Crédit Mutuel
Alliance Fédérale

Results for the period ended June 30, 2024[1]

Press Release
Strasbourg, July 31, 2024

PERFORMANCE AND SOLIDITY OF THE DIVERSIFIED MUTUALIST MODEL: HALF-YEAR NET INCOME OF €2 BILLION IN AN UNCERTAIN ENVIRONMENT

In a period marked by economic, political and geopolitical uncertainties, Crédit Mutuel Alliance Fédérale achieved solid results in the first half of the year, with net revenue reaching €8.3 billion (+3.4%). Retail banking was stable, with net revenue of €6.1 billion (+0.5%). The specialized business lines held up well (+2.4%). The insurance business was buoyant, with net insurance income up +9.3%.

As a universal local bancassurer, the mutualist group demonstrated the performance of its business model with net income of over €2 billion (+3.5%). It confirmed the pace of its strategic investments and stayed on course in this first year of the launch of its 2024- 2027 strategic plan Togetherness, Performance, Solidarity (*Ensemble Performant Solidaire*). The increase in its investments was partially offset by the end of contributions to the Single Resolution Fund (SRF). General operating expenses totaled €4.7 billion (+1.3%).

The cost of risk rose sharply to €957 million, up +41.1% from the first half of 2023, continuing a trend seen for several quarters in an uncertain economic climate in France and a tight interest rate environment.

With €64.1 billion in shareholders' equity and a CET1 of 18.5%[3] at June 30, 2024, Crédit Mutuel Alliance Fédérale remains one of the strongest banks in the Eurozone.

Crédit Mutuel Alliance Fédérale, the first bank to adopt the status of benefit corporation, continues to put its performance at the service of its members, customers and society, and to share value through the societal dividend.

Results for the period ended June 30, 2024[1]	1st half 2024[1]	Change[1] H1 2024 / H1 2023
NET REVENUE UP	**€8.257bn**	**+3.4%**
of which retail banking	*€6.094bn*	*+0.5%*
of which insurance	*€701m*	*+9.3%*
of which specialized business lines	*€1.491bn*	*+2.4%*
STABLE GENERAL OPERATING EXPENSES INCLUDING STRATEGIC PLAN INVESTMENTS	**-€4.712bn**	**+1.3%**
INCREASE IN COST OF RISK LINKED TO THE ECONOMIC ENVIRONMENT	**-€957m**	**+41.1%**
SOLID NET INCOME	**€2.032bn**	**+3.5%**

GROWTH IN FINANCING[2]		
Home loans	**Equipment loans and leasing**	**Consumer credit**
€264.1bn	**€142.7bn**	**€55.0bn**
+2.3%	**+3.4%**	**+2.8%**

A SOLID FINANCIAL STRUCTURE	
CET1 ratio[3]	**Shareholders' equity**
18.5%	**€64.1bn**

[1] Unaudited financial statements – limited review currently being conducted by the statutory auditors. The Board of Directors met on July 31, 2024 to approve the financial statements. All financial communications are available at: www.bfcm.creditmutuel.fr and are published by Crédit Mutuel Alliance Fédérale in accordance with the provisions of Article L. 451-1-2 of the French Monetary and Financial Code and Articles 222-1 et seq. of the General Regulation of the French Financial Markets Authority (Autorité des Marchés Financiers - AMF). [2] Year-on-year growth. [3] Estimated at June 30, 2024, the inclusion of the result. in shareholders' equity is subject to the approval of the ECB.

"Crédit Mutuel Alliance Fédérale is an increasingly efficient, innovative and solidarity-based benefit corporation. Our results are solid, confirming ***the relevance of our strategic choices and our universal bancassurance model****. They are the foundation on which we are building the future."*

Daniel Baal, Chairman

"With our strategic plan, Togetherness, Performance, Solidarity (Ensemble Performant Solidaire), ***we have set a clear course: to conquer all markets and territories to increase our growth in the service of our members, customers and society as a whole.*** *The results for the first half of 2024 are proof of our performance and remarkable collective momentum."*

Éric Petitgand, Chief Executive Officer

1. Solid results demonstrating the performance of the diversified bancassurance model

The results for the first half of 2024 testify to the strength of the mutualist group and the relevance of its diversification strategy. Results were driven in particular by insurance, corporate banking and capital markets activities.

Solid commercial and operational performance

Crédit Mutuel Alliance Fédérale demonstrated its dynamism and efficiency in serving its members and customers. **Net revenue of €8.3 billion (+3.4%) and net income of €2.0 billion (+3.5%) remained at a very high level.**

Thanks to its decentralized model, Crédit Mutuel Alliance Fédérale boasts the best operating efficiency in the sector, with a cost/income ratio of 57.1%. General operating expenses were kept under control at €4.7 billion (+1.3%), enabling the group to implement its strategy of investing in technology - particularly in generative AI - and in people, with a strong social contract. They benefited from the low contribution to the SRF in H1 2024 (€3 million vs. €217 million in H1 2023).

Winning diversification choices

This diversified mutualist model once again demonstrated its strength and resilience. The activities that were subject to an adverse climate were largely offset by other business lines.

Retail banking posted net income of €857 million (-17%). It was negatively affected by the fall in new loan volume, the squeeze on net interest margins and the increase in the cost of risk.

Drawing on the strength of 4,300 branches (Crédit Mutuel local banks, CIC branches and foreign networks), diversification activities posted very solid performances.

Net insurance income, at €701 million, was up +9.3%, driven by the increase in income from health, protection & creditor insurance and life insurance, as well as the increase in net financial income. Net income from the insurance business came to €483 million (+9.0%). To continue supporting the insurability of as many people as possible, Assurances du Crédit Mutuel recorded buoyant sales in property & casualty insurance (+5.8%) and health, protection & creditor insurance (+4.0%). While the year was marked by a continuing rise in property & casualty insurance claims, our teams made an exceptional effort to help those affected.

Driven by higher margins and a reduction in the cost of risk, net income from corporate banking rose sharply to €156 million (+47.7%). Capital markets activities were buoyant at €120 million (+7.4%), demonstrating their ability to meet the growing hedging needs of corporate customers in a situation of renewed market volatility.

Consumer finance posted net income of €224 million (+10.3%). This momentum was driven by the performance of our German subsidiary TARGOBANK, with a very good first-half net income of €183 million[1], and Cofidis, which posted a sharp rise in net income to €42 million (+85%). Since acquiring a stake in Cofidis Group in 2009, Crédit Mutuel Alliance Fédérale has demonstrated its ability to integrate new business lines into its mutualist bancassurance model, both thanks to its resources (with Euro-Information) and its values. In April 2024, the group became the sole shareholder of Cofidis Group[2].

[1] TARGOBANK Retail.
[2] See press release dated April 11, 2024.

Resilience of the diversified model to the rise in the cost of risk

The uncertainty affects the behavior of economic players. For the banking networks in France, savings inflows came to +€4.0 billion, while loan releases fell by €8.3 billion, particularly for home loans (-29.3%) and investment loans (-11.1%).

The cost of risk rose sharply to €957 million (+41.1%), mainly due to a catch-up effect following the discontinuation of government measures to support economic activity.

With an estimated CET1 of 18.5% at June 30, 2024, an average LCR of 178% in the first half of the year and prudent liquidity management, Crédit Mutuel Alliance Fédérale is one of the Eurozone's most solid banks.

2. Technology and climate at the heart of the mutualist group's strategic plan

At the beginning of the year, Crédit Mutuel Alliance Fédérale launched its 2024- 2027 strategic plan Togetherness, Performance, Solidarity (*Ensemble Performant Solidaire*). With the technological and climate revolution gathering pace, the group is stepping up its investments with strategic technological partnerships in generative AI and the creation of the Mutualist Environmental and Solidarity Institute.

Maintaining the technological lead with the adoption of generative AI

Crédit Mutuel Alliance Fédérale uses **technological innovation to foster close relationships between its members, customers and their dedicated, non-commissioned advisor.**

A technology bank and pioneer in the use of artificial intelligence (AI), Crédit Mutuel Alliance Fédérale has stepped up its investments. **Euro-Information has strengthened its collaboration with IBM - around the watsonx platform - to roll out 35 generative AI use cases in the Crédit Mutuel and CIC networks, with a series available from this summer**.

Technology is put at the service of people, as demonstrated by the adoption of an **AI ethics charter** by the *Chambre Syndicale et Interfédérale* - the mutualist group's parliament. This is a collective decision that strengthens its status as a benefit corporation.

Operating as an industrial bank, Crédit Mutuel Alliance Fédérale stands out for its ability to carry out virtually all its IT processing on its own data centers located in France and Europe, using software over which it has full control. This is a very significant choice that ensures data security and digital privacy for its members and customers.

Generative IA

A strategic partnership with IBM's watsonx.

Crédit Mutuel Alliance Fédérale and Euro-Information have extended their collaboration with IBM, via its watsonx platform, to develop responsible AI. It will speed up and industrialize the rollout of generative AI.

Banks have an important role to play in the ecological transition, as they finance two-thirds of corporate investments and almost all projects for private individuals.

To reduce the carbon footprint of its balance sheet and meet the objectives of the Paris Climate Agreement, Crédit Mutuel Alliance Fédérale launched the Mutualist Environmental and Solidarity Institute. The Institute will provide tools and expertise to support the transitions of customers of the Crédit Mutuel and CIC banking networks. Its priorities are eco-renovation of housing and support for the farming community to help it cope with the consequences of climate change.

The mutualist group has consolidated its position as an environmental pioneer. Since July 1, 2024, it has ceased all involvement[1] with energy companies that continue to develop new oil and gas exploration and production projects. This policy also applies to companies on the NGO Urgewald's Global Oil & Gas Exit List, whose share of unconventional oil and gas production exceeds a certain threshold[2].

This strong decision completes the total withdrawal from coal, which began in 2020, and the cessation of financing for new exploration, production, infrastructure[3] (oil and gas pipelines and storage units) or processing (oil refineries, gas liquefaction terminals) projects in the oil and gas sectors in 2021. This policy is complemented by a reinforced commitment to biodiversity.

Crédit Mutuel Alliance Fédérale has been awarded ISO 50001 certification by AFNOR Certification in recognition of its energy sobriety plan for its regional headquarters, 4,300 branches, data centers and vehicle fleet.

[1] Intervention refers to any new transaction or renewal of a transaction involving a company on the bank's consolidated balance sheet, or any participation in a market transaction aimed at financing that company.

[2] See press release dated April 13, 2023.

[3] Excluding maritime sector policy.

3. The societal dividend in action

Faced with growing social and ecological divides, Crédit Mutuel Alliance Fédérale is stepping up the mobilization of its societal dividend to reduce social inequalities and accelerate the climate transition of its customers and members.

