PRESS RELEASE

Thursday, July 28, 2016

Strong retail banking activity and good earnings resilience

Results for the half year ended June 30, 2016[1]

Net banking Income	€6,760m	➡	Stable net banking income	+1.2%
Operating Income	€2,113m	➡	Growth in net operating income	+1.8%
Net Income	€1,226m		Fall in net income	-7.5%
of which attributable at the owners of the company	€1,097m			-9.8%
CET1 Capital Ratio March 2016	15.0%[2]	➡	A stronger and more solid balance sheet	
Business				
Loans	€315.9bn	➡	Active financing of the economy	+6.8%
Total Savings	€590.43bn	➡	Good growth in savings	+2.8%
of which, bank deposits	€265.0bn			+7.5%
of which, financial insurance savings	€77.9bn			+3.8%
of which, financial savings	€247.5bn			-2.0%

The Crédit Mutuel-CM11 Group posted a 1.8% increase in operating income in the first half of 2016 despite an environment of persistently low interest rates and strong volatility in the financial markets.

With the aim of providing its 23.9 million members and customers with a service suited exactly to their needs, CM11 has continued to expand its retail banking and insurance business and implement its policy of diversification (telephony, remote surveillance, payment instruments, etc.). This resulted in growth of respectively +6.8% and +2.8% in outstanding loans and savings and a substantial increase in insurance contracts (+6.3%).

Net income amounted to €1,226 million thereby strengthening the group's equity (€38.7 billion). At 15.0% at end-March 2016, the Group's CET1 capital adequacy ratio remains far above (+6.63%) the regulatory requirement.

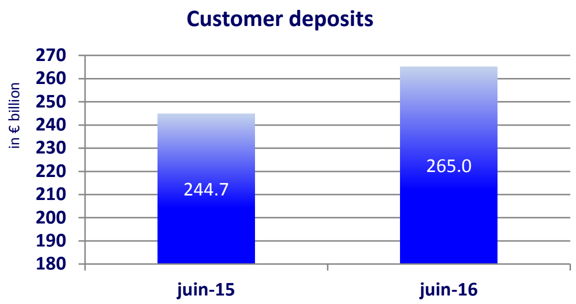
(1) Financial statements unaudited but in the process of undergoing a limited review by the Statutory Auditors. Unless otherwise indicated, percentage changes are calculated at constant scope (additions to the consolidations scope between July 1, 2015 and June 30, 2016, restatement for the difference in the consolidation period of Banif Mais between the two periods and for the change in the consolidation method of Targobank Spain, which is now fully consolidated).

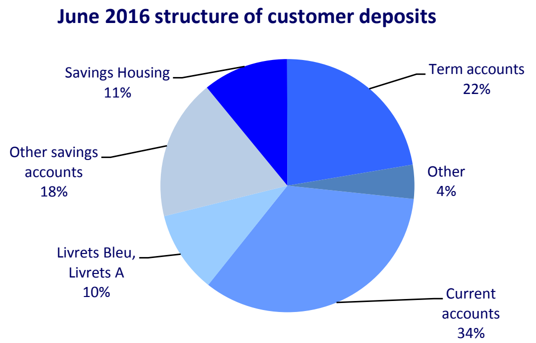
(2) Excluding transitional measures

Business activity

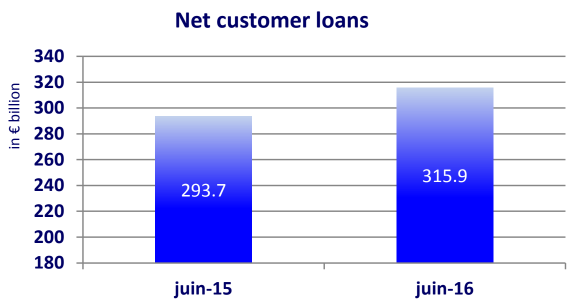
After a record year in 2015, the Group's dynamic business momentum was confirmed in the first half of 2016. The group had close to 24 million customers at June 30 and the CM11 and CIC branch networks continued to expand their business, attracting 114,000 new customers during the period.

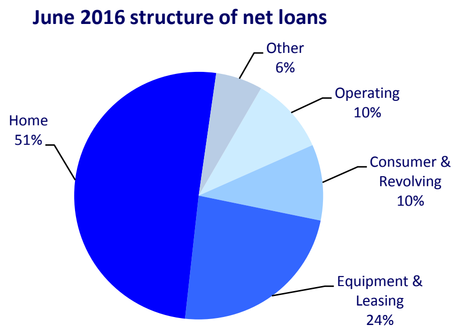
Bank deposits grew by 7.5% to more than €265 billion. The €18.3 billion increase in deposits reflected customers' search for liquid and low-risk savings and concerned mainly current accounts (+€12.7 billion or 15.2%) and home savings (+€3.1 billion or 11.6%).





Outstanding loans increased by €20 billion (+6.8%) to nearly €316 billion. This increase reflected in particular a positive trend in housing loans (+€8.5 billion or 5.7%) with loan production returning to normal after a record year in 2015. Demand for investment loans accelerated (€12.7 billion (+24.9% in outstanding loans) and growth in cash facilities (+€1.3 billion or +6.1%) and consumer credit (+€1.7 billion or 5.9%) contributed to the increase in total outstanding loans. At the branch networks and Cofidis scope, loans released in the first half of 2016 amounted to nearly €34 billion. These figures reflect the Crédit Mutuel-CM11 group's longstanding and continuing commitment to supporting the projects of companies and individuals at the regional, national and international levels.

