



Half-year financial statements

30 June 2015

Contents

A. Business report.....	5
B. Consolidated financial statements at 30 June 2015	8
Balance Sheet at 30 June 2015.....	8
Income Statement at 30 June 2015	9
Net income and gains and losses booked directly as equity at 30 June 2015.....	10
Cash Flow Statement of the first half of 2015	11
Statement of Changes in Shareholders' Equity from 31 December 2013 to 30 June 2015	12
Gains and losses taken directly to equity in 2015:.....	13
Notes to the financial statements.....	14
1. Accounting principles and assessment methods	14
1.1 Accounting standards applied to Agence Française de Développement.....	14
1.2 Accounting principles and policies.....	14
1.3. Consolidation scope.....	15
1.4 Consolidation methods.....	15
2. Seasonal items.....	16
3. Events of the period	16
4. Significant events after 30 June 2015.....	16
5. Notes to the financial statements at 30 June 2015.....	17
5.1 Notes to the Balance Sheet	17
5.2 Notes to the Income Statement	22
5.3. Additional Information.....	24
C. Report of the Statutory Auditors on the 2015 half-year financial information.....	25
D. Person responsible for the half-year financial statements.....	27

Due to rounding, the tables' column totals may differ slightly from the sum of the lines composing them.

The abbreviation €K signifies thousands of euros, €M signifies millions of euros and €bn signifies billions of euros.

A. Business report

Approvals

Total approvals (AFD and Proparco on their own behalf) amounted to €1.928bn at 30 June 2015 versus €1.571bn at 30 June 2014, excluding Proparco's refinancing operations (€850M).

In foreign countries, approvals granted totalled €1.628bn, up €342M (+27%) from 30 June 2014. This growth is the result of two opposing trends:

- marked increase in sovereign loans (€567M);
- reduction of Proparco's activity (-€116M, or 24%).

In the French Overseas Departments and Collectivities, approvals granted grew by 6%, reaching €300M at 30 June 2015, compared with €285M at 30 June 2014.

Lastly, approvals granted on behalf of third parties came to €302M in the first half of 2015, versus €61M in the first half of 2014, including €285M for the Green Climate Fund.

Disbursements

Total disbursements (AFD and Proparco on their own behalf) amounted to €1.584bn at 30 June 2015, versus €1.439bn at 30 June 2014.

✓ Activities in foreign countries

Disbursements in foreign countries stood at €783M at 30 June 2015 (-17%). Subsidy disbursements remained relatively stable (€99M in the first half of 2015 versus €116M in the same period of 2014), while loan disbursements fell sharply (€684M versus €829M).

✓ Activities in the French Overseas Departments and Collectivities

Disbursements came to €466M at 30 June 2015, compared with €171M at 30 June 2014. Financing granted to local authorities and to the public sector supporting public policies continued to grow in line with the 2014 trend.

✓ Proparco's activity

Proparco's disbursements for foreign loans and interests stood at €336M in the first half of 2015, compared with €323M in the same period of 2014, up 4%.

Financial results

The financial statements, prepared in accordance with International Financial Reporting Standards (IFRS), show a net income, Group share of €57M, versus €84M at 30 June 2014. This decrease is mainly due to the decline in value of financial instruments at fair value through profit and loss (-€30M compared with 30 June 2014).

Net banking income came to €267M in the first half of 2015, versus €253M in the first half of 2014.

The cost of risk increased from -€21M at 30 June 2014 to -€56M at 30 June 2015.

Prospects

For 2015, the Group's business plan provides for a volume of approvals totalling €8.3bn (for all operations), in line with the contractual targets and resources target (COM 2014-2016). Compared to 2014, this business plan assumes that AFD's activity will grow by 5% in foreign

countries, while activity will stabilise at €1.1bn for Proparco and €1.550bn for the French Overseas Departments and Collectivities.

The relaunch of non-sovereign activity, initiated in 2014, is a major priority in 2015. The tools established concern companies, banks and local authorities: contributing long-term financing, supporting partners and unveiling new goals (social business, financial innovation and currency risk hedging). The major canvassing effort carried out in 2014 will continue in 2015-2016 so that we can better understand needs in certain sectors and seek out new partners.

2015 will also be marked by the United Nations Climate Change Conference, to be held in Paris in November. In this context, AFD's commitments in relation to the fight against climate change (with at least 50% of loans approved in foreign countries offering a "climate co-benefit") are expected to be fulfilled.

By geographic region, AFD's projected activity in 2015 breaks down as follows:

