Annual report 2012

Registration document

CRÉDIT AGRICOLE S.A.

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CRÉDIT AGRICOLE S.A.

Registration document Annual report 2012

GROUP PROFILE

The Crédit Agricole Group is the market leader in France in Universal Customer-Focused Banking and one of the largest banks in Europe.

As the leading financial partner of the French economy and a major European player, the Crédit Agricole Group supports its customers' projects in France and around the world across the full spectrum of retail banking businesses and related specialised businesses: insurance, asset management, leasing and factoring, consumer finance, corporate and investment banking.

Underpinned by firm cooperative and mutual foundations, 150,000 employees and the 29,000 directors of its Local and Regional Banks, the Crédit Agricole Group is a responsible and responsive bank serving 51 million customers, 6.9 million mutual shareholders and 1.2 million shareholders.

In its efforts to support the economy, Crédit Agricole also stands out through its dynamic and innovative social and environmental responsibility policy. The Group features in the top 3 of Novethic's rankings concerning corporate social responsibility and responsible reporting by Europe's 31 largest banks and insurance companies.

A bank serving 51 million customers (1)

- 11,300 branches in 11 countries (1) (including 9,000 in France and 900 in Italy);
- Present in almost 60 countries.

A player committed to servicing the economy

- Signature of the United Nations Global Compact and the Climate Principles;
- Adoption of the Equator Principles by Crédit Agricole Corporate and Investment Bank;
- Signature of the Principles for Responsible Investment by Amundi, Crédit Agricole Cheuvreux and Crédit Agricole Assurances;
- Signature of the Charter of Responsible Purchasing between Large Order Givers and SMEs.

(1) Including the Regional Banks and excluding Emporiki.

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

Only the French version of the registration document has been submitted to the AMF. It is therefore the only version that is binding by law.

This registration document was filed with the French Financial Markets Authority (*Autorité des Marchés Financiers* – AMF) on 15 March 2013 under number D.13-0141, in accordance with Article 212-13 of the AMF's General Regulations. It may be used in support of a financial transaction if accompanied by a transaction note approved by the AMF. This document was prepared by the issuer and its signatories are liable for its content.

Message from the Chairman and the Chief Executive Officer

A year of transformation

2012 will have been a difficult year and required efforts all around. We are evolving in a weakened economic context, with growth revised downwards both in France and in Europe. Regulatory changes affecting the banking sector are also forcing us to be agile and to constantly review the conditions in which we carry out our business.

It is in this particularly difficult context that Crédit Agricole S.A. published a net loss Group share of - €6,471 million. The level of income includes the accounting impacts of exceptional transactions. It also reflects strategic decisions made to build for the future, significant progress made over the past few quarters and Group restructuring. But this result should not conceal the recurring profits that our business lines can and do generate and above all the strength of our bank. 2012 must be seen as a turning point in the history of Crédit Agricole, a turning point that will enable us to reinforce the unique, sustainable model on which our banking business is based.

In France, our retail banks maintained a high level of business, performing particularly well with inflows up 5.6%. Internationally, business was stable despite a tighter economic context in Italy.

In Insurance and Asset management, 2012 was an excellent year and the business line generated good results. Specialised financial services saw their contribution affected not only by new consumer credit legislation but also by our deleveraging targets, which also impacted corporate and investment banking. **One of the significant advances made was of course the sale of Emporiki** to Alpha Bank, which was conducted in a rapid and orderly manner. This transaction was a necessity both for Crédit Agricole, given the risks of losses we incurred, and for the Greek financial sector, which is undergoing restructuring.

As we do every year, we conducted asset impairment tests in each of our business lines, using conservative economic and growth forecasts. This led us to recognise substantial impairments that had a significantly negative impact on our income. These measures, however, did not involve any cash outflow and they do not in any way affect the Group's strength or its ability to provide financing to the economy.

Our choice of a growth model centred on universal retail banking justifies our decision to discontinue certain activities and dispose of minority financial investments not considered as priorities. We are in the process of carrying out structuring transactions with our exit from the brokerage business (merger of CA Cheuvreux and Kepler Capital Markets, sale of CLSA to Citics by Crédit Agricole Corporate and Investment Bank) and actively managing our investments: complete sale of BES Vida and Intesa Sanpaolo and disposal of Bankinter below 10%.

As another structuring measure, our adjustment plan was implemented with determination. Exceeding the targets that we had set, it testifies to the mobilisation of our teams and our Group's ability to adapt to a new regulatory and economic environment. In particular, we reviewed the economic model of our corporate and investment bank, Crédit Agricole CIB, the main objectives being to support our customers and to discontinue the riskiest business activities in the financial markets. We thus ceased equity derivatives activities and sold some loan portfolios. Designed to reduce our liquidity consumption – by €68 billion compared to the €50 billion planned – and to lower our risk weighted assets – by €57 billion against the €35 billion announced – this plan reinforced our financial strength, which is crucial to the carrying out of business.

Crédit Agricole is a solid bank. In 2012, we improved our solvency ratios mainly by reducing our risk weighted assets. Crédit Agricole Group's Core Tier 1 ratio thus rose from 10.2% to 11.8% (*pro forma* of the sale of Emporiki) in one year, and that of Crédit Agricole S.A. stood at 9.7% at 31 December 2012 (*pro forma* of the sale of Emporiki). As we had announced earlier, Crédit Agricole Group, formed of Crédit Agricole S.A. and the Regional Banks, will, under the new Basel 3 standards, have a Common Equity Tier 1 ratio in excess of 10% at the end of 2013. Shareholders' equity now stands at €72 billion for Crédit Agricole Group and €39.7 billion for Crédit Agricole S.A. We also strengthened our liquidity situation, systematically reducing our dependence on the financial markets.

This transformation was conducted with the main priority being to maintain our financing to the real economy. Today, with our elected representatives legislating on the organisation of banking activities, it is vital to emphasise the role that our industry plays as a critical link in the economic recovery process. Europe has recognized the importance of this, by setting up the European Banking Union and recently modifying certain regulatory requirements deemed unsuited to financial institutions and whose corollary was a risk of constricting the flow of credit to the economy. This awareness must be shared by all since banks have a role to play and Crédit Agricole intends to participate fully.

Crédit Agricole is ready and willing to assist its customers in all segments. Again, figures prove this, and we continue to lend in a weakened environment; our outstanding loans thus grew in France, with the Regional Banks and LCL, to reach at €485 billion at the end of the year. Crédit Agricole thus remains the leading financier of the French economy. Of course, the slowdown in lending was confirmed as a direct result of the crisis that we are weathering. However, our strong local presence is a major advantage when it comes to supporting the projects of our customers, be they individuals, farmers, SMEs, corporates, associations or local authorities.

We are driven by a strong awareness of our corporate social and environmental responsibility. Employment is a key component of this and we pay particular attention to training young people. In 2012 we welcomed 3,000 students on work placement schemes, proof of our dynamism and commitment. Preservation of the environment also guides our conduct, both in terms of our organisation and as regards the creation of green products: reduction in CO_2 emissions, expansion of our SRI range, etc. This approach also involves sponsorship in favour of actions based on common values and heritage conservation.

2012 was a milestone in the history of Crédit Agricole and we are well aware of this. Extensive adaptation work has been going on for 18 months now, enabling us to envisage our future on strong foundations: leadership positions in France and Europe, a reinforced balance sheet on the back of reduced borrowing and organic growth as a priority. Our three main ambitions for 2013 derive from these principles, to establish a new strategic plan, to return to significantly positive results and to strengthen the financial solidity of Crédit Agricole S.A. Again, we wish to extend our sincerest thanks to all our employees, members and shareholders for their trust and their support during these difficult times.

Jean-Paul Chifflet
Chief Executive Officer of Crédit Agricole S.A.

Jean-Marie Sander
Chairman of Crédit Agricole S.A.

Presentation of Crédit Agricole S.A.

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2012 key figures and stock market data

KEY FIGURES

Trends in earnings

CONDENSED INCOME STATEMENT

(in millions of euros)	2008	2009	2010	2011 *pro forma* (1)	2012 (1)
Revenues	15,956	17,942	20,129	19,385	16,315
Gross operating income	3,321	5,760	6,942	6,992	4,278
Net income	1,266	1,446	1,752	(1,198)	(6,513)
Net income Group share	1,024	1,125	1,263	(1,470)	(6,471)

(1) *Restatement in respect of discontinued or held-for-sale operations (Emporiki, Cheuvreux, CLSA).*

ACTIVITY

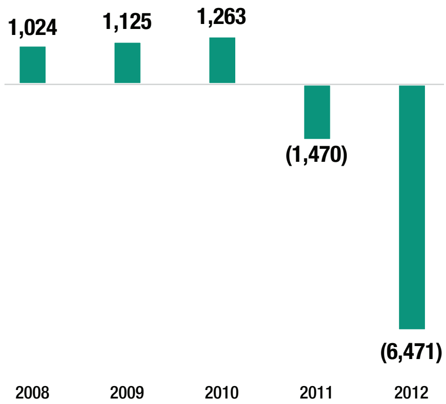
(in billions of euros)	31/12/2008	31/12/2009	31/12/2010	31/12/2011	31/12/2012
Total assets	1,653.2	1,557.3	1,593.5	1,723.6	1,842.4
Gross loans	436.9	463.6	499.6	521.0	460.9 (2)
Customer deposits	607.8	643.4	671.7	674.0	634.0 (2)
Assets under management (in asset management, insurance and private banking) (1)	550.8	688.5	854.6	808.5	865.4

(1) *Excluding double counting. From 31 December 2009, assets under management relate to the Amundi scope of consolidation.*

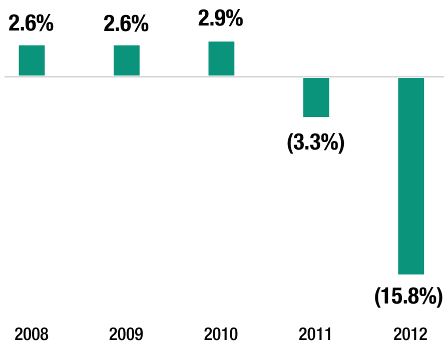
(2) *Excluding discontinued or held-for-sale operations (Emporiki, Cheuvreux, CLSA).*

NET INCOME GROUP SHARE

(in millions of euros)



RETURN ON EQUITY (ROE)



Income by business line

BUSINESS LINE CONTRIBUTION TO NET INCOME GROUP SHARE (1)

(1) *Excluding impact of the revaluation of debt, cost of Greece, Cheuvreux, impairment of goodwill, impairment of securities in SAS RLB, Sacam, Intesa Sanpaolo and BES, deconsolidation of Bankinter, adaptation plan, debt buyback, and exit tax.*

CONTRIBUTION TO NET INCOME GROUP SHARE

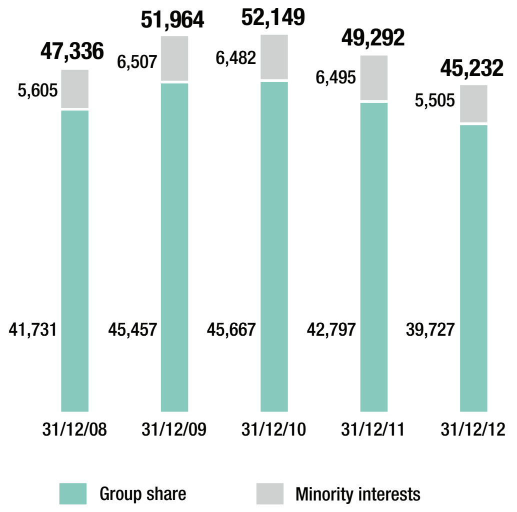
(in millions of euros)	2008	2009	2010	2011 *pro forma* (1)	2012
Regional Banks	581	730	957	1,008	824
LCL	691	574	671	675	663
International retail banking	(420)	(458)	(928)	(2,458)	(4,880)
Specialised financial services	460	457	536	91	(1,613)
Savings management	1,392	1,410	1,509	951	1,720
Corporate and investment banking	(1,924)	(320)	975	(147)	(880)
Corporate centre	244	(1,268)	(2,457)	(1,590)	(2,305)

(1) *Restatement in respect of discontinued or held-for-sale operations (Emporiki, Cheuvreux, CLSA).*

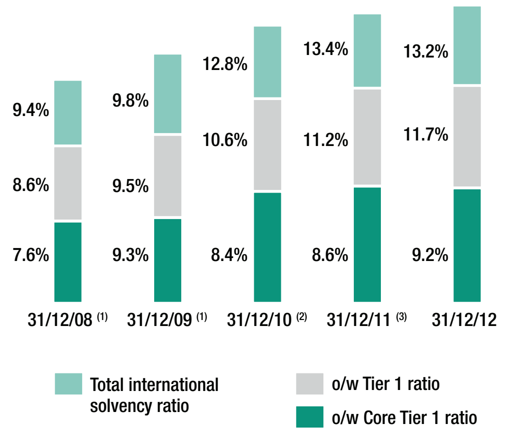
Financial structure

EQUITY

(in millions of euros)



SOLVENCY RATIOS



(1) *CRD ratio.*

(2) *The 2010 ratios include the impact of CCI/CCA risk weighting.*

(3) *The 2011 ratios include the first application of CRD 3.*

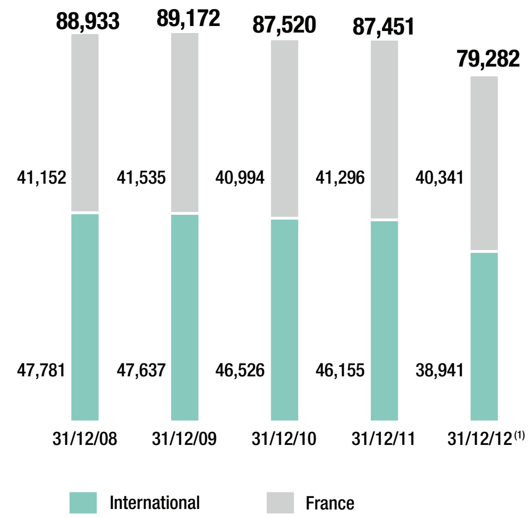
Agency credit ratings at 1 March 2013

Crédit Agricole S.A. has been awarded sound ratings by agencies. They reflect its financial strength and its membership of Crédit Agricole Group.

	Short term rating
Moody's Investors Service	Prime-1
Standard & Poor's	A-1
FitchRatings	F1+
	Long term rating
Moody's Investors Service	A2
Standard & Poor's	A
FitchRatings	A+
	Review/Outlook on the long-term rating
Moody's Investors Service	Stable outlook
Standard & Poor's	Negative outlook
FitchRatings	Negative outlook

Headcount at end of period

(full-time equivalents)



(1) *Restatement in respect of discontinued or held-for-sale operations (Emporiki, Cheuvreux, CLSA).*

STOCK MARKET DATA

Ownership structure at 31 December 2012

On 31 December 2012, Crédit Agricole S.A.'s share capital comprised 2,498,020,537 shares. At that date, to the best of Crédit Agricole S.A.'s knowledge, ownership of share capital and voting rights was as follows:

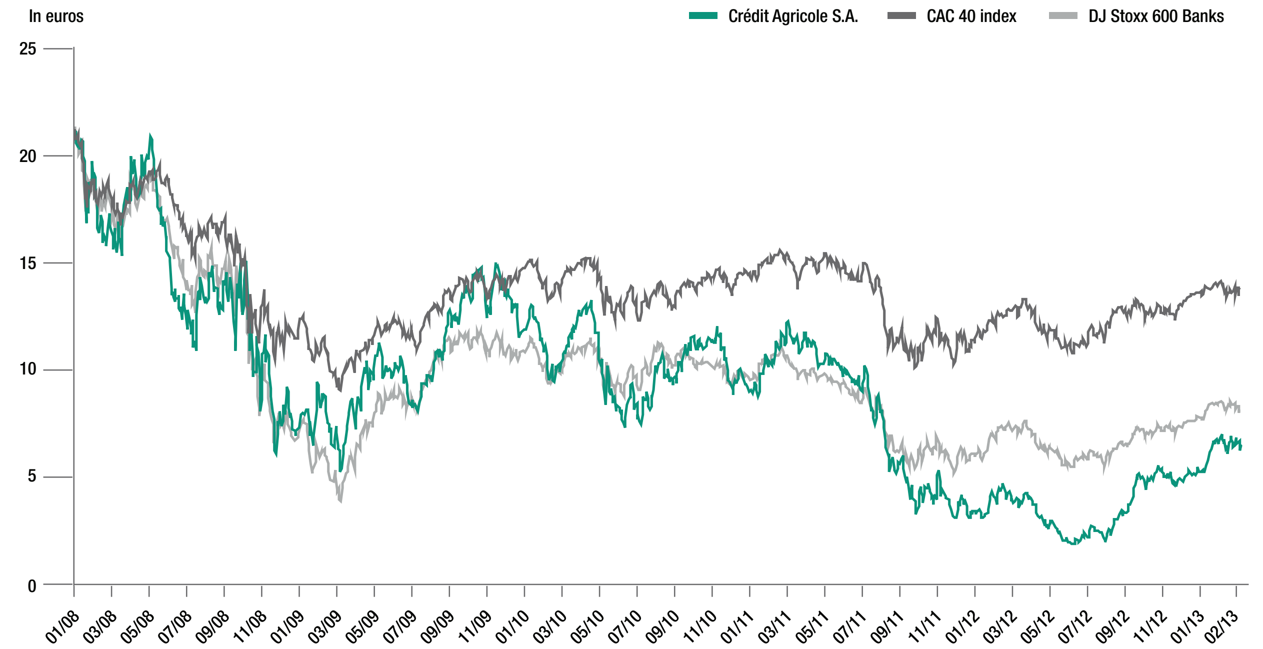
Shareholders	Number of shares	% of the share capital	% of voting rights
SAS Rue La Boétie	1,405,263,364	56.25	56.42
Treasury shares	7,319,186	0.29	-
Employee share ownership plans	110,546,010	4.43	4.44
Institutional investors	695,978,777	27.86	27.94
Retail investors	278,913,200	11.17	11.20
TOTAL	**2,498,020,537**	**100**	**100**

The Crédit Agricole S.A. share

Share price performance

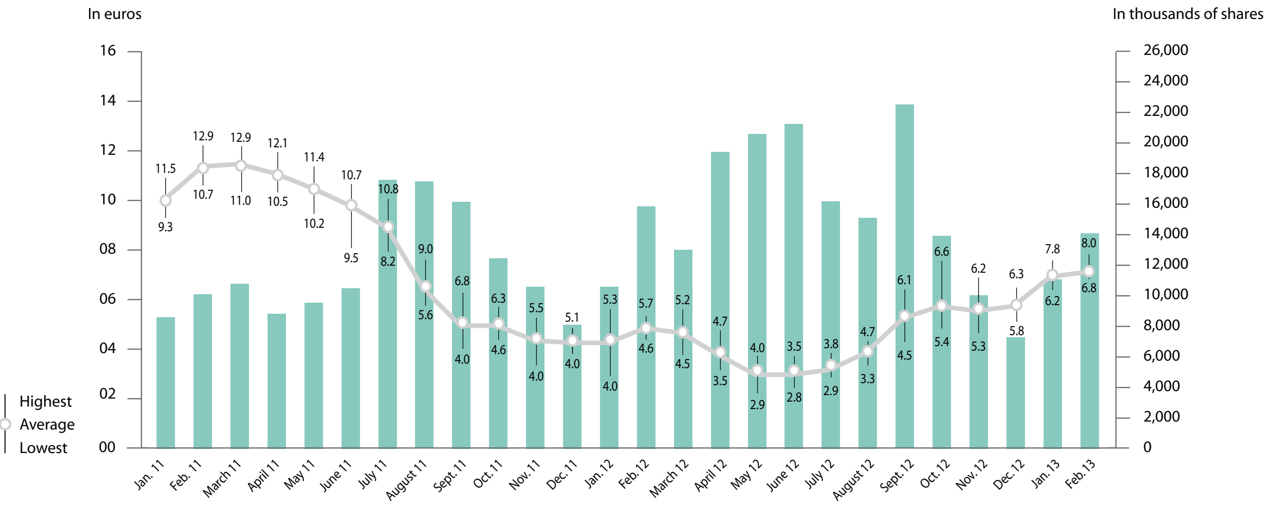
SHARE PRICE SINCE 2008 (1)

Comparison with the DJ Stoxx 600 Banks and Cac 40 indices (recalculated on the basis of the share price).



(1) Data adjusted for the July 2008 capital increase with preferential subscription rights.

MONTHLY CHANGE IN THE SHARE PRICE AND IN THE VOLUME OF SECURITIES EXCHANGED



In 2008, as the financial crisis intensified and spread, it drove share prices down (CAC 40 down 42.7% over the year), particularly those of financial stocks. During that 12-month period, the DJ Stoxx 600 Banks index of European banks plunged by nearly 65% and Crédit Agricole S.A. share price dropped by 62.4% on very high average trading volumes.

In 2009, after a difficult start, share prices picked up as fears sustained by the crisis began to dissipate. The share price reached its high for the year of €15.66 on 11 November 2009 and ended the year at €12.36, representing a gain of 54.6% over the year, outperforming the DJ Stoxx 600 Banks index (+45.9%) as well as the CAC 40 index (+22.3%).

Driven by good economic indicators, the Crédit Agricole S.A. share price started 2010 on a positive note before declining again on the back of disappointing results announced by the banking sector, recurring concerns over the Basel proposals published in mid-December 2009 and in a climate of uncertainty about the global economic recovery. The share subsequently rebounded in mid-February on hopes for a settlement of the Greek crisis and the release of satisfactory economic indicators. It reached its highest point in the year on 15 April 2010 at €13.68 before falling again amidst deflationary concerns in the United States and renewed fears over the debt of European governments. The stock reached its lowest point in the year on 8 June at €8.02. During the second half of 2010, it gradually picked up again on renewed optimism about global growth, particularly in the United States. Banking stocks nonetheless remained depressed by what was regarded as a constraining regulatory context and a fresh outbreak of concerns over sovereign debt as the year ended. In this climate, Crédit Agricole S.A. share price closed at €9.50 on 31 December 2010, down 23.1% over the year, whereas the CAC 40 index recorded a slight fall (-3.3%).

After a good start to 2011, when the sovereign crisis in Europe continued to dampen spirits without unduly weighing on the markets, with even a hope of recovery glimpsed in the second half of the year, the share price reached its highest point for the year on 28 February at €12.92. But against the backdrop of the nuclear disaster in Japan and geopolitical tensions in northern Africa and the Middle East, March saw fresh fears of a default by Greece; the risk of contagion to Italy emerged as the weeks went by. Investors' distrust was strengthened by the difficulties European countries had finding a solution to the crisis and the possible participation of the private sector in plans to assist Greece, then the loss of the United States' AAA rating issued by Standard & Poor's on 5 August 2011. The ensuing liquidity crisis forced banks to announce cuts in high liquidity-consuming activities, as well as job cuts. The share fell below €5 in early October, reaching an annual low of €3.98 on 23 November 2011. In this climate, the Crédit Agricole S.A. share ended 2011 at €4.36, down 54.1% over the year, underperforming both the DJ Stoxx 600 Banks (-32.5%), and the CAC 40 (-17.0%).

The first two months of 2012 saw tensions in the liquidity market ease following successful issues of sovereign debt, particularly in Italy and Spain. The hope of a resolution of the Greek crisis lifted banking stocks. and the second operation by the ECB to inject three-year liquidity (LTRO) at the end of February, raising the amount injected to more than €1 trillion since December 2011, meant that risky stocks continued to be attractive. Anticipated by investors, the loss of France's AAA rating and the downgrading of eight other eurozone countries by Standard & Poor's in mid-January ultimately had little impact on the markets.

From March to early June, the Crédit Agricole S.A. share price fell, as did the banking sector. On the one hand, the markets feared a slowdown in growth in the eurozone and around the world (particularly in the United States, but also in the emerging countries). On the other hand, the sovereign debt crisis worsened in Europe. The situation in Greece proved delicate, particularly in light of the failed formation of a government in May leading to new elections in June, and persistent threats that it might leave the eurozone. The spectre of a Greek scenario hung over Portugal and Spain, whose banks were in a difficult situation because of their exposure to the property sector. Regarded as very high, Italy's public borrowing also led to uncertainties over its long-term sustainability in a muted growth environment. The political crisis in the Netherlands increased market players' unease. This multifaceted crisis was reflected in a sharp rise in risk aversion: a decline in share prices (and particularly Crédit Agricole S.A., hit by its exposure to the peripheral countries) at the same time as a decline in the sovereign yields of the core eurozone countries (Germany and France seeing negative real yields). Over and above these macroeconomic factors, the regulatory shock linked to the solvency of banks and the uncertainties as regards treatment of insurance assets under Basel III affected the share prices of French banking institutions and particularly Crédit Agricole S.A., the leading bancassurer in Europe. The stock thus hit its all-time low on 1 June (€2.88 when the markets closed and €2.84 during trading).

From June to mid-October, the Crédit Agricole S.A. share price more than doubled. Progress made by the Group to get out of Greece was the main reason for this improvement. This is because in June Crédit Agricole S.A. announced that it had obtained the Bank of Greece's agreement for Emporiki to benefit from emergency liquidity assistance (ELA). Rumours emerged from the end of June that Emporiki would be sold, and Crédit Agricole S.A. confirmed in August that it had received offers from three Greek banks. The market also appreciated the significant progress made regarding the adaptation plan and calm was restored concerning the European sovereign debt crisis. The outcome of the Greek elections was regarded as positive, with confirmation that Greece would be staying in the eurozone. Beyond the announcement of the support provided to Spanish banks, a more global solution also emerged, involving the creation of a body to supervise the eurozone's banks and possible recapitalisation of banks directly by the European Stability Mechanism in order not to burden the debt of the governments concerned. The ECB has repeatedly confirmed that it would do everything possible to maintain the single currency and that, to do so, it could resort to buying Spanish and Italian bonds on the secondary market. The final factor supporting the share price was that the regulatory framework seemed to be easing, with ever more persistent rumours that implementation of Basel III would be delayed by a year. In this context, the highest point in the year was reached during trading on 17 October at €6.56, the day when the signing of the sale of Emporiki to Alpha Bank was announced.

From mid-October to mid-November, the stock was hit by profit taking. Sales were undoubtedly made by institutional players back from summer holidays and having already exceeded their upside targets, while the macroeconomic horizon again became more uncertain. In Europe, after significant progress over the summer, management of the sovereign debt crisis became mired, marked by divergences of opinion concerning banking supervision and Spain's hesitations about resorting to European assistance. There were growing fears in the United States surrounding the "fiscal cliff".

From mid-November to the end of December, the rise in the share price was sustained by regulatory and macroeconomic factors. On the regulatory front, agreement was reached between the 27 countries of the European Union on the terms of eurozone banking supervision under the aegis of the ECB; furthermore, the draft law on banking regulation in France as submitted to the Council of Ministers in December was regarded as less costly than predicted by the banks. On the macroeconomic front, agreement was reached on Greek debt at the end of November, putting into perspective European growth indicators on a downtrend. In the United States, the market was hoping for a last-minute compromise on the fiscal cliff.

The stock ended 2012 at €6.08, up 39.5% over 12 months, outperforming both the CAC 40 and the DJ Stoxx 600 Banks indices, which were up 15.2% and 23.1% respectively. The total number of Crédit Agricole S.A. shares exchanged in 2012 on Euronext Paris was 4,035 billion (3,093 billion in 2011), with a daily average of 15.8 million (12.0 million in 2011).

The beginning of 2013 was marked by a favourable context; the Crédit Agricole S.A. stock reached a high of €7.76 at the end of January. On the macroeconomic side, the agreement reached in Congress to avoid the fiscal cliff that was threatening the United States counterbalanced the still gloomy economic prospects for 2013. On the banking side, the Basel Committee published a new draft text, easing liquidity rules. Furthermore, early repayments of the LTROs have been higher than the markets expected, a sign that the financial system in Europe is returning to normal. Finally, factors specific to Crédit Agricole S.A. favoured its stock, in particular the sale of 5.2% of its holding in Bankinter. The announcement at the end of January of an impairment charge recorded in the financial statements for the fourth quarter of 2012 seemed to have been anticipated by the market and failed to hurt the stock.

Following the publication of results on 20 February 2013 the share price closed at €7.61, as the markets responded very positively to confirmation of the Greek exit and the announcement of a strategic plan in the fall. The share price then traded in a bear market, uneasy about economic recovery in the Eurozone and uncertain of the outcome of the general election in Italy.

Stock market indices

Crédit Agricole S.A. shares are listed on Euronext Paris, compartment A, ISIN Code: FR0000045072.

The shares are part of several indices: the CAC 40 index of the 40 most representative listed companies on the Paris Bourse and the FTSEurofirst 80 index representative of the largest companies in the European Monetary Union by market capitalisation.

The Crédit Agricole S.A. stock is also in the FTSE 4 Good Global 100 and Europe 50 sustainable development indices (respectively bringing together 100 global listed companies and 50 European listed companies observing strict social and environmental responsibility criteria).

Stock market data

	31/12/2012	31/12/2011	31/12/2010	31/12/2009	31/12/2008
Number of shares in issue	2,498,020,537	2,498,020,537	2,401,660,291	2,319,579,937	2,226,342,496
Stock market capitalisation *(in billions of euros)*	15.20	10.9	22.8	28.7	17.8
Earnings per share (EPS) [1] *(in euros)*	(2.61)	(0.60)	0.54	0.50	0.51
Net asset value per share (NAVPS) [1][2] *(in euros)*	15.90	17.13	18.56	19.32	18.29
Price/NAVPS	0.38	0.25	0.51	0.64	0.44
P/E (price/EPS)	-	-	17.6	24.8	15.6
Highest and lowest share prices during year [1] *(in euros)*					
High (during trading day)	6.56	12.92	13.78	15.66	21.57
Low (during trading day)	2.84	3.98	7.87	5.90	6.77
Final (closing price at 31 December)	6.08	4.36	9.50	12.36	8.00

(1) Data adjusted for the July 2008 capital increase with preferential subscription rights.

(2) Net asset value after dividends divided by number of shares in issue at year-end.

Dividend

From 2001 to 2003, Crédit Agricole S.A. paid a dividend of €0.55 per share. The dividend was raised to €0.66 for 2004, €0.94 for 2005, €1.15 for 2006 and €1.20 in 2007. In respect of 2008, 2009 and 2010, shareholders were offered the option to receive a dividend of €0.45 in cash or in shares. The option of receiving the dividend in shares attracted considerable interest from shareholders: 85.7% of rights, excluding treasury shares and liquidity agreements, were exercised in favour of this option in respect of 2008, 59.3% in respect of 2009 and 84.9% in respect of financial year 2010. No dividend was distributed for 2011.

Because the net income Group share of Crédit Agricole S.A. was negative, the Board of Directors meeting on 19 February 2013 decided to propose to the General Meeting of Shareholders that no dividend will be distributed for the period to 31 December 2012.

	In respect of 2012	In respect of 2011	In respect of 2010	In respect of 2009	In respect of 2008
Net dividend/share [1] *(in euros)*	None	None	0.45	0.45	0.45
Distribution rate [2]	None	None	85%	92%	97%

(1) Data adjusted for the July 2008 capital increase with preferential subscription rights.

(2) Total dividends payable (ex. treasury shares) divided by net income Group share.

Shareholder return

The table below shows the total shareholder return for retail investors in Crédit Agricole S.A. shares.

The calculation, which is based on the share price on the day of the investment (initial public offering on 14 December 2001 or beginning of the year in other cases), takes into account the reinvestment of dividends received (until 2005, this included a tax credit in respect of the year before, which accounted for 50% of the amount distributed). The valuations are based on the closing share price on the day of the investment.

The calculation also assumes that investors sold their preferential subscription rights and used the proceeds to take up the rights issues at the end of October 2003, January 2007 and July 2008. All results are presented net of tax.

Holding period	Cumulative gross return	Average annualised return
1 year (2012)	+37.2%	+37.2%
2 years (2011 and 2012)	(19.6%)	(35.4%)
3 years (2010-2012)	(19.7%)	(48.2%)
4 years (2009-2012)	(5.2%)	(19.1%)
5 years (2008-2012)	(18.9%)	(64.9%)
6 years (2007-2012)	(20.2%)	(74.2%)
7 years (2006-2012)	(14.9%)	(67.7%)
8 years (2005-2012)	(11.0%)	(60.5%)
9 years (2004-2012)	(7.6%)	(50.9%)
10 years (2003-2012)	(3.9%)	(33.0%)
11 years (2002-2012)	(4.8%)	(41.9%)
Since IPO (14/12/2001)	(4.2%)	(38.0%)

2013 FINANCIAL COMMUNICATION CALENDAR

7 May	Publication of 2013 first-quarter results
23 May	General Meeting of Shareholders in Bordeaux
6 August	Publication of 2013 first-half results
7 November	Publication of 2013 nine-month results

CONTACTS

www.credit-agricole.com/en/Investor-and-shareholder

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Retail shareholder relations

Toll-free line (from France only): 0 800 000 777
credit-agricole-sa@relations-actionnaires.com

Significant events in 2012

January

Crédit Agricole S.A. launches two offers to buy back subordinated debt, which led to the buyback of $0.6 billion and €1.6 billion in nominal terms.

March

Coller Capital, a global leader in the private equity secondary market, becomes 100% shareholder in Crédit Agricole Private Equity, which is renamed Omnes Capital.

Cedicam, a subsidiary of the Crédit Agricole Group specialising in payment processing, changes its name to Crédit Agricole Cards & Payments with a view to expanding onto the European payments market.

April

Crédit Agricole Assurances signs a memorandum of understanding for the sale of its 50% holding in BES Vida to BES. At the same time, Crédit Agricole Assurances buys 50% of the capital in CA Vita from Cariparma, raising its holding to 100%.

June

Crédit Agricole launches an innovative long-term financing offer by releasing €1.875 billion for local authorities.

July

Xavier Musca joins the executive team of Crédit Agricole S.A. as Deputy Chief Executive Officer and assumes responsibility for the International Retail Banking, Asset Management and Insurance divisions.

Crédit Agricole CIB sells 19.9% of the capital in CLSA to Citics International and is granted a sale option enabling Citics International to acquire the remaining 80.1% of the capital in CLSA.

Crédit Agricole CIB and Kepler Capital Markets enter exclusive negotiations concerning the merger of Crédit Agricole Cheuvreux and Kepler to create Kepler Cheuvreux, Europe’s leading independent broker.

August

As part of the search for the best solution concerning Emporiki, Crédit Agricole S.A. receives firm offers from a number of Greek banking players related to the acquisition of all the capital in Emporiki Bank of Greece S.A.

Following the loss of significant influence, Crédit Agricole S.A. deconsolidates its holding in Bankinter.

September

Crédit Agricole S.A. launches onto the market the inaugural issue of Crédit Agricole Public Sector SCF, its new *Société de Crédit Foncier* dedicated to refinancing the public sector. The inaugural issue, for €1 billion and maturing in seven years, was placed on attractive terms.

Crédit Agricole Assurances launches a new long-term care insurance policy.

October

Crédit Agricole S.A. announces the signing of a contract for the sale of all the capital in Emporiki to Alpha Bank, subject to the authorisation being obtained from the competent authorities.

The Banque de France announces that the Crédit Agricole Group exceeded the 9% target for Core Tier 1 at 30 June 2012 in the stress tests of the European Banking Authority (EBA) with a ratio of 10.9%.

Sofinco, a CA Consumer Finance brand, is declared Best Customer Service of the Year 2013.

Banque de Gestion Privée Indosuez becomes CA Indosuez Private Banking and aims to be the leading wealth manager in France.

November

CITICS and Crédit Agricole CIB announce the conclusion of an agreement related to the acquisition by CITICS International of the remaining 80.1% holding of Crédit Agricole CIB in CLSA.

Crédit Agricole CIB is declared Airport House of the Year and Rail House of the Year by Global Transportation Finance.

As part of its *Contrat de Reconnaissance* customer loyalty scheme, LCL offers a new commitment, the After-Sales Service.

December

Amundi ETF posts growth in its assets under management of 37% in 2012, to €8.9 billion. The net inflow for the year was €1.4 billion.

Company history

1885

Creation of the first Local Bank in Poligny (Jura).

1894

Law authorising the creation of the first *sociétés de Crédit Agricole*, later named *Caisses locales de Crédit Agricole Mutuel* (Local Banks of *Crédit Agricole Mutuel*).

1899

Law grouping the Local Banks into Crédit Agricole Regional Banks.

1920

Creation of the Office National du Crédit Agricole, which became Caisse Nationale de Crédit Agricole (CNCA) in 1926.

1945

Creation of Fédération Nationale du Crédit Agricole (FNCA).

1986

Creation of Predica, life insurance company of the Group.

1988

Law reorganising the CNCA as a mutual company, which became a public limited company owned by the Regional Banks and the Group’s employees.

1990

Creation of Pacifica, property & casualty insurance subsidiary.

1996

Acquisition of Banque Indosuez.

1999

Acquisition of Sofinco and an initial stake in Crédit Lyonnais.

2001

Reincorporation of the CNCA as Crédit Agricole S.A., and listing on the stock market on 14 December 2001.

2003

Acquisition of Finaref and Crédit Lyonnais.

2006

Significant development in International retail banking, with the acquisition of Emporiki Bank in Greece and the announced acquisitions of Cariparma, FriulAdria and 202 Banca Intesa branches in Italy.

2007

Launch of LCL competitiveness plan (new brand for Crédit Lyonnais since 2005).

Cariparma FriulAdria and Emporiki development plans announced.

2008

Presentation of the strategic Refocusing and Development plan for Corporate and investment banking activities.

2009

Presentation of the Restructuring and Development plan of Emporiki Bank.

Creation of Amundi, a European leader in asset management, born of the combination of Crédit Agricole Asset management and Société Générale Asset management.

2010

Merger of Sofinco and Finaref to create the new consumer credit leader in France and Europe: Crédit Agricole Consumer Finance.

Crédit Agricole Leasing and Eurofactor regroup to give rise to Crédit Agricole Leasing & Factoring.

Emporiki updates its Restructuring and Development plan for the 2009-2013 period.

2011

Continuation of the expansion strategy in Italy, with the acquisition of 172 branches from Intesa Sanpaolo S.p.A.

Presentation of the "Engagement 2014" (Commitment 2014) strategic plan aimed at making the Group the European benchmark in full-service retail banking.

Presentation of the Crédit Agricole Group's adaptation plan.

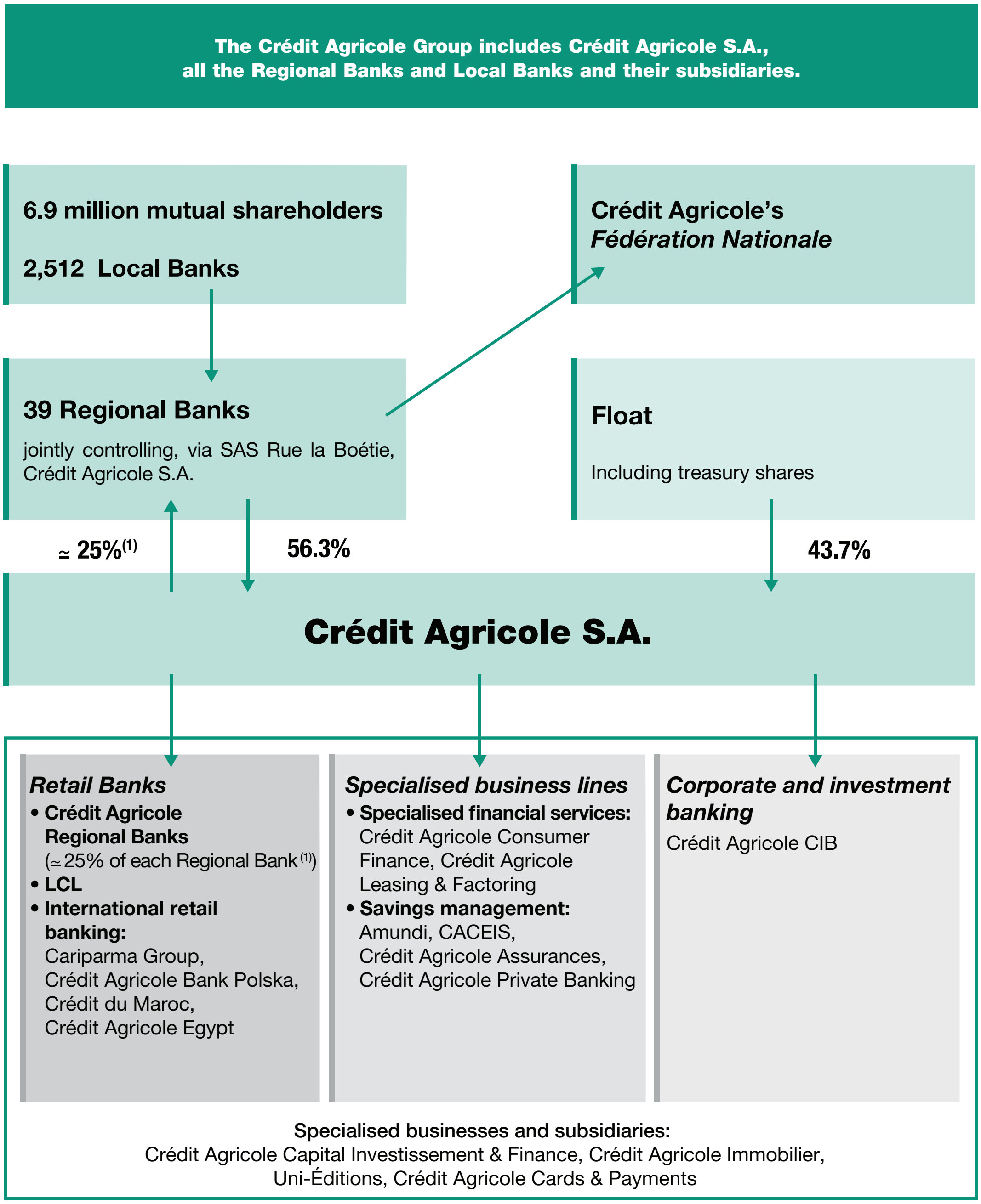
2012

Agreement on the sale of Emporiki to Alpha Bank.

Agreement on the sale of the CLSA and Cheuvreux brokers.

Success of Crédit Agricole Group's adaptation plan.

Organisation of the Crédit Agricole Group and Crédit Agricole S.A.



At 31 December 2012 [2]

(1) Apart from the Caisse Régionale de la Corse. The exact percentage holding in each Regional Bank is listed in Note 12 to the Financial Statements.
(2) Excluding Emporiki sold on 1 February 2013, CLSA and CA Cheuvreux which are held-for-sale.

The business lines of Crédit Agricole S.A.

SIX BUSINESS LINES

French retail banking – 39 Regional Banks [1]

- **Share of net income of equity - accounted entities [1]: €0.8 billion**

Banking services for individual customers, farmers, small businesses, SMEs and local authorities, with strong local roots.

Crédit Agricole Regional Banks provide a full range of banking and financial products and services: savings products (money market, bonds, securities); life insurance investment products; lending (namely home and consumer finance, loans to corporates, small businesses and farmers); payment instuments; personal services; banking-related services; and wealth management. The Regional Banks also distribute a very large range of property & casualty and death & disability insurance products.

- 21 million individual customers;
- 7,013 branches and 6,667 in-store servicing points;
- Leader by market share *(source: Banque de France, September 2012)* in:
  - household deposits: 23.4%,
  - household credit: 20.6%,
  - lending to farmers: 78.5% *(source: RICA 2010)*;
- Penetration rate:
  - individual customers: 28.8% *(source: Operbac 2012)*,
  - farming sector: 88% *(source: Adéquation 2011)*,
  - small businesses: 33% *(source: Pépites CSA 2011)*,
  - SMEs: 34% *(source: TNS Sofres 2011)*,
  - associations: 24% *(source: CSA 2012 – body in charge of monitoring financial and insurance behaviour of associations)*.

(1) Crédit Agricole S.A. accounts for the Regional Banks (excluding Caisse régionale de Corse) using the equity method (about 25%).

French retail banking – LCL

- **Revenues: €3.9 billion**

LCL is a French retail banking network with a strong presence in urban areas. It is organised into four main business lines: retail banking for individual customers, retail banking for small businesses, private banking and corporate banking. The flow banking division, spanning all markets, completes the picture.

The bank provides the entire range of banking, asset management and insurance products and services along with wealth management services. These services are distributed through a variety of channels: the branch networks, with offices dedicated to corporates or private banking; the websites (dedicated to individual customers, corporates and small businesses) and the telephone.

- 6 million individual customers, 325,000 small businesses, 27,300 corporates;
- 2,077 points of sale, including:
  - 88 locations dedicated to corporates and institutional customers,
  - 70 locations and sites dedicated to private banking,
  - 3 wealth management offices (Paris, Lyon and Bordeaux).

International retail banking

- **Revenues: €2.5 billion**

Crédit Agricole S.A. continues to deploy its full-service retail bank internationally, chiefly in Europe and in the countries where it is traditionally located in the Mediterranean Basin. Crédit Agricole has a particularly well-established presence in Italy (Gruppo Cariparma Crédit Agricole), with 942 points of sale, mainly in the richest parts of Italy, serving more than 1.7 million customers.

In Central and Eastern Europe, Crédit Agricole S.A. trades under the Crédit Agricole brand in Poland, Ukraine, Serbia, Albania, Bulgaria and Romania.

In Ukraine, the merger between Crédit Agricole Bank PJSC and Crédit Agricole CIB Ukraine, completed on 19 November 2012, now makes it possible to serve all customer segments.

In Poland, this deployment of the full-service retail bank is well under way with the launch in 2012 of the *mid-corporate activity*, which will consolidate the merger announced of Crédit Agricole Bank Polska and Crédit Agricole CIB Poland, and expansion into the agricultural and food-processing markets.

In Greece, 2012 was marked by the search for a disengagement solution that best satisfied the Group's interests.

Crédit Agricole S.A. has also long been present around the Mediterranean Basin, in Morocco (Crédit du Maroc in which it has a 77.4% interest) and Egypt (Crédit Agricole Egypt with a 60.4% interest).

Crédit Agricole S.A. also has holdings in other European countries either directly – in Portugal, in the third largest Portuguese bank by balance sheet total, Banco Espirito Santo, in which it has a 20.2% interest – or through Regional Banks with holdings in three banks (Crédit Agricole Belgium, 22.1%; Bankoa in the Basque Country, 28.7%; Crédit Agricole Financements Switzerland, 35.9%).

Specialised financial services

▸ **Revenues: €3.4 billion**

Consumer credit: Crédit Agricole Consumer Finance is a key player in consumer credit, present in 23 countries (20 European countries, in addition to Saudi Arabia, Morocco and China). Crédit Agricole Consumer Finance has a significant position in all distribution channels: direct sales, through retail outlets (automobile, household equipment and home improvements, etc.), e-commerce, partnerships and brokerage.

Crédit Agricole Consumer Finance is also developing savings products, aimed at institutional and individual customers in Germany, and moving into the distribution of insurance for borrowers, insurance of hand-held and technical products, and death and disability products.

Crédit Agricole Consumer Finance has outstanding consumer credit totalling €73.2 billion.

Crédit Agricole Leasing & Factoring assists corporates, small businesses, farmers and the public sector, with innovative offers in lease finance and factoring.

Outstandings managed at end-2012: €23.2 billion.

Lease finance:

- in France: ranked fourth in property and equipment lease finance *(source: ASF, March 2013)* and major financer of sustainable development and the public sector;
- in Europe: ranked seventh in lease finance *(source: Leaseurope, June 2012)* and first in lease finance in Poland *(source: Polish Leasing association, 2012).*

Lease finance outstandings: €18.6 billion.

Factoring:

- in France: ranked first in factoring *(source: ASF March 2013)*;
- in Europe: ranked fifth in factoring *(source: Company)*, ranked fourth in Germany *(source: Deutscher Factoring-Verband June 2012).*

Factored receivables: €56.3 billion.

Savings management

▸ **Revenues: €5.2 billion**

Asset management: the asset management business, which is conducted by the Amundi Group, encompasses the management of mutual funds for retail, corporate and institutional investors, and discretionary mandate services for corporate and institutional investors.

Amundi is the second largest asset manager in Europe and ninth in the world with €727.4 billion of assets under management.

Insurance: the insurance business area is conducted mainly by the Crédit Agricole Assurances Group. The second largest personal insurer and seventh largest property and liability insurer in France at end-2011 *(source: L'Argus de l'assurance, 14 December 2012)*, Crédit Agricole Assurances covers all customer needs in terms of personal insurance, property insurance and creditor insurance in France and internationally. In France, the business relies on the Regional Banks and LCL. Outside France, its products are distributed through partner bank and financial institutions networks. Insurance today covers 15 countries.

The Crédit Agricole Assurances Group's premium income came to €23.2 billion in 2012.

Private banking: the Crédit Agricole Group is a leading player in private banking.

In France, it is one of the leaders in the high net worth segment, operating under three main brands:

- Crédit Agricole Banque Privée, a brand launched by the Regional Banks for high net worth customers;
- Indosuez Private Banking (held by Crédit Agricole Private Banking), a subsidiary dedicated to the high net worth segment and private management (CA Indosuez Gestion), working closely with the Regional Banks but also directly for customers;
- LCL Banque Privée, a specialist management division integrated into the LCL network.

Internationally, the Group is also one of the sector's main players and is particularly active in Switzerland, Luxembourg, Monaco and the high-growth markets (Asia, Latin America and the Middle East).

Assets under management: €132.3 billion [1].

(1) Including LCL Banque Privée assets (€38.3 billion) and excluding assets held by the Regional Banks and private banking activities within the international retail banking business line.

Corporate and investment banking

▸ **Revenues: €3.2 billion**

Crédit Agricole CIB provides its customers with products and services in capital markets activities, investment banking and commercial banking. Crédit Agricole CIB's activities are structured around five businesses:

Commercial monitoring of corporates & the international network is responsible for the commercial monitoring of large French or international corporates, regional corporates and French local authorities. It also offers solutions to the operating and financing needs of international commerce.

The investment bank is tasked mainly with advising large corporates in their corporate finance needs and covers advisory activities in mergers and acquisitions, the Equity Capital Markets, Strategic Equities and Structured Financial Solutions business areas and specialised sectoral teams, including telecoms structured finance.

Debt optimisation & distribution covers origination, structuring and arrangement of medium- and long-term syndicated and bilateral loans for corporates and financial institutions. It also covers underwriting and primary and secondary distribution of syndicated loans.

Corporate banking consists in originating, structuring and financing large export and investment operations, often asset backed (such as aviation and railways, maritime, property and the hotel industry) as well as complex and structured loans.

Capital markets activities covers all the activities of trading in and selling interest and exchange rate market products intended for corporates, financial institutions and large issuers. It also engages in the commercial monitoring of financial institutions. All the product lines rely on dedicated research services.

FRENCH RETAIL BANKING – CRÉDIT AGRICOLE REGIONAL BANKS

Business and organisation

Crédit Agricole Regional Banks are co-operative entities and fully-fledged banks that have a leading position in almost all areas of the retail banking markets in France: ranked in the top tier for individual customers *(source: Operbac 2012)*, small businesses *(source: CSA 2011)* and farmers *(source: Adéquation 2011)*, ranked in the second tier for SMEs *(source: TNS Sofres 2011)* and the public sector *(source: CSA 2012)*.

With 21 million individual customers, the Regional Banks account for 23.4% of the household bank deposit market *(source: Banque de France, September 2012)*.

They have a network of 7,013 branches, plus 6,667 in-store servicing points installed in small retailers that provide Crédit Agricole's customers with basic banking services. They also provide their customers with a full range of remote banking services (interactive voice response, Internet, mobile phone).

The Regional Banks offer a full range of financial products and services and continue to broaden their product and service offering, working in close association with Crédit Agricole S.A. and its subsidiaries.

They market offers and services around deposits, savings and investments in equities, bonds and mutual funds; they engage in the distribution of loans, particularly home loans and loans to consumers, SMEs and small businesses, and provide payment instruments and insurance products (property & casualty, life, death & disability and retirement).

As a bank for small businesses with 88% of farmers *(source: Adéquation 2011),* Crédit Agricole is the leading financer of agriculture in France, with a 78.5% market share *(source: RICA 2010)*. In investments, it has a penetration rate in excess of 70% in offers of on-balance sheet customer assets and in securities *(source: Adéquation 2011)*.

Crédit Agricole is also a leader in the market for small businesses. More than one small business in three is a customer of a Regional Bank *(source: CSA Pépites 2011)*. The Regional Banks are the leading financer of very small business (VSBs), with a 22.6% market share *(source: Banque de France, June 2012)*. Likewise, in electronic payments, 22.2% of small retailers entrust management of their flows to their Regional Bank (*source: 2011 study of small retailers*). To best meet the expectations and concerns of their customers, more than 3,000 business advisors are constantly trained in business techniques and knowledge.

For SMEs, 720 account representatives serve as the mainstays of the business relationship, in the service of the Regional Banks' 90,000 customers. They provide their customers with the full range of the Crédit Agricole Group's products, services and areas of expertise: from commercial banking to business banking, from domestic to international banking, and including financial engineering and wealth management for executives. More than a third of French SMEs are customers of the Regional Banks *(source: TNS-Sofres 2011)*.

Finally, the Regional Banks are committed to supporting local authorities and more generally, players in the local public sector and the social economy. Through their 200 or so specialised business managers, the Regional Banks provide banking solutions not only to local authorities but also to social housing bodies and associations (lending, savings, flow management and insurance).

Crédit Agricole S.A. holds about 25% of the capital in all the Regional Banks (except for the Regional Bank of Corsica, which it wholly owns).

Events in 2012

The rates of market penetration of the Regional Banks are historically high and the financial market shares of loans (17.5%) and savings (15.5%) position them as the leading lending and savings institution in France *(source: Banks' financial communications, September 2012)*.

In the market for individual customers, the Regional Banks continued to deploy the "*Compte à composer*", a modular offering of day-to-day banking services centred around a core of basic services and modules chosen by the customer as needed. The "*Compte à composer*" illustrates not only Crédit Agricole's commitments in terms of transparency and modularity but also its strong innovative capacity. In this respect 2012 was marked by launching "Pelikam", an on-line money box designed to facilitate the achievement of personal or association projects, by collecting donations; "Tookets", "social and united money", generated by saving in mutual passbook accounts and intended to support associations in the territories of the Regional Banks; and CA Store, a cooperative of digital players enabling Crédit Agricole to jointly create, with its customers, web and mobile banking applications. The recipient of a Customer Relations Award, CA Store now has around 15 applications. In terms of savings, Crédit Agricole has maintained its leading position, particularly as a result of the strong growth of its time deposits and dynamic inflow into regulated passbook accounts. The passbook savings account (*Livret A*) now has 7 million customers and outstandings in excess of €30 billion. Crédit Agricole also remains the leader in the housing finance market with a 22.3% market share at end-September 2012 *(source: Banque de France)*. This undisputed leading position is also confirmed in "Interest-free eco-loans" (27% market share at end-June 2012, *source: SGFGAS - Société de Gestion du Fonds de Garantie de l'Accession Sociale à la propriété*). In insurance, a new residential offer has been available since early December 2012. Based on the status of the customer (owner, tenant, non-occupant owner, student), it has the double advantage of maximum cover ("Integral" option with replacement as new for goods of all ages) and an attractive pricing positioning, particularly with the "Initial" option. Another success has been in the healthcare area, with the launch on 1 June 2012 of a new long-term care policy, "Towards autonomy", comprising three strands: a financial offering, a dedicated information website and a support service both for the dependent person and for carers.

In the market for high net worth customers, the Regional Banks strengthened their leading place in 2012 (16% commercial market share – *source: Baromètre Clientèle Patrimoniale IPSOS*) with more than a million high net worth customer households with financial assets entrusted to the Regional Banks in excess of €150,000 or flows in excess of €100,000. They have strengthened their teams of experts and now have 2,900 employees along with the networks of private banking spaces and branches. This development was accompanied by the launch of a new communication territory, a positioning close to its values and centred on the plans of its customers and their families. The launch in 2012 of a dedicated training course, "*Cursus patrimonial*", was part of the quest for relationship expertise.

