Consolidated half-year financial Report as at 30 june 2011

CRÉDIT AGRICOLE LEASING

CARISPEZIA CRÉDIT AGRICOLE

FRIULADRIA CRÉDIT AGRICOLE

CARIPARMA CRÉDIT AGRICOLE

Cassa di Risparmio di Parma e Piacenza S.p.A.
Joint-stock company – Registered office Via Università 1 – 43121 Parma, Italy
Phone +39/0521/ 912111 - Telex 530420 RISPAR I
Share capital € 876,761,620.00 fully paid up
Entered in the Company Register of Parma, Italy, at no. 02113530345, Tax ID and VAT registration No. 02113530345
Member of the Interbank Fund for Deposit Protection – Registered in the Register of Banks at No. 5435
Parent Company of the Cariparma Crédit Agricole Group entered in the Register of Banking Groups
Subject to the Control and Coordination of Crédit Agricole S.A.

Cariparma Crédit Agricole Group

Consolidated half-year Financial report as at 30 June 2011

Corporate bodies

BOARD OF DIRECTORS

Chairperson	Ariberto Fassati (*)
Deputy Chairpersons	Guido Corradi Fabrizio Pezzani (*)
Chief Executive Officer	Giampiero Maioli (*)
Directors	Anna Maria Artoni Pierre Derajinski Bruno De Laâge (*) Joël Fradin Marco Granelli Claude Henry Stefano Lottici Michel Mathieu Germano Montanari Marc Oppenheim (*) Philippe Pellegrin Marco Rosi Jean-Louis Roveyaz

(*) *Members of the Executive Committee*

BOARD OF STATUTORY AUDITORS

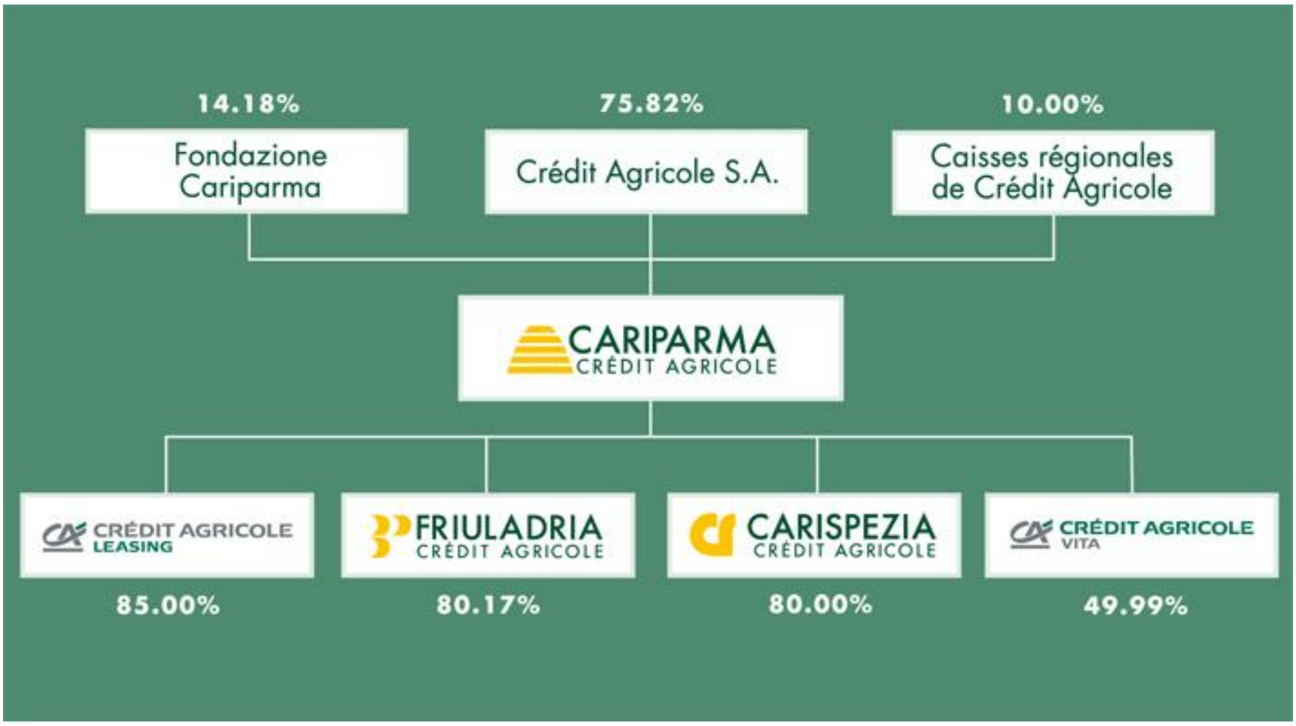
Chairperson	Marco Ziliotti
Standing Auditors	Paolo Alinovi Giovanni Ossola Angelo Gilardi Umberto Tosi
Alternate Auditors	Alberto Cacciani Giancarlo Ducceschi

SENIOR MANAGEMENT

Co-General Manager	Philippe Voisin

MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S FINANCIAL REPORTS	Pierre Debourdeaux
INDEPENDENT AUDITORS	Reconta Ernst & Young S.p.A.

Cariparma Crédit Agricole Group network



As at 30 June 2011, the Cariparma Crédit Agricole Group, led by the Parent Company, Cariparma, had an extensive branch network consisting of 964 Points of Sale:

905 branches, divided as follows:
- 620 Cariparma
- 209 FriulAdria
- 76 Carispezia

23 Private Banking Centers:
- 16 Cariparma
- 6 FriulAdria
- 1 Carispezia

30 Enterprise Centres:
- 17 Cariparma
- 8 FriulAdria
- 5 Carispezia

6 Corporate Areas:
- 5 Cariparma
- 1 FriulAdria

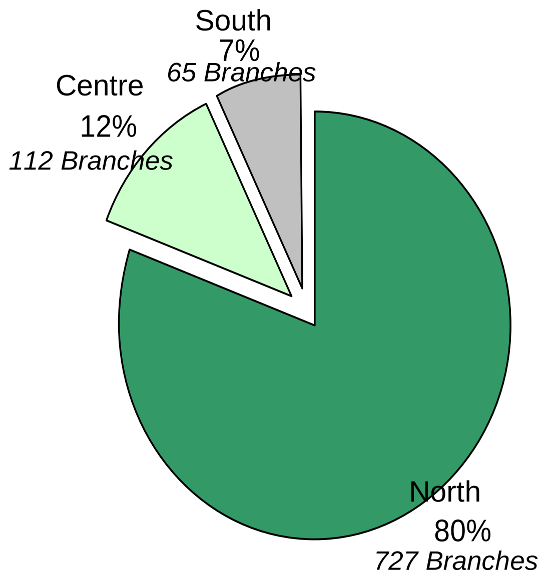
The Groups ranks seventh in Italy by number of branches (subsequent to the acquisition of Cassa di Risparmio della Spezia S.p.A and to the transfer of 96 Branches from Intesa Sanpaolo) and is present in the country's 10 most important regions, which account for 71 % of the Italian population and 76 % of the Italian GDP.

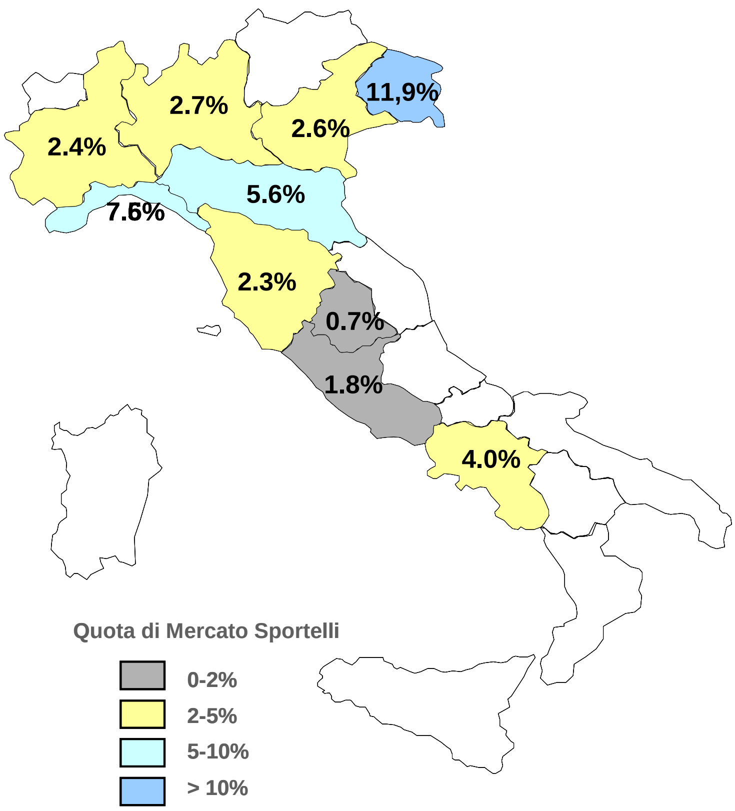
The Cariparma Crédit Agricole Group holds a 2.7% market share at a national level (calculated as percentage of branches), with shares of 26.6% in Parma, 25.5% in Piacenza, 19.1% in Pordenone and of 40.1% in La Spezia.

In the provinces where it has a more significant presence, the Group's market shares in terms of volumes are much greater than those in terms of branches (e.g. loan market share: 29.4% in Parma, 29.8% in Piacenza, 21.4% in Pordenone, 40.7% in La Spezia), a demonstration of our longstanding ties to the community and the quality of the service that our local Banks provide to their customers.

In the first half of 2011, the Group opened two new branches, one in Central Italy and one in the North.

BRANCH DISTRIBUTION AS AT 30 JUNE 2011





Group financial highlights and ratios

Income statement figures (*) (thousands of euros)	30.06.2011	30.06.2010 (**)	Changes	
			total	%
Net interest income	515,154	453,644	61,510	13.6
Net commission income	271,127	247,988	23,139	9.3
Dividends	1,542	1,373	169	12.3
Profit (loss) from financial operations	32,973	27,987	4,986	17.8
Other operating revenues (expenses)	-5,823	-4,613	1,210	26.2
Net operating revenues	814,973	726,379	88,594	12.2
Operating expenses	-498,784	-411,827	86,957	21.1
Net operating profit	316,189	314,552	1,637	0.5
Provisions for liabilities and contingencies	-5,064	-12,796	-7,732	-60.4
Net impairment adjustments of loans	-108,829	-102,411	6,418	6.3
Net profit (loss) for the year pertaining to shareholders of the parent company	120,096	119,411	685	0.6

Balance sheet (*) (thousands of euros)	30.06.2011	31.12.2010	Changes	
			total	%
Loans to customers	34,691,030	30,398,184	4,292,846	14.1
Net financial assets/liabilities held for trading	20,266	15,396	4,870	31.6
Financial assets available for sale	7,421,435	7,238,934	182,501	2.5
Equity investments	122,109	119,975	2,134	1.8
Property, plant and equipment and intangible assets	2,467,404	1,822,792	644,612	35.4
Total net assets	46,573,596	41,071,077	5,502,519	13.4
Funding from customers	33,396,986	29,055,963	4,341,023	14.9
Indirect funding from customers	50,062,522	43,026,473	7,036,049	16.4
of which: asset management	*19,207,736*	*16,507,648*	2,700,088	16.4
Net due to banks	6,205,955	6,434,356	-228,401	-3.5
Equity pertaining to shareholders of the parent company	4,315,950	3,880,728	435,222	11.2

Operating structure	30.06.2011	31.12.2010	Changes	
			total	%
Number of employees	9,049	7,616	1,433	18.8
Average number of employees	8,134	7,336	798	10.9
Number of branches	905	731	174	23.8

(*) Income statement and balance sheet figures are drawn from the reclassified financial statements shown on pages 33 and 38.
(**) Restated following the change in the recognition criteria for actuarial profit/losses relating to employee severance benefits and to the defined-benefit pension plan .

Balance sheet ratios (*)	30.06.2011	31.12.2010
Loans to customers/Total net assets	74.5%	74.0%
Direct customer funding/Total net assets	71.7%	70.7%
Asset management/Total indirect funding	38.4%	38.4%
Loans to customers/Direct funding from customers	103.9%	104.6%
Total assets [(a)]/Shareholders'Equity (Leverage)	12.1	11.9
Profitability ratios (*)	**30.06.2011**	**30.06.2010 (°)**
Net interest income/Net operating revenues	63.2%	62.5%
Net commissions income/ Net operating revenues	33.3%	34.1%
Cost/Income	61.2%	56.7%
Net income/Average equity (ROE)[(b)]	5.9%	6.6%
Net profit (loss) for the year pertaining to shareholders of the parent company/Total assets (ROA)	0.5%	0.6%
Net profit (loss) for the year pertaining to shareholders of the parent company/Risk-weighted assets	0.8%	0.9%
Risk ratios (*)	**30.06.2011**	**31.12.2010**
Net bad debts/ Net loans to customers	1.5%	1.4%
Cost of risk [(c)]/Operating profit	36.0%	38.4%
Net bad debts/Total regulatory capital [(d)]	14.8%	14.6%
Net non-performing loans/Net loans to customers	4.4%	3.9%
Impairment adjustments of loans/Gross non-performing loans	36.6%	39.0%
Productivity ratios (*) (income statement)	**30.06.2011**	**30.06.2010 (°)**
Operating expenses / No. of employees (average)	124.3	114.2
Operating revenues / No. of employees (average)	203.2	201.4
Productivity ratios (*) (balance sheet)	**30.06.2011**	**31.12.2010**
Loans to customers / No. of employees (average)	4,264.9	4,143.7
Direct funding from customers / No. of employees (average)	4,105.9	3,960.7
Capital ratios (*)	**30.06.2011**	**31.12.2010**
Tier 1 capital [(e)]/Risk-weighted assets	8.2%	8.7%
Total regulatory capital [(d)]/Risk-weighted assets	10.9%	10.2%
Risk-weighted assets (thousands of euro)	31,593,029	28,208,749

(*) The ratios are based on the balance sheet and income statement figures of the reclassified financial statements shown on pages 33 and 38.
(°) 2010 income statement figures have been restated following the change in the recognition criteria for actuarial profit/losses relating to employee severance benefits and to the defined-benefit pension plan .
(a) Total assets correspond to the figure indicated in the accounting statement, balance sheet, assets; therefore, they are not concerned by the results of reclassifications described in the explanatory notes.
(b) Ratio between net profit and weighted average of capital, share premium, valuation reserves and reserves from retained earnings.
(c) Total cost of risk includes the provision for liabilities and contingencies, as well as net adjustments of loans.
(d) Tier-1 capital plus revaluation reserves, with the application of the so-called "prudential filters", net of investment property and equity investments exceeding the threshold set out by the supervisory regulations.
(e) Paid-up share capital, share premium and reserves established with retained earnings less treasury shares, goodwill, intangible assets including application of the prudential filters required under supervisory regulations.

Interim Report on Operations

Macroeconomic developments and the banking system

Macroeconomic developments in the first half-year of 2011

In the first half of 2011, Europe and the world continued to recover from the serious recession, leaving on the table a number of issues affecting return to normality and hindering a more longstanding and consolidated recovery. High levels of sovereign debt and a still unstable financial system are elements of profound uncertainty in the economic situation. The adjustment of public finance continues to affect the growth rate, especially in the Eurozone. In this recovery of the economic cycle, the plans prepared by the European Commissions and by the International Monetary Fund have helped in reducing the weight of public deficit on GDPs of the countries in a critical situation, even though they have not yet succeeded in abating market tensions. Lacking structural measures for the economic revival, high indebtedness affects the growth of these countries, as well as the possibility to reduce debt.

