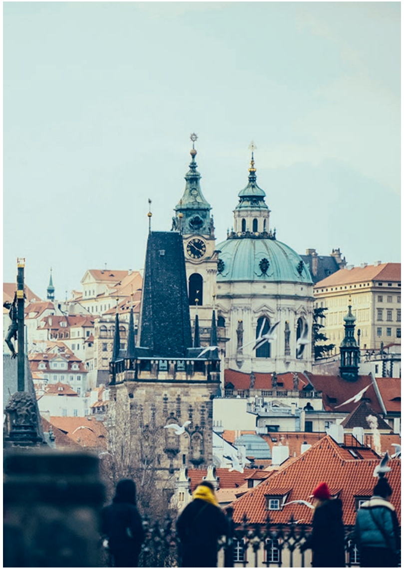
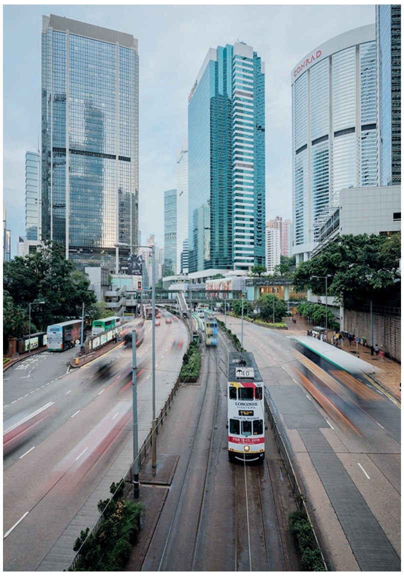




Half-year financial report

1st half 2019

ABOUT AMUNDI

Amundi is the leading European asset manager in terms of assets under management, and ranks among the top ten worldwide[(1)]. The Group manages assets worth €1,487 billion[(2)] across six main investment hubs[(3)]. Amundi offers its clients in Europe, Asia-Pacific, the Middle East and the Americas a wealth of expertise and investment solutions in active and passive management and in real and alternative assets. Clients also have access to a complete set of services and tools. Headquartered in Paris, Amundi was listed in November 2015.

Thanks to its unique research capabilities and the skills of close to 4,500 team members and market experts based in 37 countries, Amundi provides retail, institutional and corporate clients with innovative investment solutions tailored to their needs and specific risk profiles.

NOTE

Amundi, a French limited liability company with its registered office located at 91-93 Boulevard Pasteur, 75015 Paris-France, and registered with the Paris Trade and Companies Register under number 314 222 902, is referred to as the “Company” in this financial report. The terms “Group” or “Amundi Group” are used to refer to the Company and its subsidiaries, branches and equity investments.

On 30 June 2019, the Company’s share capital amounted to €504,260,885, divided into 201,704,354 shares, which are all of the same class and are fully subscribed and paid up through cash contributions. They all grant the same voting rights.

Financial and other information

This report includes Amundi’s consolidated financial statements for the six-month financial period ended 30 June 2019, on which the statutory auditors have prepared a report. The consolidated financial statements were prepared under IFRS standards. The Amundi Group is publishing its IFRS financial statements in accordance with IFRS 16 Leases for the first time from 1 January 2019.

Forward-looking statements

This report may include projections concerning the financial position and results of Amundi’s businesses and business lines. These figures do not constitute “forecasts” as defined in Article 2.10 of Commission Regulation (EC) No. 809/2004 of 29 April 2004.

These projections and forecasts are based on opinions and current assumptions regarding future events. No guarantee can be given regarding the achievement of these projections and forecasts, which are subject to inherent risks, uncertainties and assumptions related to Amundi, its subsidiaries and its investments, the development of its activities, sectoral trends, future investments and acquisitions, changes in the economic environment or in Amundi’s major local markets, competition and regulations. Given the uncertainty over whether these events will come to pass, their outcome may prove different than currently predicted, which is likely to significantly affect expected results. The readers should take these risks and uncertainties into consideration before forming their own opinion. Amundi management does not under any circumstances undertake to update or revise any of these projections or forecasts. No information contained in this interim financial report should be construed as a forecast of annual results.

The information contained in this report, to the extent that it relates to parties other than Amundi or comes from external sources, has not been independently verified, and no representation or warranty has been expressed as to, nor should any reliance be placed on, the fairness, accuracy, correctness or completeness of the information or opinions contained herein. Neither Amundi nor its representatives can be held liable for any negligence or loss that may result from the use of this report or its contents, or anything related to them, or any document or information to which the report may refer.

(1) Source IPE “Top 400 asset managers” published in June 2019 and based on AuM as of December 2018.
(2) Amundi figures as of 30/06/2019.
(3) Investment hubs: Boston, Dublin, London, Milan, Paris and Tokyo.

Risk factors

Readers are strongly encouraged to closely examine the risk factors described in the Registration Document filed with the French Financial Markets Authority on 8 April 2019.

The occurrence of all or any of these risks could have a negative impact on Amundi Group's businesses, financial position and results. Furthermore, other risks that the Group has not yet identified or considers to be insignificant at the time of this report, could have the same negative impact on the Amundi Group, its business, financial position, operating results, growth prospects and the price of its shares listed on Euronext Paris (ISIN: FR0004125920).

All of this information is available on the Company's website (about.amundi.com/Shareholders) and on the AMF's website (www.amf-france.org).

Operating and financial review for the first half of 2019

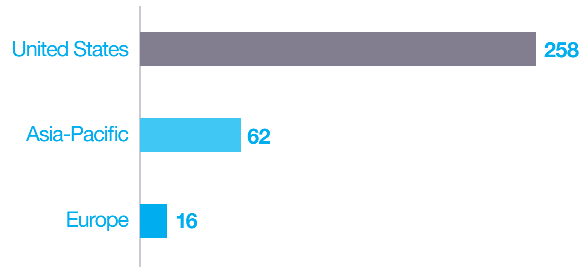
1

1.1 THE ASSET MANAGEMENT MARKET[1]

Return on bonds stimulated by central bank policies, profit-taking on equities… In this early part of the year, investors adjusted their portfolios, abandoning risky products for more secure and diversified solutions.

Inflows by geographic zone from January to May 2019 throughout the world[2]

In € billions



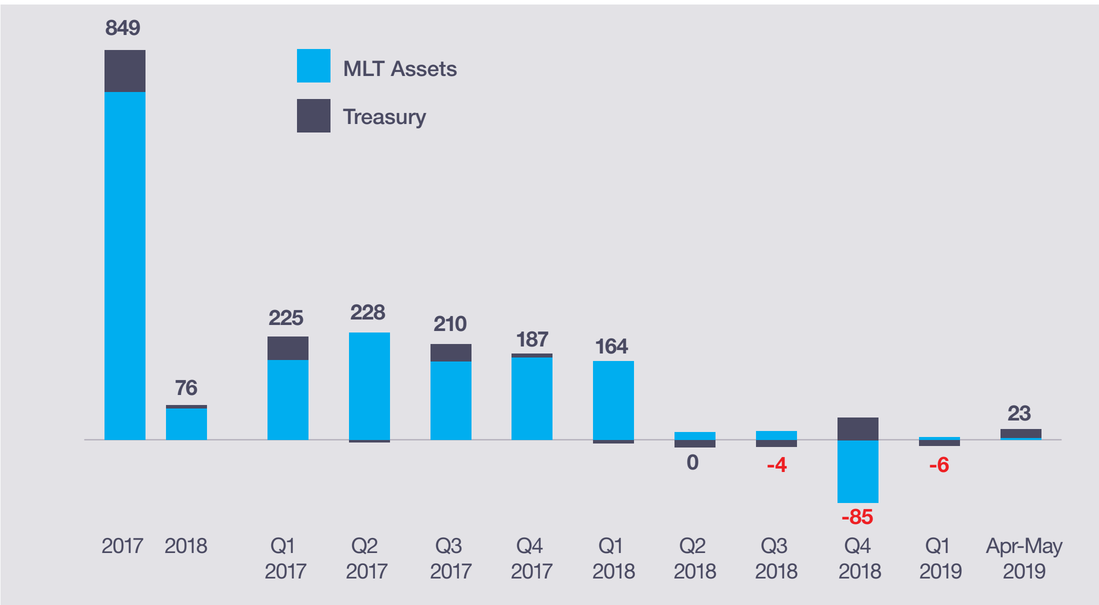
1.1.1 European market

In Europe, activity remained lacklustre in 2019 for the open-ended fund market, with essentially very little inflows (only +€16 billion in five months).

Investors have flocked to bond funds (international, emerging markets and credit) and, to a lesser extent, to investment solutions offering some security (formula funds, term bonds and real estate).

They have abandoned equities (profit-taking as a result of the market rebound and/or cautious attitude in face of uncertainties), particularly in Europe and the United States, while international and thematic equities (consumer goods, health, environment) continued to attract positive flows. Multi-asset products remained in the red, penalised by the under-performance of certain large flexible funds.

Changes in inflows to European open-ended funds in 2017, 2018 and 2019 (in € billions)



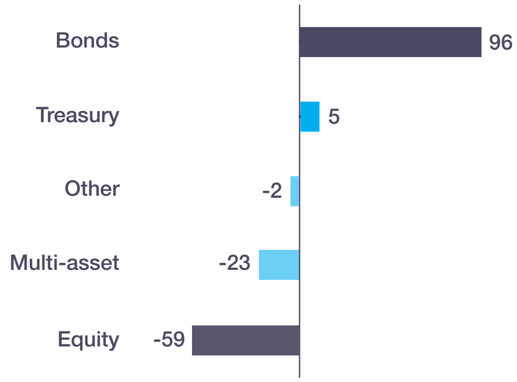
Source: Amundi and Broadridge Financial Solutions - FundFile & Deutsche Bank ETF / Open-ended Funds (excl. dedicated mandates and funds) at end May 2019

Virtually zero net flows at the end of May 2019 (+€16 billion) in a European open-ended funds market marked by a persistent wait-and-see policy by savers and investors (risk aversion).

(1) From January to May 2019, Latest known figures.
(2) Sources: Amundi and Broadridge Financial Solutions - FundFile & Deutsche Bank ETF/Open-ended funds (excl. dedicated mandates and funds) at end May 2019.

Inflows by asset class from January to May 2019 in Europe

In € billions



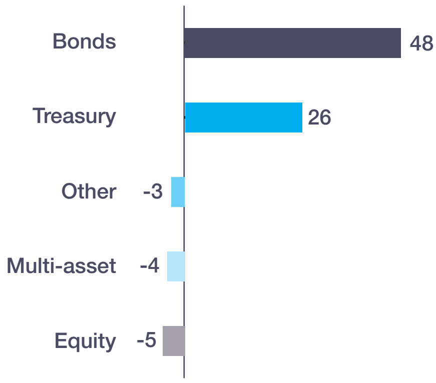
Other = ABS, derivatives, forex, hedge funds, property, commodities, etc.

1.1.2 Asia-Pacific markets

In **Asia**, as in Europe, most of the inflows (+€62 billion) was on rate-based products: chiefly, South Korean and Chinese fixed income and money market funds. Multi-asset funds were characterised by repurchases, as well as equity funds in the principal countries in the region, with the notable exceptions of Japan and India.

Inflows by asset class from January to May 2019 in the Asia-Pacific region

In € billions



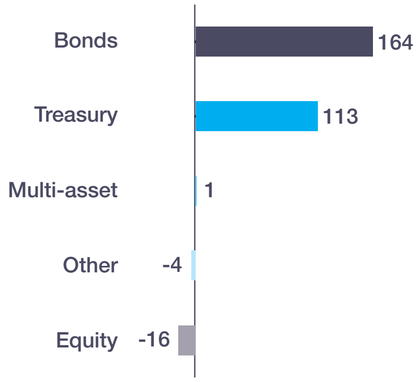
Other = ABS, derivatives, forex, hedge funds, property, commodities, etc.

1.1.3 US market

In the **United States**, flows during the first six months of the year rose to +€258 billion, or growth of +27% over the same period in 2018. Investors remained focused on fixed income and money market products in dollars. Multi-asset funds suffered from redemptions with the exception of set-maturity life-cycle funds, as did equity funds, except for those investing in emerging markets and certain sectors (telecommunications and IT).

Inflows by asset class from January to May 2019 in the United States

In € billions



Other = ABS, derivatives, forex, hedge funds, property, commodities, etc.

1.1.4 Other expertise

Passive management attracted 57% of the global net inflow with, in particular, +€137 billion in the United States, +€55 billion in Europe and +€31 billion in Asia, on both equity and bond strategies.

Responsible and sustainable investments (ESG) benefited from increased demand (+€58 billion) spread across all asset classes and all client segments.

1.2 AMUNDI OPERATIONS AND CONSOLIDATED RESULTS

During the first six months of the 2019 financial year, Amundi's results, and once again showed strong growth in line with 3-year targets. Accounting net income reached €480 million, an increase of 5.6% vs. H1 2018.

In a European environment that remains difficult, Amundi showed resilience, with activity and margins that held up well.

1.2.1 Operations: Assets under management and net inflows

Amundi's assets under management totalled €1,487 billion[1] at 30 June 2019, an increase of 4.3% as compared to the end of 2018, thanks to a positive market effect (+€73.4 billion).

Despite an on-going recovery in financial markets (after a strong correction in the 4th quarter of 2018), inflows in the European asset management sector was almost zero in the first half of 2019[2], taking into account the persistent wait-and-see attitude of savers and investors (resulting from an aversion to high risks).

For Amundi, activity in the 1st half of 2019 was marked by:

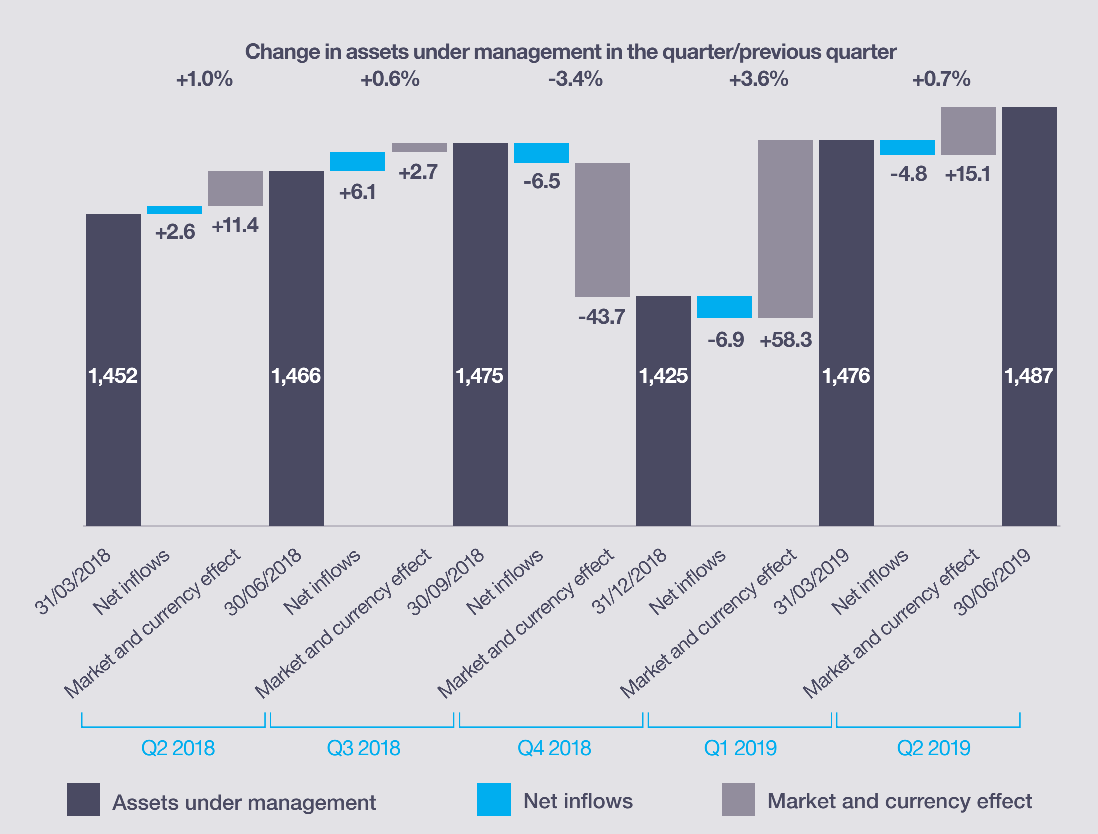
- strong net inflows in MLT assets, at +€8.0 billion excluding the reinternalisation of a specific mandate in Italy (-€6.3 billion);
- sizeable outflows of liquidity products related to seasonal factors (-€13.4 billion);
- reinternalisation (in the 1st quarter) of a mandate by an Italian institutional investor.