With a global penetration rate of 88% (*source: Adéquation 2011*), Crédit Agricole remains by far the leading partner of French farmers. The Regional Banks finance three young farmers' start-ups out of four. In financing agricultural equipment, it has a market share of 84%, including 68% for Agilor *(source: Adéquation 2011)*. By putting in place a surety and guarantee mechanism, in addition to bank finance, in 2012 the Regional Banks were heavily involved in supporting measures to implement new pig-breeding standards. There was a net inflow mainly thanks to on-balance sheet customer assets (up 7.2% on December 2011) and the successful launch of the five-year equity savings account (CEA), an innovative offering intended to safeguard farmers' activities while at the same time rewarding their loyalty. The Regional Banks are also the leading financial partner of the food-processing sector, with a 39% market share *(source: Banque de France, September 2012)*. To achieve its ambitions in this sector (making food-processing an area of excellence), Crédit Agricole put in place a new organisation reflected at national level by the creation of a food-processing division and in the regions by the creation of positions as advisory bankers with specialist knowledge of the sector. In agricultural insurance, Crédit Agricole consolidated its presence with a penetration rate of 26.6% (*internal source*). Lastly, with more than 2.5 million visits on average per month, the pleinchamp.com website remains the leading French agricultural information website. This website also enabled 255,000 customer farmers of the Regional Banks to access expert services, including the expert service named "Météo Locale".

With almost 900,000 customers, the Regional Banks are the banking partner of choice for small businesses, for both their professional and private needs (penetration rate of 28% for personal banking, *source: Pépites CSA 2011*). With a penetration rate of 18% (*source: Pépites CSA 2011*), the Regional Banks are also the leading providers of bancassurance to small businesses. Despite a difficult environment, the Regional Banks continued to actively support entrepreneurs in their territories with more than 110,000 loans granted in 2012. They once again demonstrated their innovative capacity by launching the "*Compte à composer Pro*" and the "*Livret Excédent Pro*". Intended to meet the needs of simple, safe and available investments, the latter has enjoyed great success since its launch in January 2012. Wishing to support the development of their customers on-line, the Regional Banks also developed a tool intended to put small businesses in touch with web surfers looking for local services: "*Square Connexion*". More generally, 2012 was once again an opportunity for Crédit Agricole to strengthen its values of proximity and trust, setting up partnerships with local economic development players such as accountants.

The SME network of the Regional Banks remained heavily mobilised in 2012, supporting its customers in their growth plans. Production of new loans intended to finance the operating and investment needs of SMEs over the medium and long term thus stood at €7.3 billion. The Regional Banks also continued to actively support the growth of SMEs through their regional business bank structures (outstandings managed of almost €400 million). In terms of balance sheet inflow, the Regional Banks showed their responsiveness and the quality of their offerings with a sharp rise in outstanding time deposits. In terms of payment flows and instruments, they continued their efforts to assist SMEs in applying the regulatory developments associated with implementing the Single Euro Payments Area (SEPA). Finally, with the support of the Group's specialised business lines, the Regional Banks inaugurated a new format for regional public meetings, bringing together almost 4,500 entrepreneur customers to discuss legal and tax issues.

In the public sector market, the Regional Banks continued to support their customers' investment plans. Thus outstanding loans to public authorities and associations continued to increase at a steady rate, up 4.1% on the year, to stand at more than €43 billion at end-December 2012. In particular, 2012 was marked by an innovative initiative on the part of the Group, intended for local authorities: this consisted of an offering of fixed-rate loans refinanced 80% by resources from life insurance inflows into CA Assurances and 20% by the banking resources of the Regional Banks. At the same time, Crédit Agricole increased its presence with social housing bodies, particularly by distributing regulated loans (*Prêt Locatif Social* – PLS, *Prêt Locatif Intermédiaire* – PLI, and *Prêt Social Location Accession* – PSLA) and marketing new dedicated investment products, such as the "*Compte sur Livret Habitat Social*". In the market for associations, which has a structural liquidity surplus, more than 117,000 passbook savings accounts (*Livrets A*) are now open with Crédit Agricole.

Lastly, 2012 was an opportunity for the Regional Banks to make a difference in terms of customer relationships. Placing the customer more than ever at the heart of their preoccupations, they did in particular provide tangible proof of their commitments in terms of objective advice (absence of financial incentives for proposing one product rather than another), transparency in relationships and in the right to change one's mind (through putting in place the customer MEMO, a simple reference document summarising the key features of the product subscribed and the more favourable retraction terms). The Regional Banks also decided to generalise implementation of relationship practices reflecting the values of the Group project at key times in the relationship with customers (commencement, maintenance and development of the relationship). The aim of implementing these practices is to improve customer satisfaction, motivate employees and improve sales performance.

FRENCH RETAIL BANKING – LCL

Operating under its own brand, which was adopted in August 2005, LCL is the only domestic network bank in France to focus exclusively on retail banking for individual customers, small businesses and SMEs.

Business and organisation

LCL's operations are structured in a manner that is consistent with its strategic objectives and, in particular, the priority given to customers by mobilising the entire company in their service. Its organisation is built on four pillars that are the four markets: retail banking for individual customers, retail banking for small businesses, private banking and corporate banking. The payments business works in a cross-cutting manner to serve the other four businesses.

LCL provides its 6 million individual customers with a range of innovative products and services. Its operations cover all activities relating to savings, investment, credit, management of payment instruments, insurance and advisory services. LCL has a network of 2,077 outlets and over 6,100 ATMs across France. Outlets are undergoing an extensive programme of automation and renovation.

The 325,000 small business customers – tradespeople, small retailers, professionals, farmers and small business – benefit from a national network of almost 1,090 specialist advisers in its branches. These advisors serve as a single contact point to help their customers manage their daily affairs and achieve their business and personal projects.

"LCL Banque Privée" serves its 150,000 customers by providing a global relationship (high net worth banking, day-to-day banking and finance) in 70 privileged reception facilities. The dedicated reception facilities provide the ideal conditions in complete confidentiality for analysis, consultation and decision making in peace and comfort. Available to assist customers in organising and valuing their wealth, the LCL Banque Privée adviser is also the contact person for common banking transactions and deals with all lending transactions: property loans, asset-backed loans, financing of stock options, etc.

SME banking, meeting the needs of its 27,300 customers, relies on its national network of 88 business centres and SME branches, and on all its expert knowledge in Paris and the regions: corporate finance for plans to take over and transfer SMEs, market activities, international trade, and flows.

As a player of choice in the Mid Caps sector, corporate banking confirms its positioning in the markets for SMEs and large corporates, and its desire to assist executives in their wealth management plans. To this end, wealth management teams joined the corporate banking division in the final quarter of 2011 to further strengthen the comprehensive approach of the shareholder managers.

The payments division is autonomous. It has innovative and competitive offers in its four markets, covering the full spectrum of payment instruments, and is actively assisting customers in the transition to the "Single Euro Payments Area". It also strives to develop the automation and streamlining of its processes, relying in particular on dematerialisation and new technologies. LCL is taking a very active role in the construction of the Group Shared Payments Platform assigned to Crédit Agricole Cards & Payments (formerly Cedicam), the Group's payment system subsidiary. This major multi-year project aims to strengthen the industrialisation of transaction processing in order to obtain very competitive cost prices for all of Crédit Agricole's French and international entities.

Alongside its commercial branch network, LCL offers a full and structured remote banking service *via* telephone and the Internet. The telephone service allows customers to consult their accounts and carry out operations 365 days a year with "*LCL à l'Écoute*", "*LCL Avertis*" and "*LCL sur mobile*" for mobile phones.

The Internet offering serves all individual customers, small businesses and corporates. It offers an on-line site for the distribution of products and services and a site for the consultation and account management and securities portfolios. Customers are able to undertake a large range of operations on-line in a secure environment through an electronic signature process. LCL has also developed a solution enabling customers to switch from paper to electronic bank statements contributing to its sustainable development approach.

LCL's offering is further rounded out by e.LCL, a fully on-line bank. More than 70,000 customers have been won over by the concept, which offers all of the bank's products and services, with access to an LCL adviser, who can be reached by e-mail, telephone or fax.

Events in 2012

In 2012 LCL continued its development based on the "*Centricité Clients*" business plan.

This plan's challenge – customer satisfaction – remains at the heart of commercial policy. In this way the "*Contrat de Reconnaissance*" customer loyalty scheme has been enriched by the "*SAV bancaire*", a package of services including a satisfaction questionnaire that enables customers to evaluate the bank at any time and a commitment to process complaints as quickly as possible. The "*LCL à la carte*" package has a specific tool that enables customers and their advisors to construct a personalised banking proposal around their plans. Lastly, LCL has improved the quality of its customer approach by stressing the quality of its welcome, in person or over the phone, with the "*Bienvenue*" programme. LCL also strengthened its urban visibility in 2012 by launching the "*LCL en ville*" monitoring scheme, dedicated to studying the patterns of urban assets.

Over the year, outstanding inflows grew by 3.9%, with rises in both savings and life insurance. The increase in outstanding loans was 1.6%, with a rise of 3.0% in property loans, LCL taking an active part in financing households and SMEs.

To adapt to a difficult economic context, LCL has put in place a programme aimed at improving management and control of the bank's expenses, and giving priority to plans that enable the quality of customer services to be improved. Lastly, 2012 marked the end of the teams' move to the site of the operational head office at Villejuif (Val-de-Marne).

In 2013 LCL will continue to grow by listening to its customers and adapting to their needs, development and satisfaction.

INTERNATIONAL RETAIL BANKING

Crédit Agricole S.A. continues to deploy its full-service retail bank internationally, chiefly in Europe and in the countries where it is traditionally located in the Mediterranean Basin. Internationally, Crédit Agricole's full-service retail bank has more than 23,200 employees serving 5.6 million customers in ten countries (Italy, Poland, Ukraine, Serbia, Bulgaria, Romania, Albania, Morocco, Egypt, Madagascar), *via* a network of almost 2,200 branches (*data at end-2012, excluding Emporiki, being sold to Alpha Bank at 31 December 2012, sale finalised on 1 February 2013).*

Business and organisation

The main purpose of the "International Retail Banking" division is to control and support the growth of the International Retail Banking entities, by encouraging the rollout in local markets of the Crédit Agricole Group's expertise in retail banking and the other business lines. It has operational responsibility for the smooth running and results of the subsidiaries on behalf of Crédit Agricole S.A. Note too that the IRB division supports the Regional Banks in the development of the Local Banks they own in Europe (Belgium, Spain, Switzerland).

In Italy, Crédit Agricole S.A. has a controlling 75% interest in Cariparma Crédit Agricole Group, alongside the Regional Banks (which own 10% through Sacam International) and the Cariparma Foundation (15%). FriulAdria is 80.2% held by Cariparma, 19.8% being held by individual shareholders, and Carispezia is 80% held by Cariparma, 20% being held by the Carispezia Foundation. At 31 December 2012 the Crédit Agricole Group's network in Italy had 942 points of sale, making it the seventh largest network in Italy by number of branches and serving more than 1.7 million customers. Its Italian operations span ten regions and 45 provinces that together account for 71% of the Italian population and 76% of Italian GDP.

In Central and Eastern Europe, Crédit Agricole now operates under its brand in Poland, where it has been present since 2001 (Crédit Agricole Bank Polska, formerly Lukas Bank), Ukraine (Crédit Agricole, formerly Index Bank) and Serbia (Crédit Agricole Srbija) and, since June 2012 after the direct takeover of the subsidiaries of Emporiki Bank, in Albania (Crédit Agricole Albania), Bulgaria (Crédit Agricole Bulgaria EAD) and Romania (Crédit Agricole Romania).

On 16 October 2012 Crédit Agricole S.A. agreed to sell 100% of the capital in Emporiki in Greece to Alpha Bank. This sale was finalised on 1 February 2013.

Around the Mediterranean Basin, Crédit Agricole S.A. is present through Crédit du Maroc and Crédit Agricole Egypt. With 343 branches, Crédit du Maroc, 77% owned by Crédit Agricole S.A., provides a comprehensive offering for its retail and corporate customers. Crédit Agricole Egypt is 60.4% held by Crédit Agricole S.A.

Crédit Agricole S.A. also has holdings in other European countries either directly – in Portugal, in the third largest Portuguese bank by balance sheet total, Banco Espirito Santo, in which it has a 20.2% interest – or through Regional Banks with holdings in three banks (Crédit Agricole Belgium, with 22.1%; Bankoa in the Basque Country, 28.7%; Crédit Agricole Financements Switzerland, 35.9%).

Events in 2012

With the exception of Poland and Ukraine, whose growth rates remain positive, the political and economic context of the countries in which Crédit Agricole has a full-service retail banking presence internationally has hit the activity of the major economic players and banking activities, likewise hit by the prospect of implementation of Basel III.

In this context, the restructuring operations of the international network of retail banks conducted by Crédit Agricole S.A. in 2012 result from its strategy to deploy its full-service retail banking model and implement its adjustment plan announced in late 2011, favouring organic growth (merger in Ukraine and Poland with the local Crédit Agricole CIB structures, etc.) and safeguarded development (purchase of Emporiki Bank's subsidiaries in Albania, Bulgaria and Romania, disposal undertaken of Emporiki Bank and its subsidiary in Cyprus, etc.). Furthermore, all Crédit Agricole S.A.'s international subsidiaries comply both with the Group's management guidelines (balancing their inflow/lending activities, strengthening risk control measures and strong focus on cost control) and guidelines on the approach towards customers (development in the agriculture/food-processing area of excellence, operational deployment of the Group's values with customers, etc.).

In Italy, in an environment heavily characterised by the impact of measures taken to reduce public borrowing and to reform the economic framework, Gruppo Cariparma Crédit Agricole is now the seventh largest banking group in the country, following the integration of Carispezia and new branches acquired, in 2011, with Intesa Sanpaolo. It remains one of the best-performing players in a market affected by recession and increased risk. Despite this context, Gruppo Cariparma Crédit Agricole's network has achieved a surplus inflow, ensuring continued growth. At the same time, Gruppo Cariparma Crédit Agricole continued to implement its "Opera" business plan throughout the year, whose aim was to optimise performance capabilities serving retail customers (putting in place a new model for serving customers) and expanding to include corporate and agricultural/food-processing customers, while at the same time focusing strongly on risk and cost control.

In Poland, 2012 saw the continued growth of the full-service retail bank under the Crédit Agricole brand, alongside the consumer credit business in which the Group remains the leader with the Lukas brand. To serve its individual banking customers, Crédit Agricole Bank Polska expanded its range of products and services (launch of a new account, cards, insurance policies, investments, etc.), continued to renovate its branches centred on welcoming and advising its customers and staff training, assisted by exchanging expertise with retail banks in France (LCL and Regional Banks), and started its activity serving mid-corporates and farmers, a market in which it intends to draw on the Group's knowhow. 2012 also saw the announcement of the merger with Crédit Agricole CIB to increase its involvement with large corporates. At the same time, Crédit Agricole Bank Polska maintained a good level of consumer credit business, particularly through the renewal of its long channel partnership agreements (14,000 points of sale/business providers).

In Ukraine, Crédit Agricole has strongly increased its number of individual customers, particularly thanks to partnership agreements concluded with most car manufacturers present locally for the sale of car loans and agreements concluded with corporates in relation to their employees (ING Bank, L'Oréal, PWC, etc.). Deployment of the full-service retail bank continued with the merger with Crédit Agricole CIB Ukraine in November 2012 including very large local and international corporates. Finally, confirming its strategic options in the agriculture/food-processing sector, last autumn Crédit Agricole Ukraine was recognised by Invest Gazeta as the leading bank in this sector.

The food industry is also a major focus for Crédit Agricole Srbija in Serbia, which is expanding in this sector by means of partnerships with major companies present locally. The bank continued its restructuring measures to improve its commercial and operating performance and – for the first year since its takeover by Crédit Agricole – broke even in what was still a highly competitive market. In commercial terms, Crédit Agricole Srbija expanded its range of retail products, particularly in savings, to improve its inflow/lending balance.

In Greece, efforts to improve the operational and commercial management of Emporiki Bank, made throughout 2012 in a very strained economic and political context, enabled Crédit Agricole to find the conditions for agreeing to sell the bank to Alpha Bank, a sale that was finalised on 1 February 2013.

Bought last June by Crédit Agricole S.A. from Emporiki Bank to ensure customer operations, the subsidiary banks in Albania, Bulgaria and Romania adopted the Crédit Agricole brand and made significant efforts to control their costs and risks.

Around the Mediterranean basin, the Group's two banks were affected by their economic and political situation.

Crédit du Maroc continued its activity in a country now affected by the crisis, with growth in the retail markets thanks mainly to the expansion of its network (ten new branches opened), deployment of its new sales organisation centred on customer proximity and advice, and redeployment of its corporate customers towards SMEs and corporates in the agriculture/food-processing sector. Despite increased risks, observed for all banks on account of the deteriorating economic situation, Crédit du Maroc maintained its good level of results while at the same time preserving a satisfactory cost-income ratio.

In Egypt, the January 2011 revolution and its consequences continued to hit the buoyant sectors of the economy (tourism, construction, etc.). Nevertheless, Crédit Agricole Egypt managed to maintain its activity and achieved excellent sales results thanks to its position as the fourth largest private bank in the country, the quality of its corporate portfolio and its success in targeting individual customers. The first "customer recommendation" implemented by Crédit Agricole Egypt in the retail markets positions it amongst the leading banks in the country thanks to a process of transformation over the past two years (refocusing on upmarket customers, broadening the range of products, targeted renovation of branches, etc.).

Crédit Agricole S.A. is also pursuing its policy of refocusing its banking investments in Europe: gradual disposal of its investments in Bankinter in Spain, redefining of a long-term partnership with Banco Espirito Santo, whose business in Portugal has been weakened by the economic crisis, strengthened support of the Regional Banks in their cross-border expansion into Belgium, Spain and Switzerland.

SPECIALISED FINANCIAL SERVICES

Consumer finance – Crédit Agricole Consumer Finance

Business and organisation

Crédit Agricole Consumer Finance is present in France and internationally, principally in Europe (23 countries in total, including 20 in Europe).

Crédit Agricole Consumer Finance offers its customers and partners a full range of consumer finance products: personal loans, revolving credit and leasing solutions. These products are rounded out by a set of insurance and service products: cards, extended warranties, assistance, loyalty programmes, etc. CA Consumer Finance is also developing a range of savings products in Germany.

Crédit Agricole Consumer Finance distributes its product range through five distribution channels:

- direct selling under the Sofinco brand in France, with significant growth in the Internet channel;
- through retail points of sale, using partner business introducers;
- through major partnerships, with affiliates and non-affiliates, mainly in the automotive, retail and institutional (banking and insurance) sectors;
- in partnership with networks of brokers under the Interbank and Ribank brands in the Netherlands, and under the Creditlift Courtage brand in France;
- lastly, Crédit Agricole Consumer Finance provides all or part of the management of consumer finance for the Crédit Agricole banking networks in France and internationally (revolving loans and personal loans).

Crédit Agricole Consumer Finance has subsidiaries in 14 countries: Germany (Creditplus); Saudi Arabia (Sofinco Saudi Fransi); Denmark (Dan-Aktiv); Greece (Credicom Consumer Finance); Hungary (Credigen Bank); Italy (Agos Ducato); Netherlands (CA Consumer Finance Nederland BV); Portugal (Credibom); Czech Republic and Slovakia (Credium and Credium Slovakia); Sweden, Finland, Norway (Finaref Nordic); Morocco (Wafasalaf).

Crédit Agricole Consumer Finance is a major international player in auto financing. It has been a partner of Fiat since 2006 (FGA Capital) and Ford since 2008 (Forso Nordic). More recently, it became a partner of China's sixth-largest carmaker, Guangzhou Automobile Group Co., Ltd (GAC). Crédit Agricole Consumer Finance holds 50% of FGA Capital, 50% of Forso Nordic and 50% of GAC-Sofinco Auto Finance Co. Ltd.

Events in 2012

Crédit Agricole Consumer Finance actively supported the Crédit Agricole Group's growth as a leading full-service retail bank in Europe, providing its consumer credit expertise to retail banks (in France to LCL and the Regional Banks, in Italy to the networks of Cariparma and FriulAdria, in Morocco to Crédit du Maroc) and making its distribution networks available for developing the Crédit Agricole Group's insurance activities.

In a heavily deteriorated economic and financial context, Crédit Agricole Consumer Finance managed to adapt to changes in its environment: the slowdown in growth, the maturity of the consumer credit market in certain countries, regulatory developments, the application of new prudential rules requiring banking players to heavily mobilise their own equity, and changing consumption habits.

An adjustment plan was announced at end-2011 to reduce the financing requirement of CA Consumer Finance by €8 billion by end-2012. This objective was exceeded thanks to the action taken in three areas:

- organic reduction in business, with a decline in outstandings by €3.5 billion as a result of cutting down on the least profitable or riskiest activities and partnerships and by tightening lending terms;
- the disposal of €1.1 billion of doubtful debts, mainly in France and Italy;
- diversification of sources of finance, with a number of bond issues and securitisation transactions in France and Germany, and the launch of savings products in Germany making it possible to raise €7 billion. At the same time, short-term financing fell by about €8 billion.

As part of its adjustment plan, CA Consumer Finance chose to adjust its business model and its organisation in France to better serve its customers and restore its long-term competitiveness. Its reorganisation represents a response to the challenges of the consumer credit business in France and is centred on three areas: Innovation, Customer Satisfaction and Efficient Operation, hence the project name ISEO.

In France, the Sofinco branch was voted "Customer Service of the Year 2013" thanks to the satisfaction level of its customers. The partnership agreement with Free also led to a substantial number of new customers.

CA Consumer Finance demonstrated its innovative capacity through the creation of new brokerage offerings and new processes and tools dematerialising the customer relationship, such as e-statements and i-Pad applications for finance at the point of sale.

Crédit Agricole Leasing & Factoring

Business and organisation

Crédit Agricole Leasing & Factoring (CAL&F) is a major player in specialised financing in France. It also boasts leading positions in Europe.

CAL&F offers innovative specialised financing solutions to SMEs, small businesses, farmers and local authorities, and extracts synergies between the two activities so as better to serve its customers and the Group's retail banks.

CAL&F can thus provide a full range of specialised finance solutions:

- in lease financing: equipment finance leases, information system leases, property finance leases, sustainable development project financing and local authority financing;
- in factoring: offers meeting the needs of businesses for the financing and management of customer accounts. These offers can be tailored in accordance with the needs of businesses and combined with the largest range of services on the market.

CAL&F works with the banking networks of the Crédit Agricole Group (Crédit Agricole Regional Banks and LCL in France, international retail banks) as well as non-banking partners (manufacturers, equipment dealers, brokers and credit insurers).

CAL&F is present in 11 countries in Europe and North Africa, and works closely with Crédit Agricole Group entities present outside France, in retail or corporate and investment banking. This unified approach through the various geographic locations of each business line facilitates and encourages the development of cross-selling and cross-border business.

Lease financing

CAL&F offers a full range of lease financing products and services, complementary to traditional banking loans. Crédit Agricole Leasing & Factoring (CAL&F) is also a major contributor to the funding of sustainable development projects and the public sector in France.

With the solutions offered customers may finance the total amount of their project, preserve their borrowing capacity and benefit, if need be, from tax advantages. They are accompanied by a range of insurance services (personal insurance, damage, financial loss, comprehensive) and the maintenance of financed assets.

Internationally, CAL&F is present in lease finance in six countries, thereby assisting in the growth of corporates, and is ranked seventh in Europe in lease finance *(source: Leaseurope 2011)*.

In Poland, EFL is the leader in lease finance in its market *(source: Polish Leasing Association 2012)*.

CAL&F is also a member of the Unico Lease Network, which groups together six other European lease financing companies.

Factoring

With entities in seven countries internationally, Crédit Agricole Leasing & Factoring (CAL&F), *via* its Eurofactor subsidiary, supports the expansion of businesses of all sizes, in France and internationally, putting particular emphasis on its pan-European offering.

CAL&F has a European network with operations in Germany, Benelux, Spain, France, Italy and Portugal.

CAL&F offers its customers a close relationship managed by experts who understand the economic, cultural, and legal specificities of different countries. CAL&F is a member of IFG (International Factors Group), which comprises approximately 160 partners in more than 50 countries, as well as FCI (Factors Chain International), which includes more than 250 factors in almost 70 countries.

CAL&F, in conjunction with the Crédit Agricole Regional Banks, also distributes Cré@nces Services, an exclusive offering that responds in an innovative way to the requirements of very small businesses looking for short-term financing. CAL&F also works in partnership with OSEO to help businesses with fewer than ten employees to finance their customer receivables in amounts of up to €200,000. Lastly, CAL&F has extended its receivables management range with the Teotys brand, and its specialist teams, including the "*pour compte*" debt-collection offering.

Events in 2012

With outstandings managed totalling €23.2 billion at end-2012, down 6% on 2011, CAL&F is a major player in lease finance and factoring in France and Europe, playing a full role in financing the real economy with corporates, small business and public authorities. At end-2011, CAL&F implemented the Crédit Agricole Group's adjustment plan aimed at adapting its medium- and long-term financing requirements to the economic and regulatory environment. CAL&F thus drew up an action plan to control its outstandings and promote its growth with the Group's retail banking customers.

In 2012 CAL&F launched the plan to merge its dedicated leasing and factoring sales teams in France in order to make its sales organisation clearer, to strengthen its proximity with the Group's banks and to improve the quality of its services. This sales reorganisation came into effect on 1 January 2013 and is based on five compact, structured multi-functional regional management organisations and an improved coordination network.

In this context, in 2012 lease finance outstandings in France were €14.6 billion, down 8.2% on 2011, with production reaching €2.8 billion, down 37% on 2011. As part of the adjustment plan, with a view to keeping outstandings under control, a portfolio of receivables was sold for around €300 million.

Internationally, lease finance outstandings stood at €4 billion, down 1% on 2011, with production of €0.9 billion, down 34%.

The share of production in leasing achieved with the Group's retails banks was 83% at end-2012 (against 75% in 2011).

In France, CAL&F confirmed its leading position in factoring. In 2012 leasing outstandings accounted for €3 billion, down 5.5% on 2011, with factored receivables of €37.3 billion, down 4.3%. New sales production was €6.6 billion, up 5%, with 81% of production achieved with the Group's retail banks (source: Company).

Internationally, factoring outstandings stood at €1.6 billion, up 2.4% on 2011, with sales production up 49% to €3 billion.

Globally, factored revenues reached €56.3 billion, down 6%.

For CAL&F, 2012 was also marked by a reduction in expenses and good risk control with a cost of risk down 37%.

SAVINGS MANAGEMENT

Asset management, securities and investor services

Asset management

Asset management is the domain of the Amundi Group and its subsidiaries. The business line, 75% owned by Crédit Agricole Group and 25% by Société Générale, offers investment solutions tailored to the retail customers of its banking network partners and to institutional customers.

BUSINESS AND ORGANISATION

Amundi is the second largest European and ninth largest global player in the asset management industry with €727.4 billion of assets under management *(source: "IPE Top 400 asset managers active in the European marketplace" published in June 2012, data at December 2011. Ranking established from a questionnaire completed by management companies, all assets under management combined at 31 December 2011 (open-ended funds, special investors' funds, mandates). Ranking restated for double counting of assets under management)*.

With operations in the main investment pools in nearly 30 countries, Amundi offers a full range of products covering all asset classes and major currencies.

Amundi develops investment solutions suited to the needs of more than 100 million retail clients around the world. For institutional clients, it constructs innovative, highly performing products tailored to the client's business and risk profile.

Amundi is the European asset manager of choice, recognised for:

- the quality, financial performance and transparency of its products;
- the closeness of the relationship with its clients, partner networks and institutional customers;
- the effectiveness of its organisation, stemming from the individual and collective talents of its teams;
- its commitment to including sustainable development and social utility criteria, and not just financial criteria, in its investment policies.

EVENTS IN 2012

The asset management industry is evolving in a context that continues to be difficult, marked by strong competitive pressure and a somewhat attenuated continuation of the outflow from banking networks focused on on-balance sheet customer assets.

In this context, Amundi has recorded significant investment flows from institutional customers, distributors and corporates, thanks to its internationally recognised positioning and the robustness of its organisation. Amundi continued its policy of continuously adapting its product offering to its clients' needs, recording significant inflows on its new product lines (ETF, Amundi Money Market Fund, global bonds, etc.). In 2012 it also became the leading European asset manager in treasury products *(source: Lipper FMI, November 2012)* thanks to high-performing, secure products and strengthened its market share in France in employee savings, which now stand at more than 40% *(source: AFG, June 2012)*.

Amundi is continuing with its cost control policy. Its cost-income ratio remained among the best in the market.

Securities and investor services: CACEIS

BUSINESS AND ORGANISATION

CACEIS is an international banking group, with 3,200 employees, specialising in asset servicing for a customer base of institutional investors and large corporate businesses. Present mainly in Europe, CACEIS offers a complete range of products and services: custodianship, fund administration, middle office solutions, clearing of derivatives, forex, stock lending and borrowing, fund distribution support and services to issuers. CACEIS has about €2,500 billion of assets in custody and €1,250 billion under administration, and is one of the global leaders in asset servicing. It is the largest custodian bank and fund administrator in Europe *(source: Company)*.

CACEIS is 85% owned by the Crédit Agricole S.A. Group and 15% by BPCE Group.

EVENTS IN 2012

In 2012 CACEIS significantly expanded its business, in France and in its overseas subsidiaries, expanding the range of services provided to its existing customers and winning new customers such as Federal Finance, Petercam, Barclays Wealth Managers, Groupama AM and SIF Swiss Investment Funds SA. In particular, it won major tenders for the complete outsourcing of valuation and custodianship of management companies, which had until then processed these activities internally. It won sizeable contracts in stock lending/borrowing, exchange and collateral management.

It continued to invest in its operational, middle office, stock lending/borrowing and fund administration platforms, strengthening the technological quality of its services and the competitiveness of its offering in these products in all the markets in which it operated.

Lastly, the growth of its revenues, coupled with its cost controls, enabled it to improve its cost-income ratio *versus* 2011.

Insurance

Business and organisation

The companies comprising Crédit Agricole Assurances Group offer their customers a comprehensive range of insurance products: personal insurance with Predica, property & casualty insurance with Pacifica, creditor insurance with CACI. Crédit Agricole Assurances is present abroad with all these business lines.

The Group is the largest bancassurer in France *(source: L'Argus de l'assurance, 18 May 2012, based on data at end-2011*) and the ninth largest insurer in Europe, by amount of premiums received *(source: L'Argus de l'assurance, December 2012)*.

Life insurance in France

Predica was established in 1986 and is today the largest life insurance subsidiary of the Crédit Agricole Assurances Group and the second-largest personal insurance provider in France *(source: L'Argus de l'assurance, 14 December 2012)*.

Predica's offerings are designed to meet the diversified needs of individual customers, high-net-worth customers, farmers, small businesses and corporates. Predica is the leading player in the market for popular retirement savings plans *(source: FFSA research 2012, based on 2011 data)* and temporary death and disability and funeral cover *(source: FFSA research 2012 based on 2011 data).*

The Crédit Agricole Assurances Group distributes its products through the Crédit Agricole Regional Banks and LCL.

It is also expanding into alternative networks:

- through La Médicale, a subsidiary, that has a network of insurance brokers dealing with small businesses in the health sector;
- the network of independent wealth management advisers *via* the UAF Patrimoine brand and the Spirica insurance company;
- the BforBank on-line bank through the company Dolcea Vie.

Property & casualty insurance in France

Founded in 1990, Pacifica, a subsidiary of Crédit Agricole Assurances, is the seventh largest property and liability insurer in France *(source: L'Argus de l'assurance, 14 December 2012)* and the second largest agricultural insurer in France. Its objective is to make the Crédit Agricole Group its customers' preferred property & casualty insurer over the long term.

To protect the Group's customers against risk and assist them in their daily lives, Pacifica offers a full range of property & casualty insurance for individual customers including policies for motor vehicles, homes, healthcare, legal protection and personal accident coverage, and global coverage of a family's mobile phones. Pacifica relies on the expertise and recognition of Crédit Agricole to also provide a dedicated offer to farmers and smalls businesses (craftsmen, small retailers and professionals). In addition, Pacifica proposes a personal services offer.

Pacifica markets its products to customers of Crédit Agricole Regional Banks and LCL.

Creditor insurance

CACI was set up in 2008, and is the Group's subsidiary specialising in creditor insurance. Today, it is a leading player in France and Europe, with 28 partners in 11 countries.

Building on its success with its traditional partners – consumer credit institutions – CACI has extended its expertise to retail banks and formed pan-European partnerships. Its offerings are today focused actively on financial protection products, complementary to creditor insurance. This process is backed up by proven operational expertise.

CACI has an industrial management platform in Lille to process creditor insurance activity in France, and a multilingual platform in Dublin, which manages claims in the various European Union countries.

International insurance subsidiaries (excluding creditor insurance)

Crédit Agricole Assurances exports and adapts its bancassurance knowhow abroad in both personal and property insurance. It conducts its overseas expansion mainly with the Crédit Agricole Group's entities, or with external partners.

The insurance business operates in seven countries, mainly in Europe, alongside Crédit Agricole locations. 2012 saw in particular a strong recovery in business in almost all locations, the strengthening cooperation with the Group's banks in Italy and Poland, in savings as well as protection. Partnerships in Japan also increased, particularly in death and disability.

Events in 2012

Following on from 2011, early 2012 was marked by the sovereign debt crisis. Crédit Agricole Assurances safeguarded its portfolio by selling all its Greek sovereign debt and significantly reducing its exposure to peripheral sovereign debt. At end-2012, this accounted for only 3.7% of its investment portfolio (excluding units of account).

In France, uncertainties associated with wealth tax reforms led to a reduction in life insurance inflows until end-September 2012. From this point, savers welcomed the announcement that tax benefits would be maintained, prompting inflows to pick up again. In this context, the Crédit Agricole Assurances Group's life insurance companies posted premium income of €16.2 billion in 2012, down 11% on the year, in line with the market *(source: FFSA, December 2012)*.

Abroad, the life insurance companies (excluding Bes Vida, which was sold to BES in the second quarter) confirmed their recovery, posting growth in premium income of 7% in 2012. Crédit Agricole Vita in Italy reported a 1% increase in premium income, in an Italian market down 9% at the end of November 2012. Likewise, CALIE in Luxembourg increased its premium income by almost 20% over the year.

The Crédit Agricole Assurances Group's life entities together saw positive cumulative net inflows in the period which stood at €1.9 billion, while the level of outstandings continued to grow by almost 4% to reach €224.8 billion in 2012.

In property & casualty insurance in France, Pacifica continued to grow, crossing the threshold of 9 million policies in the networks of the Regional Banks, and 1 million policies at LCL. With premium income of more than €2.5 billion in 2012, up 7%, Pacifica's growth remained stronger than the sector, which grew by 4% *(source: FFSA, December 2012)*. Furthermore, the property & casualty insurance international entities continued to expand in Portugal, Italy and Greece. Their premium income grew globally by 6% in 2012.

The borrower activity through CACI posted premium income of €1 billion in 2012, down 6%. Business in France was supported by home loans, particularly the partnership with LCL, up 17% over the year, while the international business was hit by the slowdown in consumer credit.

Private banking

Business and organisation

Crédit Agricole Private Banking covers all the private banking activities of the Crédit Agricole Group's specialised subsidiaries in France and abroad. A holding company since November 2011, it employs more than 2,800 people in 16 countries, and has €94 billion in financial assets under management:

- in France, Crédit Agricole Private Banking operates *via* Indosuez Private Banking and its dedicated subsidiary Indosuez Gestion, which are developing, in partnership with the Regional Banks, a wealth management activity by offering specific products and services. In addition, Indosuez Private Banking is expanding its own customer base, to whom it offers a full range of investment and wealth expertise services;
- internationally, Crédit Agricole Private Banking operates in the main European financial centres and is one of the main players in the industry, with leadership positions in Switzerland, Luxembourg and Monaco (under the CFM Monaco brand). Crédit Agricole Private Banking also has significant presence in the growth markets of Asia, the Middle East and Latin America.

Private banking business is also conducted by LCL Banque Privée.

Events in 2012

2012 was marked by a European debt crisis. In this context, the private bank posted an increase in assets under management, thereby demonstrating the resilience of its model.

Excluding exceptionals, net income Group share was up 12% on 2011.

Formed in November 2011, the Crédit Agricole Private Banking holding company continued to strengthen its organisation in 2012 by including Indosuez Private Banking and the private banking business in Spain in its scope of consolidation. At the same time, it undertook the necessary investments in 2012 to strengthen the transversality of its offerings of products and services, thereby meeting the expectations of customers who are ever more demanding and international.

The shift to high-growth zones like Asia, Latin America and the Middle East continued and assets entrusted by customers in these regions now account for more than 40% of total assets internationally.

In France, Indosuez Private Banking reaffirmed its partnership with the Regional Banks in the high net worth customer segment and remained the Group's subsidiary dedicated exclusively to wealth management.

In addition, the assets managed by LCL Banque Privée stood at €38.3 billion at end-2012.

CORPORATE AND INVESTMENT BANKING

Business and organisation

Crédit Agricole CIB's adjustment plan, announced on 14 December 2011 to address the regulatory constraints of liquidity, risk weighted assets and equity, led Crédit Agricole CIB to refocus on its areas of excellence for a portfolio of strategic customers (large corporates and financial institutions) and on the main finance centres accounting for 85% of global GDP. The decision was taken to cease activities with equity derivatives and commodities and to sell its equity brokerage activities. Thus in 2012 Crédit Agricole CIB finalised the sale of CLSA to Citics and signed the sale of Cheuvreux to Kepler. The transactions will be finalised in 2013 after the usual agreements have been obtained from the regulatory authorities. Lastly, in December 2012, Crédit Agricole CIB and Société Générale announced the restructuring of Newedge. Separation of the execution and clearing businesses should become effective in 2013.

A new distribute to originate model was put in place in 2012. It relies not only on the global expertise of the structured and corporate finance and credit syndication teams but also on capital markets activities in the bond and credit structuring area. With a view to implementing its new model, Crédit Agricole CIB altered its organisation and created a new business line: Debt Optimisation & Distribution (DOD). Commercial monitoring of financial institutions was strengthened in order to expand partnerships. The commercial banking activities were regrouped with those of export finance and international commerce to provide customers with a global offering for financing the operating cycle.

Crédit Agricole CIB has a total of five business lines (including **Debt Optimisation & Distribution**). **Commercial monitoring of corporates & the international network** is responsible for the commercial monitoring of large French or international corporates, regional corporates and French local authorities. **Investment banking** chiefly covers advising large corporates in equity financing. **Corporate banking** consists in originating, structuring and financing large export and investment operations, often asset backed (such as aviation and railways, maritime, property and the hotel industry) as well as complex and structured loans. **Capital markets activities** covers all the activities of trading in and selling interest and exchange rate market products intended for corporates, financial institutions and large issuers.

Events in 2012

2012 was a successful year of transition and adaptation: Crédit Agricole CIB had to rethink its strategy and organisation so that it could continue to serve its customers despite increasing regulatory constraints. Crédit Agricole CIB thus overhauled its business model in order to adapt to the new environment, exceeded the targets set in its adjustment plan and achieved notable successes, proving the relevance of its new model.

Despite an even worse macroeconomic environment and strong liquidity and equity constraints, **corporate banking**, one of Crédit Agricole CIB's areas of excellence, maintained its leading position in 2012. The Company won significant awards in the sectors of aviation (Airport House of the Year by Global Transportation Finance, Aircraft Debt deal of the year for LATAM Airlines Group, Engine deal of the year for the WEST Willis Engine Securitization), railways (Rail House of the Year by Global Transportation Finance), and project financing (Global Adviser of the year by PFI awards 2012), confirming Crédit Agricole CIB's place among the leading global players in these areas.

The new business line, **Debt Optimisation & Distribution**, at the core of the new "Distribute to Originate" model, has already proved its effectiveness scarcely a year after its formation. Thus a number of partnerships were signed with institutional investors, covering several regions (particularly Europe and Asia) and related to several asset classes (corporate, property, infrastructure). Furthermore, participation of non-bank investors increased significantly in primary syndications, particularly in structured finance (project and property financing). Lastly, its leading positions in the EMEA league tables attest to the continual support provided to its main primary market customers. Crédit Agricole CIB is placed third *(source: Thomson Reuters)* in the Europe, Middle East and Africa (EMEA) ranking of bookrunners and first *(source: Thomson Reuters)* in the France ranking for loan syndication.

In **investment banking**, the mergers and acquisitions teams won a number of excellent advisory mandates such as the acquisition of Vermandoise de Sucreries by Cristal Union and the acquisition of CFAO by Toyota Tsusho Corporation, strengthening Crédit Agricole CIB's position, ranked first in takeover bids made on the French market in 2012 *(source: Thomson).* In equity capital markets, Crédit Agricole CIB finalised capital increase *(Alstom)* and convertible bond transactions (Faurecia and Unibail), along with several employee savings schemes, confirming its leading position in employee savings in France.

In a difficult environment, **capital markets** performed well in 2012 in all its activities, in particular debt activities and loans, above all on the primary market. Crédit Agricole CIB thus ended the year ranked fourth in bookrunners on the international bond market in euros *(source: Thomson Financial)* and second in bookrunners on the sovereign, supranational and agencies market in euros *(source: Dealogic)*. Crédit Agricole CIB was also acknowledged as the second-best bank and Most Improved Bank in Covered Bonds at Euroweek's "The Cover Awards" ceremony in September 2012. In bonds for the Japanese market, Crédit Agricole CIB was declared Best Uridashi House 2012 *(source: Capital Market Daily).*

Crédit Agricole CIB became the European leader in socially responsible bonds. In 2012 the bank innovated by arranging four socially responsible bonds, including one for the Île-de-France region in March 2012, dedicated 50% to environmental projects and 50% to social projects ("Environmental bond issue of the year" for *Environmental Finance* magazine), and one for Air Liquide, dedicated to refinancing its acquisitions in the homecare sector, in October 2012 (first benchmark-size sustainable bond in the eurozone, and first for a corporate).

CORPORATE CENTRE

CACIF – Crédit Agricole Capital Investissement & Finance

CACIF (Crédit Agricole Capital Investissement & Finance), a wholly owned subsidiary of Crédit Agricole S.A., holds its shareholder's investments in unlisted companies *via*:

- Crédit Agricole Agroalimentaire, for sustainable support of the food industry;
- Crédit Agricole Agriculture, providing long-term assistance to agricultural industries, farmers and related sectors (wineries, forest and land groups);
- diversified funds, providing long-term support to businesses in the energy sector, public-private partnerships and industry.

Monitoring of its investments is entrusted to its subsidiary Sodica.

Sodica is a company specialising in investment management and corporate finance activities. It has two divisions: the management division, Sodica Capital Investissement, specialising in the management of CACIF funds (food-processing, farming and other); and the mid cap advisory division, Sodica Corporate Finance, specialising in advisory services on financial transactions valued at up to €200 million.

Sodica Corporate Finance guides shareholder managers on the mid cap market in their plans for growth through acquisitions or during disposals, in France or internationally. It provides its expertise in financial and market engineering, and in terms of structuring (restructuring of ownership and activities). Sodica is the Crédit Agricole Group's listing sponsor on Alternext.

Omnes Capital (formerly Crédit Agricole Private Equity)

Omnes Capital (formerly Crédit Agricole Private Equity) is a major player in private equity, focused on small businesses financing. Its teams provide companies with the capital required for their growth through its expertise in various areas: LBO & Growth Capital, Venture Capital, Mezzanine Capital, Co-investment, Renewable Energies, and secondary funds of funds.

On 29 March 2012 Crédit Agricole S.A. sold to Coller Capital, a leading global player in the secondary market for private equity, all the capital in Crédit Agricole Private Equity and a portfolio of assets under management by Crédit Agricole Private Equity and held by Crédit Agricole Capital Investissement & Finance. The management company, renamed Omnes Capital, became independent at end-2012.

Omnes Capital maintains privileged links with the Crédit Agricole Group and remains a player of choice in its customers' equity financing.

Crédit Agricole Immobilier

The Crédit Agricole Group's property specialist, Crédit Agricole Immobilier, has four business lines: property development, property management, facility management, and property investment advisory services. As a global player, Crédit Agricole Immobilier is active in all property markets on behalf of individuals, corporates and public authorities, in synergy with all the Group's entities, subsidiaries and Regional Banks.

As a developer of urban territories, Crédit Agricole Immobilier sold 1,544 homes in 2012, some *via* the Square Habitat branch network. It finances its operations with Crédit Agricole CIB and the Regional Banks and joins the Regional Banks in offering suitable finance to individuals buying their own home.

In 2012 it handed over 2,375 properties, notably the Pavillon Vert estate in Grabels, 7 km from Montpellier, jointly developed with the Regional Bank of Languedoc.

In service sector property, Crédit Agricole Immobilier has 290,000 m^2 of offices under construction, with the start-up of the Euromed Center site, a 70,000 m^2 business centre in Marseille, renovation of a 1930s building in the eleventh *arrondissement* of Paris and construction of the future head office of the Touraine Poitou Regional Bank.

Crédit Agricole Immobilier is continuing to develop the Evergreen campus of Crédit Agricole S.A. in Montrouge. In 2012 it completed construction of the Lumen building, the outfitting of the space and the installation of CA Leasing & Factoring's employees. It successfully completed the works to secure the gardens and started construction of the Eole building. At the same time, Crédit Agricole Immobilier manages the running of buildings and property services for people on the campus, with its HQE® Exploitation certification.

As part of its property investment advisory activities, Crédit Agricole Immobilier completed a number of acquisitions for Predica, notably a fully restructured HQE® Exploitation office building in the seventh *arrondissement* of Paris and the Tour Oxygène in Lyon, which was certified BREEAM "Very Good". It now has €2.4 billion of assets under management.

Uni-Éditions

Crédit Agricole S.A.'s press subsidiary Uni-Éditions is one of the top ten magazine publishers in France and one of the most profitable in the sector *(source: Precepta and Xerfi surveys, September 2011)*, a position it maintained in 2012 despite the crisis in the press. With a workforce of 115 employees and revenue of €89 million, the Company publishes seven monthly or bi-monthly service magazines, which share the attributes of practicality, expertise and relevance to the reader. Another feature of the titles is their mass distribution.

Thus *Dossier Familial,* a historical title, is the leading French monthly with 1,075,000 paid-up subscribers *(source: Office de Justification de la Diffusion (OJD), January 2013)*, to which can be added 261,000 subscribers of its *alter ego*, *I comme Info*. *Détente Jardin* and *Maison Créative* are by far France's leading home and garden magazines, with 296,000 and 298,000 paid-up subscribers respectively. *Régal,* with 180,000 copies sold, remains the leading food magazine. *Santé Magazine,* whose distribution for the first time since its purchase by Uni-Éditions crossed the threshold of 300,000 copies sold, with 306,000 copies, remains the most read women's monthly with almost 4 million readers. While *Détours en France* achieved the third-biggest increase in the French press, with more than 116,000 copies *(source: OJD, January 2013)*.

Crédit Agricole Cards & Payments (formerly Cedicam)

Cedicam, historically established in the form of an economic interest grouping to process the payments of the Crédit Agricole Group's banks, was turned into a trading company (SNC) in March 2012, becoming Crédit Agricole Cards & Payments.

Crédit Agricole Cards & Payments is the Group's Flows and Payments subsidiary. Its activities are centred on three areas:

- Operator of services, mainly in electronic money areas (designing and running the Group's electronic money infrastructures, combating fraud and personalising back cards and associated services) and processing flows (managing the Group's infrastructure and providing access to exchange, clearing and settlement systems for all flows);
- Conducting and carrying out projects: strategic projects, bid projects, regulatory projects;
- The Group's expertise and external representation with respect to interbank and international bodies, particularly as regards the creation of norms and standards and payment security.

Crédit Agricole Cards & Payments is currently finalising the construction of a European payment processing industrial platform under the Single Euro Payments Area (SEPA). The services of this multi-institution and truly transnational platform will be open to external customers and industrial partners. In 2012 Crédit Agricole Cards & Payments won the first tender in which it took part, for the processing of electronic money transactions and domestic clearing exchanges with HSBC France's settlement systems.

Economic, social and environmental information

2

Data identified in the text by the symbol ✓ has been verified by the firm PWC.

For ten years, Crédit Agricole has been committed to a process of sustainable development, demonstrated notably by its adherence to the ten principles of the UN Global Compact starting in March 2003.

In accordance with the guidelines of the Group Project launched at the end of 2010, which made corporate social responsibility (CSR) one of its strategic priorities, Crédit Agricole S.A. has defined key challenges in its various businesses. Its goal is to conduct its business as a banker and insurer responsibly and usefully vis-à-vis its stakeholders. Its CSR policy is based on three key principles:

- respect for customers: establishing transparent relationships in accordance with its Code of Conduct, while offering products and services tailored to their needs and expectations;
- respect for employees: pursuing a responsible and innovative social policy centred on employment, professional development and the promotion of diversity and gender equality;
- respect for the planet: reducing the Group's direct and indirect negative impacts on the environment while seeking to increase its positive impacts.

To better coordinate and disseminate the Group's CSR policy, Crédit Agricole S.A. has set up a seven-member Sustainable Development department that reports directly to the Secretary General. It relies on a hundred-strong network of correspondents in France and internationally, in all of the Group's businesses and retail banking networks (Regional Banks and LCL), as well as on teams dedicated to the integration of CSR in the major specialised subsidiaries (Amundi, Crédit Agricole CIB and Crédit Agricole Assurances, in particular).

To increase the dissemination of the CSR policy throughout the Group, Crédit Agricole S.A. has developed its own approach to implement CSR, known as FReD: FReD stands for Fides, or respect for customers, for Respect, or respect for employees and for Demeter, or respect for the planet. FReD is a comprehensive approach to the promotion and continuous improvement of the Group's actions in the field of CSR. Its aim is to achieve wide-ranging appropriation of CSR practices by encouraging a commitment by all entities, while leaving to them free to set their priorities in respect of economic, social and environmental responsibility. Two priorities were nevertheless imposed on all entities in 2012, as well as 2013: the management of disability and the promotion of gender equality in the workplace. The aim is to involve each of the Group entities, to stimulate initiatives, with FReD providing a shared framework allowing each entity to formalise its CSR policies and an index allowing them to benchmark their progress within the Group. In 2012, for the first time Crédit Agricole S.A. published for the first time the results of its FReD index, which measures the Group's societal performance. The index was rated 2.4 (1) ✓ out of 5, reflecting the progress made by the ten entities involved in the implementation of the Group's CSR approach (Amundi, Crédit Agricole Assurances, CACEIS, Crédit Agricole Consumer Finance, Crédit Agricole CIB, Crédit Agricole Leasing & Factoring, Crédit Agricole Indosuez Private Banking, Cariparma, Crédit Agricole S.A. and LCL). Nearly 200 action plans were assessed and rated on a scale of one (adoption of a plan) to five (achievement of goals).

Consistent with this approach, the Group will continue to build on actions implemented in 2012 around the FReD acronym:

- Fides: fraud, customer interest, Code of Conduct, market stability, financial security;
- Respect: recognition, equality, safety, participation, equity, consistency and territory;
- Demeter: dialogue, externalities, markets, ecosystems, transport, energy, resources.

CSR indicators corresponding to the so-called "Grenelle II" Decree (Article R. 225-105-1 of the French Commercial Code) are thus provided in each of the three abovemantion sections. A cross-reference table with the list of indicators cited in the law is provided at the end of this section for a more precise reading, and to demonstrate that the mandatory information is indeed disclosed and that it complies with the regulations in force.

(1) *For Cariparma, the calculation was based on an 18 month financial year in order to take into account a lag in the launch of the initiative in Italy. This had a 5% incremental impact on the calculation of the index.*

Economic responsibility

Economic responsibility, defined as respect for the customer, applies to compliance with regulations and Code of Conduct rules, as well as to the relationship with customers and the determination to monitor and best serve their interests.

BUILDING CONFIDENCE THROUGH A COMMITTED APPROACH TO COMPLIANCE

Compliance is the observance of the legal and regulatory requirements relating to banking activities. Compliance helps to build trust among all stakeholders (customers, staff, investors, regulators, suppliers, companies) of the bank. The role of Crédit Agricole's Compliance department is to define and implement a policy to prevent non-compliance risk, including the risks associated with money laundering, the financing of terrorism, the violation of embargoes, market abuse, conflicts of interest, insufficient protection of the personal information of customers and employees, or failure to advise.

The Compliance department must also ensure that effective systems are in place to achieve compliance. To this end, the function:

- transposes laws and regulations into compliance procedures and manuals;
- advises operating staff by giving its opinion on transactions when such advice is requested;
- takes part in the product marketing process, from the design phase to the distribution phase, and issues compliance notices;
- takes part in sales assistance and customer needs analysis efforts with a view to offering suitable products;
- ensures that conflicts of interest are identified in accordance with a Group policy on conflict of interest;
- ensures that employees are trained in compliance issues;
- checks systems and operations for proper functioning.

Reference texts provided by the Compliance function include:

- the Code of Conduct, adapted by the Group, translated into ten languages and provided to all new employees;
- updates on regulatory developments in the compliance area;
- documentation of the Fides compliance control programme, consisting of procedural notes issued in 2004 and updated in 2010.

A programme for training in compliance issues (Fides) has been implemented within the Group in France and abroad. In 2012, compliance, financial security and fraud prevention training was provided to new employees, Crédit Agricole S.A. departments and entities newly integrated into the Group. This training took the form of presentations and a specific e-learning module.

The keystone of the control system, the Compliance Management Committee monitors the organisation of the function and the implementation of procedures and training within the Group. It takes note of the main audit findings, as well as any important letter or statement of findings from a supervisory authority relating to laws and regulations in France or abroad, any observed dysfunctions as well as any follow-up or remedial actions undertaken, in addition to new products and activities.

The Compliance function uses the following tools and resources:

- risk mapping, which is used to assess non-compliance risk within the Group;
- the inclusion of compliance standards in procedures, in co-operation with the businesses;
- periodic reporting on risk and compliance activities, enabling the assessment of the implementation of compliance systems within the Group;
- financial security software tools, which include customer profiling and account monitoring tools to detect unusual or suspicious transactions and tools to monitor international fund transfers for enforcement of asset freezes and embargoes, as well as Group information sharing tools;
- compliance tools, including those relating to the supervision of employees holding insider information and those concerning prevention and management of conflicts of interest;
- tools for monitoring changes in major shareholdings or voting rights, but also for monitoring compliance with US securities regulations under the Bank Holding Company Act (BHCA), in order to perform the required reporting on US Group entities and their shareholders, as well as on the Group's holdings in non-bank companies with operations in the United States;

- a database listing situations that potentially create conflicts of interest between the Group's entities and describing how these situations are managed;
- an increasing role has been given to controls and software tools to facilitate controls;
- these functions employ approximately 800 full-time equivalent (FTE) employees within Crédit Agricole S.A..

The work of the Compliance function focuses, *inter alia*, on the following priorities.

PRIORITY 1: FRAUD

A coordination unit for the prevention of fraud was established in September 2008 within the Crédit Agricole S.A. Compliance department in order to provide an overview of all types of fraud (payment systems, electronic banking, credit, market activities, insurance, etc.) and to unite and coordinate mechanisms implemented in the fight against fraud. This unit works closely with the other relevant control or support functions: Risk Management and Permanent Controls, Inspection/Audit, Legal, Human Resources and Information Systems Security, all their roles being complementary. It relies on the people responsible for coordinating the prevention of fraud, designated within each Group entity, who implement and coordinate the mechanisms used in the fight against fraud at their level.

As an illustration, the fight against fraud is part of the FReD approach. Action to raise awareness about and prevent external fraud towards employees began in 2012, and will continue in 2013. This action is intended to be pedagogical, and is aimed at all of the bank's employees, to alert them to the different types of external fraud, both existing and emerging, to which they could fall victim. It is also a responsible commitment on the part of Crédit Agricole S.A. in favour of its employees. The approach takes the form of a user-friendly and entertaining resource presenting real-life situations.

PRIORITY 2: CUSTOMER INTEREST

The leading financial partner of the French economy, Crédit Agricole is also a significant actor in the European banking market, with a strong presence at the heart of the territories in which it operates. The bank's deep roots and its weight in the economy have given it a real responsibility that it intends to assume by reinforcing its commitment to serve its customers and by seeking to provide a service to them all, including the most vulnerable.

Develop a balanced relationship

In 2012, the Group reaffirmed its commitment to ensuring that customers remain central to its strategy. Because customers need to be fully informed before they can choose the product or service that is right for them, Crédit Agricole does everything possible to ensure that its staff are attentive, provide sound advice and offer high-quality support, in a fully transparent manner.