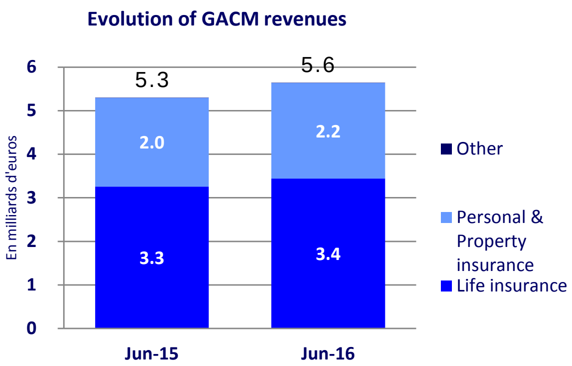


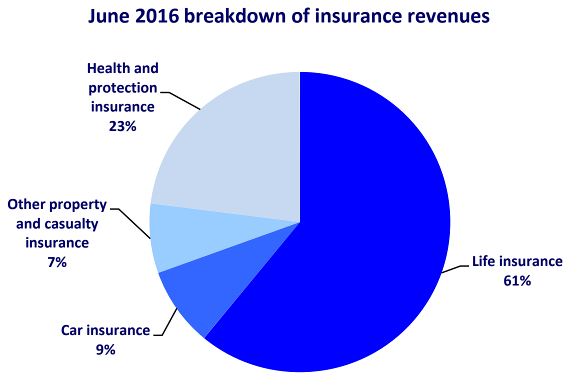


All these trends led to an improvement in the loan-to-deposit ratio, which stood at 119.2% at June 30, 2016 compared with 120% a year earlier.

The Crédit Mutuel-CM11 Group continues to enjoy strong liquidity with an LCR ratio up from 140% at December 31, 2015 to 146% at end-June 2016.

With regard to insurance, the number of policies rose by 6.3% to nearly €28.4 million. Insurance revenue was up by 6.4% to more than €5.6 billion. Premium income from life insurance and insurance-based savings products totaled €3.4 billion, a +5.6% increase. Property and casualty premium income grew by 14%, boosted by strong production in motor insurance and comprehensive home insurance and by the integration of the Spanish insurance company, AMGEN. Personal insurance grew by 4% thanks to a faster pace of development in retirement and collective health insurance.





In terms of services, the group stands out for its technological expertise in several areas. With 1.541 million customers (up +10.1% over 12 months), mobile telephony is driving growth in contactless payments, thanks in particular to its Fivory mobile app.

Fivory, which is designed to bring together small merchants and major retailers with a solution that combines electronic payments and management of customer loyalty, acquired a new dimension when Auchan Retail France, Oney and Mastercard joined its governance. After having been joined by Total, the legitimacy of the Fivory application has been strengthened by the arrival of these three major players in their respective fields.

Financial results

(€ millions)	6/30/2016	6/30/2015	change *
Net banking income	**6,760**	**6,603**	**+1.2%**
Operating expenses	(4,288)	(4,111)	+2.5%
Gross operating income	**2,472**	**2,492**	**-1.1%**
Cost of risk	(359)	(408)	-16.0%
Operating income	**2,113**	**2,083**	**+1.8%**
Gains/(losses) on other assets	(288)	60	ns
Income before tax	**1,826**	**2,143**	**-14.7%**
Corporate income tax	(646)	(787)	-18.6%
Net gain/(loss) on discontinued operations	46	(24)	ns
Net income	**1,226**	**1,333**	**-7.5%**
Net income attributable to minority interests	129	124	+3.8%
Net income attributable to the Group	**1,097**	**1,209**	**-9.8%**

** at constant scope*

Crédit Mutuel-CM11 recorded **net banking income** of €6,760 million in the first half of 2016 compared with €6,603 million in the first half of 2015; at constant scope net banking income was up by 1.2%.

This slight increase resulted from a combination of elements, including:

- a slight fall in net banking income from retail banking due to the negative impact on the interest margin of the present low interest rates,
- a drop in revenue from the capital markets and insurance activities due to the downturn in the financial markets since the beginning of the year,
- increases of 1.8% in net banking income from private banking and of 3.2% in net banking income from private equity activities, and
- a capital gain totaling €307.8 million for the Group arising from the acquisition of Visa Europe by Visa Inc.

Crédit Mutuel-CM11 continues to maintain tight control of **general operating expenses**, which increased by 2.5% at constant scope but were up by only 0.3% excluding non-recurrent elements.

Overall net provision allocations/reversals for **loan losses** improved at €359 million, corresponding to a substantial decrease of 16% at constant scope (down by €65 million of which €54 million for provisions on an individual basis and €11 million for collective provisions). The improvement concerned Cofidis and both the Crédit Mutuel and CIC networks.

Total net provision allocations/reversals for customer loan losses as a proportion of total outstanding loans was 0.23% compared with 0.28% in June 2015 and the overall non-performing loan coverage ratio was 64.2% (63% in June 2015).

Gross operating income was up by 1.8% but income before tax was down by 14.7% to €1,826 million after recognition of impairment on the Spanish activities.

After corporate income tax amounting to €646 million and net income from activities held for sale of €46 million, including €66 million of recycling of the translation adjustment reserve (final sale of Banque Pasche after disposal of its subsidiaries in previous years), at June 30, 2016 compared with a net loss of €24 million in the first half of 2015, **net income** was down by 7.5% at constant scope. Net income amounted to €1,226 million, compared with €1,333 million in the first half of 2015.

Financial structure

Shareholders' equity amounted to nearly €38.7 billion at June 30, 2016. Prudential CET1 amounted to €29.3 billion and the CET1 ratio stood at 15.0%[2] as at March 31, 2016.

At March 31, 2016, the leverage ratio in application of the delegated act was 5.5%[1] and the short-term liquidity ratio (LCR) was 146%.

During the first half, the rating agency Moody's confirmed Banque Fédérative du Crédit Mutuel's Aa3 long-term rating, underscoring the stability of its results in recent years, the low risk profile of its activities and its ability to transfer most of its income to equity.

Fitch Ratings also confirmed the A+ rating assigned to the Crédit Mutuel-CM11 Group, highlighting the strength of its bank-insurance model in France.

Accordingly, the group's ratings continue to rank among the highest assigned to French banks.

