

Société Anonyme (public limited company) with a capital of €100,000,000
Registered Office: 66 rue des Archives
75003 PARIS
682 016 332 RCS PARIS

**INTERIM FINANCIAL REPORT OF LASER COFINOGA
ON A CONSOLIDATED BASIS
FROM 1ST JANUARY TO 30 JUNE 2010**

- EXTRACT -

1. Interim activity report

- 1.1. Key figures
- 1.2. Half year highlights
- 1.3. Consolidated activities and results
- 1.4. The main risks
- 1.5. Post closing event
- 1.6. Second half year outlook

2. Consolidated financial statements

Balance sheet
Income statement
Statement of changes in shareholders' equity
Cash flow statement

1. INTERIM PROGRESS REPORT:

As part of the LaSer group, jointly owned by the Galeries Lafayette group and BNP Paribas Personal Finance, LaSer Cofinoga develops and runs credit and payment activities in France and in Europe.

1.1. Key figures

In millions of euros.	30 June 2010	30 June 2009	change HY1 2010/HY1 2009	On a like-for-like basis (2)
New volume (1)				
LM & FS	1,876	1,890	-0.8%	-11.4%
Partnerships	670	711	-5.6%	-5.6%
LCF	397	499	-20.5	-23.4%
Total	2,943	3,100	-5.1%	-12.0%
Managed outstanding at 30 June (1)				
LM & FS	6,177	6,374	-3.1%	-3.1%
Partnerships	1,574	1,694	-7.1%	-7.1%
LCF	4,902	4,633	5.8	-2.8%
Total	12,652	12,700	-0.4%	-3.5%
Net banking income	666.4	646.3	3.1%	-5.2%
Gross operating income	386.6	382.4	1.1%	-10.1%
Operating profit or loss net of cost of risk	69.1	54.7	26.2%	-38.5%
Net income	59.4	93.7	-36.6%	-41%
Operating ratio	42.0	40.8		

(1) Considering an interest of 100% in all the subsidiaries and excluding the Spanish branch in 2009 (classified as an asset held for sale)

(2) The comparable is the restated exchange rates and effects on reporting scope mainly relating to the reintegration of BSH as a continuing operation in 2010 and the acquisition of Cetelem Poland in May 2009 (first 5 months of 2009 restated) and, in respect of net income, the sale of the Portuguese subsidiary in May 2009.

- LaSer Marketing & Financial Services, LM & FS, develops the partner credit and loyalty development products essentially offered to the distribution sector (BtoBtoC),
- LaSer Consumer Finance, LCF, sells the credit offer to the clientele either directly or through brokers (BtoC),
- The Partnerships include all companies jointly controlled or recognized by the equity method: primarily the Casino Group Bank and the Solfea Bank.

1.2. Half year highlights

- In 2009, further to the calling in question of the economic model for consumer credit in Spain, on a market suffering from a serious economic crisis that has hit disposable income hard, LaSer Cofinoga had decided to stop its credit business in Spain, while preferring the solution to sell.

In June 2010, the planned sale was abandoned because no buyout offers met the required financial conditions, all the more so as debt collection performed better in the period.

Therefore, its classification under "Activities held for sale" was not maintained and BSH's flows were restated as items in the 2010 income statement. The dropping of the planned sale led to a reversal of the provision funded for that purpose in 2009, which amounted to €47.4 million at 31 December 2009. In addition, an allowance of €5.5

million was recognized to take account of stress-tested statistical assumptions used to calculate the provisions for impairment of bad debt.

- As part of its transformation plan "Join LaSer 2012" initiated in 2009, LaSer Cofinoga completed the following activities in this half year:
 - a feasibility study on merging credit brands in France into a single brand was initiated,
 - the pooling of granting activities for debt consolidation took concrete form through the development of a single centre at Jurançon, a centre of expertise in this field, for all entities in France,
 - LaSer Cofinoga's Paris-based staff are preparing to move in September. The company's new head office and that of its parent company LaSer will be at 18 rue de Londres, 75009 Paris.

1.3. Activity & consolidated results

The comments on the changes below are given for an unchanged reporting scope and constant exchange rates, in view of the extensive impacts of reclassifying the Spanish branch BSH and the acquisition of Cetelem Poland in May 2009.

