



JULY 28, 2022 / PRESS RELEASE

## Results for the first half 2022 - CIC

# CIC achieved solid results in an uncertain economic context

In the first half of 2022, CIC demonstrated a strong commercial performance commercial with net banking income up 4.7%. Its financial strength is confirmed with net income of more than one billion euros taking into account a prudent provisioning policy due to the deterioration in the economic outlook.

The banking network had a very good first six months with net income of 466 million euros (+6.6%) whilst private equity business achieved net income of 251 million euros (+17.6%).

Results for the half year at June 30, 2022<sup>1</sup>

	1 <sup>st</sup> half 2022	Change over 1 year at constant scope <sup>2</sup>	
<b>NET BANKING INCOME UP IN ALL BUSINESS LINES EXCEPT CAPITAL MARKETS</b>	<b>€3.182bn</b>	+151M€	+4.7%
of which retail banking	€1.934bn	+144M€	+8.1%
of which specialized business lines	€1.079bn	-2 M€	-1%
<b>COST OF RISK UP</b>	<b>€99m</b>	+€132m	ns
of which proven risk	€42m	-€22m	-34%
of which non-proven risk	€57m	+€154m	ns
<b>NET PROFIT</b>	<b>€1.011bn</b>	-47M€	-5.9%

### STRONG BUSINESS MOMENTUM IN CUSTOMER SERVICES

Customer loans <b>€231.0bn</b> +8.8% Change over 1 year	Customer deposits <b>€219.2bn</b> +2.9% Change over 1 year	Insurance <sup>3</sup> <b>6.2 million</b> +3.3% Change over 1 year	New home sales <sup>4</sup> <b>2,729</b> +6.2% Change over 1 year	Remote surveillance <sup>3</sup> <b>115,889</b> +3.1% Change over 1 year
--	---	---	--	---

### A SOLID FINANCIAL STRUCTURE

CET1 ratio <sup>5</sup> <b>11.6%</b> -70 bp	Shareholders' equity <b>€16.7bn</b> €+0.8bn Change over one year
---	---

<sup>1</sup> The limited review currently being conducted by the statutory auditors. <sup>2</sup> After elimination of CIC Private Debt consolidated for the first time in the first half of 2022.

<sup>3</sup> In number of contracts. <sup>4</sup> In number of requests. <sup>5</sup> Estimate at June 30, 2022.

# Contents

<b>1.</b>	<b>Consolidated earnings</b>	<b>3</b>
1.1.	Financial results	3
1.2.	Financial structure	5
1.3.	Ratings	5
1.4.	Key figures	6
<b>2.</b>	<b>Results by business line</b>	<b>7</b>
2.1.	Retail banking	7
2.1.1.	Banking network	7
2.1.2.	Subsidiaries of the banking network	8
2.2.	Specialized business lines	9
2.2.1.	Asset management and private banking	9
2.2.2.	Corporate banking	11
2.2.3.	Capital markets	12
2.2.4.	Private equity	13
<b>3.</b>	<b>Additional information</b>	<b>14</b>
3.1.	Outstanding loans and deposits – consolidated scope	14
3.2.	Change in segmentation	15
3.3.	Changes at constant scope	16
3.4.	Alternative performance indicators	17

# 1. Consolidated earnings

## 1.1. Financial results

All changes are indicated at constant scope, i.e. after elimination of the half-year figures of CIC Private Debt, which was consolidated for the first time in the second quarter of 2022.

(€ millions)	1 <sup>st</sup> half 2022	1 <sup>st</sup> half 2021	chg. at const. scp. <sup>1</sup>
<b>Net banking income</b>	<b>3,182</b>	<b>3,031</b>	<b>+4.7%</b>
General operating expenses	(1,856)	(1,765)	+4.9%
<i>of which contribution to the Single Resolution Fund,     supervision costs and contributions to the FGD<sup>2</sup></i>	<i>(209)</i>	<i>(152)</i>	<i>+37.3%</i>
<b>Gross operating income</b>	<b>1,326</b>	<b>1,267</b>	<b>+4.3%</b>
Cost of risk	(99)	33	n.s.
cost of proven risk	(42)	(64)	-34.0%
cost of non-proven risk	(57)	97	n.s.
<b>Operating income</b>	<b>1,227</b>	<b>1,300</b>	<b>-6.0%</b>
Net gains/(losses) on other assets and ECC <sup>3</sup>	72	82	-26.2%
<b>Profit before tax</b>	<b>1,299</b>	<b>1,382</b>	<b>-7.2%</b>
Income tax	(288)	(323)	-11.3%
<b>Net profit</b>	<b>1,011</b>	<b>1,058</b>	<b>-5.9%</b>
Non-controlling interests	1	9	-85.0%
Net profit attributable to the group	1,009	1,049	-5.2%

<sup>1</sup> After eliminating the effect of the first-time consolidation of CIC Private Debt in the first half of 2022.

<sup>2</sup> FGD = Fonds de Garantie des Dépôts. = Deposit guarantee fund.

<sup>3</sup> ECC = equity consolidated companies = share of net profit/(loss) of equity consolidated companies.

### Net banking income

CIC recorded growth of 4.7% in its net banking income in the first half of 2022 to €3.2 billion thanks to strong sales performance in all business lines except capital markets.

Net banking income (€ millions)	1 <sup>st</sup> half 2022	1 <sup>st</sup> half 2021	chg. at const. scp.
<b>Retail banking</b>	<b>2,048</b>	<b>1,895</b>	<b>+8.1%</b>
banking networks	1,934	1,790	+8.1%
<b>Specialized business lines</b>	<b>1,079</b>	<b>1,081</b>	<b>-1.0%</b>
Asset management & private banking	384	358	+4.7%
Corporate banking	211	194	+9.2%
Capital markets	180	273	-34.2%
Private equity	304	257	+18.5%
<b>Holding company services</b>	<b>55</b>	<b>55</b>	<b>-0.5%</b>
<b>TOTAL CIC NBI</b>	<b>3,182</b>	<b>3,031</b>	<b>+4.7%</b>

In the first half of 2022, income from **retail banking** increased by 8.1% to €2.0 billion, reflecting the commercial strength of the network.