The Environmental and Solidarity Revolution Fund (*Fonds Révolution Environnementale et Solidaire*) to support companies committed to the fight against global warming

To support entrepreneurs developing breakthrough innovations to decarbonize our economy, **Crédit Mutuel Alliance Fédérale launched the Environmental and Solidarity Revolution Fund.** With no target financial return, it operates in key areas with high environmental and social added value: mobility, housing, agriculture, consumption, industry and biodiversity.

Crédit Mutuel Alliance Fédérale has already committed €415 million invested in a number of start-ups. By 2027, the fund will have an allocation of more than €1 billion. A new area in which we use our mutualist approach to help speed up the climate transition towards a more sustainable world.

Innovative offers for the environment, youth and solidarity

Crédit Mutuel Alliance Fédérale has set up a pre-financing scheme for government grants to help private individuals renovate their buildings for energy efficiency. This is an interest-free, no-fee loan repayable at maturity, to help households finance their home improvements.

Crédit Mutuel Alliance Fédérale, the second-largest bank for the agricultural sector, is making it easier for farmers to hand over their farms, with the launch of the **Agri Installation Loan at a subsidized rate of 2%. It is aimed at new farmers and winegrowers committed to sustainable farming**.

Crédit Mutuel Alliance Fédérale supports young people. **It launched the Solidarity Student Loan, an interest-free loan with no administration fees, to help them finance their studies.** At the same time, its press subsidiary EBRA - France's leading regional daily press group - **offers under-26s a digital subscription to one of its nine publications to combat misinformation**.

In a gesture of solidarity, **the group has waived bank inheritance fees for assets under €10,000 (more than half of all estates).**

A forerunner in social innovation, Crédit Mutuel Alliance Fédérale offers victims of domestic violence a free personal bank account, domiciled with a member association of *Fédération Nationale Solidarité Femmes* (FNSF), operator of the 3919 domestic violence helpline.

Accelerating sponsorship initiatives for a better sharing of value

Crédit Mutuel Alliance Fédérale is the leading banking partner for the non-profit sector, and also encourages its customers to support it.

The mutualist group is **aiming to distribute €5 million in donations to associations** through the *Livret d'Epargne pour les Autres* (passbook account that benefits humanitarian organizations), with a rate set at 3.5% gross until the end of the year. This is a passbook accounts that combines savings and solidarity, as interest is shared with associations of the saver's choice.

This commitment is in addition to the mutualist group's other sponsorship initiatives. **With a budget of €56 million in 2024, the Crédit Mutuel Alliance Fédérale Foundation has become the largest corporate foundation in France.** Its initiatives complement local sponsorship by the local banks and federations of Crédit Mutuel, CIC regional banks, as well as subsidiaries and specialized business lines.

To facilitate the inclusion of young people with disabilities, **the Foundation has paid out €4 million to the 66 winning associations in its call for disability projects.**

Crédit Mutuel Alliance Fédérale also supports the CRÉSUS foundation in its efforts to prevent over-indebtedness. This assistance complements a partnership to strengthen support for financially vulnerable customers.

Environmental and Solidarity Revolution Fund: €415m committed to decarbonizing the economy

for Alpinov X
to boost the production of industrial refrigeration without fluorinated gas.

for TOWT
to speed up the decarbonization of maritime transport.

for ENERGO
for the industrial and commercial rollout of its cold plasma catalytic reactors.

for SUBLIME Energie
to deploy biogas liquefaction on farms.

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1 Consolidated earnings

1.1. Financial results

(€ millions)	1st half 2024	1st half 2023	Change
Net revenue	**8,257**	**7,984**	**+3.4%**
General operating expenses	-4,712	-4,649	+1.3%
of which contribution to the single resolution fund, supervision costs and contributions to the DGF[1]	*-57*	*-281*	*-79.7%*
Gross operating income	**3,545**	**3,335**	**+6.3%**
Cost of risk	-957	-679	+41.1%
cost of proven risk	*-911*	*-653*	*+39.5%*
cost of non-proven risk	*-47*	*-26*	*+81.4%*
Operating income	**2,587**	**2,656**	**-2.6%**
Net gains and losses on other assets and ECC[2]	54	18	x2.9
Income before tax	**2,641**	**2,674**	**-1.2%**
Income tax	-609	-711	-14.4%
Net income	**2,032**	**1,962**	**+3.5%**
Non-controlling interests	93	87	+6.6%
Group net income	**1,939**	**1,875**	**+3.4%**

[1] DGF = Deposit guarantee fund *(Fonds de Garantie des Dépôts)*.
[2] ECC = equity consolidated companies = share of net income of equity consolidated companies.

Net revenue

In the first half of 2024, Crédit Mutuel Alliance Fédérale's net revenue totaled €8.3 billion, up +3.4% compared with the first half of 2023, despite strong pressure on the net interest margin, in line with 2023. This increase in revenues was driven by the good resilience of the business lines: stability of retail banking, strong performance of insurance and growth in revenues of the specialized business lines.

Net revenue (€ millions)	1st half 2024	1st half 2023	Change
Retail banking	**6,094**	**6,062**	**+0.5%**
of which the banking network	*4,096*	*4,194*	*-2.3%*
consumer credit	*1,633*	*1,532*	*+6.6%*
Insurance [1]	**701**	**641**	**+9.3%**
Specialized business lines	**1,491**	**1,455**	**+2.4%**
Asset management and private banking	635	646	-1.8%
Corporate banking	335	296	+13.1%
Capital markets	299	293	+1.9%
Private equity	223	220	+1.3%
Other business lines [2]	**-29**	**-174**	**-83.4%**
TOTAL NET REVENUE Crédit Mutuel Alliance Fédérale	**8,257**	**7,984**	**+3.4%**

[1 and 2] Reclassification of general operating expenses related to insurance contracts as expenses related to insurance contracts classified under net revenue.

In **retail banking**, revenues remained stable in the first half of 2024 at more than €6 billion, thanks in particular to the performance of the consumer finance subsidiaries (+6.6%), while the banking networks (-2.3%) continued to be hard hit by the decrease in margins.

Net **insurance** income was up +9.3%, driven by the increase in income from health, protection & creditor insurance and life insurance, as well as the increase in net financial income.

Net revenue from **asset management and private banking** fell by -1.8%. Asset management revenues rose by +6.2% thanks to growth in assets under management, while private banking saw its net revenue fall by -7.5% due to the decrease in the net interest margin.

Corporate banking posted net revenue growth of +13.1% year on year, fueled mainly by the increase in the net interest margin. Despite geopolitical uncertainty, business volumes remained strong, reflecting good sales momentum in terms of corporate clients and structured financing.

Overall, **capital markets** posted solid performance with net revenue up +1.9% due to a less buoyant market environment than in 2023.

Private equity income remained strong at €223 million, up +1.3% thanks to the capital gains generated by the portfolio and despite an economic environment marked by uncertainty.

The growth in net revenue of the **other business lines** reflects the stronger performance of the media and IT activities and the holding company's revenues than in the first half of 2023.

General operating expenses and gross operating income

General operating expenses rose by +1.3% to €4.7 billion in the first half of 2024. Excluding the contribution to the Single Resolution Fund (SRF), which had added €217 million to general operating expenses in the first half of 2023, the increase was +6.2%.

The rise in general operating expenses mainly included a higher employee benefits expense triggered by a voluntary increase in the payroll expense, further IT investments and the call for contributions to the Crédit Mutuel Alliance Fédérale Foundation for 100% of its budget (€56 million) related to the societal dividend, in addition to the effects of inflation.

At 57.1%, the cost/income ratio improved by 1.2 percentage points (pp); excluding the SRF, the scissors effect was negative by 1.5 pp.

Gross operating income rose by +6.3% to €3.5 billion and would have been stable excluding the SRF expense.

Cost of risk and operating income

The cost of credit risk was -€957 million, which included a provision of -€911 million for proven risk (stage 3) and a provision of -€47 million for performing loans (stages 1 and 2), an increase of +41.1% compared with the first half of 2023.

The cost of proven risk (-€911 million, +39.5%) decreased for the corporate banking activity, but rose significantly for the networks – including an increase in business failures and the transfer to non-performing of several market arrangements in France – with a more moderate increase for the consumer finance subsidiaries (+22.6%). This increase reflects the uncertain economic environment in some sectors and follows the trend already observed in 2023.

The cost of non-proven risk nearly doubled in the first half of the year: -€47 million in 2024 vs. -€26 million in 2023, partly due to downgrades of ratings and the increase in stage 2 loans.

The non-performing loan ratio rose to 3.1% compared with the end of 2023, reaching the level at the end of 2019.

The cost of risk represented 35 basis points of outstanding customer loans.

Outstanding loans (€ millions)	06/30/2024	06/30/2023	12/31/2023
Gross loans	533,128	519,956	523,054
Gross non-performing loans	16,307	13,938	15,133
Provisions for loan losses	10,614	9,866	10,103
provisions for losses on non-performing loans (stage 3)	*7,478*	*6,546*	*7,013*
provisions for losses on performing loans (stages 1 and 2)	*3,137*	*3,320*	*3,090*
Non-performing loans as a % of gross loans	3.1%	2.7%	2.8%

At €2.6 billion, operating income fell by -2.6% compared with the first half of 2023.

Other

Net gains and losses on other assets and ECC came to €54 million and consisted of the share of net income of equity consolidated companies and an earn-out related to the performance of Euro-Information Telecom (sold in 2021).

Income before tax

Income before tax was virtually unchanged at €2.6 million (-1.2%) compared with the first half of 2023. Income tax decreased by -14.4% thanks to positive non-recurring effects.

Net income

Buoyed by the operational performance of the business lines, net income in the first half of 2024 was €2 billion, up +3.5% year on year.

1.2. Financial structure

Liquidity and refinancing[1]

Crédit Mutuel Alliance Fédérale’s treasury management is based on prudent rules and an effective system for accessing market funding.

Crédit Mutuel Alliance Fédérale has a number of issue programs that allow investors in the main international markets to access public and private issues. In addition to these arrangements, the group holds a comfortable cash reserve designed both to comply with regulatory ratios and to enable it to withstand severe stresses.

In the first half of the year, investors welcomed the high bond yields offered by issuers coupled with the expectation of lower interest rates, showing a preference for long maturities.

Since June 7, 2024, with the dissolution of the National Assembly, political uncertainties and their impacts on the markets have forced French issuers to seize every opportunity to secure their refinancing.

For Crédit Mutuel Alliance Fédérale, liquidity remains comfortable. In total, external funding obtained in the markets stood at €161.7 billion at the end of June 2024, a 4.2% increase relative to December 2023.

At June 30, 2024, the LCR averaged 178% (versus 163% in 2023).
The liquidity reserve (€166.2 billion) amply covers the market funding due over 12 months.

Solvency and capital management

Crédit Mutuel Alliance Fédérale’s shareholders’ equity totaled €64.1 billion at June 30, 2024 compared with €60.5 billion at the end of the first half of 2023.