Central Banks have continued implementing an expansive monetary policy to foster the recovery of the real economy and to allow financial markets to return to normality.

In Europe, recovery has continued based on rates similar to those recorded in 2010, with a marked difference between the lively German growth and the limited one of other countries, including Italy. This process has been accompanied, on the one hand, by a re-emerging inflation alarm, closely monitored by the Central Bank, and, on the other, by limited improvements in the employment situation, which should lead, for the first time in two years, to a decrease in the unemployment rate.

In Italy, recovery is still weak, despite a limited acceleration in the first quarter of 2011, as substantiated by the performance of industrial production (up by 2.5% in the first four months compared with 2010), of export and by renewed confidence of companies and households. Growth continues being supported mostly by foreign demand, while domestic demand remains weak. Households' cautious spending attitude has been affected by the erosion of disposable income and by the difficult situation of the labour market. Investments are slowly returning to pre-crisis levels, driven by the positive trend of investments in machinery and plants, while the building sector trend remains negative.

The contribution of public demand is still weak, showing a decrease in discretionary expenses and a marked drop in expenditure on capital account.

The banking system in the first half-year of 2011

The improvement in the economic activity, although still uncertain, resulted in a progressive acceleration of lending to the private sector, thanks to the recovery of loans to enterprises, along with the persisting demand for mortgage loans by households. The demand for credit by enterprises has mainly resulted from debt restructuring and inventory stock funding requirements, as well as, to a marginal extent, from demand for investments. Loans to households have continued to support lending to the private sector, even though somewhat slowing down compared with 2010. Italian household indebtedness degree showed an increasing trend coming to about 65%, but still markedly lower than the European average.

The overall lending performance, however, is expected to remain at levels that are significantly lower than pre-crisis ones, also due to the need of maintaining a balanced ratio of loans to funding.

Credit quality has been affected by the ongoing financial weakness of enterprises with a still high ratio of net bad debts to net loans, which might grow also in the next few years. A slight improvement has been recorded in the other types of impaired loans, which have remained quite high.

The rate of growth in funding from households was moderate, reflecting the weakness of demand that was affected by the low interest rates and by the decrease in appetite for savings. Specifically, this trend impacted on current accounts, which, in the first half-year, showed a rather limited growth. The bond component was more lively, benefitting from more attractive yields and from a more favourable taxation. This recovery has been due also to the banks' choice to define liability management strategies aimed at rearranging funding towards its more stable components, both to face the ongoing financing difficulties on interbank markets and to gradually adjust to the new regulatory Basel III framework.

In general, the ongoing weakness in saving by households, due to the economic crisis, has continued to affect the growth of the financial business, also relating to assets under management and insurance products.

As to profit or loss, the banking system has shown a slight recovery in revenues, with net interest income stopping its fall, the increase in net income from services and the strong increase in net income from trading activities. Net interest income benefited from a growth in intermediated volumes due to the relative stability of spreads, whose expansion has been hindered by the increasing cost of funding. Net income from services has continued being a positive contribution to the growth of revenues, although it has started slowing down, especially in its traditional component.

Policies for the control of expenses continued being implemented, on which the effects of the synergies induced by the integration and merger transactions carried out in the previous years are draining away. The cost/income ratio still exceeded 61% with any improvement expected only in future years. Impairment of the loans portfolio, associated with a frail economic recovery, has kept the Cost of Risk high. Comprehensive income increased, although coming to levels quite far from pre-crisis ones.

Finally, important European and Italian banks have started significant recapitalization transactions to strengthen their soundness in adverse situations and improve future capital profitability.

Macroeconomic outlook for 2011

In the second half of 2011, the present expansive monetary policy is expected to be abandoned, with the ECB continuing to increase the policy rates and the FED starting to abandon its unconventional polices. Economic growth in the Eurozone is expected to remain at lower levels than those recorded last year, with an upturn in inflation. The Italian GDP is forecast to grow by less than 1%, with a slowdown in both consumption and investments, and with a limited improvement in terms of employment rate.

The trend of assets intermediated by Banks is forecast to accelerate with regard to loans increasing by approximately 6%, while the funding trend is forecast stable. Banks' net profit are expected to improve compared with 2010, thanks to the slight increase in revenues, to the control of expenses and to a decrease in adjustments of loans and in provisions.

Significant events in the half-year

In the first half of 2011, the Cariparma Crédit Agricole Group completed another step forward in its growth, which, in a few years, has led it to be the 7th Italian banking group in terms of number of branches. With the acquisition of Cassa di Risparmio della Spezia and of a network consisting of 96 branches from Intesa Sanpaolo, the Group has reached a total of 905 branches, consolidating its presence in most of the Italian national territory, as well as in large cities. The Group's expansion plan was developed based on targets of sustainable growth, equity soundness, efficient use of resources and constant monitoring of the risk profile of the different operations of the Bank, which have characterized such plan in these years.

Concomitantly with the acquisition of Carispezia and of the 96-branch network, the Group's Business Plan for 2011-2014 was presented to the financial markets, which sets forth the guidelines for the next few years.

The Group continues being strongly rooted in its local community and having a proximity bank vocation, through the three reference Banks that operate in the respective areas and are committed to maintain homogeneity of common reference values. Thanks to its sound equity and adequate liquidity, the Group has continued being the financial reference partner for households and businesses, ensuring support also in case of slowdowns of credit supply.

An effective cost management has allowed efficiency in using the available resources to be combined with the investments that are necessary to give an appropriate operating and control structure to the Group.

The Cariparma Crédit Agricole Group is part of the Crédit Agricole Group, one of the leading players in the European banking sector present in seventy countries in the world; Italy is the second national market after France for the Crédit Agricole Group. Being part of a large international group allows the Cariparma Crédit Agricole Group to benefit from highly-specialized services and products, supplied by the different product companies of the Group, which, in Italy, cover the entire production chain: leases, factoring, corporate and investment banking, life and non-life insurance, asset management, consumer credit, private banking.

Moreover, the Crédit Agricole Group ensures consistency of strategic development and financial unity of the single entities making it up, organizes and coordinates its specialized companies both in France and abroad.

Bank acquisitions

In the first half of 2011, the Cariparma Crédit Agricole Group finalized the acquisition of Carispezia and of the 96 branches coming from the Intesa Sanpaolo Group.

This transaction was started in 2010, within the activities required by the Italian Antitrust Authority relating to the management of Crédit Agricole's equity investment in Intesa Sanpaolo, and led to an agreement for the purchase by the Cariparma Crédit Agricole Group from the Intesa Sanpaolo Group:

- of the shareholding in Cassa di Risparmio della Spezia owned by Intesa Sanpaolo S.p.A. (80.00%);
- of the business units relating to 96 branches owned by Intesa Sanpaolo S.p.A., of which
    - 70 from Intesa Sanpaolo
    - 15 from Cassa di Risparmio del Veneto
    - 11 from Cassa di Risparmio di Firenze

Cassa di Risparmio della Spezia

Cassa di Risparmio della Spezia has been part of the Cariparma Crédit Agricole Group starting from 3 January 2011. The Bank has 76 branches, as well as some enterprises and private banking centres; its human resources are 553.

The relevant branches are mainly located throughout the province of La Spezia, where the Bank has a market share close to 34% and in the province of Massa Carrara, with a market share exceeding 16%. Carispezia’s entry allows the Group to operate in areas adjoining those of consolidated presence.

The purchase price for Cassa di Risparmio della Spezia was about €288 million; the Bank has taken €1.8 billion in loans to customers, €1.7 billion in direct funding and €2.2 billion in indirect funding to the Group; its shareholders’ equity amounts to approximately €165 million.

96 branches

The 96 branches acquired from the Intesa Sanpaolo Group progressively became part of the Cariparma Crédit Agricole Group in the first half-year, through business unit transfers: a first lot of 11 branches became part of the Group in March 2011, while the remaining 85 branches followed in May 2011.

The 96 branches are mainly located in large cities: Rome, Milan, Florence, Padua. The entry of these branches has allowed the Group to continue enhancing its competitive positioning in the main Italian cities. Thanks to this transaction, the Group’s presence will be strengthened in central Italy, starting operations in a new region, Umbria, with 4 branches located in the territory most attractive areas.

Thanks to the acquisition of the 96 branches, the nationwide presence of both the Group’s Banks has been consolidated: 81 branches became part of the Cariparma’s network, the remaining 15 of Banca Popolare Friuladria’s one.

The purchase price for the 96 branches was about €450 million; these branches have taken €1.2 billion in loans to customers, €2.7 billion in direct funding and €4.7 billion in indirect funding to the Group.

The acquisition transaction was carried out with a transfer from the Intesa Sanpaolo Group of the assets and concomitant balance of assets and liabilities, achieved through the interbank market.

This acquisition was completed maintaining and further strengthening the Group’s soundness, liquidity and risk ratios. These ratios will be the basis for a sustainable growth over time, supporting the development of local economies and the ongoing growth of loans to households and enterprises with a reasonable cost of credit.

Purchase Price Allocation activities are presently under way relating to the purchase cost of the business unit and Cassa di Risparmio della Spezia, within the scope of application of IFRS 3 on Business combinations.

The business combination price shall be allocated to assets, liabilities and contingent liabilities, to intangible values not recognized in the financial statements within the limits of their fair value. In view of the complexity of this process, the international accounting standards permit entities to finalize the allocation of the transfer cost within 12 months of the acquisition date, that is, by 3 January 2012 for Carispezia, by 28 March for the lot of 11 branches and by 15 May for the last lot.

Strategic Plan

In June 2011 the Cariparma Crédit Agricole Group presented the Strategic Plan for 2011-2014 to the market, which sets forth the guidelines to be followed in the next years. The new Plan has arrived after 4 years during which the Group strongly developed, both in terms of organic growth and of external lines, remaining the market leader in terms of profitability and efficiency.

This Plan is based on 3 key directives:

- growth in customer base and customers' centrality in the Group's strategy;
- the Group's distinctiveness by enhancing the employees' professional skills and asserting the values of proximity and support to the areas in which the Group operates;
- efficiency and soundness of the operating and management model.

A substantial investment plan was defined, amounting to €325 million, with the target to set a strong development course for the organizational model and for services to customers, which will take the shape of a highly innovative supply and business model. Investments will be targeted at projects having a strong impact: a significant progress towards the use of multiple channels, development of the Enterprises and Corporate segments, focussing on the food and agricultural sector and enhancement of human resources through a challenging internal training course.

The increase in customer base is the key topic of the business plan. The acquisition of new customers will be pursued through synergic actions, such as the opening of highly-automated branches and new points of sale, the innovation of the service model for the Retail and Private Banking channels, the use of multiple channels.

The optimization of the organizational and management model aims at reducing transactions at branch level, transferring the activities to central back offices, thus allowing branch managers to focus exclusively on commercial and relation activities. The lending process will be highly automated, streamlining procedures and significantly reducing response times.

Enhancing professional skills and training will continue as one of the Group's reference values, with the Group's Corporate University in Piacenza and the partnership with Università Cattolica.

The assertion of the values of proximity and support to the areas in which the Group operates is one of the Group's policies: in this perspective, development lines have been set for the subsidiaries Banca Popolare FriulAdria and Cassa di Risparmio della Spezia. The former will develop its operations in the Veneto region, while Cassa di Risparmio della Spezia will continue its consolidation with the possibility of further development in the Liguria region.

Capital transactions

In the first half of 2011, the Cariparma Crédit Agricole Group carried out capital management transactions aiming at further strengthening the Group's capital position, both subsequent to the recent bank acquisitions, and to the new bank capital adequacy standards, which will be introduced in the near future with Basel III supervisory provisions.

Specifically:

- equity increase by €734 million, including the share premium fully subscribed by Cariparma shareholders;
- issue of Tier One capital non-innovative instruments for €120 million, to strengthen Tier 1;

- issue of subordinated loans for €400 million, to strengthen Tier 2 capital.

Increase of Parent's equity	Date	Shares Issued	Share Capital	Share premium	Total
Situation at 01 january 2011	**01/01/2011**	**785,066**	**785,066**	**2,094,770**	**2,879,836**
Cash payment for Carispezia purchase	28/02/2011	43,750	43,750	306,250	350,000
Underw riting to Business Unit about 11 Branches	28/03/2011	6,512	6,512	45,585	52,097
Underw riting to Business Unit about 70 Branches	13/05/2011	41,434	41,434	290,036	331,470
Situation at 30 june 2011 - Share Capital Total Capital		**876,762**	**876,762**	**2,736,641**	**3,613,403**
Total increases of the period		**91,696**	**91,696**	**641,871**	**733,567**

Other significant events

Liquidity

The Cariparma Crédit Agricole Group has adopted a system for liquidity risk control and management, which ensures the stability of the entities in the Group consistently with the balances and strategies defined by the Crédit Agricole Group. Continuous monitoring of financial risks combined with stress testing measurements on the balances of financial statement items both allow the banks' liquidity requirements to to be defined punctually and perspectively, ensuring concomitant activation of corrective measures and leverage.

The Group pursues a sustainable and balanced growth of assets allowing an adequate liquidity position to be ensured. The still weak economic and financial situation makes funding cost more and more onerous: the financial soundness of the Crédit Agricole Group allows any liquidity requirements to be met without having to go through the interbank market.

Issuing of Bonds

In the first half of 2011, 79 new issues of bonds were made at Group level, mainly fixed-rate/step up, confirming the fact that, in a time of uncertainty, fixes returns and coupon flows have been preferred by customers; however, floating rate instruments were also issued, even in a lower number, among which the so-called Cap & Floor bond, index-linked to 3-month Euribor, which guarantees preset minimum and maximum return. Overall, at Group level, over €1,900 million in bonds have been placed to customers, compared with €1,700 million coming to maturity.

Tax-related disputes

As already described in 2010 Annual Report, a dispute relating to registration taxes is presently under way with the Italian Inland Revenue Service. The latter requalified – as sale of a company - the transactions carried out in 2007 for the transfer of branches from Intesa Sanpaolo to Cariparma and FriulAdria and the subsequent transfer of the acquired shares to the institutional shareholders of the two Banks. The Crédit Agricole Group, together with the other subjects involved, paid the registration tax, whose total was jointly due, for approximately €40 million, plus interest, concomitantly starting a dispute with the Inland Revenue Service. A similar problem and a similar solution emerged for a transaction carried out by Calit with the

Intesa Group for €2.2 million. In 2010, FriulAdria was served a tax assessment notice (the relevant counter-claim has already been filed) and an official record of findings (Italian acronym: PVC) relating to repurchase agreement transactions made in 2005-2007 on foreign securities. In the first half of 2011, Cariparma was served an official record of findings for similar transactions made in 2006. This claim, amounting to €6.6 million in taxes for the Group, as well as any penalties and interest, concerns the partial non-recognition of foreign tax credit relating to withholdings paid abroad. In 2010, an Official Record of Findings was also served to Cariparma regarding a possible charge for a non-recourse factoring transaction performed in 2005, which could give rise to a payment request for taxes amounting to approximately €5.5 million, plus penalties and interest. In the light of specific opinions from important legal counsels, no provision has been made for this purpose. Also relating to the newly-acquired Carispezia, a dispute has been started for registration taxes amounting to approximately €0.6 million concerning the rate to be applied to a company purchase made in 2008 by Carifirenze, which was at the time Carispezia's controlling company; the Inland Revenue Service has filed an appeal against the first instance court's ruling which was partially favourable to Carispezia. It is stated that, relating to disputes other than those relating to registration taxes on transfers, there are guarantees issued by third parties to the benefit of the Crédit Agricole Group.