- ✓ **Sub-Saharan Africa** remains the priority region, with stable overall projected activities of €2.5bn. AFD anticipates an increase in the amount of non-sovereign and non-subsidised loans and a relative stabilisation of activities under specific mandates (including general budget support). However, the exact amount of this increase is difficult to predict. Regarding the priority countries suffering from poverty, AFD's aim is a level of commitments at least equal to that of 2014 (approximately €800M);
- ✓ As for **the Mediterranean and Middle East**, AFD expects a volume of approvals totalling €920M. The political situation is such that it prevents planning for a significant recovery in this activity. AFD will continue its efforts on non-sovereign activity which, in 2014, accounted for 45% of its commitments. 2015 was also marked by the adoption in March of a new regional intervention framework for 2015-2018, based on three goals: supporting growth, social cohesion and managing scarce natural resources;
- ✓ In 2015, activity in the **Asia-Pacific** region is expected to increase in terms of volumes granted, with an approvals target of €1.17bn. This growth should continue to be driven by strong activity in South Asia, as well as funding for new projects in Central Asia and the Caucasus and the granting of our first loans in Burma. As in 2014, projects financed in 2015 shall illustrate AFD's proactive position on climate and urban issues in Asia and will help promote French expertise and French economic interests in the region;
- ✓ In 2015, AFD expects its **Latin American and Caribbean** activity to grow, with a commitment level slightly under €1bn. Sovereign commitments have been taken in Mexico and Colombia in the first half of the year, and activity should experience balanced growth thanks to the launch of operations in Peru, Ecuador and Bolivia, confirming AFD's position as a leading bilateral player across this sub-region. The activity will remain guided by the mobilisation of non-subsidised lending instruments. Efforts to promote French expertise and influence will remain a main priority, particularly in the field of renewable energy and the best management of land and natural resources. AFD will also seek to increase its participation as a leading backer for projects on the theme of "sustainable cities";
- ✓ For 2015, the volume of AFD activity in the **French Overseas Departments and Collectivities** may reach €1.55bn in commitments. AFD plans to continue sustained financing activity for public stakeholders. Regarding support for the overseas private sector, AFD's aim is to continue its efforts on direct loans (by continuing to develop its operations in the energy transition sector) and to maintain its proprietary guarantee

activity at a volume of around €50M. Finally, its services for BpiFrance are expected to reach a total value of €530M, a slight increase compared to 2014 with an upward trend.

Risk factors

The growth in total risks (outstandings and undisbursed balances of signed agreements) is mostly attributable to loans on AFD's own behalf, and on behalf of and at the risk of the French Government, which also increased in connection with the €430M loan granted to AID in 2014.

The increase in agreements signed for loans on AFD's own behalf was due primarily to sovereign loans (+8%) in foreign countries, which account for 57% of the change in foreign countries. Non-sovereign loans in foreign countries were up 9%, while loans in French Overseas Departments and Collectivities increased by only 3%.

In foreign countries, 55% of risk is concentrated in Sub-Saharan Africa (31%) and the Mediterranean (24%). The remaining exposure includes Asia (20%) and Latin America (20%), which continues to grow.

The overall quality of the non-sovereign risk portfolio remained stable in relation to 31/12/2014, although slightly weaker for the French Overseas Departments and Collectivities.

The portfolio of sovereign loans to foreign governments did slightly better in light of the improved ratings of certain countries representing a significant part of the portfolio (cf. Kenya moving from CR4/B to CR3/BB).

B. Consolidated financial accounts at 30 June 2015

Balance Sheet at 30 June 2015

<i>In thousands of euros</i>	Notes	30/06/2015 IFRS	31/12/2014 IFRS
Assets			
Cash, due from central banks		12,820	48,069
Financial assets at fair value through profit and loss	1	199,649	142,562
Hedging derivatives	2	2,162,693	2,163,265
Available-for-sale financial assets	3	2,628,706	1,148,100
Loans and receivables due from credit institutions	4	6,819,825	6,850,872
<i>Demand</i>		492,891	1,183,078
<i>Term</i>		6,326,934	5,667,794
Loans and receivables due from customers	4	20,302,234	19,446,296
<i>Commercial receivables</i>		4,194	3,177
<i>Other loans to customers</i>		20,298,040	19,443,119
<i>Overdrafts</i>			
<i>Finance lease</i>			
Revaluation differences on interest rate-hedged portfolio		22,031	27,749
Held-to-maturity financial assets	3	710,352	714,541
Current tax assets			
Deferred tax assets		22,018	21,967
Accruals and other miscellaneous assets	5	697,769	297,506
<i>Accruals</i>		69,638	48,866
<i>Other assets</i>		628,131	248,640
Equity stakes in companies accounted for by the equity method	14	157,330	166,578
Property, plant and equipment	6	194,037	195,432
Intangible assets	6	21,118	19,596
Total assets		33,950,582	31,242,533
Liabilities			
Central banks			-
Financial assets at fair value through profit and loss	1	574,132	339,495
Hedging derivatives	2	1,319,410	1,088,502
Debts to credit institutions	7	100,497	8,074
<i>Demand</i>		99,948	7,509
<i>Term</i>		549	565
Debts to customers	7	1,517	1,535
<i>Special savings accounts</i>			-
<i>Of which demand</i>			
<i>Other debts</i>		1,517	1,535
<i>Of which demand</i>		1,517	1,535
<i>Of which term</i>			
Debt securities in issue	7	23,057,606	20,585,783
<i>Short-term notes</i>			
<i>Interbank market securities</i>		499,999	-
<i>Bonds</i>		22,557,607	20,585,783
Revaluation differences on interest rate-hedged portfolio			
Current tax liabilities			
Deferred tax liabilities		121	121
Accruals and other miscellaneous liabilities	5	1,730,671	2,315,883
<i>Borrowing from French Treasury</i>		144,434	165,647
<i>Allocated public funds</i>		79,160	76,097
<i>Other liabilities</i>		1,507,077	2,074,139
Provisions	9	749,060	724,599
Subordinated debt	7	3,316,348	3,169,496
Total debts		30,849,362	28,233,488