Net banking income from **asset management & private banking** rose sharply by 4.7% at constant scope to €384 million in the first half of 2022 compared with 2021. At current scope, it was up 7.3% as a result of the consolidation of CIC Private Debt in the first half of 2022.

**Corporate banking** posted excellent performance in the first half of 2022, buoyed by all entities in France and internationally, with income of €211 million, up sharply by 9.2% compared with the already high first half of 2021.

After a recovery in 2021, the financial market environment deteriorated, generating a 34.2% fall in net income from **capital markets** (investment and sales) to €180 million in the first half of 2022 compared with €273 million a year earlier.

**Private equity's** net banking income topped €300 million in the first half of 2022, up 18.5% thanks to capital gains generated as a result of numerous transactions on the portfolio investments.

### **General operating expenses and gross operating income**

In the first half of 2022, operating expenses amounted to €1.9 billion, an increase of 4.9% compared with the first half of 2021 and slightly higher than the increase in net banking income.

They were again significantly impacted by all the expenses related to contributions to the Single Resolution Fund, supervision costs and contributions to the FGD, which totaled €209 million for the first half of the year (compared with €152 million for the first half of 2021). Excluding these contributions, the increase in general operating expenses was limited to 1.9%.

The cost/income ratio remained stable at 53.8% and gross operating income rose by 4.3% to €1.3 billion.

### **Cost of risk and operating income**

The total cost of risk in the first half of 2022 was €99 million compared with a net reversal of €33 million in the first half of 2021, i.e. an increase of €132 million during the period.

The cost of proven risk improved to €42 million in the first half of 2022 vs. €64 million in the first half of 2021. The cost of non-proven risk was €57 million in the first half of 2022 compared with a net reversal of €97 million in the first half of 2021 due to an increase in stage 2 loans, with no change in the assumptions underlying the IFRS 9 scenarios.

The non-performing loan ratio fell year-on-year by 0.3 points to 2.2% at end-June 2022 from 2.5% at end-June 2021, while the coverage ratio was 42.6%.

Expressed as a percentage of outstanding loans, the cost of risk for customer loans remained low at 8 basis points as of June 2022 compared with 3 at end-December 2021 (and 33 at end-June 2020).

As a result of this increase in the cost of risk, operating income fell by 6.0% year-on-year to €1.2 billion.

### **Profit before tax**

After taking into account CIC's €62 million share of the profit of equity consolidated companies (Groupe des Assurances du Crédit Mutuel) as well as non-recurring items related to the net reversal of newly consolidated CIC Private Debt, profit before tax was €1.3 billion compared with €1.4 billion in the first half of 2021 (-7.2%).

### **Net profit**

Net profit was €1.011 billion in the first half of 2022, down 5.9% from the first half of 2021.

Net profit attributable to the group was €1.009 billion (-5.2%).

## 1.2. Financial structure

### Liquidity and refinancing <sup>1</sup>

Banque Fédérative du Crédit Mutuel (BFCM), CIC's parent company, raises the necessary medium- and long-term market funds on behalf of Crédit Mutuel Alliance Fédérale and monitors liquidity. Like the other group entities, CIC is part of this mechanism, which ensures that its own liquidity and refinancing needs are covered.

### Shareholders' equity and solvency

At June 30, 2022, CIC's shareholders' equity totaled €16.7 billion compared with €15.9 billion at end-June 2021.

CIC's solvency remained strong at the end of June 2022, with an estimated Common Equity Tier 1 (CET1) ratio of 11.6%. The estimated Tier 1 ratio at end-June 2022 and the estimated overall solvency ratio came to 13.5%.

## 1.3. Ratings

CIC's ratings replicate those of Crédit Mutuel Alliance Fédérale - Banque Fédérative du Crédit Mutuel, which owns its capital.

	LT/ST counterparty **	Issuer/LT preferred senior debt	Outlook	ST preferred senior debt	Stand-alone rating***	Date of last publication
<b>Standard &amp; Poor's</b>	AA-/A-1+	A+	Stable	A-1	a	12/16/2021
<b>Moody's</b>	Aa2/P-1	Aa3	Stable	P-1	a3	11/17/2021
<b>Fitch Ratings*</b>	AA	AA-	Stable	F1+	a+	11/17/2021

\* The Issuer Default Rating remains at A+.

\*\* The counterparty ratings correspond to the following agency ratings: Resolution Counterparty Rating for Standard & Poor's, Counterparty Risk Rating for Moody's and Derivative Counterparty Rating for Fitch Ratings.

\*\*\* The stand-alone rating is the Stand Alone Credit Profile (SACP) for Standard & Poor's, the Adjusted Baseline Credit Assessment (Adj. BCA) for Moody's and the Viability Rating for Fitch Ratings.  
Standard & Poor's: Crédit Mutuel Group rating.  
Moody's: Crédit Mutuel Alliance Fédérale/BFCM and CIC ratings.  
Fitch Ratings: Crédit Mutuel Alliance Fédérale rating.

The limited review is currently being conducted by the Statutory auditors.

The Board of Directors met on July 27, 2022 to approve the financial statements.

All financial communications are available at: [www.cic.fr/fr/banques/institutionnel/actionnaires-et-investisseurs/index.html](http://www.cic.fr/fr/banques/institutionnel/actionnaires-et-investisseurs/index.html) under the heading "regulated information" and are published by CIC in accordance with the provisions of Article L. 451-1-2 of the French Monetary and Financial Code and Articles 222-1 et seq. of the General Regulation of the French Financial Markets Authority (Autorité des marchés financiers - AMF).

### Press contact:

Aziz Ridouan - +33 (0)1 53 48 26 00 - [aziz.ridouan@cic.fr](mailto:aziz.ridouan@cic.fr)

<sup>1</sup> For more information, please refer to the Crédit Mutuel Alliance Fédérale press release.