	Standard & Poor's	Moody's	Fitch Ratings
Long-term rating	A	Aa3	A+
Short-term	A-1	P-1	F1
Outlook	Negative	Stable	Stable

[2] Excluding transitional provisions

Results by business line

Retail banking and insurance, the core business

Retail banking

(€ millions)	6/30/2016	6/30/2015	change *
Net banking income	**4,780**	**4,770**	**-1.0%**
Operating expenses	(3,189)	(3,141)	-0.1%
Gross operating income	**1,591**	**1,629**	**-2.9%**
Cost of risk	(357)	(399)	-14.4%
Gains/(losses) on other assets	(52)	51	ns
Income before tax	**1,182**	**1,280**	**-7.3%**
Corporate income tax	(447)	(499)	-10.2%
Net income	**735**	**781**	**-5.5%**

** at constant scope*

This business line includes the Crédit Mutuel local mutual banks, the CIC branches, Banque Européenne du Crédit Mutuel, CIC Iberbanco, the Targobank branches in Germany and Spain, Cofidis Participations, Banque Casino and all the specialized businesses whose product marketing is performed by the branch networks: equipment leasing and rentals with purchase options, real estate leasing, vendor credit, factoring, fund management, employee savings and real estate sales.

Retail banking is CM11-CIC Group's core business and accounts for 67% of net banking income.

Net banking income from retail banking was down by 1.0% to €4,780 million in the six months ended June 30, 2016. Interest income was negatively impacted (-1.9%) by the low interest rate environment, which has intensified, but the negative effect was nonetheless mitigated by an increase in volumes. Fee and commission income increased by 1.4% compared with the first half of 2015 which had been particularly positive, in terms of loan fees in particular.

General operating expenses remained under control, posting a slight decrease of 0.1%.

Net provision allocations/reversals for loan losses were down by 14.4%, with the decrease concentrated on provisions on an individual basis (down by €63 million) reflecting the good quality of loan risks. Collective provisions consisted of a net reversal of €2 million in the first half of 2016 compared with a net reversal of €10 million in the same period in 2015.

In respect of its equity interest in the Spanish Bank Banco Popular, the Crédit Mutuel-CM11 Group recognized its share (3.92%) of the estimated loss of around €2.5 billion recorded by the Spanish bank in the first half of 2016.

All in all, net income was down by 5.5% to €735 million.

The branch networks

- **Crédit Mutuel branch network**

The number of customers rose by more than 32,000 and now exceeds 6.9 million.

Outstanding loans increased by €5.3 billion to €115.1 billion (+4.8%), mainly driven by growth in housing loans (+5.7%) and investment loans (+25.0%).

Bank deposits rose by €5.2 billion, bringing total deposits to more than €96.1 billion. Deposits in current accounts and home savings accounts recorded the strongest growth, with increases of €2.9 billion (+14.2%) and €1.9 billion (+10.6%), respectively.

Net banking income was down by 4.5% to €1,494 million, which was partly offset by the decreases in general operating expenses (-1.6% or -€18 million) and in net provision allocations/reversals for loan losses (down by 1.09% or €5 million).

Net income dropped by 2.7% to €216 million compared with €223 million in the first half of 2015.

- **CIC branch network**

As at June 30, 2016, CIC had 1,992 branches and 4.9 million customers (1.7% more than at June 30, 2015).

Outstanding loans were up by 4.7% to €112.4 billion. All the main loan categories recorded growth, particularly investment loans (+5.2%) and housing loans (+5.3%). Loans released in the first half of 2016 amounted to €14.7 billion.

Deposits totaled €102.1 billion (+9.7% compared with end-June 2015) as a result of an increase in current accounts in credit (+21.5%) and home savings (+5.6%).

The CIC branch network's net banking income was up by 1.2% to €1,630 million in the first half of 2016.

General operating expenses were down by 0.7% to €1,133 million. Net provision allocations/reversals for loan losses dropped by €12 million to €65 million in the first half of 2016.

Net income was up 10.8% to €277 million.

- **Banque Européenne du Crédit Mutuel (BECM)**

Banque Européenne du Crédit Mutuel operates in the corporate market, the real estate developers market and the real estate companies market. It serves more than 21,000 customers through its 49 branches (including 42 in France).

Loans to customers, all market segments, grew by 12.1% to €12.3 billion during the period. Deposits continued to grow, up by 14.3% to €10.8 billion, thereby further reducing the liquidity gap in the first half of 2016.

Net banking income came to €128 million. Interest income increased by 13.2% thanks to the lower cost of customer deposits and growth in outstanding loans. Fee and commission income was up by 5.5% compared with the first half of 2015.

General operating expenses totaled €48 million and the actual net provision for loan losses on an individual basis was €6.3 million (+2.7%).

At €47.6 million in the period ended June 30, 2016, net income[1] was up by nearly 31% compared with €36.3 million in the first half of 2015.

[1] Contribution to Crédit Mutuel-CM11 Group's consolidated net income.

- **TARGOBANK Germany**

TARGOBANK Germany’s commercial activity was boosted by a series of new initiatives launched at the beginning of the year (new pricing model, change in the risk policy, launch of new products for self-employed workers, higher targets for online and telephone sales, etc.).

Loan production was up by nearly 18.3% compared with the first half of 2015.

This strong business momentum resulted in a 4.5% increase in outstanding loans, up by €495 million to €11.6 billion.

Deposits also continued to grow, mainly due to the increase in current account balances. At June 30, deposits were up by €454 million to €12.5 billion.

In these conditions, income before tax for the first half of 2016[1] came to €211 million, 4.3% more than in the first half of 2015.

The bank has 3.9 million customers and 348 branches.

- **TARGOBANK Spain**

Having completed the migration of its information systems from Banco Popular to those of the Crédit Mutuel-CM11 Group in November 2015, the bank is now adapting to meet the needs of its present environment.

The network currently has 135,000 customers (retail customers for 74%) with €2 billion in deposits and €2.1 billion in outstanding loans.

Cofidis Group

Cofidis recorded good business growth during the period, with loans up by 4.4% compared with June 30, 2015. New financing grew by 23% at the France scope and by 38% at international level, with particularly strong growth in Hungary, Italy and the Czech Republic.

Net banking income increased by 5.5%, attributable in part to a scope effect (the first half of 2015 included only one month of Banif Mais’s results compared with six months in 2016) and in part to a slight increase in interest income and good fee and commission income.

General operating expenses amounted to €322 million, due in particular to IT investments at international operations (convergence of Spain and Belgium and takeover of Banif's IT systems in Portugal).

Net provision allocations/reversals for loan losses amounted to €142 million, down by €44 million compared with the first half of 2015, which had featured non-recurring events linked to the migration of Cofidis France's information systems.

Net income[1] totaled €95 million, corresponding to strong growth of nearly 42% at constant scope.