Taking into account these elements, total net flows from the 1st half of the year were -€11.7 billion, including -€3.5 billion in Retail and -€8.2 billion in Institutional investors.

It should be noted that all data on assets under management (AuM) and net inflows include assets under advisory and assets sold, and take into account 100% of assets under management and inflows on the Asian JVs. For Wafa in Morocco, assets are reported at their proportional share.

(1) Assets under management and net inflows include assets under advisory and assets sold, and take into account 100% of assets under management and net inflows on the Asian JVs. For Wafa in Morocco, assets are reported at their proportional share.
(2) Source Broadridge or Morningstar.

Change in Amundi's assets under management (n € billions)



Note: Assets under management and net inflows include assets under advisory and assets sold, and take into account 100% of assets under management and net inflows on the Asian JVs; for Wafa in Morocco, assets are reported at their proportional share

1.2.1.1 ASSETS UNDER MANAGEMENT AND INFLOWS BY CLIENT SEGMENT

In € billions	AuM 30/06/2019	AuM 31/12/2018	AuM 30/06/2018	% Change 30/06/2019 – 30/06/2018	Net Inflows H1 2019	Net Inflows H1 2018
French networks	108	104	110	(2.0%)	(2.7)	+3.2
International networks	123	116	122	+1.3%	+2.3	+5.0
JV	146	142	140	+4.0%	(1.8)	+23.5
Third-party distributors	180	170	182	(0.7%)	(1.3)	+3.0
Retail	**557**	**532**	**554**	**+0.7%**	**(3.5)**	**+34.6**
Institutional[1] & sovereign investors	359	354	375	(4.3%)	(8.5)[2]	+20.5
Corporates	67	67	58	+15.4%	(8.2)	(13.2)
Employee savings	61	54	59	+3.9%	+2.2	+2.5
CA & SG insurers	443	417	421	+5.1%	+6.3	(2.0)
Institutional investors	**930**	**893**	**913**	**+1.8%**	**(8.2)[2]**	**+7.8**
TOTAL	**1,487**	**1,425**	**1,466**	**+1.4%**	**(11.7)[2]**	**+42.4**
TOTAL EXCL. JV	**1,341**	**1,283**	**1,326**	**+1.1%**	**(9.9)**	**+18.9**

(1) Including funds of funds.
(2) Including reinternalisation of an Italian mandate for -€6.3 billion in Q1 2019.

Retail Segment

In the context of persistent aversion to risk, the Retail segment posted positive inflows in MLT assets (+€1.4 billion), driven by International Networks (+€2.1 billion) thanks to discretionary management in Italy and by Asian Joint-Ventures (flow of +€1.3 billion, which incorporates, on the one hand, a very healthy level of inflows from India and South Korea, and on the other hand, outflows from China on account of regulatory changes). However, networks in France saw slight outflows (-€0.8 billion) as a consequence of the decline in the proportion of Unit-linked shares in the gross inflow of life insurance contracts (24% in the 1st half of 2019 vs. 28% in 2018[1]).

Net outflows from treasury products (-€4.9 billion) were significant, particularly in French Networks and JVs.

In total, in the 1st half of 2019, the net outflow from **Retail** was -€3.5 billion.

Institutional Investor Segment

This semester was marked by robust net inflows in MLT assets, totalling +€6.6 billion excluding the reinternalisation of an Italian mandate (-€6.3 billion). Net inflows in CA & SG Insurance Mandates were brisk and driven by subscriptions to euro-denominated life insurance contracts. Employee Savings continued to show strong momentum (+€1.5 billion).

Like every year, the seasonal negative effect of Treasury products was significant (-€8.5 billion), particularly in the Corporates segment.

In total, in the 1st half of 2019, net outflows from the **Institutional** Investor segment were -€8.2 billion.

1.2.1.2 ASSETS UNDER MANAGEMENT AND NET INFLOWS BY ASSET CLASS

In € billions	AuM 30/06/2019	AuM 31/12/2018	AuM 30/06/2018	% Change 30/06/2019 – 30/06/2018	Net Inflows H1 2019	Net Inflows H1 2018
Equity	252	224	244	+3.5%	(0.6)	+11.3
Multi-asset	257	251	267	(3.7%)	(8.1)[1]	+15.1
Bonds	681	648	657	+3.6%	+5.8	+9.7
Real, alternative and structured assets	82	75	71	+15.7%	+4.6	+0.5
MLT Assets (Medium to Long Term)	**1,271**	**1,197**	**1,238**	**+2.7%**	**+1.7**	**+36.5**
Treasury	215	228	228	(5.7%)	(13.4)	+5.9
TOTAL	**1,487**	**1,425**	**1,466**	**+1.4%**	**(11.7)[1]**	**+42.4**

(1) Including reinternalisation of an Italian mandate for -€6.3 billion in Q1 2019.

Treasury

The outflow in Treasury products amounted to -€13.4 billion, concentrated on the Corporate and Institutional clients, in a market distinguished in Q2 by the seasonal phenomenon of corporate dividends payments.

MLT Assets

The net MLT inflow was driven notably by offerings adapted to the market context (low interest rates and risk aversion):

- in **fixed income** with flows of +€5.8 billion: insurance investment management, Emerging Market expertise, Maturity Funds;
- in **Real and Alternative and Structured Assets**: +€4.6 billion, including +€2.1 billion in structured products, driven by the promotion of a range of attractive solutions and by formula products in Europe and Asia.

There was particularly momentum in the growth engines implemented a few years ago:

- **passive management, ETF and Smart Beta** (data excluding JVs): a new semester of strong growth with +€6.9 billion of net inflows, bringing AuM to €114.1 billion at the end of June 2019;
  - **ETF**: net inflows in H1 2019 of +€4.2 billion (3rd best inflows in Europe[2]), bringing AuM to €47.8 billion at the end of June 2019 (4th largest European player[2]),
  - **Smart Beta**: inflows of +€2.7 billion in H1 2019,
  - **product innovation:**
    - launch in March 2019 of the *Amundi Prime ETF* range of products at a very competitive fee level (0.05% across all funds), thanks to a partnership with Solactive, a recognised index provider,
    - launch at the end of May 2019 of *Amundi Physical Gold ETC*, offering investors exposure to physical gold;
- **real and alternative assets**: continued development with flows of +€2.5 billion, bringing AuM to €50.4 billion at the end of June 2019;
  - **Real estate**: solid net inflows of +€1.5 billion, bringing AuM to €34.5 billion at the end of June 2019,
- **Amundi Services**: continued expansion on a European scale with 29 clients at the end of June 2019 (vs. 26 at end of 2018);
  - **offerings benefiting from greater recognition and reputation** as a result of the successful migration of Pioneer to the ALTO[3] platform in Europe, Asia and the United States,
- **Employee Savings**: momentum confirmed with +€2.2 billion of net inflows in H1 2019.

(1) French market figures. Source: FFA.
(2) Source: Amundi.
(3) ALTO: Amundi Leading Technology & Operations.

1.2.1.3 ASSETS UNDER MANAGEMENT AND NET INFLOWS BY GEOGRAPHIC ZONE

	Assets Under Management			%	Net Inflows	
In € billions	30/06/2019	31/12/2018	30/06/2018	Change	H1 2019	H1 2018
France	849(1)	812	843	+0.8%	(3.5)	+0.6
Italy	171	167	178	(4.4%)	(4.5)	+6.7
Europe excluding France and Italy	167	161	151	+11.2%	(0.5)	+1.9
Asia	203	200	206	(1.6%)	(6.6)	+30.1
Rest of World	96	85	88	+9.2%	+3.4	+3.2
TOTAL	**1,487**	**1,425**	**1,466**	**+1.4%**	**(11.7)**	**+42.4**
TOTAL International	**638**	**613**	**624**	**+2.2%**	**(8.2)**	**+41.8**

(1) Of which €426 billion for the Group's insurers.

1.2.2 Results

In an environment marked by persistent aversion to risk, Amundi's results in the 1st half of 2019 are once again growing, in line with targets, thus confirming the resilience of its business model.

NB: the following adjustments were made to present an income statement that is closer to the economic reality:

- in H1 2019 and Q2 2019: restatement of amortisation of distribution contracts (recognised as a deduction from net revenues) with SG, Bawag and UniCredit;
- in H1 2018 and Q2 2018: restatement of Pioneer-related integration costs and amortisation of distribution contracts (recognised as a deduction from net revenues) with SG, Bawag and UniCredit.

Adjusted income statement

In € millions	H1 2019	H1 2018	Change
Adjusted net revenues(1)	**1,332**	**1,340**	**(0.6%)**
Net asset management revenues	1,299	1,347	(3.5%)
o/w net management fees	1,239	1,259	(1.6%)
o/w performance fees	60	88	(31.4%)
Net financial income and other net income	33	(6)	NS
Adjusted operating expenses(2)	**(680)**	**(677)**	**+0.6%**
Adjusted gross operating income(1) (2)	**652**	**664**	**(1.7%)**
Adjusted cost-to-income ratio(1) (2)	*51.1%*	*50.5%*	*+0.6 pt*
Cost of risk & Other	2	(10)	NS
Equity-accounted entities	25	25	(2.5%)
Adjusted pre-tax income(1) (2)	**679**	**679**	**0.0%**
Taxes(1) (2)	(174)	(188)	(7.1%)
Adjusted net income, Group share(1) (2)	**505**	**492**	**+2.7%**
Amortisation of distribution contracts after tax	(25)	(25)	+0.7%
Pioneer integration costs after tax	0	(12)	NS
Net income, Group share	**480**	**454**	**+5.6%**

(1) Excluding amortisation of UniCredit, SG and Bawag distribution contracts.
(2) Excluding Pioneer integration costs in 2018.

Adjusted data[1]

The growth of adjusted net income (+2.7% to €505 million) resulted in particular from the resilience of revenues and margins, as well as good cost control, which benefited from the synergies linked to the integration of Pioneer.

Total net revenues were virtually stable at €1,332 million (-0.6% vs H1 2018):

- **net management fees** were slightly down (€1,239 million, or -1.6%), with virtually stable margins;
- **performance fees** remained healthy (€60 million, of which €40 million in the 2nd quarter of 2019); comparison is unfavourable due to a particularly high H1 2018;
- financial income rose significantly to €33 million, in line with the market recovery.

Operating expenses were controlled (€680 million, +0.6% vs. H1 2018), with synergies related to the integration of Pioneer offsetting reinvestments for growth as well as unfavourable foreign exchange and price effects.

Consequently, the cost-to-income ratio was 51.1%, a level comparable to H1 2018. Gross operating income stood at €652 million.

Taking into account the contribution (stable, after very strong growth in 2018) of equity-accounted entities (essentially Asian Joint-Ventures), and a tax expense of -€174 million (-7.1% compared to the 1st half of 2018), **the adjusted net income, Group share, totalled €505 million, an increase of 2.7% compared to the 1st half of 2018.**

Accounting data[2]

H1 2019 accounting net income was €480 million, up 5.6% compared to H1 2018.

1.2.2.1 ADJUSTED NET REVENUES

In € millions	H1 2019	H1 2018	H1 2019/ H1 2018
Net management fees	1,239	1,259	(1.6%)
Performance fees	60	88	(31.4%)
Net management revenues	**1,299**	**1,347**	**(3.5%)**
Net financial and other income	33	(6)	NS
TOTAL ADJUSTED NET REVENUES	**1,332**	**1,340**	**(0.6%)**

Net management fees and margins by client segment

In € millions	H1 2019	H1 2018	H1 2019/ H1 2018
Retail			
Net management fees	919	919	+0%
Average AuM excluding JVs	406,750	412,296	(1.3%)
Margin (in basis points – bp)	*45.2 bp*	*44.6 bp*	*+0.6 bp*
Institutional excluding CA and SG insurers			
Net management fees	251	268	(6.6%)
Average AuM	487,917	496,567	(1.8%
Margin (in basis points – bp)	*10.3 bp*	*10.8 bp*	*(0.5 bp)*
CA and SG insurers			
Net management fees	69	71	(2.7%)
Average AuM	431,372	420,076	+2.7%
Margin (in basis points – bp)	*3.2 bp*	*3.4 bp*	*(0.2 bp)*
TOTAL MANAGEMENT FEES	**1,239**	**1,259**	**(1.6%)**
Total average AuM excluding JVs	1,326,039	1,328,938	(0.2%)
Average margin (in basis points – bp)	***18.7 bp***	***18.9 bp***	***(0.2 bp)***

(1) Adjusted data: excluding amortisation of the distribution contracts and, in 2018, excluding Pioneer integration costs.
(2) Including amortisation of distribution contracts and in 2018 integration costs.

Margins[1] (excluding JVs, Equity-accounted entities) **showed good resilience**: average margin of 18.7 basis points compared to 18.9 basis points in H1 2018. Margins per segment experienced contrasting trends:

- the Retail segment margin increased to a level close to 45 basis points in the 1st half of 2019;
- the margin in the Institutional investors segment, excluding CA and SG insurers, was down compared to the 1st half of 2018 at 10.3 basis points;
- the margin for the Insurers segment was almost stable at 3.2 basis points in the 1st half of 2019.

1.2.2.2 ADJUSTED OPERATING EXPENSES

In € millions	H1 2019	H1 2018	H1 2019/ H1 2018
Employee expenses	(437)	(436)	+0.3%
Other operating expenses	(243)	(241)	+1.0%
ADJUSTED OPERATING EXPENSES	**(680)**	**(677)**	**+0.6%**

Adjusted operating expenses increased slightly, with on-going synergies related to the integration of Pioneer offsetting reinvestments for growth as well as the effects of unfavourable exchange rates and prices.

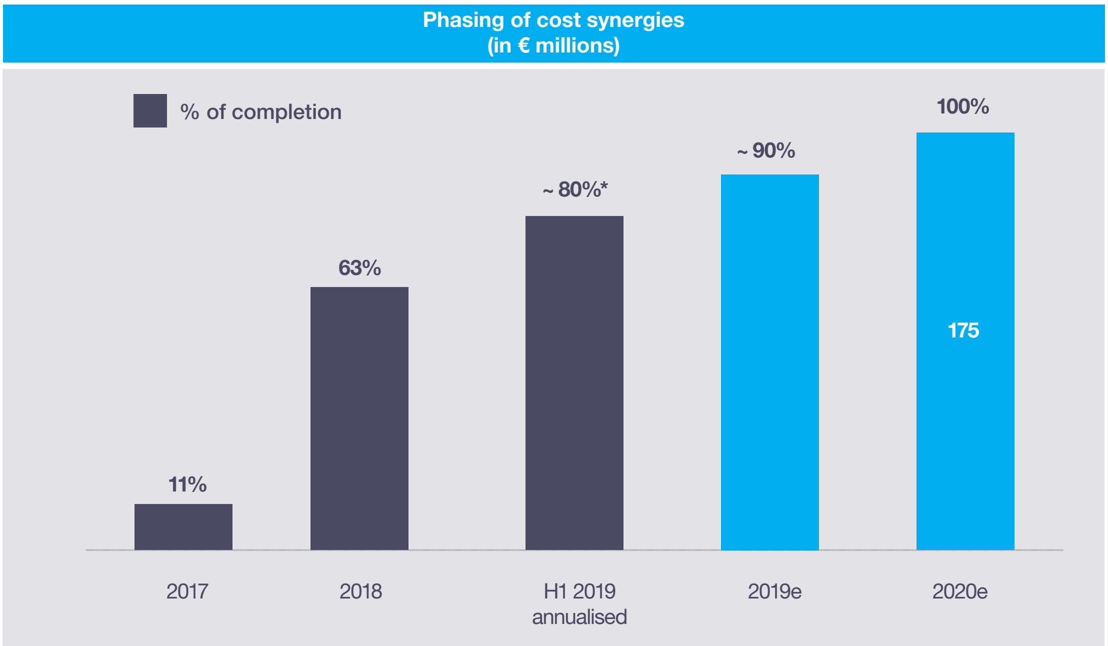
Since the end of 2016, gross synergies have represented nearly 625 FTE[2], and reinvestments have risen to about 90 FTE, primarily in the Real & Alternative Assets, ETF & Passive & Smart Beta business lines.