Put customers at the heart of its concerns

In 2012, in retail banking, Crédit Agricole launched a far-reaching communication campaign on its customer relationship commitments in order to make clear that they truly are central to its concerns.

These relationship commitments made collectively by the Regional Banks can help:

- acknowledge and reward customer loyalty;
- add greater value to relationships;
- provide better after-sales service.

Our new communication approach is based notably on promoting client expression. Communication tools used (commercials, radio advertisements, etc.) have helped highlight the Group's primary relationship commitments:

- commercial objectivity (advisors have no financial incentive to offer one product rather than another);
- the 30-day cooling-off period during which customers can change their mind;
- transparency in respect of products, including the distribution to customers of memo sheets setting out the advantages and disadvantages of products and services offered. Some sixty memo sheets have been created for retail customers on day-to-day banking, products and services, such as loans, insurance and savings products.

Other relational commitments will be rolled out in 2013.

In conjunction with this new positioning and in view of our customers' rapidly changing behaviours and expectations, a Customer Relationship 2.0 project has been implemented. It resolutely focuses on customer interest and satisfaction.

The project is based on the operational implementation of practices geared towards improving customer reception, being attentive to their needs and making customised proposals that were initially tested and developed collectively by eight pilot Regional Banks. 18 mirror Regional Banks, the FNCA and the Group Training Institute (IFCAM), as well as subsidiaries, have also contributed to the success of the project. Now, thanks to its success, Customer Relationship 2.0 will gradually be rolled out across all the Regional Banks.

Since 2008, the Group's other retail banking network, LCL, has undertaken to meet its customers' current and future requirements through the *Contrat de Reconnaissance*. This contract ensures that they are:

- known (to have an advisor who knows and understands their needs); and
- recognised (to have their loyalty acknowledged and rewarded).

The *Contrat de Reconnaissance* changes in line with customers' expectations. Accordingly, eight new commitments aimed at improving the level of quality perceived by customers are to be made in 2013.

This approach is also consistent with the LCL *Centricité Clients* corporate plan, launched in 2011, a far-reaching transformational project that involves adapting internal services and the involvement of managers in order to improve the quality of service provided to customers. The plan has also been rolled out in all customer markets: retail, small businesses, private banking and SMEs.

In 2012, LCL responded to key customer expectations, notably by facilitating access to the bank and providing more listening skills, clarity, transparency and follow-up in commercial relations and in respect of products and services offered. Initiatives include:

- the preparation of an LCL user's guide identifying all channels of contact, available on the Internet or in branches;
- close monitoring of individual situations, with the development of specialist after-sales services (estates, mortgages, etc.).

In response to the wishes and concerns of its customers, the insurance business – and most notably Predica – initiated a co-creation process for its products and services, after consulting advisors and customers in filmed workshops. A total of 24 Crédit Agricole Regional Banks, four LCL Regional Departments, 46 advisor workshops (316 advisors were met), 40 customer workshops, product managers, sales representatives, actuaries and Predica financiers, have been mobilised since the initiative was launched in 2007. The same goes for the innovation and devolution process for Pacifica offers, in three-to-five-year cycles. For instance, customers and the Regional Banks and LCL networks were involved in the renovation of the car insurance offer in June 2010, the renovation of the comprehensive home insurance offer in December 2012, and the ongoing renovation of the comprehensive professional insurance offer.

Meet customers' expectations

In recent years, most Group companies, from retail banking to consumer finance and insurance or leasing, have developed their own barometers and/or studies to survey customer satisfaction. This monitoring concerns key stages of the customer relationship or of the product life cycle, but is also aimed at prioritising action geared towards improving customer satisfaction.

Within retail banking, each Regional Bank has satisfaction surveys aimed at intensifying the individual customer relationship dimension. These regional and branch surveys are carried out by Crédit Agricole S.A. among network customers in all markets (individuals, corporates, small businesses, farmers), by mail and in some cases on-line for individuals. In 2012, more than 560,000 customers from 11 Regional Banks were interviewed.

In addition to these traditional barometers, the recommendation is specifically considered through an annual survey conducted in all markets (individuals, small businesses, farmers, corporates). It is known as the Customer Recommendation Index (IRC), a composite indicator that measures customers' overall attachment to their bank. The first reading of the IRC, at the national and regional level, was carried out in 2012 following a pilot survey in all markets in 2011. In addition to the implementation of the approach in the networks, entities such as Crédit Agricole Consumer Finance have also adopted the system for analysing customer satisfaction.

Each entity has also developed methods appropriate to its business for optimising the monitoring and handling of customer complaints.

A process for handling customer complaints, updated in 2012, should enable each business line to enhance the existing framework. Work on a process for handling customer complaints began in 2011, with the aim of sharing best practices and discussing existing tools within the various Group entities. In addition, a tool for processing and monitoring complaints is being developed at Crédit Agricole S.A.

By way of example, in consumer credit, Crédit Agricole Consumer Finance has, for several years been using a system for organising and processing so-called sensitive complaints. They are dealt with by specific entities, each covering its own area of responsibility. All such complaints are subject to monitoring and, as part of a continuous improvement process, Complaint Committee meetings are held with business managers. Sofinco, a trademark of Crédit Agricole Consumer Finance, concurrently posted a charter dealing with complaints processing on its website in 2012. Its aim was to facilitate customers' access to the existing process and to set out clearly the entity's commitments on this issue. A unit dedicated to managing customer disputes that are receiving media coverage has also been operational for several years in order to centralise the management of these disputes and to provide specific treatment. Each case is then analysed to determine the origins of the dispute and to initiate possible changes to internal business processes.

Respect customers' interests

To enhance the quality of customer advice and pursuant to regulations, the Group has set up a programme to train and test the professional knowledge of employees in charge of providing information and advising customers on financial instruments. This programme became effective on 1 July 2010. Moreover, New Business and New Product Committees (NAP Committees) for each business in France and internationally, comprising representatives of the Compliance, Legal, Risk Management and Permanent Controls departments, check that all products and activities offered in the distribution networks comply with legal and regulatory requirements, Codes of conduct and internal procedures specific to banking and financial activities. At each of its meetings, the Compliance Management Committee examines the implementation of recommendations in respect of customer protection.

Many Group companies use or are beginning to use quality systems intended mainly to enhance customer satisfaction, operational and relationship excellence, the development of employee skills and to achieve sustained improvements in performance. Forty-five certificates were delivered to the Group's main business lines (Retail banking, Corporate and investment banking, Asset management and Specialised financial services) and in the support functions.

Provide support to all customers

In order to better meet the needs of its customers and to assist them throughout the relationship, Crédit Agricole, true to its roots, aims to provide a service to all of its customers, including the most vulnerable.

Prevent situations of risk

The main CSR challenge for the consumer finance subsidiaries is to meet the expectations of retail customers, especially regarding credit access and quality of the customer relationship. The aim is therefore to provide access to credit to the greatest possible number, while ensuring that the products offered meet each customer's needs, and that repayment schedules are tailored to the customer's situation and financial capacity. Crédit Agricole Consumer Finance, taking into account the impact of the economic crisis on clients' ability to make repayments, has introduced preventive campaigns (telephone interviews with financially vulnerable customers to update their situations and if possible adjust their repayment plans) and has enhanced the solutions which can be offered for repayment plan adjustments.

Crédit Agricole Consumer Finance also has structures in place and dedicated teams for managing over-indebtedness; it has representatives on approximately 12 over-indebtedness commissions.

In 2013, a particular focus will be placed on the prevention of over-indebtedness, with the implementation of several action plans in this area:

- creation of a dedicated team to assist customers in situations of vulnerability and provide an appropriate solution;
- rollout of a single tool to treat all customers of Crédit Agricole Consumer Finance eligible for a plan to reduce over-indebtedness;
- creditor insurance (A.D.E.) and associated guarantees providing comprehensive coverage of the borrower's family for instalment loans.

In the insurance business, Crédit Agricole Assurances has also implemented preventive measures in certain areas or in segments of its high risk customers. For young drivers, for example, free post-driving-test courses are offered in order to reduce the high level of claims in this customer segment. For insured small businesses, partnerships are set up to equip them with fire extinguishers, remote monitoring, etc.; for new farming customers, a range of risk diagnostics and the preparation of personalised prevention plans are proposed.

Help cope with difficulties

The purpose of the *Point Passerelle* mechanism is to put people who have had problems or experienced unexpected misfortunes back on track. Such events are fairly frequent, affecting a quarter of the French population (unemployment, bereavement, divorce). *Point Passerelle* is primarily a reception and mediation venue, in partnership with social services, which can help people experiencing difficulties to get back on track. *Point Passerelle's* action covers a wide range of services, ranging from help with formalities for social and legal services to the monitoring of individuals' budgets or the granting of loans when necessary. Increasingly, the Regional Banks are setting up support systems to help customers return to a stable situation. At end-2012, 29 Regional Banks had rolled out such support systems, with more than 65 *Points Passerelle*. Since the creation of the first *Point Passerelle* in 1997, more than 50,000 people have been helped back onto their feet. With the assistance of a network of 120 advisors and over 580 volunteers (elected officials and retired Crédit Agricole employees), 9,000 people have been supported, of which 5,800 have been able to regain economic balance thanks to the implementation of social (70%) and financial (20%) solutions.

In the insurance business, for instance, Crédit Agricole Assurances has joined forces in this process with the Regional Banks and the FNCA by creating tools to help advisors in the *Points Passerelle* advisors. These tools take the form of memo sheets with practical advice on insurance or related issues such as:

- death benefits: death and its consequences, public assistance;
- funeral insurance: organisation, public assistance, etc.;

- help with formalities in the event of bereavement;
- *Cap Découverte*: precautionary savings for people with modest savings capacity.

Other products are available in the retail banking networks to help vulnerable customers, such as the *Prélude* offer, the *Prêt Coup de Main* or personal microcredit for people not eligible for bank credit. In addition to personal microcredit, the Regional Banks forge partnerships with microcredit organisations in order to encourage all creators and acquirers of companies – including those excluded from traditional banking services – and to help small businesses get through a difficult period. This is the reason behind the Regional Banks' collaboration with local initiative platforms (PFIL) for example, or for partnerships with business creation programmes such as Adie, in which several Regional Banks participate. Some banks are also working with networks such as *France Active*, *Boutiques de gestion*, *Entreprendre* or decentralised programmes such as business incubators. Others complement these actions by their own programmes designed to encourage the creation of companies or to help businesses get through a difficult period.

Crédit Agricole exercises its responsibility towards its historical clientele by helping customers get through tough times. The cattle, sheep and goat livestock farming sectors were a particular focus this year. Similarly, the cold snap in the spring reduced harvests for fruit growers in numerous departments, while autumn flooding in Nord-Pas-de-Calais caused significant damage to crops. The Regional Banks helped farmers experiencing difficulties by giving them liquidity facilities on a case-by-case basis (cash loans, extension of maturities or debt consolidation) and contributed to the implementation of aid attributed by public authorities.

Lastly, this question is also addressed by international retail banking entities, especially in Italy, where the Cariparma group assists people experiencing hardship thanks to products helping them reach their goals, notably with the Very Young Person offer for young customers. Moreover, Cariparma Group has a programme known as *Cariparma FriulAdria si può* (with Cariparma FriulAdria, yes, you can), which enables bank customers to get through a difficult period by means of repayment deferrals, favourable interest rates, advances against wages or unemployment benefits.

PRIORITY 3: ETHICS

The compliance framework (organisation, procedures, training programmes) creates an environment favourable to the enhancement of *ex ante* controls within the Group. Nonetheless, when preventive measures do not play their expected role and a dysfunction occurs, it is important that it is:

- detected and then analysed as quickly as possible;
- notified to the operational managers of the compliance function at the most appropriate level within each business line;
- monitored and corrected, and its causes eliminated.

Reporting of dysfunctions

The centralisation of reported dysfunction events, described in a specific procedure updated in 2012, allows an assessment of non-compliance risk to be carried out at the highest level of Crédit Agricole S.A. Thus, when an employee has a reasonable doubt or observes a dysfunction in respect of compliance, that employee must alert his or her supervisor, who will then notify a functional manager (Compliance, Legal Affairs), depending on the issue. The framework is completed by an alert system, allowing employees, if they observe an anomaly in the usual process of reporting dysfunctions or if they feel under pressure to allow a dysfunction to occur, to notify the entity's Compliance Officer of the situation without going through line management. The employee's identity remains anonymous when the alert is processed. The Compliance Officers of each entity report the state of observed dysfunctions to the Compliance department, which is responsible for informing the Compliance Management Committee. This Committee takes note of the situation and approves proposals aimed at remedying the dysfunction.

Protection of personal data

Crédit Agricole S.A. develops the compliance framework for all its subsidiaries in France, in accordance with the principles and obligations of the *Commission Nationale de l'Informatique et des Libertés* (CNIL), the national data protection authority. These principles relate to the protection of personal data, be it of employees, customers or third parties linked with Group entities. For the purpose of harmonising mandatory reports made to the CNIL, Crédit Agricole S.A. has implemented a pooling and exchange process with Group entities, under which they can participate in single consolidated reports and authorisation requests addressed to the CNIL. A shared approach is also in progress in Crédit Agricole's Regional Banks network. As a general rule, every new information system or application must be designed from the outset to meet the data protection rules for personal information and bank secrecy regarding customers and third parties linked with the Group.

Training

Crédit Agricole S.A.'s Legal and Compliance department has undertaken an overhaul of existing Fides training courses. The new training programme, entitled "Fides, a tour of the islands", was made available in late 2011, in an e-learning module in French, and in March 2012 in English.

It was adapted for each of the Group's main business lines (Retail banking, Corporate banking, Asset management, Insurance, etc.) and rolled out by Group entities' Human Resources departments in 2012.

In 2011, Crédit Agricole S.A.'s Legal and Compliance department produced and distributed a handbook entitled "The Keys to Fides". This document deals with 14 major compliance issues (financial security, advisory duty, conflicts of interest, etc.). First published in French, English and Italian in 2011, five new versions were issued in 2012 (Greek, Ukrainian, Polish, Serbian and Bulgarian), helping increase awareness of the programme among Crédit Agricole Group employees. This action has been integrated into FReD, the Group's CSR improvement project, by several entities.

PRIORITY 4: MARKET STABILITY

In the asset management business, Amundi, at the time of its creation in 2006, became a signatory to the Principles for Responsible Investment (PRI), convinced of the increasing importance of Environmental, Social and Governance (ESG) issues, and the need to factor them into its analysis process and its investment decisions. In 2012, Amundi accordingly continued the implementation of the PRIs on several fronts:

Integration of Environmental, Social and Governance (ESG) criteria in the analysis processes and investment decisions

To achieve this goal, Amundi alerts and trains all mainstream managers and financial analysts, and has implemented various measures:

- the dissemination of extra-financial ratings to all analysis and management teams *via* a platform used to collect information and ratings, known as SRI, standing for "Sustainable Rating Integrator". In 2013, Amundi plans to develop a specific comparison module for extra-financial and financial ratings, accompanied by warnings in the event of discrepancies;
- the reinforcement of collaboration between extra-financial and financial (equities and fixed income) analysis teams, and between SRI management teams, with, for instance, the establishment of monthly Sector Committee meetings for the relevant Amundi teams, and SRI Committees combining extra-financial analysts and SRI portfolio managers;
- quantitative research and analysis of ESG performance signals, upstream and downstream of portfolio construction, to ensure their better integration in management processes.

In addition, Amundi systematically questions issuers about their ESG performance during the roadshows in which the entity takes part.

A normative exclusion policy in active management [1]

In its active management, Amundi applies strict rules regarding the inclusion of ESG criteria, which underpin its responsibility. As such, it excludes:

- any direct investment in companies involved in the manufacture or trade of anti-personal mines and cluster bombs, in accordance with the Ottawa and Oslo conventions and the Crédit Agricole S.A. arms sector policy;
- companies that severely and repeatedly violate one or several of the ten principles of the UN Global Compact.

Issuers falling into these two categories are rated G on Amundi's scale (from A to G, A being the best score and G the worst – see Methodology on page 72).

Exercise of a very active voting policy at General Meetings of Shareholders

The exercise of votes in General Meetings of Shareholders and constructive dialogue with companies are essential components of Amundi's fiduciary duty and role as a responsible investor. To this end, it has established a dedicated team to coordinate the necessary expertise (managers, financial analysts, extra-financial analysts, etc.), a voting policy incorporating ESG best practice on a scalable basis, and a formal shareholder dialogue system to contribute to the improvement of corporate practice and the overall functioning of corporate governance.

In 2012, Amundi attended the General Meetings of Shareholders of 265 companies in France, 560 in the rest of Europe and 1,224 in the rest of the world, thereby broadly fulfilling its responsibility as a shareholder. Its votes resulted in nearly 3,000 decisions condemning bad practices, chiefly in respect of the composition and representativeness of governing structures, the balance and transparency of remuneration, the rights of shareholders and the consideration of ESG issues.

(1) Active management: excluding tracker funds and ETFs constrained by their benchmark.

The rate of votes against the recommendation of management edged down in 2012 after several years of increases. This is attributable to the improvement of Amundi's shareholder dialogue, *via* a formalised commitment, but also to the growing recognition of the value of dialogue among issuers. Indeed, the number of issuers that contacted to Amundi for discussions ahead of the General Meeting season doubled. This has led to in a better understanding of the particular situation facing each company, the early reduction of issues and the subsequent change of some Amundi's voting intentions.

THE AMUNDI 2012 GENERAL MEETINGS OF SHAREHOLDERS VOTING CAMPAIGN

Number of General Meetings of Shareholders reviewed:	**2,049**
● o/w France	265
● o/w Rest of world	1,784
Number of resolutions voted on:	23,654
Number of resolutions voted against, in particular on the following topics:	**15%**
● Board composition	33%
● executive remuneration	26%
● actions affecting share capital (incl. poison pills)	23%
● external ESG resolutions (1)	6%
Resolutions put forward by shareholders and supported by Amundi, in particular on the following topics:	**378**
● corporate governance (voting process, remuneration, separation of powers)	82%
● social and human rights issues (ILO conventions, anti-discrimination, political contributions and lobbying)	13%
● environmental issues (sustainability reporting, greenhouse gas emissions, fracking)	5%

(1) Support of resolutions against the recommendation of management.

PRIORITY 5: FINANCIAL SECURITY

Protecting customers' interests and data also involves the establishment of a financial safety net. Crédit Agricole Group attaches great importance to the prevention of money laundering, the fight against terrorist financing and the enforcement of international sanctions (asset freezes and embargoes).

The Group Compliance department is responsible for the implementation across the entire Group of measures designed to prevent money laundering and terrorist financing, and to ensure compliance with international sanctions.

Crédit Agricole Group has taken into consideration, through an overhaul of its procedures and tools, the new requirements linked to the transposition into domestic law of the third European Directive 2005-1960/EC dated 26 October 2005 for the prevention of the use of the financial system for money laundering and the financing of terrorism. In particular, money laundering risks have been mapped and implemented by all businesses lines of the Group as part of the creation of a vigilance system adapted to the identified risk level, both for new business relationships and on-going business relationships (constant vigilance). Thus, when entering into any new client relationship, the required checks of the client's identifying information constitute an initial filter for the prevention of money laundering. This prevention relies on knowledge of customers and effective beneficiaries; it is supported by research using specialised databases. Appropriate vigilance consistent with the level of identified risks is exercised for the length of each business relationship. The Group's employees are assisted in this task by computer tools for profiling clients and detecting unusual transactions.

The fight against the financing of terrorism and the enforcement of international sanctions involve. In particular the constant screening of client files, both when entering into and during the course of business relationships, using sanctions lists and the monitoring of international transactions.

Having made a significant contribution to the banking profession's work on financial security, spearheaded by the Training Centre for the Banking Profession (CFPB), the Group has set up and launched the new market place's training programme for the prevention of money laundering and to fight the financing of terrorism.

Social and societal responsibility

Committed to being a socially responsible company, the Group, in 2012, made dialogue and social innovation key elements contributing to Crédit Agricole's transformation amidst a profound and sustained upheaval in the banking and financial landscape.

This gave rise to responsible and innovative Human Resources policies focused on employment and professional development. The main development priorities were support for adaptation plans at European level, a Forward Management of Jobs and Skills agreement (GPEC) put together jointly with unions, and the promotion of diversity and gender equality at the heart of the Human Resources process.

The FReD approach (Crédit Agricole S.A.'s CSR policy) established in 2011 has continued to take shape around the RESPECT pillar and seven themes: Recognition, Equality, Safety, Participation, Equity, Consistency and Territory.

Accompanying Emporiki

Following the acquisition of Emporiki in 2006, Crédit Agricole Group was quickly confronted by unprecedented economic conditions in Greece. The difficulties encountered by the country and the constraints imposed by the eurozone have forced the banking and financial system to restructure and undertake major reforms.

The Group positioned itself as a committed and responsible economic player in the restructuring of the financial landscape, to support its employees, to help its customers and to do its best to finance the real economy.

For five years, Crédit Agricole Group accordingly sought to implement a Human Resources policy focused on promoting the professional development of its teams and the emergence of new expertise with a view to bolstering the bank's resilience. Thirty Group employees were seconded (expatriates and international volunteers – VIEs) to the bank to oversee its transformation and promote change in all businesses, and to foster the transfer of skills and expertise.

Considerable efforts were devoted to building employee skills through vocational training: €6 million invested since 2008, representing 340,000 training hours for 13,200 employees (26 hours per employee per annum). 1,400 employees have been certified by the Bank of Greece and the capital markets.

Meanwhile, Emporiki assisted 3,000 employees who opted to leave the company voluntarily within the framework of the legal provisions in force. At the same time, 1,200 employees with skills and expertise that were useful to the bank were recruited to replace some departing staff.

In economic and social terms, Emporiki worked to improve its economic and financial performance in order to support and develop its business, while at the same time seeking to preserve jobs. It was in this context that a collective agreement was signed with employee representatives on 17 February 2012. In exchange for continued employment, a change in the collective agreement was accepted. It provides notably for a review of the indexation of wages and change in work organisation.

Lastly, Group and Emporiki management brought employee representative bodies into discussions on the future of the bank in 2012. In addition to discussions and debates in Greece, five meetings of the European Works Council were held. Employee representatives were assisted by an expert, and two expert reports were prepared to promote full knowledge and understanding of the subject.

Emporiki was sold to Alpha Bank in February 2013.

Forward Management of Jobs and Skills: favourable opinion from the Works Councils of all entities consulted

Internal mobility and professional development are central to the system and acknowledged as sustainable sources of recognition and motivation for employees, but also as a factor in retaining talent. They contribute to the cohesion of the Group and its development.

This was the framework underpinning the signature of the Forward Management of Jobs and Skills agreement (GPEC) on 6 July 2012 for a period of three years, between the trade unions (SNB-CFE/CGC, CFDT, FO, CFTC) and all the French entities of Crédit Agricole S.A., representing 41,541 employees.

The agreement's co-construction process mobilised 160 representatives of trade unions and Human Resources departments. Workshops and discussions were organised over several months. They provided an opportunity to discuss best practices and know-how, ultimately allowing the negotiation of a ground-breaking agreement.

Internal mobility is a major challenge for employees' professional development and the Group's future. The agreement focuses on inter-entity mobility and establishes quantitative and qualitative targets with a view to doubling the amount of mobility within the

Group within three years. Several mechanisms were included in the agreement to encourage this trend:

- prioritisation of internal mobility as opposed to external recruitment on the basis of objective and precise criteria (employees whose mobility is necessitated by the restructuring plan of an entity, employees working in declining businesses, etc.);
- systematic advertisement of job vacancies across the Group;
- modification and convergence of mobility processes and tools;
- development of information-access and communication tools.

The signing of this agreement led to the creation of two bodies: the GPEC Committee and the *Observatoire des métiers*.

- **The GPEC Committee** will monitor the application of the agreement. This body, chaired by the Head of Group Human Resources brings together trade unions and Human Resources departments at least three times a year. Its work focuses on three areas:
  - the presentation of the Group's strategy,
  - the impact on employment and the businesses, based on the work of the *Observatoire des metiers,*
  - the monitoring of the GPEC agreement and the achievement of its objectives, both qualitative and quantitative;
- ***L'Observatoire des métiers*** anticipates change in jobs. It brings together, on an equal footing, Trade Unions, the businesses and Human Resources departments.

  It is tasked with identifying sensitive businesses, before determining the impact of expected changes on jobs and skills, so as to draw up and recommend appropriate action plans.

  The so-called sensitive businesses are those that are growing, changing or declining.

  The aim is then to anticipate developments stemming from the organisation, the regulatory and competitive environments, new customer expectations and business demographics. This in turn helps identify actions, including gateways between businesses, new skills training and help for employees in adapting to change.

Ambitious and determined, the GPEC agreement aims simultaneously to strengthen the Group's performance, and the personal and professional development of employees.

Gender equality: generating value, performance and well-being

Gender equality is a major driver of the Group's performance in terms of management practices, innovation, differentiation and attractiveness, in addition to the commitment and motivation of employees.

As part of the gender-equality policy, Crédit Agricole S.A.'s Executive Management has undertaken to boost the representation of women in its management teams by setting targets: increases from 12% to 20% in the Group's top management, comprising the 150 key executives, and from 18% to 25% among the management teams of Group entities by 2014.

Grand Prix Louise Tallerie

The Group believes that the gender-equality policy must apply at all levels and at all stages of life. The Group therefore decided in 2012 to create the Grand Prix Louise Tallerie in the aim of bringing together students and Group managers so as to foster awareness of the strategic value of the gender-equality policy. This competition, the goal of which is to act in favour of gender-equality in the world of business, was named after Louise Tallerie, the first woman CEO of a French bank (a Crédit Agricole Regional Bank) in 1927.

The Grand Prix Louise Tallerie is aimed at students in the third year of a bachelor's degree or a master's degree, asking them to address a strategic challenge for Crédit Agricole Group during a day on the Group Campus.

Teams comprising a total of 80 students selected from among 400 applicants competed in a final in February 2013. Their challenge was to propose a strategy including concrete measures in one of the Group's four areas of excellence (agriculture and food processing, housing, healthcare and ageing, and environmental economics). A jury of experts and senior Group executives selected the winning team.

Winners will receive a year's personalised mentoring by a Group executive, proposals for internships, combined work-study contracts for members of the winning team, the opening of a professional network and a total incentive of €20,000.

The Grand Prix Louise Tallerie will facilitate access to the Group for the best teams. At the same time, through the development of stronger ties with universities, it will open the Group up to a wider range of programmes, thereby allowing it to incorporate more diverse profiles.

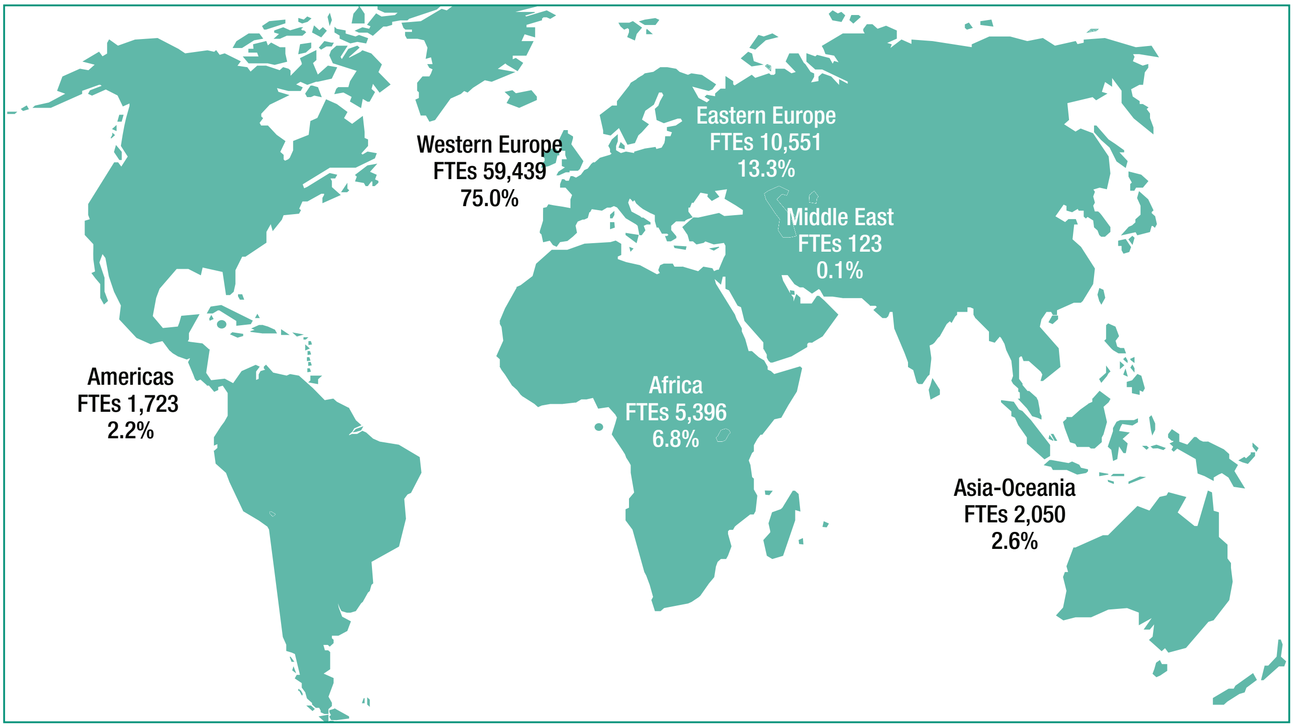
Lastly, the Grand Prix Louise Tallerie will allow Crédit Agricole to show its determination to enhance the employability of students from an innovative and challenging angle.

The face of the Group

HEADCOUNT BY TYPE OF CONTRACT (IN FULL-TIME EQUIVALENTS) ✓

	2012			2011		
	France	International	Total	France	International	Total
Active indefinite-term contract (CDI) employees	39,760	36,187	75,947	40,596	43,385	83,981
Fixed-term contract (CDD) employees	581	2,754	3,335	700	2,770	3,470
Total Active Employees	**40,341**	**38,941**	**79,282**	**41,296**	**46,155**	**87,451**
Non active indefinite-term contract (CDI) employees	1,200	1,404	2,604	1,346	1,438	2,784
TOTAL NUMBER OF EMPLOYEES	**41,541**	**40,345**	**81,886**	**42,642**	**47,593**	**90,235**

GLOBAL PRESENCE ✓

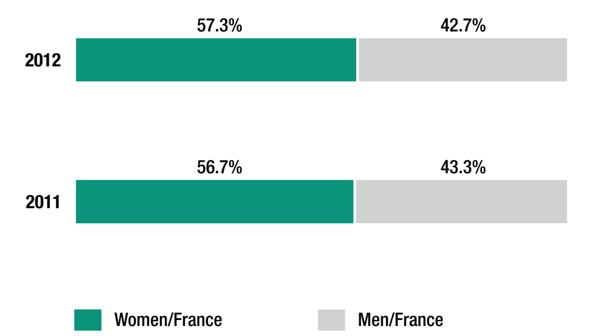


BREAKDOWN OF HEADCOUNT BY BUSINESS LINE ✓

	2012		2011	
Business line	Headcount (FTE)	%	Headcount (FTE)	%
French retail banking	20,441	25.8	20,421	23.4
International retail banking	22,963	29.0	26,997	30.9
Specialised financial services	11,194	14.1	11,994	13.7
Savings management	11,125	14.0	11,526	13.2
Corporate and investment banking	9,439	11.9	12,523	14.3
Corporate centre	4,120	5.2	3,990	4.5
CRÉDIT AGRICOLE S.A. GROUP	**79,282**	**100**	**87,451**	**100**
o/w France	40,341	50.9	41,296	47.2
o/w Rest of the world	38,941	49.1	46,155	52.8
World coverage		100%		100%

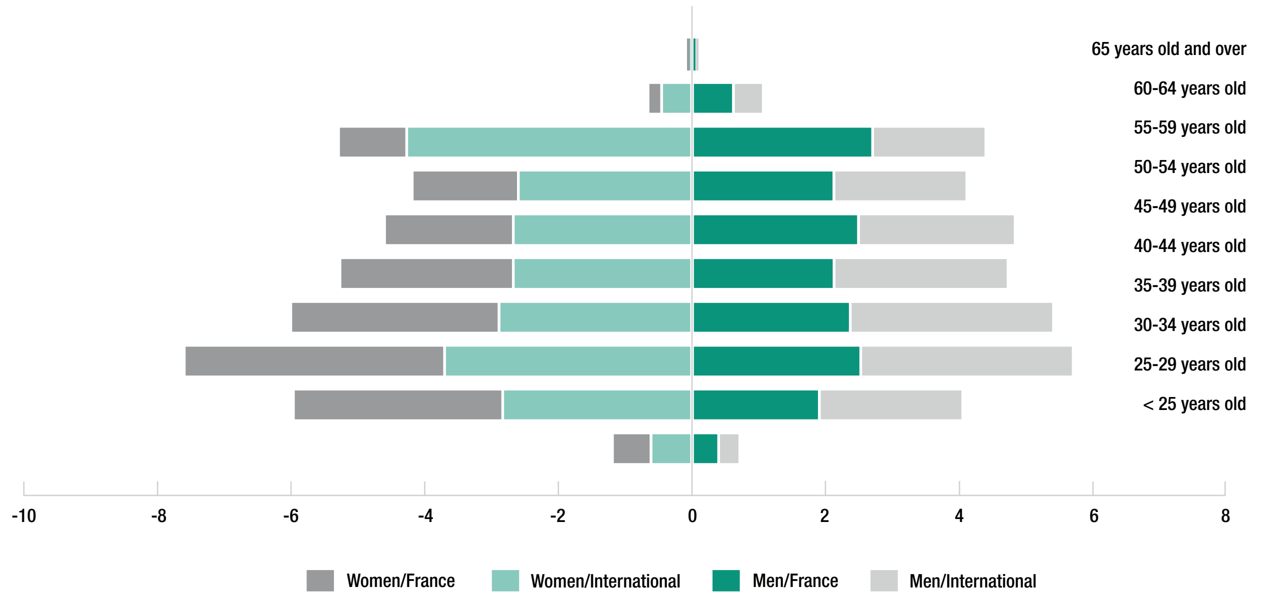
► *Changes in the number of employees take into account the impact of changes in the scope of consolidation in 2011 and 2012. These are presented in Note 2.1 to the financial statements.*

EMPLOYEES BY GENDER IN FRANCE ✓



EMPLOYEES BY STATUS IN FRANCE ✓

AGE STRUCTURE ✓



► *The average age of Group employees is 42, with an average age of 43 in France and 40 abroad. The proportion of employees under the age of 30 (15.6%) fell by two percentage points between 2011 and 2012, while the proportion over 50 (25.9%) rose by percentage points.*

PROPORTION OF PART-TIME EMPLOYEES ✓

	2012			2011		
	Managers	Non-Managers	Total	Managers	Non-Managers	Total
Part-time employees	1,939	4,236	6,175	1,865	4,238	6,103
Part-time employees as % of total	8.7%	23.8%	15.4%	8.1%	22.8%	14.7%
Coverage France			*99%*			*99%*

► *The number of part-time employees rose by 0.7 percentage point between 2011 and 2012. Most part-time employees are women (89.1%).*

PRIORITY 1: RECOGNITION

The Group is committed to a Human Resources policy that is respectful of individuals and which sees the diversity of talents and skills as a true asset.

Responsible management

Crédit Agricole S.A., being a responsible manager, requires exemplary management and respectful conduct in respect of each of its employees. As such, the promotion of responsible management is a major issue every day, and in 2012 resulted in the inception of various mechanisms to train and build managers in this critical role.

Development of management culture

In 2012, Group entities continued their work to develop management culture, promoting new practices and managerial behaviour, notably through training programmes covering the entire managerial population.

2012 was marked by the completion of the first sessions of the Top Leaders executive development programme. It targeted 150 senior executives of Crédit Agricole S.A. and the CEOs and deputy CEOs of the Regional Banks. The programme, put together jointly with experts from INSEAD, focused on the analysis of major transformations in the environment, responsible and innovative change management, and a shared vision of the strategy and leadership. The programme shows our determination to support the development of executives throughout their careers.

In a complementary and structured manner, Group entities have developed or continued programmes covering their own scope. In September 2012, Crédit Agricole S.A. launched the *Agir pour la performance* initiative, which combines the development and sharing of management improvement priorities (within the framework of managers' individual and collective objectives) the organisation of development workshops devoted to these areas of development, and a programme bringing together members of Management Committees.

To foster managerial responsibility, CACEIS launched the "Manager Chart" project in December 2012. Targeting 600 managers, it comprises self-assessment by individual managers on key skills in the entity's managerial model, leading to the establishment of a personalised action plan. Similarly, CACEIS issued the "Val'You" sheet in 2012, listing the various opportunities to value contributing employees.

At the beginning of 2012, Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) launched a training programme dedicated to all managers in France and abroad: the "Management Academy". In a perpetually changing environment, this programme aims to foster shared managerial behaviour, to establish strategic priorities and to envisage collective solutions. By the end of 2012, the Academy had received 765 managers, 150 of whom in France, 429 in EMEA (Europe, Middle East, Africa), 107 in Asia and 79 in the Americas.

Following dialogue with the unions on managerial communication, LCL this year drew up a guide for "good communication" within the company. It defines ideal managerial behaviour in a concrete and pragmatic manner. It will be issued to all employees at the beginning of 2013 at numerous appropriation meetings.

Training programmes were also rolled out to support the managers of international subsidiaries. Crédit Du Maroc, for instance, launched a new management training programme in 2012, under the name *Cursus nouveaux managers*. It focuses on individualised management, interpersonal communication and management of the unit; progress is monitored each year as part of managers' individual appraisals. At the same time, the resulting managerial assessment criterion has been included in managers' annual objectives.

Training for managers on change management

To accompany the profound changes undertaken by the Group's businesses and help managers better understand the complex situations they often face, Group entities have developed specific support programmes. They are designed to prepare managers for structural and cyclical transformations, so that employees in turn can be more responsive and proactive, allowing them successfully to make the necessary personal adaptations.

This was the case for Crédit Agricole CIB, which held dedicated change management workshops in 2012. With the participation of more than 200 managers the worldwide over, the main objective was to foster communication of the adaptation plan, and to help managers articulate and implement Crédit Agricole CIB's operational strategy. Beyond the managerial aspect, these workshops were also an opportunity to improve the understanding of behaviours and to provide standards for teams that face uncertainty on a daily basis.

Similarly, Crédit Agricole Consumer Finance designed and implemented training modules on change management for its managers, as part of its transformation, with a view to improving efficiency in respect of the management of individual employees.

Individual employee management

The Group's priority is to provide every employee with development opportunities enabling them to attain the highest possible level of skills and responsibility. Hiring, promoting and retaining employees, paying permanent attention to training and skills development are all highlighted through the appropriate mechanisms and tools.

Career and talent management

Key to all Group projects, professional development is a commitment to increasing employees' skills and encouraging them to realise their full potential. The strengthening of the "Talent Management" system has enabled the Group to provide a coordinated talent management framework with a dual objective: expand career opportunities and strengthen support for talented employees.

As such, Crédit Agricole S.A. launched a comprehensive review of key staff and resources in 2012. Held twice a year, it aims to contribute to employees' professional development and ensure their growth within the Group functions.

Initially focused on the Finance, Risk, Compliance, IT and Communication Group functions, Human Resources and operational actors identified pools of employees in several entities early in the year. Once employees had been categorised (level, performance, skills, time in the position, ambitions), the review provided a framework for discussions on each employee keen to develop over the year, with a particular focus on the professional development of women.

Buoyed by its success, the project will continue in 2013, and will be expanded to include two new functions: Human Resources and General Inspection.

CACEIS continued its "Talent Management" policy in France and in its main areas of presence, holding regular local and Group Career Committee meetings twice a year. In addition, the monitoring of senior executives was stepped up in 2012, with the designation of Human Resources managers responsible for this population.

Within the Group's Insurance division, CAAGIS took several initiatives to support its employees' professional development: the CAAGIS integration course for all new employees, new CAAGIS Career Committees, and management interviews with all employees.

Lastly, Crédit Agricole Ukraine launched a "Talent Management" Programme aimed at identifying and developing high-potential employees. By the end of 2012, 24 employees had received training, five of whom had been promoted to positions of responsibility and one of whom had been transferred.

Professional mobility and development for employees

A key component of the employee development policy, support for mobility and professional development intensified in 2012 as part of the Group's restructuring plan and the Forward Management of Jobs and Skills agreement (GPEC) signed in July 2012, of which mobility and professional development is a central plank.

The resources devoted to employee development were considerably reinforced, not only within Group companies undergoing restructuring, but also in growing businesses.

Dedicated mechanisms were created in each of the companies involved in a redundancy plan:

- Within Crédit Agricole CIB, Mobility Committees aimed at facilitating mobility between different functions were reinforced with a view to promoting transfers between businesses. They meet monthly to help, in line with the Group's strategy, strengthen cross-company mobility. The "*Espace Conseil Mobilité*", composed of Human Resources experts, was also created to assist employees wishing to change jobs within or outside the Group.
- At Crédit Agricole Consumer Finance, an "*Espace Emploi Mobilité*" was set up in November 2012 to enable employees to draw up and implement a career plan.

At the same time, the frequency of intra-group Mobility Committee meetings was stepped up, and a support team of "mobility managers" aimed at streamlining and increasing mobility between Group entities was created.

In terms of events, the first edition of "Mobilidays" took place on 18 and 19 September 2012. Open to all employees, it allows them to exchange and make contact with operational managers at round tables by business line, as well as with Human Resources managers in Human Resources workshops (preparation of mobility interviews, drafting and construction of a career plan, etc.).

Under the Forward Management of Jobs and Skills agreement (GPEC), the rules governing mobility and professional development within the Group in France have been harmonised, creating the conditions for increased mobility between entities: the Group is committed to a target of doubling the amount of mobility within three years.

INTERNAL MOBILITY ✓

	2012	2011
Mobility within one entity	10,435	10,888
Mobility between entities	832	844
TOTAL	**11,267**	**11,732**
Coverage	*80%*	*75%*

Innovation and training

Individualised employee management uses a training framework in an unceasing quest for technological innovation supporting skills development.

The new training centre, opened in autumn 2012 on the Montrouge Evergreen campus, pursues the objective of offering employees a training venue at the forefront of technology, following the development of the LCL and Cariparma expertise and training centres.

This training centre, which is shared by the employees of Crédit Agricole S.A., Crédit Agricole Immobilier and Crédit Agricole Leasing & Factoring (CAL&F), has 19 training rooms, including a self-service e-learning centre, four IT rooms and multi-purpose rooms equipped with interactive whiteboards. It also facilitates meetings, the sharing of experiences and good practices.

Among other examples, In 2012, Crédit Agricole Cards & Payments set up a new and completely customised training initiative to support the creation of a new profession: customer service advisor.

For 10.5 days, staff were able to familiarise themselves with the tasks and skills of this profession. At the same time in 2012, to help employees validate their experience, CACEIS launched a partnership with the University of Paris V Descartes. The Class of 2012 saw 17 employees receive the professional “Back and Middle Office” diploma.

Lastly, following wide-ranging discussions in 2012 between Crédit Agricole S.A. entities in France and the Regional Banks, the plan for the proposed Crédit Agricole Group Training Institute (IFCAM) was completely overhauled so as better to align it with the Group’s objectives. Transformed into an Economic Interest Grouping (GIE) at 1 January 2013, it will roll out its courses in four areas of expertise to help the Group project: support for the Group’s strategic projects, professionalism in the businesses, management performance and reinforcement of the advisory offer.

Overall, despite the adverse economic and financial environment, the Group has stepped up its training efforts and maintained its spending.

TRAINING

	2012 (11 months) [(1)]	2011 (11 months) [(1)]
Number of employees trained		
France	37,112	39,469
International	26,650	29,603
TOTAL	**63,762**	**69,072**
Coverage	*95%*	*95%*
Number of training hours		
France	905,256	915,068
International	934,818	877,355
TOTAL	**1,840,074**	**1,792,423**
Coverage	*95%*	*95%*

(1) See methodology.

PROMOTIONS IN FRANCE ✓

	2012			2011		
	Female	Male	Total	Female	Male	Total
Promotion within non-executive grade	1,675	707	2,382	1,506	664	2,170
Promotion from non-executive to executive grade	291	180	471	338	221	559
Promotion within executive grade	363	388	751	546	799	1,345
TOTAL	**2,329**	**1,275**	**3,604**	**2,390**	**1,684**	**4,074**
%	*64.6%*	*35.4%*	*100%*	*58.7%*	*41.3%*	*100%*
Coverage France			96%			99%

TRAINING TOPICS

Number of training hours	2012				2011 (11 months)	
Topics	Total	%	o/w France	o/w Rest of the world	Total	%
Knowledge of the Crédit Agricole S.A. Group	19,936	1.1	10,546	9,390	40,352	2.3
Personnel and business management	156,504	8.5	65,337	91,167	99,519	5.6
Banking, law and economics	478,112	26.0	391,549	86,563	533,329	29.8
Insurance	237,825	12.9	91,295	146,530	218,497	12.2
Financial management (accountancy, tax, etc.)	73,667	4.0	26,642	47,025	101,875	5.7
Risk	71,514	3.9	24,053	47,461	44,499	2.5
Compliance	92,348	5.0	25,738	66,610	102,809	5.7
Methods, organisation, quality	61,333	3.3	34,879	26,454	50,861	2.8
Purchasing, marketing, distribution	121,180	6.6	19,191	101,989	87,568	4.9
IT systems, networks, telecommunications	75,647	4.1	31,659	43,988	60,879	3.4
Languages	153,754	8.4	59,153	94,601	164,034	9.2
Office systems, software, new ICT	87,486	4.7	31,141	56,345	121,217	6.8
Personal development, communication	111,526	6.1	68,991	42,535	105,186	5.9
Health and safety	51,751	2.8	6,590	45,161	40,505	2.3
Human rights and the environment	3,749	0.2	1,078	2,671	1,859	0.1
Human resources	43,742	2.4	17,414	26,228	19,435	1.1
TOTAL	**1,840,074**	**100**	**905,256**	**934,818**	**1,792,424**	**100**
Coverage		*95%*			*95%*	

Development of telework

Following unanimous approval by unions (CFDT, CGC, CFTC, FO-US, SNIACAM) of an agreement on telework in February 2012, 175 employees of Crédit Agricole S.A. and 80 of SILCA, (the Group's IT EIG), now work from home one day a week.

This new way of working, which is growing in popularity at Crédit Agricole, aims to promote a better balance between employees' personal and professional lives, but also to move towards more autonomous management, built on a relationship of trust.

To this end, the Group provides technical means to promote telework, including mobile computing equipment, direct email communication and a collaborative platform dedicated to teleworking employees.

In addition, employees of the Montrouge campus wanting to limit their daily commute may work from a dedicated area called Satellis, on the Saint-Quentin-en -Yvelines campus.

Increasing Human Resources professionalism

Improving the performance of the Human Resources function is a constant goal. As such, in 2012, the Group renewed systems aimed at facilitating Human Resources management by means of specific and shared tools: "assessment centre" for the Group Human Resources function and a specific training programme known as "Human Resources Performance". The Forward Management of Jobs and Skills agreement (GPEC) signed in July 2012 also devotes a special section to enhancing the professionalism of these key employees.

An innovation this year was the creation of a community comprising the 150 Group Human Resources managers. It meets for events and to exchange ideas. It has a dedicated website with a monthly newsletter and a discussion forum providing direct access to Crédit Agricole S.A. Group Head of Human Resources.

PRIORITY 2: EQUALITY

Equality is a central concern of Crédit Agricole S.A. and revolves around four main themes: youth employment and diversity of backgrounds, gender equality, employment of people with disabilities and age equality.

Youth employment and diversity of backgrounds

Pre-recruitment

In 2012, a series of measures demonstrated the Group's determination to carry out hiring and training policies embodying its commitment to youth. As such, approximately 10,000 young people are trained each year within the Group (including Regional Banks) in work-study training programmes, internships and international volunteer work (VIE).

To reach out to these young talents, the Group has increased the number of talks given to students by its employees.

Stepped up in September 2012, the School/University Captain programme allows students to interact with management and employees in order to learn about the Group, its values, its businesses, its careers and its many opportunities. More than 200 volunteer employees work in teams in this programme. Each team is affiliated with an institution, school or university in order to diversify recruitment. Each team comprises two ambassadors, executives representing the Group, and 15 team members, from numerous Group entities and businesses. Teams are led by a captain, a graduate of the relevant institution, who coordinates, in conjunction with Human Resources teams, actions in the school.

Thus, throughout the year, team members take part in numerous events aimed at students: forums, conferences, round tables, presentation of the Group's businesses, etc.

Actions aimed at young people are also organised internationally. As an illustration, Crédit Agricole Polska has launched a partnership with the University of Wroclaw, and offers lectures presented by Group managers to students in economics. Four lectures were offered in 2012. In France, the Group's employees are regularly present at pre-recruitment events in order to provide professional testimony aimed at guiding students in their choice. The Group took part in more than 21 School/University forums in 2012.

RECRUITMENT BY REGION AND BUSINESS LINE ✓

	Number of employees hired on indefinite-term contracts [1]								
Business line	**FRB**	**IRB**	**SFS**	**SM [2]**	**CIB**	**CC [2]**	**Total 2012**	**Total 2011**	**Coverage**
Region									
France	925	0	47	163	61	130	1,326	2,826	
Western Europe (excluding France)	0	76	220	194	115	0	605	1,279	
Central and Eastern Europe	0	1,167	71	5	12	0	1,255	1,613	
Africa	0	324	1	0	3	0	328	425	
Middle East (including Turkey)	0	0	0	0	6	0	6	5	
Asia-Pacific	0	0	0	56	79	0	135	533	
North and South America	0	0	0	37	95	0	132	201	
TOTAL 2012	**925**	**1,567**	**339**	**455**	**371**	**130**	**3,787**		**98%**
TOTAL 2011	**1,185**	**2,129**	**911**	**873**	**1,373**	**411**		**6,882**	**97%**

(1) Including conversions of definite-term contracts into indefinite-term contracts.

(2) SM: Savings Managements; CC: Corporate Centre.

INTERNSHIPS AND WORK-STUDY TRAINING PLACEMENTS IN FRANCE (MONTHLY AVERAGE FTE) ✓

	2012	**2011**
Training contracts	1,366	1,320
Internships	667	874
Coverage in France	*97%*	*99%*

In France, young people on internships or work-study training placements represented 5% of active indefinite-term contract employees at year-end. The average number of people on work-study programmes (in FTEs) increased by 3.5% between 2011 and 2012.

Links with french universities: *rencontres universités et entreprises* (RUE)

Since 2010, the Group has taken part in RUE through workshops, debates and discussions with professionals. These alliances with universities are one of the pillars of the Group's policy of diversifying its recruitments.

In February 2012, Jean-Marie Sander, Chairman of Crédit Agricole S.A., joined the RUE Scientific Board, composed of five chairmen of major French companies and five university presidents, to look notably at potential links between companies and universities.

The 2012 edition of RUE in Paris brought together several hundred professionals (Human Resources, Recruiters, Campus Managers), several universities and institutions allied within Research and Higher Education Centers (PRES), and thousands of students in all disciplines.

Beyond the immediate scope of the event, the meetings were an opportunity to showcase some key projects for the Group, including the Grand Prix Louise Tallerie.

Foreign students and international opportunities

Promoting the internationalisation of recruitment, another pillar of the Group's recruitment policy, is based on two key partnerships: the Crédit Agricole International Talents programme and the Copernic programme.

Since 2010, the Crédit Agricole International Talents programme, in partnership with the Ministry of Foreign and European Affairs and seven French schools, has helped finance a scholarship in the amount of €12,000 open to students in Asia and Europe, as well as mentoring by an executive manager of the Group. Eighteen students have already benefited from the programme, four of whom in the 2012/2013 academic year (one Chinese, one Polish and two Italian), enrolled in HEC, Dauphine University, ESCP Europe and Polytechnique.

For the seventh year running, Crédit Agricole S.A. partnered the Copernic programme: open to some 40 young graduates from universities across Central and Eastern Europe, Albania, Turkey, Egypt and Tunisia, the programme enables selected students to study at leading French universities, followed by a six-month internship in the Group. As such, in November 2012, the Group welcomed the Class of 2012/2013 to show them the diversity of its business lines. Nine Copernicans also received internships in Group entities (Crédit Agricole Consumer Finance, Crédit Agricole S.A. and Amundi).

Diversity of backgrounds and recruitments

Crédit Agricole S.A. has been a partner of the association "*Nos Quartiers ont des Talents*" (Our Neighbourhoods Have Talent, NQT) since 2008. The association's purpose is to assist young graduates with at least four years' post-secondary education, mostly from working-class neighbourhoods, find jobs. To do so, it offers them sponsorship by an executive manager in a business. Beneficiaries receive personalised mentoring.

Crédit Agricole Group has 150 sponsors (some of whom are Executive Committee members) in 2012, three times more than in 2011. Several events were organised to support the partnership during the year, including a Sponsors' Breakfast, as well as coaching workshops at the Group's Montrouge headquarters in May and October 2012, where nearly 60 association members received customised job-seeking advice.

The partnership provided the opportunity to meet students at the Third National Conference on 13 and 14 December 2012 at the Palais des Congrès in Paris. During this event 40 employees met, advised and coached 500 young people in mini-interviews. The event was attended by 2,500 young professionals and 800 exhibitors.

Numerous entities are closely involved in the scheme, in several regions (Île-de-France, Upper Normandy, Midi-Pyrénées Nord-Pas-de-Calais, Provence-Alpes-Côte d'Azur).

They have notably included Crédit Agricole Assurances since the beginning of this year. Mobilising its managers in favour of the young people helped by the association was one of the FReD action plans in 2012; 20 sponsors, including several Group Management Committee members, have already risen to the challenge.

For the third consecutive year, Crédit Agricole S.A. and the Mozaïk RH association joined forces. Their work in favour of diversity is carried out in three main ways:

- meet young graduates from working-class neighbourhoods;
- teach them about Crédit Agricole S.A.'s businesses;
- offer the Group qualified and diverse applications that will enrich its recruitments.

The key actions undertaken with Mozaïk RH in 2012 included a special "Work-Study" day in May 2012, attended by 50 young people selected by the association and leading to the recruitment of six people in work-study training programmes, and a "Mozaïk Internship" day in November, during which students selected by Mozaïk RH took part in interviews with three Group recruiters.

Gender equality at work

With the aim of promoting gender equality, the Group takes innovative actions in different areas, including projects growing out of the FReD approach: all Group entities deploying the FReD approach have collectively opted to promote gender equality as an area of improvement.

Promoting gender equality

The promotion of equality at work between men and women involves giving women access to positions of responsibility.

Under the 2014 Medium-Term Plan, Crédit Agricole S.A.'s Executive Management has pledged to increase the number of women sitting on decision-making bodies, with the goal of having women account for 20% of level 1 managers and 25% of senior management. Each Group entity has adopted this goal, and a coordinated Group action has been undertaken.

PROPORTION OF WOMEN (%) ✓

	2012		2011	
	%	Coverage	%	Coverage
Among all employees	54.2	98%	53.6	97%
Among indefinite-term contract employees	54.9	98%	51.2	97%
Among the Group Executive Committee	0 out of 26	100%	0 out of 24	100%
Among management levels 1 and 2 (1)	16.9	100%	16.6	100%
Among the top 10% of highest-earning employees in each subsidiary (fixed compensation)	28.0	95%	27.2%	95%

(1) These two management levels include Executive Committee members and Management Committee members in each entity.

Women leaders

Crédit Agricole S.A. is a partner in the EVE programme, created at Danone's initiative, to promote women leaders in participating companies. Targeted both at young talent and experienced managers, the EVE programme is mainly for women although it is also open to men. The third EVE seminar, held in Evian in December 2012, brought together more than 300 participants from 20 companies across a range of business sectors, all looking to help foster the promotion of women and the diversity of management teams. Held over a period of three days, the seminar alternated between plenary sessions and workshops around the theme of "Evolution and Awakening". Five leaders of co-founding businesses participate in and support the initiative.

"PotentiElles" network

The fields of finance, banking and insurance currently employ nearly 120,000 women executives in France. Nearly 3,500 of them have already formed networks within their companies.

