



Update of
>> SHELF REGISTRATION DOCUMENT 2007

Financial review
at 30 June 2008

Contents

Review of operations - First half of 2008.....	5
Presentation of the financial statements	6
Calyon business review and financial results.....	7
Risk management.....	14
Recent trends and outlook	27
Condensed Interim Consolidated Financial Statements for the six months to 30 June 2008.....	31
General background.....	32
Income statement	32
Consolidated balance sheets	33
Change in shareholder's equity.....	34
Cash flow statement	35
Notes to the interim consolidated financial statements for the six months to 30 June 2008.....	36
Statutory auditors' report on the interim financial report	64
Additional information.....	65
General information.....	67
Person responsible for the shelf-registration document and for auditing the accounts ...	68
Cross-reference table	71

1 Review of operations - First half of 2008

Presentation of the financial statements	6
Changes to accounting principles and methods	6
Changes in the scope of consolidation.....	6
Calyon business review and financial results.....	7
Economic and financial environment.....	7
Consolidated results.....	8
Results by business line.....	9
Financial position.....	12
Risk management.....	14
Credit risk	14
Market risks.....	17
US residential mortgage crisis	19
Management of structural financial risks	24
Operational risk.....	26
Recent trends and outlook	27
Recent events	27
Outlook for the second half of 2008.....	27

Presentation of the financial statements

Changes to accounting principles and methods

Application of IAS/IFRS accounting standards

The condensed interim consolidated financial statements have been prepared in accordance with IAS/IFRS and IFRIC interpretations as adopted by the European Union and applicable at 30 June 2008 (including the "carve out" version of IAS 39).

The accounting principles and methods applied are the same as those used to prepare the consolidated financial statements for the Group for

the year ended 31 December 2007, supplemented by the provisions of IAS 34, Interim Financial Reporting, which prescribes the minimum content and the principles for recognition and measurement for an interim report.

No compulsory standards or interpretations are applicable in 2008 for the first time.

Changes in the scope of consolidation

The main changes in the scope of consolidation between 31 December 2007 and 30 June 2008 were as follows:

Creation of Newedge Group

Following the creation of a joint venture, Newedge Group, with Société Générale, 50% of Newedge Group has been proportionally consolidated in Calyon's accounts at the intermediate level since 1 January 2008. As a result, the following companies have been deconsolidated:

- Calyon Financial Inc;
- Calyon Financial SNC;
- Calyon North America Holding;
- Calyon Financial Canada;
- Calyon Financial Pte Singapore;
- Altura;
- Calyon Financial Hong Kong;
- Crédit Agricole Cheuvreux Securities Ltd.

Removals during the first half of 2008

- ICF Cayman Holdings and Calyon Bank Slovakia were liquidated;
- Capital Plus, which no longer materially engaged in business, was deconsolidated;

- Lyra Partners LLC and Casam Americas LLC were merged into Casam Americas Inc and have been removed from the scope of consolidation;
- CA Luxembourg Bank was merged into CA Luxembourg and has been removed from the scope of consolidation;
- Following the redemption of Calyon's investments in the following funds, these entities were removed from the scope of consolidation: Casam Systeia Global Macro, Casam Systeia Event Driven and Casam Systeia Equity Quant.

Additions during the first half of 2008

The following entities were added to the scope of consolidation in 2008:

- Calyon Financial Solutions;
- Immobilière Sirius SA, formerly held by CACEIS under the name The Fastnet House SA;
- Calyon Saudi Fransi Limited.

Name changes during the first half of 2008

- Crédit Lyonnais Company Japan was renamed Calyon leasing Japan CO Ltd;
- Casam US Holding Inc was renamed Casam Americas Inc.

Calyon business review and financial results

Economic and financial environment

Until mid-March and the Bear Stearns rescue, all eyes were focused on the crisis in the banking and financial sector. Subprime loss figures were continually revised upwards as the US real estate market was swept inexorably into a downward spiral. Banks took huge impairment charges for assets with subprime mortgage underlyings.

As time passed, concerns over the possibility that the financial shock could spread to the real economy grew more and more acute, conjuring up the spectre of a credit crunch (severe restriction on availability of loans) rather than just a credit squeeze (loans becoming more expensive) and world recession. The markets then began to worry about increasing weakness in other credit segments as a result of the business downturn. Concerns also arose over hedging strategies through monoline insurers, which guaranteed the quality of certain financial packages. The situation began to ease somewhat when the Fed intervened to rescue Bear Stearns by arranging for JP Morgan to acquire the investment bank. From that date, the markets accepted that the worst of the subprime crisis was over. Risk aversion receded and the equity and fixed-income markets began to breathe easier.

On the economic front, US growth slowed sharply during the first half (to an annualised rate of 1.9% in the second quarter following 0.9% in the first) but it remained in positive territory, aided by a highly responsive policy mix. The Fed continued aggressively to ease its monetary policy. It lowered the Fed Funds rate by 225 basis points over six months, to 2% in June. In the second quarter, the fiscal stimulus package with its \$115 billion in tax cuts began to shore up consumer spending. But clear signs of weakness persisted, with the real estate recession snowballing and the job market contracting sharply. Europe showed surprising resilience in the first quarter, with annualised real GDP growth of over 3%. This was explained mainly by the strength of Germany's industrial production system, which reaped full benefits from vibrant foreign demand. However, growth slowed appreciably in the second quarter and GDP contracted by 0.2% quarter-on-quarter. Meanwhile, the emerging countries continued to act as drivers for the world economy, with enviable growth rates. This persistently high world growth in turn caused the price of oil, farm commodities and food to escalate, pulling up price indices everywhere in their wake and bringing the threat of inflation to the forefront.

Consolidated results

Condensed consolidated income statement – Key income statement aggregates

€ million	H1 2008	H1 2008 ⁽¹⁾	H1 2007	H1 2007 ⁽¹⁾	change H1 08/H1 07 restated ⁽¹⁾
Net banking income	(246)	1,752	3,438	3,746	(53%)
Operating expenses	(1,978)	(1,978)	(2,006)	(2,006)	(1%)
Gross operating income	(2,224)	(226)	1,432	1,740	nm
Risk-related costs	(285)	(241)	15	15	nm
Income from equity affiliates	65	65	78	78	(17%)
Gains/(losses) on other assets	431	431	0	0	nm
Pre-tax income	(2,013)	29	1,525	1,833	(98%)
Corporate income tax	828	125	(404)	(494)	nm
Net income/(loss)	(1,185)	154	1,121	1,339	(88%)
NET INCOME (GROUP SHARE)	(1,235)	104	1,070	1,288	(92%)

⁽¹⁾ Excluding subprime crisis impact

During the first half of 2008, the persistent effects of the crisis in the US residential mortgage market and severe market turbulence primarily affected the Capital markets and investment banking businesses.

After booking a €4.1 billion pre-tax loss in 2007, the continued crisis in the US residential mortgage market led to the recognition of further impairment charges that cut net income by a total of €2 billion in the first half of 2008 (–€0.3 billion in the first half of 2007):

- ABS and CDO impairment: –€0.5 billion (–€0.3 billion in the first half of 2007);
- Allowances on monoline insurers: –€1.7 billion;
- Gain on mark to market adjustment of structured issues for the first half of 2008: +€0.2 billion.

Excluding losses related to the subprime crisis, net banking income amounted to €1,752 million in the first half of 2008, a decline of 53% by comparison with the same year-ago period. Revenues were down in certain segments of Capital markets and investment banking, including credit markets,

equity and fund derivatives, and exotic credit derivatives. Financing activities, brokerage and revenues in the Fixed income business stood up well.

In the second quarter of 2008, Calyon initiated a cost-cutting plan. Operating expenses contracted by 7% year-on-year in the first half of 2008 (pro forma Newedge). Efforts were focused on reining in staff growth, controlling operating expenses and adjusting variable compensation arrangements.

Risk-related costs were associated with a limited number of specific deals and warranted the increase in collective provisions.

Gains on other assets include the gain arising from the transfer of the Calyon Financial entities to create the Newedge joint venture.

Excluding the subprime crisis impact, net income (Group share) was €104 million compared with €1,288 million in the first half of 2007.

Results by business line

The organisation of Calyon's business lines is described in Note 6, "Segment reporting", of the

notes to the consolidated financial statements, in the 2007 Calyon shelf-registration document.

Financing

€ million	H1 2008	H1 2007	Change H1 08/H1 07	Change at constant exchange rates
Net banking income	914	1,192	(23%)	(19%)
Operating expenses	(420)	(465)	(10%)	(6%)
Gross operating income	494	727	(32%)	(27%)
Risk-related costs	(183)	7	nm	
Income from equity affiliates	64	70	(8%)	
Gains/(losses) on other assets	(1)	0		
Pre-tax income	374	804	(53%)	
Corporate income tax	(103)	(205)	(50%)	
Net income	271	599	(55%)	
NET INCOME (GROUP SHARE)	238	582	(59%)	

After a year of strong business growth in 2007, Financing activities stood up well in a more difficult climate in 2008. More stringent selection criteria were applied to financing, particularly in project and acquisition finance, thereby keeping loans under control and helping to improve the quality of the portfolio.

Excluding syndication discounts applied to a limited number of deals and totalling €142 million, net banking income was down 6% at constant exchange rates.

In structured finance, revenues were down 11% year-on-year in the first half (excluding syndication discounts), due to a reduction in LBO and project financing. Ship, aircraft and international trade finance delivered a solid performance.

Commercial banking operations stood up well, both in France and abroad, with a 5% dip in revenues (excluding syndication discounts).

Operating costs were tightly controlled, with a 6% decline at constant exchange rates.

Risk-related costs in the first half of 2008 primarily reflected the increase in collective provisions for the real estate sector and the Americas region. At 30 June 2008, the stock of collective provisions stood at €1,281 million.

Net income (Group share) was €238 million compared with €582 million in the first half of 2007.

Capital Markets and Investment Banking

€ million	H1 2008	H1 2008 ⁽¹⁾	H1 2007	H1 2007 ⁽¹⁾	Change H1 08/H1 07 restated ⁽¹⁾
Net banking income	(1,322)	676	1,978	2,286	(70%)
Operating expenses	(1,370)	(1,370)	(1,366)	(1,366)	0%
Gross operating income	(2,692)	(694)	612	920	nm
Risk-related costs	(108)	(64)	6	6	
Income from equity affiliates	0	0	3	3	
Gains/(losses) on other assets	0	0	0	0	
Pre-tax income	(2,800)	(758)	621	929	
Corporate income tax	919	216	(174)	(264)	
Net income	(1,881)	(542)	447	665	
NET INCOME (GROUP SHARE)	(1,893)	(554)	421	639	

⁽¹⁾ Excluding subprime crisis impact

Revenues in Capital markets and investment banking were again adversely affected by impairment charges for US residential property assets and by the deterioration in the financial position of monoline insurers. ⁽²⁾

In addition to these items, business during the first half was severely hurt by very difficult market conditions, including extremely volatile credit spreads, the plunge in stock market indices and the inversion of the yield curve. This slashed net banking income to €676 million.

Fixed income business showed good resilience, with the erosion in revenues confined to 13% in the first half of 2008 compared with the average for 2007.

The treasury and foreign exchange businesses delivered solid performances.

Credit operations returned to break-even in the second quarter of 2008 after a poor performance in the first quarter.

In Equities, revenues stood up better owing to a satisfactory performance by the brokerage entities, despite the continued fall in stock market indices. Equity derivatives were hurt by the violent market plunge in the first quarter and began to recover in the second quarter.

Newedge's revenues showed that the new entity was off to a good start.

In the advisory business, revenues were stable in the first half.

Operating costs declined by 8% (pro forma Newedge).

Risk-related costs mainly reflected losses associated with the unwinding of repurchase agreements with a certain fund.

Excluding the crisis impact, Capital markets and investment banking reported a net loss of €554 million.

⁽²⁾ Subprime crisis impact:

- Impairment of CDOs with US residential mortgage underlyings: first half of 2008: -€0.5 billion, first half of 2007: -0.3 billion
- Allowance for monoline insurers, first half of 2008: -€1.7 billion
- Mark-to-market adjustment of structured issues, first half of 2008: 0.2 billion
- Net income for the first half of 2008: -€1.3 billion, first half of 2007: -€0.2 billion

International Private Banking

€ million	H1 2008	H1 2007	Change H1 08/H1 07	Change (like- for-like, at constant exchange rates)
Net banking income	261	276	(5%)	(7%)
Operating expenses	(181)	(165)	10%	5%
Gross operating income	80	111	(28%)	(24%)
Risk-related costs	6	2	x3	
Income from equity affiliates	1	5	(80%)	
Gains/(losses) on other assets	0	0	nm	
Pre-tax income	87	118	(26%)	
Corporate income tax	(23)	(32)	(27%)	
Net income/(loss)	64	86	(26%)	
NET INCOME (GROUP SHARE)	59	78	(25%)	

On a like-for-like basis and at constant exchange rates, net banking income receded by 7%, reflecting the effects of adverse market conditions, with a reduction in new inflows and a fall in brokerage business.

In this difficult climate, operating costs were 5% higher than in the previous year (on a like-for-like basis, at constant exchange rates).

The contribution to Calyon's net income was €59 million in the first half of 2008, up 25% on the same year-ago period.

Proprietary Asset Management and other activities

€ million	H1 2008	H1 2007	Change H1 08/H1 07
Net banking income	(99)	(8)	nm
Operating expenses	(7)	(10)	(29%)
Gross operating income	(106)	(18)	nm
Risk-related costs	0	0	
Income from equity affiliates	0	0	
Gains/(losses) on other assets	432	0	
Pre-tax income	326	(18)	
Corporate income tax	35	(7)	
Net income/(loss)	361	(11)	
NET INCOME (GROUP SHARE)	361	(11)	

Net banking income in the first half of 2008 mainly reflects the debt service cost of the shareholder's advance from Crédit Agricole SA.

The €432 million gain arising from the transfer of the Calyon Financial entities to create the Newedge joint venture is recognised under "Gains/(losses) on other assets".

Financial position

Shareholders' equity

At 30 June 2008, Calyon's equity (Group share) stood at €8.2 billion.

The €9.8 billion decrease in equity since 1 January 2008 was due to: i) €1.2 billion from the loss for the first half of 2008; ii) €0.2 billion from the change in translation differences; and €0.2 billion from other unrealised losses.

Calyon also had received advances from its shareholder, Crédit Agricole SA, totalling €3.7 billion at 30 June 2008. It received €1.4 billion of this amount during the first half of 2008.

Related party agreements

The main related parties agreements entered into as of 30 June 2008 are described in Note 2.4 of the

Notes to the interim consolidated financial statements for the six months to 30 June 2008.

Prudential ratios

As from 1 January 2008, the total solvency ratio is calculated as stipulated by the regulations and instructions transposing the European CRD (Capital Requirements Directive) into French law.

The table below shows Calyon's risk assets measured in terms of credit risk equivalents (after

counterparty weighting) and the regulatory capital levels on the dates indicated, calculated in accordance with the French CRBF regulations on solvency ratios (91-05 and 95-02) and capital (90-02).