Shareholders' equity attributable to the Group	10	2,812,405	2,725,443
Provisions and related retained earnings		860,000	860,000
Consolidated retained earnings and other		1,738,875	1,632,546
Gains and losses directly recognised in equity		156,425	112,872
Earnings for the period		57,106	120,025
Minority interests		288,815	283,602
Total liabilities		33,950,582	31,242,533

Income Statement at 30 June 2015

<i>In thousands of euros</i>	Notes	30/06/2015 IFRS	30/06/2014 IFRS	31/12/2014 IFRS
Interest and similar income	11-1	714,747	607,807	1,277,169
Transactions with credit institutions		165,449	151,171	319,373
Transactions with customers		301,969	234,668	500,988
Bonds and other fixed-income securities		14,166	14,518	28,321
Other interest and similar income		233,163	207,450	428,487
Interest and similar expenses	11-1	578,016	498,203	1,055,271
Transactions with credit institutions		279,871	205,603	455,697
Transactions with customers		16,009	15,977	32,204
Bonds and other fixed-income securities		214,560	190,636	395,710
Other interest and similar expenses		67,576	85,987	171,660
Commissions (income)		34,416	31,241	65,833
Commissions (expenses)		922	936	2,107
Net gains or losses on financial instruments at fair value through profit or loss net of currency effects	11-2	(36,684)	(6,867)	(11,812)
Net gains or losses on available-for-sale financial assets		13,488	11,937	22,188
Income on other activities		121,480	113,960	220,848
Expenses on other activities		1,060	6,364	9,300
Net banking income		267,449	252,576	507,548
Overhead		141,617	124,281	280,889
Staff costs	12-1	91,583	85,921	184,769
Other administrative expenses	12-2	50,034	38,360	96,120
Provisions for amortisation of intangible assets and depreciation of property, plant and equipment	6	8,275	8,074	16,525
Gross operating income		117,557	120,221	210,134
Cost of risk	13	(55,618)	(21,121)	(68,843)
Operating income		61,939	99,100	141,291
Share of earnings from companies accounted for by the equity method	14	5,632	2,984	5,796
Net gains or losses on other assets		123	1	(1,190)
Pre-tax income		67,693	102,085	145,897
Corporate tax		(4,581)	(8,529)	(13,459)

Net income from discontinued or discontinuing activities			
Net income	63,112	93,556	132,438
Minority interests	(6,006)	(9,733)	(12,413)
Net income - Group share	57,106	83,823	120,025

Net income and gains and losses booked directly as equity at 30 June 2015

<i>In thousands of euros</i>		30/06/2015 IFRS	30/06/2014 IFRS	31/12/2014 IFRS
Net income		63,112	93,556	132,438
Items that will be subsequently recycled to profit or loss:				
Translation differences				
Revaluation of available-for-sale financial assets (net of tax)		41,769	13,345	54,610
Revaluation of hedging derivatives				
Items from the share of gains and losses booked directly as equity from companies accounted for by the equity method				
Items that will not be subsequently recycled to profit or loss:				
Actuarial gains and losses on defined benefit liabilities				(14,581)
Total gains and losses booked directly as equity		41,769	13,345	40,029
Net income and gains and losses booked directly as equity		104,881	106,901	172,467

Cash Flow Statement of the first half of 2015

<i>In thousands of euros</i>	30/06/2015 IFRS	30/06/2014 IFRS	31/12/2014 IFRS
Pre-tax income (A)	61,687	92,352	133,484
Net depreciation/amortisation expenses on property, plant and equipment and intangible assets	8,275	7,933	16,441
Impairment of goodwill and other fixed assets	0	142	85
Net allocations to provisions (including insurance technical reserves)	82,258	41,053	141,967
Share of earnings from companies accounted for by the equity method	(5,632)	(2,984)	(5,796)
Net gain/(net loss) on investment activities	(14,236)	(7,182)	(33,199)
Net gain/(net loss) on financing activities	15,293	519	988
Other items ⁽¹⁾	(92,404)	(38,932)	12,091
Total non-cash items included in net pre-tax income and other items (B)	(6,447)	549	132,577
Cash received from credit institutions and equivalent	(189,811)	(966,618)	(1,693,255)
Cash received from customers	(1,661,655)	(671,099)	(2,884,387)
Cash flows from other operations affecting other financial assets or liabilities	1,220,257	2,116,215	4,454,711
Cash flows from operations affecting non-financial assets or liabilities	(378,177)	208,078	161,547
Taxes paid	(4,632)	(7,704)	(19,249)
= Net increase (decrease) in cash related to assets and liabilities generated by operating activities (C)	(1,014,020)	678,873	19,367
Net cash flows from operating activities (A + B + C)	(958,780)	771,774	285,428
Cash flows from financial assets and equity stakes	(17,194)	(28,969)	60,840
Cash flows from property, plant and equipment and intangible assets	(8,363)	(2,914)	(14,827)
Net cash flows from investment activities	(25,557)	(31,884)	46,013
Cash flows to or from shareholders	23,489	(55,764)	(42,300)
Other net cash flows from financing activities	142,992	(323,565)	(90,331)
Net cash flows from financing activities	166,482	(379,328)	(132,631)
Net increase (decrease) in cash and cash equivalents	(817,855)	360,562	198,810
Opening balance of cash and cash equivalents	<u>1,222,102</u>	<u>1,023,293</u>	<u>1,023,293</u>
Net balance of cash accounts and accounts with central banks	48,069	15,316	15,316
Net balance of term loans and deposits from credit institutions	1,174,034	1,007,977	1,007,977
Ending balance of cash and cash equivalents	<u>404,247</u>	<u>1,383,855</u>	<u>1,222,103</u>
Net balance of cash accounts and accounts with central banks	12,820	8,841	48,069
Net balance of term loans and deposits from credit institutions	391,427	1,375,013	1,174,034
Change in cash and cash equivalents	(817,855)	360,562	198,810

AFD Group's cash flow statement is presented using the indirect method.