Sponsorships

In May 2011, the sponsorship agreement was renewed by and between the Cariparma Crédit Agricole Group and the Italian Rugby Federation. Continuing the course started in 2007 with regard to the shirts of the Italian national rugby team, the new agreement will expire at the end of 2014, with an option for a further 1-year renewal.

Environment

In June 2011, Cariparma received the Green Globe Banking Award, an important Italian award for Banks that are focussed on the environment. This substantiates the Group's intention to target its strategies, in line with the Parent Company Crédit Agricole, at the development of ideas, projects and initiatives aiming at energy saving and environment protection.

Value

The “Milano Finanza Act Global Awards”, an annual award for the main players in the banking, financial and communication sectors standing out for their excellent performance, recognized Cariparma as the best bank at a national level giving it the “Creatori di Valore” (Value Creators) award. The strong boost to the preservation and development of lending to enterprises was recognized, in particular to the agricultural and industrial sectors rooted in the areas where the Group network operates.

Moreover, the Group continued its sponsoring and charity activities in the sectors of culture (“Dalle collezioni rinascimentali ad Ambasciata di Francia” art exhibition at Palazzo Farnese (Palazzo Farnese from the Renaissance collections to Embassy of France), of research (supporting ADMO (Italian Bone Marrow Donor Association) and of sport.

Company Child Care Facility

In the first half of 2011, the Company Child Care Facility was completed and it will be used both for employees' children and for children on the child care list of the Municipality of Parma. The Child Care Facility, which will open in September, has been designed complying with bio-sustainability and energy saving standards.

The Company's performance

The Company's performance in the first half of 2011 referred to the new perimeter consisting of the Parent Company, Cariparma, the subsidiaries Banca Popolare FriulAdria, Cassa di Risparmio della Spezia and Crédit Agricole Leasing, the special purpose company (Italian acronym: SDS) Mondo Mutui Cariparma S.r.l. all consolidated on a line-item basis, of CA Vita Compagnia di Assicurazioni S.p.A., and CA Agro-Alimentare, associated companies, consolidated with the equity method.

A comparison with 2010 cannot be homogeneous in terms of profit or loss and equity figures, due to the acquisition by the Cariparma Crédit Agricole Group of Cassa di Risparmio della Spezia and of 96 branches from the Intesa Sanpaolo Group.

Moreover, the acquisition was completed based on different time frames: Cassa di Risparmio della Spezia contributed for the entire half-year, Cariparma first 11 branches contributed for three months and a half, while the remaining 85 branches (of which 70 of Cariparma and 15 of Banca Popolare FriulAdria) have contributed to the company performance for the last month and a half.

Performance

Despite it operates in a macroeconomic situation presently recovering but still quite uncertain with regard to outlook, the Cariparma Crédit Agricole Group achieved a **net profit for the period** amounting to €120.1 million, up by +0.6% year on year, thanks to the increase in income and to control of the cost of risk, which offset the increase in operating expenses. This performance can be deemed even more important given that, in the first half-year, integration expenses were recognized relating to the acquisition of Carispezia and of the 96 branches from the Intesa Sanpaolo Group, amounting to over €26 million.

The Group's **net operating income** for the first half-year came to €815.0 million, posting a marked increase (+12,2%) compared with the same period in 2010, which did not include the contribution of Carispezia and of the 96 branches acquired in the first half of 2011. This was mainly driven by the positive performance of net interest income and by the realized capital gains, as well as by the good performance of commission income. Interest income came to €515.2 million (+13,6%), benefitting from the positive contribution of the financial management relating to interest on government securities, used to hedge interest rate risk within the ALM scope. The contribution of the customer component was also positive, driven by the increase in volumes. Commission income came to €271.1 million (+9,3%), thanks to the positive contribution of the Wealth Management, where higher commissions for insurance placing absorbed the negative impact resulting from the implementation of the provisions issued by the Bank of Italy on Usury and Transparency. The performance of traditional commissions was also positive, thanks to the income from insurance products and structured finance, while commissions on e-money and current accounts were substantially unchanged, currents accounts being affected by the application of the regulation (pursuant to Law 108/96), which governs the relevant provisions on usury.

Income from trading activities came to €33.0 million (+17.8%), due to both the sale of a part of government securities made implementing the maturity transformation policy (Asset Liability Management), and to increased operativeness in financial intermediation on derivatives with Customers.

Operating expenses came to €498.8 million, up by €87.0 million compared with the first half of 2010 (+21.1%); this aggregate includes €26.5 million for integration expenses relating to the acquisition of Carispezia and of the 96 branches, mainly due to the communication campaign and IT migration. Net of integration expenses, the change would be +14.7%.

The changes in these aggregates can be accounted for with an increase in staff expenses, amounting to €303.1 million, +15.7%, which can be ascribed to non-recurrent events recognized in 2010 and linked to the INPS (Italian National Social Security Institute) tax benefit for training activities, as well as to the implementation of the increases provided for in the national collective bargaining agreement (Italian acronym CCNL), only partially offset by staff reduction (-61 medium-level staff). Administrative expenses came to €157.1 million, up by +35.0% year on year, mainly for the expenses associated to Carispezia and to the 96 branches.

Depreciation and amortization came to €38.6 million increasing by +15.4% due to both the coming into effect of the amortization rates on investments made in 2010, and the impact of new investments made in 2011, confirming the policy for continuous improvement and innovation adopted by the Group, with a specific focus on regulations and information technology.

In this situation, the **cost/income ratio** increased by 4.5 percentage points compared with the first half of 2010, coming to 61.2%; net of integration and ordinary expenses of Carispezia and the 96 branches, the cost/income ratio would have been 58.1%, slightly increasing compared with the value of June 2010 (+1.4 percentage points), thus substantiating the Group's efficiency.

Net provisions for liabilities and contingencies decreased by 60.4%, coming to €5.1 million. This decrease was due to a favourable development in a dispute relating to a position entailing a significant amount and subject to a bankruptcy revocatory action, partially offset by an increase in provisions on positions subject to non-lending-related legal disputes.

Net impairment adjustments of loans came to €108.8 million, up by 6,3%. The performance of this component can be accounted for with the passage of new positions to bad debt and substandard loan status, which caused a concomitant increase in loan adjustments. This change, however, allowed an adequate coverage of the various types of non-performing loans to be ensured. In the first half-year, indeed, the control and enhancement of the internal processes for loan monitoring and management continued, in a perspective of prudent credit risk management.

Net profit came to €120.1 million, after recognizing taxes for €80.8 million, with a tax rate of 39.2%.

To calculate **taxes,** an average annual tax rate was used, which represents the best estimate of the weighted average of the tax burden for the entire year, in compliance with IAS 34.

Equity profitability, expressed by ROE (*Return on Equity*), was 5.9%, slightly decreasing compared with June 2010 (6.6%). Net of integration expenses met in the period, this ratio would be 6.7%, increasing year on year (+0.1 percentage points), thus confirming the Group's high profitability in a still uncertain market situation.

Balance sheet aggregates

As at 30 June 2011, **loans** amounted to €34,691 million, up by 14.1%. This increase can be mainly ascribed to mortgage loans, which came to €19,921 million, up by 16.6% compared with 31 December 2010. Current accounts also increased, +19.1%, coming to €5,280 million.

This increase in lending was driven by loans to households for home purchases and loans to enterprises, whose recovery is due to the demand trend, driven by a slight increase in production over the year.

In a still difficult economic and financial situation, the Group confirmed its role as a main player in supporting the local economy development; in order to foster recovery of small and medium enterprises, over €1.3 billion were allocated in credit limits to support the Italian economic fabric.

Non-performing loans increased year on year due to the ongoing weakness of the economic cycle. Non-performing loans portfolio, net of adjustments, amounted to €1,530 million, up by 29.5% compared with 31 December 2010.

The weight of non-performing loans on net total loans was 4.4%, slightly increasing compared with the year-end figure (3.9%). The coverage ratio was 37%, slightly decreasing compared with the figure of last December (39%). The ratio of net impairment adjustments of loans to net loans to Customers came, on annual basis, to 0.6%, posting an improvement compared with 31 December 2010 (0.7%), thus confirming the effective management policy for the loan portfolio.

Total funding, which represents the aggregate of total funds intermediated on behalf of Customers, came to €83,459 million, up by 15.8% compared with December 2010.

Direct funding totalled €33,397 million, up by 14.9% compared with the end of 2010 and accounted for 40% of total funding.

In general, Customers showed low risk appetite and preferred medium/long-term investments, in securities issued by the Group. A change in direct funding was recorded, that is a shifting from the short-term segment, mainly current accounts, towards the bond segment that is characterized by more interesting yields. Medium/long-term funding, indeed, increased due to the issue of new bonds in the first six months of 2011 exceeding the repayment of debenture loans that reached maturity in this period.

Indirect funding increased by 16.4% compared with December 2010, coming to €50,062 million and accounted for 60% of total funding. This increase was mainly driven by securities under administration and by insurance funding; the contribution of assets under management was less weighty.

Net interbank debt position of the Cariparma Crédit Agricole Group showed a net debt amounting to €6,206 million, down by 3.5% compared with December 2010; the negative balance can be attributed to the net fixed-term **interbank position**, resulting from the financing of government securities in portfolio using repurchase agreements. These performances are part of an active policy designed to balance the Group’s financial statements items, as well as of governance and management of liquidity and interest rate risks.

Financial assets available for sale came to €7,421 million, increasing compared with December 2010 (+2.5%). These consisted mainly of fixed-rate government securities held within the scope of the bank’s management of interest rate risk.

Total equity came to €4,316 million, increasing by €435 million (+11.2%) compared with December 2010. This change can be mainly ascribed to the increase in equity by €734 million due to the transfer of Carispezia and of the 96 branches.

The **Regulatory Capital** amounted to €3,442 million, increasing by €555 million compared with December 2010. This aggregate was affected by the share capital increase and by the goodwill deduction for the acquisition of Carispezia and of the 96 branches; moreover, capital instruments were issued to strengthen Tier 1 and Tier 2 capitals. The Regulatory Capital took into account the case of dividend distribution for the period for the Banks in the Group and the concomitant allocation of retained earnings to reserves.

Risk-weighted assets totalled €31,593 million, up by 12.0% compared with December 2010, mainly resulting from credit risk. This increase can be ascribed both to the increase in loans and to the expansion of the Group perimeter subsequent to the entry of Carispezia and of the 96 branches, which were not included in the 2010 perimeter.

Credit risk assets have been optimized based on the standard method pursuant to current regulations, with benefits in terms of control of Risk Weighted Assets.

The Group's **total Tier capital ratio** came to 10.9%, compared with 10.2% of December 2010; the ratio of the core equity capital to total risk-weighted assets (Tier One) came to 8.2%, compared with 8.7% last December.

Supervisory capital and the related capital ratios were calculated in accordance with the instructions of the Bank of Italy, adopting the standardized methods for the calculation of risk weighted assets for credit, counterparty risks, as well as for the calculation of operational risks, as done in 2010.

Risks and uncertainties

It can be stated here that the Group and its management are quite aware that sustainable development and growth can only be achieved with a careful analysis of the risks to which the Group is exposed, of the relevant uncertainties in terms of impacts caused by such risks on equity, income and financial structures, and with procedures for the management and reduction of risks to acceptable levels.

Therefore and in compliance with the regulatory provisions, both relating to the sector the Group companies belong to and pursuant to Legislative Decree No. 178 of 2 November 2008, the current trend of financial and real economy in its entirety, as well as the measures and choices of monetary and real economy that will continue being adopted by supernational bodies and state governments to fight the crisis still today unescapable, are certainly important factors that shall lead all financial operators to adopt growth and development policies focused on safeguarding and protection of all stakeholders' interests, without neglecting the institutional role that the Group as such has both for support of the economic and social texture of its enterprise clients and for the enhancing of that key development factor that consists of savings.

Dividends distributed by the Parent Company in the Half-year

The net profit achieved in 2010 by the Parent Company amounted to €241,574,482. During the first half of 2011, in line with the resolution of the Shareholders' General Meeting held on 18 April 2011, the Parent Company, Cariparma S.p.A., allocated this amount as follows:

5% to the legal reserve	12,078,724
to the charity fund	3,000,000
to the shareholders	137,386,513
to extraordinary reserve	89,109,245

The payment of the dividend was made on 2 May 2011, amounting to €0.175 for each of the 785,065,789 ordinary shares.

Interim Condensed Consolidated Financial Statements

CONSOLIDATED BALANCE SHEET

Assets		30.06.2011	31.12.2010
10.	Cash and cash equivalents	232,639	214,900
20.	Financial assets held for trading	259,468	299,335
40.	Financial assets available for sale	7,408,969	7,185,080
60.	Loans to banks	5,079,270	4,629,496
70.	Loans to customers	34,687,207	30,406,621
80.	Hedging derivatives	334,477	400,028
90.	Value adjustment of financial assets subject to macro hedging (+/-)	562	-
100.	Equity investments	122,109	119,975
120.	Property, plant and equipment	432,387	389,823
130.	Intangible assets	2,035,017	1,432,969
	of which: goodwill	1,759,798	*1,151,534*
140.	Tax assets	533,526	638,020
	(a) current	*144,004*	*257,622*
	(b) deferred	*389,522*	*380,398*
160.	Other Assets	1,085,187	622,876
Total assets		**52,210,818**	**46,339,123**

Liabilities and Equity		30.06.2011	31.12.2010
10.	Due to banks	11,287,270	11,078,000
20.	Due to customers	21,518,450	18,114,794
30.	Securities issued	12,106,101	11,181,460
40.	Financial liabilities held for trading	239,202	283,939
60.	Hedging derivatives	67,383	22,899
70.	Adjustment of financial liabilities hedged generically (+/-)	21,758	77,273
80.	Tax liabilities	187,046	290,239
	(a) current	*123,029*	*219,975*
	b) deferred	*64,017*	*70,264*
100.	Other liabilities	2,018,605	1,014,227
110.	Employee severance benefits	139,661	133,418
120.	Provisions for liabilities and contingencies	124,444	105,213
	(a) pension and similar liabilities	*25,004*	*22,374*
	(b) other provisions	*99,440*	*82,839*
140.	Valuation reserves	-131,697	-109,661
170.	Reserves	714,444	870,772
180.	Share premium reserve	2,736,345	2,094,474
190.	Share capital	876,762	785,066
210.	Minority interests (+/-)	184,948	156,933
220.	Net profit (Loss) for the period (+/-)	120,096	240,077
Total liabilities and equity		**52,210,818**	**46,339,123**

CONSOLIDATED INCOME STATEMENT

Items	30.06.2011	30.06.2010 (*)
10. Interest income and similar revenues	743,797	606,729
20. Interest expense and similar charges	(237,355)	(160,178)
30. Net interest income	**506,442**	**446,551**
40. Commission income	281,925	257,754
50. Commission expense	(10,798)	(9,766)
60. Net commission income	**271,127**	**247,988**
70. Dividends and similar revenues	1,542	1,373
80. Net gain (loss) on trading activities	12,638	9,992
90. Net gain (loss) on hedging activities	469	4,075
100. Gain (loss) on disposal or repurchase of:	20,309	9,941
a) loans	443	(3,979)
b) financial assets available for sale	18,713	13,950
d) financial liabilities	1,153	(30)
120. Gross income	**812,527**	**719,920**
130. Net impairment adjustments of:	(100,846)	(92,931)
a) loans	(104,057)	(93,220)
b) financial assets available for sale	-	(37)
d) other financial transactions	3,211	326
140. Profit (loss) from financial operations	**711,681**	**626,989**
170. Profit (loss) from financial operations and insurance undertakings	**711,681**	**626,989**
180. Administrative expenses:	(559,898)	(455,094)
a) staff expenses	(303,107)	(262,048)
b) other administrative expenses	(256,791)	(193,046)
190. Net provisions for liabilities and contingencies	(5,064)	(12,796)
200. Net adjustments/writebacks of property, plant and equipment	(14,326)	(12,804)
210. Net adjustments/writebacks of intangible assets	(24,279)	(20,649)
220. Other operating revenues (expenses)	94,182	73,699
230. Operating expenses	**(509,385)**	**(427,644)**
240. Gain (loss) on equity investments	3,950	4,796
270. Gain (loss) on disposal of investments	1	115
280. Gain (loss) before tax on continuing operations	**206,247**	**204,256**
290. Income tax for the period on continuing operations	(80,840)	(80,101)
300. Profit (loss) after tax on continuing operations	**125,407**	**124,155**
320. Net profit (loss) for the period	**125,407**	**124,155**
330. Net profit (loss) pertaining to minority interests	(5,311)	(4,744)
340. Profit (loss) for the period pertaining to the Parent Company	**120,096**	**119,411**

(*) Restated following the change in the recognition criteria for actuarial profit/losses relating to employee severance benefits and to the defined-benefit pension plan.