€ million	30.06.2008 CRD	31.12.2007 CAD
Risk assets		
Credit risk	115,650	139,673
Market risk	13,611	17,986
Interest-rate risk	1,764	2,337
Equity risk	578	346
Exchange-rate risk	561	867
Commodity risk	332	0
Risks calculated by internal model	10,375	14,436
Operational risks	10,325	
Threshold effect	⁽¹⁾ 4,960	
Total risk-weighted assets (denominator)	144,546	157,659
Available capital		
Tier 1	12,423	14,165
Tier 2	4,121	3,645
Tier 3	500	801
Deductions	(793)	(2,008)
Total available capital	16,251	16,603
Tier 1 solvency ratio	8.6%	9.0%
Total solvency ratio	11.2%	10.5%

⁽¹⁾ In 2008, this is the maximum amount between risk-weighted assets calculated under the CRD method and 90% of risk-weighted assets calculated under the CAD method (€160,607 million)

Changes in capital funds

- Tier 1 (-€1.7 billion), including -€0.9 billion due to the transition to Basle II
 - -€1.2 billion due to losses in the first half, offset by +€1.4 billion in shareholder advances;
 - -€0.7 billion of goodwill for Newedge;
 - -€0.2 billion currency impact.
- Tier 2 (+€0.5 billion) including -€0.1 billion due to maturing redeemable subordinated notes and +€0.6 billion due to the transition to Basle II
- T2 deductions: +€1.2 billion: due to the transition to Basle II and primarily the ineffectiveness of certain securitisations

Change in risks

The main factor affecting the reduction in risk-weighted assets in the first half of 2008 was the transition to Basle II.

For most of the business lines, risks calculated under Basle II were lower and the transition led to a €31.4 billion reduction in our risk-weighted assets at constant exchange rates.

This improvement, which applied mainly to our credit risks, was partially offset by the inclusion of operational risk (+€10.3 billion) and the effect of the regulatory floor of 90% of Basle I risk-weighted assets (+€5 billion). Significant gains due to the change in methods in the first half (converting subsidiaries to the advanced measurement approach in accordance with the timetable submitted to the French Banking Commission,

more comprehensive inclusion of third-party ratings or guarantees, etc.) lowered the Basle I/Basle II transition coefficient to 87% at end-June 2008.

Excluding the effect of applying the new Basle II prudential requirements and excluding a €4.4 billion favourable currency impact due to fluctuations in the dollar over the first half, Calyon's risk-weighted assets rose by €7.3 billion.

This was due to the increase in counterparty risk on market transactions (+€6.3 billion, primarily due to the mark-to-market adjustment on our monoline exposures).

Risk management

Risk management, which is inherent to banking operations, is central to the Group's internal control system and is applied by all parties involved from the time a transaction is initiated until the time it reaches maturity.

The organisation, principles and tools for managing and monitoring these risks are described in detail in the 2007 registration document in the section on risk factors of the management report (pages 67-86).

The Calyon Group is exposed to the following main risks: credit risk, market risk (interest rate, currency and price risk), structural asset and liability management risks (overall interest rate risk, currency risk, liquidity risk) and operational risk.

A description of these risks and the main changes in the first half of 2008 is provided below. Individual risks induced by the financial crisis are presented in a separate section.

Credit risk

Main changes

Exposures

Maximum exposure

€ million	Notes	30.06.2008	31.12.2007
Financial assets at fair value through profit or loss (excluding variable-income securities)		382,069	362,434
Derivative financial instruments held for hedging		457	472
Available-for-sale assets (excluding variable-income securities)		17,697	15,251
Due from banks		68,403	55,662
Loans and advances to customers		128,538	118,891
Exposure to on-balance-sheet commitments (net of impairment)		597,164	552,710
Financing commitments given		109,831	114,741
Financial guarantee commitments given		46,614	39,226
Reserves – Financing commitments		(58)	(19)
Exposure to off-balance sheet commitments (net of reserves)		156,387	153,948
Total net exposure		753,551	706,658

Source: consolidated financial statements

Exposure at by customer type

(€ million)	30.06.2008					Total
	Gross outstandings ⁽¹⁾	of which doubtful debt	Impairment on doubtful debt	of which bad debts	Impairment on bad debt	
Central government	6,542	0	0	72	(71)	6,471
Non-bank institutions	2,786	10	(8)	0	0	2,778
Banks	68,172	3	(3)	38	(37)	68,132
Corporates	115,562	342	(112)	1,817	(1,619)	113,831
Retail customers	6,140	9	(1)	824	(30)	6,109
Total⁽¹⁾	199,202	364	(124)	2,751	(1,757)	197,321
Accrued interest, net						901
Other loans collectively assessed for impairment						(1,281)
Net book value						196,941

⁽¹⁾ Including €263 million of restructured, non-impaired assets

€ million	31.12.2007					Total
	Gross outstandings ⁽¹⁾	of which doubtful debt	Impairment on doubtful debt	of which bad debt	Impairment on bad debt	
Central governments and non-bank institutions	10,033	3		71	(71)	9,962
Banks	55,389	4	(3)	43	(43)	55,343
Corporates	104,282	172	(67)	1,458	(1,169)	103,046
Retail customers	6,393	8	(1)	865	(38)	6,354
Total	176,097	187	(71)	2,437	(1,321)	174,705
Accrued interest, net						1,016
Other loans collectively assessed for impairment						(1,168)
Net book value						174,553

⁽¹⁾ Including €283 million of restructured, non-impaired assets and assets less than 90 days past due: €88 million, and €183 million of guarantees received

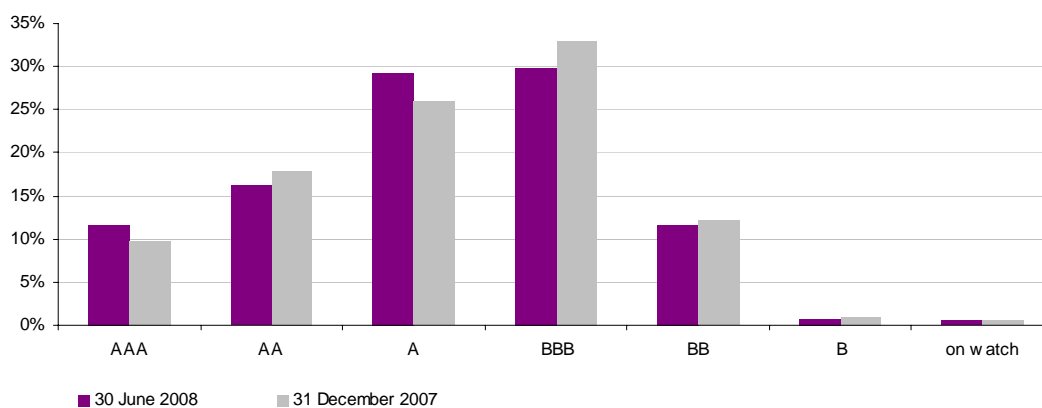
Source: consolidated financial statements

Quality of exposure

Quality of the portfolio exposed to credit risk

At 30 June 2008, loans granted to performing clients by the Calyon group totalled €397,176 million.

Their breakdown by credit rating was as follows:



Source : Risk

During the first half of 2008, the enduring financial crisis resulted in persistently high costs of liquidity, declining property asset values in several countries

and high commodities prices, especially oil, causing the threat of inflation to emerge.

Outlook for the second half of 2008

During the second half, Calyon will continue to follow a highly cautious approach in counterparty selection and lending. The trend in loan volumes during the second half will be guided by this defensive policy adopted in response to a less favourable environment.

Furthermore, the anticipated economic slowdown could cause deterioration in the financial strength of

our counterparties. While Calyon's credit portfolio is of extremely good quality, with 87% of investment-grade credit, the Group would not be immune to a system-wide deterioration trend if this were to materialise.

Lastly, in this climate, Calyon will gradually refocus on its areas of expertise and more particularly on certain specialised financing activities.

Market risks

Main changes

Objectives and risk management policy

Market risk monitoring organisation

The measures initiated in the second half of 2007 to reinforce the control system were continued during the first half of 2008. The Market Risk Department is actively involved in several projects designed to tighten up the control system and warning procedures with:

- a warning system for atypical transactions;
- specific monitoring of outstandings by notional amount;
- enhanced surveillance of transactions on organised exchanges.

Staff and funding were allocated to control of capital market activities.

Methodology and measurement system

A significant change was made in the method of calculating Equity VaR. Under this new method, specific shocks can now be applied to the smile curvature on individual securities positions. Previously, the shocks applied were similar to those used for index linked positions. This change of method has resulted in a significant reduction in Equity VaR since last April (see figures below).

The Fixed income business benefited from additional IT resources, which have appreciably lowered risk indicator production times.

Exposure

Capital markets activities (Value at Risk)

(€ million)	30/06/2008	Minimum	Maximum	Average H1 2008
Interest rate	37	13	113	22
Forex	6	2	7	4
Equities	9	5	32	17
Credit Markets	76	28	100	50
Commodities	1	1	2	1
Other	0	0	12	5
Netting	(55)	(76)	(20)	(40)
Calyon	74	28	126	59

VaR averaged €59 million in the first half of 2008, compared with €73 million in the previous six months. This is due partly to persistently high volatility in credit, equity and fixed income markets and partly to the Group's substantial efforts to reduce risk exposures for these activities. At 30 June 2008, VaR was €74 million

The situation for the three main business lines that contribute to outstanding VaR was mixed:

- during the second half of 2008, the Credit business was the leading contributor to outstanding VaR, with an average of €50 billion compared with 75 million in the second half of

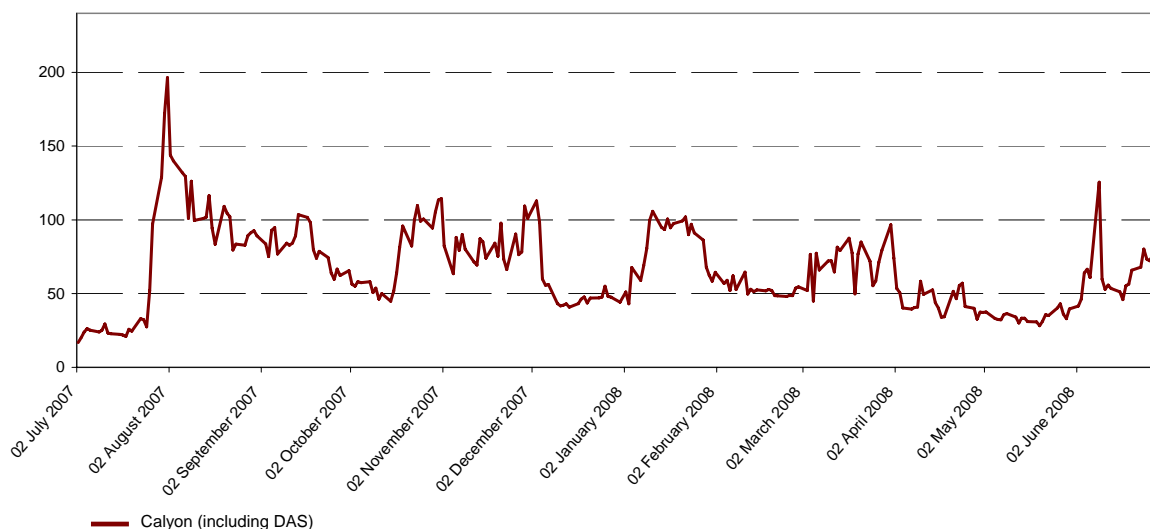
2007; this amount has been declining steadily since the third quarter 2007 and reflects the effort to lower exposures to risk;

- Interest rate operations made a smaller contribution to outstanding VaR (€22 million). Conversely, their contribution as of 30 June 2008 was significantly higher, at €37 million compared with €18 million at 31 December 2007, following the sharp rise in interest rates on 6 and 9 June 2008. The maximum amount of VaR for this activity reflects the large size of the market movement see on those dates (€113 million);

- The Equity business contributed a fairly stable percentage of the average outstanding VaR over the period (€17 million). Conversely, the level of risk was significantly lower at the end of the period, at €9 million. This is due partly to

the change in methods mentioned above and partly to a substantial effort to reduce positions and risks during the first half of 2008 for which the limits applied to stress calculations were lowered significantly.

Calyon – daily change inf VaR (€ million)



Outlook for the second half

In general, we will continue to apply a cautious approach to market risks and to work towards reducing exposures to complex risks, in keeping with the strategy defined by senior management.

In terms of processes, number of significant improvements should enhance control of risk associated with Equity business during the second half of 2008:

- additional human and IT resources will be deployed to improve risk indicator calculation performance;

- new risk indicators will be introduced to supplement the existing system (development of adverse and local stress scenarios).

For the other businesses, efforts will also be deployed with respect to stress scenarios so as to increase the number of scenarios used and to increase the frequency of calculation of these indicators.

US residential mortgage crisis

Based on Financial Stability Forum recommendations, individual risks induced by the financial crisis are presented as follows.

This information is an integral part of Calyon's condensed interim consolidated financial statements for the six months to 30 June 2008. It is covered by the statutory auditors' report on the interim consolidated financial report.

Exposure to mortgage ABS

RMBS	USA		UK		Spain	
	31.12.2007	30.06.2008	31.12.2007	30.06.2008	31.12.2007	30.06.2008
Gross exposure in millions of euros	1,309	1,148	941	665	434	304
Discount	(340)	(711)	(22)	(62)	(9)	(21)
Net exposure in millions of euros ⁽¹⁾	969	437	919	603	425	283
% underlying subprime mortgages ⁽²⁾	50%	66%				
<i>% of assets with subprime underlyings produced before 2006</i>		14%				
<i>% of assets with subprime underlyings produced in 2006 and 2007</i>		52%				
% Alt – A underlyings	20%					
Breakdown by credit rating						
AAA	41%	51%	92%	81%	98%	97%
AA	46%	30%	4%	16%	1%	1%
A	2%	1%	2%	2%	1%	2%
BBB	2%	5%	2%	1%		
BB		5%				
B		6%				
Not rated	9%	2%				
Total	100%	100%	100%	100%	100%	100%

CMBS	31/12/2007	30/06/2008
Net exposure in millions of euros		
CMBS US	81	53
CMBS Spain and UK	314	210
CMBS Other	296	246

⁽¹⁾ Mark to market valuation generated a loss of €129 million on US RMBS in the first half of 2008 net of cover (€429 million in H1 2007) and a loss of €270 million on European RMBS.

⁽²⁾ Midprimes are included in subprimes

Calyon has no residential mortgage loan origination in the USA, Spain or the United Kingdom.