In October 2010, PotentiElles, the women's network at Crédit Agricole CIB, was launched at the initiative of female employees and with the support of Executive management. It provides a forum for discussion and professional reflection on ways to make management more aware of gender equality as a factor influencing performance for organisations. A key objective is to improve and above all accelerate women's access to the upper echelons of the organisation. At end-October 2012, 300 women executives at Crédit Agricole CIB were members of PotentiElles, and regularly attended network events: conferences, lunches, etc. Networks similar to PotentiElles are being formed in other Group entities.

At the same time, the PotentiElles network has partnered Financi'Elles (the sector federation of networks of women executives) since 2011, on the basis of shared core values: mutual aid and reciprocity, confidentiality and loyalty to their respective companies.

Agreement on gender equality at work

Signed on 16 February 2012 between Crédit Agricole S.A. and unions representing staff, the agreement on professional equality between men and women provides for the continuation, development and intensification of existing action in the following areas: hiring, training, promotion, remuneration and balance between work and family responsibilities.

Each signatory entity has set out commitments to promote gender equality within and outside the company in each of these areas.

Raising awareness

To achieve its objectives, the Group has chosen to work on three complementary areas: awareness of gender-equality issues, action against stereotypes and prejudices, and involvement of both men and women on the issue.

It was to this end that the Group created a "Gender Equality Week" in March 2012. Involving round tables, theatre and other events, the objective was to raise employees' awareness about gender-equality issues within the company. The entities took innovative and varied initiatives to promote Gender Equality Week. SILCA, for instance, offered all female employees a copy of Aude de Thuin's book *Femmes si vous osiez… le monde s'en porterait mieux*, with the challenge of each getting one of their colleagues to read it.

It was also in this context that in 2012 Crédit Agricole S.A. began to design awareness-raising peer-to-peer training allowing both women and men to appropriate gender-equality issues: the "Crédit Agricole S.A. gender-equality label", starting with ten volunteer employees (five women and five men), who, at the end of a training cycle, will in turn spread the word on the learning outcomes of the approach with other employees.

Lastly, awareness involves convincing communication with a wider audience, especially younger people through means such as organising the *Grand Prix Louise Tallerie*.

Employment and integration of people with disabilities

Since 2005 Crédit Agricole S.A. has had an active policy of hiring people with disabilities. With the signing of the third Group agreement for the 2011-2013 period, the Group has continued the efforts undertaken under the first two agreements. It is also part of the strategy laid out in the Group project: develop economic performance as an actor mindful of responsibility and solidarity, respectful of environment and employees. To date, 3.8% of the Crédit Agricole S.A. workforce is composed of employees with disabilities.

Recruitment

Commitments under the Crédit Agricole S.A. Group's third agreement, approved unanimously, include the recruitment of at least 140 new employees with disabilities, of which at least 50 on indefinite-term contracts in France. Several entities have partnered with schools to promote the recruitment of students with disabilities. As such, in 2012, Amundi recruited four young people from Garches high school as part of an introductory internship in the company. At the same time, it hired ten students with disabilities on work-study contracts, and lastly, ten experienced professionals were hired for indefinite-term, definite-term and long-term temporary contracts.

Improving the employability of people with disabilities also involves training. LCL, for instance, has joined forces with Crédit Agricole Île-de-France to create a work-study banking diploma. Awarded by the University of Paris Descartes, this university degree aims to enable candidates with disabilities to learn the job of reception advisor.

Another illustration, in the Insurance business, is the work of CAAGIS with *Pôle Emploi* on a disability employment forum on 26 June 2012. On this occasion, the Group was present, alongside the Crédit Agricole Alpes-Provence Regional Bank, for initial contacts with candidates and to gather the CVs of nearly 30 interesting profiles.

Retention

The Group agreement provides for change in working methods and techniques. As such, Amundi has ensured continued employment by adapting jobs and work environments, allowing employees to reduce physical barriers to the expression of their skills. In 2012, more than 25 job positions were looked at, with issues ranging from the adaptation of working time to help financing prostheses and payment of travel between home and work.

Moreover, in order to facilitate the continued employment of people with disabilities, the Group is developing technologies tailored to the needs of each employee concerned. In 2012, the Group made Ink To Speech' software available to several employees. This allows them to speak by writing on a touch pad with a stylus.

At LCL, more than 100 people benefited from workstation development solutions in 2012.

Use of disability-friendly companies

In addition to direct actions to promote the employment of people with disabilities, the Group is committed to increasing purchases from the sheltered employment sector and disability-friendly companies. With the aim of encouraging employment of people with disabilities, the policy is supported by the Group's Purchasing department, which systematically includes a "social responsibility" component in every call for tender.

To bolster these actions, the Group was present, for the second consecutive year, at "*Osez nos compétences*", the sheltered sector and disability-friendly companies' trade fair held on 27 and 28 November 2012 in Paris. Partnered by Crédit Agricole, the aim of the trade fair is to promote dialogue between private and public sector companies and people with disabilities, to identify employment opportunities and highlight the diversity of skills available.

CACEIS opted for a socially responsible concierge service, Handi Zen, which is the fruit of a partnership with a disability-friendly service provider (*Établissement et Structure d'Aide par le Travail* – ESAT), *"Les Ateliers Cité Jardins de Suresnes"*, which employs people with disabilities. Opened in June 2012, the concierge service has been adopted by all our employees at the site.

Crédit Agricole CIB regularly collaborates with companies in the sheltered employment sector, and in particular signed a contract with one such company to print its business cards in France.

Amundi also supports the sheltered employment sector. In 2012 it mobilised seven disability-friendly service providers (ESAT) to provide catering, packaging, envelope stuffing, recycling and communication services.

Raising awareness

A number of collaborative tools are also employed to widely circulate the goals of the third Group agreement to employees.

Accordingly, awareness-raising initiatives aimed at all employees were organised during the 16th Hiring People with Disabilities Week from 12 to 16 November 2012.

The catchword for the Week focused on 'enable' and 'action' ("*On dit Cap' et On Agit!*") as the Group sought to involve all employees. Every employee was invited to attend conferences and information material was distributed promoting the main points of the Group Agreement and the role of disability integration manager within the company.

The programme included a wide variety of fun events at entities' sites, with a table tennis tournament at Evergreen involving professional athletes with a disability. The week offered the perfect opportunity to spotlight the challenges of visible and hidden disabilities in the workplace and ways in which both managers and employees can effectively manage situations they may encounter. By way of reminder, and to counter stereotypes, a humorously illustrated disability awareness 2013 calendar was distributed to 40,000 employees in the Crédit Agricole S.A. Group in France.

Crédit Agricole Cards & Payments also sponsored a similar programme at the University of Caen this year. For the entity's managers, the initiative provided the opportunity to present the Group's managerial policy in support of employees with a motor impairment.

Employment of seniors

Through actions promoting opportunities for older people, the Group has demonstrated its commitment to ensuring equal treatment of all employees, young and old, in hiring, career development, remuneration and training.

Agreement and action plans for the employment of seniors

Signed in July 2012, the Group's Forward Management of Jobs and Skills agreement (GPEC) includes specific support measures for employees in the second half of their careers. By providing the resources to develop their skills and support professional development, the agreement provides for a second-half career interview for all employees aged 45 and over, subsequently held every five years. In addition, the agreement contains two specific measures for employees aged 55 and over:

- a personalised and confidential 'retirement appraisal' conducted by a specialist firm at the Group's expense;
- the opportunity to take time off work for a "health check-up".

A number of measures for older workers were undertaken in the Group's entities in 2012:

- Crédit Agricole CIB continued to roll out second-half career interviews for employees aged over 45. 86 staff benefited from this opportunity in 2012;
- at Crédit Agricole Suisse, employees approaching retirement age are offered specific retirement support training. The programme aims to act at least one year prior to retirement for employees to obtain maximum benefit. Five employees completed this training in 2012;
- at Crédit du Maroc, employees approaching retirement age are involved in organizing new projects with new teams to capitalise on and transfer the expertise and skills of these older professionals.

Harmonised preparation for retirement

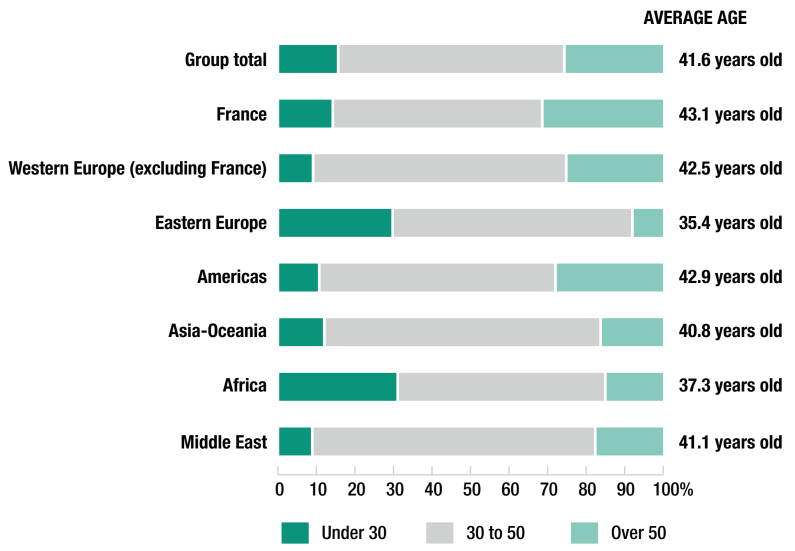
In 2010, the Group set up a harmonised programme enabling its various entities to offer retirement-preparation services to employees.

As part of this programme, a comprehensive retirement booklet was produced in 2012. The main goal is to provide clear and accurate answers to queries from employees concerned about retirement (dedicated hotline) and to help them plan for their retirement (retirement appraisal, possible purchase of additional pension entitlement quarters, continuation of basic pension contributions, and supplementary contributions for part-time workers over 60).

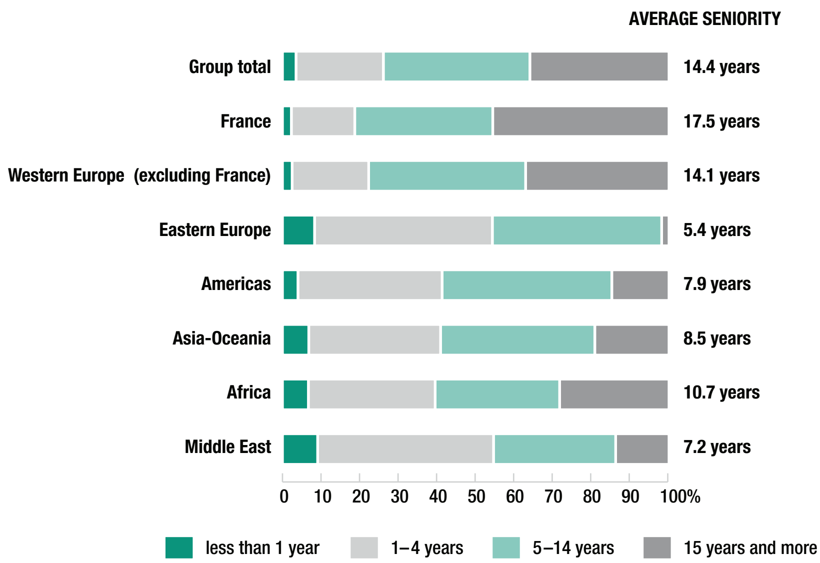
CACEIS, for example, organised retirement discussion meetings with the French national pension fund (*Caisse nationale d'assurance vieillesse* – CNAV), followed by individual interviews to draw up a personalised assessment of employees' basic pension entitlements. In 2012, the company organised four meetings with CNAV advisers at company premises. These meetings were attended by 184 employees and 46 staff aged over 55 also had individual retirement appraisal interviews with a CNAV retirement adviser.

In response to the same considerations, the Group's Insurance division launched a new initiative aimed at planning the latter stages of employees' careers and facilitating the transition to retirement.

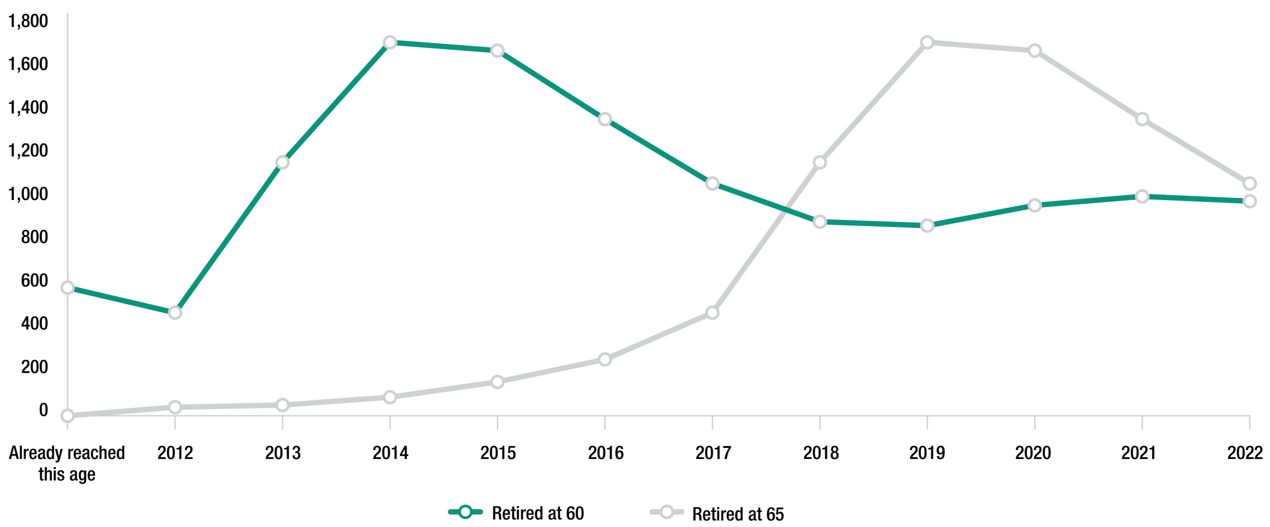
INDEFINITE-TERM CONTRACT EMPLOYEES BY AGE ✓



INDEFINITE-TERM CONTRACT EMPLOYEES BY SENIORITY ✓



PROJECTED NUMBER OF EMPLOYEES TURNING 60 AND 65 IN THE NEXT TEN YEARS IN FRANCE ✓



DEPARTURES OF INDEFINITE-TERM CONTRACT EMPLOYEES BY REASON ✓

	2012				2011			
	France	International	Total	%	France	International	Total	%
Resignation	581	1,445	2,026	41.6	890	1,899	2,789	42.5
Retirement and pre-retirement	232	316	548	11.3	306	887	1,193	18.2
Lay-offs	255	729	984	20.2	585	741	1,326	20.2
Death	37	26	63	1.3	37	38	75	1.1
Other	423	822	1,245	25.6	406	779	1,185	18.0
TOTAL	**1,528**	**3,338**	**4,866**	**100**	**2,224**	**4,344**	**6,568**	**100**
Coverage	*98%*				*97%*			

A fall between 2011 and 2012 can be seen in the number of departures, correlated with a marked reduction in the number of people retiring or taking early retirement in the French retail banking business lines.

PRIORITY 3: SAFETY

ABSENTEEISM IN FRANCE IN CALENDAR DAYS ✓

	2012							2011		
	Managers		Non-Managers		Total		Average no. of days' absence per employee	Total		Average no. of days' absence per employee
Reason for absence	Female	Male	Female	Male	No. days	%		No. days	%	
Sickness	82,047	53,297	214,573	56,583	406,500	51.7	9.9	421,368	53.9	10.0
Work- and travel-related accidents	3,111	2,087	8,910	2,907	17,015	2.2	0.4	21,323	2.7	0.5
Maternity/paternity/childcare	96,293	5,595	166,488	2,383	270,759	34.4	6.6	270,417	34.5	6.4
Authorised leave	17,476	12,572	24,052	6,740	60,840	7.7	1.5	58,389	7.5	1.4
Other	8,502	11,086	9,171	2,763	31,522	4.0	0.8	11,329	1.4	0.3
TOTAL	**207,429**	**84,637**	**423,194**	**71,376**	**786,636**	**100**	**19.2**	**782,826**	**100**	**18.6**
Coverage France	*97%*							*99%*		

Continued efforts to prevent and raise awareness of psychosocial risks

In 2012, all entities continued to pursue the policy of preventing and raising awareness of psychosocial risks launched in 2009. A number of initiatives are in place focusing on the following priorities:

Raising awareness of and providing training on psychosocial risks

As part of a framework for the prevention of psychosocial risks, a number of entities made training a priority, particularly those entities currently rolling out an adjustment plan as a result of restructuring.

One of these is Crédit Agricole Consumer Finance, which has been offering all employees training in stress management techniques since October 2012, through sophrology workshops. The initiative is part of the *Objectif Santé* health action plan to reduce stress and enhance well-being for Group employees.

At Crédit Agricole CIB, 229 local managers benefited from a two-day training programme in 2012 aimed at both creating less stress and being subject to less stress in the workplace. In 2013, 300 managers will be trained in France and abroad.

At the same time, this year Amundi and LCL formed Multi-function Monitoring Committees to pinpoint environments and situations at risk and to raise managers' awareness of psychosocial risk and positive behaviours. Comprising Human Resources managers, occupational health doctors, social workers, and personnel representatives, these Committees monitor quantified indicators which may be warning signals, in order to propose action plans to reduce the risk factors identified.

In 2012, CACEIS provided stress-management training to 88 employees in practical workshops, and installed computer rest breaks software on the screens of 200 employees in a bid to prevent musculo-skeletal disorders. Furthermore, under CACEIS's Be Zen action plan, all employees were invited to conferences on psychosocial risk awareness (training provided to 693 employees).

Lastly, the various Group entities are putting in place employee psychological support platforms to help combat psychosocial risks. To this end, an anonymous and confidential psychological support service was put in place in 2012 at various Group entities in the form of a free phone line: Credit Agricole S.A., Pacifica, Predica (Crédit Agricole Assurances) Crédit Agricole CIB and Amundi.

Awareness heightening and education on health and healthcare

In order to supplement this policy of preventing psychosocial risks, Group entities are planning actions to raise employee awareness about health and healthcare.

One of the measures at Crédit Agricole S.A. in 2012 was the provision of 11 fully automatic defibrillators, together with a communication and awareness-raising campaign on their use for employees at the Evergreen Campus. A study will be conducted to examine whether this initiative should be extended to other sites.

At the same time, further initiatives to promote awareness of musculo-skeletal disorders are being rolled out across the Group. Pacifica, for example, is offering ergonomic awareness training to acquire correct gestures and postures at all its sites. Another example is Crédit Agricole Leasing & Factoring, which rolled out an extensive gesture and posture awareness programme in June and July 2012 aimed at helping employees to avoid back injury and to take precautions at their workstations to prevent strain.

Crédit du Maroc runs an annual influenza vaccination campaign, as well as lung and mammography screening programmes for all employees, in view of difficulties accessing health care in Morocco.

All new Crédit Agricole Polska employees receive training in health and healthcare, accident prevention and first aid, which is repeated every five years.

A number of entities have day-to-day wellness actions in place, such as CreditPlus Allemagne which provides fruit platters for staff every year for one month, or Crédit Agricole Suisse, which arranges deliveries of seasonal, locally-grown fruit and vegetables to the offices to highlight the importance of a balanced diet.

As part of its international risk-prevention efforts, Crédit Agricole S.A. created a dedicated website, "Casa-Planis", with a two-fold objective: to inform expatriates and employees travelling in an at-risk country about the health and security situation, and to locate employees in the event of a major crisis. A call centre is also available 24/7 in the event of a crisis where assistance is required.

Improving workplace safety

The Group implements an active workplace safety policy and constantly monitors its application to ensure the safety of any employees exposed to business-related risks.

In the framework of its FReD action plans for 2012, Crédit Agricole Leasing & Factoring enhanced road safety initiatives for its sales teams. Several hundred employees are on the road daily to meet customers and other Group contacts. To reduce the risks related to these journeys, CAL&F established a prevention programme to enhance drivers' ability to identify and anticipate dangerous situations while driving. Working in partnership with a specialist road-safety organisation, a one-day safe driving course combining theory and practice is offered at regional training centres for the 35 employees concerned every year.

Pacifica also deployed an accident-prevention plan for its drivers in 2012, including checking drivers' licences, medical checks, funding technical vehicle testing and preparing a prevention guide, etc.

In addition, LCL continued its campaign to control rude and aggressive behaviour by customers, under way since 2007. Supplementing the preventive actions and support provided to employees who are victims of such behaviours, the company has also introduced a system for reporting discourteous behaviour by employees, as well as statistical monitoring to facilitate the taking of appropriate measures and to track the phenomenon. By way of illustration, some 800 incidents of rudeness were reported during 2012.

PRIORITY 4: PARTICIPATION

The Group encourages an active and constructive dialogue with its employees and their representatives. This participation can take various forms: expressing themselves directly, or through surveys, social benchmarks, collaborative tools and the development of quality labour-management dialogue.

Participative approach

The move to Evergreen provided the opportunity for the Group to enhance the use of collaborative tools in order to foster interaction between employees and adapt working methods to new technologies. For example, in 2012 Crédit Agricole S.A. ESU, encouraged the creation and development of virtual communities:

- the 2011 "Young talent" initiative now boasts 175 young people on internships or work-study training placements at Crédit Agricole S.A., SILCA, Pacifica and CAL&F. By putting these people in contact and creating a link between them, information sharing is encouraged and a new channel for dialogue is voluntarily opened up;
- a community of Management Assistants was formed in 2012, with the aim of sharing best practices and experience, as well as their views on the organisation and their training needs *via* a dedicated website.

In 2012 CACEIS launched an original initiative called CreaCeis, to develop brainstorming techniques amongst employees, with the aim of improving involvement, encouraging creativity and increasing cross-sector dialogue between teams. CACEIS also launched its first Group-wide corporate social network, under the name "Social Network". The aim was to connect the Human Resources department with skills and information from employees and personnel representatives on issues related to training.

In addition, LCL developed a participatory approach in order to share best practices in its business lines for which experience and knowledge transfer constitute a major advantage. Energised by the success of the project, "LCL Partage" was extended to Branch Managers in 2012, with regular meetings between employees of this business line to discuss problems encountered and provide feedback from experience.

In the international arena, Crédit du Maroc launched its first Cdm'Innov campaign in 2012. Based on the concept of generating ideas around topics defined by a Committee, a suggestion box was made available on the Group Intranet for a specific period of time, with a prize for the best ideas selected. Improving the home loan application procedure was the topic chosen for 2012. Winners were presented with their award during a prize-giving ceremony in November 2012.

Surveys/Social Benchmarks

Most of the Group's entities consult employees through opinion surveys and social benchmarks, thereby contributing to optimising Human Resources and managerial practices.

At CACEIS, 2,470 employees answered the "Your Say" opinion survey in 2011. The findings highlighted the following three priorities for improvement: equal opportunity, recognition, management and Group cohesion. Participatory and creative workshops were held to consider the findings and possible action plans. Twenty actions were selected from the 400 ideas submitted and will be implemented in 2013.

Abroad, Crédit Agricole Egypt also conducted an employee satisfaction survey amongst almost 2,000 employees to ascertain their opinion on their working environment. With a response rate of almost 60% and an average satisfaction rate of 71.6%, Crédit Agricole Egypt committed to an action plan to train employees in the corporate culture and values espoused by the Group during breakfast meetings held monthly with managers.

Labour-management dialogue

NUMBER OF AGREEMENTS SIGNED DURING THE YEAR IN FRANCE BY SUBJECT ✓

	2012	2011
Compensation and benefits	43	95
Training	1	1
Employee representative bodies	12	20
Jobs	7	4
Working hours	13	10
Diversity and equality at work	8	3
Other	25	19
TOTAL	**109**	**152**
Coverage France	*97%*	*99%*

Labour-management dialogue is a reflection of the Group's responsibility. The Group is mindful of the development of a constructive labour-management dialogue, with a view to reaching structured and binding agreements.

Working bodies

Demonstrating the importance of quality dialogue, working bodies meet regularly to exchange and debate at all levels in the Group.

The European Works Council and Group Committee promote Group-wide social dialogue:

- Crédit Agricole Group's European Works Council was renewed in 2012, in accordance with the rules of its constitution and now extends to 19 member countries. It comprises 28 statutory members and 28 alternate members from the 19 member countries. Ten plenary or select committee sessions were held this year to discuss Group strategy and economic, financial and labour relations issues, with particular attention being paid to the adjustment plans being implemented in some subsidiaries. In addition, the members of the European Works Council select Committee met at the Emporiki Bank subsidiary in Greece when the Group announced plans for the disposal of this subsidiary. Lastly, a collaborative site was launched at the end of 2012 to facilitate dialogue amongst the European Works Council members outside of actual meetings;
- the Group Committee of Crédit Agricole Group looks at the business, financial, economic and labour relations challenges facing the Group as a whole, as well as its strategic policies. The Committee held two plenary sessions in 2012 and two meetings of the Economic and CSR Committee. In line with the Group project's commitment to roll out an ambitious CSR approach, the Economic Committee became the Economic and CSR Committee. The Economic and CSR Committee met twice in 2012 to discuss the Group's CSR policy and FReD, on the basis of analyses carried out by an independent consulting firm.

Pursuant to the requirements of Crédit Agricole Group's European Works Council, the Group undertook in-depth talks on the proposed disposal of Emporiki Bank in Greece and Cyprus. The European Works Council's select Committee was informed about the planned disposal of the subsidiary in August 2012, with further information provided during the plenary session in September. Syndex, the accounting firm appointed by the European Works Council, provided an analysis of the proposal and also lent its support to the European Works Council's select Committee in Athens during its meetings with key parties involved in the disposal, particularly local trade unions and general management.

The European Works Council met in October 2012 to deliberate on the conclusions drawn up by the accounting firm and to issue its opinion on the proposal to dispose of Emporiki Bank in Greece and Cyprus.

Within Crédit Agricole S.A., two bodies work to promote social dialogue: the Consultative Committee and meetings of the Group trade union representations:

- the purpose of the Crédit Agricole S.A. Consultative Committee is to promote labour-management dialogue and to contribute to the harmonisation and consistency of this dialogue by discussing strategic projects common to a number of entities, monitoring the Group's results and employment situation, as well as the development strategies and plans of business lines. It met twice in 2012 to discuss the Group's social policies and FReD, its overall approach to promoting and continuously improving CSR;
- the Group union representations meet in a more limited format with two members per trade union. These meetings take place monthly with the Human Resources department and provide an opportunity to discuss current economic and labour-related issues. The structure of this body provides for a close working relationship, responsiveness and comprehensive dialogue.

These Group-level bodies supplement the work of existing bodies within the various Group entities.

Two further working bodies dedicated to forward management of jobs were formed in Crédit Agricole S.A. in 2012, under the terms of the Group Forward Management of Jobs and Skills agreement (GPEC) signed by the vast majority of unions in July:

- the GPEC Committee: dedicated to presenting the Group's strategy and its impacts on employment and developments in its business lines, based on the work of the *Observatoire des métiers* and the monitoring of the GPEC agreement. The Committee is chaired by the Group Human Resources department and meets with trade unions a minimum of three times a year;
- the *Observatoire des métiers*: tasked with recognising sensitive jobs (business lines experiencing rapid development, profound change, or in decline), translating these findings into employment and skills terms and proposing appropriate action plans, this joint body includes members from the trade unions, business lines and Human Resources.

Sharing practices

Furthermore, with a view to establishing homogenous labour-management dialogue across the Group, all labour relations managers within Crédit Agricole S.A. entities meet monthly with a view notably to sharing best practices and developing joint strategies on issues of shared interest. The concrete steps taken with respect to gender equality, to the employment of people with disabilities and to older workers particularly illustrate the benefit of these meetings.

A collaborative tool was also put in place to allow effective sharing and continued discussions outside of actual meetings.

PRIORITY 5: EQUITY

COLLECTIVE VARIABLE COMPENSATION PAID DURING THE YEAR ON THE BASIS OF THE PREVIOUS YEAR'S RESULTS IN FRANCE ✓

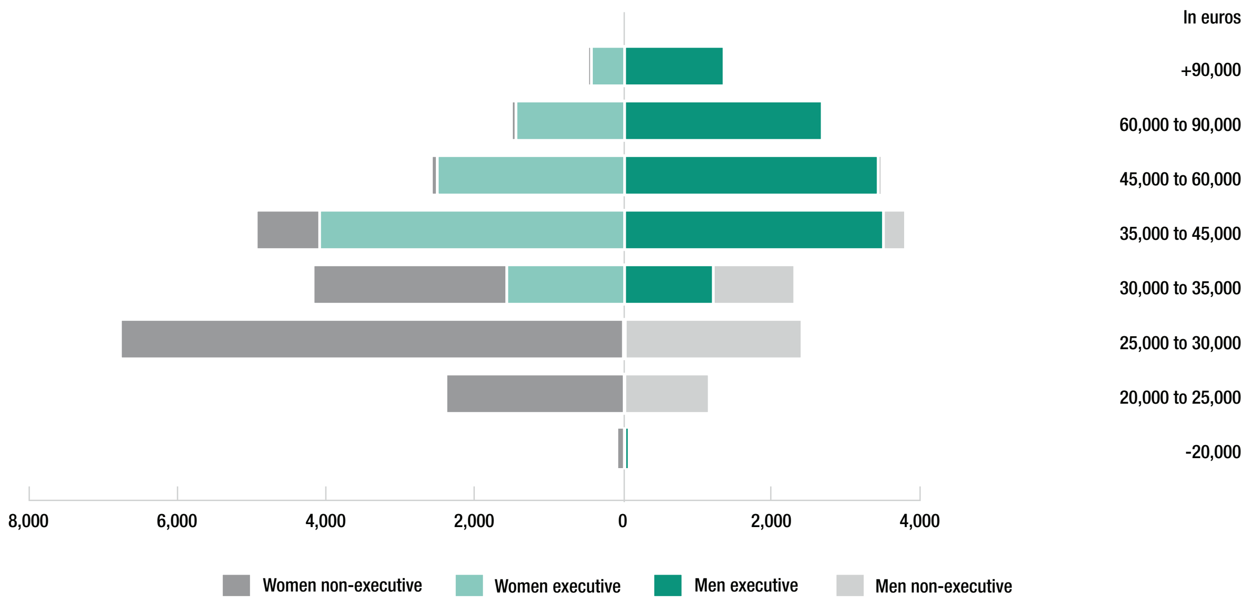
	2012			2011		
	Total amount *(in thousands of euros)*	No. of recipients	Average amount *(in euros)*	Total amount *(in thousands of euros)*	No. of recipients	Average amount *(in euros)*
Profit-sharing	60,516	38,835	1,558	69,528	40,874	1,701
Incentive plans	160,493	46,327	3,464	189,742	47,006	4,037
Employer's additional contribution	36,663	38,848	944	27,301	35,473	770
TOTAL AMOUNT	**257,672**			**286,571**		
Coverage France		*96%*			*89%*	

AVERAGE MONTHLY SALARIES OF WORKING INDEFINITE-TERM CONTRACT EMPLOYEES IN FRANCE (GROSS BASIC SALARY) ✓

(in euros)		2012	2011
Executive	Men	4,955	5,006
	Women	4,059	4,129
	Overall	4,546	4,615
Non-executives	Men	2,333	2,342
	Women	2,359	2,356
	Overall	2,351	2,352
TOTAL	**MEN**	**4,195**	**4,222**
	WOMEN	**3,114**	**3,126**
	OVERALL	**3,575**	**3,601**
Coverage France		*97%*	*99%*

The salaries presented here are based on weighted averages reflecting the observed composition of the workforce in 2011 and 2012. The figures include both movements in/out of the workforce and annual compensation changes.

ANNUAL FIXED SALARY SCALE IN FRANCE ✓



Taking into account the specific characteristics of its business lines, legal entities and local legislation, the Group seeks to develop a compensation system that provides employees with attractive and competitive compensation as compared with market benchmarks.

This compensation policy is aimed at rewarding performance, whether it is by an individual or group, in keeping with the Group's practices and values of fairness and merit.

Skills and responsibility level are rewarded by a basic salary in line with the specific characteristics of each business line in its local market, with a view to offering competitive and attractive compensation in each of the markets in which the Group operates.

In the majority of the Group's companies, variable compensation plans linked to individual and collective performance are structured on the basis of attaining targets and the results of the entity.

Variable compensation is set in such a way that it does not hinder the ability of Group entities to strengthen their solvency when necessary. It takes all risks into account, including liquidity risk, as well as the cost of capital.

Two types of variable compensation systems exist within the Crédit Agricole S.A. Group:

- individual variable compensation is based on management by objectives and attaining pre-defined individual and collective objectives within an employee's area of responsibility;
- variable compensation (bonus) is based on the amount set aside for each business line and whose individual distribution to employees is decided by line management through a broad assessment of their individual and collective performance.

In line with these Group-wide principles, in 2012 CAL&F conducted a project to harmonise individual remuneration systems for employees in France, excluding the sales and marketing department, covering a total of 1,100 employees. This project is part of CAL&F's medium-term plan, focused primarily on priority no. 5 of this plan: "Work together for a unified and responsible company". This new objective sets out to offer a motivating, clear and equitable system, based on two basic principles:

- balance between individual qualitative and quantitative objectives;
- fostering team spirit and corporate culture through a shared goal.

Variable compensation policy for employees covered by CRD 3

The mechanisms covering the allocation of variable compensation for risk-taking employees and for those in control functions, as well as for members of executive bodies, comply with Regulation no. 97–02, as amended by the order of 13 December 2010, which transposes into French law the European CRD 3 directive.

A portion of the variable compensation of these employees is deferred over several years and is only awarded if performance criteria are met. At least 50% of variable compensation is paid in Crédit Agricole S.A. shares or in equivalent instruments.

Crédit Agricole S.A. has also decided to extend identical deferred variable compensation mechanisms to employees who do not fall within the aforementioned provisions of Regulation no. 97–02 but whose variable compensation is deferred on the basis of previously existing practices or rules imposed by other regulations or industry standards, to ensure they are consistent and aligned with the Group's overall performance.

Quantitative information related to the compensation of regulated employees, in compliance with Article 43-2 of regulation 97-02, will be published later and will be available on the company's website http://www.credit-agricole.com under Investor and shareholder > Financial reporting > Regulated Information > Annual report and shelf-registration documents.

Compensation of Group Executive managers

The compensation policy for Group Executive managers is designed to reconcile the demands of an ever more competitive market with the expectations of shareholders, employees and clients, so that the Group can support its aspirations as a leading player in the banking market nationally and abroad.

Direct compensation of Group Executive managers consists of a fixed salary and variable annual compensation, half of which is based on economic targets, and the other half on non-economic targets (management, client satisfaction and social value creation).

Long-term variable compensation in the form of performance shares provides incentives to perform over the long term with respect to financial and corporate goals. The shares vest over a period of three years, subject for one third to the Group's social responsibility performance, measured by the Group's CSR index (FReD).

Finally, Group Executive managers have been brought into the Crédit Agricole S.A. supplementary pension scheme.

In 2012 and for the second consecutive year, directors' fixed compensation was frozen. Moreover, it is worth noting that in view of 2012 results, variable compensation awarded for 2012 declined by an average of 15% for the Group's executive managers, and of 20% for the members of the Executive Committee (excluding corporate officers, whose variable compensation fell by 40% in the case of the Deputy Chief Executive Officers, and declined by 50% in the case of the Chief Executive Officer).

Additional incentive plans

The Group concludes agreements on profit-sharing and incentive plans in each entity to better reflect the reality in each company.

The impact of exceptional items, varied by entity, notably impairment of goodwill, on 2011 results and on the amounts set aside for profit-sharing and/or incentive plans in 2012.

The Group coordinated the provision of an additional incentive plan amount to partially offset the reduction in the total eligible for incentive plans in those entities most keenly affected by these exceptional items, and to reward intrinsic performance. This additional amount was approved by the Boards of Directors of the companies concerned.

Employee shareholding

Since 2001, the Group has implemented an active employee shareholding policy and has carried out regular capital increases reserved for employees in France and some 20 countries worldwide. These operations allowed employees to become shareholders of Crédit Agricole S.A. for a minimum period of five years and to benefit from a discount on the subscription price.

In the very uncertain financial environment of 2012, such a share issue in 2012 was not deemed timely. Nevertheless, employees may purchase Crédit Agricole S.A. shares at any time through their employee savings plan by purchasing units in the employee mutual fund invested in the company's shares.

For information, at end-2011, Crédit Agricole S.A. set up a free share distribution plan for all Group employees. Under this scheme, each employee was awarded 60 free shares in November 2011. The plan is a Group plan and thus complies with the objective of promoting corporate social responsibility. At end-2012, the proportion of the share capital held by Group employees and former employees stood at 4.43%.

Pension savings

All the Group's main entities in France have established a PERCO (*Plan d'Épargne Retraite Collectif* – Collective Pension Savings Plan). This mechanism allows employees to set aside money for retirement on advantageous terms. At end-2012, over 20,000 Crédit Agricole S.A. employees had signed up to a PERCO, representing assets of over €125 million, an increase of 75% compared to end-2011.

PRIORITY 6: CONSISTENCY

Crédit Agricole Group encourages the involvement of its employees in external professional projects or extra-professional projects consistent with its values.

Group Branding

The slogan *Le bon sens a de l'avenir* (the bank of common sense) reflects the Group's positioning as the bank of common sense. It is based on three commitments that guide all of the Group's employees in their day-to-day activities: A local presence, advice and usefulness.

- A local presence: with more than 20 million customers - the largest customer portfolio in France - the Group is well-placed to understand both their needs and the issues facing society. In addition to geographical proximity, the Group's employees ensure a local presence in their day-to-day relationships with customers, shareholders, mutual shareholders and partners;
- Advice: Crédit Agricole has developed a comprehensive range of specialised financial services for Retail banking, in order to provide its customers with the best possible advice;
- Usefulness: financing a quarter of all lending granted by France's banks as a whole, Crédit Agricole is a bank like no other. Its economic usefulness as the economy's leading financial partner is renowned. By financing the regions and those who live and work in them, the bank contributes to their development, economic growth and future employment.

Employee involvement

Promoting projects that are consistent with the Group's values is a key facet of its programme supporting initiatives undertaken by its employees in the field of associations. Crédit Agricole S.A. thus aims to recognise and encourage the concrete involvement of its employees in the areas of solidarity, assistance for the neediest in France and abroad, the environment and the general good.

Solidaires/courte échelle programmes

A large number of employees of Crédit Agricole S.A. and its subsidiaries is volunteer to take part in community support projects. To support this initiative, the Group has launched *Solidaires*, a voluntary skills programme that acts as a link between its employees and the charities it supports and monitors. The goal of the programme is to address employees' willingness to undertake a civic commitment and the ongoing, growing needs of charities.

Implemented in 2012, each charity expresses its requirements and need for volunteers and the assignments it offers.

Employees can then choose assignments according to the skills they wish to offer the charities and the time they are able to commit. To celebrate the programme's official launch, the *Journées Solidaires* event was held from 11 to 15 June 2012, bringing together employees and charities at the Evergreen Campus in Montrouge.

Alongside this, in 2012 the Group continued supporting employee associations through the *Courte Échelle* programme. Aimed at contributing financially to the implementation of a project sponsored by an association in which an employee of UES Crédit Agricole S.A. is involved, 19 projects were allocated funds by the selection panel on 24 and 25 September 2012. Financial support of up to €3,000 was thus awarded in recognition of the employees' involvement in their associations and the cohesion of their projects.

The programme has also been deployed internationally. With the launch of its own initiative, "Be Generous", CACEIS this year rolled out the project across Germany, France and Luxembourg with the aim of helping to fund charity projects in which employees are personally involved. For 2012, four projects were selected in Luxembourg, for a financial contribution amounting to €15,000.

Sporting events

Most entities encourage employee participation in charitable sporting events. On 15 June 2012, as part of the partnership with the charity *Action contre la Faim* (Action against hunger), 123 Crédit Agricole CIB employees took part in an inter-company challenge entitled *Course contre la faim* (Race against hunger). Every kilometre run was sponsored by the company, producing a €30,000 donation to the charity.

As part of its FReD project, in December 2012 Crédit Agricole CIB took on the role of leader of the Financial Community Telethon. For nearly twenty years, this event has brought together operators in the financial sector (banks, insurance companies, financial intermediaries, corporate lawyers, tax experts, etc.) in a celebratory, sporting atmosphere. Crédit Agricole CIB organised a race in which more than 400 employees took part, with the aim of bringing in donations for each lap completed.

In the same way, Crédit Foncier de Monaco has set up a partnership with the "Children Future" association, uniting sport and charity by organising an annual "No Finish Line" event. The principle is simple: those taking part run or walk along a 1,370-metre track on Monaco's Port Hercules, with each kilometre completed generating one euro for the charity to help sick and disadvantaged children. Between 17 and 25 November 2012, more than 130 Crédit Foncier de Monaco employees ran or walked a total of 4,605 kilometres. As the event's sponsor and partner, the company paid €4,605 to "Children Future".

Finally, for the second year running, SILCA (the Group's IT EIG) supported organ donation by taking part in the "*Course du Cœur*"

(Run for the heart) event, which ran for four days from 28 March to 1 April 2012 between Paris and Bourg-Saint-Maurice. Sixteen SILCA runners took turns day and night to support this charity sporting event and raise public awareness of the success achieved by transplants and the need for organ donation.

PRIORITY 7: TERRITORY

Historically, Crédit Agricole S.A., has conveyed the values of solidarity and community and promoted initiatives that improve education, health and access to culture in the regions in which Group entities are based, both in France and abroad.

Thus, 19 March 2012 saw the first meeting of the Patronage Community, bringing together all those within Crédit Agricole Group involved in patronage. This Community has a dual purpose: to encourage the sharing of information on patronage projects ongoing within the Group and to allow the exchange of good practices and experience in the field of patronage. The Patronage Community's first major project this year was the launch of the "*Solidaires*" volunteer project.

Regional impact

Crédit Agricole S.A. and its subsidiaries also work on initiatives focusing on local employment and regional development. For example, in 2012 Crédit du Maroc organised sales assistant recruitment sessions in remote regions, with the aim of targeting local skills more effectively.

In the same vein, Amundi supports the region's economic and social development, for example by implementing support funds that yield strong social benefits and contribute to the local economy. These funds invest 5 to 10% of their assets in companies or non-listed associations. In this way, Amundi finances 13 local businesses, covering areas from housing to social entrepreneurship.

Finally, LCL – in partnership with four regional daily newspapers – launched the "*Trophées LCL*" in eastern France for the sixth year running. Every year, voters elect four women who, through their dynamism and skills, contribute to the growth and standing of their region. The "*Trophée des femmes en région*" (Regional women's trophy) helps dynamise the network and anchor LCL in local life, whilst emphasising its civic involvement and its image as a modern and dynamic leading city bank. The 2012 edition, which ended on 6 December, hailed four award winners in the fields of sport and health. Each winner received a cheque for €10,000 which they donated to their chosen charity.

Financial education

Conscious of environmental and societal problems, the Group participates in activities designed to foster education in order to build the future.

On 8 November 2012, Crédit Agricole Suisse thus took part in the *Journée Futur en tous genres* (Future for both genders day), aimed at diversifying the future career choices of boys and girls aged 10 and 11. This event allowed employees' children to get a first look at the world of work, to think about their future and to ask about the range of possible career paths in the banking sector.

On a similar theme, Crédit Agricole Polska is developing financial education for local communities in order to give students the means to better understand how the financial sector works. To this end, the entity launch the second edition of the "Banking with Class" education campaign, which saw 20 employees explaining how the banking world works to more than 3,000 school pupils.

Finally, LCL and Crédit Agricole S.A. supported the 25 edition of the "Turgot" Prize, whose aim is to encourage and recognise vocations in the fields of economics and finance and thus to foster the development of economic education for more and more people. This year, as the official partner, Crédit Agricole S.A. awarded the Young Talent Prize to Olivier Ray.

Microfinance

The Grameen Crédit Agricole Foundation was created in September 2008 on the initiative of Crédit Agricole S.A. in partnership with Professor Yunus, founder of Grameen Bank and 2006 Nobel Peace Prize winner. Receiving an endowment of €50 million from Crédit Agricole S.A. on its formation, the Foundation provides local microfinance institutions with loans, guarantees, equity investments and technical support, primarily in Africa and South and South-East Asia. The loans are most often granted in local currency to protect institutions and their clients against foreign exchange risks. The Foundation also invests in "social businesses" whose mission is to make essential amenities such as food, water and energy affordable to the poorest people.

On 31 December 2012, the Grameen Crédit Agricole Foundation approved 75 funding projects worth a total of €44.6 million. It funds 28 partner microfinance institutions in 16 countries serving

1.7 million active borrowers, of whom 87% are female and 85% are rural customers, with 28% coming from Sub-Saharan Africa.

In 2012, the Foundation launched new initiatives to amplify and diversify its support for those most in need. One of these initiatives was the “Grameen Crédit Agricole Social Business Fund”, a specialist investment fund created with the aim of investing in Social Businesses, mainly in developing and emerging countries. It also pursued its involvement in developing agricultural micro insurance.

Founded on the values of Crédit Agricole Group and inspired by the vision of Professor Yunus, the Foundation participates actively in debates and initiatives to promote responsible microfinance for the most disadvantaged people. It has played an active role in the Global Appeal for Responsible Microfinance, adopted and announced by the Convergences 2015 forum.

Health

True to its values of solidarity, Crédit Agricole S.A. makes commitments in the field of health.

In 2012 Crédit Agricole Group took part in the “La Parisienne” race, which saw more than 400 women from various group entities run to support the fight against breast cancer.

Moreover, for the fifth consecutive year Crédit Agricole Consumer Finance made its call centres available to the AIDS charity Sidaction over the three-day event, which ran from 30 March to 1 April 2012. The company also pledged to pay ten euros for each hour volunteered by its employees to work on AIDS programmes. Despite a difficult economic climate, this long-term partnership is a challenge for the company as it seeks to honour its commitment to Sidaction.

Furthermore, this year Crédit Agricole Egypt celebrated the fifth birthday of the Children’s Cancer Hospital in Cairo. Under this partnership, which has been renewed each year since 2008, the entity’s managers have helped sick children by offering them moral support and gifts.

With the same goal, every year Crédit Agricole Suisse supports the Dubois Ferrière Foundation, which is dedicated to fighting blood disorders, especially leukaemia. Through this partnership, the company takes part in the foundation’s gala programme.

Social

Crédit Agricole S.A. contributes to the social development of the regions in which it operates, in France and abroad.

To this end, as part of its social policy, Crédit Agricole Assurances has been working alongside family caregivers for the last two years. In France, almost four million people work on a voluntary basis helping dependent adults and children in difficulty (through illness, accident, disability or old age). Of the 180 applications received, 18 won the jury’s vote in July 2012 and will thus receive funding from the budget allocated to this patronage programme.

Crédit Agricole Assurances is also continuing to support “*La minute des aidants*” (Carers’ minute), a short programme aimed at those who care for dependent family member on a daily basis. This new series, which was broadcast daily on the France 5 channel for almost four months, emphasised the importance of caregivers as local social agents and offered information and practical solutions to support them and ease their often difficult day-to-day situations.

Involved in patronage programmes for a number of years, LCL has decided to unite, develop and diversify its initiatives within a company foundation. The LCL Foundation, officially created in July 2012, will focus on initiatives helping children and young people in need, supporting women and promoting medical and scientific research. As part of its patronage activities, LCL already supports a number of associations and bodies including France Parrainges (the new name for the *Centre Français de Protection de l’Enfance*, French Centre for Child Welfare – CFPE), the *Fédération pour la Recherche sur le Cerveau* (Brain research federation – FRC) and *Mécénat Chirurgie Cardiaque* (Cardiac surgery patronage).

In addition to financial donations, the LCL Foundation considers all forms of support and assistance whether they relate to services, the provision of premises or infrastructures or awareness-raising campaigns.

Moreover, in 2012, LCL did a great deal of work to support the cause of substandard housing, such as the “*Vieilles clés*” (Old keys) campaign, held in more than 500 agencies in the Rhone region. Between 13 and 15 November, customers gave their “old keys” to the agencies as symbols of access to housing. The keys were collected to make works of art to be sold to raise money for the H&H association.

Faithful to its commitment to ensuring a local presence, the Cariparma Crédit Agricole Group rapidly implemented a range of initiatives to deal with the emergency facing victims of the May 2012 earthquake in Italy. To this end, an *Earthquake Emergency* account was opened to collect donations, with more than €500,000 collected so far.

Culture

The group endeavours to facilitate access for all to culture.

Thus, on 14 March 2012 Crédit Agricole S.A. took part in the launch of an endowment fund known as *InPact*, which stands for *Initiative pour le Partage Culturel* (Initiative for Sharing Culture). This fund is aimed at working towards the recognition of culture as a key factor in social cohesion, equal opportunities and individual personal development. The Group is a founder member and, as such, undertakes to fund projects allowing those with limited access to culture to benefit from it. Thanks to this fund, one of the seven supported projects was used to finance the *Futur Composé* association, whose mission is to produce and stage a light opera with 35 young autistic and mentally disabled people by the end of the year.

Amundi, meanwhile, has been working with young people from disadvantaged areas since 2007, supporting and financing a music and choral singing programme for children aged between 8 and 18 from the Bondy branch of the "Maîtrise de Radio-France" orchestra.

This year, LCL also launched a touring exhibition as part of the "*LCL en Ville*" (LCL in town) campaign. Presenting a selection of black and white snapshots of celebrities, the exhibition helps raise the profile of a number of artists in the large French towns where LCL is present. The town of Perpignan was chosen for this arts event in November 2012.

Earlier in the year, CFM Monaco signed a partnership agreement with the Princess Grace Dance Academy to finance the three-year training of a promising young Brazilian, disadvantaged in his/her own country This will allow the young dancer to live in Monaco and receive artistic training in multiple disciplines, such as classic and modern dance, music and art history.

Methodology

Each entity within Crédit Agricole S.A. is attached to a business line and has its own employee relations policy, which is overseen by a Human Resource (Human Resources) Director. Overall consistency is ensured by the Group Human Resources (Human Resources) department.

The scope encompasses all fully or proportionately consolidated entities with employees.

Each item presented below is accompanied by an indication of the proportion of employees covered (as a percentage of Full-Time Equivalent (FTE) employees at year-end).

Different consolidation rules have been applied:

- for proportionately consolidated entities, data are stated in proportion to the Group's equity interest in the entity. Accordingly, the employee data relating to the Regional Banks are not included in this report because they are equity-accounted. They represented some 71,350 FTE at 31 December 2012 (indefinite-term contracts/fixed-term contracts/work-study placements);
- in the case of training data, there was a change of method in 2008. All this information is now calculated on the basis of the first 11 months of the year, December in any case not being a representative month and generally being marginal in terms of activity compared with the other months of the year;
- unless otherwise stated, the data are presented from the employer's viewpoint and not the beneficiary's viewpoint. The difference relates to employees seconded by one entity to another (with no change in the employment contract) who report to their host entity from the beneficiary's viewpoint and to their contracting entity from the employer's viewpoint;
- unless otherwise stated, the population under review is that of "working" employees. The notion of working implies:
  - a legal tie in the form of a standard fixed-term or indefinite-term employment contract (or similar abroad),
  - being on the payroll and in the job on the final day of the period,
  - working time percentage of 50% or more.

The examples of practices illustrating the data and commentary below were collected from surveys of Human Resource Directors across a broad representative sample of Crédit Agricole Group entities.

Environmental responsibility

For several years, Crédit Agricole has been committed to reducing its negative environmental impacts. This commitment is reflected, in particular, in its signing, in 2003, to the United Nations Global Compact, as well as the signing of the Equator Principles by Crédit Agricole CIB in 2003 and the signing of the Principles for Responsible Investment by Amundi in 2006.

In relation to the environment, the Group has identified the main issues raised by its various activities. Targets have thus been set concerning:

- the examination of risks and risk management relating to the environmental and social impacts of the Group's activities;
- the development of a specific, incentivising commercial offer;
- the management of its direct environmental footprint.

These areas of activity form the main parts of its environmental strategy, which the Group shares and exchanges with its major stakeholders.

The Group also examines the impact of climate change on its activities, taking care to limit its direct environmental footprint and, most importantly, to factor the consequences of climate change into the running of its operations.

PRIORITY 1: DIALOGUE

Its business activities, sites and economic importance subject Crédit Agricole to intense scrutiny, both internally from its employees and unions and externally from its suppliers and representatives of society. Its CSR process is thus supplemented by the instigation of genuine dialogue with major stakeholders. The groundwork has been laid to identify them by business lines such as Crédit Agricole CIB and Crédit Agricole Assurances, both of which have drawn up an initial map of their major stakeholders.

With employees

Raising awareness

A number of events relating to sustainable development, such as Sustainable Development Week, give the Group opportunities to promote its initiatives, communicate on the strategic topics at hand and raise employees' awareness of responsible practices and the campaigns developed by the Group.

To support these *ad hoc* actions, initiation modules in CSR and CSR-related issues in certain business lines are offered to specific groups.

For example, a purchasing course including a CSR module has been offered to the Group's new and junior buyers since 2008. This course is attended by an average of twenty participants every year. In order to prioritise requirements and adjust the current course, a questionnaire comprising a section on CSR was sent out to some 300 employees. This course will be modified by the Group's training division in 2013 and will be opened up to its consultants.

Training sessions focusing on the fundamentals of sustainable development, the Equator Principles and the Climate Principles have been available for all head office employees for a number of years. *Ad hoc* training programmes are also delivered in a range of business lines.

Moreover, the implementation of the Group's CSR initiative, FReD, has also been used to as a vector for raising employee awareness. Crédit Agricole CIB has opted to deploy an overall employee awareness-raising plan focusing on sustainable development issues, the commitments of Crédit Agricole Group in general and the FReD initiative. The objective is to cover more than 80% of employees by the end of 2013.

Increasing involvement

A plan to teach Crédit Agricole S.A.'s employees about eco-friendly actions was launched in 2012, taking a fun, innovative approach to allow everyone to learn about, understand and help reduce our collective impact on the environment. This initiative, which formed part of the goals of FReD 2012, took the form of a game lasting six months. Every month, a different topic was highlighted and broken down into four specific eco-friendly actions, one for each week, emphasising the issues raised by the topic in liaison with the Ademe (the French Environment and Energy Management Agency), explaining what it represents for Crédit Agricole and the commitments undertaken by the Group. The company's main environmental impacts were thus examined: energy, biodiversity, water, transport, paper and waste. The goal of the game was to perform eco-friendly actions, take photographic evidence with a smartphone or a camera, post the pictures on a dedicated website and invite friends and colleagues to vote. This competition, entitled *The GreenPix Photo Challenge*, was open to all employees of Crédit Agricole S.A.

For the third year running, Crédit Agricole S.A. called upon all of its employees to choose the carbon offsetting project for 2012. Located in Africa (Ghana/Mali and Uganda) or Asia (Malaysia), the three projects submitted to the vote were pre-selected based on the themes of clean energy, forest protection and human development. The rainforest rehabilitation project on the island of Borneo won with almost 40% of the vote. This project is aimed at restoring and protecting flora and fauna in the forest region, by rehabilitating 25,000 hectares of rainforest. More than 1,680 tonnes of CO2 will be offset this year through the purchase of carbon credits raised by the Borneo project.

Amundi also educated employees during the Sustainable Development Week by inviting them to take part in an initiative entitled Clean and Green Days organised with Elise, a disability-friendly company specialising in the recycling of paper and which already collects paper from some of the Group's sites. Employees were invited to sort and dispose of their old paper over a five-day period. In total, almost five tonnes of paper were collected and recycled by Elise.

Supplier relations

In an effort to improve its relations and dialogue with suppliers, in late 2010 Crédit Agricole S.A. signed the charter of the "Médiation du Crédit" (loan mediation office) and the CDAF (the French association of purchasing managers), governing relations between major contractors and SMEs. This charter sets out ten commitments to ensure responsible purchasing and balanced, lasting relationships between major contractors and SMEs. These include the incorporation of environmental concerns into relations with suppliers, along with economic aspects such as ensuring fair financial treatment and reducing the risks of mutual dependence.

With this in mind, the Group, through its Purchasing function, has begun formalising a responsible Group purchasing policy based on dialogue with its suppliers, covering the following areas:

- Environment: reducing our footprint and purchasing eco-designed products and/or services;
- Ethics: following ethical principles and Codes of good conduct;
- Social aspects: monitoring respect for human rights and promoting and incorporating supplier diversity (SMEs, disability-friendly companies, establishments that provide work for the unemployed and the disabled).