## 1.4. Key figures

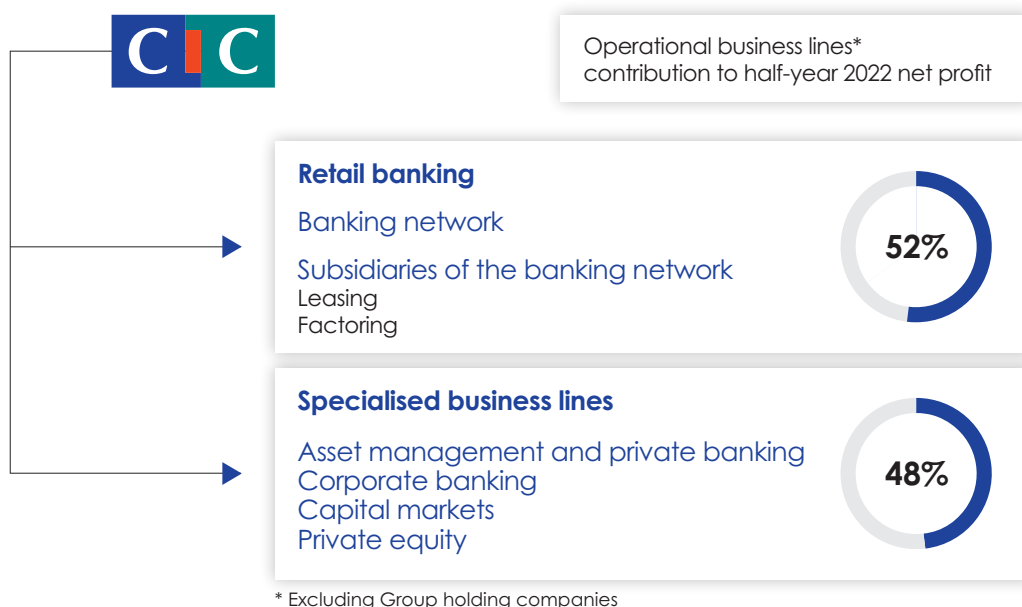
CIC

Key figures

(€ millions)	6/30/2022	6/30/2021	6/30/2020
<b>Financial structure and business activity</b>			
Balance sheet total	402,166	363,418	350,684
Shareholders' equity (including profit for the period before dividend pay-outs)	16,667	15,860	14,718
Customer loans (including leasing)	231,024	212,297	202,370
Total savings	451,746	460,087	412,759
- of which customer deposits	219,215	213,051	195,154
- of which insurance savings	35,698	36,096	34,977
- of which financial savings (invested in savings products)	196,833	210,940	182,629
<b>Key figures</b>			
Average workforce (full-time equivalent)	19 266	19,526	19,854
Number of branches (banking network)	1,765	1,815	1,891
Number of customers (banking network)	5,521,806	5,418,616	5,312,029
Retail customers	4,372,453	4,308,687	4,253,590
Business and corporate customers	1,149,345	1,109,929	1,058,439
<b>Key ratios</b>			
Cost/income ratio	58.3%	58.2%	71.1%
Total cost of risk as a percentage of outstanding loans	8 bp	-3 bp	36 bp
Loan-to-deposit ratio	105.4%	99.6%	103.7%
Overall solvency ratio - without transitional arrangements	13.5%	14.5%	14.6%
CET1 ratio - without transitional arrangements	11.6%	12.3%	12.6%

(€ millions)	1 <sup>st</sup> half 2022	1 <sup>st</sup> half 2021	1 <sup>st</sup> half 2020
<b>Results</b>			
<b>Net banking income</b>	<b>3,182</b>	<b>3,031</b>	<b>2,372</b>
General operating expenses	(1,856)	(1,765)	(1,687)
<b>Gross operating income</b>	<b>1,326</b>	<b>1,267</b>	<b>685</b>
Cost of risk	(99)	33	(370)
<b>Operating income</b>	<b>1,227</b>	<b>1,300</b>	<b>315</b>
Net gains on other assets and ECC	72	82	29
<b>Profit/(loss) before tax</b>	<b>1,299</b>	<b>1,382</b>	<b>344</b>
Income tax	(288)	(323)	(114)
<b>Net profit</b>	<b>1,011</b>	<b>1,058</b>	<b>230</b>
Non-controlling interests	1	9	(4)
<b>Net profit attributable to the group</b>	<b>1,009</b>	<b>1,049</b>	<b>235</b>

## 2. Results by business line



### 2.1. Retail banking

#### 2.1.1. Banking network

(€ millions)	1 <sup>st</sup> half 2022	1 <sup>st</sup> half 2021	Change
<b>Net banking income</b>	<b>1,934</b>	<b>1,790</b>	<b>+8.1%</b>
General operating expenses	(1,202)	(1,159)	+3.7%
<b>Gross operating income</b>	<b>732</b>	<b>630</b>	<b>+16.1%</b>
Cost of risk	(80)	4	n.s.
<i>cost of proven risk</i>	(21)	(38)	-43.8%
<i>cost of non-proven risk</i>	(58)	42	n.s.
<b>Operating income</b>	<b>652</b>	<b>635</b>	<b>+2.8%</b>
Net gains/(losses) on other assets and ECC <sup>1</sup>	(1)	(2)	-9.7%
<b>Profit/(loss) before tax</b>	<b>651</b>	<b>633</b>	<b>+2.8%</b>
Income tax	(185)	(196)	-5.7%
<b>Net profit</b>	<b>466</b>	<b>437</b>	<b>+6.6%</b>

<sup>1</sup> ECC = equity consolidated companies = share of net profit/(loss) of equity consolidated companies.



With more than 100,000 new customers, CIC's banking network had over 5.5 million customers as of June 2022, a 1.9% increase year-on-year. The number of business and corporate customers increased by 3.6% to 1.1 million and the number of retail customers (79% of the total) rose by 1.4%.