Super senior CDOs with unhedged US residential mortgages

Breakdown by super senior CDO tranche

(€ million)	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	Tranche 6	Tranche 7	Total
Nominal amount	584	559	474	519	371	571	489	3,567
Discount	88	84	474	116	56	452	343	1,613
Net value	496	475	-	403	315	119	146	1,954
Discount rate	15%	15%	100%	22%	15%	79%	70%	45%
Attachment point	51%	51%	7%	51%	51%	40%	30%	
Underlying	High Grade	High Grade	High Grade	High Grade	Mezzanine	Mezzanine	Mezzanine	
% of assets with subprime underlyings produced before 2006 ⁽¹⁾	13%	37%	29%	29%	64%	28%	39%	
% of assets with subprime underlyings produced in 2006 and 2007	30%	11%	30%	30%	21%	69%	53%	
% Alt – A underlyings	29%	15%	21%	21%	1%	0%	4%	

⁽¹⁾ Midprimes are included in subprimes

Valuation discounts on unhedged CDO assets

(€ million)	Gross nominal amount of underlyings	Discount on underlyings	% discount on gross nominal amount of underlyings	After impairment	
				Fair value of underlyings	CDO structure
Prime	266	(3)	(1%)	263	14%
Alt A 2005 and prior years	145	(48)	(33%)	97	5%
Alt A 2006 and 2007	654	(654)	(100%)	0	0%
Subprimes in 2005 and previous years	1,696	(601)	(35%)	1,095	56%
Subprimes in 2006 and 2007	2,338	(1,999)	(86%)	339	17%
CDO	582	(582)	(100%)	0	0%
Other (incl. CMBS)	258	(98)	(37%)	160	8%
Total	5,939	(3,985)	(67%)	1,954	100%

Methodology

Discounts are calculated by applying a credit scenario to the underlying assets (mainly residential mortgages) of the ABS that make up each CDO.

- Final loss rates are adjusted based on the quality and origination date of each residential mortgage:
 - Subprime mortgages produced before 2006: 14%
 - Subprime mortgages produced in 2006: 25%

– Subprime mortgages produced in 2007: 30%

- The horizon for recognising these losses was fixed at 40 months (with gradual recognition of losses over the period).
- A 15% discount was applied to super-senior tranches not affected by this scenario:
- Impact on net banking income in the first half of 2008: -€358 million;
 - Sensitivity to a 10% change in underlying loan loss scenarios: -€215 million.

Protection on hedged CDOs

Protection purchased to hedge exposure to CDOs and other assets at 30 June 2008

From monolines

(€ million)	Gross notional amount of cover purchased	Gross notional amount of hedged CDOs	Fair value of hedged CDOs	Fair value of protection before value adjustments and hedging	Value adjustments recognised on protection
CDO protection (US residential mortgage market) with subprime underlyings ⁽¹⁾	7,388	7,388	3,658	3,730	3,127
Other protection purchased (other CDO, CLO, CDS corporates, etc.)	18,874	18,874	17,610	1,264	479

⁽¹⁾ Including on CDPC: notional amount of protection: €856 million for a fair value of €66 million

From other counterparties

The fair value of protection acquired from other counterparties (multiline insurers, international banks) on exposure to the US residential mortgage

market was €1,781m, of which 85% was collateralised by margin calls reflecting the change in this value.

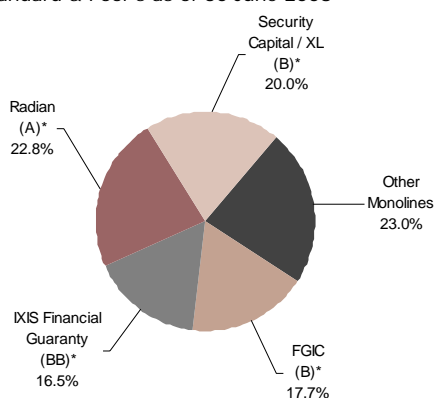
Exposures to monoline insurers

Exposure to monoline counterparty risk

€ billion	at 31.12.2007	at 31.03.2008	at 30.06.2008
Notional amount of monoline cover for RMBS	7.1	6.5	6.5
Notional amount of monoline cover for other underlyings	20.1	19.1	18.9
Exposure to monolines to hedge RMBS	3.4	3.6	3.7
Exposure to monolines to hedge other underlyings	0.7	1.3	1.2
Total monoline exposure	4.1	4.9	4.9
Other hedges purchased from bank counterparties	0.0	0.0	0.0
Unhedged exposure to monolines	4.1	4.9	4.9
Allowances	(2.0)	(2.6)	(3.6)
Net exposure after allowances	2.1	2.3	1.3

Analysis of net exposure to monolines at 30 June 2008

^(*) Lowest rating issued by Moody's or Standard & Poor's as of 30 June 2008

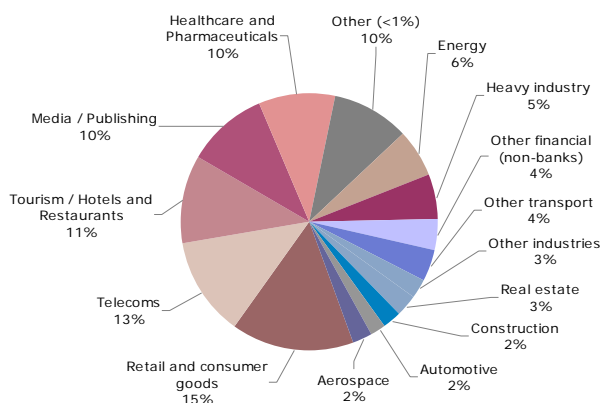


LBO

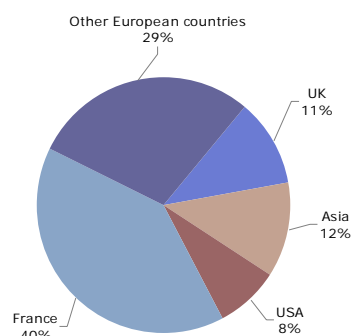
Final shares

- Recognised on accrual basis
- Exposure at 30 June 2008: €5.6 billion for 170 deals (€5.2 bn on 157 deals at 31 December 2007)
- Collective provisions of €330m at 30 June 2008

Analysis by business sector

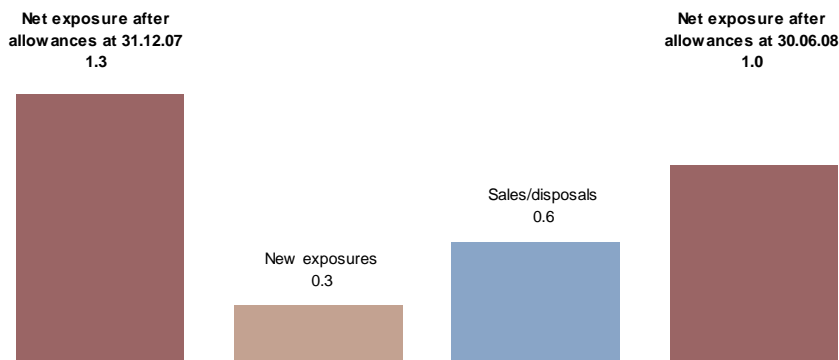


Analysis by region



Shares to be sold

- Mark to market valuation
- Net exposure at 30 June 2008: €1 billion for 11 deals (€1.3 bn for 9 deals at 31 December 2007)



ABCP conduits sponsored by Calyon on behalf of third parties

Breakdown by asset class

Sponsored securitisation conduits at 30 June 2008	Atlantic	LMA	France	Total
Ratings (S&P/Moody's/Fitch)	A1/P1/F1	A1/P1	A1+	
Country of issue	USA	France +USA	France	
Cash lines provided by Calyon (€ million)	9,251	9,132	1,261	19,644
Amount of assets financed (€ million)	7,417	7,758	840	16,015
Maturity of assets (weighted average)	Atlantic	LMA	France	
0-6 months	24%	81%	100%	
6-12 months	13%	4%		
over 12 months	63%	15%		
Analysis of assets by geographic region	Atlantic	LMA	France	
USA	100%	3%		
UK		6%		
Italy		43%	31%	
Germany		8%		
Bahrain		7%		
Spain		6%		
France		22%	3%	
Other ⁽¹⁾		5%	66%	
Analysis by asset class (% of assets held)	Atlantic	LMA	France	
Car loans	40%	14%		
Bills discounted	27%	75%	97%	
Commercial mortgage loans		2%		
Residential mortgage loans	2%			
Consumer loans	1%	7%	3%	
CLOs and CBOs ⁽²⁾	4%			
Other ⁽³⁾	26%	2%		
Total	100%	100%	100%	

⁽¹⁾ Mainly Korea, Belgium and the Netherlands

⁽²⁾ Collateralised Loan Securitisation and Collateralised Bond Securitisation

⁽³⁾ Atlantic region: Commitments on investment fund capital calls (7%), commercial loans (2%), SWIFT payment securitisation (3%)

- No cash lines drawn on as of 30/06/08
- At 30 June 2008, commercial paper issued by the conduits: €16.3bn, including €1.8bn held by Calyon
- At 30 June 2008, letters of credit granted by Calyon: €1.2 billion

Conduits sponsored by a third party

- Cash lines provided by Calyon: €0.6 billion

Calyon does not carry out securitisations for its own cash account and does not co-sponsor securitisations on behalf of third parties.

Management of structural financial risks

Global interest-rate risk

Global interest-rate risk management is designed to protect the value of assets belonging to Group entities and to optimise the interest margin.

Main trends

Policy and goals

Crédit Agricole Group recommends reducing residual global interest rate risk in the prevailing climate of high market volatility.

Exposure

Calyon uses the gap method to measure its overall interest rate risk. This consists of determining maturity schedules and interest rates for all assets, liabilities and hedging derivatives at fixed, adjustable and inflation-linked interest rates: until the adjustment date for adjustable-rate items, until the contractual date for fixed-rate items and using model-based conventions for items without a contractual maturity.

Calyon's exposure to interest-rate risk in its customer transactions is limited through interest rate matching on customer assets by its market teams, and through the low level of non-interest bearing deposits.

The remaining measured exposure includes interest rate risk arising from equity capital and equity investments.

The Group is mainly exposed to changes in interest rates in the euro currency zone, and to a lesser extent, to changes in US dollar interest rates.

Measurement

Interest-rate gaps measure the surplus or deficit of fixed-rate resources. Conventionally, a positive gap represents an exposure to a risk of falling interest rates during the period under consideration.

The results of these measurements at 30 June 2008 for entities fully consolidated by Calyon show that Calyon is exposed to a fall in interest rates beyond one year:

€ billion	0-1 year	1-5 years	5-10 years
Average gaps (on all currencies)	-0.7	0.7	0.5

Based on these same sensitivity calculations, the net present value of the loss incurred in the next ten years in the event of an adverse 200-basis-point

movement in the yield curve equals less than 1% of the Group's prudential capital.

Outlook for the second half

Crédit Agricole S.A. has initiated a programme to revise the main models currently in effect. The model relating to share capital, share premiums and reserves has been validated and circulated to

the entities. This programme to revise the models will be phased in over the end of 2008 and in 2009.

Liquidity risk

Changes in H1-08

Liquidity risk measurement

Since 31 December 2007, the scope for producing daily liquidity gaps has been expanded to encompass all the liquidity centres in Paris, New-York and London.

IT developments have been carried out to improve liquid securities collection and to produce the Paris Contingency Funding Plan in real time, using the same applications as those used for daily calculation of projected liquidity gaps.

Calyon funding

In response to the enduring liquidity crisis, Calyon has stepped up the use of products with liquidity options for its medium to long term funding.

This was achieved by changing the method of pricing "callable" EMTNs, which are now priced and included in the bank's long-term sources of funds, based on their probable maturity.

Calyon has also issued "puttable" EMTNs, which contain a quarterly step-up and a redemption option at the investor's discretion, which is also exercisable on a quarterly basis. These issues are included in Calyon's long-term sources of funding as a function of their probable run-off.

Integration into Crédit Agricole S.A. management procedures

During the first half of 2008, Crédit Agricole S.A. set up its own liquidity stress tests. Two scenarios are examined – a liquidity crisis and a downgrade of the bank's rating – and Calyon submits its contribution to Crédit Agricole S.A.

2008 volumes

Calyon and its Guernsey subsidiaries issued €6.7 billion in long-term notes during the first half of 2008.

The regulatory 1-month liquidity ratio was 125% at 30 June 2008.

Outlook for the second half

Calyon will incorporate into its internal rules the changes in methodology now underway that are designed to achieve better objectification of the pressure on short markets by the cash resources of the Crédit Agricole S.A. Group.

The work required to produce daily liquidity gaps for five Calyon liquidity centres will be completed in the second half.

Operational risk

Operational risk is the risk of loss resulting from shortcomings in internal procedures or information systems, human error or external events. It

includes legal risk but not strategic and reputational risk.

Main actions during the period

Following the French Banking Commission's decision to allow the Crédit Agricole Group to use the Advanced Measurement Approach (AMA) as of 1 January 2008, prudential work in the first half of 2008 was focused on calculating capital requirements with respect to operational risk and producing COREP reports under the term of the first Basle II decree (31 March 2008).

We note that capital requirements are calculated by applying the Crédit Agricole Group's internal AMA model to the Calyon scope.

Following the incident affecting its proprietary trading activities in New York, in September 2007, Calyon began to work on strengthening management of risks generated by trading operations. Initially, this work was in the form of a series of projects that were completed in February 2008.

In keeping with the recommendations of the Lagarde report, the first set of projects was carried out in the fourth quarter of 2007 and completed in February 2008. Several projects were initiated in February of this year. The launch of these projects will be phased in over 2008 and 2009.

These medium term actions mainly include:

- reinforcing IT system security,
- reviewing the treatment of "listed derivatives";
- reinforcing monitoring of positions (including gross outstandings),
- reviewing treatment of internal trades.

Project oversight is under the responsibility of a team that reports to the Head of the Risk Management and Permanent Controls Supervision Unit.

Legal risks

FGIC matter

As part of its credit derivatives business (which includes US residential mortgage underlyings), Calyon has secured guarantees on certain assets from US monoline insurers. FGIC's UK subsidiary ("FGIC UK") had an undertaking to issue a guarantee covering certain underlyings as part of a transaction in which Calyon was involved.

FGIC UK filed a lawsuit in the State of New York on 10 March 2008 seeking to have the US judge void the undertaking.

On 17 March 2008, Calyon submitted a petition to a UK Court seeking to establish the validity and enforceability of FGIC UK's contractual commitment. Subsequently, on 2 May 2008, Calyon withdrew its petition in the UK in order to adjudicate the case in New York State Court in the context of the proceeding that had already been initiated there by FGIC UK.

On 12 May 2008, FGIC filed another action before the UK High Court of Justice de London to contest the validity of its undertaking.

Sacyr - Eiffage

On 6 May 2008, Calyon was placed under investigation for allegedly "being a party to false or misleading information, for fraud and use of false documents" in its role as advisory bank to Sacyr Vallehermoso in filing the public offer of exchange for Eiffage. This decision was not accompanied by any judicial control measure.

Calyon believes that it acted in compliance with securities exchange regulations in its role as advisory bank.

Recent trends and outlook

Recent events

Excerpt from the press release dated 15 May 2008

Patrick Valroff is appointed Chief Executive Officer of Calyon

The Board of Directors of Calyon approved on 14 May 2008 a proposal by Chairman Georges Pauget to appoint Patrick Valroff as Chief Executive Officer.

