



Annual
Report
2014

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Presentation of the CMNE Group



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Business in 2014 was conducted in a relatively lacklustre climate. The lifeless economy and low interest rates did not generate particularly favourable conditions for banking. At the same time, the overall cycle of change gathered pace: the rapid development of remote banking, new forms of customer behaviour and tighter regulations – particularly prudential – were all elements that prompted banks to adjust more quickly.

Yet despite the complexity of this environment, 2014 again saw entirely satisfactory commercial and financial results across the board from the Crédit Mutuel Nord Europe Group. The sustained business energy of our 4 461 staff, the commitment and dedication of our 1 578 elected bank officers and our 1.6 million customers and shareholders all made a significant contribution to the Group's development.

Bancassurance France performed very well commercially in 2014, illustrated by the success of structured funds and sales of AFEDIM new property products. We should also mention the success of the programmes to upscale the range of bankcards, the marketing of PEL home savings plans and the sale of major insurance policies.

On the other hand, while outstanding funds in current accounts increased, deposits of bank savings were sluggish, affected in particular by the low rates of interest paid on passbook savings accounts, as well as by debts reaching maturity. In the area of loans, despite the fall in rates, the difficult economic environment was behind the reluctance of many households to borrow, as well as the fall in the production of consumer and housing loans.

To maintain the link and quality of the banking relationship, regardless of the channels used by its customers, Crédit Mutuel continued to invest in Multi-Access and its range of online services. 2014 also saw the completion of the "New Branch Design" programme, which had run for 7 years in all. It has enabled us to redesign all of our points of sale and a total of 256 renovated outlets, located across all of our markets, now creates a magnificent 'shop window' for our bank, showcasing our aims and ambitions on behalf of our customers-shareholders.

For **Bancassurance Belgium**, one of the main highlights of the year was the restructuring of the Crédit Professionnel network. The various component companies of Crédit Professionnel, i.e. Crédit Professionnel sa itself and the regional banks, have now been grouped into a single entity: BKCP Bank. This reduces structural costs and works in favour of BKCP Bank's overall commercial strength.

Drawing on the benefits of its commercial development and customer awareness, Beobank rolled out a new internal organisation based on the model used by the CMNE Group. More generally, the "Convergence" programme was launched to identify and prepare to implement the operating synergies that exist between the two banks.

Activity for **Business Finance** in 2014 focused on relaunching the commercial dynamic of BCMNE. There was a notable development of outstanding medium and long-term financing, with the bank establishing relationships with new customers, SMEs and mid-caps, offering prospects for growth – particularly internationally. The financial leasing subsidiaries expanded their main growth drivers: the health sector for Bail Actea and investors for Nord Europe Lease.

Last year was a good one for the life insurance market in France. After returning to positive net receipts in 2013, the catch-up process gathered further speed in 2014, benefiting from the historically low yields generated by passbook savings accounts. However, the trend remains volatile, reflecting changes in the financial, fiscal and regulatory environment. In line with the whole of the market, the **Insurance** arm had to cope with the dual challenge of low interest rates and the introduction of Solvency 2. A new organisation was put in place to meet that challenge. The year also saw the acquisition of the Belgian business of MetLife Inc., which was renamed North Europe Life Belgium (NELB). This move will enable NEA to strengthen its business on the Belgian market, particularly in the area of life insurance and pensions.

Third-Party Management continued its partnerships and completed the Group's final reorganisation programmes, with La Française constituting a fourth business line focusing on financing the economy. At the same time, it confirmed its position as a leader in property and continued to develop internationally, taking its total outstanding management or consultancy funds to in excess of 48 billion euros by the end of the year.

Each of the different business arms contributed to the CMNE Group's good results, enabling it to consolidate its position. As a result of its continued controls on management overheads, the Group's consolidated NBI ended the year at 1 152 million euros, which was an increase of 7%. The consolidated net result was 229 million euros, an increase of 25%. These results demonstrate the Group's ability to deal effectively with the current listless economic situation and underline the relevance of its strategy.

CMNE also strengthened its financial base with 2.4 billion euros of prudential equity capital and an overall solvency ratio of 15.74%, including a Common Equity Tier One (CET1) ratio of 13.31%.

The Central European Bank published the results of its assessment of the leading banks in the eurozone at the end of October 2014. This included a detailed asset quality review (AQR) and a series of stress tests. The whole of the Crédit Mutuel Group emerged very strongly from the assessment.



Philippe Vasseur



Éric Charpentier

These results again highlight our ability to complete structural projects successfully. They also give us the strength we need to face up to the challenges of tomorrow. At the end of 2014 we began the thought process for our next strategic plan. 2015 will see the launch of the Medium-Term Plan 2020.

This new plan is designed to give us a dynamic and confident vision of our development – one that is open to our environment and capable of holding its own in the face of other banking competition.

We will have to deal with a whole range of challenges: the challenge of low interest rates, which always have an adverse effect on banking and its profitability; the challenge associated with the many regulations so beloved by the authorities and which hold the banks back in their aim to help guide the recovery in the economy; and, finally, the challenge of new technologies and changes to our customers' views of and approaches to banking, which are having such a profound effect on the banking relationship as a whole.

In a world where everything is becoming ever-faster, our obligation is to perform well and be efficient, so we must make adaptability part of our daily routine. The stakes are high, which means that we must continue our efforts to collaborate across all of our various business areas and ensure that the different channels combine to work on behalf of our customers and shareholders.

We have seen from the past that we are able to deal successfully with new challenges: 2015 and the years that follow will confirm that ability.

Philippe Vasseur
Chairman

Éric Charpentier
General Manager



● Group Highlights in 2014

Bancassurance France:

- Completion of the New Branch Design programme.
- Strengthening of the network, with 2 new branches: Breteuil and Bezannes.
- Multi-Access as part of commercial programmes.
- Development of the strategy on digital.
- Exceptional year for PEL home savings plans (up 60% over 2013).
- Successful issue and sale of 3 structured loans and 2 RSN products.
- Excellent year in property-related receipts: SCPI, AFEDIM.
- 7 090 "CMNE appointments" made in 2014.

Bancassurance Belgium:

- New commercial organisation and internal reorganisation at Beobank.
- Transfer of BKCP scrl and OBK scrl business CP sa, now renamed BKCP Bank.
- Launch of the Convergence project aimed at rationalising the organisation and optimising synergies between the two banks.
- Implementation of intragroup synergies with La Française and NEA.

Business Finance:

- Strengthening of the commercial organisation.
- Sharp rise in prospection and business with self-employed customers.
- Development in the production of investment finance for BCMNE.
- Strengthening of the main growth drivers for financial leasing (health sector for Bail Actea and investors for Nord Europe Lease).

Insurance:

- Good year for the life insurance market in France, beneficial for ACMN Vie.
- Rise in the production of life insurance and pensions.
- Rationalisation of the IT organisation.
- Preparation for the issues of Solvency 2.
- Acquisition of MetLife Belgium, renamed North Europe Life Belgium (NELB).

Third-Party Management:

- Partnerships with Tages Capital, JK Capital, Cushman & Wakefield Investors, Acofi.
- Consolidation around four business lines.
- Outstanding funds under management at a historic high (more than 47 billion euros).



● CMNE is...

- **A pioneer and leader in Bancassurance**, itself an original concept in the banking relationship.
- **CMNE has a transparent cooperative status:** it is a participative organisation that links directors closely with staff members.
- **A Group structured into five business areas:**
 - Bancassurance France
 - Bancassurance Belgium
 - Business Finance
 - Insurance
 - Third-Party Management
- **Federal departments located in Lille and Arras** supporting the network of **154 local branches** and **15 BCMNE business centres** dedicated to companies.
- Offices in **Paris** and **Brussels** for the **Belgium, Insurance and Third-Party Management businesses**.
- CMNE operates in:
 - **7 départements** in France, spread across the 3 regions of Nord-Pas-de-Calais, Picardy and Champagne-Ardenne,
 - **Belgium**, through BKCP Bank and Beobank,
 - **Luxembourg**

● Key Figures (at 31/12/2014)

> People

Customers and Shareholders ⁽¹⁾	1 606 380
Directors	1 578
Salaried staff	4 461

> Networks

Local branches ⁽²⁾	557
ATMs ⁽³⁾	670

> Business (in millions of euros)

Outstanding accounting resources	15 804
Outstanding financial savings and Insurance	50 950
of which Insurance	12 522
Outstanding loans	15 832
Insurance policies (number)	1 272 945

> Balance sheet (in millions of euros)

Consolidated total	41 737
Statutory equity capital under Basle III	2 421

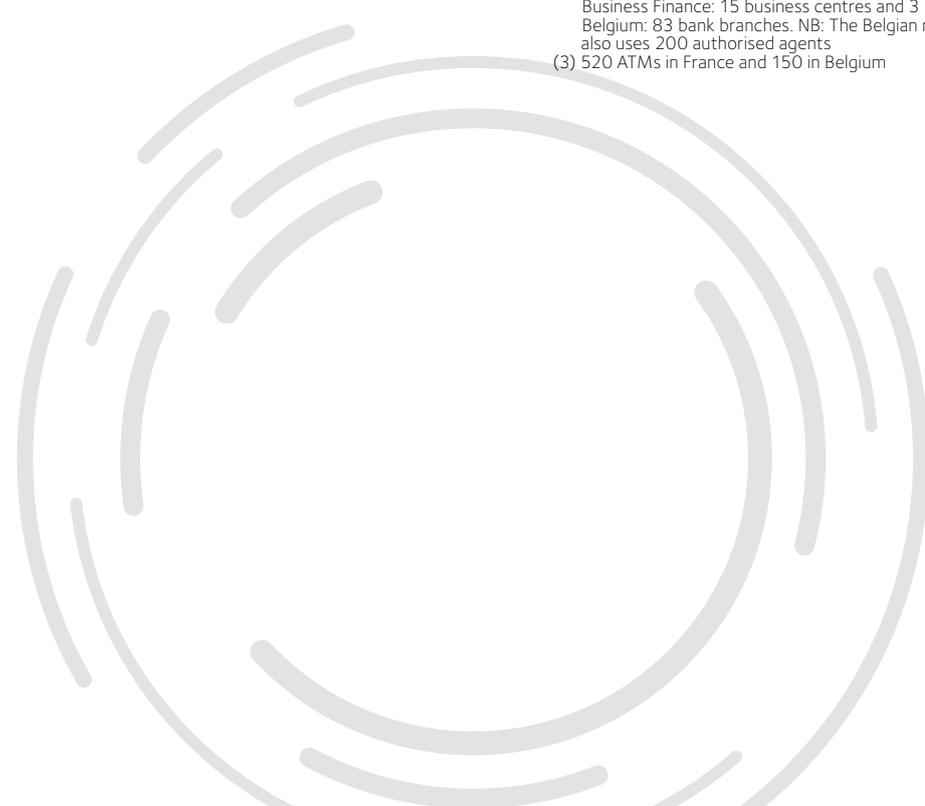
> Results (in millions of euros)

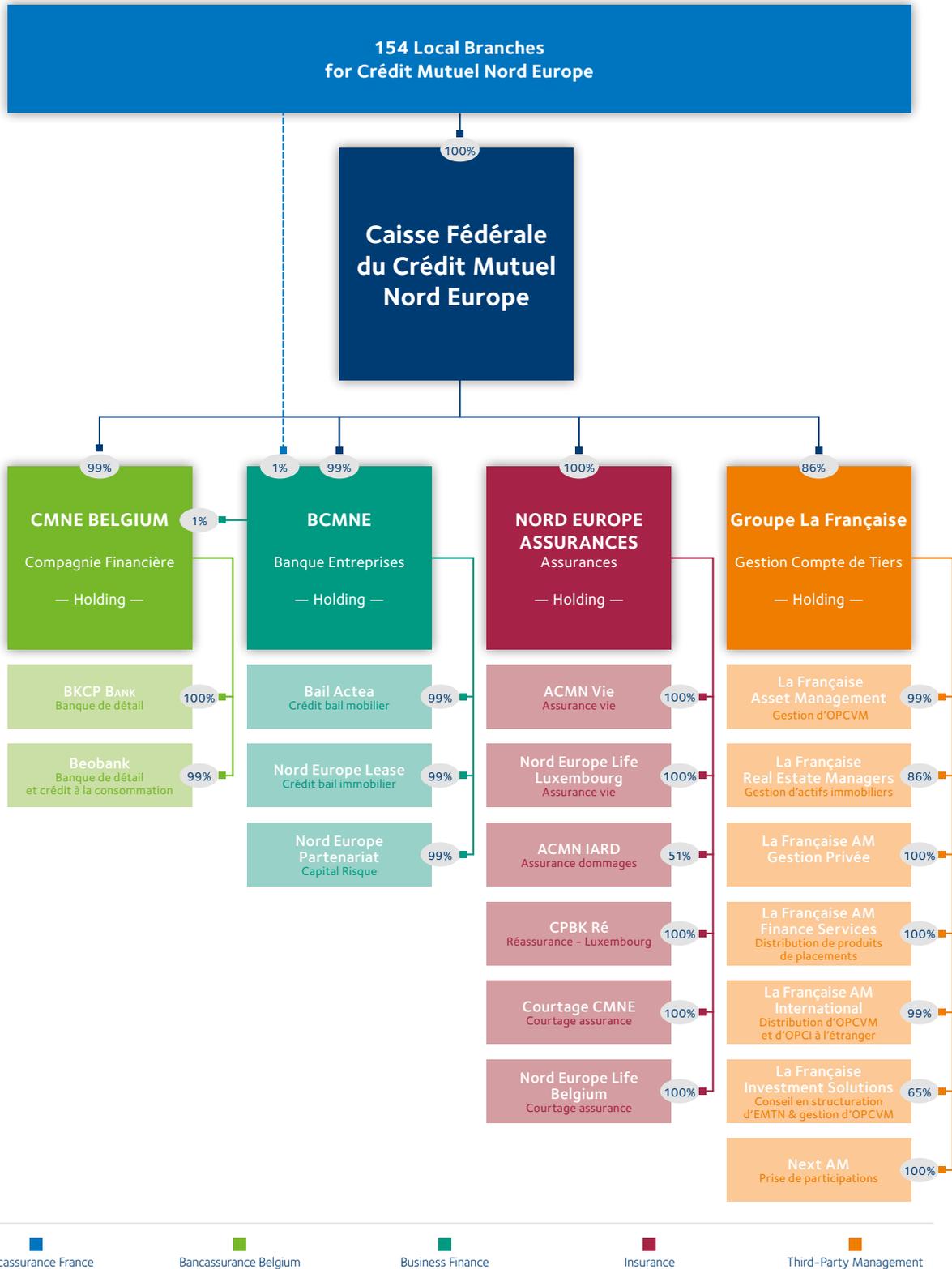
Consolidated net banking income	1 152
Consolidated net accounting profit (share of group)	229

> Ratios

Basle III solvency ratio , Common Equity Tier One (%)	13.31
Overall Basle III solvency ratio (%)	15.74

- (1) Customers of the networks, France and Belgium.
 (2) Bancassurance France: 256 outlets
 Business Finance: 15 business centres and 3 branches
 Belgium: 83 bank branches. NB: The Belgian network also uses 200 authorised agents
 (3) 520 ATMs in France and 150 in Belgium





Situation at 31/12/2014

Implantation





2015 has opened on a gloomy outlook. Revising its forecasts downwards, at the end of January the IMF announced that world gross domestic product (GDP) would only rise by 3.5% in 2015.

● Economic trends

World growth is based mainly on a recovery in the **United States**, where the prospects for job-creation have brightened, low oil prices should continue in 2015 and interest rates are likely to remain very low.

The **Eurozone** should see inflation stay at its current levels, which will not encourage any significant recovery in growth, forecast at 1.1% (compared with 0.8% in 2014). While the decline in the euro (down from 1.40 dollars in May 2014 to 1.12 by mid-January 2015) makes European products proportionately less expensive on the global market, investment still remains at a standstill.

In the meantime, on 22nd January 2015, the European Central Bank announced the beginning of a substantial Quantitative Easing programme to buy up assets. Put another way, the ECB has given itself the wherewithal to inject 1 140 billion euros into the economy by September 2016, with the aim of kick-starting the economy.

In **France**, the International Monetary Fund raised its growth forecast in April to 1.2% in 2015, followed by 1.5% in 2016. For its part, the French government has based its 2015 budget on a growth forecast of 1%, although it acknowledges that growth could be higher and has also settled on a figure of 1.5% for 2016.

Regardless of low prices, household consumption is slowing down and despite the Tax Credit for job competitiveness, business margins are not improving. The budget deficit ended 2014 at 4%, compared with the 4.4% anticipated. Bercy hopes to see it fall to 3.8% in 2015. With public debt rising less quickly, the symbolic mark of 100% of GDP should not be exceeded.

The production of new legislation and regulations has accelerated since the beginning of the financial crisis. The heightened liquidity requirements under Basle III, the proposed separation of retail banking and investment banking, and the Markets in Financial

Instruments directive (MiFID II) are just some of the examples of the new constraints imposed on the banks. European banking supervision also became a reality on 4th November 2014, leading European banks to conduct a review of their assets and their ability to pass the ECB's stress tests. It is feared that this may lead to excessively cautious behaviour on the part of banks when it comes to granting loans.

The second main line of European Banking Union is designed to establish a system of recovery and resolution for banking defaults in each country, with new ratios for equity capital. These measures will be supplemented by the Single Resolution Mechanism (SRM) and a Single Resolution Fund (SRF).

The insurance industry has not escaped measures, either, whether it's the Hamon Act (cancellation of contracts, mortgage insurance, group actions, etc.), the effects of ANI (National Interprofessional Accord) on individual and collective health, or Solvency 2 (weighting of assets based on their level of risk: volatility, liquidity, counterparty quality, etc.).

● Group outlook

In 2014, which was year 3 of the MTP 2015, **Bancassurance France** continued its personalised, segment-based approach and efforts to development the various channels. A good number of priority projects passed significant milestones in their development. In 2015, the work of the MTP will be finalised across the four main areas, prioritising profitable development:

- Through its work on **Proximity**, CMNE will further its efforts to promote customer loyalty and continue its personalised approach per segment. It will roll out a new tool aimed at improving its responsiveness to customer requests in multi-channel mode and will strengthen its local media communication by making the most of digital.
- **Modernity** will aim to convert technological innovations into commercial opportunities, as well as develop distance sales procedures and adjust payment methods (*automatic payment systems, B@d, chequebooks, etc.*) to technical developments and consumption patterns.

Recent trends and outlook

- In terms of **Profitability**, CMNE will strengthen its commercial productivity by developing opportunities to gain share in multiple markets. It will finalise the implementation of processes focusing on customer satisfaction, continue to develop intra-Group synergies and optimise the property management of its many sites.
- **Responsibility** is all about continuing to develop skills and the versatility of staff, as well as having management that excels through its performance. Taking a responsible approach and mutualistic commitment also remain strong directions, in particular through the CMNE Foundation.

In 2015, **Bancassurance Belgium** will continue the convergence programme between Beobank and BKCP Bank. At the same time, developing the commercial dynamic will remain an absolute priority.

The acquisition of **MetLife Belgium** in October 2014 by Crédit Mutuel Nord Europe through its insurance subsidiary, Nord Europe Assurances SA (NEA), illustrates the company's active involvement in CMNE's business in Belgium. The trading name has now become **North Europe Life Belgium**.

Operating in what continue to be difficult economic conditions, **Business Finance** aims to maintain the commercial energy displayed in 2014 by gaining new customers. This will enable the level of outstanding funds to be increased and boost results, which should lift to a higher level.

BCMNE will continue to focus on SMEs of a particular size in its commercial approach, as well as on mid-sized companies. Bail Actea will extend its sales programmes to the health sector, which offers fine prospects. It will also underline the synergy with Bancassurance on financial leasing to agriculture and professionals. Finally, Nord Europe Lease will expand its business campaign to include investors, while at the same time progress in property outsourcing solutions.

For **Insurance** – and despite an economy that is still weak – the environment for life insurance should remain favourable overall in France and Belgium. There is a need for caution in the light of the historically low level of bond yields, as well as the regulatory requirements on equity capital, which are currently enabling the company to comply with the new standards imposed by Solvency 2.

This new financial and regulatory environment underlines the need to offer relevant alternatives to funds in euros, with account units that meet the requirements of customers. The growing need for protection on the part of French and Belgian customers is also an opportunity for diversification. The Insurance arm of the company must know what position to adopt in this area, both in terms of prudential and retirement products.

2015 will be dedicated to strengthening the range of Prudential account units, as well as to guiding the distribution and customer networks in this proactive approach. With this in mind, Beobank will roll out a Family Protection Plan and Funeral Plan, in addition to a Branch 44 offering.

Third-Party Management will complete its transformation. After several years of significant investments, 2015 will see the La Française group reach maturity after the completion of a final strategic partnership based around the distribution in Europe of expertise on American securities. Organic growth, with the release of new Group businesses and the introduction of a policy to tighten operating overheads, will be the defining directions taken in 2015 and the years beyond.

The aims of the La Française Group in 2015 will be to develop its four areas of excellence:

- Property Securities, by taking a more aggressive commercial approach through highlighting open funds and the launch of innovative products created in accordance with strategy partners;
- Property, by marketing and selling an overall, differentiating offering in France and internationally;
- Investment Solutions, by continuing to roll out the offering to external clients;
- Direct Finance, through the development of new products aimed at institutional investors.

While still handling the day-to-day management of its various structures, the Group is looking to the future, already commencing work on its **MTP 2020**.

The MTP presented in 2011 took into account a number of trends that have since been confirmed and gathered speed: changing customer profiles, new demands, advances in technology that have speeded up changes and developments in distribution models, plus the consolidation and industrialisation of the various players in the marketplace.

The banking environment has also become more complex, with persistently low interest rates putting a squeeze on margins, higher costs linked to regulation and tax matters, stagnating or trend-related falls in NBI linked to pressure from consumers and the advent of new forms of competition.

It is against this background that the CMNE Group has now started working on its **MTP 2020**. Numerous working groups were set in motion in the autumn of 2014 to examine the prospects for the “phygital” bank, knowledge of customers and management. This work will come to a conclusion on 29th September 2015 at the “Convention” that will bring together the bank's elected officers and staff at the Zénith venue in Lille.

The challenges that CMNE will address will enable it to bolster its strengths, speed up the growth of its revenue and develop its services as part of the logic of integrating all of its activities.

Businesses structured into specific areas



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In 2014, against a constantly changing background, Crédit Mutuel Nord Europe continued to retain the trust and confidence of a million customers-shareholders by building an ongoing relationship with each and every one of them, geared to tracking the events of their lives.

To do that, CMNE developed a personal product offering and dedicated communication, focusing its businesses deliberately on the "Multi-Access" approach so that it could meet the new contact methods expected by its customers-shareholders.

● Business

> An upgraded network

The CMNE network was strengthened further in 2014 with the creation of two new sales outlets: one in Breteuil (60) and the other in Bezannes (51).

The refurbishment programme for all of its branches was also completed, with the reopening of the Lille Liberté branch on 19th December 2014, marking the end of the major "New Branch Design" project.

This project began in April 2007 and overall has involved the renovation of 256 sales outlets across all seven départements, giving our network a uniform visual appearance and method of operating. The refurbished branches provide better security, customer reception and overall working conditions. They demonstrate the attention that CMNE gives to its physical network in a world where the digital aspect of banking is expanding rapidly. The bricks-and-mortar branch, although accommodating lower levels of physical customer traffic than before, remains central in the customer-shareholder relationship.

> A personalised customer offering and dedicated communication

After successfully testing its "CMNE Appointments" in 2013, the bank rolled out the programme to all of its branches in 2014. These information sessions, open to existing and potential new customers-shareholders, enable a straightforward theme to be presented in the space of thirty minutes, based on a formula designed to promote exchange and feedback. More than 7 000 "CMNE Appointments" were held during 2014, covering twenty or so everyday banking topics: bankcards, protection against theft, online security, remote banking and so on. At the same time, "Asset Management Workshops" were also launched on themes relating to asset assessment.

> Sustained commercial activity

2014 saw the strengthening of CMNE's commercial efficiency through its structures for leadership and network support. The "equipment" used by our customers in terms of products and services continued to advance in 2014. The stock of bankcards is still developing, under the combined effect of the results from the programme to issue more supplementary cards and high-end cards. With 86% of our customers now using a multi-service Eurocompte account, greater effort was focused on upgrading them.

Also noteworthy was the fine performance by AFEDIM (property sales), with 523 reservations approved in 2014 and 313 Zeninvest mandates (rental guarantees), which was an increase of 38% compared with 2013.

In IARD property and accident insurance, over 60 000 policies were taken out through the new Multi-Risk Home cover. In other insurance and prudential cover, the volume of new business saw the number of policies rise by 7.3%. Following on from a strong 2013, 30 000 more Life Assurance Accident and Family Security policies were also written.

> Multi-Access at the heart of our strategy

CMNE continued to add to its digital offering. The website at cmne.fr was constantly adjusted to accommodate new user habits and all of the additional digital media. The year saw a series of innovations, such as the launch of new apps for tablet devices. The milestone of 6 million monthly connections was passed at the end of the year, driven by the volume generated by the mobile app.

Almost 1.9 million customer contacts were handled in 2014 by the Customer Relations Centres. CM Direct, a platform dedicated to non-local customers took 75 000 calls. Production for CMN Accueil rose by 15.62%, compared with 2013, to reach 185 000 products and services.

● Savings

The continued fall in interest rates worked to the disadvantage of passbook savings accounts and in particular of the Livret A, for which returns were reviewed downwards on 1st August 2014, falling to 1% - its lowest level ever.

Total outstanding savings, excluding current accounts, reached 17 110 million euros, a rise of 1.50% compared with 2013, while net deposits were 100.17 million euros.

Of note were the fine performances recorded for PEL home savings plans, for financial savings with the placement of two Redeemable Subordinated Notes, and for life insurance (supported by 3 issues of structured loans).

Deposits in C Shares, although lower than in 2013, made up for withdrawals in B and F shares.

In millions of euros

	Deposits 2014*	Current funds end 2014	Changes to current funds 2013/2014
Bank savings	-194	7 489	-1.42%
Insurance savings	147	6 828	3.03%
Financial savings	146	1 564	11.24%
Shares	2	1 228	0.15%
TOTAL	100	17 109	1.50%

* net deposits for insurance savings

> Bank savings severely affected

After 4 successive years of positive deposits, Livrets A and Livrets Bleus recorded withdrawals of 85 million euros (compared with deposits of 112 million euros in 2013). This withdrawal trend also affected Livrets Fidélité, LEP, Livret Jeune and LDD accounts.

2014 was an exceptional year for PEL home savings plans, with 48 371 policies taken out (up 40% compared with 2013) and deposits of 165 million euros.

2014 also saw 190 million euros in term accounts reach maturity.

> Financial savings boosted by the issue of two Redeemable Subordinated Notes

In financial savings, deposits were 146 million euros, compared with withdrawals of 68 million euros in 2013. This was driven by the success of the Redeemable Subordinated Notes issued during the year. The "Essentials" range continued to advance, while stocks of PEA rose by 11%.

> Life insurance up again

In insurance savings, net deposits increased by 14% over 2013, reaching 147 million euros. The impetus for this rise came from 3 structured bond issues across the year for 100 million euros.

> Outstanding funds in current/cheque accounts increased by over 6%

In the current gloomy financial climate, some customers prefer simply to sit on their hands and leave their money in their current account. Average outstanding funds in these current accounts rose by 6.41%, to the detriment of bank savings, which fell by 1.42%.

● Loans

Interest rates for loans have never fallen as low as they did in 2014. But for all that, the property market remained listless and the construction of new homes was badly affected.

Despite the exceptional conditions for borrowing, the production of housing loans fell nationally by 2.9% in 2014, with the number of loans granted also down by 5.8%. Consumer loans, which suffered from the combined effects of poor savings returns, the economic slowdown and the Lagarde Act, again fell. The proportion of households in debt fell to its lowest point since 1989.

In line with the marketplace, the production of loans at CMNE was down by 9.6% (1 932 million euros, compared with 2 137 million euros in 2013).

Average outstanding loans were steady at 9.4 billion euros. The margin on production rose by 7 cents to 2.11%, helping to improve the margin on outstanding loans (+12 cents to 0.73%).

In millions of euros

	Revenue 2014	Current funds end 2014	Changes to current funds 2013/2014
Consumer	492	938	-5.56%
Housing	1 092	6 766	1.70%
Business	348	1 721	-1%
TOTAL	1 932	9 425	0.43%

> Revenue from housing loans down in a lacklustre market

The production of housing loans was 1 092 million euros. Although it retained its market share, revenue in this area at CMNE fell by 13.5%, in line with the negative trend in the market.

Outstanding loans rose by 1.7% to 6 766 million euros, boosted by production and fewer early repayments than in 2013.

> Consumer loans follow the market trend

French consumers have been less inclined to take out loans during the current crisis period. The poor yields on savings passbook accounts are probably also not encouraging them much to save, either. As a result CMNE, along with the rest of the market, saw a decline in its production of consumer loans.

Consumer and renewable loans fell by 4.53%, with market share down by half a point. In retail, Passport loans rose by 3% (from 199 million euros to 205 million euros), while renewable loans increased by 5.1% to reach a new record high of 98 million euros. Other consumer loans were down by 15.2% (from 224 million euros to 190 million euros).

> Non-personal loans

Non-personal loans ended 2014 down on 2013 (348 million euros, or 3.4% lower), while new agricultural loans remained stable at 188 million euros.

Retail banking results in France are measured within the scope of the Caisse Fédérale and the network of Local Branches. Added to this is Immobilière du CMN, which with the associated SCI property investment partnerships, carry the operating property business. Its contribution to the consolidated accounts of the CMNE Group can be seen from the figures below:

IFRS consolidated accounts in thousands of euros

ASSETS	31/12/2014	31/12/2013 adjusted*	Variations
Financial assets by fair market value by result	464 266	444 179	20 087
Derivative cover instruments	103 654	67 848	35 806
Financial assets available for sale	3 468 163	3 233 076	235 087
Loans and debts on credit establishments	5 675 145	5 806 634	(131 489)
Loans and debts on customers	9 641 849	9 564 630	77 219
Difference in revaluation of portfolios covered on rates	29 595	13 508	16 087
Assets held to maturity	441 064	941 600	(500 536)
Accruals and miscellaneous assets	348 384	364 751	(16 367)
Holdings in equity companies	-	-	-
Tangible and intangible fixed assets	179 176	178 677	499
TOTAL	20 351 296	20 614 903	(263 607)

LIABILITIES	31/12/2014	31/12/2013 adjusted*	Variations
Financial liabilities by fair market value by result	249 747	223 309	26 438
Derivative cover instruments	144 198	104 669	39 529
Debts to credit establishments	2 496 946	2 981 818	(484 872)
Debts to customers	9 773 821	9 735 677	38 144
Debts represented by a security	4 623 063	4 943 824	(320 761)
Difference in revaluation of portfolios covered on rates	-	95	(95)
Accruals and miscellaneous liabilities	550 757	452 185	98 572
Provisions	16 790	19 883	(3 093)
Subordinated debts	370 126	150 390	219 736
Minority interests	397	8 038	(7 641)
Equity capital excluding result (share of Group)	1 982 061	1 873 917	108 144
Result for the period (share of Group)	143 390	121 098	22 292
TOTAL	20 351 296	20 614 903	(263 607)

PROFIT-AND-LOSS ACCOUNT	31/12/2014	31/12/2013 adjusted*	Variations
NET BANKING INCOME	510 865	494 059	16 806
Overheads	(323 705)	(318 681)	(5 024)
GROSS OPERATING PROFIT	187 160	175 378	11 782
Cost of risk	(17 058)	(21 374)	4 316
OPERATING PROFIT	170 102	154 004	16 098
Share of companies consolidated using the equity method	-	-	-
Gains or losses on other assets	(2 772)	(1 338)	(1 434)
OPERATING PROFIT BEFORE TAX	167 330	152 666	14 664
Tax on profits	(23 947)	(31 437)	7 490
Profits & loss net of tax/abandoned businesses	-	-	-
TOTAL NET PROFIT	143 383	121 229	22 154
Minority interests	(7)	131	(138)
NET PROFIT (share of Group)	143 390	121 098	22 292

* adjustments associated with the implementation of IFRS 10

Notes and clarification:

The balance sheet total fell by 263 million euros, mainly as the result of reimbursing loans granted to BKCP and the maturing of securities in the counterparty borrowing portfolio entered in the liabilities.

Outstanding debts represented by a security cover the bond issues of 820 million euros offset by the maturing of negotiable debt securities and CRH loans. The increase in subordinated debts is the result of the issue of RSNs eligible for Tier 2 in prudential equity capital.

Changes in customer deposits were associated mainly with the increase in funds available in current accounts, minus payments made on term accounts.

Equity capital rose in view of the allocation of funds to reserves for the 2013 financial year and the positive impact of latent profits and losses, while company share capital remained stable.

In the profit-and-loss account, NBI benefited from the improvement in the margin released on customer activity and favourable borrowing conditions on the markets; by contrast, commissions were impacted negatively by regulatory measures and the reduction in early repayments. Changes in general overheads related mainly to staffing costs and expenditure on premises as part of the rollout of the New Branch Design.

Cost of risk relates only to the customer business and remains under control with regard to the economic context.

Businesses structured into specific areas





2014 was an important year for the business in Belgium. During the year, BKCP Bank simplified its structures and Beobank conducted an internal reorganisation. In addition, the “Convergence” programme was launched to identify and prepare for the operating synergies between the two banks.

Constructive technological, structural and commercial developments enabled Bancassurance Belgium to increase its NBI by 2% (286 million euros, compared with 279 million euros) and return a profit of 36 million euros in 2014.

In millions of euros

CMNE Be Group	Revenue/Production	Outstanding funds end 2014
Bank savings	21	4 972
Insurance and financial savings	188	3 085
Loans	1 203	4 041

In a competitive economic climate, with constant pressure on margins, Bancassurance Belgium opted to boost the profitability of its products in 2014, rather than increase volumes. The result was a slight reduction in outstanding funds under management. Nevertheless, this fall in volume was contained by the efforts of the sales network. This improvement in profitability better financial results in 2014 than in the previous period, despite the fall in the statutory rate applied to outstanding consumer loans at Beobank.

● BKCP Bank

> Organisation

The major event in 2014 was the simplification of the bank’s structures through the transfer of the customer business of BKCP srl and OBK srl to BKCP Bank (formerly Crédit Professionnel sa).

This operation was conducted to achieve the benefits of significant synergies (1 bank instead of 3). It also required the migration of information systems and applications. All of BKCP Bank’s business is controlled by a single information system, which also generates savings.

> Commercial policy

In 2014, BKCP Bank set itself the goal of enhancing the customer experience as a commercial priority. The year itself was dubbed the “BKCP Way of Working” for the sales network. This was designed mainly to establish a new structure and to implement a proactive and uniform approach to the type of advice given by BKCP Bank to targeted sections of its customers: wealthy individuals, self-employed workers and SMEs. Various programmes were put in place to focus on the purpose and quality of these conversations with customers. A new showcase website was launched in 2014, while a secure messaging system was added to the transaction portal (BKCP Online).

> Outstanding funds and results

The outstanding funds managed by BKCP Bank were 7.5 billion euros at the end of 2014 and steady compared with 2013, although with greater profitability. In 2014, NBI was 92 million euros, compared with 87.7 million euros for the previous period. The cost of risk, weighed down by exceptional items in 2013 (-11.2 million euros), was lower in 2014 (-4.8 million euros). Elsewhere, the effects of the restructuring measures enabled fiscal aspects to be optimised, leading to a positive result with 13.4 million euros of deferred taxes for the 2014 financial year.

● Beobank

> Organisation

In 2014, Beobank went through some major changes to its commercial organisation. Bringing the sales activities together into the same structure helped improve efficiency, both centrally and in the network. There were also various restructuring programmes put in place at head office in terms of operations.

> Politique commerciale

The Beobank brand celebrated its first anniversary in 2014, achieving an awareness and recognition level of 80% on the Belgian market. The main aim of the marketing campaigns implemented during the year was to energise sales activity through the various channels. This generated sustained growth in results.

Sales of current accounts rose by 23%, with credit cards up 12%, investment products 6% higher and the production of consumer loans up by 4% - all achieved while maintaining very good risk quality. A number of new partnerships were also formed (Brico, Belgian National Railways - SNCB, Brussels metro network - STIB).

> Outstanding funds and results

The outstanding funds managed by Beobank were 5.2 billion euros at the end of the 2014 financial year, compared with 5.3 billion euros a year previously, although the bank also improved its profitability. In 2014, NBI was 194.1 million euros, compared with 193.8 million euros for 2013. Cost of risk was +2.1 million euros, compared with a charge of -15.7 million euros in 2013. In 2014, the cost of risk benefited from the positive non-recurrent impact of a review of the parameters used to calculate provisions (10 million). On the other hand, Beobank reviewed its plan to recover tax deficits and, given the uncertain business environment, reduced the balance of its deferred tax assets. The result was a deferred tax burden of 24.8 million euros for 2014.

● Convergence and synergies

2014 was the year of convergence for Beobank and BKCP Bank. Under the supervision of the CMNE Belgium management board, a team dedicated to merging the processes was established and working groups set up to identify maximum number of points where the two banks could converge.

This programme has already achieved several goals, particularly in the areas of purchasing and logistics, external services and the way the audit functions are organised. 2015 will see this process continued.

Bancassurance Belgium

The Belgian banking business is made up of entities owned by the CMNE Belgium holding company and BKCP Bank, OBK, BKCP Immo IT, Beobank, BKCP Securities and the companies and groups that contribute to the operation of this set of companies. Its contribution to the consolidated accounts of the CMNE Group can be seen from the figures below.

IFRS consolidated accounts in thousands of euros

ASSETS	31/12/2014	31/12/2013 adjusted*	Variations
Financial assets by fair market value by result	-	10 356	(10 356)
Derivative cover instruments	2 591	4 994	(2 403)
Financial assets available for sale	1 725 856	1 432 103	293 753
Loans and debts on credit establishments	421 818	1 091 198	(669 380)
Loans and debts on customers	4 121 964	4 021 922	100 042
Difference in revaluation of portfolios covered on rates	13 578	-	13 578
Assets held to maturity	39 522	64 212	(24 690)
Accruals and miscellaneous assets	55 373	80 696	(25 323)
Tangible and intangible fixed assets	97 593	104 390	(6 797)
Goodwill	2 343	2 343	-
TOTAL	6 480 638	6 812 214	(331 576)

LIABILITIES	31/12/2014	31/12/2013 adjusted*	Variations
Financial liabilities by fair market value by result	1 435	686	749
Derivative cover instruments	55 708	20 256	35 452
Debts to credit establishments	42 620	454 880	(412 260)
Debts to customers	5 479 751	5 435 945	43 806
Debts represented by a security	55 977	74 535	(18 558)
Difference in revaluation of portfolios covered on rates	2 970	3 463	(493)
Accruals and miscellaneous liabilities	118 897	127 837	(8 940)
Provisions	57 076	55 294	1 782
Subordinated debts	109 891	112 364	(2 473)
Minority interests	3 465	6 460	(2 995)
Equity capital excluding result (share of Group)	516 559	500 323	16 236
Result for the period (share of Group)	36 289	20 171	16 118
TOTAL	6 480 638	6 812 214	(331 576)

PROFIT-AND-LOSS ACCOUNT	31/12/2014	31/12/2013 adjusted*	Variations
NET BANKING INCOME	286 021	279 393	6 628
Overheads	(236 035)	(222 890)	(13 145)
GROSS OPERATING PROFIT	49 986	56 503	(6 517)
Cost of risk	(2 860)	(23 905)	21 045
OPERATING PROFIT	47 126	32 598	14 528
Profits or losses on other assets	117	384	(267)
Variations in value of goodwill	-	-	-
OPERATING PROFIT BEFORE TAX	47 243	32 982	14 261
Tax on profits	(11 086)	(13 599)	2 513
Profits & loss net of tax/abandoned businesses	-	-	-
TOTAL NET PROFIT	36 157	19 383	16 774
Minority interests	(132)	(788)	656
NET PROFIT (share of Group)	36 289	20 171	16 118

* adjustments associated with the implementation of IFRS 10

Notes and clarification:

The reduction in the total balance sheet (-331 million euros) is explained mainly by the fall in outstanding funds borrowed from other credit establishments, in line with the planned schedule and partially reinvested in securities portfolios. Borrowings from credit establishments fell, in particular on account of the repayment of the loans granted by CMNE Caisse Fédérale. Changes in customer deposits were linked mainly to the increase in the amounts available in current accounts, minus payments made on term accounts. Capital funds changes as a result of the allocation of the 2013 results to the reserves, as well as developments in latent profits and losses. This increase in NBI can be explained mainly by the rise in commissions, with the increase in margin being more limited on account of the fall in statutory interest rates implemented in 2013 and applicable to the outstanding consumer loans at Beobank. The increase in general overheads was due mainly to bank taxes (+ 4 million euros) and the costs involved in IT migrations. The cost of risk fell appreciably. In particular, it was affected favourably by the updating of recovery curves at Beobank. In 2013, the cost of risk was affected mainly by provisions set aside for a case of fraud on a credit matter and as a supplement for the watermen sector.

Businesses structured into specific areas



Activity in 2014 for Business Finance focused on the relaunch of BCMNE commercial dynamic. The bank gained new customers, including SMEs of a particular size and mid-sized companies offering prospects for international growth. As a result, outstanding medium and long-term financing funds took a significant step forward.

The finance leasing subsidiaries emphasised the growth drivers already put in place during previous financial periods: the health sector for Bail Actéa and investors for Nord Europe Lease.

Business Finance recorded an overall NBI of 52 million euros and a profit of 7 million euros. This was significantly higher than 2013, which was adversely affected by the cost of risk.

In millions of euros

	Deposits/Production	Outstanding funds	Changes to outstanding funds 2014/2013
Bank savings	- 7	142	-0.1%
Insurance and financial savings	- 97	139	- 41%
Loans	630	1 916	+ 7%
<i>of which finance leases</i>	<i>463</i>	<i>1 291</i>	

● BCMNE

> Commercial activity and outstanding funds under management

While relatively major early repayments and poor loan production were the features of 2013, BCMNE relaunched its commercial dynamic in 2014 aimed at SMEs and mid-sized companies. To achieve this, BCMNE strengthened its network structures and commitments in order to meet the needs of its targeted customers better.

As a result, revenue from investment financing rose by +28.4%, to 216 million euros. Outstanding medium and long-term loans, which had stagnated, grew by +3.3% to an average of 525 million euros. Outstanding short-term loans linked to financing the operating cycle were stable at +1.1%, excluding factoring, with outstanding funds rising significantly to +42.4%.

New business improved markedly in relation to 2013 (+28.7% of new business appointments), opening up prospects for an increase in outstanding funds.

> Financial Engineering and Asset Management

In 2014, BCMNE examined 78 potential projects, resulting in 6 operations, which contributed 29.4 million euros to the production of investment financing during the financial year.

> Midsized companies

Business with mid-sized companies increased significantly in 2014. With 76 million euros, MLT loans represented 36% of the bank's loan production. Transaction fees linked to these customers rose by 12%. The bank's commercial activities remain focused on this segment, which unlike SMEs, enjoys the knock-on effects of positive international benefits.

> Social and salary-based savings

The bank continues to focus fully on PEE/PERCO company and retirement savings plans. The campaign promoting "key-man" policies also continued at a steady rate. There were more funds under management than in the previous year, despite the withdrawals made in the context of the government measures decided on in 2013.

> Bad debts

Movements in outstanding funds are counterbalanced by the volume of refunds, with the level of provisions still affected by a major regional industrial case requiring a significant allocation of funds.

> Result

Excluding dividends from the finance leasing subsidiaries, BCMNE's NBI fell by almost 5% to 19.4 million euros, affected by the fall in the financial margin and not offset by the rise in commissions.

Overheads (11 million euros) rose as the result of reinforcements to staff. The cost of risk (11 million euros) was down by 3 million euros, although it continued to be affected by a large additional provision set aside for an important industrial matter.

Under these circumstances, the gross operating profit fell by 27.1% to 2.7 million euros.

If dividends received are included, the net profit increased clearly to 4.1 million euros (1.5 million in 2013).

● Bail Actea

Production at Bail Actea was 369 million euros, compared with 377 million euros in 2013 (-2%), with an intermediation margin estimated at 2.27%, down slightly (-10 cents). Net outstanding finance rose by 4% to 876 million euros, compared with 843 million euros at the end of December 2013.

NBI increased by +1.9% to 21 million euros, in parallel with the financial margin; the intermediation margin on stock remained satisfactory at 2.5% compared with 2.6% in 2013. Overheads (11.2 million euros, +6.4%) rose due to staff costs (higher headcount) and charges set aside for the IT migration project.

The cost of risk saw a very positive net balance of +0.4 million euros compared with -2.1 million euros (2 major defaults in 2013). At the end of the year, the net accounting result was 5.9 million euros, up significantly by 30%.

● NORD EUROPE LEASE

The volume of business written during the period was 93.9 million euros, compared with 67.4 million euros in 2013. The business benefited from a proportion of investor dossiers equivalent to one-third of all the dossiers signed (46% in volume).

Funds taken under management in 2014 were 91 million euros (51 million euros in 2013) with an intermediation margin estimated at 2%. Net outstanding holder grants and advances rose by +15% to 410 million euros. The financial margin rose by +7%, driven by the rise in average outstanding funds of +11%.

NBI (8.9 million euros, +5%) benefited from the rise in the financial margin in line with the outstanding funds under management and commissions received, in particular for administrative charges.

Cost of risk was positive (1.4 million euros), benefiting from the writeback of a provision of 1.2 million euros (set aside in 2012 and 2013). After taking corporation tax into account, including deferred tax, the result for the exercise was 2.7 million euros.

Business Finance

Business Finance operates within the BCMNE holding company which, in addition to its banking business for SMEs/SMIs and mid-sized companies, owns the shares in companies specialising in property and real estate leasing: Bail Actéa, Nord Europe Lease and Nord Europe Partenariat. Its contribution to the consolidated accounts of the CMNE Group can be seen from the figures below:

IFRS consolidated account in thousands of euros

ASSETS	31/12/2014	31/12/2013 adjusted*	Variations
Financial assets by fair market value by result	-	8	(8)
Derivative cover instruments	-	397	(397)
Financial assets available for sale	9 354	15 281	(5 927)
Loans and debts on credit establishments	110 794	166 023	(55 229)
Loans and debts on customers	2 003 558	1 862 864	140 694
Difference in revaluation of portfolios covered on rates	4 047	1 739	2 308
Assets held to maturity	-	-	-
Accruals and miscellaneous assets	16 947	26 641	(9 694)
Tangible and intangible fixed assets	807	1 460	(653)
TOTAL	2 145 507	2 074 413	71 094

LIABILITIES	31/12/2014	31/12/2013 adjusted*	Variations
Financial liabilities by fair market value by result	-	-	-
Derivative cover instruments	4 737	3 368	1 369
Debts to credit establishments	1 480 166	1 402 943	77 223
Debts to customers	373 673	374 035	(362)
Debts represented by a security	2 543	4 192	(1 649)
Difference in revaluation of portfolios covered on rates	-	-	-
Accruals and miscellaneous liabilities	94 741	93 138	1 603
Provisions	3 845	7 325	(3 480)
Minority interests	28	41	(13)
Equity capital excluding result (share of Group)	179 192	185 361	(6 169)
Result for the period (share of Group)	6 582	4 010	2 572
TOTAL	2 145 507	2 074 413	71 094

PROFIT-AND-LOSS ACCOUNT	31/12/2014	31/12/2013 adjusted*	Variations
PROFIT-AND-LOSS ACCOUNT	52 486	50 199	2 287
Net banking income	(28 118)	(27 456)	(662)
OVERHEADS	24 368	22 743	1 625
Gross operating profit	(10 825)	(15 296)	4 471
COST OF RISK	13 543	7 447	6 096
Operating profit	(30)	5	(35)
GAINS OR LOSSES ON OTHER ASSETS	13 513	7 452	6 061
Operating profit before tax	(6 931)	(3 444)	(3 487)
Profits & loss net of tax/abandoned businesses	-	-	-
TOTAL NET PROFIT	6 582	4 008	2 574
Minority interests	-	(2)	2
NET PROFIT (share of Group)	6 582	4 010	2 572

* adjustments associated with the implementation of IFRS 10

Notes and clarification:

Outstanding loans to customers benefited from the production generated both as classic financing and as plant and property leasing. Outstanding customer deposits remained relatively stable, the increase in deposits into current accounts was offset by term accounts reaching maturity. Movements in outstanding cashflow centralised at CMNE's Caisse Fédérale are directly linked to business with customers. In the profit-and-loss account, NBI increased mainly as the result of an improvement in the financial margin generated by the Leasing business. Overheads in 2013 included charges generated by the merger of the property leasing entities (0.5 million euros), restricting progress in 2014. The rise in 2014 was to do mainly with staffing overheads due to the strengthening of the Commitment and Commercial structures. Cost of risk in 2014 continued to be affected by the poor economic environment and was focused on a small number of matters; it should be remembered that in 2013 cost of risk also had to accommodate the changes in the parameters used for calculating the collective provision (-1.2 million euros).

The life insurance market had a good year in 2014. After positive net deposits in 2013, the catch-up process accelerated, taking advantage of the historically low interest rates on passbook savings accounts. However, this trend is by no means secure in view of the financial, fiscal, regulatory and competitive environment.

The damages market continued its slowdown in 2014. This was a direct consequence of the difficult economic situation affecting the country. For its part, Belgium saw its business recover appreciably after a particularly complex year in 2013.

● NEA

For NEA, 2014 saw the acquisition of MetLife Belgium, which was renamed North Europe Life Belgium (NELB). This move will enable the company to develop its business on the Belgian market, especially for borrower and prudential policies. The acquisition will also consolidate the range of Beobank products and help support CMNE's overall development strategy in Belgium.

	In millions of euros	
	Turnover	Variation
ACMN VIE	871.4	+2%
ACMN IARD	148.9	+5%
NELL	173.0	+98%
NELB	9.6	n/a
Reinsurance/Broking	6.0	-10%
TOTAL NEA	1 208.9	+11%

NEA's turnover in 2014 was 1.21 billion euros, an increase of 11% compared with 2013. Savings were up 12%, while the prudential business rose by 12.7%, driven by the products sold by ACMN IARD (+33.5%).

Almost 56% of sales at NEA came from the CMNE network, whose contribution was down 3% year-on-year to the benefit of the BKCP network, which rose from 8% to 12%, while La Française remained steady at 8%. Beobank made its debut, with 1% of NEA production provided by NELB. The balance of revenue (23% of Group turnover) was generated by networks outside the CMNE Group, with their contribution trending downwards.

Total mathematical and technical provisions rose by 5.9% to reach 12.2 billion euros. The net consolidated result for the business – share of Group – was 74.3 million euros at 31st December 2014.

● ACMN VIE

In 2014, ACMN VIE conducted a number of major projects to support both products and networks: EMTN campaigns, the relaunch of the BKCP business in Belgium, operation Bonus on funds in euros to promote deposits and arbitrages to account units. ACMN VIE policies were again applauded by the financial press, both for their comprehensive and innovative nature and for their steady performance.

As part of the "VEGA" programme, the teams also continued to migrate policies to the Crédit Mutuel Group communal system. This will enable ACMN VIE to benefit more than ever from the whole potential and power of Crédit Mutuel's tools. In terms of finance, ACMN VIE issued a Redeemable Subordinated Note for this first time to bolster its equity capital.

The level of business was steady for ACMN VIE. Turnover was 871 million euros, up 2%. The policies issued by the whole Group (Crédit Mutuel Nord Europe, BKCP and La Française) now represent more than 80% of revenue.

The share of account units in savings revenue was 15%, due mainly to the successful launches of structured products with CMNE. Outstanding funds under management amounted to 11 billion euros.

Net company profit (CNC) was 37.7 million euros, compared with 35.8 million euros in 2013. This rise is explained by the satisfactory level of financial margin recorded by the company.

● ACMN IARD

It was also a very good year for ACMN IARD, with turnover of 149 million euros, up 5% compared with 2013, and a significantly higher net result of 15.7 million euros (12 million euros in 2013).

The new Health and Comprehensive Home products enjoyed significant commercial success, while the level of claims was favourable in Car and Home. Prudential and health products now represent 22% of annual production, with a total of 32.9 million euros (+9% compared with 2013). The number of major new policies rose to over 26 000 in car and more than 22 000 in comprehensive home insurance. The overall number of major policies in the portfolio was 373 000, up 2.1%.

● NELL

Nord Europe Life Luxembourg had an exceptional year in 2014, with a turnover of 173 million euros, an increase of 98%. Production generated by BKCP was 59.6 million euros and much higher than in 2013 when it was 26.4 million euros.

The Myriad product, designed for Belgian brokers, generated production of 112.4 million euros, compared with 60.8 million euros in 2013. Total technical provisions were 753.8 million euros, of which 35% was in account units.

The result for NELL was 2.7 million euros, compared with 2 million euros in 2013.

Insurance

CMNE's Insurance business is made up of entities owned by the Nord Europe Assurances holding company (NEA): ACMN IARD, ACMN Vie, CPBK Re, Nord Europe Life Luxembourg, North Europe Life Belgium, Courtage Cr dit Mutuel Nord Europe and Vie Services. The contribution from Insurance to the consolidated account of the CMNE Group is shown by the figures below:

IFRS consolidated accounts in thousands of euros

ASSETS	31/12/2014	31/12/2013 adjusted*	Variations
Financial assets at fair market value by result	11 957 671	10 729 850	1 227 821
Financial assets available for sale	3 817 455	3 428 848	388 607
Loans and debts on credit establishments	89 493	68 474	21 019
Loans and debts on customers	50 890	50 191	699
Assets held to maturity	-	-	-
Accruals and miscellaneous assets	75 630	66 343	9 287
Tangible and intangible fixed assets	1 990	2 574	(584)
Goodwill	5 640	5 640	-
TOTAL	15 998 769	14 351 920	1 646 849

LIABILITIES	31/12/2014	31/12/2013 adjusted*	Variations
Financial liabilities at fair market value by results	2	1	1
Debts to credit establishments	69 913	36 950	32 963
Debts to customers	85 090	78 741	6 349
Accruals and miscellaneous liabilities	1 692 926	1 451 549	241 377
Technical provisions from insurance policies	13 141 378	12 006 654	1 134 724
Provisions	10 474	2 739	7 735
Subordinated debts	203 017	53 017	150 000
Minority interests	35 913	28 217	7 696
Equity capital excluding result (share of Group)	685 730	638 337	47 393
Result for the period (share of Group)	74 326	55 715	18 611
TOTAL	15 998 769	14 351 920	1 646 849

PROFIT-AND-LOSS ACCOUNT	31/12/2014	31/12/2013 adjusted*	Variations
NET BANKING INCOME	208 422	161 282	47 140
Overheads	(77 819)	(62 292)	(15 527)
GROSS OPERATING PROFIT	130 603	98 990	31 613
Cost of risk	-	-	-
OPERATING PROFIT	130 603	98 990	31 613
Profits or losses on other assets	-	-	-
Variations in value of goodwill	3 647	-	3 647
OPERATING PROFIT BEFORE TAX	134 250	98 990	35 260
Tax on profits	(49 899)	(37 197)	(12 702)
TOTAL NET PROFIT	84 351	61 793	22 558
Minority interests	10 025	6 078	3 947
NET PROFIT (share of Group)	74 326	55 715	18 611

* adjustments associated with the implementation of IFRS 10

Notes and clarification:

The growth in outstanding resources on the balance sheet reflects business and the positive effects of the financial markets on the valuation of the securities portfolios in the assets and the commitments shown in the technical provisions in the liabilities. The issue of an RSN in 2014 eligible in prudential equity capital explains the movement in outstanding subordinated debts for 150 million euros.

The increase in accruals in the liabilities affects the commitments of payments remaining to be made on securities.

The increase in general overheads is explained by developments and IT migrations.

Business and management conditions, as well as the positive development of the financial markets and the fall in claims had a favourable impact on net insurance business for beneficiary participation (NBI) and net profit.

Accruals of 3.6 million euros stem from the acquisition of North Europe Life Belgium at the end of 2014.

After more than 3 years of intensive development, La Française Group completed its transformation and consolidated its organisation around its four business lines. At the end of 2014, the Group had more than 48 billion euros of assets under management for a diversified client base (institutional, bank network, platform, specifier, private client, etc.).

● Group constituted around four main business lines

2014 saw the forging of new partnerships. In the area of stocks and shares, the Group signed a strategic partnership agreement based on the hedge funds multi-management with Tages Capital, creating one of Europe's most dynamic players in the sector. It also increased its holding in the capital of JK Capital Management, which specialises in managing shares in China and Asia.

In property management, La Française REM joined forces with Forum Partners to buy Cushman & Wakefield Investors (CWI), which was renamed La Française Forum Real Estate Partners. This enabled the Group to extend its direct investment expertise in property to the UK and German markets and to benefit from the CWI office in Frankfurt. The Group also launched La Française Real Estate Partners, a structure dedicated to the management of property mandates with French and international institutional clients.

At the end of 2014, a strategic partnership with Acofi saw the finalisation of a fourth and final business line focusing on the direct financing of the economy under the brand La Française Direct Global Financing.

This move was part of the dynamic designed to bring together the Group's various areas of expertise to operate around four main business lines:

- La Française Global AM (Asset Management) for the management and distribution of stocks and shares;
- La Française Global IS (Investment Solutions) for the management and distribution of investment solutions;
- La Française Global REIM (Real Estate Investment Management) for the management and distribution of property products;
- La Française Global Direct Financing.

Once the final partnership is put in place at the beginning of 2015, based on US stocks expertise, La Française will have completed its structuring and have a comprehensive platform. Its strategy will then consist of basing itself on organic growth in order to achieve its development objectives. A new logo will depict the links that exist between the four business lines, as well as between La Française, its clients, partners and shareholders.

● Commercial dynamic

Among the noteworthy events of the 2014 financial year were the success of EMTN structured by LF Global Investment Solution and marketed by CMNE's French and Belgian networks, generating revenue of over 130 million euros, and the creation of segmented SICAV funds dedicated to BKCP and Beobank.