1.2.2.3 INTEGRATION OF PIONEER

The integration of Pioneer is complete with the final stages successfully completed in Q2 2019:

- migration of the IT system to the United States;
- merger of the range of funds (Luxembourg SICAVs).

The achievements in synergies exceeded the targets initially announced (in December 2016).



* Annualised percentage of cost synergies realised in H1 2019

(1) Excluding performance fees.
(2) FTE: Full Time Equivalent.

1.2.2.4 ADJUSTED GROSS OPERATING INCOME AND COST-TO-INCOME RATIO

In € millions	H1 2019	H1 2018	H1 2019/ H1 2018
Net revenue (a)	1,332	1,340	(0.6%)
Operating expenses (b)	(680)	(677)	+0.6%
ADJUSTED GROSS OPERATING INCOME	**652**	**664**	**(1.7%)**
Adjusted cost-to-income ratio (b)/(a) *(in %)*	***51.1%***	***50.5%***	***+0.6 pt***

Cost-to-income ratio remains one of the lowest in the industry at 51.1%.

1.2.2.5 ALTERNATIVE PERFORMANCE INDICATORS (API)

To present an income statement that is closer to economic reality, Amundi reports adjusted data which are defined as follows: they exclude Pioneer-related integration costs, as well as the amortisation of distribution contracts with SG, Bawag and UniCredit since 1 July 2017 (see above).

These adjusted data are reconciled with accounting data as follows:

In € millions	H1 2019	H1 2018
Net revenue (a)	**1,297**	**1,304**
+ Amortisation of distribution contracts before tax	36	36
Adjusted net revenue (b)	**1,332**	**1,340**
Operating expenses (c)	**(680)**	**(694)**
+ Pioneer integration costs before tax	0	18
Adjusted operating expenses (d)	**(680)**	**(677)**
Gross operating income (e) = (a)+(c)	**616**	**610**
ADJUSTED GROSS OPERATING INCOME (f)=(b)+(d)	**652**	**664**
Cost-to-income ratio (c)/(a)	***52.5%***	***53.2%***
Adjusted cost-to-income ratio (d)/(b)	*51.1%*	*50.5%*
Cost of risk & Other (g)	2	(10)
Equity-accounted entities (h)	25	25
Pre-tax income (i) = (e)+(g)+(h)	**644**	**626**
ADJUSTED PRE-TAX INCOME (j)=(f)+(g)+(h)	**679**	**679**
Income tax (k)	*(164)*	*(172)*
Adjusted income tax (l)	*(174)*	*(188)*
Net income, Group share (i)+(k)	**480**	**454**
ADJUSTED NET INCOME, GROUP SHARE (j)+(l)	**505**	**492**

■ *accounting data*
■ *adjusted data*

1.3 FINANCIAL POSITION

Amundi's financial position remains solid.

At 30 June 2019, Amundi's tangible equity stood at €2.1 billion, compared to €2.3 billion at 31 December 2018. This change is related to the following factors: generation of capital from net income in the 1st half of 2019 (€480 million) was more than offset by the distribution of dividends from the 2018 financial year (-€579 million), as well as an increase in the number of treasury shares held to cover the performance share plan (additional deduction of €67 million). The number of treasury shares (which are deducted from equity) increased in the 1st half of 2019: 1.9 million shares at the end of June 2019 compared to 0.8 million at the end of December 2018.

Furthermore, in June 2019, the ratings agency Fitch confirmed Amundi's A+ rating, one of the best in the sector.

1.3.1 Solvency ratio

At 30 June 2019, as shown in the table below, Amundi's CET1 solvency ratio was 13.4% *versus* 13.2% at the end of December 2018.

This improvement is explained by the increase in Tier 1 capital, which more than offsets the increase in risk-weighted assets, related particularly to the impact of the upturn in financial markets and the coming into effect of IFRS 16.

With a CET1 ratio of 13.4% and a total capital ratio of 15.9%, Amundi complies with regulatory requirements.

In € millions	30/06/2019 Basel III	31/12/2018 Basel III
Common Equity Tier 1 capital (CET1)	1,579	1,440
Tier 1 capital (*CET 1* + AT1)	1,579	1,440
Tier 2 capital	300	300
Total regulatory capital	**1,879**	**1,740**
Total risk-weighted assets	**11,789**	**10,949**
o/w credit risk (excl. threshold allowances and CVA)	*5,315*	*4,522*
o/w effect of threshold allowances	*772*	*714*
o/w Credit Value Adjustment (CVA) effect	*451*	*436*
o/w Operational risk and Market risk	*5,251*	*5,277*
Overall solvency ratio	**15.9%**	**15.9%**
CET 1 solvency ratio	**13.4%**	**13.2%**

1.3.2 Net financial debt

At 30 June 2019, Amundi had a net lending position (as was the case at 31 December 2018), as shown in the table below:

In € millions	30/06/2019
a. Net cash	976
b. Voluntary investments (excl. seed money) in money market funds and short-term bank deposits	639
c. Voluntary investments (excl. seed money) in fixed income funds	1,315
d. Liquidity (a+b+c)	**2,930**
e. Position net of margin calls on derivatives(1)	**(498)**
Debited to balance sheet	*491*
Credited to balance sheet	*989*
f. Short-term debts to credit institutions	1,092
g. Current portion (< 1 year) of medium and long-term debts to credit institutions	69
h. Current financial debts to credit institutions (f+g)	**1,161**
i. Long-term portion (>1 year) of medium and long-term debts to credit institutions	438
j. Non-current financial debts to credit institutions	**438**
K. NET FINANCIAL DEBT (H+J-D-E)	**(833)**

(1) The main factor in the change to the Group's cash position is margin calls on collateralised derivatives. This amount changes depending on the market value of the underlying derivatives.
(a) Net cash means asset and liability balances of current accounts with credit institutions, as well as cash and central bank accounts.
(h) and (i) Debts to credit institutions carry no guarantees or surety.

In addition, it should be remembered that on 23 October 2015, the Group signed a €1,750 million syndicated multi-currency revolving credit agreement with an international syndicate of lenders, with an initial maturity of five years from the date of the agreement which was renewed in October 2017 bringing the maturity date to 23 October 2022. The purpose of the agreement is to increase the Group's liquidity in all currencies in use and to secure access to that liquidity particularly if needed to face outflows in some funds managed by the Group. It includes two covenants, both of which were complied with at 30 June 2019: a minimum level of tangible shareholders' equity and a financial leverage (gearing) ratio of net debt to tangible shareholders' equity.

It is worth noting that on 30 June 2019, Amundi's LCR (Liquidity Coverage Ratio covering its liquidity requirements under a significant stress scenario lasting one month) was 375.6%.

1.4 RELATED PARTY TRANSACTIONS

The main related party transactions are described in note 5.2.3 "Related party transactions", of the interim condensed consolidated financial statements at 30 June 2019.

1.5 RECENT EVENTS AND OUTLOOK

1.5.1 Recent events

Confirmation of Amundi's strategic ambitions as part of Crédit Agricole S.A.'s Medium-Term Plan 2022.

Crédit Agricole S.A. released its Medium-Term Plan 2022 on 6 June. **Within this Plan, the ambitions set for Amundi are in line with its on-going plan announced in February 2018. Its goal remains unchanged: to feature among the industry leaders in asset management worldwide,** based on:

- the quality of the expertise and services it offers to its clients;
- momentum in terms of growth and profitability;
- its positioning as a committed financial player, in accordance with the 3-year action plan on Responsible Investment, announced in October 2018.

Amundi's financial targets over the term of the new Plan are the following:

- **annual growth target for adjusted net income[(1)] of +5%[(2)] on average between 2018 and 2022**;
- **adjusted cost-to-income ratio of less than or equal to 53%[(1)].**

In the context of this Plan, Amundi confirms its profitability targets for 2020[(3)]:

- accounting net income ≥ €1 billion;
- adjusted net income ≥ €1.05 billion.

All of these targets take into account an assumption of a neutral market effect over the period 2018-2022. Moreover, the dividend distribution ratio will remain at 65%[(4)].

1.5.2 Outlook

Commenting on the results for the 1st half of 2019, Yves Perrier, Chief Executive Officer, said:

"In the first half of 2019, Amundi confirmed the solidity of its business model. Results have increased again, in line with the targets of the three-year plan. This increase in profitability reflects both the resiliency of business and margins in a more difficult environment, and the full effect of the synergies from the Pioneer acquisition. Amundi has continued to strengthen its organization with targeted recruitment (mainly for passive management and real assets). In addition, Amundi has launched several Responsible Investing initiatives, in keeping with the plan announced in October 2018".

1.6 SHAREHOLDING

	30 June 2019		31 December 2018		31 December 2017	
	Number of shares	% of share capital	Number of shares	% of share capital	Number of shares	% of share capital
Crédit Agricole group	141,057,399	69.9%	141,057,399	69.9%	141,057,399	70.0%
Employees	591,064	0.3%	602,329	0.3%	426,085	0.2%
Free float	58,135,992	28.8%	59,230,545	29.4%	59,985,943	29.8%
Treasury shares	1,919,899	1.0%	814,081	0.4%	41,135	0.0%
NUMBER OF SHARES AT END OF PERIOD	**201,704,354**	**100.0%**	**201,704,354**	**100.0%**	**201,510,562**	**100.0%**
AVERAGE NUMBER OF SHARES FOR THE PERIOD	**201,704,354**	**/**	**201,591,264**	**/**	**192,401,181**	**/**

Treasury shares amounted to 1.0% of share capital at 30 June 2019, mainly as a result of the share buyback programme launched in November 2018 and the on-going liquidity contract.

(1) Excluding amortisation of distribution agreements and, in 2018, integration costs.
(2) Compared to the Group's 2018 adjusted net income of €946 million. The Group's adjusted net income does not include amortisation of distribution agreements or, in 2018, integration costs.
(3) Press release of 9 February 2018.
(4) The dividend distribution rate is calculated on the Group's net income per share after amortisation of distribution agreements.

Share capital increase reserved for employees

A share capital increase reserved for employees will take place in the second half of 2019. This operation, which will strengthen employees' sense of belonging, will be carried out under the existing legal authorisations approved by the General Meeting of May 2019.

The impact of this operation on Net Earnings per Share is expected to be negligible: the maximum volume of securities created will be 1 million shares (or less than 0.5% of share capital and voting rights) and the discount offered to employees will be 30%, in accordance with the guidelines of the PACTE Act[1] recently passed in France.

1.7 RISK FACTORS

The Group's main risk factors are detailed in Chapter 5 "Risk management and capital adequacy" of the Amundi Group's 2018 Registration Document filed with the AMF (French Financial Markets Authority) on 8 April 2019.

This detailed description remains valid, no other significant risk factors having been identified by the Group either during the first half of the year or that could have a material impact for the current financial year.

(1) The PACTE Act: Plan d'Action pour la Croissance et la Transformation des Entreprises (Action Plan for Growth and the Transformation of Companies).

Interim condensed consolidated financial statements at 30 June 2019

2

The consolidated financial statements consist of the general framework, the consolidated financial statements and the notes to the financial statements.

2.1 GENERAL FRAMEWORK

Amundi Group ("Amundi") is a group of companies whose primary business is managing assets on behalf of third parties.

Amundi is the consolidating entity of Amundi Group of companies. It is a Limited Liability Company with a Board of Directors registered under number 314 222 902 in the Trade and Companies Register of Paris, France, with share capital of €504,260,885.00 comprising 201,704,354 shares with a par value of €2.50 each. The Company's registered office is located at 91-93 boulevard Pasteur, 75015 Paris.

Amundi shares are traded on Euronext Paris. Amundi is governed by the stock market regulations in effect, notably with respect to its obligation to inform the public.

Amundi is a credit institution with approval from the *Autorité de contrôle prudentiel et de résolution* (ACPR) under number 19530. Group companies that perform asset management activities have obtained the necessary approvals from the supervisory authorities they report to in France and other countries.

At 30 June 2019, Amundi was 68.22% owned by Crédit Agricole SA and 1.71% by other Crédit Agricole group companies. Amundi is fully consolidated in the financial statements of Crédit Agricole SA and the Crédit Agricole group.

2.2 CONSOLIDATED FINANCIAL STATEMENTS

2.2.1 Income statement

In € thousands	Notes	H1 2019	2018	H1 2018
Revenue from commissions and other income from customer activities (a)		2,295,539	4,803,695	2,591,871
Commission and other customer activity expenses (b)		(1,024,084)	(2,230,051)	(1,257,928)
Net gains or losses on financial instruments at fair value through profit or loss on customer activities (c)		27,657	32,121	12,572
Interest and similar income (d)		7,378	6,976	3,547
Interest and similar expenses (e)		(14,096)	(21,740)	(11,050)
Net gains or losses on financial instruments at fair value through profit or loss (f)		36,718	(16,440)	(2,826)
Net gains and losses on financial assets at fair value through equity (g)		3,487	6,440	3,118
Income from other activities (h)		26,957	16,779	8,494
Expenses from other activities (i)		(62,941)	(87,344)	(43,438)
Net revenue from commissions and other customer activities (a)+(b)+(c)	**2.1**	**1,299,112**	**2,605,765**	**1,346,515**
Net financial income (d)+(e)+(f)+(g)	**2.2**	**33,486**	**(24,764)**	**(7,211)**
Other net income (h)+(i)	**2.3**	**(35,985)**	**(70,565)**	**(34,944)**
Net revenues		**1,296,614**	**2,510,436**	**1,304,360**
Operating expenses	2.4	(680,326)	(1,387,201)	(694,010)
Gross operating income		**616,288**	**1,123,236**	**610,351**
Cost of risk	2.5	2,640	(11,249)	(9,873)
Share of net income of equity-accounted entities		24,837	49,745	25,461
Net gains (losses) on other assets	2.6	(201)	(114)	(108)
Change in value of goodwill		-	-	-
Pre-tax income		**643,563**	**1,161,618**	**625,830**
Income tax charge	2.7	(163,708)	(306,792)	(171,713)
Net income for the period		**479,855**	**854,827**	**454,117**
Non-controlling interests		74	177	277
NET INCOME – GROUP SHARE		**479,929**	**855,004**	**454,395**