Patrick Valroff began his career in the civil service before joining the consumer credit company Sofinco in 1991 as Deputy Chief Executive Officer.

In 2003, he was appointed Head of Specialised Financial Services of the Crédit Agricole S.A. Group, which includes Sofinco, Finaref, Crédit Agricole Leasing and Eurofactor. Mr Valroff also served as

Chairman and CEO of Sofinco. In this post, he greatly contributed to the domestic and international development of the Crédit Agricole Group's consumer credit business, in which the Group ranks among the leaders in France and Europe. Among the reasons for this success is the large number of enduring partnerships forged with major international groups.

As part of his new duties at Calyon, Mr Valroff will present a plan in September to refocus and expand the bank's core activities, taking on board the lessons learned from the financial market crisis.

Outlook for the second half of 2008

As the crisis unfolds and enters a new stage, the economic slowdown and the induced upturn in risk-related costs are now interacting with finance. Furthermore, the US real estate market is mired in a downward spiral and dragging down borrowers who were initially deemed to be solvent, which in turn is weakening the two mortgage refinancing giants Fannie Mae and Freddie Mac.

As the deflationary shock from the US continues to produce a recessionary impact, the inflationary shock from emerging countries is starting to emerge. Inflation, both current and forecast, is re-emerging, fuelled by surging commodities prices. The return of inflation is placing the central banks on alert. The ECB clearly decided to defend its anti-inflationary credibility by raising interest rates on 3 July. As European growth shows clear signs of flagging, the ECB will probably opt to maintain the status quo for some time. Even so, it is not likely to lower its guard vis-à-vis the risk of inflation and will maintain an upward bias in the short term. The Fed and Bank of England have no choice other than to use rhetoric to stem inflationary expectations, given the risk of a sharp slowdown. And it seems unlikely that the Fed will normalise its monetary policy until the real estate and job markets start to show the first signs of stabilising – something that is not likely to materialise until the beginning of 2009.

In any event, it will become increasingly difficult to make the trade-off between growth and inflation. Economic activity will remain at flat in the US and renewed weakness is expected at the end of 2008, once the effects of fiscal policy stimulus start to dissipate (we are forecasting average annual growth of 1.6% in 2008). US inflation could peak at 5.6% this year. As time passes, Europe is having more and more trouble absorbing the string of shocks – slowdown in the US, strong euro, high oil prices. Its growth will sag appreciably during the second half of the year and set in at below its potential (1.4% growth forecast this year), while inflation is expected to remain above the 3% mark over an extended period of time. The severe slowdown in the developed countries will drag down the emerging countries' rapid growth, particularly when the central banks will need to tighten their policy to throttle the threat of inflation. These factors suggest that oil prices will recede to around USD100 per barrel before the end of 2008. **Against this backdrop of generalised slowdown, risk aversion will remain predominant and a bearish trend is likely to continue in various markets (equities, corporate bonds, fixed income, etc.).** Concerns over growth, which were initially centred on the US, are spreading to the rest of the world. The dollar could benefit from this and finish the year at around 1.42 against the euro.

Outlook for Calyon

Against a backdrop of enduring financial market crisis since the second half of 2007, when Crédit Agricole S.A. reported its first quarter 2008 results on 15 May 2008, it announced an action plan to refocus its business activities around strong strategic options.

Crédit Agricole S.A. has decided to refocus Calyon's business activities on its traditional strengths by capitalising on its leading positions in its three core businesses: financing activities, brokerage and fixed income and currency markets. This refocusing will be underpinned by its vast customer base in France and internationally.

The targets assigned to Corporate and investment banking comprise three components:

- Cost reduction:
 - Total gross costs to be cut by €250 million in 2008 from their 2007 level (pro forma
- Restoring profitability:
 - The target for the three main Corporate and investment banking business lines (Financing activities, Brokerage and Fixed income and currency markets) is to generate a recurring base of net profit of around €1 billion, in line with the historical trend.
- Capital allocation:
 - Reduction in Corporate and investment banking's share of capital allocated to the business lines from 30%-35% to 25%-30% by 2010.
- a cost/income ratio of around 60% by 2010.

Newedge), i.e. a net reduction of €150 million after investments of €100 million in 2008 to reinforce transaction security and risk control systems;

Press release dated 17 July 2008

A new client-focused organisation

To complete the redefinition of its strategy plan, due for presentation on September 10, starting from July 31 Calyon will be setting up a new, simplified organisation of its business lines and a new governance system to promote cross-divisional activity.

The four major business lines designed to better serve clients are:

- Coverage and investment banking;
- Structured Finance;
- Equity Brokerage and Derivatives;
- Fixed Income Markets

The **Coverage and investment banking** division will report globally to Gilles de Dumast, Deputy General Manager. It comprises the coverage of corporate clients and financial institutions in France and abroad, as well as Corporate Finance, Equity Capital Markets (ECM) and loan syndication. This division will report directly to Patrick Valroff, Calyon's Chief Executive Officer.

The **Structured Finance** division, chiefly a credit and advisory business line, will report globally to Jean-François Marchal. It covers aviation and rail finance, shipping finance, project finance (natural resources, infrastructure and power), real estate, hotels and leisure finance, acquisition finance, export and trade finance, transactional commodity finance and structured finance advisory.

The **Equity Brokerage and Derivatives** division will report globally to François Simon, Chief Executive Officer of Crédit Agricole Cheuvreux. It

comprises equity brokerage activities in Europe, Asia and the US, respectively managed at Crédit Agricole Cheuvreux, CLSA and Calyon Securities, as well as equity derivatives and fund activities.

The **Fixed Income Markets** division will report globally to Guy Laffineur. It comprises the treasury, foreign exchange, commodities, interest rate derivatives, debt and credit markets, and structured credit markets.

In addition to the Coverage and Investment Banking division, Chief Executive Officer Patrick Valroff will supervise auditing, compliance, human resources and communications.

Alain Massiera, Deputy Chief Executive Officer, will be directly in charge of the Structured Finance, Equity Brokerage and Derivatives, and Fixed Income Markets divisions.

Jérôme Grivet, Deputy Chief Executive Officer, will be in charge of transaction, commercial banking and cash management, the distressed assets department and the core support functions.

To strengthen cross-divisional exchange between the business lines and support functions, alongside the Executive Management and Corporate Secretary, the Executive Committee will now include the four managers of the major business lines as well as those of Risk Management, Finance, Human Resources, IT and back office.

2

Condensed Interim Consolidated Financial Statements for the six months to 30 June 2008

(on which a limited examination has been conducted)

approved by the Board of Directors at its meeting of 26 August 2008

General background.....	32
Income statement	32
Consolidated balance sheets	33
Change in shareholder's equity.....	34
Cash flow statement	35
Notes to the interim consolidated financial statements for the six months to 30 June 2008.....	36
Note 1: Accounting principles and methods	37
Note 2: Scope of consolidation	38
Note 3: Notes to the income statement.....	41
Note 4: Segment reporting	48
Note 5: Notes to the balance sheet	50
Note 6: Financing and guarantee commitments.....	58
Note 7: Fair value of financial instruments.....	59
Note 8: Scope of consolidation at 30 June 2008	61
Statutory auditors' report on the interim financial report	64

Information required under the Financial stability Forum is disclosed in the Review of operations p. 19 to 23 and represents an integral part of the condensed interim consolidated financial statements as at 30 June 2008.

General background

Legal presentation of Calyon

Since the extraordinary general meeting of 30 April 2004, the company's name has been **Calyon**. Its trading name is Calyon Corporate and Investment Bank.

Address and registered office:
9 quai du Président Paul Doumer,
92920 Paris La Défense cedex France.

Registration number: 304 187 701, Nanterre Trade and Companies Registry.
APE Code: 6419 Z.

Corporate form:
Calyon is a société anonyme (joint stock corporation) with a Board of Directors, governed by the laws and regulations applicable to credit institutions and joint stock corporations and by its Articles of Association.

Income statement

€ million	Notes	30.06.2008	31.12.2007	30.06.2007
Interest receivable and similar income	3.1	8,260	17,371	7,750
Interest payable and similar expense	3.1	(8,799)	(19,605)	(9,128)
Fee and commission income	3.2	1,903	3,656	1,839
Fee and commission expense	3.2	(850)	(1,497)	(734)
Net gains (losses) on financial instruments at fair value through profit or loss	3.3	(839)	2,768	3,274
Net gains (losses) on available-for-sale financial assets	3.4	42	509	322
Income related to other activities	3.5	81	333	161
Expenses related to other activities	3.5	(44)	(176)	(46)
Net banking income		(246)	3,359	3,438
Operating expenses	3.6	(1,908)	(3,707)	(1,951)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	3.7	(70)	(122)	(55)
Gross operating income		(2,224)	(470)	1,432
Risk-related costs	3.8	(285)	(960)	15
Net operating income		(2,509)	(1,430)	1,447
Share of net income of affiliates		65	143	78
Net income on other assets	3.9	431 ⁽¹⁾	(1)	
Goodwill				
Pre-tax income		(2,013)	(1,288)	1,525
Income tax	3.10	828	682	(404)
Net income		(1,185)	(606)	1,121
Minority interests		50	108	51
Net income – Group share		(1,235)	(714)	1,070
Earnings per share	5.11	(8.97)	(5.39)	8.08
Diluted earnings per share	5.11	(8.97)	(5.39)	8.08

⁽¹⁾ Primarily includes the gains and losses on disposal arising from the Newedge transaction

Consolidated balance sheets

Assets

€ million	Notes	30.06.2008	31.12.2007
Cash, due from central banks		4,639	10,367
Financial assets at fair value through profit or loss	5.1	397,396	389,364
Derivative hedging instruments		457	472
Available-for-sale financial assets	5.2	19,036	16,508
Due from banks	5.3	68,403	55,662
Loans and advances to customers	5.3	128,538	118,891
Valuation adjustment on portfolios of hedged items		9	6
Held-to-maturity financial assets			
Current tax assets		86	179
Deferred tax assets		3,112	1,841
Accruals, prepayments and sundry assets		68,484	45,815
Non-current assets held for sale			77
Investments in affiliates		723	734
Investment property	5.7	1	6
Property, plant and equipment	5.8	740	698
Intangible assets	5.8	179	147
Goodwill	2.3	1,844	1,161
TOTAL ASSETS		693,647	641,928

Liabilities and shareholders' equity

€ million	Notes	30.06.2008	31.12.2007
Due to central banks		914	383
Financial liabilities at fair value through profit or loss	5.1	363,453	332,943
Derivative hedging instruments		1,584	1,493
Due to banks	5.5	90,347	78,505
Customer accounts	5.5	105,151	98,221
Debt securities in issue	5.6	54,055	72,350
Valuation adjustment on portfolios of hedged items			
Current tax liabilities		316	397
Deferred tax liabilities		209	137
Accruals, deferred income and sundry liabilities		56,943	36,213
Liabilities associated with non-current assets held for sale			
Insurance companies' technical reserves		9	7
Reserves	5.10	1,059	1,004
Subordinated debt	5.6	10,623	9,642
Shareholders' equity	5.11	8,984	10,633
Shareholders' equity, Group share		8,203	9,768
Share capital and reserves		5,406	8,263
Consolidated reserves		4,245	2,141
Unrealised or deferred gains or losses		(213)	78
Net income for the year		(1,235)	(714)
Minority interests		781	865
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		693,647	641,928

Change in shareholder's equity

€ million	Share capital and reserves			Retained earnings, group share	Unrealised or deferred gains or losses			Net income, Group share	Total Equity, Group share	Minority interests	Total shareholders' equity
	Share capital	Share premiums and reserves	Elimination of treasury share		On foreign exchange	Change in fair value of available for-sale financial assets	Change in fair value of hedging instruments				
Shareholders' equity at 1 January 2007	3,436	8,424	0	11,860	11	396	(50)	0	12,217	839	13,056
Capital increase	279	561		840					840	3	843
Dividends paid in 2007		(2,049)		(2,049)					(2,049)	(65)	(2,114)
Change in fair value						101	(114)		(13)	(1)	(14)
Transfer to income statement						(167)			(167)		(167)
Net income - first half of 2007								1,070	1,070	51	1,121
Share of change in equity of associates accounted for under the equity method		(18)		(18)					(18)		(18)
Change in currency translation adjustment					(18)				(18)	(12)	(30)
Impact from changes in minority interests		(53)		(53)					(53)		(53)
Movements related to stock options		10		10					10		10
Other changes		(9)		(9)					(9)	(12)	(21)
Shareholders' equity at 30 June 2007	3,715	6,866	0	10,581	(7)	330	(164)	1,070	11,810	803	12,613
Capital increase										88	88
Dividends paid in 2007										(1)	(1)
Change in fair value						1	68		69	1	70
Transfer to income statement						(88)			(88)		(88)
Net income - second half of 2007								(1,784)	(1,784)	57	(1,727)
Share of change in equity of associates accounted for under the equity method		(48)		(48)					(48)		(48)
Change in currency translation adjustment					(62)				(62)	(48)	(110)
Impact from changes in minority interests		(152)		(152)					(152)	(47)	(199)
Movements related to stock options and discount on rights issue		15		15					15		15
Other changes		8		8					8	12	20
Shareholders' equity at 31 December 2007	3,715	6,689	0	10,404	(69)	243	(96)	(714)	9,768	865	10,633
Appropriation of 2007 earnings		(714)		(714)				714			
Shareholders' equity at 1 January 2008	3,715	5,975	0	9,690	(69)	243	(96)	0	9,768	865	10,633
Capital increase										(1)	(1)
Dividends paid in 2008										(93)	(93)
Change in fair value						(107)	(79)		(186)	(1)	(187)
Transfer to income statement						(20)			(20)		(20)
Net income - first half of 2008								(1,235)	(1,235)	50	(1,185)
Share of change in equity of associates accounted for under the equity method		(42)		(42)					(42)		(42)
Change in currency translation adjustment					(85)				(85)	(37)	(122)
Impact from changes in minority interests		(4)		(4)					(4)		(4)
Movements related to stock options		7		7					7		7
Other changes										(2)	(2)
Shareholders' equity at 30 June 2008	3,715	5,936	0	9,651	(154)	116	(175)	(1,235)	8,203	781	8,984
Shareholder advances									3,650		3,650
Shareholder's equity and shareholder advances at 30 June 2008	3,715	5,936	0	9,651	(154)	116	(175)	(1,235)	11,853	781	12,634

Cash flow statement

The cash flow statement is presented using the indirect method.

Operating activities are Calyon's revenue generating activities.

Tax inflows and outflows are included in full within operating activities.

Investing activities show the impact of cash inflows and outflows associated with purchases and sales of investments in consolidated and non-consolidated companies, property, plant and

equipment and intangible assets. This section includes strategic investments classified as available for sale.

Financing activities show the impact of cash inflows and outflows associated with shareholders' equity and long-term financing.

Net cash and cash equivalents include cash, debit and credit balances with central banks, and debit and credit sight balances with banks.