Assessing suppliers

At the same time, Crédit Agricole S.A. Group's Purchasing department has reinforced its responsible purchasing policy with a new supplier CSR assessment process for purchases made within Crédit Agricole S.A.. Suppliers' CSR performance is assessed when each call for tender is launched and focuses on two areas:

- an assessment of the supplier's CSR management system by an independent third party expert, Ecovadis. The assessment consists of sending suppliers a questionnaire tailored to their activity sector and comprising 21 criteria grouped into four subject areas (the environment, social aspects, ethics and supply chain management). Ecovadis' analysts check the answers and any documentary evidence before cross-checking them with a database of documents collected from stakeholders such as unions, NGOs, etc. Once this analysis is complete, an assessment report is sent to the Purchasing department along with a CSR score. 200 suppliers are currently being assessed. The goal is to complete 2,000 assessments for all Crédit Agricole S.A. entities by the end of 2013;
- a CSR assessment of the supplier's offer (product or service) comprising, among other aspects, the inclusion of specific technical sustainable development criteria in the specifications.

The multi-criteria assessment grid incorporating this supplier CSR assessment has thus been revised in order to give CSR a greater weighting in the supplier's overall score.

An ombudsman for inter-company relations was also named. Any supplier can have recourse to him, notably SMEs, in the event of problems. Independant from the procurement, accounting or financial departments, he reports directly to Executive Management.

Assessing ourselves

Finally, in order to assess the satisfaction of Crédit Agricole S.A.'s suppliers as regards the application of the charter of the Médiation du Crédit and the CDAF, a questionnaire has been sent out to a panel of 50 suppliers. The results will allow us to adjust the process, which is then expected to be extended to a larger panel.

With civil society

Contributing to research

Crédit Agricole CIB is a partner of the *Chair of Quantitative Finance and Sustainable Development* at the Paris Dauphine University and the École Polytechnique. This purpose of this project, which has been supported by Crédit Agricole CIB since its creation, is to bring together quantitative finance experts, mathematicians and specialists in sustainable development. Its work is carried out by a team of some twenty experienced researchers in France and North America, supervised by a High-Quality Scientific Committee comprising two professors at the Collège de France, Pierre-Louis Lions and Roger Guesnerie. As part of the project, in 2010 work began to measure the CO_2 emissions produced by the Group's financing and investment activities. Crédit Agricole S.A., alongside Crédit Agricole CIB, sought, with the Chair, to define a methodology for measuring the CO_2 emissions produced by its financing and investment in the economy and the regions. The work carried out produced a methodology and an initial quantification of the annual emissions at 160 million tonnes of CO_2 equivalent, of which 100 million tonnes from large infrastructure projects in France and worldwide. Crédit Agricole S.A. now shares this methodology with other major banks and institutions such as Société Financière Internationale and Agence Française de Développement, the French development agency.

Moreover, Amundi supports the Paris Dauphine *Recherche Fonds Souverains* (sovereign wealth fund research) initiative and, as such, played an active role in a conference entitled "Sovereign Wealth Funds and Other Long-Term Investors: A New Form of Capitalism?", which was held in New York on 4 and 5 October 2012. Jointly organised by the Committee on Global Thought at Columbia University and the Paris Dauphine sovereign wealth fund research initiative, the conference brought together university lecturers, political leaders, sovereign wealth fund managers and other long-term investors. More than 30 funds representing more than $7,000 billion attended and took part in constructive debates over the two days, covering fundamental issues such as the climate crisis and long-term and socially-responsible investment. Crédit Agricole CIB also sponsored the conference.

As regards the insurance business line, Crédit Agricole Assurances has teamed up with the Europlace Institute of Finance and Astrium Géo, in partnership with the Grameen Crédit Agricole Foundation, to develop research on new agricultural risks. This co-operation provides assistance for basic and applied research and funding for theses in this area, as well as support for projects in developing countries *via* the Grameen Crédit Agricole Foundation's network and expertise.

Supporting initiatives

As part of its shareholder dialogue policy and with a view to promoting socially-responsible investment (SRI), Amundi plays an active role in international, European and financial community initiatives:

- investor coalitions, including: the *Carbon Disclosure Project* (CDP), the *Institutional Investors Group on Climate Change* (IIGCC), the *Global Compact Investor's Initiative*, the *Extractive Industries Transparency Initiative* (EITI), the *Global Water Disclosure Project* (GWDP), the *Forest Footprint Disclosure Project* (FFDC), the *CDP Water Disclosure* and the *Access to Medicine Index*. The goal of these collective initiatives is to encourage companies to improve their practices and their communication in the areas of climate change, water, deforestation, and health problems in developing countries. They are also working to encourage the oil and mining industries to adopt greater transparency in their relations with the countries in which they operate;
- work with the financial community and think tanks: Amundi is a founder member of the *Observatoire pour la Responsabilité Sociale des Entreprises* (Study Centre for Corporate Social Responsibility, ORSE), a member of the "*Forum pour l'Investissement Responsable*" (Responsible Investment Forum, FIR) and Eurosif and also participates in a number of French and international working groups, the *Association Française de Gestion* (French Management Association, AFG) and the *Institut Français des Administrateurs* (French Institute of Directors, IFA).

PRIORITY 2: EXTERNALITIES

As part of its responsible purchasing policy, more specifically the supplier CSR assessment process, the Crédit Agricole S.A. Group's Purchasing department analyses supplier offers. This assessment examines the inclusion of specific technical sustainable development criteria, depending on the type of purchase.

Incorporating social criteria

In its specifications, the Crédit Agricole S.A. Group's Purchasing department includes criteria relating to social standards that are reflected in, among other aspects, compliance with the *International Labour Organisation* rules and, where possible, outsourcing to the sheltered employment (*i.e.* disability-friendly) sector, either directly or jointly.

By signing with Crédit Agricole S.A., suppliers undertake to comply with these rules and certify that their products meet these standards.

The use of the sheltered sector and disability-friendly companies is a priority of the Group's responsible purchasing policy and has grown over the years. Since 2010, the Group has created 74 disability employment units, generating turnover of almost €1.5 million for the sector. A working group comprised of purchasing and disability representatives from the Group's various entities has been set up to define a strategy and actions to be implemented in the sector. One of the group's achievements is the creation of a guide designed to raise awareness among buyers and consultants and assist them in this area.

Incorporating environmental criteria

The specifications of Crédit Agricole Group's Purchasing department also include an environmental dimension, focusing on aspects relating to product eco-design (including waste, packaging and logistical issues). Efforts were made in 2012, for example, to incorporate eco-design into furniture purchases, such as those made when Amundi moved premises, and energy savings into purchases of IT equipment (computers, servers, storage media, LAN, peripherals). The supplier is thus required to demonstrate that its processes comply with the principles of eco-design throughout the project life cycle (design, manufacture, logistics-transport, usage and end of life/recycling) and provide evidence in support. Supplier presentations focusing on sustainable development can now be arranged. This good practice was launched when Amundi moved to new premises.

The Group's communication practices also take environmental criteria into account, in line with the Group paper policy launched in 2011, one of whose goals is for paper to be 100% "responsible" (*i.e.* recycled or certified) by the end of 2014. All of the Group's entities have moved swiftly to achieve these targets and now use paper from sustainably-managed forests and/or recycled paper for the documents they circulate.

Initiatives have also been held in a number of entities to ensure the systematic use of environmentally-friendly, certified cleaning products and office supplies. The supply catalogues used by Crédit Agricole CIB and Crédit Agricole S.A., for example, now contain 20% and 40% green labelled products respectively. Equipment deliveries have also been streamlined to reduce their frequency.

PRIORITY 3: MARKETS

In addition to its direct footprint and, given its activity as a banker and insurer, taking into account environmental and social impacts brought about through financing the economy and the regions and the insurance industry is one of the Group's major sustainable development challenges. Initiatives have been launched, targets set and actions taken to deal with this problem in accordance with each of the Group's business lines.

Retail

The retail banking activity is mainly undertaken by the Group's networks: the Regional Banks and LCL.

Encouraging customers

The Regional Bank network markets various loans that help finance work intended to improve housing energy performance, such as:

- the interest-free eco-loan (Eco-PTZ). Since its launch by the authorities in April 2009, Regional Bank network has positioned itself as the leading national distributor, with a market share of 27% in the first half of 2012 according to the Société de Gestion du Fonds de Garantie de l'Accession Sociale à la propriété. At 31 December 2012 and since its creation, some 69,000 Eco-PTZ loans have been provided by Crédit Agricole for over €1.13 billion;
- Energy-saving loans (PEE) awarded by the Group since 2007. Between their introduction and 31 December 2012, the total amount of loans marketed by all Regional Banks exceeded €1.5 billion, with almost 9,700 new loans issued in 2012.

A home simulator, Calculeo, is also on-line on certain Group websites. It provides a comprehensive, up-to-date and personalised list of government grants available for energy conservation work. The Group also intends to support its customers with a home eco-renovation offer covering their entire project: energy audit, financing for renovation work, property insurance.

LCL also markets the Eco-PTZ loan. In 2012, more than 8,500 offers were issued, totalling €115 million.

As a complement to this product and in line with the sustainable development passbook account, LCL has expanded its Solution Conso range, which offers personal loans to fund renovation work, in order to meet the financing needs of infrastructure projects designed to make energy savings. In 2012, almost 5,700 loans were granted for a total of around €33 million.

Crédit Agricole has also innovated in the field of local savings schemes, with the implementation by several Regional Banks of "green" term deposit and socially-responsible passbook accounts, which allow customers to support funding for sustainable projects in their regions.

Moreover, in the area of consumer finance, in 2012 Crédit Agricole Consumer Finance held a promotional campaign providing financing terms at 0% for electric vehicles.

Taking the environmental risk into account when financing SMEs

A tool for managing the environmental risk in credit decisions has been developed by Crédit Agricole S.A., in partnership with the law firm Lepage and in liaison with a dozen or so Regional Banks. It is aimed at small businesses operating in sectors liable to have a particularly significant impact on the environment. The tool is comprised of sector-based fact sheets covering 11 sensitive sectors (waste treatment facilities; livestock breeding; water treatment plants; abattoirs; dry cleaners; garages; plant protection products; printers; wind farms; photovoltaic solar installations; quarries) and a maintenance guide with a questionnaire, intended to assist the account manager in his or her relations with the customer and award an environmental score to the loan application. The impact on the loan decision is left to the discretion of the Regional Bank.

This tool has been undergoing testing by two Regional Banks since early November 2012 and the initial results will be analysed during 2013.

Insurance

In line with the issues facing the Group and the sector in which it operates, Crédit Agricole Assurances has defined offers of products and services in various markets that take societal, social and environmental issues into account.

Societal and socially-responsible offers

In order to address health issues that have become significant and inescapable following changes in society, Crédit Agricole Assurances has developed offers relating to the field of long-term care. These include insurance policies that provide a financial top-up in the event of total or partial dependency, and personal homecare services.

In order to allow disadvantaged groups to gain access to basic insurance services, Crédit Agricole Assurances offers a product that includes an introductory life insurance provision. Crédit Agricole Assurances also complies with the AREAS convention (Insurance and Loan Provision for People with Major Health Risks), which is aimed at facilitating access to insurance and loans for people who have or have had a serious health problem.

Environmental products

In 2012 Crédit Agricole Assurances launched a "green" car insurance programme. Under this plan, policyholders who drive fewer than 5,000 km per year receive a between 2% and 12% discount on their rates (depending on the age of the vehicle and the number of years it has been owned), as well as a 5% discount for auto insurance policies tied to a green auto loan (for vehicles emitting less than 140g/CO_2). In addition, the excess will be waived for vehicles that emit less than 106g/CO_2.

In property & casualty insurance, products in the personal and small business ranges take into account climate constraints through insurance cover protecting policyholders and their property from storms, natural disasters, or climatic events such as hail and frost. Crédit Agricole Assurances also offers forest insurance to manage forest risks: fire, storms, natural disasters and civil liability.

Crédit Agricole Assurances introduced insurance cover for renewable energy facilities (solar panels, wind turbines) as part of its comprehensive home insurance policies and without any increase in premiums. In addition to this programme, customers taking out an Eco-PTZ loan are offered comprehensive home insurance with a 25% reduction in the first year.

Lastly, Crédit Agricole offers SRI products within its multi-investment life insurance policies.

Investment

Incorporating environmental, social and governance (ESG) criteria

INTO ASSET MANAGEMENT

Amundi, the Group's asset management company, is dedicated to the belief that an asset manager's responsibilities go beyond merely financial aspects. Aware of the growing importance of ESG factors, Amundi has chosen to take them into account at various stages in its analysis process and investment decisions. Amundi has thus equipped itself to apply its ESG policy to its asset management process by using a rating system backed by evidence to grade companies and States based on these extra-financial criteria. This rigorous system includes powerful tools to achieve these objectives. These efforts also involve paying special attention to the transparency and clarity of the information provided to customers.

The extra-financial rating process

Amundi's funds take ESG factors into account *via* a formal, traceable extra-financial rating process that can be seen in three areas:

- a normative exclusion policy that applies to asset management (see p. 40);
- SRI funds that systematically apply three criteria (see p. 72);
- "strong social benefits" funds.

In addition to its SRI funds, Amundi also manages funds with strong social benefits, making it possible to finance the real local economy through non-listed companies or associations: philanthropic, social business and development aid funds.

Amundi focuses on five main areas to promote employment opportunities that encourage social inclusion: education and training, housing, health, responsible use of agricultural lands and international solidarity.

The SRI and "strong social benefits" funds are marketed in France and abroad to individual customers, institutional investors, foundations and companies. These products are offered through Amundi's network partners: Regional Banks, LCL, Société Générale and Crédit du Nord. Amundi also develops dedicated solutions and mandates for institutional and corporate clients.

Steps taken

- 14 ESG analysts. These analysts meet with companies, define the voting policy at the Amundi Group's General Meetings, vote at General Meetings, engage in dialogue with companies and implement research protocols to study the impact of ESG criteria on fund performance.
- Eight external service providers specializing in extra-financial data.
- Almost 3,000 rated issuers.
- A proprietary tool (SRI) that interfaces with management tools so that all Amundi managers have access to the companies' financial and extra-financial ratings.
- An SRI unit with a staff of about 20 employees.

Transparent, clear information provided to customers

In accordance with the requirements of the French Management Association (AFG), for its public SRI funds Amundi complies with the Code of Transparency developed by AFG and the Responsible Investment Forum (RIF). Funds that have subscribed to this Code are required to provide information that would be easily understandable for a wide audience. The Code aims to clarify the investment philosophy, the ESG analysis process and the investment policy of the fund.

For its public funds, Amundi also publishes an "ESG footprint report" that compares the average extra-financial rating of the portfolio to its benchmark index. This document breaks down the portfolio by extra-financial rating and shows that SRI portfolios are not invested in securities with the poorest ratings. It also publishes an exhaustive list of all holdings in the portfolio.

Since 1 July 2012, Amundi has complied with Article 224 of Granule Law 2, which established France's first regulatory framework to govern ESG for management companies. Amundi details the ways it integrates ESG criteria into its corresponding investment policy on its website.

INTO INSURANCE

A strategy was developed in 2012 to apply extra-financial criteria to the investments of Crédit Agricole Assurances. The results of this strategy are seen in:

- the exclusion of issuers with poor sustainable development practices (following Amundi's methodology);
- a thematic investment policy (buildings that have been awarded certain environmental labels, for example).

At end-2012, around €30 billion in assets met the extra-financial criteria, representing 14% of the total assets in euros.

The total area of the buildings qualifying for at least one environmental label represents around 11,200 m2 or some 20% of the area of all buildings.

Investing responsibly

Amundi promotes SRI through a variety of approaches including sectoral exclusion, selection by theme and "best in class", which is the most widely used. This method involves selecting the best performers in each sector, *i.e.* those who best manage the risks and opportunities related to sustainable development objectives in their particular industry, without exclusions.

PUTTING THE STRINGENT PRINCIPLES OF SRI INTO PRACTICE

- On a scale of A through G, A being the best and G being the weakest, the lowest-graded issuers in their sector—that is, those rated E, F and G—are excluded from SRI portfolios. This rules out issuers with questionable ESG practices, so as to avoid both financial and reputational risk for the investor.
- A portfolio's ESG grade must be, at the very least, equal to or greater than a C.
- An SRI portfolio's average ESG grade must be equal to or greater than the grade of its benchmark market or index. This means that issuers with the best sustainable development record, as compared to their competitors, are selected.

STRONGER GOVERNANCE

In addition to controls for insuring that ESG criteria are included in SRI portfolios, Amundi established and coordinates three different Committees:

- the Grading Committee Chaired by Amundi's Director of Management and Control, this Committee meets on a monthly basis to certify the ESG gradings and specifies those issuers who might be automatically excluded from Amundi's portfolios;
- the Advisory Committee. Made up, in large part, by outside experts, this Committee's mission is to monitor trends in societal issues and emerging topics. The work of this Committee should allow Amundi to gain a better understanding of its points of policy and to anticipate potential controversies;
- the Steering Committee. Chaired by Amundi's Chief Executive Officer, the Committee monitors the progress of the SRI project for certain investment processes and approves any changes to SRI management standards, if necessary.

EMPLOYEE SAVINGS

In 2012, Amundi reaffirmed its status as number one in the SRI range accredited by the *Comité Intersyndical de l'Epargne Salariale* (CIES) with a 55% [(1)] market share. Its six SRI ranges, listed below, have been certified by the CIES:

- the Amundi Label range since April 2002;
- three lines among the offerings of the Regional Banks, LCL and Société Générale, which are intended to raise the visibility of SRI and CIES with SMEs;
- two lines designed for corporates.

ASSETS SINCE 2010

The SRI assets managed by Amundi have increased sharply since 2010, allowing it to establish itself as an European leader in SRI management.

	Assets at 31/12		
(in billions of euros)	2012	2011	2010
Total assets	65.8	54.9	12.9
o/w:			
Institutional (open-ended funds and mandates)	47.3	38.3	4.7
Networks	11.4	10.6	4.2
Employee savings	7.1	6	4

In 2012 the SRI assets managed by Amundi represented almost 9% of its total assets.

(1) According to the data published on 30 June 2012 by the CIES.

Financing

As a major financial partner in the global economy, Crédit Agricole's corporate and investment banking activities, especially those of Crédit Agricole CIB, have significant regional, economic and social impacts, both positive and negative, proportionate to its business activities.

Limiting projects' social and environmental impact

Well aware that the environmental and social impacts resulting from its financing activities greatly exceed its direct environmental impact, Crédit Agricole CIB seeks to reduce environmental and social risks by applying due diligence based on the Equator Principles and by introducing CSR sector policies while boosting the positive impacts of its business through comprehensive sustainable banking.

THE EQUATOR PRINCIPLES

Crédit Agricole CIB belongs to the group of ten banks that launched the Equator Principles in June 2003. These principles are used to assess the risks associated with environmental and social impacts generated for projects valued at more than $10 million. In keeping with these principles, the bank follows a due diligence process and borrowers are required to carry out projects in accordance with the standards of the International Finance Corporation (IFC). These principles have become the market standard for project finance in the space of a few years. Today, their influence has spread to other methods of financing.

Project evaluation

Projects are classified based on the International Finance Corporation (IFC) classification, which has three levels:

- A corresponds to a project presenting potentially significant adverse social or environmental impacts that are non-uniform, irreversible or unprecedented;
- B corresponds to a project presenting limited adverse social or environmental impacts, generally to a single site, that are largely reversible and easily dealt with by mitigation measures;
- finally, C corresponds to projects presenting minimal or no adverse social or environmental impacts.

Crédit Agricole CIB classifies projects based on their social and environmental impacts using an evaluation tool developed by the bank in 2008. The relevance of the tool is continually reviewed based on experience.

Implementation of Equator Principles

At Crédit Agricole CIB, the Project Finance Group function has taken the initiative in implementing the Equator Principles. The assessment and management of environmental and social risks are carried out initially by business managers based on the classification obtained with a special focus on projects classified under category A. Business managers are assisted by a network of local correspondents within each regional project finance structuring centre in permanent cooperation with a coordination unit.

The Industry and Sector Research department (EIS), part of Crédit Agricole S.A., provides assistance and additional insights by offering its expertise in environmental and technical issues. This helps to refine risk analysis and identification in light of the business sector. The Coordination Unit, consisting of operational staff from the Project Finance business line, coordinates the practical aspects of implementing the Equator Principles. The unit coordinates the local correspondent network and organises specific training for those involved in the business.

The Ethics Committee for operations dealing with an Environmental or Social Risk (CERES) is consulted on all projects likely to be classified as A before they are referred to the Credit Committee. It also approves the classification of projects as A, B or C.

Statistics

A total of 335 projects had been classified at 31 December 2012, 36 of them in 2012:

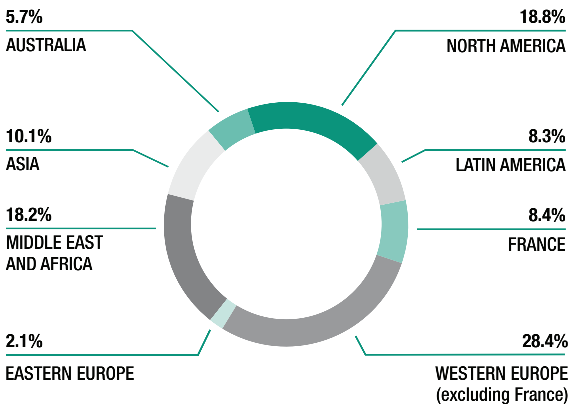
- 24 projects were classified A, 3 of them in 2012;
- 251 projects were classified B, 27 of them in 2012;
- 60 projects were classified C, 6 of them in 2012.

The breakdown by sector and region is as follows:

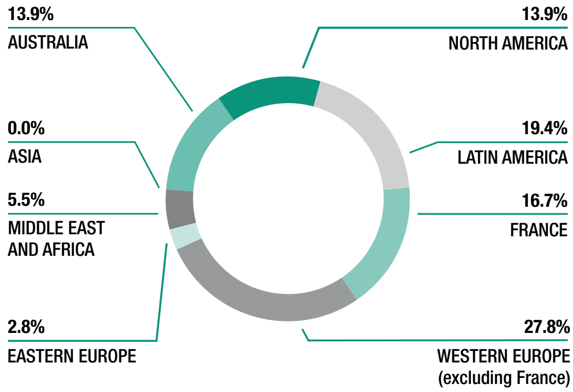
BREAKDOWN OF PROJECTS IN PORTFOLIO AT END-2012 BY RATING

BREAKDOWN OF PROJECTS IN PORTFOLIO AT END-2012 BY SECTOR

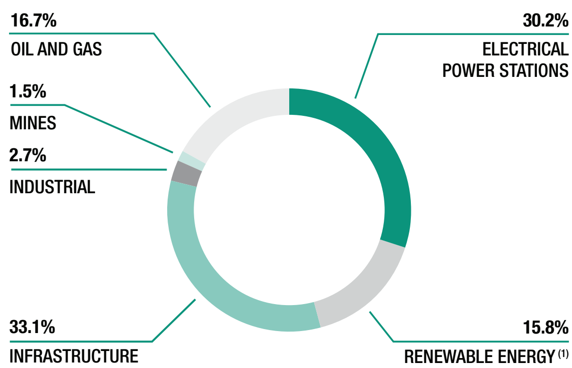
BREAKDOWN OF PROJECTS IN PORTFOLIO AT END-2012 BY REGION



BREAKDOWN OF PROJECTS RATED IN 2012 BY SECTOR

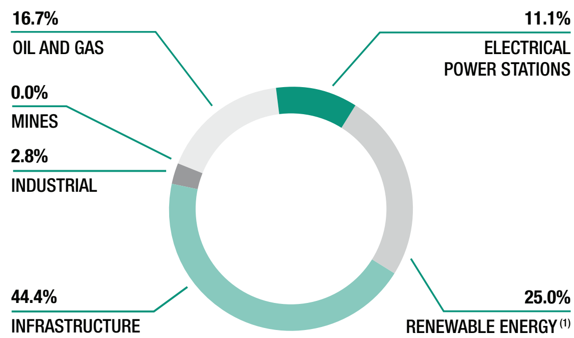


BREAKDOWN OF PROJECTS RATED IN 2012 BY RATING



(1) *Renewable energy = Wind, solar, biomass, hydro*

BREAKDOWN OF PROJECTS RATED IN 2012 BY REGION



(1) *Renewable energy = Wind, solar, biomass, hydro*

PROJECTS IN NON-HIGH INCOME OECD COUNTRIES

Extending the Equator Principles

The Equator Principles were developed to fit with the various constraints and possible actions in the process of project financing, as defined by the Basel Committee on Banking Supervision. Even though they cannot always be applied unchanged to other types of financing, they represent a useful methodological framework for factoring in, and preventing, social and environmental impacts whenever financing involves the construction of a specific industrial asset (factory, transport infrastructure, etc.).

Crédit Agricole CIB has been actively involved since the start in several working groups set up within the group of banks which have adopted Equator Principles. More specifically, Crédit Agricole CIB has helped to draw up Codes of good practice aimed at promoting the use of these principles for other types of financing than project finance. Crédit Agricole CIB applies these rules on a "best effort" basis. Since 2011 it has played an active role in the discussions held within the Equator Principles Association on expanding the scope of application of these principles as a member of the *ad hoc* working group.

CSR SECTOR POLICIES

Firmly focused on financing the real economy and supporting large-scale projects that boost local economies over the long term, Crédit Agricole CIB decided to include social and environmental criteria in its financing policies. Essentially, these criteria reflect the public issues that seem most relevant in the corporate and investment banking industry, especially as regards respect for human rights, the fight against climate change and preservation of biodiversity. Priority is given to major sectors in the bank's portfolio and/or sectors that are likely to have a significant impact on the environment, society or governance.

Policy on military and defence equipment funding

Crédit Agricole CIB applies the Crédit Agricole Group's sector policy on armaments. Under this policy companies producing or selling anti-personal mines or cluster bombs are prohibited from receiving loans. In terms of transactional financing for military and defence equipment, numerous requirements are also imposed on the nature of the transactions, the identity of the stakeholders and their approval by official bodies.

This policy is public and has been applied Group-wide since 2010.

Energy sector policy

The goal of Crédit Agricole CIB's CSR policy for the energy sector is to define general principles and rules of engagement for financing and investment in this sector, in line with the policy of Crédit Agricole S.A.. Crédit Agricole CIB has identified the best practices recognized by major international bodies and trade organizations and has formulated a series of evaluation and exclusion criteria based on this information. The principles and rules defined apply to all of Crédit Agricole CIB's financing and investment activities in relation to coal-fired power, nuclear power, hydro-electric dams, oil, gas and shale gas. These standards will be revised as its knowledge and understanding of these industries evolve. Published by Crédit Agricole CIB in December 2012, the energy policy is applied at Crédit Agricole Group level since February 2013.

ASSESSING THE ENVIRONMENTAL OR SOCIAL ASPECTS OF ITS OPERATIONS

In addition to sectoral policies, Crédit Agricole CIB has been assessing the environmental or social aspects of all of its operations since 2009. Accordingly, the Ethics Committee for Operations dealing with an Environmental or Social Risk (CERES) issues recommendations prior to the Credit Committee regarding all transactions whose environmental or social impact it feels need close monitoring.

LEADING THE INDUSTRY IN RESPONSIBLE FINANCE

Since 2009, Crédit Agricole CIB has had a special responsible finance team in place to help customers with projects that address social and environmental issues (financial advising, fund-raising). Managed as a separate business line, the Sustainable Banking team had a number of successes in 2012. For instance, it played a decisive role in developing the market for sustainability bonds, a market in which the bank was ranked number one in the world in 2012. Dealing in over a billion euros worth of sustainability bonds in 2012, the bank helped French regions such as Île-de-France, Provence-Alpes-Côte-d'Azur and Nord-Pas-de-Calais to issue sustainability bonds, thus broadening the horizons of a market that had, up to that point, been confined to supranational issuers. At the end of the year, Crédit Agricole CIB showed its innovative side when it arranged the first ever issue of socially responsible bonds by a major corporation: Air Liquide's SRI bond. This bond is intended to help grow the company's business activities related to home healthcare for the ill and was reviewed by extra-financial rating agency Vigeo. Today, Crédit Agricole is one of the few banking groups in the world with such expertise in its investment banking unit.

Financing renewable energy

Crédit Agricole S.A. also provides financing for environmentally-friendly investments, mainly through its French and international subsidiaries in areas such as project financing within its corporate and investment banking arm or its lease financing activity.

Financing renewable energy is an essential component of Crédit Agricole CIB's strategy, making it one of the leading sources of financing of this type of project. The bank has been involved in this sector since 1997 when it financed its first wind farms, and financed a solar energy project in Spain in 2008. The Project Finance business line has funded 266 wind farms representing some 11,100 megawatts (MW) of power and 30 solar power plants having almost 1,600 MW of installed capacity. In terms of number of loans, renewable energy represented 69% of electrical power station financing projects in 2012.

CAL&F, through its specialised subsidiary Unifergie, finances energy saving and environmental protection projects that contribute to sustainable development. CAL&F was one of the main players in sustainable development projects in France. The cumulative power financed by CAL&F at end-2012 exceeded 1,800 MW, enough electricity to supply 740,000 French homes.

2012 was marked by new offerings for the financing of biomass projects. These projects mainly pertain to on-farm methanation projects and industrial boilers. These offerings fall under the Group's expertise in the areas of energy/environmental conservation and agriculture/food-processing. They are also entirely in keeping with the objectives of the Grenelle environmental initiative in terms of energy recovery during waste treatment and disposal.

In 2012 CAL&F supported projects in the energy and environmental protection sectors, by financing €133 million of new renewable energy projects in France. Projects that have received financing include 13 photovoltaic projects with a combined power of 13 megawatt-peak (MWp) totalling nearly €24 million, 5 biomass-related projects representing 49.8 MW, and €31.7 million in joint investments with the Regional Banks.

For example, in 2012, CAL&F and Crédit Agricole's Île-de-France Regional Bank financed one of France's largest energy optimization programmes, the renovation of 660 preschools and primary schools in Paris to improve their thermal efficiency. Under the energy performance partnership agreement, payment will be spread out over time and rent will be adjusted based on the savings attained.

PRIORITY 4: ECOSYSTEMS

For a number of years, Crédit Agricole has supported environmental protection initiatives, especially as regards responsible agriculture and biodiversity protection.

Promoting responsible agriculture

The leading financial partner of French farmers, Crédit Agricole aims to support its customers from day one by financing their investments as well as securing their revenues, thanks to insurance and savings solutions.

A supporter of a strong French farming industry, on both an economic and environmental level, Crédit Agricole also helps farmers to invest in ways that would diversify their income through renewable energy production, such as wood biomass, photovoltaics and methanation (a technique that also allows them to make use of their livestock manure).

It is the bank for all forms of agriculture; it is a long-standing partner of the Forum for Sustainable, Environmentally-Friendly Agriculture (FARRE), Agence BIO and the French Agricultural Ministry's Sustainable Agriculture Awards. Moreover, it finances the sustainable agriculture projects of its customers each and every day. Several Regional Banks have instituted "organic offerings" designed to help farmers convert their farms and to meet their cash needs to invest in specialized equipment. A network of specialized advisers from major agricultural and food-processing industries has been gradually deployed throughout the Regional Banks beginning in early 2012. These experts are well equipped to help farmers and entrepreneurs within the industry ensure profitability and growth of their business.

For several years it has partnered with Agence BIO, the French agency for developing and promoting organic farming to sponsor a set of awards in this area. This competition has brought attention and interest to the innovative work of organisations and businesses in the production, processing and distribution of organic foods. The aim is to present the organic farming industry as an innovative and dynamic sector, while fostering an exchange of expertise. 2012 saw the second edition of these awards, which provided a chance to recognize four initiatives:

- in the producer category, an award was granted to a Nantes-based company that worked to develop a heat treating technique to better preserve organic fruit;
- in the processor/distributor category, an award was given to a group that boosted the small spelt industry of the Haute-Provence region through the creation of a new organic product;
- two special mention awards were also handed out by the jury in each category.

Protecting biodiversity

Within the business units

The challenge of protecting biodiversity is currently addressed within the corporate and investment banking unit through sectoral policies developed for the energy industry. These policies incorporate analysis and exclusion criteria for biodiversity protection. Special attention is given to areas valuable for their biodiversity. The bank does not support construction projects that would have significant negative impacts on highly susceptible protected areas, such as protected areas or wetlands of international importance covered by the Ramsar Convention.

In collaboration with associations

Crédit Agricole S.A. joined forces with WWF France from 2010 to 2012. As a result of this partnership, Crédit Agricole has supported three programmes run by the NGO:

- the fight against climate change and the development of a sustainable habitat;
- the protection of oceans and coasts;
- the preservation and protection of forests.

At the same time, Crédit Agricole S.A. has joined forces with WWF France to set up a number of projects to reduce the direct and indirect impact of the banking sector on the environment and to develop responsible banking products with the help of the WWF. Initiatives carried out thanks to this collaboration include the formalization and publication of a Group-wide responsible paper policy and the organisation of an employee competition to award those who demonstrate eco-friendly behaviours.

In 2012, Crédit Agricole S.A. collaborated with the French Bird Protection League (LPO) in order to have its largest site in the greater Paris region classified as an LPO refuge. The LPO gives a special designation to companies who engage in ecologically responsible practices that promote the development of wild flora and fauna. To be eligible for this distinction, chemical treatments must also not be used on natural spaces. The Saint-Quentin-en-Yvelines campus was audited by the LPO. Their experts identified 129 plant species and 29 bird species, two-thirds of which are protected species. The LPO certified the Saint-Quentin-en-Yvelines site as a refuge due to the diversity of species present at the site as well as the fact that its green spaces are maintained without the use of phytosanitary products.

Crédit Agricole Assurance decided to partner with bee-keepers and place hives on the rooftops of certain of its buildings in Paris and Vaison-la-Romaine. A total of 14 hives were installed.

Additionally the Livelihoods fund, financed jointly by Crédit Agricole and several other major corporations since 2011, provides for the restoration of deteriorating ecosystems. A number of projects aim to restore mangroves, for example in Senegal and in India, while others address reforestation and agroforestry, notably in India.

▶ PRIORITY 5: TRANSPORT

For carbon footprint assessments by the Group's entities, CO_2 emissions related to personal transport represents one of the largest sources of total estimated emissions (almost one-quarter, on average). The results of these carbon footprint assessments also show that greenhouse gas emissions are generated mainly by employees' business travel, with air travel being the largest source, followed in a distant second by the use of personal vehicles for business travel, and then by company vehicles.

The Group has developed a series of actions in this area to make transport more eco-friendly and to limit and reduce emissions due to business travel.

Minimizing business travel

In June 2012, a new Group-wide travel policy was adopted to encourage all possible alternatives to actual travel. Environmental project thus needs to be taken into consideration when deciding whether to take a business trip and when choosing what mode of transport to use:

- use of trains is preferred and is required for certain destinations;
- air travel is more closely regulated: this mode of transport is approved only for trips exceeding a certain number of travel hours, first class is prohibited, preference is given to direct flights.

A set of recommendations for company vehicles has also been developed, following the example of LCL, which applies environmental criteria when selecting its fleet of vehicles.

Various entities, such as Crédit Agricole CIB and Crédit Agricole Assurances, have gone beyond these different rules by adopting strict guidelines for the use of taxis, such as prohibiting the use of taxis during at certain times of day, over certain distances, etc.

In addition, to limit business travel, most entities are now equipped with audio- and video-conferencing systems.

As for commuting, most entities have established car-pooling systems using websites where employees can sign up. These sites may either be entity-specific or inter-company. Telework is another solution that may also help reduce the Group's commuting-related CO_2 emissions. This solution is currently being deployed or considered within certain entities.

PRIORITY 6: ENERGY

The Group works to reduce its environmental impact by minimizing its consumption and waste. A variety of actions is carried out to measure and conserve energy in an effort to reduce the Group's energy consumption by 5% per year for three years. This commitment was undertaken in 2011 and covers the 2012-2014 period.

Measuring its impact

Since 2007, energy and water consumption have been monitored within the Group's main entities in France. To support this initiative and obtain a precise picture of the Group's total CO_2 emissions, Crédit Agricole S.A., 6 subsidiaries and 34 Regional Banks have assessed their CO_2 emissions since 2009 through an analysis of their carbon footprint or an evaluation of their greenhouse gas emissions.

Reporting of environmental consumption

Crédit Agricole S.A. continues to broaden and deepen its reporting process in an effort to eventually incorporate all of its entities, both in France and abroad, into its environmental reports.

IMPROVED DATA COLLECTION

Crédit Agricole S.A. publishes its energy and water consumption since 2007 (regarding consumption in 2006). Consumption reporting published this year covered almost 1,500,000 m² corresponding to:

- Crédit Agricole Assurances premises in France;
- Crédit Agricole CIB premises in the Paris region;
- premises and branches of Crédit Agricole Consumer Finance in France;
- premises in the Paris region spread across four sites (Evergreen, La Défense, Montparnasse, Saint-Quentin-en Yvelines) occupied by the Group and its subsidiaries, managed by Crédit Agricole Immobilier;
- central buildings and LCL branches;
- the buildings of four entities in the Private Banking division: Crédit Agricole Indosuez Private banking, Crédit Agricole Luxembourg, Crédit Agricole Suisse and CFM Monaco.

The floor space used for buildings corresponds to the gross leasable area (GLA) indicated in the lease.

CONSOLIDATED INDICATORS

In 2012, the number of consolidated indicators was scaled down to focus on the entities' most commonly used energy sources. Data was collected concerning electricity, gas and water consumption.

All energy consumption is reported based on the bills issued by energy suppliers.

In addition, the electricity and water consumption of a number of IT centres in France was again published in 2012. The data has been isolated from the rest of the consumption figures, given the high consumption of these centres, and to avoid distorting energy ratios.

DESCRIPTION OF DATA COLLECTION

Energy and water consumption indicators are presented, for the first year, in the form of a table summarising consumption in 2012 for all entities covered.

The consolidated data cover a 12-month period, from 1 December 2011 to 30 November 2012. Only consumption billed directly to Group entities is shown in the tables below. Consumption included in rental charges is not stated separately at present. This non-recognised share of consumption is estimated using the coverage ratio.

ENERGY CONSUMPTION IN 2012 ✓

	Consumption (kWh)	Estimated coverage ratio (1)	Ratio (kWh/m²/year)	tonnes eq. CO_2/year
Electricity	237,191,460	90%	165	18,149

(1) The coverage ratio of areas is calculated for each indicator. These rates allow for the assessment of the proportion of unreported data (in particular, consumption recognised in rental charges).

Consumption and the coverage ratio data do not take into account the consumption of shared areas when the latter is included in charges, due to lack of information on this matter to date.

A survey of properties consuming gas is currently underway. The only available information to date is on invoiced gas consumption, which stands at 43,766,757 kWh ✓.

Observations on significant variations in energy consumption per m² compared to 2011

- Gas consumption per m² at Crédit Agricole Immobilier increased by 55% in 2012. In previous years one of the sites had benefited from the energy recovery system of its data centre. Recovery slowed as a result of a reduction of activity at the data centre. Moreover, after an incomplete year in terms of gas consumptions related to a move to the Evergreen site in Montrouge, this year's gas consumptions were reported over 12 months;
- Crédit Agricole Assurances now occupies a building that consumes gas and therefore reports on it at this year.

WATER CONSUMPTION IN 2012 ✓

	Consumption (m³)	Estimated coverage rate (1)
Water	372,562	37%

(1) The coverage ratio of areas is calculated for each indicator. These rates allow for the assessment of the proportion of unreported data (in particular, consumption recognised in rental charges).

The coverage ratio of this indicator is relatively low as LCL branches' water consumptions are not currently reported. Without it, the coverage ratio would be 77%.

Observations on significant variations in water consumption per m² compared to 2011

- A 33% rise in water consumptions per m² was seen in Crédit Agricole Immobilier, notably as a result of the additional rinsing of the air-cooling towers on one site;
- A 16% fall in water consumptions per m² was seen in Crédit Agricole Suisse, which was achieved after heat-pump usage at one of the sites returned to normal levels after a year of high consumption, and after the installation of water-saving devices in the taps at all Crédit Agricole Suisse sites;
- An abnormal variation led to the identification and correction of an error regarding Agricole Consumer Finance's 2011 reporting area.

ELECTRIC POWER AND WATER CONSUMPTION BY DATA CENTRES IN 2012 (1) (2) ✓

Energy ratio (in kWh/m²/year)	2011	3,110
	2012	4,205
	Change	*+35%*
Water ratio (in m³/m²/year)	2011	0.20
	2012	0.27
	Change	*+35%*

(1) The figures published in 2011 have been consolidated into a single Group figure (excluding Emporiki's, which have been deconsolidated).
Changes from 2011 to 2012 are applicable only to entities mentioned in 2012 reporting.

(2) Since the data centres of these entities are not separate from the office buildings, their consumption has been directly consolidated in the 2012 energy consumption table. This applies to Crédit Agricole Assurances, Crédit Agricole CIB, LCL and the Private Banking entities (excluding Crédit Agricole Suisse).

Observations on significant variations in consumption per m² compared to 2011

The increase in ratios is explained, notably, by the Crédit Agricole Suisse data centre being added to the scope, and by the Group's data centre in Chartres reaching full capacity in 2012.

Taking stock of CO_2 emissions

In the fight against climate change, Crédit Agricole S.A., six subsidiaries and 34 Regional Banks out of 39 have carried out an analysis of their carbon footprint or greenhouse gas emissions since 2009.

These evaluations covered at least scopes 1 [(1)] and 2 [(2)], but various entities also decided to evaluate their CO_2 emissions under scope 3 [(3)] as well.

In order to present consistent Group-wide figures, only scopes 1 and 2 were taken into account in this document.

		Energy-related emissions (tonnes eq. CO_2)	Number of employees	Number of m²
Carbon footprint assessments	Crédit Agricole S.A.	2,500	3,703	157,493
	4 Crédit Agricole S.A. subsidiaries	9,535	18,254	302,709
	17 Regional Banks	39,784	25,305	1,238,014
	TOTAL	**51,819**	**47,262**	**1,698,216**
Greenhouse gas emissions assessments	2 Crédit Agricole S.A. subsidiaries	28,268	21,553	975,000
	17 Regional Banks	43,994	26,621	922,730
	TOTAL	**72,262**	**48,174**	**1,897,730**
GROUP TOTAL		**124,081**	**95,436**	**3,595,946**

Understanding and reducing its environmental impact

By measuring its CO_2 emissions, the Group is able to define a variety of measures to manage and reduce its environmental impact, in conjunction with the fight against climate change.

Voluntary emission offsets

The Group has worked to offset energy-related CO_2 emissions for the past five years. To achieve this, Crédit Agricole has signed onto the clean development mechanism under the Kyoto protocol. Carbon offset programmes are selected for their quality in terms of the environment and human development. Almost 40,000 tonnes have been offset in this way since this initiative was launched.

In 2012, the offset programme entailed regeneration of a rainforest on the island of Borneo. The goal of this project is to restore and protect the fauna and flora in this forest region through the regeneration of 25,000 hectares of rainforest. More than 1,680 tonnes of CO_2 will be offset this year through the purchase of carbon credits raised by the Borneo project.

In addition, Crédit Agricole is a shareholder of the Livelihoods fund, an investment fund that aims to improve the living conditions of rural populations in developing countries through carbon finance. The financial stability of these projects, which have a strong economic and social impact on local communities, stems from the valuation of the carbon credits that are generated. Launched in December 2011 by Crédit Agricole S.A. with Danone, CDC Climat and Schneider Electric, the Livelihoods fund, today brings together La Poste, Hermès, Voyageurs du monde and SAP. The fund finances agroforestry, rural energy and ecosystem restoration projects. It currently stands at €29.3 million, with six active projects in its portfolio: two in India, one in Indonesia, one in the Democratic Republic of the Congo, one in Senegal and one in Kenya. Ultimately, Crédit Agricole S.A. plans to use the carbon credits generated by Livelihoods to offset its direct carbon footprint.

CFM Monaco has also been offsetting its transport-related CO_2 emissions since 2009. In 2012, over 760 tonnes were offset through an anti-deforestation programme in the Kasigau Corridor in Kenya, a project that was also chosen by Crédit Agricole S.A. to offset its energy-related emissions in 2011. This year, CFM Monaco won a prize from Monaco's Junior Chamber of Commerce for most influential sustainable development campaign in 2011-2012 for its carbon offset operations.

Sustainable building

The Crédit Agricole Group's property specialist, Crédit Agricole Immobilier, operates in four major businesses: property development, property management, facility management and property investment consulting. Crédit Agricole Immobilier considers sustainable development key to its activities, with a global strategy that is applied in each of its business units. Specific actions are thus tailored to the different activities:

- for property development (housing, offices and public facilities):
  - construction of certified buildings that comply with, and in many cases exceed, current regulations,
  - bioclimatic building design,
  - use of renewable energy,
  - reuse of certain types of waste water,
  - consideration of health factors (quality of the materials, air quality, etc.);

(1) Total direct emissions (caused by the burning of fossil fuels (oil, gas, coal, peat, etc.) from resources owned or controlled by the company).

(2) Total indirect emissions resulting from the purchase or production of electricity.

(3) Total of all other indirect emissions (from the logistics chain, including the transport of goods and people).

- for property management (housing and offices):
  - implementation of a “green lease” that sets out environmental obligations and objectives (*e.g.* the Herbert et Smith law firm, Lefebvre Pelletier),
  - environmental audits of its customers’ assets to assess buildings according to their energy performance,
  - inclusion of environmental clauses in the service and maintenance agreements for its buildings,
  - monitoring of the energy use of buildings, implementation of selective sorting, etc;
- for property investment consulting:
  - acquisition of properties that meet high environmental standards, *e.g.* HQE (High Environmental Quality) for environmentally-friendly construction and/or operating characteristics, Leed Gold, etc.).

Facility management pertains to operating premises activities and management of services for occupants. These actions allow Crédit Agricole Immobilier to ensure that the buildings under its charge are managed efficiently.

Efficient management of the Group’s premises

Crédit Agricole Immobilier operates the Group’s sites in the Paris region, which represented a total floor space of 577,000 m² at end-2012. Having adopted an environmental policy in 2006, Crédit Agricole Immobilier has continued to build on its achievements in this area, with:

- ISO 14001 certified processes for operating premises (since 2007);
- real-time tracking of buildings’ energy consumption.

  Crédit Agricole Immobilier has developed a system, called the *Colibri tool*, to monitor the energy consumption (gas, heating oil, electricity, water) of the buildings it manages.

  An “environmental quality management” group, created in 2007 and consisting of the technical managers of each site within the Paris region, meets monthly to track energy usage and take the necessary steps to meet the reduction objectives that have been set;
- making buildings more energy-efficient.

  When buildings undergo extensive refurbishing or major changes, Crédit Agricole Immobilier conducts comparative studies to devise the most environmentally-friendly solutions with the least Group impact on the environment. When looking for new buildings or new premises, Crédit Agricole Immobilier gives priority to HQE-certified projects or projects carrying the BBC label (Low Energy Consumption Building).

  On a day-to-day basis, its commitment to the environment is seen in its waste sorting processes, its monitoring of waste disposal, the methanation of food waste in cooperation with its food service provider, its collaboration with the sheltered sector and its exclusive use of environmentally-friendly, certified products for maintenance of its green spaces.

In addition, the Group also uses green electricity for a number of its buildings. 25% of the electricity purchased by Crédit Agricole S.A. and 17% of the electricity used in Crédit Agricole CIB’s buildings in the Paris region comes from renewable sources.

PRIORITY 7: RESOURCES

The Group works to reduce its direct environmental impact through its paper consumption habits, waste recovery and recycling programmes.

Paper

Crédit Agricole follows a responsible paper policy, overseen by the Sustainable Development department of Crédit Agricole S.A. and by the Group’s Purchasing department. The goal of this policy is to reduce paper consumption, to make responsible purchases and to recycle office paper. In addition to these goals, indicators are defined and published to measure and monitor paper use. This year, the Group used these indicators to draw up a structured, consistent reporting system covering the 13 Group entities involved in this campaign.

The Group’s “Grenelle Paper” policy

The Group’s responsible paper effort involves a series of distinct requirements and objectives:

- to promote the responsible use of paper by prioritising 100% certified recycled paper and easing the pressure on forests => 100% responsible paper by end-2014;
- to increase the rate of paper recycling by organising the collection of our paper waste effectively => 100% of used internal paper to be collected and recycled by end-2014.

Numerous actions are in place within the Group's entities to achieve the goals that have been set:

- office paper: default printer settings of black and white and double-sided, reduced weight of ream paper, use of ream paper from sustainably managed forests, etc.;
- editorial paper: increased number of printed customer statements on certified paper and mailings in envelopes of recycled and/or certified paper, e-statements, etc.;
- all communication materials: printed on recycled or certified paper, paperless communications for certain documents.

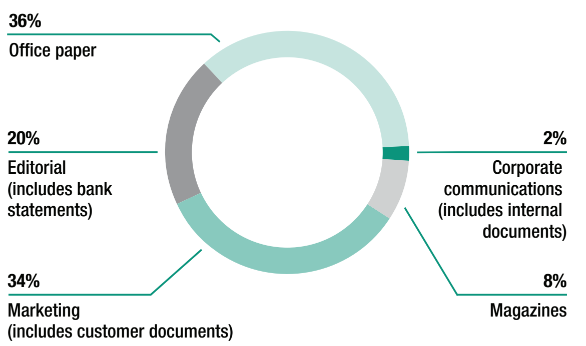
Consumption in 2012

For the first time since the paper policy was implemented, Crédit Agricole S.A. decided to boost this policy by having the 2012 paper consumption data audited, and the processes and tools made available to the entities.

A total of 13 entities (Crédit Agricole Assurances, Crédit Agricole CIB, CACEIS, Crédit Agricole Immobilier, Crédit Agricole Indosuez Private Banking, CAL&F, Crédit Agricole Luxembourg, Crédit Agricole Suisse, CFM Monaco, LCL, SILCA, UES Crédit Agricole S.A. and Uni-Éditions) and almost 35,000 employees are covered by this initiative. It also includes paper consumption related to communications with French retail banking customers (excluding Regional Banks).

Total consumption ✓ *(in tonnes)*	9,939
Certified recycled paper *(as a %)* ✓	66

BREAKDOWN OF PAPER CONSUMPTION ✓



Waste

Crédit Agricole S.A. launched an initiative to increase the reliability of waste reports at Crédit Agricole Assurances, Crédit Agricole CIB, Crédit Agricole Consumer Finance, Crédit Agricole Immobilier, Crédit Agricole Indosuez Private banking, Crédit Agricole Luxembourg, Crédit Agricole Suisse, CFM Monaco and LCL (central premises). The waste categories in question include waste electrical and electronic equipment (WEEE), construction waste and office waste.

Furthermore, in order to meet one of the recycling objectives under the paper policy, selective waste sorting, is being deployed in various entities. For example, Crédit Agricole S.A. hired a company in the sheltered sector (helping to create jobs for people with a disability) to handle the collection, transport, sorting and recycling of paper for its new registered office.

The graphics department of Crédit Agricole S.A. provides all Group entities with graphic design and printing services. In 2012 these print shops were awarded the *Imprim'Vert* certification, a guarantee of green printing processes such as careful disposal of hazardous waste and careful water and energy consumption. This distinction, recognized by the French Environment and Energy Management Agency (Ademe) and the French Water Agency, recognizes the efforts made at all levels in the printing chain. In guarantees proper management of hazardous waste, non-use of toxic products and secure storage of hazardous liquids to prevent accidents and pollution risks.

Recycling of computer equipment

Recycling programs have been in place for several years within the Group's entities, for paper as well as other types of resources/waste, such as batteries, ink cartridges, etc. Since 2007, obsolete IT equipment has also been recycled through a partnership with SILCA (the Group's IT economic interest group) and the French association "Emmaüs".

This activity entails:

- erasing hard disk contents by internal staff using a software application approved by the Group's Security division;
- assessing the working condition of equipment, which is then sent for sorting at workshops belonging to the French association Emmaüs.

Equipment in working order is reused by Emmaüs for charity purposes, while equipment that is no longer serviceable is destroyed in an environmentally-friendly manner. This is in line with the Group's commitment to social issues, as it makes optimum use of Crédit Agricole S.A. site near Tours and safeguards the jobs of Group employees in the region.

Since 2010, SILCA has also demagnetised all disks prior to their destruction by Emmaüs.

After crossing the 10,000 computer threshold in 2010, the trend continues to rise. In 2012, SILCA processed 2,885 screens, 4,861 desktop computers and 538 laptops.

The entities within Crédit Agricole Assurances (Predica, CACI, Caagis) joined in this effort by signing a partnership with SILCA to recycle their office computer equipment (PCs, mobile phones, etc.).

Other entities have followed the example of Crédit Agricole CIB, which signed an agreement with a company in the sheltered sector, APR2, for the dismantling and recycling of all obsolete computer equipment.

Collections are also held from time to time to recycle old household appliances and electronics at Crédit Agricole CIB, CAL&F and Crédit Agricole S.A. to encourage employees to bring in their old equipment for recycling.

CAL&F has carried out various recycling campaigns for used mobile phones. The money collected by these operations has been given to an association of Crédit Agricole employees which has been fighting against rare diseases for ten years.

Cross-reference table

Decree no. 202–557 of 24 April 2012 on transparency requirements of companies with regard to social and environmental matters – Article 225-105-1.

Indicators	Where to find them?
1) Social indicators	
a) Jobs	
• Total employees, broken down by gender, age and region	pages 44 - 45
• Hirings and lay-offs	pages 50, 56
• Compensation and its change	pages 60 - 62
b) Work organisation	
• Organisation of working hours	pages 45, 49
• Absenteeism	page 57
c) Labour relations	
• Dialogue between management and employees, namely employee notification, consultation and negotiation procedures	pages 59 - 60
• Overview of collective agreements	page 59
d) Health and safety	
• Workplace health and safety conditions	pages 57 - 58
• Agreements signed with labour unions or employee representatives with regard to workplace health and safety	pages 57 - 58, 59
• Workplace accidents, namely their frequency and severity, as well as occupational diseases	page 57
e) Training	
• Training policies	pages 47 - 49
• Total number of training hours	page 49
f) Equality	
• Measures taken to promote gender equality	pages 51 - 52
• Measures taken to promote equal employment opportunities for and integration of people with disabilities	pages 53 - 54
• Anti-discrimination policy	pages 50 - 54
g) Promotion and adherence to the terms of the conventions of the International Labour Organisation with regard to:	
• Respect for freedom of association and the right to collective bargaining	pages 34, 40, 75
• Elimination of discrimination in employment and occupation	pages 34, 40, 75
• Elimination of forced or compulsory labour	pages 34, 40, 75
• Effective abolition of child labour	pages 34, 40, 75
2) Environmental indicators	
a) General environmental policy	
• Organisation of the company to take environmental issues into account and, where applicable, environmental assessment and certification procedures	pages 34, 81
• Employee training and education with regard to environmental protection	pages 67 - 68
• Resources allocated to prevent environmental risks and pollution	Quantitative data not reported for the Group, but actions taken to limit direct (buildings) and indirect impacts by the business lines
• Amount of provisions and guarantees for environment-related risks, except where this information is likely to cause serious prejudice to the Company in a current dispute or lawsuit	No provisions

Indicators	Where to find them?
b) Pollution and waste management	
● Measures to prevent, reduce or remedy discharges into the air, water and soil that seriously affect the environment	Irrelevant to our business (1)
● Measures to prevent, recycle and dispose of waste	pages 82 - 83
● Measures to prevent noise pollution and any other form of pollution caused by the business activities	Irrelevant to our business (1)
c) Sustainable use of resources	
● Water consumption and supply with respect to local constraints	page 79
● Raw materials consumption and measures taken to promote efficient use of raw materials	pages 81 - 82
● Energy consumption, measures taken to improve energy efficiency and use of renewable energy	pages 78 - 81
● Land use	Irrelevant to our business (1)
d) Climate change	
● Greenhouse gas emissions	page 80
● Adaptation to the consequences of climate change	pages 67, 70 - 71, 76, 77, 80
e) Biodiversity protection	
● Measures taken to preserve or promote biodiversity	page 77
3) Indicators relative to societal commitments in favour of sustainable development	
a) Regional, economic and social impact of the Company's activities	
● With regard to employment and regional development	pages 64 - 65
● On neighbouring and local populations	pages 64 - 65
b) Relations with individuals or organisations that have a stake in the Company's activities, namely job placement associations, educational institutions, environmental associations, consumer associations and neighbouring populations	
● Conditions for dialogue with these individuals or organisations	pages 38, 40 - 41, 63 - 66, 68 - 69
● Corporate partnership or sponsorship actions	pages 50 - 51, 53, 63 - 66, 76 - 77, 82 - 83
c) Sub-contractors and suppliers	
● Application of social and environmental criteria in the procurement policy	pages 53, 68, 69 - 70
● Magnitude of sub-contracting operations and consideration of sub-contractors' and suppliers' social and environmental responsibility	pages 53, 68, 69 - 70
d) Fair business practices	
● Actions taken to prevent corruption	pages 35 - 36, 41
● Measures taken in favour of consumer health and safety	pages 36 - 39
e) Other actions taken in favour of Human rights	pages 34, 40, 71, 73 - 75

(1) However, this information has been taken into account in our financing activities, namely through the application of the Equator Principles.