The economic conditions in Europe in the first half of 2010 continued to have an adverse effect on the consumer credit business, both in terms of volume of credit offers and in the capacity of customers to control the repayment of their debt.

In France, the gross lending of specialized lending institutions fell by 1.1% at end June 2010 compared with 2009 in respect of revolving credit (-8.7%), personal loans (+11.5%) and home improvement and household goods loans (-1.5%)⁽¹⁾. It should be noted that gross lending was already down by 16.6% at end June 2009 compared with 2008.

(1) Source ASF Statistics on financial firms June 2010

In that context, LaSer Cofinoga new volume was down 12.0% on a comparable basis.

In France, market trends and more stringent lending conditions weighed heavily on the revolving credit business both in terms of acquisition and in terms of loyalty development, generating an 18% drop in lending compared with 2009.

By implementing numerous action plans (sales drives, phone campaigns, closer collaboration with the brokers), LaSer Cofinoga registered a 6% rise in lending on fixed-rate products. In particular, debt consolidation lending in France, handled by the broker network, was up 30% on 2009.

On the international market, the economic environment and the rise in risk led LaSer Cofinoga to step up its customer selection criteria and to stop marketing of certain products, such as debt consolidation in Poland, while curbing its selling costs on acquisition through the media (direct acquisition). Gross lending fell by 43% in Poland, 36% in Scandinavia and 29% in the Netherlands.

Only the United Kingdom showed growth in its business compared with 2009 (+38%) thanks to the success of numerous trade agreements entered into in 2009. LaSer UK also confirmed its commercial expansion in 2010 by signing nearly 100 new agreements, including a partnership with Dixon's, the leading high street electronics vendor in the United Kingdom.

LaSer Cofinoga's total credit outstanding fell by 3.5%, due to the reduced level of credit in 2010 and throughout 2009 (down 15.7% on 2008).

Net banking income was down 5.2%. The fall in the average cost of refinancing (-2.4% in 2010 compared with -3.6% in 2009) partially offset the 12.6% fall in revenue from customer interest. The main reasons for the changes in these revenue streams are:

- the falloff in credit outstanding, mainly interest-bearing customer credit. Average credit outstanding fell by 8% between June 2009 and June 2010,
- the product mix moving towards more fixed-rate lower yield loans,
- the fall in the usury rate not fully offset by the fall in refinancing rates.

Operating expenses rose by 1.8%. Efforts to control the risk of unsettled debt generated an increase in debt collection resources, representing an additional 6 million euros in operating expenses. Furthermore, commercial costs rose 15% with the recent boost in acquisition. However, savings made on other fronts, further to numerous initiatives taken to improve productivity and cut costs, helped hold in check this rise in operating expenses. Examples of recent initiatives include:

- Industrialisation of the management of prospective customer contacts,
- Optimization of the agency distribution channel,
- A process of rationalization of corporate service costs,

- Synergies relating to the operational integration of the Polish activities further to the acquisition of Cetelem Poland in May 2009.

Excluding the cost of collecting customer arrears and selling costs, operating costs fell by 2.5%.

LaSer Cofinoga's cost of risk, including depreciation provisions for loss of future margin, was down 9.7%, thanks to initiatives taken to step up debt collection through the courts, a noticeable downturn in receipts of arrears, at the same time offsetting the rise in cases of overindebtedness in France.

Operating profit or loss before tax came to 69.1 million euros at end June 2010 against 54.7 million euros in 2009, a rise of 26%, or a fall of 35.5% on a like for like reporting and exchange rate basis.

The period's net income totalled 59.4 million euros against 93.7 million euros in 2009. In 2009, this included 55.9 million euros of "income or loss from discontinued operations or operations to be sold" due to the discontinuation of BSH and the sale of the Portuguese subsidiary.