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

	Items	30.06.2011	30.06.2010 (*)
10.	**Profit (loss) for the period**	**125,407**	**124,155**
	Other income before tax		
20.	Financial assets available for sale	(12,711)	(50,829)
30.	Property, plant and equipment	-	-
40.	Intangible assets	-	-
50.	Hedging of foreign investments	-	-
60.	Cash flow hedges	(234)	(629)
70.	Exchange rate differences	-	-
80.	Disposal groups	-	-
90.	Actuarial gains (losses) on defined-benefit plans	456	(7,393)
100.	Share of Valuation Reserves on equity investments accounted for using the equity method (**)	(4,682)	(11,010)
110.	**Other income after tax**	**(17,171)**	**(69,861)**
120.	**Comprehensive income (Item 10+110)**	**108,236**	**54,294**
130.	Consolidated comprehensive income pertaining to minority interests	4,509	2,472
140.	**Consolidated comprehensive income pertaining to the Parent Company**	**103,727**	**51,822**

(*) Restated following the change in the recognition criteria for actuarial profit/losses relating to employee severance benefits and to the defined-benefit pension plan.
(**) This figure refers to the associated company CA Vita and reflects measurement at fair value of financial instruments recognized in the "available-for-sale financial assets" category, net of changes in "Discretionary Participation Feature reserve (DPF reserve)" relating to separate account products, net of the relevant tax effects.

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY AS AT 30 JUNE 2011

	Share capital: ordinary shares	Share premium reserve	Reserves: income	Reserves: other	Valuation reserves	Net profit (loss) for the period	Equity
EQUITY OF SHAREHOLDERS OF THE GROUP AT 31.12.2010	785,066	2,094,474	608,790	261,982	-109,661	240,077	3,880,728
EQUITY OF MINORITY INTEREST AT 31.12.2010	34,367	85,628	28,553	4	-409	8,790	156,933
ALLOCATION OF NET PROFIT FOR THE PREVIOUS PERIOD:							
Reserves	-	-	99,866	-	-	-99,866	**-**
Dividends and other allocations	-	-	-	-	-	-149,001	**-149,001**
CHANGES FOR THE PERIOD							**-**
Changes in reserves	-	-	-	-	-	-	**-**
Shareholders' equity transactions							
Issue of new shares	91,696	641,871	-	-262,500	-	-	**471,067**
Charity	-	-	1,200	-	-	-	**1,200**
Other changes	-	-	-	-	-	-	**-**
Consolidation adjustments	19,630	8,356	9,373	-	-5,668	-	**31,691**
Shares and rights on shares of the							**-**
Parent Company granted to							
Employees and Directors	-	-	-	44	-	-	**44**
Comprehensive income	-	-	-		-17,171	125,407	**108,236**
EQUITY OF SHAREHOLDERS OF THE GROUP AT 30.06.2011	**876,762**	**2,736,345**	**714,918**	**-518**	**-131,697**	**120,096**	**4,315,950**
EQUITY OF MINORITY INTEREST AT 30.06.2011	**53,997**	**93,984**	**32,864**	**4**	**-1,212**	**5,311**	**184,948**

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY AS AT 30.06.2010

	Share capital: ordinary shares	Share premium reserve	Reserves: income	Reserves: other	Valuation reserves	Net profit (loss) for the period	Equity
EQUITY OF SHAREHOLDERS OF THE GROUP AT 31.12.2009 (*)	785,066	2,094,474	475,493	-599	57,431	305,713	3,717,578
EQUITY OF MINORITY INTEREST AT 31.12.2009 (*)	34,367	85,628	28,680	4	6,312	6,603	161,594
ALLOCATION OF NET PROFIT FOR THE PREVIOUS PERIOD:							
Reserves	-	-	129,730	-	-	-129,730	**-**
Dividends and other allocations	-	-	-	-	-	-182,586	**-182,586**
CHANGES FOR THE PERIOD							
Changes in reserves	-	-	-	-	-	-	**-**
Shareholders' equity transactions							
Charity	-	-	1,000	-	-	-	**1,000**
Other changes	-	-	-	-	-	-	**-**
Consolidation adjustments	-	-	10,345	-	-11,635	-	**-1,290**
Shares and rights on shares of the							
Parent Company granted to							
Employees and Directors	-	-	-	40	-	-	**40**
Comprehensive income	-	-	-	-	-69,861	124,155	**54,294**
EQUITY OF SHAREHOLDERS OF THE GROUP AT 30.06.2010	**785,066**	**2,094,474**	**616,515**	**-559**	**-20,618**	**119,411**	**3,594,289**
EQUITY OF MINORITY INTEREST AT 30.06.2010	**34,367**	**85,628**	**28,733**	**4**	**2,865**	**4,744**	**156,341**

(*) Restated following the change in the recognition criteria for actuarial profit/losses relating to employee severance benefits and to the defined-benefit pension plan.

CONSOLIDATED CASH FLOW STATEMENT

	30.06.2011	30.06.2010 (*)
A. OPERATING ACTIVITIES		
1. Operations	**402,469**	**460,996**
- net profit (loss) for the period (+/-)	120,096	119,411
- gains (losses) on financial assets held for trading and on financial assets/liabilities carried at fair value (+/-)	5,384	-3,582
- gains (losses) on hedging activities (+/-)	4,957	-1,354
- net impairment adjustments (+/-)	-3,211	92,009
- net adjustments of property, plant and equipment and intangible assets (+/-)	38,605	33,453
- net provisions for liabilities and contingencies and other costs/revenues (+/-)	5,064	12,796
- unpaid taxes and duties (+)	80,840	80,101
- other adjustments (+/-)	150,734	128,162
2. Liquidity generated/absorbed by financial assets	**-705,310**	**-3,102,800**
- financial assets held for trading	35,181	-8,621
- financial assets carried at fair value	-	-
- financial assets available for sale	-212,770	-2,224,963
- loans to banks: demand	87,170	34,314
- loans to banks: other loans	1,143,284	154,169
- loans to customers	-1,268,141	-655,470
- other assets	-490,034	-402,229
3. Liquidity generated/absorbed by financial liabilities	**704,273**	**3,188,312**
- due to banks: demand	-39,888	-55,949
- due to banks: other payables	105,474	2,621,702
- due to customers	-826,449	129,360
- securities issued	745,991	80,334
- financial liabilities held for trading	-45,538	58,283
- other liabilities	764,683	354,582
Net liquidity generated/absorbed by operating activities	**401,431**	**546,508**
B. INVESTMENT ACTIVITIES		
1. Liquidity generated by:	**1,543**	**1,554**
- dividends from equity investments	1,542	1,373
- sales of property, plant and equipment	1	181
2. Liquidity absorbed by:	**-324,934**	**-8,412**
- purchase of equity investments	4,163	10,997
- purchases of property, plant and equipment	-5,719	-12,730
- purchases of intangible assets	-18,063	-6,679
- purchases of subsidiaries and business unit	-305,315	-
Net liquidity generated/absorbed by investing activities	**-323,391**	**-6,858**
C. FUNDING		
- issues/purchases of treasury shares	87,500	-
- issues/purchases of capital instruments	-	-
- dividend distribution and other	-147,801	-181,586
Net liquidity generated/absorbed by funding	**-60,301**	**-181,586**
NET LIQUIDITY GENERATED/ABSORBED DURING THE PERIOD	**17,739**	**358,064**

RECONCILIATION

Financial Statement items	30.06.2011	30.06.2010 (*)
Cash and cash equivalents at beginning of period	214,900	220,398
Total net liquidity generated/absorbed during the period	17,739	358,064
Cash and cash equivalents at end of period	**232,639**	**578,462**

KEY: (+) generated (–) absorbed

(*) Restated following the change in the recognition criteria for actuarial profit/losses relating to employee severance benefits and to the defined-benefit pension plan.

Explanatory Notes to the Consolidated Financial Statements

Accounting policies

Declaration of Conformity with the International Accounting Standards

This Consolidated Half-year Financial Report has been prepared in accordance with the International Accounting Standards and the International Financial Reporting Standards (IASs/IFRSs) issued by the International Accounting Standards Board (IASB), and the related interpretations issued by the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC), as provided for in Regulation (EC) No. 1606/2002.

In particular, the accounting standards used to prepare this report are the same ones used to prepare the Annual Report closed as at 31 December 2010, and described therein, except for the new standards and interpretations in force since 1 January 2011, issued by the IASB and endorsed by the European Commission.

This Report was also drawn up in compliance with IAS 34 “Interim Financial Reporting”, in a consolidated form, according to art. 154-ter of Legislative Decree no. 58 of 24 February 1998, the Italian Consolidated Law on Financial Intermediation (Italian acronym: TUF).

The Condensed Consolidated Half-year Financial Report undergoes a limited audit carried out by the Independent Auditors Reconta Ernst & Young S.p.A.

General Preparation Principles

The Consolidated Half-year Financial Report consists of the Condensed Consolidated Half-year Financial Statements, the Interim Report on Operations and the certification required by art. 154-bis, paragraph 5 of the Italian Consolidated Law on Financial Intermediation, and the Euro has been used as the reporting currency in the preparation of the financial statements. The figures reported in the financial statements and in the tables are expressed in thousands of Euro, unless otherwise specified.

This Financial Report was prepared, as the Annual Report as at 31 December 2010, on a going-concern basis.

The Condensed Consolidated Half-year Financial Report includes:

- the Balance Sheet;
- the Income Statement;
- the Statement of Comprehensive Income;
- the Statements of Changes in Shareholders’ Equity;
- the Cash Flow Statement
- the Explanatory Notes to the Consolidated Financial Statements.

As stated in the Interim Report on Operations, the purchase price allocation activities are presently under way relating to the purchase price of the business unit and Cassa di Risparmio della Spezia, within the scope of application of IFRS 3 on Business combinations.

The business combination price shall be allocated to assets, liabilities and contingent liabilities, to intangible values not recognized in the financial statements within the limits of their fair value. In view of the complexity of this process, the international accounting standards permit entities to finalize the allocation of this price within 12 months of the acquisition date.

Scope and Method of Consolidation

In addition to the Parent Company, Cassa di Risparmio di Parma e Piacenza S.p.A., the scope of consolidation is represented by its subsidiary and associated companies identified below.

Subsidiaries are companies in which the Parent Company directly or indirectly holds more than 50% of the voting rights in the shareholders' meeting or in which, despite holding less than 50% of the voting rights, it has the power to appoint the majority of the directors of the subsidiary or to determine its financial and operating policies.

Associates are companies on which the Parent Company exercises significant influence, holding, either directly or indirectly, at least 20% of voting rights or having the power to participate in determining financial and operating policies, despite holding less than 20%of the voting rights, due to specific legal ties, such as being party to a shareholders' agreements.

The following statement shows equity investments in the consolidation scope, specifying:

- the method of consolidation,
- the type of control/association;
- the shareholder;
- percentage of voting rights held by the shareholder.

Company name	Registered office	Type of relationship	Investor	% share of votes
A. Company				
A1. Consolidated on a line-by-line basis				
1. Banca Popolare FriulAdria S.p.A.	Pordenone	subsidiary	Cariparma S.p.A.	80.17%
2. Crédit Agricole Leasing Italia S.r.l.	Milano	subsidiary	Cariparma S.p.A.	85.00%
3. Cassa di Risparmio della Spezia	La Spezia	subsidiary	Cariparma S.p.A.	80.00%
3. Mondo Mutui Cariparma S.r.l.	Milano	other types of control	Cariparma S.p.A.	19.00%
A2. Consolidated with shareholders' equity method				
1. Crédit Agricole Vita S.p.A.	Parma	associate	Cariparma S.p.A.	49.99%
2. CA Agro-Alimentare S.p.A.	Parma	associate	Cariparma S.p.A.	26.32%
			FriulAdria S.p.A.	10.53%

The methods used to consolidate the financial statement items of subsidiaries (line-by-line aggregation for full consolidation) and of associates (equity method) have remained unchanged compared to the ones used to prepare the Consolidated Financial Statements as at 31 December 2010, taking into consideration for the first time Cassa di Risparmio della Spezia that was acquired at the beginning of the half-year.

As in the Consolidated Annual Report as at 31 December 2010, in the consolidated half-year financial report as at 30 June 2011 the Mondo Mutui Cariparma S.r.l. Company was consolidated, since it is a specific-purpose entity (SPE) whose activities are practically carried out exclusively in the interest of the Parent Company with reference to its specific corporate requirements so that the same Parent Company receives the relevant benefits (SIC 12).

Change of the accounting policy

In 2010, the Group companies aligned with the accounting policies of the controlling company Crédit Agricole S.A. with regard to the recognition in the Financial Statements of actuarial profits and losses relating to defined-benefit plans after the termination of the employment relation. It was opted to recognize these in equity, and not in the Income Statement (IAS 19).

The main effects of this change on profits or losses for the first half of 2011 are set forth below.