Also of note were the gain of new French and international clients; a tender for 600 million euros to manage a dedicated insurance bond mandate; the commercial success of the LFP Libroblig subordinated debt fund; the acquisition of the tender from the Caisse des Dépôts et Consignation in partnership with the Renée Costes network for the creation of the Certivia life fund; the greater interest in housing property mandates among institutional clients; the successful EMTN offering from La Française GIS with investors; and the development of synergies with Forum Partners, with the successful launch of a listed property fund and the creation, at the end of 2014, of a senior pan-European property debt fund.

Net revenue for La Française in 2014 was in excess of 2.2 billion euros, compared with 835 million euros in 2013. This was due to the launch of new group activities, its continued rollout internationally and its continued strong presence on the French retail and institutional markets. In fact, revenues were positive across the whole of the Group's distribution channels, with the exception of the private bank in Luxembourg, which was disposed of in May 2014.

As a result of the positive revenue, the rollout of new business areas and a favourable market effect, outstanding funds under management by La Française on behalf of its clients again saw a significant increase compared with the previous financial year. By the end of 2014, the figures were at an all-time high, exceeding 48 billion euros.

The net consolidated turnover in 2014 for La Française was 145 million euros. In view of the charges incurred by their launch, particularly in terms of recruitment and operating costs, the new businesses have not yet totally offset the fall in profitability of the stocks and shares activity. The contribution the CMNE Group's net consolidated result was 18 million euros.

Third-Party Management

The Third-Party Management business is part of the La Française holding company and is organised around its four main business lines, with details corresponding to the scope set out on page 38.

Its contribution to the consolidated accounts of the CMNE Group can be seen from the figures below:

IFRS consolidated accounts in thousands of euros

ASSETS	31/12/2014	31/12/2013 adjusted*	Variations
Financial assets at fair value by result	124 959	45 802	79 157
Derivative hedging instruments	-	-	-
Financial assets available for sale	84 667	113 507	(28 840)
Loans and debts on credit establishments	20 151	47 423	(27 272)
Loans and debts on customers	260 152	242 335	17 817
Assets held to maturity	-	-	-
Accruals and miscellaneous assets	143 387	75 662	67 725
Holdings in equity companies	64 367	44 968	19 399
Tangible and intangible fixed assets	132 698	28 649	104 049
Goodwill	173 272	173 272	-
TOTAL	1 003 653	771 618	232 035

LIABILITIES	31/12/2014	31/12/2013 adjusted*	Variations
Financial liabilities at fair value by result	73 488	11 079	62 409
Debts to credit establishments	168 146	99 268	68 878
Debts to customers	3 060	47 934	(44 874)
Debts represented by a security	258 555	228 608	29 947
Accruals and miscellaneous liabilities	139 423	85 805	53 618
Provisions	2 617	2 981	(364)
Minority interests	17 320	12 535	4 785
Equity capital excluding result (share of Group)	322 793	258 956	63 837
Result for the period (share of Group)	18 251	24 452	(6 201)
TOTAL	1 003 653	771 618	232 035

PROFIT-AND-LOSS ACCOUNT	31/12/2014	31/12/2013 adjusted*	Variations
NET BANKING INCOME	149 571	143 457	6 114
Overheads	(120 308)	(109 175)	(11 133)
GROSS OPERATING PROFIT	29 263	34 282	(5 019)
Cost of risk	501	(714)	1 215
OPERATING PROFIT	29 764	33 568	(3 804)
Share of profits from equity companies	2 682	2 122	560
Profits or losses on other assets	(208)	282	(490)
Variations in accrual values	-	-	-
OPERATING PROFIT BEFORE TAX	32 238	35 972	(3 734)
Tax on profits	(11 352)	(10 035)	(1 317)
Profits & loss net of tax/abandoned businesses	-	-	-
TOTAL NET PROFIT	20 886	25 937	(5 051)
Minority interests	2 635	1 485	1 150
NET PROFIT (share of Group)	18 251	24 452	(6 201)

* adjustments associated with the implementation of IFRS 10

Notes and clarification:

Changes in outstanding funds on the balance sheet are linked mainly to the acquisition of the Raspail property group (intended to become the head office for the Asset Management business); they are also explained by the development of the Investment Solution business, impacting the Miscellaneous headings in the Assets and Liabilities (guarantee deposits/derivatives) and outstanding loans to credit establishments.

In the profit-and-loss account, the change in NBI covers a fall in margin generated by the management of property securities, offset by a rise in revenue from the Investment Solution business; the development of new businesses, particularly internationally, requires the strengthening of resources generating changes to general overheads without revenue yet being able to benefit from it.

This area of the business encompasses all activities that are not part of the Group's strategic business lines: NEPI (consolidated base includes the real estate non-operating business), CMN Tél, Euro Information, Financière Nord Europe, Sicorfé Maintenance, Transactimmo, ACTÉA Environnement and CMNE Environnement.

Its contribution to the consolidated accounts of the CMNE Group can be seen from the figures below:

IFRS consolidated accounts in thousands of euros

ASSETS	31/12/2014	31/12/2013 adjusted*	Variations
Financial assets available for sale	29 008	23 513	5 495
Loans and debts on credit establishments	148	428	(280)
Loans and debts on customers	-	22	(22)
Accruals and miscellaneous assets	2 344	2 007	337
Holdings in equity companies	96 748	89 416	7 332
Tangible and intangible fixed assets	22 400	25 814	(3 414)
Goodwill	724	724	-
TOTAL	151 372	141 924	9 448

LIABILITIES	31/12/2014	31/12/2013 adjusted*	Variations
Financial liabilities at fair market value by result	-	-	-
Derivative hedging instruments	-	-	-
Debts to credit establishments	14 813	9 979	4 834
Debts to customers	-	475	(475)
Accruals and miscellaneous liabilities	896	921	(25)
Provisions	25	25	-
Subordinated debts	-	-	-
Minority interests	-	-	-
Equity capital excluding result (share of Group)	128 530	120 583	7 947
Result for the period (share of Group)	7 108	9 941	(2 833)
TOTAL	151 372	141 924	9 448

PROFIT-AND-LOSS ACCOUNT	31/12/2014	31/12/2013 adjusted*	Variations
NET BANKING INCOME	2 628	4 573	(1 945)
Overheads	(1 648)	(1 642)	(6)
GROSS OPERATING PROFIT	980	2 931	(1 951)
Cost of risk	(340)	(356)	16
OPERATING PROFIT	640	2 575	(1 935)
Share of profits from equity companies	7 227	8 058	(831)
Profits or losses on other assets	(84)	-	(84)
OPERATING PROFIT BEFORE TAX	7 783	10 633	(2 850)
Tax on profits	(675)	(692)	17
TOTAL NET PROFIT	7 108	9 941	(2 833)
Minority interests	-	-	-
NET PROFIT (share of Group)	7 108	9 941	(2 833)

* adjustments associated with the implementation of IFRS 10

Consolidated balance sheet



Total balance sheet

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Consolidated accounts at 31/12/2014
and information required by IFRS 12

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Equity Capital

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Audit and Control

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Risks

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3

Shares in the Local Branches, constituting the capital of the CMNE Group, are held exclusively by the shareholders.

Nature and remuneration of company shares

There are four types of share:

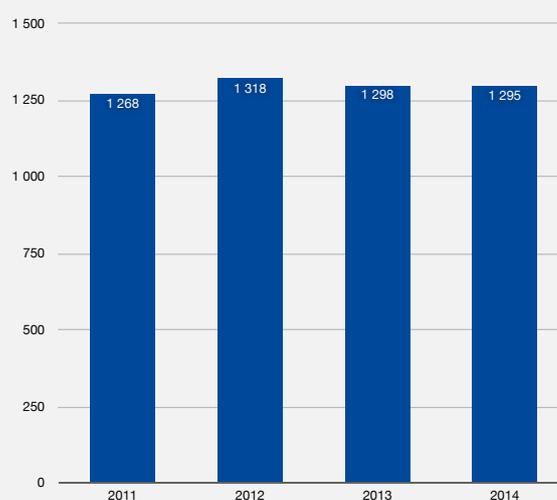
- **A shares**, non-transferable, with a par value of 1 euro,
- **B shares**, which may be traded, with a par value of 1 euro,
- **C shares**, which may be traded giving a notice period of 5 years, with a par value of 1 euro,
- **F shares**, which may be traded giving a notice period of 5 years, with a par value of 500 euros.

A shares receive no remuneration. B, C and F shares receive an amount of remuneration set by the general meeting of shareholders, within the limits laid down by the articles of association of the Cooperation and in line with the directives set by the Federal Board of Directors.

In 2014, the annual yield of B shares was 1.53%, while for C shares and F shares it was 1.89%, legally capped at the average bond rate.

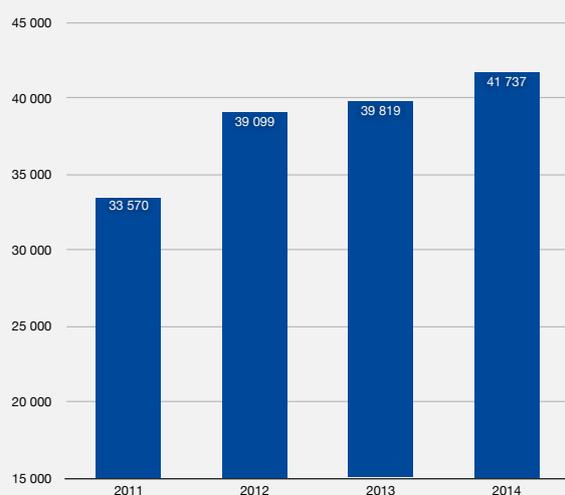
Capital (A, B, C and F shares)

(in millions of euros)



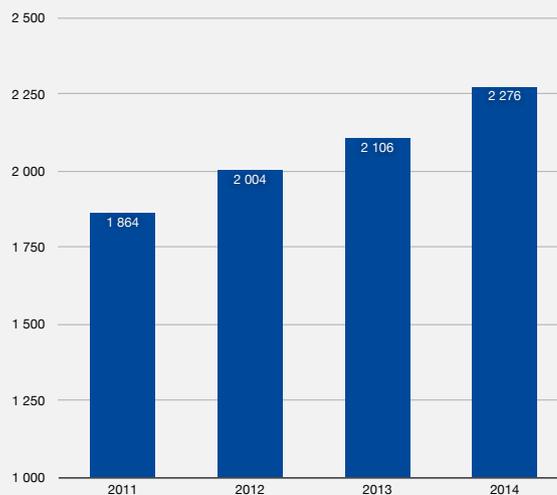
Total balance sheet

(in millions of euros)



Equity capital – share of Group, excluding result

(in millions of euros)

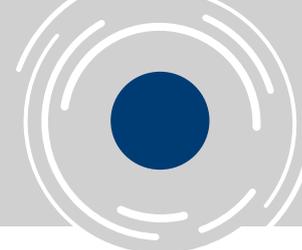


■ Rate of yield of assets

Pursuant to decree n° 2014-1315 dated 3rd November 2014, which introduced Art. R. 511-16-1, credit establishments and finance companies are required to publish the yield of their assets in their annual report, calculated by dividing their net profit by their balance sheet total.

At 31st December 2014, this rate was 0.58%

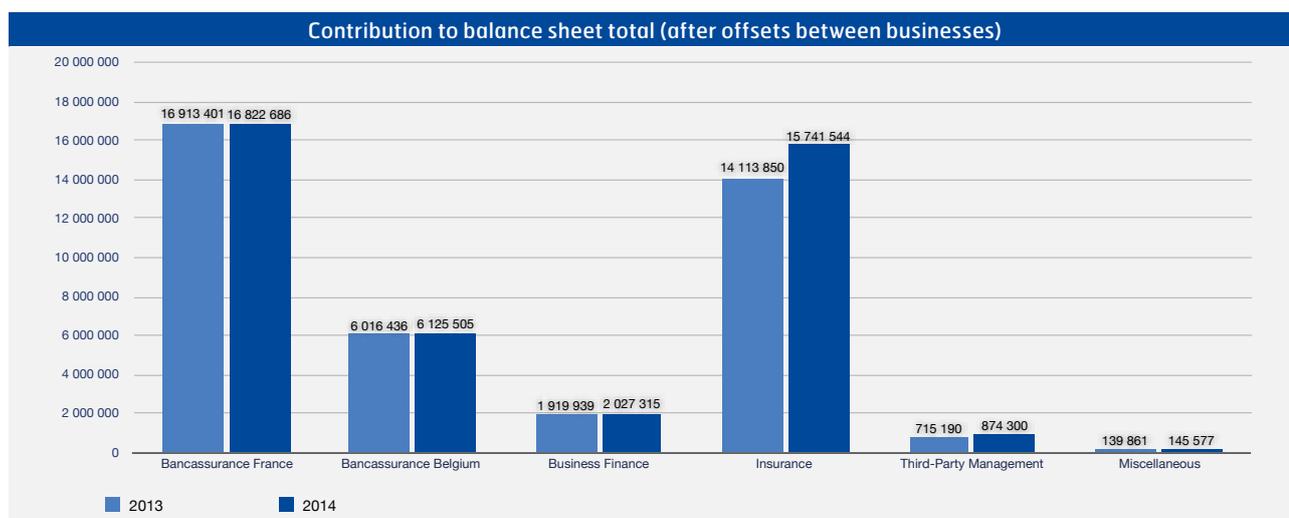
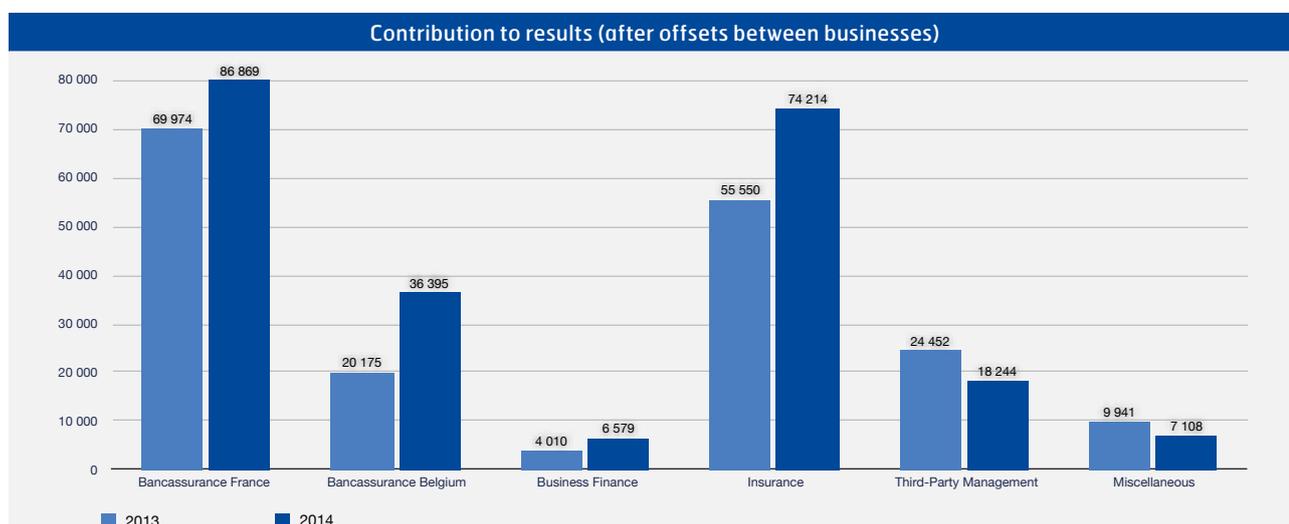
Consolidated accounts at 31/12/2014 and information required by IFRS 12



After offsets between businesses, in thousands of euros

Contribution	NBI		GOP		Consolidated result		Balance sheet	
	2013	2014	2013	2014	2013	2014	2013	2014
Businesses								
Bancassurance France	435 257	452 214	122 829	131 672	69 974	86 869	16 913 401	16 822 686
Bancassurance Belgium	278 976	285 521	56 503	50 147	20 175	36 395	6 016 436	6 125 505
Business Finance	50 199	52 120	22 743	24 365	4 010	6 579	1 919 939	2 027 315
Insurance	166 277	208 907	98 823	130 566	55 550	74 214	14 113 850	15 741 544
Third-Party Management	144 624	150 997	34 282	29 257	24 452	18 244	715 190	874 300
Miscel. Services and Businesses	4 573	2 628	2 931	980	9 941	7 108	139 861	145 577
TOTAL	1 079 906	1 152 387	338 111	366 987	184 102	229 409	39 818 677	41 736 927

In thousands of euros



■ Scope

The scope of consolidation of the CMNE Group at 31st December 2014 is detailed in the tables below, which indicate the contribution of each entity to the Group's result.

Scope of consolidation	Country
1. Finance companies	
1.1 Credit establishments	
> Caisses de Crédit Mutuel + caisse fédérale du CMNE + Fédération du CMNE	FRANCE
> BCMNE (consolidated base) - 4 place Richebé 59000 LILLE	FRANCE
> CMNE Belgium (consolidated base) - Boulevard de Waterloo, 16 - 1000 BRUSSELS	BELGIUM
1.2 Finance establishments other than 1.1	
> FCP Nord Europe Gestion - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> FCP Richebé Gestion - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> FCP Richebé Recovery - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> CMNE Home Loans FCT - 4 Place Richebé 59000 LILLE	FRANCE
1.3 Other finance companies	
> SDR Normandie - 2 Rue Andréï Sakharov - BP148 - 76135 MONT-ST-AFCNAN	FRANCE
2. Non-finance companies	
2.1 Insurance	
> Nord Europe Assurances (consolidated base) - 9 Boulevard Gouvion-St-Cyr - 75017 PARIS	FRANCE
2.2 Services	
> Actéa Environnement - 5/7 Rue Frédéric Degeorge - 62000 ARRAS	FRANCE
> CMNE Environnement - 4 Place Richebé - 59000 LILLE	FRANCE
> CMN TEL - 4 Place Richebé - 59000 LILLE	FRANCE
> Euro-Information - 34 Rue du Wacken - 67000 STRASBOURG	FRANCE
> Financière Nord Europe - 4 Place Richebé - 59000 LILLE	FRANCE
> GIE CMN Prestations - 4 Place Richebé - 59000 LILLE	FRANCE
> L'Immobilière du CMN (consolidated base) - 4 Place Richebé - 59000 LILLE	FRANCE
> Sicorfé Maintenance - Rue Bourgelat - 62223 ST LAURENT BLANGY	FRANCE
> THEIA Viager - 455, promenade des Anglais - 06299 NICE	FRANCE
> Transactimmo - 1 Rue Arnould de Vuez - 59000 LILLE	FRANCE
2.3 Industry	
2.4 Non-financial holding company	
> Groupe La Française (consolidated base) - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> Nord Europe Participations et Investissements (consolidated base) - 4 Place Richebé - 59000 LILLE	FRANCE
TOTAL	

Banque Commerciale du Marché Nord Europe - 4 Place Richebé - 59000 LILLE

Scope of consolidation <i>Used as a based for the elements in the publishable consolidation</i>	Country
Banque Commerciale du Marché Nord Europe	FRANCE
> Bail Actea - 7 Rue Frédéric Degeorge - 62000 ARRAS	FRANCE
> Nord Europe Lease - Tour de Lille- 60 Boulevard de Turin - 59777 EURALILLE	FRANCE
> GIE BCMNE Gestion - 4 Place Richebé - 59000 LILLE	FRANCE
> Nord Europe Partenariat - 2 Rue Andréï Sakharov - BP148 - 76135 MONT-ST-AFCNAN	FRANCE

⁽¹⁾ Method of integration: EM: Equity method; PC: Proportionate Consolidation; FC: Full Consolidation

Consolidated accounts at 31/12/2014 and information required by IFRS 12

Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾	Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾
	control	interest				control	interest		
12/13	100	100	64 953	Parent	12/14	100	100	76 119	Parent
12/13	100	100	4 203	FC	12/14	100	100	6 579	FC
12/13	100	100	20 175	FC	12/14	100	100	36 395	FC
12/13	100	100	141	FC	-	0	0	0	NC
12/13	96,75	96,57	3 696	FC	12/14	100	99,78	10 441	FC
12/13	100	99,37	21	FC	-	0	0	0	NC
12/13	100	99,90	46	FC	12/14	100	99,90	0	FC
12/13	99,80	99,80	-193	FC	-	0	0	0	NC
12/13	100	100	55 550	FC	12/14	100	100	74 214	FC
12/13	100	100	-141	FC	12/14	100	100	-2 183	FC
12/13	100	100	-16	FC	12/14	100	100	-14	FC
12/13	100	100	37	FC	12/14	100	100	-25	FC
12/13	10,15	10,15	7 930	EM	12/14	10,15	10,15	7 115	EM
12/13	100	100	28	FC	12/14	100	100	86	FC
12/13	100	100	0	FC	12/14	100	100	0	FC
12/13	100	100	1 117	FC	12/14	100	100	428	FC
12/13	34	34	128	EM	12/14	34	34	112	EM
-	0	0	0	NC	12/14	80	80	-119	FC
12/13	100	100	-4	FC	12/14	100	100	-23	FC
12/13	98,74	98,74	24 452	FC	12/14	98,46	98,46	18 244	FC
12/13	100	100	1 979	FC	12/14	100	100	2 040	FC
			184 102					229 409	

Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾	Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾
	control	interest				control	interest		
12/13	100	100	-2 191	FC	12/14	100	100	-2 536	FC
12/13	100	100	4 738	FC	12/14	100	100	6 339	FC
12/13	100	100	2 187	FC	12/14	100	100	2 690	FC
12/13	100	100	0	FC	12/14	100	100	0	FC
12/13	99,65	99,63	-531	FC	12/14	99,65	99,65	86	FC
			4 203					6 579	

CMNE Belgium - Boulevard de Waterloo, 16 - 1000 BRUXELLES

Scope of consolidation <i>Used as a based for the elements in the publishable consolidation</i>	Country
CMNE Belgium	BELGIUM
> BKCP SCRL - Boulevard de Waterloo, 16 - 1000 BRUXELLES	BELGIUM
> Beobank Belgium - Boulevard Général Jacques, 263G - 1050 BRUXELLES	BELGIUM
> BKCP Securities SA - Avenue Louise 390 - 1050 BRUXELLES	BELGIUM
> Crédit Professionnel SA - Boulevard de Waterloo, 16 - 1000 BRUXELLES	BELGIUM
> Immo W16 - Boulevard de Waterloo, 16 - 1000 BRUXELLES	BELGIUM
> Mobilease - Boulevard de Waterloo, 16 - 1000 BRUXELLES	BELGIUM
> OBK - Graaf Van Vlaanderenplein, 19 - 9000 GAND	BELGIUM
TOTAL	

Nord Europe Participations et Investissements - 4 Place Richebé - 59000 LILLE

Scope of consolidation <i>Used as a based for the elements in the publishable consolidation</i>	Country
Nord Europe Participations et Investissements	FRANCE
> SCI Centre Gare	FRANCE
> Fininmad	FRANCE
> Sofimmo 3	FRANCE
> Sofimpar	BELGIUM
TOTAL	

Immobilière du CMN - 4 Place Richebé - 59000 LILLE

Scope of consolidation <i>Used as a based for the elements in the publishable consolidation</i>	Country
> SCI CMN	FRANCE
> SCI CMN 1	FRANCE
> SCI CMN 2	FRANCE
> SCI CMN 3	FRANCE
> SCI CMN Location	FRANCE
> SCI CMN Location 2	FRANCE
> SCI RICHEBE INKERMAN	FRANCE

Nord Europe Assurances - 9 Boulevard Gouvion-S^t-Cyr - 75017 PARIS

Scope of consolidation <i>Used as a based for the elements in the publishable consolidation</i>	Country
Nord Europe Assurances	FRANCE
> ACMN IARD - 4 Place Richebé - 59000 LILLE	FRANCE
> ACMN Vie - 9 Boulevard Gouvion-St-Cyr - 75017 PARIS	FRANCE
> Courtage Crédit Mutuel Nord Europe - 4 Place Richebé - 59000 LILLE	FRANCE
> CP-BK Reinsurance SA - Avenue de la gare, 65 - 1611 LUXEMBOURG	LUXEMBOURG
> Nord Europe Life LUXEMBOURG - rue Charles Martel 62 - 2134 LUXEMBOURG	LUXEMBOURG
> Nord Europe Retraite - 4 Place Richebé - 59000 LILLE	FRANCE
> North Europe Life Belgium - 11 boulevard de la Plaine - 1050 BRUXELLES	BELGIUM
> Pérennité Entreprises - 5 Rue de Dunkerque - 75010 PARIS	FRANCE
> Vie Services - 9 Boulevard Gouvion-St-Cyr - 75017 PARIS	FRANCE
TOTAL	

⁽¹⁾ Method of integration: EM: Equity method; PC: Proportionate Consolidation; FC: Full Consolidation

Consolidated accounts at 31/12/2014 and information required by IFRS 12

Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾	Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾
	control	interest				control	interest		
12/13	100	100	-4 973	FC	12/14	100	100	-2 165	FC
12/13	95,80	95,80	-18 363	FC	12/14	95,87	95,87	-3 057	FC
12/13	100	100	22 927	FC	12/14	100	100	14 849	FC
12/13	100	100	46	FC	12/14	100	100	-19	FC
12/13	100	100	14 862	FC	12/14	100	100	25 443	FC
12/13	100	100	552	FC	12/14	100	100	609	FC
12/13	100	100	-34	FC	12/14	100	100	-5	FC
12/13	100	99,67	5 158	FC	12/14	100	99,99	740	FC
			20 175					36 395	

Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾	Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾
	control	interest				control	interest		
12/13	100	100	-642	FC	12/14	100	100	-633	FC
12/13	100	100	2 654	FC	12/14	100	100	2 708	FC
12/13	100	100	-30	FC	12/14	100	100	-27	FC
12/13	100	100	2	FC	12/14	100	100	-2	FC
12/13	100	100	-5	FC	12/14	100	100	-6	FC
			1 979					2 040	

Closing date	Percentage		Method of integration ⁽¹⁾	Closing date	Percentage		Method of integration ⁽¹⁾
	control	interest			control	interest	
12/13	100	100	FC	12/14	100	100	FC
12/13	100	100	FC	12/14	100	100	FC
12/13	100	100	FC	12/14	100	100	FC
12/13	100	100	FC	12/14	100	100	FC
12/13	100	100	FC	12/14	100	100	FC
12/13	100	100	FC	12/14	100	100	FC
12/13	100	100	FC	12/14	100	100	FC

Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾	Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾
	control	interest				control	interest		
12/13	100	100	-1 941	FC	12/14	100	100	322	FC
12/13	51	51	6 265	FC	12/14	51	51	10 402	FC
12/13	100	100	45 876	FC	12/14	100	100	56 175	FC
12/13	100	100	271	FC	12/14	100	100	337	FC
12/13	100	100	2 075	FC	12/14	100	100	2 519	FC
12/13	100	100	2 663	FC	12/14	100	100	3 830	FC
12/13	100	100	35	FC	12/14	100	100	21	FC
-	0	0	0	NC	12/14	100	100	503	FC
12/13	100	100	102	FC	-	0	0	0	NC
12/13	77,5	77,5	204	FC	12/14	77,5	77,5	105	FC
			55 550					74 214	

Groupe La Française - 173 Boulevard Haussmann - 75008 PARIS

Scope of consolidation <i>Used as a basis for the elements in the publishable consolidation</i>	Country
Groupe La Française	FRANCE
> CD Partenaires - 16 place de la Madeleine - 75008 PARIS	FRANCE
> Convictions Asset Management - 15 bis rue de Marignan - 75008 PARIS	FRANCE
> CMH Gestion - 88 rue Cardinet - 75017 PARIS	FRANCE
> FCT LFP Créances Immobilières - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> Forum Holding BV - Fred. Roeskestraat 123, 1076 EE - Amsterdam	NETHERLANDS
> Forum Partners Investment Management Limited - 1700 E Putnam Ave, Old Greenwich, CT 06870 1366, Deleware - USA	UNITED STATES OF AMERICA
> Franklin Gérance - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> GIE Groupe La Française - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> Groupe Cholet-Dupont - 16 place de la Madeleine - 75008 PARIS	FRANCE
> La Française AM Finance Services - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> La Française AM GP - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> La Française AM ICC - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> La Française AM Iberia - C/ Joaquin Costa 26 - 28002 MADRID	SPAIN
> La Française AM International - 4A rue Henri Schnadt - 2530 Luxembourg	LUXEMBOURG
> La Française Bank - 4A rue Henri Schnadt - 2530 Luxembourg	LUXEMBOURG
> La Française Global Real Estate Investment Management Limited - 12 Berkeley Street - LONDON	UNITED KINGDOM
> La Française Inflection Point - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> La Française Investment Solutions - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> La Française des Placements - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> La Française Real Estate Managers - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> La Française Real Estate Partners - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> LFF Real Estate Partners Limited - 16 Berkeley Street - LONDON	UNITED KINGDOM
> LFP Nexity Services Immobiliers - 147 Boulevard Haussmann - 75008 PARIS	FRANCE
> LFP SV - 4A rue Henri Schnadt - 2530 Luxembourg	LUXEMBOURG
> New Alpha Asset Management - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> NEXT Advisor - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> Nouvelles EXPertises et Talents AM - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> Siparex Proximité Innovation - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> Société Holding Partenaires - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> UFG PM - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> Tages Capital LLP - 39 St James' Street - LONDON	UNITED KINGDOM
> Inflection Point Capital Management Ltd - 125 Old Broad Street - LONDON	UNITED KINGDOM
> JKC Capital Management Ltd - 34-37 Connaught Road Central - HONG-KONG SAR	HONG KONG
> OPCI Raspail - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> SCI Raspail Vavin Invest - 173 Boulevard Haussmann - 75008 PARIS	FRANCE

TOTAL

■ Locations and activities by country

Country	Net banking income	Profit or loss before taxes	Current taxes	Deferred taxes	Other taxes ⁽²⁾	Headcount	Public subsidies
BELGIUM	287 400	87 583	-488	-11 161	-39 174	1 117	-
SPAIN	567	398	-32	0	-15	1	-
UNITED STATES OF AMERICA	0	39	0	0	0	0	-
FRANCE	833 699	434 059	-85 388	-6 710	-143 031	3 563	-
HONG KONG	0	134	0	0	0	0	-
LUXEMBOURG	29 335	10 214	-17	-1 258	-2 984	56	-
NETHERLANDS	0	9	0	0	0	0	-
UNITED KINGDOM	1 386	-57	0	0	-191	2	-
TOTAL	1 152 387	532 379	-85 925	-19 129	-185 395	4 739	0

Consolidated accounts at 31/12/2014 and information required by IFRS 12

Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾	Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾	
	control	interest				control	interest			
12/13	98,74	98,74	-1 393	FC	12/14	98,46	98,46	-2 971	FC	
12/13	100	74,23	553	FC	12/14	100	74,02	164	FC	
12/13	30,00	29,62	375	EM	12/14	30,00	29,54	115	EM	
12/13	24,48	20,85	-1	EM	12/14	24,48	20,79	18	EM	
12/13	100	99,07	1 164	FC	12/14	100	98,86	367	FC	
12/13	10,00	9,87	0	EM	12/14	24,64	24,26	9	EM	
12/13	10,00	9,87	0	EM	12/14	24,64	24,26	39	EM	
12/13	100	85,16	-6	FC	-	0	0	0	NC	
12/13	100	98,74	189	FC	12/14	100	98,46	188	FC	
12/13	33,40	32,98	647	EM	12/14	33,73	33,21	1 060	EM	
12/13	100	98,74	3 517	FC	12/14	100	98,46	2 199	FC	
12/13	100	98,74	186	FC	12/14	100	98,46	445	FC	
12/13	100	98,74	-35	FC	12/14	100	98,46	-140	FC	
12/13	66	65,17	51	FC	12/14	66	64,99	228	FC	
12/13	100	98,74	-463	FC	12/14	100	98,47	276	FC	
12/13	100	99,24	338	FC	12/14	100	99,08	-727	FC	
12/13	100	98,74	-185	FC	12/14	100	98,46	-989	FC	
12/13	100	98,74	1 096	FC	12/14	51,00	73,86	422	FC	
12/13	65	64,18	-115	FC	12/14	65	64,00	2 093	FC	
12/13	100	98,74	11 607	FC	12/14	100	98,46	8 340	FC	
12/13	86,25	85,16	5 870	FC	12/14	86,25	84,92	4 805	FC	
-	0	0	0	NC	12/14	65,00	55,20	86	FC	
-	0	0	0	NC	12/14	56,67	55,00	-12	FC	
12/13	24,64	20,98	565	EM	12/14	24,64	20,92	241	EM	
12/13	100	98,74	-141	FC	12/14	100	98,46	59	FC	
12/13	100	98,74	185	FC	12/14	100	98,46	893	FC	
12/13	100	98,74	0	FC	12/14	100	98,46	-82	FC	
12/13	100	98,74	37	FC	12/14	100	98,46	1 017	FC	
12/13	46,46	45,88	418	EM	12/14	46,46	45,75	221	EM	
12/13	51,00	50,36	-10	FC	12/14	51,00	50,22	-3	FC	
12/13	100	85,16	3	FC	12/14	100	84,92	-25	FC	
-	0	0	0	NC	12/14	40	39,38	1 221	EM	
-	0	0	0	NC	12/14	49	48,25	-456	EM	
-	0	0	0	NC	12/14	50	49,23	132	EM	
-	0	0	0	NC	12/14	100	99,73	-943	FC	
-	0	0	0	NC	12/14	100	99,71	-46	FC	
			24 452					18 244		

⁽¹⁾ Method of integration: EM: Equity Method; PC: Proportionate Consolidation; FC: Full Consolidation

⁽²⁾ Social charges, pension charges, taxes and levies on remuneration and other taxes and levies

The Crédit Mutuel Nord Europe Group is subject to French prudential regulations implementing European directives. The methodologies applied to evaluate risks comply with regulatory standards and the definitions used by the Crédit Mutuel Group.

● Key figures

In millions of euros

Regulatory ratios	31/12/2014	31/12/2013	
	Basle III	Basle II	Basle I
Basic Tier One equity capital	2 047	2 009	2 022
Additional Tier One equity capital	90	-	-
Additional Tier Two equity capital	284	31	40
Weighted risks	15 383	14 032	15 636
Overall ratio (%)	15.74	14.54	13.19
Tier One ratio (%)	13.90	14.32	12.93
CET1 ratio (%)	13.31		

Crédit Mutuel Nord Europe complies with all of the regulatory ratios to which it is subject.

● Equity capital

Under the provisions of the CRBF's regulation n° 2000-03, networks of establishments with a central governing body must comply with the management ratios on a consolidated base (market risk and credit risk, major risks, shareholdings, internal audit). The consolidating entity and Crédit Mutuel Nord Europe's scope of prudential monitoring are identical to those used for the Group's consolidated accounts.

Only the method of consolidation changes, in particular for the insurance companies, whose accounts are consolidated by total integration and prudentially using the equity method. This principle is identical to the one applied by the other entities in the Crédit Mutuel – CIC Group.

The overall cover ratio measures the amount of equity capital needed to cover credit, market and operating risks. Under Basel III, overall equity capital corresponds with the sum of the Common Equity Tier One capital, i.e. the company shares and reserves, the additional Tier One capital, i.e. Super Subordinated Securities of unspecified duration and Tier Two capital, i.e. Redeemable Subordinated Notes, minus regulatory deductions (some holdings in financial establishments not consolidated or accounted for using the equity method).

CMNE calculates the overall cover ratio for equity capital on the basis of IFRS consolidated accounts, using the prudential method. Book equity capital is withdrawn to take account of the effect of prudential filters, which are designed to reduce the volatility of equity capital induced by international standards, in particular through the introduction of fair market value.

CMNE also complies with the declaratory obligations created by the European Directive that applies to conglomerates. One of the results of this is the additional monitoring of cover by equity capital consolidated from the combination of the requirements of banking equity capital and the solvency margin of insurance companies. This monitoring also has an effect on measuring other management standards, with the difference of accounting for the consolidated entities in the insurance sector using the equity method being eliminated from base equity capital.

> Capital management

In the context of managing its equity capital, the Group ensures that its level of solvency is compatible with maintaining its financial strength. It also makes sure that the way its equity is allocated is properly distributed across the various business lines so that the Group is able to withstand stress scenarios.

As part of the planning process implemented by Crédit Mutuel's National Confederation, CMNE has had an Internal Capital Adequacy Assessment Process (ICAAP) in place since 2014. This enables the Group to measure the adequacy of the capital ratios in relation to the various regulatory constraints, as well as against the Group's objectives, in the context of the bank's appetite for risk (credit, market, operating, reputation, insurance business).

> Governance and risk management

The CMNE Group has a robust and effective process in place to monitor and control risks. This procedure covers all of the banking and non-banking risks faced by the Group's entities, in compliance with the standards set by the ACPR regulatory body, in particular the decrees of 3rd November 2014 relative to the internal auditing of companies in the banking sector, payment services, investment services and the additional monitoring of financial conglomerates.

To affirm the transversal nature of the risk function, this area of the business is entrusted to the Group's risk management and ongoing audit department. This work involves a central team, as well as staff dedicated to monitoring risk and ongoing audits in the various entities and businesses. The department operates under the responsibility of the Group Risk Director, who reports directly to the Group's General Manager.

The teams in this department, which consists of two separate areas (ongoing audit and risk) are staffed by risk management professionals: credit, operating, market and financial. It also includes specialists in IT security and business continuity plans. Within their areas, these two arms of the business implement the risk management policy.



Jointly, the risk department and General Secretariat, which includes the legal department and compliance department, provide active monitoring of best practices, constantly putting forward adjustments to the auditing tools and procedures.

For its part, the Inspectorate General, which is responsible for the periodic business line and network audits, remains a strictly autonomous structure.

In 2014, 103 staff worked on Level 2 ongoing audits (risk, ongoing, compliance), with a further 56 responsible for periodic audit assignments, representing approximately 3.5% of the Group's total headcount.

The Federal Board of Directors, or its offshoots in the form of the Audit Committee and Risk Committee are kept informed regularly of the management and monitoring of risks. The consolidated reports presented deal mainly with the monitoring and control of credit risk, financial risks and operating risks, as well as measuring the requirement of equity capital linked to the Group's various business lines.

The quality of CMNE consolidated balance sheet contributes to the rating allotted to the whole of the Crédit Mutuel-CIC Group by Standard & Poor's: "A, negative outlook" for the long term and "A-1" for the short term, published in August 2014 and confirmed on 4th November 2014.

● Audit and control

The way Level 2 internal audits are organised is based around central structures that handle ongoing audits and compliance, and dedicated structures put in place within each of the Group's business areas. The actions of these structures are coordinated by the Ongoing Audits and Compliance Control Committee, placed under the authority of the CMNE Group Risks Director.

Ongoing audits – information system security and PCA

With the number and growing complexity of the risks to be monitored, as well as multiple businesses, the organisation chart for ongoing audit in the central business changed in 2014 and a new position responsible for auditing business lines and subsidiaries was created.

In 2014, this central department contributed to the review of the audit plans, particularly in Belgium. It also strengthened its processes for monitoring market operating risks, its internal auditing systems for the commercial network of Bancassurance France, and the security processes for the information systems.

Risk monitoring

The risk department was strengthened during the 2014 financial year, adjusting its organisation chart by reallocating its tasks into separate functions: one in charge of the process to monitor financial risk, the other responsible for the process on monitoring credit and operating risks. The department's risks and activities were redefined and the operating links with the subsidiaries strengthened, partly due to the reorganisation of internal auditing in the subsidiaries.

The risk department handles the monitoring of the risk for rates, liquidity and market, as well as for Basle reporting, both for Basle reporting—in terms of credit and capital allocation—and for reports intended for the finance committee. The department also handles the drafting of Pillar 3 report and the ICAAP, as well as recording and qualifying incidents reported by the various correspondents for all of the businesses.

In 2014, particular emphasis was placed on strengthening the analysis of Group risks, new product ranges, the sensitivity of products and their consumption of equity capital and the analysis of corporate counterparties. Changes to the regulations on collateral contracts led to the adjustment of limits, as well as the implementation of specific monitoring for La Française Bank.

The introduction of IFRS 10 prompted the department to reinforce its analyses into equity capital requirements, in particular on funds and control ratios.

Compliance control

Reporting to the Secretary General, the compliance control department provides the monitoring function and keeps watch on regulations. It also provides advice to staff on any issues associated with compliance, issues recommendations as to the compliance of new products and updates the mapping of non-compliance risks. Other responsibilities include the fight against money-laundering and financing of terrorism, the function of being responsible for auditing investment services and the ongoing audit role for compliance.

In 2014, the department was requested on several occasions to provide regulatory advice following changes to legislation (FATCA regulations, fragile customer base, obligation to provide information prior to taking commissions, dormant accounts, etc.) or applications (TOP Info, life insurance, credit passport simulator, etc.).

It was also consulted on five matters relating to "new products", while there were 16 other recommendations without opinion and eleven queries were approved without opinion or recommendation.

Elsewhere, numerous compliance checks were conducted in 2014 as part of the implementation of compliance function audit plans and audits of investment services (banking and financial cold-calling, banking mobility, subscriptions to life insurance products, management of customer complaints and basic banking services, selling rules for financial products, compliance with procedures for opening securities accounts and customer assessments).

In the area of money-laundering and the financing of terrorism, there was more activity in 2014, requiring a strengthening of guidance, analysis and checks through the creation of new alerts. Training courses and specific awareness programmes were conducted with support services staff in order to improve the detection of increasingly sophisticated money-laundering techniques. Finally, work was carried out with the Ongoing Audit department to rethink the internal auditing of the Bancassurance France network in particular.

Periodic audits

Governed by the CMNE Group's periodic audit charter, the General Inspectorate acts on all of the Group's activities and business lines. Its assignments cover four main areas missions: the periodic auditing of the Bancassurance France commercial network; the business lines and subsidiaries; the certification of the company accounts of the local branches; dealing with fraud and special issues.

In terms of activity, the department for the periodic audit of the network conducted 32 audit assignments, encompassing a total of 49 branches and 7 Business Advice Spaces (BAS), 25 audits to follow up recommendations, 6 topic-based audits and the certification of the 2013 company accounts for 155 local branches. The level of cover for the audit plan was 91%. The Periodic Audit Department for the CMNE Group's business lines conducted 34 assignments, as well as 3 audits to follow up

recommendations covering the whole of the Group's businesses. For the Belgian business, 202 branch inspections were carried out and 11 audits of federal departments.

In terms of cases of fraud, 466 attempts at external fraud were analysed.

199 cases of rude behaviour suffered by the Bancassurance France network were investigated.

RISKS

> Credit risks

The granting of loans is governed by procedures and frames of reference specific to each of the Group's businesses. These procedures and frames of reference are established in line with the Group's policy on risk.

The fundamental principle on which the procedures for granting loans at Bancassurance France and Business Finance are based is the internal ratings used across the Crédit Mutuel-CIC Group. In the same way, the system for delegating powers and the tiered pricing system used for customers are affected by these internal ratings.

Beyond the delegation of powers granted to the managers of local branches, the Loans Committee for each branch, made up of directors and the manager, meets weekly to rule on applications.

If an application exceeds the threshold of 600 000 euros, it has to be analysed by the Caisse Fédérale's commitments department and presented to the Federal Loans Committee. Applications for unit amounts or which take outstanding loans to an amount in excess of 1 250 000 euros are required to be examined by the Chairman and General Manager before approval, or to be presented to a decision-making body.

For Business Finance, an overall limit per counterparty or group of counterparties has been set at 30 million Euros. Applications

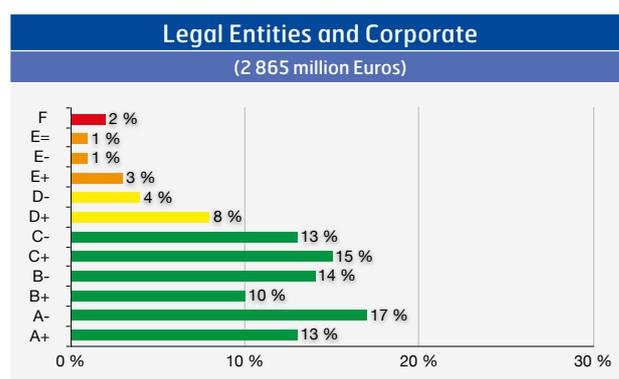
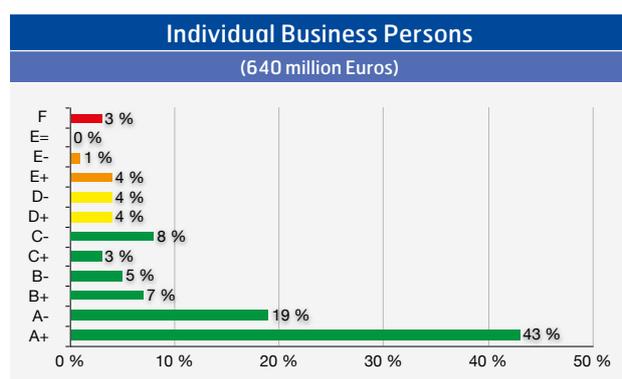
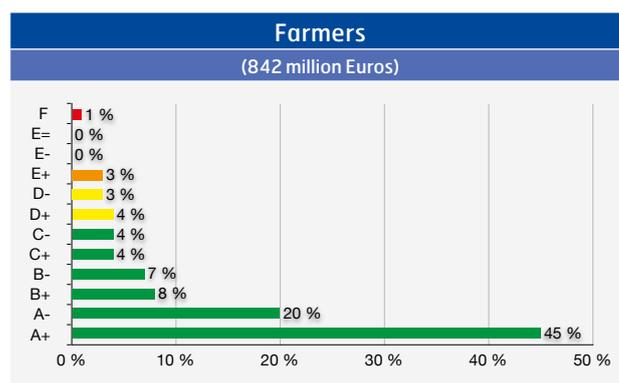
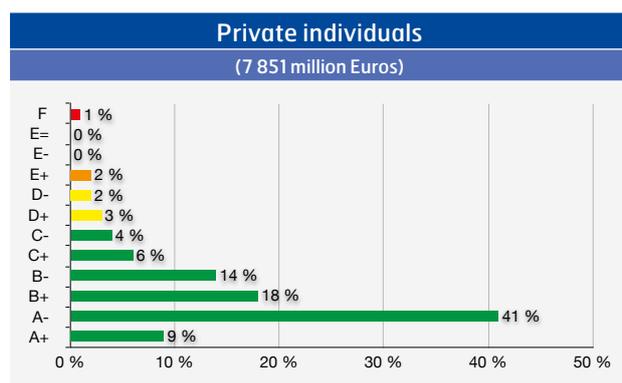
with a unit value higher than 150 000 euros require a decision from the Committee.

The Loans Committees in Business Finance and each entity are the main bodies that examine and decide on the granting of loan applications. The option of granting maximum additional finance of 10% over and above the outstanding amount previously granted is conferred on one of the members of the committee that ruled on the loan application. However, this financing is limited to 500 000 euros.

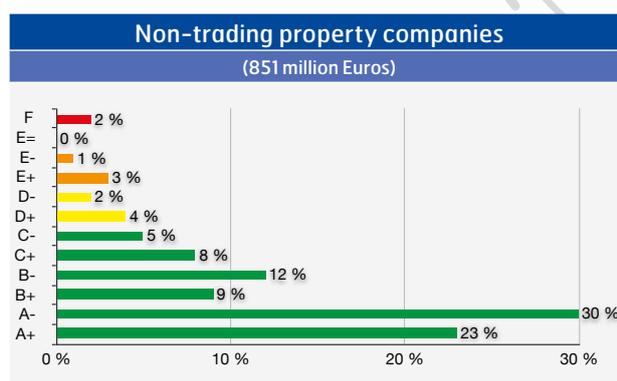
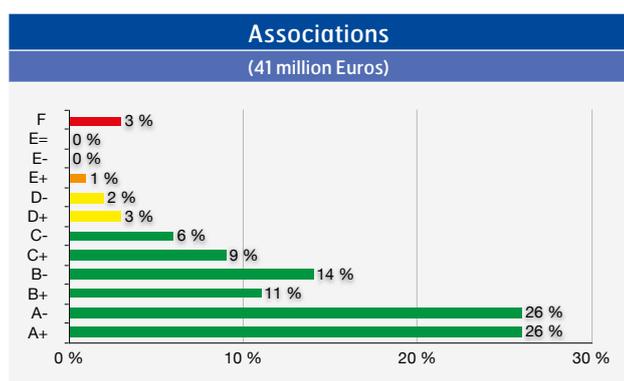
In Belgium, at BKCP Bank, applications in excess of 750 000 euros are granted exclusively by the Group's Management Board. Beobank is not affected by a "major risk" approach because it is involved in consumer loans only.

For the banking business in France (Bancassurance France and Business Finance), which represents approximately 75% of the Group's outstanding loans to customers, the breakdown of outstanding loans by rating category and rating algorithm is as follows:

- Ratings equal to or above C-, which represent the best customers, total 82% to 92%,
- Ratings between D+ and E+, which represent healthy loans with a fairly high risk profile, total 6% to 15%,
- Doubtful (E-), compromised doubtful (E=) and bad loans (F), total 1% to 4%.

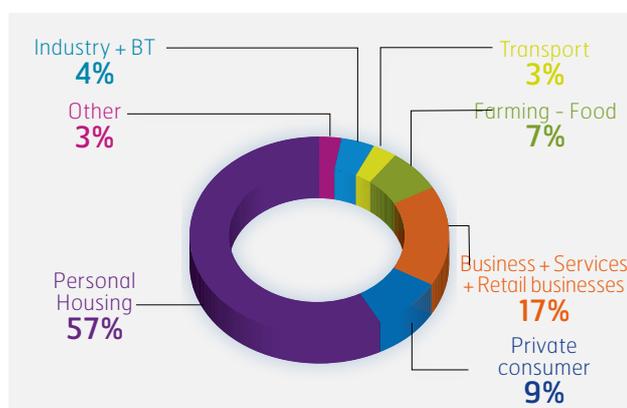


Risks



This breakdown remained stable compared with previous years, with a slight improvement in the risk profile. Overall, the average rating for these outstanding loans remained very satisfactory.

The overall breakdown of credit risk by business sector for the same perimeter was as follows:



In thousands of Euros

Quality of risks	31/12/14	31/12/13
Debts written down individually	1 045 330	1 024 976
Provision for individual writedowns	-676 662	-673 647
Collective provision for debts	-30 271	-29 520
Overall level of cover	67.6%	68.6%
Level of cover (individual provision only)	64.7%	65.7%

In thousands of Euros

Credit risk monitoring	31/12/14	31/12/13	Variation	
Loans and debts				
Credit establishments	4 090 887	3 919 731	(171 156)	-4%
Customers	16 491 495	16 239 286	(252 209)	-2%
Gross exposure	20 582 382	20 159 017	(423 365)	-2%
Provisions for writedowns	-706 933	-703 167	3 766	-1%
Credit establishments	0	0		
Customers	-706 933	-703 167	3 766	-1%
Net exposure	19 875 449	19 455 850	(419 599)	-2%
Funding commitments given				
Credit establishments	54 496	64 921	10 425	16%
Customers	2 132 754	1 978 400	(154 354)	-8%
Guarantee commitments given				
Credit establishments	147 703	144 755	(2 948)	-2%
Customers	320 648	106 951	(213 697)	-200%
Provision for risks on customer commitments	-4 323	-4 554	(231)	5%
Net exposure	2 651 278	2 290 473	(360 805)	-16%
Debt securities*				
Government securities	489 875	542 303	52 428	10%
Bond	10 483 569	10 430 161	(53 408)	-1%
Derivative instruments	140 727	96 536	(44 191)	-46%
Pensions & loans of securities	175 000	0	(175 000)	
Gross exposure	11 289 171	11 069 000	(220 171)	-2%
Provision for writedown of securities	-6 439	-7 757	(1 318)	17%
Net exposure	11 282 732	11 061 243	(221 489)	-2%

* Excludes securities classified as "loans and debts"

In thousands of Euros

Payment arrears	31/12/14				Total	NBV of assets written down	Total assets that are the subject of payment arrears and assets written down	Guarantees and other credits received relative to assets written down
	≤ 3 months	> 3 months ≤ 6 months	> 6 months ≤ 1 year	> à 1 year				
Equity capital instruments						42 474	42 474	
Debt instruments	0	0	0	0	0	2 493	2 493	
Loans and advances	912 707	46 295	26 358	9 298	994 658	375 402	1 370 060	560 312
<i>of which central administrations</i>	3 926	0	0	224	4 150	0	4 150	0
<i>of which credit establishments</i>	221 107	0	0	845	221 952	1 220	223 172	550
<i>of which non-credit establishment institutions</i>	6 213	0	63	1 204	7 480	1 085	8 565	0
<i>of which large corporations and similar</i>	106 714	23 407	8 052	1 872	140 045	56 940	196 985	100 197
<i>of which retail customers</i>	574 747	22 888	18 243	5 153	621 031	316 157	937 188	459 565
Other financial assets	0	0	0	0	0	0	0	0
TOTAL	912 707	46 295	26 358	9 298	994 658	420 369	1 415 027	560 312
<i>of which actual non-payment on due date</i>	22 498	1 400	2 716	2 123	28 737			

Payment arrears include all outstanding capital, whereas the line "of which actual non-payment on due date" only covers debts falling due where there are payment arrears.

> Market risks

Market risk relates to the risk of a loss resulting from an unfavourable development in market parameters. It concerns transactions in the trading book and banking book.

Management of the CMNE Group's refinancing and investments is centralised at the Caisse Fédérale, for transactions by the French and Belgian entities. The back-office side of these transactions is centralised in Lille.

There are two types of transaction handled by the Group Treasury Department:

- One: the Group's medium and long-term refinancing transactions and, more generally, assets-liabilities management transactions designed to control the margin of intermediation based on the figures for the risk rate and liquidity analysed by the Finance Committees for each entity in the Group.
- Two: own account transactions conducted on behalf of the Caisse Fédérale, BKCP Bank or Beobank.

These transactions fall into two groups:

- Arbitrage transactions structured to generate only a marginal rate risk while still extracting their profitability from the taking of a counterparty risk and a liquidity risk. This type of transaction only concerns the Caisse Fédérale and comes under the direct responsibility of the Group treasurer, who receives an allocation of equity capital, an overall limit on outstanding funds and a standard framework for authorised transactions.
- Investments in dedicated OPCVM products managed by La Française in SCPIs, shares, bonds and negotiable debt securities, structured or not, which are always implemented in the context of the finance committees of the entities concerned and hence are the result of a collective decision. Investments in bonds and similar securities are particularly important for BKCP Bank on account of its high level of deposits collected through passbook deposit accounts.

Structural management transactions on the balance sheet, as well as transactions as conducted as principal, come under the tight control of the Finance Committee of CMNE's Caisse Fédérale and are the subject of individual reports that are then merged to measure the liquidity risk.

■ Counterparty risk

At the proposal of the Risk Department, counterparty limits are agreed by the Group's Finance Committee and the Finance Committee of CMNE's Caisse Fédérale. The methodology used to define risks is based on the internal rating of major counterparties, as redefined by Crédit Mutuel's National Confederation within the context of Basle II ratification.

The ceiling for unit risks refers to the equity capital of the Caisse Fédérale, BKCP Bank, Beobank and Nord Europe Assurances, rather than the Group's consolidated equity capital. In this way, while still remaining within the national reference framework for banking limited imposed by Crédit Mutuel's National Confederation, each part of the overall business has rules that are consistent with the development of its outstanding funds and its equity capital.

As a result, the overall limits are:

- State risk: 100% of the equity capital of each arm of the business,
- Bank risk: for each counterparty, a maximum authorisation is calculated based on the IFC National Benchmark and in particular on the internal rating used to establish a sliding scale of limits on the markers for equity capital and refinancing. These limits are calculated and capped by the most restrictive of the 3 markers:
 - **Marker for the CMNE's equity capital** calculated in line with the regulations on major risks that set the maximum outstanding amount on a counterparty at 25% of the consolidated equity capital, i.e. 510 million euros, then on a sliding scale based on the internal rating.
 - **Marker for refinancing** the counterparty, as stated in the latest IFC National Benchmark.
 - **Marker for the equity capital of the counterparty**, as stated in the latest IFC National Benchmark.
- Corporate risk: 5% of consolidated equity capital, both for the risks taken by Business Finance as part of its day-to-day business and for risks taken in the context of market activities.

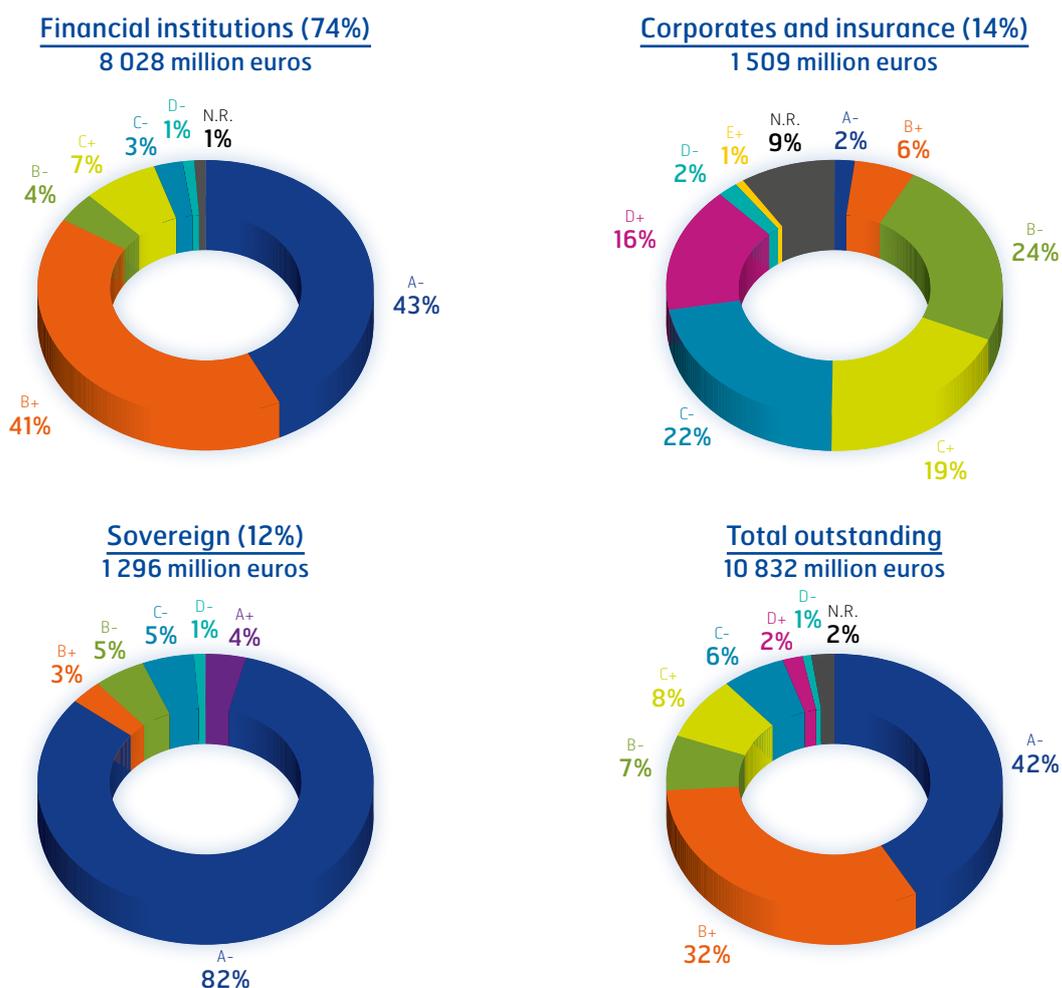
Risks

These limits are intended for A+ risks (Crédit Mutuel – CIC internal rating) and are then scaled down based on the rating of the counterparties.