€ million	30.06.2008	31.12.2007	30.06.2007
Pre-tax income	(2,013)	(1,288)	1,525
Depreciation, amortisation and impairment of property, Plant and equipment and intangible assets	72	123	55
Impairment of goodwill and other non-current assets			
Net charge to impairment	658	794	(194)
Share of net income of affiliates	(65)	(143)	(78)
Net loss/(gain) on investing activities	(16)	117	(20)
Net loss/(gain) on financing activities	280	383	175
Other movements	(680)	(987)	562
Total non-cash items included in pre-tax income and other adjustments	249	287	500
Change in interbank items	3,313	12,868	20,115
Change in customer items	(3,424)	(3,809)	(7,401)
Change in financial assets and liabilities	4,570	19,625	(14,478)
Change in non-financial assets and liabilities	(13,212)	(10,295)	(2,248)
Taxes paid	(120)	(581)	(462)
Net decrease/(increase) in assets and liabilities used in operating activities	(8,873)	17,808	(4,474)
TOTAL net cash provided/(used) by operating activities (A)	(10,637)	16,807	(2,449)
Change in equity investments ⁽¹⁾	9,134	296	170
Change in property, plant and equipment and intangible assets	(101)	(253)	(129)
TOTAL net cash provided/(used) by investing activities (B)	9,033	43	41
Cash received from/(paid to) shareholders ⁽²⁾	(37)	1,070	(1,223)
Other cash provided/(used) by financing activities ⁽³⁾	871	1,222	(387)
TOTAL net cash provided/(used) by financing activities (C)	834	2,292	(1,610)
Effect of exchange rate changes on cash and cash equivalents (D)	149	942	355
Net increase/(decrease) in cash and cash equivalents (A + B + C + D)	(621)	20,084	(3,663)
Opening cash and cash equivalents	2,415	(17,669)	(17,669)
Cash and central banks (assets and liabilities)	9,982	1,705	1,705
interbank sight balances (assets and liabilities) ⁽⁴⁾	(7,567)	(19,374)	(19,374)
Closing cash and cash equivalents	1,794	2,415	(21,332)
Cash and central banks (assets and liabilities)	3,718	9,982	1,065
Interbank sight balances (assets and liabilities) ⁽⁴⁾	(1,924)	(7,567)	(22,397)
CHANGE IN NET CASH AND CASH AND CASH EQUIVALENTS	(621)	20,084	(3,663)

⁽¹⁾ This line item shows the net effects on cash of acquisitions and disposals of investments in non-consolidated companies. During the first half of 2008, the net impact of acquisitions on Calyon's cash came to €9,134 million, primarily due to the Newedge transaction.

⁽²⁾ Cash received from/(paid) to shareholders includes dividend payments made by certain Group subsidiaries to their non-Group shareholders and amounted to -€37 million in the first half of 2008.

⁽³⁾ During the first half of 2008, net issues of subordinated debt and the impact of the Newedge transaction on subordinated debt amounted to €803 million.

⁽⁴⁾ Consists of the balance of "Balances on performing current accounts in debit and performing overnight accounts and receivables" as detailed in note 5.3 and of "Current accounts in credit and overnight accounts and borrowings" as detailed in note 5.5.

Notes to the interim consolidated financial statements for the six months to 30 June 2008

Note 1: Accounting principles and methods	37
Note 2: Scope of consolidation	38
2.1 Changes in the scope of consolidation	38
2.2 Main acquisitions during the year.....	38
2.3 Goodwill	39
2.4 Related parties	40
Note 3: Notes to the income statement	41
3.1 Interest income and expense	41
3.2 Net fee and commission income	42
3.3 Net gains (losses) on financial instruments at fair value through profit or loss	43
3.4 Net gains (losses) on available-for-sale financial assets	45
3.5 Net income and expenses related to other activities	45
3.6 General operating expenses	45
3.7 Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	46
3.8 Risk-related costs	46
3.9 Net gains/(losses) on other assets	47
3.10 Income tax	47
Note 4: Segment reporting	48
Definition of business segments	48
Presentation of business lines	48
Note 5: Notes to the balance sheet as at 30 June 2008	50
5.1 Financial assets and liabilities at fair value through profit or loss	50
5.2 Unrealised gains and losses on available-for-sale financial assets	51
5.3 Due from banks and loans and advances to customers	52
5.4 Impairment deducted from financial assets	54
5.5 Due to banks and customer accounts	54
5.6 Debt securities in issue and subordinated debt	55
5.7 Investment property	55
5.8 Property, plant and equipment and intangible assets (excluding goodwill)	56
5.9 Goodwill	56
5.10 Reserves	56
5.11 Shareholders' equity	57
Note 6: Financing and guarantee commitments	58
Note 7: Fair value of financial instruments	59
7.1 Fair value of assets and liabilities valued on the basis of non-observable data	59
7.2 Measurement of the impact of taking into account day-one gains	60
Note 8: Scope of consolidation at 30 June 2008	61

Note 1: Accounting principles and methods

The condensed interim consolidated financial statements have been prepared in accordance with IAS/IFRS and IFRIC interpretations as endorsed by the European Union and applicable at 30 June 2008 (including the "carve out" version of IAS 39).

The accounting principles and methods applied are the same as those used to prepare the consolidated financial statements for the Group for the year ended 31 December 2007, supplemented by the provisions of IAS 34, Interim Financial Reporting, which prescribes the minimum content and the principles for recognition and measurement for an interim report.

There are no compulsory standards or interpretations applicable in 2008 for the first time.

Furthermore, it is noted that when the application of standards and interpretations to the period is optional, these have not been adopted by the Group, unless otherwise indicated.

This applies to:

- IFRS 8 arising from the regulation of 21 November 2007 (EC 1358/2007) on operating segments, which replaces IAS 14 on segment reporting. This interpretation will be applied on 1 January 2009 for the first time;
- IFRIC 11 arising from the regulation of 1 June 2007 (EC 611/2007) on treatment of treasury shares and intragroup transactions under IFRS 2 on share-based payments. This interpretation will be applied on 1 January 2009 for the first time.

Calyon does not expect the application of these interpretations to have any material impact on its net income or net worth.

The IFRS as endorsed by the European Union and applied by the Group are available on the European Commission website, at the following address: http://ec.europa.eu/internal_market/accounting/ias_fr.htm#adopted-commission.

The application of standards and interpretations published by the IASB and that are applicable as of 30 June 2008 according to the IASB but have not yet been endorsed by the European Union will become compulsory only as from the date of such endorsement. Hence, the Group has not applied these standards and interpretations as of 30 June 2008.

This applies to:

- IFRIC 12, Service Concession Arrangements, which has been applicable since 1 January 2008 according to the IASB but has not yet been endorsed by the European Union;
- IFRIC 14, The Limit on a Defined Benefit Asset, Minimum Funding Requirements under IAS 19, which has been applicable since 1 January 2008 according to the IASB but has not yet been endorsed by the European Union;

Calyon does not anticipate that the application of these interpretations will have any material impact on its net income or net worth.

The condensed interim financial statements are intended to update the information provided in the Calyon Group's consolidated financial statements for the year ended 31 December 2007 and must be read in conjunction therewith. Only the most significant information on trends in the Group's financial condition and performance is reproduced in these half-year accounts.

A certain number of estimates have been made by management to draw up the consolidated financial statements. These estimates are based on certain assumptions and involve risks and uncertainties as to whether they will actually be achieved in the future. Accounting estimates that require formulating assumptions are used primarily for measuring financial instruments at fair value, pension plans and other employee benefits, permanent declines in the value of equity interests, impairment, write-offs of bad debts, provisions, goodwill impairment and deferred tax assets.

Note 2: Scope of consolidation

The scope of consolidation at 30 June 2008 is detailed in note 8.

2.1 Changes in the scope of consolidation

The main changes in the scope of consolidation between 31 December 2007 and 30 June 2008 were as follows:

Creation of Newedge Group

Following the creation of a joint venture, Newedge Group, with Société Générale, 50% of Newedge Group has been proportionally consolidated in Calyon's accounts at the intermediate level since 1 January 2008. As a result, the following companies have been deconsolidated:

- Calyon Financial Inc,
- Calyon Financial SNC,
- Calyon North America Holding,
- Calyon Financial Canada,
- Calyon Financial Pte Singapore,
- Altura,
- Calyon Financial Hong Kong,
- Crédit Agricole Cheuvreux Securities Ltd.

Removals

- ICF Cayman Holdings and Calyon Bank Slovakia were liquidated;
- Capital Plus, which no longer materially engaged in business, was deconsolidated;
- Lyra Partners LLC and Casam Americas LLC were merged with and into Casam Americas Inc

and are no longer included in the scope of consolidation;

- CA Luxembourg Bank was merged into CA Luxembourg and has been removed from the scope of consolidation;
- Following the redemption of Calyon's investments in the following funds, these entities were removed from the scope of consolidation: Casam Systeia Global Macro, Casam Systeia Event Driven and Casam Systeia Equity Quant.

Additions

The following entities were added to the scope of consolidation during the first half of 2008:

- Calyon Financial Solutions,
- Immobilière Sirius SA, formerly held by CACEIS under the name The Fastnet House SA,
- Calyon Saudi Fransi Limited.

Name changes

- Crédit Lyonnais Company Japan renamed Calyon leasing Japan Co Ltd
- Casam US Holding Inc was renamed Casam Americas Inc.

2.2 Main acquisitions during the year

No material acquisition has been carried out since 1 January 2008.

2.3 Goodwill

€ million	31.12.2007	Increases (Acquisitions)	Decreases (Disposal)	Impairment losses during the period	Translation adjustments	Other movements	30.06.2008
Gross	1,216	681			2		1,899
Accumulated impairment losses	(55)						(55)
Net book value	1,161	681			2		1,844
Corporate and investment banking							
Crédit Agricole Cheuvreux SA	132						132
Crédit Lyonnais Securities Asia BV	1						1
Newedge (group)		658			(2)		656
Calyon SA (incl. transfer of Crédit Lyonnais activities)	682						682
CPR Online	9						9
International private banking							
Crédit Agricole Suisse	281				5		286
Crédit Agricole Suisse (Bahamas)		23			(1)		22
Crédit Agricole Luxembourg	10					96 ⁽¹⁾	106
Crédit Agricole Luxembourg Bank	96					(96) ⁽¹⁾	0
CA Brasil DTVM	2						2
Private Bank in Spain	3						3
Gross value	1,216	681			2		1,899
Calyon (incl. transfer of Crédit Lyonnais activities)	(55)						(55)
Accumulated impairment losses	(55)						(55)
Corporate and investment banking							
Crédit Agricole Cheuvreux SA	132						132
Crédit Lyonnais Securities Asia BV	1						1
Newedge (group)		658			(2)		656
Calyon SA (incl. transfer of Crédit Lyonnais activities)	627						627
CPR Online	9						9
International private banking							
Crédit Agricole Suisse	281				5		286
Crédit Agricole Suisse (Bahamas)		23			(1)		22
Crédit Agricole Luxembourg	10					96 ⁽¹⁾	106
Crédit Agricole Luxembourg Bank	96					(96) ⁽¹⁾	0
CA Brasil DTVM	2						2
Private Bank in Spain	3						3
Net book value	1,161	681			2		1,844

⁽¹⁾ Over the period, Crédit Agricole Luxembourg Private Bank was merged into Crédit Agricole Luxembourg

2.4 Related parties

The Calyon group's related parties comprise companies within the Crédit Agricole S.A. group

with which it has a stockholding relationship and/or joint directors.

Relations with the Crédit Agricole S.A. group

On-and off-balance sheet sums outstanding representing transactions between the Calyon

group and the rest of the Crédit Agricole S.A. group are summarised in the following table:

Outstandings € million	30.06.2008
ASSETS	
Loans and advances	5,762
Derivative financial instruments held for trading	8,304
LIABILITIES	
Loans and advances	3,666
Derivative financial instruments held for trading	9,250
Subordinated debt and shareholder advances ⁽¹⁾	10,458
Preferred shares	349
FINANCING COMMITMENTS	
Financing commitments given	7
Guarantees received	6,492

⁽¹⁾ Including € 3 650 million of shareholder advances

Outstanding loans and advances represent cash relations between Calyon and Crédit Agricole S.A.

Information concerning preferred shares appears in note 5.11.

Trading derivatives outstandings mainly represent Crédit Agricole Group interest-rate hedging transactions arranged by Calyon in the market.

Relations between consolidated companies within the Calyon group

A list of the Calyon group's consolidated companies can be found in note 8.

Transactions between two fully consolidated entities are eliminated in full.

Outstandings existing at the end of the period between fully consolidated companies and companies consolidated on the proportional method have been eliminated up to the percentage of the share held by third parties affiliated with the Group. The balance that has not been eliminated affects the consolidated financial statements of

Calyon. At 30 June 2008, amounts outstanding with UBAF, Chauray and Newedge and that have not been eliminated from the balance sheet were as follows:

- Due from banks: €46 million
- Due to banks: €844 million
- Securities bought under repurchase agreements: €3,004 million
- Securities sold under repurchase agreements: €6,313 million

Note 3: Notes to the income statement

3.1 Interest income and expense

€ million	30.06.2008	31.12.2007	30.06.2007
Loans and advances to banks	3,184	7,997	3,577
Loans and advances to customers	3,451	6,878	3,181
Accrued interest receivable on available-for-sale financial assets	378	697	410
Accrued interest receivable on hedging instruments	1,218	1,734	552
Lease finance	29	65	30
Interest income ⁽¹⁾	8,260	17,371	7,750
Deposits by banks	(3,871)	(8,931)	(4,887)
Customer accounts	(1,762)	(4,916)	(1,696)
Available-for-sale financial assets			(15)
Debt securities in issue	(1,454)	(3,656)	(1,754)
Subordinated debt	(276)	(214)	(160)
Accrued interest payable on hedging instruments	(1,419)	(1,846)	(598)
Lease finance	(17)	(42)	(18)
Interest expense	(8,799)	(19,605)	(9,128)

⁽¹⁾ Including €75 million for loans individually assessed for impairment at 30 June 2008

3.2 Net fee and commission income

€ million	30.06.2008		
	Income	Expense	Net
Interbank transactions	74	(122)	(48)
Customer transactions	206	(41)	165
Securities transactions (included brokerage)	722	(253)	469
Foreign exchange transactions	6	(6)	0
Transactions on derivative instruments and other off-balance sheet transactions (including brokerage)	696	(346)	350
Payment instruments and other banking and financial services	119	(22)	97
Mutual fund management, trust and similar activities	80	(60)	20
Net fee and commission income	1,903	(850)	1,053

€ million	31.12.2007		
	Income	Expense	Net
Interbank transactions	157	(130)	27
Customer transactions	404	(78)	326
Securities transactions (included brokerage)	1,618	(583)	1,035
Foreign exchange transactions	24	(11)	13
Transactions on derivative instruments and other off-balance sheet transactions (including brokerage)	1,004	(548)	456
Payment instruments and other banking and financial services	280	(45)	235
Mutual fund management, trust and similar activities	169	(102)	67
Net fee and commission income	3,656	(1,497)	2,159

€ million	30.06.2007		
	Income	Expense	Net
Interbank transactions	28	(30)	(2)
Customer transactions	209	(28)	181
Securities transactions (included brokerage)	768	(307)	461
Foreign exchange transactions	11	(19)	(8)
Transactions on derivative instruments and other off-balance sheet transactions (including brokerage)	577	(258)	319
Payment instruments and other banking and financial services	92	(21)	71
Mutual fund management, trust and similar activities	154	(71)	83
Net fee and commission income	1,839	(734)	1,105

3.3 Net gains (losses) on financial instruments at fair value through profit or loss

€ million	30.06.2008	31.12.2007	30.06.2007
Dividends received	11	137	118
Unrealised or realised gains or losses on financial assets/liabilities at fair value through profit or loss	(1,505)	1,630	1,755
Unrealised or realised gains or losses on financial assets/liabilities designated as at fair value through profit or loss	(11)	18	24
Gain/loss on currency transactions and similar financial instruments (excluding gain/loss on hedges on net investments in foreign activities)	666	982	1,374
Hedge accounting gain/loss	0	1	3
Net gains (losses) on financial instruments at fair value through profit or loss	(839)	2,768	3,274

Unrealised or realised gains or losses on financial assets/liabilities at fair value through profit or loss include CDOs with US residential mortgage

underlyings and allowances on monoline and guarantor risks as described in the Review of Operations.