Deposits amounted to €167 billion at the end of 2022, up 2.0%.

In the first half of 2022, deposits in current accounts (+5.3%) and passbook accounts (+8.1%) continued to grow, whereas term deposits showed a net outflow (-32.8%).

At end-June 2022, outstanding loans totaled €171.7 billion, an increase of 8.3% year-on-year.

In the first half of 2022, activity was robust in the main loan categories:

- Outstanding home loans rose by 9.6% to €95.4 billion. Disbursements were particularly high at €10.2 billion compared with €9.2 billion in the first half of 2021;
- Investment loans were up 10.5% to €48.1 billion, reflecting the business recovery and the high level of support provided to customers. The amount of funds disbursed was also high at 8.4 billion (+50%);
- Outstanding consumer credit rose by 2.8% to €6.1 billion.

The multi-service strategy led to an increase in products sold to our customers:

- the number of property and personal insurance policies (excluding life insurance) reached 6.2 million, up 3.8% year-on-year;
- the number of remote home surveillance subscriptions rose 3.1% to nearly 116,000 contracts.

In terms of earnings, CIC's banking network generated net banking income of €1.9 billion in the first half of 2022, an increase of 8.1%. Both the interest margin, as a result of higher loan volumes, and commissions contributed to this increase in income.

General operating expenses rose by 3.7% to €1.2 billion.

The cost/income ratio improved by 2.6 percentage points to 62.2% and gross operating income was up 16.1% to €732 million.

The sharp rise in the cost of risk (€80 million in the first half of 2022 vs. a net reversal of €4 million in 2021) limited the increase in operating income to 2.8%.

Net profit was €466 million in the first half of 2022, up 6.6% year-on-year.

## 2.1.2. Subsidiaries of the banking network

In retail banking, after fees paid to the network, the support businesses generated net banking income of €114 million (+8.4%) and net profit of €66 million (vs. €98 million in the first half of 2021), including CIC's €62 million share of the profit of Groupe des Assurances du Crédit Mutuel (€81 million in the first half of 2021).



## 2.2. Specialized business lines

Asset management and private banking, corporate banking, capital markets and private equity round out CIC's banking and insurance offering. These four businesses account for 35% of net banking income and 48% of the net profit of the operational business lines.

Note: a new "Asset management and private banking" business line was created in the first half of 2022. It consists of entities previously included in "Subsidiaries of the banking network", "Private banking" and "Capital markets". For further details, see section 3.2.

### 2.2.1. Asset management and private banking

(€ millions)	1 <sup>st</sup> half 2022	1 <sup>st</sup> half 2021 <sup>1</sup>	chg. at const. scp <sup>2</sup>
<b>Net banking income</b>	<b>384</b>	<b>358</b>	<b>+4.7%</b>
General operating expenses	(260)	-(242)	+5.3%
<b>Gross operating income</b>	<b>124</b>	<b>116</b>	<b>+3.6%</b>
Cost of risk	-(3)	-(5)	-40.3%
<b>Operating income</b>	<b>121</b>	<b>111</b>	<b>+5.6%</b>
Net gains/(losses) on other assets and ECC <sup>2</sup>	12	3	n.s.
<b>Profit/(loss) before tax</b>	<b>133</b>	<b>113</b>	<b>+3.3%</b>
Income tax	-29	-29	-3.5%
<b>Net profit</b>	<b>104</b>	<b>84</b>	<b>+5.6%</b>

<sup>1</sup> Constant scope - See section 3.2.

<sup>2</sup> After elimination of the effect of the first-time consolidation of CIC Private Debt in 2022.

**The companies that make up this business line operate in France and internationally through Banque Transatlantique, Banque de Luxembourg and Banque CIC (Suisse). Three other subsidiaries that offer asset management services joined this business line in the first half of 2022: Crédit Mutuel Épargne Salariale (previously included in "Business Subsidiaries") and recently CIC Private Debt.**

At €384 million, Asset management and private banking's net banking income accounts for 12% of the NBI of CIC's operational business lines and increased by 4.7% at constant scope in a difficult economic environment.

General operating expenses increased by 5.3% and gross operating income rose by 3.6% to €124 million.

Net gains/(losses) on other assets and ECC included non-recurring income related to the first-time consolidation of CIC Private Debt.

Net profit was €104 million in the first half of 2022, up 5.6% from €84 million a year earlier.

This data does not include the private banking activity carried out through CIC's network and at its five regional banks, i.e. €117.6 million in NBI (+8.2%) and €54.5 million in net profit (+14.4%).

The first half of the year was satisfactory for the **Banque Transatlantique group** in terms of net banking income, which grew by 20% compared with June 30, 2021.

Customer funds invested in savings products fell to €50 billion as a result of the market downturn. Capital inflows (€750 million) remained strong. Total managed funds resulting from synergies with Crédit Mutuel Alliance Fédérale grew.



The lending activity, particularly real estate loans, remained strong despite the rise in interest rates at the end of the half-year period. Outstanding loans amounted to €4.7 billion, with €486 million in new loans in the first half of 2022 (an increase of €107 million compared with 2021).

The geopolitical, economic and financial environment remains very concerning and the Banque Transatlantique group's financial commissions are expected to fall in the second half of the year as a result of the decline in the financial markets.

In the first half of 2022, **Banque de Luxembourg** posted solid performance across all its business lines, thanks mainly to strong sales momentum at both the retail and business and corporate customer level. In addition, the rise in USD and EUR rates led to an increase in the net interest margin (+15%).

The bank thus posted net banking income of €161.7 million at June 30, 2022, up 4% thanks to a 4% increase in net commissions (77% of NBI) compared with June 2021 and the rise in the interest margin.

Banque de Luxembourg has also made the integration of ESG (environmental, social and governance) criteria a centerpiece of its development strategy by defining areas of commitment, particularly on social and societal matters, and began its B Corp. certification process in 2021.