For corporate risk taken as part of market activities, the Federal Board of Directors approves the rules, taking account of the issuer's rating, the volume of bonded debt issued, the business sectors of the issuers and the outstanding funds of the insurance company. For most corporate counterparties, this restricts the unit risk to 50 million euros.

On an exceptional basis and for investments by the insurance company, the unit risk may rise to as much as 235 million euros for a very limited number of public or quasi-public companies.

For the whole of the CMNE Group, banking and insurance combined, the counterparty risk is broken down as follows:



All of the transactions conducted by the Treasury Department as part of its own management as principal, or entrusted to La Française AM as part of dedicated management, are carried out in a specific context defined by the Group's Finance Committee and are the subject of a report submitted monthly to the Committee, which includes five of the seven members of the Management Board. Twice each year, a presentation is made to the Board of Directors of the whole of the financial risks carried by the Caisse Fédérale.

In addition, the meeting of the Board of Directors in November 2014 increased the overall allocation of equity capital to market activities at 235 million euros, compared with 195 million euros in 2013 for the banking book and maintained it at 95 million euros for the trading book.

Business where the Group acts as principal is divided into two parts. One: an arbitrage business on European money market securities (eurozone) and on bonds issued by corporates,

conducted exclusively by the CMNE Caisse Fédérale; and two: medium or long-term investments in dedicated OPCVM products, direct shares, bonds and negotiable debt securities or structured bonds. These medium and long-term investments are accommodated both within the Caisse Fédérale, at BKCP Bank and at Beobank.

There is also a residual CDO portfolio of 5 million euros at the Caisse Fédérale in net book value and a portfolio of 26.4 million euros at BKCP Bank.

Finally, BKCP and OBK assigned their customer and portfolio business to CP sa, which was renamed BKCP Bank. BKCP scrl was renamed BKCP Immo IT. Implemented in November 2014, with retroactive effect to 1st April 2014, this operation led to the extinctive management of a portfolio of CDO securities valued at 21.9 million euros and 27 million euros of sovereign bank or assimilated securities from the original portfolio of OBK (see table on next page).

Based on assumption common to the whole of the Crédit Mutuel – CIC Group, CMNE conducts a stress impact measurement test each quarter. Five stress tests from the past (1994 rate rise, 1997 Asia crisis, 1987 Black Monday, 11th September 2001, subprime crisis) and four hypothetical stress events (fall in share prices of 25%, rise in credit spreads of 150 bps, increase in rates of 50 bps, rate cut of 50 bps) are measured in the tests. Based on the calculations for December, the three most punitive tests in terms of the profit-and-loss account are 11th September, Black Monday and the 25% fall in share prices, with a negative impact varying between 13 and 21 million euros; the three most punitive tests in terms of the equity capital are the rise in credit spreads of 150 bps, the 25% fall in share prices and Black Monday with a negative impact varying between 39 and 103 million euros.

– Arbitrage

Arbitrage transactions, which are carried out based on terms of between three months and four years, consist of buying negotiable debt securities or variable-rate or fixed-rate bonds converted into variable rates through rate swaps, financed by the regular issue of investment certificates with terms at the outset of between one and six months. The maximum outstanding amount in this arbitrage portfolio, set by the Group's Finance Committee, is 1.2 billion euros, while its actual outstanding remained stable is around this figure. Its average consumption of equity capital for credit risk was 29.7 million euros, significantly less than the allotted limit of 35 million euros. Arbitrage generated a result estimated at 11.3 million euros.

The duration of securities purchased and the fact that they are all at indexed rates, provides very strong insurance against market risks, since the Net Present Value (NPV) sensitivity of this portfolio is less than 1%. The rate risk is practically zero and the liquidity risk is monitored very closely as part of overall liquidity risk management procedure.

– Bond portfolio and TCN

The table below summarises the variations in value at 31st December 2014 in the portfolios of bonds and negotiable debt securities impacted in accounting terms by "marked to market".

In millions of euros

	Portfolios valued at 31/12/14			Variation in value compared with 31/12/13		
	AFS Portfolio	JVOR Portfolio	Total	Equity capital	Profit	Total
France: arbitrage & Loss account		Total	1 091.9	0.8		0.8
France: invested *	243.4	82.7	326.0	-6.0	4.8	-1.1
BKCP Bank: invested	1 245.2	0.0	1 245.2	7.1	-0.2	6.9
Beobank: invested	366.0		366.0	0.1		0.1
OBK: invested	48.9		48.9	2.4	2.3	4.7
TOTAL	2 995.4	82.7	3 078.0	4.4	7.0	11.4

* of which -7.8 million euros linked to the reclassification of OPCI fixed revenue stocks to variable revenue.

NB: After the business regroupings of the Belgian entities, outstanding OBK funds consist of defeasance securities.

– Dedicated OPCVM

CMNE's Caisse Fédérale holds one dedicated fund, managed on its behalf by La Française AM. The total outstanding amount of this fund at 31st December 2014 was 195.1 million euros. The Richebê management fund is dedicated to dynamic cashflow management and generated a positive yield of 5.22%. BKCP Bank also holds 17.2 million euros.

– Shares

The Caisse Fédérale holds directly approximately 1% of CIC securities acquired for an average historic value of 51 million euros. These securities represent a holding in a common entity of the Crédit Mutuel-CIC Group. With regard to the method used for valuing CIC securities, the AMF has agreed to a method combining a market value (share price) and a value known as "Sum of the parts". Hence the value of securities at 31st December 2014 was 241 euros, making a fair value of 90.4 million euros.

Excluding CIC securities and the share of securities contained in the dedicated OPCVM products (trading book), the share risk was 56.7 million euros at 31st December 2014 in market value. This is made up of the share component of the OPCVMs, representing the investments made on behalf of Caisse Fédérale and BKCP Bank (banking book).

– Collateralised Debt Obligations (CDO) portfolios

The Caisse Fédérale portfolio of CDOs consists only of "Regent Street" and "New Court" vehicles from KBC Bank with a par value of 12 million euros and a net book value of 5.7 million euros. In actual fact, the Regent Street shares are now fully funded as the result of the receipt of a "credit event" in 2012, taking the value of the shares in the fund back to zero. For their part, the New Court securities produced a latent loss of 0.3 million euros at 31st December 2014, which was down over the period. They are recorded as securities held to maturity, with their variation affecting neither equity capital nor the profit-and-loss account.

In Belgium, the acquisition of OBK in 2012 included a fairly significant portfolio of CDO.

During the 2014 financial year, part of this portfolio was transferred to BKCP Bank.

Following the merger, these outstanding funds were broken down as follows, as of 31/12/2014:

- OBK: 21.9 million euros (spread across 11 securities with maturity dates extending ahead as far as 2043).
- BKCP Bank: 26.4 million euros (spread across 14 securities with maturity dates extending ahead as far as 2050).

– Other investments

Other investments made on CMNE's own behalf in collective vehicles (rate products, alternative management or SCPI and OPCI stocks), represented a total of 341 million euros in market value.

CMNE also holds a portfolio of structured securities valued at 95 million euros, which carries 0.2 million euros of latent losses. There were no speculative foreign exchange transactions.

– Downgraded securities

- CMNE's downgraded securities now consist only of 'C' and 'A' in the Regent Street securitisation, representing 2 million euros and 4 million euros of par value respectively, funded 100%.

Risks

■ Liquidity risk

The Group's aim is to ensure the refinancing of its businesses at the best possible cost by managing the liquidity risk and complying with regulatory constraints.

CMNE measures its liquidity risk based on three time horizons:

- In the long term by applying the national provisions of the Crédit Mutuel-CIC Group aimed at managing the conversion of liquidity. The general principle here consists of disposing of all assets and liabilities based on the conventions already used in the context of rate risk measurement and also measuring a ratio of the application of funds equivalent to different maturity terms. This measurement is carried out on a static base and the 5-year ratio must be greater than or equal to 95%. Measured each quarter, it is regularly in excess of 100%.
- In the short term, also by applying a national scenario for liquidity stress aimed at measuring the impact over a horizon of 3 months of the sudden disappearance of 10% of customer at-call resources. The resulting cashflow requirement must remain below the ECB's repurchase capability.
- In the very short term by calculating the regulatory liquidity ratio at 1 month, which must be greater than 100%. In 2014, this figure remained significantly over 100%.

In terms of refinancing, the CMNE's Caisse Fédérale, which has three programmes approved by the Bank of France or the AMF to issue deposit certificates (4 billion euros) and MTN (2.5 billion euros) and bonds (4 billion euros), maintains outstanding securities eligible with the ECB for approximately 1.2 billion euros. BKCP Bank rounds out this device with outstanding eligible securities of approximately 1.4 billion euros.

Following the publication in October 2014 of the European Commission's delegated act relative to the new one-month liquidity ratio (LCR), that date on which the LCR comes into effect has been deferred to 01/10/2015 with a minimum level of 60%.

CFCMNE retained raised liquidity of 700 million euros as part of the LTRO in 2012 until the introduction by the ECB of the TLTRO (Targeted Long Term Refinancing Operation) in 2014. CMNE took part in this second programme in December for 500 million euros and at the same time proceeded to make a partial early repayment of 250 million euros of the LTRO ahead of the final maturity date set for the end of February 2015.

The CMNE Group notified the ACPR of its estimate of Consolidated LCR on a quarterly basis, from 31/03/2014. At the end of December 2014, it was 83%.

CMNE Caisse Fédérale raised long resources by using its programme of bond issues. The structured issues, arranged by La Française Bank, are systematically swapped to arrive at a simple remuneration (EURIBOR + margin) and have been supplemented by simple issues placed on the market for 300 million euros at 5 years, 301 million euros at 2 years and issues of RSNs intended for the network for 175 million euros, which have also helped to strengthen CMNE Caisse Fédérale's equity capital.

CMNE Caisse Fédérale added to its refinancing policy via short-term issues.

In thousands of Euros

Breakdown of maturities for the liquidity risk								
Residual contractual maturities	≤ 1 month	> 1 month ≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 2 years	> 2 years ≤ 5 years	> 5 years	Indeterm.	Total
Assets								
Financial assets held for transaction purposes	-	90	6 248	1 670	11 101	73 262	213 189	305 560
Financial assets designated at fair value through the profit-and-loss account	726	-	-	-	10 446	72 052	83 208	166 432
Derivatives used for hedging purposes (assets)	506	-	-	993	19 168	28 032	-	48 699
Other financial assets available for sale (without analysis and by part.)	56 438	80 731	577 605	1 086 690	1 645 646	629 783	490 921	4 567 814
Financial assets available for sale (analysis by security)	-	-	-	-	-	-	168 220	168 220
Loans and debts (including finance lease contracts)	1 615 847	435 953	1 772 630	1 979 884	4 167 220	8 650 408	-	18 621 942
Investments held to maturity	134 035	30 112	75 169	102 266	139 004	-	-	480 586
Other assets (without analysis and by part.)	108 495	202 898	1 393	-	15	-	102 436	415 237
Other assets (analysis by security)	-	-	-	-	-	-	-	-
Liabilities								
Deposits from central banks	-	-	-	-	-	-	-	-
Financial liabilities held for transaction purposes	1 446	9	1 908	1 320	8 695	61 550	-	74 928
Financial liabilities designated at fair value through the profit-and-loss account	-	-	-	-	21 045	212 757	-	233 802
Derivatives used for hedging purposes (liabilities)	122	365	2 040	9 876	57 791	76 903	-	147 097
Financial liabilities valued at depreciated cost	14 283 810	1 013 453	1 179 651	1 615 190	1 973 608	2 540 628	191 052	22 797 391

■ Rate risk

The aim of risk rate management is to reduce the structural risks of rates within the entities and control the intermediation margin generated by the various activities of the banking arm of the business.

Each company within this area of business has its risk analysed by a specific Finance Committee on a quarterly or six-monthly basis, depending on the size of the company or the inertia of its balance sheet structure. The Committee for each company decides on the implementation of rate cover, such as liquidity.

The CMNE Group measures the rate of risk using the sensitivity of the net interest margin (NIM) and the sensitivity of the net present value (NPV). The latter of these makes it possible to measure overall risk in the sense of regulation 97-02 and the Basle II regulations.

These measures are subject to regulatory limits (NPV) or management limits (NIM) in accordance with the recommendations of Crédit Mutuel's National Confederation and the Prudential and Resolution Monitoring Authority.

These limits are as set out below. They apply in identical fashion to all of the Group's banking subsidiaries.

- NPV: a linear movement in the rate curve of 200 bps may not represent more than 20% of equity capital. The equity capital retained must be consistent, in terms of consolidation, with the risk rate basis analysed.
- NIM: a linear movement in the rate curve of 100 bps must not induce sensitivity in excess of 5% of net banking income for the consolidation being analysed for the year underway and for the two subsequent years. Added to this limit is a risk indicator equivalent to 10% of the NIM for the consolidation being analysed for the year underway and for the three subsequent years.

The NPV limits were complied with in 2014 over the periods observed, with an NPV sensitivity less than 10% at 31/12/2014. With regard to the sensitivity of the NIM, equal or lower than 5% of NBI on a regional level, this was exceeded on 30/06/2014. The ratio was established at 6% for 2015. However, no specific cover was put in place because the less restrictive national levels (6%) were complied with and the refinancing forecasts (bond issue and participation in the TLTRO) made it possible to return within the limits.

CMNE also supplemented its NPV sensitivity analyses with curve distortion simulations (rate variations at 3 months, 3 years and 7 years, based on stress of +1% or -1%). The process used was aimed at identifying scenarios featuring elevated NPV variations. This work showed up only minor variations in NPV, consistent with the results already observed.

> Operating risks

An operating risk results from an inadequacy or failure attributable to procedures, individuals, internal systems or external events, including events of a low occurrence probability, but where the risk of loss is high. Operating risk includes the risk of internal and external fraud, and the legal risk, but excludes strategic and reputation risks.

The Crédit Mutuel Group and the Crédit Mutuel Nord Europe Group has a reliable and exhaustive process for managing operating risks, both in terms of the scope covered and the risks taken into consideration. In the context of the Advanced Measurement Approach, or AMA), calculating equity capital requirements is based essentially on evaluating potential risks, which in turn makes it possible to allocate equity capital for operating risks covering both tier I and tier II.

Risks

The process for managing operating risks is based around 3 steps, with an audit and control phase between each:

- The identification of risks and the assessment of their impact, in particular by taking account of the history of incidents, the knowledge of the business line specialists, the Key Risk Indicators (KRI) that constitute both levers for reducing risks and the parameters used for the models.
- The implementation of risk reduction plans by seeking to reduce the severity and/or frequency of the threats identified by acting on the causes of the risks (preventative action) and the consequences with the aim of mitigating the seriousness (protective actions).
- The financing and hedging of residual risks through programmes to insure against serious and/or unexpected incidents.

The aim of managing operating risks at CMNE is to avoid a major incident or series of incidents threatening the Group's financial results and hence its future development. The Risk Department is responsible for managing operating risks. It handles the work of the operating risk managers in the Group subsidiaries through and Operating Risk Committee.

The process is based around the following actions:

- gathering together the operating incidents that occur within the CMNE Group;
- participating in the updating of the Crédit Mutuel-CIC's operating risk mapping;
- implementing business continuity plans and crisis management;
- keeping information systems secure;
- providing regular information for executive and deliberating bodies, in particular information regarding alerts about incidents higher than the alert thresholds.

The operating risk management tool incorporated into the IT system has logged all claims and incidents that have occurred since 2001. The documentary databases relating to the tool, risk mapping and modelling and the business continuity plan process are shared by the whole of Crédit Mutuel-CIC. The aim of this mapping is to identify the risk areas in a consistent manner, by type of business line and by event (in the sense of Basle II), as well as the identification of risk areas and the overall evaluation of the cost of risk.

The reduction of risks is based on effective preventative programmes identified in particular when carrying out risk mapping and implemented directly by operating staff via internal audits.

Protection programmes are aimed mainly at disseminating and regularly updating the continuity plans for the "business lines" and "support" activities.

A crisis management procedure has been defined to deal with the two potentially most serious crises: a total IT crash and the major destruction of head office premises.

The funding of risks is based mainly on an appropriate insurance policy. CMNE Group insurance covers the three main risk areas: people, liability and assets.

In terms of operating risk and net of any insurance recovery, the CMNE Group recorded 8.7 million euros of net losses in 2014, while total provisions at 31st December were 13.6 million euros.

Corporate Social Responsibility



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● Group headcount structure

> Breakdown by business

	31/12/2013			31/12/2014		
	Open-ended contracts	Fixed-term contracts	Total	Open-ended contracts	Fixed-term contracts	Total
Bancassurance France	2 690	142	2 832	2 614	113	2 727
Bancassurance Belgium	1 154	11	1 165	1 125	14	1 139
Business Finance	167	3	170	179	4	183
Insurance	227	9	236	227	14	241
Third-Party Management	476	21	497	494	18	512
Miscellaneous Services and Businesses	7	0	7	7	0	7
TOTAL GROUP HEADCOUNT	4 721	186	4 907	4 646	163	4 809

At 31/12/2014, the Group had 4 809 staff (of whom 163 were on fixed-term contracts). Bancassurance France represented almost 57% of total headcount, Belgium nearly 24%, Third-Party Management 10.5%, Insurance 5% and Business Finance almost 4%.

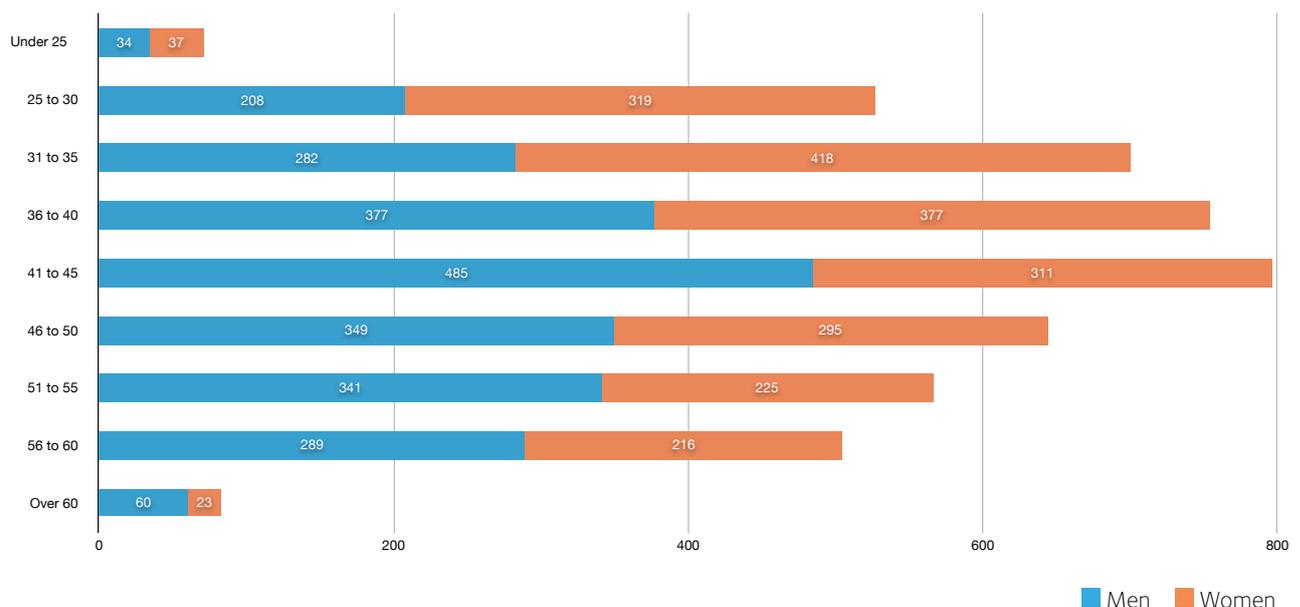
> Breakdown of staff on open-ended contracts, by gender and status

	31/12/2013			31/12/2014			Évolution 2014/2013
	Men	Women	Total	Men	Women	Total	
Managers	1 402	767	2 169	1 404	777	2 181	0.6%
Bank officers or supervisors	697	661	1 358	688	674	1 362	0.3%
Employees	363	831	1 194	333	770	1 103	-7.6%
TOTAL OPEN-ENDED CONTRACTS	2 462	2 259	4 721	2 425	2 221	4 646	-1.6%

Women with open-ended contracts represented 48% of headcount.

Managers represented 47% of headcount with open-ended contracts within the Group, with bank officers/supervisors representing 29% and employees almost 24%.

> Répartition par tranche d'âge des effectifs CDI au 31/12/2014

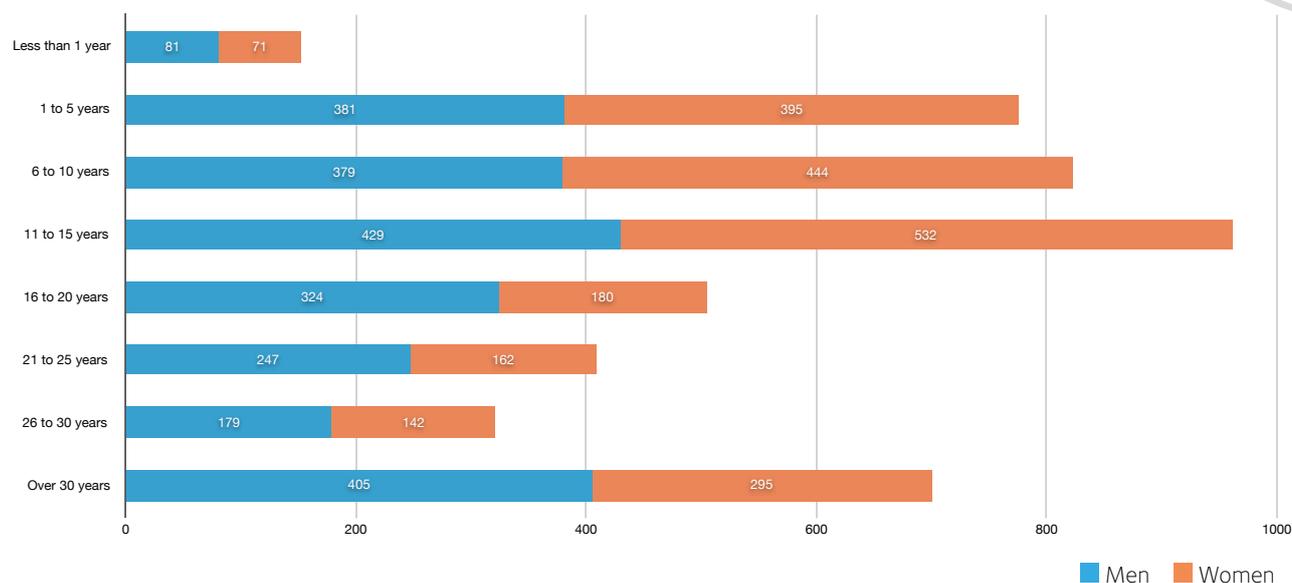


The average age of employees with open-ended contracts at the end of 2014 was approximately 42.

Nearly 13% of employees with open-ended contracts were aged under 31, 31% were between 31 and 40, 43% were between 41 and 55 and a little under 13% were over 55.

Employment-related information

> Breakdown by years of service for employees on open-ended contracts at 31/12/2014



The average number of years of service for employees on open-ended contracts at the end of 2014 was 11 years.

> Working hours

Part-time

	31/12/2013			31/12/2014		
	Men	Women	Total	Men	Women	Total
Managers	20	142	162	31	146	177
Bank Officers or Supervisors	8	178	186	8	177	185
Employees / Non-Managers	14	211	225	22	214	236
Staff on fixed-term contracts	3	8	11	3	4	7
NUMBER OF PART-TIME EMPLOYEES	45	539	584	64	541	605

The main reasons for working part-time were parental educational leave and leave for personal convenience. The number of part-time workers in 2014 rose by 3.5% (605 employees, with 89.5% women). Part-time staff represented 13% of total Group headcount.

> Employment management

Staff recruited on open-ended contracts

	2013			2014		
	Men	Women	Total	Men	Women	Total
Managers	143	62	205	82	44	126
Bank Officers or Supervisors	18	13	31	8	16	24
Employees / Non-Managers	38	85	123	19	31	50
NUMBER OF STAFF RECRUITED ON OPEN-ENDED CONTRACTS	199	160	359	109	91	200

In 2014, 63% of new employees hired were for management positions. The rate of women recruited was approximately 46%.

> Departures of staff on open-ended contracts

	2013				2014			
	Managers	Officers	Employees	Total	Managers	Officers	Employees	Total
Contract severance	11	1	2	14	14	2	7	23
Resignations	35	13	20	68	73	14	18	105
Redundancies for economic reasons	0	0	0	0	0	0	0	0
Redundancies for other causes	25	10	12	47	22	18	15	55
Departures during trial period	8	0	3	11	5	0	1	6
Departures for pension or early retirement	39	37	20	96	41	25	24	90
Group transfers	2	2	2	6	7	4	1	12
Death	3	1	3	7	1	4	3	8
Disability	1	0	0	1	0	0	1	1
NUMBER OF DEPARTURES FOR STAFF ON OPEN-ENDED CONTRACTS	124	64	62	250	163	67	70	300

> Promotions within the Group

	2014		
	Men	Women	Total
Employees promoted to Bank Officers/Supervisors	21	36	57
Bank Officers/Supervisors promoted to Managers	20	7	27
Employees promoted to Managers	12	10	22
TOTAL	53	53	106

● Individual and collective remuneration

> Average individual remuneration

In euros

2014	Bancassurance France			All businesses
	Men	Women	Total	
Managers	60 128	55 281	59 161	
Bank Officers or Supervisors	40 233	38 210	39 399	
Employees / Non-Managers	30 351	28 788	29 312	
TOTAL	47 743	37 957	43 912	50 646

> Collective remuneration

In euros

2014	Amount	Average amount
Shareholding	3 682 254	1 139
Incentive	26 601 292	7 565
Employer contribution to savings scheme	5 504 101	1 696

Employment-related information

Absenteeism

In calendar days

	2014								
	Men				Women				Total
	Managers	Officers	Employees	Total	Managers	Officers	Employees	Total	
Illness	10 741	5 746	4 259	20 747	9 213	10 621	18 685	38 519	59 266
Accident at work or travelling to/ from work	98	197	25	320	164	214	342	721	1 041
Maternity/Nursing/Paternity	511	341	234	1 086	9 420	5 270	2 963	17 653	18 739
Unpaid leave (*)	709	57	244	1 010	2 627	885	4 739	8 251	9 261
Other absences (**)	1 861	466	344	2 671	3 673	481	1 600	5 754	8 425
TOTAL DAYS	13 921	6 807	5 106	25 834	25 098	17 471	28 329	70 899	96 732

(*) Unpaid leave is understood to mean parental leave, sabbaticals, business creation, etc.

(**) Other absences, **paid** or **unpaid**: birth, marriage, sick child, house move, or any other family event provided for under the Collective Agreement

Absence on account of illness represented nearly 61% of days of absence, with maternity/paternity 19%, unpaid leave 10%, other absences (under contract) 9%.

The Group's rate of absence for illness in 2014 remained stable at 3.4%.

Training

Number of individuals who attended at least one training course during the year:

	2014		
	Men	Women	Total
Managers	1046	536	1582
Bank Officers or Supervisors	657	601	1258
Employees	334	714	1048
TOTAL	2037	1851	3888

The average percentage of the wages bill spent on ongoing training was 3.63% in 2014.

● Enterprise agreements or amendments signed in 2014

Bancassurance France

- > 3 agreements or amendments signed for CFCMNE and BCMNE:
 - **06/02/2014:** Pay agreement – signed by the CFDT, CFTC, SNB, SUD Banques and UNSA
 - **26/06/2014:** Amendment to the incentive agreement – signed by the CFTC and SNB
 - **15/10/2014:** Amendment relating to the employment and integration of handicapped employees at CMNE – signed by the CFDT, CFTC, SNB, SUD Banques and UNSA

Bancassurance Belgium

- > 1 agreement or amendment signed for BEOBANK:
 - **19/09/2014:** Collective enterprise labour agreement relative efforts for the benefit of risk groups for 2014 – signed by SETCA/BBTK, LBC, CNE and CGSLB/ACLVB
- > 2 agreements or amendments signed for BKCP Bank:
 - **27/05/2014:** Adjustment of the Employment regulations relating to the introduction of a single status between workers and employees: works council
 - **24/06/2014:** Plan for the employment of older workers within the company – annual evaluation: works council

Business Finance

- > 2 agreements or amendments signed for Bail Actea:
 - **12/03/2014:** Agreement on mandatory annual negotiations (NAO)
 - **12/03/2014:** Amendment n° 4 to PERCO

Insurance

- > 1 agreement or amendment signed for ACMN VIE:
 - **19/06/2014:** Amendment of 19th June 2014 to the incentive agreement – signed with the Works Council

Third-Party Management

- > Agreements or amendments
 - **01/10/2014:** Agreement on the profit-Sharing Bonus (La Française des Placements and La Française Real Estate Managers), amendment to the pre-electoral agreement of UES La Française aimed at taking La Française AM International Claims Collection out of UES La Française, and 4 amendments aimed at incorporating La Française Real Estate Partners within UES La Française in relation to the pre-electoral agreement, the collective ARTT and CET agreement, the Exceptional Leave Entitlement Agreement for Family Events and the agreement in favour of working equality between women and men.
 - **02/01/2014:** Amendment n° 1 to the Generation Contract agreement dated 24/09/2013 relative to the conversion of the UES agreement into a Group agreement.
 - **14/02/2014:** 3 amendments aimed at incorporating CD Partenaires, La Française AM International Claims Collection and New Alpha AM in to the UES La Française agreement on incentives, shareholding and the Company Savings Plan (PEE).
 - **24/02/2014:** Protocol Agreement relative to mandatory annual negotiations (NAO).
 - **03/03/2014:** Amendment to the Generation Contract agreement dated 24/09/2013 relative to the integration of an additional quantitative and qualitative diagnosis following the addition on 1st January 2014 of staff from CD Partenaires and New Alpha AM.
 - **16/06/2014, 27/06/2014 et 30/06/2014:** 8 amendments relative to the membership and aimed at incorporating Inflection Point into the UES La Française agreements on incentives, shareholding and the Company Savings Plan (PEE), the pre-electoral protocol agreement, working equality between women and men, the ARTT and CET protocol agreement, Exceptional Leave Entitlement Agreement for Family Events and the Generation Contract.

Miscellaneous Services and Businesses

- > 1 agreement signed for CMN TEL:
 - **14/03/2014:** Pay agreement – signed by the CGT.



Governance

Democratic governance
 Elected directors who are properly trained
 A commercial ethic: customer satisfaction as an absolute priority
 Ethics: fair practices

Social

A leading employer
 The training and mobility of staff
 Equal opportunities
 Encouraging staff commitment

Environmental

Structured environmental process
 Buildings and energy
 Managing consumption and waste
 Travel

Societal

A local bank working for the real economy
 A range of responsible products
 Accessibility of banking services
 Solidarity, patronage and development of territory

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Introduction

The basic cooperative values of Cr dit Mutuel are mutual aid, solidarity and responsibility. Today, these values are particularly apposite in a society tossed by economic uncertainty. In fact, they have rarely been so necessary and a reflection of our times. These are the values that continue to guide our day-to-day operations and aspirations.

Corporate Social Responsibility is all about the way in which companies incorporate social, environmental and economic issues into their business, complying with the applicable statutory obligations and going beyond. In France, CSR is enshrined in law, in particular by the NRE Act and Grenelle 2, which strongly emphasises the duties incumbent on companies and their requirement to report and publish on social and environmental matters.

CMNE works on a daily basis to reconcile business performance with its CSR commitments:

Governance:	remaining a cooperative bank in which directors and employees work closely together,
Social:	promoting equal opportunity, training, job mobility and staff commitment,
Environmental:	changing habits (energy, buildings, dematerialising paper media, etc.),
Societal:	working to develop operating areas (range of products, links with local parties in the community, establishing new businesses, etc.).

CMNE has also been working for a number of years to perfect its **CSR reporting** (drawing up and monitoring the bank's greenhouse gas emissions, optimising processes and strengthening collective expertise, bringing together all subsidiaries as part of the thought process and being part of the reporting requirements that meet the obligations of the Grenelle 2 Act, etc.). It has also been working on its **CSR communication** internally (making staff and elected officers aware of sustainable development via a dedicated intranet portal, providing information internally via a national newsletter, etc.) and externally (presentation of the main areas involved in CSR in a dedicated e-book, published at the bank's website: cmne.fr).

Governance

Demographic governance

At Cr dit Mutuel, the close relationship between shareholders and customers and the local branch creates a strong bond in this close relationship with shareholders and customers. The general meetings held at Local Branches enable nearly 600 000 shareholders to apply the principle of "one person, one vote" in electing their representatives in the form of nearly 1 600 directors.

Each year, CMNE increases the interactivity of these general meetings ("Open Door" system, peak times, etc.) to boost the participation of shareholders in the democratic life of the company. However, the effective level of involvement varies, depending on the location of the Local Branch (rural or urban area, years of service, surrounding associative dynamism, etc.). The attendance rate at general meetings has been virtually unchanged over the past five years and is around the 4% mark.

Elected directors who are properly trained

Our directors make a contribution to the community by investing their time voluntarily. 30% are women, with an average age of 58 and over 2/3 are employed.

This year, CMNE welcomed 71 new directors, of whom 30% are under the age of 45.

Training is the preferred way of helping our directors fulfil their role better. In 2014, the plan used for training was based along three main lines: understanding the way a bank operates and the directions taken by CMNE, bringing mutualism to life and exercising the role of elected officer to the full, and understanding the contemporary world. This programme involved presenting nearly 2 800 hours of training.

These training sessions contribute towards the development of their technical and financial skills, as well as their ability to act as leaders and take decisions. The training helps guide directors in their role as spokespeople for shareholders and their contribution towards the image of the Local Branch.

A commercial ethic: customer satisfaction as an absolute priority

In a tense and highly competitive international economic environment, the Cr dit Mutuel Group continues to strengthen its fundamentals, in particular through the quality of the closeness in its service to shareholders, but also through the quality of the work carried out by each of its subsidiaries. By developing responses tailored for all of its customers and to benefit the regional economies, the Cr dit Mutuel Group ranks as one of the most secure French and European banks.

Nationally, 2014 was particularly rewarding in terms of the distinctions and awards received: n  1 in the banking sector at the Podium de la Relation Client Bearing Point awards (received on several occasions); the trophy for the best French banking group, awarded by magazine Finance World (for the third time); and, more recently, Bank of the Year from The Banker magazine. Add to that CMNE's strong 7th position in the Posternak IFOP image barometer, ranking the most appreciated French companies – and the best-placed bank for the past 3 years.

In Belgium, CMNE Group subsidiary, Beobank, was voted 2nd best bank of the year. By hoisting itself into second place, behind Argenta and ahead of Belfius, Beobank outperformed all of the major rival banks in the competition for Best Bank of the Year in Belgium¹.

In 2014, CMNE took the decision to highlight the main elements that make it stand out from its competitors by making 5 commitments in the areas of: advice, efficiency, quality, transparency & clarity, responsibility. They provide a practical illustration of the services offered to our customers-shareholders and the Group's values. These 5 commitments were presented to our customers and shareholders and the various general meetings.

Elsewhere – and in the same spirit – CMNE seeks to turn customer complaints into a commercial opportunity to enhance its processes. The aim is to strengthen links with customers and shareholders – as well as to make them more loyal through this process and hence increase customer satisfaction.

¹ This competition, organised by Comparebank.be and Bankshopper.be involved 35 banks and gathered the votes of 50 000 people.

The Company's Corporate Social Responsibility

Ethics: fair practices

Open to all, the CMNE is committed to building a personalised relationship with its shareholders and customers based on listening, trust and transparency, while at the same time paying attention to the needs and situation of each individual.

The **Code of Ethics** brings together CMNE's commitments in terms of conduct, moral and ethical issues, as well as the general rules that apply to good conduct and the individual duties of CMNE staff.

In particular, the code of the **"rights and duties of elected officers"** reiterates that they are the representatives of their Branch's shareholders and that they must safeguard their interests. Working without remuneration, they are bound by banking secrecy. In terms of suggestions, they listen to the people around them, pass on the information emanating from shareholders and apply their knowledge of the local market.

Committed to a process of transparency in the relationship with its customers and shareholders, CMNE underlines its desire to place information and practical advice at the disposal of everyone. **"Clarity"** sheets and **"agreements on the pricing of transactions and services"** are published regularly.

Also, because of its business and the location of its sites, the Group is not directly exposed to the issues of the elimination of forced labour and the effective abolition of child labour. Nonetheless, CMNE is aware of the undertakings made in the context of the Global Compact (of which it has been a member since April 2003) and it promotes **compliance with the ILO's agreements**, which include freedom of association, the right

to collective bargaining, the elimination of discrimination in the area of employment and profession, the elimination of forced or obligatory labour and the effective abolition of child labour.

In addition to the various codes and charters implemented within Group companies, an effective process to **fight money-laundering** and the financing of terrorism in compliance with regulatory requirements has been put in place. This process is based in particular on the money-laundering correspondents employed in each entity in France and abroad. The application of audits (periodic, ongoing and compliance) is aimed at ensuring that risks are covered and that there is consistency in the procedures put in place.

The Crédit Mutuel has implemented stronger **security measures for customers' online transactions**. In addition, Euro Information (E-I), the IT subsidiary of the Crédit Mutuel-CIC Group, has dedicated teams who update software, incorporate security patches and keep a constant eye on fraudulent practices in relation to remote banking services. The level of security is regularly monitored by external auditors.

To combat phishing, E-I has developed a specific module, the Crédit Mutuel Confidence Bar, which is installed in the user's browser to secure online operations.

CMNE is a driving force in communication about phishing, with the creation and regular updating of a practical guide dealing with security, available from the cmne.fr website, the dissemination of a **"What is phishing?"** awareness message when opening an account online, as well as a dedicated newsletter sent out to over 230 000 subscribers.

Social

A leading employer

CMNE firmly believes that the men and women in the Group represent its main tool for development. CMNE is a company where the pride of belonging is important. Bancassurance France is the **11th largest employer in the Nord-Pas-de-Calais region** (source: CCR Région Nord de France at 31st December 2013) and also has a presence in Picardy and Champagne-Ardenne. The Group provides steady long-term employment (96% of salaried staff on employed on open-ended contracts).

Attracting talent remains a major issue for the future of the CMNE Group. It is for this reason that CMNE continues to develop relations with schools and universities (EDHEC, HEI, ISA, Lille I & II) and welcomes young people on "sandwich" work courses or on long-term work experience secondments as part of their higher studies (bac +5).

As part of the legislation on employment security and after sharing and presenting it to the representative bodies of the staff in question, CMNE has implemented a Single Database (SDB), which covers all of the documents submitted recurrently to the CFCMNE/BCMNE Works Committee. This database can be accessed at all times by all union delegates, members of the Works Council and Committee for Hygiene, Safety and Working Conditions.

The training and job mobility of staff

Training remains a priority investment throughout each staff member's professional career. It enables staff to keep pace with developments and technological advances within the organisation, as well as help transfer skills and share knowledge. To this end, with 8 550 man-days of training in 2014, Bancassurance France invested 3.97% of its payroll in ongoing professional training.

In addition to the training plan and distance learning tools already in place, CMNE's training department placed a platform online featuring short-format training aids called "10 minutes/10 slides". The aim of the "10/10" format is to make short, dynamic training content available to managers, based on technical topics as well as more topical subjects.

The dynamic of **employee job mobility**, both geographically and in terms of function, continued at Bancassurance France, making 880 job switches since 2012: 545 members of staff have benefited from making a geographical job switch, enabling them to give new impetus to their career, while 335 employees have changed job as the result of various business line gateways. Some business will continue to develop in the years ahead on account of the increase in regulatory obligations and the development of Multi-Access. New requirements are also likely to emerge and open up new job mobility opportunities.

Agreements have been signed previously in the area of health and safety, and in particular at the end of 2011, an agreement was reached for the **prevention of stress in the workplace and psychosocial risks**. In 2012, CMNE installed a green phone number, which makes a listening, support and psychological support service available to all employees, as well as management awareness/information, training for HR managers and members of the CHSCT. In terms of the application of the commitments made in this agreement, an assessment of all the actions was presented to the Union Organisations with a view to negotiating a new agreement on the matter to be reached at the beginning of 2015. It will make it possible to continue the measures taken and/or add to them, as appropriate.

Since spring 2014, staff at Bancassurance France have benefited from a stand-by service through a permanent physical presence at the head office in Lille, deliveries to the points of sale, a telephone hotline and a website. This tool enables employees to access a group of services on a daily basis. It improves working conditions, boosts the attractiveness of the company, increases staff loyalty and contributes to the local economy. More than 16 000 orders were placed in 2014: 10 000 in the federal departments and 6 000 in the network.

Equal opportunities

The CMNE Group supports **equality between men and women**: a new agreement on professional equality was signed in 2013. The proportion of women managers and directors reached 32%, with women accounting for 21% of promotions to manager (for CMNE France).

After a positive assessment of the initial agreement in favour of **the employment and integration of individuals with a handicap**, CMNE renewed its commitments in October 2014 by signing a new agreement with all of the representative union organisations for a period of 3 years. The main objectives are the awareness of everyone involved in the company, the development of partnerships and the company's participation in programmes and initiatives encouraging the integration and recruitment of workers with a handicap, the guidance of staff in their recognition of handicaps, the improvement in working conditions for employees with a handicap and the ease of access to CMNE premises.

In this area, ACMNE Vie is examining the topic of "How to turn a statutory obligation into a project dynamic". It also implemented a diagnostic process into employment and the professional situation of people with a handicap.

Aware that age diversity is also an asset and a source of performance, CMNE runs specific programmes on the employment of young people and seniors. A **Generation Contract** agreement was signed to facilitate the long-term integration of young employees (under the age of 26)

into jobs by giving them access to open-ended contracts; to support keeping older employees in the workforce (over 55s); and ensuring the passing on of knowledge and skills. One year after signing this agreement, CMNE conducted an assessment of achievements. Among the programmes put into effect: a recruitment rate of young people aged under 26 on target (between 40 and 50%). As part of the policy on sandwich course employment and pre-recruitment, out of 77 sandwich course contracts, there were 35 recruitments. The mentor system is open to non-managers, with 12 mentors (29% compared with a target of 25%), 19 mentors aged over 45 (46% compared with a target of 50%) and 6 mentors aged over 55 (14%).

In the area of **social housing** and in addition to the "open" services, La Française offers staff an existing quota of services (loans to facilitate works and access to housing and social rented accommodation). Particular attention is focused on the young, who find it difficult to access housing. "Mobili-jeune" aid and access to temporary accommodation through Action Logement are systematically offered by the HR department to students working on sandwich courses or on work experience programmes lasting at least 6 months when they join the Group.

Encouraging staff commitment

Aware of the involvement of its staff in the community, Bancassurance France offers its employees wishing to do voluntary work the opportunity:

- To work with an association in the context of the **Company foundation** by sponsoring projects (they track progress on the project and draw up an assessment) or through skills sponsorship in which they provide skills, time, knowledge, etc. for the project.
- As part of a partnerships between the CMNE Foundation and the Étincelle network, **skills sponsorship** was implemented for the first time in 2014. A "The Bank and me..." module is run by trainers and the managers of local branches. This training is aimed specifically at young people who are at a distance from the employment market, often socially disadvantaged and looking to find a direction to take in the work they want. This course enables them to have their personal questions answered about the bank as well as to find out about the guidance role it plays with companies.
- To request **solidarity leave** to take their skills out into programmes in the field (educational support, training for adults or the protection of nature) as part of a partnership signed in 2010 with the NGO Planète Urgence.
- To help and individually supervise young higher education graduates, mostly immigrants and experiencing difficulties, through a **Dynamic Recruitment Group** run by Réseau Alliances. CMNE has been working with this network for the past five years and 80% of the young people assisted by the bank have found a job.

Environmental

Structured environmental process

For Crédit Mutuel, providing a response to today's ecological challenges is another way of expressing the responsibility felt by a cooperative bank. To this end, the Group is involved in a structuring process designed to reduce its carbon footprint. An audit into the effects of greenhouse gases by CFCMNE was conducted in 2012, accompanied by a 3-year action plan based along three main lines: reducing energy consumption; reducing

emissions linked to the business use of vehicles; reducing the consumption of white paper.

Corporate social responsibility has also been implemented with the introduction of a purchasing policy that goes in part through the centres for the business suppliers of the Crédit Mutuel-CIC Group, such as Euro Information SOFEDIS, CM-CIC Services. This latter organisation, which is responsible for logistics, incorporates the aspects of CSR in its calls for tenders for general

The Company's Corporate Social Responsibility

resource suppliers, with particular emphasis on hidden work and at each account review (minimum annually, but preferably every six months) with the service-providers, which is carried out there in terms of CSR.

Within Euro Information, the supplier process is part of the ISO 9001-certified Quality process monitored and audited by AFAQ². The process is written down and published, making it possible to show the various stages of establishing a contact, drawing up a contract and managing the supplier relationship. The purchasing department asks for the supplier's CSR report so that it can examine its policy on CSR. In the material cycle, Euro Information covers the chain from purchase through to recycling, destruction and waste recovery in these five business areas: ATMs, electronic banking, self-service banking, video and telephone services.

To encourage conduct within the Group that respects the environment and to highlight the commitments made by the company and its employees, there is a Sustainable Development portal on the Intranet that serves the employees and elected officers, featuring news, details of the programmes conducted by the Group and an "eco-actions" space.

This report is printed on recycled paper, using plant-based inks.

Buildings and energy

Whereas there does not seem to be any vulnerability to the hazards of climate change, the Group has begun implementing expertise in the area of controlling energy consumption. However, it is aware of the issues involved and is considering the application of Act n° 2013-619 of 16th July regarding various provisions for the adaptation to European Union law on sustainable development (DDADUE Act) establishing the obligation for large companies to conduct an initial energy audit before 5th December 2015.

It was in this context that an **energy audit** was conducted at CMNE's head offices. The aim of the audit was to analyse the curve of energy consumption for each item (electricity, gas, heating oil), as well as to identify those buildings that are heavy energy consumers and draw up a strategy by combining energy parameters with CMNE's technical, budgetary and operational imperatives.

As part of the New Head Office Space project, the refurbishment of Bancassurance France's head office is taking account of a number of energy improvement proposals recommended in the energy audit report: the implementation of CTM (Centralised Technical Management), movement sensors in the restrooms, enhanced insulation, etc.

To mark the change of head office, La Française has acquired a building in the process of being totally refurbished, ready for handover at the end of 2015. The location is exceptionally well served by public transport (metro, bus, rail) and will have all the features of a new building, particularly in environmental terms, with various certifications, including HQE® Excellent, BREEAM Excellent and a BBC Renovation label. It also meets the requirements of the City of Paris Climate Plan. Once the relocation has been completed, La Française will carry out its carbon audit in 2017.

Gestion des consommations et des déchets

CMNE encourages the introduction of responsible behaviour in the area of energy and paper consumption. The dematerialisation of account statements, distributing Documents Via the Internet (DVI), the development of Electronic Document Management (EDM) and printing in-house communication material on recycled paper are all examples of more environmentally friendly behaviour. For instance, for Bancassurance France and BCMNE, all chequebooks have been produced using recycled paper since the end of 2012. Also of note is the gradual rollout of the EDM of invoices in 2014, which should make it possible to achieve 100% dematerialised invoices in 2015.

CMNE has been a partner of Elise (Enterprise for Local Initiatives Serving the Environment) since 2007, the benchmark in **collecting and recycling paper**. The Elise wastepaper baskets made available to staff help protect the environment and act in favour of the region's economy. From 2015 onwards and to ensure better management, Elise will be the only provider.

During 2014, **waste processing** was the subject of important decisions modifying the way waste is treated and encouraging recycling. This included the introduction of separate sacks for paper and OIW (Ordinary Industrial Waste), as well as the sorting of drinking cups and batteries. In 2015, a quality inspection will be scheduled at each site, with a number of aims: ensuring that waste is sorted properly by CMNE staff and the cleaning contractors; introducing waste containers for paper, cartridges, batteries; staff awareness; inspecting a single waste storage location; creating a quality record sheet per site, etc. Monthly meetings to monitor waste tonnages per site will also be scheduled with a view to implementing an action plan.

To **reduce water consumption**, systems have been introduced to our various entities: at Beobank, there is monthly consumption monitoring in place for the head office and branches. Starting in 2015, Bancassurance France will replace the annual water consumption reading with a monthly reading and quarterly analysis to ensure better monitoring of water usage.

Déplacements

A number of initiatives have been introduced to control travel. Generally speaking, and to save on travel movements, employees have a number of solutions available to them for organising and taking part in meetings: telephone conferences, exchanges using "office communicator", "live meetings" with the possible options of "roundtable", and videoconferencing, etc.

As part of the action plan to reduce greenhouse gas emissions, CMNE's vehicle fleets are reviewed with increasingly restrictive criteria, particularly in terms of **reducing the level of CO₂**, vehicles (smaller engine sizes and hybrid vehicles): the average level of g CO₂ per km in 2014 was 123 g CO₂ per km, compared with 150 g CO₂ per km in 2011 (-27 g CO₂ per km).

Another area of action covers awareness with regard to using **public transport**. This is accompanied by assistance with fares on home/work transport (this assistance is applied to season tickets issued by the SNCF and other public transport companies, as well as to subscriptions to a public bicycle hire service). In 2014, 505 employees took advantage of the scheme, compared with 435 in 2011.

² Most recent audit: June 2014.

Societal

A local bank working for the real economy

As a local bank, the **territorial network** of locations for the various CMNE banking outlets is diversified and continues to expand, with products and services available at 540 contact points in France and Belgium, as well as 15 business centres for companies.

Although mainly present in outlying urban areas, the bank still covers all residential areas. For example, in 2014, 23.3% of CMNE locations were in rural areas (including localities with fewer than 5 000 inhabitants³), while a quarter of **open urban zones** were serviced by a Group outlet.

CMNE's local base, clear retail banking strategy, careful cooperative management and financial strength have enabled the bank to develop **loans to businesses** with outstanding loans amounting to 1.721 billion euros for Bancassurance France (investment and operating loans). By providing genuine support to the local economic fabric, CMNE plays an active part in local life and employment catchment areas.

Our range of responsible products

CMNE offers solutions for saving and investing differently:

- **Savings Passbook for Others (LEA):** a social solidarity passbook account that enables customers to allocate all or part of the interest they earn to a humanitarian cause/association. Examples in France include: Vaincre la Mucoviscidose, Ludopital, l'Association des Paralysés de France, le Secours Populaire, l'Association Petits Princes, le Secours Catholique, Habitat Humanisme, Médecins Sans Frontières, etc.
- **Savings Passbook for Other Associations:** an ordinary savings passbook that accrues interest paid to the associations defined, in total or in part.
- **Energy-saving and Éco PTZ loans:** specific products for financing environmental projects. In 2014, there were 13 million euros in outstanding loans for CREDINERGIE and 25 million euros for ECOPTZ.
- With six other investors and the Caisse des Dépôts et Consignation, in 2014 Suravenir and CMNE launched a 120 million euros **fund dedicated to the purchase and management of life annuity properties**. This Certivia fund aims to offer a response to the problem of an ageing population, the relative downward trend in income for the elderly and the high level of the property prices, making it difficult to exercise intergenerational solidarity. This fund enhances the assets of elderly individuals by giving them an additional income, while allowing them to stay in their home. The fund will be managed in particular by La Française REM.
- **A range of Socially Responsible Investments (SRI).** La Française first developed a voluntary SRI policy in 2009, with expertise provided by specialist partners. Realising that the world around us is constantly changing at an increasingly rapid rate, managing savings also had to change. Through its partnership with Inflection Point Capital Management (IPCM) to manage all of its stocks and shares, La Française indicated its strong commitment to strategic, long-term investing with the philosophy of Strategically Aware Investing developed by IPCM (Advanced Investment Strategy – AIS), an approach consisting of incorporating financial analysis, ESG analysis and strategic analysis at all levels of the investment process.

As part of its active participation in the promotion of SRI, La Française organised a debate with Green Cross France et Territoires on the topic of "Energy and Climate, the challenges facing politicians and investors". It also decided to create two funds: one charitable, called "LFP Trésorerie Partage-SOS Sahel" to help the food and nutritional safety of people in Africa by reimbursing half of the management fees to SOS SAHEL; the other assets fund was ORFI Colors, for which La Française also decided to pay back 20% of its fixed management fees to AIDES, the association that fights against AIDS.

Accessibility of banking services

In addition to its "classical" banking range, CMNE also acts to create business and jobs, financed by **intermediated business microcredits** through the Working France network and the France Initiative network, as well as providing funding through the Nacre programme⁴.

Since 2005, CMNE has also worked through the Solidarity Fund to introduce **supervised personal microcredits** to assist individuals who have been refused a bank loan. Microcredits require mandatory social supervision. Hence the partnership with the Solidarity Fund is an alliance of both social and financial expertise that enables life projects to be implemented that offer a better future for the most disadvantaged. 223 partnership agreements have been signed, half of which are with community social action centres (CCAS). Year after year, even against a lacklustre economic background, the number of microcredits keeps on rising: over 40% of loan applications come from CCAS, of which 84% relate to employment and job mobility.

Guaranteeing everyone the ability to open a bank account at an affordable rate beyond the basic banking services in the context of the National Credit Council charter, CMNE has provided its "**Facil'Accès**" service since 2006. This service offers alternative methods of payment to people who are not allowed to have a chequebook, giving them access to secure interbank withdrawal cards with mandatory prior authorisation. Since the decree of 1st October 2014 came into effect, Facil-Accès has evolved to become the convention reserved for customers in a socially precarious situation.

³ The mapping database implemented by Datar in October 2012; did not move in 2013-2014.

⁴ The overall figures are provided by the main partners for the whole of the Crédit Mutuel Group. They are published in the annual report of the Crédit Mutuel Group.

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Solidarity, patronage and the development of territory

The **CMNE Enterprise Foundation** runs the Group's policy on patronage. Funds are redistributed to benefit the development of its territories in three areas: culture & knowledge, the fight against exclusion and support for the creation of enterprises.

By way of illustration for 2014:

- The CMNE Foundation was the main sponsor for the exhibition "Sésostris III, a pharaoh of legend" at the Palais des Beaux-Arts in Lille, a **cultural event of unusual size and scope**. This exhibition was aimed at a broad audience to encourage people to share the passion for ancient Egypt through a collection of exceptional quality, making it a unique regional event. Through its involvement, the Enterprise Foundation helps develop culture and give it greater visibility in our region.
- The granting of 50 bursaries to students at Edhec and Espeme, grants in favour of **social and cultural diversity** on campus. CMNE has been involved with Edhec since 2010 in helping young people in the Nord region.

- Also in 2014, the Foundation launched a call for project submissions encouraging the **professional integration of young people** in difficulty, providing an overall funding envelope of 200 000 euros. This programme, which provided funds to 15 associations, is part of the Foundation's aim to act in favour of social action within its territory, which is severely affected by youth unemployment.

In addition to this commitment, CMNE supports projects to **fight illiteracy** and encourage reading through the **Reading arm of the Crédit Mutuel Foundation**. The programmes for 2014 include support for the Association La Boîte à Mots, which runs reading and writing workshops in schools, colleges, social centres, hostels and reception for vagrants. This enables stronger relations to be established between children and volunteering adults by establishing a letter-writing correspondence between them, while guaranteeing confidentiality.

Note about our methodology

The Crédit Mutuel Group views the company's corporate social responsibility as a way of reaffirming its identity and strengthening its distinctive cooperative approach. Aware of the issues facing society, the Group became involved at a very early stage in producing CSR indicators aimed at better identifying the conduct and contributions of our establishments to the community and reporting on it.

Encouraging various levels of contribution within CMNE was made easier by the organisation of specific meetings, the introduction of a dedicated Intranet portal, which also publishes the weekly newsletter dedicated to CSR, written for the past 6 years by the Crédit Mutuel National Confederation. This newsletter features general updates on information and competition, as well as highlighting the good practices implemented by the Group's various companies to develop active teaching about CSR. At the beginning of 2015, the information from this newsletter will be published online at the Group's national website for all shareholders, customers and online users.

The methodology used for measuring and reporting, developed since 2006, has gradually been extended to include the whole of the Group's bancassurance business. It is updated regularly by a national working group on Corporate and Environmental Corporate Responsibility, which brings together the various regional Federations of Crédit Mutuel and the Group's main subsidiaries, including CMNE. The CSR task on a national

level comes under the Institutional Relations department of the General Management of Crédit Mutuel's National Confederation. A network of some twenty correspondents from the Federations and the Group's main subsidiaries meets regularly to develop reporting methods and set targets. Within CMNE, several people are involved and work on CSR, both in terms of general thinking and the way it is reported. It is difficult to place an exact figure on the resources implemented, because CSR is a very transversal responsibility and may affect numerous people partially or temporarily.