Crédit Mutuel Alliance Fédérale reported very solid capital adequacy with a Common Equity Tier 1 (CET1) ratio of 18.5% at June 30, 2024[2].

[1] For more details, see the additional information in section 6.1 of this press release.
[2] Estimate as of June 30, 2024, the integration of earnings into shareholders’ equity is subject to approval by the ECB.

1.3. Ratings

The three rating agencies that issue ratings for Crédit Mutuel Alliance Fédérale and the Crédit Mutuel group all recognize their financial stability and the validity of the business model:

	LT/ST Counterparty**	Issuer/LT preferred senior debt	Outlook	ST preferred senior debt	Stand-alone rating***	Date of last publication
Standard & Poor's [1]	AA-/A-1+	A+	Stable	A-1	a	11/22/2023
Moody's [2]	Aa2/P-1	Aa3	Stable	P-1	a3	07/25/2024
Fitch Ratings* [3]	AA-	AA-	Stable	F1+	a+	01/19/2024

* The Issuer Default Rating is stable at A+.
** The counterparty ratings correspond to the ratings of the following agencies: Resolution Counterparty Rating for Standard & Poor's, Counterparty Risk Rating for Moody's and Derivative Counterparty Rating for Fitch Ratings.
*** The stand-alone rating is the Stand-Alone Credit Profile (SACP) for Standard & Poor's, the Adjusted Baseline Credit Assessment *(Adj. BCA)* for Moody's and the Viability Rating for Fitch Ratings.
1 Standard & Poor's: Crédit Mutuel group rating.
2 Moody's: Crédit Mutuel Alliance Fédérale/BFCM and CIC ratings.
3 Fitch Ratings: Crédit Mutuel Alliance Fédérale rating.

The external ratings and stable outlook assigned to Crédit Mutuel Alliance Fédérale and the Crédit Mutuel group were confirmed by the three main financial rating agencies in late 2023 and early 2024, reflecting the recurrence of their results and the solidity of their financial fundamentals.

1.4. Key figures

Crédit Mutuel Alliance Fédérale[1]

(€ millions)	06/30/2024	06/30/2023
Financial structure and business activity		
Balance sheet total	921,939	901,853
Shareholders' equity (including net profit for the period, before dividend pay-outs)	64,085	60,473
Customer loans	522,513	510,090
Total savings	947,920	860,348
- of which customer deposits	477,410	460,487
- of which insurance savings	108,685	104,727
- of which financial savings (invested in savings products)	361,826	295,134

	06/30/2024	06/30/2023
Key figures		
Employees, end of period (group-controlled entities)	77,127	77,639
Number of branches	4,308	4,465
Number of customers (in millions)	31.8	30.8
Number of members (in millions)	6.4	6.2
Key ratios		
Cost/income ratio	57.1%	58.2%
Cost of customer risk as a ratio of outstanding loans - annualized	35 bp	24 bp
Loan-to-deposit ratio	109.4%	110.8%
Overall solvency ratio [2]	20.9%	20.9%
CET1 ratio [2]	18.5%	18.5%

(€ millions)	06/30/2024	06/30/2023
Outcomes		
Net revenue	**8,257**	**7,984**
General operating expenses	-4,712	-4,649
Gross operating income	**3,545**	**3,335**
Cost of risk	-957	-679
Operating income	**2,587**	**2,656**
Net gains and losses on other assets and ECC	54	18
Income before tax	**2,641**	**2,674**
Income tax	-609	-711
Net income	**2,032**	**1,962**
Non-controlling interests	93	87
Group net income	**1,939**	**1,875**

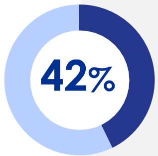
[1] Consolidated results of the local banks of Crédit Mutuel Centre Est Europe, Sud-Est, Ile-de-France, Savoie-Mont Blanc, Midi-Atlantique, Loire-Atlantique et Centre Ouest, Centre, Normandie, Dauphiné-Vivarais, Méditerranéen, Anjou, Antilles-Guyane, Massif Central and Nord Europe, and of their joint federal bank Banque Fédérative du Crédit Mutuel (BFCM) and all its subsidiaries, including CIC, Euro-Information, Assurances du Crédit Mutuel (ACM), TARGOBANK, Cofidis Group and Banque Européenne du Crédit Mutuel (BECM).
[2] Estimate as of June 30, 2024, the integration of earnings into shareholders' equity is subject to approval by the ECB.

1.5. Organization of business lines

Crédit Mutuel Alliance Fédérale offers a wide range of services to its retail customers, local businesses and companies of all sizes. Its offering includes "bankinsurance", the Group's core business, which encompasses retail banking and insurance activities. Crédit Mutuel Alliance Fédérale's expertise also extends to other sectors such as asset management and private banking, corporate banking, capital markets and private equity. Other specialized subsidiaries (technology, media) also provide services to customers.

Crédit Mutuel Alliance Fédérale

Operational business lines' contribution to net income in the first half of 2024

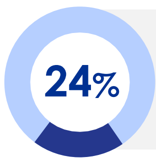


RETAIL BANKING

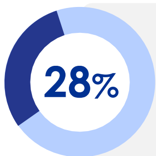
Local banking networks
Crédit Mutuel
CIC
BECM (Banque Européenne du Crédit Mutuel)
Beobank

Consumer credit
Cofidis Group
TARGOBANK Germany

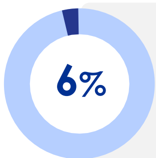
Business line subsidiaries
Leasing
Factoring
Real estate
Other



Insurance
Groupe des Assurances du Crédit Mutuel (GACM)



Specialized business lines
Asset management and private banking
Corporate banking
Capital markets
Private equity



Other business lines
Technology (Euro-Information)
Logistic
Media

*Excluding Holding company services.

2 Retail banking and consumer finance in France and Europe

(€ millions)	1st half 2024	1st half 2023	Change
Net revenue	**6,094**	**6,062**	**+0.5%**
General operating expenses	-3,993	-3,962	+0.8%
Gross operating income	**2,101**	**2,100**	**+0.0%**
Cost of risk	**-900**	**-614**	**+46.5%**
cost of proven risk	-858	-548	+56.4%
cost of non-proven risk	-42	-66	-36.2%
Operating income	**1,201**	**1,486**	**-19.2%**
Net gains and losses on other assets and ECC [1]	5	2	x2.6
Income before tax	**1,206**	**1,488**	**-19.0%**
Income tax	-349	-456	-23.4%
Net income	**857**	**1,032**	**-17.0%**

[1] ECC = equity consolidated companies = share of net profit/(loss) of equity consolidated companies.

The retail banking segment comprises three business lines:

- the branch banking network, comprising the Crédit Mutuel local banks of the 14 federations, the CIC branch network, Banque Européenne du Crédit Mutuel and Beobank;
- consumer finance, comprising Cofidis Group and TARGOBANK Germany;
- specialized business line subsidiaries whose products are marketed by the branch networks: equipment leasing and hire purchase, real estate leasing, factoring, and real estate sales and management.

2.1 The banking network

2.1.1. Crédit Mutuel, Beobank and BECM banking and insurance network

2.1.1.1. Banking and insurance network of Crédit Mutuel and Beobank local banks

The banking and insurance network of Crédit Mutuel and Beobank local banks – Crédit Mutuel Alliance Fédérale's core business – represented more than 25% of total net revenue at the end of the first half of 2024. Its net revenue grew by +3.5% to €2.1 billion, fueled by an increase in the net interest margin (+4.9%) and stable fee and commission income.

General operating expenses rose by +3.8% to €1.6 billion.
The overall cost of risk increased to -€163 million (i.e. an additional provision of €84 million), mainly due to the steep increase in the cost of proven risk, from -€75 million to -€131 million at the end of June 2024.

Income before tax fell by -17.5% (-€69 million) to €325 million.
The banking network's net income therefore fell by -13.5% to €236 million at the end of June 2024 compared with €273 million a year earlier.

• **BUSINESS ACTIVITY: CRÉDIT MUTUEL LOCAL BANKS**

At end-June 2024, the number of customers in the Crédit Mutuel banking and insurance network was 8.8 million, a +1.2% increase year on year (+109,000 net change). The number of retail customers, who account for 86% of the total customer base, rose by +0.9%. The increase in the number of corporate and business customers was even greater, at +5.3% (+3,200 customers) and +3.8% (26,000 customers), respectively.

Deposits amounted to €186.4 billion at the end of June 2024, up +4.3% year on year.

Driven by the attractive return on term accounts and regulated passbook accounts, total outstandings on term accounts and passbook accounts reached € 103.6 billion (+17.3%) at the end of the first half of 2024.
Generally speaking, inflows continued to benefit from rising interest rates and customer interest in safe, liquid products against a backdrop of unstable financial markets.
However, outflows from current accounts in credit to interest-bearing savings accounts, a trend observed since 2023, decreased at the end of June 2024.

Loans grew slightly to €188.5 billion at June 30, 2024. This year-on-year increase was driven by home loans, which rose by +1.4%. It should be noted that new loan volume has decreased since January 1 as a result of the steep rise in interest rates in the second half of 2023.

The change in the multi-service strategy led to a high volume of products sold to customers:

- property & casualty and health, protection & creditor insurance policies (excluding life assurance and creditor insurance) reached 13.4 million, a rise of +2.8% year on year;
- the number of mobile phone contracts was close to 850,000, down slightly year on year (-0.5%);
- the number of remote home surveillance subscriptions rose by +5.1% to more than 233,000 contracts.

The network of Crédit Mutuel local banks posted an increase in net revenue (+3.8%) to more than €1.9 billion, fueled by an improvement in the net interest margin (+6.2%) coupled with a slight increase in fee and commission income (+0.4%).

General operating expenses were kept under control at nearly €1.5 billion (+3.4%).

The cost/income ratio improved by 0.3 percentage points to 76.7% and gross operating income was up by more than 5% to €451 million.

The overall cost of risk deteriorated to -€159 million compared with -€75 million at the end of the first half of 2023. This increase was driven by the cost of proven risk, which rose by +77% year on year, reflecting further deterioration in non-performing counterparties. An additional provision of €27 million was set up for non-proven risk in the first half of 2024.

Net income was €217 million at the end of June 2024, down -11.7% year on year.

• **BUSINESS ACTIVITY: BEOBANK**

In the first half of the year, Beobank pursued its growth strategy across all its product lines, despite the high interest rate environment. Gross loans stood at €9.0 billion at June 30, 2024, up +3.5% compared with December 31, 2023, driven mainly by mortgage loans (+4.6%). The quality of the loan and investment portfolio remained stable. The property & casualty insurance portfolio grew by nearly 9%. At the same time, deposits amounted to €8.0 billion (+6.8%) at June 30, 2024.

Net revenue remained stable year on year. The net interest margin was down, impacted by the increase in the cost of customer deposits. However, fee and commission income increased, particularly for financial savings and demand accounts.

