and similar expenses	-4,549	-8,226	-4,913
Total net interest and similar income	-2,669	-4,451	-2,361

NOTE 29 INCOME FROM SECURITIES

(in thousands of euros)	30/06/2018	31/12/2017	30/06/2017
Short-term investment securities Sustainable development passbook account (LDD)			
Long-term investment securities			
Other securities transactions			
Income from fixed-income securities			
Investments in related companies, participating interests, and other long-term securities holdings	38,476	10,781	11,216
Short-term investment securities and medium-term portfolio securities			6
Other securities transactions			
Income from variable-income securities	38,476	10,781	11,222
TOTAL INCOME FROM SECURITIES	38,476	10,781	11,222

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

NOTE 30 NET FEE AND COMMISSION INCOME

(in thousands of euros)	30/06/2018			31/12/2017			30/06/2017		
	Income	Expenses	Net	Income	Expenses	Net	Income	Expenses	Net
On transactions with credit institutions									
On transactions with customers									
On securities transactions	8,055	-7,375	681	17,026	-15,681	1,346	10,952	-10,268	684
On financial forwards and other off-balance sheet transactions	35,764	-2,483	33,282	67,264	-2,886	64,378	23,260	-139	23,121
On financial services									
Provision for fee and commission risks	2,036	-2,076	-39	1,966	-3,106	-1,140			
TOTAL NET FEE AND COMMISSION INCOME	45,856	-11,933	33,923	86,256	-21,672	64,584	34,211	-10,406	23,805

NOTE 31 NET GAINS (LOSSES) ON TRADING BOOK

(in thousands of euros)	30/06/2018	31/12/2017	30/06/2017
Net gains (losses) on trading securities	-773	3,470	1,439
Net gains (losses) on currency transactions and similar financial instruments			
Net gains (losses) on other forward financial instruments	14,016	52,656	24,233
NET GAINS (LOSSES) ON TRADING BOOK	13,244	56,126	25,672

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

(in thousands of euros)	30/06/2018	31/12/2017	30/06/2017
Short-term investment securities			
Impairment losses	-11	-9	-76
Reversal of impairment losses			
Net impairment losses	-11	-9	-76
Gains on disposals		1,006	141
Losses on disposals			
Net gains (losses) on disposals		1,006	141
Net gains (losses) on short-term investment securities	-11	996	65
Medium-term portfolio securities			
Impairment losses			
Reversal of impairment losses			
Net impairment losses			
Gains on disposals			
Losses on disposals			
Net gains (losses) on disposals			
Net gains (losses) on medium-term portfolio securities			
NET GAINS (LOSSES) ON SHORT-TERM INVESTMENT PORTFOLIOS AND SIMILAR	-11	996	65

NOTE 33 OTHER BANKING INCOME AND EXPENSES

(in thousands of euros)	30/06/2018	31/12/2017	30/06/2017
Miscellaneous income			
Share of joint ventures			
Rebilling and transfer of expenses			
Provision reversals			
Other banking income			
Other expenses			
Share of joint ventures			
Rebilling and transfer of expenses	-599	-1,026	
Provisions			
Other banking operating expenses	-599	-1,026	
OTHER INCOME AND EXPENSES FROM BANKING OPERATIONS	-599	-1,026	

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

NOTE 34 GENERAL OPERATING EXPENSES

(in thousands of euros)	30/06/2018	31/12/2017	30/06/2017
Personnel expenses			
Wages and salaries	-454	-760	-397
Social security contributions	-157	-353	-165
Incentive and profit-sharing plans	-36	-64	-13
Payroll-related tax	-84	-127	-80
Total personnel expenses	-731	-1,304	-654
Rebilling and transfers of personnel expenses			
Net personnel expenses	-731	-1,304	-654
Administrative expenses			
Taxes other than on income or payroll-related (1)	-1,356	-3,179	-1,390
External services and other administrative expenses	-2,611	-4,921	-2,400
Total administrative expenses	-3,967	-8,100	-3,791
Rebilling and transfers of administrative expenses			
Net administrative expenses	-3,967	-8,100	-3,791
GENERAL OPERATING EXPENSES	-4,698	-9,404	-4,445

(1) of which €386 K for the resolution fund.