[1] Contribution to Crédit Mutuel-CM11 Group’s consolidated results.

Insurance

(€ millions)	6/30/2016	6/30/2015	change *
Net banking income	**752**	**797**	**-8.2%**
Operating expenses	(266)	(247)	+1.3%
Gross operating income	**486**	**550**	**-12.4%**
Gains/(losses) on other assets	19	17	+21.7%
Income before tax	**505**	**567**	**-11.3%**
Corporate income tax	(150)	(195)	-23.5%
Net income	**355**	**372**	**-5.2%**

** at constant scope*

Crédit Mutuel created and developed bankinsurance starting in 1971. This longstanding experience now enables the insurance activity, which is carried out through Groupe des Assurances du Crédit Mutuel (GACM), to be fully integrated into Crédit Mutuel-CM11 both commercially and technically.

Despite difficult market conditions (competition, low interest rates, regulatory pressure, etc.), Crédit Mutuel-CM11's insurance business line performed very well in the first half of 2016.

Insurance revenue grew by 6.4% to more than €5.6 billion.

Premium income from property and casualty insurance grew by 14%, boosted by:

- continuing strong growth in auto and multi-risk home insurance, which was up significantly compared with the first half of 2015 when it had already reached a record level,
- the integration, during the second half of 2015, of the Spanish companies AMGEN (formerly RACC Seguros) and Atlantis within the holding company GACM España, a wholly-owned subsidiary of GACM.

Premium income from personal insurance was up by 4%, thanks to:

- an acceleration in the development of accident and health insurance, boosted by the sales drives carried out at the beginning of the year at Crédit Mutuel and in June at CIC and significant production during the Temps Fort Crédit Mutuel campaign,
- growth in collective health insurance following implementation of the national inter-branch agreement ANI (*Accord National Interprofessionel*).

Premium income from life insurance and insurance-based savings products was up by 5.6% to €3.4 billion. Net inflows were up by 18.5% to €954 million. Although net inflows are mainly in euro, the weight of unit-linked insurance increased significantly both at the level of gross inflows (11.4% at end-June 2016 compared with 9.0% at end-December 2015) and of net inflows (32.2% at end-June 2016 versus 22.8% at end-December 2015).

The networks collected €611 million in fee and commission income (+3.2%)

In terms of claims, GACM policy holders were affected by the natural disasters - storms, hail and flooding - that occurred between May 28 and June 26 2016. During this period, GACM recorded more than 15,000 claims linked to the bad weather for an estimated cost of nearly €68 million.

GACM posted net income[1] of €355 million in the first half of 2016 compared with €372 million in the same period the previous year.

In Belgium, GACM and Nord Europe Assurances (NEA) decided to exchange minority shareholdings in their Belgian subsidiary. ACM therefore transferred its 49% stake in Partners to NEA and, in exchange, acquired 49% of the capital of North Europe Life Belgium (NELB). This share exchange, subject to approval by the National Bank of Belgium, will in the long term enable GACM to consolidate its offer in Belgium and develop bankinsurance through the Beobank and Partners networks.

Corporate banking

(€ millions)	6/30/2016	6/30/2015	change
Net banking income	**171**	**194**	**-11.7%**
Operating expenses	(57)	(58)	-1.4%
Gross operating income	**114**	**136**	**-16.2%**
Cost of risk	(3)	(13)	-74.1%
Income before tax	**110**	**123**	**-10.2%**
Corporate income tax	(36)	(45)	-20.7%
Net income	**75**	**78**	**-4.2%**

This division covers the financing of large corporate and institutional customers, value-added financing (project and asset, export, etc.), international activities and financing provided by foreign branches. The corporate banking business line provides services to large corporate and institutional customers with a global approach to their requirements It also supports the action of the Réseaux Entreprises for large corporate customers and helps to develop the international activity and put in place specialized financing.

This business line includes the financing of large corporate and institutional customers, value-added financing (project, asset, acquisition, etc.), international activities and foreign branches.

At the end of June 2016, this business managed €17.2 billion in outstanding loans (+14.1%) and €5.9 billion in deposits (-12.7%). Savings under management totaled €90.3 billion.

Corporate banking contributed €75 million to Crédit Mutuel-CM11's net income in the first half of 2016 compared with €78 million in the first half of 2015.

[1] Contribution to Crédit Mutuel-CM11 Group's consolidated results.

Capital markets and refinancing activities

(€ millions)	6/30/2016	6/30/2015	change
Net banking income	**217**	**302**	**-27.9%**
Operating expenses	(116)	(102)	+13.4%
Gross operating income	**101**	**199**	**-49.1%**
Cost of risk	4	2	ns
Income before tax	**105**	**202**	**-48.0%**
Corporate income tax	(39)	(76)	-48.8%
Net income	**66**	**126**	**-47.4%**

The capital markets activities of BFCM and CIC are combined within a single business division, CM-CIC Marchés, which performs Crédit Mutuel-CM11's refinancing and commercial and investment banking activities from offices in Paris and Strasbourg and branches in New York, London and Singapore. Following the merger of CM-CIC Securities's activities with those within CIC, the merger/absorption of CM-CIC Securities by CIC took effect as from January 1, 2016.

The purpose of all these activities is to provide investment, hedging, trading and market financing solutions, as well as post-market services, to corporates, institutional investors and asset management companies.

This sector was adversely affected by the very strong volatility recorded in the financial markets since the beginning of the year and its contribution to the Group's consolidated result was €66 million in the first half of 2016 compared with €126 million in the first half of 2015.

Private banking

(€ millions)	6/30/2016	6/30/2015	change
Net banking income	**270**	**266**	**+1.8%**
Operating expenses	(178)	(178)	-0.2%
Gross operating income	**93**	**87**	**+5.7%**
Cost of risk	(1)	4	ns
Gains/(losses) on other assets	10	0	ns
Income before tax	**102**	**92**	**+11.2%**
Corporate income tax	(16)	(23)	-27.1%
Net gain/(loss) on discontinued operations	(20)	(24)	-17.2%
Net income	**66**	**45**	**+45.2%**

The companies making up this business line operate both in France through Banque Transatlantique and abroad through the subsidiaries Banque de Luxembourg, Banque CIC Suisse, Banque Transatlantique Luxembourg, Banque Transatlantique Belgium, Banque Transatlantique London and CIC Private Banking in Singapore.