2.2.2 Net income and gains and losses recognised directly in equity

In € thousands	Notes	H1 2019	2018	H1 2018
Net income		**479,855**	**854,827**	**454,117**
Actuarial gains and losses on post-employment benefits		*(7,424)*	*1,024*	*(91)*
Non-recyclable gains and losses on equity instruments recognised in equity	3.5	*(23,811)*	*(38,657)*	*(19,862)*
Gains and losses on non-current assets held for sale		-	-	-
Pre-tax non-recyclable gains and losses recognised directly in equity, excluding equity-accounted entities		(31,235)	(37,633)	(19,953)
Pre-tax non-recyclable gains and losses recognised directly in equity of equity-accounted entities		-	-	-
Tax on non-recyclable gains and losses recognised directly in equity, excluding equity-accounted entities		2,250	(226)	18
Tax on non-recyclable gains and losses recognised directly in equity of equity-accounted entities		-	-	-
Net gains and losses recognised directly in equity and which cannot be recycled to profit and loss at a later date		**(28,985)**	**(37,860)**	**(19,935)**
Gains and losses on translation adjustments (a)		*6,219*	*24,298*	*11,285*
Gains and losses on debt instruments recognised in equity and recyclable to profit and loss (b)	3.5	*569*	*(1,845)*	*(327)*
Gains and losses on hedging derivative instruments (c)		-	-	-
Gains and losses on non-current assets held for sale (d)		-	-	-
Pre-tax recyclable gains and losses recognised directly in equity, excluding equity-accounted entities (a)+(b)+(c)+(d)		6,788	22,453	10,958
Tax on recyclable gains and losses recognised directly in equity, excluding equity-accounted entities		(181)	612	128
Pre-tax recyclable gains and losses recognised directly in equity of equity-accounted entities		2,108	(7,642)	(5,802)
Tax on recyclable gains and losses recognised directly in equity of equity-accounted entities		-	-	-
Net gains and losses recognised directly in equity and recyclable to profit or loss at a later date		**8,715**	**15,423**	**5,283**
Net gains and losses recognised directly in equity		**(20,269)**	**(22,436)**	**(14,651)**
TOTAL NET INCOME INCLUDING NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY		**459,585**	**832,391**	**439,466**
of which Group share		459,659	832,571	439,743
of which non-controlling interests		(74)	(180)	(277)

2.2.3 Balance sheet assets

In € thousands	Notes	30/06/2019	31/12/2018
Cash and central banks	3.1	52	40
Financial assets at fair value through profit or loss	3.2	12,449,819	10,451,477
Financial assets at fair value through equity	3.5	533,445	485,951
Financial assets at amortised cost	3.6	1,121,713	1,005,180
Current and deferred tax assets	3.9	227,581	194,264
Accruals, prepayments and sundry assets	3.10	1,862,743	2,254,128
Investments in equity-accounted entities		276,027	263,812
Property, plant and equipment	3.11	223,881	42,624
Intangible assets	3.11	513,705	544,228
Goodwill	3.12	5,703,625	5,695,486
TOTAL ASSETS		**22,912,591**	**20,937,188**

2.2.4 Balance sheet liabilities & equity

In € thousands	Notes	30/06/2019	31/12/2018
Financial liabilities at fair value through profil or loss	3.3	9,444,488	8,213,323
Financial liabilities at amortised cost	3.7	1,390,422	1,313,655
Current and deferred tax liabilities	3.9	317,970	281,109
Accruals, deferred income and sundry liabilities	3.10	2,926,966	2,088,322
Provisions		183,726	208,723
Subordinated debt	3.8	300,899	303,826
Total debt		**14,564,472**	**12,408,958**
Equity Group share		8,348,087	8,528,124
Share capital and reserves	3.13	2,879,933	2,946,566
Consolidated reserves		5,061,440	4,779,498
Gains and losses recognised directly in equity		(73,215)	(52,944)
Net income/(loss) for the period		479,929	855,004
Non-controlling interests		33	107
Total equity		**8,348,120**	**8,528,230**
TOTAL LIABILITIES		**22,912,591**	**20,937,188**

2.2.5 Statement of changes in equity

	Group Share					
	Share capital and reserves				Gains and losses recognised directly in equity	
In € thousands	Share capital	Paid-in capital and consolidated share capital	Elimination of treasury shares	Total share capital and consolidated reserves	In non-recyclable equity	In recyclable equity
EQUITY AS OF 1 JANUARY 2018	**503,777**	**7,728,513**	**(1,405)**	**8,230,884**	**679**	**(31,187)**
Capital increase	-	-	-	-	-	-
Changes in treasury shares	-	-	(7,145)	(7,145)	-	-
Dividends paid in first half 2018	-	(503,602)	-	(503,602)	-	-
Effect of acquisitions and disposals on non-controlling interests	-	-	-	-	-	-
Changes related to share-based payments	-	16,082	-	16,082	-	-
Changes related to transactions with shareholders	**-**	**(487,520)**	**(7,145)**	**(494,665)**	**-**	**-**
Change in gains and losses recognized directly in recyclable equity	-	-	-	-	(19,934)	11,088
Share of change in equity of equity-accounted entities	-	-	-	-	-	(5,802)
Net income for first half 2018	-	-	-	-	-	-
Other comprehensive income first half 2018	-	-	-	-	**(19,934)**	**5,287**
Other changes	-	(394)	-	(394)	-	-
EQUITY AS OF 30 JUNE 2018	**503,777**	**7,240,600**	**(8,550)**	**7,735,826**	**(19,255)**	**(25,900)**
Capital increase	484	9,263	-	9,747	-	-
Changes in treasury shares	-	-	(32,771)	(32,771)	-	-
Dividends paid in second half 2018	-	-	-	-	-	-
Effect of acquisitions and disposals on non-controlling interests	-	-	-	-	-	-
Changes related to share-based payments	-	11,634	-	11,634	-	-
Changes related to transactions with shareholders	**484**	**20,897**	**(32,771)**	**(11,390)**	**-**	**-**
Change in gains and losses recognized directly in equity	-	1,429	-	1,429	(17,926)	11,977
Share of change in equity of equity-accounted entities	-	-	-	-	-	(1,840)
Net income for second half 2018	-	-	-	-	-	-
Other comprehensive income for second half 2018	**-**	**1,429**	**-**	**1,429**	**(17,926)**	**10,136**
Other changes	-	198	-	198	-	-
EQUITY AS OF 31 DECEMBER 2018	**504,261**	**7,263,124**	**(41,321)**	**7,726,064**	**(37,181)**	**(15,763)**
Appropriation of 2018 net income	-	855,004	-	855,004	-	-
EQUITY AS OF 1 JANUARY 2019	**504,261**	**8,118,128**	**(41,321)**	**8,581,068**	**(37,181)**	**(15,763)**
Capital increase	-	-	-	-	-	-
Changes in treasury shares	-	(11,211)	(66,634)	(77,845)	-	-
Dividends paid in first half 2019	-	(579,365)	-	(579,365)	-	-
Effect of acquisitions and disposals on non-controlling interests	-	-	-	-	-	-
Changes related to share-based payments	-	17,577	-	17,577	-	-
Changes related to transactions with shareholders	**-**	**(572,999)**	**(66,634)**	**(639,633)**	**-**	**-**
Change in gains and losses recognised directly in equity	-	-	-	-	(28,985)	6,607
Share of change in equity of equity-accounted entities	-	-	-	-	-	2,108
Net income for first half 2019	-	-	-	-	-	-
Other comprehensive income first half 2019	**-**	**-**	**-**	**-**	**(28,985)**	**8,715**
Other changes	-	(62)	-	(62)	-	-
EQUITY AS OF 30 JUNE 2019	**504,261**	**7,545,067**	**(107,955)**	**7,941,373**	**(66,166)**	**(7,048)**

		Non-controlling interests				Consolidated shareholder equity
Net income	Shareholder equity Group share	Share capital, consolidated reserves and net income	Gains and losses recognised directly in equity		Non-controlling interests	
			In non-recyclable equity	In recyclable equity		
-	8,200,377	187	(32)	-	156	8,200,534
-	-	-	-	-	-	-
-	(7,145)	-	-	-	-	(7,145)
-	(503,602)	-	-	-	-	(503,602)
-	-	-	-	-	-	-
-	16,082	-	-	-	-	16,082
-	**(494,665)**	**-**	**-**	**-**	**-**	**(494,665)**
-	(8,846)	-	2	-	2	(8,844)
-	(5,802)	-	-	-	-	(5,802)
454,395	454,395	(277)	-	-	(277)	454,117
454,395	**439,747**	**(277)**	**2**	**-**	**(275)**	**439,472**
-	(394)	-	-	-	-	(394)
454,395	8,145,065	(91)	(30)	-	(120)	8,144,946
-	9,747	-	-	-	-	9,747
-	(32,771)	-	-	-	-	(32,771)
-	-	130	-	-	130	130
-	-	-	-	-	-	-
-	11,634	-	-	-	-	11,634
-	**(11,390)**	**130**	**-**	**-**	**130**	**(11,260)**
-	(4,520)	-	(4)	-	(4)	(4,524)
-	(1,840)	-	-	-	-	(1,840)
400,609	400,609	100	-	-	100	400,710
400,609	**394,249**	**100**	**(4)**	**-**	**96**	**394,345**
-	198	-	-	-	-	198
855,004	8,528,124	139	(34)	-	107	8,528,230
(855,004)	-	-	-	-	-	-
-	8,528,124	139	(34)	-	107	8,528,230
-	-	-	-	-	-	-
-	(77,845)	-	-	-	-	(77,845)
-	(579,365)	-	-	-	-	(579,365)
-	-	-	-	-	-	-
-	17,577	-	-	-	-	17,577
-	**(639,633)**	**-**	**-**	**-**	**-**	**(639,633)**
-	(22,378)	-	-	-	-	(22,378)
-	2,108	-	-	-	-	2,108
479,929	479,929	(74)	-	-	(74)	479,855
479,929	**459,659**	**(74)**	**-**	**-**	**(74)**	**459,585**
-	(62)	-	-	-	-	(62)
479,929	8,348,087	67	(34)	-	33	8,348,120

2.2.6 Cash flow statement

The Group's cash flow statement is presented below using the indirect method. Cash flows are shown by type: operating activities, investment activities and financing activities.

Operating activities are activities carried out on behalf of third parties and which are selected mainly in fee and commission cash flows, and activities on its own account (investments and related financing, intermediation of swaps between funds and markets, etc.). Tax inflows and outflows are included in full within operating activities.

Investing activities include acquisitions and disposals of investments in consolidated and non-consolidated companies, along with purchases of tangible and intangible assets.

Financing activities cover all transactions relating to equity (issues and buybacks of shares and other equity instruments, dividend payments, etc.) and long-term borrowings.

Net cash includes cash, debit and credit balances with central banks, debit and credit demand balances in ordinary bank accounts, and overnight accounts and loans.

In € thousands	Notes	H1 2019	2018	H1 2018
Pre-tax income		**643,563**	**1,161,618**	**625,830**
Net depreciation and amortisation and provisions in relation to tangible and intangible assets		37,924	27,511	13,546
Goodwill write-down		-	-	-
Net write-downs and provisions		(30,485)	(28,824)	(9,718)
Share of income of equity-accounted entities		(24,837)	(49,745)	(25,461)
Net income from investment activities		201	114	108
Net income from financing activities		4,291	5,886	2,943
Other movements		(9,468)	54,536	(24,344)
Total non-monetary items included in net income before taxes and other adjustments		**(22,374)**	**9,478**	**(42,925)**
Changes in interbank items		84,532	809,088	295,053
Changes in financial assets and liabilities(1)		(852,876)	(363,928)	(46,817)
Changes in non-financial assets and liabilities(2)		1,105,470	(739,303)	(16,525)
Dividends from equity-accounted affiliates		14,682	15,809	12,692
Tax paid	2.7	(157,911)	(298,820)	(116,325)
Net decrease (increase) in assets and liabilities from operating activities		**193,897**	**(577,154)**	**128,076**
Net changes in cash flow from operating activities (a)		**815,086**	**593,943**	**710,981**
Changes in equity investments		11,153	(56,310)	(69,219)
Changes in property, plant and equipment and intangible assets		(20,425)	(18,743)	(5,561)
Net cash flows from investing activities (b)		**(9,272)**	**(75,053)**	**(74,780)**
Cash flow from or intended for shareholders		(657,203)	(533,635)	(510,747)
Other net cash flows from financing activities		(99,238)	(76,413)	(76,413)
Net cash flow from financing transactions (c)(3)		**(756,441)**	**(610,048)**	**(587,160)**
Impact of exchange rate changes and other changes on cash (d)		4,264	10,222	5,060
CHANGES IN NET CASH (a+b+c+d)		**53,637**	**(80,936)**	**54,101**
Cash at beginning of the period		**928,674**	**1,009,610**	**1,009,610**
Net cash balance and central banks		40	43	43
Net balance of accounts, demand loans and borrowings with credit institutions		928,634	1,009,567	1,009,567
Cash at end of the period		**982,311**	**928,674**	**1,063,711**
Net cash balance and central banks		52	40	59
Net balance of accounts, demand loans and borrowings with credit institutions		982,259	928,634	1,063,653
CHANGE IN NET CASH		**53,637**	**(80,936)**	**54,101**

(1) Operating flows having an impact on financial assets and liabilities include investments and disinvestments in the investment portfolio.
(2) The flows of non-financial assets and liabilities include margin calls on collateralised derivatives. These amounts fluctuate depending on the fair value of the underlying derivatives.
(3) Financing transaction flows include the impact of the dividend payment for 2018 to shareholders as well as the partial repayment of the senior loan taken out in 2017 as part of the acquisition of Pioneer Investments.
Since 1 January 2019, they also include the decreasing flow of lease debts recognised in the context of the application of IFRS 16.

2.3 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DETAILED SUMMARY OF THE NOTES

PERIOD HIGHLIGHTS

Capital increase reserved for Group employees

On 31 July 2019, Amundi Group published a press release announcing its intention to initiate a capital increase reserved for employees during the second half of 2019.

The principle of this transaction was authorised by the shareholders' meeting in May 2019, and will generate a maximum number of 1,000,000 shares.

Note 1 Principles and methods

1.1 APPLICABLE STANDARDS AND COMPARABILITY

Amundi Group interim condensed consolidated financial statements at 30 June 2019 were prepared in accordance with IAS 34 regarding interim financial reporting, which enables selected notes to the financial statements to be presented. As such, the interim consolidated financial statements do not include all of the notes and information required by IFRS standards for annual financial statements and must be read in conjunction with the consolidated financial statements for 2018, subject to the issues specific to the preparation of interim financial statements.

1.1.1 Standards applied as at 30.06.2019

The accounting principles and methods chosen by Amundi Group to prepare its consolidated financial statements at 30 June 2019 are identical to those used for the preparation of the consolidated statements for the period ended on 31 December 2018, prepared in accordance with EC regulation N° 1606/2002, pursuant to IAS/IFRS standards and IFRIC interpretations as adopted by the European Union ("carve out" version).

They were supplemented by the provisions of IFRS standards as adopted by the European Union at 30 June 2019, application of which is mandatory for the first time in 2019.

These cover:

Standards, amendments and interpretations	Date of publication by the European Union	Date of first mandatory application-financial year beginning on
IFRS 16 "Leases" Replacement of IAS 17 "Leases"	31 October 2017 (EU 2017/1986)	1 January 2019
Amendments to IFRS 9 "Financial instruments" Prepayment features with negative compensation	22 March 2018 (UE 2018/498)	1 January 2019
Amendments to IAS 28 "Investments in associates and joint ventures" Long-term interests	11 February 2019 (EU 2019/237)	1 January 2019
Amendments to IAS 19 Employee benefits: Benefit plan changes, withdrawals and settlement	14 March 2019 (EU 2019/402)	1 January 2019
Interpretation of IFRIC 23 "Uncertainty concerning tax treatments"	24 October 2018 (UE 2018/1595)	1 January 2019
Annual improvements to IFRS 2015-2017 cycle: IAS 12 amendments – "Income taxes" IAS 23 amendments – "Borrowing cost" IFRS 3 amendments – "Business combinations" IFRS 11 amendments – "Joint arrangements"	15 March 2019 (EU 2019/412)	1 January 2019

Accordingly, Amundi Group published its IFRS financial statements pursuant to IFRS 16 "Leases" for the first time starting 1 January 2019.

IFRS 16 "Leases" replaces IAS 17 and related interpretations (IFRIC 4 "Determining Whether an Arrangement Contains a Lease", SIC 15 "Operating Leases – Incentives" and SIC 27 "Evaluating the Substance of Transactions in the Legal Form of a Lease").