NET PROFIT FOR THE PERIOD (as per consolidated financial report as at 30 June 2010)	112,269
CHANGES	7,142
Administrative expenses: a) staff expenses (item 180)	10,197
Income tax for the period on continuing operations (item 290)	(2,804)
Net profit (loss) pertaining to minority interests (item 330)	(251)
NET PROFIT FRO THE PERIOD (at 30 June 2010 restated)	**119,411**

Accounting portfolios: breakdown by fair value level

Financial assets/liabilities carried at fair value	30.06.2011			31.12.2010		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Financial assets held for trading	7,667	178,842	72,959	15,717	179,804	103,814
2. Financial assets carried at fair value	-	-	-	-	-	-
3. Financial assets available for sale	7,229,509	2,714	176,746	7,016,965	-	168,115
4. Hedging derivatives	-	326,526	7,951	-	400,028	-
Total	**7,237,176**	**508,082**	**257,656**	**7,032,682**	**579,832**	**271,929**
1. Financial liabilities held for trading	25	164,084	75,093	5	179,172	104,762
2. Financial liabilities carried at fair value	-	-	-	-	-	-
3. Hedging derivatives	-	67,383	-	-	22,899	-
Total	**25**	**231,467**	**75,093**	**5**	**202,071**	**104,762**

In the first half-year, transfers between fair value hierarchic levels concerned €5.7 million worth of financial assets held for trading (from level 3 to level 2) and €5.9 million worth of financial liabilities held for trading (from level 3 to level 2).

Events subsequent to the half-year closing date and outlook

In the second half of 2011, the Cariparma Crédit Agricole Group will continue to perform its mission as community bank for households and businesses, with a strong bond to the area, consolidating its presence in the areas where it has long been operating and disseminating its values in the areas where it has recently started operations.

The new Strategic Plan for 2011-2014 defines the development lines that will guide a Group ranking among the main players of the Italian banking scenario. The Group, with its new size, wants to reconfirm its mission as proximity bank, with strong roots in the community, focussed on the increasingly complex demand from households and enterprises, benefitting from being part of a leading international banking network.

The Group will continue to implement the consolidated lines of action aimed at achieving a sustainable growth in the medium term on the following strategic lines:

- high and constant profitability, focussing on equity soundness, control of operating expenses and credit quality;
- providing support to households through specific collaboration and financial aid agreements, which will lead to an organic growth in all areas where the Group operates;
- sustainability over time of business with Customers and of support to the community, exploiting all potential.

From 30 June 2011 to the date of approval of this report no events occurred such as to significantly affect the bank's structure.

Economic results

In the following statements, the Income Statement figures as at 30 June 2011 are compared to the figures referring to the same period last year. The relevant notes are included in the "Interim Report on Operations", where the company's performance is dealt with.

Income Statement Reclassification

In order to present performance more effectively, a summary income statement has been prepared with appropriate reclassification so as to report the various items on the basis of consistent operational principles.

The reclassifications concerned the following:

- the recovery of the time value component on loans, reported under the net interest income, rather than net impairment adjustments of loans, since this arises directly from applying the amortized cost method when there are no change in expected future cash flows;
- IAS gains resulting from the disposal of leased assets were taken to net interest income rather than to other operating revenues;
- net gains (losses) on trading activities and the net gains (losses) on hedging activities have been reallocated gains or losses on trading activities;
- gains and losses on the sale or repurchase of available-for-sale financial assets and financial liabilities have been re-allocated to net gain (loss) on trading activities;
- the recovery of expenses, taxes and duties has been posted as a direct reduction of administrative expenses, rather than being reported under other operating revenues/expense;
- net impairment adjustments of available-for-sale financial assets have been reported under other operating revenues/expenses;
- net impairment adjustments of other financial transactions, mainly relating to guarantees and commitments, have been moved to net impairment adjustments of loans.

Reclassified Consolidated Income Statement

	30.06.2011	30.06.2010 (*)	Changes	
			total	%
Net interest	515,154	453,644	61,510	13.6
Net commissions	271,127	247,988	23,139	9.3
Dividends	1,542	1,373	169	12.3
Gain (loss) on financial activities	32,973	27,987	4,986	17.8
Other operating revenues (expenses)	(5,823)	(4,613)	-1,210	26.2
Net operating revenues	**814,973**	**726,379**	**88,594**	**12.2**
Staff expenses	(303,107)	(262,048)	41,059	15.7
Administrative expenses	(157,072)	(116,326)	40,746	35.0
Depreciation and amortization	(38,605)	(33,453)	5,152	15.4
Operating expenses	**(498,784)**	**(411,827)**	**86,957**	**21.1**
Operating profit	**316,189**	**314,552**	**1,637**	**0.5**
Net provisions for liabilities and contingencies	(5,064)	(12,796)	-7,732	-60.4
Net impairment adjustments of loans	(108,829)	(102,411)	6,418	6.3
Gain (loss) from financial assets held to maturity and other investments	3,951	4,911	-960	-19.5
Profit (loss) before tax on continuing operations	**206,247**	**204,256**	**1,991**	**1.0**
Income tax for the period on continuing operations	(80,840)	(80,101)	739	0.9
Net profit (loss) for the period	**125,407**	**124,155**	**1,252**	**1.0**
Net profit (loss) pertaining to minority interests	(5,311)	(4,744)	567	12.0
Net profit for the period pertaining to shareholders of the Group	**120,096**	**119,411**	**685**	**0.6**

(*) Restated following the change in the recognition criteria for actuarial profit/losses relating to employee severance benefits and to the defined-benefit pension plan.

Reconciliation between the Official and Reclassified Income Statements

	30.06.2011	30.06.2010 (*)
Net interest income	**515,154**	**453,644**
30. Net interest income	506,442	446,551
130. Net impairment adjustments/w ritebacks of: a) loans of w hich time value on impaired	8,426	5,538
220. Other operating revenues/expenses: of w hich CALIT IAS gains	286	1,555
Net commissions = item 60	**271,127**	**247,988**
Dividends = item 70	**1,542**	**1,373**
Gain (loss) on financial activities	**32,973**	**27,987**
80. Net gain (loss) on trading activities	12,638	9,992
90. Net gain (loss) on hedging activities	469	4,075
100. Profit (loss) on disposal or repurchase of: b) financial assets available for sale	18,713	13,950
100. Profit (loss) on disposal or repurchase of: d) financial liabilities	1,153	(30)
Other operating revenues (expenses)	**(5,823)**	**(4,613)**
220. Other operating revenues (expenses)	94,182	73,699
to be deducted: recovery of expenses	(99,719)	(76,720)
to be deducted: CALIT IAS gains	(286)	(1,555)
130. Net impairment adjustments of: b) financial assets available for sale	-	(37)
Net operating revenues	**814,973**	**726,379**
Staff expenses = 180 a)	**(303,107)**	**(262,048)**
Administrative expenses	**(157,072)**	**(116,326)**
180. Administrative expenses: b) other administrative expenses	(256,791)	(193,046)
190. Other operating revenues/expenses: recovery of expenses	99,719	76,720
Depreciation and amortization	**(38,605)**	**(33,453)**
200. Net adjustments/w rite-backs of property, plant and equipment	(14,326)	(12,804)
210. Net adjustments/w ritebacks of intangible assets	(24,279)	(20,649)
Operating expenses	**(498,784)**	**(411,827)**
Operating profit	**316,189**	**314,552**
Net provisions for liabilities and contingencies = Item 190	**(5,064)**	**(12,796)**
Net impairment adjustments of loans	**(108,829)**	**(102,411)**
100. Gain/loss on disposal of: a) loans	443	(3,979)
130. Net impairment adjustments of: a) loans	(104,057)	(93,220)
130. Net impairment adjustments of: a) loans of w hich time value on impaired loans	(8,426)	(5,538)
130. Net impairment adjustments of: d) other financial transactions	3,211	326
Gain (loss) from financial assets held to maturity and other investments	**3,951**	**4,911**
240. Gain (loss) on equity investments	3,950	4,796
270. Gain (loss) on disposal of investments	1	115
Profit (loss) before tax on continuing operations	**206,247**	**204,256**
Income tax for the period on continuing operations	(80,840)	(80,101)
Profit (loss) for the period	**125,407**	**124,155**
Net profit (loss) pertaining to minority interests	(5,311)	(4,744)
Net profit for the period pertaining to shareholders of the Group	**120,096**	**119,411**

(*) Restated following the change in the recognition criteria for actuarial profit/losses relating to employee severance benefits and to the defined-benefit pension plan.

Net interest income

Items	30.06.2011	30.06.2010	Changes	
			total	%
Business w ith customers	506,478	437,466	69,012	15.8
Business w ith banks	(23,944)	4,590	-28,534	
Securities issued	(130,211)	(116,106)	-14,105	-12.1
Differences on hedging derivatives	49,560	60,275	-10,715	-17.8
Financial assets held for trading	490	386	104	26.9
Financial assets held to maturity	-	13,578	-13,578	
Financial assets available for sale	112,609	53,451	59,158	
Other net interest	172	4	168	
Net interest	**515,154**	**453,644**	**61,510**	**13.6**

Net commission income

Items	30.06.2011	30.06.2010	Changes	
			total	%
- guarantees issued	6,035	5,213	822	15.8
- collection and payment services	19,893	17,559	2,334	13.3
- current accounts	94,722	93,517	1,205	1.3
- debit and credit card services	15,815	15,824	-9	-0.1
Commercial banking business	**136,465**	**132,113**	**4,352**	**3.3**
- securities intermediation and placement	48,424	47,953	471	1.0
- foreign exchange	2,633	2,482	151	6.1
- asset management	3,927	4,185	-258	-6.2
- distribution of insurance products	64,452	47,899	16,553	34.6
- other intermediation/management commissions	1,670	3,626	-1,956	-53.9
Management, intermediation and advisory services	**121,106**	**106,145**	**14,961**	**14.1**
Other net commissions	**13,556**	**9,730**	**3,826**	**39.3**
Total net commissions	**271,127**	**247,988**	**23,139**	**9.3**

Net gain (loss) on financial activities

Items	30.06.2011	30.06.2010	Changes	
			total	%
Interest rates	12,521	8,606	3,915	45.5
Equities	102	57	45	78.9
Foreign exchange	1,074	1,790	-716	-40.0
Commodities	94	(491)	585	
Total net gain (loss) on financial assets held for trading	**13,791**	**9,962**	**3,829**	**38.4**
Total gain (loss) on hedging activities	**469**	**4,075**	**-3,606**	**-88.5**
Gain (loss) on disposal of financial assets available for sale	**18,713**	**13,950**	**4,763**	**34.1**
Gain (loss) on financial activities	**32,973**	**27,987**	**4,986**	**17.8**

Operating expenses

Items	30.06.2011	30.06.2010 (*)	Changes	
			total	%
- wages and salaries	(215,383)	(187,731)	27,652	14.7
- social security contributions	(57,386)	(47,909)	9,477	19.8
- other staff expenses	(30,338)	(26,408)	3,930	14.9
Staff expenses	**(303,107)**	**(262,048)**	**41,059**	**15.7**
- general operating expenses	(57,567)	(49,252)	8,315	16.9
- IT services	(21,686)	(36,867)	-15,181	-41.2
- direct and indirect taxes	(39,410)	(33,686)	5,724	17.0
- facilities management	(28,070)	(25,179)	2,891	11.5
- legal and other professional services	(16,649)	(7,325)	9,324	
- advertising and promotion costs	(8,806)	(4,100)	4,706	
- indirect staff expenses	(7,378)	(5,306)	2,072	39.1
- other expenses	(65,840)	(42,846)	22,994	53.7
- recovery of expenses and charges	88,334	88,235	99	0.1
Administrative expenses	**(157,072)**	**(116,326)**	**40,746**	**35.0**
- intangible assets	(24,279)	(20,649)	3,630	17.6
- property, plant and equipment	(14,326)	(12,804)	1,522	11.9
Depreciation and amortization	**(38,605)**	**(33,453)**	**5,152**	**15.4**
Operating expenses	**(498,784)**	**(411,827)**	**86,957**	**21.1**

(*) Restated following the change in the recognition criteria for actuarial profit/losses relating to employee severance benefits and to the defined-benefit pension plan.

Net impairment adjustments of loans

Items	30.06.2011	30.06.2010	Changes	
			total	%
- bad debts	(47,907)	(39,124)	8,783	22.4
- other impaired loans	(62,023)	(61,080)	943	1.5
- performing loans	(2,106)	(2,534)	-428	-16.9
Net impairment adjustments of loans	**(112,036)**	**(102,738)**	**9,298**	**9.1**
Net adjustments of guarantees and commitments	3,207	327	2,880	
Net impairment adjustments of loans	**(108,829)**	**(102,411)**	**6,418**	**6.3**

Balance sheet aggregates

The analysis of the Balance Sheet figures as at 30 June 2011 is given below by comparing them to the balances at the end of 2010. The relevant notes are included in the "Interim Report on Operations", where the company's performance is dealt with.

Reclassification of the Balance Sheet

In order to supply a more direct representation of the Group's financial situation, a summary balance sheet has been prepared by suitably aggregating the relevant items. The changes concern:

- presentation of financial assets and liabilities held for trading on a net basis;
- presentation of loans to banks and amounts due to banks on a net basis;
- inclusion of the net value of fair value hedge derivatives with the respective assets/liabilities being hedged;
- inclusion of the adjustments to macro-hedged financial liabilities in the respective liabilities being hedged;
- inclusion of the adjustments to macro-hedged financial liabilities in the respective liabilities being hedged;
- grouping of intangible assets and property, plant and equipment into a single aggregate;
- inclusion of cash and cash equivalents within the "other assets" residual item;
- grouping of the "Due to customers" and "Securities Issued" items into the "Funding from customers" item;
- grouping of specific-purpose provisions (Employee severance benefits and Provision for liabilities and contingencies) into a single aggregate.