This business line develops know-how in financial management and estate planning for business owners and their families and private investors.

At end-June 2016, this business line managed €12.5 billion in outstanding loans (+12.5%) and €20.2 billion in deposits (+7.6%), generating nearly €8 billion of surplus funds. Off-balance sheet savings under management totaled €84.1 billion.

Net income amounted to €66 million after taking into account the net loss after tax of Banque Pasche, sold in the second quarter of 2016, of €20 million (excluding the recycling of the translation adjustment reserve of +€66 million).

Private equity (CM-CIC Investissement)

(€ millions)	6/30/2016	6/30/2015	change
Net banking income	**122**	**118**	**+3.2%**
Operating expenses	(22)	(20)	+8.6%
Income before tax	**100**	**98**	**+2.1%**
Corporate income tax	(1)	(1)	ns
Net income	**99**	**96**	**+2.7%**

This business activity is carried out by CM-CIC Investissement, which has its head office in Paris and offices in Lyon, Nantes, Lille, Bordeaux and Strasbourg, thereby ensuring close ties to customers.

Private equity represents a key division in the Group's commercial strategy by helping to strengthen the equity capital of Crédit Mutuel and CIC's business customers over the medium to long term (seven to eight years).

Investment made in the first half amounted to €44 million and total investment stood at €1.8 billion at end-June, of which 83% invested in unlisted companies. The balance was split between listed companies and funds. These figures reflect the Crédit Mutuel-CM11 group's commitment to supporting business customers over the long term. The value of the portfolio was €2.1 billion at June 30, 2016.

Net income for the period was up by 2.7% to €99 million.

Information technology and logistics

(€ millions)	**6/30/2016**	**6/30/2015**	change *
Net banking income	**705**	**697**	**+1.1%**
Operating expenses	(724)	(624)	+14.7%
Gross operating income	**(20)**	**72**	**ns**
Cost of risk	(2)	(3)	-38.0%
Gains/(losses) on other assets	8	0	ns
Income before tax	**(13)**	**70**	**ns**
Corporate income tax	(34)	(38)	-9.3%
Net income	**(47)**	**32**	**ns**

** at constant scope*

This division comprises the purely logistical entities: intermediary holding companies, operating real estate held in specially designated companies, the Group's IT companies, EI Telecom, Euro Protection Surveillance and the media division.

Revenue for the information technology and logistics division was up by 1.1% to €705 million. It consists of sales margins for the IT, telephony and surveillance companies and revenue from the services provided by CM-CIC Services, the net banking income of the logistics subsidiaries of TARGOBANK Germany and COFIDIS as well as the sales margin for the media division.

General operating expenses were adversely affected by impairment of business goodwill in respect of the media division.

All in all, this division contributed a net loss of €47 million to Crédit Mutuel-CM11's results in the first half of 2016 compared with net income of €32 million in the first half of 2015.

In conclusion

Boosted by its constant efforts to ensure customer satisfaction, its strong sales momentum and mutual organizational structure, the Crédit Mutuel-CM11 Group posted net income of €1.2 billion for the half year ended June 30, 2016. It is continuing its strategy of carefully controlled expansion while looking out for opportunities. This is reflected in its recent acquisition, on July 20, of General Electric's leasing and factoring activities in France and Germany. This acquisition, perfectly in line with the Group's strategy, will enable it to increase its market share in specialized financing for businesses and to strengthen its presence in Germany.

The financial information for the half year ended June 30, 2016 includes this press release and the specific information based on the recommendations of the Financial Stability Board and on sovereign risk exposures.

All financial communications are available on the web site: www.bfcm.creditmutuel.fr.

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Crédit Mutuel
Groupe CM11

Groupe Crédit Mutuel-CM11 (*) Key Figures (**)

(in millions of euros)	June 30, 2016	June 30, 2015
Activity		
Total assets	607,778	560,702
Loans, including lease-financing	315,882	293,740
Savings	590,434	571,879
- of which Customer deposits	265,012	244,736
- of which Financial insurance savings	77,945	75,067
- of which Financial savings	247,476	252,077
Shareholder's equity		
Shareholders' equity (1)	38,687	35,956
Employees, year end (2)	67,497	65,398
Number of branches	4,613	4,524
Number of customers (in millions)	23.9	23.7

Financial results

Consolidated income statement (in millions of euros)	June 30, 2016	June 30, 2015
Net Banking Income	6,760	6,603
Operating expenses	(4,288)	(4,111)
Gross Operating Income	2,472	2,492
Cost of risk	(359)	(408)
Operating income	2,113	2,083
Gains/(losses) on other assets	(288)	60
Income before tax	1,826	2,143
Corporate income tax	(646)	(787)
Net gains/(losses) on discontinued operations	46	(24)
Net income	1,226	1,333
Net income attributable to the Group	1,097	1,209

(*) Consolidated results of local cooperative banks of Crédit Mutuel Centre Est Europe, Crédit Mutuel Sud-Est, Crédit Mutuel Ile-de-France, Crédit Mutuel Savoie-Mont Blanc , Crédit Mutuel Midi-Atlantique, Crédit Mutuel Loire-Atlantique et Centre-Ouest, Crédit Mutuel Centre, Crédit Mutuel Normandie, Crédit Mutuel Dauphiné-Vivarais, Crédit Mutuel Méditerranéen and Crédit Mutuel Anjou, their common federal bank, the Banque Fédérative du Crédit Mutuel and its main subsidiaries : ACM, BECM, IT ... including CIC, Targobank Germany, Targobank Spain, Cofidis, CIC Iberbanco.
(**) Figures not approved by the boards.
(1) Including net income for the year before dividend pay-outs.
(2) Employees of entities under group control.