Statutory auditor's attestation and assurance report on Human Resources, environmental and societal information

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

Year ended December 31, 2012

To the Board of Crédit Agricole

Pursuant to your request and in our capacity as statutory auditor of Crédit Agricole S.A., we hereby report an attestation of disclosure of the consolidated Human Resources, environmental and societal information presented in the management report issued for the year ended December 31st, 2012 in accordance with the requirements of Article L. 225-102-1 of the French Commercial Code (*Code de commerce*).

Management's Responsibility

The Board is responsible for the preparation of the management report including the consolidated Human Resources, environmental and societal information (the "Information") in accordance with the requirements of Article R. 225-105-1 of the French Commercial Code (*Code de commerce*), presented as required by the entity's internal reporting standards (the "Guidelines") and available at the entity's premises.

Our Independence and Quality Control

Our independence is defined by regulatory requirements, the Code of Ethics of our profession (*Code de déontologie*) and Article L. 822-11 of the French Commercial Code (*Code de commerce*). In addition, we maintain a comprehensive system of quality control including documented policies and procedures to ensure compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Statutory Auditor's responsibility

It is our role, on the basis of our work:

- To attest whether the required Information is presented in the management report or, if not presented, whether an appropriate explanation is given in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (Code de commerce) and Decree No. 2012 557 dated April 24, 2012 (Attestation of disclosure);
- To provide:
  - limited assurance on whether the required Information is presented, in all material respects, in accordance with the Guidelines;
  - reasonable assurance on the fact that a selection of human resources data and the "FReD index" are presented, in all material respects, in accordance with the Guidelines.

We called upon our Corporate Social Responsibility experts to assist us in the performance of our work.

1. Attestation of disclosure

Our engagement was performed in accordance with professional standards applicable in France:

- We compared the Information presented in the management report with the list as provided for in Article R. 225-105-1 of the French Commercial Code (*Code de commerce*);
- We verified that the Information covers the consolidated perimeter, namely the entity and its subsidiaries within the meaning of Article L. 233-1 and the controlled entities within the meaning of Article L. 233-3 of the French Commercial Code (*Code de commerce*), with the restrictions detailed in the comments section of each indicator in the text;
- In the event of the omission of certain consolidated Information, we verified that an appropriate explanation was given in accordance with Decree no. 2012-557 dated April 24, 2012.

On the basis of our work, we attest that the required Information is presented in the management report.

2. Assurance report

Nature and scope of the work

We conducted our engagement in accordance with ISAE 3000 (International Standard on Assurance Engagements) and French professional guidance.

We performed the following procedures to obtain:

- Limited assurance that nothing has come to our attention that causes us to believe that the Information is not fairly presented, in all material respects, in accordance with the Guidelines;
- Reasonable assurance on the fact that a selection of human resources data and the “FReD index” are presented, in all material respects, in accordance with the Guidelines.

Regarding the selected quantitative indicators, our work consisted in the following:

- We assessed the appropriateness of the Guidelines as regards their relevance, completeness, neutrality, clarity and reliability, taking into consideration, where applicable, the good practices in the sector.
- We verified that the Group had set up a process for the collection, compilation, processing and control of the indicators to ensure its completeness and consistency. We examined the internal control and risk management procedures relating to the preparation of the indicators. We conducted interviews with those responsible for human resources and environmental data reporting, and with those responsible for the FReD index.
- We selected consolidated information to be tested and determined the nature and scope of the required tests by evaluating their overall importance with regard to the Human Resources and environmental consequences linked to the Group's activities and its societal initiatives.

  This information includes:

  - Environmental information:
    - Electric power consumption by buildings,
    - Electric power consumption by data centres,
    - Natural gas consumption,
    - CO_2 emissions,
    - Water consumption,
    - Water consumption by data centres,
    - Total paper consumption,
    - Certified recycled paper consumption;
  - Human Resources information:
    - Headcount by type of contract (full-time equivalent),
    - Headcount by business line,

- Employees in France by gender and status,
- Proportion of women in headcount, in recruits, among the top 10% of highest-earning employees in each subsidiary (fixed compensation),
- Proportion of part-time employees,
- Age structure,
- Indefinite-term contract employees by age,
- Indefinite-term contract employees by seniority,
- Projected number of employees turning 60 and 65 in the next ten years in France,
- Departures of indefinite-term contract employees by reason,
- Absenteeism in France in calendar days,
- Internships and work-study training placements in France (monthly average FTE),
- Recruitments by region and business line,
- Internal mobility,
- Promotions in France,
- Collective variable compensation paid during the year on the basis of the previous year's results in France,
- Average monthly salaries of working indefinite-term contract employees in France (gross basic salary),
- Annual fixed salary scale in France,
- Number of agreements signed during the year in France by subject;

- "FReD index" (index measuring the Group's sustainable development performance).

The selected data are identified by the (✓) mark in the "Economic, social and environmental information" chapter of the Management Report

- Regarding the consolidated quantitative data that we considered to be the most important:
  - At the level of the consolidating entity and the controlled entities, we implemented analytical procedures and, based on sampling, verified the calculations and the consolidation of this information.
  - At the level of the sites that we selected[(1)] based on their business, their contribution to the consolidated indicators, their location and a risk analysis:
  - we conducted interviews to verify that the procedures were correctly applied and gathered information allowing us to verify certain data;
  - we performed tests of detail based on sampling, consisting in verifying the calculations made and reconciling the data with the supporting documents.

  The sample thus selected represents, depending on the verified indicators, an average of 62% of worldwide workforce and 82% of the workforce in France, and between 74% and 94% of the selected quantitative environmental indicators. The "FReD index" sample represents 75% of the action plans used to establish the index.
- Concerning the qualitative consolidated information, we conducted interviews and reviewed the related documentary sources in order to corroborate this information and assess its fairness.
- For the other consolidated information published in the report, we assessed their fairness and coherence based on our knowledge of the company, and, when deemed necessary, through interviews and review of documentary sources.
- Lastly, when certain pieces of information were not reported, we assessed the pertinence of the explanations provided.

(1) Environmental data for the following entities: Crédit Agricole Immobilier, Crédit Agricole Consumer Finance, Crédit Agricole Luxembourg, LCL.

Human Resources data were selected for the following entities: Pacifica, BGPI&GPI, Crédit Agricole Suisse, UES AMUNDI, CACEIS Luxembourg, Crédit Agricole CIB France, Crédit Agricole CIB USA, LCL, Cariparma, Crédit Agricole Egypt SAE, Crédit Agricole Ukraine, UES Crédit Agricole S.A., Agos – Ducato, Crédit Agricole Consumer Finance, Creditplus, FGA Capital.

The "FReD index" was reviewed for the following entities: Amundi, Crédit Agricole Assurances, CACEIS, Crédit Agricole Consumer Finance, Crédit Agricole CIB, Crédit Agricole Leasing & Factoring, Crédit Agricole Private Banking, Cariparma, Crédit Agricole S.A., LCL.

Conclusion

Based on our work described in this report:

- we did not identify any significant misstatements that would cause us to believe that the Information presented in the report is not fairly presented, in all material respects, in accordance with the Guidelines;
- the selected Human Resources information identified by (✓) as well as the FReD index are fairly presented, in all material respects, in accordance with the Guidelines.

Neuilly-sur-Seine, March 14, 2013

One of the Statutory Auditors

PricewaterhouseCoopers Audit

Catherine Pariset	Sylvain Lambert
	Partner responsible of the Corporate Social Responsibility Department

Corporate governance

3

Report of the Chairman of the Board of Directors

presented to the General Meeting of Shareholders of 23 May 2013 on the preparation and organisation of the Board's work and internal control procedures as required by the "French Financial Security Act" 2003-706 of 1 August 2003 as amended (French Commercial Code, Article L. 225-37; French Monetary and Financial Code, Article L. 621-18-3)

Financial year 2012

Dear shareholders,

In addition to the management report, I am pleased to present my report on the preparation and organisation of the Board's work and on Crédit Agricole S.A.'s internal control and risk management procedures, particularly as they apply to financial and accounting information.

For Crédit Agricole Group, the reporting duty of the Chairman of the Board of Directors as required by the French Financial Security Act includes Crédit Agricole S.A. and all the Regional Banks having issued cooperative investment certificates, as well the Group's main subsidiaries, whether or not they issue publicly traded financial instruments, or as required to comply with good internal control practice.

Consequently, Crédit Agricole S.A. has a uniform vision of the operation of the Group's decision-making bodies and additional information on these entities' internal control procedures, which supplements information gathered from internal reporting.

This report has been completed under my authority, primarily in coordination with the heads of Group General Inspection, of the Secretary of the Board of Directors, of Compliance, and of Group Risk Management and Permanent Controls, based on existing documentation on internal control and on risk management and oversight within the Group. This report was submitted to the Crédit Agricole S.A. Audit and Risks Committee on 13 February 2013 and was approved by the Board of Directors at its meeting of 19 February 2013.

PREPARATION AND ORGANISATION OF THE BOARD'S WORK

1. Board of Directors

General presentation

At its meeting of 13 November 2008, Crédit Agricole S.A.'s Board of Directors decided, pursuant to the Act of 3 July 2008, that the AFEP/MEDEF Code of Corporate Governance for Listed Companies is Crédit Agricole S.A.'s Code of Reference for writing the report stipulated in Article L. 225-37 of the French Commercial Code.

Crédit Agricole S.A.'s Board of Directors comprises 21 Directors, as follows:

- **18 Directors elected by the General Meeting of Shareholders:**
  - 10 Directors who are the Chairmen or Chief Executive Officers of Crédit Agricole's Regional Banks,
  - 1 Director that is a legal entity, SAS Rue La Boétie, represented by a Regional Bank Chairman who is also Chairman of SAS Rue La Boétie,
  - 6 Directors from outside Crédit Agricole Group,
  - 1 Director who is an employee of a Regional Bank;
- **one Director representing professional farming associations**, appointed by joint decree of the Ministry of Finance and the Ministry of Agriculture, pursuant to the Act of 18 January 1988 on the mutualisation of *Caisse Nationale de Crédit Agrico*le, which became Crédit Agricole S.A. on 29 November 2001;
- **two Directors elected by the employees of Crédit Agricole S.A. Group**.

The Board of Directors has also appointed two non-voting Directors, a Chairman and a Chief Executive Officer of a Crédit Agricole Regional Bank.

Crédit Agricole S.A. Directors, Chairmen or Chief Executive Officers of Crédit Agricole Regional Banks have the status of Directors of banking institutions.

Under the terms of the agreement entered into by the Regional Banks and Crédit Agricole S.A. at the time of the initial public offering, the Regional Banks, through SAS Rue La Boétie, own the majority of the share capital (56.25% at the end of 2012) and voting rights (56.42% at the same date) in Crédit Agricole S.A., making it immune to take over bids. The composition of the Board of Directors also ensures a majority representation of the Regional Banks. In addition, three seats on the Board are reserved for employees: two Directors elected by employees of the *Union Économique et Sociale Crédit Agricole S.A.,* and one Director representing employees of the Regional Banks, elected by the General Meeting of Shareholders. As a result, the proportion of independent Directors on the Board of Directors and Specialised Committees is below that recommended by the AFEP/MEDEF Code of Corporate Governance for Listed Companies. The percentage of independent Directors on the Board at the end of 2012 was 28.6%. If we also consider Directors elected by the General Meeting of Shareholders, that figure rises to 33% – in other words, the percentage recommended by the Code for companies controlled by a majority shareholder.

Three Directors have international experience, mainly at the European level. Ms Mondardini, who is Italian (Italy being Crédit Agricole's second domestic market), worked in the editorial and insurance fields in Spain and Italy; Ms Gri, through her work within large international groups (Director of marketing operations at IBM Europe, Middle East, Africa, then Chairwoman of IBM France and Chairwoman of ManpowerGroup France and Southern Europe); and Mr Talgorn, through his university research work on European institutions and policies, and his work as Chairman of the European Association of Co-operative Banks.

On the recommendation of the Appointments and Governance Committee, the Board has examined the situation of each Director with regard to the six criteria of independence defined in the AFEP/MEDEF Code of Corporate Governance for Listed Companies. An independent Director:

1. is not, and has not been an employee or Corporate Officer of the Company, employee or Director of the parent company or of a company which the Company consolidates, and has not been within the last five years;
2. is not a Corporate Officer of a company in which the Company, directly or indirectly, acts as a Director or in which an employee designated as such or a Corporate Officer of the Company (currently or in the last five years) is a Director;
3. is not a significant client, supplier, corporate banker or investment banker for the Company or its Group, or for which the Company or its Group account for a large proportion of its business;
4. has no close family tie with a Corporate Officer;
5. has not been an auditor of the Company in the last five years;
6. has not been a Director for more than 12 years.

The Board noted that the representatives of the Regional Banks sitting on the Board of Directors of Crédit Agricole S.A. (Chairmen or Chief Executive Officers) could not be deemed to be independent Directors on the basis of the above criteria, as the Crédit Agricole Regional Banks are equity-accounted by Crédit Agricole S.A. This also applies to the Director representing the Regional Bank employees and the two Directors representing Crédit Agricole S.A. Group employees on the Board.

With respect to the Regional Bank Chairmen who sit on the Crédit Agricole S.A. Board, the Board noted that they are not employees of the Regional Banks and that they legitimately hold this office by election, in accordance with the Regional Banks' cooperative status.

The Board determined that the outside Director who chairs the Audit and Risks Committee should be deemed to be an independent Director, even though he also sits on the Boards of LCL and

Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB), and is a non-voting Director on the Board of Amundi Group. This situation arose from Crédit Agricole S.A.'s decision to assign to the Chairman of its Audit and Risks Committee special responsibilities *vis-à-vis* the Audit and Risks Committees of the main subsidiaries (chair of the Audit and Risks Committee of LCL and the Audit and Risks Committee of Crédit Agricole CIB, and member of the Audit and Risks Committee of Amundi Group), in order to ensure continuity in his mission.

Overall, the Board concluded that the existing modus operandi enables the Board and its Committees to fulfil their duties with the required effectiveness, objectivity and independence, particularly with respect to preventing potential conflicts of interest and to the equitable consideration of all shareholders' interests. The following table illustrates the position of each Director with regard to the aforementioned six criteria (a cross means that the criterion has not been met):

Directors/AFEP/MEDEF criteria	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6
Jean-Marie Sander Chairman of the Board of Directors Chairman of the Caisse régionale d'Alsace Vosges	X					
Representative of SAS Rue La Boétie **Dominique Lefebvre** Deputy Chairman of the Board of Directors Chairman of the Caisse régionale Val de France Chairman of the FNCA and SAS Rue La Boétie	X					
Philippe Brassac Deputy Chairman of the Board of Directors Chief Executive Officer of the Caisse régionale Provence Côte d'Azur	X					
Caroline Catoire Chief Financial Officer of Saur Group						
Patrick Clavelou Chief Executive Officer of the Caisse régionale Brie-Picardie	X					
Jean-Louis Delorme Chairman of the Caisse régionale de Franche-Comté	X					
Laurence Dors Associate Director Anthenor Partners Corporate Director						
Véronique Flachaire Chief Executive Officer of the Caisse régionale du Languedoc	X					
Carole Giraud Representative of Regional Bank employees	X					
Françoise Gri Chief Executive Officer of Pierre & Vacances-Center Parcs						
Bernard Lepot Chief Executive Officer of Caisse régionale Nord Midi Pyrénées	X					
Monica Mondardini Deputy Director of "Gruppo Editoriale l'Espresso"						
Marc Pouzet Chairman of the Caisse régionale Alpes Provence	X					
Jean-Claude Rigaud Chairman of the Caisse régionale Pyrénées-Gascogne	X					
Jean-Louis Roveyaz Chairman of the Caisse régionale de l'Anjou et du Maine	X					
Christian Streiff Chairman of C.S. Conseils						
Christian Talgorn Chairman of the Caisse régionale du Morbihan	X					
François Véverka Banking and finance Consultant (Banquefinance Associés)						
Representative of the professional farming associations: **Xavier Beulin** Chairman of the FNSEA *(Fédération nationale des syndicats d'exploitants agricoles)*	X	X				
Representatives of the employees of the *Union Économique et Sociale Crédit Agricole S.A.*: **François Heyman** Research and communications officer for the Group Communications Department	X					
Christian Moueza IT site manager at SILCA	X					

Three of the four Specialised Committees of the Board are chaired by independent Directors: these are the Audit and Risks Committee, the Compensation Committee, the Appointments and Governance Committee, with the Compensation Committee made up mainly of independent Directors, in accordance with regulatory provisions.

The Chairman of the Board periodically meets with independent Directors.

The Board has appointed two non-voting Directors – a Chairman and a Chief Executive Officer of a Regional Bank – who attend its meetings in an advisory capacity. Non-voting Directors agree to abide by the Rules of Procedure, particularly the Directors' Code of Conduct contained in the Board's Rules of Procedure, and Director's obligations, which can be found in the "compliance" pack given to Directors of Crédit Agricole S.A.

In 2012, the Board welcomed four new Directors, elected by the General Meeting of Shareholders of 22 May 2012:

- Ms Françoise Gri, from outside the Group, to replace Mr Xavier Fontanet;
- Mr Marc Pouzet, Regional Bank Chairman, to replace Mr Gérard Cazals;
- Mr Jean-Claude Rigaud, Regional Bank Chairman, to replace Mr Michel Michaut;
- Mr Jean-Louis Roveyaz, Regional Bank Chairman, to replace Mr Noël Dupuy.

In addition, three individuals were re-elected to the Board by the General Meeting of Shareholders of 22 May 2012: Ms Carole Giraud, representing Regional Bank employees; Ms Monica Mondardini, independent Director; Mr Patrick Clavelou, Regional Bank Chief Executive Officer. The General Meeting of Shareholders also ratified the appointment of Mr Jean-Louis Delorme as Director, co-opted by the Board at its meeting of 22 February 2012.

Finally, the General Meeting of 22 May 2012 re-elected SAS Rue La Boétie as a legal Board member. SAS Rue La Boétie has nominated Mr Dominique Lefebvre, Chairman of SAS Rue La Boétie, and a Regional Bank Chairman, as its representative on the Crédit Agricole S.A. Board. The Board reappointed Mr Lefebvre as Deputy Chairman at its meeting on 22 May 2012, which followed the General Meeting of Shareholders.

During this meeting, the Board appointed Mr François Thibault, Regional Bank Chairman, as non-voting Director, replacing Mr Jean-Louis Delorme.

At 31 December 2012, six of the Directors on the Board were women, *i.e.* 28.6% of the members. Crédit Agricole S.A. is therefore in compliance with the above-mentioned Corporate Governance Code and with the provisions of the Act of 27 January 2011.

As a result of the Directors who were reappointed to the Board, the composition of the three Specialised Committees (Audit and Risks Committee, Strategy Committee, Appointments and Governance Committee) has changed.

The list of Directors appears in the section below entitled "Additional information on Corporate Officers".

The term of office of Crédit Agricole S.A. Directors as natural persons is fixed at three years by the Articles of Association. Directors may not serve for more than four consecutive terms.

The average age of Crédit Agricole S.A. Directors is 57.2. The Company's Articles of Association provide for a maximum age limit of 65, and 67 for the Chairman.

In accordance with the Group's practice of splitting the guidance, Decision-making and Control functions from the Executive functions, the offices of Chairman and Chief Executive Officer of Crédit Agricole S.A. have been separated.

The powers of the Chairman were formalised by the Board and he is registered, jointly with Crédit Agricole S.A.'s Chief Executive Officer, with the French Prudential Supervisory Authority (ACP), as the responsible senior corporate executive in accordance with Article L. 511-13 of the French Monetary and Financial Code.

In accordance with the AFEP/MEDEF recommendation, the Chief Executive Officer has no contract of employment with a Crédit Agricole S.A. Group entity.

The terms and conditions of shareholders' participation in the General Meeting of Shareholders are set out in Articles 21 to 29 of the Articles of Association, which may be consulted at Crédit Agricole S.A.'s registered office or on the Company's website: www.credit-agricole.com.

Role and operation of the Board

GENERAL INFORMATION

The Board of Directors' Rules of Procedure sets out the operating procedures of the Company's Board and Executive Management, while taking into account the separation of the offices of Chairman and Chief Executive Officer, as well as the Company's duties as a central body under the terms of the French Monetary and Financial Code. The Rules of Procedure contain five articles:

1. Organisation of the Board of Directors

This section describes:

- the role of the Chairman of the Board of Directors: "the Chairman guides and organises the Board's work. He calls meetings of the Board and sets the agenda for the meetings";
- the Officers of the Board are the Chairman and Deputy Chairmen. The Chief Executive Officer of Crédit Agricole S.A. takes part in the work of the Board. The Officers of the Board are responsible for "preparing the Board's work. They meet when called by the Chairman as needed". The Officers of the Board meet before each reporting date;
- the Specialised Committees of the Board, which defines the duties, composition and Rules of Procedure of such Committees. These are the Audit and Risks Committee, the Compensation Committee, the Strategy Committee and the Appointments and Governance Committee. The Board may appoint one or more non-voting Directors to take part in the Strategy Committee, the Compensation Committee or the Appointments and Governance Committee, under the same conditions as Directors.

2. Powers of the Board of Directors and Chief Executive Officer

- **Powers of the Board of Directors:** in addition to the powers granted by law, "the Board:
  - on the recommendation of the Chairman and Chief Executive Officer, determines the Group's strategic orientations;
  - approves strategic investment projects and any transaction, specifically any acquisition or disposal transaction that is likely to have a significant effect on the Group's earnings, the structure of its balance sheet or its risk profile;
  - defines the general principles applicable to Crédit Agricole Group's internal financial organisation;
  - decides or authorises the issue of Crédit Agricole S.A. bonds;
  - grants the Chief Executive Officer the necessary powers to implement the decisions set out above;
  - is kept regularly informed by Executive Management of the risk position of the Group and measures taken to control these risks in accordance with CRBF Regulation 97-02. In addition, in accordance with the same Regulation, it determines the various commitment and risk limits for Crédit Agricole S.A. Group and, where applicable, for Crédit Agricole Group;
  - determines the principles of the compensation policy within Crédit Agricole S.A. Group;
  - defines the criteria used to assess the independence of Directors."

Furthermore, the Board makes all decisions concerning the Crédit Agricole Regional Banks and falling within the scope of Crédit Agricole S.A.'s duties as central body assigned by the French Monetary and Financial Code.

- **Powers of the Chief Executive Officer:** the Chief Executive Officer has "the fullest powers to act in the name of the Company in all circumstances and to represent it with respect to third parties. He must, however, secure the Board of Directors' approval prior to the following transactions:
  - the creation, acquisition or disposal of any subsidiaries and equity investments in France or abroad for amounts exceeding €150 million;
  - any other investment of any nature for amounts exceeding €150 million.

If, due to the urgency of the situation, the Board cannot be called to deliberate on a transaction that exceeds this ceiling, the Chief Executive Officer will do all in his power to canvass all Directors or, at the very least, the Officers of the Board and the members of the relevant Specialised Committee prior to making any decision. Where this is not possible, the Chief Executive Officer may, with the Chairman's approval, make any decisions that are in the Company's interest in the areas set forth above (that is, in areas that are subject to a Board resolution as indicated in the section entitled "Powers of the Board of Directors" above). He reports such decisions to the Board at its next meeting".

3. Board operations

"The Board is convened by its Chairman, or any person authorised for that purpose by the Board of Directors, and meets as often as required by the Company's interests and at least six times each year. Should the Chairman be unable to attend, the Board is chaired by the oldest Deputy Chairman who is authorised to convene it. (…) Directors with an interest in matters deliberated by the Board shall abstain from voting on such matters. The Chief Executive Officer, the Secretary General, and any Deputy Chief Executive Officers participate in Board Meetings but do not have the right to vote. The Chief Executive Officer appoints representatives of Executive Management to participate in Board Meetings. The Board may appoint one or several non-voting Directors who participate in Board Meetings."

"The Chairman and the Chief Executive Officer are required to supply to each Director all documents or information needed for the Director to fulfil his duties. Prior to Board Meetings, a file on agenda items requiring particular scrutiny and prior information will be sent out provided that confidentiality guidelines allow the communication of such information." These documents are generally sent out four days prior to each Board Meeting.

"All Board members receive all relevant information on the Company, in particular the press releases issued by the Company. (…) In the course of their work, Board Committees may invite Group employees or experts in areas that fall within the field of competence of the committees."

"At the Chairman's discretion, the Board may hold its meeting by means of video conferencing or other means of telecommunication, provided that:

- at least five Directors are physically present at the location of the Board Meeting;
- the video conferencing or other means of telecommunication allow for the identification of the Directors and ensure their full participation. As a minimum, the means retained shall transmit participants' voices and meet the technical requirements to allow continuous and simultaneous transmission of the Board's deliberations.

Directors attending a meeting by means of video conferencing or other means of telecommunication are deemed present for the purpose of calculating the quorum and majority. This provision does not apply where the Board is meeting to prepare and close the separate and consolidated financial statements and management reports, and/or to nominate or dismiss the Chairman or the Chief Executive Officer."

4. Board Committees

The duties of the four committees created within the Board, which are described under the relevant section of the Board's Rules of Procedure, are set out in section 2 of this report entitled "Presentation of Committees".

5. Crédit Agricole S.A. Directors' Code of Conduct

The purpose of this Code of Conduct is to contribute to the quality of the Directors' work by encouraging them to apply the principles and best practices of corporate governance. Crédit Agricole S.A. Directors and non-voting Directors undertake to abide by the guidelines contained in the Code and to implement them. In 2012, the Directors' Code of Conduct was supplemented by a "compliance" pack outlining the rules they must follow as permanent insiders and regarding their position as Director of a listed company. This pack, circulated to existing Directors and non-voting Directors in February 2012, is also given to each new Director or non-voting Director.

The Code comprises 12 articles:

Article 1 – Corporate administration and interests

Directors, regardless of how they are appointed, must consider themselves as representing all shareholders and other stakeholders and must act in their interests and in the Company's interests under all circumstances.

Article 2 – Compliance with the law and Articles of Association

When Directors first assume their office and throughout their term of office, they must be fully conversant with their general and/or special rights and obligations. They must know and comply with the laws and regulations applicable to the Company and to their office, the applicable Codes of Governance and Best Practice, as well as the Company's own rules as set out in the Articles of Association and Rules of Procedure.

Article 3 – Diligence

Directors shall dedicate the necessary time, care and attention to their duties. Unless genuinely unable to do so, they must diligently attend all meetings of the Board and of any Committees on which they may sit.

Article 4 – Information

The Chairman ensures that all relevant information and documents are made available to the Directors in sufficient time to properly carry out their duties. Likewise, the Chairman of each Specialised Committee ensures that all relevant information and documents are made available to the Directors in sufficient time to properly carry out their duties.

Directors, regardless of their experience, have a responsibility to remain informed and acquire knowledge on an ongoing basis. They must keep themselves informed so as to be able to give full consideration to the matters covered in the Meeting agenda.

Article 5 – Performance of duties: guidelines

Directors must act independently, fairly, professionally and with integrity in the performance of their duties.

Article 6 – Independence and duty to speak out

Directors must ensure that they retain their independence and freedom of judgement, decision and action in all circumstances. They must be impartial and undertake not to be influenced by any factor that may be detrimental to the corporate interests that they are bound to defend. They should disclose to the Board any matter that may come to their attention and that they deem to be a potential threat to the Company's interests. They are duty-bound to clearly express their questions and opinions. In the event that they disagree, they should request that their objections be expressly recorded in the minutes of the Meeting.

Article 7 – Independence and conflict of interests

Directors shall inform the Board of any conflict of interest, including any potential conflict of interest, that they could be directly or indirectly involved in. They shall refrain from taking part in the debates and making decisions on the subjects concerned.

Article 8 – Honesty and integrity

Directors shall act in good faith in all circumstances and shall not do anything that could be detrimental to the interests of the Company or other Crédit Agricole Group companies. The Directors personally undertake to keep confidential all information received, all discussions in which they participate and all decisions made.

Article 9 – Inside information – Insider trading

Directors shall not use inside information to which they have access for their personal gain or for the gain of any other person.

Crédit Agricole S.A. shares and related financial instruments

Directors who have access to non-public information about the Company on whose Board they sit shall refrain from using such information to engage in trading in Crédit Agricole S.A. shares, whether directly or through a third party.

They shall follow the rules defined for Crédit Agricole Group employees who meet the definition of "Permanent Insiders" for purposes of trading in Crédit Agricole S.A. shares. These rules stipulate that "Permanent Insiders" may trade in Crédit Agricole S.A. shares within six weeks following the release of quarterly, half-year and annual results, providing that, during those periods, they do not have any information that the Company has not publicly disclosed.

Crédit Agricole S.A. may from time to time prohibit trading in any Crédit Agricole S.A. financial instrument, including during those periods.

Directors are required to disclose any trading in the Company's shares and related financial instruments, whether on their own account or by any related parties, in accordance with the applicable laws and regulations.

Persons who are required to file disclosures must send their disclosures to the Autorité des marchés financiers (AMF) by electronic means within five trading days after completion of the trades. Each disclosure is published on the AMF website.

At the General Meeting of Shareholders, the shareholders are informed of trading by Directors during the past financial year. This is presented in a summary statement in the Company's management report.

Financial instruments other than those issued by or related to Crédit Agricole S.A.

In addition, Directors are required to disclose to Crédit Agricole S.A. any trading in financial instruments other than those issued by or related to Crédit Agricole S.A., whether on their own account or for related parties, if they believe this will result in a potential conflict of interest or if they hold confidential information that can be deemed to be inside information acquired in the performance of their duties as Director of Crédit Agricole S.A. Crédit Agricole S.A. may from time to time prohibit trading in any financial instrument on which specific information that has not been publicly disclosed is revealed at a Crédit Agricole S.A. Board Meeting (such as a strategic transaction, acquisition, joint venture creation, etc.).

Moreover it is also recommended that Directors arrange for their securities portfolio to be managed under a discretionary management mandate or, more simply, only hold mutual funds in their portfolio. It is also recommended that such a discretionary management mandate should not include any instructions from Directors pertaining to financial instruments issued by or associated with Crédit Agricole S.A.

The Directors are kept informed of any change in the laws or regulations.

Article 10 – Professionalism and effectiveness

Each Director participates in shared administration and contributes to the effectiveness of the work of the Board and Board Committees. Each Director will make any recommendations they consider might improve Board procedures, in particular during periodic reviews of the Board. Each Director works with the other Board members to ensure that recommendations are implemented and oversight is performed effectively and without hindrance. Directors are in particular responsible for ensuring that the Company has instituted control systems for verifying compliance with the laws and regulations.

Article 11 – Application of the Code of Conduct

When Directors are no longer in a position to carry out their duties in accordance with the Code, either by their own doing or for any other reason, including reasons arising from the internal rules of the Company on whose Board they sit, they shall notify the Chairman of the Board of Directors thereof and strive to find a solution to remedy the situation. If no solution can be found, they should draw their own conclusions as to whether to remain in office.

Article 12 – Non-voting Director

The non-voting Director(s) designated by the Board pledge(s) to respect the guidelines included in this Code and to implement them.

Review of the Board of Directors' work during 2012

The Board was extremely active in 2012 (ten meetings, including three extraordinary meetings). The attendance rate remained high, averaging 96.6% (97% for regularly scheduled meetings and 95% for extraordinary meetings). This reflects the commitment of all Directors, as the following table shows.

Directors	Number of meetings taken into account	Attendance rate
Jean-Marie Sander	10	100%
Dominique Lefebvre	10	100%
Philippe Brassac	10	100%
Xavier Beulin	10	100%
Caroline Catoire	10	100%
Patrick Clavelou	10	100%
Jean-Louis Delorme	10	100%
Laurence Dors	9	90%
Véronique Flachaire	10	100%
Carole Giraud	10	100%
Françoise Gri (1)	6	86%
François Heyman (1)	6	100%
Bernard Lepot	10	100%
Monica Mondardini	9	90%
Christian Moueza (1)	5	83%
Marc Pouzet (1)	7	100%
Jean-Claude Rigaud (1)	7	100%
Jean-Louis Roveyaz (1)	7	100%
Christian Streiff	10	100%
Christian Talgorn	10	100%
François Véverka	10	100%

(1) Directors who joined the company during the year

Following the Board's decision in December 2011 to implement a plan enabling Crédit Agricole S.A. Group to adapt to its new economic, financial and regulatory environment, 2012 was largely spent following up on the actions undertaken in this respect at Group entities, in a difficult economic climate that showed no signs of easing. A special attention was paid to the withdrawal of Crédit Agricole S.A. from Greece (raised at eight of the ten Board meetings in 2012), with the sale of its subsidiary Emporiki ratified in October 2012 and finalised on 1 February 2013, and changes affecting the Group's risk exposure in Italy, owing to the economic crisis affecting the country. The implications of the crisis in terms of the value of previous investments made by Crédit Agricole S.A. have been carefully monitored at each reporting date. In parallel, the Board has frequently reviewed the position of Crédit Agricole Group and Crédit Agricole S.A. in terms of liquidity, capital and solvency under the prudential rules. The disposal of non-strategic investments, the sale of corporate and investment banking subsidiaries (in brokerage) and the restructuring of the business sectors of Crédit Agricole Group also accounted for much of the Board's activities in 2012. Finally, at its meeting in December 2012, the Board decided to initiate the launch, in 2013, of a medium-term plan for Crédit Agricole Group, which will follow along the same lines as the Crédit Agricole Group Project of December 2010.

Together these subjects required intensive upstream mobilisation of the Board's Specialised Committees, particularly the Audit and Risks Committee and the Strategy Committee.

In terms of governance, 2012 notably saw the expansion of the management team of Crédit Agricole S.A. At its meeting of 17 July 2012, the Board, acting on the recommendation of the Chief Executive Officer and on the advice of the Appointments and Governance Committee, appointed a new Deputy Chief Executive Officer. On the recommendation of the Compensation Committee, the Board approved the compensation package and terms of employment of the new Deputy Chief Executive Officer, as well as his severance package. This will be submitted for the approval of the General Meeting of Shareholders of 23 May 2013 regarding related-party agreements.

The guidelines adopted by the Board following the self-assessment of its activities in 2011, carried out with the help of an external firm, were implemented in 2012. These specifically concerned:

- an annual programme of work for the Board, the Audit and Risks Committee, and the Compensation Committee;
- a summary of key projects;
- improvements to the Board of feedback on the activities of the Specialised Committees;
- the integration of new Directors from outside the Group: the launch of an integration scheme involving meetings with senior managers from Crédit Agricole S.A.'s central divisions;
- additional time for the examination of draft versions of documents, particularly with regard to the financial statements.

In addition, the Board has examined the Corporate Social Responsibility Report for Crédit Agricole S.A. (CSR). Crédit Agricole S.A.'s track record in CSR is illustrated by the synthetic index "FReD" (Fides, Respect & Demeter), introduced on 1 January 2012 for Crédit Agricole S.A. and its main subsidiaries. The performance of this index will be measured each year for all entities involved in the process. Improvements introduced in 2012 mainly include gender equality and disability management. Major initiatives have also been undertaken to develop sustainable products and services tailored to different customers. The CSR strategy is implemented in conjunction with the Regional Banks and the *Fédération Nationale du Crédit Agricole*, in accordance with the guidelines of the Crédit Agricole Group Project of December 2010.

Issues reviewed by the Board in 2012

After analysis by the Audit and Risks Committee:

- the preparation of the annual financial statements and a review of the half-yearly and quarterly financial statements of Crédit Agricole S.A., Crédit Agricole S.A. Group, and Crédit Agricole Group. At each reporting date, the Board also heard from the Company's Statutory Auditors who, having presented the conclusions of their work to the Audit and Risks Committee, then presented them to the Board;
- the evolution of Crédit Agricole S.A. and Crédit Agricole Group's position in terms of shareholders' equity and solvency against a backdrop of tighter regulatory constraints;
- the development of the Group's position in terms of liquidity, in view of current or forthcoming regulatory requirements;
- the annual internal control report for 2011 and interim information (first half 2012) on internal control, as coordinated by Group Risk Management and Permanent Control department;
- letters sent to the Company by regulators and, where applicable, measures taken to respond to their observations;
- annual (at 31 December 2011), half-yearly and quarterly developments in terms of credit risk, market risk, and operational and security risks;
- the Group's risk exposure in Italy;
- the Financial Management Code of Crédit Agricole Group;
- the Group's system for managing financial risk;
- Crédit Agricole Group's results following European stress tests;
- Recovery & Resolution Plans, examined by the Board in November 2012 and approved at its meeting on 18 December 2012;
- in Compliance/Legal: a report on non-compliance risk within Crédit Agricole S.A. Group in 2011 (including mapping non-compliance risk); a summary assessment of the Compliance measures undertaken in Crédit Agricole Group; a report on the Group's litigation cases and official inquiries;

After analysis by the Strategy Committee and on its recommendation:

- the Group's plan for adjusting to the new environment;
- plans to reposition the Group's activities in different sectors, particularly corporate and investment banking, and plans to divest non-strategic investments;
- the launch of Crédit Agricole Group's medium-term plan.

After analysis by and proposals from the Compensation Committee (as outlined in paragraph 2 below):

- the fixed compensation and criteria for determining variable compensation (annual and long-term) of Corporate Officers (see paragraph 4 below), taking account of regulatory changes and the compensation policy of Crédit Agricole S.A. Group;
- the Company performance indicators included in the variable compensation scheme for executives in the Crédit Agricole S.A. Group;
- under Regulation 97-02, the report on the compensation for members of the executive body, as well as individuals whose professional activities have a significant impact on the Company's risk profile.

After review by the Appointments and Governance Committee:

- the appointment of a new Deputy Chief Executive Officer, on the recommendation of the Chief Executive Officer;
- adjustment of the composition of some Specialised Committees in line with changes occurring within the Board;
- at its meeting of 22 February 2013, the report on professional equality and equal pay within Crédit Agricole S.A. in 2012 and initiatives undertaken at Crédit Agricole S.A. Group level to promote professional equality and diversity.

Other issues reviewed by the Board included:

- the annual issue programme of Crédit Agricole S.A.;
- follow-up on the rationalisation of Crédit Agricole S.A. Group's real estate locations;
- the financial impact for Crédit Agricole S.A. and Crédit Agricole Group of the fiscal measures announced in 2012 by the French government.

"Related-party" agreements

In 2012 the Board gave prior authorisation for five new agreements, in accordance with the provisions of Article L. 225-38 of the French Commercial Code. These agreements, together with agreements concluded prior to 2012 and whose effects continued during the financial year, were disclosed to the Statutory Auditors in accordance with Article L. 225-40 of the French Commercial Code. The Statutory Auditors will present their special report to the General Meeting of Shareholders of Crédit Agricole S.A.

2. Presentation of Committees

Four committees have been set up within the Board of Directors. These are the Audit and Risks Committee, Compensation Committee, Strategy Committee, Appointments and Governance Committee.

Committee members are appointed by the Board, on the Chairman's recommendation. The Board may terminate the appointment of a Committee member at any time. A Committee member may resign from office at any time. All Committee members, and all other persons who attend Committee Meetings, are bound by professional secrecy.

In the course of their work, Board Committees may invite Crédit Agricole S.A. Group employees or experts in areas that fall within the field of competence of the committees.

Audit and Risks Committee

At 31 December 2012, the Audit and Risks Committee comprised six members:

- Mr François Véverka, Committee Chairman and independent Director;
- Ms Caroline Catoire, independent Director;
- Mr Patrick Clavelou, Crédit Agricole Regional Bank Chief Executive Officer;
- Ms Laurence Dors, independent Director;
- Ms Véronique Flachaire, Crédit Agricole Regional Bank Chief Executive Officer;
- Mr Christian Talgorn, Crédit Agricole Regional Bank Chairman.

There was a change to the Committee in 2012 following the appointment of Mr Talgorn, who replaces Noël Dupuy.

Members of the Audit and Risks Committee are selected because of their financial and/or accounting expertise, whether they are independent Directors, employees of Regional Banks, or Chairmen or Chief Executive Officers of other credit institutions. Mr Talgorn, as well as being Regional Bank Chairman, is also a Director at two of the Group's banking subsidiaries. He is also President of the European Association of Co-operative Banks (in this respect, he is kept up-to-date on regulatory changes affecting the banking sector at the European level) and Professor of Law at the University of Southern Brittany.

The Group Chief Financial Officer, the Head of Accounting and Consolidation, the Head of Group Risk Management and Permanent Controls, the Head of Group Control and Audit and the Head of Group Compliance attend meetings of the Audit and Risks Committee.

The operation and duties of the Committee are set out in Rules of Procedure approved by the Board of Directors. The Committee's main duties are to:

- review Crédit Agricole S.A.'s separate and consolidated financial statements;
- monitor the process of preparing accounting and financial information, ensure the quality and efficiency of the internal control and risk management systems, and assess the effectiveness of the accounting policies used to prepare the separate and consolidated financial statements, and the quality of internal control;
- evaluate and verify the effectiveness of procedures ensuring that the Group's business complies with laws and regulations in France and other countries;
- monitor the auditing of the separate and consolidated financial statements by the Statutory Auditors. The Committee monitors the Statutory Auditors' independence and makes its recommendation on their appointment by the General Meeting of Shareholders.

The Committee's work is set out in an annual schedule based on seven meetings. The Committee met nine times in 2012; two additional meetings were organised in view of the current situation of the Group. The attendance rate was 96% in average (95% for regularly scheduled meetings and 100% for extraordinary meetings).

Given the challenging economic environment, the Committee has devoted much of its time to monitoring risk developments. Specifically, it has closely monitored the situation regarding its subsidiaries in Italy (essentially Agos-Ducato) and Greece (Emporiki). As well as examining risk developments at each reporting date, the Committee has conducted a comprehensive risk review, adopting a two-pronged geographical and sector approach and highlighting areas of particular concern for the Group. Its remit was extended in 2012 to a review of the Group's information technology systems, including the various issues at stake and risks, taking into account the major projects launched both at Crédit Agricole S.A. Group level and throughout the Group as a whole. In addition, with the rise in legal risk, the Committee examined several litigation cases and official inquiries under way.

At each meeting, the Committee examined changes in the Group's position in terms of liquidity, capital and solvency, as well as the measures taken or envisaged in response to regulatory requirements. For the closing of the 2012 accounts, the Committee conducted a specific analysis of the accounting policies adopted for measuring goodwill. The Committee has also endeavoured to analyse the regulatory changes under way (banking regulation, accounting standards, compliance) and their implications for the Group. It focused particularly on the implementation of the recommendations made by the regulators following stress tests carried out at the various Group entities and the satisfactory completion of the projects undertaken to comply with the new regulatory and prudential requirements.

The **main financial issues** examined by the Committee were:

- an adaptation plan progress report;
- a capital planning review;
- a progress report on the revision of the Group's liquidity model;
- the Crédit Agricole S.A. Financial Management Code and monitoring of projects currently under way;
- global interest rate risk management and the corresponding limits;
- short-term Group limits;
- monitoring the accounting and financial management projects currently in progress;
- the accounting treatment and valuation of shares of SAS Rue La Boétie in the Regional Banks' consolidated financial statements.

The second area of the Committee's work involved an in-depth review of the **annual, half-year and quarterly financial statements** prior to their presentation to the Board: accounting options for each reporting period, review of consolidated results and results for each Group business line, regulatory situation, financial communication axes and, since 2012, review of the draft press release. Accordingly, the Committee interviewed the Company's Statutory Auditors on the basis of a detailed document submitted by them at each reporting date. The Statutory Auditors also presented to the Committee the general work programme and the various surveys carried out. Each year, the Committee interviews the Statutory Auditors without the management presence.

In the area of **risk**, in addition to the issues already mentioned, the Committee also examined the following:

- the annual review of Crédit Agricole Group risks for 2011, and half-year and quarterly risk reviews for 2012 (credit and counterparty risks, market risks, operational risks) in advance of these documents being presented to the Board;
- a specific review of all Group risks in Italy;
- the position of the subsidiary Newedge;
- analysis of the results of the stress tests performed at Crédit Agricole Group level during the financial year and the results of the self-assessment requested by the *Autorité de Contrôle Prudentiel* (the French Prudential Supervisory Authority);
- the Recovery & Resolution Plans, prior to approval by the Board and submission to the regulator;
- the Group's system for managing financial risks;
- the reporting threshold for Crédit Agricole S.A. in terms of operational risks;
- business continuity plans;
- the provision of key outsourced services;
- occasional updates on Group risks in different business lines (insurance) and in different countries (Poland, Ukraine);

The final area of the Committee's work involved **internal audit, internal control and dealings with the regulatory authorities and Compliance**. In this respect, the following were reviewed in particular:

- in terms of internal audit:

- a summary of the audits carried out by Crédit Agricole S.A. Group Control and Audit and Crédit Agricole CIB and LCL Control and Audit departments in the second half of 2011 and the first half of 2012. The reports submitted to the Committee also include the most significant audits carried out in the various business lines (in 2012, the Committee was informed of the findings of the audits carried out in the following areas: international banking retail, specialised financial services, asset management), and audits of Group-wide issues;
- monitoring the implementation of the recommendations of the regulatory authorities and the internal and external auditors of Crédit Agricole Group (at 30 September 2011 and 31 March 2012),
- the annual summary of audits conducted in 2011 by the French Prudential Supervisory Authority (ACP),
- monitoring the *Autorité de contrôle prudentiel* and *Autorité des marchés financiers* audits in progress,
- the annual summary of audits conducted at Crédit Agricole's Regional Banks,
- lastly, at its meeting of 6 November 2012, the Committee approved the 2013 audit plan;

- in terms of internal control:
  - the annual internal control report for the 2011 financial year;
  - 2012 interim (half-year) information on internal control;
- relations with regulatory authorities and Compliance:
  - a report on the risks of non-compliance within Crédit Agricole S.A. Group for 2011 and an assessment, in the first half of 2012, of compliance actions within Crédit Agricole S.A. Group,
  - the 2011 review of the implementation of internal and external fraud prevention measures within the Group, and the cost of fraud in the first half 2012,
  - prior to their presentation to the Board, letters from the ACP and replies from Crédit Agricole S.A., as well as, where applicable, measures taken to respond to the ACP's observations,
  - a report on the Group's "New Activities and Products" (NAP) procedure,
  - a report on MiFID II.

Finally, the Committee examined the Chairman's report to the General Meeting of Shareholders on the preparation and organisation of the work of the Board of Directors and on internal control procedures.

The Chairman of the Audit and Risks Committee reported to the Board on the work accomplished by the Committee. During each meeting, he also reported to the Board on the work accomplished in between Committee meetings. Mr Véverka, Committee Chairman, is also Chairman of the Audit and Risks Committee of Crédit Agricole CIB and LCL. Accordingly, he meets regularly with managers from the central divisions of these entities (Finance, Risks, Control and Audit), members of the Executive Management, and the Statutory Auditors of these entities. In 2012, Mr Véverka held more than 60 working meetings, half of which concerned Crédit Agricole S.A. The Chairman of Crédit Agricole S.A.'s Audit and Risks Committee also receives summary reports from the Control and Audit function of the three companies (Crédit Agricole S.A., Crédit Agricole CIB and LCL, or around 100 summaries in the course of the year).

Once a year, in the autumn, the Audit and Risks Committee organises a working lunch without management presence in order to decide on its programme of work for the following year and to examine any areas where it might improve.

Minutes of each Committee meeting are drawn up and distributed to all the Directors together with the minutes of Board meetings.

Compensation Committee

At 31 December 2012, the Compensation Committee comprised five members:

- Ms Laurence Dors, Committee Chairwoman, independent Director;
- Mr Dominique Lefebvre, Deputy Chairman of the Board of Directors and Crédit Agricole Regional Bank Chairman;
- Mr Christian Streiff, independent Director;
- Mr Christian Talgorn, Crédit Agricole Regional Bank Chairman;
- Mr François Véverka, independent Director.

The majority of Committee members, unchanged from 2011, are independent Directors.

The Head of Group Human Resources attends Compensation Committee meetings.

The operation and duties of the Committee are set out in Rules of Procedure approved by the Board of Directors. The Compensation Committee's tasks are as follows:

- to prepare recommendations and opinions to be submitted to the Board of Directors relating to Crédit Agricole S.A. Group's compensation policy, in particular:
  - the principles for determining total amounts of bonuses, taking into account the impact of the risks and capital requirements inherent to the business activities concerned,
  - the application of professional standards concerning employees whose activities may have a significant impact on the risk exposure of the Crédit Agricole S.A. Group entities concerned;
- preparing recommendations relating to compensation of Corporate Officers;
- preparing recommendations relating to the amount and breakdown of the total amount of Directors' fees;
- preparing recommendations relating to proposed capital increases reserved for employees of Crédit Agricole Group and, if applicable, stock option and variable compensation share award plans to be submitted to shareholders for approval at the General Meeting of Shareholders, as well as the terms for the implementation of these capital increases and plans.

The Compensation Committee met seven times in 2012, with three extraordinary meetings. The attendance rate was 91% (95% for regularly scheduled meetings and 87% for extraordinary meetings).

The Chairman of the Compensation Committee reported to the Board on the work accomplished by the Committee at each of its meetings and submitted the Committee's recommendations on matters subject to approval by the Board.

In the spring of 2012, the Committee, at the Board's request, began a review of the variable compensation system for Corporate Officers, the principles and characteristics of which were defined in late 2009. The first phase of the study consisted in analysing a benchmark of market practices established by an external consultant across different panels. The Committee subsequently examined:

- the sensitivity of variable compensation to changes in the various economic and non-economic criteria currently applied, in an increasingly unstable environment;
- the reconciliation of these criteria with the regulatory provisions in force (CRD 3).

The review will continue in 2013, when a recommendation will be made to the Board regarding any changes that seem necessary in view of the forthcoming regulatory changes (CRD 4) and in keeping with the mutual traditions of Crédit Agricole.

The matters reviewed by the Committee in 2012 and subsequently submitted to the Board of Directors for approval related to:

- compensation of Corporate Officers:
  - compensation of the Chairman of Crédit Agricole S.A.,
  - fixed compensation and the criteria used to determine variable compensation for 2012 (annual and long-term) of the Chief Executive Officer and Deputy Chief Executive Officers, taking account of the regulatory provisions and the compensation policy of Crédit Agricole S.A.;
- the compensation package of a newly appointed Deputy Chief Executive Officer;
- the employment terms of the new Deputy Chief Executive Officer and his severance package, to be submitted for the approval of the General Meeting of Shareholders of 23 May 2013 regarding related-party agreements;
- the total amount of Directors' fees to be submitted for approval at the General Meeting of Shareholders and the distribution process of this amount.

The other issues reviewed by the Committee included:

- an annual review of the persons regulated by Regulation 97-02;
- the total amount of variable compensation for regulated persons in respect of 2011;
- annual variable compensation at Crédit Agricole S.A. Group above a threshold set by the Board and the compensation of the Head of Group Risk Management and Permanent Controls;
- the report on the compensation policy and practices of members of the executive body, as well as individuals whose professional activities have a significant impact on the Company's risk profile under Regulation 97-02;
- update at the end of 2012 of compensation policy guidelines applicable to regulated persons (extension of the scope of "risk-takers").

The principles and rules used to determine the compensation of Corporate Officers of Crédit Agricole S.A. in the 2012 financial year are set forth in section 4 below.

Strategy Committee

The Strategy Committee has seven members. At 31 December 2012, the Committee comprised the following members:

- Mr Jean-Marie Sander, Committee Chairman, Chairman of the Board of Directors of Crédit Agricole S.A. and Crédit Agricole Regional Bank Chairman;
- Mr Dominique Lefebvre, Deputy Chairman of the Board and Crédit Agricole Regional Bank Chairman;
- Mr Philippe Brassac, Deputy Chairman of the Board and Crédit Agricole Regional Bank Chief Executive Officer;
- Mr Jean-Louis Delorme, Crédit Agricole Regional Bank Chairman;
- Ms Françoise Gri, Independent Director;
- Mr Bernard Lepot, Crédit Agricole Regional Bank Chief Executive Officer;
- Mr François Véverka, Independent Director.

The composition of the Committee changed in 2012 following the appointment of Françoise Gri, Independent Director, replacing Mr Fontanet, and Jean-Louis Delorme, Regional Bank Chairman, replacing Mr Dupuy.

Crédit Agricole S.A.'s Chief Executive Officer, the Secretary General and the Head of Group Strategy attend Strategy Committee meetings.

The operation and duties of the Committee are set out in Rules of Procedure approved by the Board of Directors. The Committee's key duty is to conduct in-depth reviews of the Group's strategic planning for its various business lines in France and internationally, under the responsibility of the Board of Directors. As such, the Committee reviews plans for strategic investments or acquisitions and formulates an opinion on such plans.

The Strategy Committee met four times in 2012, with an average attendance rate of 96%.

The Committee devoted a large part of its work to the following:

- in the first half, the Group's macroeconomic environment and the nature of the regulatory changes under way or forthcoming, in addition to their implications for the Group;

- in the second half, following the implementation of the Group's adaptation plan for the new economic, financial and regulatory environment and, in particular, the transformation of the corporate and investment bank model. The Committee indicated its support for the preparation in 2013 of a medium-term plan for Crédit Agricole Group, which the Board decided to launch at its meeting in December 2012.

The other issues reviewed by the Committee included:

- Crédit Agricole S.A. business reviews;
- the disposal of non-strategic investments;
- the "MUST" cost management plan for Crédit Agricole S.A. Group.

The Committee Chairman reported to the Board on all issues examined by the Committee and set out its opinion on those for which Board approval is required.

Appointments and Governance Committee

At 31 December 2012, the Appointments and Governance Committee comprised six members:

- Ms Monica Mondardini, Committee Chair and independent Director;
- Mr Jean-Marie Sander, Chairman of Crédit Agricole S.A.'s Board of Directors and Crédit Agricole Regional Bank Chairman;
- Mr Dominique Lefebvre, Deputy Chairman of the Board and Crédit Agricole Regional Bank Chairman;
- Mr Philippe Brassac, Deputy Chairman of the Board and Crédit Agricole Regional Bank Chief Executive Officer;
- Ms Laurence Dors, independent Director;
- Mr Jean-Claude Rigaud, Crédit Agricole Regional Bank Chairman;

The composition of the Committee changed in 2012 following the appointment of Mr Rigaud, replacing Mr Michaut.

The Secretary General of Crédit Agricole S.A. (and Secretary of the Board of Directors) takes part in meetings of the Appointments and Governance Committee.

The operation and duties of the Committee are set out in Rules of Procedure approved by the Board of Directors. The Committee's key duties, under the responsibility of the Board of Directors are as follows:

- to make recommendations to the Board on the selection of voting Directors and non-voting Directors from outside Crédit Agricole Group, bearing in mind that candidates for directorships who are serving as Chairman or Chief Executive Officers of a Regional Bank are proposed to the Board of Directors *via* the holding company that controls Crédit Agricole S.A., pursuant to the Memorandum of Understanding entered into by the Regional Banks and Crédit Agricole S.A. prior to the initial public offering of Crédit Agricole S.A. (the provisions of this agreement are set out in the registration document of 22 October 2001 registered by the *Commission des opérations de Bourse* under number R.01-453). The recommendations of the SAS Rue La Boétie are presented to the Appointments and Governance Committee, prior to the Board's decision;
- with respect to Corporate Officers:
  - to issue an opinion on the recommendations of the Chairman of the Board of Directors regarding the appointment of the Chief Executive Officer, in accordance with the Board of Directors' Rules of Procedure, and on the Chief Executive Officer's recommendations on the appointment of Deputy Chief Executive Officers, in accordance with the Board's Rules of Procedure,
  - with respect to the succession of the Corporate Officers, the Committee implements a procedure for preparing succession plans for the Corporate Officers in the event of an unforeseeable vacancy;
- to oversee the Board of Directors' periodic assessment process. It recommends any necessary updates to the rules of governance of Crédit Agricole S.A. (Rules of Procedure of the Board of Directors and Specialised Committees of the Board) or any other measure to improve the operation of the Board of Directors;
- it provides recommendations to the Board on criteria for assessing the independence of Directors.