Net gain/loss resulting from hedge accounting

The result of hedge accounting breaks down as follows:

€ million	30.06.2008		
	Gains	Losses	Net
Fair value hedges			
Changes in the fair value of hedged items attributable to hedged risks	101	(159)	(58)
Changes in the fair value of hedging derivatives (including termination of coverage)	155	(97)	58
Cash flow hedges			
Changes in the fair value of hedging derivatives - ineffective portion			
Hedging of net investments in a foreign activity			
Changes in the fair value of hedging derivatives - ineffective portion			
Fair-value hedging of the interest-rate risk exposure of a portfolio of financial instruments			
Changes in the fair value of hedged items	12	(26)	(14)
Changes in the fair value of hedging derivatives	26	(12)	14
Cash-flow hedging of the interest-rate risk exposure of a portfolio of financial instruments			
Changes in the fair value of the hedging instrument - ineffective portion			
Termination of hedge accounting in the case of a cash flow hedge			
Total hedge accounting gain/loss	294	(294)	

€ million	31.12.2007		
	Gains	Losses	Net
Fair value hedges			
Changes in the fair value of hedged items attributable to hedged risks	69	(153)	(84)
Changes in the fair value of hedging derivatives (including termination of coverage)	154	(69)	85
Cash flow hedges			
Changes in the fair value of hedging derivatives - ineffective portion			-
Hedging of net investments in a foreign activity			
Changes in the fair value of hedging derivatives - ineffective portion			-
Fair-value hedging of the interest-rate risk exposure of a portfolio of financial instruments			
Changes in the fair value of hedged items	9	(9)	-
Changes in the fair value of hedging derivatives	9	(9)	-
Cash-flow hedging of the interest-rate risk exposure of a portfolio of financial instruments			
Changes in the fair value of the hedging instrument - ineffective portion			-
Termination of hedge accounting in the case of a cash flow hedge			-
Total hedge accounting gain/loss	241	(240)	1

€ million	30.06.2007	
	Net	
Fair value hedges		
Changes in the fair value of hedged items attributable to hedged risks		(101)
Changes in the fair value of hedging derivatives (including termination of coverage)		104
Cash flow hedges		
Changes in the fair value of hedging derivatives - ineffective portion		
Hedging of net investments in a foreign activity		
Changes in the fair value of hedging derivatives - ineffective portion		
Fair-value hedging of the interest-rate risk exposure of a portfolio of financial instruments		
Changes in the fair value of hedged items		2
Changes in the fair value of hedging derivatives		(2)
Cash-flow hedging of the interest-rate risk exposure of a portfolio of financial instruments		
Changes in the fair value of the hedging instrument - ineffective portion		
Termination of hedge accounting in the case of a cash flow hedge		
Total hedge accounting gain/loss		3

3.4 Net gains (losses) on available-for-sale financial assets

€ million	30.06.2008	31.12.2007	30.06.2007
Dividends received	30	56	40
Realised gains or losses on available-for-sale financial assets	59	431	242
Impairment losses on variable-income securities	(13)	(41)	(23)
Disposal gains/(losses) on loans and advances	(34)	63	63
Net gains/(losses) on available-for-sale financial assets	42	509	322

In 2007, disposal gains realised on available-for-sale financial assets included the sale of exchange shares.

3.5 Net income and expenses related to other activities

€ million	30.06.2008	31.12.2007	30.06.2007
Other net income from insurance activities	3	15	
Change in insurance technical reserves	(2)		
Net income from investment properties	11	4	2
Other net income (expense)	25	138	113
Net income (expense) related to other activities	37	157	115

3.6 General operating expenses

€ million	30.06.2008	31.12.2007	30.06.2007
Personnel costs	(1,345)	(2,526)	(1,352)
Taxes other than on income or payroll-related	(23)	(55)	(42)
External services and other expenses	(540)	(1,126)	(557)
Operating expenses	(1,908)	(3,707)	(1,951)

Personnel costs

€ million	30.06.2008	31.12.2007	30.06.2007
Salaries ⁽¹⁾	(1,096)	(2,014)	(1,060)
Other social security expenses	(221)	(465)	(244)
Incentive plans and profit-sharing	(8)	(8)	(29)
Payroll-related tax	(20)	(39)	(19)
Total personnel costs	(1,345)	(2,526)	(1,352)

⁽¹⁾ Including €7.1 million in charges for stock option plans in the first half of 2008 compared with €10 million in the first half of 2007

3.7 Depreciation, amortisation and impairment of property, plant and equipment and intangible assets

€ million	30.06.2008	31.12.2007	30.06.2007
Depreciation and amortisation	(71)	(123)	(55)
Impairment	1	1	
Total	(70)	(122)	(55)

This item comprises depreciation, amortisation and impairment of property, plant and equipment and intangible assets used in operations.

3.8 Risk-related costs

€ million	30.06.2008	31.12.2007	30.06.2007
Charge to reserves and impairment	(373)	(1,180)	(146)
Available-for-sale financial assets	(36)	(37)	
Loans and advances	(281)	(1,094)	(119)
Accruals, prepayments and sundry assets		(18)	
Financing commitments	(51)	(1)	(3)
Risks and expenses	(5)	(30)	(24)
Write-backs of reserves and impairment	89	203	150
Loans and advances	24	163	136
Accruals, prepayments and sundry assets		1	1
Financing commitments	9	7	5
Risks and expenses	56	32	8
Charges to reserves and impairment net of write-backs	(284)	(977)	4
Gains or losses on disposal of available-for-sale financial assets	(4)		
Bad debts written off - not impaired	(10)	(9)	(4)
Recoveries on bad debts written off	15	27	15
Other losses	(2)	(1)	
Risk-related costs	(285)	(960)	15

3.9 Net gains/(losses) on other assets

€ million	30.06.2008	31.12.2007	30.06.2007
Property, plant and equipment and intangible assets	3	(2)	-
Gains	3	1	
Losses		(3)	
Consolidated equity investments	428⁽¹⁾	1	-
Gains	440	2	
Losses	(12)	(1)	
Net gains/(losses) on other assets	431	(1)	-

⁽¹⁾ Gains and losses on disposal arising primarily from the Newedge transaction

3.10 Income tax

Tax charge

€ million	30.06.2008	31.12.2007	30.06.2007
Current tax charge	(227)	(445)	(311)
Deferred tax charge	1,055	1,127	(93)
Tax charge for the period	828	682	(404)

Reconciliation of theoretical tax rate and effective tax rate

30 th June 2008 € million	Base	Tax rate	Tax charge
Income before tax, goodwill impairment and share of net income of equity affiliates	(2,078)	34.43%	715
Impact of permanent timing differences		4.28%	89
Impact of different rates on foreign subsidiaries		2.89%	60
Impact of losses for the year, utilisation of tax loss carryforwards and timing differences		2.36%	49
Impact of reduced rate taxation		0.14%	3
Impact of other items		(4.23%)	(88)
Effective tax rate and tax change		39.87%	828

Note 4: Segment reporting

Definition of business segments

The naming of Calyon's business lines corresponds to the definitions applied within the Credit Agricole S.A. group.

Presentation of business lines

The Bank's activities are based around two predominant business segments: financing on the one hand, and capital markets and investment banking on the other. Together, these represent virtually all of Credit Agricole S.A.'s corporate and investment banking business.

The financing activities encompass syndication, commercial banking in France and internationally, and structured financing (project, aircraft, shipping, telecoms, acquisition, real estate, trade, export and structured commodities finance).

The capital markets and investment banking business encompasses the capital markets activities (treasury, foreign exchange, commodities, interest-rate derivatives, debt markets, credit markets and CDOs, and equity derivatives), the investment banking activities (mergers and acquisitions and equity capital market), as well as equity and futures brokerage activities carried out by CA Cheuvreux, CLSA and Newedge.

Calyon is also present in international private banking through its establishments in Switzerland, Luxembourg, Monaco, Spain and Brazil.

Analysis by business line

Transactions between the business lines are effected at arm's length.

€ million	30.06.2008					Total
	Financing	Capital markets and investment banking	Total Corporate and investment banking	Inter-national private banking	Proprietary asset management and other activities	
Net banking income	914	(1,322)	(408)	261	(99)	(246)
Operating expenses	(420)	(1,370)	(1,790)	(181)	(7)	(1,978)
Gross operating income	494	(2,692)	(2,198)	80	(106)	(2,224)
Risk-related costs	(183)	(108)	(291)	6		(285)
Operating income	311	(2,800)	(2,489)	86	(106)	(2,509)
Share of net income of affiliates	64		64	1		65
Net gains (losses) on other assets	(1)		(1)		432 ⁽¹⁾	431
Pre-tax income	374	(2,800)	(2,426)	87	326	(2,013)
Income tax	(103)	919	816	(23)	35	828
Net income	271	(1,881)	(1,610)	64	361	(1,185)
Minority interests	(33)	(12)	(45)	(5)		(50)
Net income, Group share	238	(1,893)	(1,655)	59	361	(1,235)

⁽¹⁾ Primarily includes the gains and losses on disposal arising from the Newedge transaction

€ million	31.12.2007					Total
	Financing	Capital markets and investment banking	Total Corporate and investment banking	Inter-national private banking	Proprietary asset management and other activities	
Net banking income	2,268	439	2,707	538	114	3,359
Operating expenses	(893)	(2,572)	(3,465)	(340)	(24)	(3,829)
Gross operating income	1,375	(2,133)	(758)	198	90	(470)
Risk-related costs	(107)	(853)	(960)			(960)
Operating income	1,268	(2,986)	(1,718)	198	90	(1,430)
Share of net income of affiliates	130	5	135	8		143
Net gains (losses) on other assets	(1)		(1)			(1)
Pre-tax income	1,397	(2,981)	(1,584)	206	90	(1,288)
Income tax	(279)	1,048	769	(55)	(32)	682
Net income	1,118	(1,933)	(815)	151	58	(606)
Minority interests	(41)	(52)	(93)	(15)		(108)
Net income, Group share	1,077	(1,985)	(908)	136	58	(714)

€ million	30.06.2007					Total
	Financing	Capital markets and investment banking	Total Corporate and investment banking	Inter-national private banking	Proprietary asset management and other activities	
Net banking income	1,192	1,978	3,170	276	(8)	3,438
Operating expenses	(465)	(1,366)	(1,831)	(165)	(10)	(2,006)
Gross operating income	727	612	1,339	111	(18)	1,432
Risk-related costs	7	6	13	2		15
Operating income	734	618	1,352	113	(18)	1,447
Share of net income of affiliates	70	3	73	5		78
Net gains (losses) on other assets						
Pre-tax income	804	621	1,425	118	(18)	1,525
Income tax	(205)	(174)	(379)	(32)	7	(404)
Net income	599	447	1,046	86	(11)	1,121
Minority interests	(17)	(26)	(43)	(8)		(51)
Net income, Group share	582	421	1,003	78	(11)	1,070

Note 5: Notes to the balance sheet as at 30 June 2008

5.1 Financial assets and liabilities at fair value through profit or loss

Financial assets at fair value through profit or loss

€ million	30.06.2008	31.12.2007
Financial assets held for trading	397,308	389,273
Financial assets designated as at fair value	88	91
Fair value on balance sheet	397,396	389,364
Of which lent securities	2,584	3,979

Financial assets held for trading

€ million	30.06.2008	31.12.2007
Due from banks ⁽¹⁾	9	
Loans and advances to customers	2,721	3,215
Securities bought under repurchase agreements	80,793	95,074
Securities held for trading	97,897	111,010
Treasury bills and similar items	39,025	33,074
Bonds and other fixed-income securities ⁽²⁾	43,633	51,097
Equities and other variable-income securities	15,239	26,839
Derivative instruments	215,888	179,974
Fair value on balance sheet	397,308	389,273

⁽¹⁾ Including loans under syndication

⁽²⁾ Including mutual funds

Financial assets designated as at fair value

€ million	30.06.2008	31.12.2007
Securities held for trading	88	91
Bonds and other fixed-income securities ⁽¹⁾	14	
Equities and other variable-income securities	74	91
Fair value on balance sheet	88	91

⁽¹⁾ Including mutual funds

Financial liabilities at fair value through profit or loss

€ million	30.06.2008	31.12.2007
Financial liabilities held for trading	363,453	332,943
Financial liabilities designated as at fair value through profit or loss		
Fair value on balance sheet	363,453	332,943

Financial liabilities held for trading

€ million	30.06.2008	31.12.2007
Securities sold short	25,761	23,270
Securities sold under repurchase agreements	93,216	105,540
Debt securities in issue	27,653	26,214
Amounts due to customers	427	542
Derivative instruments	216,396	177,377
Fair value on balance sheet	363,453	332,943

5.2 Unrealised gains and losses on available-for-sale financial assets

€ million	30.06.2008			31.12.2007
	Fair value	Unrealised gains	Unrealised losses	Fair value
Treasury bills and similar items	6,712	35	13	6,326
Bonds and other fixed-income securities	10,869	6	184	8,816
Equities and other variable-income securities	547	50	5	561
Non-consolidated investments	792	257	54	696
Available-for-sale receivables	3		2	3
Accrued interest	113			106
Book value of available-for-sale financial assets	19,036	348	258	16,508
Deferred tax		(34)	(63)	
Total unrealised gains and losses on available-for-sale financial assets, net of tax	19,036	314	195	16,508

5.3 Due from banks and loans and advances to customers

Due from banks

€ million	30.06.2008	31.12.2007
Banks		
Loans and advances	30,770	29,220
Performing current accounts in debit and receivables	7,945	5,206
Performing overnight time accounts and loans	1,980	1,857
Pledged securities	1,269	2,763
Securities bought under repurchase agreements	35,296	23,273
Subordinated loans	276	5
Securities not traded in an active market	515	112
Other loans and advances	46	16
Total	68,172	55,389
Accrued interest	318	364
Impairment	(87)	(91)
Net book value	68,403	55,662