Reclassified Consolidated Balance Sheet

Assets	30.06.2011	31.12.2010	Changes	
			total	%
Net financial assets/liabilities held for trading	20,266	15,396	4,870	31.6
Financial assets available for sale	7,421,435	7,238,934	182,501	2.5
Loans to customers	34,691,030	30,398,184	4,292,846	14.1
Equity investments	122,109	119,975	2,134	1.8
Property, plant and equipment and intangible assets	2,467,404	1,822,792	644,612	35.4
Tax assets	533,526	638,020	-104,494	-16.4
Other assets	1,317,826	837,776	480,050	57.3
Total net assets	**46,573,596**	**41,071,077**	**5,502,519**	**13.4**

Liabilities	30.06.2011	31.12.2010	Changes	
			total	%
Net due to banks	6,205,955	6,434,356	-228,401	-3.5
Funding from customers	33,396,986	29,055,963	4,341,023	14.9
Tax liabilities	187,046	290,239	-103,193	-35.6
Other liabilities	2,018,606	1,014,227	1,004,379	99.0
Specific-purpose provisions	264,105	238,631	25,474	10.7
Share capital	876,762	785,066	91,696	11.7
Reserves (net of treasury shares)	3,450,789	2,965,246	485,543	16.4
Valuation reserves	-131,697	-109,661	22,036	20.1
Minority interests	184,948	156,933	28,015	17.9
Net profit (loss) for the period	120,096	240,077	-119,981	-50.0
Total net liabilities and equity	**46,573,596**	**41,071,077**	**5,502,519**	**13.4**

Reconciliation of the official and reclassified balance sheets

Assets	30.06.2011	31.12.2010
Net financial assets/liabilities held for trading	**20,266**	**15,396**
20. Financial assets held for trading	259,468	299,335
40. Financial liabilities held for trading	-239,202	-283,939
Financial assets available for sale	**7,421,435**	**7,238,934**
40. Financial assets available for sale	7,408,969	7,185,080
80. Hedging derivatives (assets): hedging of AFS securities	27,915	63,032
60. Hedging derivatives (liabilities): hedging of AFS securities	-15,449	-9,178
Financing to customers	**34,691,030**	**30,398,184**
70. Loans to customers	34,687,207	30,406,621
80. Hedging derivatives (assets): activity with customers	11,185	-
60. Hedging derivatives (liabilities): mortgage loans hedge	-7,924	-8,437
90. Adjustment of financial assets hedged generically (+/-)	562	-
Equity investments	**122,109**	**119,975**
100. Equity investments	122,109	119,975
Property, plant and equipment and intangible assets	**2,467,404**	**1,822,792**
120. Property, plant and equipment	432,387	389,823
130. Intangible Assets	2,035,017	1,432,969
Tax assets	**533,526**	**638,020**
140. Tax assets	533,526	638,020
Other assets	**1,317,826**	**837,776**
10. Cash and cash equivalents	232,639	214,900
160. Other Assets	1,085,187	622,876
Total assets	**46,573,596**	**41,071,077**

Liabilities	30.06.2011	31.12.2010
Net interbank funding	**6,205,955**	**6,434,356**
60. Loans to banks	-5,079,270	-4,629,496
10. Due to banks	11,287,270	11,078,000
70. Adjustment of financial liabilities hedged generically (+/-)	-742	-1,386
80. Hedging derivaties (Assets)	-1,303	-12,762
Funding from customers	**33,396,986**	**29,055,963**
20. Due to customers	21,518,450	18,114,794
30. Securities issued	12,106,101	11,181,460
60. Hedging derivatives	67,382	22,899
60. Hedging derivatives (liabilities): mortgage hedging	-7,924	-8,437
60. Hedging derivatives (assets): hedging of AFS securities	27,915	63,032
70. Adjustment of financial liabilities hedged generically (+/-)	21,758	77,273
80. Hedging derivatives	-334,477	-400,028
60. Hedging derivaties (liabilities) : hedging of AFS securities	-15,449	-9,178
80. Hedging derivaties (assets) : liabilities with banks	1,303	12,762
80. Hedging derivaties (assets) : activity with customers	11,185	-
70. Adjustment of financial liabilities hedged generically (+/-)	742	1,386
Tax liabilities	**187,046**	**290,239**
80. Tax liabilities	187,046	290,239
Other liabilities	**2,018,606**	**1,014,227**
100. Other liabilities	2,018,606	1,014,227
Specific-purpose provisions	**264,105**	**238,631**
110. Employee severance benefits	139,661	133,418
120. Provisions for liabilities and contingencies	124,444	105,213
Share capital	**876,762**	**785,066**
180. Share capital	876,762	785,066
Reserves (net of treasury shares)	**3,450,789**	**2,965,246**
170. Reserves	714,444	870,772
180. Share premium reserve	2,736,345	2,094,474
Valuation reserves	**-131,697**	**-109,661**
140. Valuation reserves	-131,697	-109,661
Assets pertaining to minority interests	**184,948**	**156,933**
210. Assets pertaining to minority interests	184,948	156,933
Net profit (loss) for the period	**120,096**	**240,077**
220. Net profit (loss) for the period	120,096	240,077
Total liabilities and equity	**46,573,596**	**41,071,077**

Loans to customers

Items	30.06.2011	31.12.2010	Changes total	Changes %
- Current accounts	5,279,528	4,432,845	846,683	19.1
- Mortgage loans	19,921,065	17,077,955	2,843,110	16.6
- Advances and other loans	7,954,924	7,700,679	254,245	3.3
- Non-performing loans	1,530,465	1,181,725	348,740	29.5
Loans	**34,685,982**	**30,393,204**	**4,292,778**	**14.1**
Loans represented by securities	**5,048**	**4,980**	**68**	**1.4**
Loans to customers	**34,691,030**	**30,398,184**	**4,292,846**	**14.1**

Loans to customers: credit quality

Items	30.06.2011			31.12.2010		
	Gross exposure	Total writedowns	Net exposure	Gross exposure	Total writedowns	Net exposure
- Bad debts	1,197,057	687,488	509,569	956,010	535,271	420,739
- Substandard loans	633,907	176,815	457,092	553,466	210,549	342,917
- Restructured loans	143,890	12,130	131,760	73,369	4,375	68,994
- Past-due / overlimit loans	438,921	6,877	432,044	354,077	5,003	349,074
Non-performing loans	**2,413,775**	**883,310**	**1,530,465**	**1,936,922**	**755,198**	**1,181,724**
Performing loans	**33,289,437**	**132,695**	**33,156,742**	**29,337,601**	**112,704**	**29,224,897**
Loans to customers	**35,703,212**	**1,016,005**	**34,687,207**	**31,274,523**	**867,902**	**30,406,621**
Net value of fair value hedge derivative contracts	**3,261**	**-**	**3,261**	**-8,437**	**-**	**-8,437**
Adjustment of financial liabilities hedged generically (+/-)	**562**	**-**	**562**	**-**	**-**	**-**
Total	**35,707,035**	**1,016,005**	**34,691,030**	**31,266,086**	**867,902**	**30,398,184**

Due to customers

Items	30.06.2011	31.12.2010	Changes total	Changes %
- Deposits	421,758	325,995	95,763	29.4
- Current and other accounts	20,875,460	17,659,179	3,216,281	18.2
- Other items	167,120	98,795	68,325	69.2
- Repurchase agreements	54,112	30,825	23,287	75.5
Due to customers	**21,518,450**	**18,114,794**	**3,403,656**	**18.8**
Securities issued	**12,106,101**	**11,181,460**	**924,641**	**8.3**
Adjustment of financial liabilities hedged generically (+/-)	**22,500**	**78,659**	**-56,159**	**-71.4**
Net value of associated fair value hedge derivatives	**-250,065**	**-318,950**	**-68,885**	**-21.6**
Total direct funding	**33,396,986**	**29,055,963**	**4,341,023**	**14.9**
Indirect funding	**50,062,522**	**43,026,473**	**7,036,049**	**16.4**
Total funding	**83,459,508**	**72,082,436**	**11,377,072**	**15.8**

Indirect funding

Items	30.06.2011	31.12.2010	Changes	
			total	%
- Asset management products	9,375,645	8,421,176	954,469	11.3
- Insurance products	9,832,091	8,086,472	1,745,619	21.6
Total assets under management	**19,207,736**	**16,507,648**	**2,700,088**	**16.4**
Deposits under administration	**30,854,786**	**26,518,825**	**4,335,961**	**16.4**
Indirect funding	**50,062,522**	**43,026,473**	**7,036,049**	**16.4**

Financial assets available for sale

Items	30.06.2011	31.12.2010	Changes	
			total	%
-Bonds and other debt securities	7,279,299	7,063,041	216,258	3.1
- Equity securities and units of collective investment undertakings	7,156	4,176	2,980	71.4
Securities available for sale	**7,286,455**	**7,067,217**	**219,238**	**3.1**
- Equity Investiments	122,513	117,864	4,649	3.9
Equity investments available for sale	**122,513**	**117,864**	**4,649**	**3.9**
Net value of associated fair value hedge derivatives	**12,467**	**53,853**	**-41,386**	**-76.8**
Financial assets available for sale	**7,421,435**	**7,238,934**	**182,501**	**2.5**

Net interbank position

Items	30.06.2011	31.12.2010	Changes	
			total	%
- Loans	691,289	587,232	104,057	17.7
- Funding	39,120	53,663	-14,543	-27.1
Net interbank debt position on demand	**652,169**	**533,569**	**118,600**	**22.2**
- Loans	4,387,981	4,042,264	345,717	8.6
- Funding	11,248,150	11,024,337	223,813	2.0
Net interbank debt position – fixed term	**-6,860,169**	**-6,982,073**	**-121,904**	**-1.7**
Adjustment of financial liabilities hedged generically (+/-)	**742**	**1,386**	**-644**	**-46.5**
Net value of associated fair value hedge derivatives	**1,303**	**12,762**	**-11,459**	**-89.8**
Net interbank position	**-6,205,955**	**-6,434,356**	**-228,401**	**-3.5**

Government bond

Government bond	30.06.2011		
	Book Value	Fair Value	Valuation reserves
Financial liabilities held for trading			
Italian government Bond	7,309	7,309	-
Argentina government Bond	5	5	-
Financial liabilities available for sale			
Italian government Bond	4,981,651	4,981,651	-105,835
Argentina government Bond	37	37	3
French governament Bond	2,246,867	2,246,867	-17,346
Total	**7,235,869**	**7,235,869**	**-123,178**

Supervisory capital

Supervisory capital and capital ratios	30.06.2011	31.12.2010
Tier 1 capital	2,578,365	2,452,640
Tier 2 Capital	922,260	492,625
Deductible elements	58,917	58,917
Supervisosry capital	**3,441,708**	**2,886,348**
Credit Risk	2,310,493	2,052,847
Market risk	6,709	6,363
Operational risk	210,240	197,490
Capital requirements	**2,527,442**	**2,256,700**
Excess capital with respect to minimum requirements	**914,266**	**629,648**
Risk-weighted assets	**31,593,029**	**28,208,749**
Capital ratios %		
Tier 1 Capital / Total Risk-w eighted assets	8.16%	8.69%
Total capital / Total risk-w eighted assets	10.89%	10.23%

Operation and Income by business segment

Operation and Income by business segment as at 30 June 2011

	Retail and Private	Corporate and Enterprise	Calit	Other	Total
External operating revenues:					
Net interest income	370,901	86,652	12,272	36,617	506,442
Net commission income	242,572	34,675	(1,114)	(5,006)	271,127
Gain (loss) on trading activities	8,365	3,863	8	402	12,638
Dividends	60	-	-	1,482	1,542
Other net operating revenues	68,167	388	834	45,571	114,960
Total operating revenues	**690,065**	**125,578**	**12,000**	**79,066**	**906,709**
Impairment adjustments of loans	(48,961)	(46,681)	(6,003)	(2,412)	(104,057)
Impairment adjustments of AFS financial assets and other financial transactions	5	-	-	3,206	3,211
Staff expenses, administrative expenses and depreciation/amortization	(456,016)	(25,521)	(4,740)	(112,226)	(598,503)
Provisions for risks	631	1,550	-	(7,245)	(5,064)
Total expenses	**(504,341)**	**(70,652)**	**(10,743)**	**(118,677)**	**(704,413)**
Gain (loss) on disposal of investments	-	-	-	1	1
Result by segment	**185,724**	**54,926**	**1,257**	**(39,610)**	**202,297**
Share of profit of associates pertaining to Group	-	-	-	3,950	3,950
Profit (Loss) before tax	**185,724**	**54,926**	**1,257**	**(35,660)**	**206,247**
Taxes	(78,442)	(22,898)	(1,136)	21,636	(80,840)
Net profit (Loss)	**107,282**	**32,028**	**121**	**(14,024)**	**125,407**
Assets and liabilities					
Assets by segment	24,700,150	10,834,629	1,948,813	756,205	38,239,797
Equity investments in associates	-	-	-	122,109	122,109
Unallocated assets	-	-	8,976	13,839,934	13,848,910
Total assets	**24,700,150**	**10,834,629**	**1,957,789**	**14,718,248**	**52,210,816**
Liabilities by segment	30,060,014	2,930,202	7,926	626,410	33,624,552
Unallocated liabilities	-	-	1,926,624	16,659,640	18,586,264
Total liabilities	**30,060,014**	**2,930,202**	**1,934,550**	**17,286,050**	**52,210,816**

The values relating to Cassa di Risparmio della Spezia have been included in the retail segment, pending completion of segmentation in the second half-year.

Operation and Income by business segment as at 2010

	Retail and Private	Corporate and Enterprise	Calit	Other	Total
External operating revenues:					
Net interest income	330,721	86,123	10,926	18,781	446,551
Net commission income	217,315	33,349	(1,238)	(1,442)	247,984
Gain (loss) on trading activities	6,251	4,371	(4)	(625)	9,993
Dividends	-	-	-	1,373	1,373
Other net operating revenues	46,959	242	1,977	38,537	87,715
Total operating revenues	**601,246**	**124,085**	**11,661**	**56,624**	**793,616**
Impairment adjustments of loans	(47,577)	(38,023)	(7,190)	(430)	(93,220)
Impairment adjustments of AFS financial assets and other financial transactions	-	-	-	288	288
Staff expenses, administrative expenses and depreciation/amortization	(372,922)	(26,891)	(5,235)	(83,499)	(488,547)
Provisions for risks	(1,458)	(241)	(1,000)	(10,097)	(12,796)
Total expenses	**(421,957)**	**(65,155)**	**(13,425)**	**(93,738)**	**(594,275)**
Gain (loss) on disposal of investments	-	-	-	115	115
Result by segment	**179,289**	**58,930**	**(1,764)**	**(36,999)**	**199,456**
Share of profit of associates pertaining to Group	5	-	-	4,791	4,796
Profit (Loss) before tax	**179,294**	**58,930**	**(1,764)**	**(32,208)**	**204,252**
Taxes	(69,926)	(22,984)	(84)	12,893	(80,101)
Net profit (Loss) (*)	**109,368**	**35,946**	**(1,848)**	**(19,315)**	**124,151**
Assets and liabilities					
Assets by segment	20,320,908	10,080,955	1,859,793	590,632	32,852,288
Equity investments in associates	-	-	-	119,975	119,975
Unallocated assets	-	-	80,627	13,286,233	13,366,860
Total assets	**20,320,908**	**10,080,955**	**1,940,420**	**13,996,840**	**46,339,123**
Liabilities by segment	25,267,749	3,644,152	6,950	377,404	29,296,255
Unallocated liabilities	-	-	606,748	16,436,120	17,042,868
Total liabilities	**25,267,749**	**3,644,152**	**613,698**	**16,813,524**	**46,339,123**

(*) Restated following the change in the recognition criteria for actuarial profit/losses relating to employee severance benefits and to the defined-benefit pension plan.

Risks and risk management policies

This section is meant to provide an update of the information on risks and risk management policies, as at 30 June 2011, to complete the data contained in Part E of the Annual Report as at 31 December 2010.

Internal Capital Adequacy Assessment Process (ICAAP) Report

On 30 April 2011, the Group sent the consolidated report relating to its capital adequacy (Report) as at 31 December 2010 to the Bank of Italy.

The Report contains the strategic guidelines and the forecasting horizon; the description of the company governance, the organisational aspects and the ICAAP-related control systems; risk exposure, risk measurement and aggregation methods and stress testing; components, estimates and allocation methods of internal capital; reconciliation between internal capital, statutory requirements and supervisory capital and, finally, ICAAP self-assessment for highlighting areas where the methodological model needs to be developed further.

The Internal Capital Adequacy Assessment Process (ICAAP) is the first phase in the prudential control process envisaged by the Second Pillar of the New Capital Accord (Basel II). The second phase consists in the Supervisory Review and Evaluation Process (SREP) and is the responsibility of the Supervisory Authorities, which will re–examine the ICAAP and issue a general assessment of the Group.

Internal Control System

The internal control system is the complex of the organizational, procedural and regulatory mechanisms aimed at controlling all types of activities and risks to ensure proper execution and security of operations.