Operating expenses increased, mainly due to inflation and the seasonality of certain expenses. The overall cost of risk remained very low (€4.1 million).
Beobank's net income amounted to €19.3 million, down nearly -30% compared with the same period last year, but remains above plan. The cost/income ratio was also up compared with 2023 (80.3% at June 30, 2024) and remains below plan.

2.1.1.2. Banque Européenne du Crédit Mutuel (BECM)

BECM is the Crédit Mutuel Alliance Fédérale subsidiary that serves regional economies and the market for business and real estate companies. Drawing on the expertise of its employees and all the services provided by Crédit Mutuel Alliance Fédérale's business centers, BECM serves nearly 21,000 customers.
The sales network, which consists of 45 branches, is organized on a market basis, with 31 branches serving the general business market and 14 serving the real estate market.

In the first half of 2024, new investment loans of €733.8 million for businesses and €540.3 million for real estate companies and investors were generated. Short-term lending agreements with real estate professionals totaled €622.8 million.

Customer loans increased over 12 months but decreased by -1.6% compared with end-2023 to €18.4 billion. Deposits rose by 5.8% to €13.6 billion compared with December 2023.

Net revenue fell by -24.7% to €124.9 million and net income was €26.3 million, down by nearly -64% compared with June 2023.

2.1.2. CIC banking and insurance network

With more than 85,000 new customers, CIC's banking network had 5.7 million customers at end-June 2024, a +1.5% increase year on year. The number of business and corporate customers (at nearly 1.2 million) grew by +1.6% and +4.3%, respectively, and the number of retail customers (79% of the total) rose by +1.4%.

Deposits increased by +2.1% to €173.6 billion at the end of the first half of 2024.

In line with the trends observed in 2023, term deposits remained very buoyant, reaching €46.5 billion (+42.8%). Inflows to passbook accounts fell year on year, with total balances of nearly €40 billion at end-June 2024.

Outstanding loans and external financing totaled €196.7 billion, an increase of 2.2% year on year.
In the first half of 2024, growth in outstanding loans differed according to loan category:
- outstanding home loans rose by +2.9% to €103.3 billion; the total amount released in the first half of 2024 fell to €5 billion following the slowdown observed since early in the second half of 2023;
- investment loans rose by +4.5% to €55.2 billion;
- consumer finance rose by +3.6% to €6.6 billion.

Loan production has slowed since the second half of the year, amid a sharp rise in interest rates.

The multi-service strategy led to an increase in products sold to customers:
- the number of property & casualty and health & protection insurance policies (excluding life insurance and creditor insurance) rose by +3.9% year on year to 6.7 million;
- the number of mobile phone contracts fell slightly year on year to 552,000;
- the number of remote home surveillance subscriptions continued to grow to more than 125,600 contracts (+3.9%).

The CIC banking network recorded a -4.9% drop in net revenue to over €1.8 billion, impacted by a -13.4% decrease in the net interest margin. Fee and commission income was up +2.2% to €1 billion at end-June 2024.

General operating expenses fell by -1.6% to €1.2 billion;

The cost/income ratio worsened by 2.3 percentage points to 67.7% and gross operating income was down -11.3% to €595 million.

The cost of risk deteriorated to -€212 million vs. -€100 million at the end of the first half of 2023. This increase was driven by the cost of proven risk, which doubled and included the transfer to non-performing of several market arrangements in France.

At the end of June 2024, income before tax fell by -32.9% to €383 million.

At the end of the first half of 2024, net income was therefore €281 million, down -30.7% compared with the end of June 2023.

2.2 Consumer finance

2.2.1. Cofidis Group

Cofidis Group operates under three brand names: Cofidis, Créatis and Monabanq. With locations in nine European countries (France, Belgium, Spain, Italy, Portugal, Czech Republic, Hungary, Slovakia and Poland), it employs over 5,800 people.

In terms of activity, Cofidis Group had a very good first half of 2024 with €5.1 billion of new business, an increase of €270 million (+6%) compared with the first half of 2023. This good level of activity was visible in the partnership channel (financing made available by third-party Cofidis partners), which increased by +8%, and in the direct channel (financing provided directly by Cofidis), which rose by 5%. Online business increased by 2% compared with June 2023. Outstanding loans grew to €20.2 billion, up 7% vs. June 2023.

Monabanq's strategy of ramping up the development of online banking is yielding results, with deposits and savings up 27% to €1.2 billion.

The highlight of the year was renewed growth in the net interest margin after two straight years of decline. The increase in outstandings and pricing helped the net interest margin grow by more than €6 million compared with June 2023. In addition, higher fee and commission income (+€15 million) helped increase net revenue by €+25 million compared with the first half of 2023.

General operating expenses rose by €25 million and were impacted by an external acquisition, an increase in marketing investments (the first half of 2023 was still marked by a voluntary slowdown in the sales and marketing policy given the high market rates) and the automatic increases linked to business development.
Expenses rose by more than 6%.

The cost of risk was kept under control at 2.2% of outstanding loans. Collection has been more difficult in recent months, but recent production is on a positive track.

At €35.5 million, net income was up by 54% relative to the end of June 2023.

2.2.2. TARGOBANK Germany

TARGOBANK operates in over 250 German cities, meeting the needs of 3.8 million retail and business customers to whom it provides everyday banking, consumer finance, investment, insurance, factoring and leasing solutions. Since 2022, its offering also includes corporate finance, special financing, commercial real estate financing and payment services.

Net revenue rose by +9.0% at end-June 2024 to €1.043 billion.

At the end of June 2024, TARGOBANK's general operating expenses totaled €486 million, up +5.3% compared with the previous year.

The cost of risk rose by €72.2 million year on year to €247 million. This increase was mainly due to growth in the retail banking portfolio as well as the deterioration of the macroeconomic environment, which led to an increase in defaults and late payments in the retail segment. The recording of specific provisions for some corporate clients also contributed to the increase in the cost of risk in the first half of the year.

New personal amortizing loans came to €3.1 billion in 2024, up slightly relative to the first half of 2023.

In the retail segment, outstanding loans grew by 8.0% compared with end-June 2023 to €22.5 billion, while customer deposit volumes rose by 22% to €31.1 billion.

The retail business contributed €183 million to net income, +0.2% more than during the same period last year. The €76 million increase in net revenue from the retail business was mainly linked to growth in the interest margin.

Business activities (classified under banking network and business subsidiaries) showed a +29.2% increase in investment loans and leasing compared with June 2023, while factoring production decreased by -8.1%.

After raising the capital of its foundation to €10 million at the end of 2023, TARGOBANK strengthened its commitment to sustainable development and announced that it will complete one or two rounds of financing each year on specific topics. The first round of financing, launched in June, involves calls for proposals related to biodiversity preservation and restoration. A panel made up of foundation members, TARGOBANK employees and external experts will select the projects to be subsidized by the foundation. The foundation also continues to finance long-term partnership projects, such as the "Fit für die Wirtschaft" project, which it has supported since its launch in 2003 and which aims to familiarize younger generations with economic and financial issues.

Again this year and for the 18th straight time, TARGOBANK was among the companies named "Best Employer" by the "*Top Employers*" institute. In particular, the panel recognized the bank for the benefits it offers its staff, particularly in terms of social and environmental commitments. For example, in June 2024, the bank offered to subsidize purchases of solar panels by employees for their homes (total budget of more than €1.5 million).

In May, TARGOBANK published its first report on diversity and the initiatives taken in this area. For example, on May 25, 2024, it organized the first "DU_Kulturen_Festival" together with the city of Duisburg. The purpose of this event was to bring together people from different backgrounds and encourage exchanges between different cultures.

2.3 Business subsidiaries

Within retail banking, the support businesses – leasing, factoring and real estate – generated net revenue of €365.2 million (+8.7%) and net income of €87.2 million at the end of the first half of 2024 (vs. €62.4 million at end-June 2023). These figures are net of commissions paid to the network.

3 Insurance

(€ millions)	1st half 2024	1st half 2023	Change
Net revenue	**701**	**641**	**+9.3%**
General operating expenses	-87	-58	+49.0%
Gross operating income	**614**	**583**	**+5.3%**
Net gains and losses on other assets and ECC [1]	-1	-5	-77.8%
Income before tax	**613**	**578**	**+6.1%**
Income tax	-130	-135	-3.6%
Net income	**483**	**443**	**+9.0%**

[1] ECC = equity consolidated companies = share of net profit/(loss) of equity consolidated companies.

Groupe des Assurances du Crédit Mutuel (GACM), the insurance subsidiary of Crédit Mutuel Alliance Fédérale, is at the heart of the mutual banking and insurance model and benefits from numerous synergies, including the strength of the local networks and technological integration. The Group's insurance business protects the customer-members through offers based on a broad pooling of risks and useful, solidarity-based and differentiating services.

At €7.6 billion, GACM's written premiums increased by +4.0% at constant scope[1] compared to the first half of 2023.

This growth was driven by the highest level of savings & retirement premiums ever achieved at the end of June, after an already exceptional first half of 2023 (€4.3 billion, +3.6% compared with 2023). Most of these premiums were written in France, where they rose by +4.4%. At 29%, the share of unit-linked (UL) products remained stable. As in 2023, net inflows were positive (€1.2 billion), for both euro funds (€1.0 billion) and in UL funds (€0.2 billion).

Gross written premiums for property and casualty (P&C) and protection insurance totaled €3.3 billion, up by +4.6% compared to the first half of 2023 at constant scope. Property & casualty insurance grew by +5.8% and health, protection & creditor insurance by +4.0%. These increases were driven by the growth of contract portfolios across all business lines and by the tariff changes decided to cope with the sharp inflation in repair costs in P&C insurance and with the rise in health expenses.

However, these price increases will not take full effect until 2025. As a result, the GACM P&C insurance combined ratio under IFRS 17 deteriorated in the first half of 2024. It stood at 101.2%, compared to 96.3%[2] a year earlier. It was also impacted by rising claims expenses due to natural events, which amounted to €129 million before reinsurance in the first half of 2024 due to floods in January and May, compared to €91 million at the end of June 2023. To contain the increase in claims costs while improving the quality of services provided to policyholders, GACM is working on better control of its compensation chain in motor and property damage & liability insurance. The decrease in profit from P&C insurance in the first half of 2024 was offset by the increase in profit from health, protection & creditor insurance and savings & retirement insurance. Net insurance income[3] was therefore €701 million, up by +9.3% compared to June 30, 2023.

The increase in net insurance income is also related to rising GACM's net financial income, mainly due to growth in capital gains.

Lastly, GACM is a major contributor to Crédit Mutuel Alliance Fédérale's societal dividend, both *via* the Environmental and Solidarity Revolution Fund *(Fonds Révolution Environnementale et Solidaire)* and the removal of health questionnaires in creditor insurance. In 2024, GACM's contribution of €19 million to the sponsorship activities carried out by the Crédit Mutuel Alliance Fédérale Foundation will be more than double its 2023 contribution.