Loans and advances to customers

€ million	30.06.2008	31.12.2007
Customer items		
Bills discounted	10,646	9,572
Other loans	94,757	92,538
Securities bought under repurchase agreements	16,613	10,088
Subordinated loans	444	422
Securities not traded in an active market	2,693	2,443
Short-term advances	3	3
Current accounts in debit	5,462	5,208
Total	130,618	120,274
Accrued interest	732	793
Impairment	(3,228)	(2,613)
Net book value	128,122	118,454
Lease finance		
Property leasing	412	434
Equipment leasing, operating leases and similar transactions		
Total	412	434
Accrued interest	4	3
Impairment		
Net book value	416	437
Total	128,538	118,891

Due from banks and loans and advances to customer by customer type

€ million	30.06.2008					Total
	Gross outstandings	Of which doubtfull debt	Impairment on doubtfull debt	Of which bad debt	Impairment on bad debt	
Central Governments	6,542	0	0	72	(71)	6,471
Non-bank institutions	2,786	10	(8)	0	0	2,778
Banks	68,172	3	(3)	38	(37)	68,132
Corporates	115,562	342	(112)	⁽²⁾ 1,817	⁽²⁾ (1,619)	113,831
Retail customers	6,140	9	(1)	824	(30)	6,109
Total ⁽¹⁾	199,202	364	(124)	2,751	(1,757)	197,321
Accrued interest, net						901
Collective impairment						(1,281)
Net book value						196,941

⁽¹⁾ Including €263 million of restructured, non-impaired assets

⁽²⁾ Including €1,248 million of impairment on the monoline insurer ACA

€ million	31.12.2007					Total
	Gross outstanding	Of which doubtfull debt	Impairment on doubtfull debt	Of which bad debt	Impairment on bad debt	
Central Governments	1,505			71	(71)	1,434
Non-bank institutions	8,528	3				8,528
Banks	55,389	4	(3)	43	(43)	55,343
Corporates	104,282	172	(67)	⁽²⁾ 1,458	⁽²⁾ (1,169)	103,046
Retail customers	6,393	8	(1)	865	(38)	6,354
Total ⁽¹⁾	176,097	187	(71)	2,437	(1,321)	174,705
Accrued interest, net						1,016
Collective impairment						(1,168)
Net book value						174,553

⁽¹⁾ Including €283 million of restructured, non-impaired assets

⁽²⁾ Including €807 million of impairment on the monoline insurer ACA

5.4 Impairment deducted from financial assets

en millions d'euros	31.12.2007	Change in scope	Charges	Write-backs and utilisations	Translation adjustments	Other movements	30.06.2008
Available-for-sale financial assets	556	1	49	(76)	(27)		503
Interbank loans	91		2	(6)			87
Customer loans	2,613	7	799	(80)	(113)	2	3,228
of which collective reserves	1,168		150		(37)		1,281
Other financial assets	147	4	4	(139)			16
Total impairment of financial assets	3,407	12	854	(301)	(140)	2	3,834

5.5 Due to banks and customer accounts

Due to banks

€ million	30.06.2008	31.12.2007
Deposits	52,220	58,576
of which current accounts in credit	4,798	10,477
of which overnight accounts and borrowings	7,051	4,153
Pledged assets	872	1,325
Securities sold under repurchase agreements	36,927	18,244
Total	90,019	78,145
Accrued interest	328	360
Book value of amounts due to banks	90,347	78,505

Customer accounts

€ million	30.06.2008	31.12.2007
Current accounts in credit	19,918	18,512
Other accounts	67,259	70,718
Securities sold under repurchase agreements	17,708	8,685
Total	104,885	97,915
Accrued interest	266	306
Book value	105,151	98,221

5.6 Debt securities in issue and subordinated debt

€ million	30.06.2008	31.12.2007
Debt securities in issue		
Interest-bearing notes	35	35
Negotiable debt securities	53,211	71,243
Bonds	471	352
Other debt securities in issue	8	7
Total	53,725	71,637
Accrued interest	330	713
Book value	54,055	72,350
Subordinated debt		
Fixed-term subordinated debt ⁽¹⁾	7,478	6,521
Perpetual subordinated debt	2,944	3,101
Total	10,422	9,622
Accrued interest	201	20
Book value	10,623	9,642

⁽¹⁾ Including €3,650 million in shareholders' advances at 30 June 2008 and €2,250 million at 31 December 2007

At 30 June 2007, outstanding deeply subordinated notes amounted to €2,834 million. During the first half of 2008, net issues of subordinated debt and the impact of the Newedge

transaction on subordinated debt amounted to €803 million.

5.7 Investment property

€ million	Balance 31.12.2007	Changes in scope	Increases (acquisitions)	Decreases (disposals and redemptions)	Translation and adjustments	Other movements	Balance 30.06.2008
Gross value	8	(1)				(5)	2
Depreciation and impairment	(2)					1	(1)
Net book value	6	(1)	0	0	0	(4)	1

Including rented investment property

5.8 Property, plant and equipment and intangible assets (excluding goodwill)

€ million	31.12.2007	Changes in scope	Increases (acquisitions, business combinations)	Decreases (disposals and redemptions)	Translation adjustments	Other movements	30.06.2008
Property, plant and equipment							
Gross value	1,331	36	60	(22)	(13)	1	1,393
Accrued interest ⁽¹⁾							
Depreciation and impairment ⁽²⁾	(633)	(4)	(52)	22	10	4	(653)
NET BOOK VALUE	698	32	8	0	(3)	5	740
Intangible assets							
Gross value	349	35	48	(10)	(7)	(2)	413
Amortisation and impairment	(202)	(23)	(20)	7	3	1	(234)
NET BOOK VALUE	147	12	28	(3)	(4)	(1)	179

⁽¹⁾ Accrued rents on assets let to third parties

⁽²⁾ Including depreciation on assets let to third parties

5.9 Goodwill

An analysis of this item is provided in note 2.3 under "scope of consolidation".

5.10 Reserves

€ million	31.12.2007	Changes in scope	Charges	Write-backs, amounts used	Write-backs, amounts released	Translation adjustments	Other movements	30.06.2008
Financing commitment execution risks	19		51	(3)	(9)			58
Operational risk								
Employee retirement and similar benefits ⁽¹⁾	365	1	24	(12)	(5)	(8)	68	433
Litigation ⁽²⁾	517		35	(6)	(48)	(10)		488
Equity investments								
Restructuring								
Other risks	103	(3)	4	(3)	(12)		(9)	80
RESERVES	1,004	(2)	114	(24)	(74)	(18)	59	1,059

⁽¹⁾ At 30 June 2008, the provisions for sundry litigation amounted to €488 million and were broken down as follows:

- tax disputes: €118 million
- legal disputes: €370 million

5.11 Shareholders' equity

Ownership structure at 30 June 2008

At 30 June 2008, ownership of Calyon's capital and voting rights was as follows:

Shareholder	Number of shares 30.06.2008	% of share capital	% of voting rights
Crédit Agricole S.A.	131,083,950	95.28%	95.28%
SACAM Développement ⁽²⁾	3,068,465	2.23%	2.23%
C.A. Bourse ⁽¹⁾	2,776,832	2.02%	2.02%
Delfinances ⁽¹⁾	604,589	0.44%	0.44%
CPR G ⁽¹⁾	48,539	0.03%	0.03%
Individuals	17	-	-
Total	137,582,392	100.00%	100.00%

⁽¹⁾ Owned by the Crédit Agricole S.A. group

⁽²⁾ Owned by the Crédit Agricole group

The par value of the shares is 27 euros each. All the shares are fully paid up.

Preferred shares

Issuer	Date of issue	Amount of issue in \$ million	30.06.2008 € million	31.12.2007 € million
Calyon Preferred Funding LLC	Dec-98	230	146	156
Calyon Preferred Funding II LLC	June-02	320	203	217
Total		550	349	373

Earnings per share

	30.06.2008	31.12.2007
Net income used to calculate earnings per share (in millions of euros)	(1,235)	(714)
Average number of ordinary shares in issue during the year	137,582,392	132,419,957.5
Weighted average number of ordinary shares used to calculate diluted earnings per share	137,582,392	132,419,957.5
Basic earnings per share (in euros)	(8.97)	(5.39)
Diluted earnings per share (in euros)	(8.97)	(5.39)

Dividends

At the Annual General Meeting of 13 May 2008, Calyon SA's shareholders did not approve the payment of any dividend for the year ended 31 December 2007.

	2007	2006	2005	2004	2003
Net dividend per share (€)	0	16.1	13.42	2.16	10.25
Total dividend (€ million)	0	2,049	1,551	250	434

Note 6: Financing and guarantee commitments

Commitments given and received and assets given as guarantees

€ million	30.06.2008	31.12.2007
COMMITMENTS GIVEN	156,445	153,967
Financing commitments	109,831	114,741
Banks	13,054	8,346
Customers	96,777	106,395
Confirmed credit lines	95,789	105,585
Confirmed documentary credits	12,848	12,020
Other confirmed credit lines	82,941	93,565
Other	988	810
Guarantee commitments	46,614	39,226
Banks	6,935	5,534
Confirmed credit lines	2,996	2,233
Other	3,939	3,301
Customers	39,679	33,692
Property guarantees	2,039	2,154
Loan repayment guarantees	6,761	8,597
Other guarantees	30,879	22,941
COMMITMENTS RECEIVED	127,214	99,699
Financing commitments	8,000	2,029
Banks	7,582	1,373
Customers	418	656
Guarantee commitments	119,214	97,670
Banks	13,547	14,453
Customers	105,667	83,217
Guarantees received from government bodies or similar	11,385	10,878
Other	94,282	72,339

Note 7: Fair value of financial instruments

7.1 Fair value of assets and liabilities valued on the basis of non-observable data

€ million	30.06.2008			
	Book value (if different from fair value)	Fair value recognised or provided in the financial statements	Of which determined using valuation techniques not based on market data ⁽¹⁾	Change during the period in fair value resulting from valuation techniques not based on market data ⁽¹⁾
Financial assets held for trading		397,308	13,094	(1,357)
Financial assets designated as at fair value through profit and loss		88		
Available-for-sale financial assets		19,036		
Loans and advances	196,941	196,519		
Other financial assets	5,819	5,819		
Financial liabilities held for trading		363,453	2,701	
Financial liabilities designated as at fair value through profit and loss				
Other financial liabilities	262,674	263,283		
€ million	31.12.2007			
	Book value (if different from fair value)	Fair value recognised or provided in the financial statements	Of which determined using valuation techniques not based on market data ⁽¹⁾	Change during the period in fair value resulting from valuation techniques not based on market data ⁽¹⁾
Financial assets held for trading		389,273	14,506	(3,179)
Financial assets designated as at fair value through profit and loss		91		
Available-for-sale financial assets		16,508		
Loans and advances	174,553	174,465		
Other financial assets	11,573	11,573		
Financial liabilities held for trading		332,943	272	
Financial liabilities designated as at fair value through profit and loss				
Other financial liabilities	260,594	260,572		

⁽¹⁾ These valuation techniques are set out in the "risk factors" section of the 2007 management report.

As described in note 2 of the Notes to the consolidated financial statements of the Calyon Group for the year ended 31 December 2007, the fair value of certain financial instruments is determined using valuation techniques that are not based on observable market data. At 31 December 2007 and 30 June 2008, these primarily included:

- CDO units with US mortgage underlyings;
- the fair value of hedges on certain of the above-mentioned CDOs with US mortgage underlyings;
- to a lesser extent, the fair value of other fixed-income, equity and credit derivatives.

The negative €1,357 million change in fair value in the first half of 2008 primarily reflects the effect of impairment on CDO units and hedges.

With respect to the fair value of assets and liabilities measured at amortised cost, in some cases, the market value is close to the carrying amount. This applies more specifically to:

- assets or liabilities at floating rates where changes in interest rates have no material impact on fair value as the rates on these instruments are frequently adjusted to market rates;
- short-term assets or liabilities where the redemption value is deemed to be close to the market value;
- sight liabilities;
- transactions for which there are no reliable observable data.

7.2 Measurement of the impact of taking into account day-one gains

€ million	30.06.2008	31.12.2007
Deferred gains at 1 January	450	444
Deferred gains generated by new transactions during the period	99	292
Recognised in income during the period		
Amortisation and cancelled/redeemed/expired transactions	(95)	(211)
Effect of parameters or products that became observable during the year		(75)
Deferred gains at the end of period	454	450

Note 8: Scope of consolidation at 30 June 2008

Subsidiaries, joint ventures and associates	(a)	Country	Method	% control		% interest	
				30.06.2008	31.12.2007	30.06.2008	31.12.2007
Parent company							
Calyon		France	Parent	100.00	100.00	100.00	100.00
Banks and financial institutions							
Banque Saudi Fransi - BSF		Saudi Arabia	equity	31.11	31.11	31.11	31.11
Banco Calyon Brasil		Brazil	full	100.00	100.00	100.00	100.00
Calyon Algérie		Algeria	full	99.98	99.98	99.98	99.98
Calyon Australia Ltd		Australia	full	100.00	100.00	100.00	100.00
Calyon Bank Hungary Ltd		Hungary	full	100.00	100.00	100.00	100.00
Calyon Bank Polska SA		Poland	full	100.00	100.00	100.00	100.00
Calyon Bank Slovakia AS	L	Slovakia	full		100.00		100.00
Calyon Bank Ukraine		Ukraine	full	100.00	100.00	100.00	100.00
Calyon Merchant Bank Asia LTD		Singapore	full	100.00	100.00	100.00	100.00
Calyon Rusbank SA		Russia	full	100.00	100.00	100.00	100.00
Calyon Yatirim Bankasi Turk AS		Turkey	full	100.00	100.00	100.00	100.00
Cogenec		Monaco	full	99.99	99.99	99.99	99.99
Crédit Agricole Financement		Switzerland	equity	20.00	20.00	20.00	20.00
Crédit Agricole Luxembourg		Luxembourg	full	100.00	100.00	100.00	100.00
Crédit Agricole Luxembourg Bank	M	Luxembourg	full		100.00		100.00
Crédit Agricole Suisse		Switzerland	full	100.00	100.00	100.00	100.00
Crédit Agricole Suisse (Bahamas)		Bahamas	full	100.00	100.00	100.00	100.00
Crédit Foncier de Monaco		Monaco	full	70.13	70.13	68.95	68.95
Finanziaria Indosuez International Ltd		Switzerland	full	100.00	100.00	100.00	100.00
UBAF		France	proportional	47.32	47.32	47.32	47.32
CPR Online		France	full	100.00	100.00	100.00	100.00
Crédit Lyonnais Leasing Japan Company Ltd		Japon	full	100.00	100.00	100.00	100.00
LF Investiments LP		USA	full	99.00	99.00	99.00	99.00
Newedge (groupe)	N	France	proportional	50.00		50.00	
Calyon Saudi Fransi Ltd	E	Saudi Arabia	proportional	55.00		55.00	
Brokerage companies							
Altura	N	Spain	proportional		50.00		34.20
Calyon Financial Inc	N	USA	full		100.00		100.00
Calyon Financial Pte Singapore	N	Singapore	full		100.00		100.00
Calyon Financial SNC	N	France	full		100.00		100.00
Crédit Agricole Cheuvreux Securities Ltd	N	Hong-Kong	full		100.00		100.00
Calyon Financial Canada	N	Canada	full		100.00		100.00
Calyon Financial Hong-Kong	N	Hong-Kong	full		100.00		100.00
Crédit Agricole Cheuvreux Nordic AB SB		Sweden	full	100.00	100.00	100.00	100.00
Crédit Agricole Cheuvreux S.A.		France	full	100.00	100.00	100.00	100.00
Crédit Agricole Cheuvreux Italia SIM SPA		Italy	full	100.00	100.00	100.00	100.00
Crédit Agricole Cheuvreux North America, Inc		USA	full	100.00	100.00	100.00	100.00
Cholet Dupont (groupe)		France	equity	33.40	33.40	33.40	33.40
Crédit Agricole Cheuvreux España S.A.		Spain	full	100.00	100.00	100.00	100.00
Crédit Agricole Cheuvreux International Ltd		UK	full	100.00	100.00	100.00	100.00
Calyon Securities USA Inc		USA	full	100.00	100.00	100.00	100.00
CLSA BV (groupe)		Hong-Kong	full	100.00	100.00	68.69	70.61