1.4. Risk management

With regard to market risks, and more specifically the liquidity risk, since the increase of BNP Paribas's share in LaSer's capital in 2005, LaSer Cofinoga has direct access to the refinancing offered by BNP Paribas and has retained its own access to the financial markets. In the Eurozone, access to BNP Paribas refinancing is subject to the same terms as those of the BNP Paribas group. Outside the Eurozone, LaSer Cofinoga's subsidiaries are refinanced by market resources raised by LaSer Cofinoga and by loans taken out with BNP Paribas.

LaSer Cofinoga continued to diversify its resources through a very steady programme of market issues of certificates of deposit and medium term negotiable securities.

At 30 June 2010, current refinancing raised on the markets (negotiable debt instruments and senior bond issues) totalled 4,391 million euros, and current debt with BNP Paribas (term loans) totalled 5,141 million euros, compared with 4,408 million euros and 6,396 million euros respectively at 31 December 2009.

Management of interest rate, exchange rate and counterparty credit risk in the first half of 2010 does not call for any particular comment.

1.5. Post closing event

The Casino Group wanted to bring its partnership with LaSer Cofinoga to an end and duly notified the latter of the exercising of its option to repurchase the 40% interest LaSer Cofinoga holds in the Casino Group bank. The Casino Group bank business represented less than 4% of LaSer Cofinoga Group NBI and a pre-tax contribution of –€3.7 million in the first half. Current agreements stipulate an 18-month period of notice before such a repurchase can take effect. In September, technical and financial arrangements will be worked out to ensure the partnership is ended in optimal conditions.

1.6. Second half year outlook

In the second half, LaSer Cofinoga's priorities will primarily be:

- To pursue the strategy adopted by LaSer Cofinoga to tend towards striking a balance between its revolving credit and fixed-term loans businesses, against a backdrop of the gradual introduction of the law on consumer credit in France and stiffer competition from players like Banque Postale Financement. The law on consumer credit, which will have a profound impact on the consumer credit business, is a prime opportunity to reposition ourselves on the credit market by proposing an original offer meeting customers' needs and forming a basis for the Group's future development.
- Mobilization of the entire Group to control its costs, general expenses and risks.
- A return to growth in lending.

2. LASER COFINOGA'S INTERIM CONDENSED FINANCIAL STATEMENTS

LASER COFINOGA

Consolidated balance sheet

Assets <i>(Amounts in thousands of euros)</i>	30/06/2010	31/12/2009	Liabilities <i>(Amounts in thousands of euros)</i>	30/06/2010	31/12/2009
Cash, central banks	34,119	36,018	Central banks		
Financial assets measured at fair value in income or loss	1,957	3,480	Financial liabilities measured at fair value in income or loss	19,409	6,103
Derivative hedging instruments	110,296	83,714	Derivative hedging instruments	275,980	217,038
Financial assets available for sale	135,587	1,258,845	Payables due from credit establishments	5,206,342	6,495,445
Lending institution loans and receivables	940,694	675,781	Indebtedness to the clientele	249,665	237,406
Customer loans and receivables	10,232,546	10,365,689	Debts represented by a security	4,437,313	4,455,387
Reevaluation adjustment of rate-hedged portfolios	164,131	120,529			
Current tax assets	18,206	6,965	Current tax liabilities	1,266	10,064
Deferred tax assets	169,896	154,587	Deferred tax liabilities	795	0
Suspense accounts and sundry assets	129,877	206,796	Suspense accounts and sundry liabilities	307,756	317,073
			Contingency and loss provisions	17,052	17,411
			Subordinated debts	461,595	433,042
Non-current assets available for sale		195,745	Liabilities on non-current assets available for sale		11,168
			Shareholders' equity	1,368,921	1,304,139
			Group share of equity	1,166,690	1,099,764
Equity interests in equity method companies	1,643	1,553	Capital and related reserves	203,966	203,966
Tangible assets	54,507	53,191	Consolidated reserves	935,937	871,923
Intangible assets	87,802	85,844	Gains and losses recognized directly in equity	-25,976	-40,105
Goodwill	264,833	255,539	Group share of net income:	52,763	63,980
			Minority interests	202,231	204,375
Total assets	12,346,094	13,504,276	Total liabilities	12,346,094	13,504,276