The Chairman of the Appointments and Governance Committee reports to the Board on its work and opinions.

The Committee met three times in 2012, with an average attendance rate of 88%. During these meetings, it examined:

- the implementation of the guidelines adopted by the Board following the self-assessment carried out in 2011 with the help of an external firm;
- the recommendation to be submitted to the Board, in view of the General Meeting of Shareholders of 22 May 2012, concerning the nomination of a new external director, replacing Xavier Fontanet;
- the recommendations of SAS Rue La Boétie concerning nominations for Directors representing Crédit Agricole Regional Banks (appointments and contract renewals), and the recommendation concerning the reappointment of Ms Giraud as representative of the employees of the Regional Banks, were all approved by the Board and submitted for the approval of the General Meeting of Shareholders of 22 May 2012;
- the report on job and equality at Crédit Agricole S.A. and the policy launched throughout Crédit Agricole S.A. Group to encourage professional equality and diversity;
- changes to the composition of the Board's three Specialised Committees (Audit and Risks, Strategy, Appointments and Governance), on the recommendation of the Chairman;
- an overview of regulatory and legislative news on the subject of governance;

- the governance practices of listed companies, based on the AMF report, together with the Company's position on such practices.

At its meeting of 5 February 2013, the Committee reviewed the situation of each Director with regard to the independence criteria defined by the AFEP/MEDEF Code of Corporate Governance. The Committee noted that the number of independent Directors at Crédit Agricole S.A. was below the number recommended by the aforementioned Code but that, if one took account of the Directors elected by the General Meeting of Shareholders, the number of independent Directors was in line with the Code's recommendation for companies controlled by a majority shareholder. It concluded that the existing operation enabled the Board and its Committees to fulfil their duties with the required effectiveness, objectivity and independence, particularly with respect to preventing potential conflicts of interest and to the equitable consideration of all shareholders' interests. On the recommendation of the Appointments and Governance Committee, and based on the aforesaid Code, at its meeting of 19 February 2013 the Board reviewed the situation of all of its members and found that Ms Catoire, Ms Dors, Ms Gri, Ms Mondardini, Mr Streiff and Mr Véverka could be considered independent Directors, insofar as they are not in a position likely to influence their independent judgement or to place them in a real or potential conflict of interest.

3. Restrictions on the Chief Executive Officer's powers exercised by the Board of Directors

The Chief Executive Officer shall enjoy the broadest powers to act in all cases on behalf of Crédit Agricole S.A. and to represent the Bank with respect to third parties. He exercises his authority within the limits of the Company's objects and subject to that authority expressly assigned by law to Meetings of Shareholders and to the Board of Directors.

Restrictions on the Chief Executive Officer's powers exercised by the Board of Directors are described in section 1 above.

4. Principles and rules used to determine the compensation of Executive and non-Executive Corporate Officers

On the recommendation of the Compensation Committee, the Board determines the compensation payable to Executive and non-Executive Corporate Officers of Crédit Agricole S.A., the amount of which appears in the section entitled "Additional Information on Executive and non-Executive Corporate Officers".

Compensation of the Chairman of the Board of Directors

The fixed component of the compensation paid to the Chairman of the Board of Directors of Crédit Agricole S.A. is determined by the Board, on the Compensation Committee's recommendation, based on an analysis of compensation paid to executives holding similar offices in major listed companies. The Board approved these proposals at its meeting on 22 February 2012.

The Chairman also receives an allowance to be allocated to fund retirement benefits, housing and a company car. The total amount of the allowance (which is also determined by the Board on the Compensation Committee's recommendation) and the value of the housing allowance appear in the section entitled "Compensation of Executive and non-Executive Corporate Officers".

No severance pay has been planned for the Chairman.

Compensation of the Chief Executive Officer and Deputy Chief Executive Officers

Fixed compensation

The fixed component of the compensation paid to the Chief Executive Officer and Deputy Chief Executive Officers is determined by the Board, on the Compensation Committee's recommendation, based on an analysis of market practice and of the compensation paid to executives holding similar offices in major listed companies.

Annual variable compensation

The principles for determining the annual variable compensation of the Chief Executive Officer and Deputy Chief Executive Officers are based on the achievement of targets set at the beginning of the financial year and are balanced between economic and financial targets and non-economic targets. For the Deputy Chief Executive Officers, the targets set take into account their respective areas of responsibility. If these targets are exceeded, the variable compensation may be up to 20% higher than the target amount for the Chief Executive Officer and up to 50% higher for Deputy Chief Executive Officers.

Long-term incentive plans

Depending on performance over the financial year under consideration, a long-term incentive plan may be allocated.

Overall variable compensation, comprising annual variable compensation and a long-term incentive plan, is 60% composed of Crédit Agricole S.A. shares, which vest progressively over three years and are contingent upon the achievement of three performance targets:

- the intrinsic economic performance of Crédit Agricole S.A. Group;
- the relative performance of Crédit Agricole S.A. shares compared to a composite index of European banks;
- the corporate performance of Crédit Agricole S.A. Group measured by the FReD index.

The non-deferred portion of this global variable compensation is paid in part on allocation and in part six months later. The latter payment is indexed on the change in Crédit Agricole S.A. share price between March and September.

The Board of Directors of Crédit Agricole S.A. of 4 April 2012 determined the principles and the target amounts of the variable compensation of the Chief Executive Officer and the Deputy Chief Executive Officers for 2012. These principles also apply to Xavier Musca, appointed Deputy Chief Executive Officer on 17 July 2012, effective 19 July 2012.

Compensation of the Chief Executive Officer

The **fixed component** of the Chief Executive Officer's compensation is determined by reference to market practice for executives holding comparable positions.

The **annual variable component**, which is capped, is based on two sets of criteria:

- the first (50%), is based on three economic and financial criteria relating to the performance of Crédit Agricole S.A. Group:
  - revenues,
  - cost/income ratio,
  - gross operating income - cost of risk + share in equity-accounted entities;
- the second (50%) is determined by non-economic criteria based on predefined targets:
  - development of human capital,
  - value creation for external and internal clients,
  - social value creation, in line with Crédit Agricole's mutualist and ethical identity.

The Chief Executive Officer's performance is assessed by comparing results achieved with the targets defined by the Board for each indicator. His performance is assessed based on results.

The amount of the annual variable component is based on a target value of 100% of fixed compensation, up to a maximum of 120% of fixed compensation.

The **long-term incentive plans** are allocated by the Board, on the recommendation of the Compensation Committee, based on the target amount set by the Board.

The Chief Executive Officer has the use of a company car and company housing.

Compensation of the Deputy Chief Executive Officers of Crédit Agricole S.A.

The **fixed component** of the Deputy Chief Executive Officers' compensation is determined by reference to market practice for executives holding comparable positions.

The **annual variable component**, which is capped, is based on two sets of criteria:

- the first (50%), is based on economic and financial criteria.

  The criteria applied to a Deputy Chief Executive Officer in charge of Central Support functions reflect changes in Crédit Agricole S.A. Group's financial performance indicators:
  - revenues,
  - cost/income ratio,
  - gross operating income - cost of risk + share in equity-accounted entities;

  The criteria applied to a Deputy Chief Executive Officer in charge of a "Business line" area reflect:
  - Changes in Crédit Agricole S.A. Group's financial performance indicators (25%):
    - revenues,
    - cost/income ratio,
    - gross operating income - cost of risk + share in equity-accounted entities, and
  - Changes in the same indicators in his area(s) of responsibility (25%);
- the second (50%) is determined by non-economic criteria based on predefined targets:
  - development of human capital,
  - value creation for external and internal clients,
  - social value creation, in line with Crédit Agricole's mutualist and ethical identity.

The Deputy Chief Executive Officers' performance assessment is presented to the Compensation Committee by the Chief Executive Officer.

The amount of the variable component is based on a target value of 80% of fixed compensation, up to a maximum of 120% of fixed compensation.

The **long-term incentive plans** are allocated by the Board, on the recommendation of the Compensation Committee, based on the target amount set by the Board.

The Deputy Chief Executive Officers have the use of a company car and a company housing for three of them.

Post-employment benefits

The Chief Executive Officer is not eligible for any special retirement or death & disability benefits. However, if Crédit Agricole S.A. terminates his term of office, he will receive a severance payment under the conditions approved by the General Meeting of Shareholders of 19 May 2010 as set out below.

If Crédit Agricole S.A. terminates his term of office because of a change of control or strategy, a severance payment subject to performance conditions will be paid to the Chief Executive Officer.

This payment will be determined on the basis of twice the total gross annual compensation for the calendar year preceding the termination of his term of office. This will be on a declining-balance basis of 20% per annum from 1 January 2010.

Performance-related criteria are budgetary criteria linked to the performance of Crédit Agricole S.A. Group business lines, taking into account internal growth in activities and the cost of risk, hence:

- revenues from operational business lines (excluding corporate centre);
- operating income from operational business lines (excluding corporate centre).

Where a severance payment is made, the Chief Executive Officer may not claim his retirement benefit rights before a period of 12 months has elapsed. This severance payment includes any other compensation, particularly relating to a non-competition clause, where applicable.

Deputy Chief Executive Officers of Crédit Agricole S.A. are not eligible for any special retirement or death and disability benefits linked to the termination of their offices. If a Deputy Chief Executive Officer's term of office is terminated, his employment contract will be reactivated under the conditions approved by the General Meeting of Shareholders of 19 May 2010. Should their respective employment contracts be terminated, Mr Michel Mathieu, Mr Bruno de Laage and Mr Jean-Yves Hocher will receive a severance payment based on a sum corresponding to twice the sum of their total gross annual compensation (excluding benefits in kind) received in the 12 months preceding the termination of their contract, including any other compensation such as contractual redundancy pay and any non-competition payments. Should his employment contract be terminated, Mr Xavier Musca will receive a severance payment equal to the amount of the total gross annual compensation received during the 12 months preceding the termination of his contract (excluding benefits in kind), including any other compensation such as contractual redundancy pay and any non-competition payments.

Where the retirement payments can be conferred at their full rate, no severance payment will be due.

Supplementary pension plan of Mr Jean-Paul Chifflet, Chief Executive Officer, Mr Bruno de Laage, Mr Michel Mathieu, Mr Jean-Yves Hocher and Mr Xavier Musca, Deputy Chief Executive Officers of Crédit Agricole S.A.

Mr Jean-Paul Chifflet, Chief Executive Officer, Mr Bruno de Laage, Mr Jean-Yves Hocher, Mr Michel Mathieu and Mr Xavier Musca, Deputy Chief Executive Officers of Crédit Agricole S.A., are covered by the supplementary retirement plan established for Crédit Agricole Group executives, which supplement the collective mandatory pension and death and disability plans.

These plans comprise a combination of a defined contribution plan and a defined benefit plan. The rights to the defined benefit plan are determined after the rights paid under the defined contribution plan. Contributions to the defined contribution plan are equal to 8% of gross salary and are capped at eight times the social security ceiling. The supplementary rights of the defined benefit plan are the same – contingent on employment at maturity – for each year of service, at 1.20% of fixed compensation plus variable compensation (capped at 60% of fixed compensation).

The total pension amount obtained through these plans is capped at a maximum total benefit equal to 70% of the average of the three years with the highest total compensation (fixed and variable) out of the last ten years of service, and at 23 times the annual social security ceiling on the date of the retirement benefit.

Retirement bonuses for Deputy Chief Executive Officers of Crédit Agricole S.A.

Mr Bruno de Laage, Mr Jean-Yves Hocher, Mr Michel Mathieu and Mr Xavier Musca qualify for the retirement allowance that applies to all employees under the terms of the Crédit Agricole S.A. collective agreement, which can amount to up to six months of fixed salary plus bonus and is capped at 4.5% of their fixed salary.

Stock options – Free shares

No Crédit Agricole S.A. stock options have been allocated to Executive and non-Executive Corporate Officers since 2006.

No free shares were awarded to Corporate Officers in 2012.

Directors' compensation

Board members receive Directors' fees. On the recommendation of the Compensation Committee, the Board determines the amount of total Directors' fees to be submitted to the shareholders for approval at the General Meeting of Shareholders. The conditions for allocating Directors' fees, as described below, are determined by the Board on the recommendation of the Compensation Committee.

Compensation of Board members is based entirely on their attendance at Board Meetings. Directors receive the same compensation for attending extraordinary sessions and regularly scheduled meetings, up to a maximum of the total amount approved, and each Board member may compensate between regularly scheduled meetings and extraordinary sessions.

The Chairmen of the four Specialised Committees receive an annual set fee, which varies according to the Committee. Committee members receive a set fee for each Committee meeting they attend.

The amount of the set fee per Board Meeting and Committee meeting is determined by the Board each year.

The Board has also set up a system for reimbursing Board members for travel expenses, based on costs incurred by each member for attending Board and Committee meetings. This system is renewed by the Board each year.

Compensation for serving in other offices within Group companies (Crédit Agricole CIB, LCL and Amundi Group)

The total amount of Directors' fees for Crédit Agricole CIB, LCL and Amundi Group is determined by their Board of Directors and submitted to their shareholders for approval at their General Meeting of Shareholders.

The allocation of Directors' fees at these three companies is based on their attendance at Board Meetings and their participation in the Board's Specialised Committees.

INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

Crédit Agricole Group's internal control system complies with all legal and regulatory requirements as well as with Basel Committee recommendations.

The internal control system and procedures, within Crédit Agricole Group, are defined as the framework designed to manage and control all types of operations and risks and to ensure that all transactions are carried out in a manner that is proper (in compliance with laws, regulations and internal standards), secure and effective, in accordance with the references listed in item 1 below.

The internal control system and procedures can be classified by their assigned objectives:

- application of instructions and guidelines determined by Executive Management;
- financial performance through the effective and adequate use of the Group's assets and resources, and protection against the risk of loss;
- comprehensive, accurate and ongoing knowledge of the data required to make decisions and manage risks;
- compliance with laws and regulations and internal standards;
- prevention and detection of fraud and error;
- accuracy and completeness of accounting records and timely production of reliable accounting and financial information.

These procedures nevertheless incorporate the limitations of all internal control systems owing, in particular to technical or human deficiencies.

In accordance with the Group's principles, the internal control system has a broad scope of application to cover supervision and control of activities and to measure and monitor risks on a consolidated basis. Each Crédit Agricole S.A. Group entity applies this principle to its own subsidiaries, thereby ensuring a consistent internal control system throughout the entire Group. The system implemented by Crédit Agricole S.A., in line with the standards and principles set forth below, is thus adapted and deployed across the various business lines and risks at each level within Crédit Agricole Group, in order to best observe regulatory requirements relating to banking activities.

Through the procedures, tools and reporting systems that have been implemented in this standardised framework, information is delivered on a regular basis in particular to the Board of Directors, the Audit and Risks Committee, executives and management on the operation of the internal control systems and their adequacy (permanent and periodical controls, reports on risk monitoring and measurements, corrective action plans, etc.).

1. Standards for internal control

The internal control environment and principles are in keeping with the provisions of the French Monetary and Financial Code [1], CRBF Regulation no. 97–02 as amended relating to internal control in credit institutions and investment companies, the AMF's General Regulations and Basel Committee recommendations on internal control, risk management and solvency.

These national and international external standards are supplemented by internal standards specific to Crédit Agricole:

- a body of permanent regulatory rules (both external regulations and internal Group rules) governing the entire Crédit Agricole Group, compliance with which is compulsory, and more particularly rules concerning accounting (Crédit Agricole chart of accounts), financial management, risk management and permanent controls;
- the Code of Conduct of the Crédit Agricole Group;
- recommendations of the Regional Banks Plenary Committee for internal control;
- a set of "procedures" governing Crédit Agricole S.A. Group, concerning the organisation, operations and risks. In this context, Crédit Agricole S.A. adopted, as early as 2004, a set of procedures to control its compliance with laws and regulations. These procedures have since been adapted to changes in regulations and deployed within Group entities, in particular in the areas of financial security (prevention of money laundering and terrorism financing, asset freezing, compliance with embargoes, etc.) and in the identification of failures in applying laws, regulations, professional and compliance standards, for example. These procedures are updated regularly as required, and more particularly to take into account regulatory developments and changes in the internal control scope.

2. Organisation of the internal control system

To ensure that the internal control systems are effective and consistent throughout the Group, Crédit Agricole Group has established a set of common rules and recommendations based on the implementation of, and compliance with, certain underlying fundamental principles.

Each Crédit Agricole Group entity (Regional Banks, Crédit Agricole S.A., banking or investment subsidiaries, other subsidiaries, etc.) must apply these principles at its own local level.

(1) Article L. 511-41.

Fundamental principles

The organisational principles and components of Crédit Agricole S.A.'s internal control system which are common to all Crédit Agricole Group entities cover obligations relating to:

- reporting to the decision-making body (risk strategies, risk limits, internal control activity and results, significant events);
- the direct involvement of the executive body in the organisation and operation of the internal control system;
- the comprehensive coverage of all business operations and risks, and accountability of all persons involved;
- the clear definition of tasks, effective segregation of the commitment and control functions, formal and up-to-date authorised limits;
- formal, up-to-date standards and procedures, particularly in the area of accounting.

These principles are supplemented by:

- systems for measuring, monitoring and controlling the following types of risks: credit, market, liquidity, financial, operational (operational processing, quality of financial and accounting data, IT processes), non-compliance and legal risks;
- a control system, forming part of a dynamic and corrective process, encompassing permanent controls, which are carried out by the operating units themselves or by dedicated staff, and periodic controls (carried out by Group Control and audit or Audit units);
- adapting the Group's compensation policies (voted by the Board of Directors on 9 December 2009 and 23 February 2011) and internal control procedures to the orders of 14 January 2009, 3 November 2009 and 13 December 2010 amending Regulation 97-02, as well as to the recommendations of the banking industry concerning (a) the fit between the compensation policy and the risk management objectives and (b) the compensation of executives and risk takers (see Part I of this report).

Oversight

Following the changes instituted by Regulation 97-02 on internal control and pertaining to the organisation of the control functions, every individual who is responsible for an entity or business line, every manager, employee and all departments within the Group are reminded of their obligation to report and to be in a position at all times to demonstrate that they have adequate control over their business activities and associated risks, in accordance with the standards applicable to banking and financial operations, to ensure the long-term security of each activity and development project and to adjust the control mechanisms to be implemented to the degree of the risks incurred.

This requirement is based on organisational principles and a structure of responsibilities, operating and decision-making procedures, controls and reporting to be implemented in a formal, effective manner at each level of the Group: central functions, business lines, subsidiaries, operational units and support functions.

THE GROUP INTERNAL CONTROL COMMITTEE

The Internal Control Committee for the Group and Crédit Agricole S.A. is the body that oversees all the systems. It has held periodic meetings chaired by the Chief Executive Officer of Crédit Agricole S.A.

The purpose of this Committee is to reinforce cross-functional actions to be implemented within Crédit Agricole Group. It is responsible for reviewing internal control issues common to the Group as a whole (Crédit Agricole S.A., subsidiaries of Crédit Agricole S.A., the Regional Banks, resource pooling entities) and for ensuring the consistency and effectiveness of internal controls on a consolidated basis. The Internal Control Committee is an executive decision-making body. It is composed of salaried executives of Crédit Agricole S.A. In this respect, it is different from the Audit and Risk Committee, which is an arm of the Board of Directors. In particular, it is responsible for coordinating the three control functions: Control and Audit, Risk Management and Permanent Controls, Compliance.

THREE GROUP CONTROL FUNCTIONS

The Head of the Group Risk Management and Permanent Controls department and the Head of Group Control and Audit, in charge of periodical controls, both report directly to the Chief Executive Officer of Crédit Agricole S.A. In addition, the Compliance function, overseen by a Group Legal and Compliance Director, reports to a Deputy Chief Executive Officer, in his or her capacity as Head of Compliance. The three heads of Periodical Controls, Permanent Controls and Compliance have extensive access to the Audit and Risks Committee and to Crédit Agricole S.A. Board of Directors.

Furthermore, pursuant to the order of 19 January 2010 amending Regulation 97-02, the Head of the Group Risk Management and Permanent Controls department was appointed head of the "risks" sector of Crédit Agricole S.A. Group and Crédit Agricole Group.

Control functions are responsible for supporting the business lines and operating units to ensure that all transactions are carried out in a manner that is proper, secure and effective. Responsibilities are divided as follows:

- the Group Risk Management and Permanent Controls department is responsible for the oversight and control of credit, market, liquidity, financial and operational risks; it is also in charge of last-line control of accounting and financial information and of monitoring the roll-out of IT system security and business continuity plans;
- the Compliance and Legal Affairs department is responsible for prevention and control of non-compliance and legal risks. The Compliance department is responsible in particular for prevention of money laundering and terrorism financing, fraud prevention, and compliance with embargoes and obligations to freeze assets. The Legal Affairs department, which is organised as a business line, has two main goals: to control legal risk which can generate litigation and liability, whether civil, disciplinary or criminal, and to provide the requisite support to the entities to enable them to engage in their business activities while minimizing risks and legal costs;

- Group Control and Audit is responsible for independent periodical control to ensure that all Crédit Agricole Group entities are operating properly.

In addition to the actions of the different control functions, other Crédit Agricole S.A. central functions, departments and business lines participate in implementing internal control systems on a consolidated basis, either through Specialised Committees or through actions designed to standardise procedures and to centralise data (accounting, management control, etc.).

Pursuant to the order of 19 January 2010 amending Regulation 97-02, a head of the "risks" sector has been appointed in each main subsidiary of Crédit Agricole S.A. and each Regional Bank. His or her role is, in particular, to alert the executive and decision-making bodies to any situation which may have a significant impact on risk control.

Crédit Agricole S.A. and its subsidiaries

The functions, departments and business lines are themselves supported by decentralised local units within each legal entity (those main subsidiaries forming part of Crédit Agricole S.A.'s internal control scope), comprising:

- Internal Control Committees, which meet quarterly. These are executive decision-making bodies, which include the Chief Executive Officer of the unit and the representatives of control functions of the entity and of Crédit Agricole S.A., who are responsible, in particular, for monitoring the internal control systems within the entity, for reviewing the main risks to which the entity is exposed, for a critical assessment of the internal control systems and internal audit work, for monitoring audits, and for overseeing any corrective measures;
- each entity's Specialised Committees;
- a network of officers and committees dedicated to each business line.

Crédit Agricole Regional Banks

The application of all the Group's regulations to the Regional Banks is facilitated by the circulation of national recommendations on internal control by the Regional Banks Plenary Committee for internal control and by the activity of Crédit Agricole S.A. central control functions. The Plenary Committee, which is responsible for strengthening the Regional Banks' internal control systems, is composed of Regional Banks' Chief Executive Officers, managers and internal control officers, as well as Crédit Agricole S.A. representatives. Its work is extended through regular regional meetings and through work and information meetings between Crédit Agricole S.A. internal control officers and their Regional Bank counterparts.

The role assigned to Crédit Agricole S.A. as the central body has led it to be very active and vigilant with respect to internal control. Crédit Agricole S.A. specifically monitors the Regional Banks' risks and controls through the Regional Banks Unit of the Risk Management and Permanent Controls department and *via* the Compliance department.

ROLE OF THE BOARD OF THE DIRECTORS [1]

The Board of Directors of Crédit Agricole S.A. is aware of the Company's overall organisational structure and approves its internal control system. It approves the overall organisation of the Group as well as its internal control system. It is informed of the organisation, operation and results of the internal control system. In addition to the information it receives on a regular basis, it receives the annual and interim reports on internal control, which are sent to it in accordance with banking regulations and Crédit Agricole S.A. procedures. The Chairman of the Board of Directors of Crédit Agricole S.A. receives regular reports summarising the conclusions of audits conducted by Group Control and Audit.

The Board is informed by the Audit and Risks Committee of the main risks incurred by the Company and of significant incidents picked up by internal control and risk management systems.

The Chairman of Crédit Agricole S.A. Audit and Risks Committee reports to the Board on the Committee's work in general and, more particularly, on the annual report on internal controls and on risk measurement and monitoring. At the date of the General Meeting of Shareholders, the annual report for 2012 will have been presented to the Audit and Risks Committee and will be duly sent to the French Prudential Supervisory Authority (ACP) and the Statutory Auditors. It will also have been presented to the Board of Directors.

ROLE OF THE AUDIT AND RISKS COMMITTEE [2]

The Crédit Agricole S.A. Internal Control Officers report to the Audit and Risks Committee created by Crédit Agricole S.A.'s Board of Directors.

The Audit and Risks Committee is in charge of verifying the clarity of information provided and of assessing the appropriateness of accounting methods as well as the effectiveness of the risk management and internal control system. As such, it has broad communications powers in respect of all information relating to periodical control, permanent control, including accounting and financial control, and compliance control.

It receives periodic reports on activity management systems and risk measurement. An interim (half-year) report on internal control for the first half of 2012 was presented to the Committee at its meeting of 10 October 2012. The annual report for 2012 will be presented to the Committee at its meeting of 18 April 2013.

(1) Information on the Board of Directors' work is detailed in the "Preparation and organisation of the Board's work" section of this report.

(2) Information on the Audit and Risk Committee's work is detailed in the "Preparation and organisation of the Board's work" section of this report.

The Chairman of the Audit and Risks Committee also receives regular reports summarising the conclusions of audits conducted by the Group Control and Audit function.

ROLE OF THE CHIEF EXECUTIVE OFFICER REGARDING INTERNAL CONTROL

The Chief Executive Officer defines the Company's general organisation and oversees its implementation by competent qualified staff. He is directly and personally involved in the organisation and operation of the internal control system. In particular, he defines roles and responsibilities and allocates adequate resources to the internal control function.

He ensures that risk strategies and limits are compatible with the financial position (capital base, earnings) and strategic guidelines set by the Board of Directors.

He oversees the implementation of risk identification and measurement systems that are appropriate for the Company's activities and organisation. He also ensures that all essential information produced by these systems is reported to him on a regular basis.

He ensures that the internal control system's adequacy and effectiveness are permanently monitored. He receives information on any failures identified by the internal control system and on proposed corrective measures. In this respect, the Chief Executive Officer receives regular reports summarising the conclusions of audits conducted by the Group Control and Audit function.

3. Internal control procedures and risk management and supervision within Crédit Agricole S.A.

Risk measurement and supervision

Crédit Agricole S.A. has risk measurement, supervision and control systems covering all risks (counterparty risks, market risks, operational risks, structural financial risks, etc.), which are adapted to its business activities and organisation, and forming an integral part of the internal control system. Information is reported periodically to the executive body, the decision-making body and the Audit and Risks Committee, notably through the reports on internal control and risk measurement and supervision.

Detailed information on risk management is presented in the section on risk factors and in the corresponding Note 3 to the consolidated financial statements.

Risk Management and Permanent Controls

The Risk Management and Permanent Controls function was created in 2006 in accordance with Regulation 97-02 as amended. Its activity level was intense in 2012, as it focused on risk measurement and control for the Group while optimising its responsiveness and effectiveness.

The Risk Management and Permanent Controls function is responsible both for overall risk management and for the Group's permanent control system. It manages and controls credit, financial and operational risks, in particular those associated with the quality of financial and accounting information and with physical security, IT systems security, business continuity and supervision of key outsourced services.

Risk management is underpinned by a Group-wide system under which the business lines' strategies, including the launch of new business activities or new products, are subject to a risk assessment and to risk limits that are formally applied as part of the risk strategy of each sensitive business and entity. These limits are reviewed at least once a year or whenever there is a change in a business or in risk exposure, and they are validated by the Group Risk Management Committee. They are associated with Group-wide limits, particularly for large counterparties. Mapping of potential risks and measurement and monitoring of identified risks are periodically adjusted as a function of the business activity.

Control plans are proportionately adjusted to accommodate changes in business activity and risks.

The Group function reports to the Head of Crédit Agricole S.A. Group Risk Management and Permanent Controls, who is not attached to any operational function and in turn reports to the Chief Executive Officer of Crédit Agricole S.A. It brings together the cross-functional departments of Crédit Agricole S.A. (Group Risk Management and Permanent Controls) and the decentralised Risk Management and Permanent Controls functions, which are closest to the business lines, in each Group entity, in France and abroad. At the end of 2012, the Risk Management and Permanent Controls Group function employed approximately 2,500 full-time equivalent employees within the scope of Crédit Agricole S.A. Group.

Its function is based on structured governance bodies, including the Internal Control Committees, the Group Risk Management Committee (the forum where the Executive Committee approves the Group's strategies and is informed of its risk exposure), the Regional Banks Risk Monitoring Committee, the Group Security Committee, the Standards and Methodology Committee, the Basel Steering Committee, the Business Line Monitoring Committees, which bring together at regularly scheduled meetings the Group Risk Management and Permanent Controls department and the subsidiaries, and other Committees in charge, in particular, of the rating and IT systems. The Group Risk Management Committee, chaired by the Chief Executive Officer of Crédit Agricole S.A., meets weekly and its role is to monitor the risks that appear in order to clarify appropriate policy guidance.

In 2012, the executive body (*via* the Group Risk Management Committee), the Audit and Risks Committee and the Board of Directors were kept closely informed of risk strategies and the extent of the Group's credit and financial risk exposures. The Group Risk Management Committee re-examined the strategies applied by the Group's business lines and adjusted intervention limits as needed. Furthermore, a Group-wide approach was developed for sensitive business sectors and countries.

CRÉDIT AGRICOLE S.A. CROSS-FUNCTIONAL DEPARTMENTS (GROUP RISK MANAGEMENT AND PERMANENT CONTROLS DEPARTMENT)

Crédit Agricole S.A.'s Group Risk Management and Permanent Controls department is responsible for monitoring and managing the Group's overall risk management and permanent control systems.

Overall management of Group risks

The Group Risk Management and Permanent Controls department oversees and measures overall risks for the consolidated entity through specialised units for each category of risk. These units define and implement risk management and consolidation systems (standards, methodologies, IT systems).

The system implemented by the Group Risk Management and Permanent Controls department also comprises a "Business Line Monitoring" function, responsible for the global and individual relationship with each Crédit Agricole S.A. Group subsidiary. Dedicated business line officers are responsible for monitoring the global and consolidated relationship with each Group subsidiary (including all types of risk), in particular the Corporate and investment banking business line (Crédit Agricole Corporate and Investment bank). The supervision of risks within the Regional Banks is carried out by a specific unit within the Group Risk Management and Permanent Controls department.

Risk monitoring at Group level is not only carried out by entity and by units monitoring each business line, but also carried out *via* the examination of risks at the Group Risk Management Committee and at the Regional Banks Risk Monitoring Committee.

Crédit Agricole S.A.'s risk measurement system is comprehensive and accurate. It covers all categories of commitments (on- and off-balance sheet) and positions, and consolidates commitments to companies belonging to the same group, by aggregating all portfolios and identifying risk levels.

These measures are supplemented by periodically altering the risk profile under stress scenarios and by regularly making assessments based on various types of disaster scenarios. In 2011 and 2012 the Group took part in crisis simulation exercises organised by the European Banking Authority (EBA) then by the IMF ("Financial System Stability Assessment" exercise in 2012 concerning the stability of the French financial system). These exercises were conducted on Crédit Agricole Group's regulatory scope. As regards 2012, the solvency stress tests whose results were published by the IMF in December 2012 showed Crédit Agricole Group's - and more generally the French banking system's - ability to withstand a weakened economic environment while at the same time managing to comply with the new requirements imposed under the European CRD 4 directive.

As regards internal management, stress exercises were conducted by all entities. These exercises were conducted as part of the annual budgetary process to strengthen the practice of measuring the sensitivity of risks and the Group's income statement and its various components to a significant deterioration in the economic climate.

Crédit Agricole S.A., its subsidiaries and Regional Banks, collectively and individually undertake the risk management process by employing procedures for monitoring limits and making adjustments whenever they are exceeded, monitoring the operation of accounts, appropriate classification of receivables (particularly impaired receivables) in keeping with applicable regulations, ascertaining that provisions are sufficient to cover exposure under the control of the Risk Committees, and periodically reviewing major risks and portfolios, particularly those involving "deals at risk."

In a contrasting and uncertain risk environment, Crédit Agricole S.A. is pursuing a policy of actively reviewing the risk strategies and policies adopted by its subsidiaries. Procedures for alerts and escalation are in place should anything appear wrong for an extended period, depending on its materiality.

Since 2008, Crédit Agricole S.A. Group has implemented measurements of risk weighted assets for calculating capital requirements under Basel 2 based on internal models certified by the French Prudential Supervisory Authority (ACP) (the IRB approach for calculating credit risk, the AMA model for calculating operational risk; the standardised approach is applied where models are to be validated subsequently or to which that approach will be applied on a long-term basis).

With respect to liquidity risk, following publication of the order of 5 May 2009 amending Regulation 97-02, work has been undertaken since 2009 to strengthen the liquidity supervision and management system. The Group has established a liquidity risk containment system and has tools and indicators for measuring short- and medium-term liquidity risk on a representative management scope for such risk.

In 2012, in a context marked by the continuing sovereign debt crisis, nonetheless eased by central banks intervention, the Group continued its policy of prudent management of its liquidity, reducing its needs and increasing its reserves.

It also initiated a review of this internal system to take account of lessons learnt from the crisis and changes in the regulatory environment brought about by future implementation of the Basel 3 liquidity ratios.

In terms of market activities, 2012 was marked, as part of Crédit Agricole CIB adaptation plan, by discontinuing or outsourcing non-strategic activities. As regards risk management, the main changes concerned the transfer of the correlation book market risk to the Blue Mountain fund manager and taking into account the cost of collateral in calculating mark to market and risk measurement.

Crédit Agricole CIB also continued to make changes to its system for measuring risks and calculating regulatory capital in order to adapt to changes in the regulatory framework (CRD 3) and prepare for future requirements (CRD 4).

A significant incident system for all risks was established in 2009 and a procedure specifies the significant thresholds and how to report incidents to the executive and decision-making bodies of Crédit Agricole S.A., its subsidiaries and Regional Banks.

Permanent controls and operational risks

The Risk Management and Permanent Controls department coordinates the Group permanent controls system (definition of key control indicators by type of risk; deployment of a single software platform integrating operational risk assessment and the results of permanent controls; and organisation of reporting of control results at the relevant consolidation levels within the Group). In 2012, in its work on extending the questionnaire related to the deployment of permanent control systems, the Risk department organised permanent control workshops to promote the exchange of best practices within the Group's entities and undertook a campaign to review key control references. A summary of the results of the key controls will from now on be made available to the Group Internal Control Committee twice a year.

In terms of managing risks associated with the main outsourced activities, the system of standardisation for the Regional Banks was formalised in a procedure this year.

The Group strengthened its management of operational risks *via* the industrialisation of the model for calculating capital requirements and the back-testing tool, but also by continuing to update the IT elements of Operational Risks scenarios. A needs analysis in terms of mapping operational risks was conducted in order to adapt Risks and Permanent Controls (RPC) platform to the diversity of organisations comprising the Group. The Risk department also updated the significance thresholds in the context of the alert procedures following the review of the standard conducted last year.

In 2012 the Group, and more particularly Crédit Agricole CIB in the context of the Marly programme, continued to strengthen its rogue trading risk prevention system. This year, efforts more particularly concerned the strengthening of information security, monitoring of atypical conduct and closer monitoring of residual internal cash flows.

DECENTRALISED RISK MANAGEMENT AND PERMANENT CONTROLS FUNCTIONS IN EACH GROUP BUSINESS LINE

Within Crédit Agricole S.A.

The roll-out of the Group function is on a hierarchical basis with the appointment of a Risk Management and Permanent Controls Officer (RCPR) for each subsidiary or business line. The Business Line RCPR reports hierarchically to the Group RCPR and functionally to the executive body of the relevant business line. This safeguards the independence of the local Risk Management and Permanent Controls departments.

Acting under the responsibility of its own RCPR, each subsidiary or business line secures the resources it needs for managing its risks and to ensure the compliance of its permanent control system, in order to obtain a comprehensive, consolidated view of its risks that will guarantee the entity's sustainability throughout its internal control scope.

Relations between each subsidiary or business line and the Group Risk Management and Permanent Controls department are based on the following main principles:

- each subsidiary or business line applies the Group-wide standards and procedures defined by the Risk Management and Permanent Controls department;
- each subsidiary or business line defines its own risk strategy, which is approved by the Group Risk Management Committee on the Risk Management and Permanent Controls department's recommendation, specifying the overall limits on the entity's commitments;
- each subsidiary or business line enters into an operating agreement with the Risk Management and Permanent Controls department; this agreement is periodically revised and specifies the operational procedures to be applied within the entity to apply Group risk management and permanent controls rules to its own operations, and namely the format for reporting to the Risk Management and Permanent Controls department;
- authority is delegated from the Group RCPR to the Business Line RCPRs, which report hierarchically to the Group RCPR in carrying out their duties; these Officers are also subject to disclosure and early-warning obligations *vis-à-vis* the Group Risk Management and Permanent Controls department;
- a Business Line Monitoring Committee, which periodically brings together the Risks Management and Permanent Controls department and the entity to discuss the quality of the risk management and permanent controls system and the level of risk, including those which relate to Corporate and investment banking (Crédit Agricole CIB).

Regional Banks

Banking regulations on risks apply to each Regional Bank individually. Each Regional Bank is responsible for its own risks and permanent controls framework. Each one has a Risk Management and Permanent Controls Officer, who reports to his or her Chief Executive Officer and is in charge of the oversight of risk management and permanent controls. The Compliance Officer may also report to him/her. If this is not the case, the Compliance Officer directly reports to the Chief Executive Officer. The framework was completed in 2010 with the appointment of a Head of Risk Management for the newly-formed Risk department, as set forth in law.

As the central body for the Group, Crédit Agricole S.A. consolidates the risks borne by the Regional Banks and coordinates their Risk Management and Permanent Controls function *via* the Group Risk Management and Permanent Controls department, notably by circulating the appropriate procedures to the Regional Banks, particularly for implementing the Group permanent control system.

Furthermore, large credit exposures borne by the Regional Banks must be presented to Foncaris, a credit institution that is a wholly owned subsidiary of Crédit Agricole S.A., which partially guarantees such exposures. The requirement that the Regional Banks must ask Foncaris to guarantee their main transactions (when the amount exceeds a limit defined jointly by the Regional Banks and Foncaris) gives the central body an effective tool for assessing the associated risk before accepting it.

Internal control system for information systems security and business continuity plans

Through the internal control system that has been established, periodic reports on the main entities' situation regarding risk monitoring of Business Continuity Plans (BCP) and IT System Security (ITSS) are made to the governance authorities for Group security.

ITSS and BCP Officers in each Group entity have worked to apply and implement the general guidelines on Group security. Several unit tests were done by the entities in this framework, and these confirmed that the emergency solutions implemented are operational.

As part of the Group's effort initiated in 2010 to create BCPs by business line, to avoid "compartmentalising" should a business line entity suffer damage, cross-business line tests were carried out in 2012 for "Insurance", "Payment Instruments" and "Retail Securities" business lines.

The national crisis management system was tested quarterly by linking all the crisis officers named by the Group's entities (Regional Banks and subsidiaries).

All the major strategic projects undertaken by the Group in 2009–2010 and helping to ensure better coverage and control of functional and IT risks enjoyed significant progress in 2012:

- project Evergreen: as planned, all Paris-based employees in the Crédit Agricole Leasing & Factoring subsidiary had moved to the Evergreen administrative site in Montrouge by the end of 2012, thereby benefiting from the security services common to the site;
- project Greenfield: transfers of data production sites located in the Paris region to the Group's computer "twin-site" outside of Paris continued in 2012, as planned.

In addition, the NICE programme, which was started in 2009 and aims at unifying the Regional Banks' information systems by the end of 2013, saw the first waves of migration successfully completed in 2012: by November 2012, 17 Regional Banks out of 39 were using the same initial version of the NICE target information system. In 2012 Crédit Agricole S.A. continued to support the NICE programme through:

- regular monitoring by the Group Information Technology department;
- effective support of the various business teams and project management of Crédit Agricole S.A. and its subsidiaries in development projects undertaken in 2012 by the various business lines of the NICE programme, with the joint objective of maintaining regulatory requirements, notably those associated with Basel 3, and developing the target of a customer/employee-oriented system;
- submissions to the French Prudential Supervisory Authority on the progress of the NICE migration programme and the regulatory plans.

In the context of this NICE programme, it should also be noted that the production of certain Regional Banks which have migrated is now carried out at the Greenfield twin-site.

Deployment of these projects is supported by an appropriate security policy with, in particular, implementation of BCP tests on the new Greenfield site and implementation of User Backup Plans responding to the regrouping at Evergreen. Finally, although the twin-site already has a high level of security, the Group is studying vital data backup solutions making it possible to reconstitute its information systems in the event of an extreme shock affecting Greenfield on a lasting basis.

Internal control system for accounting and financial information

ROLES AND RESPONSIBILITIES FOR THE PREPARATION AND PROCESSING OF FINANCIAL INFORMATION

In keeping with the applicable rules within the Group, the organisational principles and responsibilities of the Group Finance division functions are set out in a procedure.

The Central Finance function is organised as a business line within the Crédit Agricole S.A. Group. The heads of the Finance function for a business line or subsidiary report hierarchically to the head of the business line or subsidiary and functionally to the Group Chief Financial Officer.

At business line/subsidiary level, the Finance department acts as a relay among subsidiaries, circulating the Group's principles with respect to standards and information system organisation, in line with each business line's special attributes. In some cases, it also constitutes an intermediate level for preparation of the business line's accounting and business management information. Each Risk Management and Permanent Controls department in a business line or subsidiary within the Group is also responsible for producing the risk data used to prepare financial information and for implementing controls to ensure that this information is accurately reconciled with accounting data.

Each business line and/or entity must have the resources to ensure that accounting, management and risk information transmitted to the Group for consolidation purposes is reliable. It must ensure that data conform to Group accounting standards and are consistent with the individual financial statements approved by its decision-making body, and it is responsible for reconciliation of accounting and management data.

Within the Group Finance division, three functions are primarily responsible for the preparation of published accounting and financial information: Accounting, Management Control and Financial Communication.

Accounting

The main purpose of the Accounting function is to draw up the separate financial statements of Crédit Agricole S.A., the consolidated financial statements of Crédit Agricole S.A. and Crédit Agricole Groups, including segment information for Crédit Agricole S.A. Group based on the definition of the business lines for financial reporting purposes and in compliance with IFRS 8. To fulfil this mission, the Accounting function, in accordance with applicable regulations, defines and circulates the accounting standards and principles that apply to the Group. It oversees accounting bases, lays down the rules governing the architecture of the accounting information and regulatory reporting system, and manages the accounting processes for consolidation of the financial statements and regulatory reporting.

Management Control

In the field of preparing financial information, the Group Management Control function, together with the Financial Management department, defines the rules for allocating economic capital (definition, allocation policy), consolidates, puts together and quantifies the budget and the medium-term plan for Crédit Agricole S.A. Group, and ensures budget reporting and monitoring. To meet this objective, Group Management Control defines the management control procedures and methods and the structure and management regulations for the Group management control system.

Financial Communication

Crédit Agricole S.A.'s Financial Communication function ensures message consistency across all investor categories. It is responsible for information published in press releases and presentations to shareholders, financial analysts, institutional investors, rating agencies, as well as information contained in documents subject to approval by the Autorité des marchés financiers (AMF). In this respect, working under the responsibility of the Chief Executive Officer and Crédit Agricole S.A. Group's Chief Financial Officer, the Financial Communication function provides the materials used as the basis for presentations of Crédit Agricole S.A. Group results, financial structure and changes in business lines, as needed to enable third parties to formulate an opinion, particularly on the Group's financial strength, profitability and outlook.

Procedures for preparation and processing of financial information

Each Group entity has responsibility, *vis-à-vis* the Group and the supervisory authorities to which it reports, for its own financial statements, which are approved by its decision-making body. Depending on the entity's size, these financial statements are subject to prior review by the entity's Audit and Risks Committee, if it has one.

As for the Crédit Agricole Regional Banks, once their financial statements are drawn up, they are approved by the Accounting department of Crédit Agricole S.A.; this is one of its responsibilities as central body. Crédit Agricole Group's consolidated financial statements are submitted to the Audit and Risks Committee and approved by the Board of Directors of Crédit Agricole S.A.

Most published financial information is based on accounting data and on management and risk data.

Accounting data

Figures for each individual entity are drawn up in accordance with the accounting standards applicable where the entity operates. For the purposes of preparing Group consolidated financial statements, local financial statements are restated to conform to IFRS policies and principles adopted by Crédit Agricole S.A. Group.

Management data

Management data is produced by the Group Finance division or the Group Risk Management and Permanent Controls department. They are being reported upwards in anticipation of definitive accounting data in accordance with the same definition and granularity standards and are used to supply the Group's internal management reporting.

Furthermore, external sources of information (such as the European Central Bank and Bank of France) may be used for management data, particularly for calculating market shares.

In accordance with AMF and CESR recommendations, the use of management data for preparing published financial information meets the following guidelines:

- classification of the type of financial information published: historical information, *pro forma* data, projections or trends;
- a clear description of the sources from which the financial information was drawn. When published data are not extracted directly from accounting information, the sources and definition of calculation methods are mentioned;
- comparability of figures and indicators over time, which implies ongoing use of the same sources, calculation methods and methodologies.

Description of the permanent accounting control system

The Group's Permanent Accounting Controls function's objective is to provide adequate coverage of major accounting risks that can alter the quality of accounting and financial information. This function is provided by the Group Finance division's Accounting Controls and Permanent Controls Office, which reports to the Group Risk Management and Permanent Controls department. The Group's Permanent Accounting Controls function is based on cross-linking the network of accounting controllers in the subsidiaries and Regional Banks. It is directly in charge of carrying out control assignments on the functions that prepare Crédit Agricole S.A. financial information.

The unit has the following roles in this area:

- to define the standards and organisational and operational principles of permanent accounting controls within Crédit Agricole Group;
- to oversee and coordinate the permanent accounting control systems implemented within the Group's subsidiaries and Regional Banks;
- to report to the Group's internal control oversight committees and, at their request, to the decision-making body or to the Audit and Risks Committee, on the quality of the permanent control systems regarding accounting and financial information for all entities in Crédit Agricole Group.

In 2012, the Group's Permanent Accounting Controls function continued to lead and support entities with the implementation of their systems, primarily with the deployment of the key controls in the Accounting Control Guide and in articulating procedures for aligning accounting/risks as well as implementing the alert procedure on accounting risks in the subsidiaries. It also circulated a new accounting risks and processes framework, designed to harmonise accounting risk mapping across entities.

Relations with the Statutory Auditors

The registration document, its updates, securities notes and prospectuses prepared for new debt or share issues, which contain comprehensive financial information, are subject to approval or registration by the AMF.

In accordance with applicable professional standards, the Statutory Auditors perform those procedures they deem appropriate on published financial and accounting information:

- audit of the parent company and consolidated financial statements;
- partial audit of interim consolidated financial statements;
- overall review of quarterly financial information and materials used as a basis for presenting financial information to financial analysts.

As part of the duties assigned to them by law, the Statutory Auditors submit to Crédit Agricole S.A.'s Audit and Risks Committee their overall work programme, the various spot checks they have carried out, the conclusions of their work on the financial and accounting information they have reviewed in carrying out their assignment, as well as the significant weaknesses of the internal controls, with regards to the procedures used for the preparation and processing of accounting and financial information.

Non-compliance risk prevention and controls

Crédit Agricole S.A., its subsidiaries and the Regional Banks each have their own Compliance department. These functions employ approximately 800 full-time equivalent (FTE) employees within Crédit Agricole S.A. Group.

The Compliance function is assumed by the Group's Chief Legal and Compliance Officer, who reports to the Deputy Chief Executive Officer responsible for Group Central functions, and is the compliance manager contemplated by Regulation 97-02.

The Compliance department has functional authority over the Compliance officers of the French and foreign subsidiaries of Crédit Agricole S.A. The Compliance officers of Crédit Agricole S.A. Group subsidiaries operate completely independently, with a hierarchical reporting line to the entity and a functional reporting line to the Compliance function.

The Group Compliance department is responsible for developing policies with respect to:

- laws and regulations, their circulation and monitoring that they are observed;
- rules on prevention of money laundering and the financing of terrorism, on management of embargoes and asset freezes, and fraud prevention.

Within the Compliance function, each Compliance Officer updates a non-compliance risk map and these are consolidated by the Group Compliance department.

The Compliance Management Committee, which is chaired by the Deputy Chief Executive Officer, holds bimonthly plenary meetings. It takes the decisions needed to prevent non-compliance risks and in order to implement and monitor corrective measures following the reporting of major irregularities to the Committee. A point dedicated to customer protection is now systematically included in the agenda. The Committee periodically reports on its work to the Audit and Risks Committee of Crédit Agricole S.A. Board of Directors.

Within the Group Compliance department, dedicated units cover specialist areas across the Group: Compliance and Procedures, Financial Safety and Fraud Prevention, Compliance and Systems. In addition, dedicated units cover business lines: Retail banking in France, International retail banking, Specialised financial businesses, (insurance, asset management, consumer credit, leasing and factoring) and Corporate and investment banking.

As the central body, Crédit Agricole S.A., *via* the Group Compliance department, leads and coordinates the Compliance Group function in the Regional Banks, in particular by circulating the required standards in accordance with the General Regulations of the AMF and amended Regulation 97-02.

As part of the actions already initiated and following changes in the regulatory provisions, the Compliance Group function has notably:

- integrated into Group procedures the Prudential Supervisory Authority's requirements concerning identification of the effective beneficiary and the related vigilance obligations;
- continued to strengthen the system for complying with international sanctions and the Group's corresponding filtering policy;
- launched a national action plan (Regional Banks) to verify the compliance of legal entity customer files as an extension of the natural person action plans now up and running for most Regional Banks;

- managed a Group-wide project dedicated to customer protection, whose main achievements in 2012 related to the distribution of self-assessment guides and controls concerning consumerism and marketing of financial products;
- incorporated into Group standards the recommendations of the regulators (ACP and AMF) regarding handling of complaints, aimed at strengthening the transparency and quality of the service provided to the customer;
- developed the project on the New Products/New Activities process within Crédit Agricole S.A. Group;
- managed the deployment of the tool for pooling compliance issues for entities in Crédit Agricole S.A. Group;
- supported the Group sustainability effort by implementing Corporate Social Responsibility (CSR) action plans;
- rolled out the new compliance training courses within the Group (Regional Banks and subsidiaries).

As regards fraud prevention, the dispatch to all the Group's units of a questionnaire on the system's deployment helped to strengthen management by the Compliance department and the development of action plans. The Fraud Prevention Coordination unit thus assisted Regional Banks and subsidiaries which risked being behind in relation to targets and provided entities with tools to detect, manage and combat identity and document fraud. In addition, benchmarking of specialist market tools for combating fraud is under way. Finally, actions to raise awareness were conducted through training sessions in the framework of the Ifcam and on-site for employees of the entities.

As regards information systems, Group systems to combat money laundering and manage embargoes and asset freezing, already in use in France, continued to be optimised on a regular basis, while their deployment in international entities continued as existing solutions were added to or replaced. A secured data sharing application used as one of the requirements of information exchange within the Group, modified in 2011 to handle prevention and upward reporting of instances of fraud, is now in use in this respect in most Regional Banks.

Since summer 2011, Crédit Agricole S.A. Group has been conducting a project across the Group and worldwide, led by the Compliance department, to implement the US Foreign Account Tax Compliant Act (FATCA) regulatory system. The proposed regulations and intergovernmental framework agreements published in 2012 made it possible to determine the actions to be implemented based on the countries where entities were located and the given timetables. Publication of the definitive texts at the beginning of 2013 will make it possible to clarify the status as regards the FATCA regulations for each Group entity and to modify procedures when entering into a new customer relationship, with a view to complying with these regulations as from 1 January 2014.

Periodic controls

Group Control and Audit, which reports directly to the Chief Executive Officer of Crédit Agricole S.A., is the highest level of control within the Crédit Agricole Group. It has sole responsibility for periodic controls of the Crédit Agricole Group through the missions it conducts, through the oversight of the Control and Audit function of the Crédit Agricole S.A. Group, which reports hierarchically to this function, and through coordination of the Regional Banks' internal audit units.

Starting with an updated risk mapping approach aimed at determining a suitable audit frequency (two to five years depending on the entity), it also carries out field and paper audits in the Regional Banks and in all Crédit Agricole S.A. business units and subsidiaries, including those that have their own internal audit teams.

These periodical audits include a critical assessment of the internal control system implemented by the audited entities. These procedures are designed to provide reasonable assurance that the system is effective in terms of transaction security, risk management and compliance with external and internal regulations.

They include verifying that the audited entities comply with external and internal regulations, assessing the security and effectiveness of operational procedures, ensuring that the system for measuring and supervising all risks is adequate, and verifying the reliability of accounting information.

In 2012, Group Control and Audit on-site and document verification assignments concerned various entities and units and related mainly to the system for calculating economic capital (Basel 2, pillar 2), governance and management of payment means, Exchange Trade Funds (ETF) activity, filtering of international flows, management of risk of CA Consumer Finance international subsidiaries, the CACI creditor insurance subsidiary, the foreign subsidiaries CA Egypt, CA Srbija, Cariparma (control and credit risk) and Centea (following its acquisition by Crédit Agricole in Belgium), financial security within the scope of the Regional Banks, the Group's refinancing systems (as well as management of liquidity and rediscountable credit for Regional Bank refinancing), the NICE programme (regulatory issues and production security) and SILCA critical infrastructures, and certain financial, regulatory and technological issues. In 2012, Group Control and Audit also managed the investigatory work aimed at gathering the data requested by the various authorities as part of enquiries related to Euribor, Libor and certain other market indices. This work will continue in 2013.

In addition, Group Control and Audit provides central oversight of the Control and Audit function for all subsidiaries, including Crédit Agricole CIB and LCL, thereby improving the effectiveness of controls, through the harmonisation of audit practices to the highest standards, in order to guarantee the security and conformity of transactions carried out in the Group's various entities and to develop common areas of expertise. At the end of 2012, the Group function employed 875 full-time equivalents within Crédit

Agricole S.A. Group (including Group Control and Audit but not including audit teams at the Regional Banks, which have 412 staff members).

In addition, joint audit assignments are carried out regularly by Group Control and Audit and the subsidiaries' internal audit departments, to encourage the exchange of best practices. Special importance is placed on topical and cross-functional investigations.

Through the relevant Group subsidiaries' Internal Control Committees, to which members of each entity's Executive Management, internal audit department, Permanent Controls Officer and Compliance Officer belong, Group Control and Audit ascertains that audit plans are successfully carried out, that risks are properly managed, and, more generally, that each entity's internal control systems are adequate.

Audits carried out by Crédit Agricole S.A. Group Control and Audit, the internal audit departments and all external audits (conducted by supervisory authorities or outside firms) are monitored through a formal system. For every recommendation formulated as a result of these audits, this system ensures that all recommendations made are implemented through corrective and prioritised action plans, according to a clearly defined timetable set by order of priority. In accordance with Article 9-1 of Group Regulation 97-02 as amended, it is the duty of the Head of the Control and Audit function to alert the Audit and Risks Committee if required.

The Board of Directors of Crédit Agricole S.A., of which I am Chairman, the Audit and Risks Committee and the Chief Executive Officer, due to his own specific responsibilities, are provided with comprehensive information on internal control and exposure to risks, areas of improvements achieved in this area and the status of any corrective measures adopted. The internal control system and procedures are updated continuously to meet new developments in regulations, business activities and risks incurred by the Company.

All this information is notably contained in the annual report on internal control and risk measurement and supervision, the management report and regular reporting on operations and control.

The Chairman of the Board of Directors of Crédit Agricole S.A.

Jean-Marie SANDER

Statutory Auditors' report

Statutory Auditors' report prepared with Article L. 225-235 of the French Commercial Code (Code de Commerce) on the report prepared by the Chairman of the Board of Directors of Crédit Agricole S.A.

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

Year ended December 31, 2012

To the Shareholders,

In our capacity as Statutory Auditors of Crédit Agricole S.A. and in accordance with the provisions of Article L. 225-235 of the French Commercial Code (Code de Commerce), we hereby report to you on the report prepared by the Chairman of your Company in accordance with the provisions of Article L. 225-37 of the French Commercial Code for the year ended December 31, 2012.