At June 30, 2024, GACM's net contribution to overall profits was €483 million, a +9.0% increase relative to June 30, 2023 (€443 million). The insurance business also generated €0.8 billion in commissions in the Crédit Mutuel Alliance Fédérale networks.

At June 30, 2024, GACM's IFRS shareholders' equity totaled €11.1 billion, stable compared to end of 2023. The increase in net income as of June 2024 is compensated by the dividends paid in respect of the 2023 financial year.

[1] Increase at constant scope, excluding GACM España. As a reminder, GACM España was sold to Axa on July 12, 2023. The increase relative to written premiums reported at the end of June 2023 was 1.4%.
[2] Excluding GACM España, net of reinsurance.
[3] Under IFRS 17, net revenue includes expenses related to insurance contracts, i.e. the vast majority of expenses. Only unrelated expenses are now included in general operating expenses.

4 Specialized business lines

Private banking and asset management, corporate banking, capital markets and private equity round out Crédit Mutuel Alliance Fédérale's banking and insurance offering. These four businesses account for 15% of net revenue[1] and 28% of net profit from operating activities.[2]

4.1. Asset management and private banking

(€ millions)	1st half 2024	1st half 2023	Change
Net revenue	**635**	**646**	**-1.8%**
General operating expenses	-457	-430	+6.3%
Gross operating income	**178**	**216**	**-17.8%**
Cost of risk	-21	-2	n.s.
Operating income	**157**	**215**	**-27.1%**
Net gains and losses on other assets and ECC [1]	0	2	-97.9%
Income before tax	**157**	**217**	**-27.7%**
Income tax	-44	-56	-21.4%
Net income	**112**	**161**	**-29.9%**

[1] ECC = equity consolidated companies = share of net profit/(loss) of equity consolidated companies.

Crédit Mutuel Alliance Fédérale's asset management and private banking business line encompasses:

- **the La Française group, which since January 1, 2024 includes: Crédit Mutuel Asset Management, La Française Systematic Asset Management, CIC Private Debt, Crédit Mutuel Gestion, La Française Real Estate Managers, New Alpha, CIC Market Solutions, Crédit Mutuel Impact, Cigogne Management, BLI, Dubly Transatlantique Gestion and the La Française AM Finance Services distribution platform;**
- **and Banque Transatlantique, Banque de Luxembourg and Banque CIC (Suisse).**

The total **net revenue** of both businesses fell by -1.8% to €635 million, mainly due to the sharp drop in the net interest margin (-12.6%) despite a slight increase in fee and commission income (+3.6%).

The net interest margin of private banking was down -15.2%, while fee and commission income rose by +9.4%.
Asset management's net revenue grew by +6.2% to €284 million, while net revenue from private banking was down -7.5% to €351 million.
Overall, **general operating expenses** were up +6.3%, including +5.8% for private banking and +6.8% for asset management.

The **cost of risk**, which came to €21 million (x13.3, i.e. +€20 million), was mainly concentrated in Banque CIC (Suisse) (+€21.9 million).

Net income fell by -29.9% to €112 million and breaks down as follows:

- -44.2% for private banking to €61 million,
- +1.2% for asset management to €51 million.

• ASSET MANAGEMENT [3]

Crédit Mutuel Alliance Fédérale has become a major committed and responsible player in asset management in France and Europe by combining, as of January 1, 2024, all third-party asset management structures within a multi-specialist asset management division. The La Française group[4], France's sixth largest asset management division[5], now encompasses 11 asset management companies[6] operating within Crédit Mutuel Alliance Fédérale.

On May 1, 2024, Crédit Mutuel Asset Management absorbed La Française Asset Management. On that same date, La

[1] Excluding intra-group transactions and holding company services.
[2] Excluding holding company services
[3] The income data mentioned in this section corresponds to the earnings of the entities and not their contribution to the earnings of the consolidated Crédit Mutuel Alliance Fédérale group.
[4] As of January 1, 2024, BFCM owns 60% of the La Française group and Caisse Régionale du Crédit Mutuel Nord Europe owns 40%.
[5] According to the IPE ranking, IPE "Top 500 Asset Managers" published in June 2023, based on assets under management as of December 2022.
[6] Crédit Mutuel Asset Management, La Française Systematic Asset Management, CIC Private Debt, Crédit Mutuel Gestion, La Française Real Estate Managers, New Alpha, CIC Market Solutions, Crédit Mutuel Impact, Cigogne Management, BLI, Dubly Transatlantique Gestion.

Française AM Finance Services absorbed Crédit Mutuel Investment Managers, thereby becoming the La Française group's sole distribution platform.

The La Française group offers a competitive and diversified product range through exposure to all listed asset classes (over 70% of the asset portfolio) and unlisted valuations (mainly real estate assets) sold by La Française AM Finance Service to a diversified French and international clientele. In addition, as a committed player, the group offers a sustainable investment range based on listed and unlisted assets.

At June 30, 2024, asset management revenues totaled €301.5 million with recurring income of €94 million. All asset management companies had a total of €183.7 billion in assets under management at end-June 2024.

Investors continue to have a strong interest in money market funds. Net inflows at June 30, 2024 totaled nearly €5.2 billion in Crédit Mutuel Asset Management's money market funds for assets under management of €46.4 billion.

Fixed-maturity bond funds, the flagship expertise of Crédit Mutuel Asset Management, benefited from investor enthusiasm, resulting in inflows of nearly €334.8 million for funds maturing after 2025.

Overall, assets managed by **Crédit Mutuel Asset Management** (post-merger with La Française Asset Management) exceeded €94 billion at June 30, 2024.

A key player in the real estate asset class within the La Française Group, **La Française REM** maintained its leading position in the French collective real estate market in a turbulent environment (REIT scope). La Française REM's real estate activity represented €29.2 billion in assets under management and recorded inflows of €470 million at end-June 2024. It is based on a sustainable approach with a focus on CSR issues, as recognized by the Pierres d'Or 2024 Green Innovation/CSR award.

In a volatile environment, structured products – EMTN created by CIC under the **CIC Market Solutions** brand – were a resounding success, with inflows of €1.62 billion, bringing the entity's assets under management to €13.62 billion.

The private debt activity carried out by **CIC Private Debt** represented €3.2 billion in assets under management at June 30, 2024. The first half of 2024 saw the successful fundraising campaign of CIC Mezzanine and Unitranche no. 6 and the launch of new offerings: the CIC European Large Cap Debt Fund 3 fund and the first CLO (Collateralized Loan Obligation) Victory Street. CIC Private Debt was ranked second among private debt funds for direct loans in France in 2023 by *DebtWire*.

Alternative management, offered by **Cigogne Asset Management,** continues to become more accessible through the new Cigogne UCITS Crédit Opportunities fund. At June 30, 2024, this fund had an annual performance that exceeded that at June 30, 2023 by +8.59%, is classified as an SFDR Article 8 fund and has more than €100 million in assets, just a year after its launch. Cigogne Asset Management had over €1.6 billion in assets under management at June 30, 2024.

NewAlpha Asset Management, an open architecture platform that specializes in manager selection across all asset classes, continues to grow. Internationally, NewAlpha rolled out a global equity mandate for the LACERA California public pension fund. In France, it began raising capital for the third year of its sustainability-focused FinTech fund in France. NewAlpha had €3 billion in assets under management at June 30, 2024.

In partnership with Funds For Good, **BLI** manages a range of three impact funds that have retained their *Towards Sustainability* label. The management company has €13.3 billion in assets under management and recorded redemptions of €842 million in the first half of 2024.

In the first half of 2024, assets managed by **Crédit Mutuel Impact** grew by nearly 27% compared with the first half of 2023, reaching €817 million at June 30, 2024. This significant increase was due to the continued roll-out of the Environmental and Solidarity Revolution fund, financed each year by Crédit Mutuel Alliance Fédérale's societal dividend. This sustainable impact fund seeks to amplify the transformation of production models and operate in key areas of the climate and environmental transition where significant funding is required and not enough players have emerged. The investments made during the first half of 2024 mainly focused on Better Production, Better Housing and Better Preservation of Ecosystems.

- **PRIVATE BANKING**

For **Banque Transatlantique,**[1] the first half of 2024 was marked by the resilience of its activities in a sluggish economic environment. Banque Transatlantique's business lines posted solid results both in France and abroad.

The buoyant sales activity of the various subsidiaries and business lines helped net revenue reach €108 million at end-June 2024 (€109 million in June 2023).
Relative to the end of June 2023, net interest income, partly limited by the increase in term deposits, was €25.9 million, down -36% and back to its end-June 2022 level (€26.1 million), while fee and commission income rose by +20% to €82.2 million.
Compared with the first half of 2023, general operating expenses increased by +10% to €69.5 million, reflecting the first investments made under the 2024-2027 strategic plan.
Net income fell to €27.3 million (€33.3 million at end-June 2023) and exceeded budget forecasts.
The cost/income ratio was 64.3%, up 6 points compared with the first half of 2023.

Outstanding loans amounted to €5.5 billion at June 30, 2024 (€5.3 billion at end-2023). Home loans provided by Banque Transatlantique France were down -33% compared with June 2023, while the average interest rate of home loans improved by 125 basis points to 3.86%.

Savings increased by +8.5% in the first half to €67.9 billion. All the subsidiaries and business lines posted solid growth in financial savings, which stood at €62 billion at end-June 2024 (€56.5 billion at end-2023).

Banque de Luxembourg[2] generated net revenue of €203.6 million at end-June 2024, down 5% compared with the same period a year earlier.

This change can be attributed to an 8% decrease in the net interest margin to €87.8 million, and to net fee income, which fell by -5% to €110.9 million.

General operating expenses totaled €128.2 million, a level similar to that at end-June 2023.

The cost of risk showed a net reversal of +€2.5 million (-€1.6 million in June 2023), which resulted in a positive change of +€4.1 million compared with June 2023.

Net income came to €58.5 million, down -4% compared with June 2023. Customer outstandings reached €127 billion at end-June 2024, an increase of +6% compared with June 2023.

During the first half of 2024, **Banque CIC (Suisse)** began to implement the measures set out in its ambitious strategic plan to serve the Swiss economy announced in late 2023[3].

Compared with the results at the end of 2023, the volume of customer deposits decreased by -3% to €8.8 billion. Financing activity was down slightly by -0.9% to €10.54 billion.

At the end of June 2024, net revenue was €109.6 million, down -15.2% compared with June 2023, reflecting the reduction in the Swiss National Bank's key interest rate and the increase in financing costs.

General operating expenses totaled €74.4 million, up +7.7% compared with the first half of 2023, mainly due to the expansion of the workforce (17 additional full-time positions for a total of 470 employees at June 30, 2024). Compared with June 30, 2023, the overall cost of risk was €21.90 million due to the increase in provisions for proven and non-proven risks (at June 30, 2023, the cost of non-proven risk showed a net provision reversal of €7.5 million).