The national group meets a minimum six times a year and enables the various entities in the Crédit Mutuel Group to share internal initiatives and good practices and to think about the proper implementation of CSR in the companies. In this context, exchanges with the stakeholders and other cooperative banks have enabled exchanges – in particular on governance indicators, enabling a shared base of indicators to be established.

Representing the 1 029 241 customers-shareholders, who are the principal beneficiaries of CMNE's commitments, our 1 600 directors are also the main spokespeople who put the expectations of the community into words. Well aware of this asset, the Group seeks to develop its vitality, diversity and active participation.

Internal stakeholders

- Shareholder-customers / directors
- Regional Federations
- Employees
- Board and management
- Subsidiaries and shared companies

Commercial stakeholders

- Customers
- Suppliers
- Subcontractors
- Commercial partners
- Competitors

Sector stakeholders

- Public affairs
- Public authorities
- Control / regulation authorities
- Ratings agencies

Societal stakeholders

- Cooperative institutions
- Associations / NGOs
- Media
- The community / Parliament

This methodology, born of collective work, organises the rules for gathering, calculating and consolidating indicators, their scope and the audits carried out. It is aimed at the national collectors of CMNE and its subsidiaries and contributes towards reporting, calling on various specialists where required. It formally sets out the audit trail, both for internal and external checks.

In the end, it is a shared information-gathering tool for the whole of the Group and is used annually. In all, the items gathered total more than 300. These are regularly reviewed, allowing the 42 items of information required by article 225 of the Grenelle 2 Act to be supplied, as well as numerous other indicators about the Group's cooperative and democratic life.

The information published reflects the Group's desire to obtain better knowledge and greater transparency. The qualitative data enables the action or commitments made in full or in part by the Group to be described or illustrated. This information also reflects the Group's ongoing commitment on CSR. The quantitative indicators enable us to understand any changes to the information provided. In 2012, a number of indicators were certified and verified for their reliability by the company auditors in order to confirm their presence and compliance with the obligations stated in article 225 of the Grenelle 2 Act.

In 2014, a data-gathering programme was announced from the autumn so that all of the departments concerned could start working on the data, as well as organise levels of feedback and checks on consistency. The data gathered was broken down into the search for qualitative and then quantitative information. Following checks on scope, method or base used to make calculations, there a need was found to reprocess some of the figures from the previous year (social indicators specific employees in France, the share of labelled CSR as such within total CSR investments, themselves compared with the outstanding funds managed by specialist subsidiaries). Generally speaking, in cases of partnership or service provision, the information provided directly by the partners was given priority.

In the end, the CSR indicators used take account of the various reference systems and are based in particular on:

- article 225 of the Grenelle 2 Act
- the production of audits for greenhouse gas emissions (decree 2011-829 issued on 11th July 2011)
- the ILO (recommendation 193 relative to cooperatives)
- the OECD (leading principles)
- the Global Reporting Initiative (version 4), the regular exchanges with stakeholders (general meetings of shareholders, NGOs, non-financial ratings agencies, etc.)
- collective thinking on CSR practices in European cooperative banks (EACB, etc.) and other cooperative sectors, etc.

as well as on the commitments made by the Group at a national and/ or Federal level:

- the principles of the International Cooperative Alliance (ICA),
- the CoopFR charter on cooperative identity adopted in 2010⁵,
- Global Compact (member since April 2003),
- principles for responsible investing (PRI),
- the transparency code of the French Financial Management Association – Forum for Responsible Investment (AFG-FIR),
- Transparency International France,
- the responsible enterprise manifesto of the World Forum,
- the label of the Inter-Union Salary Savings Committee (CIES),
- the Novethic label for socially responsible investing (SRI)
- the Finansol label for socially responsible products.

With regard to headcount, these are salaried employees registered at 31st December, excluding work experience placements, temporary staff and external service providers. For the employment-related data, the total number of days of absence includes all of the following absences for employees on open-ended contracts, fixed-term contracts or on sandwich courses: paid sick leave, unpaid sick leave, sick leave without medical certificate, occupational accidents and accidents on the way to and from work, special leave, leave for child sickness, unpaid extended leave (longer than one month), sabbaticals, parental leave and disability leave. Those absences not counted are paid leave or contractually agreed days of leave (working hours reduction, long-service, wedding, etc.) and maternity and paternity leave. Finally, the proportion of the wages bill dedicated to training does not include Fongecif grants and sandwich courses.

The information relative to microcredits is data supplied by the Group's main partners, i.e. Adie, France Active with possible detail by Federation, except for Initiative France, which provides combined figures for Crédit Mutuel and CIC (the national progression coefficient can be applied at a regional level).

Given the nature of CMNE's activities, noise nuisance, soil pollution and other forms of pollution at the location premises are not a significant factor. Nor does CMNE have any major impact on biodiversity, although these issues have been newly incorporated in the overall CSR considerations without being included in this report. CMNE has made no provision or guarantee in terms of its environmental compatibility.

⁵ CoopFr is the French organisation that groups all cooperative movements. It sets out the founding principles of the ICA along 7 lines: democracy, solidarity, responsibility, continuity, transparency, proximity and services.

In total, the overall scope includes all CMNE businesses, or 100% of total headcount

Area	Measurement indicators	Level of cover	Exclusions from scope
Governance	Number of shareholders	100%	No exclusion: The whole of the cooperative core is included within the scope.
Social	Number of FTE salaried staff	100%	The whole Group
Societal		100%	The whole Group for France
Environmental			The whole Group (excluding paper indicator for the Bancassurance France scope)

A number of indicators are the subject of a publication review, data audit (on site or remotely) based on analytical review, substantive tests per sample, comparisons with sector performance ratios, interviews and an insurance report including the attendance certificate and the opinion on sincerity by the company auditors selected as third-party independent bodies.



CSR REPORTING 2013 / GOVERNANCE

CSR indicator references	INDICATORS	CMNE 2014	CMNE 2013	GRENELLE 2 (2012) art. R 225-105
Directors				
GOUV03	Number of Local Branches	154	155	
GOUV04	Number of elected members – Local Branches	1 578	1 586	
GOUV05	<i>Number of elected members – Federation</i>	18	18	
Participation				
GOUV09	Participation rate at Board meetings of Local Branches	80%	80%	
GOUV13	Participation rate at Federation Board meetings	90%	90%	
Renewal				
GOUV14	Number of new elected members – Local Branches	71	75	
GOUV15	<i>Of whom women</i>	32	28	
GOUV27	Renewal rate of directors of Local Branches	4.50%	4.68%	
GOUV28	Renewal rate of directors of the Federation	0.00%	0.00%	
GOUV22	Average age of elected members – Local Branches	58	57	
Representativeness and equality				
GOUV33	% of women among directors (Local Branches and Federation combined)	30%	29%	
GOUV34	% of women among new directors	45%	37%	
GOUV35	% of women among new Chairmen	16%	23%	
Training				
GOUV56	Total number of training hours given	2 784	3 923	
GOUV58	% of directors trained	nd	nd	
GOUV59	Length of training for each director trained (in hours)	nd	nd	
Shareholders-Customers				
GOUV61	Number of customers of Local Branches ¹	1 029 241	1 033 393	
GOUV62	<i>Of which private individuals</i>	872 785	871 112	
GOUV63	Number of shareholders (year n)	593 664	592 399	
GOUV64	Change in shareholder numbers over the year	0.2%	0.6%	
GOUV65	% of shareholders among private customers	65%	65%	
GOUV61A	Number of customers Bancassurance Belgium	561 975	562 969	
Attendance at General Meetings (local) Attendance at General Meetings (local)				
GOUV67	Number of shareholders summoned to meetings (year n-1)	592 399	588 532	
GOUV68	Number of shareholders present and represented	24 094	29 360	
GOUV70	% participation in votes	4.07%	4.99%	

¹ To which must be added 561 975 customers of the Beobank and BKCP, making 1 591 216 customers

Indicators Indicator highlighted when the subject of verification by the Independent Third-Party Body.



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CSR REPORTING 2013 / EMPLOYMENT-RELATED INFORMATION				
CSR indicator references	INDICATORS	CMNE 2014	CMNE 2013	GRENELLE 2 (2012) art. 225-105
Employment				
Headcount				
SOC01	Total headcount	4 658	4 755	al1-1-a-1
SOC01_bis	Headcount registered (Natural persons)	4 809	4 907	
SOC02	<i>of which France</i>	3 606	3 685	al1-1-a-1
SOC05	<i>of which non-managers ⁽¹⁾</i>	2 189	2 730	al1-1-a-1
SOC07	<i>of which women</i>	2 330	2 384	al1-1-a-1
SOC12	% of employees with open-ended contracts	96.5%	96%	
Recruitment and dismissals				
SOC13	Total number of recruitments	626	867	al1- 1-a-2
SOC15	<i>of which men</i>	365	483	
SOC16	<i>of which open-ended contracts</i>	200	359	al1- 1-b-1
SOC19	Number of employees on open-ended contracts who left the organisation	300	250	
SOC20	<i>Of which dismissals/redundancies</i>	55	47	al1- 1-a-2
SOC22	Existence of plans to reduce headcount and save jobs?	--	--	al1- 1-a-2
Organisation, working times and absenteeism				
Organisation of working time (headcount on open-ended contacts – Natural persons) ⁽¹⁾				
SOC29	Number of full-time staff	3 246	4 323	al1- 1-b-1
SOC30	Number of part-time staff	360	584	al1- 1-b-1
SOC31	% of full-time staff	90%	88%	
SOC32	% of part-time staff	10%	12%	
Absenteeism and reasons ⁽¹⁾				
SOC38	Total number of days of absence	45 288	51 971	al1- 1-b-1
SOC39	<i>of which for illness</i>	29 811	32 798	al1- 1-b-1
SOC40	<i>of which for accidents at work</i>	580	354	al2-1-d-1
SOC43	Number of occupational illnesses	0	0	al1- 1-b-1
Hygiene and safety conditions ⁽¹⁾				
SOC44	Number of accidents at work reported, causing a work stoppage	25	52	al2-1-d-1
Training and professional integration				
SOC46	Amount of the wages bill invested in training (in euros)	9 025 194	8 358 222	
SOC47	% of the wages bill dedicated to training	3.63%	3.46%	
SOC48	Number of employees attending at least one training course	3 888	3 954	
SOC50	Total number of hours spent training employees ⁽¹⁾	74 206	96 386	al1-1-e-2
Equal opportunity				
Professional equality between men and women ⁽¹⁾				
SOC60	% of women among managers	32.5%	35%	
SOC63	% of women among promotions to manager	21.4%	55%	
Promotion and compliance with the stipulations of the fundamental agreements on the International Labour Organisation ⁽¹⁾				
SOC67	Number of convictions for offences (in France)	0	0	al2-1-g 2
SOC78	Number of meetings with staff representatives (WC, CHSCT, DPS, DS, etc.)	151	195	al1-1- c -1
SOC79	Number of consultations with staff representatives (WC, CHSCT, DPE)	215	171	al1-1- c -1
Employment and integration of handicapped workers ⁽¹⁾				
SOC68	Number of handicapped workers	95	84	al1-1-f-2
SOC71	% of handicapped workers in the total headcount	2.60%	1.71%	
Social dialogue				
Remuneration and changes				
SOC73	Gross payroll (in euros)	248 387 662	241 514 554	al1-1-a 3
SOC107	Total gross annual remuneration (in euros) for employees on open-ended contracts	241 154 838	234 364 041	al1-1-a 3
SOC108	Total gross annual remuneration (in euros) for non-management employees on open-ended contracts	89 038 486	89 692 026	al1-1-a 3
SOC109	Total gross annual remuneration (in euros) for management employees on open-ended contracts	152 116 352	144 672 015	al1-1-a 3
Employment-related charges				
SOC80	Total amount of social charges paid (in euros)	121 986 767	116 354 094	
Professional relations and collective agreements				
SOC83	What agreements were signed during the year? State the date of signing and subject	See wording	See wording	al1-1- c -1

⁽¹⁾ For 2014, France

NB: the data for 2013 all relates to the CMNE Group. In 2014, some data is for the CMNE Group's business in France.

The Group's CSR Report

CSR REPORTING 2014 / EMPLOYMENT-RELATED INFORMATION

CSR indicator references	INDICATORS	CMNE 2014	CMNE 2013	GRENELLE 2 (2012) art. 225-105
Territorial, economic and societal impact				
Territorial impact				
SOT01	Number of sales outlets for Crédit Mutuel Group	256	255	al1- 3-a-1 et 2
SOT01A	Other sales outlets (Bancassurance Belgium)	284	289	al1- 3-a-1 et 2
SOT07	% sales outlets in rural areas	23%	13%	al1- 3-a-1 et 2
SOT08	% urban areas covered by sales outlets	24%	24%	al1- 3-a-1 et 2
Microcredits				
Supervised personal microcredits (partnership)				
SOT10	Number of microcredits granted during the year	502	418	al1- 3-a-1 et 2
SOT13	Total microcredits funded over the year (euros)	1 070 117	958 267	
SOT11	Average amount of microcredits financed (euros)	2 131.7	2 292.0	al1- 3-a-1 et 2
Business microcredits intermediated				
Support for France Active Garantie				
SOT18	Number of new microcredits funded	*	63	
SOT19	Amounts guaranteed (euros)	*	724 495	
Support for France Active Garantie: NACRE				
SOT18 _(NACRE)	Number of Nacre loans disbursed with an additional guarantees from the Group	*	34	al1- 3-a-1 et 2
SOT19 _(NACRE)	Amounts lent (euros)	*	1 128 254	al1- 3-a-1 et 2
Support for France Initiative Réseau (FIR)				
SOT23	Number of additional bank loans granted	*	n. d.	al1- 3-a-1 et 2
SOT24	Total amount of additional bank loans granted (euros)	*	n. d.	al1- 3-a-1 et 2
SRI				
SOT28	Outstanding SRI funds ⁽¹⁾	1 127 068 867	825 000 000	al1- 3-a-1 et 2
Solidarity savings				
Savings Passbooks for Others (LEA)				
SOT33	Outstanding funds ex-capitalisation (euros) Savings Passbooks for Others (LEA)	1 368 738	1 078 319	al1- 3-a-1 et 2
Solidarity salary savings				
SOT37	Outstanding funds (euros) in solidarity savings funds	8 758 222	6 978 314	al1- 3-a-1 et 2
Associations				
SOT40	Number of non-profit organisation customers (associations, unions, etc.)	31 248	30 767	al1- 3-a-1 et 2
SOT40A	Number of non-profit associations (ASBL) in the Bancassurance Belgium business	871	888	al1-3-b 2
Patronage and sponsorship				
SOT52	Overall budget allocated to patronage and sponsorship (euros)	5 530 120	2 955 268	al1-3-b 2
Funding projects of an environmental nature				
Zero-percentage Eco-Loans				
SOT63	Number of Zero-Percentage Eco-Loans granted	238	194	
SOT65	Total amount of loans granted (euros)	4 076 127	3 253 618	al1-3-b 2
SOT64	Average amount of loans granted (euros)	29 838	25 851	al1-3-b 2
Loans for renewable energy and energy efficiency				
SOT69	Number of projects funded (businesses and farmers)	6	not available	al1-3-b 2
Products and services of a social nature				
SOT71	Outstanding social loans settled (PLS, PSLA)	not marketed		al1-3-b 2
Quality of service				
Médiation				
SOT75	Number of eligible applications ⁽²⁾	270	226	al1- 3-b-1
SOT77	Number of decisions in favour of the customer and applied systematically	59	87	
SOT78	% of decisions in favour of the customer and applied systematically	35.0%	35.5%	al1- 3-b-1
Economic impact indicators				
SOT83	Outstanding loans to customer (euros)	14 456 599 000	14 300 638 000	
SOT84	- Housing loans (euros)	7 834 691 000	7 607 997 000	al1-3-b 2
SOT85	- Consumer loans (euros)	2 518 752 000	2 578 084 000	al1-3-b 2
SOT86	- Equipment loans (TPE) (euros)	1 845 457 000	1 830 192 000	al1-3-b 2

⁽¹⁾ Outstanding SRI = outstanding ESG

⁽²⁾ Added to which are the 46 applications from Bancassurance Belgium, pointing out that as these are from mediation, the code of conduct of the Association of Belgian Banks (ABB) provides for the intervention of the banking ombudsman in the context of mediation between establishments and customers if the initial processes between the parties do not reach a conclusion.

* The overall figures are supplied by the main partners for the whole of the Crédit Mutuel Group. They are published in the Crédit Mutuel Group annual report.

CSR REPORTING 2014 / SOCIETAL INFORMATION

CSR indicator references	INDICATORS	CMNE 2014	CMNE 2013	GRENELLE 2 (2012) art. 225-105
Consumption of resources				
Water (m³)				
ENV04	Consumption of water (m ³)	42 806	46 328	al1- 2-c-1
Energy (kWh)				
ENV06	Total consumption of electricity	22 105 218	26 003 536	
ENV07	Total consumption of gas	10 261 694	12 460 126	
ENV08	Total consumption of heating oil	735 989	808 754	
ENV05	Total consumption of energy (kWh) ⁽¹⁾	33 102 901	39 272 416	al1 - 2-c
Paper (tons) ⁽²⁾				
ENV09	Consumption of paper (tons)	625.5	566.0	al1- 2-c-2
Programmes to reduce environmental impact and greenhouse emissions				
Programmes to reduce emissions				
ENV31	Number of videoconferencing devices	12	14	al1- 2-b-1
ENV32	Number of videoconferences	482	276	al1- 2-b-1
Waste				
ENV39	What programmes were implemented to reduce consumption of resources, paper, waste, etc.? State the targets and results, where appropriate	See text	See text	al1- 2-d-1
Awareness campaigns				
ENV43	Campaigns implemented to inform and train staff about protecting the environment	See text	See text	al1- 2-a-2
ENV44	Human resources allocated to CSR	1.3	2.8	al1- 2-a-1

⁽¹⁾ Adjustment of 2013 data

⁽²⁾ Paper: in the CMNE Group total, white paper is accounted for the CFCMNE and BCMNE entities and adjustment of 2013 data





CRÉDIT MUTUEL NORD EUROPE GROUP

4, Place Richebé
59800 Lille - France

Cooperative Public Limited Credit Company with variable capita

**Report from the Independent Third-Party Body
(OTI) regarding the consolidated employment-related,
environmental and societal information featured in the
management report**

Period ending 31st December 2014

MAZARS SAS

61 rue Henri Regnault
92075 Paris - La Défense Cedex - France

Société Anonyme d'Expertise comptable et de Commissariat aux comptes
Capital de 8 320 000 EUROS - RCS NANTERRE 784 824 153

To the Shareholders,

In our capacity as an independent third-party body, member of the Mazars network and company auditors for the Crédit Mutuel Nord Europe Group, accredited by COFRAC under number 3-1058 ¹, we hereby present our report into the consolidated employment-related, environmental and societal information relative to the period ending on 31st December 2014, presented in the management report (referred to below as “CSR information”), pursuant to the provisions of article L.225-102-1 of the Commercial Code.

Responsibility of the company

It is the responsibility of the Board of Directors to draw up a management report that includes the consolidated CSR information provided for in article R. 225-105-1 of the Commercial Code, prepared in accordance with the procedures used by the company (referred to below as “Reference”), a summary of which is featured in the management report in the section headed “Note on Methodology” and which is available on request from the Institutional Affairs and Communication Department.

Independence and quality control

Our independence is defined by the regulatory texts and code of ethics for the profession, as well as by the provisions of article L. 822-11 of the Commercial Code. We have also implemented a quality control system that includes documented policies and procedures aimed at ensuring compliance with ethical rules and professional standards, as well as the applicable statutory and regulatory texts.

Responsibility of the independent third-party body

It is our responsibility, based on our work:

- to certify that the CSR Information required is contained in the management report or, in the event of omission, is the subject of clarification pursuant to paragraph three of article R. 225-105 of the Commercial Code (Certificate of presence of CSR Information);
- to express a conclusion of assurance based on the fact that the CSR Information, taken as a whole, is presented in all of its significant aspects, in a sincere manner, in accordance with the Reference (Reasoned opinion of the sincerity of the CSR Information).

Our work was carried out by a team of 5 individuals between February and March 2015 over a period of approximately 3 weeks.

We carried out the work set out below in accordance with the professional standards that apply in France and which also comply with the decree of 13th May 2013 establishing the terms under which the independent third-party body conducts its assignment and, with regard to the reasoned certification of sincerity, to international standard ISAE 3000 ².

¹ The scope of which is available from www.cofrac.fr

² ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information

Statement from the Independent Third-Party Body

1. Statement as to the presence of CSR Information

Based on conversations with the managers of the departments concerned, we have examined the presentations regarding the directions taken on sustainable development as a function of the social and environmental consequences linked to the company's business and societal commitments and, where appropriate, any resulting actions or programmes.

We have compared the CSR Information presented in the management report with the list provided for by article R.225-105-1 of the Commercial Code.

If any consolidated information was lacking, we have checked to see that explanations were in accordance with the provisions of article R.225-105, paragraph 3, of the Commercial Code.

We have verified that the CSR Information covered the consolidated scope, i.e. the company and its subsidiaries in the sense of article L.233-1 and the companies that it controls in the sense of L.233-3 of the Commercial Code, with the limits stated in the note on methodology detailed in the paragraph presented in section 4 of the management report.

Based on this work and taking account of the limits mentioned above, we hereby certify the presence of the required CSR information in the management report.

2. Opinion, stating reasons, of the sincerity of the CSR Information

Nature and extent of the work

We conducted fifteen or so interviews with the individuals responsible for preparing the CSR Information in the departments in charge of the process of gathering information and, where appropriate, the people responsible for the internal audit and risk management procedures in order to:

- assess the appropriate nature of the Reference material in terms of its relevance, completeness, reliability, impartiality and comprehensible nature, taking good practices for the sectors into consideration;
- check the implementation of a process to gather, compile, process and verify data, aimed at checking the exhaustiveness and consistency of the CSR Information and examining the internal audit and risk management procedures relative to the development of the CSR Information.

We have determined the nature and extent of our tests and checks based on the nature and importance of the CSR Information with regard to the characteristics of the company, the employment-related and environmental issues involved with its business, direction taken on sustainable development and good practices for the sector.

For the items of CSR Information that we consider to be the most important ³, we have, in the various Group ⁴ departments:

- consulted the documentary sources and conducted interviews to corroborate the qualitative information provided (organisation, policies, actions), implemented analytical procedures for the quantitative information and verified, based on samples taken, the calculation and consolidation of the data given. We have also checked their consistency and correlation with the other information featured in the management report;
- conducted interview to verify the proper application of the procedures and carried out detailed tests, based on samples taken, consisting of verifying the calculations carried out. We have also matched the data with the supporting documents and evidence.

The samples selected represent 63% of the headcount, between 25% and 87% of the quantitative environmental information.

³ **Employment-related information:** total headcount, total number of recruitments, number of employees with open-ended contracts leaving the organisation, including redundancies, total number of days of absence and days worked, percentage of payroll allocated to training, total number of hours allocated to training staff, percentage of women managers, average gross annual remuneration (in euros) of employees with open-ended contracts, both non-managers and managers;

Environmental information: total consumption of energy, overall consumption of paper (internal and external);

Societal information: number of microcredits granted during the year, average amount of the microcredits funded (euros), outstanding SRI (euros), outstanding solidarity salary savings (euros), number of not-for-profit customers (associations, unions, works councils, etc.), overall budget dedicated to patronage and sponsorship (euros), outstanding regulated social loans (PLS, PSLA);

Information relative to Governance: Number of Local Branches, Percentage of women among new directors, total Number of hours of training provided to directors, Percentage of participation in votes.

⁴ Institutional Affairs and Communication Department (CFCMNE), Network Department (CFCMNE), Legal Affairs Department (CFCMNE), Human Resources Management Department (CFCMNE), La Française, Bancassurance Commercial Department (CFCMNE), CMNE Solidarity Fund, Markets Department (CFCMNE), CFCMNE General Management, Property and General Resources Department (CFCMNE).

For the other items of consolidated CSR Information, we have assessed their consistency in relation to our knowledge of the company.

Finally, we have assessed the relevance of the explanation given, where appropriate, for the partial or total lack of certain items of information

We believe that the sampling methods and the size of the samples that we have taken in exercising our professional judgment enable us to formulate a reasonable assurance as to our conclusion. Gaining a greater level of assurance would have entailed more extensive verification works. Because we have used sampling techniques, as well as other limitations inherent to the functioning of any information and internal auditing system, the risk of not detecting a significant anomaly in the CSR Information cannot be totally ruled out.

Conclusion

Based on our work, we did not uncover any significant anomaly that may call into question the CSR Information taken overall, which is presented in a sincere manner, in accordance with the Reference.

Drawn up at Paris-La Défense, 29th April 2015

The Independent Third-Party Body

MAZARS SAS



Michel Barbet-Massin
Associate



Emmanuelle Rigaudias
Associate, CSR and sustainable development



I. Subject to the provisions of paragraph three of article R. 225-105, the Board of Directors or Executive Board of the company which complies with the terms set out in paragraph one of article R. 225-104 is required state in its report, pursuant to the provisions of article L. 225-102-1, the following information:

1° Employment-related information:

a) Employment:

total headcount and breakdown of salaried staff by age and by geographical area;	SOC 01 to SOC 12
recruitments and dismissals/redundancies;	SOC 13 to SOC 22
remuneration and changes in remuneration;	SOC 73 - SOC 107 to 109

b) Organisation of work:

organisation of working time;	SOC 29 to SOC 32
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c) Employment relations:

organisation of social dialogue, particularly the procedures for providing information and for staff consultation and negotiations with staff;	SOC 67 - SOC 78 to SOC 79
summary of collective agreements;	SOC 83

d) Health and safety:

health and safety conditions in the workplace;	SOC 38 to SOC 44
summary of agreements signed with union organisations or staff representatives on matters of health and safety in the workplace;	SOC83

e) Training:

the policies implemented in the area of training;	SOC 46 to SOC 50
the total number of training hours;	SOC 50

f) Equality of treatment:

the measures taken to promote equality between men and women;	SOC 60 to SOC 63
the measures taken to encourage the employment and integration of handicapped workers;	SOC 68 to SOC 71
the policy to fight discrimination;	see text

2° Environmental information:

a) General policy on environmental matters:

the company's organisation for taking account of environmental issues and, where appropriate, the processes applied for assessment or certification on environmental issues;	see text
training and information programmes for staff, conducted to protect the environment;	ENV 43

b) Pollution and waste management:

measures for the prevention, reduction or remedying of emissions into the air, water and ground that seriously affect the environment;	non significant
measures to prevent, recycle and eliminate waste;	ENV 39

c) Sustainable use of resources:

the consumption of water and the supply of water based on local constraints;	ENV 04
the consumption of raw materials and the measures taken to improved efficiency in their use;	ENV 09
the consumption of energy, the measures taken to improve energy efficiency and the use of renewable energies;	ENV 05 to ENV 08 ENV 31 to ENV 32

d) Climate change:

greenhouse gas emissions	ENV 31 to ENV 32
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e) Protection of biodiversity:

the measures taken to preserve or develop biodiversity	non significant
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3° Information relative to community-based commitments for the benefit of sustainable development:	
a) Territorial, economic and social impact of the company's activities:	
in the area of employment and regional development;	SOT 01 to SOT 08 SOT 10 to SOT 28 - SOT 52
on resident or local populations;	SOT 07 to SOT 08
b) Relations maintained between individuals and organisations with an interest in the company's activities, in particular integration associations, educational establishments, associations for the defence of the environment, consumer associations and local populations:	
the terms for dialogue with these individuals or organisations;	GOUV 70 - SOT 40
partnership or patronage programmes;	SOT 52
c) Subcontracting and suppliers:	
taking account of social and environmental issues in the purchasing policy.	see text
II. Subject to the provisions of paragraph three of article R. 225-105, and in addition to the information provided for in I, the Board of Directors or Executive Board of the company whose titles are admitted to negotiations in a regulated market, is required state the following information in its report:	
1° Employment-related information:	
b) Organisation of work:	
absenteeism;	SOC 38 to SOC 44
d) Health and safety	
accidents at work, in particular their frequency and seriousness, as well as occupational illnesses	SOC 40 to SOC 44
g) Promotion and compliance with the stipulations of the fundamental agreements of the International Labour Organisation relative to:	
compliance with the freedom of association and the right to collective bargaining;	SOC 67 - SOC 78 to SOC 79
the elimination of discrimination in terms of employment and profession;	SOC 60 to SOC 63
the elimination of forced or compulsory labour;	see text
the effective abolition of child labour;	see text
3° Information relative to societal commitments in favour of sustainable development	
c) Subcontracting and suppliers:	
the importance of subcontracting and taking account of their corporate social responsibility in relations with suppliers and subcontractors;	see text
d) Fair practices:	
programmes undertaken to prevent corruption;	see text
measures taken to promote the health and safety of consumers;	see text
e) Other programmes undertaken under 3° in favour of human rights	

Governance and Internal Auditing

Composition of the Board of Directors and mandates

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Composition of the Management Board
and mandates

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Report from the Chairman of the Board of Directors

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Report from the Company Auditors (about the Chairman's report)

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● Fédération du Crédit Mutuel Nord Europe Situation at 31st May 2015

Chairman:	Philippe VASSEUR ^[1]	
Deputy Vice Chairman:	André HALIPRE ^[2]	
Vice-Chairmen:	Catherine LETELLIER ^[3]	Francis QUEVY ^[3]
Secretary:	Michel HEDIN ^[4]	
Honorary Chairmen:	Gérard AGACHE ^[5]	Elie JONNART ^[5]
Directors:	Jean Louis BOUDET ^[4]	Jacques PETIT ^[4]
	Jean Marc BRUNEAU ^[4]	Nathalie POLVECHE ^[4]
	Dominique BUR ^[4]	Fabienne RIGAUT ^[4]
	Christine DEBOUBERT ^[4]	Christine THYBAUT ^[4]
	Philippe LELEU ^[4]	Jacques VANBREMEERSCH ^[4]
	Patrick LIMPENS ^[4]	

Also at the Caisse Fédérale du Crédit Mutuel Nord Europe: [1] Chairman - [2] Deputy Vice-Chairman - [3] Vice-chairmen - [4] Directors - [5] Honorary Chairmen

● Mandates of the Directors of the Caisse Fédérale du Crédit Mutuel Nord Europe

Philippe VASSEUR		
France	Chairman of the Board of Directors	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille CAISSE DE CRÉDIT MUTUEL LILLE LIBERTÉ (COOPERATIVE CREDIT COMPANY WITH VARIABLE CAPITAL) Lille CHAMBRE DE COMMERCE ET D'INDUSTRIE RÉGION NORD-PAS-DE-CALAIS (EP) Lille
	Chairman of the Monitoring Committee	NORD EUROPE ASSURANCES (SA) Paris
	Director	CAISSE CENTRALE DU CRÉDIT MUTUEL (COOPERATIVE LIMITED COMPANY) Paris CIC (SA) Paris GROUPE EUROTUNNEL (SA) Paris BONDUELLE (SA) Paris
	Permanent representative	GROUPE DES ASSURANCES DU CRÉDIT MUTUEL (SA) Paris LOSC LILLE METROPOLE (SA) Lille - CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Observer)
Abroad	Chairman of the Board of Directors	CRÉDIT MUTUEL NORD EUROPE BELGIUM SA - Belgium
	Director	BKCP BANK - Belgium BEOBANK (SA) Belgium Vice-Chairman BKCP IMMO IT (SCRL) Belgium
	Permanent representative	MOBILEASE (SA) Belgium - CMNE BELGIUM (Director)
Jean Louis BOUDET		
France	Director	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille
	Chairman	CAISSE DE CRÉDIT MUTUEL in Fretin (Cooperative company)
Jean Marc BRUNEAU		
France	Director	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille CAISSE DE CRÉDIT MUTUEL in Saint-Amand-Les-Eaux (Cooperative company) Vice-Chairman
	Member of the Monitoring Committee	NORD EUROPE ASSURANCES (SA) Paris
Dominique BUR		
France	Director	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille
Christine DEBOUBERT		
France	Director	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille
	Chairman	CAISSE DE CRÉDIT MUTUEL in Tourcoing République (Cooperative company)

Composition of the Board of Directors and mandates

André HALIPRE		
France	Director	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille – Vice Chairman NORD EUROPE ASSURANCES (SA) Paris GENE + A ERIN (SAS)
	Member of the Management Board	MULTIGENE in Dijon (SA)
	Chairman	CAISSE DE CRÉDIT MUTUEL in Vitry Le François (Cooperative company) CENTRE INTERNATIONAL DU CRÉDIT MUTUEL NORD EUROPE SCAPAAG in Dijon (Cooperative company)
	Member of the Monitoring Committee	BANQUE COMMERCIALE DU MARCHÉ NORD EUROPE (SA) Lille – Vice Chairman GROUPE LA FRANÇAISE (SA) Paris
Abroad	Permanent representative	CRÉDIT MUTUEL NORD EUROPE (SA Belgium) – CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE - Director
Michel HEDIN		
France	Director	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille CAISSE DE CRÉDIT MUTUEL in Étaples (Cooperative company)
	Member of the Monitoring Committee	GROUPE LA FRANÇAISE (SA)
Philippe LELEU		
France	Director	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille
	Chairman	CAISSE DE CRÉDIT MUTUEL in Desvres (Cooperative company)
Catherine LETELLIER		
France	Director	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille – Vice Chairwoman
	Member of the Monitoring Committee	NORD EUROPE ASSURANCES (SA) Lille
	Chairman	CAISSE DE CRÉDIT MUTUEL in Meru (Cooperative company)
Patrick LIMPENS		
France	Director	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille
	Chairman	CAISSE DE CRÉDIT MUTUEL in Saint Quentin (Cooperative company)
	Member of the Monitoring Committee	NORD EUROPE ASSURANCES (SA) Paris
	Business Manager	SCI RESIDENCE DE REMICOURT (SCI) Joint Business Manager
Jacques PETIT		
France	Director	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille
	Chairman	CAISSE DE CRÉDIT MUTUEL in Marquion (Cooperative company)
	Member of the Monitoring Committee	BANQUE COMMERCIALE DU MARCHÉ NORD EUROPE (SA) Lille
	Business Manager	SCI FLANDRES ARTOIS (SCI) Arras SCI BOLDODUC (SCI) Arras SCI PETIT (SCI) Arras
Nathalie POLVECHE		
France	Director	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille
	Chairman	CAISSE DE CRÉDIT MUTUEL in Avion (Cooperative company)
Francis QUEVY		
France	Director	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille – Vice Chairman
	Chairman	CAISSE DE CRÉDIT MUTUEL in Friville Escarbotin (Cooperative company)
	Member of the Monitoring Committee	BANK COMMERCIALE DU MARCHE NORD EUROPE (SA) Lille GROUPE LA FRANÇAISE (SA) Paris
	Business Manager	SCI IKD CENTRE DE SOINS (SCI)
Fabienne RIGAUT		
France	Director	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille NORD EUROPE ASSURANCES (SA) Paris
	Chairman	CAISSE DE CRÉDIT MUTUEL in Le Quesnoy (Cooperative company)
Christine THYBAUT		
France	Director	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille
	Chairman	CAISSE SOLIDAIRE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative company) Lille CAISSE DE CRÉDIT MUTUEL in Hazebrouck (Cooperative company)
Jacques VANBREMEERSCH		
France	Director	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille
	Chairman	CAISSE DE CRÉDIT MUTUEL in Steenvoorde (Cooperative company)

● Management Board Situation at 30th April 2015

General Manager:	Éric CHARPENTIER
Deputy General Manager with responsibility for operations:	Christian NOBILI
Deputy General Manager – Resources:	Denis VANDERSCHULDEN
Secretary-General:	Nicolas SALMON
Central Director – Accounting and Management Auditing:	Florence DESMIS
Finance Director:	Christian DESBOIS
Risk Director:	José DRUON
Secretary of the Management Committee:	Jérôme PAVIE
Senior Management Adviser:	Alexandre SAADA
Inspector-General:	Vincent GOSSEAU
Company Auditors:	DELOITTE and MAZARS

The Management Committee is chaired by the General Manager, who has the most extensive powers to manage the CMNE Group within the context of the strategy decided by the Federal Board of Directors.

The Committee meets once a week to examine on the work carried out by a number of specialist committees:

- The **Group Finance Committee** manages rate and liquidity risks. It is supported by quarterly or six-monthly finance committee meetings with the financial entities within the Group.
- The **Major Risks Committee** examines any risks every quarter that are greater than a threshold set by General Management for each entity and in a consolidated fashion.
- The **Development Committee** proposes changes to pricing, as well as managing the range of products and services and providing guidance for sales campaigns.
- The **Performance Improvement Committee** is responsible for developing and monitoring the budget, as well as proposing cost cuts.

Each month, the Executive Board, made up of the Management Board of the Caisse Fédérale and the managers of the Group's various business arms, meets to deal with all matters of a transverse nature, as well as the major projects of each business and, more generally, business and results.

Composition of the Management Board and mandates

● Mandates and functions of the company trustees

Éric CHARPENTIER		
France	General Manager	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille
	Chairman of the Board of Directors	ACMN Vie (SA) Paris BAIL ACTÉA (SA) Arras
	Chairman of the Monitoring Board	LA FRANÇAISE AM Finance Services (SAS) Paris LA FRANÇAISE Real Estate Managers (SAS) Paris
	Member of the Monitoring Board	BANQUE COMMERCIALE DU MARCHÉ NORD EUROPE (SA) Lille
		GROUPE LA FRANÇAISE (SA) PARIS
		LA FRANÇAISE ASSET MANAGEMENT (SAS) Paris (<i>formerly La Française des Placements</i>)
		NORD EUROPE ASSURANCES (SA) Paris – Vice-Chairman
		LFP PIERRE (SCPI) Paris
	UFG PIXEL 1 (SCPI) Paris	
	Permanent representative	ACM IARD (SA) Strasbourg – CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Director)
		CCCM PARIS (Cooperative SA) Paris – CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Director)
		ACMN IARD (SA) Lille – NORD EUROPE ASSURANCE (Director)
		NORD EUROPE LEASE (SA) Lille – CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Director)
CMNTEL (SAS) Lille – CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Member of the Management Board)		
COURTAGE CRÉDIT MUTUEL NORD EUROPE (SAS) Lille – NORD EUROPE ASSURANCE (Member of the Chairman's Committee)		
EURO INFORMATION (SAS) Strasbourg		
CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Member of the Management Board)		
LA FRANÇAISE INVESTMENT SOLUTIONS (SAS) Paris – PR GROUPE LA FRANÇAISE (Member of the Monitoring Committee)		
VIE SERVICES (SAS) Paris – NORD EUROPE ASSURANCE (Member of the Management Board)		
Abroad	Chairman of the Board of Directors	BEOBANK (SA) Belgium BKCP BANK (SA) Belgium (<i>formerly Crédit Professionnel SA</i>) BKCP IMMO IT Belgium (<i>formerly BKCP SCRL</i>) NORD EUROPE LIFE LUXEMBOURG (SA) Luxembourg NORTH EUROPE LIFE BELGIUM (SA) Belgium
	Director	CRÉDIT MUTUEL NORD EUROPE BELGIUM (SA) Belgium and Chairman of the Management Board
	Member of the Monitoring Board	LA FRANÇAISE BANK (SA) Luxembourg
	Permanent representative	SOFIMPAR (SA) Belgium – CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Director)
		MOBILEASE (SA) Belgium – BANQUE COMMERCIALE DU MARCHÉ NORD EUROPE (Director)
		OBK BANK Belgium – CRÉDIT PROFESSIONNEL SA (Director)
	Christian NOBILI	
France	Deputy General Manager	CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Cooperative SA) Lille
	Director	Bail Actea (SA) Arras
	Member of the Monitoring Board	BANQUE COMMERCIALE DU MARCHÉ NORD EUROPE (SA) Lille
	Member of the Management Board	CMNTEL (SAS) Lille
	Permanent representative	ACMN IARD (SA) Lille – CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Director)
		ACMN VIE (SA) Paris – CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Director)
		GROUPE LA FRANÇAISE (SA) Paris
		CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Member of the Monitoring Board)
		NORD EUROPE ASSURANCES (SA) Paris
		CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Member of the Monitoring Board)
VIE SERVICES (SAS) Paris – ACMN VIE (Member of the Management Board)		
LA FRANÇAISE ASSET MANAGEMENT (formerly LA FRANÇAISE DES PLACEMENTS) (SAS) Paris		
CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Member of the Monitoring Board)		
LA FRANÇAISE AM Finance Services (SAS) Paris		
CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Member of the Monitoring Board)		
LA FRANÇAISE Real Estate Managers (SAS) Paris		
CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Member of the Monitoring Board)		
COURTAGE CRÉDIT MUTUEL NORD EUROPE (SAS) Lille		
CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Member of the Presiding Committee)		
Abroad	Director	BEOBANK (SA) Belgium BKCP BANK (SA) Belgium CMNE BELGIUM (SA) Belgium
	Permanent representative	NORD EUROPE LIFE Luxembourg (SA) Luxembourg – CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (Director)

Ladies and Gentlemen,

In accordance with the provisions of article L. 225-37 of the Commercial Code, the Chairman of the Board of Directors submits a report dealing with:

- the terms for preparing and organising the work carried out by your Board of Directors,
- the internal auditing procedures implemented,
- any restrictions placed on the powers of the General Manager.

It is my privilege to present this report to you, which has been finalised under my authority, based on the work carried out by the persons with responsibility for the matter at the Inspectorate General, Ongoing Audits and Compliance Control. In accordance with article 26-5 of the Act of 3rd July 2008, this report was submitted for the approval of the Board of Directors on 23rd March 2015.

I – Conditions for preparing and organising the work of the Board of Directors

1 – Presentation of the Board of Directors

On the closing date for the 2014 financial year, the composition of the Board of Directors of the Caisse Fédérale du Crédit Mutuel Nord Europe was as follows:

Chairman:	Philippe VASSEUR
Vice-Chairmen:	Catherine LETELLIER, André HALIPRE, Francis QUEVY and Maurice TOME
Secretary:	Michel HEDIN
Directors:	Jean-Louis BOUDET, Dominique BUR, Jean-Marc BRUNEAU, Christine DEBOUBERT, Philippe LELEU, Patrick LIMPENS, Bertrand OURY, Jacques PETIT, Nathalie POLVECHE, Fabienne RIGAUT, Christine THYBAUT and Jacques VANBREMEERSCH
Honorary Chairmen:	Gérard AGACHE and Elie JONNART

2 – Organisation and preparation of the work carried out by the Board of Directors

The Board of Directors

The Board of Directors derives its powers from the articles of association and the general operating regulations. Where required, codes of ethics and proper conduct regarding in particular preventing and dealing with irregular situations involving elected officers round out the operating rules that apply to the Group's deliberating body.

The Board of Directors lays down the Group's strategy based on proposals put to it by General Management. It also controls their implementation. The Board is elected by the 154 Local Branches, each of which also has its own Board of Directors, made up of members elected by the shareholders at a general meeting, in accordance with the cooperative statute of "one person, one vote". Some of its members also sit on the Boards of the Group's holding companies: BCMNE, CMNE Belgium, Nord Europe Assurances and La Française Group.

An Executive Committee:

The Executive Committee is made up of 7 members, met on 5 occasions during the year. The Executive Committee is a consultative body that examines items that are subsequently submitted to the Board of Directors.

The Board of Directors has delegated powers to 4 specialist committees:

- the **Audit Committee**, chaired by the Chairman of the CMNE Federation, is made up of four other federal directors. The General Manager, the Deputy General Manager, the Inspector-General, the Secretary-General, the Group Risk Director and members of the Management Committee also attend Committee meetings. The Company Auditors also attend the Audit Committee meeting when it is examining the company's individual and consolidated financial statements.

Internal policies and procedures define the Audit Committee's operations and purpose. The Committee met on 8 occasions and its work focused in particular on:

- monitoring changes to the regulations,
- approving the annual audit programme of the General Inspectorate and the human and technical techniques used to do so,
- the results of assignments conducted by the General Inspectorate, in terms of Local Branches, federal departments and subsidiaries, as well as following up on the recommendations made,
- examining the company and consolidated accounts,
- examining the work carried out by the Company Auditors.

- the **Risks Committee**, chaired by the Chairman of the Fédération du CMNE, is identical in composition to the Audit Committee. The Risks Committee's operations and purpose are also defined by a set of internal policies and procedures. The Committee met on 4 occasions in 2014.

Its work focused in particular on approving the annual plans of the Compliance and Ongoing Audit departments, as well as following up on the work carried out by these departments and the Group Risks Department.

Report from the Chairman of the Board of Directors

In particular:

- with regard to ongoing audits, summary of the work of the Asset Quality Review (AQR) and stress tests prior to the implementation of the Single Supervisory Mechanism of the banks, under the auspices of the ECB.
 - with regard to compliance control, the centralisation of malfunctions, summarising the statements made about suspicions, demonstrating the growing use of the LAB process by the network of local branches, the operational implementation of the FATCA regulations on 1st July.
 - with regard to controlling risks, summarising the operating risk and incidents incurred, as well as summarising credit risk and market risk.
- the **Federal Loans Committee** meets twice a month to rule on matters relating to loans with unit amounts greater than 600 000 euros or which are subject to terms that override the rules laid down by the Federation. A set of internal policies and procedures defines the Committee's operations and purpose.
 - the **Remuneration Committee**, made up of the Chairman of the Federation and the Vice Chairmen, meets at least once a year to determine the overall remuneration of the company trustees of the Caisse Fédérale. It also examines the remuneration of the company's directors who are not company trustees and sets the principles that apply to the remuneration of company trustees in the Group's principal companies. Its operations are defined by a set of internal policies and procedures.

2.1 – Meetings of the Board of Directors:

The Board of Directors met on 10 occasions, once a month, except in August and September. The attendance rate of 81% indicates the strong involvement of the directors. The average length of Board meetings was two hours and thirty minutes.

- The agendas for the meetings systematically included a point relating to the economic situation and the current institutional background, as well as to business results and monitoring credit risks. A quarterly review covering market developments and their impact for CMNE was also presented to the Directors.
- The Board also expressed its views about the commercial offering.
- The Board examined the quarterly updates of the interim management results for the period underway.
- The other items appearing on the Board's agenda included:

27th January

- Assessment of the activities of the Audit and Risks Committee during the second half of 2013.
- Presentation of the Group audit plan for 2014.
- Presentation of the progress made on the Asset Quality Review (AQR).

24th February

- Presentation of the CMNE Group annual business report 2013.
- Presentation of the overall company accounts ending on 31st December 2013 in the presence of the Company Auditors. After hearing their report, the Board approved the overall

company accounts for the Caisse Fédérale, the Federation and the Local Branches. These accounts had been presented previously to the Audit Committee.

24th March

- Presentation of the 2014 forecasts for Bancassurance France
- Presentation of the 2014 action plan for the CMNE Group
- Presentation of the consolidated accounts ending on 31st December 2013 in the presence of the Company Auditors. After hearing their report, the Board approved the Group's consolidated accounts. These accounts had been presented previously to the Audit Committee. Examination of the reports on internal auditing and the measurement of risk monitoring. The Chairman also presented his report on the work carried out by the Board in 2013 and the internal auditing procedures, in particular in the areas of finance and accounting.
- Preparation for the Annual General Meetings held on 15th May 2014.

28th April

- Presentation of the Basle II report and management of the balance sheet closing 31st December 2013.

15th May

- Election of the Chairman of the Board of Directors, Vice Chairmen and members of the Executive Committee.

23rd June

- Changes in the structures of the CMNE Group.
- Information about the AQR assignment

29th July

- In the presence of the Company Auditors, presentation of the Group's consolidated accounts at 30th June 2014 and update to the overall 2014 forecast results (based on 30th June).
- Half-yearly business report.
- Summary of the activities of the Audit and Risks Committee for the first half of the year.

13th October

- Report on balance sheet management for the 1st half of the year
- Information about capital adequacy measures (ICAAP process)
- Presentation of the orientation memo for the Bancassurance France business for 2015 and its Commercial Action Plan

24th November

- Information about the 2014 forecast results, updated to 30th September
- Basle II reporting at 30th June
- Update on regulatory and fiscal news and any effects for CMNE

15th December

- Assessment of the New Branch design works
 - Information about the Network reorganisation
 - Information update about the branches
 - Summary of the alignment notes for the MTP 2020
- When first convened, all meetings complied with the conditions for establishing a quorum and majority, as required by the articles of association.

- The minutes of Board meetings are approved at the subsequent meeting. This approval confirms that a faithful record has been taken of the work carried out.
- The Works Council was represented at all times.

2.2 – Dispatch of working documents:

- The members of the Board of Directors received all of the information they needed to carry out their work, based on a predetermined timetable. Digital media are sent by e-mail. A complete hard-copy file is given to each Director at the time of the Board meeting.
- The documents and information provided and required for the duties of the directors were mainly the following:
 - the news memo,
 - the monthly business memo,
 - the monthly risk update,
 - the company accounts and consolidated accounts,
 - proposals on the new terms for products and services,
 - presentation notes on topics submitted to the Board members for approval,
 - written support material published in the form of notes to the PowerPoint presentations used during the meeting.

All of the persons attending meetings of the Board of Directors are bound by an obligation of confidentiality and non-disclosure with regard to the information provided or received within the context of these meetings.

3 – The powers of the General Manager and Deputy General Manager

In accordance with the Group's ongoing practices, which distinguish between the functions of direction, decision-making and audit on the one hand, and executive functions, and the functions of Chairman and General Manager on the other, are separate.

At its meeting on 24th April 2006, the Board of Directors appointed Mr Éric CHARPENTIER as General Manager from 1st June 2006, granting him all powers to act alone in the name and on behalf of the Caisse Fédérale du Crédit Mutuel Nord Europe.

At its meeting on 21st January 2008, the Board of Directors appointed Mr Christian NOBILI as Deputy General Manager from 1st February 2008, with the same powers as the General Manager.

II – Internal auditing procedures

1 – Internal audit method

Internal auditing is a process that is defined and implemented by the Board of Directors, as well as the company's management and staff. It is designed to provide reasonable assurance regarding the following objectives:

- the reliability of accounting and financial information,
- the efficiency and effectiveness of the operations conducted by the company,
- the protection of the organisation's assets,
- compliance with laws and regulations.

Within this context, the Board of Directors receives information about the organisation, business and results of the general internal auditing system. The Board approves CMNE's risk limits, in particular through the document entitled "Risk Management Policy", and is informed about the use of these limits.

1.1 – The audit environment

- External frames of reference:
 - The Caisse Fédérale operates in a highly regulated environment and is required to comply with the decree of 3rd November 2014 relative to internal auditing, which completes the transcription into French law of the CRD IV Directive and the CRR European Regulation of June 2013 and the regulation published on the same date relative to financial conglomerates.
 - It is subject to the regulatory and reporting obligations that apply to credit establishments (regulatory ratios, annual internal audit report, etc.).

- It is subject to audits by regulatory banking and insurance bodies (Prudential Audit Authority) and the financial markets (Financial Markets Authority).
- It is also subject to the controls conducted by Crédit Mutuel's National Confederation, pursuant to the General Character Decision relating to the organisation of auditing by Crédit Mutuel.

- Internal frames of reference:
 - Articles of Association.
 - General Operating Regulations and Finance Regulations.
 - Policies and procedures of the various committees.
 - Group Internal Audit Charter, Periodic Audit Charter, Compliance Charter, Financial Activities Charter.
 - Codes of Ethics and Proper Conduct.
 - Policy on risk management.
 - Definition of the assignments to be carried out by the various departments and their functions in the form of organisation charts.
 - Summary of powers.

1.2 – Parties or structures conducting audit activities

In accordance with the regulatory provisions of the supervisory bodies and the standards of Crédit Mutuel's National Confederation, CMNE's internal audit system applies to all of the entities in the Group, including credit establishments and non-banking subsidiaries.

Report from the Chairman of the Board of Directors

The Group Risk Department for ongoing audits and risk control, the General Secretariat for compliance control supervise the departments or corresponding functions in the subsidiaries, as well as directly exercising their role as auditors for Bancassurance France and Business Finance. These two central departments ensure the consistency of the actions taken in the various Group entities through bilateral theme-based meetings.

To conduct all of the internal audit assignments, the Group has a staff of 156. They are broken down as follows:

	Ongoing audits, compliance control and risk audits	Periodic audits
Caisse Fédérale	28	43
Subsidiaries	73	12
TOTAL	101	55

The scope of internal auditing covers the Group's six business areas: Bancassurance France, Bancassurance Belgium, Business Finance, Insurance, Third-Party Management, and Miscellaneous Services and Businesses. With regard to their own regulations, each area of business adjusts and implements its own audit organisation.

1.2.1 - Ongoing audits and compliance control are provided as follows:

- level 1 ongoing operating auditing is carried out in the operating entities under the direct responsibility of hierarchical reporting lines,
- level 2 of ongoing auditing is carried out by structures that are separate from the operating entities and organised around:
 - central structures: a permanent auditing directorate, to which is attached the manager responsible for the security of information systems and the manager for ongoing audits, a compliance control directorate and a risk directorate,
 - ongoing auditing and compliance structures in the Group's various business areas (Insurance, Bancassurance Belgium, Business Finance, Third-Party Management); operating links are in place between the central directorates and the business area auditing structures.

1.2.2 - Periodic audits:

Level 3 comes under the responsibility of the Inspector-General, who acts for all of the entities within the Group: the branch network, the federal departments and Group companies. The Inspector-General certifies the company accounts for the Local Branches. Certification of the company accounts for the Local Branches whose total balance sheet is greater than 450 million euros is subject to a specific procedure involving validation by the Confederal Inspectorate.

The Inspector-General is a member of the Audit Committee in France, Belgium and Luxembourg. He is member of the committee that makes proposals in terms of setting the levels of delegation for granting loans given each year to the managers in the Bancassurance France network. He attends meetings of the Ongoing Audit and Compliance Committee.

Periodic audits are made up of two directorates: one for the Network, and the other for Business Lines.

1.3 – Auditing systems

1.3.1 – Ongoing audits and compliance control

The main systems implemented by the directorates for ongoing audits and compliance control at CMNE are shown below.

There are a number of procedures and methods involved for ongoing audits:

- the ongoing audit procedures for the operating entities (network and federal departments), organised and standardised as part of dedicated applications (internal auditing portals),
- procedures to analyse and review the internal audits conducted by the operating entities,
- level 2 ongoing audit plans (audits carried out directly by the ongoing audit directorate), based on a process that is standardised and organised for each individual area (market activities, loans, accounting, information system security, operating risk management, etc.),
- procedures for monitoring the security of payment methods,
- procedures for monitoring the security of information systems,
- the process of assessing essential external service-providers,
- the procedure for monitoring and analysing significant operating incidents.

In the area of compliance:

– Procedures for examining compliance

The compliance control department was consulted on 32 matters relating to new products direction or significant modifications made to existing products. It issued 5 compliance opinions. In 16 cases, examining the information provided did not require the procedure to be launched, yet recommendations were nevertheless made. Finally, 4 cases required neither opinion nor recommendation.

– The process for escalating and monitoring malfunctions

The procedure for centralising malfunctions shared by Bancassurance France and Insurance escalated just two malfunctions in 2014. These are in the process of being dealt with because they require adaptations to be made to the IT tools.

– The fight against money-laundering

Thanks to the use of databases shared by the whole of the Crédit Mutuel-CIC Group and the introduction of an information exchange system covering suspicious returns lodged with TRACFIN operating under the Euro Information system, the fight against money-laundering has gained further effectiveness within CMNE.

In 2014, numerous awareness and training programmes were implemented, in particular in the Business Advice Spaces, as well as on the topic of international flows.

1.3.2 - Periodic audits

For Local Branches, the effectiveness of the internal auditing systems implemented by the managers at the branch is measured regularly, either by reviews or theme-based assignments.

For the federal departments, the audit systems revolve around theme-based audit tasks, as well as assignments to evaluate internal auditing and the follow-up on recommendations.

While each of the Group's companies is responsible for implementing its own internal auditing system, as well as how it is conducted and updated, a team of 3 auditors dedicated to auditing the Insurance and Third-Party Management businesses has been established in Paris.

The General Inspectorate carries out its work using standardised methods and IT tools whose suitability is reviewed regularly. There is also a frame of reference for the auditing of Local Branches.

An annual audit plan is drawn up and presented by the Inspector-General for the approval of General Management and the Audit Committee. This plan is organised in such a way that all risks are examined and audited over a maximum period of four years.

The periodic audit assignments conducted across the network consisted of:

- 32 audit assignments relating to 49 sales outlets, 7 Advice Spaces,
- 3 theme-based assignments enabled the analysis of the management of inactive/dormant accounts, the processing of funds transfer orders and the appropriate level of resources to Federal delegation assignments.

In addition, the periodic audit function conducted 34 assignments with the business lines, of which 31 were in the subsidiaries.

1.4 – Organisation of internal audits on business conducted abroad

1.4.1 - The main parties involved and auditing systems in Belgium

Internal audits are organised as follows:

- Level 1 ongoing audits are carried out in operating entities under the direct responsibility of the hierarchy. The branches follow an internal auditing procedure that is updated regularly. The internal auditing system in departments at head office is based on hierarchical checks, the separation of functions and automated controls.
- Positions dedicated to internal audits:
 - Ongoing Auditing, which is responsible in particular for organising, strengthening and assessing the way Level 1 audits operate,
 - The Compliance Officer, who is responsible for implementing compliance systems (analysis of non-compliance risks, the policy for accepting new customers, code of ethics, systems for combating money-laundering and the financing of terrorism, etc.),
 - Periodic Audits: the internal auditing departments of the two entities in the CMNE Group in Belgium conduct their tasks as part of a multiannual schedule based on the analysis of risks and approved by the respective Management Committees. Branch inspections are carried out by the audit department using a methodology based on a checklist of points that is reviewed regularly. A six-monthly report of assignments is submitted to the Management Committee of the entities. It was in this context that 11 audit assignments

were conducted in the central departments of Crédit Professionnel SA and 9 others at Beobank. In addition, nearly 110 inspections were conducted in the Beobank network and 92 in the Crédit Professionnel network.

- An Audit Committee assists the Board of Directors at Bancassurance Belgium. In particular it examines the results from the various audit assignments, as well as following up on recommendations and reports relating to measuring and monitoring risks. The Committee also approves the accounts in the presence of the Company Auditors.