In 2022, **Banque CIC (Suisse)** continued its development and targeted growth. With a balance sheet total of 13.7 billion Swiss francs and nearly 448 employees. It takes advantage of its omnichannel approach by combining personal support and proximity to customers with the e-banking solution, CIC eLounge.

Volumes have continued to grow steadily, with a 13% increase in savings balances to €16.2 billion and a 13.5% increase in loans to €9.6 billion. Net income in the first half of 2022 rose to €24.5 million thanks to an 11.5% increase in NBI and a net decrease in the cost of risk (€1.3 million compared with €6.4 million in June 2021).

Eager to meet the changing needs of customers, and adapting to the new consumption patterns, Banque CIC (Suisse) continuously improves its customer experience.

**CIC Private Debt** recorded strong activity, with private debt very popular among investors and net inflows of €380 million. In addition, a new theme was launched by CIC Private Debt at the end of the half-year period with CIC Transition Infra Debt 2, an impact fund classified as SFDR Article 9.

## 2.2.2. Corporate banking

(€ millions)	1 <sup>st</sup> half 2022	1 <sup>st</sup> half 2021	Change
<b>Net banking income</b>	<b>211</b>	<b>194</b>	<b>+9.2%</b>
General operating expenses	-(78)	-(67)	+17.3%
<b>Gross operating income</b>	<b>133</b>	<b>127</b>	<b>+5.0%</b>
Cost of risk	-(6)	31	n.s.
<i>cost of proven risk</i>	-(14)	-(11)	+27.6%
<i>cost of non-proven risk</i>	9	42	-79.7%
<b>Profit before tax</b>	<b>127</b>	<b>158</b>	<b>-19.3%</b>
Income tax	-31	-39	-21.6%
<b>Net profit</b>	<b>97</b>	<b>119</b>	<b>-18.6%</b>

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

The **structured finance** activity (acquisition financing, project financing, asset financing and securitization) recorded an overall decline in loan production compared with 2021, particularly in terms of acquisition financing at the branches. As authorizations continued to increase, income from the activity rose slightly.

The **large corporates (CIC Corporate)** activity supports the development of listed and unlisted major French and foreign industrial companies with revenue of more than €500 million as part of a long-term relationship. The first half of 2022 was marked by the continued financing of customers' investments and medium-term projects despite the crisis in Ukraine. Income was up significantly thanks in particular to good loan production and an increase in commissions following several profitable and strategic capital transactions.

The **international business department** helps corporate customers carry out their international projects. In the first half of 2022, trade finance transactions resumed, but the more complicated international environment made it necessary to be more selective in the choice of transactions. The buyer credit financing activity remained robust thanks mainly to the numerous projects covered by BPI insurance.

Commitments amounted to €57.8 billion at June 30, 2022 and were up by €5.8 billion on both drawn and undrawn credit lines, including €4.4 billion for France and €1.4 billion for the branches.

Net banking income increased by €18 million (+9.2%) to €211 million in the first half of 2022. It benefited from a sharp rise in income from the large corporates activity thanks to good loan production, a modest increase in the structured finance activity, and an increase in income from international financing as a result of proactive measures taken to maintain close relations with customers.

The cost of risk increased by €37 million: the cost of proven risk remains contained, falling 14 million, compared to 11 million in 2021; is a result of the cost of unproven risk characterized by a lower reversal of provisions: 9 million euros at June 30, 2022 compared to 42 million euros in the first half of 2021.

Net profit therefore fell by 18.6% to €97 million.

## 2.2.3. Capital markets

(€ millions)	1 <sup>st</sup> half 2022	1 <sup>st</sup> half 2021 <sup>1</sup>	Change
<b>Net banking income</b>	<b>180</b>	<b>273</b>	<b>-34.2%</b>
General operating expenses	-(129)	-(132)	-2.2%
<b>Gross operating income</b>	<b>51</b>	<b>141</b>	<b>-64.1%</b>
Cost of risk	-(0.1)	-	n.s.
<b>Operating income</b>	<b>51</b>	<b>141</b>	<b>-64.2%</b>
<b>Profit/(loss) before tax</b>	<b>51</b>	<b>141</b>	<b>-64.2%</b>
Income tax	-(15)	-(38)	-59.9%
<b>Net profit</b>	<b>35</b>	<b>103</b>	<b>-65.7%</b>

<sup>1</sup> Constant scope - See section 3.2.

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

In the first half of 2022, CIC Marchés' net banking income was €180 million, down compared with the first half of 2021 due to a negative base effect – given the exceptional post-health crisis performance in the first half of 2021 – and deterioration in the geopolitical and economic environment during the period which impacted the financial markets.

CIC Market Solutions (France and Asia) generated €65 million in net banking income (€69 million at end-June 2021), after the payment of €56 million in commissions to the network (€37.6 million at end-June 2021) and an additional CVA/FVA provision of €24.5 million compared to a reversal of €10.5 million in respect of the first half of 2021 due to the increase in credit spreads. Over the half-year period, business was mainly driven by interest rate, currency and commodities (TCMP) hedging services and structured investments. The TCMP hedging activity benefited from high customer demand in a volatile market environment and an extension of the product offering, particularly for new commodities. Structured investment solutions generated a high level of activity with €1.8 billion of EMTN issued during the half-year period.

In the first half of 2022, the Investment business line (including France and the New York and Singapore branches - excluding Cigogne Management SA which was moved to "Asset management and private banking" - section 3.2) generated NBI of €115 million vs. €204 million at the end of June 2021. Benefiting from the lowering of the risk profile, the business withstood the difficult market environment triggered by the Russia-Ukraine conflict, inflation and the end of the accommodative central bank policies.

CIC Marchés continues to keep a close eye on the cost structure under these market conditions, with costs down 2.2% compared with the first half of 2021.

Gross operating income amounted to €51 million. Total net profit from the capital market activities was €35 million.