All in all, at June 30, 2024, net income was down significantly by -81.0% to €9.7 million, impacted by increases in operating expenses and the cost of risk.

[1] Banque Transatlantique includes the following subsidiaries: Banque Transatlantique France, Banque Transatlantique London, Banque Transatlantique Belgium, Banque Transatlantique Luxembourg, Dubly Transatlantique Gestion (asset management business), Transatlantique Private Wealth (not consolidated but included in Banque Transatlantique's business revenues).
[2] Banque de Luxembourg includes Banque de Luxembourg Investments SA (asset management business line).
[3] As announced in the Press Release dated November 28, 2023.

4.2. Corporate banking

(€ millions)	1st half 2024	1st half 2023	Change
Net revenue	**335**	**296**	**+13.1%**
General operating expenses	-83	-87	-4.7%
Gross operating income	**252**	**209**	**+20.5%**
Cost of risk	-40	-64	-36.6%
cost of proven risk	-44	-97	-54.3%
cost of non-proven risk	4	34	-87.9%
Income before tax	**212**	**145**	**+45.5%**
Income tax	-56	-40	+39.8%
Net income	**156**	**105**	**+47.7%**

The corporate banking business line provides services to large corporate and institutional customers, based on a comprehensive approach to their requirements, both in France and at CIC's foreign subsidiaries (London, Brussels, New York, Singapore and Hong Kong). It also assists the "corporate" networks in their dealings with major customers and contributes to the development of international business and the implementation of specialized financing (acquisitions, assets and projects).

Corporate banking commitments remained stable at €65.7 billion, of which €24.5 billion were drawn.

Net revenue rose by +13.1% to €335 million at the end of the first half of 2024, driven mainly by the increase in the net interest margin. Business volumes remained strong, reflecting good sales momentum in terms of corporate clients and structured financing.

The cost of risk decreased, with a net increase in provisions of -€40 million compared with -€64 million at end-June 2023.

Net income therefore grew by +47.7% to €156 million at June 30, 2024 compared with €105 million at June 30, 2023.

The **structured financing activity** – acquisition finance, project finance, asset finance and securitization – was strong across all its business lines. Overall, loan production in the first half of the year was up compared with the same period in 2023, totaling €2.0 billion.

Net revenue[1] increased by +4.9% to €145.9 million. The cost of proven risk was zero (slight reversal), which helped generate good results across all business lines. Income before tax[1] stood at €110.3 million, up +7% compared with the first half of 2023.

The **large corporates (CIC Corporate)** activity, which provides long-term support for the development of listed and unlisted major French and foreign industrial companies and financial institutions, generated revenues of more than €500 million. Despite the geopolitical context, business volumes remained strong in the first half of 2024. The increase in net interest income and fee and commission income reflect CIC Corporate's strong sales activity, thanks in particular to a bank credit and bond market spurred by first-time loans, refinancing and amendments and extensions.

In an uncertain geopolitical environment, the teams of the **international business department** are focusing their efforts on offering solutions that ensure both the development and security of international operations:

- by providing corporate clients with support for their international development projects. For instance, 131 companies benefited from the services of CIC Aidexport and the representative offices during the first half of the year;
- by guaranteeing that exporters will be paid through confirmed documentary credit. The number of transactions rose by +12.2% during the half-year period vs. June 2023;
- by offering buyer or discount credit solutions without recourse to export supplier credit;
- by allowing companies to interact with their peers through the CIC International Club.

This first half of the year confirms the relevance of the unit made up of the branches in Brussels, London, New York, Singapore and Hong Kong and the 34 representative offices located on all continents.

[1] Management data.

4.3. Capital markets

(€ millions)	1st half 2024	1st half 2023	Change
Net revenue	**299**	**293**	**+1.9%**
General operating expenses	-142	-139	+2.0%
Gross operating income	**157**	**154**	**+1.8%**
Cost of risk	3	-1	n.s.
Operating income	**159**	**153**	**+4.2%**
Net gains/(losses) on other assets and ECC	-1	-0	n.s.
Income before tax	**159**	**153**	**+3.7%**
Income tax	-39	-41	-6.4%
Net income	**120**	**112**	**+7.4%**

CIC Marchés comprises the commercial capital markets business - under the CIC Market Solutions brand - for corporate customers and financial institutions, investment activity and the post-market services that support these activities.

The investment and commercial business lines continued to grow, with total net revenue up +1.9% to €299 million. **General operating expenses** increased by +2% to €142 million.

Net income, at €120 million, illustrates the good performance of this activity (+7.4%).

CIC Market Solutions continued to grow in the first half of 2024. IFRS net revenue[1] came to €118.9 million compared with €113.7 million at June 30, 2023, an increase of +5% despite a high basis of comparison.
During the first half of the year, the fund administration business joined the scope. Sales momentum remained strong for all activities.

During the first six months of the year, the **Investment business line** – including France and the New York, Singapore and London branches – generated net revenue of €169.1 million compared with €156.6 million in the first half of 2023. The net revenue of the various divisions in France and abroad was largely positive, particularly in New York.
During the first half of the year, the primary market was abundant regardless of the issuers, despite short-lived periods of volatility linked to the global geopolitical or French political environment.

[1] Excluding Singapore.

4.4. Private equity

(€ millions)	1st half 2024	1st half 2023	Change
Net revenue	**223**	**220**	**+1.3%**
General operating expenses	-45	-40	+13.4%
Gross operating income	**177**	**180**	**-1.4%**
Income before tax	**177**	**180**	**-1.3%**
Income tax	-2	1	n.s.
Net income	**175**	**181**	**-3.1%**

Crédit Mutuel Equity encompasses the group's equity financing businesses, from innovation capital, growth capital and buyout capital to infrastructure investments and M&A advisory services. Crédit Mutuel Equity finances development projects, mainly in France via eight regional offices in Paris, Lyon, Nantes, Bordeaux, Lille, Strasbourg, Marseille and Toulouse but also abroad through subsidiaries in Germany, Belgium, Switzerland and Canada.

Crédit Mutuel Equity invests Crédit Mutuel Alliance Fédérale's shareholders' equity in the capital of growth companies and makes commitments alongside management to promote innovation, growth and employment, thereby enabling them to complete the necessary transformation of their business models, create financial and non-financial value, and progress through the key stages of their development.

By providing companies with long-term financial resources adapted to the timing of their projects, Crédit Mutuel Equity strengthens their balance sheet to enable them to better withstand crises and pursue their development. Investing its own capital also allows it to align interests and share risks, challenges and strategic ambitions with management. The objective is to create lasting value, both economic and environmental and societal. Crédit Mutuel Equity emphasizes balanced financial arrangements to always ensure a fair redistribution of the value created from its transactions among all stakeholders: shareholders, managers and employees of the companies supported.

Of the 328 equity interests in the portfolio, one in three has been held for more than 10 years, demonstrating the relevance of its long-term commitment. However, the renewal of the companies supported is very dynamic and indicative of the organization's effectiveness: over the last three years, nearly €2.3 billion has been sold and a comparable amount has been invested in new transactions or reinvested in the portfolio companies to help them move through new growth stages.

In financial terms, more than €194 million was invested in the first half of 2024. Meanwhile, the investment portfolio now stands at €3.8 billion, demonstrating the strong momentum of these business lines in all segments, from venture capital to buyouts.

With €223 million in the first half of 2024, total income, three-fourths of which consists of capital gains generated by the portfolio, also remained strong, demonstrating the sound management of the portfolio companies in an uncertain economic environment.

After two years of very buoyant activity, CIC Conseil, which opened a new office in Marseille in April, finalized six transactions representing gross fee and commission income of €2.3 million in the first half of 2024.

Its contribution to net income was €175 million, close to that of the first half of 2023.

5 Other business lines: technology, logistics, media and others

This segment mainly comprises:

- **the "technology" business line, which includes the Group's IT companies;**
- **the "logistics" business line, including the logistics entities;**
- **the "media" business line with the EBRA group (Crédit Mutuel Alliance Fédérale's regional daily press group), which has nine regional daily newspapers and more than 1,400 journalists: *Le Dauphiné Libéré, Le Progrès, Le Bien Public, Le Journal de Saône et Loire, Le Républicain Lorrain, L'Est Républicain, Vosges Matin, Les Dernières Nouvelles d'Alsace and L'Alsace*. The nine publications have strong local roots and cover a total of 23 departments across the entire eastern part of France. The EBRA group operates various print and digital brands as well as an event offering with its subsidiary EBRA Events and video expertise via its subsidiaries EBRA Studios and EBRA Productions;**
- **holding company services**
- **since January 1, 2023, this segment has included a restatement related to the application of IFRS 17: the reclassification as net revenue of expenses incurred by the network for the distribution of insurance policies under "other business lines" to avoid skewing the analysis of the businesses' performance.**

Net revenue for the "Other business lines" segment was -€29 million compared with -€174 million at the end of the first half of 2023.

Gross operating income was positive (€66 million) and up relative to the end of the June 2023. This resulted from:

- a reduction in the net expense of holding company services;
- improvement the "media" business;
- an increase in income for technology related to higher prices and volumes as well as the deferral of certain expenses.

Focus on the media business

During the half-year period, the EBRA group continued to develop its digital subscriber portfolio, which was up 21% compared with the same period in 2023. Thanks to the support of Crédit Mutuel Alliance Fédérale, the introduction of the offering for young people as part of the societal dividend has already brought in 10,000 new subscribers between the ages of 18 and 25.

Revenues continue to be impacted by the structural decline in newspaper copy sales and the difficult advertising market. However, the roll-out of new communication products and services has offset a portion of this decline. This is the case for the "***trading desk***" advertising offering, which grew by 42% in one year.

The editorial offering of the EBRA group's newspapers also continues to evolve to meet the new expectations of readers thanks to the roll-out of several channels and formats on social networks. Along these lines, "Mission Europe", a multimedia editorial platform developed for the European elections, aimed to provide high-quality, verified, pluralistic and non-partisan information on all our media and social networks (WhatsApp, TikTok, Twitch, etc.).

A communication campaign that demonstrates the EBRA group's CSR commitments via a series of five 30-second episodes, called "La presse en circuit court", was launched on June 5, 2024. It highlights all the CSR initiatives that have been taken and whose benefits are visible and measurable (local distribution, eco-design, sustainable resource management, paper savings, waste management and reverse logistics, data and server security in France).

Lastly, efforts to diversify revenues continued with the acquisition in January 2024 of Gens d'Evénements, an agency that focuses on events as a tool to support transitions, with locations in Paris and Nantes.

Digital transformation and diversification do not yet fully offset the erosion of revenues from sales of printed newspapers. Nevertheless, efforts to control operating expenses have helped to reduce the impact of the decline in revenues on the Group's net income, which improved significantly compared with June 2023.