1.4.2 - The main parties involved and auditing systems in Luxembourg

Internal auditing at La Française Bank is organised as follows:

- Level 1 audits carried out in the operating entities under the direct responsibility of the hierarchy, with monthly standardisation of the audits conducted in each department.
- Positions dedicated to internal audits:
 - The Risk Manager, who is responsible mainly for identifying and assessing risks, contributing to the implementation and monitoring of Level 1 audits,
 - The Compliance Officer, who is responsible for implementing compliance systems (analysis of non-compliance risks, exhaustive auditing of the opening of new accounts, systems for combating money-laundering and the financing of terrorism, etc.),
 - Periodic audits are conducted by the Audit Control Inspectorate of the CMNE Group in the context of a service delegated by La Française Group, the parent company of La Française Bank.

The Board of Directors of La Française Bank is assisted in its work by an Audit and Accounts Committee.

1.5 – Organisation of the internal auditing of outsourced activities

As part of the Group's audit policy applied to outsourced services, the ongoing audits and compliance departments conduct checks to ensure that the policy defined is being complied with and assess its application.

The audit process includes an annual assessment supervised by the Ongoing Audit Department. The aim of this assessment is to ensure that the regulations, quality and continuity of services are complied with.

1.6 – The processes used for measuring and monitoring risks

1.6.1- Credit or counterparty risk

The rating systems are audited at a national level. A procedure for monitoring algorithms has been developed for this purpose by the unit that monitors ratings. This procedure includes all of the analyses required to measure the performance of models. Each federal unit within Crédit Mutuel is able to position itself in relation to the national performance of a particular algorithm. Any significant discrepancies observed would then be analysed.

Report from the Chairman of the Board of Directors

Internal ratings are integrated within CMNE in a highly operational way. This information is included when it comes to developing the commercial proposition of a credit level. Ratings are the subject of various dashboards used by management bodies and the risk monitoring committees.

- Loans are selected in accordance with risk assessment rules applied as soon as loan applications are made, based on fixed internal standards and an assignment system placed under automated a priori control.
Risk assessment and the documentation for loan applications are part of procedures designed to analyse and retain recent elements relating to the business and financial situation of the beneficiary.
The case records, both for private individuals and business applicants and the farming market, are created applying the provisions of internal loan regulations.
Case managers at the branches check on the way the analysis rules are applied to finance files in the context of the internal auditing process.
As part of its “network” assignments, the General Inspectorate also makes sure that the audit is efficient and that federal standards are effectively applied.
- A level-based system of delegation enables the General Manager, on the proposal of an allocations committee that meets during the first quarter of each year, to assign a level of authority for providing technical advice to each of the members of staff involved. This delegation is supplemented by a power attributed by the Board of Directors of the Local Branches.
- The profitability of loan transactions is examined as part of the procedures for granting loans, which includes a decision-making loop on the terms for exemption rates.
The Management and Forecasting Audit Department and the Assets and Liabilities Function, whose work is complementary, handle the task of monitoring, forecasting and guiding matters relating to margin.
- In terms of how the quality of commitments develops, the downgrading of credits into doubtful debts, based on regulatory criteria, is carried out automatically by applying the contagion principle. Funding, calculated by the systems based on the type of debt and the nature of the guarantees given, is updated and written into the accounts at the end of each month.
A report into the measurement and development of risks is sent regularly to General Management and the Federal Board of Directors.
Monitoring the quality of commitments is also carried out by the periodic network audit during audit assignments, theme-based audits and balance sheet audits.
- Risk measurements using sector-based breakdowns and internal ratings are also conducted through specific analyses carried out on the bank’s four main markets: private individuals, professionals, farmers and businesses.
- Each year the Board of Directors of the Caisse Fédérale approves a reference document each year on risk policy within the Group. The directors set limits for counterparty risks that apply to the whole of the CMNE Group, whether it is for dealing room transactions, Business Finance or the insurance companies.

1.6.2 - Concentration risk

Measuring the risks in relation to a counterparty or group of counterparties is handled by CMNE’s Major Risk Committee which every quarter analyses and monitors risks that exceed a threshold defined by General Management, singly and overall, for each of the Group’s financial entities.

1.6.3 - Market risk

Market risk forms part of the arbitrage transactions carried out by the Group Treasury Department as part of its own management of CMNE. These transactions, conducted within a precise context defined by the Finance Committee, are the subject of a monthly report submitted to that same Committee.

This reporting system, established by the Risks Department, makes it possible to measure the rate, liquidity and counterparty risks associated with this management, as well as the margin it generates and its sensitivity to rate movements. The system also enables a check on the consumption of equity capital generated by the assets held. Finally, on a quarterly basis and using scenarios common to the whole of the Crédit Mutuel–CIC Group, this activity is also subjected to stress tests.

1.6.4 - Overall interest rate risk and liquidity risk

- Each company within the scope of the banking business has its risk analysed by a specific Finance Committee on a quarterly or six-monthly basis, depending on the size of the company and the inertia of its balance sheet structure. The committee of each company decides on the implementation of cover both for rates and liquidity.
- In view of its single counterparty role in managing the rate risk of the subsidiaries and their refinancing, the quarterly analysis of the report from the Caisse Fédérale enables a consolidated overview to be created of the Group’s rate risk and liquidity risk.

1.6.5 - Intermediation risk

- When providing investment services for third parties, the CMNE Group authorises BFCM and CMCIC Titres to represent it with third parties and the markets and also to handle the management of its customers’ securities.
Through its role as a player on the financial markets, BFCM complies with the various accredited systems for settling investments.
- The risk of default by the party issuing the order is managed within the CMNE Group’s information system through a number of devices. When orders are entered, multiple automatic checks are conducted to make sure the amount of the order is feasible, as well as ensuring that there is sufficient cover from the buyer. These checks meet the minimum conditions laid down by the Financial Markets Authority.
- A system based on a questionnaire to be filled in as part of the process of opening a securities account has been implemented to meet the new requirements of the FIM Directive. This questionnaire makes it possible to understand better the customer’s experience, objectives and financial situation and is part of the process of finding a service that meets the customer’s needs.

1.6.6 - Settlement risk

- Management of the liquid assets involved with the Group's banking arm (Bancassurance France, Bancassurance Belgium and Business Finance) is handled as a whole in the Finance Treasury Department.
- With regard to business on its own account, the CMNE Group's membership of the centralised ESES (Euroclear Settlement of Euronext-zone Securities) high-speed settlement and delivery system, which handles immediate simultaneous and irrevocable settlements/deliveries, enables it to cover the risk of settlement.
- Transactions on international instruments that are not part of ESES are processed by the CMNE Group via BFCM as a client bank.
- For Belgium, securities transactions are carried out via the CEDEL, CLEARSTREAM or RAMSES settlement-delivery platform for sovereign securities.

1.6.7 - Operating risks

The management of operating risks within the Group is organised as follows:

- The Risk Guidance Function is responsible for managing operating risks. This function implements the methods and tools required, catalogues operating incidents and handles monitoring in the risk management tool.
- The Operating Risks Committee meets regularly and provides coordination communication and reporting on work carried out. This Committee reports on its work to General Management, as well as to the Audit Committee and the Board of Directors.
- Documentary databases relating to the operating risks management tool (integrated into the IT system), risk mapping and modelling, claims data and the steps taken for business continuity plans, are also available.
- The person responsible for the security of the Group's information systems is attached to the CMNE Group's Ongoing Audit Department. A system for managing the security of information operates in each Group entity.

1.6.8 - Measures taken to ensure business continuity

Protective programmes are aimed at generalising computer recovery plans and business continuity plans in the business lines.

- These programmes are run by the Risks Department in conjunction with the Organisation Management department.
- This work is monitored regularly by the Operating Risks Committee. A progress report is presented once a year to the Risks Committee, which enables it to be kept informed of the system in place to enable the continuity of the CMNE Group's businesses in the event of a major disaster.
- A crisis management system has also been developed. It defines and organises the structures and procedures for crisis communication.

1.6.9 - Consolidated internal auditing

In line with CMNE's principles, the internal auditing system applies to all consolidated companies. The parties responsible for auditing in each business arm of CMNE make sure that there is a suitable system in place that enables business and risks can be monitored in a consolidated manner. They report for their respective areas to the Group Risks Director and the Secretary-General.

2 - Special procedures relating to finance and accounting**2.1 - Frames of reference:**

- Accounting plan, regulatory texts and procedure manuals
- General operating regulations
- Financial regulations
- Group financial management agreement

2.2- The Central Director responsible for Accounting and Management Auditing has three departments under him:

- The Accounting and Fiscal management department, which in particular:
 - assists with implementing the overall accounting system plan and procedures, and handles their application,
 - organises and monitors the accounting for financial bodies and companies for which the department is responsible,
 - organises specific works to provide statements for financial periods and to draw up interim positions,
 - handles tax management for the CMNE Group,
 - develops and implements the resources required to enhance the security of accounting entries and auditing of Group accounts,
 - puts forward any adaptations needed or new rules to be inserted into financial regulations or into individual contracts governing relations between the various companies in the Group,
 - handles contacts with internal and external auditing bodies.
- The Consolidation and Group Reporting department, which in particular:
 - organises, coordinates the various parties and carries out the specific assignments for drawing up the consolidated accounts and any reporting required for the Group,
 - defines and updates the consolidation procedures used by the Group, consistent with the procedures laid down by the National Confederation,
 - in the context of regulatory requirements, analyses, monitors and comments on the various ratios and handles the implementation of new rules in relation with the functions involved,
 - assists with the implementation of the overall operating scheme of the accounting system and its procedures, consistent with regulatory requirements,
 - handles contacts with internal and external auditing bodies.
 - develops the periodical analysis of the regulatory ratios, comments on any changes and conducts all forward-looking

Report from the Chairman of the Board of Directors

- simulations for the Finance Committee in order to optimise these constraints.
- measures and analyses the financial impact and strategic company risks on the consolidated result.
 - The Control and Forecasting department, which in particular:
 - provides General Management with regular projections of the financial results for the CMNE Group's Bancassurance France business and proposes corrective action,
 - makes all budget-monitoring items and all performance and risk analysis items available to the various echelons of the CMNE organisation, enabling them to contribute towards improving the Group's financial results and, in particular, to the various technical committees (financial, development, performance improvement and requests for IT resources),
 - designs and monitors all financial forecast quantification that is incorporated into the planning process, and drafts stage reports for the departments concerned,
 - suggests adaptations to financial regulations or associated contracts in terms of structural developments in the CMNE Group. It also updates the rules issued regarding relations between the companies in the Group,
 - establishes and monitors the profitability analysis for each product, market, customer, etc.
 - designs dashboards at all levels of CMNE and draws up the operating specifications in conjunction with the operating managers, making them available to the parties in the CMNE Group within the deadlines set and also maintains them,
 - handles any management and training programmes that are specific to the various bodies in the Group,
 - handles relations with internal and external auditing bodies.

2.3 – The “Data Administration” function:

- Reporting directly to the Central Director responsible for Accountancy and Audit Management, this functions:
 - monitors the quality and consistency of the data used to feed the warehouse, in particular through the “data qualification” module developed on a confederal level in the context of the regulations for Basle II,
 - suggests corrective actions in collaboration with the support lines concerned,
 - provides information about validated data for the purpose of enhancing monitoring tools and ensuring they are consistent,
 - prepares and runs meetings for the Customer Record Quality Committee, enabling there to be coordination between the various business lines of the CMNE's Caisse Fédérale in order to inform the member of the quality monitoring committee allocated to the data and any actions undertaken,
 - takes part in Database committee meetings for Business Finance and the Group's Belgian entities
 - takes part in and works with the working groups organised on a confederal and interfederal level, aimed at implementing and organising audits for all of the support lines and ensuring the continuity of the tools put in place.

2.4 – The accounting and financial audit system

On an initial level, the accounting department has the resources to ensure the proper quality of the data produced or transmitted for all of its tasks. On a second level, the ongoing audit department monitors level 1 quality controls and conducts additional audits.

Chairman of the Board of Directors
of the Caisse Fédérale du Crédit Mutuel Nord Europe

Philippe VASSEUR

Consultation of the general meeting of shareholders regarding the overall remuneration envelope, pursuant to article L. 511-73 of the Monetary and Financial Code.

The new article L. 511-73 of the Monetary and Financial Code provides for the general meeting of shareholders to be consulted on the overall remuneration envelope paid during the past financial year, of any kind, to the directors responsible, in the sense of article L. 511-13, and to categories of staff, including risk-takers and individuals exercising an audit function, as well as to any salaried person who, given his/her overall earnings, comes into the same remuneration bracket and whose professional activities have a significant incidence on the risk profile of the company or group.

The general meeting of shareholders of the Caisse Fédérale de Crédit Mutuel Nord Europe, held on 28th May 2015, will be required to issue a recommendation through resolution n° 5 regarding this remuneration envelope, the amount of which was 2 102 255 euros for 2014 and which includes the fixed and variable remuneration paid.

CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE

4 Place Richebé - 59000 Lille

Public limited company with capital of 313 767 thousand euros - Siren n°: 320 342 264

Report from the Company Auditors, drawn up pursuant to article L. 225-235 of the Commercial Code, on the report from the Chairman of the Board of Directors of Caisse Fédérale du Crédit Mutuel Nord Europe.

Financial year ending 31st December 2014

To the Shareholders,

In our capacity as Company Auditors for Caisse Fédérale du Crédit Mutuel Nord Europe and pursuant to the provisions of article L. 225-235 of the Commercial Code, we present to you our report on the report drafted by the Chairman of your company, in accordance with the provisions of article L. 225-37 of the Commercial Code, regarding the financial year ending on 31st December 2014.

It is the responsibility of the Chairman to draft and submit to the Board of Directors a report on the procedures for internal auditing and risk management implemented within the company. The report also provides the other information required by article L. 225-37 of the Commercial Code relative in particular to the corporate governance mechanism.

It is our duty:

- to inform you of any observations that we have about the information provided in the Chairman's report regarding the internal auditing procedures relating to the production and processing of accounting and financial information, and
- to certify that the report contains the other information required by article L. 225-37 of the Commercial Code, having pointed out that it is not our duty to verify the genuine nature of this other information.

We have carried out our work in accordance with the standards of professional practice that apply in France.

Information regarding the internal auditing and risk management procedures relating to the drafting and processing of the company's accounting and financial information.

Professional practising standards require us to implement all due care in assessing the sincerity of the information regarding the internal auditing procedures relating to the drafting and processing of the accounting and financial information stated in the Chairman's report.

This diligence consists in particular of:

- familiarising ourselves with the internal auditing procedures relating to the production and processing of the accounting and financial information underlying the information presented in the Chairman's report, as well as the existing documentation;
- familiarising ourselves with the work carried out that enabled this information and the existing documentation to be produced;
- determining whether any major deficiencies in the internal auditing process relative to drafting and processing the accounting and financial information that we might have observed in the context of our assignment might constitute appropriate information in the Chairman's report.

On the basis of this work, we have no observations to make about the information regarding the company's internal auditing and risk management procedures regarding the drafting and processing of the accounting and financial information contained in the report by the Chairman of the Board of Directors, drawn up in accordance with the provision of article L. 225-37 of the Commercial Code.

Other information

We hereby certify that the report by the Chairman of the Board of Directors contains the other information required by article L. 225-37 of the Commercial Code.

Drawn up at Neuilly-sur-Seine and La Défense, 29th April 2015

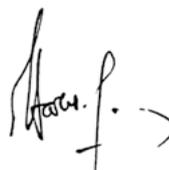
The Company Auditors

DELOITTE & ASSOCIÉS



Jean-Marc Mickeler

MAZARS



Michel Barbet-Massin

The logo for Crédit Mutuel Nord Europe is centered in a white rectangular box. It features the words "Crédit" and "Mutuel" in a bold, blue, sans-serif font, with "Nord Europe" in a smaller, blue, sans-serif font below them. A red stylized logo consisting of three interlocking shapes is positioned between "Crédit" and "Mutuel". Two horizontal red lines are placed below "Crédit" and "Mutuel" respectively.

Crédit  **Mutuel**
Nord Europe

The text "Financial Report 2014" is centered in the lower half of the page. "Financial Report" is in a white, sans-serif font, and "2014" is in a larger, bold, white, sans-serif font. The text is surrounded by several thick, curved lines in various colors (white, orange, green, blue, red) that create a sense of motion and depth.

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Financial Report



Balance sheet

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Net cashflow

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Variation in equity capital

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Annexe to the consolidated accounts

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Report from the Company Auditors (on the consolidated accounts)

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6

In thousands of euros

	Note	31/12/14	31/12/13 adjusted*	Variation	
Cash, Central banks - Assets	1	255 812	448 022	(192 210)	(42.90)%
Financial assets at fair value by result	2, 4, 6	12 320 940	11 089 317	1 231 623	11.11%
- Government stock and similar securities - Trading		-	-	-	-
- Government stock and similar securities - JVO		-	-	-	-
- Bonds and other fixed-revenue securities - Trading		6 248	46 626	(40 378)	(86.60)%
- Bonds and other fixed-revenue securities - JVO		3 854 317	3 925 273	(70 956)	(1.81)%
- Stocks and other variable-revenue securities - Trading		213 189	225 088	(11 899)	(5.29)%
- Stocks and other variable-revenue securities - JVO		8 154 531	6 841 953	1 312 578	19.18%
- Loans and debts on CE - JVO		627	-	627	n.s.
- Loans and debts on customers - JVO		-	-	-	-
- Derivatives and other financial assets - Trading		92 028	50 377	41 651	82.68%
Derivative hedging instruments - Assets	3, 4, 6	48 699	46 159	2 540	5.50%
Financial assets available for sale	5, 6, 10	7 303 106	6 464 057	839 049	12.98%
- Government stock and similar securities - DALV		476 214	467 654	8 560	1.83%
- Bonds and other fixed-revenue securities - DALV		6 149 640	5 519 342	630 298	11.42%
- Shares, TAP and other variable-revenue securities - DALV		491 470	309 543	181 927	58.77%
- Holdings and ATDLT - DALV		44 947	34 170	10 777	31.54%
- Shares in associate companies - DALV		140 835	133 348	7 487	5.61%
Loans and debts on credit establishments	1	4 090 260	3 919 731	170 529	4.35%
- Loans on credit establishments		4 090 260	3 919 731	170 529	4.35%
- Bonds and ATRF NC / assets market - CE		-	-	-	-
Loans and debts on customers	8 & 10	15 784 562	15 536 119	248 443	1.60%
- Loans on customers		14 459 599	14 300 638	158 961	1.11%
- Bonds and ATRF NC / assets market - CL		-	-	-	-
- Finance leases - Lease transactions		1 040 884	954 143	86 741	9.09%
- Finance leases - LS transactions		284 079	281 338	2 741	0.97%
Adjustment on revaluation of portfolios hedged for interest rate risk	3	47 220	15 247	31 973	209.70%
Assets held to maturity	9 & 10	480 586	1 005 812	(525 226)	(52.22)%
- Government stock and similar securities - DJM		13 661	74 649	(60 988)	(81.70)%
- Bonds and other fixed-revenue securities - DJM		466 925	931 163	(464 238)	(49.86)%
Current tax assets	13	64 865	74 208	(9 343)	(12.59)%
Deferred tax assets	13	66 301	79 856	(13 555)	(16.97)%
Accruals and miscellaneous assets	14	479 176	461 219	17 957	3.89%
- Other assets		390 572	313 108	77 464	24.74%
- Accruals - Assets		61 998	122 681	(60 683)	(49.46)%
- Other insurance assets		26 606	25 430	1 176	4.62%
Non-current assets to be disposed of		307	3 507	(3 200)	(91.25)%
Deferred participation in profits	19	-	-	-	-
Holdings in equity companies	15	161 115	134 385	26 730	19.89%
Investment property	16	45 121	49 695	(4 574)	(9.20)%
Tangible fixed assets and lessee FL	17	337 418	230 931	106 487	46.11%
- Tangible fixed assets		337 418	230 931	106 487	46.11%
- Lessee finance lease		-	-	-	-
Intangible fixed assets	17	50 044	59 017	(8 973)	(15.20)%
Goodwill	18	201 395	201 395	-	-
TOTAL ASSETS		41 736 927	39 818 677	1 918 250	4.82%

* adjustments linked to the implementation of IFRS10



In thousands of euros

	Note	31/12/14	31/12/13 adjusted*	Variation	
Central banks - Liabilities	1	-	-	-	-
Financial liabilities at fair value by result	2, 4, 6	200 959	149 483	51 476	34.44%
- Debts to CE - JVO		4 755	1	4 754	n.s.
- Debts to customers - JVO		-	-	-	-
- Debts represented by a security - JVO		115 385	120 628	(5 243)	(4.35)%
- Subordinated debts - JVO		-	-	-	-
- Derivatives and other financial liabilities - Trading		80 819	28 854	51 965	180.10%
Derivative hedging instruments - Liabilities	3, 4, 6	147 097	101 306	45 791	45.20%
Debts to credit establishments	1	2 190 951	2 147 148	43 803	2.04%
Debts to customers	8	15 675 733	15 639 182	36 551	0.23%
- Credit accounts customers - CERS - At call		9 733 622	9 893 935	(160 313)	(1.62)%
- Credit accounts customers - CERS - Term		1 514 812	1 317 577	197 235	14.97%
- Credit accounts customers - Other - At call		3 516 980	3 314 913	202 067	6.10%
- Credit accounts customers - Other - Term		910 319	1 112 757	(202 438)	(18.19)%
Debts represented by a security	12	4 612 251	4 939 870	(327 619)	(6.63)%
- Debts represented by a security - Cash voucher		128 384	170 882	(42 498)	(24.87)%
- Debts represented by a security - M. interb. & TCN		2 588 458	3 682 358	(1 093 900)	(29.71)%
- Debts represented by a security - Bond loans		1 812 183	1 063 478	748 705	70.40%
- Debts represented by a security - Other		83 226	23 152	60 074	259.48%
Adjustment on revaluation of portfolios hedged for interest rate risk	3	2 970	3 558	(588)	(16.53)%
Current tax liabilities	13	69 652	61 603	8 049	13.07%
Deferred tax liabilities	13	75 953	54 825	21 128	38.54%
Accruals and miscellaneous liabilities	14	2 412 589	2 083 580	329 009	15.79%
- Other liabilities		2 198 001	1 867 024	330 977	17.73%
- Accruals - Liabilities		214 588	216 556	(1 968)	(0.91)%
- Other insurance liabilities		-	-	-	-
Debts linked to assets to be disposed of		-	-	-	-
Technical provisions insurance policies	19	13 124 406	12 005 348	1 119 058	9.32%
Provisions	20	139 602	132 505	7 097	5.36%
Subordinated debts	21	522 272	155 179	367 093	236.56%
Equity capital		2 562 492	2 345 090	217 402	9.27%
Equity capital - Share of Group	22	2 505 160	2 289 997	215 163	9.40%
- Capital subscribed		1 295 202	1 298 462	(3 260)	(0.25)%
- Issue premiums		2 750	2 750	-	-
- Consolidated reserves - Group		819 414	673 537	145 877	21.66%
- Result- Group		229 409	184 102	45 307	24.61%
- Latent profits or losses - Group		158 385	131 146	27 239	20.77%
Equity capital - Minority interests		57 332	55 093	2 239	4.06%
- Consolidated reserves - Minority interests		43 086	46 912	(3 826)	(8.16)%
- Consolidated result - Minority interests		12 521	6 905	5 616	81.33%
- Latent profits or losses - Minority interests		1 725	1 276	449	35.19%
TOTAL LIABILITIES		41 736 927	39 818 677	1 918 250	4.82%

* adjustments linked to the implementation of IFRS10

In thousands of euros

	Note	31/12/14	31/12/13 adjusted*	Variation	
Revenue from interest and similar	24	1 209 315	1 253 212	(43 897)	(3.50)%
- Int. & and sim. rev. – Trans. with CE		55 866	72 723	(16 857)	(23.18)%
- Int. & and sim. rev. – Trans. with customers		676 469	701 832	(25 363)	(3.61)%
- Int. & and sim. rev. – Fin. assets DALV		51 016	59 508	(8 492)	(14.27)%
- Int. & and sim. rev. – Fin. assets DJM		15 511	24 498	(8 987)	(36.68)%
- Revenue from lease transactions and similar		281 683	265 330	16 353	6.16%
- Revenue from LS transaction		100 684	101 982	(1 298)	(1.27)%
- Hedging derivatives - Revenue		28 086	27 339	747	2.73%
Charges from interest and similar	24	(678 989)	(747 881)	68 892	(9.21)%
- Int. & sim. charges – Trans. with CE		(20 518)	(26 410)	5 892	(22.31)%
- Int. & sim. charges – Trans. with customers		(186 280)	(228 369)	42 089	(18.43)%
- Int. & sim. charges – Debts rep. by a security		(83 562)	(88 418)	4 856	(5.49)%
- Int. & sim. charges – Subord. debts		(3 483)	(3 735)	252	(6.75)%
- Charges on lease transactions and similar		(250 004)	(231 403)	(18 601)	8.04%
- Charges on LS transactions		(88 368)	(91 373)	3 005	(3.29)%
- Hedging derivatives - Charges		(46 774)	(78 173)	31 399	(40.17)%
Commissions (Revenue)	25	198 425	209 120	(10 695)	(5.11)%
Commissions (Charges)	25	(60 121)	(60 913)	792	(1.30)%
Net profits or losses on JV portfolio by result	26	53 665	41 829	11 836	28.30%
- Net balance on trans. / transaction T.		14 173	6 235	7 938	127.31%
- Net balance of foreign exchange transactions		2 663	1 092	1 571	143.86%
- Net balance of trading derivatives		22 563	35 566	(13 003)	(36.56)%
- Net balance – Ineffectiveness of hedging derivatives		(241)	(543)	302	(55.62)%
- Net balance of financial assets JVO		29 049	24 840	4 209	16.94%
- Net balance of financial liabilities JVO		-	-	-	-
- Int. & rev. ins. – Financial assets JVO		3 382	6 956	(3 574)	(51.38)%
- Int. & charges ins. – Financial liabilities		(17 924)	(32 317)	14 393	(44.54)%
Net profits or losses on financial assets DALV	27	22 957	28 416	(5 459)	(19.21)%
- Earnings from variable-revenue securities		16 745	7 528	9 217	122.44%
- Bond and other FRS (including EP)		2 529	8 121	(5 592)	(68.86)%
- Shares, TAP and other VRS.		11 452	5 726	5 726	100.00%
- Shareholdings, ATDLT, PEL		(7 769)	7 646	(15 415)	(201.61)%
- Other profits and losses / financial assets		-	(605)	605	(100.00)%
Revenue from other activities	28	1 972 707	1 795 277	177 430	9.88%
Charges from other activities	28	(1 565 572)	(1 439 154)	(126 418)	8.78%
NET BANKING INCOME IFRS		1 152 387	1 079 906	72 481	6.71%
General overheads IFRS	29	(785 400)	(741 795)	(43 605)	5.88%
- Staffing overheads		(435 420)	(441 541)	6 121	(1.39)%
- General operating overheads		(308 176)	(268 372)	(39 804)	14.83%
- All./writebacks on dep. and prov. Op. property		(41 804)	(31 882)	(9 922)	31.12%
GROSS OPERATING PROFIT IFRS		366 987	338 111	28 876	8.54%
Cost of risk	30	(30 582)	(61 637)	31 055	(50.38)%
OPERATING PROFIT IFRS		336 405	276 474	59 931	21.68%
Share of profits from equity companies	15	9 909	10 179	(270)	(2.65)%
Net profits and losses on other assets	31	(2 977)	(667)	(2 310)	346.33%
- Net balance - Corr. val. tangible/intangible fixed assets		(2 869)	(954)	(1 915)	200.73%
- Results on consolidated entities (disposal, etc.)		(108)	287	(395)	(137.63)%
Variations in value on goodwill	32	3 647	-	3 647	n.s.
PROFIT BEFORE TAX IFRS		346 984	285 986	60 998	21.33%
Tax on profit	33	(105 054)	(94 979)	(10 075)	10.61%
Net profits & losses from taxes / aband. bus.		-	-	-	-
TOTAL NET PROFIT IFRS		241 930	191 007	50 923	26.66%
Consolidated profit – Minority interests		12 521	6 905	5 616	81.33%
NET PROFIT		229 409	184 102	45 307	24.61%

* adjustments linked to the implementation of IFRS10

● Statement of net earnings and profits and losses accounted for directly in equity capital at 31/12/14

In thousands of euros

	Note	31/12/14	31/12/13 adjusted*	Variation	
Net profit		241 930	191 007	50 923	26.66%
• Conversion differentials		822	(45)	867	n.s.
• Revaluation of financial assets available for sale		37 205	33	37 172	n.s.
• Revaluation of derivative hedging instruments		(3 292)	2 155	(5 447)	n.s.
• Revaluation of fixed assets		-	-	-	-
• Share of latent or deferred profits or losses on equity companies		629	556	73	n.s.
TOTAL PROFITS AND LOSSES ACCOUNTED FOR DIRECTLY IN EQUITY CAPITAL	34. 35	35 364	2 699	32 665	N.S.
• Actuarial differentials on defined benefit plans		(7 676)	8 551	(16 227)	n.s.
TOTAL NON-RECYCLABLE PROFITS AND LOSSES ACCOUNTED FOR DIRECTLY IN EQUITY CAPITAL	34. 35	(7 676)	8 551	(16 227)	N.S.
NET RESULT AND PROFITS AND LOSSES ACCOUNTED FOR DIRECTLY IN EQUITY CAPITAL		269 618	202 257	67 361	33.30%
<i>of which share of Group</i>		256 648	195 752	60 896	n.s.
<i>of which share of minority interests</i>		12 970	6 505	6 465	n.s.

* adjustments linked to the implementation of IFRS10

	IFRS 2013.12	IFRS 2014.12
Net profit	191	242
Tax	95	105
Profit before tax	286	347
+/- Net allocations to depreciations of tangible and intangible fixed assets	32	41
- Depreciation of goodwill and other fixed assets	0	5
+/- Net allocation to provisions and depreciations	396	10
+/- Share of profit linked to equity companies	-10	-10
+/- Net loss/profit from investment activities	-8	11
+/- Revenue/charges from finance activities	0	0
+/- Other movements	35	-915
= Total non-monetary elements included in the net profit before tax and other adjustments	445	-858
+/- Flows linked to operations with credit establishments (a)	25	-107
+/- Flows linked to operations with customer (b)	-165	-267
+/- Flows linked to other operations affecting financial assets or liabilities (c)	-1 621	-2 166
+/- Flows linked to other operations affecting non-financial assets or liabilities	61	1 377
- Tax paid	-86	-67
= Net reduction/increase in assets and liabilities from operational activities	-1 786	-1 230
TOTAL NET CASHFLOW GENERATED BY OPERATING ACTIVITIES (A)	-1 055	-1 741
+/- Flows linked to financial assets and shareholdings (d)	369	517
+/- Flows linked to investment property (e)	-2	2
+/- Flows linked to tangible and intangible fixed assets (f)	-75	-60
TOTAL NET CASHFLOW LINKED TO INVESTMENT ACTIVITIES (B)	292	459
+/- Cashflow from or to shareholders (g)	-51	-32
+/- Other net cashflows from finance activities (h)	818	1 183
TOTAL NET CASHFLOW LINKED TO FINANCE OPERATIONS (C)	767	1 151
EFFECT OF THE VARIATION IN EXCHANGE RATES ON CASHFLOW AND CASHFLOW EQUIVALENT (D)	0	0
Net increase/reduction in cashflow and cashflow equivalents (A + B+ C + D)	4	-131
Net cashflow generated by operating activities (A)	-1 055	-1 741
Net cashflow linked to investment operations (B)	292	459
Net cashflow linked to finance operations (C)	767	1 151
Effect of the variation of exchange rates on cashflow and cashflow equivalents (D)	0	0
Cashflow and cashflow equivalents at opening	606	611
Cash, central banks (assets & liabilities)	428	448
Accounts (assets & liabilities) and at-call loans borrowings with credit establishments	178	163
Cashflow and cashflow equivalents at closing	610	480
Cash, central banks (assets & liabilities)	448	256
Accounts (assets & liabilities) and at-call loans borrowings with credit establishments	162	224
VARIATION IN NET CASHFLOW	4	-131

Net cashflow

	IFRS 2013.12	IFRS 2014.12
(a) The flows linked to operations with credit establishments were broken down as follows:		
+/- Receipts and disbursements linked to debts on credit establishments (excluding elements included in Cashflow), excluding receivables	225	-122
+/- Receipts and disbursements linked to debts to credit establishments, excluding receivables	-200	15
(b) The flows linked to operations with customers were broken down as follows:		
+/- Receipts and disbursements linked to debts on customers, excluding receivables	-275	-256
+/- Receipts and disbursements linked to debts to customers, excluding receivables	110	-11
(c) The flows linked to other operations affecting financial assets and liabilities were broken down as follows:		
+/- Receipts and disbursements linked to financial assets at fair value by result	-558	-1 768
+/- Receipts and disbursements linked to financial liabilities at fair value by result	14	-5
- Disbursements linked to acquisitions of financial asset at FR available for sale	70	-145
+ Receipts linked to disposals of financial assets at FR available for sale	166	823
+/- Receipts and disbursements linked to derivative hedging instruments	0	0
+/- Receipts and disbursements linked to debts represented by a security	-1 312	-1 071
(d) The flows linked to financial assets and shareholdings were broken down as follows:		
- Disbursements linked to acquisitions of subsidiaries, net of the cashflow acquired	0	0
+ Receipts linked to disposals of subsidiaries, net of the disposed cashflow	0	0
- Disbursements linked to acquisitions of securities in equity companies	-6	-6
+ Receipts linked to disposals of securities in equity companies	0	-2
+ Receipts linked to dividends received	0	0
- Disbursements linked to acquisitions of financial assets held to maturity	-107	-1 802
+ Receipts linked to disposals of financial assets held to maturity	478	2 306
- Disbursements linked to acquisitions of financial assets at VR available for sale	-6	-11
+ Receipts linked to disposals of financial assets at VR available for sale	11	32
+/- Other flows linked to investment operations	0	0
+ Receipts linked to interest received, excluding accrued interest not due	0	0
(e) The flows linked to investment properties were broken down as follows:		
- Disbursements linked to acquisitions of investment property	-2	-1
+ Receipts linked to disposals of investment property	0	3
(f) The flows linked to tangible and intangible fixed assets were broken down as follows:		
- Disbursements linked to acquisitions of tangible and intangible fixed assets	-84	-70
+ Receipts linked to disposals of tangible and intangible fixed assets	9	10
(g) The cashflows from or to shareholders were broken down as follows:		
+ Receipts linked to issues of capital instruments	-20	-4
+ Receipts linked to disposals of capital instruments	0	0
- Disbursements linked to dividends paid	-32	-28
- Disbursements linked to other remunerations	0	0
(h) Other net cashflows from finance activities were broken down as follows:		
+ Receipts linked to revenue from issues of loans and debts represented by a security	834	1 218
- Disbursements linked to repayments of loans and debts represented by a security	0	-402
+ Receipts linked to revenue from issues of subordinated debts	0	367
- Disbursements linked to repayments of subordinated debts	-16	0

NB: Note that the variations of technical provisions from life insurance policies are neutralised in the reprocessing of net allocations to provisions and are shown in the disbursements linked to acquisitions of financial assets.

	Capital and linked reserves	
	Capital	Reserves linked to capital ⁽¹⁾
Equity capital at 31st December 2012	1 318 063	2 750
Variation in capital	-19 601	
Elimination of treasury stock		
Issue of preference shares		
Equity capital component of hybrid instruments		
Equity capital component of plans for which payment is based on shares		
Allocation of profit for 2012		
Distribution in 2013 of the profit for 2012		
SUBTOTAL OF MOVEMENTS LINKED TO RELATIONS WITH SHAREHOLDERS	-19 601	-
Variations in profits and losses accounted for directly in equity capital ^{(2) (3)}		
Result at 31 st December 2013		
SUBTOTAL	-	-
Effect of acquisitions and disposals on minority interests		
Change of accounting methods. Reporting of variations in actuarial differentials on retirement benefits		
Share in variations of equity capital of associate companies and equity joint-ventures		
Variations in conversion rates		
Other variations		
Equity capital at 31st December 2013	1 298 462	2 750
Variation in capital	-3 260	
Elimination of treasury stock		
Issue of preference shares		
Equity capital component of hybrid instruments		
Equity capital component of plans for which payment is based on shares		
Allocation of profit for 2013		
Distribution in 2014 of the profit for 2013		
SUBTOTAL OF MOVEMENTS LINKED TO RELATIONS WITH SHAREHOLDERS	-3 260	-
Variations in profits and losses accounted for directly in equity capital ^{(2) (3)}		
Result at 31 st December 2014		
SUBTOTAL	-	-
Effect of acquisitions and disposals on minority interests		
Change of accounting methods		
Share in variations of equity capital of associate companies and equity joint-ventures		
Variations in conversion rates		
Other variations		
Equity capital at 31st December 2014	1 295 202	2 750

The other variations in consolidated reserves correspond to the differential between the theoretical calculation of dividends and their actual collection (differential due to the variations in scope and method of treatment in IFRS of the sale options of minority interests). For 2014, they were also impacted by the transfers of business between Belgian entities and by the cancellation of profits and losses recorded within the Group on the structured bonds issued by CFCMNE.

⁽¹⁾ Includes in particular issue premiums and the statutory reserve of the parent company, the equity capital component of the hybrid instruments of the parent company and plans for which payment is based on shares in the parent company.

⁽²⁾ Includes in particular the variations in fair value of the derivative financial instruments used to hedge cashflow and net investments in foreign currency, as well as the variations in fair value of assets available for sale and variations in the value of actuarial differentials on the provision for retirement benefits.

⁽³⁾ Transfer to the profit-and-loss account of the variations in fair value of the derivative hedging instruments, financial assets available for sale when disposed of or depreciated, revaluation of fixed assets when disposed of.

Variation in equity capital at 31/12/14

In thousands of euros

Consolidated reserves	Latent or deferred profits/losses (net of CT)			Net profit share of Group	Equity capital share of Group	Equity capital share of minority interests	Total consolidated equity capital
	Linked to the revaluation	Variations in value of financial instruments					
		Variations in fair value of assets available for sale	Variations in fair value of derivative hedging instruments				
563 974	-8 421	150 865	-22 948	152 518	2 156 801	39 043	2 195 844
					-19 601		-19 601
					-		-
					-		-
					-		-
120 736				-120 736	-		-
				-31 782	-31 782		-31 782
120 736	-	-	-	-152 518	-51 383	-	-51 383
	8 551	221	2 155		10 927	-400	10 527
				184 102	184 102	6 905	191 007
-	8 551	221	2 155	184 102	195 029	6 505	201 534
-2 434		211			-2 223	15 503	13 280
-					-		-
-6 850		556			-6 294		-6 294
-		-45			-45	-	-45
-1 889		1			-1 888	-5 958	-7 846
673 537	130	151 809	-20 793	184 102	2 289 997	55 093	2 345 090
					-3 260		-3 260
					-		-
					-		-
					-		-
155 700				-155 700	-		-
				-28 402	-28 402		-28 402
155 700	-	-	-	-184 102	-31 662	-	-31 662
	-7 692	33 589	-3 292		22 605	449	23 054
				229 409	229 409	12 521	241 930
-	-7 692	33 589	-3 292	229 409	252 014	12 970	264 984
979		3 188			4 167	-19 995	-15 828
-					-		-
-13 867		633			-13 234		-13 234
-		813			813	-	813
3 065	2	-2			3 065	9 264	12 329
819 414	-7 560	190 030	-24 085	229 409	2 505 160	57 332	2 562 492

Annexe to the consolidated accounts

(Drawn up in accordance with the IFRS accounting standards adopted by the European Union)

ENDING 31st December 2014

This annexe is divided into six sections:

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• III	Accounting principles	112
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I GENERAL INFORMATION

Crédit Mutuel is a cooperative bank governed by the Act of 10th September 1947. It is wholly owned by its shareholders, who hold A shares in the company, enabling them to vote on a "one person, one vote" principle and in particular to elect the directors.

The three levels of this non-centralised organisation – local, regional and national – operate in accordance with the principle of subsidiarity: on the level closest to the shareholder, the Local Branch conducts the main functions of a banking bank, with the other echelons carrying out tasks that the Local Branch is unable to assume on its own.

Translating the Group's capitalistic originality into consolidation is based on determining a consolidating entity that represents the community of shareholders who are bound by shared financial links of solidarity and governance.

Analysis of the audit of the consolidating entity is in line with standard IAS 27R, which enables the Group to draw up its accounts in accordance with IFRS standards.

The consolidating entity of the Crédit Mutuel Nord Europe Group is therefore made up of all of the Local Branches of the Caisse Fédérale of Crédit Mutuel Nord Europe and the Federation of Crédit Mutuel Nord Europe. The Federation of Crédit Mutuel Nord Europe is affiliated with the National Confederation of Crédit Mutuel. The Local Branches of Crédit Mutuel Nord Europe are owned entirely by their shareholders. The Crédit Mutuel Nord Europe Foundation is also incorporated within the consolidating entity.

CMNE's business, which extends across the north of France, Belgium and Luxembourg, consists of the development, management and distribution of banking, insurance and IARD products, as well as transferable and property securities.

The financial statements are presented in accordance with the format recommended in recommendation n° 2013-04 issued by the National Accountancy Council relative to IFRS summary statements. They comply with the International Financial Reporting Standards adopted by the European Union.

The Group has applied since 1st January 2014:

- IFRS standards 10, 11, 12 and IAS 28R relative to consolidation. These standards introduced the following developments:
 - a model under which the consolidation of an entity is based entirely on the audit concept, with a single audit definition applicable to every type of entity ("classic" or "ad hoc");
 - an application guide for situations where the audit is more difficult to assess, including details about the distinction between substantive and protective rights and the analysis of agent relations versus principal relations;
 - the elimination of the proportional consolidation method for joint enterprises, which are now accounted for using the equity method;
 - new information to be provided about determining the scope for consolidation, as well as about the risks associated with interests in other entities (subsidiaries, joint enterprises, associate entities, non-consolidated structured entities).

- amendments to:
 - IAS 32, aimed at clarifying the conditions for applying offsetting criteria for financial assets and liabilities;
 - IAS 39 on the novation of derivatives. This amendment allows as an exception hedge accounting in a situation where a derivative that has been designated as a hedging instrument is the subject of a transfer by novation of a counterparty to a central counterparty as a consequence of legislative or regulatory provisions;
 - IAS 36, aimed at clarifying the scope of application of the information to be provided on the recoverable value of non-financial assets.

These amendments have no significant impact on the Group's accounts.

In line with standard IFRS7-B6, the information relative to risk management is included in the Group's management report.

► Use of estimates

Preparing the Group's Financial Statements requires the managers of the business lines and functions to make hypotheses and produce estimates that translate into the determination of the revenue and charges in the profit-and-loss account, as well as the valuation of the assets and liabilities in the balance sheet and into the production of the attached notes relating to them.

This exercise requires the managers to exercise their judgment and use the information available when the Financial Statements are drawn up to make the required estimates. The subsequent final results of the operations for which the managers have used estimates may differ significantly from those estimates, depending on varying market conditions and thus may have a significant effect on the Financial Statements.

This is particularly the case for:

- depreciations applied to cover the credit risks inherent to banking intermediation activities;
- calculating the market value of unlisted financial instruments classified under "Assets available for sale" or "Financial at market value by result" in the assets or liabilities, and more generally when calculating the market value of financial instruments for which this information needs to be stated in the notes attached to the Financial Statements;
- depreciations of financial assets with variable revenue classified in the category for "available for sale";
- depreciation tests conducted on intangible fixed assets;
- the relevance of the qualification of certain result hedges by derivative financial instruments and when measuring the effectiveness of hedging strategies;
- estimating the residual value of assets that are the subject of finance leasing or simple lease transactions and, more generally, depreciated assets minus their estimated residual value;
- determining the provisions for covering the risks of losses and charges.

Highlights in 2014

- A number of movements in scope took place in the Third-Party Management business, with the main ones being:
 - By taking a 40% holding in TAGES, La Française des Placements strengthened its presence in Alternative Multi-Management. This entity is consolidated using the equity method.
 - A partnership based on expertise in securities between Inflection Point Capital Management and La Française des Placements resulted in a 49% holding being taken in Inflection Point Capital Management Ltd UK in London. This entity is consolidated using the equity method. In return, 49% of La Française Inflection Point (formerly LFP Sarasin) was assigned to IPCM Ltd UK.
 - Nouvelles Expertises et Talents AM took its holding in JKC Capital Management Ltd based in Hong Kong to 50% in order to develop the Group's businesses in the Asia-Pacific area. This entity is consolidated using the equity method.
 - As part of a property project designed to accommodate the La Française Group teams by the end of 2015 in boulevard Raspail, Paris, the OPCI Raspail was created to acquire the shares in SCI Raspail Vavin Invest, the owner of the building. These two entities, owned 100%, come within the scope of full consolidation.
 - Finally, Third-Party Management restructured the legal organisation dedicated to its property business by creating the entities La Française Real Estate Partners and LFF Real Estate Partners Limited.
- During the first half of the year, La Française Bank, based in Luxembourg, disposed of its retail customers. The bank continues to operate for the funding of structuring operations conducted by its branch in Paris.
- At the end of the year, BKCP SCRL and OBK disposed of their banking business to CPSA, retaining only resource management, mainly property, as well as some securities in OBK. The two divesting entities obtained the withdrawal of their banking accreditation. The three companies involved changed their names (see scope).
- In the third quarter, the Insurance business acquired Metlife Belgium, renamed North Europe Life Belgium, which managed the "Insurance – Borrowers" business of Beobank. This operation will enable Insurance to develop its life assurance and prudential businesses in Belgium.
- Caisse Fédérale of Crédit Mutuel Nord Europe and ACMN Vie proceeded to issue two RSN loans of 217 million euros and 150 million euros respectively.
- The application of the IFRS10 standard led the Group to incorporate the OPCVM and SCPI products within its scope for which its exposure level to yield (direct holdings, plus management and outperformance commissions) were greater than 35%. These new entities were consolidated by applying a simplified consolidation, with the fair value of shares not held by the Group being added to the asset headings in question, while the counterparty is recorded as a debt, accounted for under "other liabilities". It should be noted that this treatment was already applied for holdings in excess of 50%. The additional impact at 31st December 2013 was 552 million euros (added to the 843 million already recorded, making a total of 1,394 million), while the overall amount recorded at 31st December 2014 was 1,444 million euros.

II CONSOLIDATION METHODS AND PRINCIPLES, SCOPE

1. Principles for inclusion in the scope

The general principles for including an entity in the scope are defined by IFRS 10, IFRS 11 and IAS28R. The scope of consolidation is made up of:

- entities audited exclusively: the audit is deemed to be exclusive then the Group holds power over the entity, is exposed to or has the right to variable yields on account of its links with the entity and its ability to exercise its power over the entity in a way that will influence the yields its achieves.
- entities audited jointly: a joint audit is the contractually agreed sharing of the audit conducted on an entity that only exists where the decisions relating to the entity's key activities require the unanimous consent of the parties that share control over the entity. Two or more parties that exercise joint control constitute a partnership, which is either a shared enterprise or a joint enterprise:
 - a shared enterprise is a partnership in which the parties exercising joint control have rights over the assets and obligations as to the liabilities relating to the entity: this involves accounting for the assets, liabilities, revenue and overheads relating to the interests held in the entity,
 - a joint enterprise is a partnership in which the parties exercising joint control have rights over the net assets of the entity: the accounts of a joint enterprise are recorded using the equity method.
- entities under significant influence: these are entities that are not controlled by the consolidating entity, but over which there is a power of participation in their financial and operating policies.

2. Methods of consolidation

The method of consolidation used differs according to whether the consolidating entity exercises exclusive control, joint control, or has a significant influence over the company owned.

As a result and according to the type of control, the method of consolidation may be:

- full consolidation: this method consists of substituting for the value of securities for each of the items in the assets and liabilities for each subsidiary and isolating the share of minority interests in equity capital and in the result. This method applies to all entities where there is exclusive control, including entities with a different accounting structure, whether the business falls within the extension of the consolidating entity or not.
Minority interests correspond with holdings that do not provide control, such as those defined by IFRS 10 and include instruments that are present ownership interests and which provide entitlement to a share of the net assets in the event of liquidation and the other equity capital instruments issued by the subsidiary and not held by the Group. OPCVM and SCPI, particularly those representing policies in account units of the insurance entities, are recorded at their fair value by result. The amounts corresponding to minority interests are shown under "other liabilities".
- equity method: this consists of substituting the value of the securities with the Group's share in the equity capital and result of the entities in question. It is applied to all entities under joint control that are qualified as joint enterprises or for all entities under significant influence.

3. Scope

The CMNE Group's consolidation scope at 31st December 2014 is detailed in the following tables, which indicate the contribution of each entity to the Group's result:

Scope of consolidation	Country
1. Financial companies	
1.1 Credit establishments	
> Branches de Crédit Mutuel + Caisse Fédérale du CMNE + Fédération du CMNE	FRANCE
> BCMNE (consolidated base) - 4 place Richebé 59000 LILLE	FRANCE
> CMNE Belgium (consolidated base) - Boulevard de Waterloo, 16 - 1000 BRUSSELS	BELGIUM
1.2 Financial establishments other than 1.1	
> FCP Nord Europe Gestion - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> FCP Richebé Gestion - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> FCP Richebé Recovery - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> CMNE Home Loans FCT - 4 Place Richebé 59000 LILLE	FRANCE
1.3 Other businesses of a financial nature	
> SDR Normandie - 2 Rue Andréï Sakharov - BP148 - 76135 MONT-ST-AIGNAN	FRANCE
2. Non-financial companies	
2.1 Insurance	
> Nord Europe Assurances (consolidated base) - 9 Boulevard Gouvion-S ^t -Cyr - 75017 PARIS	FRANCE
2.2 Services	
> Actéa Environnement - 5/7 Rue Frédéric Degeorge - 62000 ARRAS	FRANCE
> CMNE Environnement - 4 Place Richebé - 59000 LILLE	FRANCE
> CMN TEL - 4 Place Richebé - 59000 LILLE	FRANCE
> Euro-Information - 34 Rue du Wacken - 67000 STRASBOURG	FRANCE
> Financière Nord Europe - 4 Place Richebé - 59000 LILLE	FRANCE
> GIE CMN Prestations - 4 Place Richebé - 59000 LILLE	FRANCE
> L'Immobilière du CMN (consolidated base) - 4 Place Richebé - 59000 LILLE	FRANCE
> Sicorfé Maintenance - Rue Bourgelat - 62223 S ^t LAURENT BLANGY	FRANCE
> THEIA Viager - 455, promenade des Anglais - 06299 NICE	FRANCE
> Transactimmo - 1 Rue Arnould de Vuez - 59000 LILLE	FRANCE
2.3 Industry	
2.4 Non-financial holding companies	
> Groupe La Française (consolidated base) - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> Nord Europe Participations et Investissements (consolidated base) - 4 Place Richebé - 59000 LILLE	FRANCE
TOTAL	

Banque Commerciale du Marché Nord Europe - 4 Place Richebé - 59000 LILLE - France

Scope of consolidation <i>Used as a base for the elements in the publishable consolidation</i>	Country
Banque Commerciale du Marché Nord Europe	FRANCE
> Bail Actea - 7 Rue Frédéric Degeorge - 62000 ARRAS	FRANCE
> Nord Europe Lease - Tour de Lille- 60 Boulevard de Turin - 59777 EURALILLE	FRANCE
> GIE BCMNE Gestion - 4 Place Richebé - 59000 LILLE	FRANCE
> Nord Europe Partenariat - 2 Rue Andréï Sakharov - BP148 - 76135 MONT-ST-AIGNAN	FRANCE

¹ Method of integration: EM: Equity Method; PC: Proportionate Consolidation; FC: Full Consolidation.

Annexe to the consolidated accounts

Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾	Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾
	control	interest				control	interest		
12/13	100	100	64 953	Parent	12/14	100	100	76 119	Parent
12/13	100	100	4 203	FC	12/14	100	100	6 579	FC
12/13	100	100	20 175	FC	12/14	100	100	36 395	FC
12/13	100	100	141	FC	-	0	0	0	NC
12/13	96.75	96.57	3 696	FC	12/14	100	99.78	10 441	FC
12/13	100	99.37	21	FC	-	0	0	0	NC
12/13	100	99.90	46	FC	12/14	100	99.90	0	FC
12/13	99.80	99.80	-193	FC	-	0	0	0	NC
12/13	100	100	55 550	FC	12/14	100	100	74 214	FC
12/13	100	100	-141	FC	12/14	100	100	-2 183	FC
12/13	100	100	-16	FC	12/14	100	100	-14	FC
12/13	100	100	37	FC	12/14	100	100	-25	FC
12/13	10.15	10.15	7 930	EM	12/14	10.15	10.15	7 115	EM
12/13	100	100	28	FC	12/14	100	100	86	FC
12/13	100	100	0	FC	12/14	100	100	0	FC
12/13	100	100	1 117	FC	12/14	100	100	428	FC
12/13	34	34	128	EM	12/14	34	34	112	EM
-	0	0	0	NC	12/14	80	80	-119	FC
12/13	100	100	-4	FC	12/14	100	100	-23	FC
12/13	98.74	98.74	24 452	FC	12/14	98.46	98.46	18 244	FC
12/13	100	100	1 979	FC	12/14	100	100	2 040	FC
			184 102					229 409	

Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾	Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾
	control	interest				control	interest		
12/13	100	100	-2 191	FC	12/14	100	100	-2 536	FC
12/13	100	100	4 738	FC	12/14	100	100	6 339	FC
12/13	100	100	2 187	FC	12/14	100	100	2 690	FC
12/13	100	100	0	FC	12/14	100	100	0	FC
12/13	99,65	99,63	-531	FC	12/14	99,65	99,65	86	FC
			4 203					6 579	

CMNE Belgium - Boulevard de Waterloo, 16 - 1000 BRUSSELS - Belgium

Scope of consolidation <i>Used as a base for the elements in the publishable consolidation</i>	Country
CMNE Belgium	BELGIUM
> BKCP SCRL - Boulevard de Waterloo, 16 - 1000 BRUXELLES	BELGIUM
> Beobank Belgique - Boulevard Général Jacques, 263G - 1050 BRUXELLES	BELGIUM
> BKCP Securities SA - Avenue Louise 390 - 1050 BRUXELLES	BELGIUM
> Crédit Professionnel SA - Boulevard de Waterloo, 16 - 1000 BRUXELLES	BELGIUM
> Immo W16 - Boulevard de Waterloo, 16 - 1000 BRUXELLES	BELGIUM
> Mobilease - Boulevard de Waterloo, 16 - 1000 BRUXELLES	BELGIUM
> OBK - Graaf Van Vlaanderenplein, 19 - 9000 GAND	BELGIUM

TOTAL

Nord Europe Participations et Investissements - 4 Place Richebé - 59000 LILLE - France

Scope of consolidation <i>Used as a base for the elements in the publishable consolidation</i>	Country
Nord Europe Participations et Investissements	FRANCE
> SCI Centre Gare	FRANCE
> Fininmad (Marchand de biens)	FRANCE
> Sofimmo 3	FRANCE
> Sofimpar	BELGIUM

TOTAL

Immobilière du CMN - 4 Place Richebé - 59000 LILLE - France

Scope of consolidation <i>Used as a base for the elements in the publishable consolidation</i>	Country
> SCI CMN	FRANCE
> SCI CMN 1	FRANCE
> SCI CMN 2	FRANCE
> SCI CMN 3	FRANCE
> SCI CMN Location	FRANCE
> SCI CMN Location 2	FRANCE
> SCI RICHEBE INKERMAN	FRANCE

Nord Europe Assurances - 9 Boulevard Gouvion-St-Cyr - 75017 PARIS - France

Scope of consolidation <i>Used as a base for the elements in the publishable consolidation</i>	Country
Nord Europe Assurances	FRANCE
> ACMN IARD - 4 Place Richebé - 59000 LILLE	FRANCE
> ACMN Vie - 9 Boulevard Gouvion-St-Cyr - 75017 PARIS	FRANCE
> Courtage Crédit Mutuel Nord Europe - 4 Place Richebé - 59000 LILLE	FRANCE
> CP-BK Reinsurance SA - Avenue de la gare, 65 - 1611 LUXEMBOURG	LUXEMBOURG
> Nord Europe Life LUXEMBOURG - rue Charles Martel 62 - 2134 LUXEMBOURG	LUXEMBOURG
> Nord Europe Retraite - 4 Place Richebé - 59000 LILLE	FRANCE
> North Europe Life Belgium - 11 boulevard de la Plaine - 1050 BRUXELLES	BELGIUM
> Pérennité Entreprises - 5 Rue de Dunkerque - 75010 PARIS	FRANCE
> Vie Services - 9 Boulevard Gouvion-St-Cyr - 75017 PARIS	FRANCE

TOTAL

¹ Method of integration: EM: Equity Method; PC: Proportionate Consolidation; FC: Full Consolidation.