NOTE 34.1 HEADCOUNT

(average number of employees)	30/06/2018	31/12/2017
Executives	10	10
Non-executives		
TOTAL	10	10
<i>Of which: France</i>	<i>10</i>	<i>10</i>
<i>Foreign</i>		
<i>Of which: seconded employees</i>		

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

NOTE 35 COST OF RISK

(in thousands of euros)	30/06/2018	31/12/2017	30/06/2017
Allocations to provisions and impairment	-4,299	-526	-1,405
Impairment of doubtful loans and receivables			
Other allocations to provisions and impairment	-4,299	-526	-1,405
Reversals of provisions and impairment	863	1,553	1,840
Reversals of impairment of doubtful loans and receivables			
Other reversals of provisions and impairment	863	1,553	1,840
Change in provisions and impairment	-3,435	1,027	435
Losses on non-impaired uncollectable receivables			
Losses on impaired uncollectable receivables	-2		-646
Discounts on restructured loans			
Recoveries on impaired receivables			
Other losses			
Other income			
COST OF RISK	-3,437	1,027	-211

NOTE 36 NET INCOME ON FIXED ASSETS

None

NOTE 37 CORPORATE INCOME TAX

(in thousands of euros)

Breakdown of corporate income tax	Earnings before taxes	Tax due	Net income after tax
Net recurring income	74,249	14,462	59,787
Regulated reserves			
Employee profit-sharing	-21	-8	-13
Net income	74,228	14,454	59,774
Tax credits			
Tax assets			
Allocation			
Corporation taxes	74,228	14,454	59,774

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

NOTE 38 OPERATIONS IN NON-COOPERATIVE COUNTRIES AND TERRITORIES

None

Amundi Finance

Notes to the half-year financial statements – 30 June 2018

NOTE 39 APPROPRIATION OF INCOME

None

NOTE 40 DISCLOSURE OF STATUTORY AUDITORS' FEES

None

MISCELLANEOUS COMPENSATION

This information is not given in these notes, as it would indirectly disclose individual compensation packages. The arrangements for executive compensation are known to the shareholders.

03

Statutory Auditors' Report

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

Amundi Finance

For the period from January 1 to June 30 2018

Statutory auditors' review report on the interim financial statement

PricewaterhouseCoopers Audit
63 rue de Villiers
92208 Neuilly-sur-Seine Cedex
S.A.S. au capital de € 2.510.460
672 006 483 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

ERNST & YOUNG et Autres
Tour First
TSA 14444
92037 Paris-La Défense Cedex
S.A.S. à capital variable
438 476 913 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Amundi Finance

For the period from January 1 to June 30 2018

Statutory auditors' review report on the interim financial statement

To the Chief Executive Officer,

In our capacity as statutory auditors of Amundi Finance and in accordance with your request in connection with Amundi's multi-issuer program, we have performed a review of the accompanying interim financial statements of Amundi Finance for the period January 1 to June 30, 2018.

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

We conducted our review in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of statutory auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements, do not give a true and fair view of the assets, liabilities and financial position of the Company at June 30, 2018, and the results of its operations for the period in accordance with accounting rules and principles applicable in France.

This report has been prepared solely for your attention within the context described above and may not be used, circulated or quoted for any other purpose. If you would like this report to be distributed to a third party for a purpose other than that for which it is intended, you will need to request our prior approval in writing. We will then determine the terms and conditions for its distribution. We assume or take no responsibility towards the third party to whom the report has been distributed or made available.

This report is governed by French law. The courts of France shall have exclusive jurisdiction over any claim or dispute resulting from our engagement letter or the present report, or any related matters. Each party irrevocably waives its right to oppose any action brought before French courts, to claim that the action is being brought before an illegitimate court or that the courts have no jurisdiction.

Neuilly-sur-Seine and Paris-La Défense, August 3, 2018

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit

ERNST & YOUNG et Autres

Laurent Tavernier

Claire Rochas

04

Declaration by the Chief Executive Officer

AMUNDI FINANCE
Public Limited Company (*Société Anonyme*)
with share capital of € 40,320,157
Registered office: 90, boulevard Pasteur 75015 Paris, France
421 304 601 RCS Paris

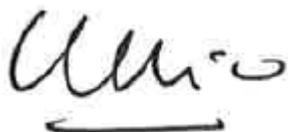
Declaration by the Chief Executive Officer

I declare, after taking all reasonable measures for this purpose and to the best of my knowledge, that the information contained in this Interim Financial Report are in accordance with facts and contain no omission likely to affect its import.

I declare that, to my knowledge, the interim accounts for the first half of the year were prepared in accordance with the applicable accounting standards and provide a true and fair view of the financial position and results of the Company, and that the appended interim management report provides a true and fair view of the Company's business trends during the first six months, its results and financial position, as well as a description of the main risks and uncertainties facing it during the remaining six months of the financial year.

The interim financial information presented in this document were the subject of report by the Statutory Auditors.

Paris, 6th August 2018



Pierre BOSIO
Chief Executive Officer

MENTIONS LÉGALES

Amundi Finance

Public Limited Company (Société Anonyme) with share capital of €40,320,157

Certified Credit Institution by ACPR

Registered office : 90, boulevard Pasteur - 75015 Paris - France.

Siren : 421 304 601 RCS Paris