PRESS RELEASE

Crédit Industriel et Commercial

Paris, July 28, 2016

CIC at June 30, 2016

Highly resilient bankinsurance commercial activity, improved results and financial solidity

Results for the six months ended June 30, 2016[1]

Net banking income	**€2,514m**	Resilient to economic conditions	**-1%**
Net income	**€676m**	Strong performance	**+10%**
CET 1 capital ratio March 2016 (excluding transitional provisions)	**11.7%**	A solid financial structure	
Business			
Net customer loans	**€163.9bn**	Active financing of the economy	**+8.7%**
Customer deposits	**€137.0bn**	Active financing of the economy	**+7.4%**
Savings under management and custody	**€255.3bn**	Active financing of the economy	**-0.2%**

During the first half of 2016, CIC maintained its growth momentum by delivering quality service to its customers, anticipating their needs and offering increasingly tailored products. This dedication to providing exceptional service, driven by regularly trained employees and recognized technological expertise, is the key to even more successful customer relationships, whether physical or digital. The result is an increase in the number of customers and branches, as well as growth in loan outstandings, deposits and insurance and service activities (remote banking, remote surveillance and telephony).

[1] *Financial statements unaudited but subject to a limited review.*

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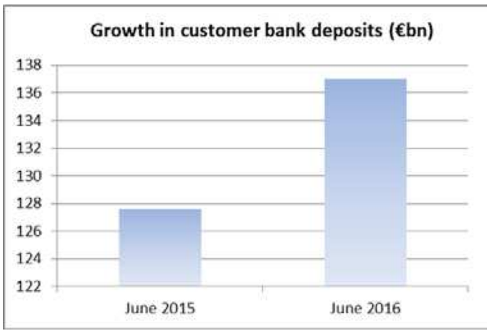
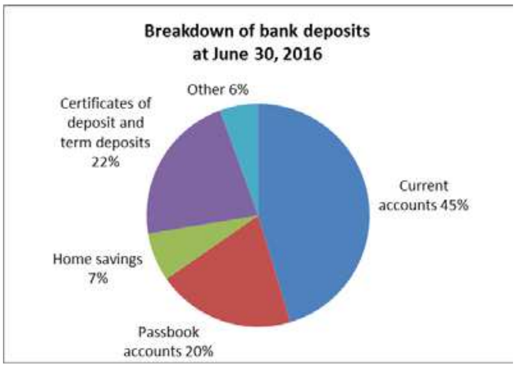
Continued commercial dynamism and support for the economy

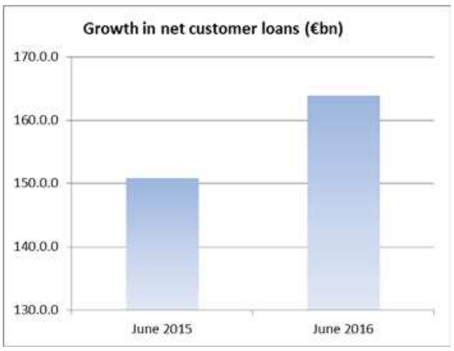
The first six months of the year were marked by an ever-growing commitment on the part of employees, a stronger relationship of trust built with their customers, and significant growth in the number of customers using the Group's insurance products and other services. In this way, CIC continues to provide seamless service to its retail, non-profit, professional, institutional and corporate customers and to participate in the financing of the economy in all regions of France.

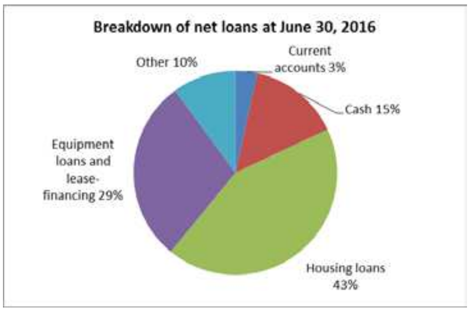
Bank deposits totaled €137.0 billion, representing a rise of 7.4% from June 30, 2015 driven mainly by current accounts in credit, which saw a 15.5% increase in outstandings.





Total net loan outstandings were €163.9 billion, up 8.7% from June 30, 2015. Equipment loans grew by 24.0% to €37.5 billion and housing loans by 5.6% to €70.4 billion.





The loan-to-deposit ratio – the ratio of total net loans to bank deposits expressed as a percentage – was 119.6% at June 30, 2016, compared with 118.2% a year earlier.

Crédit Industriel et Commercial

Improvement in financial results

(in € millions)	June 2016	June 2015	Change H1 16/H1 15
Net banking income	2,514	2,542	-1.1%
General operating expenses	(1,625)	(1,603)	1.4%
Operating income before provisions	889	939	-5.3%
Income before tax	900	924	-2.6%
Corporation tax	(270)	(284)	-4.9%
Net profit/loss on divested activities*	46	(24)	NA
Net income	676	616	9.7%

**Since January 1, 2015, Banque Pasche has been treated in accordance with IFRS 5 as an entity held for sale. The sale was completed at the end of Q2 2016.*

In a challenging market environment, net banking income was stable at end-June 2016 at €2,514 million compared with €2,542 million a year earlier. This includes compensation of €89 million for the CIC regional banks, Banque Transatlantique and CIC as sub-participants to Banque Fédérative du Crédit Mutuel (BFCM) in VISA Europe, in connection with VISA Inc.'s acquisition of that company.

General operating expenses remained under control, having risen 1.4% to €1,625 million.

Operating income before provisions fell 5.3% with the cost-to-income ratio increasing from 63.1% to 64.6% in one year.

Net provision allocations/reversals for loan losses decreased by 22.1% to €67 million compared with €86 million at the end of first-half 2015 due to the fall both in collective provisions of €17 million and in net provision allocations for loan losses on an individual basis of €2 million.
Annualized net provision allocations/reversals for losses on customer loans as a percentage of gross loan outstandings came to 0.09% (0.12% at June 30, 2015) and the overall non-performing loan coverage ratio was 51.3% compared with 48.9% a year earlier.

The share of income of affiliates reached €67 million compared with €70 million a year earlier. CIC recognized €11 million in net gains on sales of non-current assets compared with €1 million at June 30, 2015.

Income before tax therefore declined by 2.6%.

Given the swing in net profit/loss on divested activities from a loss of €24 million at June 30, 2015 to a profit of €46 million at June 30, 2016, of which €66 million in funds reclassified from the translation reserve (sale of Banque Pasche), and the €14 million decrease in corporation tax, net income rose 9.7% to €676 million.