Annexe to the consolidated accounts

Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾	Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾
	control	interest				control	interest		
12/13	100	100	-4 973	FC	12/14	100	100	-2 165	FC
12/13	95.80	95.80	-18 363	FC	12/14	95.87	95.87	-3 057	FC
12/13	100	100	22 927	FC	12/14	100	100	14 849	FC
12/13	100	100	46	FC	12/14	100	100	-19	FC
12/13	100	100	14 862	FC	12/14	100	100	25 443	FC
12/13	100	100	552	FC	12/14	100	100	609	FC
12/13	100	100	-34	FC	12/14	100	100	-5	FC
12/13	100	99.67	5 158	FC	12/14	100	99.99	740	FC
			20 175					36 395	

Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾	Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾
	control	interest				control	interest		
12/13	100	100	-642	FC	12/14	100	100	-633	FC
12/13	100	100	2 654	FC	12/14	100	100	2 708	FC
12/13	100	100	-30	FC	12/14	100	100	-27	FC
12/13	100	100	2	FC	12/14	100	100	-2	FC
12/13	100	100	-5	FC	12/14	100	100	-6	FC
			1 979					2 040	

Closing date	Percentage		Method of integration ⁽¹⁾	Closing date	Percentage		Method of integration ⁽¹⁾
	control	interest			control	interest	
12/13	100	100	FC	12/14	100	100	FC
12/13	100	100	FC	12/14	100	100	FC
12/13	100	100	FC	12/14	100	100	FC
12/13	100	100	FC	12/14	100	100	FC
12/13	100	100	FC	12/14	100	100	FC
12/13	100	100	FC	12/14	100	100	FC
12/13	100	100	FC	12/14	100	100	FC

Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾	Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾
	control	interest				control	interest		
12/13	100	100	-1 941	FC	12/14	100	100	322	FC
12/13	51	51	6 265	FC	12/14	51	51	10 402	FC
12/13	100	100	45 876	FC	12/14	100	100	56 175	FC
12/13	100	100	271	FC	12/14	100	100	337	FC
12/13	100	100	2 075	FC	12/14	100	100	2 519	FC
12/13	100	100	2 663	FC	12/14	100	100	3 830	FC
12/13	100	100	35	FC	12/14	100	100	21	FC
-	0	0	0	NC	12/14	100	100	503	FC
12/13	100	100	102	FC	-	0	0	0	NC
12/13	77.5	77.5	204	FC	12/14	77.5	77.5	105	FC
			55 550					74 214	

Groupe La Française - 173 Boulevard Haussmann - 75008 PARIS - France

Scope of consolidation <i>Used as a base for the elements in the publishable consolidation</i>	Country
Groupe La Française	FRANCE
> CD Partenaires - 16 place de la Madeleine - 75008 PARIS	FRANCE
> Convictions Asset Management - 15 bis rue de Marignan - 75008 PARIS	FRANCE
> CMH Gestion - 88 rue Cardinet - 75017 PARIS	FRANCE
> FCT LFP Créances Immobilières - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> Forum Holding BV - Fred. Roeskestraat 123, 1076 EE - Amsterdam	PAYS-BAS
> Forum Partners Investment Management Limited - 1700 E Putnam Ave, Old Greenwich, CT 06870 1366, Delaware - USA	UNITED STATES
> Franklin Gérance - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> GIE Groupe La Française - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> Groupe Cholet-Dupont - 16 place de la Madeleine - 75008 PARIS	FRANCE
> La Française AM Finance Services - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> La Française AM GP - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> La Française AM ICC - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> La Française AM Iberia - C/ Joaquin Costa 26 - 28002 MADRID	SPAIN
> La Française AM International - 4A rue Henri Schnadt - 2530 Luxembourg	LUXEMBOURG
> La Française Bank - 4A rue Henri Schnadt - 2530 Luxembourg	LUXEMBOURG
> La Française Global Real Estate Investment Management Limited - 12 Berkeley Street - LONDON	UNITED KINGDOM
> La Française Inflection Point - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> La Française Investment Solutions - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> La Française des Placements - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> La Française Real Estate Managers - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> La Française Real Estate Partners - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> LFF Real Estate Partners Limited - 16 Berkeley Street - LONDON	UNITED KINGDOM
> LFP Nexity Services Immobiliers - 147 Boulevard Haussmann - 75008 PARIS	FRANCE
> LFP SV - 4A rue Henri Schnadt - 2530 Luxembourg	LUXEMBOURG
> New Alpha Asset Management - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> NEXT Advisor - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> Nouvelles EXPertises et Talents AM - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> Siparex Proximité Innovation - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> Société Holding Partenaires - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> UFG PM - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> Tages Capital LLP - 39 St James' Street - LONDON	UNITED KINGDOM
> Inflection Point Capital Management Ltd - 125 Old Broad Street - LONDON	UNITED KINGDOM
> JKC Capital Management Ltd - 34-37 Connaught Road Central - HONG-KONG SAR	HONG KONG
> OPCI Raspail - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
> SCI Raspail Vavin Invest - 173 Boulevard Haussmann - 75008 PARIS	FRANCE
TOTAL	

¹ Method of integration: EM: Equity Method; PC: Proportionate Consolidation; FC: Full Consolidation.

Annexe to the consolidated accounts

Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾	Closing date	Percentage		Contribution to the result (thousands of euros)	Method of integration ⁽¹⁾
	control	interest				control	interest		
12/13	98.74	98.74	-1 393	FC	12/14	98.46	98.46	-2 971	FC
12/13	100	74.23	553	FC	12/14	100	74.02	164	FC
12/13	30.00	29.62	375	EM	12/14	30.00	29.54	115	EM
12/13	24.48	20.85	-1	EM	12/14	24.48	20.79	18	EM
12/13	100	99.07	1 164	FC	12/14	100	98.86	367	FC
12/13	10.00	9.87	0	EM	12/14	24.64	24.26	9	EM
12/13	10.00	9.87	0	EM	12/14	24.64	24.26	39	EM
12/13	100	85.16	-6	FC	-	0	0	0	NC
12/13	100	98.74	189	FC	12/14	100	98.46	188	FC
12/13	33.40	32.98	647	EM	12/14	33.73	33.21	1 060	EM
12/13	100	98.74	3 517	FC	12/14	100	98.46	2 199	FC
12/13	100	98.74	186	FC	12/14	100	98.46	445	FC
12/13	100	98.74	-35	FC	12/14	100	98.46	-140	FC
12/13	66	65.17	51	FC	12/14	66	64.99	228	FC
12/13	100	98.74	-463	FC	12/14	100	98.47	276	FC
12/13	100	99.24	338	FC	12/14	100	99.08	-727	FC
12/13	100	98.74	-185	FC	12/14	100	98.46	-989	FC
12/13	100	98.74	1 096	FC	12/14	51.00	73.86	422	FC
12/13	65	64.18	-115	FC	12/14	65	64.00	2 093	FC
12/13	100	98.74	11 607	FC	12/14	100	98.46	8 340	FC
12/13	86.25	85.16	5 870	FC	12/14	86.25	84.92	4 805	FC
-	0	0	0	NC	12/14	65.00	55.20	86	FC
-	0	0	0	NC	12/14	56.67	55.00	-12	FC
12/13	24.64	20.98	565	EM	12/14	24.64	20.92	241	EM
12/13	100	98.74	-141	FC	12/14	100	98.46	59	FC
12/13	100	98.74	185	FC	12/14	100	98.46	893	FC
12/13	100	98.74	0	FC	12/14	100	98.46	-82	FC
12/13	100	98.74	37	FC	12/14	100	98.46	1 017	FC
12/13	46.46	45.88	418	EM	12/14	46.46	45.75	221	EM
12/13	51.00	50.36	-10	FC	12/14	51.00	50.22	-3	FC
12/13	100	85.16	3	FC	12/14	100	84.92	-25	FC
-	0	0	0	NC	12/14	40	39.38	1 221	EM
-	0	0	0	NC	12/14	49	48.25	-456	EM
-	0	0	0	NC	12/14	50	49.23	132	EM
-	0	0	0	NC	12/14	100	99.73	-943	FC
-	0	0	0	NC	12/14	100	99.71	-46	FC
			24 452					18 244	

■ The variations made to the scope of consolidated companies during the 2013 financial year are as follows:

Entries		Company name
Acquisition		Tages Capital LLP
		Inflection Point Capital Management Ltd
		SCI Raspail Vavin Invest
		North Europe Life Belgium
Creation		OPCI Raspail
		La Française Real Estate Partners
		LFF Real Estate Partners Limited
		THEIA Viager
Entities previously held		JKC Capital Management Ltd

Exits	
Dissolution	SDRN
	FCP Nord Europe Gestion
	FCP Richebé Recovery
Transfer of all assets or merger	Franklin Gérance
	Pérennité entreprises

Change of name		
LFP-Sarasin	becomes	La Française Inflection Point
Holding Cholet Dupont		Groupe Cholet Dupont
BKCP SCRL		BKCP Immo IT SCRL
CP SA		BKCP Bank SA
OBK		OBK SCRL

Annexe to the consolidated accounts

■ Entities consolidated by simplified consolidation in the context of the application of IFRS 10

	Country	31/12/2013		31/12/2014	
		% interest	Minority interests noted	% interest	Minority interests noted
OPCVM					
Axa IM ILS FUND G	Luxembourg	0.00%	0	36.03%	34 375
BKCP CORE FUND Class A	Luxembourg	35.86%	4 625		
BKCP CORE FUND Class B	Luxembourg	35.83%	4 627		
CMNE PERFORMANCE 2014	France	100.00%	2		
CMNE SELECTIONS	France	0.00%	0	35.70%	2 345
CONVICTIONS CLASSIC B	France	0.00%	0	50.29%	10 751
DIADEME GLOBAL SELECTION (A)	France	56.88%	16 943	90.00%	4 800
ELIXIME JANVIER 2015	France	99.83%	53	99.81%	53
ELIXIME JANVIER 2016	France	99.75%	57	99.87%	28
ELIXIME JUIN 2014	France	99.78%	65		
FCPR NORD-EUROPE 1	France	35.03%	9 616	52.25%	1 823
La Française AM Fund - LFP Rendement Global 2022 - Classe R USDH	Luxembourg	0.00%	0	74.02%	172
LF AM LFP MUL O BC C.	Luxembourg	0.00%	0	99.47%	564
LF AM LFPFSGIRE ID D.	Luxembourg	0.00%	0	92.83%	1 807
LFIP LEADERS EMERGENTS	Luxembourg	0.00%	0	69.91%	172
LFIP MULTI TRENDS	France	0.00%	0	48.09%	9 266
LFIP TREND OPPORTUNITIES	Luxembourg	0.00%	0	81.61%	2 546
LFIS PERSPECTIV 1 C C.	France	99.99%	42		
LFIS VISION ABSOLUTE RETURN IS	Luxembourg	70.01%	29 751		
LFIS VISION CREDIT OPP. I EUR	Luxembourg	67.67%	20 978	55.24%	62 593
LFP ACTIONS EURO ISR (R)	France	42.21%	44 504		
LFP ACTIONS MONDE FCP	France	45.71%	20 011	48.23%	20 275
LFP ALLOCATION 7 (R)	France	62.86%	30 178	61.50%	35 397
LFP ALLOCATION VOLATILITE PI	France	96.40%	3 713	84.16%	3 991
LFP ALLOCATION VOLATILITE PR	France	89.57%	3 282	97.97%	630
LFP ALTERAM EVENT	France	75.44%	23 193	83.36%	20 668
LFP ALTERAM MULTI ARBITRAGE II	France	91.16%	7 660	86.00%	12 237
LFP ALTERAM MULTI ARBITRAGES	France	85.04%	24 206	86.07%	23 761
LFP CDS 3 ANS (S)	France	84.91%	16 016		
LFP CONVERTIBLES DYNAMIQUE P	France	60.22%	137		
LFP COUSSIN OPPORTUN.FCP 3DEC	France	86.58%	307	99.85%	11
LFP CREDIT FLEXIBLE INTER R	France	36.96%	520		
LFP FONCIERES EUROPE (R)	France	53.80%	1 797	56.47%	1 989
LFP HORIZON 2014	France	70.47%	3 501	86.91%	1 333
LFP INFLATION PLUS	France	0.00%	0	41.53%	11 136
LFP LEADERS EMERGENTS	Luxembourg	69.39%	195		
LFP LIBROBLIG FCP 5DEC	France	0.00%	0	84.54%	10 829
LFP MULTISTRATEGIES OBLIGATAIR	France	0.00%	0	38.86%	2 315
LFP MULTI TRENDS	France	47.78%	9 315		
LFP OBLIGATIONS EMERGENTES P	France	0.00%	0	51.35%	6 881
LFP OBLIGATIONS ISR D	France	37.06%	2 709		
LFP OBLIGATIONS LT	France	49.23%	8 231	36.87%	19 835
LFP OPPORTUNITY DELFF EUR HGH	Luxembourg	0.00%	0	59.01%	7 671
LFP PATRIMOINE EMERGENT I	France	97.42%	526		
LFP PATRIMOINE EMERGENT P	France	38.90%	908		

	Country	31/12/2013		31/12/2014	
		% interest	Minority interests noted	% interest	Minority interests noted
LFP PATRIMOINE FLEXIBLE R	France	91.31%	15 595	90.73%	28 909
LFP PREMIUM EMERGENTS R	France	0.00%	0	96.53%	362
LFP PROFIL PERFORMANCE R	France	73.57%	17 873	73.41%	17 012
LFP PROFIL REGULARITE R	France	89.26%	9 803	87.71%	11 480
LFP RENDEMENT 2017 R	France	52.51%	1 866		
LFP S&P Capital IQ Fund LFP R2P Global High Yield I CAP EUR	Luxembourg	0.00%	0	99.80%	1
LFP S&P Capital IQ Fund LFP R2P Global High Yield R CAP USD	Luxembourg	0.00%	0	97.61%	15
LFP SELECTION EMERGING	France	82.47%	18	50.57%	66
LFP TRESORERIE ACTIV R	France	80.05%	2 829	38.54%	86 307
LFP TRESORERIE B FCP 4DEC	France	0.00%	0	94.56%	263
LFP TRESORERIE MOYEN TERME R	France	90.26%	7 667	99.31%	502
LFP TRESORERIE R	France	66.87%	128 938		
NEA ARBITRAGES	France	97.34%	1 989		
NEXT INVEST	France	0.00%	0	54.55%	57 153
NORD OUEST ENTREPRENEURS 4	France	0.00%	0	80.82%	481
SWELL CLAS.GTAA FD UCITS S FCP	France	99.99%	1	98.86%	177
SWELL SOFT GTAA FUND	France	51.02%	36 978	99.93%	27
UFG ALTERAM STRATEGIE FUTURES	France	99.95%	12		
UFG IC FUND	Luxembourg	0.00%	0	44.12%	26 055
SUBTOTAL			511 238		539 064
SCPI					
CR. MUT. PIERRE 1	France	37.47%	511 824	37.28%	513 413
LFP EUROPEAN FUND OF FUNDS SI.	France	91.49%	3 388	91.49%	1 959
LFP GRANDS VIGNOBLES	France	69.42%	5 858	62.95%	8 108
LFP IMMO SR 2	France	0.00%	0	35.82%	25 081
LFP OPSIS ASSURANCE	France	98.85%	218	98.41%	317
LFP OPSIS PATRIMOINE PARTENAIR	France	48.83%	20 301	47.95%	21 374
LFP PIERRE	France	56.02%	302 539	55.70%	302 870
PIERRE EXPANSION	France	84.53%	5 744	84.53%	5 811
SCI PERENNITE PIERRE	France	0.00%	0	92.39%	13 042
SCPI LFP EUROPIMMO	France	0.00%	0	70.71%	2 341
SCPI LFP OPPORTUNITE IMMO	France	41.23%	11 427		
SCPI PIERVAL SANTE	France	0.00%	0	77.16%	2 125
UFG PIXEL 1	France	75.91%	21 836	80.57%	8 127
SUBTOTAL			883 136		904 567
TOTAL IMPACT IFRS 10			1 394 374		1 443 631

4. Principles of consolidation

► Adjustments and eliminations

Significant reciprocal operations are eliminated between entities consolidated by total or proportional integration. Amounts considered as significant are those greater than 200 thousand euros in charges and revenue and 1 000 thousand euros in terms of balance sheet and commitments. It should be emphasised that when securities issued by a consolidated entity are held by the Group's insurance companies as investments representing contracts drawn up in account units, they are not eliminated. This makes it possible to materialise the assets/liabilities endorsement of this type of life insurance policy.

The results of internal disposals are also the subject of eliminations.

Generally speaking, the Group's accounting principles are applied across all of the consolidated entities.

► Conversion of accounts in foreign currency

The CMNE Group's consolidated accounts are drawn up in euros. All of the items in the assets and liabilities, monetary or non-monetary, are converted at the exchange rate in effect on the date the financial year ends. The difference on the capital, the reserves and the retained earnings is stated in equity capital in the "Conversion reserves" account. Revenue and charges are converted at the average rate for the period. The resulting conversion differences are entered directly in the "Conversion reserves" account.

► Groups of companies and valuation of accruals

Under the terms of IFRS 3R, on the date control is taken of a new entity, the assets and liabilities, as well as any identifiable liabilities of the acquired entity that meet the accounting criteria for IFRS standards are valued at their fair value on the date of acquisition, with the exception of non-current assets classified as assets held for sale, which are recorded at the lowest amount between the fair value net of selling costs and their net book value.

The cost of acquisition is equal to the fair value on the exchange date of the assets sold, the liabilities incurred or assumed and the equity capital instruments issued in exchange for control of the company acquired. The costs directly relating to the transaction are entered in the accounts in the result for the period.

The goodwill or unrecorded book value represents the difference between the acquisition cost and the share of the acquirer's interest in the fair value of the assets, liabilities and any liabilities identifiable on the acquisition date. IFRS 3R allows for the total or partial goodwill to be entered in the accounts, with the choice made for each grouping. For the former, minority interests are valued at their fair value (total goodwill method); in the latter case, they are based on their share in the values allocated to the assets and liabilities (partial goodwill). If the goodwill is positive, it is entered in the assets, while if it is negative, it is recorded immediately in the results under "Variations in goodwill value".

Additional prices are included in the acquisition cost at their fair value on the date of taking control, even if they represent a possible character. This entry is made as counterparty to equity capital or debts (depending on the method of settlement). Subsequent revisions to these differentials are recorded in the results under financial debt under standard IAS 39 and in accordance with the appropriate standards for debts not under

IAS 39. For equity capital instruments, these revisions are not recorded until they are settled.

Where there is a variation in the Group's percentage interest in an entity that is already controlled, the differential between the cost of acquisition or disposal of securities and the share of the consolidated equity capital that these securities represent on the date of their acquisition or disposal is accounted for in the equity capital.

Positive goodwill is the subject of depreciation tests to ensure that it does not undergo any long-term depreciation. These variations in value are assessed in terms of the Cash Generating Units (CGU) that correspond with the Group's businesses. The recoverable value of the CGU, which is determined as part of these tests, is defined as being its market value. The market value corresponds with the amount likely to be obtained from the disposal of the CGU in the market conditions prevailing on the valuation date. References to the market consist essentially of the fair value of the entities making up the CGU, assessed in terms of shareholder pacts or the prices observed during recent transactions in comparable entities, or established in relation to multiples. Where appropriate, the recoverable value can also be based on the utility value. This value is based on an estimate of the future flows generated by the CGU, resulting from the forecast plans drawn up each year by the managers of these CGUs and approved by the Group's general management, as well as analyses of the long-term developments of the position relative to the activities in question on their market. These flows are updated at a rate that reflects the level of yield expected by an investor from this type of activity and in the geographical area in question.

► Deferred taxes

Under IAS 12, deferred taxes are seen on the temporary differences between the book values of the assets and liabilities on the balance sheet and their tax values. Any adjustments associated with the application of IFRS standards will also be the subject of deferred tax calculations.

The deferred taxes on assets and liabilities are calculated using the method of variable deferment by referring to the rate of tax known on the companies at the end of the financial year and applicable during subsequent financial years.

Deferred tax assets are only held when they are likely to be recovered as the result of the existence of an expected taxable benefit.

Payable deferred taxes are entered in the accounts as an item of revenue or a tax charge in the profit-and-loss account, with the exception of those that relate to latent profits or losses on assets available for sale or to the variations in the value of derivative instruments designated to hedge future results for which the corresponding deferred taxes are charged to equity capital. Deferred taxes on assets and liabilities are offset when they originate from the same entity or fiscal group, under the same tax authority and when there is a legal entitlement to offset.

Deferred taxes are not updated.

5. Establishing the cashflow table

In this case, the presentation uses the indirect method. To determine the net cashflow from operating businesses, the result is adjusted to take account of the items without a cashflow effect and those items for which the cashflow consists of investment or financing cashflow.

Cashflow or cashflow equivalents are defined according to their intrinsic characteristics, which are their immediate availability or the very short-term conversion into a known amount of liquidities, the value of which is not likely to change significantly.

Cashflow includes funds available, as well as deposits and borrowings from the Central Bank.

Cashflow equivalents are made up of at-call or daily loans and borrowings taken out with credit establishments.

The various types of cashflow relating to a financial period are classified, based on their purpose, into operational, investment and financing activities, knowing that a single operation may include cashflows classified in various businesses.

Operational cashflow stems from operating businesses that contribute to the formation of the main part of the result, including market activities on own behalf. Included in this area among operational activities are cashflows linked to securities at fair value by result, as well as variable-revenue securities consisting of short-term investments or investments relative to portfolio activities, and fixed-revenue securities available for sale.

Cashflows linked to other operations affecting financial assets and liabilities include variations in financial assets and liabilities at fair value by result for the variation of their fair value.

By default, cashflows that do not meet the definitions of investment or financing are classified under this activity.

Investment activities are defined as the acquisition and exit of long-term assets and other investments that are not included in the cashflow equivalents or in the operational activities. These include, in particular, equity securities and other variable-revenue securities held in the long term, which are not linked to portfolio activities, as well as fixed-revenue securities held to maturity.

Cashflows linked to financing activities include movements on capital and movements associated with issues or reimbursements of borrowings or subordinated debts. Optionally, interbank market securities and negotiable debt securities are classified with the operational activities.

Not constituting resources allocated to the activities that generate it, revenue (interest and dividends) generated by investment activities, as well as interest linked to financing activities is attached to operational activities. The proceeds of disposals remain attached to the activity to which they refer for their amount before tax.

III ACCOUNTING PRINCIPLES

► Loans and debts

Loans and debts are financial assets with a fixed or determinable revenue, not listed on an active market, that are not designed to be sold as soon as they are acquired or granted. They include loans granted directly or the relevant share in the context of syndicated loans, loans acquired and unlisted debt securities. They are placed in the accounts at their market value (or equivalent) when they are entered in the balance sheet, which is usually the amount disbursed at the outset.

The rates applied to loans granted are assumed to be market rates insofar as the barometers are constantly adjusted based in particular on the rates from the vast majority of competitive establishments.

These funds are valued at the depreciated cost using the effective interest rate method.

The restructuring of a loan following the debtor's financial difficulties result in the contract being renewed. Following the definition of this principle by the European Banking Authority, the Group has incorporated it into its information systems so that the accounting and prudential definitions are harmonised. The figures are shown in the management report.

The commissions directly linked to the placement of the loan, received or paid by way of interest, are spread across the lifetime of the loan using the effective interest rate method and are entered in the profit-and-loss account among the items for interest.

The fair value of the loans and debts is stated in the annexe on each closing date: this value corresponds to the updating of future flows estimated from a zero rate curve coupon that includes the signature cost inherent to the debtor.

■ Depreciation and individual provision on loans and debts

A depreciation is recorded when there is an objective proof of depreciation resulting from one or more events that occur after the loan, or group of loans, is put in place and is likely to generate a loss. An analysis is conducted at each statement date, contract by contract. The depreciation is equal to the difference between the book value and the updated value at the original interest rate of the loan for estimated future flows, taking the effect of the guarantees into account. Where the rate is variable, the last contractual rate known is used.

The existence of amounts due and unpaid for more than 3 months or 6 months for property and local communities or for more than 3 months for delinquent current account represents objective proof of a loss. In the same way, when it is probable that the debtor will be unable to repay all of the monies owed or when there is a default or in the event of liquidation through the courts, an objective indication of a loss is also identified.

Allocations to depreciations and provisions are entered under cost of risk. Writebacks for depreciations and provisions are recorded in the costs of risk for the part relating to variation of the risk and interest margin for the part relative to the passage of time.

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The depreciation is deducted from the assets for loans and debts and the provision is entered in the liabilities among provisions for financing and guarantee commitments.

Irrecoverable debts are entered under losses, while corresponding provisions are the subject of a writeback.

■ Collective depreciation on loans and debts

Loans to customers that are not depreciated on an individual basis are grouped by homogeneous portfolios. Sensitive outstanding funds are the subject of depreciation based on losses in the case of default and likely default until maturity observed internally or externally and applied to the outstanding funds. The depreciation is entered in the accounts, minus the outstanding funds corresponding to the assets and the variations for the period are entered under "Cost of risk" in the profit-and-loss account.

► Interest paid by the State on some loans

As part of the aid measures for the farming and rural sector, as well as for the acquisition of housing, some of the Group's entities grant loans at reduced rates, set by the State. As a result, these entities receive a rebate from the State equal to the rate differential that exists between the rate given to customers and a predefined reference rate. Consequently, there is no discount on the loans that benefit from these rebates.

The terms of this compensation mechanism are reviewed periodically by the State.

The rebates received from the State are entered under the heading of "Interest and similar revenue" and spread across the life of the corresponding loans, in line with IAS 20.

► Financial guarantees and finance commitments

Financial guarantees are related to an insurance policy when they cover specific payments to be made to reimburse their holder for a loss incurred on account of the default of a specified debtor for a due payment by virtue of a debt instrument.

In line with IFRS 4, these financial guarantees remain valued based on French standards, i.e. off-balance sheet, while awaiting additional standards designed to round out the current system. As a result, these guarantees are the subject of a provision in the liabilities in the event of a probable outflow of resources.

By contrast, financial guarantee contracts that provide for payments in response to variations in a financial variable (price, rating or credit index, etc.) or a non-financial variable, on condition that if this is the case the variable is not specific to one of the parties to the contract, fall under the scope of IAS 39. These guarantees are then dealt with like derivative instruments.

Financing commitments, which are not viewed as derivative instruments in the sense of standard IAS 39, do not feature on the balance sheet. However, they are the subject of provisions, in line with the requirements of IAS 37.

► Cashflow and cashflow equivalents

Cashflow and cashflow equivalents include cash accounts, at-call deposits and loans and borrowing from central banks and credit establishments.

In the context of the cashflow table, OPCVM products are classified as an "operational" activity and hence are not the subject of reclassification in cashflow.

► Operations in foreign currency

Financial assets and liabilities stated in a current other than the local currency are converted at the exchange rate on the closing date.

■ Monetary financial assets and liabilities

Exchange profits and losses resulting from these conversions are entered in the profit-and-loss account under the heading for "Net profits of losses on portfolio at fair value by result".

■ Non-monetary financial assets and liabilities

Exchange profits and losses resulting from these conversions are entered in the profit-and-loss account under the heading for "Net profits of losses on portfolio at fair value by result" if the item is classified at fair value by result or among the "Latent or deferred gains or losses" when it relates to financial assets available for sale.

► Lease transactions

■ Transactions in which CMNE is the lessor

Contracts are classified as finance leases when, in terms of substance, they result in the transfer to the lessee of virtually all of the risks and benefits inherent to ownership of the asset being leased. The current value of the payments due under the contract, plus the residual value where appropriate, is entered as a debt. Payments received are spread across the term of the finance lease contract, allocating them as depreciation of the capital and interest in such a way that the net revenue represents a constant rate of return on the outstanding residual amount. The rate used is the implicit interest rate.

Simple lease contracts are contracts for which the majority of the risks and benefits of the asset leased are not transferred to the lessee. The asset is entered in the lessor's assets as a fixed asset and written down linearly over the term of the lease.

■ Operations in which CMNE is the lessee

Operating fixed assets funded by finance leases are entered in the assets on the balance sheet as tangible fixed assets for an amount equal to the fair value or, if it is less, at the updated value of the minimum payments to be made on the lease. The counterparty is entered in the liabilities on the balance sheet. These fixed assets are written down across the scheduled terms for assets in the same category.

► Securities acquired

■ Determination of the fair value of financial instruments

The fair value is the amount for which an asset could be sold or a liability transferred between consenting, well-informed parties acting under normal conditions of competition.

When an instrument is first entered in the accounts, the fair value is usually the transaction price.

When subsequent valuations are made, this fair value must be determined. The method used to determine the fair value varies according to whether the instrument is negotiated on a market is considered to be active or not.

Instruments negotiated on an active market

When instruments are negotiated on an active market, the fair value is determined based on the prices listed, because they then represent the best possible estimate of the fair value. A financial instrument is considered to be listed on an active market if the prices are easily and regularly available (from a stock exchange, broker, intermediary or price-quotation system) and that these prices represent real transactions that take place regularly on the market under normal conditions of competition.

Instruments negotiated on a non-active market

The observable data on a market should be retained provided it reflects the reality of a transaction under normal conditions and there is no need to make too large an adjustment to the way of adjusting this model. In other cases, the Group uses non-observable, "mark-to-model" data.

When there is no observable data or when adjustments to market prices mean that the entity has to base itself on non-observable data, it can use internal hypotheses relative to future cashflows and updated rates, including adjustments linked to the risks that the market would incorporate. These valuation adjustments make it possible, in particular, to include risks that would not otherwise be encompassed by the model, as well as the liquidity risks associated with the instrument or the parameter in question, specific risk premiums designed to compensate for certain surcharges incurred by the dynamic management strategy associated with the model in certain market conditions. When adjustments to value are being established, each risk factor is considered individually and no diversification effect between risks, parameters or models of a different nature are taken into account. A portfolio approach is the one used most often for a given risk factor.

In any event, any adjustments are made by the Group in a reasonable and appropriate manner, using sound judgment.

■ Classification of securities

Securities can be classified in one of the following categories:

- financial assets at fair value by result,
- financial assets available for sale,
- financial assets held to maturity,
- loans and debts

Classification in one or other of these categories demonstrates the Group's management intention and sets the accounting rules for instruments.

■ Financial assets and liability at fair value by result

Classification criteria and transfer rules

The category for "Financial instruments valued at fair value by result":

Financial instruments held for transaction purposes

In the main, these are instruments that have been bought to be sold on or redeemed in the short term or that are part of a portfolio of financial instruments managed as a whole for which there is an effective recent timetable for short-term profit-taking, or that constitute a non-qualified derivative hedging instrument.

Market conditions may cause the Crédit Mutuel Group to review its investment strategy and the management intention for these securities. Therefore, if it appears inappropriate to dispose of securities acquired initially for the purpose of short-term disposal, these securities may be reclassified in line with the specific provisions dealt with by the IAS 39 amendment of October 2008. Transfers to the categories for "Financial assets available for sale" or "Financial assets held to maturity" are allowed in exceptions situations. Transfers to the category for "Loans and debts" are permitted on condition the Group intends and has the ability to hold these securities for the foreseeable future or until they mature and in line with the criteria inherent to the definition of the accounting category "Loans and debts" (i.e. not listed on an active market). The aim of these transfers of portfolio is to translate the new management intention for these instruments in the best possible way and to more accurately reflect their impact on the Group's results.

Financial instruments classified irrevocably by choice from the outset at fair value by result.

This classification may apply in the following cases:

- financial instruments featuring one or more separable incorporated derivatives,
- instruments that are inconsistent in terms of accounting in relation to another associated instrument, without applying fair value,
- instruments belonging to a group of financial assets valued and managed at fair value.

The Group has used this option in particular in the context of account unit contracts for insurance activities for the sake of consistency with the treatment that applies to liabilities.

Valuation base and accounting of charges and revenue

Securities classified as "Assets and liabilities at fair value by result" are recorded when they are entered on the balance sheet at fair value, as well as in subsequent statements until they are disposed of. Any variations in fair value and the revenue received or accrued on fixed-revenue securities classified in this category are entered in the profit-and-loss account under "Net profits or losses on financial instruments at fair value by result".

Purchases and sales of securities valued at fair value by result are recorded in the account on their settlement date. Any variations in fair value between the transaction date and the settlement date are entered in the result. The valuation of the counterparty risk on these securities is taken into account in the fair value.

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In the case of transfer to one of the three other categories, the fair value of the financial asset on the date it is reclassified becomes its new cost or amortised cost. No profit or loss entered in the accounts before the transfer date can be included.

■ Financial assets available for sale

Classification criteria and transfer rules

Financial assets available for sale include financial assets not classified in "Loans and debts" or in "Fair value by result".

Fixed-revenue securities may be reclassified in "Financial assets held to maturity" in the event of a modification to the management intention and subject to meeting the eligibility conditions for this category, or in "Loans and debts" in the event of a modification to the management intention, the ability to hold the security in the foreseeable future or until it matures and on condition that they meet the eligibility conditions for this category. The Group has not carried out any reclassification since 2008.

Valuation base and accounting of charges and revenue

These assets are entered in the balance sheet at their fair value at the time they are acquired and in subsequent statements until they are disposed of. Any variations in fair value are recorded in a specific section under equity capital "Latent or deferred profits or losses", excluding accrued revenue. These latent or deferred profits or losses entered in equity capital are only recorded in the profit-and-loss account in the event of disposal or long-term depreciation. During disposal, these latent profits or losses, previously entered under equity capital are recorded in the profit-and-loss account in the section of "Net profits or losses on financial assets available for sale", as well as the profits or losses from disposal. Purchases and sales of securities are entered in the accounts on their settlement date.

In the event of the transfer of the category "Financial assets available for sale" to the categories "Financial assets held to maturity" or "Loans and debts", instruments with a fixed maturity date and in the absence of depreciation, the latent profits or losses previously deferred in equity capital are depreciated over the residual lifetime of the asset. In the case of a transfer of instruments without a fixed maturity date to the category "Loans and debts", any latent profits or losses previously deferred are kept in equity capital until disposal of the securities.

The accrued or acquired revenue from fixed-revenue securities is entered in the result using the effective interest rate method under the section of "Interest and similar revenue". Dividends received on variable-revenue securities are recorded in the profit-and-loss account under "Net profits or losses on financial assets available for sale".

Depreciation and credit risk

Long-term depreciation, specific to shares and other equity capital instruments

Depreciation is recorded on variable-revenue financial assets available for sale in the event of a prolonged and significant fall in the fair value in relation to the cost.

For variable-revenue securities, the CMNE Group considers that the devaluation of a security by at least 40% compared with its acquisition cost, or over a period of more than 24 consecutive months, will result in a depreciation, with the exception of cases where the assessment of the fair value made by the Group does not reflect a probable loss of all or part of the amount invested. The analysis is carried out line by line. This assessment exercise

is also applied to securities that do not meet the criteria set out above, but for which Management believes that recovering the amount invested cannot be reasonably expected in the near future. As a result, the loss is recorded in the section for "Net profits or losses on assets available for sale". Any subsequent fall is also entered in the profit-and-loss account.

The long-term depreciation of shares or other equity capital instruments recorded in the results is irreversible once the instrument has been entered in the balance sheet. In the event of a subsequent rise, this will be entered in equity capital in the section for "Latent or deferred profits or losses".

Depreciation for credit risk:

Depreciations on fixed-revenue financial assets available for sale (especially bonds) are recorded in the accounts under "Cost of risk". Indeed, only the existence of a credit risk can lead to these fixed-revenue instruments being depreciated. Depreciation in the event of a loss due to a simple increase in rates is not permitted. In the event of depreciation, the whole of the latent losses accumulated in equity capital must be entered in the result. These depreciations are reversible; any subsequent rise associated with an event occurring after the depreciation was recorded is also entered in the profit-and-loss account under "Cost of risk" in the event of the issuer's credit situation improving.

■ Financial assets held to maturity

Classification criteria and transfer rules

This category includes fixed or determinable-revenue securities with a fixed maturity date for that the CMNE Group has the intention and ability to hold until maturity.

Any interest rate risk hedging operations put in place for this category of securities are not eligible for the hedging accounting defined by standard IAS 39.

Also, the possibilities for the disposal or transfer of securities in this portfolio are very limited on account of the provisions of standard IAS 39, subject to the whole of the portfolio being declassified at a Group level and access to this category being denied for two years.

Valuation base and accounting of charges and revenue

Securities classified in this category are initially recorded at their fair value, then at the amortised cost based on the effective interest rate method, which includes the amortisation of premiums and discounts, as well as the acquisition costs if these are significant.

Purchases and sales of securities are recorded on the date of settlement.

Revenue received on these securities is presented in the section for "Similar interest and revenue" in the profit-and-loss account.

Credit risk

Depreciation is recorded when there is an objective indication of depreciation for the asset resulting from events occurring after the initial entry in the accounts that is likely to generate a loss (credit risk established).

The analysis is carried out security by security. The amount of depreciation is assessed by comparing the book value and the updated value at the effective interest rate of future flows incorporating guarantees. Any depreciation is recorded in the profit-and-loss account under "Cost of risk". Any subsequent

rise associated with an event occurring after the depreciation is recorded is also entered in the profit-and-loss account under "Cost of risk".

► Hierarchy of fair value

There are three levels of fair value for financial instruments:

- **Level 1:** prices quoted on active markets for identical assets or liabilities; in particular, this concerns debt securities listed by at least four contributors and derivatives quoted on an organised market.
- **Level 2:** data other than the prices quoted on level 1, which can be observed for the asset or liability in question (i.e. prices) or indirectly (i.e. derivative price data). Level 2 includes in particular interest rate swaps whose fair value is generally determined using rate curves based on the market interest rates on the closing date.
- **Level 3:** data relating to the asset or liability, which does not include observable market data (non-observable data). This category includes in particular securities for non-consolidated holdings held or not via risk capital entities, in market activities, debt securities quoted by a single contributor and derivatives using mainly non-observable parameters, etc.

The instrument is classified on the same hierarchy level as the lowest level determined by the most important parameter in the fair value model taken overall. In view of the diversity and volume of the instruments valued at level 3, any sensitivity of fair value to the variation in parameters would be of little significance.

► Non-current assets intended for disposal

When the Group decides to sell non-current assets and when it is highly probable that this sale will take place within twelve months, these assets are presented separately on the balance sheet under "Non-current assets intended for sale". Any liabilities that may be associated with them are presented separately under "Debts linked to non-current assets intended for disposal".

As soon as they are classified in this category, non-current assets and groups of assets and liabilities are valued at their lowest book value and fair value, minus selling costs.

These assets then cease to be depreciated. In the event of a loss of value noted on an asset or on a group of assets and liabilities, a depreciation is recorded in the results. Losses of value recorded in the accounts in this way are reversible.

► Derivatives and hedge accounting Determining the fair value of the derivatives

The majority of OTC derivatives, swaps, future rate agreements, caps, floors and simple options are valued in accordance with commonly used standard models, (method of updating future flows, Black-Scholes model, interpolation techniques), based on observable data in the market (such as rate curves). The valuation of these models is adjusted to take account of the associated liquidity and credit risks for the instrument or parameter in question, specific risk premiums intended to offset certain additional costs incurred by the dynamic management strategy associated with the model under certain market conditions and the counterparty risk (CVA) present in the positive fair value of the over-the-counter derivatives. This latter item includes the own counterparty risk (DVA) present in the negative fair value of the over-the-counter derivatives.

When establishing adjustments in value, each risk factor is considered individually and no diversification effect between risks, parameters or models of a different nature is taken into account. A portfolio approach is used most frequently for a given risk factor.

The derivatives are entered in financial assets when the market value is positive, and in financial liabilities when it is negative.

In terms of the principles used for the part relative to calculating the DVA and CVA, the following are considered:

- internal Group transactions are not affected by the solidarity rules that apply within the CM-CIC Group,
- the calculations carried out have made it possible to establish that the impact of collateralised transactions (interbank only) has little or no significance, depending on the calculation rules used.

As a result, no DVA/CVA was recorded at 31st December 2014.

Classification of derivatives and hedge accounting

■ Derivatives classified in financial assets and liabilities at fair value by result

By default, all non-qualified derivatives for hedge instruments under IFRS standards are classified in the category for "Financial assets or liabilities at fair value by result", even if from an economic point of view they have been underwritten for the purpose of covering one or more risks.

Incorporated derivatives

An incorporated derivative is a component of a hybrid instrument which, separate from its host contract, meets the definition of a derivative. The main effect is to vary certain cashflows in a way similar to an autonomous derivative.

This derivative is detached from the host contract sheltering it and is accounted for separately as a derivative instrument at fair value by result under the following conditions:

- it meets the definition of a derivative,
- the hybrid instrument sheltering this incorporated derivative is not valued at fair value by result,
- the economic characteristics of the derivative and its associated risks are not considered to be closely linked to the host contract,
- the separate valuation of the incorporated derivative to be separated is sufficiently reliable to provide relevant information.

Accounting

Realised and latent profits and losses are entered in the profit-and-loss account under the heading of "Net profits or losses on financial instruments at fair value by result".

■ Hedge accounting

Standard IAS 39 allows for three forms of hedge relationship. The choice of hedge relationship is made based on the nature of the risk covered.

Fair value hedging provides cover for exposure to the variations in the fair value of the financial assets or liabilities.

Cashflow hedging is used to cover exposure to variations in the cashflow of financial assets or liabilities, firm commitments or future transactions.

CMNE uses cashflow hedging, in particular for the TSS issued in 2004.

The hedging of net investments in foreign currency is entered in the accounts as cashflow hedging. It is not used by the Group.

Hedging derivatives are required to meet the various criteria set by standard IAS 39 to be qualified in accounting terms as hedging instruments. The hedging instrument and the item covered must both be eligible for hedge accounting.

The relationship between the item hedged and the hedging instrument is documented formally as soon as the hedging relationship is put in place. This documentation specifies the department's risk management objectives, the nature of the risk covered, the underlying strategy, identification of the hedging instrument and the item covered, as well as the methods used for measuring the effectiveness of the hedging.

The effectiveness of this cover must be demonstrated when putting the hedging relationship in place and then throughout its lifecycle, at least on each statement date. The ratio between the variation in value or result of the hedging instrument and the item covered must be between 80 to 125%. Where appropriate, the hedge accounting ceases to be applied on a prospective basis.

Fair value hedging for identified financial assets or liabilities

In the case of a fair value hedging relationship, the derivatives are revalued at their fair value by counterparty in the profit-and-loss account under "Net profits or losses on financial instruments at fair value by result" opposite the revaluation of the hedged items in earning linked to the risk covered. This rule also applies if the item covered is entered in the accounts at the amortised cost or if it is a financial asset classified in "Financial assets available for sale". The fair value variations of the hedging instrument and the risk component covered offset one another partially or totally. The result only shows any possible ineffectiveness of the hedge.

The part corresponding to the rediscount of the derivative financial instrument is entered in the profit-and-loss account under "Interest revenue and charges" opposite the interest revenue or charges relative to the item covered.

If the hedge relationship is interrupted or the effectiveness criteria are not complied with, the hedge accounting ceases to be applied on a prospective basis. The hedge derivatives are transferred to "Financial assets or liabilities at fair value by result" and are entered in accordance with the principles that apply to this category. The balance sheet value of the item covered is no longer adjusted subsequently to reflect variations in fair value. With identified rate instruments initially covered, the revaluation is amortised over its residual life. If the items covered are no longer featured in the balance sheet, on account of early repayment in particular, the combined adjustments are immediately carried forward to the profit-and-loss account.

Macro-hedging derivatives

The Group uses the options provided by the European Commission to account for its macro-hedging operations. In fact, the changes made by the European Union to IAS 39 ("carve-out") enable customer at-call deposits in portfolios of hedged fixed-rate liabilities to be included and not to measure any inefficiency in the event of insufficient hedging. At-call deposits are integrated, based on the runoff rules defined by the balance sheet management.

For every portfolio of financial assets or liabilities at a fixed rate, the schedule of payments for the hedging derivatives is compared with the items hedged to check that there is no under-hedging.

The way in which fair value macro-hedging derivative instruments are accounted for is similar to that for fair value hedging derivatives.

The variations in the fair value of the portfolios hedged are recorded in the balance sheet under "Revaluation differential of portfolios hedged on rates" by the counterparty of the profit-and-loss account.

Cashflow hedging

Where there is a cashflow hedging relationship, the derivatives are revalued on the balance sheet at fair value through equity for the effective part. The part considered to be ineffective is recorded in the profit-and-loss account under "Net profits or losses on financial instruments financiers at fair value by result".

The amounts entered in equity capital are included in the result under "Interest revenue and charges" at the same rate as the flows for the element covered affect the result.

The items hedged remain in the books in accordance with the rules specific to their accounting category. If the hedge relationship is interrupted or the effectiveness criteria are not complied with, the hedge accounting ceases to be applied. The combined amounts entered in equity capital for the revaluation of the hedge derivative are kept in equity capital until the hedged transaction itself affects the result or when it is determined that it will not do so; these amounts are then transferred to earnings.

If the item hedged disappears, the combine amounts entered in equity capital are immediately transferred to earnings.

► Fixed assets and depreciations

The fixed assets entered in the balance sheet immobilisations include operating tangible and intangible fixed assets, as well as investment property. Operating intangible fixed assets are used for the production of services or for administrative reasons. Investment property is real estate held in order to receive rents and/or to enhance the value of the capital invested. Investment property is recorded in the same way as operating property, based on the historical cost method.

Fixed assets are entered in the accounts at their acquisition cost, plus the expenses directly attributable and necessary for them to operate so that they can be used.

After their initial entry, fixed assets are valued using the historical cost method, i.e. their cost minus combined depreciations and any losses in value.

When a fixed asset is made up of several elements that may be the subject of replacement at regular intervals, that have different uses or that generate economic benefits at a different rate, each element is entered separately at the outset and each of the components is depreciated based on its own depreciation plan. As the period of use of fixed assets is usually the same as the economic lifespan of the asset, no residual value is recorded.

The brackets used for depreciation terms are:

Tangible fixed assets:	
Constructions – structural works: (depending on the type of building)	10 – 30 years
Constructions – amenities:	10 – 25 years
Fittings and installations:	5 – 15 years
Furniture and office equipment:	5 – 10 years
Security equipment:	3 – 10 years
Rolling stock/vehicles:	3 – 5 years
IT equipment:	3 – 5 years
Intangible fixed assets:	
Software acquired or created internally:	1 – 3 years

Depreciable fixed assets undergo depreciation tests when the closing date of the loss-of-value indices are identified. Fixed assets that cannot be depreciated (such as lease rights) undergo a depreciation test once a year.

If such a depreciation index exists, the recoverable value of the asset is compared with its net book value. If there is a loss of value, the depreciation is entered in the profit-and-loss account; this modifies the depreciable base of the asset prospectively. The depreciation is written back if there is a modification in the estimate of the recoverable value or if the depreciation indices disappear. The net book value after a writeback of loss of value cannot be greater than net book value that would have been calculated had no loss of value been entered in the accounts.

Depreciations for operating fixed assets are recorded under "Allocations / depreciation writebacks and provisions for operating fixed assets" in the profit-and-loss account.

Depreciations for investment property are recorded under "Charges for other activities" (for allocations) and "Revenue from other activities" (for writebacks) in the profit-and-loss account. Increases and reductions in value from the disposal of operating fixed assets are entered in the profit-and-loss account under "Net profits or losses on other assets".

Increases and reductions in value from the disposal of investment property are entered in the profit-and-loss account under "Revenue from other activities" or "Charges from other activities".

The fair value of investment property is stated in the annexe on each statement date: it is based on a valuation of these properties by reference to the market, conducted by independent valuers.

► Non-current assets intended for disposal and abandoned activities

A non-current asset (or group of assets) meets the definition criteria for assets intended for disposal if it is available to be sold and if its sale is highly probable and will take place within twelve months.

Associated assets and liabilities are presented on two separate lines in the balance sheet under "Non-current assets intended for disposal" and "Debts linked to non-current assets intended for disposal". They are entered at their lowest book value and fair value, minus the disposal costs and are not depreciated.

When a loss of value is recorded on this type of assets or liabilities, a depreciation is entered in earnings.

Businesses are considered as abandoned when they are activities intended for disposal, businesses that have ceased and subsidiaries acquired for the sole purpose of being sold on. They are presented on a separate line in the profit-and-loss account under "Net tax profits and losses on abandoned businesses".

► Regulated savings contracts

Housing Savings Accounts (CEL) and Housing Savings Plans (PEL) are regulated French products that are accessible to customers (natural persons). These products feature a phase of interest-bearing savings giving entitlement to a housing loan on the second phase. These products generate two types of commitment for the establishment issuing them:

- a commitment to the future remuneration of the savings at a fixed rate (for PEL only; the remuneration rate for CEL is similar to a variable rate that is reviewed periodically based on an indexation formula),
- a commitment to agree to a loan for those customers that apply, on predetermined terms (PEL and CEL).

These commitments are estimated based on the behavioural statistics of customers and market data. A provision is set aside in the liabilities in the balance sheet to cover any future charges associated with the potential unfavourable terms of these products in relation to the interest offered to personal customers for products that are similar but not regulated in terms of remuneration. This approach is conducted by homogeneous generation in terms of the regulated conditions for the PEL and CEL products. The impact on the result is entered as interest paid to customers.

► Debts represented by a security

Debts represented by a security (cash vouchers, interbank market securities, bond loans, etc.), not classified at fair value by result on option, are initially entered in the accounts at their issue value, where appropriate minus transaction costs.

These debts are then valued at the amortised cost based on the effective interest rate method.

► Insurance activities

The accounting principles and valuation rules that apply to assets and liabilities generated by the issue of insurance policies are established in accordance with standard IFRS 4. This standard also applies to reinsurance policies, issued or taken out, and to finance contracts with a discretionary profit-sharing clause.

The other assets held and liabilities issued by insurance companies consolidated by total integration follow the rules that apply to all of the Group's assets and liabilities.

■ Assets

Financial assets, investment property and fixed assets follow the accounting methods set out elsewhere.

On the other hand, financial assets representing technical provisions relating to contracts in account units are presented in "Financial assets at fair value by result".

■ Liabilities

The technical provisions of policies in account units are valued, at their closing date, based on the value of realising the assets used to support these policies.

Provisions for non-life insurance policies correspond to the premiums not acquired (part of premiums issued relative to previous financial periods) and to claims to be paid.

Insurance policies benefiting from a discretionary profit-sharing clause are the subject of "shadow accounting". The provision for resulting deferred profit-sharing represents the proportion of increases and decreases in the value of the assets that is returned to policyholders. These provisions for deferred profit-sharing are presented in the liabilities or assets for each legal entity and without offsets between entities within the scope for consolidation. In the assets, they are stated in a separate item and their recoverability is assessed based on an analysis of future cashflows, taking account of rate hypotheses given to customers and revenue that is consistent with the business plan drawn up by the companies.

A sufficiency test for the liabilities recorded on these policies (net of other associated assets or liabilities, such as deferred acquisition costs and acquired portfolio values) is carried out on the closing date: this verifies that the liabilities accounted for are sufficient to cover future cashflows estimated at that date. Any insufficiency in the technical provisions is recorded in the result for the period (and will be written back later, where appropriate).

■ Profit-and-loss account

Revenue and charges entered in the accounts for the insurance policies issued by the Group are presented under "Revenue from other activities" and "Charges from other activities".

The revenue and charges relating to activities on the account of the insurance entities are entered under their respective headings.

► Provisions

Allocations and writebacks of provisions are classified by type under the corresponding headings for charges and revenue.

A provision is set aside when it is probable that an outflow of resources representing economic benefits will be required to fulfil an obligation stemming from an event in the past and when the amount of that obligation can be estimated reliably. The amount of this obligation is updated where appropriate to determine the amount of the provision.

The provisions set aside by the Group cover in the main:

- operating risks,
- company-related commitments,
- the execution risks for commitments by signature,
- litigation and warranties,
- tax risks,
- the risks associated with housing savings.

► Staff benefits

Staff benefits are accounted for in line with the IAS 19R standard applied by the Group. The new provisions relate, for benefits subsequent employment, to allowances defined by:

- The immediate recording of the actuarial differentials in latent or deferred profits or losses accounted for in equity capital and modifications in the system as a result,
- The application in the assets of the system of updating the rate for debt,
- Reinforcement of the information to be presented in the annexe.

Where appropriate, company-related commitments are the subject of a provision entered in the accounts under "Provisions". Any variation is entered in the profit-and-loss account under "Staff charges", with the exception of the part resulting from the actuarial differentials, which is recorded under latent or deferred profits and losses in equity capital.

■ Benefits after employment at defined allowances

These are systems covering retirement, early retirement and supplementary pensions in which the Group retains a formal or implicit obligation to provide the allowances promised to staff.

Commitments are calculated using the method of projected credit units, which consists of allocating allowance entitlements to periods of service by applying the contractual formula for calculating allowances under the system, which are then updated based on demographic and financial hypotheses such as:

- the update rate, determined by reference to the issue rate of AA-rated companies based on the length of the commitments,
- the rate of increase of salaries, based on age brackets, manager / non-manager categories,
- the inflation rates, estimated by comparing the rates of the Treasury Bond Rate (OAT) and the OAT inflated for various maturities,
- the mobility rate of salaried staff, determined by age bracket, based on the average ratio over 3 years of the number of resignations and redundancies, compared with the number of staff on open-ended contracts at the end of the period,
- retirement age: the estimate is established for each individual based on his or her actual or estimated date of starting to work and hypotheses linked to the Retirement Reform Act, with a maximum ceiling of 67 years of age,
- the mortality rate, based on INSEE table TH/TF 00-02.

Actuarial differentials are the differences generated by changes to these hypotheses and the differences between previous hypotheses and what actually happened. When the system has assets, these are valued at their fair value and have an effect on the result for their expected yield. The differential between the actual yield and the expected yield is also an actuarial differential.

■ Benefits on retirement

The entitlements of salaried staff to retirement benefits are calculated based on the time the person has worked for the company and his or her gross remuneration, in line with the collective agreement that applies to the Group.

The commitments for retirement benefits are covered by a policy taken out with an insurance company. The differential between the amount of employee entitlements and the value of the cover policy is the subject of a provision determined based on information provided by the insurer.

The actuarial differentials are accounted for in latent or deferred profits or losses, recorded in equity capital and reductions and liquidations in the system generate a variation of the commitment, which is entered in the profit-and-loss account for the period.

► Subordinated debts

Subordinated debts, term or open-ended, are separated from the other debts represented by a security, because they can only be reimbursed in the event of the debtor's liquidation after the other creditors have been paid off. These debts are valued at the amortised cost.

► Distinction between Debts and Equity Capital

According to interpretation IFRIC 2, the shares belonging to shareholders are equity capital if the entity has an unconditional right to refuse reimbursement, or if there are legal or statutory provisions forbidding or significantly restricting reimbursement. On account of the existing legal and statutory provisions, company shares issued by the structures that make up the consolidating entity of CMNE are entered in the accounts as equity capital.

The other financial instruments issued by the Group are qualified in accounting terms as debt instruments as soon as there is a contractual obligation for the Group to issue cash to holders of securities. This is the case in particular for all subordinated securities issued by the Group.

IV NOTES RELATIVE TO THE ITEMS IN THE FINANCIAL STATEMENTS

(The notes are presented in thousands of euros)

1. Notes relative to the balance sheet

Note 1: Cash Central Banks

1a. Loans and debts on credit establishments

	31/12/14	31/12/13	Variation	
Cash, central banks				
Central banks	161 677	366 765	-205 088	-55.92%
<i>Of which bond reserves</i>	55 612	52 211	3 401	6.51%
Cash	94 135	81 257	12 878	15.85%
TOTAL	255 812	448 022	-192 210	-42.90%
Loans and debts on credit establishments				
Network accounts Crédit Mutuel ⁽¹⁾	2 583 323	2 651 844	-68 521	-2.58%
Other ordinary accounts	183 628	162 156	21 472	13.24%
Loans	1 021 346	1 002 468	18 878	1.88%
Other debts	94 337	47 141	47 196	100.12%
Pensions	175 000	0	175 000	n.s.
Debts depreciated on an individual level	46	47	-1	-2.13%
Receivables	32 580	56 075	-23 495	-41.90%
TOTAL	4 090 260	3 919 731	170 529	4.35%

⁽¹⁾ relates mainly to outstanding CDC writebacks (LEP, LDD, Livret Bleu, Livret A)

1b. Debts to credit establishments

	31/12/14	31/12/13	Variation	
Central banks				
Central banks	0	0	0	n.s.
TOTAL	0	0	0	n.s.
Debts to credit establishments				
Other ordinary accounts	20 345	8 575	11 770	137.26%
Borrowings	1 968 711	2 074 471	-105 760	-5.10%
Other debts	17 335	48 584	-31 249	-64.32%
Pensions	175 000	0	175 000	n.s.
Receivables	9 560	15 518	-5 958	-38.39%
TOTAL	2 190 951	2 147 148	43 803	2.04%

Note 2: Assets and liabilities at fair value by result**2a. Financial assets at fair value by result**

	31/12/14			31/12/13		
	Transaction	Fair value on option	Total	Transaction	Fair value on option	Total
Securities	219 437	12 008 848	12 228 285	271 714	10 767 226	11 038 940
• Bonds and other fixed-revenue securities	6 248	3 854 317	3 860 565	46 626	3 925 273	3 971 899
– Listed	6 248	3 801 536	3 807 784	46 626	3 877 319	3 923 945
– Unlisted	0	52 781	52 781	0	47 954	47 954
• Shares and other variable-revenue securities	213 189	8 154 531	8 367 720	225 088	6 841 953	7 067 041
– Listed	213 189	8 154 531	8 367 720	225 088	6 841 953	7 067 041
Derivative transaction instruments	92 028	0	92 028	50 377	0	50 377
Other financial assets	0	627	627	0	0	0
TOTAL	311 465	12 009 475	12 320 940	322 091	10 767 226	11 089 317

The amount stated under “Shares and other listed variable-revenue securities” in fair value on option at 31st December 2013 was 6 299 544 thousand euros. The increase of 542 409 thousand euros corresponds to the impact of the application of IFRS 10 and, for OPCVM and SCI in which the Group has a holding in excess of 35%, represents the amount held by outside holders. This amount, stated under simplified consolidation, is recorded in the assets in the lines for the securities in question, whereas its counterparty is stated in debts under “other liabilities”.

2b. Financial liabilities at fair value by result

	31/12/14	31/12/13	Variation	
Financial liabilities held for transaction purposes	80 819	28 854	51 965	180,10%
Financial liabilities at fair value on option by result	120 140	120 629	-489	-0,41%
TOTAL	200 959	149 483	51 476	34,44%

The line “Financial liabilities at fair value on option by result” corresponds mainly to the structured bonds issued by CFCMNE until 31st December 2012, classified in this category on account of the derivative they contain. Since 1st January 2013, the derivatives included in the structured bonds issued have been entered in the accounts separately, at fair value by result, with “vanilla” bonds recorded at their amortised cost.