The main change made by IFRS 16 has to do with accounting for lessees. IFRS 16 requires that lessees adopt a model recognising all leases on the balance sheet, with a lease liability on the liabilities side representing commitments over the life of the lease, and on the assets side, an amortisable right-of-use asset.

For the first-time application of IFRS 16, Amundi chose to apply the modified retrospective method without restatement of 2019 comparative information, in accordance with paragraph C5(b) of IFRS 16 for contracts previously classified as operating leases under IAS 17. Pursuant to this approach, the Amundi Group recorded a lease obligation at 1 January 2019, measured at the present value of remaining lease payments and a right-of-use asset measured at the amount of the adjusted lease liability, adjusted where necessary by the amount of prepaid rents or rents to be paid that were recognised in the statement of the financial position immediately prior to the date of first-time application.

Application of IFRS 16 has no impact on equity.

At the transition date, Amundi chose to apply the following simplifying measures suggested by the standard:

- no adjustment to contracts whose lease term is less than 12 months following the date of first-time application. This concerns, in particular, 3/6/9 leases that are tacitly renewable at the date of first-time application;
- no adjustment to leases with low-valued underlying assets;
- adjustment to right-of-use assets by the amount recorded at 31 December 2018 in the statement of financial position under the provision for loss-making contracts;
- exclusion of the initial direct costs of the assessment of right-of-use assets.

The discount rate applicable for calculating right-of-use assets and the lease liability is the incremental borrowing rate of interest on the first-time application date for IFRS 16, based on the residual term of the lease at 1 January 2019.

Right-of-use assets recorded at the date of first-time application essentially concern building leases (office buildings).

1.1.2 IFRS standards not yet adopted by the European Union

Furthermore, standards and interpretations published by the IASB, but not yet adopted by the European Union, will enter into mandatory force only at the time of their adoption and therefore were not applied to the Group at 30 June 2019. These standards primarily concern:

Standards, amendments and interpretations	Dates of publication by the IASB	Date of first mandatory application financial year beginning on
IFRS 3 amendment – “Business combinations” Definition of a company	22 October 2018	pending
IAS 1 amendment “Presentation of financial statements” and IAS 8 “Accounting policies changes in accounting estimates and errors”	31 October 2018	pending

1.2 PRESENTATION FORMAT OF THE FINANCIAL STATEMENTS

Amundi presents its balance sheet in decreasing liquidity order. Balance sheet assets and liabilities are presented in notes 6.2.3 and 6.2.4.

The income statement is presented by type in note 6.2.1.

The main income statement aggregates are:

- net income, including net revenue from commissions and other customer activities (note 2.1) and net financial income (note 2.2);
- operating expenses (note 2.4);
- cost of risk (note 2.5);
- the share of net income from equity-accounted entities;
- net gains (losses) on other assets (note 2.6);
- income tax (note 2.7).

1.3 ACCOUNTING PRINCIPLES AND METHODS

1.3.1 Use of assumptions and estimates for the preparation of the half-year financial statements

In order to prepare the interim condensed consolidated financial statements, the Group carries out a number of estimates and retains certain assumptions it deems realistic and reasonable. The estimates relate to the identification of income and expenses and the valuation of assets and liabilities as well as the information in the notes to the financial statements.

The exercise assumes that Management applies its judgement based on the information available at the time the statements are prepared. Due to the uncertainties inherent in any valuation process, the Group revises its estimates based on information updated on a regular basis. It is therefore possible that the future results of the operations in question may differ from the estimates.

Future results may be impacted by a number of different factors, notably (but not exclusively):

- national and international market activity;
- interest rate, currency, equity and credit spread fluctuations;
- the economic and political environment in certain business sectors and countries;
- changes in regulations and legislation.

The significant estimates made by the Group in preparing the financial statements relate primarily to:

- assessment of the recoverable amount of goodwill;
- appreciation of the concept of control;
- the fair value measurement of financial instruments;
- the valuation of provisions for guarantees granted to structured funds, retirement obligations and legal and regulatory risks.

No material changes occurred in these areas in the first half of 2019.

1.3.2 Accounting principles applicable at the interim closing date

Leases (IFRS 16)

The Amundi Group holds leases essentially as lessee.

Lease transactions are recognised on the balance sheet on the date the leased asset is made available. The lessee recognises an asset representative of the right-of-use of a leased asset as property, plant and equipment over the estimated term of the lease, and a liability in respect of the lease payment obligation as other liabilities over the same period.

The lease term is the non-cancellable term of the lease adjusted by contractual extension options that the lessee is reasonably certain to exercise and the termination option that the lessee is reasonably certain not to exercise.

The lease liability is recognised for an amount equal to the present value of lease payments over the term of the lease. Lease payments include fixed leases, variable leases based on a rate or an index, and the payments that the lessee expects to pay under residual value guarantees, options to buy or early termination penalties. Variable leases that do not rely on an index or a rate and the non-deductible VAT on leases are excluded from the liability calculation and are recognised as operating expenses.

The applicable discount rate for the right-of-use calculation and the lease liability is by default the tenant's incremental borrowing rate of interest over the term of the lease at the date of signing the lease, when the implicit rate is not easily determined.

The expense corresponding to lease payments is broken down between, on the one hand, interest, and on the other hand, capital depreciation.

The right-of-use asset is measured at the initial value of the lease liability plus initial direct costs, pre-payments and refurbishment costs. It is depreciated over the estimated term of the lease.

The lease liability and the right-of-use asset may be adjusted in the event of a modification of the lease, re-evaluation of the lease term or revision of lease payments related to the application of indices or rates.

Deferred taxes are recognised as right-of-use asset timing differences and lease liabilities on the part of the lessee.

In accordance with the exception provided for by the standard, short-term leases (initial term of less than 12 months) and leases where the replacement value of the goods leased is low are not recognised on the balance sheet; the corresponding rental expenses are recorded on a straight-line basis in the financial statements as operating expenses.

In accordance with the provisions provided for by the standard, the Group does not apply IFRS 16 to leases of intangible assets.

Seasonal nature of the business

Since the Group's business is not seasonal or cyclical in nature, its first-half results are not influenced by such factors.

However, fees and commissions payable or receivable that are contingent upon meeting a performance target are recognised at an interim date only if all the following conditions are met:

- the amount of fees and commissions can be reliably estimated;
- it is probable that the future economic benefits resulting from the services rendered will flow to the Company;
- the stage of completion of the service can be reliably estimated; and the costs incurred for the service and the costs to complete it can be reliably estimated.

Performance commissions are therefore recognised at the end of the calculation period.

Income taxes

As part of the preparation of the interim financial statements, the (current and deferred) tax expense was estimated using the estimated average annual rate method.

Retirement obligations

Pension costs for the interim period are calculated based on actuarial valuations made for the previous financial year, as the Group does not conduct actuarial valuations during the year. However, these year-end actuarial valuations are adjusted to take into account non-recurring events during the first half that are likely to have an impact on the Group's obligations. Furthermore, the amounts recognised in respect of defined-benefit plans are adjusted if necessary in order to take into account any major changes that may have affected the yield on bonds issued by leading companies in the area involved (reference used to determine the discount rate) and the actual return on hedging assets.

At 30 June 2019, Amundi adjusted the discount rate used in the financial statements at 31 December 2018, due to the fact that iBoxx rates had changed significantly.

Note 2 Notes on net income and gains and losses recognised directly in equity

2.1 NET ASSET MANAGEMENT REVENUES

Commissions and fees break down as follows:

In € thousands	H1 2019	2018	H1 2018
Net fee and commission income	1,238,903	2,491,190	1,258,747
Performance fees	60,209	114,575	87,768
TOTAL NET ASSET MANAGEMENT REVENUES	**1,299,112**	**2,605,765**	**1,346,515**

The analysis of net asset management revenue by client segment is presented in note 5.1.

2.2 NET FINANCIAL INCOME

In € thousands	H1 2019	2018	H1 2018
Interest income	7,378	6,976	3,547
Interest expense	(14,096)	(21,740)	(11,050)
Net interest margin	**(6,718)**	**(14,764)**	**(7,503)**
Dividends received	3,508	1,427	1,359
Realised or unrealised gains or losses on assets/liabilities at fair value through profit or loss by category	35,319	(28,874)	637
Realised or unrealised gains or losses on assets/liabilities designated at fair value through profit or loss	-	13,315	(3,955)
Net gains/(losses) on currency and similar financial instrument transactions	(2,110)	(2,307)	(868)
Net gains or losses on financial instruments at fair value through profit or loss	**36,718**	**(16,440)**	**(2,826)**
Net gains or losses on debt instruments recognised in equity which may be recycled	(8)	-	1
Remuneration of equity instruments recognized in equity (dividends) which may not be recycled	3,495	6,440	3,117
Net gains and losses on financial assets at fair value through equity	**3,487**	**6,440**	**3,118**
TOTAL NET FINANCIAL INCOME	**33,486**	**(24,764)**	**(7,211)**

Analysis of net gains (losses) from hedge accounting:

	H1 2019			2018			H1 2018		
In € thousands	Profits	Losses	Net	Profits	Losses	Net	Profits	Losses	Net
Fair value hedges									
Change in fair value of hedged items attributable to hedged risks	6,200	-	6,200	3,426	247	3,673	1,367	247	1,614
Change in fair value of hedging derivatives (including termination of hedges)	-	(6,200)	(6,200)	(247)	(3,426)	(3,673)	(247)	(1,367)	(1,614)
TOTAL GAINS (LOSSES) FROM HEDGE ACCOUNTING	**6,200**	**(6,200)**	**-**	**3,179**	**(3,179)**	**-**	**1,120**	**(1,120)**	**-**

2.3 OTHER NET INCOME

In € thousands	H1 2019	2018	H1 2018
Other net income (expenses) from banking operations	(43,465)	(84,981)	(42,470)
Other net income (expenses) from non-banking operations	7,480	14,416	7,526
TOTAL OTHER NET INCOME (EXPENSES)	**(35,985)**	**(70,565)**	**(34,944)**

Other net income includes revenue from non-Group entities generated by the Amundi subsidiary that provides IT services primarily to members of the Group, along with the amortisation expense for intangible assets (distribution agreements) acquired in business combinations in the amount of €35,626 thousand at 30 June 2019 and €71,251 thousand at 31 December 2018.

2.4 OPERATING EXPENSES

In € thousands	H1 2019	2018	H1 2018
Employee expenses (including seconded and temporary personnel)	(432,555)	(857,000)	(433,043)
Other operating expenses	(247,771)	(530,201)	(260,967)
Of which external services related to personnel and similar expenses	*(4,811)*	*(8,313)*	*(3,783)*
TOTAL OPERATING EXPENSES	**(680,326)**	**(1,387,201)**	**(694,010)**

An analysis of employee expenses is presented below:

In € thousands	H1 2019	2018	H1 2018
Salaries	(310,687)	(610,478)	(314,540)
Retirement fund contributions	(25,317)	(40,252)	(22,196)
Social charges and taxes	(73,015)	(159,913)	(73,876)
Other	(23,536)	(46,357)	(22,431)
TOTAL EMPLOYEE EXPENSES	**(432,555)**	**(857,000)**	**(433,043)**

An expense of €17,577 thousand for share-based payments was recognised at 30 June 2019 in respect of the performance share award scheme for Group employees.

These award schemes are described below:

Performance share plan				
Date of General Meeting authorising share plan	30/09/2015	30/09/2015	18/05/2017	18/05/2017
Date of Board meeting	11/02/2016	09/02/2017	13/12/2017	01/08/2018
Date of allocation of shares	11/02/2016	09/02/2017	13/12/2017	01/08/2018
Number of shares allocated	235,160	139,930	1,551,750	98,310
Methods of payment	Amundi shares	Amundi shares	Amundi shares	Amundi shares
Vesting period	11/02/2016 11/02/2019	09/02/2017 09/02/2020	01/07/2017 31/12/2021	01/07/2018 31/12/2021
Performance conditions(1)	Yes	Yes	Yes	Yes
Continued employment condition	Yes	Yes	Yes	Yes
Shares remaining at 31 December 2018	224,286	131,762	1,386,200	98,310
Shares issued during the period	*224,286*	-	-	-
Shares cancelled or voided during the period	-	*853*	*13,100*	-
Shares remaining at 30 June 2019	-	130,909	1,373,100	98,310
Fair value of one share – Tranche 1	€26.25	€43.41	€67.12	€52.27
Fair value of one share – Tranche 2	n.a.	n.a.	€63.69	€48.78
Fair value of one share – Tranche 3	n.a.	n.a.	€59.85	n.a.

(1) Performance conditions are based on net income Group share (NIGS), the amount of inflows and the Group's cost-to-income ratio.

Amundi measures the shares awarded and recognises an expense determined on the grant date based on the market value on that date. The assumptions relating to beneficiaries (options forfeited on dismissal or resignation) may be revised during the vesting period, giving rise to an adjustment to the expense.

2.5 COST OF RISK

In € thousands	H1 2019	2018	H1 2018
CREDIT RISK			
Provisions net of reversals on performing assets (Buckets 1 and 2)	**2,709**	**(677)**	**477**
Bucket 1: Losses valued at amount of credit losses expected in the coming 12 months	***2,709***	***(922)***	***346***
Debt instruments recognised at fair value through equity recyclable through profit and loss	(41)	(81)	(4)
Debt instruments recognised at amortised cost	1,094	(341)	
Commitments made	1,656	(500)	350
Bucket 2: Losses valued at amount of credit losses expected over the lifetime	***-***	***245***	***131***
Debt instruments recognised at fair value through equity recyclable through profit and loss	-	-	-
Debt instruments recognised at amortised cost	-	-	-
Commitments made	-	245	131
Provisions net of write-down reversals on impaired assets (Bucket 3)	**6,303**	**(17,021)**	**(16,224)**
Bucket 3: Impaired assets	***-***	***-***	***-***
Debt instruments recognised at fair value through equity recyclable through profit and loss	-	-	-
Commitments made	6,303	(17,021)	(16,224)
Net changes in provisions for credit risk	**9,012**	**(17,698)**	**(15,747)**
Net changes in provisions for other risks and charges and provisions on other assets	**(1,351)**	**7,902**	**6,799**
Other net gains (losses)	**(5,021)**	**(1,452)**	**(926)**
TOTAL COST OF RISK	**2,640**	**(11,249)**	**(9,873)**

Value adjustments for losses corresponding to provisions for off-balance sheet commitments and recognised under cost of risk (for credit risk) are shown below:

	Performing commitments				Impaired commitments (Bucket 3)		Total		
	Commitments subject to an ECL at 12 months (Bucket 1)		Commitments subject to an ECL at maturity (Bucket 2)						
In € thousands	Amount of commitment	Value adjustment for losses	Amount of commitment	Value adjustment for losses	Amount of commitment	Value adjustment for losses	Amount of commitment (a)	Value adjustment for losses (b)	Amount net of commitment (a) + (b)
AT 1 JANUARY 2019	**17,923,431**	**(2,188)**	**-**	**-**	**2,205,428**	**(28,786)**	**20,128,859**	**(30,974)**	**20,097,885**
Transfer of commitments during their lifetime from one bucket to another	**491,513**	**-**	**-**	**-**	**(491,513)**	**691**	**-**	**691**	**-**
Transfer of 12-month ECLs (Bucket) 1 to ECLs at maturity (Bucket 2)	-	-	-	-	-	-	-	-	-
Return of ECLs at maturity (Bucket 2) to 12-month ECLs (Bucket 1)	-	-	-	-	-	-	-	-	-
Transfers to ECLs impaired at maturity (Bucket 3)	-	-	-	-	-	-	-	-	-
Return of ECLs impaired at maturity (Bucket 3) to ECLs at maturity (Bucket 2)/12-month ECLs (Bucket 1)	*491,513*	-	-	-	*(491,513)*	*691*	-	*691*	-
TOTAL AFTER TRANSFER	**18,414,944**	**(2,188)**	**-**	**-**	**1,713,915**	**(28,095)**	**20,128,859**	**(30,283)**	**20,098,576**
Changes in commitment amounts and value adjustments for losses	**571,015**	**1,656**	**-**	**-**	**184,722**	**8,021**	**755,737**	**9,677**	**-**
New commitments given	-	-	-	-	-	-	-	-	-
Suppression of commitments	-	-	-	-	-	-	-	-	-
Transfer to loss	-	-	-	-	(2,409)	2,409	(2,409)	2,409	-
Changes in flows that do not result in derecognition	-	-	-	-	-	-	-	-	-
Changes in credit risk parameters over the period	-	*61*	-	-	-	*5,612*	-	*5,673*	-
Change in model/methodology	-	*1,595*	-	-	-	-	-	*1,595*	-
Other	*571,015*	-	-	-	*187,131*	-	*758,146*	-	-
AT 30 JUNE 2019	**18,985,959**	**(532)**	**-**	**-**	**1,898,637**	**(20,074)**	**20,884,596**	**(20,606)**	**20,863,990**

Provisions for off-balance sheet commitments are provisions granted by Amundi within the context of fund guarantees.