Crédit Industriel et Commercial

A strong balance sheet

Liquidity and refinancing[2]

With a 93.7% stake in CIC, Banque Fédérative du Crédit Mutuel (BFCM) raises the necessary market funds on behalf of the Crédit Mutuel-CM11 group and monitors liquidity. Like all other group entities, CIC is part of this mechanism, which ensures that its own liquidity and refinancing needs are covered.

Capital adequacy

The CET1 capital ratio excluding transitional provisions at March 31, 2016 was 11.7%. CET1 ("common equity tier 1") prudential capital totaled €11.7 billion. These calculations are without transitional provisions.

As a direct result of the downgrade of France's ratings, on September 23, 2015 the Moody's rating agency lowered CIC's long-term rating from Aa2 with a negative outlook to Aa3 with a stable outlook. This rating remains the highest among French banks. It has not changed, nor have those assigned by Standard & Poor's and Fitch Ratings:

	Standard & Poor's	Moody's	Fitch Ratings
Short-term	A-1	P-1	F1
Long-term	A	Aa3	A+
Outlook	negative	stable	stable

[2] *Please refer to the Crédit Mutuel-CM11 group press release for more information.*

Crédit Industriel et Commercial

Results by business line

Retail banking: CIC's core business

(in € millions)	June 2016	June 2015	Change H1 16/H1 15
Net banking income*	1,737	1,754	-1.0%
General operating expenses	(1,212)	(1,212)	0.0%
Operating income before provisions	525	542	-3.1%
Income before tax	525	533	-1.5%

**June 2015: neutralization of €20 million in capital gains on securities realized by CIC Est.*

Retail banking encompasses the CIC branch network and all the specialized subsidiaries whose products are mainly sold by this network, including equipment leasing and leasing with purchase option, real estate leasing, factoring, receivables management, fund management, employee savings plans and insurance.

In one year, deposits[3] increased by 9.7% to €102.1 billion thanks to an increase in current accounts in credit (+21.5% to €41.8 billion), home savings (+13.5% to €9.7 billion) and passbook accounts (+3.1% to €25.5 billion).

Loan outstandings[4] also increased by a significant 5.3%. They stood at €128.4 billion with an increase of 5.3% in housing loans, 9.6% in operating loans and 5.2% in investment loans.

Net banking income in retail banking was similar to that at end-June 2015[4] at €1,737 million (down 1.0%). Net fee and commission income rose 0.7% while net interest margin and other components of net banking income fell 2.1%.

General operating expenses were stable at €1,212 million.

Net provision allocations/reversals for loan losses fell from €79 million at June 30, 2015 to €68 million at June 30, 2016, and income before tax from €533 million to €525 million in the same period, i.e., a limited decrease of 1.5%.

[3] *Month-end outstandings.*
[4] *Excluding €20 million in capital gains on securities realized by CIC Est.*

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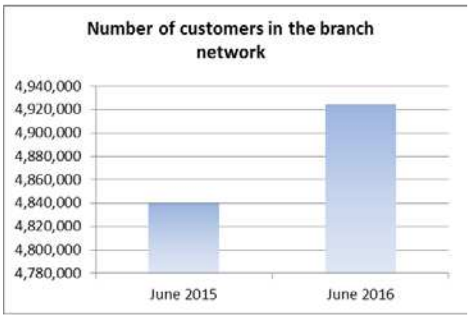
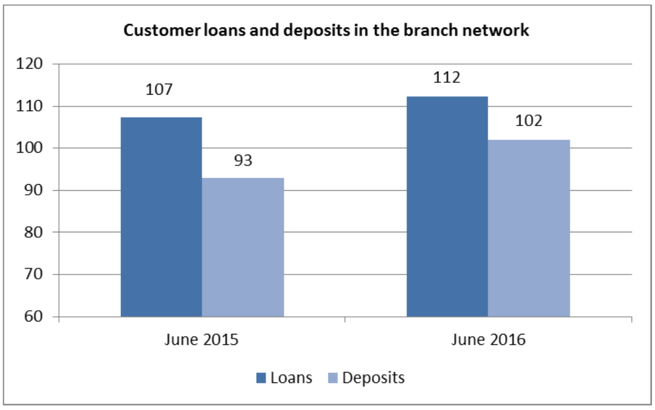
The branch network

As of June 30, 2016, the branch network had 4,924,125 customers (+1.7% from June 30, 2015).



Loan outstandings[3] increased 4.7% to €112.4 billion. With the exception of current accounts in debit, which decreased by 5.5%, all loans increased, particularly housing loans (+5.3%) and investment loans (+5.2%).
During the first half of 2016, the amount of loan funds released was similar to that of first-half 2015, at €14.7 billion.

Deposits[4] totaled €102.1 billion (+9.7% from end-June 2015) as a result of an increase in current accounts in credit (+21.5%), home savings (+13.5% to €9.7 billion) and passbook accounts (+3.1% to €25.5 billion).



Savings under management[4] and custody were down slightly to €57.4 billion compared with €58.0 billion at end-June 2015 despite increases in life insurance and employee savings outstandings of 2.7% and 4.1%, respectively.

Excellent momentum in insurance and service activities

The insurance business continued to grow. The number of property and casualty insurance contracts was 4,642,015 (up 8.5% relative to end-June 2015).

Service activities rose by:

- 13.4% in remote banking with 2,142,604 contracts,
- 12.0% in telephony (455,272 contracts),
- 5.5% in electronic payment terminals (131,398 contracts),
- 3.8% in theft protection (89,869 contracts).

In a low interest-rate environment, net banking income in the branch network was €1,630 million compared with €1,651 million a year earlier (down 1.3%) with a 3.2% decrease in net interest margin and other components of net banking income. Fee and commission income rose by 1.1% despite a decrease in loan fees due to a high level of housing loan renegotiation fees in first-half 2015. Adjusted for these items, net banking income at June 30, 2016 was 1.9% higher than at June 30, 2015.

General operating expenses amounted to €1,132 million (-0.8% relative to June 30, 2015).

Net provision allocations/reversals for loan losses, at €65 million, were down 15.6%, as a result of a €12 million decrease in net provision allocations for loan losses on an individual basis.