	31/12/14			31/12/13		
	Book value	Amount due on maturity	Differential	Book value	Amount due on maturity	Differential
Securities issued	115 385	93 624	21 761	120 629	103 193	17 436
Interbank debts	4 755	0	4 755	0	0	0
TOTAL	120 140	93 624	26 516	120 629	103 193	17 436

Note 3: Hedging**3a. Derivative hedging instruments**

	31/12/14		31/12/13	
	Assets	Liabilities	Assets	Liabilities
Cashflow hedge	546	45 187	2 568	40 138
Fair value hedge (variation recorded in earnings)	48 153	101 910	43 591	61 168
TOTAL	48 699	147 097	46 159	101 306

3b. Revaluation surplus of rate-hedged portfolios

Fair value	31/12/14	31/12/13	Variation
Fair value of interest rate risk by portfolio			
• financial assets	47 220	15 247	31 973
• financial liabilities	2 970	3 558	-588

Annexe to the consolidated accounts

Note 4: Analysis of derivative instruments

	31/12/14			31/12/13		
	Notional	Assets	Liabilities	Notional	Assets	Liabilities
Derivative transaction instruments						
Rate instruments						
• Swaps	8 202 726	88 483	66 085	6 530 212	49 653	26 316
• Options and conditional instruments	0	3 545	14 734	536	716	2 538
Currency instruments						
• Other form contracts	0	0	0	0	8	0
SUBTOTAL	8 202 726	92 028	80 819	6 530 748	50 377	28 854
Derivative hedge instruments						
Fair value hedge						
• Swaps	3 056 120	48 153	101 910	3 759 470	43 591	61 168
Cashflow hedge						
• Swaps	1 275 700	546	45 187	1 075 700	2 568	40 138
SUBTOTAL	4 331 820	48 699	147 097	4 835 170	46 159	101 306
TOTAL	12 534 546	140 727	227 916	11 365 918	96 536	130 160

Note 5: Financial assets available for sale

5a. Financial assets available for sale

	31/12/14	31/12/13	Variation	
Government securities	469 141	460 854	8 287	1.80%
Bonds and other fixed-revenue securities	6 052 082	5 419 131	632 951	11.68%
• Listed	5 553 624	4 895 789	657 835	13.44%
• Unlisted	498 458	523 342	-24 884	-4.75%
Shares and other variable-revenue securities	491 470	309 543	181 927	58.77%
• Listed	134 619	130 422	4 197	3.22%
• Unlisted	356 851	179 121	177 730	99.22%
Equity securities	185 782	167 518	18 264	10.90%
• Equity securities	30 957	24 121	6 836	28.34%
• Other securities held long term	13 990	10 049	3 941	39.22%
• Shares in associated companies	140 835	133 348	7 487	5.61%
Receivables	104 631	107 011	-2 380	-2.22%
TOTAL	7 303 106	6 464 057	839 049	12.98%
<i>Of which latent increases or decreases in value noted in equity capital</i>	<i>190 030</i>	<i>151 809</i>	<i>38 221</i>	<i>25.18%</i>
<i>Of which depreciated fixed-revenue securities</i>	<i>2 921</i>	<i>9 173</i>	<i>-6 252</i>	<i>-68.16%</i>
<i>Of which depreciation</i>	<i>-8 402</i>	<i>-10 949</i>	<i>2 547</i>	<i>-23.26%</i>

The amount stated under "Shares and other listed variable-revenue securities" at 31st December 2013 was 121 170 thousand euros. The increase of 9 252 thousand euros corresponds to the impact of the application of IFRS 10 (see note 2a above).

With regard to CIC securities, the value is based essentially on the "sum of the parts" method (SOTP). Using this calculation, the value of a bank is equal to the sum of the value of each of its business lines, minus holding costs. Since 1st January 2014, the value determined in this way has been weighted at 80%, supplemented by 20% of the market price. This method, approved by the AMF, results in a value of 241 euros per share.

5b. List of the main non-consolidated holdings

% holding	Equity capital	Total balance sheet	NBI or turnover	Result	Résultat
Groupe CIC	<1	12 265 936	245 679 197	4 409 716	1 123 799
GACM	<1	8 992 425	100 806 609	1 599 491	687 778
CCCM Paris	13%	547 142	4 999 190	25 904	15 143

Data at 31/12/2014

5c. Exposure to sovereign risk

Greek sovereign risk

The Group no longer has any exposure to Greek sovereign debt

Other sovereign exposure relative to PIIGS (Portugal, Ireland, Italy, Greece, Spain)

Other countries benefiting from a support plan:

31/12/14		
Net exposure*	Portugal	Ireland
Assets at fair value by result		
Assets available for sale	3 202	6 900
Assets held to maturity		
TOTAL	3 202	6 900
GAINS/LOSSES RECORDED IN EQUITY CAPITAL	168	160

31/12/13		
Net exposure*	Portugal	Ireland
Assets at fair value by result		
Assets available for sale	3 034	510
Assets held to maturity		
TOTAL	3 034	510
GAINS/LOSSES RECORDED IN EQUITY CAPITAL	181	0

(*) Net exposure: after accounting for latent gains or losses and deferred share in profits accruing to policyholders for the insurance part.

Other countries (bank exposure only)

31/12/14		
Net exposure*	Spain	Italy
Assets at fair value by result		
Assets available for sale	4 001	5 772
Assets held to maturity		
TOTAL	4 001	5 772
GAINS/LOSSES RECORDED IN EQUITY CAPITAL	2	175

31/12/13		
Net exposure*	Spain	Italy
Assets at fair value by result		
Assets available for sale	3 937	5 770
Assets held to maturity		
TOTAL	3 937	5 770
GAINS/LOSSES RECORDED IN EQUITY CAPITAL	385	257

(*) Net exposure: after accounting for latent gains or losses.

Annexe to the consolidated accounts

Note 6: Hierarchy of fair value

31/12/14	Level 1	Level 2	Level 3	Total	Transfers* N1 => N2	Transfers* N2 => N1
Financial assets						
Available for sale	6 072 294	1 046 705	184 107	7 303 106	0	0
• Government securities and similar securities - DALV	476 214	0	0	476 214	0	0
• Bonds and other fixed-revenue securities - DALV	5 459 599	688 586	1 455	6 149 640	0	0
• Shares and other variable-revenue securities - DALV	136 481	354 545	444	491 470	0	0
• Holdings and ATDLT - DALV	0	3 574	41 373	44 947	0	0
• Associated company shares - DALV	0	0	140 835	140 835	0	0
Transaction / JVO	8 916 224	3 404 716	0	12 320 940	0	0
• Bonds and other fixed-revenue securities - Transaction	6 248	0	0	6 248	0	0
• Bonds and other fixed-revenue securities - Fair value on option	542 256	3 312 061	0	3 854 317	0	0
• Shares and other variable-revenue securities - Transaction	213 189	0	0	213 189	0	0
• Shares and other variable-revenue securities - Fair value on option	8 154 531	0	0	8 154 531	0	0
• Loans and debts on credit establishments Fair value on option	0	627	0	627	0	0
• Derivatives and other financial assets - Transaction	0	92 028	0	92 028	0	0
Derivative hedging instruments	0	48 699	0	48 699	0	0
TOTAL	14 988 518	4 500 120	184 107	19 672 745	0	0
Financial liabilities						
Transaction / JVO	0	200 959	0	200 959	0	0
• Debts on credit establishments Fair value on option	0	4 755	0	4 755	0	0
• Debts represented by a security - Fair value on option	0	115 385	0	115 385	0	0
• Derivatives and other financial liabilities - Transaction	0	80 819	0	80 819	0	0
Derivative hedging instruments	0	147 097	0	147 097	0	0
TOTAL	0	348 056	0	348 056	0	0
31/12/13						
	Level 1	Level 2	Level 3	Total	Transfers* N1 => N2	Transfers* N2 => N1
Financial assets						
Available for sale	5 306 979	992 695	164 383	6 464 057	164 315	0
• Government securities and similar securities - DALV	467 654	0	0	467 654	0	0
• Bonds and other fixed-revenue securities - DALV	4 806 651	712 691	0	5 519 342	0	0
• Shares and other variable-revenue securities - DALV	32 674	276 514	355	309 543	164 315	0
• Holdings and ATDLT - DALV	0	3 490	30 680	34 170	0	0
• Associated company shares - DALV	0	0	133 348	133 348	0	0
Transaction / JVO	7 430 134	3 659 183	0	11 089 317	0	0
• Bonds and other fixed-revenue securities - Transaction	46 626	0	0	46 626	0	0
• Bonds and other fixed-revenue securities - Fair value on option	316 467	3 608 806	0	3 925 273	0	0
• Shares and other variable-revenue securities - Transaction	225 088	0	0	225 088	0	0
• Shares and other variable-revenue securities - Fair value on option	6 841 953	0	0	6 841 953	0	0
• Derivatives and other financial assets - Transaction	0	50 377	0	50 377	0	0
Derivative hedging instruments	0	46 159	0	46 159	0	0
TOTAL	12 737 113	4 698 037	164 383	17 599 533	164 315	0
Financial liabilities						
Transaction / JVO	0	149 483	0	149 483	0	0
• Debts represented by a security - Fair value on option	0	120 629	0	120 629	0	0
• Derivatives and other financial liabilities - Transaction	0	28 854	0	28 854	0	0
Derivative hedging instruments	0	101 306	0	101 306	0	0
TOTAL	0	250 789	0	250 789	0	0

* Only significant transfers are reported, i.e. transfers for an amount in excess of 10% of the amount of the "Total" line for the category of asset or liability in question.

Level 1 : price quoted on an active market,

Level 2 : price on active markets for similar instruments and valuation techniques for which all of the main data elements are based on observable market information,

Level 3 : valuation based on internal models containing significant non-observable data.

Hierarchy of fair value – Level 3 detail

31/12/14	Opening	Purchases	Issues	Sales	Reimb.	Transfers	Profits and losses in earnings	Profits and losses in equity capital	Other movements	Closing	Transfers* N1, N2 => N3	Transfers* N3 => N1, N2
Financial assets												
Available for sale	164 383	10 906	0	-798	0	0	-354	10 304	-334	184 107	0	0
• Bonds and other fixed-revenue securities - DALV	0	0	0	0	0	0	0	0	1 455	1 455	0	0
• Shares, TAP and other V.R.S. DALV	355	0	0	0	0	0	0	0	89	444	0	0
• Holdings and ATDLT - DALV	30 680	10 906	0	-798	0	-444	-354	2 810	-1 427	41 373	0	0
• Associated company shares - DALV	133 348	0	0	0	0	444	0	7 494	-451	140 835	0	0
Transaction / JVO	0	0	0	0	0	0	0	0	0	0	0	0
Derivative hedging instruments	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	164 383	10 906	0	-798	0	0	-354	10 304	-334	184 107	0	0
Financial liabilities												
Transaction / JVO	0	0	0	0	0	0	0	0	0	0	0	0
Derivative hedging instruments	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0

31/12/13	Opening	Purchases	Issues	Sales	Reimb.	Transfers	Profits and losses in earnings	Profits and losses in equity capital	Other movements	Closing	Transfers* N1, N2 => N3	Transfers* N3 => N1, N2
Financial assets												
Available for sale	154 458	0	475	0	0	0	-77	9 605	-78	164 383	0	0
• Shares, TAP and other V.R.S. DALV	801	0	0	0	0	0	0	0	-446	355	0	0
• Holdings and ATDLT - DALV	30 390	0	0	0	0	0	-77	0	367	30 680	0	0
• Associated company shares - DALV	123 267	0	475	0	0	0	0	9 605	1	133 348	0	0
Transaction / JVO	0	0	0	0	0	0	0	0	0	0	0	0
Derivative hedging instruments	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	154 458	0	475	0	0	0	-77	9 605	-78	164 383	0	0
Financial liabilities												
Transaction / JVO	0	0	0	0	0	0	0	0	0	0	0	0
Derivative hedging instruments	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0

* Only significant transfers are reported, i.e. transfers for an amount in excess of 10% of the amount of the "Total" line for the category of asset or liability in question.

Note 7: Offsetting of financial assets and liabilities

31/12/14	Gross amount of financial assets	Gross amount of financial liabilities offset on the balance sheet	Net amounts shown on the balance sheet	Associated amounts not offset on the balance sheet			Net amount
				Impact of offset framework agreements	Financial Instruments received as guarantee	Cash received (cash collateral)	
Financial assets							
Derivatives	140 727	-	140 727	-60 242	-	-60 250	20 235
Pension	175 030	-	175 030	-175 030	-	-	-
TOTAL	315 757	-	315 757	-235 272	-	-60 250	20 235

31/12/14	Gross amount of financial liabilities	Gross amount of financial assets offset on the balance sheet	Net amounts shown on the balance sheet	Associated amounts not offset on the balance sheet			Net amount
				Impact of offset framework agreements	Financial Instruments received as guarantee	Cash received (cash collateral)	
Financial liabilities							
Derivatives	227 916	-	227 916	-79 084	-	-128 574	20 258
Pension	175 261	-	175 261	-175 230	-	-	31
TOTAL	403 177	-	403 177	-254 314	-	-128 574	20 289

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31/12/13	Gross amount of financial assets	Gross amount of financial liabilities offset on the balance sheet	Net amounts shown on the balance sheet	Associated amounts not offset on the balance sheet			Net amount
				Impact of offset framework agreements	Financial Instruments received as guarantee	Cash received (cash collateral)	
Financial assets							
Derivatives	96 536	-	96 536	-45 715	-	-24 670	26 151
Pension	-	-	-	-	-	-	-
TOTAL	96 536	-	96 536	-45 715	-	-24 670	26 151

31/12/13	Gross amount of financial liabilities	Gross amount of financial assets offset on the balance sheet	Net amounts shown on the balance sheet	Associated amounts not offset on the balance sheet			Net amount
				Impact of offset framework agreements	Financial Instruments received as guarantee	Cash received (cash collateral)	
Financial liabilities							
Derivatives	130 160	-	130 160	-45 478	-	-60 244	24 438
Pension	-	-	-	-	-	-	-
TOTAL	130 160	-	130 160	-45 478	-	-60 244	24 438

Note 8: Customers

8a. Loans and debts on customers

	31/12/14	31/12/13	Variation	
Healthy debts	14 104 173	13 967 523	136 650	0.98%
• Commercial debts	15 377	12 824	2 553	19.91%
• Other support for customers	14 046 873	13 911 537	135 336	0.97%
– housing loans	7 823 751	7 598 440	225 311	2.97%
– other support and various debts, including pensions	6 223 122	6 313 097	-89 975	-1.43%
• Receivables	41 923	43 162	-1 239	-2.87%
Insurance and reinsurance debts	12 363	13 618	-1 255	-9.22%
Depreciated debts on an individual basis	1 034 161	1 012 015	22 146	2.19%
Gross debts	15 150 697	14 993 156	157 541	1.05%
Individual provisions	-660 827	-662 998	2 171	-0.33%
Collective provisions	-30 271	-29 520	-751	2.54%
SUBTOTAL I	14 459 599	14 300 638	158 961	1.11%
Finance leases (net investment)	1 334 110	1 246 130	87 980	7.06%
• Moveable	879 733	849 346	30 387	3.58%
• Property	443 208	383 823	59 385	15.47%
• Depreciated debts on an individual basis	11 169	12 961	-1 792	-13.83%
Depreciations	-9 147	-10 649	1 502	-14.10%
SUBTOTAL II	1 324 963	1 235 481	89 482	7.24%
TOTAL	15 784 562	15 536 119	248 443	1.60%
<i>of which equity loans</i>	0	0	0	<i>n.s.</i>
<i>of which subordinated loans</i>	0	0	0	<i>n.s.</i>

Financial lease operations with customers

	31/12/13	Increase	Decrease	Other	31/12/14
Gross book value	1 246 130	242 335	-153 430	-925	1 334 110
Depreciation of non-recoverable payments	-10 649	-2 909	4 411	0	-9 147
Net book value	1 235 481	239 426	-149 019	-925	1 324 963

8b. Debts to customers

	31/12/14	31/12/13	Variation	
Special savings accounts	11 226 721	11 192 811	33 910	0.30%
• at-call	9 716 029	9 879 313	-163 284	-1.65%
• term	1 510 692	1 313 498	197 194	15.01%
Receivables on savings accounts	21 713	18 701	3 012	16.11%
SUBTOTAL	11 248 434	11 211 512	36 922	0.33%
At-call accounts	3 435 446	3 237 971	197 475	6.10%
Term accounts and loans	897 671	1 095 330	-197 659	-18.05%
Receivables	13 224	17 807	-4 583	-25.74%
Insurance and reinsurance debts	80 958	76 562	4 396	5.74%
SUBTOTAL	4 427 299	4 427 670	-371	-0.01%
TOTAL	15 675 733	15 639 182	36 551	0.23%

Note 9: Financial assets held to maturity

	31/12/14	31/12/13	Variation	
Securities	480 377	999 381	-519 004	-51.93%
• Government securities	10 003	71 273	-61 270	-85.97%
• Bonds and other fixed-revenue securities	470 374	928 108	-457 734	-49.32%
– Listed	175 375	528 963	-353 588	-66.85%
– Unlisted	294 999	399 145	-104 146	-26.09%
Receivables	6 220	12 444	-6 224	-50.02%
GROSS TOTAL	486 597	1 011 825	-525 228	-51.91%
<i>of which depreciated assets</i>	<i>6 011</i>	<i>6 013</i>	<i>-2</i>	<i>-0.03%</i>
Depreciations	-6 011	-6 013	2	-0.03%
NET TOTAL	480 586	1 005 812	-525 226	-52.22%

Note 10: Changes in provisions for depreciation

	31/12/13	Allocation	Writeback	Other	31/12/14
Loans and debts on customers	-703 167	-74 497	63 646	13 773	-700 245
Securities in AFS "available for sale" FRS	-1 744	0	305	1 011	-428
Securities in AFS "available for sale" VRS	-9 205	-754	1 991	-6	-7 974
Securities in HTM "held to maturity"	-6 013	-11	13	0	-6 011
TOTAL	-720 129	-75 262	65 955	14 778	-714 658

Note 11: Financial instruments – Reclassifications

None

The standard for monitoring reclassified assets to maturity is only applied to securities reallocated to headings as "loans". As it has only carried out reclassifications between categories of securities, the Group does not meet these criteria and only reports on this aspect in those years when it carries out a reclassification.

Note 12: Debts represented by a security

	31/12/14	31/12/13	Variation	
Cash vouchers	123 338	164 568	-41 230	-25.05%
TMI & TCN	2 650 335	3 680 133	-1 029 798	-27.98%
Bond loans	1 807 478	1 060 778	746 700	70.39%
Receivables	31 100	34 391	-3 291	-9.57%
TOTAL	4 612 251	4 939 870	-327 619	-6.63%

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Note 13: Taxation

13a. Current taxes

	31/12/14	31/12/13	Variation	
Assets (by result)	64 865	74 208	-9 343	-12.59%
Liabilities (by result)	69 652	61 603	8 049	13.07%

13b. Deferred taxes

	31/12/14	31/12/13	Variation	
Assets (by result)	61 923	78 408	-16 485	-21.02%
Assets (by equity capital)	4 378	1 448	2 930	202.35%
Liabilities (by result)	27 684	19 537	8 147	41.70%
Liabilities (by equity capital)	48 269	35 288	12 981	36.79%

Breakdown of deferred taxes by major categories

	31/12/14		31/12/13	
	Assets	Liabilities	Assets	Liabilities
Tax losses carried forward	0	0	0	0
Temporary differences on	81 032	90 684	88 195	63 164
• PV/MV deferred on securities available for sale	0	63 000	0	46 794
• Other latent or deferred profits / losses	14 795	0	12 954	0
• Provisions	45 660	2 704	43 249	1 513
• Latent reserve for finance leases	1 000	1 573	1 065	4 974
• Results from transparent companies	0	0	0	0
• Other temporary offsets	19 577	23 407	30 927	9 883
Offsets	-14 731	-14 731	-8 339	-8 339
TOTAL ASSETS AND LIABILITIES OF DEFERRED TAXES	66 301	75 953	79 856	54 825

Note 14: Accruals and miscellaneous assets and liabilities

14a. Accruals and miscellaneous assets

	31/12/14	31/12/13	Variation	
Asset accruals				
Values received on collection	7 500	8 652	-1 152	-13.31%
Adjustment accounts on foreign currency	0	15	-15	-100.00%
Revenue to be received	11 737	12 077	-340	-2.82%
Miscellaneous accruals	42 761	101 937	-59 176	-58.05%
SUBTOTAL	61 998	122 681	-60 683	-49.46%
Other assets				n.s.
Guarantee deposits paid	159 562	100 233	59 329	59.19%
Miscellaneous debtors	228 084	202 683	25 401	12.53%
Stocks and similar	2 926	10 192	-7 266	-71.29%
SUBTOTAL	390 572	313 108	77 464	24.74%
Other insurance assets				n.s.
Technical provisions – Share of reinsurers	26 606	25 430	1 176	4.62%
SUBTOTAL	26 606	25 430	1 176	4.62%
TOTAL	479 176	461 219	17 957	3.89%

14b. Accruals and miscellaneous liabilities

	31/12/14	31/12/13	Variation	
Liability accruals				
Accounts unavailable on recovery operations	9	4	5	125%
Adjustment accounts on foreign currency	0	21	-21	-100%
Charges to pay	87 485	93 739	-6 254	-6.67%
Revenue noted in advance	76 968	84 337	-7 369	-8.74%
Miscellaneous accruals	50 126	38 455	11 671	30.35%
SUBTOTAL	214 588	216 556	-1 968	-0.91%
Other liabilities				
Settlements accounts on securities operations	12	842 714	-842 702	-100%
Payments remaining to be made on securities	414 832	89 242	325 590	364.84%
Miscellaneous creditors	1 783 157	935 068	848 089	90.70%
SUBTOTAL	2 198 001	1 867 024	330 977	17.73%
Other insurance assets				
SUBTOTAL	0	0	0	n.s.
TOTAL	2 412 589	2 083 580	329 009	15.79%

The amount stated under "miscellaneous creditors" at 31st December 2013 was 383 407 thousand euros. The increase of 551 661 thousand euros corresponds to the impact of the application of IFRS 10 (see note 2a above).

Note 15: Holdings in equity companies

Share in the result of equity companies

31/12/14	Country	% holding	Value of equity companies	Share in net result	Dividends received ⁽¹⁾	FV of holding (if listed)
Entities under significant influence						
Euro Information	France	10.15	95 357	7 115	315	n.c.
CM Habitat Gestion	France	20.79	85	21	13	n.c.
Sicorfe Maintenance	France	34.00	1 391	112	0	n.c.
Siparex Proximité Innovation	France	45.75	1 922	224	183	n.c.
CONVICTIONS ASSET MANAGEMENT	France	29.54	1 585	117	0	n.c.
Groupe CHOLET-DUPONT	France	33.21	10 343	1 077	409	n.c.
LFP Nexity services immobiliers	France	20.92	25 759	283	0	n.c.
Forum Holdings B.V.	Netherlands	24.26	3 521	9	78	n.c.
Forum Partners Investment Management LLC	USA	24.26	856	40	47	n.c.
Inflection Point Capital management Ltd	United Kingdom	48.25	9 147	-464	0	n.c.
JKC Capital Management Ltd	Hong-Kong	49.23	1 133	134	0	n.c.
Tages Capital LLP	United Kingdom	39.38	1 886	1 241	0	n.c.
La Française Global REIM (goodwill on Forum BV and Forum IM) ⁽²⁾			6 507	-	-	n.c.
La Française des Placements (goodwill on IPCM UK and Tages) ⁽²⁾			366	-	-	n.c.
Nouvelles Expertises et Talents AM (goodwill on JKC CM Ltd) ⁽²⁾			1 257	-	-	n.c.
TOTAL			161 115	9 909	1 045	0

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31/12/13	Country	% holding	Value of equity companies	Share in net result	Dividends received ⁽¹⁾	FV of holding (if listed)
Entities under significant influence						
Euro Information	France	10.15	88 137	7 930	315	n.c.
CM Habitat Gestion	France	20.85	78	-1	0	n.c.
Sicorfe Maintenance	France	34.00	1 279	128	0	n.c.
Siparex Proximité Innovation	France	45.88	1 700	424	165	n.c.
CONVICTIONS ASSET MANAGEMENT	France	29.62	1 468	380	333	n.c.
Groupe CHOLET-DUPONT	France	32.98	9 725	655	307	n.c.
LFP Nexity services immobiliers	France	20.98	25 223	663	0	n.c.
Forum Holdings B.V.	Netherlands	9.87	511	0	0	n.c.
Forum Partners Investment Management LLC	USA	9.87	240	0	0	n.c.
La Française Global REIM (goodwill on Forum BV and Forum IM) ⁽²⁾			6 024	0	0	n.c.
TOTAL			134 385	10 179	1 120	0

(1) in cash and stock

(2) under IAS 28, goodwill recorded on entities under significant influence is included in the value of securities accounted for using the equity method.

Financial data of the main equity companies

31/12/14	Total balance sheet	NBI/Turnover	GOP	Net result	OCI	Equity capital
Entities under significant influence						
Euro Information	1 079 320	936 857	106 818	67 650	70 003	918 961
CM Habitat Gestion	399	148	124	85	0	349
Sicorfe Maintenance	5 841	7 530	437	330	0	4 092
Siparex Proximité Innovation	7 052	6 902	1 089	482	-628	4 136
CONVICTIONS ASSET MANAGEMENT	9 311	11 499	689	391	0	5 285
Groupe CHOLET-DUPONT	152 676	21 273	7 423	3 193	0	30 663
LFP Nexity services immobiliers	204 120	70 928	906	1 150	0	104 541
Forum Holdings B.V.	21 906	5 582	595	48	0	17 348
Forum Partners Investment Management LLC	15 425	25 079	766	213	0	4 220
Inflection Point Capital management Ltd	12 136	876	-371	-371	0	11 980
JKC Capital Management Ltd	22 596	13 393	4 184	2 767	0	21 338
Tages Capital LLP	6 635	7 234	2 501	2 501	0	3 673

31/12/13	Total balance sheet	NBI/Turnover	GOP	Net result	OCI	Equity capital
Entities under significant influence						
Euro Information	999 670	904 580	128 692	76 757	65 622	850 033
CM Habitat Gestion	372	0	-4	-4	0	318
Sicorfe Maintenance	5 365	7 884	512	377	0	3 762
Siparex Proximité Innovation	6 474	7 473	1 701	912	-1 093	3 659
CONVICTIONS ASSET MANAGEMENT	9 662	14 775	2 446	1 266	0	4 894
Groupe CHOLET-DUPONT	149 895	18 196	4 792	1 963	0	29 115
LFP Nexity services immobiliers	187 295	74 729	4 131	2 692	0	102 366
Forum Holdings B.V.	7 045	0	0	0	0	7 045
Forum Partners Investment Management LLC	3 316	0	0	0	0	3 316

N.B.: This data corresponds with the summarised individual data of the entities and is communicated in foreign currency.

Reconciliation between the summarise financial data and the equity value

31/12/14	Equity capital in foreign currency	Converted equity capital in millions of euros	Consolidation adjustments	Goodwill	Equity value
Entities under significant influence					
Euro Information	918 961	918 961	-823 604	0	95 357
CM Habitat Gestion	349	349	-264	0	85
Sicorfe Maintenance	4 092	4 092	-2 701	0	1 391
Siparex Proximité Innovation	4 136	4 136	-2 214	0	1 922
CONVICTIONS ASSET MANAGEMENT	5 285	5 285	-3 700	0	1 585
Groupe CHOLET-DUPONT	30 663	30 663	-20 320	0	10 343
LFP Nexity services immobiliers	104 541	104 541	-78 782	0	25 759
Forum Holdings B.V.	17 348	14 289	-10 768	0	3 521
Forum Partners Investment Management LLC	4 220	3 476	-2 620	0	856
Inflection Point Capital management Ltd	11 980	15 381	-6 234	0	9 147
JKC Capital Management Ltd	21 338	2 266	-1 133	0	1 133
Tages Capital LLP	3 673	4 716	-2 830	0	1 886
La Française Global REIM (goodwill on Forum BV and Forum IM)				6 507	
La Française des Placements (goodwill on IPCM UK and Tages)				366	
Nouvelles Expertises et Talents AM (goodwill on JKC CM Ltd)				1 257	
TOTAL	1 126 586	1 108 154	-955 169	8 130	152 985

31/12/13	Equity capital in foreign currency	Converted equity capital in millions of euros	Consolidation adjustments	Goodwill	Equity value
Entities under significant influence					
Euro Information	850 033	850 033	-761 896	0	88 137
CM Habitat Gestion	318	318	-240	0	78
Sicorfe Maintenance	3 762	3 762	-2 483	0	1 279
Siparex Proximité Innovation	3 659	3 659	-1 959	0	1 700
CONVICTIONS ASSET MANAGEMENT	4 894	4 894	-3 426	0	1 468
Groupe CHOLET-DUPONT	29 115	29 115	-19 390	0	9 725
LFP Nexity services immobiliers	102 366	102 366	-77 143	0	25 223
Forum Holdings B.V.	7 045	5 108	-4 597	0	511
Forum Partners Investment Management LLC	3 316	2 404	-2 164	0	240
La Française Global REIM (goodwill on Forum BV and Forum IM)				6 024	
TOTAL	1 004 508	1 001 660	-873 299	6 024	128 361

Note 16: Investment property

	31/12/13	Increase	Decrease	Other variations	31/12/14
Historical cost	75 544	470	-2 720	3 897	77 191
Writedown and depreciation	-25 849	-4 840	0	-1 381	-32 070
NET AMOUNT	49 695	-4 370	-2 720	2 516	45 121

The fair value of these properties (recorded at cost) was 73 406 thousand euros at 31st December 2014; it was 75 461 thousand euros at 31st December 2013. The value is assessed by an expert surveyor.

Note 17: Tangible and intangible fixed assets

17a. Tangible fixed assets

	31/12/13	Increase	Decrease	Other variations	31/12/14
Historical cost					
Operating land	18 383	50 380	-1 757	-21	66 985
Operating buildings	198 388	10 437	-10 807	5 570	203 588
Other tangible fixed assets	269 976	87 783	-8 298	-3 842	345 619
TOTAL	486 747	148 600	-20 862	1 707	616 192
Writedown and depreciation					
Operating land	-1	0	0	0	-1
Operating buildings	-99 871	-8 722	2 280	-2 364	-108 677
Other tangible fixed assets	-155 944	-23 267	6 462	2 653	-170 096
TOTAL	-255 816	-31 989	8 742	289	-278 774
NET AMOUNT	230 931	116 611	-12 120	1 996	337 418

The increase stems almost solely from the addition to the Group of SCI Raspail Vavin Invest (95.4 million euros)

17b. Intangible fixed assets

Historical costs					
Fixed assets generated internally	73 725	1 782	-2 166	0	73 341
Fixed assets acquired	77 502	4 471	-4 769	-2 761	74 443
• software	32 798	2 972	-1 371	43	34 442
• other	44 704	1 499	-3 398	-2 804	40 001
TOTAL	151 227	6 253	-6 935	-2 761	147 784
Writedown and depreciation					
Fixed assets generated internally	-43 295	-6 280	291	0	-49 284
Fixed assets acquired	-48 915	-6 105	4 743	1 821	-48 456
• software	-27 672	-3 249	1 405	-14	-29 530
• other	-21 243	-2 856	3 338	1 835	-18 926
TOTAL	-92 210	-12 385	5 034	1 821	-97 740
NET AMOUNT	59 017	-6 132	-1 901	-940	50 044

Note 18: Goodwill

	31/12/13	Increase	Decrease	Other variations	31/12/14
Gross goodwill*	203 310	0	0	0	203 310
Depreciation	-1 915	0	0	0	-1 915
NET GOODWILL	201 395	0	0	0	201 395

* Of which 19 255 thousand euros corresponding to combined depreciations at 01/01/2005.

Detail of goodwill

Subsidiaries	Value of goodwill at 31/12/13	Increase	Decrease	Variation in depreciation	Other	Value of goodwill at 31/12/14
Belgium	2 343					2 343
Insurance	17 807					17 807
Third-Party Management	180 520					180 520
Services and Others	725					725
TOTAL	201 395	0	0	0	0	201 395

A multi-method approach was used to conduct goodwill depreciation for Third-Party Management (which represents 90% of the net total for the item). In this context, the fair value was determined based on market data for the sector: multiple items of data from transactions on similar assets and multiple items from market capitalisations of comparable companies.

Note 19: Technical provisions for insurance policies

	31/12/14	31/12/13	Variation	
Life	11 299 847	10 230 889	1 068 958	10.45%
Non-life	173 933	169 256	4 677	2.76%
Account units	1 639 769	1 594 220	45 549	2.86%
Other	10 857	10 983	-126	-1.15%
TOTAL	13 124 406	12 005 348	1 119 058	9.32%
<i>of which passive participation in deferred profits</i>	<i>1 360 100</i>	<i>847 068</i>	<i>513 032</i>	<i>60.57%</i>
Active participation in deferred profits	0	0	0	n.s.
Share of reinsurers in the technical provisions	26 606	25 430	1 176	4.62%
NET TECHNICAL PROVISIONS	13 097 800	11 979 918	1 117 882	9.33%

Note 20: Provisions

	31/12/13	Allocations for the period	Writebacks for the period (provision used)	Writebacks for the period (provision not used)	Variation in fair value	Other variations	31/12/14
Provisions for risks	16 253	2 168	-764	-6 957	0	-363	10 337
• On commitments by signature	1 034	883	0	-600	0	0	1 317
• On commitments of finance and guarantee	3 520	0	0	-514	0	0	3 006
• On country risks	0	0	0	0	0	0	0
• Provisions for taxes	1 515	0	0	-1 301	0	-155	59
• Provisions for disputes	4 649	491	-132	-1 334	0	0	3 674
• Provisions for risks on miscellaneous debts	5 535	794	-632	-3 208	0	-208	2 281
Other provisions	31 444	11 274	-1 810	-4 351	0	-2 278	34 279
• Provisions for housing savings	5 880	276	0	-50	0	0	6 106
• Provisions for miscellaneous eventualities	23 937	9 717	-1 810	-3 894	0	-1 627	26 323
• Other provisions	1 627	1 281	0	-407	0	-651	1 850
Provisions for retirement commitments	84 808	4 685	256	-6 658	11 894	1	94 986
TOTAL	132 505	18 127	-2 318	-17 966	11 894	-2 640	139 602

	31/12/12	Allocations for the period	Writebacks for the period (provision used)	Writebacks for the period (provision not used)	Variation in fair value	Other variations	31/12/13
Provisions for risks	11 390	3 916	-832	-1 556	0	3 335	16 253
• On commitments by signature	936	468	0	-370	0	0	1 034
• On commitments of finance and guarantee	0	520	0	0	0	3 000	3 520
• On country risks	0	0	0	0	0	0	0
• Provisions for taxes	1 884	0	0	-369	0	0	1 515
• Provisions for disputes	4 584	485	-644	-393	0	617	4 649
• Provisions for risks on miscellaneous debts	3 986	2 443	-188	-424	0	-282	5 535
Other provisions	53 008	20 821	-3 517	-36 145	0	-2 723	31 444
• Provisions for housing savings	5 511	414	0	-45	0	0	5 880
• Provisions for miscellaneous eventualities	36 166	20 126	-3 059	-26 214	0	-3 082	23 937
• Other provisions	11 331	281	-458	-9 886	0	359	1 627
Provisions for retirement commitments	90 347	10 240	-2 186	-84	-12 890	-619	84 808
TOTAL	154 745	34 977	-6 535	-37 785	-12 890	-7	132 505

The variation in fair value is linked to changes in actuarial differentials on Retirement Benefits.

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Provisions PEL / CEL

	0-4 years	4-10 years	+10 years	Total
Amount of outstanding funds collected for PEL in the savings phase	491 581	234 989	457 765	1 184 335
Amount of provisions on PEL		358	1 898	2 256
Amount of outstanding funds collected for CEL in the savings phase				256 229
Amount of provisions on CEL				2 868
Allocations Provisions EL				(276)
Writebacks Provisions EL				50
Amount of outstanding life loans granted on PEL/CEL				52 027
Amount of provisions on PEL/CEL loans				982

Retirement commitments and similar benefits

	31/12/13	Allocations for the period	Writebacks for the period	Variation in fair value	Other variations	31/12/14
Retirement commitments and similar, excluding retirement funds						
Retirement benefits	81 400	4 175	-6 364	11 894	1	91 106
Supplementary pension	1 464	213	-38	0	0	1 639
Long-service bonuses (other long-term benefits)	1 944	297	0	0	0	2 241
TOTAL	84 808	4 685	-6 402	11 894	1	94 986

	31/12/12	Allocations for the period	Writebacks for the period	Variation in fair value	Other variations	31/12/13
Retirement commitments and similar, excluding retirement funds						
Retirement benefits	87 834	9 261	-2 186	-12 890	-619	81 400
Supplementary pension	1 278	270	-84	0	0	1 464
Long-service bonuses (other long-term benefits)	1 235	709	0	0	0	1 944
TOTAL	90 347	10 240	-2 270	-12 890	-619	84 808

The variation in fair value stems from the actuarial differentials (see table of provisions above).

Defined benefits system: Main actuarial hypotheses		31/12/14	31/12/13
Discount rate ⁽¹⁾		1.70	3.00
Expected rate of increase in salaries		1.57	1.67

⁽¹⁾ The discount rate, determined by reference to the long-term lending rate in the private sector, estimated from the Iboxx index. Rate of calculation and change for CFCMNE and Beobank (98% of retirement benefits).

Retirement benefits

Variation in actuarial debt	31/12/13	Discount effect	Cost of services rendered for the period	Cost of past services	Financial cost/revenue	Contributions to the scheme	Actuarial differentials linked to hypotheses		Payment to beneficiaries	Other (groups of companies, liquidations)	31/12/14
							demog.	financial			
Commitments	144 110	3 359	1 660	0			12	17 643	(8 508)		158 276
Insurance policy*	62 710			0	1 863	4 840		5 103	(7 346)		67 170
PROVISION	81 400	3 359	1 660	0	(1 863)	(4 840)	12	12 540	(1 162)	0	91 106

Rate of calculation and change for CFCMNE and Beobank (98% of retirement benefits).

Variation in actuarial debt	31/12/12	Discount effect	Cost of services rendered for the period	Cost of past services	Financial cost/revenue	Contributions to the scheme	Actuarial differentials linked to hypotheses		Payment to beneficiaries	Other (groups of companies, liquidations)	31/12/13
							demog.	financial			
Commitments	149 524	3 465	7 377	0			(713)	(9 041)	(6 503)	1	144 110
Insurance policy*	61 690			0	1 734	2 189		3 136	(6 039)		62 710
PROVISION	87 834	3 465	7 377	0	(1 734)	(2 189)	(713)	(12 177)	(464)	1	81 400

* excluding Group and assets managed externally

Rate of calculation and change for CFCMNE and Beobank (98.45% of retirement benefits).

A variation of ± 50 basis points in the discount rate will result in a decrease/increase in the commitment of 7 177 thousand euros at 31/12/2013 and 8 139 thousand euros at 31/12/2014.

Variations in the fair value of the assets for the scheme	31/12/13	Discount effect	Yield from assets in the scheme, in addition to interest	Contributions to the scheme	Payment to beneficiaries	Effect of exchange rate variations	Other (groups of companies, liquidations)	31/12/14
Fair value of the assets in the scheme	62 710	5 103	1 863	4 840	(7 346)			67 170
TOTAL	62 710	5 103	1 863	4 840	(7 346)	0	0	67 170

Rate of calculation and change for CFCMNE and Beobank (98% of retirement benefits).

Variations in the fair value of the assets for the scheme	31/12/12	Discount effect	Yield from assets in the scheme, in addition to interest	Contributions to the scheme	Payment to beneficiaries	Effect of exchange rate variations	Other (groups of companies, liquidations)	31/12/13
Fair value of the assets in the scheme	61 690	3 136	1 734	2 189	(6 039)			62 710
TOTAL	61 690	3 136	1 734	2 189	(6 039)	0	0	62 710

Rate of calculation and change for CFCMNE and Beobank (98.45% of retirement benefits).

Net position	31/12/14	31/12/13
Actuarial debt	158 276	144 110
Fair value of the assets for the scheme	67 170	62 710
NET BALANCE	91 106	81 400

Rate of calculation and change for CFCMNE and Beobank (98% of retirement benefits).

Details of the fair value of the assets in the scheme	31/12/14				
	Debt securities	Equity capital instruments	Property	Other	Total
Assets listed on an active market	34 709	26 534	0	0	61 243
Assets not listed on an active market	0	0	5 078	849	5 927
TOTAL	34 709	26 534	5 078	849	67 170

Rate of calculation and change for CFCMNE and Beobank (98% of retirement benefits).

Details of the fair value of the assets in the scheme	31/12/13				
	Debt securities	Equity capital instruments	Property	Other	Total
Assets listed on an active market	24 808	30 452	0	0	55 260
Assets not listed on an active market	5	0	4 017	3 428	7 450
TOTAL	24 813	30 452	4 017	3 428	62 710

Rate of calculation and change for CFCMNE and Beobank (98.45% of retirement benefits).

The "Others" column in the detail of the assets corresponds mainly to the cash available at the statement date.

Retirement commitments with defined benefits	Average weighted duration
Retirement benefits	12.4

Rate of calculation and change for CFCMNE and Beobank (98% of retirement benefits).

Note 21: Subordinated debts

	31/12/14	31/12/13	Variation	
Subordinated debts	366 600	170	366 430	n.s.
Open-ended subordinated debts	151 952	154 020	-2 068	-1.34%
Receivables	3 720	989	2 731	276.14%
TOTAL	522 272	155 179	367 093	236.56%

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Principal subordinated debts

Type	Issue date	Issue amount	Amount at period end	Maturity
Open-ended Super-Subordinated Securities Caisse Fédérale CMNE	2004	150 000	150 000	-
• CMNE Group holding		-18 320	-13 762	
CFCMNE structured RSNs (8 lines)	2014	41 600	41 600	2024
CFCMNE structured RSNs (2 lines)	2014	175 000	175 000	2026
ACMN Vie SRN	2014	150 000	150 000	2024
Other			15 714	
Charged debts			3 720	
TOTAL			522 272	

Note 22: Equity capital

22a. Equity capital share of Group (excluding result and latent profits and losses)

	31/12/14	31/12/13	Variation	
Capital and reserves linked to capital	1 297 952	1 301 212	-3 260	-0.25%
• Capital	1 295 202	1 298 462	-3 260	-0.25%
• Issue premium, contribution, merger, split, conversion	2 750	2 750	0	0.00%
Consolidated reserves	819 414	673 537	145 877	21.66%
• Other reserves (including securities linked to first application)	909 417	764 115	145 302	19.02%
• Balance carried forward	-90 003	-90 578	575	-0.63%
TOTAL	2 117 366	1 974 749	142 617	7.22%

22b. Deferred latent profits or losses share of Group

	31/12/14	31/12/13	Variation	
Deferred latent profits or losses* linked to:				
Assets available for sale	189 262	151 854	37 408	24.63%
Hedge derivatives (CFH)	-24 085	-20 793	-3 292	15.83%
Conversion reserves	768	-45	813	n.s.
Other	-7 560	130	-7 690	n.s.
TOTAL	158 385	131 146	27 239	20.77%

* Net balance of IS and after shadow accounting.

22c. Fully consolidated entities with significant minority interests

31/12/14	Share of minority interests in the consolidated accounts				Financial information relative to the fully consolidated entity*			
	Percentage holding	Net result accruing to minority holdings	Amount in the equity capital of minority interests	Dividends paid to minority holdings	Total balance sheet	Net result	OCI	NBI
ACMN IARD	49%	9 994	25 759	5 538	194 027	19 827	3 176	47 999

31/12/13	Share of minority interests in the consolidated accounts				Financial information relative to the fully consolidated entity*			
	Percentage holding	Net result accruing to minority holdings	Amount in the equity capital of minority interests	Dividends paid to minority holdings	Total balance sheet	Net result	OCI	NBI
ACMN IARD	49%	6 019	22 012	4 070	169 685	13 041	2 162	36 642

* Amounts before offsetting of reciprocal accounts and transactions

This information is provided for entities whose minority holdings represent at least 10% of total minority interests.

Note 23: Commitments given and received

Commitments given	31/12/14	31/12/13	Variation	
Finance commitments				
Commitments in favour of credit establishments	54 496	64 921	-10 425	-16.06%
Commitments in favour of capital	2 132 754	1 978 400	154 354	7.80%
Guarantee commitments				
Commitments to credit establishments	436 003	144 755	291 248	201.20%
Commitments to customers	320 648	106 951	213 697	199.81%
Commitments on securities				
Other commitments given	1 288	114 286	-112 998	-98.87%
Commitments received				
Finance commitments				
Commitments received from credit establishments	947 030	888 927	58 103	6.54%
Guarantee commitments	0	0	0	n.s.
Commitments received from credit establishments				
Commitments received from customers	2 735 388	2 982 216	-246 828	-8.28%
Commitments on securities	5 540 868	5 504 054	36 814	0.67%
Other commitments received				
Autres engagements reçus	95 922	114 286	-18 364	-16.07%

Securities and assets given as pension

Securities and assets given as pension	31/12/14	31/12/13	Variation	
Assets given as pension	195 800	0	195 800	n.s.
Associated liabilities	175 000	0	175 000	n.s.
TOTAL	370 800	0	370 800	N.S.

Assets given as guarantee for liabilities

Assets given as guarantee for liabilities	31/12/14	31/12/13	Variation	
Securities lent	0	0	0	n.s.
Guarantee deposits on market transactions	159 562	100 233	59 329	59.19%
TOTAL	159 562	100 233	59 329	59.19%

2. Notes relative to the profit-and-loss account

Note 24: Interest and revenue/assimilated charges

	31/12/14		31/12/13	
	Revenue	Charges	Revenue	Charges
Credit establishments and central banks	55 866	-20 518	72 723	-26 410
Customers	1 058 836	-524 652	1 069 144	-551 145
<i>of which finance leases and simple leases</i>	<i>382 367</i>	<i>-338 372</i>	<i>367 312</i>	<i>-322 776</i>
Derivative hedging instruments	28 086	-46 774	27 339	-78 173
Financial assets available for sale	51 016		59 508	
Financial assets held to maturity	15 511		24 498	
Debts represented by a security		-83 562		-88 418
Subordinated debts		-3 483		-3 735
TOTAL	1 209 315	-678 989	1 253 212	-747 881
<i>of which revenue and interest charges calculated at TIE</i>	<i>1 181 229</i>	<i>-632 215</i>	<i>1 225 873</i>	<i>-669 708</i>
<i>of which interest on liabilities at the amortised cost</i>		<i>-632 215</i>		<i>-669 708</i>

Annexe to the consolidated accounts

Note 25: Commissions

	31/12/14		31/12/13	
	Revenue	Charges	Revenue	Charges
Credit establishments	4 382	-179	3 332	-243
Customers	73 076	-1 196	72 892	-968
Securities	21 292	-3 225	20 619	-560
<i>of which activities managed for third parties</i>	3 771		4 445	
Derivative instruments	6	0	6	0
Foreign exchange	190	0	205	0
Finance and guarantee commitments	155	-216	170	-275
Services provided	99 324	-55 305	111 896	-58 867
TOTAL	198 425	-60 121	209 120	-60 913

Note 26: Profits or losses on financial instruments at fair value by result

	31/12/14	31/12/13	Variation	
Transaction instruments	36 736	41 801	-5 065	-12.12%
Instruments at fair value on option	14 507	-521	15 028	n.s.
Ineffectiveness of hedges	-241	-543	302	-55.62%
• On fair value hedging (FVH)	-241	-543	302	-55.62%
– Variations in fair value of the elements hedged	39 933	-47 010	86 943	-184.95%
– Variations in fair value of the hedge elements	-40 174	46 467	-86 641	-186.46%
Foreign exchange result	2 663	1 092	1 571	143.86%
TOTAL OF VARIATIONS IN FAIR VALUE	53 665	41 829	11 836	28.30%
<i>of which transaction derivatives</i>	22 563	35 566	-13 003	-36.56%

Note 27: Profits or losses on financial assets available for sale

31/12/14	Dividends	PV/MV realised	Depreciation	Total
Government securities, bonds and other fixed-revenue securities		2 529	0	2 529
Shares and other variable-revenue securities	10 626	10 375	1 077	22 078
Investment securities	6 119	-7 928	159	-1 650
TOTAL	16 745	4 976	1 236	22 957

31/12/13	Dividends	PV/MV realised	Depreciation	Total
Government securities, bonds and other fixed-revenue securities		8 121	0	8 121
Shares and other variable-revenue securities	2 282	8 280	-2 554	8 008
Investment securities	5 246	8 560	-914	12 892
Other	0	-605	0	-605
TOTAL	7 528	24 356	-3 468	28 416

Note 28: Revenue and charges from other activities

	31/12/14	31/12/13	Variation	
Revenue from other activities				
Insurance policies	1 713 762	1 543 509	170 253	11.03%
Investment property	0	0	0	n.s.
Charges re-invoiced	14 332	13 991	341	2.44%
Other revenue	244 613	237 777	6 836	2.87%
SUBTOTAL	1 972 707	1 795 277	177 430	9.88%
Charges from other activities				
Insurance policies	-1 479 966	-1 353 813	-126 153	9.32%
Investment property:				
• allocations to provisions/writedowns	-4 840	-2 515	-2 325	92.45%
• losses on disposals	-4 839	-2 515	-2 324	92.41%
	-1	0	-1	n.s.
Other charges	-80 766	-82 826	2 060	-2.49%
SUBTOTAL	-1 565 572	-1 439 154	-126 418	8.78%
NET TOTAL OF OTHER REVENUE AND CHARGES	407 135	356 123	51 012	14.32%

Detail of net revenue from insurance activities

	31/12/14	31/12/13	Variation	
Premiums acquired	1 207 290	1 087 361	119 929	11.03%
Charges for services	-1 061 699	-1 031 876	-29 823	2.89%
Variations in provisions	-402 409	-309 200	-93 209	30.15%
Other technical and non-technical charges and revenue	-4 903	-5 087	184	-3.62%
Net revenue from investments	495 517	448 498	47 019	10.48%
TOTAL	233 796	189 696	44 100	23.25%

Note 29: General overheads

	31/12/14	31/12/13	Variation	
Staff overheads	-435 420	-441 541	6 121	-1.39%
Other charges	-349 980	-300 254	-49 726	16.56%
TOTAL	-785 400	-741 795	-43 605	5.88%

29a. Staff overheads

	31/12/14	31/12/13	Variation	
Salaries and remuneration	-256 464	-257 315	851	-0.33%
Social charges	-121 548	-126 404	4 856	-3.84%
Staff incentives and employee participation schemes	-30 972	-32 091	1 119	-3.49%
Charges, and similar payments on remuneration	-26 263	-25 545	-718	2.81%
Other	-173	-186	13	-6.99%
TOTAL	-435 420	-441 541	6 121	-1.39%

Manpower

	31/12/14	31/12/13	Variation	
Bank officers	2 551	2 644	-93	-3.52%
Managers	2 188	2 132	56	2.63%
TOTAL	4 739	4 776	-37	-0.77%

Annexe to the consolidated accounts

29b. Other operating overheads

	31/12/14	31/12/13	Variation	
Charges and taxes	-31 959	-20 504	-11 455	55.87%
Outside services	-198 433	-140 819	-57 614	40.91%
Other miscellaneous charges	-77 784	-107 049	29 265	-27.34%
TOTAL	-308 176	-268 372	-39 804	14.83%

29c. Allocations / writebacks on depreciations and depreciation of tangible and intangible fixed assets

	31/12/14	31/12/13	Variation	
Writedowns	-39 101	-31 662	-7 439	23.50%
• Tangible fixed assets	-28 548	-25 635	-2 913	11.36%
• Intangible fixed assets	-10 553	-6 027	-4 526	75.10%
Depreciations	-2 703	-220	-2 483	n.s.
• Tangible fixed assets	-1 468	0	-1 468	n.s.
• Intangible fixed assets	-1 235	-220	-1 015	461.36%
TOTAL	-41 804	-31 882	-9 922	31.12%

Note 30: Cost of risk

31/12/14	Allocations	Writebacks	Irrecoverable debts hedged	Irrecoverable debts not hedged	Recovery on discharged debts	TOTAL
Credit establishments	0	0	0	-1 059	0	-1 059
Customers	-71 673	59 151	-16 993	-3 835	581	-32 769
• Finance leases	-1 079	2 247	-1 504	-915	0	-1 251
• Other - customers	-70 594	56 904	-15 489	-2 920	581	-31 518
SUBTOTAL	-71 673	59 151	-16 993	-4 894	581	-33 828
Financial assets held to maturity	-11	13	0	0	0	2
Financial assets available for sale	0	305	0	0	0	305
Other	-2 011	5 002	0	-52	0	2 939
TOTAL	-73 695	64 471	-16 993	-4 946	581	-30 582

31/12/13	Allocations	Writebacks	Irrecoverable debts hedged	Irrecoverable debts not hedged	Recovery on discharged debts	TOTAL
Credit establishments	0	0	0	-895	0	-895
Customers	-105 954	64 045	-17 261	-2 204	633	-60 741
• Finance leases	-2 312	4 933	-4 191	-19	22	-1 567
• Other - customers	-103 642	59 112	-13 070	-2 185	611	-59 174
SUBTOTAL	-105 954	64 045	-17 261	-3 099	633	-61 636
Financial assets held to maturity	-6 013	6 013	0	0	0	0
Financial assets available for sale	-175	0	0	0	0	-175
Other	-3 729	3 984	-23	-58	0	174
TOTAL	-115 871	74 042	-17 284	-3 157	633	-61 637

Note 31: Profits or losses on other assets

	31/12/14	31/12/13	Variation	
Tangible and intangible fixed assets	-2 869	-954	-1 915	200.73%
• MV disposal	-3 453	-1 711	-1 742	101.81%
• PV disposal	584	757	-173	-22.85%
Net profits or losses on consolidated securities	-108	287	-395	-137.63%
TOTAL	-2 977	-667	-2 310	346.33%

Note 32: Variations in goodwill value

	31/12/14	31/12/13	Variation	
Depreciation of goodwill	0	0	0	n.s.
Negative goodwill entered in earnings	3 647	0	3 647	n.s.
TOTAL	3 647	0	3 647	N.S.

Note 33: Tax on profits

33a. Breakdown of tax charges

	31/12/14	31/12/13	Variation	
Tax payable	-85 834	-72 519	-13 315	18.36%
Tax deferred	-19 129	-22 462	3 333	-14.84%
Adjustments for previous financial years	-91	2	-93	n.s.
TOTAL	-105 054	-94 979	-10 075	10.61%

33b. Reconciliation between effective and theoretical bank charges

	31/12/14		31/12/13	
Theoretical tax rate	131 854	38.00%	108 614	37.98%
Impact of the reduced rate on long-term gains in value	-6 495	-1.87%	-2 816	-0.98%
Impact of the specific tax rates of foreign entities	-1 134	-0.33%	-554	-0.19%
Permanent deferments	-9 726	-2.80%	-24 335	-8.51%
Other	-9 445	-2.72%	14 070	4.92%
EFFECTIVE TAX RATE	105 054	30.28%	94 979	33.21%
Taxable result	346 984		285 986	
TAX CHARGE	105 054	30.28%	94 979	33.21%

3. Notes relative to the net result and the profits and losses entered directly under equity capital

Note 34 : Recycling profits and losses entered directly under equity capital

Movements	31/12/14	31/12/13
Conversion differentials		
Reclassifications to the result	0	0
Other movements	822	-45
SUBTOTAL	822	-45
Revaluation of financial assets available for sale		
Reclassification to earnings	-989	48
Other movements	38 194	-15
SUBTOTAL	37 205	33
Revaluation of derivative hedging instruments		
Reclassification to earnings	0	0
Other movements	-3 292	2 155
SUBTOTAL	-3 292	2 155
Revaluation of fixed assets		0
Actuarial differentials on defined benefits plans	-7 676	8 551
Share of latent or deferred profits or losses on equity companies	629	556
TOTAL	27 688	11 250

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Note 35: Tax relative to each component of the profits and losses entered directly under equity capital

	31/12/14			31/12/13		
	Gross	Tax	Net	Gross	Tax	Net
Conversion differentials	822		822	-45		-45
Revaluation of financial assets available for sale	53 411	-16 206	37 205	-2 478	2 511	33
Revaluation of derivative hedging instruments	-5 239	1 947	-3 292	2 382	-227	2 155
Revaluation of fixed assets	0	0	0	0	0	0
Actuarial differentials on defined benefits plans	-11 884	4 208	-7 676	12 890	-4 339	8 551
Share of latent or deferred profits or losses on equity companies	489	140	629	556	0	556
TOTAL VARIATIONS OF PROFITS AND LOSSES ENTERED DIRECTLY UNDER EQUITY CAPITAL	37 599	-9 911	27 688	13 305	-2 055	11 250

V SECTOR-BASED INFORMATION

In terms of sector-based information, CMNE communicates on two levels. First, information by business sector; second, by geographical sector.