6 Additional information

6.1. Liquidity and refinancing

The 2023 year-end projections of a rapid and steep drop in interest rates in the euro zone and the US have been reduced significantly since the beginning of 2024. Given persistent inflationary pressures, short-term rates remained higher than expected with a long-term "inverted" yield curve.

However, inflation in Europe gradually improved over the months and the ECB was finally able to start its monetary easing cycle in June with a 25 basis point (bp) cut in its key rates (its first since 2019). This easing is expected to be gradual, however, with a single additional rate cut between now and the end of the year, based on some scenarios (still subject to a decision by the ECB).

This new phased, gradual downward trend in interest rates led to a rise in yields on the 10-year French treasury bond (OAT) of around 70bp in the first half of the year, recouping a portion of the sharp decline in 2023.

Since June 7, the surprise dissolution of the National Assembly has significantly increased political risk in France and volatility in the financial markets. The 10-year OAT continued to rise and the *OAT/Bund spread* rose from 48bp to over 80bp the day after the dissolution, demonstrating the idiosyncratic risk for France. The OAT/Bund spread dropped back to 65bp at the end of June 2024. This political crisis will make the much-needed improvement in French public finances more difficult.

As in 2023, the bond market continued to be very active with high and sustained demand from investors, enabling debt issuers to achieve their refinancing plans quickly. At the end of the first half of the year, Crédit Mutuel Alliance Fédérale met 72% of its requirements with €12.1 billion in bond issues.

In line with the trends observed last year, the high yields offered and the prospect of a rate cut fueled investor appetite in the first half of the year with a preference for long maturities.

Following the slight imbalance between supply and demand, the secondary market saw a tightening of spreads, barely impeded by the political crisis in June.

These political uncertainties complicate liquidity management, an issue that is again a major concern for banks. The Group will therefore need to seize on these quiet periods to quickly secure its refinancing in the second half of 2024.

In total, external funding obtained by Crédit Mutuel Alliance Fédérale in the markets stood at €161.7 billion at the end of June 2024, a +4.2% increase relative to end-December 2023.

Short-term money market funding (less than one year) totaled €57.7 billion at the end of June 2024, an increase of +9.8% compared with December 2023. It accounted for 36% of all market funding raised, two percentage points more than at the end of 2023.

Medium and long-term (MLT) funding totaled €104 billion at the end of June 2024, an increase of €1.3 billion (1.3%) compared with the end of 2023. In the period to June 30, 2024, Crédit Mutuel Alliance Fédérale raised €12.1 billion in MLT funding (of which €1.25 billion in prefunding for 2023), primarily under the BFCM name but also under Crédit Mutuel Home Loan SFH, the covered bond issuing entity with the best agency ratings. 78% of this MLT funding was raised in euros and the balance in foreign currencies (US dollar, pound sterling, Swiss franc and Australian dollar), thereby demonstrating the good diversification of the investor base.

Public issues and private placements represented 80% and 20% of the total respectively. The average length of medium and long-term funding raised as of June 30, 2024 was 6.7 years.

Refinancing program at June 30, 2024

Public issues in the period to June 30, 2024 had a total value of €9.7 billion and were made up as follows:
- BFCM in an EMTN senior format:
  - EUR 1.75 billion in senior format in a 7- and 10- year issue in May and January,
  - GBP 600 million in a 5-year issue in March,
  - CHF 310 million in an 8-year issue in January,
  - USD 1 billion in a 3-year issue in January in US144A format,
  - AUD 750 million in a 3-year issue in May in Kangaroo format;
- BFCM non-preferred senior EMTNs: €1.25 billion in an 8-year issue in November 2023 as part of the 2024 prefunding;
- BFCM Tier2 EMTNs: €1.5 billion in a 10-year issue in January;
- Crédit Mutuel Home Loan SFH: €2.75 billion in a 7-year issue in January and March.

LCR and liquidity buffer

For the consolidated group, Crédit Mutuel Alliance Fédérale's liquidity position is as follows:
- an average LCR of 178% in the first half of 2024 (vs. 162.8% in 2023);
- average HQLA (high quality liquid assets) of €123.7 billion, 77.2% of which is deposited at central banks (mainly the ECB).

The total liquidity reserves for the consolidated group break down as follows:

Crédit Mutuel Alliance Fédérale (€ billions)	06/30/2024
Cash deposited at central banks	84.8
LCR securities (after LCR haircut)	30.1
Level 1 HQLA included in the above	*24.6*
Other eligible central bank assets (after ECB haircut)	51.3
Total liquidity reserves	**166.2**

The liquidity reserve covers the vast majority of market funding due over 12 months.

Planned refinancing operations

The various amounts allocated by the EIB continued to be passed on to the final beneficiaries of the Crédit Mutuel Alliance Fédérale network in the first half of 2024. The allocation of the "EIB SME & Midcap III" package was finalized.

In addition, the "EIB Young Farmers & Climate Action II" and "EIB Medical Professions" packages are still in progress, enabling the relevant customers to receive support accordingly.

Lastly, following the signing of a new contract with the EIB in late 2023 dedicated exclusively to financing small and medium-sized renewable energy projects, a first drawdown of €60 million was made in early January 2024, followed by a second drawdown of €120 million in June 2024.

6.2. Outstanding loans and deposits

Customer deposits

(in € billions)	06/30/2024	06/30/2023	Change	12/31/2023
Current accounts	188.3	197.2	-4.5%	191.1
Livrets Bleu & A	55.9	51.4	+8.8%	54.2
Other passbook accounts	69.7	75.2	-7.3%	71.3
Mortgage savings agreements	34.7	39.9	-13.0%	37.7
Brokered deposits [1]	112.1	77.6	+44.4%	107.1
Other	16.8	19.2	-12.7%	19.7
Customer deposits	**477.4**	**460.5**	**+3.7%**	**481.1**

[1] Term deposits and PEPs.

Deposits totaled €477.4 billion at end-June 2024, up 3.7% year-on-year and down slightly by -0.8% compared with December 2023.

At June 30, 2024, inflows into *Livret Bleu* and *Livret A* passbook accounts were particularly high, with deposits up 8.8% year on year to more than €55.9 billion. This increase was mainly due to the continuation of favorable regulated savings measures, which resulted in an increase in interest on passbook accounts. Conditions in the financial markets encouraged customers to turn toward products that are both liquid and safe.
Brokered deposits (term deposits and PEPs) grew by more than 44% year on year, totaling €112 billion. Current accounts, by contrast, saw outflows of 4.5%, while home savings account deposits also fell by 13%.

Customer loans

(in € billions)	06/30/2024	06/30/2023	Change	12/31/2023
Home loans	264.1	258.1	+2.3%	264.9
Consumer credit	55.0	53.5	+2.8%	54.6
Equipment and leasing	142.7	138.0	+3.4%	141.4
Operating loans [1]	49.5	52.1	-5.1%	51.7
Other	11.2	8.3	+34.6%	9.4
Customer loans	**522.5**	**510.1**	**+2.4%**	**522.0**

[1] Current accounts in debit & cash flow loans.

At the end of the first half of 2024, outstanding loans totaled more than €522 billion, an increase of 2.4% year on year. Despite higher interest rates, outstanding loans grew in all the main loan categories:
- home loans rose by +2.3% to €264.1 billion;
- consumer finance rose by +2.8% to €55.0 billion;
- equipment loans and leasing receivables rose by +3.4% to nearly €142.7 billion;

6.3. Alternative performance indicators

Name	Definition/calculation method	For the ratios, justification of use
Cost/income ratio	Calculated from the consolidated income statement items: ratio of general operating expenses (sum of the items "employee benefit expense", "other general operating expenses" and "allocations/reversals of depreciation, amortization and provisions for property, plant and equipment and intangible assets") to "net revenue"	Measure of the bank's operational efficiency
Overall cost of customer risk related to the outstanding loans (expressed in % or basis points)	Cost of customer risk as stated in the notes to the consolidated financial statements related to gross outstanding loans at the end of the period	Allows the level of risk to be assessed as a percentage of the statement of financial position credit commitments
Cost of risk	"Cost of counterparty risk" item in the publishable consolidated income statement	Measurement of the level of risk
Customer loans/new loans	"Loans and receivables due from customers at amortized cost" item on the asset side of the consolidated balance sheet	Measurement of customer activity in terms of loans
Cost of proven risk	Impaired assets (S3): see note on "cost of counterparty risk"	Measurement of the level of proven risk (non-performing loans)
Cost of non-proven risk	12-month expected losses (S1) + expected losses at maturity (S2): see note on "cost of counterparty risk." Application of IFRS 9.	Measures the level of non-proven risk (for performing loans)
Customer deposits; account deposits	"Due to customers at amortized cost" item on the liabilities side of the consolidated balance sheet	Measurement of customer activity in terms of balance sheet resources
Insurance savings products	Life insurance- products held by our customers - management data (insurance company)	Measurement of customer activity in terms of life insurance-
Bank savings products, customer funds managed and held in custody	Off-balance sheet savings products held by our customers or under custody (securities accounts, UCITS, etc.) - management data (group entities)	Representative measurement of activity in terms of off-balance- sheet resources (excluding life-insurance)
Total savings	Sum of accounting deposits, insurance savings and bank financial savings	measure of customer activity in terms of savings
operating expenses, general operating expenses, management fees	Sum of the lines "employee benefit expense", "other general operating expenses" and "allocations/reversals of depreciation, amortization and provisions for property, plant and equipment and intangible assets" in the publishable consolidated income statement	Measurement of the level of general operating expenses
Net interest margin; Net interest revenue; Net interest income	Calculated from the items on the consolidated income statement: difference between interest received and interest paid: - interest received = item "interest and similar income" in the publishable consolidated income statement - interest paid = item "interest and similar expenses" in the publishable consolidated income statement	Representative measurement of profitability
Loan-to-deposit ratio; commitment ratio	Ratio calculated from items of the consolidated balance sheet: ratio expressed as a percentage of total customer loans ("loans and receivables due from customers" item of the asset side of the consolidated balance sheet) to customer deposits	Measurement of dependency on external refinancing
Return on assets (ROA)	The ratio of average return on total assets is calculated by dividing net income by the average of total assets over two years	ROA is an indicator of the bank's performance. It measures the income generated in relation to the assets mobilized
Total coverage ratio	Determined by calculating the ratio of credit risk provisions (S1, S2 and S3 impairments) to the gross outstandings identified as in default in accordance with the regulations (gross receivables subject to an S3 individual impairment)	This coverage ratio measures the maximum residual risk associated with total outstandings
Coverage ratio of non-performing loans	Determined by calculating the ratio of credit risk provisions (S3 impairments) to the gross outstandings identified as in default in accordance with the regulations (gross receivables subject to an S3 individual- impairment)	This coverage rate measures the maximum residual risk associated with loans in default ("non-performing loans")
Non-performing loans as a % of gross loans; CDL ratio	Ratio of gross receivables subject to an S3 individual impairment to average gross customer loans (calculated from the "loans and receivables due from customers" note to the consolidated financial statements: gross receivables + finance leases)	Asset quality indicator