2.6 NET GAINS (LOSSES) ON OTHER ASSETS

In € thousands	H1 2019	2018	H1 2018
Gains on disposals of tangible and intangible assets	34	87	22
Losses on disposals of tangible and intangible assets	(235)	(201)	(130)
Income from sales of securities from consolidated holdings	-	-	-
Net income from business combination operations	-	-	-
TOTAL NET GAINS (LOSSES) ON OTHER ASSETS	**(201)**	**(114)**	**(108)**

2.7 INCOME TAXES

In € thousands	H1 2019	2018	H1 2018
Current tax charge	(192,799)	(324,019)	(153,402)
Deferred tax income (charge)	29,091	17,228	(18,311)
TOTAL TAX EXPENSE FOR THE PERIOD	**(163,708)**	**(306,792)**	**(171,713)**

Income tax expense at 30 June 2019 includes the positive impact resulting from application of the *Affrancamento* fiscal measure in connection with the merger between the Italian entities Pioneer Investment Management Sgr p.A. and Amundi Sgr.

2.8 CHANGE IN GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY

Net gains and losses recognised directly in equity for the first half of 2019 are detailed below:

Recyclable gains and losses

In € thousands	H1 2019	2018	H1 2018
Translation gains and losses	**6,220**	**24,298**	**11,285**
Revaluation adjustment for the period	6,220	24,298	11,285
Reclassified to profit and loss	-	-	-
Other reclassifications	-	-	-
Gains and losses on debt instruments recognised under recyclable equity	**569**	**(1,845)**	**(316)**
Revaluation adjustment for the period	520	(1,845)	(316)
Reclassified to profit and loss	8	-	-
Other reclassifications	41	-	-
Gains and losses on hedging derivative instruments	**-**	**-**	**-**
Revaluation adjustment for the period	-	-	-
Reclassified to profit and loss	-	-	-
Other reclassifications	-	-	-
Pre-tax recyclable gains and losses recognised directly in equity of equity-accounted entities	**2,108**	**(7,642)**	**(5,802)**
Tax on recyclable gains and losses recognised directly in equity, excluding equity-accounted entities	**(181)**	**612**	**128**
Tax on recyclable gains and losses recognised directly in equity of equity-accounted entities	**-**	**-**	**-**
TOTAL NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY AND RECYCLABLE TO PROFIT OR LOSS AT A LATER DATE	**8,715**	**15,423**	**5,295**

Non-recyclable gains and losses

In € thousands	H1 2019	2018	H1 2018
Actuarial gains and losses on post-employment benefits	**(7,424)**	**1,024**	**(91)**
Gains and losses on equity instruments recognised in equity that may not be recycled to profit and loss	**(23,811)**	**(38,657)**	**(19,863)**
Revaluation adjustment for the period	(23,811)	(37,229)	(19,863)
Transfers to reserves	-	(1,429)	-
Other reclassifications	-	-	-
Pre-tax gains and losses recognised directly in equity of equity-accounted entities that will not be recycled to profit and loss	-	-	-
Income tax on gains and losses recognised directly in equity of equity-accounted entities that will not be recycled to profit and loss	2,250	(226)	18
Income tax on gains and losses recognised directly in equity of equity-accounted entities that will not be recycled to profit and loss	-	-	-
TOTAL NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY THAT WILL NOT BE RECYCLED TO PROFIT OR LOSS AT A LATER DATE	**(28,985)**	**(37,860)**	**(19,936)**
TOTAL NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY	**(20,269)**	**(22,437)**	**(14,639)**
Of which Group share	(20,269)	(22,435)	(14,639)
Of which non-controlling interests	-	(2)	-

Details of the tax effect on gains and losses recognised directly in equity are shown below:

	30/06/2019				H1 2019 change				31/12/2018			
In € thousands	Gross	Tax	Net of tax	Net Group share	Gross	Tax	Net of tax	Net Group share	Gross	Tax	Net of tax	Net Group share
GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY RECYCLABLE THROUGH PROFIT AND LOSS												
Translation gains and losses	633	-	633	633	6,220	-	6,220	6,220	(5,587)	-	(5,587)	(5,587)
Gains and losses on debt instruments recognised in equity recyclable through profit and loss	(129)	39	(90)	(90)	569	(181)	388	388	(698)	220	(478)	(478)
Gains and losses on hedging derivative instruments	-	-	-	-	-	-	-	-	-	-	-	-
Net gains and losses recognised directly in equity excluding equity-accounted entities and recyclable in profit and loss	**504**	**39**	**543**	**543**	**6,789**	**(181)**	**6,608**	**6,608**	**(6,285)**	**220**	**(6,065)**	**(6,065)**
Net gains and losses recognised directly in equity of equity-accounted entities recyclable through profit and loss	(7,590)	-	(7,590)	(7,590)	2,108	-	2,108	2,108	(9,698)	-	(9,698)	(9,698)
Gains and losses recognised directly in equity recyclable through profit and loss	**(7,086)**	**39**	**(7,047)**	**(7,048)**	**8,896**	**(181)**	**8,715**	**8,715**	**(15,982)**	**220**	**(15,762)**	**(15,762)**
NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY NOT RECYCLABLE THROUGH PROFIT AND LOSS												
Actuarial gains and losses on post-employment benefits	(24,881)	6,900	(17,982)	(17,947)	(7,424)	2,250	(5,174)	(5,174)	(17,457)	4,649	(12,806)	(12,773)
Gains and losses on equity instruments recognised in equity not recyclable through profit and loss	(48,219)	-	(48,219)	(48,219)	(23,811)	-	(23,811)	(23,811)	(24,408)	-	(24,408)	(24,408)
Gains and losses recognised directly in equity excluding equity-accounted entities recyclable through profit and loss	**(73,100)**	**6,900**	**(66,201)**	**(66,166)**	**(31,235)**	**2,250**	**(28,985)**	**(28,985)**	**(41,865)**	**4,649**	**(37,214)**	**(37,181)**
Gains and losses recognised directly in equity of equity-accounted entities not recyclable through profit and loss	-	-	-	-	-	-	-	-	-	-	-	-
Gains and losses recognised directly in equity not recyclable through profit and loss	**(73,100)**	**6,900**	**(66,201)**	**(66,166)**	**(31,235)**	**2,250**	**(28,985)**	**(28,985)**	**(41,865)**	**4,649**	**(37,214)**	**(37,181)**
TOTAL GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY	**(80,186)**	**6,939**	**(73,248)**	**(73,215)**	**(22,338)**	**2,069**	**(20,269)**	**(20,269)**	**(57,848)**	**4,869**	**(52,978)**	**(52,944)**

Note 3 Notes on the balance sheet

3.1 CASH AND CENTRAL BANKS

In € thousands	30/06/2019	31/12/2018
Cash	52	40
TOTAL CASH & CENTRAL BANKS	**52**	**40**

3.2 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

In € thousands	30/06/2019	31/12/2018
Financial assets held for trading	2,731,664	2,456,384
Equity instruments at fair value through profit or loss	562,294	565,912
Debt instruments at fair value through profit or loss by category	2,886,689	2,120,588
Financial assets designated at fair value through profit or loss	6,269,171	5,308,592
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**12,449,819**	**10,451,477**

3.2.1 Financial assets held for trading

In € thousands	30/06/2019	31/12/2018
Derivative trading instruments	2,731,664	2,456,384
of which, interest rate swaps	133,003	72,742
of which, equity and index swaps	2,588,013	2,368,854
TOTAL FINANCIAL ASSETS HELD FOR TRADING	**2,731,664**	**2,456,384**

This section includes the fair value of derivatives contracted by Amundi as part of its intermediation business: derivatives contracted with funds and executed with market counterparties.

3.2.2 Assets – Hedging derivatives

	30/06/2019			31/12/2018		
	Market value		Notional Amount	Market value		Notional Amount
In € thousands	Positive	Negative		Positive	Negative	
FAIR VALUE HEDGES						
Interest rate	-	9,980	336,000	-	3,780	276,000

This heading refers to the hedges on Treasury Bills (OATs) held by Amundi in 2017 as collateral under the EMIR Regulation.

3.2.3 Other financial assets at fair value through profit or loss

In € thousands	30/06/2019	31/12/2018
Equity instruments at fair value through profit or loss	**562,294**	**565,912**
Shares and other variable-income securities	472,916	467,420
Non-consolidated equity holdings	89,378	98,492
Debt instruments at fair value through profit or loss by category	**2,886,689**	**2,120,588**
Funds	2,380,056	2,120,588
Treasury bills and similar securities	506,633	-
Financial assets designated at fair value through profit or loss	**6,269,171**	**-**
Loans and receivables due from credit institutions	3,341,926	2,613,627
Bonds and other fixed-income securities	2,927,245	2,694,965
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**9,718,155**	**7,995,093**

This section includes the fair value of seed money, proprietary investments and hedging assets for EMTN issues (see note 3.3.3).

3.3 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

In € thousands	30/06/2019	31/12/2018
Financial liabilities held for trading	2,426,420	2,677,526
Derivative hedging instruments	9,980	3,780
Financial liabilities designated at fair value through profit or loss	7,008,088	5,532,017
TOTAL FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	**9,444,488**	**8,213,323**

3.3.1 Financial liabilities held for trading

In € thousands	30/06/2019	31/12/2018
Derivative trading instruments	2,426,420	2,677,526
of which, interest rate swaps	44,225	25,784
of which, equity and index swaps	2,368,477	2,635,554
TOTAL FINANCIAL LIABILITIES HELD FOR TRADING	**2,426,420**	**2,677,526**

This section includes the fair value of derivatives contracted by Amundi as part of its intermediation business: derivatives contracted with funds and executed with market counterparties.

3.3.2 Liabilities – Hedging derivatives

See note 3.2.2. Assets – Hedging derivatives.

3.3.3 Financial liabilities designated at fair value through profit or loss

In € thousands	30/06/2019	31/12/2018
Debt securities	7,008,088	5,532,017
TOTAL FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	**7,008,088**	**5,532,017**

This section records the securities issued by EMTN issuance vehicles for customers. The nominal value of the issues was €6,645,504 thousand on 30 June 2019 and €5,737,380 thousand on 31 December 2018.

3.4 INFORMATION ON THE NETTING OF FINANCIAL ASSETS AND LIABILITIES

3.4.1 Netting – Financial assets

Effects of netting on financial assets under the master netting agreement and other similar agreements

				Other amounts that can be netted under given conditions		
Type of transaction *In € thousands*	Gross amount of assets recognised before netting	Gross amount of liabilities actually netted	Net amount of financial assets shown in the summary statements	Gross amount of financial liabilities covered by master netting agreement	Amounts of other financial instruments received as collateral, including security deposits	Net amount after total impact of netting
	(a)	(b)	(c) = (a) - (b)	(d)		(e) = (c) - (d)
30/06/2019						
Derivatives	2,731,664	-	2,731,664	1,521,315	865,064	345,285
FINANCIAL ASSETS SUBJECT TO NETTING	**2,731,664**	**-**	**2,731,664**	**1,521,315**	**865,064**	**345,285**
31/12/2018						
Derivatives	2,456,384	-	2,456,384	1,849,969	396,112	210,303
FINANCIAL ASSETS SUBJECT TO NETTING	**2,456,384**	**-**	**2,456,384**	**1,849,969**	**396,112**	**210,303**

The gross amounts of the derivatives presented in the statements exclude adjustments for counterparty risks, Credit Valuation Adjustment (CVA) and Debit Valuation Adjustment (DVA).

3.4.2 Netting – Financial liabilities

Effects of netting on financial liabilities under the master netting agreement and other similar agreements

				Other amounts that can be netted under given conditions		
Type of transaction *In € thousands*	Gross amount of liabilities recognised before netting	Gross amount of assets actually netted	Net amount of financial liabilities shown in the summary statements	Gross amount of financial assets covered by master netting agreement	Amounts of other financial instruments given as collateral, including security deposits	Net amount after total impact of netting
	(a)	(b)	(c) = (a) - (b)	(d)		(e) = (c) - (d)
30/06/2019						
Derivatives	2,436,400	-	2,436,400	1,521,315	341,915	573,170
FINANCIAL LIABILITIES SUBJECT TO NETTING	**2,436,400**	**-**	**2,436,400**	**1,521,315**	**341,915**	**573,170**
31/12/2018						
Derivatives	2,681,306	-	2,681,306	1,849,969	638,915	192,422
FINANCIAL LIABILITIES SUBJECT TO NETTING	**2,681,306**	**-**	**2,681,306**	**1,849,969**	**638,915**	**192,422**

The gross amounts of the derivatives presented in the statements exclude adjustments for counterparty risks, Credit Valuation Adjustment (CVA) and Debit Valuation Adjustment (DVA).

3.5 FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY

In € thousands	30/06/2019	31/12/2018
Debt instruments recognised at fair value through equity recyclable through profit and loss	**368,447**	**297,142**
Treasury bills and similar securities	*368,447*	*297,142*
Equity instruments recognised at fair value through equity not recyclable through profit and loss	**164,998**	**188,809**
Non-consolidated equity holdings	*164,998*	*188,809*
FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY	**533,445**	**485,951**

Unrealised gains and losses on financial assets at fair value through equity

	30/06/2019			31/12/2018		
In € thousands	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	368,447	-	(129)	297,142	-	(698)
Bonds and other fixed-income securities	-	-	-	-	-	-
Total debt instruments recognised at fair value through equity recyclable through profit and loss	**368,447**	**-**	**(129)**	**297,142**	**-**	**(698)**
Income taxes	n.a.	-	39	n.a.	-	220
GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY ON DEBT INSTRUMENTS RECOGNISED AT FAIR VALUE THROUGH EQUITY (NET OF TAX) RECYCLABLE THROUGH PROFIT AND LOSS	**n.a.**	**-**	**(90)**	**n.a.**	**-**	**(478)**
Shares and other variable-income securities	-	-	-	-	-	-
Non-consolidated equity holdings	164,998	-	(48,219)	188,809	-	(24,408)
Total equity instruments recognised at fair value through equity not recyclable through profit and loss	**164,998**	**-**	**(48,219)**	**188,809**	**-**	**(24,408)**
Income taxes	n.a.	-	-	n.a.	-	-
GAINS AND LOSSES RECOGNISED DIRECTLY IN RECYCLABLE EQUITY ON EQUITY INSTRUMENTS RECOGNISED AT FAIR VALUE THROUGH EQUITY (NET OF TAX) NOT RECYCLABLE THROUGH PROFIT AND LOSS	**n.a.**	**-**	**(48,219)**	**n.a.**	**-**	**(24,408)**

3.6 FINANCIAL ASSETS AT AMORTISED COST

In € thousands	30/06/2019	31/12/2018
Current accounts and overnight loans	1,067,369	937,594
Accounts and term deposits	53,514	67,364
Accrued interest	831	221
TOTAL FINANCIAL ASSETS AT AMORTISED COST (NET VALUE)	**1,121,713**	**1,005,180**

"Financial assets at amortised cost" are loans and receivables due from credit institutions primarily granted to Crédit Agricole group.