Statement of Changes in Shareholders' Equity from 31 December 2013 to 30 June 2015

<i>In thousands of euros</i>	Provisions	Funding reserves	Consolidated reserves	Net income	Unrealised or deferred gains or losses	Equity - Group Share	Equity - Minority Interests	Total consolidated equity
Equity at 31 December 2013 (IFRS standards)	400,000	460,000	1,511,922	150,775	67,816	2,590,513	237,879	2,828,392
Impact of changes in accounting policy or error correction (IAS 19R)						0		0
Equity at 1 January 2014 (IFRS standards)	400,000	460,000	1,511,922	150,775	67,816	2,590,513	237,879	2,828,392
Share of 2013 earnings retained in reserves						0		0
Earnings in 2013			150,775	(150,775)		0		0
Dividends paid						0	(5,139)	(5,139)
Other changes			6,902			6,902	(2,869)	4,033
Earnings in first half of 2014				83,823		83,823	9,733	93,556
Gains or losses directly recorded in equity for 2014*					12,418	12,418	5,926	18,344
Equity at 30 June 2014 (IFRS standards)	400,000	460,000	1,669,599	83,823	80,234	2,693,656	245,530	2,939,186
Share of 2013 earnings retained in reserves			(37,160)	37,160		0		0
Dividends paid				(37,160)		(37,160)	780	(36,381)
Other changes			108			108	32,843	32,951
Changes related to put options						0	(10,618)	(10,618)
Earnings in second half of 2014				36,202		36,202	2,680	38,882
Gains or losses directly recorded in equity for 2014*					32,638	32,638	12,386	45,024
Equity at 31 December 2014 (IFRS standards)	400,000	460,000	1,632,547	120,025	112,872	2,725,443	283,602	3,009,045
Impact of changes in accounting policy or error correction (IAS 19R)			(14,435)			(14,435)		(14,435)
Equity at 1 January 2015 (IFRS standards)	400,000	460,000	1,618,112	120,025	112,872	2,711,008	283,602	2,994,610
Share of 2014 earnings retained in reserves			120,025	(120,025)		0		0
Dividends paid						0		0
Other changes			739			739	(7,408)	(6,669)
Changes related to put options						0	(1,616)	(1,616)
Earnings in first half of 2015				57,106		57,106	6,006	63,112
Gains or losses directly recorded in equity for 2015*					43,553	43,553	8,231	51,784
Equity at 30 June 2015 (IFRS standards)	400,000	460,000	1,738,875	57,106	156,425	2,812,406	288,815	3,101,221

Gains and losses taken directly to equity in 2015:

<i>In thousands of euros</i>	30/06/2015 IFRS	31/12/2014 IFRS
Items that will be subsequently recycled to profit or loss	167,465	128,153
Items that will not be subsequently recycled to profit or loss	(11,040)	(15,281)
<i>Of which actuarial gains and losses on defined benefit liabilities</i>	<i>(11,040)</i>	<i>(15,281)</i>
Total	156,425	112,872

Notes to the financial statements

Agence Française de Développement is an industrial and commercial public undertaking tasked with financing development assistance. AFD funding amounts to €400M.

Its registered office is located at 5 rue Roland-Barthes – 75598 Paris cedex 12.

Listed on the Paris Trade and Companies Register under Number 775 665 599.

1. Accounting principles and assessment methods

1.1 Accounting standards applied to Agence Française de Développement

In accordance with Regulation 1606/2002 of the European Council, the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The IFRS standards include the accounting standards issued by the International Accounting Standards Board (IASB) and the interpretations published by the IFRS International Committee.

The financial statements given in this document include the summary financial statements and the notes to the financial statements. They are presented in accordance with French Accounting Standards Authority (ANC) Recommendation 2013-04 concerning the format of the summary documents of companies subject to banking and finance regulations under international accounting standards, with IAS34 "Interim Financial Reporting" and with recommendation ANC 2001-R-02 allowing the provision of limited information in the notes to interim financial statements.

These consolidated financial statements are presented in thousands of euros.

1.2 Accounting principles and policies

The accounting principles and policies used in the preparation of the consolidated half-year financial statements for the period from 1 January to 30 June 2015 are identical to those applied to the consolidated financial statements for the year ended on 31 December 2014, prepared in accordance with IFRS accounting principles and detailed in paragraph 2.2 "Accounting principles and policies" of the 2014 consolidated financial statements.

The standards and interpretations used in the financial statements as at 31 December 2014 and detailed in paragraph 3 "Standards applicable as at 31 December 2014", have been applied in full to these half-year statements.

These standards and amendments were supplemented by the provisions of IFRS standards as adopted by the European Union which first became compulsory on 1 January 2015:

- Interpretation IFRIC 21 related to the recognition of levies charged by public authorities.