## 2.2.4. Private equity

(€ millions)	1 <sup>st</sup> half 2022	1 <sup>st</sup> half 2021	Change
<b>Net banking income</b>	<b>304</b>	<b>257</b>	<b>+18.5%</b>
General operating expenses	-(38)	-(36)	+5.4%
<b>Gross operating income</b>	<b>267</b>	<b>221</b>	<b>+20.6%</b>
Cost of risk	-	(-7)	n.s.
<b>Profit/(loss) before tax</b>	<b>267</b>	<b>214</b>	<b>+24.7%</b>
Income tax	-(16)	-(0.4)	n.s.
<b>Net profit/(loss)</b>	<b>251</b>	<b>213</b>	<b>+17.6%</b>

**CIC and Crédit Mutuel Alliance Fédérale provide capital financing to start-ups, SMEs and mid-caps through Crédit Mutuel Equity, which encompasses all the group's equity financing businesses: innovation capital, development capital, buyout capital, as well as investment in infrastructure projects and M&A advisory services. Crédit Mutuel Equity finances development projects mainly in France through its eight locations in the regions - Paris, Lyon, Nantes, Bordeaux, Lille, Strasbourg, Marseille and Toulouse - but also internationally through its subsidiaries in Germany, Switzerland and Canada.**

Crédit Mutuel Equity is a unique player in its market. By mainly investing its own capital, it makes a long-term commitment to management teams to help them grow, transform, gain experience and know-how and build paths forward. This commitment is evidenced by the fact that it has held more than one-fourth of its 335 investments for more than 10 years. However, portfolio turnover remains very dynamic and demonstrates Crédit Mutuel Equity's strength, with an average of nearly one billion euros invested and divested every two years.

The first half of 2022 confirmed the high quality of the investments held by Crédit Mutuel Equity which, so far, have been able to offset and correct the current economic and geopolitical instability.

Proper management of the companies in the portfolio enables them to speed up their development and merger projects to make up for unstable growth at a time of price increases for raw materials and supply chain disruptions.

Investment activity was robust during this half-year period with €229.4 million in investments through 29 transactions, including 48% in new projects.

The portfolio of invested assets is now €3.1 billion after taking into account €180 million in disposals during this first half of the year.

Total income exceeded €300 million as of June 30, 2022, including more than €240 million in capital gains generated as a result of numerous transactions on the portfolio investments, which are still valued very carefully despite their strong performance.

After a record year in 2021 in terms of fees invoiced for mergers and acquisitions, CIC Conseil again had a very good first half with commissions already equivalent to three-fourths of those for all of the previous year.

Net profit at June 30 was €251 million. This high level of half-year profitability will allow Crédit Mutuel Equity to more confidently tackle the economic and financial challenges that await its investments, which it will continue to support over the long term.

### 3. Additional information

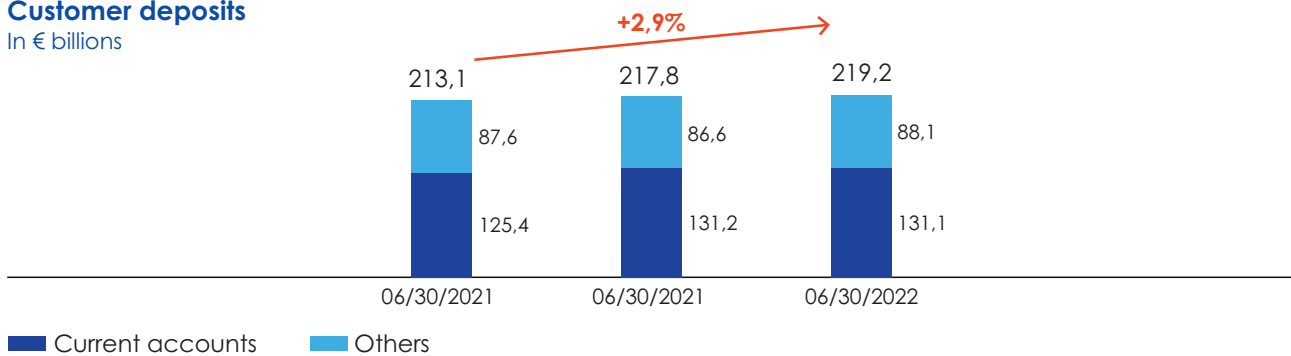
#### 3.1. Outstanding loans and deposits – consolidated scope

##### Customer deposits

Deposits amounted to €219.2 billion as of June 2022, up 2.9% year-on-year. As in 2021, current accounts continued to grow steadily (+4.5%) and inflows on regular passbook accounts were high, with deposits increasing by 9.4% to nearly €24 billion.

##### Customer deposits

In € billions



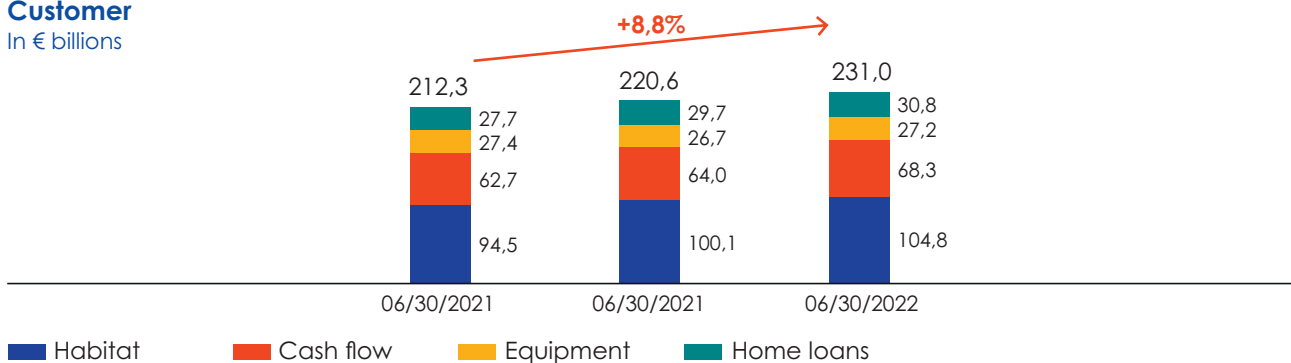
##### Customer loans

At the end of June 2022, outstanding loans totaled €231 billion, an increase of 8.8% year-on-year. Demand for loans to support the recovery was high, and support for customers was evidenced by significant increases in outstandings in the main loan categories:

- home loans rose by 10.9% to €104.8 billion;
- equipment loans increased by 8.9% to €68.3 billion.