► Sector-based information by business (Level 1)

The CMNE Group is organised into six separate businesses:

- Bancassurance France
- Bancassurance Belgium
- Business Finance
- Assurances
- Third-Party Management
- Miscellaneous Services and Businesses

Details of the entities that make up these various businesses are shown in the following tables:

Company	Business	2013			2014		
		% Interest	% Control	Method	% Interest	% Control	Method
Bancassurance France							
Crédit Mutuel Nord Europe	Credit establishment	100.00	100.00	Parent	100.00	100.00	Parent
Cumul SCI	Property	100.00	100.00	FC	100.00	100.00	FC
FCP Nord Europe Gestion	Dedicated fund	100.00	100.00	FC	0.00	0.00	NC
FCP Richebé Gestion	Dedicated fund	96.57	96.75	FC	99.78	100.00	FC
FCP Richebé Recovery	Dedicated fund	99.37	100.00	FC	0.00	0.00	NC
CMNE Home Loans FCT	Credit establishment	99.90	100.00	FC	99.90	100.00	FC
GIE CMN Prestations	Resources group	100.00	100.00	FC	100.00	100.00	FC
SA Immobilière du CMN	Property	100.00	100.00	FC	100.00	100.00	FC
THEIA	Property	0.00	0.00	NC	80.00	80.00	FC
Bancassurance Belgium							
CMNE Belgium	Financial operations	100.00	100.00	FC	100.00	100.00	FC
BKCP Immo IT SCRL	Credit establishment	95.80	95.80	FC	95.87	95.87	FC
BKCP Securities	Asset management	100.00	100.00	FC	100.00	100.00	FC
Beobank	Credit establishment	100.00	100.00	FC	100.00	100.00	FC
BKCP Banque SA	Credit establishment	100.00	100.00	FC	100.00	100.00	FC
Immo W16	Property management	100.00	100.00	FC	100.00	100.00	FC
Mobilease	Equipment leasing	100.00	100.00	FC	100.00	100.00	FC
OBK SCRL	Credit establishment	99.67	100.00	FC	99.99	100.00	FC
Business Finance							
BCMNE	Credit establishment	100.00	100.00	FC	100.00	100.00	FC
Bail Actea	Equipment leasing	100.00	100.00	FC	100.00	100.00	FC
Nord Europe Lease	Property leasing	100.00	100.00	FC	100.00	100.00	FC
GIE BCMNE Gestion	Resources group	100.00	100.00	FC	100.00	100.00	FC
Nord Europe Partenariat	Capital development	99.63	99.65	FC	99.65	99.65	FC
SDR Normandie	Financial operations	99.80	99.80	FC	0.00	0.00	NC

Company	Business	2013			2014		
		% Interest	% Control	Method	% Interest	% Control	Method
Insurance							
Nord Europe Assurances	Collective insurance management	100.00	100.00	FC	100.00	100.00	FC
ACMN IARD	Insurance	51.00	51.00	FC	51.00	51.00	FC
ACMN Vie	Insurance	100.00	100.00	FC	100.00	100.00	FC
CP - BK Reinsurance	Reinsurance	100.00	100.00	FC	100.00	100.00	FC
Courtage CMNE	Insurance broking	100.00	100.00	FC	100.00	100.00	FC
Nord Europe Life Luxembourg	Insurance	100.00	100.00	FC	100.00	100.00	FC
Nord Europe Retraite	PERP management	100.00	100.00	FC	100.00	100.00	FC
Pérennité Entreprises	Insurance broking	100.00	100.00	FC	0.00	0.00	NC
Vie Services	IT & management services	77.50	77.50	FC	77.50	77.50	FC
North Europe Life Belgium	Insurance	0.00	0.00	NC	100.00	100.00	FC
Third-Party Management							
La Française Group	Collective management	98.74	98.74	FC	98.46	98.46	FC
CD Partenaires	Asset management	74.23	100.00	FC	74.02	100.00	FC
CMH Gestion	Collective management	20.85	24.48	EM	20.79	24.48	EM
Conviction asset Management	Collective management	29.62	30.00	EM	29.54	30.00	EM
FCT LFP Créances Immobilières	Asset management	99.07	100.00	FC	98.86	100.00	FC
Forum Partners Investment Management LLC	Asset management	9.87	10.00	EM	24.26	24.64	EM
Forum Holding BV	Asset management	9.87	10.00	EM	24.26	24.64	EM
Franklin Gérance	Collective management	85.16	100.00	FC	0.00	0.00	NC
GIE Groupe La Française	Resources group	98.74	100.00	FC	98.46	100.00	FC
Groupe Cholet-Dupont	Asset management	32.98	33.40	EM	33.21	33.73	EM
Inflection Point Capital Management UK LD	Asset management	0.00	0.00	NC	48.25	49.00	EM
JKC Capital Management Limited	Asset management	0.00	0.00	NC	49.23	50.00	EM
La Française AM Finance Services	Property	98.74	100.00	FC	98.46	100.00	FC
La Française AM GP	Asset management	98.74	100.00	FC	98.46	100.00	FC
La Française AM IBERIA	Asset management	65.17	66.00	FC	64.99	66.00	FC
La Française AM ICC	Debt recovery	98.74	100.00	FC	98.46	100.00	FC
La Française AM International	Asset management	98.74	100.00	FC	98.47	100.00	FC
La Française Bank	Credit establishment	99.24	100.00	FC	99.08	100.00	FC
La Française des Placements	Collective management	98.74	100.00	FC	98.46	100.00	FC
La Française Global REIM	Asset management	98.74	100.00	FC	98.46	100.00	FC
La Française Inflection Point	Asset management	98.74	100.00	FC	73.86	51.00	FC
La Française Investment Solutions	Asset management	64.18	65.00	FC	64.00	65.00	FC
La Française Real Estate Managers	Collective management	85.16	86.25	FC	84.92	86.25	FC
La Française Real Estate Partners	Asset management	0.00	0.00	NC	55.20	65.00	FC
LFF Real Estate Partners Limited	Asset management	0.00	0.00	NC	55.00	56.67	FC
LFP Nexity Services Immobiliers	Property management	20.98	24.64	EM	20.92	24.64	EM
LFP SV	Asset management	98.74	100.00	FC	98.46	100.00	FC
NEXt Advisor	Asset management	98.74	100.00	FC	98.46	100.00	FC
New Alpha Asset Management	Asset management	98.74	100.00	FC	98.46	100.00	FC
Nouvelles Expertises et Talents AM	Capital development	98.74	100.00	FC	98.46	100.00	FC
OPCI Raspail	Property management	0.00	0.00	NC	99.73	100.00	FC
SCI Raspail Vavin Invest	Property management	0.00	0.00	NC	99.71	100.00	FC
Siparex Proximité Innovation	Collective management	45.88	46.46	EM	45.75	46.46	EM
Société Holding Partenaires	Asset management	50.36	51.00	FC	50.22	51.00	FC
TAGES Capital LLP	Asset management	0.00	0.00	NC	39.38	40.00	EM
UFG PM	Property management	85.16	100.00	FC	84.92	100.00	FC
Miscellaneous Services and Businesses							
Actéa Environnement	Property management	100.00	100.00	FC	100.00	100.00	FC
CMN Environnement	Property management	100.00	100.00	FC	100.00	100.00	FC
CMN Tél	Services	100.00	100.00	FC	100.00	100.00	FC
Euro Information SAS	IT	10.15	10.15	EM	10.15	10.15	EM
Financière Nord Europe	Collective management		100.00	FC	100.00	100.00	FC
Fininmad	Property	100.00	100.00	FC	100.00	100.00	FC
NEPI	Financial operations	100.00	100.00	FC	100.00	100.00	FC
SCI Centre Gare	Property	100.00	100.00	FC	100.00	100.00	FC
Sicorfé Maintenance	Services	34.00	34.00	EM	34.00	34.00	EM
Sofimmo 3	Property	100.00	100.00	FC	100.00	100.00	FC
Sofimpar	Property	100.00	100.00	FC	100.00	100.00	FC
Transactimmo	Property	100.00	100.00	FC	100.00	100.00	FC

Method of integration: EM: Equity Method; PC: Proportionate Consolidation; FC: Full Consolidation.

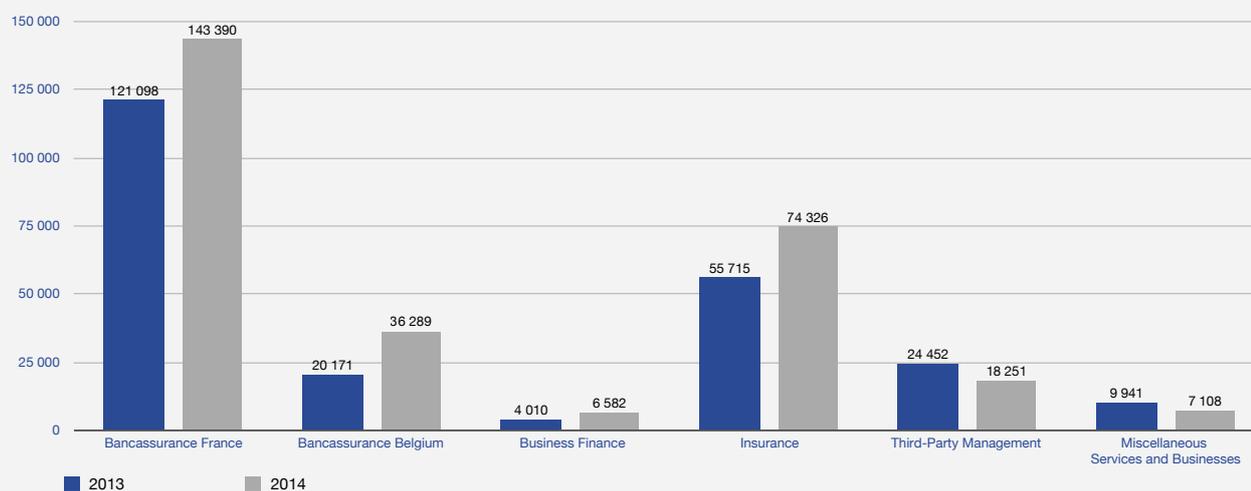
Annexe to the consolidated accounts

Summary of contributions by business

In thousands of euros

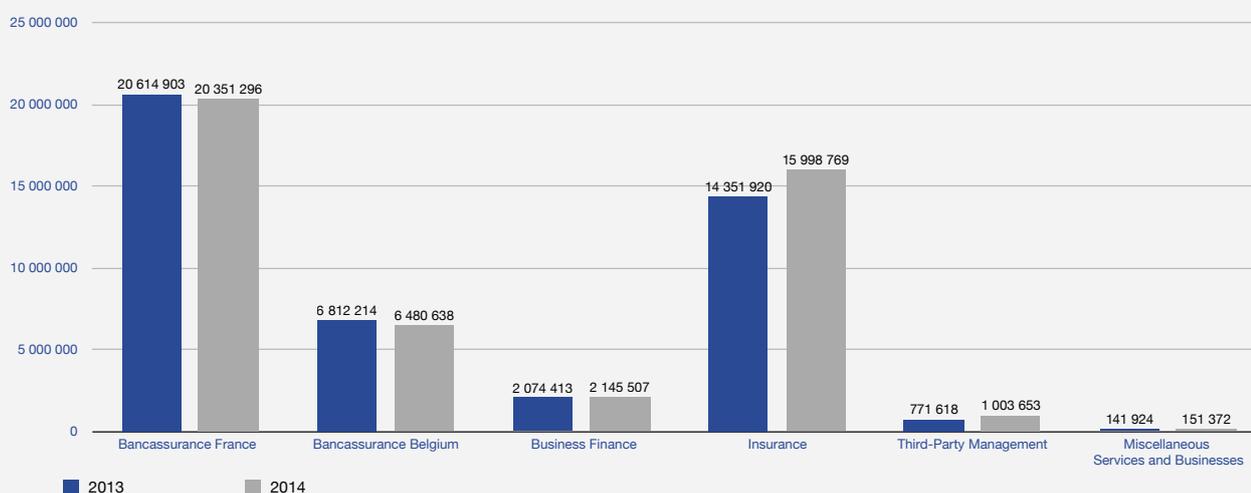
	Contribution to NBI		Contribution to GOP		Contribution to the consolidated result		Contribution to the total consolidated balance sheet	
	2013	2014	2013	2014	2013	2014	2013	2014
Bancassurance France	494 059	510 865	175 378	187 160	121 098	143 390	20 614 903	20 351 296
Bancassurance Belgium	279 393	286 021	56 503	49 986	20 171	36 289	6 812 214	6 480 638
Business Finance	50 199	52 486	22 743	24 368	4 010	6 582	2 074 413	2 145 507
Insurance	161 282	208 422	98 990	130 603	55 715	74 326	14 351 920	15 998 769
Third-Party Management	143 457	149 571	34 282	29 263	24 452	18 251	771 618	1 003 653
Misc. Services and Businesses	4 573	2 628	2 931	980	9 941	7 108	141 924	151 372
Offsets between businesses	-53 057	-57 606	-52 716	-55 373	-51 285	-56 537	-4 948 315	-4 394 308
TOTAL	1 079 906	1 152 387	338 111	366 987	184 102	229 409	39 818 677	41 736 927

Contribution to the result (before offsets between businesses)



In thousands of euros

Contribution to the total balance sheet (before offsets between businesses)



In thousands of euros

Balance sheet summary and result by business

ASSETS 31/12/13 adjusted	Bancassurance France	Bancassurance Belgium	Business Finance	Insurance	Third-Party Management	Miscellaneous Services and Businesses	Specific operations and offsets	Total
Financial assets at fair value by result	444 179	10 356	8	10 729 850	45 802	-	(140 878)	11 089 317
Derivative hedging instruments	67 848	4 994	397	-	-	-	(27 080)	46 159
Financial assets available for sale	3 233 076	1 432 103	15 281	3 428 848	113 507	23 513	(1 782 271)	6 464 057
Loans and debts on credit establishments	5 806 634	1 091 198	166 023	68 474	47 423	428	(2 812 427)	4 367 753
Loans and debts on customers	9 564 630	4 021 922	1 862 864	50 191	242 335	22	(205 845)	15 536 119
Revaluation differential of the portfolios with rate hedging	13 508	-	1 739	-	-	-	-	15 247
Assets held to maturity	941 600	64 212	-	-	-	-	-	1 005 812
Accruals and miscellaneous assets	364 751	80 696	26 641	66 343	75 662	2 007	2 690	618 790
Holdings in equity companies	-	-	-	-	44 968	89 416	1	134 385
Tangible and intangible fixed assets	178 677	104 390	1 460	2 574	28 649	25 814	(1 921)	339 643
Goodwill	-	2 343	-	5 640	173 272	724	19 416	201 395
TOTAL	20 614 903	6 812 214	2 074 413	14 351 920	771 618	141 924	(4 948 315)	39 818 677

ASSETS 31/12/14	Bancassurance France	Bancassurance Belgium	Business Finance	Insurance	Third-Party Management	Miscellaneous Services and Businesses	Specific operations and offsets	Total
Financial assets at fair value by result	464 266	-	-	11 957 671	124 959	-	(225 956)	12 320 940
Derivative hedging instruments	103 654	2 591	-	-	-	-	(57 546)	48 699
Financial assets available for sale	3 468 163	1 725 856	9 354	3 817 455	84 667	29 008	(1 831 397)	7 303 106
Loans and debts on credit establishments	5 675 145	421 818	110 794	89 493	20 151	148	(1 971 477)	4 346 072
Loans and debts on customers	9 641 849	4 121 964	2 003 558	50 890	260 152	-	(293 851)	15 784 562
Revaluation differential of the portfolios with rate hedging	29 595	13 578	4 047	-	-	-	-	47 220
Assets held to maturity	441 064	39 522	-	-	-	-	-	480 586
Accruals and miscellaneous assets	348 384	55 373	16 947	75 630	143 387	2 344	(31 416)	610 649
Holdings in equity companies	-	-	-	-	64 367	96 748	-	161 115
Tangible and intangible fixed assets	179 176	97 593	807	1 990	132 698	22 400	(2 081)	432 583
Goodwill	-	2 343	-	5 640	173 272	724	19 416	201 395
TOTAL	20 351 296	6 480 638	2 145 507	15 998 769	1 003 653	151 372	(4 394 308)	41 736 927

The amounts stated in "financial assets at fair value by result" in the Insurance business and "financial assets available for sale" in Bancassurance Belgium at 31st December 2013, were 10 187 441 thousand euros and 1 422 851 thousand euros respectively. The difference, i.e. 542 409 thousand euros and 9 252 thousand euros, stems from the application of IFRS 10 (see note 2a above).

Annexe to the consolidated accounts

LIABILITIES 31/12/13 adjusted	Bancassurance France	Bancassurance Belgium	Business Finance	Insurance	Third-Party Management	Miscellaneous Services and Businesses	Specific operations and offsets	Total
Financial liabilities at fair value by result	223 309	686	-	1	11 079	-	(85 592)	149 483
Derivative hedging instruments	104 669	20 256	3 368	-	-	-	(26 987)	101 306
Debts to credit establishments	2 981 818	454 880	1 402 943	36 950	99 268	9 979	(2 838 690)	2 147 148
Debts to customers	9 735 677	5 435 945	374 035	78 741	47 934	475	(33 625)	15 639 182
Dents represented by a security	4 943 824	74 535	4 192	-	228 608	-	(311 289)	4 939 870
Revaluation differential of the portfolios with rate hedging	95	3 463	-	-	-	-	-	3 558
Accruals and miscellaneous liabilities	452 185	127 837	93 138	1 451 549	85 805	921	(11 427)	2 200 008
Technical provisions for insurance policies	-	-	-	12 006 654	-	-	(1 306)	12 005 348
Provisions	19 883	55 294	7 325	2 739	2 981	25	44 258	132 505
Subordinated debts	150 390	112 364	-	53 017	-	-	(160 592)	155 179
Minority interests	8 038	6 460	41	28 217	12 535	-	(198)	55 093
Equity capital excluding result (share of Group)	1 873 917	500 323	185 361	638 337	258 956	120 583	(1 471 582)	2 105 895
Result for the period (share of Group)	121 098	20 171	4 010	55 715	24 452	9 941	(51 285)	184 102
TOTAL	20 614 903	6 812 214	2 074 413	14 351 920	771 618	141 924	(4 948 315)	39 818 677

LIABILITIES 31/12/14	Bancassurance France	Bancassurance Belgium	Business Finance	Insurance	Third-Party Management	Miscellaneous Services and Businesses	Specific operations and offsets	Total
Financial liabilities at fair value by result	249 747	1 435	-	2	73 488	-	(123 713)	200 959
Derivative hedging instruments	144 198	55 708	4 737	-	-	-	(57 546)	147 097
Debts to credit establishments	2 496 946	42 620	1 480 166	69 913	168 146	14 813	(2 081 653)	2 190 951
Debts to customers	9 773 821	5 479 751	373 673	85 090	3 060	-	(39 662)	15 675 733
Dents represented by a security	4 623 063	55 977	2 543	-	258 555	-	(327 887)	4 612 251
Revaluation differential of the portfolios with rate hedging	-	2 970	-	-	-	-	-	2 970
Accruals and miscellaneous liabilities	550 757	118 897	94 741	1 692 926	139 423	896	(39 446)	2 558 194
Technical provisions for insurance policies	-	-	-	13 141 378	-	-	(16 972)	13 124 406
Provisions	16 790	57 076	3 845	10 474	2 617	25	48 775	139 602
Subordinated debts	370 126	109 891	-	203 017	-	-	(160 762)	522 272
Minority interests	397	3 465	28	35 913	17 320	-	209	57 332
Equity capital excluding result (share of Group)	1 982 061	516 559	179 192	685 730	322 793	128 530	(1 539 114)	2 275 751
Result for the period (share of Group)	143 390	36 289	6 582	74 326	18 251	7 108	(56 537)	229 409
TOTAL	20 351 296	6 480 638	2 145 507	15 998 769	1 003 653	151 372	(4 394 308)	41 736 927

The amounts stated in "financial liabilities at fair value by result" in the Insurance business and in Bancassurance Belgium at 31st December 2013, were 909 140 thousand euros and 118 585 thousand euros respectively. The difference, i.e. 542 409 thousand euros and 9 252 thousand euros, stems from the application of IFRS 10 (see note 2a above).

PROFIT-AND-LOSS ACCOUNT 31/12/13 adjusted	Bancassurance France	Bancassurance Belgium	Business Finance	Insurance	Third-Party Management	Miscellaneous Services and Businesses	Specific operations and offsets	Total
NET BANKING INCOME	494 059	279 393	50 199	161 282	143 457	4 573	(53 057)	1 079 906
Overheads	(318 681)	(222 890)	(27 456)	(62 292)	(109 175)	(1 642)	341	(741 795)
GROSS OPERATING PROFIT	175 378	56 503	22 743	98 990	34 282	2 931	(52 716)	338 111
Cost of risk	(21 374)	(23 905)	(15 296)	-	(714)	(356)	8	(61 637)
OPERATING PROFIT	154 004	32 598	7 447	98 990	33 568	2 575	(52 708)	276 474
Share of companies consolidated using the equity method	-	-	-	-	2 122	8 058	(1)	10 179
Profits or losses on other assets	(1 338)	384	5	-	282	-	-	(667)
Variations in value on goodwill	-	-	-	-	-	-	-	-
OPERATING PROFIT BEFORE TAX	152 666	32 982	7 452	98 990	35 972	10 633	(52 709)	285 986
Tax on profits	(31 437)	(13 599)	(3 444)	(37 197)	(10 035)	(692)	1 425	(94 979)
Profits & losses net of tax / abandoned activities	-	-	-	-	-	-	-	-
TOTAL NET PROFIT	121 229	19 383	4 008	61 793	25 937	9 941	(51 284)	191 007
Minority interests	131	(788)	(2)	6 078	1 485	-	1	6 905
NET PROFIT (share of Group)	121 098	20 171	4 010	55 715	24 452	9 941	(51 285)	184 102

PROFIT-AND-LOSS ACCOUNT 31/12/14	Bancassurance France	Bancassurance Belgium	Business Finance	Insurance	Third-Party Management	Miscellaneous Services and Businesses	Specific operations and offsets	Total
NET BANKING INCOME	510 865	286 021	52 486	208 422	149 571	2 628	(57 606)	1 152 387
Overheads	(323 705)	(236 035)	(28 118)	(77 819)	(120 308)	(1 648)	2 233	(785 400)
GROSS OPERATING PROFIT	187 160	49 986	24 368	130 603	29 263	980	(55 373)	366 987
Cost of risk	(17 058)	(2 860)	(10 825)	-	501	(340)	-	(30 582)
OPERATING PROFIT	170 102	47 126	13 543	130 603	29 764	640	(55 373)	336 405
Share of companies consolidated using the equity method	-	-	-	-	2 682	7 227	-	9 909
Profits or losses on other assets	(2 772)	117	(30)	-	(208)	(84)	-	(2 977)
Variations in value on goodwill	-	-	-	3 647	-	-	-	3 647
OPERATING PROFIT BEFORE TAX	167 330	47 243	13 513	134 250	32 238	7 783	(55 373)	346 984
Tax on profits	(23 947)	(11 086)	(6 931)	(49 899)	(11 352)	(675)	(1 164)	(105 054)
Profits & losses net of tax / abandoned activities	-	-	-	-	-	-	-	-
TOTAL NET PROFIT	143 383	36 157	6 582	84 351	20 886	7 108	(56 537)	241 930
Minority interests	(7)	(132)	-	10 025	2 635	-	-	12 521
NET PROFIT (share of Group)	143 390	36 289	6 582	74 326	18 251	7 108	(56 537)	229 409

► Sector-based information by geographical zones (Level 2)

At CMNE, this analysis intersects with the information by business. In fact, the Group operates in two main geographical zones, i.e. France and Belgium. The information relating to the second zone is shown separately in the Bancassurance Belgium business.

VI OTHER INFORMATION

► Standards

The standards and interpretations adopted by the European Union and not yet applied on the date of occurrences are as follows:

- IFRIC 21: accounting of taxes (excluding tax on the result) from their operative event, without pro rata spread. Application at 1st January 2015.

► Dividends

The consolidating entity plans to pay, excluding the CMNE Group, 22 338 thousand euros.

► Fair value of financial instruments accounted for at amortised cost

The fair values presented are an estimate based on observable parameters at 31st December 2014. They are produced from a calculation to update future flows estimated from a rate curve that includes costs of signature inherent to the debtor.

The financial instruments presented in this information are loans and borrowings. They do not include non-monetary elements (shares), supplier accounts, accounts for other assets, other liabilities and accruals.

Non-financial instruments are not affected by this information.

The fair value of the at-call financial instruments and customer regulated savings policies is the value due to the customer, i.e. its book value.

Some of the Group's entities may also apply hypotheses: the market value is the book value for policies whose terms refer to a variable rate, or for which the residual value is equal to or less than one year.

We would draw your attention to the fact that, excluding financial assets held to maturity, the financial instruments entered at amortised cost may not be disposed of or in practical terms are not intended for disposal before they mature. As a result, any increases or decreases in value will not be recorded.

However, if the financial instruments entered at their amortised cost were to be the subject of a disposal, the price of this disposal could differ significantly from the fair value calculated on 31st December.

In thousands of euros

31/12/14	Market value	Value on the balance sheet	Latent losses or gains	Hierarchy Level 1	Hierarchy Level 2	Hierarchy level 3
Assets	21 394 944	20 355 408	1 039 536	199 034	6 191 821	15 004 089
Loans and debts on credit establishments	3 959 693	4 090 260	-130 567	0	3 959 693	0
• Loans and advances-EC	3 959 693	4 090 260	-130 567	0	3 959 693	0
Loans and debts on customers	16 940 535	15 784 562	1 155 973	0	1 936 446	15 004 089
• Loans and advances – Customers	16 940 535	15 784 562	1 155 973	0	1 936 446	15 004 089
Financial assets held to maturity	494 716	480 586	14 130	199 034	295 682	0
Liabilities	22 980 940	23 001 207	20 267	522 272	10 321 305	12 137 363
Debts to credit establishments	2 166 851	2 190 951	24 100	0	2 166 851	0
Debts to customers	15 514 071	15 675 733	161 662	0	3 376 708	12 137 363
Debts represented by a security	4 777 746	4 612 251	-165 495	0	4 777 746	0
Subordinated debts	522 272	522 272	0	522 272	0	0

31/12/13	Market value	Value on the balance sheet	Latent losses or gains	Hierarchy Level 1	Hierarchy Level 2	Hierarchy level 3
Assets	20 861 506	20 461 662	399 844	956 207	4 196 300	15 708 999
Loans and debts on credit establishments	3 604 106	3 919 731	-315 625	0	3 604 106	0
• Loans and advances-EC	3 604 106	3 919 731	-315 625	0	3 604 106	0
Loans and debts on customers	16 235 884	15 536 119	699 765	0	526 885	15 708 999
• Loans and advances – Customers	16 235 884	15 536 119	699 765	0	526 885	15 708 999
Financial assets held to maturity	1 021 516	1 005 812	15 704	956 207	65 309	0
Liabilities	22 372 544	22 881 379	508 835	136 737	10 490 124	11 745 683
Debts to credit establishments	2 120 611	2 147 148	26 537	0	2 120 611	0
Debts to customers	15 087 032	15 639 182	552 150	0	3 341 349	11 745 683
Debts represented by a security	5 009 722	4 939 870	-69 852	0	5 009 722	0
Subordinated debts	155 179	155 179	0	136 737	18 442	0

► Related parties

In thousands of euros

	31/12/14		31/12/13		
	Fully consolidated entities	Entities consolidated using the equity method	Fully consolidated entities	Proportionately consolidated entities	Entities consolidated using the equity method
Assets					
Loans and debts on credit establishments	1 274 093	0	1 264 185	0	0
<i>of which ordinary accounts</i>	8 348	0	46 799	0	0
Loans and debts to customers	8 887	0	0	0	0
Assets at fair value by result	205 339	0	211 680	0	0
Assets available for sale	267 694	0	308 835	0	0
Assets held to maturity	0	0	109 107	0	0
Derivative hedging instruments	0	0	0	0	0
Miscellaneous assets	35 640	0	15 000	0	0
Liabilities					
Debts to credit establishments	1 018 079	0	1 327 039	0	0
<i>of which ordinary accounts</i>	18 870	0	32 254	0	0
Derivative hedging instruments	0	0	0	0	0
Liabilities at fair value by result	31 439	0	11 874	0	0
Debts to customers	0	0	0	0	0
Debts represented by a security	25 017	0	82 000	0	0
Subordinated debts	0	0	0	0	0
Interest received	17 954	0	17 661	0	0
Interest paid	-16 923	0	-18 932	0	0
Commissions received	337	0	330	0	0
Commissions paid	0	-764	0	-714	0
Net profits/losses on financial assets DALV and JVR	-15 309	920	4 278	1 120	0
Other revenue and charges	8 571	-872	8 002	-873	0
NBI	-5 370	-716	11 339	-467	0
Overheads	-4 878	-36 394	-4 746	-18 192	0
Financing commitments given	25 723	0	0	0	0
Guarantee commitments given	19 450	0	18 923	0	0
Financing commitments received	0	0	0	0	0
Guarantee commitments received	2 610	0	402 610	0	0

The "fully consolidated" column includes operations declared by the consolidated entities using this method with the rest of the Crédit Mutuel Group (excluding CMNE). The "equity method" column covers operations internal to CMNE, not offset because of the method of consolidation used for these entities.

Annexe to the consolidated accounts

► Remuneration of directors

In thousands of euros

Nature of the remuneration	VASSEUR Philippe Chairman of the Board		CHARPENTIER Éric General Manager		NOBILI Christian Deputy General Manager	
	2014	2013	2014	2013	2014	2013
Fixed remuneration	97	97	405	384	319	255
Variable remuneration *	-	-	156	121	83	60
Exceptional remuneration	-	-	-	-	-	-
Directors' fees	-	-	-	-	-	-
Fringe benefits (company vehicle)	3	3	3	2	3	3
Employment contract	NC		Yes		Yes	
Supplementary pension scheme	No		Art. 39 **		Art. 39 **	
Compensation relative to a non-competition clause	NC		No		No	
Compensation or benefits owed or likely to be owed on account of the cessation of change of job	NC		Collective agreement		Collective agreement	

The remuneration of company officers is set by the Group Remuneration Committee.

The employment contract of Mr CHARPENTIER provides for a fixed salary and a variable salary equivalent in year n to 1% of the Group's consolidated MNA for year n-1.

The employment contract of Mr NOBILI provides for a fixed salary and a variable salary equivalent in year n to 1% of the Group's consolidated MNA for year n-1.

In both cases, the variable contractual part is capped at a percentage less than 50% of the fixed-salary part.

* This amount includes a fixed salary of 51,000 euros received by Mr NOBILI for his duties as Chairman of Beobank's Management Board.

** 9% of base salary with deduction in the event of departure prior to the age of 65.

► Fees of the Company Auditors

In thousands of euros

	Members of the Mazars network		Deloitte & Associates		Members of other networks	
	31/12/14	31/12/13	31/12/14	31/12/13	31/12/14	31/12/13
AUDIT						
Company auditors, certification	473	498	1 101	1 144	106	67
Ancillary assignments	0	0	4	0	1	1
SUBTOTAL	473	498	1 105	1 144	107	68
OTHER SERVICES						
Legal, fiscal, social	0	0	97	12	421	131
Information Technology	0	0	0	0	0	0
Internal audit	0	0	0	0	0	0
Other	35	60	0	187	735	291
SUBTOTAL	35	60	97	199	1 156	422
TOTAL	508	558	1 202	1 343	1 263	490

► Events subsequent to year-end

There was no event of significance between 31st December 2014 and the date on which the consolidated accounts were submitted. These accounts were submitted at the meeting of the Board of Directors on 23rd February 2015.

CRÉDIT MUTUEL NORD EUROPE GROUP

4, Place Richebé
59800 Lille - France

Cooperative Limited Credit Company with variable capital

Report from the Company Auditors

(on the consolidated accounts)

Year ending 31st December 2014

Ladies and Gentlemen,

In compliance with the assignment entrusted to us by your General Meeting of Shareholders, we now present to you our report relating to the financial year ending 31st December 2014, dealing with:

- the audit of the consolidated accounts of the Crédit Mutuel Nord Europe Group, as attached to this report,
- the reasons for our assessments,
- the specific verification required under the law.

The consolidated accounts have been approved by the Board of Directors. It is our task, based on our audit, to express an opinion about these accounts.

I - Opinion about the consolidated accounts

We have conducted our audit in accordance with the professional standards that apply in France; these standards require the implementation of diligent practices enabling us to obtain reasonable assurance that the consolidated accounts do not contain any significant anomalies. An audit consists of carrying out checks by taking samples at random or by other methods of selection, of the elements that justify the amounts and information stated in the consolidated accounts. An audit also consists of assessing the accounting principles adopted, the major estimates used and the overall presentation of the accounts. We believe that the elements that we have gathered are sufficient and appropriate for basing our opinion.

We hereby certify that the consolidated accounts are, with regard to the IFRS frame of reference adopted in the European Union, honest and sincere, providing an accurate reflection of the assets, financial situation and result of the group made up of the persons and entities included in the consolidation.

Without calling into question the opinion expressed above, we draw your attention to paragraph I (General Information), paragraph II (Methods and principles for consolidation, Scope), as well as to notes 2a, 5a, 14b in paragraph IV of the annexe to the consolidated accounts, which detail the changes made to the accounting methods used, relative to the application of IFRS 10 (Consolidated Financial Statements), IFRS 11 (Joint Arrangements), IFRS 12 (Disclosures of Interests in Other Entities) and the amended IAS 28 (Holdings in Associates and Joint Ventures).

Report from the Company Auditors

(on the consolidated accounts)

II – Justification of our assessments

Pursuant to the provisions of article L. 823-9 of the Commercial Code relative to our assessments, we would draw your attention to the following items:

- Business activities (paragraph III, as well as notes 8, 10, 20 and 30 of paragraph IV of the annexe). We have examined the audit procedure relative to the inventory of areas of exposure, the monitoring of credit risks and counterparty risks, the methodologies used for depreciation, and the cover for reductions in value by individual and portfolio depreciations.
- The accounting principles and valuation methods (paragraph III of the annexe), as well as notes 2 to 7, 9 to 12, 22b, 24, 26, 27 and 30 of paragraph IV of the annexe, present the accounting principles and methods applied by your Group in relation to its positions on securities and derivative financial instruments, as well as its hedging operations. We have examined the auditing procedures relative to the accounting classification, the determination of the parameters used for valuing these positions and the accounting qualification of the hedging operations.
- As indicated in paragraph III and in notes 19 and 28 of paragraph IV of the annexe, your Group accounts for the technical provisions relating to the insurance business. We have examined the hypotheses and parameters used, as well as the compliance of the valuations obtained with the requirements of regulatory and economic environment.
- Your Group has conducted goodwill depreciation tests (note 3 of paragraph II, as well as notes 18 and 32 of paragraph IV of the annexe). We have examined the processes used for conducting these tests and the main hypotheses and parameters used, as well as the estimates leading, where appropriate, to the cover of losses of value by depreciations.

These assessments form part of our audit procedures for the consolidated accounts, taken as a whole, and hence have contributed to the formation of our opinion expressed in the first part of this report.

III – Specific verification

We have also proceeded, in line with the professional standards that apply in France, to carry out the specific verification required under the law of the information stated in the report in relation to the Group's management.

We have no observations to make as to their sincerity and concordance with the consolidated accounts.

Drawn up at Neuilly-sur-Seine and La Défense, 29th April 2015.

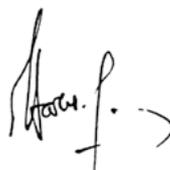
The Company Auditors

DELOITTE & ASSOCIÉS



Jean-Marc Mickeler

MAZARS



Michel Barbet-Massin

DELOITTE & ASSOCIÉS

185 avenue Charles de Gaulle – B.P. 136
92524 Neuilly-sur-Seine Cedex – France

Public Limited Company with Board of Directors
Capital of 1 723 040 EUROS – RCS Nanterre B 572 028 041

MAZARS

61 Rue Henri Regnault
92400 La Défense – France

Public Limited Chartered Accountancy Company and Company Auditors
Capital of 8 320 000 EUROS – RCS NANTERRE 784 824 153

Legal and Administrative Information



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Statement from the General Manager

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General Information

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Details of Group Companies

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Statement from the person responsible for the publication of the Annual Report

I hereby confirm that to my knowledge, the accounts have been drawn up in accordance with the applicable accounting standards and provide an accurate picture of the assets, financial situation and results of the company and of all of the companies included within the consolidation, and that the attached management report presents an accurate account of the business developments, results and financial situation of the company and of all of the companies included within the consolidation, as well as a description of the main risks and uncertainties with which they are faced.

Lille, 24th April 2015

Éric Charpentier
General Manager

◆ About the Company

The Caisse Fédérale du Crédit Mutuel Nord Europe is a Limited Cooperative Credit Company with variable capital, whose registered office is situated at 4 place Richebé, Lille. The company is governed by the Act of 24th July 1867 relative to companies with variable capital, the Act of 10th September 1947 on cooperative status, and the Banking Act of 24th January 1984 (incorporated into the Monetary and Finance Code since 1st January 2001).

The term of the Caisse Fédérale is set at 99 years, beginning from the time of its registration in the Company Register. Its company number is RCS Lille B 320 342 264 741 J.

Crédit Mutuel Nord Europe has existed in its current configuration since the consolidation in 1993 and 1994 between three Caisses Fédérales de Crédit Mutuel: Nord, Artois-Picardie and Champagne-Ardenne.

The legal documents relating to Crédit Mutuel Nord Europe may be viewed at the company's registered office, 4 place Richebé, 59000 Lille, France.

▶ Corporate purpose

The purpose of the Caisse Fédérale is to manage the common interests of its member Branches and their shareholders, as well as to facilitate the technical and financial operation of the member Branches.

More specifically, its purpose is:

- to accept deposits of funds from any private individual or legal entity, particularly from member Branches and to ensure all collections and payments on behalf of its depositors,
- to establish a settlement mechanism between the member Branches,
- to advance funds to the member Branches, with or without specific allocation,
- to reinvest cash or savings,
- to obtain capital by way of borrowing, advances or allowances, the issue of equity securities or bond loans, issues of cooperative investment certificates, priority interest shares with no voting rights subject to the regulations of article 11b of the Act of 10th September 1947 – the monetary benefits being, in such a case, set by a decision by the Board of Directors – as well as by any means authorised under the 1947 Act mentioned above and by the wording of any subsequent texts,
- to take an interest or holding in any transactions related directly or indirectly to the corporate purpose, and more generally to carry out, both on its own behalf and for its member Branches, all operations in accordance with its status as a credit establishment, all investment services, all broking and intermediation activities within the area of insurance operations.

▶ Statutory distribution of profits

The Caisse Fédérale is subject to the provisions of its cooperative status: "all monies available, after deduction of operating surpluses to the statutory reserves and the payment of interest on the securities constituting the company's share capital, will be placed into reserves or allocated in the form of grants to other cooperatives or to causes of general or business interest".

▶ General Meetings

The Ordinary General Meeting is held each year before 31st May. Meetings may be convened on an extraordinary basis whenever the Board of Directors or one-quarter of the shareholders so request. In this latter case, the reasons for convening a meeting must be presented in writing to the Chairman of the Board of Directors.

The General Meeting is convened by the Chairman of the Board of Directors. If the Chairman of the Board of Directors should refuse to convene the General Meeting requested by one-quarter of the shareholders, the shareholders may issue a written mandate to one of their number to proceed with convening the meeting.

The General Meeting is convened at least fifteen days in advance, by individual letter or by publication in a legal gazette.

The summons to the meeting will mention the items on the agenda and, where appropriate, the list of the names of the one-quarter of the shareholders requesting that the General Meeting be convened.

The agenda is approved by the Board of Directors. It may include, in addition to the proposals emanating from the Board of Directors, any questions presented to the Board at least six weeks prior to the General Meeting being convened, with the request being signed by at least one-tenth of the total number of shareholders.

Only those items on the agenda may be presented for deliberation at any General Meeting.

◆ Regarding the capital

► Share capital of the Caisse Fédérale

The share capital of the Caisse Fédérale is owned in its entirety by the Local Branches of the Fédération du Crédit Mutuel Nord Europe.

Shareholders of the Caisse Fédérale are deemed to be all Crédit Mutuel Branches that are members of the Federation and which also:

- have been accredited and registered on the list of Crédit Mutuel Branches. This list is kept by the Confédération Nationale du Crédit Mutuel,
- have subscribed to at least one share,
- have accepted all of the obligations imposed on the shareholders by these articles of association and by the rules of the Caisse Fédérale,
- have joined the guarantee, solidarity or other fund constituted the Branches that are members of the aforementioned Federation.

Shareholders are deemed to be any natural person (i.e. private individual) or legal entity owning at least one company share. To be admitted as a shareholder, approval is required from the Board of Directors. The Board is not required to disclose its reasons for refusing admission.

The capital of the Caisse Fédérale must be owned at least 75% by the member Branches of the Fédération du Crédit Mutuel Nord Europe.

► Amount of capital subscribed, number and categories of securities representing the capital overall

The capital of the Caisse Fédérale is represented by company shares, each with a value of 150 euros. At 31st December 2014, the total capital was 313.8 million euros. This capital is owned in its entirety by the Local Branches, whose own capital represents the financial strength of the whole of the CMNE Group.

The capital of the Local Branches is owned by shareholders. These shareholders may be natural persons or legal entities who have subscribed to at least fifteen non-transferable shares and who are subject to the approval of the Board of Directors.

The capital of the Local Branches is represented by four types of share. These vary in terms of the negotiability of certain categories of share, in accordance with the status of mutualistic companies with variable capital:

- A shares, non-transferable, with a par value of 1 euro,
- B shares, which may be traded, with a par value of 1 euro,
- C shares, which may be traded giving notice of 5 years, with a par value of 1 euro,
- F shares, which may be traded giving notice of 5 years, with a par value of 500 euros.

A shares do not receive remuneration. B, C and F shares may be remunerated by way of an amount of interest, paid annually and set by the General Meeting of Shareholders of each Local Branch within the limits set by the status of a cooperative and in accordance with the directives laid down by the Federal Board of Directors in the context of the General Operating Regulations, the value of which is identical to the articles of association.

As of 31st December 2014, the company capital was 1 295 million euros.

► Variability of the capital

Sales of B shares and F shares ceased on 1st June 2011. C shares and F shares have a notice period of 5 years that runs from the time at which the shareholder requests reimbursement.

As of 31st December 2014, the holders of 35% of the outstanding F shares had triggered their reimbursement notice period. The C shares were created by a decision taken at the general meetings of the Local Branches held in 2010. Their aim is to replace the B shares on a gradual basis. This target had been 78% achieved at the end of 2014.

Between 31st December 2013 and 31st December 2014, the company capital varied as follows:

In millions of euros

Type of share	31/12/2013	31/12/2014
A shares	72	67
B shares	301	228
C shares	847	939
F shares	78	61

► Securities not representative of the capital

In November 2004, the Caisse Fédérale issued Titres Super Subordonnés à Durée Indéterminée (Open-Ended Super-Subordinated Securities) in the context of the options provided by the Financial Security Act of August 2003. Amounting to 150 million euros, these hybrid securities constitute the debt in an accounting and fiscal sense, as well as Tier One equity capital in the regulatory sense. These securities were issued as part of a private placement and are listed on the Luxembourg Stock Exchange under code FR0010128835. They have not been the subject of a public appeal for savings in France.

From 1st January 2014 and in the context of the CRD IV Directive, these securities will see their supplementary Tier One status gradually amortised in accordance with the so-called "grandfather" clause and will constitute, up to the relevant amount, additional Tier Two capital.

Since December 2004, the Caisse Fédérale has issued a number of bond loans in prospectuses approved by the AMF and intended for the securities accounts of its customers.

Date	Amount	Original term	Rate type	ISIN code
December 2007	60 million euros	10 years	Fixed	FR0010547331
July 2008	60 million euros	10 years	Fixed	FR0010631770
July 2009	80 million euros	7 years	Fixed	FR0010773432

In 2014, the Caisse Fédérale also issued two Redeemable Subordinated Bond loans (RSNs) eligible for regulatory Tier Two, approved by the AMF and intended for the securities accounts of its customers.

Date	Amount	Original term	Rate type	ISIN code
March 2014	120 million euros	12 years	Fixed	FR0011781061
December 2014	55 million euros	12 years	Fixed	FR0012304442

It also issued other RSNs to institutional investors in the context of private placements totalling 41.6 million euros, for an original term of 10 years.

Finally and since April 2011, as part of a bond issue programme also approved by the AMF, the Caisse Fédérale has made regular issues of EMTN subscribed to by institutional investors in the context of market transactions, or by CMNE customers as part of life insurance policies in Account Units.

► Changes in capital

In millions of euros

31/12/10	31/12/11	31/12/12	31/12/13	31/12/14
1 339	1 268	1 318	1 298	1 295

► Current breakdown of capital and voting rights

– Caisse Fédérale:

The capital is held in its entirety by the 154 Local Branches that are members of the Federation. Voting rights are established according to the rule of one basic vote plus one additional vote for every 1 000 shareholders, without the total exceeding 10 votes for the same branch.

– Local Branches:

The capital is held in its entirety by the shareholders whose right to vote is based on the rule of one person, one vote.

► Annual information document

During 2014, the Caisse Fédérale du Crédit Mutuel Nord Europe published five documents containing financial information: in May 2014, the annual report for the 2013 financial year, in August 2014, then in December 2014, the documentation relating to its programme of bond issues (EMTN); in July 2014, the financial presentation dossier required by Banque de France for issuers of tradable debt securities (CD and BMTN); in August 2014, the half-yearly financial information on 30th June.



FÉDÉRATION DU CRÉDIT MUTUEL NORD EUROPE

4 Place Richebé
59800 Lille - France

Association governed by the Act of 1st July 1901

Resolutions

► Resolution One

The General Meeting, having examined the reports from the Board of Directors and Company Auditors, approves the accounts for the 2014 financial year in their form and content, ending with surplus revenue of 9 948.73 euros.

The General Meeting decides to allocate the entire surplus to retained earnings and discharged the Directors for their management.

► Resolution Two

The General Meeting notes that in the terms of the special report from the Company Auditors that the auditors were notified of no new convention authorised by the Board during the period ending on 31st December 2014 entering into the scope of the provisions of article L 612-5 of the Commercial Code.

► Resolution Three

The General Meeting, having examined the reports from the Board of Directors and Company Auditors, approves the globalised financial statements for the Crédit Mutuel Nord Europe Group, ending on 31st December 2014, as presented to the meeting.

► Resolution Four

The General Meeting, having examined the reports from the Board of Directors and Company Auditors, approves the consolidated accounts of the Crédit Mutuel Nord Europe Group, drawn up in accordance with IFRS standards and ending on 31st December 2014, as presented to the meeting.

► Resolution Five

The General Meeting approves the budget for the Federation at 3 030 300 euros for 2015. The maximum share of the contributions from each member Branch is set at 0.0150% of the average amount of the funds managed.

► Resolution Six

The General Meeting notes the expiration of the mandates as director of Madame LETELLIER, Messieurs VASSEUR, HEDIN, OURY, PETIT and TOME.

With Mr OURY not seeking a renewal of his mandate and Messieurs VASSEUR and TOME having reached the age limit to nominate for a new mandate, the General Meeting decides to re-elect Madame LETELLIER and Messieurs HEDIN and PETIT for a term of three years, i.e. until the General Meeting called to rule on the accounts for the financial year ending 31st December 2017.

The General Meeting also decides to ratify the nomination of Mr Dominique BUR, co-opted by the Board meeting held on 13th October 2014 to replace Mr Jacques CHOMBART, who has tendered his resignation, for the remaining term of his mandate, i.e. until the General Meeting called to rule on the accounts for the financial year ending 31st December 2016.

Which persons declare that they accepted their appointments.

► Resolution Seven

Notwithstanding the provisions of article 14 of the articles of association, the General Meeting also decides to re-elect Mr Philippe VASSEUR as director for a period of one year, until the General Meeting called to rule on the accounts for the for the financial year ending 31st December 2015.

This resolution, overriding the articles of association, is adopted by the General Meeting in accordance with the exceptions provided for in article 402 of the General Operating Regulations for member branches of the Fédération du Crédit Mutuel Nord Europe, as adopted at the meeting of the Board of Directors of the Fédération du Crédit Mutuel Nord Europe held on 23rd February 2015.

► Resolution Eight

Having noted that the mandates of MAZARS, as the incumbent Company Auditors and deputy Company Auditors had reached their term, the General Meeting decides to renew the mandates of MAZARS as the incumbent Company Auditors and deputy Company Auditors for a term of six years. i.e. until the General Meeting called to rule on the accounts for the for the financial year ending 31/12/2020.

Which company declares that it accepts these duties.

► Resolution Nine

All powers are granted to the bearer of a copy of or extract from the minutes of this Meeting in order to proceed with all of the publications and formalities require under the law and by the regulations.

CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE

4 Place Richebé
59800 Lille - France

Limited Cooperative Credit Company with variable capital

Resolutions

Ordinary business

► Resolution One

The General Meeting, having examined the reports from the Board of Directors, its Chairman and the Company Auditors, approves the accounts ending on 31st December 2014, as presented to it, as well as the operations shown in these accounts or mentioned in these reports.

As a consequence, the Meeting grants full and unconditional discharge to the directors for the execution of their mandate for said financial year.

► Resolution Two

The General Meeting, having examined the special report from the Company Auditors, takes due note thereof and approves the conventions stated in article L 225-38 of the Commercial Code.

► Resolution Three

The General Meeting, at the proposal of the Board of Directors, decides to allocate the whole of the profit for the financial year ending 31st December 2014, amounting to 91 077 765.99 euros in the following way:

- Statutory reserve: 4 553 888.30 euros
- Ordinary reserve: 86 523 877.69 euros

► Resolution Four

The General Meeting duly notes that the share capital, which was 312 151 950 euros at the end of the 2013 financial year, is 313 766 550 euros at 31st December 2014.

► Resolution Five

The General Meeting, having examined the report from the Board of Directors to the Meeting, gives a favourable recommendation as to the overall remuneration envelope for all forms of payment made during the past financial year to the directors, in the sense of article L.511-13, and to the categories of staff, including the risk-takers and those persons exercising an audit, as well as to any salaried employee who, in view of his or her overall earnings, are in the same remuneration bracket and whose professional activities have a significant effect on the risk profile of the company or Group.

► Resolution Six

The General Meeting notes the expiration of the mandates as director of Madame LETELLIER, Messieurs VASSEUR, HEDIN, OURY, PETIT and TOME.

With Mr OURY not seeking a renewal of his mandate and Messieurs VASSEUR and TOME having reached the age limit to nominate for a new mandate, the General Meeting decides to re-elect Madame LETELLIER and Messieurs HEDIN and PETIT for a term of three years, i.e. until the General Meeting called to rule on the accounts for the financial year ending 31st December 2017.

The General Meeting also decides to ratify the nomination of Mr Dominique BUR, co-opted by the Board meeting held on 13th October 2014 to replace Mr Jacques CHOMBART, who has tendered his resignation, for the remaining term of his mandate, i.e. until the General Meeting called to rule on the accounts for the financial year ending 31st December 2016.

Which persons declare that they accepted their appointments.

Extraordinary business

► Resolution Seven

Notwithstanding the provisions of article 15 of the articles of association, the General Meeting also decides to re-elect Mr Philippe VASSEUR as director for a period of one year, until the General Meeting called to rule on the accounts for the for the financial year ending 31st December 2015.

This resolution, overriding the articles of association, is adopted by the General Meeting acting in the form of and under the terms of a quorum and majority required for Extraordinary General Meetings. It is in accordance with the exceptions provided for in article 402 of the General Operating Regulations for member branches of the Fédération du Crédit Mutuel Nord Europe, as adopted at the meeting of the Board of Directors of the Fédération du Crédit Mutuel Nord Europe held on 23rd February 2015.

► Resolution Eight

All powers are granted to the bearer of a copy of or extract from the minutes of this Meeting in order to proceed with all of the publications and formalities require under the law and by the regulations.

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Situation at 30th April 2015

Bancassurance France

CAISSE FÉDÉRALE DU CRÉDIT MUTUEL NORD EUROPE (CFMNE)

4 Place Richebé - 59800 Lille - France

Tel: +33 3 20 78 38 38

Fax: +33 3 20 30 86 59

Website: www.cmne.fr

- Chairman of the Board of Directors: **Philippe VASSEUR**
- General Manager: **Éric CHARPENTIER**
- Deputy General Manager: **Christian NOBILI**

Bancassurance Belgium

CRÉDIT MUTUEL NORD EUROPE BELGIUM (CMNE BELGIUM)

Boulevard de Waterloo, 16 - 1000 Brussels - Belgium

Tel: +32 22 89 82 00

Fax: +32 22 89 89 90

- Chairman of the Board of Directors: **Philippe VASSEUR**
- Chairman of the Management Board: **Éric CHARPENTIER**

BKCP BANQUE SA

Boulevard de Waterloo, 16 - 1000 Brussels - Belgium

Tel: +32 22 89 82 00

Fax: +32 22 89 89 90

Website: www.bkcp.be

- Chairman of the Board of Directors: **Éric CHARPENTIER**
- Chairman of the Management Board: **Paul LEMBRECHTS**

BEOBANK

Boulevard Général Jacques, 263 G - 1050 Brussels - Belgium

Tel: +32 626 51 11

Fax: +32 626 55 84

Website: www.beobank.be

- Chairman of the Board of Directors: **Éric CHARPENTIER**
- Chairman of the Management Board: **Christian NOBILI**

Business Finance

BCMNE

Banque Commerciale du Marché Nord Europe

4 Place Richebé - 59000 Lille - France

Admin. head office: 7 Rue Frédéric Degeorge - 62000 Arras - France

Tel: +33 3 21 71 71 51

Fax: +33 3 21 71 71 59

Website: www.bcmne.fr

- Chairman of the Monitoring Committee: **Philippe VASSEUR**
- Chairman of the Executive Board: **François CHABROL**

BAIL ACTEA

7 Rue Frédéric Degeorge - 62000 Arras - France

Tel: +33 3 21 71 44 11

Fax: +33 3 21 71 44 22

Website: www.bail-actea.fr

- Chairman of the Board of Directors: **Éric CHARPENTIER**
- General Manager: **François CHABROL**
- Deputy General Manager: **Bernard DUFERMONT**

NORD EUROPE LEASE

Tour de Lille - 60 Boulevard de Turin - 59777 Euralille - France

Tel: +33 3 20 30 73 74

Fax: +33 3 20 57 62 56

- Chairman of the Board of Directors: **François CHABROL**
- General Manager: **Valérie-Marie AUBIN-VAILLANT**
- Deputy General Manager: **Bernard DUFERMONT**

NORD EUROPE PARTENARIAT

2 Rue Andreï Sakharov - BP 148 - 76130 Mont Saint Aignan CEDEX - France

Tel: +33 2 35 59 44 20

Fax: +33 2 35 59 13 82

- Chairman of the Board of Directors: **François CHABROL**
- General Manager: **Philippe AMOURIAUX**

Insurance

NORD EUROPE ASSURANCES

9 Boulevard Gouvion-Saint-Cyr - 75017 Paris - France

Tel: +33 1 43 12 90 90

Fax: +33 1 43 12 90 93

- Chairman of the Monitoring Committee: **Philippe VASSEUR**
- Chairman of the Executive Board: **Tristan GUERLAIN**

ACMN VIE

Assurances Crédit Mutuel Nord Vie

9 Boulevard Gouvion-Saint-Cyr - 75017 Paris - France

Tel: +33 1 43 12 90 90

Fax: +33 1 43 12 90 93

Website: www.acmnvie.fr

- Chairman of the Board of Directors: **Éric CHARPENTIER**
- General Manager: **Tristan GUERLAIN**

NORD EUROPE LIFE LUXEMBOURG

62 Rue Charles Martel - L-2134 - Luxembourg

Tel: +352 42 40 20 1

Fax: +352 42 40 20 44

Website: www.nellweb.com

- Chairman of the Board of Directors: **Éric CHARPENTIER**
- Managing Director: **Tristan GUERLAIN**

ACMN IARD

Assurances Crédit Mutuel Nord Iard

4 Place Richebé - 59000 Lille - France

Tel: +33 3 20 78 38 38

Fax: +33 3 20 30 86 59

- Chairman of the Board of Directors: **Tristan GUERLAIN**
- General Manager: **Odile EZERZER**

CPBK REINSURANCE S.A.

74 Rue de Merl - L-2146 - Luxembourg

Tel: +352 49 69 51 321

Fax: +352 49 69 51 333

- Chairman of the Board of Directors: **Christian DESBOIS**

Details of Group companies

COURTAGE CRÉDIT MUTUEL NORD EUROPE

4 Place Richebé - 59000 Lille - France

Tel: +33 3 20 78 39 84

Fax: +33 820 360 900

- Chairman: **Tristan GUERLAIN**
- General Manager: **Jacques NOIZE**

METLIFE BELGIUM

(« North Europe Life Belgium » from 14/01/2015)

11 boulevard de la Plaine - 1050 Bruxelles - Belgium

Tel: +32 789 42 00

Fax: +32 789 42 01

Website: www.metlife.be

- General Manager: **Myriam BILLENS**

Third-Party Management

GRUPE LA FRANÇAISE

173 Boulevard Haussmann - 75008 Paris - France

Tel: +33 1 44 56 10 00

Fax: +33 1 44 56 11 00

Website: www.lafrancaise-group.com

- Chairman of the Monitoring Committee: **Philippe VASSEUR**
- Chairman of the Executive Board: **Xavier LÉPINE**
- General Manager: **Patrick RIVIÈRE**

LA FRANÇAISE ASSET MANAGEMENT

173 Boulevard Haussmann - 75008 Paris - France

Tel: +33 1 43 12 01 00

Fax: +33 1 43 12 01 20

Website: www.lafrancaise-group.com

- Chairman of the Monitoring Committee: **Éric CHARPENTIER**
- Chairman of the Executive Board: **Xavier LÉPINE**
- General Manager: **Pascale AUCLAIR**

LA FRANÇAISE REAL ESTATE MANAGERS

173 Boulevard Haussmann - 75008 Paris - France

Tel: +33 1 44 56 10 00

Fax: +33 1 44 56 11 00

Website: www.lafrancaise-group.com

- Chairman of the Monitoring Committee: **Éric CHARPENTIER**
- Chairman of the Executive Board: **Xavier LÉPINE**
- General Manager: **Marc BERTRAND**

LA FRANÇAISE AM GESTION PRIVÉE

173 boulevard Haussmann - 75008 Paris - France

Tel: +33 1 73 00 73 00

Fax: +33 1 73 00 73 01

- Chairman of the Monitoring Committee: **Michel DIDIER**
- Chairman of the Executive Board: **Thierry SEVOUMIANS**
- General Manager: **Jacques BELLAMY-BROWN**

LA FRANÇAISE AM FINANCE SERVICES

173 Boulevard Haussmann - 75008 Paris - France

Tel: +33 1 44 56 41 60

Fax: +33 1 44 56 41 65

Website: www.lafrancaise-am-partenaires.com

- Chairman of the Monitoring Committee: **Éric CHARPENTIER**
- Chairman of the Executive Board: **Patrick RIVIÈRE**
- General Managers: **Thierry SEVOUMIANS, Philippe LECOMTE** and **Benoît GIRARDON**

LA FRANÇAISE INVESTMENT SOLUTIONS

173 Boulevard Haussmann - 75008 Paris - France

Tel: +33 1 73 00 75 75

Website: www.lafrancaise-gis.com

- Chairman of the Monitoring Committee: **Pierre LASSERRE**
- Chairman of the Executive Board: **Xavier LÉPINE**
- General Managers: **Sofène HAJ TAIEB** and **Nicolas KOMPALITCH**

NOUVELLES EXPERTISES ET TALENTS AM

173 Boulevard Haussmann - 75008 Paris - France

Tel: +33 1 44 56 10 00

Fax: +33 1 44 56 11 00

Website: www.next-am.com

- Chairman of the Board of Directors: **Patrick RIVIÈRE**
- General Managers: **Lior DERHY** and **Antoine ROLLAND**



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