At 30 June 2019, credit risk impairments amounted to €1,376 thousand.

3.7 FINANCIAL LIABILITIES AT AMORTISED COST

In € thousands	30/06/2019	31/12/2018
Accounts and term deposits	1,304,488	1,303,586
Accrued interest	824	1,109
Current accounts	85,110	8,960
TOTAL FINANCIAL LIABILITIES AT AMORTISED COST	**1,390,422**	**1,313,655**

The main counterparty in respect of "financial liabilities at amortised cost" is the Crédit Agricole group.

3.8 SUBORDINATED DEBT

In € thousands	30/06/2019	31/12/2018
Fixed-term subordinated debt	300,899	303,826
TOTAL SUBORDINATED DEBT	**300,899**	**303,826**

3.9 CURRENT AND DEFERRED TAX ASSETS AND LIABILITIES

In € thousands	30/06/2019	31/12/2018
Current tax receivables	102,199	39,715
Deferred tax assets	125,382	154,550
TOTAL CURRENT AND DEFERRED TAX ASSETS	**227,581**	**194,264**
Current tax debt	205,410	107,683
Deferred tax liabilities	112,560	173,426
TOTAL CURRENT AND DEFERRED TAX LIABILITIES	**317,970**	**281,109**

3.10 ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS AND LIABILITIES

3.10.1 Accruals, prepayments and sundry assets

In € thousands	30/06/2019	31/12/2018
Miscellaneous debtors	972,043	1,537,594
Accrued income	675,871	551,240
Prepaid expenses	214,829	165,295
ASSETS – TOTAL ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS	**1,862,743**	**2,254,128**

Accruals, prepayments and sundry assets include management and performance fees due and the collateral paid for derivative contracts. The collateral was recorded in balance sheet assets in the amount of €490,885 thousand at 30 June 2019 and €1,057,481 thousand at 31 December 2018.

3.10.2 Accruals, deferred income and sundry liabilities

In € thousands	30/06/2019	31/12/2018
Miscellaneous creditors	601,460	547,374
Accrued expenses	1,056,330	1,005,870
Unearned income	31,011	8,192
Lease liability IFRS 16[1]	193,267	-
Other accruals	1,044,898	526,886
LIABILITIES – TOTAL ADJUSTMENT ACCOUNTS AND SUNDRY LIABILITIES	**2,926,966**	**2,088,322**

(1) Impact of the application of IFRS 16 as at 01/01/2019 amounted to €213,668 thousand (see note 6).

Accruals, deferred income and sundry liabilities include bonus debt, inducements payable to distributors and collateral received for derivative contracts. Collateral amounting to €988,828 thousand was recorded in balance sheet liabilities at 30 June 2019 and €465,364 thousand at 31 December 2018.

3.11 TANGIBLE AND INTANGIBLE ASSETS

3.11.1 Tangible assets used in operations

In € thousands	31/12/2018	01/01/2019[1]	Change of scope	Increase	Decrease	Foreign exchange gains and losses	Other transactions	30/06/2019
Gross value	204,953	213,668	209	9,309	(13,226)	961	-	415,874
Depreciation and provisions	(162,329)	-	(168)	(31,335)	2,038	(195)	(3)	(191,993)
NET PROPERTY, PLANT AND EQUIPMENT	**42,624**	**213,668**	**41**	**(22,026)**	**(11,188)**	**766**	**(3)**	**223,881**

In € thousands	31/12/2017	01/01/2018	Change of scope	Increase	Decrease	Foreign exchange gains and losses	Other transactions	31/12/2018
Gross value	196,320	-	(156)	12,998	(5,087)	964	(87)	204,953
Depreciation and provisions	(151,691)	-	29	(14,748)	4,851	(725)	(45)	(162,329)
NET PROPERTY, PLANT AND EQUIPMENT	**44,630**	**-**	**(127)**	**(1,750)**	**(236)**	**239**	**(132)**	**42,624**

(1) Impact of recognition of right-of-use assets in the context of the initial application of IFRS 16 “Leases” (See note 1.1 “Applicable standards and comparability”).

3.11.2 Intangible assets used in operations

In € thousands	31/12/2018	Change of scope	Increase	Decrease	Foreign exchange gains and losses	Other transactions	30/06/2019
Gross value	1,089,692	153	12,009	(418)	289	549	1,102,274
Amortisation and provisions	(545,464)	(39)	(42,802)	418	(134)	(548)	(588,569)
INTANGIBLE ASSETS	**544,228**	**115**	**(30,793)**	**(0)**	**155**	**1**	**513,705**

In € thousands	01/01/2018	Change of scope	Increase	Decrease	Foreign exchange gains and losses	Other transactions	31/12/2018
Gross value	1,100,094	15	6,066	(16,892)	238	170	1,089,692
Amortisation and provisions	(476,932)	(15)	(85,133)	16,692	(46)	(30)	(545,464)
NET INTANGIBLE ASSETS	**623,162**	**-**	**(79,067)**	**(199)**	**192**	**140**	**544,228**

Intangible assets consist primarily of:

- distribution contracts with partner networks acquired through business combinations and amortised over a maximum period of 10 years;
- software acquired or developed in-house.

3.12 GOODWILL

Goodwill was €5,703.6 million at 30 June 2019 compared to €5,695.5 million at 31 December 2018. This change is essentially explained by exchange rate movements.

As there was no indication of any loss of value, the Group did not estimate the recoverable amount of goodwill and no write-down charge was recognised.

3.13 EQUITY

3.13.1 Composition of the share capital

As of 30 June 2019, the allocation of share capital and voting rights was as follows:

Shareholders	Number of securities	% of share capital	% of voting rights
Crédit Agricole SA	137,606,739	68.22%	68.88%
Other Crédit Agricole group companies	3,450,660	1.71%	1.73%
Employees	591,064	0.29%	0.30%
Treasury stock	1,919,899	0.95%	-
Free float	58,135,992	28.82%	29.10%
TOTAL	**201,704,354**	**100.00%**	**100.00%**

3.13.2 Dividends allocated in the first half of 2019

In respect of the 2018 financial year and in accordance with the decision made during the Ordinary General Meeting of 16 May 2019, Amundi paid its shareholders a dividend of €2.90 per share, for a total amount of €579,365 thousand.

In €	For financial year 2018	For financial year 2017
Ordinary dividend per share	2.90	2.50

Note 4 Fair value of financial instruments

Financial instruments measured at fair value on the balance sheet are valued on the basis of listed prices or valuation techniques that maximise the use of observable data.

4.1 DERIVATIVES

The valuation of derivatives includes:

- an adjustment for the quality of the counterparty (Credit Value Adjustment or CVA) intended to include the credit risk associated with the counterparty in the valuation of derivative instruments (risk of non-payment of the amount due in the event of default). The adjustment is calculated on an aggregate basis by counterparty according to the future exposure profile of the transactions after deducting any collateral. This adjustment is always negative and is deducted from the fair value of the financial assets;
- a value adjustment for the credit risk for our Company (Debt Value Adjustment – DVA) intended to integrate the risk associated with our counterparties in the valuation of derivative instruments. The adjustment is calculated on an aggregate basis by counterparty based on the future exposure profile of the transactions. This adjustment is always positive and is deducted from the fair value of the financial liabilities.

4.2 OTHER FINANCIAL ASSETS AND LIABILITIES

Other financial assets

Listed unconsolidated equity securities (primarily Resona Holding), listed bonds and fund units with a liquidation value available at least twice a month are classified as Level 1. All other assets and liabilities valued at fair value are classified as Level 2 with the exception of Private Equity funds which are classified as Level 3.

Other financial liabilities

Liabilities designated at fair value result from the consolidation of EMTN issuance vehicles. These liabilities are classified as Level 2.

4.3 FINANCIAL ASSETS AT FAIR VALUE ON THE BALANCE SHEET

The tables below show the balance sheet financial assets and liabilities valued at fair value and classified by fair value level:

In € thousands	Total 30/06/2019	Price listed on equity markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
Financial assets held for trading	**2,731,664**	**-**	**2,731,664**	**-**
Derivative instruments	2,731,664	-	2,731,664	-
Financial assets at fair value through profit and loss	**9,718,155**	**5,780,927**	**3,924,087**	**13,141**
Equity instruments	**562,294**	**11,465**	**550,830**	**-**
Shares and other variable-income securities	472,916	-	472,916	-
Non-consolidated equity holdings	89,378	11,465	77,914	-
Debt instruments at fair value by category	**2,886,689**	**2,842,217**	**31,331**	**13,141**
Funds	2,380,056	2,335,584	31,331	13,141
Treasury bills and similar securities	506,633	506,633	-	-
Financial assets designated at fair value through profit or loss	**6,269,171**	**2,927,245**	**3,341,926**	**-**
Bonds and other fixed-income securities	2,927,245	2,927,245	-	-
Loans and receivables due from credit institutions	3,341,926	-	3,341,926	-
Treasury bills and similar securities	-	-	-	-
Financial assets recognised in equity	**533,445**	**533,445**	**-**	**-**
Equity instruments recognised in equity not recyclable through profit and loss	**164,998**	**164,998**	**-**	**-**
Shares and other variable-income securities	-	-	-	-
Non-consolidated equity holdings	164,998	164,998	-	-
Debt instruments recognised in equity recyclable through profit and loss	**368,447**	**368,447**	**-**	**-**
Treasury bills and similar securities	368,447	368,447	-	-
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**12,983,263**	**6,314,372**	**6,655,751**	**13,141**

In € thousands	Total 31/12/2018	Price listed on equity markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
Financial assets held for trading	**2,456,384**	**-**	**2,456,384**	**-**
Derivative instruments	2,456,384	-	2,456,384	-
Financial assets at fair value through profit and loss	**7,995,093**	**4,797,272**	**3,184,081**	**13,740**
Equity instruments	**565,912**	**27,566**	**538,346**	**-**
Shares and other variable-income securities	467,420	-	467,420	-
Non-consolidated equity holdings	98,492	27,566	70,926	-
Debt instruments that do not meet SPPI criteria	**2,120,588**	**2,074,741**	**32,107**	**13,740**
Funds	2,120,588	2,074,741	32,107	13,740
Assets backing unit-linked contracts	**-**	**-**	**-**	**-**
Financial assets designated at fair value through profit or loss	**5,308,592**	**2,694,965**	**2,613,627**	**-**
Bonds and other fixed-income securities	2,694,965	2,694,965	-	-
Loans and receivables due from credit institutions	2,613,627	-	2,613,627	-
Treasury bills and similar securities	-	-	-	-
Financial assets recognised in equity	**485,951**	**485,951**	**-**	**-**
Equity instruments recognised in equity not recyclable through profit and loss	**188,809**	**188,809**	**-**	**-**
Shares and other variable-income securities	-	-	-	-
Non-consolidated equity holdings	188,809	188,809	-	-
Debt instruments recognised in equity recyclable through profit and loss	**297,142**	**297,142**	**-**	**-**
Treasury bills and similar securities	297,142	297,142	-	-
Derivative hedging instruments	**-**	**-**	**-**	**-**
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**10,937,428**	**5,283,223**	**5,640,465**	**13,740**

4.4 FINANCIAL LIABILITIES AT FAIR VALUE ON THE BALANCE SHEET

In € thousands	Total 30/06/2019	Price listed on equity markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
Financial liabilities held for trading	**2,426,420**	**-**	**2,426,420**	**-**
Due to credit institutions	-	-	-	-
Derivative instruments	2,426,420	-	2,426,420	-
Derivative hedging instruments	**9,980**	**-**	**9,980**	**-**
Financial liabilities designated at fair value through profit and loss	**7,008,088**	**-**	**7,008,088**	**-**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**9,434,508**	**-**	**9,434,508**	**-**

In € thousands	Total 31/12/2018	Price listed on equity markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
Financial liabilities held for trading	**2,677,526**	**-**	**2,677,526**	**-**
Due to credit institutions	-	-	-	-
Derivative instruments	2,677,526	-	2,677,526	-
Derivative hedging instruments	**3,780**	**-**	**3,780**	**-**
Financial liabilities designated at fair value through profit and loss	**5,532,017**	**-**	**5,532,017**	**-**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**8,213,323**	**-**	**8,213,323**	**-**

4.5 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT COST

Financial assets and liabilities valued at cost primarily include loans to and receivables from credit institutions and the collateral paid and received for derivatives contracts.

With respect to daily margin calls, Amundi Group considers that the collateral posted and received is recognised at its fair value under "Accruals, prepayments and sundry assets" and "Accruals, deferred income and sundry liabilities".

The Amundi Group considers that the amortised cost of loans and receivables to credit institutions is a good approximation of fair value. This consists primarily of:

- variable-rate assets and liabilities for which interest rate changes do not have a significant impact on fair value, since the rates of return of these instruments frequently adjust themselves to market rates (loans and borrowings);
- short-term assets and liabilities where the redemption value is close to the market value.

Note 5 Other information

5.1 SEGMENT INFORMATION

Amundi's business is solely focused on managing assets for third parties. It therefore has only one operating segment within the meaning of IFRS 8.

The Group's operational performance is not tracked more closely than the Group overall. Items that are reviewed at a closer level are limited to monthly reports on Group business volume (inflows, outstandings) and periodic reports on income net of commissions by client segment (Retail, Institutional Investors). The Group believes that this information corresponds better to the monitoring of commercial activity than to measurement of operational performance for the purposes of decision-making for resource allocation. Operating expenses are not allocated to client segments (Retail and Institutional Investors).

However, the Group believes that it is helpful to publish the information about commercial activity which is shown below as information complementary to that required by IFRS 8:

In € millions	H1 2019	2018	H1 2018
Retail	919	1,832	919
Institutional investors	320	659	339
Institutional investors, Corporate and employee savings	251	518	268
Insurers	69	141	71
Net fee and commission income	**1,239**	**2,491**	**1,259**
Performance fees	60	115	88
Total net asset management revenues	**1,299**	**2,606**	**1,347**
Net financial income	**33**	**(25)**	**(7)**
Other net income	**(36)**	**(71)**	**(35)**
TOTAL NET REVENUES	**1,297**	**2,510**	**1,304**

In addition, the breakdown of net revenue is broken down by geographical area as follows:

In € millions	H1 2019	2018	H1 2018
France	708	1,205	652
Abroad	589	1,305	653
TOTAL NET REVENUES	**1,297**	**2,510**	**1,304**

The net revenue breakdown is based on the location at which the accounting information is recorded.

5.2 RELATED PARTIES

5.2.1 Scope of related parties

Related parties are companies which directly or indirectly control or are controlled by, or which are under joint control of the Company presenting the financial statements.

Amundi's related parties are (i) the consolidated companies, including equity-accounted companies, (ii) the Crédit Agricole group companies, that is, the Regional Banks, Crédit Agricole SA, its subsidiaries, associates and joint ventures. No provisions for write-downs were made for these relationships.

In addition, the funds in which Crédit Agricole group has invested are not considered to be related parties.

A list of Amundi Group's consolidated companies is presented in note 5.3. "Scope of consolidation" The transactions carried out and the assets under management at the end of the period between the fully consolidated companies of the Group are entirely eliminated on consolidation.

5.2.2 Nature of the transactions with related parties

Amundi has commercial relationships with companies in the Crédit Agricole group.

Crédit Agricole group is a distributor of Amundi's financial products, a lender and borrower, a derivative counterparty and also a depositary and calculation agent. In addition, Crédit Agricole group makes certain resources available to Amundi and manages Amundi's end-of-career allowance insurance.

Amundi handles asset management and certain mandates for the Crédit Agricole group and also provides account-keeping services for the Crédit Agricole group's employee savings plans.

5.2.3 Related party transactions

The following tables present the transactions undertaken with the Crédit Agricole group and with the equity-accounted entities of Amundi Group.