In accordance with IFRIC 21, expenses and liabilities corresponding to levies imposed by public authorities are recognised when payment is triggered in accordance with the relevant legislation. The liability is recognised in full at a certain date or progressively, as applicable. As a consequence, certain levies are no longer spread over the duration of the financial year (e.g. ACPR, property taxes, C3S) and may be deferred to another financial year (as in the case of the C3S).

Its application at 30 June 2015 led to a €4.9M increase in AFD Group's overheads.

As a comparison, in accordance with EU regulation 634-2014 of 13 June 2014, the retrospective application of this interpretation to AFD's financial statements at 30/06/2014 would have added an additional €2.7M in costs.

- Amendment to IFRS 13 "Fair Value Measurement":

This new amendment extends to non-financial instruments the scope of the exception for measuring the fair value of a group of assets and liabilities on a net basis with offsetting positions in market risks or credit risks.

This amendment had no impact on AFD's financial statements at 30 June 2015.

1.3. Consolidation scope

AFD's consolidated financial statements cover all fully-controlled enterprises, joint ventures and companies on which the Institution exerts a significant influence.

The following are not included in the consolidation scope:

- companies of no real significance,
- foreign companies in which AFD holds a minority interest and does not exercise significant influence due to the companies being either fully or partially state-owned.
-

as a percentage of ownership	30/06/2015	30/06/2014	31/12/2014
Fully consolidated companies			
Soderag	100.00	100.00	100.00
Proparco	64.17	57.48	63.93
Sogefom	60.00	60.00	60.00
Fisea	100.00	100.00	100.00
Propasia	64.17	57.48	63.93
Companies accounted for by the equity method			
Société Immobilière de Nouvelle Calédonie	50.00	50.00	50.00
Société Immobilière de la Martinique	22.27	22.27	22.27
Banque Socredo	35.00	35.00	35.00

1.4 Consolidation methods

The following consolidation methods are used:

- ✓ Full consolidation

All accounts are included, line item by line item, both on and off AFD's balance sheet, while reporting the claims of "minority shareholders". The same process is used for income statements.

Proparco, Soderag, Sogefom, Fisea and Propasia are fully consolidated.

- ✓ Equity method

The equity method consists in measuring interest by using the company's net position and calculating a share of its restated income according to the stake held in its capital.

At 30 June 2015, this method was used for three companies in which AFD directly or indirectly holds a stake of between 20% and 50% and over which “significant influence” can be proven: *Société Immobilière de Nouvelle-Calédonie* (SIC), *Société Immobilière de Martinique* (Simar) and Socredo.

✓ Comments on other companies

AFD also has holdings in a number of companies over whose management it has no significant influence. These companies are not consolidated, either fully or using the equity method. They are recorded under “available-for-sale financial assets”.

2. Seasonal items

Based on their operations, the Group's companies do not experience seasonal cycles impacting the consolidated half-year financial statements.

3. Events of the period

✓ Allocation of 2014 net income

Pursuant to Article 79 of the amending Finance Bill 2001-1276 of 28 December 2001, the amount of the dividend paid by AFD to the French State is determined by ministerial order after review of the Company's financial position and a report by the Board of Directors.

The 2014 financial statements were approved by the Board of Directors on 13 April 2015. However, as the interministerial order is yet to be issued, the 2014 net income has been recorded in the income statement pending its allocation.

✓ Financing of the Group's activity

To finance the growth in loan activity on its own behalf, in the first half of the year AFD made four bond issues in the form of public issues and matched two other existing issues for a total volume of €3.4bn.

4. Significant events after 30 June 2015

No significant events occurred after 30 June that have not been taken into account in the preparation of the financial statements at this date.

5 Notes to the financial statements at 30/06/2015

5.1 Notes to the Balance Sheet

Note 1 – Financial assets and liabilities at fair value through profit and loss

<i>In thousands of euros</i>	30/06/2015 IFRS			31/12/2014 IFRS		
	Assets	Liabilities	Notional/ outstanding	Assets	Liabilities	Notional/ outstanding
Interest rate derivatives	5,599	21,235	717,736	4,873	26,938	1,475,937
Foreign exchange derivatives	153,345	541,140	4,898,317	95,999	305,925	3,913,404
Assets/liabilities designated at fair value through P&L	23,344		25,000	23,702		25,000
Securities at fair value through P&L	15,916		8,781	17,721		8,216
CVA/DVA	1,445	11,757		267	6,632	
Total	199,649	574,132		142,562	339,495	

Note 2 - Financial hedging derivatives

<i>In thousands of euros</i>	30/06/2015 IFRS			31/12/2014 IFRS		
	Assets	Liabilities	Notional	Assets	Liabilities	Notional
Fair value hedging						
Interest rate derivatives	1,148,379	657,590	21,340,400	1,515,828	663,630	19,629,179
Interest rate and foreign exchange derivatives (cross-currency swaps)	1,014,314	661,820	9,871,603	647,437	424,871	7,894,212
Total	2,162,693	1,319,410		2,163,265	1,088,502	

Note 3 – Financial investments

<i>In thousands of euros</i>	30/06/2015 IFRS	31/12/2014 IFRS
Available-for-sale financial assets		
Government paper and equivalent	1,555,911	214,627
Bonds and other fixed-income securities	17,845	10,318
Equity stakes in related businesses		
Equity stakes and other long-term securities	1,097,651	957,774
<i>Of which UCITS</i>	48,825	48,339
Subtotal	2,671,406	1,182,720
Impairment	(42,700)	(34,620)
Total available-for-sale financial assets	2,628,706	1,148,100
Held-to-maturity financial assets		
Government paper and equivalent	599,594	594,146
Bonds and other fixed-income securities	110,757	120,395
Subtotal	710,352	714,541