##### Customer

In € billions



## 3.2. Change in segmentation

A new "Asset management and private banking" business line was created in the first half of 2022. It consists of various entities that were included in other business lines until December 2021:

- Crédit Mutuel Asset Management and Crédit Mutuel Épargne Salariale, which were previously included in "Retail Banking" / "Subsidiaries of the banking network";
- Cigogne Management, which was previously included in "Capital Markets";
- CIC Private Debt, which was consolidated in the first half of 2022;
- All subsidiaries previously included in "Private banking".

The impacts on the data for the first half of 2021 published in July 2021 are detailed in the tables below:

### Analysis of income statement by business segment - NEW SEGMENTATION

June 30, 2021 (€ millions)	Retail banking	Financing and capital markets	Asset management and private banking	Private equity	Holding company services	Total
Net banking income	1 895	467	358	257	55	3 031
General operating expenses	(1 241)	(199)	(242)	(36)	(47)	(1 764)
<b>Gross operating income</b>	<b>654</b>	<b>268</b>	<b>116</b>	<b>221</b>	<b>8</b>	<b>1 267</b>
Cost of counterparty risk	15	31	(5)	(7)	-	33
Gains on other assets	79	-	3	-	-	82
<b>Profit/(loss) before tax</b>	<b>748</b>	<b>299</b>	<b>113</b>	<b>214</b>	<b>8</b>	<b>1 382</b>
Income tax	(212)	(77)	(29)	-	(5)	(324)
<b>Net profit/(loss)</b>	<b>535</b>	<b>222</b>	<b>84</b>	<b>214</b>	<b>3</b>	<b>1 058</b>

### Analysis of income statement by business segment - OLD SEGMENTATION

June 30, 2021 (€ millions)	Retail banking	Financing and capital markets	Private banking	Private equity	Holding company services	Total
Net banking income	1 914	486	319	257	55	3 031
General operating expenses	(1 255)	(202)	(224)	(36)	(47)	(1 764)
<b>Gross operating income</b>	<b>659</b>	<b>284</b>	<b>95</b>	<b>221</b>	<b>8</b>	<b>1 267</b>
Cost of counterparty risk	14	31	(5)	(7)	-	33
Gains on other assets	82	-	-	-	-	82
<b>Profit/(loss) before tax</b>	<b>755</b>	<b>315</b>	<b>90</b>	<b>214</b>	<b>8</b>	<b>1 382</b>
Income tax	(214)	(81)	(24)	-	(5)	(324)
<b>Net profit/(loss)</b>	<b>541</b>	<b>234</b>	<b>66</b>	<b>214</b>	<b>3</b>	<b>1 058</b>

### 3.3. Changes at constant scope

Changes at constant scope are calculated by excluding the consolidation of CIC Private Debt from the 2022 first-half figures.

#### CIC

(€ millions)	1 <sup>st</sup> half 2022	Change in scope	1 <sup>st</sup> half 2022 excl. change in scope	1 <sup>st</sup> half 2021	2022/2021	2022/2021 const. scp.
<b>Net banking income</b>	<b>3,182</b>	<b>9</b>	<b>3,173</b>	<b>3,031</b>	<b>+5.0%</b>	<b>+4.7%</b>
General operating expenses	(1,856)	-5	-1,852	(1,765)	+5.2%	+4.9%
<i>of which: supervisory and   resolution expenses</i>	(209)	-	-209	(152)	+37.3%	+37.3%
<b>Gross operating income</b>	<b>1,326</b>	<b>4</b>	<b>1,321</b>	<b>1,267</b>	<b>+4.7%</b>	<b>+4.3%</b>
Cost of risk	(99)	-	-99	33	n.s.	n.s.
<i>Cost of proven risk</i>	(42)	-	-42	(64)	(34.0%)	-34.0%
<i>Cost of non-proven risk</i>	(57)	-	-57	97	n.s.	n.s.
<b>Operating income</b>	<b>1,227</b>	<b>4</b>	<b>1,222</b>	<b>1,300</b>	<b>(5.6%)</b>	<b>-6.0%</b>
Net gains/(losses) on other assets and ECC	72	12	60	82	(12.0%)	-26.2%
<b>Profit/(loss) before tax</b>	<b>1,299</b>	<b>16</b>	<b>1,283</b>	<b>1,382</b>	<b>(6.0%)</b>	<b>-7.2%</b>
Income tax	(288)	-1	-287	(323)	(11.0%)	-11.3%
<b>Net profit/(loss)</b>	<b>1,011</b>	<b>15</b>	<b>996</b>	<b>1,058</b>	<b>(4.5%)</b>	<b>-5.9%</b>
Non-controlling interests	1	-	1	9	(85.0%)	-85.0%
<b>Net profit attributable to the group</b>	<b>1,009</b>	<b>15</b>	<b>994</b>	<b>1,049</b>	<b>(3.8%)</b>	<b>-5.2%</b>