Subsidiaries, joint ventures and associates	(a)	Country	Method	% control		% interes	
				30.06. 2008	31.12. 2007	30.06. 2008	31.12. 2007
Investment companies							
Calyon North America Holding	N	USA	full		100.00		100.00
Cie Française de l'Asie (CFA)		France	full	100.00	100.00	100.00	100.00
Doumer Finance SAS		France	full	100.00	100.00	100.00	100.00
CAFI Kedros		France	full	100.00	100.00	100.00	100.00
Fletirec (groupe)		France	full	100.00	100.00	100.00	100.00
Fininvest		France	full	98.27	98.27	98.27	98.27
ICF Cayman Holdings	L	Cayman	full		100.00		100.00
Calyon Air Finance SA		France	full	100.00	100.00	100.00	100.00
CAI BP Holding		France	full	100.00	100.00	100.00	100.00
IPFO		France	full	100.00	100.00	100.00	100.00
Mescas		France	full	100.00	100.00	100.00	100.00
SAFEC		Switzerland	full	100.00	100.00	100.00	100.00
Crédit Agricole Assets Management España Holding		Spain	equity	45.00	45.00	45.00	45.00
Calyon Investments		UK	full	100.00	100.00	100.00	100.00
Calyon Global Partners (Groupe)		USA	full	100.00	100.00	100.00	100.00
Calyon Holdings		UK	full	100.00	100.00	100.00	100.00
Calyon Capital Market Asia BV		Netherlands	full	100.00	100.00	100.00	100.00
Calyon Capital Market International		France	full	100.00	100.00	100.00	100.00
Calyon Securities Japan		Japan	full	100.00	100.00	100.00	100.00
Doumer Philemon		France	full	100.00	100.00	100.00	100.00
Lyra Capital LLC		USA	equity	50.00	50.00	50.00	50.00
Lyra Partners LLC	M	USA	equity		50.00		50.00
Leasing companies							
Financière Immobilière Calyon		France	full	100.00	100.00	100.00	100.00
Cardinalimmo		France	full	49.61	49.61	49.61	49.61

Subsidiaries, joint ventures and associates	(a)	Country	Method	% control		% interest	
				30.06. 2008	31.12. 2007	30.06. 2008	31.12. 2007
				Other			
CA Brasil DTVM		Brazil	full	100.00	100.00	100.00	100.00
CA Conseil SA		Luxembourg	full	99.99	99.99	99.99	99.99
Calyon Preferred Funding LLC		USA	full	100.00	100.00	100.00	100.00
Calyon Preferred Funding II LLC		USA	full	100.00	100.00	100.00	100.00
CAIRS Assurance SA		France	full	100.00	100.00	100.00	100.00
Calyon CLP		France	full	100.00	100.00	100.00	100.00
Calyon Financing Luxembourg SARL		Luxembourg	full	100.00	100.00	100.00	100.00
Fonds Alcor		Hong Kong	full	99.05	99.05	99.05	99.05
MERISMA		France	full	100.00	100.00	100.00	100.00
Calixis Finance		France	full	89.80	89.80	89.80	89.80
LSF Italian Finance Company SRL		Italie	full	90.00	90.00	67.00	67.00
Sagrantino Italy srl		Italie	full	90.00	90.00	67.00	67.00
Sagrantino BV		Netherlands	full	100.00	100.00	67.00	67.00
European NPL S.A.		Luxembourg	full	67.00	67.00	67.00	67.00
DGAD International SARL		Luxembourg	full	100.00	100.00	100.00	100.00
Calliope srl		Italie	full	90.00	90.00	60.30	60.30
Indosuez Holding SCA II		Luxembourg	full	100.00	100.00	100.00	100.00
Indosuez Management Luxembourg II		Luxembourg	full	100.00	100.00	100.00	100.00
SNC Doumer		France	full	99.94	99.94	99.94	99.94
Chauray Contrôle SAS		France	proportional	34.00	34.00	34.00	34.00
Crédit Agricole Private Banking Levante		Spain	full	100.00	100.00	100.00	100.00
Crédit Agricole Private Banking Norte		Spain	full	95.00	95.00	95.00	95.00
Aguadana SL		Spain	full	100.00	100.00	100.00	100.00
Calyon Finance Guernesey		UK	full	99.90	99.90	99.90	99.90
Calyon Financial Products		UK	full	99.90	99.90	99.90	99.90
Indosuez Finance Ltd		UK	full	100.00	100.00	100.00	100.00
Ester Finance Titrisation		France	full	99.99	99.99	99.99	99.99
Capital Plus	nm	Cayman	full		100.00		100.00
CLINFIM		France	full	100.00	100.00	100.00	100.00
Calyon Global Banking		France	full	100.00	100.00	100.00	100.00
CLIFAP		France	full	100.00	100.00	100.00	100.00
Calyon Asia Shipfinance Ltd		Hong Kong	full	99.99	99.99	99.99	99.99
Aylesbury BV		UK	full	100.00	100.00	100.00	100.00
Bletchley Investments Ltd		UK	full	82.22	82.22	100.00	100.00
SNC Shaun		France	full	100.00	100.00	100.00	100.00
EDELAAR EESV		Netherlands	full	90.00	90.00	80.00	90.00
Korea 21st Century Trust		South Korea	full	100.00	100.00	100.00	100.00
Casam Americas Inc		USA	equity	50.00	50.00	50.00	50.00
Casam Systeia Global Macro	S	Ireland	full		97.75		97.75
Casam Systeia Event Driven	S	Ireland	full		99.86		99.86
Casam Systeia Equity Quant	S	Ireland	full		99.90		99.90
CASAM		France	equity	50.00	50.00	50.00	50.00
Casam Americas LLC	M	USA	equity		50.00		50.00
Casam Advisers LLC		USA	equity	50.00	50.00	50.00	50.00
Immobilière Sirius SA	E	Luxembourg	full	100.00		100.00	
Calyon Financial Solutions	E	France	full	99.72		99.72	

(a): "E" signifies that the company has entered the scope of consolidation; Companies removed from the scope of consolidation are flagged with "nm" (not meaningful), "M" (merged), "L" (liquidated), "DM" (demerged), "S" (sold), or consolidated within a subgroup (SG).
Creation of a joint venture, Newedge Group, with Société Générale (N).

Statutory auditors' report on the interim financial report

This is a free translation into English of the Statutory Auditors' review report issued in French language and is provided for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Six months from 1 January to 30 June 2008

To the Shareholders.

In compliance with the assignment entrusted to us by your Shareholders' Meeting and pursuant to articles L. 232-7 of the Code de Commerce and L. 451-1-2 III of the Code Monétaire and Financier:

- we carried out a partial audit of the interim condensed consolidated financial statements of Calyon for the six months from 2008 January to 30 June 2008, as appended to this report;
- we reviewed the information provided in the first-half management report.

These condensed consolidated interim financial statements have been prepared under the Board of Directors' responsibility. Our role is to express an opinion on these financial statements based on our partial audit.

1. Opinion on the interim consolidated financial statements

We have conducted our partial audit in accordance with professional standards applicable in France. A partial audit is confined primarily to obtaining information from the senior managers responsible for financial and accounting matters, and to conducting analyses. An audit of this type does not include performing all the examinations required for a full audit in accordance with the professional auditing standards applicable in France. It therefore does not provide the same assurance that all material items that might have been identified under a full audit have been identified.

Based on our partial audit, we have identified no material misstatements that call into question the consistency of the condensed interim consolidated financial statements with IAS 34 – an International Financial Reporting Standard (IFRS) as endorsed by the European Unions pertaining to interim financial reporting.

2. Specific verification

We also reviewed the information given in the Group management report for the first half containing comments on the condensed interim consolidated financial statements on which we conducted our partial audit.

We have no comments to report with respect to the fairness of its presentation and consistency with the condensed interim consolidated financial statements.

Neuilly-sur-Seine, 27 August 2008

Statutory Auditors

PRICEWATERHOUSECOOPERS AUDIT
Gérard Hautefeuille

ERNST & YOUNG ET AUTRES
Valérie Meeus

3

Additional information

Ratings

	Short-term	Long-term	Update
Moody's	P1	Aa1 [negative watch]	28 th August 2008
Standard & Poor's	A1+	AA- [stable outlook]	11 th March 2008
Fitch Ratings	F1+	AA- [stable outlook]	8 th August 2008

4

General information

Person responsible for the shelf-registration document and for auditing the accounts ...	68
Responsibility statement	68
Statutory auditors	69

Person responsible for the shelf-registration document and for auditing the accounts

Responsibility statement

I hereby certify that, to my knowledge and after all due diligence, the information contained in this update to the shelf-registration document is true and accurate and contains no omissions likely to affect the import thereof.

I have obtained a letter from the statutory auditors upon completion of their work in which they state that they have verified the information relating to the financial situation and financial statements provided in this registration document and read the document as a whole.

The historical financial information presented in this update is covered by a report prepared by the statutory auditors, which appears on page 64.

To the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a fair view of the assets and financial position of the company and the group of companies included in the consolidation for the first six months of the financial year and of the results for the period then ended, and the interim review of business operations accurately depicts important events that arose during that period, their effect on the interim financial statements and the main related party transactions, as well as a description of the main risks and uncertainties anticipated during the second half of the financial year.

Courbevoie. 29 August 2008

The Chief Executive Officer of Calyon
Patrick VALROFF

Statutory auditors

Primary statutory auditors

Ernst & Young et Autres Member of the Ernst & Young network	PricewaterhouseCoopers Audit Member of the PricewaterhouseCoopers network
Member of the Versailles regional association of statutory auditors	Member of the Versailles regional association of statutory auditors
Company represented by: Valérie Meeus Head office: 41 Rue Ibry 92576 Neuilly Sur Seine	Company represented by: Gérard Hautefeuille Head office: 63 rue de Villiers 92200 Neuilly Sur Seine

Alternate statutory auditors

Picarle et Associés	Pierre Coll
Member of the Versailles regional association of statutory auditors	Member of the Paris regional association of statutory auditors
Company represented by: Denis Picarle Head office: Faubourg de l'Arche – 11 allée de l'Arche 92400 Courbevoie	63 rue de Villiers 92200 Neuilly-sur Seine

Mandates

Length of statutory auditors' mandates

Ernst & Young et Autres (until 30 June 2006 known as Barbier Frinault et Autres) was appointed Statutory Auditor for six financial periods by the shareholders' meeting of 10 May 2000. This mandate was renewed for a period of six financial periods at the shareholders' meeting of 16 May 2006.

PricewaterhouseCoopers Audit was appointed Statutory Auditor by the shareholders' meeting of 30 April 2004, to replace Cabinet Alain Laine, which had been appointed at the Meeting of 10 May 2000 for six financial periods and has since resigned. This mandate was renewed for a period of six financial periods at the shareholders' meeting of 16 May 2006.

Length of alternate auditors' mandates

The shareholders' meeting of 16 May 2006 appointed Picarle et Associés as alternate auditors to Barbier Frinault et Autres (now known as Ernst & Young et Autres) for a period of six financial periods (replacing Mr Peuch-Lestrade whose mandate expired at the end of the 16 May 2006 shareholders' meeting).

Pierre Coll was appointed Alternate Auditor to PricewaterhouseCoopers Audit by the shareholders' meeting of 30 April 2004 for the duration of the mandate of his predecessor, Mr Olivier Peronnet, who had been appointed by the Meeting of 10 May 2000 and has since resigned. This mandate was renewed for a period of six financial periods at the shareholders' meeting of 16 May 2006.

Cross-reference table

The following table indicates the page references corresponding to the main information headings required by regulation EC 809/2004 (annex XI) enacting the terms of the "Prospectus" Directive.

Headings required by regulation EC 809/2004 (annex XI)	Page number of this document	Page number of the shelf registration document
1. Person responsible	68	232
2. Statutory auditors	69	233
3. Risk factors	14 à 26 56	67 to 89 134 to 145 164
4. Information about the issuer		
4.1 History and development of the issuer		10 ; 13 101 ; 222
5. Business overview		
5.1 Principal activities		14 to 18
5.1.3 Principal markets		14 to 18
6. Organisational structure		102
6.1 Brief description of the group and the issuer's position within the group		2 – 3
6.2 Dependence relationships within the Group	40	103
7. Recent trends		222
8. Profit forecasts or estimates		N/A
9. Administrative, management and supervisory bodies		
9.1 Information concerning members of the administrative and management bodies		42 to 49
9.2 Conflicts of interest in the administrative, management and supervisory bodies		50
10. Major shareholders	57	164
11. Financial information concerning the issuer's assets and liabilities, financial position and profits and losses		
11.1 Historical financial information ⁽¹⁾		100 to 220
11.2 Financial statements		104 to 108 184 to 187
11.3 Auditing of historical annual financial statements		180 to 181 219 to 220
11.4 Dates of the most recent financial disclosures		101
11.5 Interim financial information	31 à 63	N/A
11.6 Legal and arbitration proceedings	26	86 ; 222
11.7 Significant change in the issuer's financial or commercial position		222
12. Material contracts		222
13. Third party information and statements by experts and declarations of any interest		N/A
14. Documents on display		222 to 223

⁽¹⁾ In accordance with article 28 of EC regulation 809/2004 and article 212-11 of the AMF's general regulations, the following are incorporated for reference purposes: the consolidated financial statements for the period ended 31 December 2006, the statutory auditors' report on the consolidated financial statements for the period ended 31 December 2006 and the Group's management report as presented on pages 79-150, 151-152 and 43-77 of Calyon's 2006 shelf-registration document registered by the AMF on 1 June 2007 under number R. 07-088 and available on the Calyon website (www.calyon.com).