Amundi's transactions with its key executives consist solely of the compensation paid under employment contracts and directors' fees.

In € thousands	Crédit Agricole group		
INCOME STATEMENT	**H1 2019**	**2018**	**H1 2018**
Net interest and similar income	(6,383)	(11,370)	(6,321)
Net fee and commission income	(139,132)	(306,521)	(151,656)
Other net income	(8,715)	(15,168)	(5,954)
Operating expenses	(3,709)	(9,311)	(3,939)
BALANCE SHEET	**30/06/2019**	**31/12/2018**	**30/06/2018**
Assets			
Loans and receivables due from credit institutions	603,256	368,695	516,013
Accruals, prepayments and sundry assets	82,920	95,584	72,690
Financial assets at fair value through profit or loss	6,466,408	5,462,564	4,317,706
Equity and liabilities			
Subordinated debt	300,899	303,826	300,883
Due to credit institutions	1,384,623	1,310,865	784,188
Accruals, deferred income and sundry liabilities	205,891	208,515	234,856
Financial liabilities at fair value through profil or loss	226,931	227,100	170,451
Off-balance sheet items			
Guarantees given	3,835,406	3,850,707	3,352,731
Guarantees received	-	-	-

In € thousands	Joint-Ventures and associates H1 2019	2018	H1 2018
INCOME STATEMENT			
Net interest and similar income	-	-	-
Net fee and commission income	(1,268)	(3,102)	(1,653)
Operating expenses	-	-	-
BALANCE SHEET	**30/06/2019**	**31/12/2018**	**30/06/2018**
Assets			
Loans and receivables due from credit institutions	-	-	-
Accruals, prepayments and sundry assets	442	310	254
Financial assets at fair value through profit or loss	-	-	-
Equity and liabilities			
Due to credit institutions	-	-	-
Accruals, deferred income and sundry liabilities	745	940	1,376
Off-balance sheet items			
Guarantees given	-	-	-
Guarantees received	-	-	-

5.3 SCOPE OF CONSOLIDATION

5.3.1 Scope at 30 June 2019 and change over the period

				30/06/2019		31/12/2018		
Consolidated companies	Notes	Change of scope	Method	% Control	% interest	% Control	% interest	Principal place of business
FRENCH COMPANIES								
AMUNDI			Full	100.0	100.0	100.0	100.0	France
AMUNDI ASSET MANAGEMENT			Full	100.0	100.0	100.0	100.0	France
AMUNDI FINANCE			Full	100.0	100.0	100.0	100.0	France
AMUNDI FINANCE ÉMISSIONS			Full	100.0	100.0	100.0	100.0	France
AMUNDI IMMOBILIER			Full	100.0	100.0	100.0	100.0	France
AMUNDI INDIA HOLDING			Full	100.0	100.0	100.0	100.0	France
AMUNDI INTERMEDIATION			Full	100.0	100.0	100.0	100.0	France
AMUNDI ISSUANCE			Full	100.0	100.0	100.0	100.0	France
AMUNDI IT SERVICES			Full	95.4	95.4	95.4	95.4	France
AMUNDI PRIVATE EQUITY FUND			Full	100.0	100.0	100.0	100.0	France
AMUNDI TENUE DE COMPTES			Full	100.0	100.0	100.0	100.0	France
AMUNDI VENTURES			Full	100.0	100.0	100.0	100.0	France
BFT INVESTMENT MANAGERS			Full	100.0	100.0	100.0	100.0	France
CPR AM			Full	100.0	100.0	100.0	100.0	France
ÉTOILE GESTION			Full	100.0	100.0	100.0	100.0	France
LCL ÉMISSIONS			Full	100.0	100.0	100.0	100.0	France
SOCIÉTÉ GÉNÉRALE GESTION			Full	100.0	100.0	100.0	100.0	France
TOBAM HOLDING COMPANY			Equity-accounted	25.6	25.6	25.6	25.6	France
TOBAM			Equity-accounted	4.1	20.0	4.1	20.0	France
FUNDS AND OPCI								
ACACIA			Full	100.0	100.0	100.0	100.0	France
ACAJOU			Full	100.0	100.0	100.0	100.0	France
CEDAR			Full	100.0	100.0	100.0	100.0	France
CHORIAL ALLOCATION			Full	99.9	99.9	99.9	99.9	France
LONDRES CROISSANCE 16			Full	100.0	100.0	100.0	100.0	France
OPCI IMMANENS			Full	100.0	100.0	100.0	100.0	France
OPCI IMMO ÉMISSIONS			Full	100.0	100.0	100.0	100.0	France
PEG – PORTFOLIO EONIA GARANTI			Full	97.2	97.2	97.2	97.2	France
RED CEDAR			Full	100.0	100.0	100.0	100.0	France
AMUNDI PE SOLUTION ALPHA			Full	100.0	100.0	100.0	100.0	France

Consolidated companies	Notes	Change of scope	Method	30/06/2019 % Control	30/06/2019 % interest	31/12/2018 % Control	31/12/2018 % interest	Principal place of business
FOREIGN COMPANIES								
AMUNDI DEUTSCHLAND GMBH			Full	100.0	100.0	100.0	100.0	Germany
PIONEER GLOBAL INVESTMENTS LTD BUENOS AIRES BRANCH	(2)		Full	100.0	100.0	100.0	100.0	Argentina
AMUNDI AUSTRIA GMBH			Full	100.0	100.0	100.0	100.0	Austria
AMUNDI ASSET MANAGEMENT BELGIUM BRANCH	(1)		Full	100.0	100.0	100.0	100.0	Belgium
AMUNDI CZECH REPUBLIC ASSET MANAGEMENT SOFIA BRANCH	(4)		Full	100.0	100.0	100.0	100.0	Bulgaria
AMUNDI ASSET MANAGEMENT AGENCIA IN CHILE	(1)		Full	100.0	100.0	-	-	Chile
PIONEER GLOBAL INVESTMENTS LTD SANTIAGO BRANCH	(2)		Full	100.0	100.0	100.0	100.0	Chile
ABC-CA FUND MANAGEMENT CO. LTD			Equity-accounted	33.3	33.3	33.3	33.3	China
NH-AMUNDI ASSET MANAGEMENT			Equity-accounted	30.0	30.0	30.0	30.0	Korea
PIONEER GLOBAL INVESTMENTS LTD JELLING BRANCH	(2)	Exit	Full	-	-	100.0	100.0	Denmark
AMUNDI ASSET MANAGEMENT DUBAI BRANCH	(1)		Full	100.0	100.0	100.0	100.0	United Arab Emirates
AMUNDI IBERIA SGIIC SA			Full	100.0	100.0	100.0	100.0	Spain
PIONEER GLOBAL INVESTMENTS LTD MADRID BRANCH	(2)	Exit	Full	-	-	100.0	100.0	Spain
AMUNDI USA INC			Full	100.0	100.0	100.0	100.0	United States
AMUNDI PIONEER ASSET MANAGEMENT USA, INC			Full	100.0	100.0	100.0	100.0	United States
AMUNDI PIONEER ASSET MANAGEMENT, INC.			Full	100.0	100.0	100.0	100.0	United States
AMUNDI PIONEER DISTRIBUTOR, INC.			Full	100.0	100.0	100.0	100.0	United States
AMUNDI PIONEER INSTITUTIONAL ASSET MANAGEMENT, INC.			Full	100.0	100.0	100.0	100.0	United States
VANDERBILT CAPITAL ADVISORS LLC			Full	100.0	100.0	100.0	100.0	United States
PIONEER GLOBAL INVESTMENTS LTD PARIS BRANCH	(2)		Full	100.0	100.0	100.0	100.0	France
AMUNDI HELLAS			Full	100.0	100.0	100.0	100.0	Greece
AMUNDI ASSET MANAGEMENT HONG KONG BRANCH	(1)		Full	100.0	100.0	100.0	100.0	Hong Kong
AMUNDI HONG KONG LTD			Full	100.0	100.0	100.0	100.0	Hong Kong
AMUNDI INVESTMENT FUND MGMT PRIVATE LTD CO.			Full	100.0	100.0	100.0	100.0	Hungary
SBI FUNDS MANAGEMENT PRIVATE LIMITED			Equity-accounted	37.0	37.0	37.0	37.0	India
KBI GLOBAL INVESTORS LTD			Full	87.5	100.0	87.5	100.0	Ireland
KBI FUND MANAGERS LTD			Full	87.5	100.0	87.5	100.0	Ireland
KBI GLOBAL INVESTORS (NORTH AMERICA) LTD			Full	87.5	100.0	87.5	100.0	Ireland
PIONEER GLOBAL INVESTMENTS LTD			Full	100.0	100.0	100.0	100.0	Ireland
AMUNDI IRELAND LTD			Full	100.0	100.0	100.0	100.0	Ireland

Consolidated companies	Notes	Change of scope	Method	30/06/2019 % Control	30/06/2019 % interest	31/12/2018 % Control	31/12/2018 % interest	Principal place of business
AMUNDI INTERMÉDIATION DUBLIN BRANCH	(6)		Full	100.0	100.0	100.0	100.0	Ireland
AMUNDI REAL ESTATE ITALIA SGR SPA			Full	100.0	100.0	100.0	100.0	Italy
AMUNDI SGR SPA			Full	100.0	100.0	100.0	100.0	Italy
AMUNDI JAPAN			Full	100.0	100.0	100.0	100.0	Japan
AMUNDI JAPAN HOLDING			Full	100.0	100.0	100.0	100.0	Japan
AMUNDI GLOBAL SERVICING			Full	100.0	100.0	100.0	100.0	Luxembourg
AMUNDI LUXEMBOURG			Full	100.0	100.0	100.0	100.0	Luxembourg
FUND CHANNEL			Equity-accounted	50.0	50.0	50.0	50.0	Luxembourg
AMUNDI MALAYSIA SDN BHD			Full	100.0	100.0	100.0	100.0	Malaysia
WAFA GESTION			Equity-accounted	34.0	34.0	34.0	34.0	Morocco
PIONEER GLOBAL INVESTMENTS LTD MEXICO CITY BRANCH	(2)		Full	100.0	100.0	100.0	100.0	Mexico
AMUNDI ASSET MANAGEMENT NEDERLAND	(1)		Full	100.0	100.0	100.0	100.0	Netherlands
AMUNDI POLSKA			Full	100.0	100.0	100.0	100.0	Poland
AMUNDI CZECH REPUBLIC INVESTICNI SPOLECNOST AS			Full	100.0	100.0	100.0	100.0	Czech Republic
AMUNDI CZECH REPUBLIC ASSET MANAGEMENT			Full	100.0	100.0	100.0	100.0	Czech Republic
AMUNDI ASSET MANAGEMENT SAI. SA			Full	100.0	100.0	100.0	100.0	Romania
AMUNDI ASSET MANAGEMENT LONDON BRANCH	(1)		Full	100.0	100.0	100.0	100.0	United Kingdom
AMUNDI UK LTD			Full	100.0	100.0	100.0	100.0	United Kingdom
AMUNDI INTERMÉDIATION LONDON BRANCH	(6)		Full	100.0	100.0	100.0	100.0	United Kingdom
PIONEER GLOBAL INVESTMENTS LTD LONDON BRANCH	(2)	Exit	Full	-	-	100.0	100.0	United Kingdom
AMUNDI IRELAND LTD LONDON BRANCH	(3)	Exit	Full	-	-	100.0	100.0	United Kingdom
AMUNDI SINGAPORE LTD			Full	100.0	100.0	100.0	100.0	Singapore
AMUNDI IRELAND LTD SINGAPORE BRANCH	(3)	Exit	Full	-	-	100.0	100.0	Singapore
AMUNDI INTERMÉDIATION ASIA PTE LTD			Full	100.0	100.0	100.0	100.0	Singapore
FUND CHANNEL SINGAPORE BRANCH	(5)		Equity-accounted	50.0	50.0	50.0	50.0	Singapore
AMUNDI CZECH REPUBLIC ASSET MANAGEMENT BRATISLAVA BRANCH	(4)		Full	100.0	100.0	100.0	100.0	Slovakia
AMUNDI SUISSE			Full	100.0	100.0	100.0	100.0	Switzerland
AMUNDI TAIWAN		Merger	Full	-	-	100.0	100.0	Taiwan
AMUNDI TAIWAN (fomerly Mirae)		Entry	Full	100.0	100.0	-	-	Taiwan

(1) AMUNDI ASSET MANAGEMENT branches.
(2) PIONEER GLOBAL INVESTMENTS LTD branches.
(3) AMUNDI IRELAND LTD branches.
(4) PIONEER ASSET MANAGEMENT AS branches.
(5) FUND CHANNEL branch.

5.3.2 Significant changes in the scope during the year

No significant change was made to the scope over the first half of 2019.

5.4 OFF-BALANCE SHEET COMMITMENTS

Off-balance sheet commitments include:

- fund guarantee commitments;

In € thousands	30/06/2019	31/12/2018
Guarantee commitments given	20,884,596	20,128,859

- the financial commitments for the Revolving Credit Facility granted to Amundi for €1,750 million;
- the notional value of the derivatives contracted with funds and market counterparties whose fair values are presented in notes 3.2 and 3.3.

In € thousands	30/06/2019	31/12/2018
Interest-rate instruments	3,537,028	2,522,924
Other instruments	57,557,777	53,389,661
NOTIONAL TOTAL	**61,094,805**	**55,912,585**

Note 6 Impact of changes in accounting

Impacts of the application of IFRS 16 as of 1 January 2019

The impacts of the application of IFRS 16 on the consolidated balance sheet at 1 January 2019 are summarised in the table below:

In € thousands	01/01/2019
Balance sheet assets	
Property, plant and equipment	
Right-of-use assets	213,668
Balance sheet liabilities & equity	
Accruals, deferred income and sundry liabilities	
IFRS 16 lease liability	213,668

Statutory auditors' review report on the half-yearly financial information

3.1 STATUTORY AUDITORS' REPORT REVIEW ON THE HALF-YEARLY FINANCIAL INFORMATION

This is a translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Period from January 1 to June 30, 2019

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meetings and in accordance with the requirements of Article L.451-1-2 III of the French monetary and financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Amundi, for the period from January 1 to June 30, 2019;
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are your Board of Directors' responsibility. Our role is to express a conclusion on these financial statements based on our review.

1. CONCLUSION ON THE FINANCIAL STATEMENTS

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying our conclusion, we draw your attention to the change in accounting method related to the application from January 1, 2019 of the new IFRS 16 standard "Leases" described in Note 1.1 "Applicable standards and comparability" and Paragraph "IFRS 16 standard "Leases" of Note 1.3 "Accounting principles and methods" and other notes to the appendices of the condensed half-yearly consolidated financial statements describing the impact related to the first time application of IFRS 16.

2. SPECIFIC VERIFICATION

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, September 4, 2019

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit		ERNST & YOUNG et Autres	
Laurent Tavernier	Anik Chaumartin	Claire Rochas	Olivier Durand

Person responsible for the half-year financial report

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4.1 RESPONSIBILITY STATEMENT

I declare that, after taking all reasonable measures for this purpose and to the best of my knowledge, the information contained in this financial report is in accordance with the facts and that it contains no omission likely to affect its import.

I declare that, to the best of my knowledge, the interim condensed consolidated financial statements were prepared in accordance with the applicable accounting standards and provide a true and fair view of the assets and liabiities, financial position and results of the Company and of all entities included in the consolidated group, and that the operating and financial review for the first-half mentioned in Chapter 1 of this report provides a true and fair view of the significant events over the first six months of this financial year, of their impact on the financial statements and of major transactions with related parties, together with a description of the main risks and uncertainties for the remaining six months of the year.

The report on the review of the interim condensed consolidated financial statements for the six-month period ended 30 June 2019 is presented above in Chapter 3.

On 12 September 2019

Yves Perrier

Chief Executive Officer of the Company

Amundi is a public limited company with a capital of €504,260,885
A credit institution governed by the French Monetary and Financial Code

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