LASER COFINOGA

Consolidated income statement

<i>(Amounts in thousands of euros)</i>	30/06/2010	30/06/2009
+ Interest and comparable income	521,439	561,656
+ Reversed provision for future margin losses	73,029	64,616
- Interest expense	-71,807	-113,148
+ Commissions (income)	149,809	139,817
- Commissions (expenses)	-18,709	-17,879
+/- Gains or losses on financial assets measured at fair value in income or loss	-195	-1,074
+/- Net gains or losses on financial assets available for sale	-404	161
+ Income from other activities	14,510	13,392
- Expenses on other activities	-1,229	-1,237
Net banking income	666,443	646,304
- general operating expenses	-263,266	-249,370
- Deprec. & amort. allowances for tangible and intangible assets	-16,555	-14,491
Gross operating income	386,622	382,443
- Cost of risk	-228,908	-235,695
- Provision for future margin losses	-88,657	-92,017
Operating profit or loss before tax	69,057	54,731
+/- Share of net income (loss) from equity method companies	90	530
+/- Net gains or losses on other assets	27	-159
- change in the value of goodwill		
RESULTAT COURANT AVANT IMPOT	69,174	55,102
- Income tax expense	-9,770	-17,327
+/- Net income or loss from discontinued operations or operations to be sold		55,885
Net income (loss)	59,404	93,660
<i>Group share</i>	52,763	87,327
<i>Minority interests</i>	6,641	6,333
Earnings per share (in euros):	7.93	13.12
Earnings per share from continuing operations (in euros):	7.93	4.72

LASER COFINOGA

Net income (loss) and gains and losses recognized directly in equity

<i>(Amounts in thousands of euros)</i>	30/06/2010	30/06/2009
Net income	59,404	93,660
<i>Gains and losses recognized directly in equity</i>		
Exchange conversion on foreign subsidiaries	14,686	14,096
Actuarial gains and losses on defined benefit plans		
Changes in the fair value of financial assets available for sale		
Changes in the fair value of derivative hedging instruments	-765	
Tax on gains and losses recognized directly in equity	263	
Total gains and losses recognized directly in equity	14,184	14,096
Net income or loss on gains and losses recognized directly in equity	73,588	107,756
<i>Group share</i>	66,947	101,423
<i>Minority interests</i>	6,641	6,333

LASER COFINOGA

Statement of changes in shareholders' equity

Statement of changes in consolidated equity from 31/12/2008 to 30/06/2010

<i>(Amounts in thousands of euros)</i>	Capital and related reserves		Consolidated reserves		Group share of net income	Consolidated group share of equity	Minority groups	Comprehensive consolidated shareholders' equity
	Capital (1)	Capital and related reserves	Consolidated reserves 2	Gains and losses recognized directly in equity				
Shareholders' equity restated at 31/12/2008	100,000	103,966	938,391	-46,786	130,470	1,226,041	186,496	1,412,537
Appropriated earnings			130,470		-130,470	0		0
Shareholders' equity at 1/01/2009	100,000	103,966	1,068,861	-46,786	0	1,226,041	186,496	1,412,537
First half income					87,327	87,327	6,333	93,660
Gains and losses recognized directly in equity in the first half				14,096		14,096		14,096
Second half income					-23,347	-23,347	6,207	-17,140
Gains and losses recognized directly in equity in the second half				-7,415		-7,415		-7,415
Comprehensive income for the period				6,681	63,980	70,661	12,540	83,201
Capital increase/reduction (2)			-110,000			-110,000		-110,000
Distribution of dividends			-86,931			-86,931	-10,949	-97,880
Changes in reporting scope						0	16,287	16,287
Other transactions			-7			-7	0	-7
Shareholders' equity at 31/12/2009	100,000	103,966	871,923	-40,105	63,980	1,099,764	204,374	1,304,138
Appropriated earnings			63,980		-63,980	0		0
Shareholders' equity at 1/01/2010	100,000	103,966	935,903	-40,105	0	1,099,764	204,374	1,304,138
Income from period					52,763	52,763	6,641	59,404
Gains and losses recognized directly in equity in the first half				14,184		14,184		14,184
Comprehensive income for the period				14,184	52,763	66,947	6,641	73,588
Capital increase/reduction						0		0
Distribution of dividends			0			0	-8,784	-8,784
Changes in reporting scope			55	-55		0		0
Other transactions			-21			-21		-21
Shareholders' equity at 30/06/2010	100,000	103,966	935,937	-25,976	52,763	1,166,690	202,231	1,368,921