#### Asset management & private banking

(€ millions)	1 <sup>st</sup> half 2022	Change in scope	1 <sup>st</sup> half 2022 excl. change in scope	1 <sup>st</sup> half 2021	2022/2021	2022/2021 const. scp.
<b>Net banking income</b>	<b>384</b>	<b>9</b>	<b>375</b>	<b>358</b>	<b>+7.3%</b>	<b>+4.7%</b>
General operating expenses	(260)	-5	-255	(242)	+7.3%	+5.3%
<b>Gross operating income</b>	<b>124</b>	<b>4</b>	<b>120</b>	<b>116</b>	<b>+7.4%</b>	<b>+3.6%</b>
Cost of risk	(3)	-	-3	(5)	(40.3%)	-40.3%
<b>Operating income</b>	<b>121</b>	<b>4</b>	<b>117</b>	<b>111</b>	<b>+9.6%</b>	<b>+5.6%</b>
Net gains/(losses) on other assets and ECC	12	12	0	3	x 4.4	-96.0%
<b>Profit/(loss) before tax</b>	<b>133</b>	<b>16</b>	<b>117</b>	<b>113</b>	<b>+17.4%</b>	<b>+3.3%</b>
Income tax	(29)	-1	-28	(29)	+0.1%	-3.5%
<b>Net profit/(loss)</b>	<b>104</b>	<b>15</b>	<b>89</b>	<b>84</b>	<b>+23.3%</b>	<b>+5.6%</b>



### 3.4 Alternative performance indicators

Name	Definition/calculation method	For the ratios, justification of use
cost/income ratio	ratio calculated from items in the consolidated income statement: ratio of general operating expenses (sum of items "employee benefit expense", "other general operating expenses" and "allocations/reversals of depreciation, amortization and provisions for property, plant and equipment and intangible assets") to "net banking income"	measure of the bank's operational efficiency
overall cost of risk for customer loans as a percentage of outstanding loans (expressed in % or basis points)	cost of risk for customer loans as stated in the notes to the consolidated financial statements as a percentage of gross outstanding loans at the end of the period	enables assessment of the level of risk as a percentage of credit commitments on the balance sheet
cost of risk	item "cost of counterparty risk" in the publishable consolidated income statement	measures the level of risk
customer loans	item "loans and receivables due from customers at amortized cost" on the asset side of the consolidated balance sheet	measure of customer activity in terms of loans
cost of proven risk	impaired assets (S3): see note "cost of counterparty risk"	measures the level of proven risk (non-performing loans)
cost of non-proven risk	12-month expected losses (S1) + expected losses at maturity (S2): see note "cost of counterparty risk." Application of IFRS 9.	measures the level of non-proven risk (for performing loans)
customer deposits; accounting deposits	item "due to customers at amortized cost" on the liabilities side of the consolidated balance sheet	measure of customer activity in terms of balance sheet resources
insurance-based savings	life insurance products held by our customers - management data (insurance company)	measure of customer activity in terms of life insurance
bank savings products, customer funds managed and held in custody	off-balance sheet savings products held by our customers or under custody (securities accounts, mutual funds, etc.) - management data (group entities)	representative measure of activity in terms of off-balance sheet funds (excluding life insurance)
total savings	sum of account deposits, insurance-based savings and bank savings products	measure of customer activity in terms of savings
operating expenses, general operating expenses, management fees	sum of lines "employee benefit expense", "other general operating expenses" and "allocations/reversals of depreciation, amortization and provisions for property, plant and equipment and intangible assets" in the publishable consolidated income statement	measures the level of general operating expenses
interest margin, net interest revenue, net interest income	calculated from items in the consolidated income statement: difference between interest received and interest paid: - interest received = item "interest and similar income" in the publishable consolidated income statement - interest paid = item "interest and similar expenses" in the publishable consolidated income statement	representative measure of profitability
loan to deposit ratio	ratio calculated from items in the consolidated balance sheet: ratio expressed as a percentage of total customer loans to customer deposits	measure of dependency on external refinancing
coverage ratio	determined by calculating the ratio of credit risk provisions (S3 impairments) to the gross outstandings identified as in default in accordance with regulations (gross receivables subject to an S3 individual impairment)	this coverage ratio measures the maximum residual risk associated with loans in default ("non-performing loans")
ratio of non-performing loans to gross loans	ratio of gross receivables subject to an S3 individual impairment to gross customer loans (calculated from "loans and receivables due from customers" note to the consolidated financial statements: gross receivables + finance leases)	indicator of asset quality

## Alternative performance indicators (APIs): reconciliation to the financial statements

<b>(€ millions)</b>			
<b>Cost/income ratio</b>	<b>1<sup>st</sup> half 2022</b>	<b>1<sup>st</sup> half 2021 2021</b>	<b>1<sup>st</sup> half 2020 2020</b>
General operating expenses	(1,856)	(1,765)	(1,687)
Net banking income	3,182	3,031	2,372
<b>Cost/income ratio</b>	<b>58.3%</b>	<b>58.2%</b>	<b>71.2%</b>
<b>Loan-to-deposit ratio</b>	<b>6/30/2022</b>	<b>6/30/2021</b>	<b>6/30/2020</b>
Net customer loans	231,024	212,297	202,370
Customer deposits	219,215	213,051	195,154
<b>Loan-to-deposit ratio</b>	<b>105.4%</b>	<b>99.6%</b>	<b>103.7%</b>
<b>Coverage ratio</b>	<b>6/30/2022</b>	<b>6/30/2021</b>	<b>6/30/2020</b>
Expected losses on impaired assets (S3)	2,198	2,355	2,442
Gross receivables subject to individual impairment (S3)	<b>5,159</b>	<b>5,419</b>	<b>5,444</b>
<b>Total coverage ratio</b>	<b>42.6%</b>	<b>43.5%</b>	<b>44.9%</b>
<b>Non-performing loan ratio</b>	<b>6/30/2022</b>	<b>6/30/2021</b>	<b>6/30/2020</b>
Gross receivables subject to individual impairment (S3)	5,159	5,419	5,444
Gross customer loans	234,483	215,800	205,616
<b>Non-performing loan ratio</b>	<b>2.2%</b>	<b>2.5%</b>	<b>2.6%</b>
<b>Cost of risk as a percentage of outstanding loans</b>	<b>6/30/2022</b>	<b>6/30/2021</b>	<b>6/30/2020</b>
Cost of risk for customer loan losses	(94)	6	(337)
Gross customer loans	234,483	215,800	205,616
<b>Annualized cost of risk for customer loans as a percentage of outstanding loans (in basis points)</b>	<b>8</b>	<b>-1</b>	<b>33</b>