The scope of the Cariparma Crédit Agricole Group’s internal control system includes all its structures, both central and of the commercial network, Information Technology departments, the main suppliers of outsourced essential services.

In compliance with the standards of the controlling company, Crédit Agricole S.A., the internal control is based on two procedures: permanent control and periodic control.

In the Cariparma Crédit Agricole Group the Risk and Permanent Control Department and the Compliance Department are in charge of permanent control activities (for the subsidiary CALIT the permanent control is ensured by the Risk, Permanent Control and Compliance Department), while the Audit Department is in charge of periodic control activities.

Pursuant to the regulations in force, departments engaged in control functions supply the management bodies having strategic responsibilities with periodic information on single risks, both through specific reporting and taking part in specific Committees, set up at Group level: Internal Control Committee, Compliance Management Committee, Operational Risk Committee, Financial Risks Committee and ALM, Credit Risk Committee, Committee for New Activities and Products.

Credit risk

PERFORMANCE OF LOANS	GROSS EXPOSURES – RATIO TO TOTAL			
	June 2011		December 2010	
- Bad debts	1,197,057	3.35%	956,010	3.06%
- Substandard loans	633,907	1.78%	553,466	1.77%
- Restructured loans	143,890	0.40%	73,369	0.23%
- Past-due / overlimit loans	438,921	1.23%	354,077	1.13%
Non-performing loans	**2,413,775**	**6.76%**	**1,936,922**	**6.19%**
Performing loans	**33,289,437**	**93.24%**	**29,337,601**	**93.81%**
Total	**35,703,212**		**31,274,523**	

PERFORMANCE OF LOANS	NET EXPOSURE – COVERAGE RATIO			
	June 2011		December 2010	
- Bad debts	509,569	57.43%	420,739	55.99%
- Substandard loans	457,092	27.89%	342,917	38.04%
- Restructured loans	131,760	8.43%	68,994	5.96%
- Past-due / overlimit loans	432,044	1.57%	349,074	1.41%
Non-performing loans	**1,530,465**	**36.59%**	**1,181,724**	**38.99%**
Performing loans	**33,156,742**	**0.40%**	**29,224,897**	**0.38%**
Total	**34,687,207**	**2.85%**	**30,406,621**	**2.78%**

In the half-year, the Group's gross exposures increased by 14.16%, coming to €35,703 million; defaults increased by 24.62% (totalling €2,414 million), while the performing segment increased by 13.47% (totalling €33,289 million).

A breakdown by Bank in the Group shows that increases in performing loans were higher for Cariparma and FriulAdria, +7%, also due to the branches acquired from the IntesaSanPaolo Group, and lower for Carispezia, +2%. As to impaired loans, in the half-year Cariparma's exposures increased by 18%, FriulAdria's by 7% and Carispezia's by 9%.

In the first half of 2011, the ratio of default to total gross exposures increased to 6.76%, confirming its increasing trend compared with December of last year (6.19%).

Analysing the composition of defaulting loans, bad debt exposures accounted for 3.35% on the Group's total exposures (growing from 3.06% in December 2010), whereas substandard loans accounted for 1.78% (1.77% in December 2010).

A breakdown by Bank in the Group shows a weight of bad debts of 2.9% for Cariparma (2.6% in December 2010), of 3.9% for FriulAdria (3.6%) and 3.2% for Caripsezia (3%); a weight of substandard loans of 1.3% (1.4% in December 2010), of 2.5% (1.51%), and 5% (4.5%), respectively,

In the half-year, the cost of credit risk totalled €108.8 million, broken down as follows: €79.7 million for Cariparma, €20 million for FriulAdria, €3 million for Carispezia, €6 million for Calit.

The coverage ratio of defaults was 36,6%, slightly decreasing compared with December 2010 (39%), returning closer to the values of the first half of 2010.

Market risk

Trading Book

The Group does not engage in significant trading on own account in financial and capital markets.

Banking book

Asset Liability Management (ALM) typically refers to the positions in the banking book and focuses mainly on fixed-rate positions. Specifically, the impacts that fluctuations in interest rates may have on the Bank's profit and equity are taken into account.

The Cariparma Crédit Agricole Group manages, controls and monitors the interest rate risk on all assets and liabilities recognized in the Financial Statements, defining, subsequent to the adoption of an internal model, the cumulative gap generated by the difference between the existing fixed-rate assets and liabilities at each specific date. Furthermore, in line with the instructions issued by Crédit Agricole S.A., a set of limits (in absolute value) for the gaps was defined, which represents the maximum acceptable level of risk for the Group. The Financial Risk and ALM Committee proposes these limits to the Group Risk Management Committee of the controlling company Crédit Agricole S.A. and the proposed limits are subsequently submitted for approval to the Boards of Directors of the Banks.

Impacts that changes in market interest rates may have on the Bank's profits and equity are measured using three different indicators: the relative change in equity (FP ratio), the relative change in the gross income (PNB ratio), the relative change in the Gross Operating Profit (RBE ratio). The first indicator measures the capacity of assets to absorb the shock over the long term, while the second and third measure the effects of the shock on performance. According to the checks performed, the ALM adopted in the first half of 2011 effectively protected the Group Banks' net interest income.

Fair Value Hedging

The purpose of hedging interest rate risk is to immunize the banking book from changes in the interest rate curve or to lower the volatility of cash flows relating to a given asset/liability.

Hedging is provided for:

- the fixed-rate gap, shown in the internal model, via Interest Rate Swap operations for macro-hedging (macro-hedging of demand deposits) and fixed-rate government securities (BTP/OAT: acronyms of Italian and French government securities) (natural hedging);
- debentures loans issued at fixed-rates hedged through Interest Rate Swap – type derivatives (micro-hedging) and fixed-rate Government Bonds (BTP) (natural hedging).

In the first half of 2011, hedging continued of the new debenture loans issued, as well as the rate gap lowering strategy.

Liquidity risk

Within the liquidity risk management, the main responsibility (in compliance with the new circular No. 263 Part V Section 2) is given, according to the respective roles, to the company bodies/departments, which shall be fully aware of the Bank's exposure level:

- the Board of Directors is the body with strategic supervision functions and, thus, it is responsible for defining the governance policies and management processes relating to liquidity risk, approving the methods used to assess total exposure and the assumptions at the base of stress scenarios;

- the Central Finance Department (Italian acronym: DCF) and the Financial Management Department (Italian acronym: DGF) are responsible for liquidity risk management; therefore, they set the guidelines for liquidity risk management, in compliance with the instructions and resolutions of the Financial Risk and ALM Committee;
- the Risk Management and Permanent Control Department (Italian acronym: DRCP) is responsible for control; therefore, in compliance with the instructions and resolutions of the Financial Risk and ALM Committee, it audits the management process of corporate risks, supervising compliance of the liquidity risk management with current regulations.

In this situation, on 3 May 2011, the Board of Directors approved the Contingency Funding Plan new model, implementing the Plan d'Urgence of the Parent Company, Crédit Agricole S.A., and adopted methods for the measurement and aggregation of risks and for stress testing in line with the measures implemented by the Crédit Agricole Group.

The perimeter set for the application of the liquidity risk management process includes Cariparma, FriulAdria, CALIT and Carispezia (whose integration is presently under way) and Cariparma, as the Parent Company, is responsible for defining appropriate guidelines for the entire Group within the consolidation scope.

A system of short-term limits has been adopted expressed in terms of endurance to given stress scenarios defined below:

- **Systemic crisis:** treasury positive position for at least one year in the event of a partial closure of the short/medium/long-term market preserving the commercial business but using the reserves;
- **Idiosyncratic crisis**: treasury positive position for at least one month in the event of a substantial bank run, partial closure of the short-term market and total closure of the medium/long-term market, preserving the commercial business, using the reserves in the short term with slight writedowns;
- **Global crisis**: treasury positive position for at least two weeks in the event of a substantial bank run with total closure of the markets, use of reserves even with writedowns

The production of the three short-term indicators for liquidity risk monitoring is insured monthly by the provisions of the Crédit Agricole Group.

The Cariparma Crédit Agricole Group has also defined long-term scenarios:

- Limit on the concentration of maturities relating to long-term refinancing;
- Limit on liquidity price risk linked to maturity transformation.

The Cariparma Crédit Agricole Group expects to consolidate the methods to assess the values of the medium/long-term indicators, in order to implement the guidelines and tolerance thresholds that will be completed in 2011 by Crédit Agricole S.A.

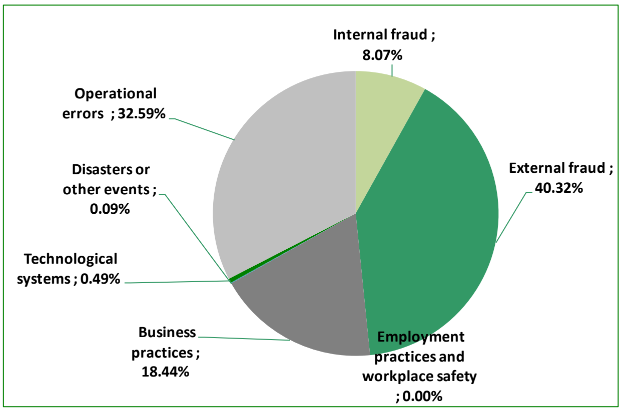
Operational risks

Breakdown of the Group's losses

In the first half of 2011, gross losses associated to operational risks were in line with the historical trend; net losses performed essentially in the same way.

Specifically, these went from €3.5 million in the first half of 2010 to €3.4 million for the first half of 2011, even though the latter figure includes also the losses of Carispezia (€0.26 million) and of the other branches acquired from IntesaSanPaolo (€0.20 million).

In relation to the sources of operational risk, the percentage of losses by type of event recognized in the first half-year of 2011 is shown in the figure below. Credit risk boundary losses have been excluded, as well as near-miss events (i.e. events that have not caused any losses, and estimated losses).



Main initiatives

In addition to monitoring the loss trend, with regard to risk management the main initiatives in progress, both organizational and control, are stated below:

- preparation for passing from the standard approach to advanced approaches for the calculation of regulatory capital, which entails a significant raise in the general qualitative level of the operational risk management system;
- the “Integrated Control System” project, mainly aiming at increasing the effectiveness of risk control (mapping, formalization and optimization of operating processes, risk management and control for the Group Banks);
- internal projects aiming at enhancing the prevention and mitigation action on frauds, with specific measures considering the specific features of the geographical areas where the Group operates;
- fine-tuning of operational risk mapping, which is a key instrument to analyse and identify the most critical risk scopes and the relevant development.

A plan of Action has also been approved by the Operational Risk Control Committee, which envisages further measures, mostly organizational ones, specifically targeting the prevention and management of specific risks, mainly relating to the commercial and security scopes.

These measures are defined based both on the events that concerned the Group operations in the past and on purposes of analysis and quantitative measurement of risks, relating scopes and/or processes concerned: for each measure, the plan envisages the involvement of the corporate departments in charge, a project manager, a specific budget, implementation planning and timeframe.

Transactions with related parties

All transactions with related parties have been carried out in compliance with principles of material and procedural fairness, according to conditions similar to those applied to transactions with independent third parties.

The scope of the natural and legal persons, qualifying as related parties was established on the basis of the provisions of IAS 24, appropriately applied to the specific organizational and governance structure of the Group.

The relationships between the Group and its staff are part of the normal business operations and are established, when circumstances so require, by implementing the conventions reserved to employees with full compliance with and transparency on the conditions granted, or, for free-lancers, applying the conditions reserved to professionals of similar standing, in full compliance with the regulations in force on the subject.

As to intra-group transactions carried out in the first half of 2011, they are part of routine business operations.

During the first half of 2011, there was no atypical or unusual transaction carried out with related or non-related parties that, due to its significance or importance, might have given rise to doubts about the protection of the Group's and shareholders' interests.

Type of related parties	Financial assets held for trading	Financial assets available for sale	Loans to customers	Loans to banks	Due to customers	Due to banks	Guarantees issued
Controlling company	-	-	-	4,018,061	-	4,266,046	-
Subjects w ith notable influence on the Group	-	-	-	-	53,639	-	-
Subsidiaries	-	-	-	-	-	-	-
Associates	-	47,664	8,207	-	71,066	-	76
Directors and key management personnel	-	-	1,438	-	2,845	-	-
Other related parties	35,399	7,179	285,819	277,033	185,275	6,419,622	4,028
Total	**35,399**	**54,843**	**295,464**	**4,295,094**	**312,825**	**10,685,668**	**4,104**

Among the transactions carried out in the half-year by Parent Company, the following should be noted:

- an issue of non-innovative capital instruments, included in Tier 1 capital, for an amount of €120 million;
- a subordinated deposit, included in Tier 2 capital, amounting to €400 million;

both fully subscribed by Crédit Agricole S.A..

Certification of the condensed consolidated half-year financial statements pursuant to Art.154 bis of Legislative Decree 58/1998

1. The undersigned Giampiero Maioli, Chief Executive Officer, and Pierre Debourdeaux, Manager responsible for preparing of the Company's financial reports of Cariparma S.p.A., taking into account the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree No. 58 of 24 February 1998, do hereby certify:
   - the adequacy in relation to the Company's features and
   - the actual application of the administrative and accounting procedures employed for drawing up the condensed consolidated half-yearly financial statements, in the first half of 2011.

2. With regard to this, no significant aspects have emerged.

3. The undersigned also certify that:

   3.1 The condensed consolidated half-yearly financial statements:

   a) have been prepared in compliance with applicable international accounting standards recognised by the European Community pursuant to European Parliament and the Council Regulation 1606/2002 of 19 July 2002;

   b) correspond to the results of the books and accounts;

   c) give a true and correct representation of the capital, economic and financial situation of the Issuer and of the companies included in the consolidation.

   3.2 The half-yearly report on operations contains indications of the most significant events in the first six months of the year and their impact on the condensed consolidated half-yearly financial statements, together with a description of the main risks and uncertainties faced in the remaining six months of the year as well as information on significant related party transactions.

Parma, 27 July 2011

Pierre Dobourdeaux Manager responsible for preparing the Company's financial reports	Giampiero Maioli Chief Executive Officer

ERNST & YOUNG

Reconta Ernst & Young S.p.A.
Via della Chiusa, 2
20123 Milano

Tel. (+39) 02 722121
Fax (+39) 02 72212037
www.ey.com

Auditors' review report on the interim condensed consolidated financial statements
(Translation from the original Italian text)

To the Shareholders of
Cassa di Risparmio di Parma e Piacenza S.p.A.

1. We have reviewed the interim condensed consolidated financial statements, comprising the balance sheet, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity and cash flows statement and the related explanatory notes, of Cassa di Risparmio di Parma e Piacenza S.p.A. and its subsidiaries (the "Cariparma Crédit Agricole Group") as of June 30, 2011. Management of Cassa di Risparmio di Parma e Piacenza S.p.A. is responsible for the preparation of the interim condensed consolidated financial statements in conformity with the International Financial Reporting Standards applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to issue this review report based on our review.

2. We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of July 31, 1997. Our review consisted mainly of obtaining information on the accounts included in the interim condensed consolidated financial statements and the consistency of the accounting principles applied, through discussions with management, and of applying analytical procedures to the financial data presented in these consolidated financial statements. Our review did not include the application of audit procedures such as tests of compliance and substantive procedures on assets and liabilities and was substantially less in scope than an audit conducted in accordance with generally accepted auditing standards. Accordingly, we do not express an audit opinion on the interim condensed consolidated financial statements as we expressed on the annual consolidated financial statements.