Impairment

Total held-to-maturity financial assets	710,352	714,541
Total financial investments	3,339,058	1,862,641

Note 4 – Receivables due from credit institutions and customers

<i>In thousands of euros</i>	30/06/2015 IFRS		31/12/2014 IFRS	
	Demand	Term	Demand	Term
Loans to credit institutions		4,964,294		4,598,119
Performing loans		4,954,852		4,587,105
Impaired loans		9,442		11,014
Impairments		(100,395)		(92,080)
Impairment of individual receivables		(8,686)		(6,962)
Impairment of groups of homogeneous assets		(91,709)		(85,118)
Related receivables		32,165		27,466
Valuation adjustments of loans hedged by forward financial instruments		(23,744)		3,569
Subtotal		4,872,319		4,537,074
Loans to customers		20,373,738		19,308,078
Performing loans		19,772,964		18,714,847
Impaired loans		600,774		593,231
Impairments		(623,977)		(581,745)
Impairment of individual receivables		(353,681)		(317,896)
Impairment of groups of homogeneous assets		(270,296)		(263,849)
Related receivables		82,525		60,071
Valuation adjustments of loans hedged by forward financial instruments		469,948		659,892
Subtotal		20,302,234		19,446,296
Total Loans		25,174,554		23,983,370
Other receivables				
Deposits (available cash) at credit institutions	487,020	1,454,580	1,179,748	1,130,701
Related receivables	5,872	34	3,330	19
Total other receivables	492,891	1,454,615	1,183,078	1,130,720
Total loans and other receivables	492,891	26,629,168	1,183,078	25,114,090

The fair value of guarantees used to calculate individual writedowns totalled €23M (€19,4 million at 31 December 2014).

Note 5 – Accruals and miscellaneous assets/liabilities

<i>In thousands of euros</i>	30 June 2015 IFRS		31 Dec 2014 IFRS	
	Assets	Liabilities	Assets	Liabilities
French Treasury		144,434		165,647
Allocated public funds		79,160		76,097
Other assets and liabilities	697,769	1,014,442	297,506	1,785,682
Accounts payable, French State		492,635		288,457
Total accruals and miscellaneous assets/liabilities	697,769	1,730,671	297,506	2,315,883

Note 6 – Property, plant and equipment and intangible assets

<i>In thousands of euros</i>	Property, plant and equipment			Intangible assets	Total IFRS	Total IFRS
	Land and development	Buildings and development	Other		30/06/2015	31/12/2014
Gross value						
At 1 January 2015	87,718	195,612	55,045	53,918	392,293	386,522
Purchases	419	2,919	775	4,363	8,476	19,158
Disposals/retirements	0	(3)	(6,346)		(6,349)	(13,387)
Other items	(9)	(34)	(113)	28	(128)	0
Change in scope						
At 30 June 2015	88,128	198,494	49,361	58,309	394,292	392,293
Depreciation/amortisation						
At 1 January 2015	2,351	98,458	42,049	34,322	177,180	172,474
Provisions	48	3,402	1,966	2,859	8,275	16,440
Reversals		(3)	(6,315)		(6,318)	(11,734)
Other items		(2)	(8)	10		0
Change in scope						
At 30 June 2015	2,399	101,855	37,692	37,191	179,137	177,180
Impairments						
At 1 January 2015			85		85	85
Provisions					0	
Reversals			(85)		(85)	
At 30 June 2015	0	0	0	0	0	85
Net value	85,729	96,639	11,669	21,118	215,155	215,028

Note 7 – Debts to credit institutions and customers, and debt securities

<i>In thousands of euros</i>	30/06/2015 IFRS	31/12/2014 IFRS
Debt to credit institutions		
Demand debt	99,948	7,509
Term debt	548	543
Related debt	1	22
Total debt to credit institutions	100,497	8,074
Debt to customers		
Accounts payable, customers	1,517	1,534
Related debt		1
Total debt to customers	1,517	1,535
Debt securities in issue		
Interbank market securities	499,999	0
Bonds	21,432,142	18,969,846
Related debt	162,625	273,400
Valuation adjustments of debt securities in issue hedged by derivatives	962,840	1,342,537
Total debt securities in issue	23,057,606	20,585,783
Subordinated debt		
Subordinated loans from the French Treasury	2,768,146	2,625,157
Other subordinated debt	499,869	499,866
Related debt	23,723	11,363
Valuation adjustments of debt securities in issue hedged by derivatives	24,610	33,110
Total subordinated debt	3,316,348	3,169,496

Note 8 – Financial assets and liabilities measured at fair value

The fair value of a financial asset or liability is the quoted market price if it is traded on an active market (Level 1). If there is no market or reliable data, the fair value is determined based on the current market value of a comparable instrument or by discounting the future cash flows (Level 2). Level 3 includes instruments for which measurement relies on non-observable market data. No transfer of financial assets or liabilities to level 3 was identified in the period.