Income before tax in the branch network was close to last year's figure at €434 million at June 30, 2016, compared with €433 million at June 30, 2015.

The retail banking support businesses generated net banking income of €107 million at end-June 2016 compared with €103 million at end-June 2015, and income before tax of €91 million, of which €67 million from the share of income from the Crédit Mutuel-CM11 group's insurance business.

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Corporate banking

(in € millions)	June 2016	June 2015	Change H1 16/H1 15
Net banking income	161	186	-13.4%
General operating expenses	(56)	(54)	3.7%
Operating income before provisions	105	132	-20.5%
Income before tax	102	118	-13.6%

Loan outstandings[3] in corporate banking rose 15.0% to €16.7 billion.

Net banking income was down 13.4% to €161 million (non-recurring transactions in 2015). General operating expenses grew by 3.7% to €56 million (€54 million at June 30, 2015).

With lower net provision allocations/reversals for loan losses (€3 million compared with €14 million last year), income before tax was €102 million, down 13.6% from June 30, 2015.

Capital markets

(in € millions)	June 2016	June 2015	Change H1 16/H1 15
Net banking income	185	262	-29.4%
General operating expenses	(107)	(95)	12.6%
Operating income before provisions	78	167	-53.3%
Income before tax	82	170	-51.8%

In a challenging environment, the capital markets division generated net banking income of €185 million (€262 million at June 30, 2015).

The rise in general operating expenses can be attributed to the €12 million increase in the Single Resolution Fund (SRU) tax charged to this business line compared with last year.

There was a net loan loss provision reversal of €4 million compared with a reversal of €3 million at June 30, 2015.

Income before tax fell from €170 million at June 30, 2015 to €82 million at June 30, 2016.

Crédit Industriel et Commercial

Private banking

(in € millions)	June 2016	June 2015	Change H1 16/H1 15
Net banking income	271	266	1.9%
General operating expenses	(178)	(178)	0.0%
Operating income before provisions	93	88	5.7%
Income before tax	102	92	10.9%

Outstanding deposits[3] in private banking increased by 7.6% to €20.2 billion and loans outstanding[3] stood at €12.5 billion (+12.5%). Savings under management[3] and custody totaled €84.1 billion (-1.9%).

Net banking income rose to €271 million compared with €266 million at June 30, 2015, mainly as a result of a 20.3% increase in net interest margin.

General operating expenses were flat at €178 million. Net provision allocations/reversals for loan losses went from -€4 million at June 30, 2015 to €1 million at June 30, 2016.

Income before tax stood at €102 million (€92 million at June 30, 2015), up 10.9% before taking into account the €20 million after-tax loss of Banque Pasche, sold in Q2 2016 (excluding the €66 million reclassification of the translation reserve).

Private equity

(in € millions)	June 2016	June 2015	Change H1 16/H1 15
Net banking income	122	118	3.4%
General operating expenses	(22)	(20)	10.0%
Operating income before provisions	100	98	2.0%
Income before tax	100	98	2.0%

The investment portfolio totaled €1.8 billion, €44 million of which was invested in the first half of 2016.
The portfolio consists of 422 investments.

Net banking income rose from €118 million at June 30, 2015 to €122 million at June 30, 2016.

Crédit Industriel et Commercial

In conclusion

CIC continues to develop its commercial activity by offering all its customers banking and insurance products and services that meet their needs. Aided by up-to-the-minute technology, its customer relationships, whether physical or digital, form the linchpin of its strategy. As the bank for self-employed professionals and corporates – nearly one in three corporates is a CIC customer – it participates actively in the economic life of France's regions. As the bank for private individuals and associations, it gives life every day to projects that form the backbone of our society.

By combining growth, efficiency and risk control, and by drawing on the professionalism of its employees and on its Crédit Mutuel-CM11 parent company, a powerful group with operations throughout Europe, CIC has the means to confront the challenges of the years ahead.

Financial information as of June 30, 2016 includes this press release and the specific information based on the recommendations of the Financial Stability Board and on sovereign risk exposures. All financial communications are available on the web site at www.cic.fr/cic/fr/banques/le-cic/institutionnel/actionnaires-et-investisseurs under the heading "Regulated information" and are published by CIC in accordance with the provisions of article L451-1-2 of the French Monetary and Financial Code and 222-1 et seq of the General Regulation of the Autorité des Marchés Financiers (French financial markets authority - AMF).

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CIC

Key figures

(in € millions)	June 30, 2016	June 30, 2015	December 31, 2015
Business			
Total assets	274,350	252 515	253 976
Loans and advances to customers (1)	163 876	150 812	157 166
Customer deposits	136 979	127 571	129 958
Savings under management and custody (2)	255 328	255 752	259 757
Number of property and casualty insurance policies	4 642 015	4 279 663	4 450 327
Shareholders' equity			
Attributable to owners of the company	13 449	12 504	13 069
Non-controlling interests	57	61	64
Total	13 506	12 565	13 133
Employees, year-end (3)	19 819	19 728	19 993
Number of branches (4)	1 992	2 040	2 015
Number of customers (5)	4 924 125	4 839 618	4 869 039
Private individuals	*4 013 308*	*3 965 100*	*3 983 996*
Corporates and self-employed professionals	*910 817*	*874 518*	*885 043*

Financial results

Consolidated income statement	June 30, 2016	June 30, 2015	December 31, 2015
Net banking income	2 514	2 542	4 782
General operating expenses	(1 625)	(1603)	(3 005)
Operating income before provisions	889	939	1 777
Net provision allocations/reversals for loan losses	(67)	(86)	(207)
Operating income after provisions	822	853	1 570
Net gain/(loss) on disposals of other assets	11	1	(6)
Share of income/(loss) of affiliates	67	70	138
Income before tax	900	924	1 702
Corporate income tax	(270)	(284)	(562)
Net profit/loss on discontinued activities	46	(24)	(23)
Net income	676	616	1 117
Non-controlling interests	(2)	(4)	(6)
Net income attributable to owners of the company	674	612	1 111

(1) Including lease-financing.
(2) Month-end outstandings, including securities issued.
(3) Full-time equivalents.
(4) Between June 2015 and June 2016: 6 branch openings.
(5) Branch network. Adjusted 2015 figures.