(1) The share capital of LaSer Cofinoga S.A. comprises 6,655,960 equities at a nominal value of €15.02

(2) including undated subordinate securities totalling 110 million euros, repaid on 4 May 2009

LASER COFINOGA

Consolidated cash flow statement

<i>(Amounts in thousands of euros)</i>	30/06/2010
Earnings before tax from retained operations	69,174
Earnings before tax operations sold or to be sold	0
+/- Net depreciation expenses on tangible and intangible assets	16,627
- Depreciation on other capital assets	-72
+/- Net estimated expenses	89,238
+/- Share of income or loss from equity-method companies	-90
+/- Net loss/gain from investing activities (1)	-28
+/- (Income)/expenses from financing activities	
+/- Other transactions	59,679
Total non-monetary items included in net earnings before tax and other adjustments	165,354
+/- Flows from transactions with credit establishment (2)	-1,589,251
+/- Flows from transactions with customers (3)	311,192
+/- Flows relating to other transactions affecting financial assets or liabilities (2)	1,116,236
+/- Flows relating to other transactions affecting non-financial assets or liabilities	-9,212
- Taxes paid	-42,006
Net decrease/(increase) in assets and liabilities from operating activities	-213,041
Total net cash flow generated by operating activities (A)	21,487
+/- Flows relating to financial assets and shareholdings (4)	61,751
+/- Flows relating to investment property	
+/- Flows relating to tangible and intangible assets	-13,179
Total net cash flow from investing activities (B)	48,572
+/- Cash inflows or outflows with shareholders (5)	-8,805
+/- Other net cash flows from financing activities (6)	-16,334
Total net cash flows from financing activities (C)	-25,139
Effect of fluctuating exchange rates on cash and cash equivalent balances (D)	1,186
Net increase/(decrease) in cash and cash equivalent balances (A + B + C + D)	46,106
<i>Net cash flow generated by operating activities (A)</i>	<i>21,487</i>
<i>Net cash flow from investing activities (B)</i>	<i>48,572</i>
<i>Net cash flows from financing activities (C)</i>	<i>-25,139</i>
<i>Effect of fluctuating exchange rates on cash and cash equivalent balances (D)</i>	<i>1,186</i>
Opening cash and cash equivalent balance	79,678
Cash, central banks (assets and liabilities)	36,018
Deposit accounts (assets and liabilities) and demand loans with lending institutions	43,660
Closing cash and cash equivalent balance	125,784
Cash, central banks (assets and liabilities)	34,119
Deposit accounts (assets and liabilities) and demand loans with lending institutions	91,665
Net cash flow	46,106

(1) 2009: Net capital gains from Portuguese operations, net of derecognition of the goodwill from Spanish operations.

(2) 2009: An issue of new negotiable debt instruments ("Other net flows from financing activities") and SFEF loans reduced the amount of means of term loans with BNP PARIBAS (classified as "transactions with lending institutions").

2010: Surplus cash assets invested in *Caisse des dépôts et consignations* (deposit and consignment office) gilts and certificates of debt ("Other transactions affecting financial assets"), as well as the drop in credit outstanding reduced the term loans with BNP PARIBAS (classified as "transactions with lending institutions").

(3) 2009: including €165 million of loans granted by SFEF.
2010: Reduction in customer outstanding credit.

(4) 2009: Net impact of the Portugal selling price (+€205 million) and Poland purchase price (-€60 million)
2010: Settlement of Portugal (+€91 million) and Cetelem Poland (-€29 million) price supplements

(5) 2009: Repayment of TSDI (-€110 million), LaSer dividend (-€80.4 million) and comparable dividends (-€14.4 million)

(6) 2009: Net issue of negotiable debt instruments (+€907 million) and net repayment of bond issues (-€451 million)
2010: Net issue of negotiable debt instruments (+€735 million) and net repayment of bond issues (-€751 million)