<i>In thousands of euros</i>	30/06/2015 IFRS				31/12/2014 IFRS			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets/Liabilities								
Financial assets at fair value through profit and loss		198,837	812	199,649		141,647	915	142,562
Hedging derivatives (assets)		2,162,693		2,162,693		2,163,265		2,163,265
Available-for-sale financial assets	887,573	63,151	1,677,982	2,628,706	151,372	42,696	954,032	1,148,100
Financial assets at fair value through profit and loss		571,705	2,427	574,132		338,377	1,118	339,495
Hedging derivatives (liabilities)		1,319,410		1,319,410		1,088,502		1,088,502

Note 9 – Provisions and writedowns

Provisions	31/12/2014	Provisions	Reversals available	Translation adjustment	Reclassification	30/06/2015
Included in the cost of risk						
French Overseas Department subsidiary risks	29,616		824			28,792
Other provisions for risk	37,779	3,135	2,926	7	1,189	39,184
<i>Subtotal</i>	67,396	3,135	3,750	7	1,189	67,977
Excluded from the cost of risk						
Provision for expenses - sovereign loans	547,406	26,197				573,603
Staff costs	92,770					92,770
Provision for risks and expenses	17,027		1,129		-1,189	14,709
Total	724,599	29,333	4,879	7	0	749,060
Asset impairment						
Banks	6,962	2,471	973	226		8,686
Credit to customers	317,896	51,417	18,979	3,346		353,680
<i>Of which Cost of risk</i>		51,298	15,622			
Other receivables	1,453	215				1,668
Group of homogeneous assets	348,967	30,399	17,361			362,005
<i>Of which Cost of risk</i>		30,399	17,361			
Available-for-sale financial assets	21,994	27	27			21,994
Total	697,271	84,530	37,340	3,572		748,033

Note 10 – Statement of Changes in Equity

Changes in equity are presented in the financial statements in the statement of changes in shareholders' equity from 31 December 2013 to 30 June 2015.

5.2 Notes to the Income Statement

Note 11 – Net banking income

1. Interest income and expense

<i>In thousands of euros</i>	30/06/2015 IFRS	30/06/2014 IFRS	31/12/2014 IFRS
Transactions with credit institutions	165,449	151,171	319,373
Interest on loans	160,668	147,842	308,366
Interest on short-term investments	4,781	3,329	11,007
Transactions with customers	301,969	234,668	500,988
Financial instrument transactions	247,329	221,968	456,808
Available-for-sale financial assets	1,873	1,716	2,757
Held-to-maturity financial assets	12,293	12,802	25,564
Hedging derivatives	233,163	207,450	428,487
Total interest income	714,747	607,807	1,277,169
Transactions with credit institutions	279,871	205,603	455,697
Transactions with customers	16,009	15,977	32,204
Financial instrument transactions	281,317	275,581	565,380
Debt securities	214,560	186,434	391,508
Subordinated debt		4,202	4,201
Hedging derivatives	66,757	84,945	169,671
Other interest expenses	819	1,042	1,990
Total interest expenses	578,016	498,203	1,055,271

2. Gains and losses on financial instruments at fair value through profit and loss

	30/06/2015 IFRS			30/06/2014 IFRS		31/12/2014 IFRS	
	Gains and losses on financial instruments at fair value through profit and loss	Foreign currency impact on derivatives	Gains and losses on financial instruments at fair value through profit and loss net of foreign currency	Gains and losses on financial instruments at fair value through profit and loss	Foreign currency impact on derivatives	Gains and losses on financial instruments at fair value through profit and loss net of foreign currency	Gains and losses on financial instruments at fair value through profit and loss net of foreign currency
<i>In thousands of euros</i>							
Financial assets and liabilities at fair value through profit and loss	5,590	(2,306)	3,284	(4,161)	(926)	(5,087)	(7,103)
Instruments designated at fair value	(1,881)		(1,881)	3,251		3,251	2,293
Income resulting from hedge accounting	(27,992)	(487)	(28,479)	(8,648)		(8,648)	12,345
Natural hedging	(177,678)	172,017	(5,662)	(22,256)	27,841	5,585	(20,586)
CVA/DVA	(487)		(487)	(1,968)		(1,968)	1,239
Total	(202,448)	169,224	(33,224)	(33,782)	26,915	(6,867)	(11,812)

Note 12 – Overheads

1. Staff costs

<i>In thousands of euros</i>	30/06/2015 IFRS	30/06/2014 IFRS	31/12/2014 IFRS
Staff costs			
Wages and bonuses	65,433	63,519	126,426
Social security expenses	25,922	24,943	53,497
Profit sharing	1,865	2,812	6,604
Taxes and similar payments on remuneration	5,452	5,340	12,392
Provisions/reversal of provisions		(3,825)	718
Rebiling banks' staff	(7,089)	(6,868)	(14,868)
Total	91,583	85,921	184,769

2. Other administrative expenses

<i>In thousands of euros</i>	30/06/2015 IFRS	30/06/2014 IFRS	30/06/2014 IFRS Proforma	31/12/2014 IFRS	31 Dec 2014 IFRS Proforma
Other administrative expenses					
Taxes	10,931	3,545	6,266	7,729	7,460
<i>of which contribution to the SRM</i>	<i>2,000</i>				
<i>of which application of IFRIC 21</i>	<i>4,896</i>		<i>2,721</i>		<i>(269)</i>
Subcontracting	39,332	35,252	35,252	89,475	89,475
Provisions/reversal of provisions				(3)	(3)
Rebiling of expenses	(229)	(437)	(437)	(1,081)	(1,081)
Total	50,034	38,360	41,081	96,120	95,851

The contribution to the Single Resolution Mechanism (SRM) for the 2015 financial year is estimated at €4M¹. In accordance with IFRIC 21, it was recognised in full at 30/06/2015 (€2M under French standards and €2M under the IFRS).