6.4. Alternative performance indicators (APIs): reconciliation with the financial statements

(€ millions)

Cost/income ratio	1st half 2024	1st half 2023
Operating expenses	-4,712	-4,649
Net revenue	8,257	7,984
Cost/income ratio	**57.1%**	**58.2%**

Loan-to-deposit ratio	06/30/2024	06/30/2023
Net customer loans	522,513	510,090
Customer deposits	477,910	460,487
Loan-to-deposit ratio	**109.4%**	**110.8%**

Coverage ratio of non-performing loans	06/30/2024	06/30/2023
Provisions for impairment of non-performing loans (S3)	-7,478	-6,546
Gross receivables subject to individual impairment (S3)	16,307	13,938
Coverage ratio of non-performing loans	**45.9%**	**47.0%**

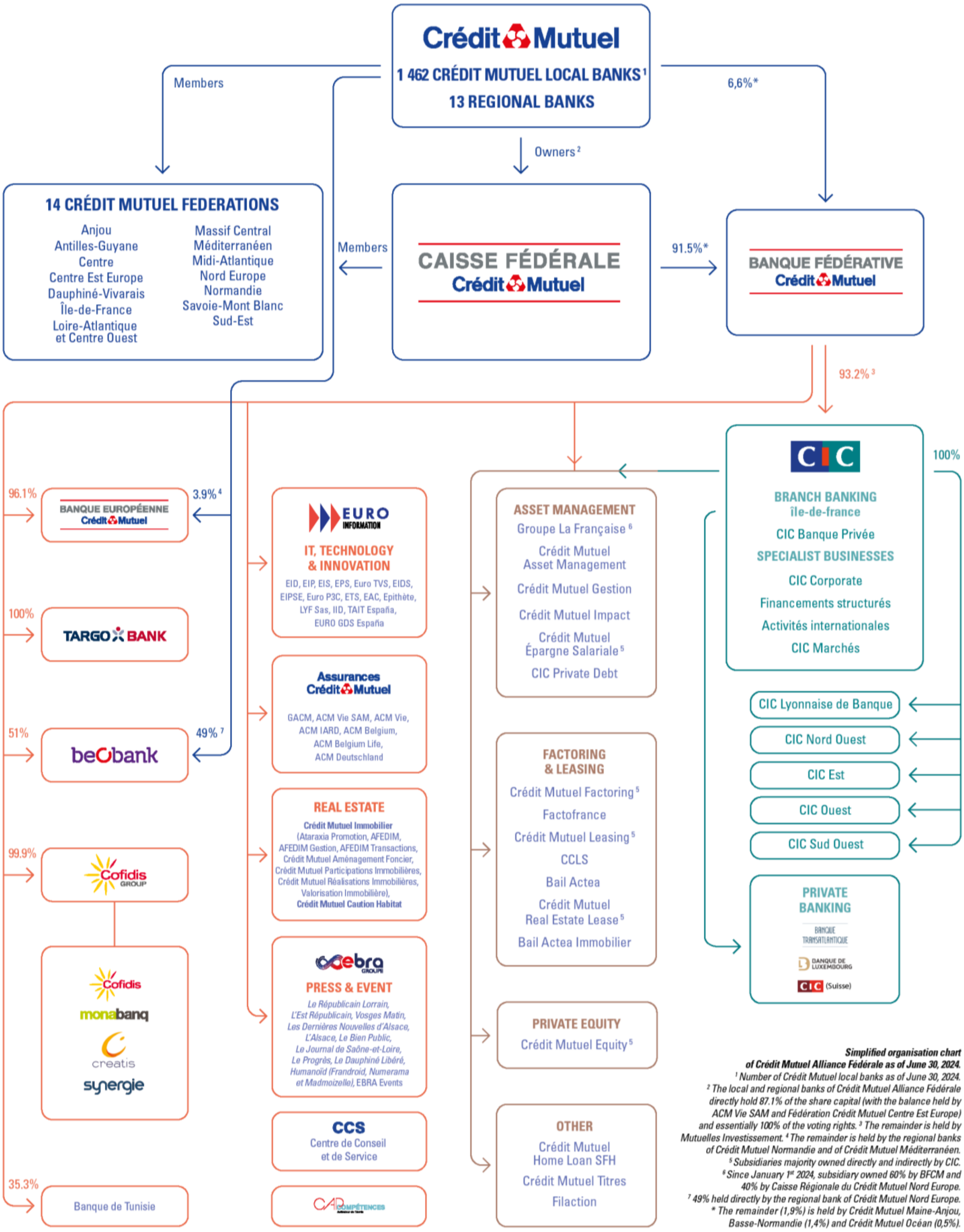
Total coverage ratio	06/30/2024	06/30/2023
Provisions for impairment of non-performing (S3) and performing (S1 and S2) loans	-10,614	-9,866
Gross receivables subject to individual impairment (S3)	16,307	13,938
Total coverage ratio	**65.1%**	**70.8%**

Non-performing loan ratio	06/30/2024	06/30/2023
Gross receivables subject to individual impairment (S3)	16,307	13,938
Gross customer loans	533,128	519,956
Non-performing loan ratio	**3.1%**	**2.7%**

Cost of customer risk as a ratio of outstanding loans - annualized	1st half 2024	1st half 2023
Cost of customer risk	-929	-632
Average gross customer loans	526,542	515,812
Cost of customer risk related to outstanding loans (in bp) - annualized	**35**	**24**

Return on assets (ROA)	1st half 2024	1st half 2023
Net income	2,032	3,925
Average assets	911,896	884,345
Return on assets (ROA)	**0.45%**	**0.44%**

7 Simplified organization chart of Crédit Mutuel Alliance Fédérale



Simplified organisation chart of Crédit Mutuel Alliance Fédérale as of June 30, 2024.

[1] Number of Crédit Mutuel local banks as of June 30, 2024.
[2] The local and regional banks of Crédit Mutuel Alliance Fédérale directly hold 87.1% of the share capital (with the balance held by ACM Vie SAM and Fédération Crédit Mutuel Centre Est Europe) and essentially 100% of the voting rights.
[3] The remainder is held by Mutuelles Investissement.
[4] The remainder is held by the regional banks of Crédit Mutuel Normandie and of Crédit Mutuel Méditerranéen.
[5] Subsidiaries majority owned directly and indirectly by CIC.
[6] Since January 1st 2024, subsidiary owned 60% by BFCM and 40% by Caisse Régionale du Crédit Mutuel Nord Europe.
[7] 49% held directly by the regional bank of Crédit Mutuel Nord Europe.
** The remainder (1,9%) is held by Crédit Mutuel Maine-Anjou, Basse-Normandie (1,4%) and Crédit Mutuel Océan (0,5%).*

8 Financial statements of Crédit Mutuel Alliance Fédérale

8.1. Balance sheet (assets)

(€ millions)	06/30/2024	12/31/2023
Cash and amounts due from central banks	89,979	97,504
Financial assets at fair value through profit or loss	40,945	33,892
Hedging derivatives	2,371	1,525
Financial assets at fair value through OCI	40,955	37,147
Securities at amortized cost	4,137	3,825
Loans and receivables due from credit institutions and similar, at amortized cost	68,272	66,843
Loans and receivables due from customers at amortized cost	522,513	521,951
Remeasurement adjustment on interest-rate hedged portfolios	-3,857	-2,086
Financial investments of the insurance activities	133,513	130,997
Insurance contracts issued - Assets	15	15
Reinsurance contracts held - Assets	313	312
Current tax assets	1,525	1,662
Deferred tax assets	1,220	1,131
Accruals and other assets	11,505	10,530
Non-current assets held for sale	0	0
Investments in equity consolidated companies	792	798
Investment property	305	311
Property, plant and equipment	4,379	4,131
Intangible assets	698	690
Goodwill	2,360	2,351
Total assets	**921,939**	**913,530**

8.2. Balance Sheet - Liabilities and shareholders' equity

(€ millions)	06/30/2024	12/31/2023
Central banks	31	31
Financial liabilities at fair value through profit or loss	24,964	17,940
Hedging derivatives	1,852	2,003
Debt securities at amortized cost	161,405	150,692
Due to credit and similar institutions at amortized cost	34,848	50,034
Amounts due to customers at amortized cost	477,410	481,095
Revaluation adjustment on rate-hedged books	-28	-27
Current tax liabilities	581	759
Deferred tax liabilities	495	501
Accruals and other liabilities	19,531	13,958
Debt related to non-current assets held for sale	0	0
Insurance contracts issued - liabilities	121,044	119,184
Reinsurance contracts held - liabilities	0	0
Provisions	3,556	3,477
Subordinated debt at amortized cost	12,165	11,502
Total shareholders' equity	**64,085**	**62,379**
Shareholders' equity - attributable to the Group	**62,029**	**60,364**
Capital and related reserves	8,082	8,063
Consolidated reserves	51,900	48,172
Gains and losses recognized through OCI	108	188
Profit/(loss) for the period	1,939	3,942
Shareholders' equity - Non-controlling interests	**2,056**	**2,015**
Total liabilities and shareholders' equity	**921,939**	**913,530**

8.3. Income statement

(€ millions)	06/30/2024	06/30/2023
Interest and similar income	18,679	14,693
Interest and similar expense	-14,279	-10,564
Fee and commission income	3,157	3,053
Fee and commission expense	-827	-777
Net gains on financial instruments at fair value through profit or loss	284	483
Net gains/(losses) on financial assets at fair value through OCI	-13	-90
Net gains/(losses) resulting from derecognition of financial assets at amortized cost	0	0
Income from insurance contracts issued	3,658	3,580
Expenses relating to insurance policies issued	-2,892	-2,873
Income and expenses relating to reinsurance contracts held	-51	-42
Financial income or expenses from insurance policies issued	-3,073	-4,329
Financial income or expenses relating to reinsurance contracts held	4	2
Net income from financial investments related to insurance activities	3,178	4,405
Income from other activities	783	765
Expenses on other activities	-351	-322
Net revenue	**8,257**	**7,984**
General operating expenses	-4,346	-4,286
Movements in depreciation, amortization and provisions for property, plant and equipment and intangible assets	-366	-364
Gross operating income	**3,545**	**3,335**
Cost of counterparty risk	-957	-679
Operating income	**2,587**	**2,656**
Share in net income of equity consolidated companies	13	14
Gains/(losses) on other assets	41	4
Changes in goodwill	0	0
Income before tax	**2,641**	**2,674**
Income tax	-609	-711
Net income	**2,032**	**1,962**
Income - Non-controlling interests	93	87
Group net income	**1,939**	**1,875**