   With respect to the consolidated financial statements of the prior year presented for comparative purposes, reference should be made to our report issued on March 25, 2011. The management restated the comparative data of the interim condensed consolidated financial statements of the corresponding period of the prior year with respect to the data previously presented, on which we issued our auditors' review report on July 30, 2010. We have examined the methods adopted to restate the comparative financial data for the purpose of our review of the interim condensed consolidated financial statements as of June 30, 2011.

3. Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements of Cariparma Crédit Agricole Group as of June 30, 2011 are not prepared, in all material respects, in conformity with the International Financial Reporting Standards applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Milan, August 5, 2011

Reconta Ernst & Young S.p.A.
Signed by: Massimiliano Bonfiglio, partner

This report has been translated into the English language solely for the convenience of international readers

Annexes

Financial Statements of the Parent Company

BALANCE SHEET

Assets		30.06.2011	31.12.2010
10.	Cash and cash equivalents	141,082,331	160,237,886
20.	Financial assets held for trading	207,875,236	243,050,131
30.	Financial assets measured at fair value	-	-
40.	Financial assets avaible for sale	5,964,948,344	5,900,410,111
50.	Financial assets held to maturity	-	-
60.	Loans to banks	6,028,769,083	4,973,869,206
70.	Loans to customers	25,690,014,413	23,734,083,434
80.	Hedging derivaties	316,921,234	373,081,966
90.	Value adjustment of financial assets subject to macro hedging (+/-)	379,747	-
100.	Equity investments	1,504,061,348	1,147,791,796
110.	Property, plant and equipment	286,161,701	288,916,586
120.	Intangible assets	1,243,765,559	862,837,123
	of wich: goodwill	*1,046,548,368*	*662,981,720*
130.	Tax assets	431,927,977	536,427,748
	a) current	*115,791,986*	*214,169,699*
	b) deffered	*316,135,991*	*322,258,049*
140.	Non-current assets or groups of assets being divested	-	-
150.	Other Assets	823,400,858	437,043,880
Total Assets		**42,639,307,831**	**38,657,749,867**

Liabilities and Equity		30.06.2011	31.12.2010
10.	Due to banks	9,887,974,410	9,252,786,654
20.	Due to customers	16,161,015,995	14,284,235,235
30.	Securities issued	10,214,745,724	9,829,000,772
40.	Financial liabilities held for trading	200,975,805	237,889,431
50.	Financial liabilities measured at fair value	-	-
60.	Hedging derivaties	48,400,754	11,075,386
70.	Adjustment of financial liabilities hedged generically (+/-)	31,678,352	80,323,513
80.	Tax liabilities	133,215,540	215,688,266
	a) current	*105,754,575*	*182,909,440*
	b) deffered	*27,460,965*	*32,778,826*
90.	Non-current liabilities or groups of assets being divested	-	-
100.	Other liabilities	1,448,676,355	679,660,164
110.	Employee severance benefits	106,982,538	109,830,542
120.	Provisons for liabilities and contingencies	86,228,416	87,060,847
	a) pension and similar liabilities	*21,182,647*	*22,374,290*
	b) other provisions	*65,045,769*	*64,686,557*
130.	Valutations reserves	-101,941,326	-93,508,028
140.	Redeemable shares	-	-
150.	Equity instruments	-	-
160.	Reserves	681,028,980	842,297,159
170.	Share premium reserve	2,736,640,472	2,094,769,655
180.	Share capital	876,761,620	785,065,789
190.	Treasury shares (+/-)	-	-
200.	Net profit (Loss) for the period (+/-)	126,924,196	241,574,482
Total liabilities and equity		**42,639,307,831**	**38,657,749,867**

INCOME STATEMENT

ITEMS		30.06.2011	30.06.2010 (*)
10.	Interests income and similar revenues	571,030,230	482,421,834
20.	Interest expense and similar charges	(195,767,284)	(136,261,544)
30.	**Net interest income**	**375,262,946**	**346,160,290**
40.	Commission income	215,842,715	207,650,969
50.	Commission expense	(7,849,303)	(7,515,277)
60.	**Net commission income**	**207,993,412**	**200,135,692**
70.	Dividends and similar revenues	33,901,737	41,233,700
80.	Net gain (loss) on trading activities	8,534,533	7,607,491
90.	Net gain (loss) on hedging activities	142,517	2,800,368
100.	Gain (loss) on the disposal or repurchase of:	14,046,069	3,980,817
	a) loans	*511,095*	*(3,978,763)*
	b) financial assets avaible for sale	*12,547,486*	*8,133,558*
	c) financial assets held to maturity	-	-
	d) financial liabilities	*987,488*	*(173,978)*
110.	Net gain (loss) on financial assets and liabilities carried ar fair value	-	-
120.	**Gross income**	**639,881,214**	**601,918,358**
130.	Net impairment adjustments of:	(75,836,740)	(68,071,267)
	a) loans	*(76,220,031)*	*(67,989,870)*
	b) financial assets avaible for sale	-	*(37,238)*
	c) financial assets held to maturity	-	-
	d) other financial transactions	*383,291*	*(44,159)*
140.	**Profit (loss) from financial operations**	**564,044,474**	**533,847,091**
150.	Administrative expenses:	(422,412,944)	(364,117,608)
	a) staff expenses	*(227,100,646)*	*(208,570,919)*
	b) other asministartive expenses	*(195,312,298)*	*(155,546,689)*
160.	Net provisions for liabilities and contingencies	(7,144,713)	(10,097,092)
170.	Net adjustment of property, plant and equipment	(9,999,149)	(9,885,914)
180.	Net adjustment of intangible assets	(20,502,209)	(16,897,696)
190.	Other operating revenues (expenses)	85,162,485	68,560,164
200.	**Operating expenses**	**(374,896,530)**	**(332,438,146)**
210.	Gain (loss) from equity investments	-	-
220.	Net gains (losses) from property, plant and equipment and intangible assets measured at fair value	-	-
230.	Value adjustment of goodwill	-	-
240.	Gain (loss) on disposal investments	1,217	(61)
250.	**Gain (loss) before tax on continuing operations**	**189,149,161**	**201,408,884**
260.	Income tax for the period on continuing operations	(62,224,965)	(65,361,849)
270.	**Profit (loss) after tax on continuing operations**	**126,924,196**	**136,047,035**
280.	**Profit (loss) after tax of groups of assets/liabilities under disposal**	**-**	**-**
290.	**NET PROFIT (LOSS) FOR THE PERIOD**	**126,924,196**	**136,047,035**

(*) Restated following the change in the recognition criteria for actuarial profit/losses relating to employee severance benefits and to the defined-benefit pension plan.

STATEMENT OF COMPREHENSIVE INCOME

ITEMS		30.06.2011	30.06.2010 (*)
10.	**Profit (loss) for the period**	**126,924,196**	**136,047,035**
	Other income after tax		
20.	Financial assets avaible for sale	(8,759,898)	(41,783,814)
30.	Property, plant and equipment	-	-
40.	Intangible assets	-	-
50.	Hedging of foreign investments	-	-
60.	Cash flow hedge	-	-
70.	Exchange rate differences	-	-
80.	Disposal groups	-	-
90.	Actuarial gains (losses) on defines-benefit plans	326,600	(6,171,545)
100.	Share valutation reserves on equity investments accountes for using the equity method	-	-
110.	**Total other income components after tax**	**(8,433,298)**	**(47,955,359)**
120.	COMPREHENSIVE INCOME (ITEM 10+110)	118,490,898	88,091,676

(*) Restated following the change in the recognition criteria for actuarial profit/losses relating to employee severance benefits and to the defined-benefit pension plan.

STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2011

	Share capital ordinary shares	Share premium reserve	Reserves: income	Reserves: other	Valutation reserves	Net profit (loss) for the period	Shareholders' equity
EQUITY AT 31.12.2010	785,065,789	2,094,769,655	578,714,808	263,582,351	-93,508,028	241,574,482	3,870,199,057
ALLOCATION OF NET PROFIT FOR THE PREVIOUS PERIOD							
Reserves	-	-	101,187,969	-	-	-101,187,969	-
Dividends and other allocations	-	-	-	-	-	-140,386,513	-140,386,513
CHANGES FOR THE PERIOD							
Change in reserves	-	-	-	-	-	-	-
Equity transactions							
New issues	91,695,831	641,870,817	-	-262,500,000	-	-	471,066,648
Purchase of treasury shares	-	-	-	-	-	-	-
Extraordinary distribution of dividends	-	-	-	-	-	-	-
Changes in equity instrument	-	-	-	-	-	-	-
Treasury share derivaties	-	-	-	-	-	-	-
Shares and rights on shares of the parent company granted to employees and directors	-	-	-	43,852	-	-	43,852
Comprehensive income	-	-	-	-	-8,433,298	126,924,196	118,490,898
Equity at 30.06.2011	876,761,620	2,736,640,472	679,902,777	1,126,203	-101,941,326	126,924,196	4,319,413,942

STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2010

	Share capital ordinary shares	Share premium reserve	Reserves: income	Reserves: other	Valutation reserves	Net profit (loss) for the period	Shareholders' equity
EQUITY AT 31.12.2009 (*)	785,065,789	2,094,769,655	457,909,487	1,001,616	32,167,126	295,734,729	3,666,648,402
ALLOCATION OF NET PROFIT FOR THE PREVIOUS PERIOD							
Reserves	-	-	120,805,321	-	-	-120,805,321	-
Dividends and other allocations	-	-	-	-	-	-174,929,408	-174,929,408
CHANGES FOR THE PERIOD							
Change in reserves	-	-	-	-	-	-	-
Equity transactions							
New issues	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-
Extraordinary distribution of dividends	-	-	-	-	-	-	-
Changes in equity instrument	-	-	-	-	-	-	-
Treasury share derivaties	-	-	-	-	-	-	-
Shares and rights on shares of the parent							-
company granted to employees and directors	-	-	-	40,420	-	-	40,420
Comprehensive income	-	-	-	-	-47,955,359	136,047,035	88,091,676
Equity at 30.06.2010	785,065,789	2,094,769,655	578,714,808	1,042,036	-15,788,233	136,047,035	3,579,851,090

(*) Restated following the change in the recognition criteria for actuarial profit/losses relating to employee severance benefits and to the defined-benefit pension plan.

CASH FLOW STATEMENT

		30.06.2011	30.06.2010 (*)
A.	**OPERATING ACTIVITIES**		
1.	**Operations**	**411,513,274**	**371,229,914**
-	net profit (loss) for the period (+/-)	126,924,196	136,047,035
-	gains (losses) on financial assets held for trading and financial assets/liabilities carried at fair value (+/-)	-5,384,447	-2,891,365
-	gains (losses) on hedging activities (+/-)	5,283,084	-79,804
-	net impairment adjustment (+/-)	73,619,014	67,198,991
-	net adjustment of property, plant and equipment and intagible assets (+/-)	30,501,358	26,783,610
-	net provisions for liabilities and contingencies and other costs/revenues (+/-)	7,144,713	10,097,092
-	unpaid taxes and duties (+)	62,224,965	63,020,918
-	other adjustment (+/-)	111,200,391	71,053,437
2.	**Liquidity generated/absorbed by financial assets**	**-1,134,303,550**	**-2,892,907,384**
-	financial assets held for trading	40,559,342	-26,487,862
-	financial assets misured at fair value	-	-
-	financial assets available for sale	-54,644,007	-2,235,121,532
-	loans to banks: demand	134,272,933	-2,068,034
-	loans to banks: other loans	230,827,190	383,277,227
-	loans to customers	-1,050,691,204	-679,805,322
-	other assets	-434,627,804	-332,701,861
3.	**Liquidity generated/absorbed by financial liabilities**	**1,086,767,962**	**3,036,176,814**
-	due to banks: demand	-14,829,121	8,789,171
-	due to banks: other payables	602,594,338	2,680,306,159
-	due to customers	-516,164,784	112,618,047
-	securities issued	421,983,936	-131,374,395
-	financial liabilities held for trading	-36,918,757	54,312,870
-	financial liabilities misured at fair value	-	-
-	other liabilities	630,102,350	311,524,962
Net liquidity generated/absorbed by operating activities		**363,977,686**	**514,499,344**
B.	**INVESTING ACTIVITIES**		
1.	**Liquidity generated by**	**33,902,954**	**41,234,533**
-	sales of equity investments	-	-
-	dividends from equity investments	33,901,737	41,233,700
-	sales of financial assets held to maturity	-	-
-	sales of property, plant and equipment	1,217	833
-	sales of intangible assets	-	-
-	sales of subsidiaries and business units	-	-
2.	**Liquidity absorbed by**	**-364,149,678**	**-18,829,758**
-	purchase of equity investments	-356,269,552	-
-	purchase of finacial assets held to maturity	-	-
-	purchase of property, plant and equipment	-5,075,482	-12,257,146
-	purchase of intangible assets	-17,863,997	-6,572,612
-	purchase of subsidiaries and business units	15,059,349	-
NET LIQUIDITY GENERATED/ABSORBED BY INVESTING ACTIVITIES		**-330,246,724**	**22,404,775**
C.	**FUNDING**		
-	issues/purchases of treasury shares	87,500,000	-
-	issues/purchases of capital instruments	-	-
-	dividend distribution and other	-140,386,513	-174,929,406
NET LIQUIDITY GENERATED/ABSORBED BY FUNDING		**-52,886,517**	**-174,929,406**
NET LIQUIDITY GENERATED/ABSORBED DURING THE PERIOD		**-19,155,555**	**361,974,713**

RECONCILIATION

ITEMS	30.06.2010	30.06.2010
Cash and cash equivalents at beginning of period	160,237,886	163,348,298
Total net liquidity generated/absorbed during the period	-19,155,555	361,974,712
Cash and cash equivalents: effect of exchange rate changes	-	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**141,082,331**	**525,323,010**

KEY: (+) generadet (-) absorbed

(*) Restated following the change in the recognition criteria for actuarial profit/losses relating to employee severance benefits and to the defined-benefit pension plan.

Reconciliation of Parent Company equity and net profit and consolidated equity and net profit

	30.06.2011 Equity	30.06.2011 of which: Net Profit
Balances in Parent Company accounts	**4,319,414**	**126,924**
Effect of consolidation of subsidiaries	6,320	21,857
Effect of equity method accounting of significant equity investments	-9,784	3,950
Dividends received in the period	-	-32,635
Other changes	-	-
Balances in consolidated accounts	**4,315,950**	**120,096**

CARIPARMA
CRÉDIT AGRICOLE

Cassa di Risparmio di Parma e Piacenza S.p.A.
Sede Legale Via Università 1 - 43100 Parma
Telefono 0521/912111
Capitale Sociale € 876.761.620,00 i.v.
Iscritta al Registro Imprese di Parma
Codice Fiscale e Partita Iva n. 02113530345
Aderente al Fondo Interbancario di Tutela dei Depositi e al Fondo Nazionale di Garanzia
Iscritta all'Albo delle banche al n.5435.
Capogruppo del Gruppo Bancario Cariparma Crédit Agricole iscritto all'Albo dei Gruppi Bancari
Soggetta alla attività di Direzione e Coordinamento di Crédit Agricole S.A.