The retroactive application of IFRIC 21 at 1 January 2014 would have entailed the restatement of taxes at 30/06/2014 (+ €2.7M) and at 31/12/2014 (- €0.3M).

¹ Based on the information available at 30/06/2015.

Note 13 – Cost of risk

<i>In thousands of euros</i>	30/06/2015 IFRS			30/06/2014 IFRS	31/12/2014 IFRS
	Provisions	Reversals	Total		
Collective provisions and impairment	33,534	21,111	(12,423)	(24,686)	(39,631)
Individual impairment of non-sovereign loans	51,298	15,622	(35,675)	3,943	(28,625)
Losses on principal of bad loans	7,528	8	(7,520)	(379)	(588)
Total	92,360	36,742	(55,618)	(21,121)	(68,843)

Note 14 – Equity-accounted companies

<i>In thousands of euros</i>	30/06/2015 IFRS		30/06/2014 IFRS		31/12/2014 IFRS	
	Balance Sheet	Income	Balance Sheet	Income	Balance Sheet	Income
SIC	43,754	2,880	54,009	77	54,080	147
Simar	19,061	1,233	16,882	1,316	17,828	2,263
Socredo	94,515	1,519	92,875	1,591	94,670	3,386
Total	157,330	5,632	163,766	2,984	166,578	5,796

In previous financial years, *Société Immobilière de Nouvelle Calédonie* (SIC) entered into hedging swap agreements but failed to report their value in the relevant consolidation package to be included in AFD Group's income. The correction of this mistake by SIC at 30/06/2015 impacted the share of the net assets of the companies consolidated with the equity method for €11.752M against (i) the Group's equity for the portion pertaining to the cumulated changes in fair value at 31 December 2014 (- €14.435M) and (ii) SIC's contribution to the Group's income (€2.683M) resulting from fair value changes in the first half of 2015.

5.3. Additional Information

Note 15 – Commitments

<i>In thousands of euros</i>	30/06/2015 IFRS	31/12/2014 IFRS
<i>Commitments received</i>		
Financing commitments received from the French State	560,000	
Guarantee commitments received from the French State on loans	871,809	1,313,528
Guarantee commitments received from credit institutions	513,878	463,119
<i>As part of the Group's lending activity</i>	<i>513,878</i>	<i>463,119</i>
<i>Commitments given</i>		
Financing commitments made to credit institutions	1,153,101	1,188,339
Financing commitments made to customers	8,248,799	7,526,264
Guarantee commitments made to credit institutions	28,484	28,177
Guarantee commitments made to customers	553,564	593,098

Commitments received exclude transactions on behalf of the French State.

C. Report of the Statutory Auditors on the 2015 half-year financial information

Report of the Statutory Auditors on the 2015 half-year financial information

From 1 January 2015 to 30 June 2015

To the Shareholders,

In compliance with the assignment entrusted to us by your Board of Directors, and in accordance with Article L. 451-1-2 III of the French Monetary and Financial Code, we carried out the following tasks:

- a limited review of Agence Française de Développement's condensed consolidated half-year financial statements for the period from 1 January 2015 to 30 June 2015, attached hereto;

- a check of the information provided in the half-year business report.

These condensed consolidated half-year financial statements are the responsibility of the Chief Executive Officer. Our role is to express an opinion on these financial statements based on our limited review.

I - Conclusion on the financial statements

We conducted our limited review in accordance with the professional standards applicable in France. A limited review essentially involves meeting the management members in charge of accounting and financial affairs and applying analytical procedures. This work is less extensive than an audit performed in accordance with the professional standards applicable in France. As a consequence, the assurance that the financial statements do not present significant anomalies based on a limited review is only moderate and not as strong as the assurance obtained from a full audit.

Based on our limited review, we did not identify any significant anomalies which, in accordance with IFRS standards as adopted by the European Union, may call into question the truthfulness and fairness of the consolidated half-year financial statements and the faithful representation they give of the assets and financial position at the end of the semester and of the profit/loss for the relevant semester generated by the persons and entities included in the consolidation scope.

Without casting doubt on the opinion expressed above, we call your attention to Note 1.b. "Principles and methods" to the condensed consolidated half-year financial statements, detailing the impact of the first application of interpretation IFRIC 21.

II - Special verification

We also checked the information provided in the half-year business report attached to the condensed consolidated half-year financial statements object of our limited review.

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

Paris La Défense, 3 August 2015

KPMG Audit

A division of KPMG S.A.

[signature]

Pascal Brouard

Partner

Courbevoie, 3 August 2015

Mazars

[signature]

Max Dongar

Partner

D. Person responsible for the half-year financial statements

Name and position

Anne Paugam: Chief Executive Officer

Certification of the person responsible

I certify that to the best of my knowledge the condensed financial statements for the past semester are drawn up in accordance with the accounting standards applicable and give a true and fair view of the assets, financial position and results of the company and all the subsidiaries included in the scope of consolidation. The management half-year report featured on page 5 faithfully presents the significant events having occurred in the first half of the financial year and their impact on the financial statements, and describes the primary risks and uncertainties for the second half of the financial year.

Signed in Paris on 3 August 2015

The Chief Executive Officer

Anne Paugam