It is the Chairman's responsibility to prepare, and submit to the Board of Directors for approval, a report describing the internal control and risk management procedures implemented by the Company and providing the other information required by Article L. 225-37 of the French Commercial Code in particular relating to corporate governance.

It is our responsibility:

- to report to you our observations on the information set out in the Chairman's report on internal control and risk management procedures relating to the preparation and processing of financial and accounting information, and
- to attest that the report sets out the other information required by Article L. 225-37 of the French Commercial Code, it being specified that it is not our responsibility to assess the fairness of this information.

We conducted our work in accordance with professional standards applicable in France.

Information concerning the internal control and risk management procedures relating to the preparation and processing of financial and accounting information

The professional standards require that we perform procedures to assess the fairness of the information on internal control and risk management procedures relating to the preparation and processing of financial and accounting information set out in the Chairman's report. These procedures mainly consisted in:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information underlying the information presented in the Chairman's report and of the existing documentation;
- obtaining an understanding of the work performed to prepare this information and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of financial and accounting information that we may have identified in the course of our work are properly disclosed in the Chairman's report.

On the basis of our work, we have no matters to report on the information given on internal control and risk management procedures relating to the preparation and processing of financial and accounting information, set out in the report of the Chairman of the Board of Directors, prepared in accordance with Article L. 225-37 of the French Commercial Code.

Other information

We attest that the Chairman's report sets out the other information required by Article L. 225-37 of the French Commercial Code.

Neuilly-sur-Seine and Paris-La Défense, March 14, 2013

The Statutory Auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Catherine Pariset	Valérie Meeus

Compensation paid to Executive and non-Executive Corporate Officers

The information given in this document takes into account the provisions of EC Regulation No. 809/2004 of 29 April 2004, order No. 2004-604 of 24 June 2004, the AFEP/MEDEF Code of Corporate Governance for listed companies, the AMF recommendation of 22 December 2008 on information to be provided in the registration documents regarding compensation paid to Corporate Officers and the provisions of Articles L. 225-102-1, paragraphs 1, 2 and 3 of L. 225-184 of the French Commercial Code.

TABLE 1 – SUMMARY OF COMPENSATION, SHARES AND STOCK OPTIONS AWARDED TO THE EXECUTIVE CORPORATE OFFICERS OF CRÉDIT AGRICOLE S.A.

Gross amounts *(in euros)*	Jean-Marie Sander Chairman (3)		Jean-Paul Chifflet Chief Executive Officer (4)		Jean-Yves Hocher Deputy Chief Executive Officer (6)		Bruno de Laage Deputy Chief Executive Officer (5)		Michel Mathieu Deputy Chief Executive Officer (5)		Xavier Musca Deputy Chief Executive Officer (7)	
	2011	**2012**	**2011**	**2012 (8)**	**2011**	**2012 (8)**	**2011**	**2012 (8)**	**2011**	**2012 (8)**	**2011**	**2012 (8)**
Compensation due with respect to the financial year (1) (see below: detailed information)	590,588	583,878	1,991,959	1,541,895	1,045,622	852,186	1,073,909	872,816	1,115,105	925,980	na	377,261
Value of options awarded during the year (2)	0	0	0	0	0	0	0	0	0	0		0
Value of performance shares awarded during the year (2)	0	0	0	0	0	0	0	0	0	0		0
TOTAL	**590,588**	**583,878**	**1,991,959**	**1,541,895**	**1,045,622**	**852,186**	**1,073,909**	**872,816**	**1,115,105**	**925,980**	**0**	**377,261**

(1) *The compensation shown in this table represents amounts awarded in respect of the year indicated. The itemised tables below show compensation awarded with respect to a given year and compensation received during that year.*

(2) *No Crédit Agricole S.A. stock options were awarded to Corporate Officers in 2012. No performance share plan was instituted at Crédit Agricole S.A.*

(3) *Jean-Marie Sander has served as Chairman since 19 May 2010.*

(4) *Jean-Paul Chifflet has served as Chief Executive Officer since 1 March 2010.*

(5) *Bruno de Laage and Michel Mathieu have served as Deputy Chief Executive Officers since 1 March 2010.*

(6) *Jean-Yves Hocher has served as Deputy Chief Executive Officer since 15 October 2008.*

(7) *Xavier Musca has served as Deputy Chief Executive Officer since 19 July 2012.*

(8) *The criteria for determining variable compensation are detailed in the Chairman's report to the General Meeting of Shareholders. For 2012, the Board decided, at its meeting held on 19 February 2013, to award the Executive Corporate Officers variable compensation below that resulting from application of the criteria, taking account of the results for the period and the officers' operating contribution in 2012.*

TABLE 2 – SUMMARY TABLE OF GROSS COMPENSATION PAID TO EACH EXECUTIVE OFFICER (AMOUNTS IN EUROS)

Jean-Marie Sander Chairman of the Board of Directors of Crédit Agricole S.A.	2011 Due (amount awarded) [1]	2011 Paid out [2]	2012 Due (amount awarded) [1]	2012 Paid out [2]
Fixed compensation [a]	420,000	420,000	420,000	420,000
Variable compensation [b]	0	0	0	0
Exceptional compensation	0	0	0	0
Directors' fees [c]	19,800	19,800	23,100	23,100
Benefits in kind [d]	150,788	102,347	140,778	140,778
TOTAL	**590,588**	**542,147**	**583,878**	**583,878**

Jean-Marie Sander has served as Chairman of the Board of Directors since the General Meeting of Shareholders of 19 May 2010.

(a) Gross fixed compensation before tax.

(b) Jean-Marie Sander does not receive any variable compensation.

(c) Jean-Marie Sander receives Directors' fees for serving as Chairman of the Crédit Agricole S.A. Strategy Committee.

(d) Benefits in kind consist of the provisions of company housing and payments (the amount of which is decided by the Board of Directors on the recommendation of the Compensation Committee) to fund the constitution of retirement capital.

Jean-Paul Chifflet Chief Executive Officer	2011 Due (amount awarded) [1]	2011 Paid out [2]	2012 Due (amount awarded) [1]	2012 Paid out [2]
Fixed compensation [a]	900,000	900,000	900,000	900,000
Variable compensation [b]	270,000	274,400	135,000	270,000
Variable compensation indexed on Crédit Agricole S.A. share price [b]	90,000	46,716	45,000	80,100
Deferred and conditional compensation [c]	540,000	na	270,000	51,621
Exceptional compensation	0	0	0	0
Directors' fees [d]	87,500	60,000	83,000	80,500
Benefits in kind [e]	104,459	104,459	108,895	108,895
TOTAL	**1,991,959**	**1,385,575**	**1,541,895**	**1,491,116**

Jean-Paul Chifflet has served as Chief Executive Officer since 1 March 2010.

(a) Gross fixed compensation before tax.

(b) The non-deferred variable compensation includes a portion paid immediately upon allocation in year N+1 and a portion paid 6 months later, indexed on the change in share price over these 6 months.

(c) Deferred variable compensation is awarded in the form of Crédit Agricole S.A. shares to be gradually acquired over a three-year period subject to attendance and linked to the achievement of three performance targets as described in point 4 of the Chairman's report. The amount paid in 2012 corresponds to the value of shares acquired in March 2012 in respect of the first tranche of deferred variable compensation for 2010.

(d) Jean-Paul Chifflet received Directors' fees for serving as Chairman of Crédit Agricole CIB, LCL and Amundi Group.

(e) The benefits in kind paid consist of the provision of company housing.

(1) The amounts shown are sums awarded for serving in the office in respect of the year indicated. With the exception of the Chairman, who does not receive variable compensation, a portion of the variable compensation awarded is conditional.

(2) The amounts shown are sums paid for serving in the office during the year indicated.

The criteria for determining variable compensation are detailed in the Chairman's report to the General Meeting of Shareholders. For 2012, the Board decided, at its meeting held on 19 February 2013, to award the Executive Corporate Officers variable compensation below that resulting from application of the criteria, taking account of the results for the period and the officers' operating contribution in 2012.

Jean-Yves Hocher Deputy Chief Executive Officer	2011 Due (amount awarded) (1)	2011 Paid out (2)	2012 Due (amount awarded) (1)	2012 Paid out (2)
Fixed compensation (a)	500,000	500,000	500,000	500,000
Variable compensation (b)	150,000	166,200	90,000	150,000
Variable compensation indexed on Crédit Agricole S.A. share price (b)	50,000	28,254	30,000	44,500
Deferred and conditional compensation (c)	300,000	na	180,000	31,197
Exceptional compensation	0	0	0	0
Directors' fees (d)	10,287	17,787	4,287	4,287
Benefits in kind (e)	35,335	35,335	47,899	47,899
TOTAL	**1,045,622**	**747,576**	**852,186**	**777,883**

Jean-Yves Hocher has served as Deputy Chief Executive Officer since 15 October 2008.

(a) *Gross fixed compensation before tax.*

(b) *The non-deferred variable compensation includes a portion paid immediately upon allocation in year N+1 and a portion paid 6 months later, indexed on the change in share price over these 6 months.*

(c) *Deferred variable compensation is awarded in the form of Crédit Agricole S.A. shares to be gradually acquired over a three-year period subject to attendance and linked to the achievement of three performance targets as described in point 4 of the Chairman's report. The amount paid in 2012 corresponds to the value of shares acquired in March 2012 in respect of the first tranche of deferred variable compensation for 2010.*

(d) *Jean-Yves Hocher received directors' fees for serving as Director of Emporiki Bank and Crédit Agricole Indosuez Private Banking.*

(e) *The benefits in kind paid consist of the provision of company housing.*

Bruno de Laage Deputy Chief Executive Officer	2011 Due (amount awarded) (1)	2011 Paid out (2)	2012 Due (amount awarded) (1)	2012 Paid out (2)
Fixed compensation (a)	500,000	500,000	500,000	500,000
Variable compensation (b)	150,000	123,500	90,000	150,000
Variable compensation indexed on Crédit Agricole S.A. share price (b)	50,000	20,995	30,000	44,500
Deferred and conditional compensation (c)	300,000	na	180,000	23,184
Exceptional compensation	0	0	0	0
Directors' fees (d)	12,000	12,000	8,000	8,000
Benefits in kind (e)	61,909	61,909	64,816	64,816
TOTAL	**1,073,909**	**718,404**	**872,816**	**790,500**

Bruno de Laage has served as Deputy Chief Executive Officer since 1 March 2010.

(a) *Gross fixed compensation before tax.*

(b) *The non-deferred variable compensation includes a portion paid immediately upon allocation in year N+1 and a portion paid 6 months later, indexed on the change in share price over these 6 months.*

(c) *Deferred variable compensation is awarded in the form of Crédit Agricole S.A. shares to be gradually acquired over a three-year period subject to attendance and linked to the achievement of three performance targets as described in point 4 of the Chairman's report. The amount paid in 2012 corresponds to the value of shares acquired in March 2012 in respect of the first tranche of deferred variable compensation for 2010.*

(d) *Bruno de Laage received directors' fees for serving as Director of LCL.*

(e) *The benefits in kind paid consist of the provision of company housing.*

(1) *The amounts shown are sums awarded for serving in the office in respect of the year indicated. With the exception of the Chairman, who does not receive variable compensation, a portion of the variable compensation awarded is conditional.*

(2) *The amounts shown are sums paid for serving in the office during the year indicated.*

The criteria for determining variable compensation are detailed in the Chairman's report to the General Meeting of Shareholders. For 2012, the Board decided, at its meeting held on 19 February 2013, to award the Executive Corporate Officers variable compensation below that resulting from application of the criteria, taking account of the results for the period and the officers' operating contribution in 2012.

Michel Mathieu Deputy Chief Executive Officer	2011 Due (amount awarded) (1)	2011 Paid out (2)	2012 Due (amount awarded) (1)	2012 Paid out (2)
Fixed compensation (a)	500,000	500,000	500,000	500,000
Variable compensation (b)	150,000	149,750	90,000	150,000
Variable compensation indexed on Crédit Agricole S.A. share price (b)	50,000	25,457	30,000	44,500
Deferred and conditional compensation (c)	300,000	na	180,000	28,112
Exceptional compensation	0	0	0	0
Directors' fees (d)	39,779	34,779	47,475	45,475
Benefits in kind (e)	75,326	75,326	78,505	78,505
TOTAL	**1,115,105**	**785,312**	**925,980**	**846,592**

Michel Mathieu has served as Deputy Chief Executive Officer since 1 March 2010.

(a) *Gross fixed compensation before tax.*

(b) *The non-deferred variable compensation includes a portion paid immediately upon allocation in year N+1 and a portion paid 6 months later, indexed on the change in share price over these 6 months.*

(c) *Deferred variable compensation is awarded in the form of Crédit Agricole S.A. shares to be gradually acquired over a three-year period subject to attendance and linked to the achievement of three performance targets as described in point 4 of the Chairman's report. The amount paid in 2012 corresponds to the value of shares acquired in March 2012 in respect of the first tranche of deferred variable compensation for 2010.*

(d) *Michel Mathieu received directors' fees for serving as Director of LCL, Cariparma, Amundi Group and Crédit Agricole CIB.*

(e) *The benefits in kind paid consist of the provision of company housing.*

Xavier Musca Deputy Chief Executive Officer	2011 Due (amount awarded) (1)	2011 Paid out (2)	2012 Due (amount awarded) (1)	2012 Paid out (2)
Fixed compensation (a)			227,084	227,084
Variable compensation (b)			40,800	0
Variable compensation indexed on Crédit Agricole S.A. share price (b)			13,600	0
Deferred and conditional compensation (c)			81,600	0
Exceptional compensation			0	0
Directors' fees (d)			14,177	11,677
Benefits in kind			0	0
TOTAL	**na**	**na**	**377,261**	**238,761**

Xavier Musca has served as Deputy Chief Executive Officer since 19 July 2012.

(a) *Gross fixed compensation before tax.*

(b) *The non-deferred variable compensation includes a portion paid immediately in March of year N+1 and a portion paid in September of year N+1, indexed on the change in share price between March and September. Xavier Musca did not receive any variable compensation in 2012.*

(c) *Deferred variable compensation is awarded in the form of Crédit Agricole S.A. shares to be gradually acquired over a three-year period subject to attendance and linked to the achievement of three performance targets as described in point 4 of the Chairman's report.*

(d) *Xavier Musca received directors' fees for serving as Director of Cariparma and Crédit Agricole Egypt. Directors' fees owed for 2012 associated with his serving as Director of Amundi Group will be paid in 2013.*

(1) *The amounts shown are sums awarded for serving in the office in respect of the year indicated. With the exception of the Chairman, who does not receive variable compensation, a portion of the variable compensation awarded is conditional.*

(2) *The amounts shown are sums paid for serving in the office during the year indicated.*

The criteria for determining variable compensation are detailed in the Chairman's report to the General Meeting of Shareholders. For 2012, the Board decided, at its meeting held on 19 February 2013, to award the Executive Corporate Officers variable compensation below that resulting from application of the criteria, taking account of the results for the period and the officers' operating contribution in 2012.

TABLE 3 – DIRECTORS' FEES RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS

	2012					2011
Directors	Crédit Agricole S.A.	Crédit Agricole CIB	LCL	Amundi Group	Total	Total
Directors elected by the General Meeting of Shareholders						
Jean-Marie Sander	23,100	-	-	-	23,100	19,800
Dominique Lefebvre	63,800	-	-	-	63,800	61,600
Philippe Brassac	48,400	21,000	8,000	-	77,400	85,800
Noël Dupuy (1)	20,900	-	-	-	20,900	77,100
Caroline Catoire	52,800	-	-	-	52,800	33,000
Gérard Cazals (1)	9,900	-	-	-	9,900	36,300
Patrick Clavelou	52,800	-	-	10,000	62,800	66,100
Jean-Louis Delorme (2)	37,400	-	-	-	37,400	36,300
Laurence Dors	70,400	-	-	-	70,400	72,450
Véronique Flachaire	50,600	-	-	-	50,600	56,100
Xavier Fontanet (1)	0	-	-	-	0	33,000
Carole Giraud	33,000	-	-	-	33,000	33,000
Françoise Gri (3)	24,200	-	-	-	24,200	-
Bernard Lepot	41,800	-	-	-	41,800	49,500
Michel Michaut (1)	9,900	-	-	-	9,900	39,600
Monica Mondardini (5)	32,505	-	-	-	32,505	25,163
Marc Pouzet (3)	23,100	-	8,000	10,000	41,100	-
Jean-Claude Rigaud (3)	25,300	-	-	5,000	30,300	-
Jean-Louis Roveyaz (3)	23,100	25,000	-	-	48,100	-
Christian Streiff	44,000	-	-	-	44,000	22,000
Christian Talgorn	55,000	-	-	-	55,000	47,300
François Véverka	77,200	48,000	28,000	13,500	166,700	165,500
Directors elected by the staff						
François Heyman (4)	19,800	-	-	-	19,800	-
Christian Moueza (4)	16,500	-	-	-	16,500	-
Daniel Coussens (1)	13,200	-	-	-	13,200	36,300
Kheira Rouag (1)	13,200	-	-	-	13,200	33,000
Directors representing the professional agricultural organisations						
Xavier Beulin	33,000	-	-	-	33,000	6,600
Non-voting Directors						
Pascal Célérier	33,000	-	-	-	33,000	-
François Thibault (6)	23,100	21,000	-	-	44,100	-
TOTAL	**971,005**	**115,000**	**44,000**	**38,500**	**1,168,505**	**1,035,513**

(1) Up to May 2012.

(2) Director from February 2012.

(3) From May 2012.

(4) From June 2012.

(5) After with holding tax - 25%, - 30% as from the second quarter in accordance with French tax law.

(6) Appointed as non-voting Director in May 2012.

The total amount of Directors' fees approved by the Crédit Agricole S.A. General Meeting of Shareholders of May 2012 was €1,050,000. This sum was paid by Crédit Agricole S.A., in accordance with the following principles:

- for each Board meeting attended, each Director and non-voting Director received €3,300, which were allotted for their effective participation in meetings;
- the Chairman of the Board only received fees in his capacity as Chairman of the Strategy Committee and as a member of the Appointments and Governance Committee. His compensation for serving as Chairman of the Board (see table 2 above) is determined by the Board, based on the recommendation of the Compensation Committee;
- the Chairmen of the Audit and Risks Committee, Strategy Committee, Compensation Committee and Appointments and Governance Committee receive additional directors' fees: annual flat-rate directors' fee of €20,000 for the Audit and Risk Committee and €16,500 for the Strategy Committee, Compensation Committee and Appointments and Governance Committee;
- members of all the Committees received an additional €2,200 per committee meeting attended. These fees are allotted for their effective participation in the meetings of the aforementioned Committees.

TABLE 4 – OPTIONS TO SUBSCRIBE FOR OR PURCHASE SHARES AWARDED IN 2012 TO EXECUTIVE CORPORATE OFFICERS BY CRÉDIT AGRICOLE S.A. AND BY ANY GROUP COMPANY

No stock options were awarded to Corporate Officers in 2012.

TABLE 5 – STOCK OPTIONS EXERCISED BY THE EXECUTIVE CORPORATE OFFICERS IN 2012

No Crédit Agricole S.A. stock options were exercised by Corporate Officers in 2012.

TABLE 6 – PERFORMANCE SHARES AWARDED TO CORPORATE OFFICERS IN 2012

No performance share plan was instituted at Crédit Agricole S.A.

TABLE 7 – PERFORMANCE SHARES MADE AVAILABLE IN 2012 FOR CORPORATE OFFICERS

Not applicable. No performance share plan was instituted at Crédit Agricole S.A.

TABLE 8 – HISTORY OF ALLOCATIONS OF OPTIONS TO SUBSCRIBE FOR OR PURCHASE SHARES

Situation of Corporate Officers in office at 31 December 2012

Crédit Agricole S.A. stock option plans	**Plan No. 1**
Date of Board Meeting	18/07/2006
Option attribution date	06/10/2006
First exercise date	06/10/2010
Expiry date	05/10/2013
Number of options awarded to all beneficiaries	**13,116,803**
Exercise price	€30.83
Number of options granted to Executive Officers (1)	**27,256**
o/w	
• Jean-Paul Chifflet	0
• Jean-Yves Hocher	27,256
• Bruno de Laage	0
• Michel Mathieu	0
• Xavier Musca	0

(1) This table shows the options awarded to the Corporate Officers in office at 31 December 2012 and not those awarded to Corporate Officers on the date on which the plans were set up.

Additional information on the plans is provided in the table showing historical information on the plans appearing in Note 7 to the consolidated financial statements of the Registration Document.

TABLE 9 – OPTIONS TO SUBSCRIBE FOR OR PURCHASE SHARES GRANTED TO THE TEN LARGEST NON-EXECUTIVE EMPLOYEE OPTION HOLDERS AND OPTIONS EXERCISED BY THE LATTER IN 2012

Not applicable. Crédit Agricole S.A. did not award any options in 2012 and no options were exercised in 2012.

TABLE 10 – COMPLIANCE WITH THE AFEP/MEDEF RECOMMENDATIONS OF OCTOBER 2008

	Employment contract (1)		Supplementary pension scheme (2)		Indemnities and benefits due or likely to be due upon termination or change in office (3)		Indemnity under a non-competition clause (4)	
Executive Corporate Officers	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Jean-Marie Sander Chairman Date of start of term of office: 20/05/2010		X		X		X		X
Jean-Paul Chifflet Chief Executive Officer Date of start of term of office: 01/03/2010		X	X		X		X	
Jean-Yves Hocher Deputy Chief Executive Officer Date of start of term of office: 15/10/2008	X		X		X		X	
Bruno de Laage Deputy Chief Executive Officer Date of start of term of office: 01/03/2010	X		X		X		X	
Michel Mathieu Deputy Chief Executive Officer Date of start of term of office: 01/03/2010	X		X		X		X	
Xavier Musca Deputy Chief Executive Officer Date of start of term of office: 19/07/2012	X		X		X		X	

(1) The AFEP/MEDEF recommendation against holding a corporate office while being covered by an employment contract applies only to the Chairman of the Board of Directors, the Chairman and Chief Executive Officer and the Chief Executive Officer.

The employment contracts of Jean-Yves Hocher, Michel Mathieu, Bruno de Laage and Xavier Musca, Deputy Chief Executive Officers, were, however, suspended by amendment. They will take effect once more at the end of their respective corporate offices, at the updated compensation and function conditions which prevailed prior to their terms of office.

(2) Information concerning supplementary pension schemes for the Chief Executive Officer and the Deputy Chief Executive Officers is in the report of the Chairman of the Board of Directors to the General Meeting of Shareholders.

(3) If Crédit Agricole S.A. terminates the Chief Executive Officer's term of office, due to a change in control or strategy, he will receive a severance payment subject to performance conditions under the conditions approved by the General Meeting of Shareholders of 19 May 2010, outlined in the Chairman's report included in this document.

Should their respective employment contracts be terminated, the Deputy Chief Executive Officers will receive a severance payment, based on a sum corresponding to once (Xavier Musca) or twice (Michel Mathieu, Bruno de Laage and Jean-Yves Hocher) the sum of their total gross annual compensation (excluding benefits in kind) received in the 12 months preceding the termination of their contract, including any other indemnity and, in particular, traditional severance pay and any possible non-competition payments. In the event that their pension is settled at the full rate, no severance payment will be due.

(4) If Crédit Agricole S.A. terminates the Chief Executive Officer's term of office, he could be subject to a non-competition clause for a period of one year under the conditions approved by the General Meeting of Shareholders of 19 May 2010.

In the event of the termination of his employment contract, Jean-Yves Hocher will be subject to a non-competition clause for a period of one year starting from the notification of the termination of his employment contract. This will be offset against a sum equal to 50% of the total annual compensation as declared for tax purposes, excluding benefits in kind.

In the event of the termination of their respective employment contracts, Michel Mathieu, Bruno de Laage and Xavier Musca will be subject to a non-competition clause for a period of one year starting from the notification of the termination of their employment contract. This will be offset against a monthly payment equal to 50% of the last fixed compensation, for the duration of this obligation.

TRADING IN THE COMPANY'S SHARES

Summary of trading in the Company's shares by executives of Crédit Agricole S.A. and other persons covered by Article L. 621-18-2 of the French Monetary and Financial Code during 2012, for trades exceeding an aggregate ceiling of €5,000 (pursuant to Article L. 621-18-2 of the French Monetary and Financial Code and Article 223-26 of the General Regulations of the *Autorité des marchés financiers* (AMF).

In accordance with article 223–22 of the AMF's General Regulations, these trades have been reported to the AMF.

Name and position	Trading by members of the Board of Directors and by any persons related thereto
	No transactions completed during the period

Specific measures concerning restrictions on or operations by Directors with regard to trading in the Company's shares:

Because each Director, by definition, is a "permanent insider", the rules on "windows" for subscription/prohibition against trading in Crédit Agricole S.A. shares apply to each Director. The dates corresponding to these windows are communicated to the Directors at the beginning of each financial year.

Name and position	Trading in the Company's shares by Executive Corporate Officers on a personal basis, and by any persons related thereto
Jean-Yves Hocher Deputy Chief Executive Officer	Sale of 6,464 shares for €39,495.10 (2 transactions)
Bruno de Laage Deputy Chief Executive Officer	Sale of 4,493 shares for €27,744.30 (1 transaction)
Michel Mathieu Deputy Chief Executive Officer	Sale of 5,448 shares for €33,505.20 (1 transaction)
Xavier Musca Deputy Chief Executive Officer	Subscription of 1,000 shares for €6,167 (1 transaction)

Additional information on Executive and non-Executive Corporate Officers

COMPOSITION OF THE BOARD OF DIRECTORS

At 12 March 2013

Jean-Marie SANDER	Chairman of the Board of Directors Chairman of the Caisse régionale d'Alsace Vosges
Dominique LEFEBVRE	Deputy Chairman of the Board of Directors, representing SAS Rue La Boétie Chairman of the Caisse régionale Val de France Chairman of FNCA (Fédération nationale du Crédit Agricole) and SAS Rue La Boétie
Philippe BRASSAC	Deputy Chairman of the Board of Directors Chief Executive Officer of the Caisse régionale Provence Côte d'Azur Secretary General of FNCA Deputy Chairman of SAS Rue La Boétie
Caroline CATOIRE	Chief Financial Officer of the Saur group
Patrick CLAVELOU	Chief Executive Officer of the Caisse régionale Brie-Picardie
Jean-Louis DELORME	Chairman of the Caisse régionale de Franche-Comté
Laurence DORS	Senior Partner, Anthenor Partners Director in different companies
Véronique FLACHAIRE	Chief Executive Officer of the Caisse régionale du Languedoc
Carole GIRAUD	Representing Crédit Agricole Regional Banks employees
Françoise GRI	Chief Executive Officer of Pierre & Vacances-Center Parcs
Bernard LEPOT	Chief Executive Officer of the Caisse régionale Nord Midi-Pyrénées
Monica MONDARDINI	Deputy Director of "Gruppo Editoriale L'Espresso"
Marc POUZET	Chairman of the Caisse régionale Alpes Provence
Jean-Claude RIGAUD	Chairman of the Caisse régionale Pyrénées-Gascogne
Jean-Louis ROVEYAZ	Chairman of the Caisse régionale de l'Anjou et du Maine
Christian STREIFF	Chairman of C.S. Conseils
Christian TALGORN	Chairman of the Caisse régionale du Morbihan
François VÉVERKA	Banking and Finance Consultant (Banquefinance Associés)
Xavier BEULIN	Representing the professional agricultural organisations Chairman of the FNSEA (Fédération nationale des syndicats d'exploitants agricoles)
François HEYMAN	Representing the employees (Crédit Agricole S.A. - UES)
Christian MOUEZA	Representing the employees (Crédit Agricole S.A. - UES)
Pascal CÉLÉRIER	Non-voting director Chief Executive Officer of the Caisse régionale de Paris et d'Île-de-France
François THIBAULT	Non-voting director Chairman of the Caisse régionale Centre Loire
Bernard de DREE	Representing the Works' Council

OFFICES HELD BY CORPORATE OFFICERS

The information provided below concerning the offices held by members of the Board of Directors and Executive management is required by Article L. 225-102-1, paragraph 4 of the French Commercial Code and Annex I to EC Regulation 809/2004 of 29 April 2004.

THE CRÉDIT AGRICOLE S.A. BOARD OF DIRECTORS AT 31 DECEMBER 2012

Jean-Marie SANDER

Main office within the Company: Chairman of the Board of Directors
Chairman of the Strategy Committee - Member of the Appointments and Governance Committee

Born in 1949		Business address:	Caisse régionale d'Alsace-Vosges 1, place de la Gare BP 440 67008 Strasbourg Cedex
Date first appointed	May 2010 (individual)		
Term of office ends	2013		
Number of Crédit Agricole S.A. shares held at 31/12/2012	18,267		
OFFICES HELD AT 31/12/2012		**OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS**	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chairman	- Caisse régionale d'Alsace-Vosges	Chairman	- FNCA (2010) - SAS Rue La Boétie (2010) - SAS Sacam International (2010) - SAS Sacam Participations (2010) - SAS Sacam Développement (2010) - Scicam (2010) - GIE Gecam Management Committee (2010)
Deputy Chairman	- FNCA		
Director	- SAS Rue La Boétie - SAS Sacam Participations - Scicam - "Pays de France" Crédit Agricole foundation - "Un Avenir Ensemble" foundation	Deputy Chairman	- Sacam (2009) - SAS Sacam Développement (2010)
		Director	- LCL (2010) - Crédit Agricole CIB (2010) - Cirecam (2010)
Management Committee Member	- Gecam (GIE)	Chairman's legal representative (SAS Sacam Participations)	- SAS Ségur (2010) - SAS Miromesnil (2010) - SAS Sacam Santeffi (2010) - SAS Sacam Assurance Caution (2010) - SAS Sacam (2010) - SAS Sacam Fireca (2010) - SAS Sacam Progica (2010) - SAS Sacam Avenir (2010)
		Management Committee Member	- Adicam (2010)
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
Director	- Société Électricité de Strasbourg	Non-voting member	- Société Électricité de Strasbourg (2009)
OTHER OFFICES			
Chairman	- CICA - Grameen Crédit Agricole Foundation - Caisse d'Assurance Accidents du Bas-Rhin	Chairman	- CNMCCA (2007) - Conseil économique et social d'Alsace (2007)
		Director	- Grameen Crédit Agricole Foundation (2012)

Representative of SAS Rue La Boétie:

Dominique LEFEBVRE

Main office within the Company: Deputy Chairman of the Board of Directors
Member of the Strategy Committee, of the Compensation Committee and of the Appointments and Governance Committee

Born in 1961		Business address:	Caisse régionale Val de France 1, rue Daniel-Boutet 28002 Chartres
Date first appointed	May 2010 (SAS Rue La Boétie)		
Term of office ends	2015		
Number of Crédit Agricole S.A. shares held at 31/12/2012	3,558 (personally owned)		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chairman	- Caisse régionale Val de France - FNCA - SAS Rue La Boétie - SAS Sacam Participations - SAS Sacam International - Gecam (GIE)	Chairman	- SAS Pleinchamp (2008) - "Compétitivité et satisfaction client" Committee (2009) - "Développement Industriel" Steering Committee (2010)
Deputy Chairman	- SAS Sacam Développement	Member of the Board and Deputy Chairman	- FNCA (2010)
Director	- Scicam	Director	- LCL (2010) - HECA (2010)
Member	- Adicam Management Committee	Member	- IT Systems Strategy Committee and Purchasing Strategy Committee – FNCA (2009) - Fireca Strategy Committee (2007) - Development Commission – FNCA (2010)
Chairman's legal representative (SAS Sacam Participations)	- SAS Miromesnil - SAS Sacam Santeffi - SAS Ségur - SAS Sacam Progica - SAS Sacam Assurance Caution - SAS Sacam Fireca - SAS Sacam Pleinchamp - SAS Sacam Avenir		
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
OTHER OFFICES			
Deputy Chairman	- CNMCCA		
Director	- INRA		
Member	- Conseil économique, social et environnemental - CDOA		
Chairman of the Finance Commission	- Chambre d'agriculture d'Eure-et Loir		
Farmer			
Manager	- EARL de Villiers-le-Bois		

Philippe BRASSAC

Main office within the Company: Deputy Chairman of the Board of Directors
Member of the Strategy Committee and of the Appointments and Governance Committee

Born in 1959		Business address:	Caisse régionale Provence Côte d'Azur 111, avenue Émile-Dechame BP 250 06708 Saint-Laurent-du-Var
Date first appointed	January 2010		
Term of office ends	2013		
Number of Crédit Agricole S.A. shares held at 31/12/2012	-		
FCPE (employee share ownership plan) shares invested in Crédit Agricole S.A. shares	12,557		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chief Executive Officer	- Caisse régionale Provence Côte d'Azur - Sacam International	Chairman	- AMT (2010)
Secretary General	- FNCA	Director	- Crédit Foncier de Monaco (2010) - Cariparma (2007)
Chairman	- SAS Sacam Développement - Soficapa and Soficapa Gestion	Chairman and Chief Executive Officer	- Deltager S.A. (2010)
Deputy Chairman	- SAS Rue La Boétie		
Director	- Crédit Agricole CIB - LCL (permanent representative of Sacam Développement) - Fédération Nationale du Crédit Agricole Mutuel - SAS Sacam Participations - Scicam		
Management Committee Member	- SARL Adicam		
Secretary General of the Management Committee	- Gecam (GIE)		
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
OTHER OFFICES			
Executive Committee Member	- EACB		
Member of the Board of Directors	- COOP.FR		

Caroline CATOIRE

Main office within the Company: Director
Member of the Audit and Risks Committee

Born in 1955		Business address:	Groupe Saur Les Cyclades 1, rue Antoine Lavoisier 78280 Guyancourt
Date first appointed	May 2011		
Term of office ends	2014		
Number of Crédit Agricole S.A. shares held at 31/12/2012	1,000		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS
IN CRÉDIT AGRICOLE GROUP COMPANIES		
IN OTHER LISTED COMPANIES		
Chief Financial Officer, Executive Committee Member	- Groupe Saur in charge of Finance and IT functions	
Director	- Société Coved - Société Saurea	
IN OTHER NON-LISTED COMPANIES		
OTHER OFFICES		

Patrick CLAVELOU

Main office within the Company: Director
Member of the Audit and Risks Committee

Born in 1950		Business address:	Caisse régionale Brie Picardie 500, rue Saint-Fuscien 80095 Amiens
Date first appointed	January 2009		
Term of office ends	2015		
Number of Crédit Agricole S.A. shares held at 31/12/2012	4,100		
FCPE (employee share ownership plan) shares invested in Crédit Agricole S.A. shares	1,688		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chief Executive Officer	- Caisse régionale Brie Picardie	Supervisory Board Member	- Crédit Agricole Titres (SNC) (2009)
Director	- Amundi Group - CA Bank Polska (Poland)		
Supervisory Board Member	- FCPE Crédit Agricole Classique		
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
Chairman	- SAS Brie Picardie Expansion	Director	- Sicav Iéna Actions Européennes (2010)
Director	- SA Picardie Investissement	Supervisory Board Member	- SCPI SEFA (2011)
Manager	- SARL Picarde de Développement		
Director, representative of SAS Brie Picardie Expansion	- SA Clarisse		
OTHER OFFICES			

Jean-Louis DELORME

Main office within the Company: Director
Member of the Strategy Committee

Born in 1950		Business address:	Caisse régionale de Franche-Comté 11, avenue Élisée-Cusenier 25000 Besançon
Date first appointed	February 2012		
Term of office ends	2014		
Number of Crédit Agricole S.A. shares held at 31/12/2012	1,403		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chairman	- Caisse régionale de Franche-Comté - HECA - Federal Negotiation Delegation (FNCA)	Non-voting member	- Crédit Agricole S.A. (2012)
Director	- Banco Popolare FriulAdria - Agrica – CCPMA Retraite - Ifcam	Director	- CAMCA (2011)
Member	- FNCA Board - Social Relations Commission (FNCA) - BUP Commission (FNCA) - Fomugei Joint Management Committee		
Board Secretary	- Regional Bank Chairmen's Association (FNCA)		
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
OTHER OFFICES			
Director	- "Notre Maison" (retirement home) - GDFPE		
Member	- Coopérative de fromagerie des Erythrônes		
Chairman	- Communauté de communes de la Petite Montagne		

Laurence DORS

Main office within the Company: Director
Chairwoman of the Compensation Committee - Member of the Audit and Risks Committee and of the Appointments and Governance Committee

Born in 1956		Business address:	Crédit Agricole S.A. 12, place des États-Unis 92120 Montrouge
Date first appointed	May 2009		
Term of office ends	2014		
Number of Crédit Agricole S.A. shares held at 31/12/2012	1,085		
OFFICES HELD AT 31/12/2012		**OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS**	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
IN OTHER LISTED COMPANIES			
Non-executive independent Director	- Cap Gemini	Secretary General	- EADS Group (2008)
		Deputy Chief Executive Officer	- Dassault Systems Group (2010)
		Management Committee Member and Special advisor to the Chairman	- Renault Group (2010)
		Secretary General and Executive Committee Member	- Renault Group (2011)
IN OTHER NON-LISTED COMPANIES			
Non-executive independent director	- Egis S.A.		
Senior Partner	- Cabinet Anthenor Partners		
OTHER OFFICES			
Director	- Institut Français des Administrateurs (IFA) - INHESJ		

Véronique FLACHAIRE

Main office within the Company: Director
Member of the Audit and Risks Committee

Born in 1957		Business address:	Caisse régionale du Languedoc Avenue du Montpellieret Maurin 34970 Lattes
Date first appointed	February 2010		
Term of office ends	2013		
Number of Crédit Agricole S.A. shares held at 31/12/2012	650		
FCPE (employee share ownership plan) shares invested in Crédit Agricole S.A. shares	1,545		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chief Executive Officer	- Caisse régionale du Languedoc	Manager	- Crédit Agricole S.A.: Regional Bank Relations (2009)
Chairwoman	- Santeffi	Chief Executive Officer	- Caisse régionale Charente-Maritime Deux-Sèvres (2012) - Cedicam (2007)
		Chairwoman	- Unexo (ex-UEO) (2012)
Director	- BforBank - CCPMA - HECA - Adicam - ANCD - Centre monétique méditerranéen - Sofilaro - Deltager	Director	- Acticam (2012) - CA Technologies (2012)
Member	- Development Orientation Committee (COP) - Finance and Risks Commission (FNCA) - Senior Executives' Commission (FNCA) - Plenary Committee for Internal Control	Member	- Human Resources Commission (FNCA) (2012) - National Negotiation Commission (FNCA) (2012)
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
OTHER OFFICES			

Carole GIRAUD

Main office within the Company: Director representing Crédit Agricole Regional Bank employees

Born in 1965		Business address:	Caisse régionale Sud Rhône-Alpes 15-17, rue Paul-Claudel BP 67 38041 Grenoble Cedex 9
Date first appointed	November 2001		
Term of office ends	2015		
Number of Crédit Agricole S.A. shares held at 31/12/2012	14		
FCPE (employee share ownership plan) shares invested in Crédit Agricole S.A. shares	885		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
In charge of branch banking organisation and operations	- Caisse régionale Sud Rhône-Alpes	Webmaster Analyst	- Caisse régionale Sud Rhône-Alpes (2008)
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
OTHER OFFICES			

Françoise GRI

Main office within the Company: Director
Member of the Strategy Committee

Born in 1957		Business address:	Pierre & Vacances-Center Parcs Group L'Artois-Espace Pont de Flandre 11, rue de Cambrai 75947 Paris Cedex 19
Date first appointed	May 2012		
Term of office ends	2014		
Number of Crédit Agricole S.A. shares held at 31/12/2012	2,000		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
IN OTHER LISTED COMPANIES			
Chief Executive Officer	- Pierre & Vacances-Center Parcs Group [(1)]	Chairwoman	- ManpowerGroup France and Southern Europe (2012)
Deputy Chairwoman	- Institut de l'Entreprise	Executive Deputy Chairwoman	- ManpowerGroup (2012)
Non-executive independent Director	- Edenred S.A.		
Supervisory Board Member	- Rexel S.A. [(2)]		
IN OTHER NON-LISTED COMPANIES			
OTHER OFFICES			
Member	- MEDEF Ethics Committee - Conseil économique, social et environnemental	Chairwoman and Chief Executive Officer	- IBM France (2007)
		Member of the Board of Directors	- STX (2009) - Ecole Centrale de Paris (2009)
		Deputy Chairwoman	- "Agir contre l'Exclusion" foundation (2010)

(1) Ms Françoise Gri was appointed Chief Executive Officer of the Pierre & Vacances-Center Parcs Group in November 2012 and took up the post on 1 January 2013.

(2) Until 11 February 2013.

Bernard LEPOT

Main office within the Company: Director
Member of the Strategy Committee

Born in 1951		Business address:	Caisse régionale Nord Midi-Pyrénées 219, avenue François-Verdier 81000 Albi
Date first appointed	February 2010		
Term of office ends	2014		
Number of Crédit Agricole S.A. shares held at 31/12/2012	7,988		
FCPE (employee share ownership plan) shares invested in Crédit Agricole S.A. shares	2,951		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chief Executive Officer	- Caisse régionale Nord Midi-Pyrénées	Director	- SAS Inforsud FM (2009) - SNC Exa (2010)
Chairman and Director	- SA Inforsud Gestion		
Chairman	- SA Grand Sud-Ouest Capital		
Director	- Pacifica S.A. - Crédit Agricole Egypt - SA FIA-NET (Europe) - SNC Cards & Payments - SAS CA Payments - SAS Edokial - Scicam - SAS Sacam Participations - GIE CMM - SAS Caagis - Société d'assurance mutuelle (CAMCA) - CAMCA Assurance S.A. (Luxembourg) - CAMCA Réassurance S.A. (Luxembourg) - CAMCA Vie S.A.		
Member	- FNCA Board - SCI SUD 2 - Executive Committee SAS Sacam Assurance Caution - Steering Committee SAS Agilor - Satisfaction Commission (FNCA) - Customer Relation Commission (FNCA) - Payment Resources Strategy Committee - Management Committee, Gecam (GIE) - Development Orientation Committee (COP)		
Supervisory Board Member	- Crédit Agricole Titres (SNC) - CAMCA Courtage		
Management Board member	- SARL Adicam		
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
OTHER OFFICES			

Monica MONDARDINI

Main office within the Company: Director
Chairwoman of the Appointments and Governance Committee

Born in 1960		Business address:	Gruppo Editoriale L'Espresso Ufficio Amministratore Delegato Via C. Colombo 149 00147 Rome
Date first appointed	May 2010		
Term of office ends	2015		
Number of Crédit Agricole S.A. shares held at 31/12/2012	500		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
IN OTHER LISTED COMPANIES			
Deputy Director	- Gruppo Editoriale L'Espresso		
Director	- SCOR SE - Atlantia S.p.A. - Trevi Group S.p.A.		
IN OTHER NON-LISTED COMPANIES			
OTHER OFFICES			
Director	- Save the Children Italy	Deputy Director	- Generali Espana (2008)

Marc POUZET

Main office within the Company: Director

Born in 1952		Business address:	Caisse régionale Alpes Provence 25, chemin des Trois-Cyprès Route de Gallice 13090 Aix-en-Provence
Date first appointed	May 2012		
Term of office ends	2015		
Number of Crédit Agricole S.A. shares held at 31/12/2012	1,791		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chairman	- Caisse régionale Alpes Provence	Director	- LCL (2012)
Deputy Chairman	- FNCA		
Director	- SAS Rue La Boétie - Amundi Group		
Member, Supervisory Board	- Crédit du Maroc		
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
Director	- Société Canal de Provence		
OTHER OFFICES			
Founding and Honorary Chairman	- Fédération régionale des industries agroalimentaires (FRIAA) - Bioméditerranée (Biotech Cluster)		
Deputy Chairman	- Marseille-Provence Chamber of Commerce and Industry		
Director	- Paoli-Calmettes Institute (IPC) - UPR PACA (MEDEF, CGPME)		
Member	- MEDEF Permanent Assembly - Sup de Co Board of Directors Marseille: Euromed		

Jean-Claude RIGAUD

Main office within the Company: Director
Member of the Appointments and Governance Committee

Born in 1949		Business address:	Caisse régionale Pyrénées-Gascogne 11, boulevard du Président-Kennedy BP 329 65003 Tarbes Cedex
Date first appointed	May 2012		
Term of office ends	2014		
Number of Crédit Agricole S.A. shares held at 31/12/2012	6,410		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chairman	- Caisse régionale Pyrénées-Gascogne - Ifcam - Difcam - Crédit Agricole Group Senior Executives Commission	Deputy Chairman	- CAMCA (2011)
Deputy Chairman	- Caisse locale Crédit Agricole de Riscle		
Director	- SAS Rue La Boétie - Amundi Group, member of the Compensation and Appointments Committee - Chairmen's Association (FNCA)		
Treasurer	- FNCA Board		
Member	- National Commission for the Compensation of Senior Executives (FNCA) - Commission for Human Resources and Federal Negotiation Delegation (FNCA) - Human Resources Development Committee (FNCA) - Housing Committee (FNCA) - Agriculture Finance Committee (FNCA)		
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
Director	- Compagnie d'aménagement des Coteaux de Gascogne - Safer Gascogne Haut Languedoc - Grand Sud-Ouest Capital - Bankoa S.A. (Spain)		
OTHER OFFICES			
Director and Member of the Finance Commission	- Chambre d'agriculture du Gers		

Jean-Louis ROVEYAZ

Main office within the Company: Director

Born in 1951		Business address:	Caisse régionale de l'Anjou et du Maine 40, rue Prémartine 72083 Le Mans
Date first appointed	May 2012		
Term of office ends	2015		
Number of Crédit Agricole S.A. shares held at 31/12/2012	5,274		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chairman	- Caisse régionale de l'Anjou et du Maine - Chairmen's Association - Agriculture Finance Committee (FNCA) - Sefa Supervisory Board	Chairman	- Finance and Risks Commission (2011) - SAS Pleinchamp Board of Directors and Executive Committee (2012)
Director	- Crédit Agricole CIB - Cariparma - John Deere Financial	Director	- Crédit Agricole Covered Bonds (2012)
Member	- Crédit Agricole mutual insurance life and identity commission (FNCA) - Food Processing Orientation Committee (Crédit Agricole S.A.) - Fomugei Joint Management Committee - Economy & Territory Commission (FNCA)		
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
OTHER OFFICES			

Christian STREIFF

Main office within the Company: Director
Member of the Compensation Committee

Born in 1954		Business address:	C.S. Conseils 1, boulevard Beauséjour 75016 Paris
Date first appointed	May 2011		
Term of office ends	2014		
Number of Crédit Agricole S.A. shares held at 31/12/2012	100		

OFFICES HELD AT 31/12/2012		**OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS**	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
IN OTHER LISTED COMPANIES			
		Chairman of the Executive Board	- PSA Peugeot Citroën (2009)
IN OTHER NON-LISTED COMPANIES			
Chairman	- C.S. Conseils		
OTHER OFFICES			
Director	- ThyssenKrupp AG (Germany) - Finmeccanica SpA (Italy) - TI-Automotive (UK) - Bridgepoint		

Christian TALGORN

Main office within the Company: Director
Member of the Compensation Committee and of the Audit and Risks Committee

Born in 1949		Business address:	Caisse régionale du Morbihan Avenue de Kéranguen 56000 Vannes
Date first appointed	May 2010		
Term of office ends	2013		
Number of Crédit Agricole S.A. shares held at 31/12/2012	1,872		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chairman	- Caisse régionale du Morbihan - Mutual insurance life and identity commission (FNCA) - Crédit Agricole en Bretagne (ex-Fédération Bretonne du Crédit Agricole)	Director	- SAS Uni Expansion Ouest (2011)
Director	- Crédit Agricole Egypt SAE - BforBank		
Member	- FNCA Board - Human Resources Commission (FNCA) - BUP Commission (FNCA)		
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
OTHER OFFICES			
Chairman	- European Association of Cooperative Banks	Deputy Chairman	- European Association of Cooperative Banks (2012)
Director	- Grameen Crédit Agricole Foundation		
Professor of Law	- Université Bretagne Sud		
Member	- Centre de recherches Européennes de l'Université de Rennes		
European lecturer	- Team Europe		

François VÉVERKA

Main office within the Company: Director
Chairman of the Audit and Risks Committee, Member of the Strategy Committee and the Compensation Committee

Born in 1952		Business address:	Banquefinance Associés 84, avenue des Pages 78110 Le Vésinet
Date first appointed	May 2008		
Term of office ends	2014		
Number of Crédit Agricole S.A. shares held at 31/12/2012	761		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Director	- LCL, Chairman of the Audit and Risks Committee - Crédit Agricole CIB, Chairman of the Audit and Risks Committee		
Non-voting member	- Amundi Group, member of the Audit Committee		
Independent Director (non-executive Director)	- Amundi UK Ltd.		
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
Consultant	- Banking and finance activities (Banquefinance associés)	Chief Executive Officer	- Compagnie de Financement Foncier (2007)
Chairman of the Supervisory Board	- Octofinances	Executive Committee Member	- Crédit Foncier de France (2008)
		Supervisory Board Member	- Octofinances (2011)
OTHER OFFICES			
		Member	- Finance Committee, Fondation pour la recherche médicale (2009)
		Teacher	- ESCP-EAP - École polytechnique fédérale, Lausanne

Xavier BEULIN

Main office within the Company: Director representing the professional agricultural organisations

Born in 1958		Business address:	FNSEA 11, rue de la Baume 75008 Paris
Date first appointed	September 2011		
Term of office ends	2014		
Number of Crédit Agricole S.A. shares held at 31/12/2012	50		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Director	- CACIF		
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
Chairman	- Sofiproteol		
Deputy Chairman	- Copa		
OTHER OFFICES			
Chairman	- FNSEA - Conseil économique et social régional du Centre - Chambre départementale d'agriculture du Loiret - EOA (European oilseeds alliance) - Grand Port Maritime de la Rochelle	Chairman	- Board of Directors, France AgriMer (national institute for agricultural products and seafoods) (2010)
		First Deputy Chairman	- FNSEA and Chairman of the Specialised Associations Co-ordinating Committee (2010)
First Deputy Chairman	- Chambre régionale d'agriculture du Centre	Deputy Chairman	- Cetiom (Mainland France Inter-professional Oilseeds Technical Centre) (2009)
Deputy Chairman	- Departmental Federation of Farmer's Unions, Loiret		
Director	- Foundation for World Agriculture and Rural Life (FARM)		

François HEYMAN

Main office within the Company: Director representing employees of UES Crédit Agricole S.A.

Born in 1959		Business address:	Crédit Agricole S.A. SGL/DCG 12, place des États-Unis 92120 Montrouge
Date first appointed	June 2012		
Term of office ends	2015		
Number of Crédit Agricole S.A. shares held at 31/12/2012	-		
FCPE (employee share ownership plan) shares invested in Crédit Agricole S.A. shares	1,890		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Research and communication campaigns officer, Group Communication Division	- Crédit Agricole S.A.		
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
		Rotating Director and Chairman	- Agrica Group (2008)
		Director	- Agrica Group Pension and Provident Funds (2008)
OTHER OFFICES			
		Federal Secretary	- Fédération générale agroalimentaire CFDT (2009)
		Member	- Conseil économique et social (2009)

Christian MOUEZA

Main office within the Company: Director representing employees of UES Crédit Agricole S.A.

Born in 1957		Business address:	SILCA GDS 83, boulevard des Chênes 78280 Guyancourt
Date first appointed	June 2012		
Term of office ends	2015		
Number of Crédit Agricole S.A. shares held at 31/12/2012	-		
FCPE (employee share ownership plan) shares invested in Crédit Agricole S.A. shares	39		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
IT site manager	- SILCA	IT production assistant	- Crédit Agricole S.A. (2009)
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
OTHER OFFICES			

Pascal CÉLÉRIER

Main office within the Company: Non-voting director

Born in 1953		Business address:	Caisse régionale de Paris & d'Île-de-France 26, quai de la Rapée 75012 Paris
Date first appointed	December 2011		
Term of office ends	2014		
Number of Crédit Agricole S.A. shares held at 31/12/2012	2,030		
FCPE (employee share ownership plan) shares invested in Crédit Agricole S.A. shares	4,245		
OFFICES HELD AT 31/12/2012		**OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS**	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chief Executive Officer	- Caisse régionale de Paris & d'Île-de-France	Director	- LCL (2011) - BFT (2011) - Crédit Agricole Covered Bonds (2010)
Director	- SAS Rue La Boétie - Sacam Participations (SAS) - CA Technologies - CA Services (GIE) - Synergie Services (GIE) - Caagis (SAS) - Ifcam - CA Paiement (SAS) - CA Cards & Payments (SNC) - FIA-NET Europe - Gecam (GIE)	Permanent representative of SNC Synergie	- Caisse régionale de Paris & d'Île-de-France (2011)
Deputy Secretary General	- FNCA		
Supervisory Board Member	- Crédit Agricole Titres (SNC)		
Permanent representative of Crédit Agricole d'Île-de-France	- CTCAM (S.A.) - SNC Espace Diderot		
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
OTHER OFFICES			

François THIBAULT

Main office within the Company: Non-voting director

Born in 1955		Business address:	Caisse régionale Centre Loire 8, allée des Collèges 18000 Bourges
Date first appointed	May 2012		
Term of office ends	2015		
Number of Crédit Agricole S.A. shares held at 31/12/2012	895		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chairman	- Caisse régionale Centre Loire - Customer Relations Commission (FNCA) - Foncaris - Development Orientation Committee (COP) - BUP Commission (FNCA) - Wine Division Committee - CAMCA - SAS Centre Loire Expansion	Member	- Fireca Strategy Committee (2012)
Director	- Crédit Agricole CIB In the name of the Caisse régionale: - Crédit Agricole Consumer Finance - Sacam Centre - CAMCA - SAS Pleinchamp Board of Directors - SAS Sacam Pleinchamp Executive Committee		
Member	- Supervisory Board of CA Bank Polska (Poland) - Commission for Senior Executives of the Crédit Agricole Group - National Commission for the Compensation of Senior Executives - Mutual Life Insurance and Identity Commission (FNCA) - Chairmen's Association Board of Directors (FNCA) - "Passerelle" Commission (FNCA) - Energy and Environment Committee (FNCA)		
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
Chairman	- CNMCCA - GIE Car Centre		
OTHER OFFICES			

Jean-Paul CHIFFLET

Main office within the Company: Chief Executive Officer
Chairman of the Management Committee and Executive Committee

Born in 1949		Business address:	Crédit Agricole S.A. 12, place des États-Unis 92120 Montrouge
First appointment as Chief Executive Officer	March 2010		
Number of Crédit Agricole S.A. shares held at 31/12/2012	17,332		
FCPE (employee share ownership plan) shares invested in Crédit Agricole S.A. shares	11,048		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chief Executive Officer	- Crédit Agricole S.A.	Director, Vice-Chairman	- Crédit Agricole S.A. and member of the Strategy Committee and the Appointments and Governance Committee (2010)
Chairman	- Crédit Agricole CIB, Chairman of the Compensation Committee - LCL - Amundi Group	Chairman	- SAS Sacam Développement (2010)
		Deputy Chairman	- SAS Rue La Boétie (2010)
		Management Committee Member	- SARL Adicam (2010) - GIE Gecam (2010)
		Chief Executive Officer	- Caisse régionale Centre-Est (2010) - SAS Sacam International (2010)
		Permanent Representative, Sacam Développement, Director	- LCL (2010)
		Secretary General and Board Member	- FNCA (2010)
		Director	- GIE AMT (2010) - SAS Sacam Participations (2010) - Scicam (2010) - CAF (Switzerland) - Siparex (2010)
IN OTHER LISTED COMPANIES			
IN OTHER NON-LISTED COMPANIES			
Advisory Board	- Livelihoods fund (Sicav)		
OTHER OFFICES			
Chairman	- Fédération bancaire française and member of the Executive Committee	Director	- Lyon Place Financière et Tertiaire
		Deputy Chairman	- Comité des banques de la région Rhône-Alpes
Member	- Conseil d'orientation de Paris Europlace	Member	- Conseil économique, social et environnemental (2010)
		Founding Chairman	- Rhône-Alpes IMS, "Entreprendre pour la cité"

Jean-Yves HOCHER

Main office within the Company: Deputy Chief Executive Officer responsible for Corporate and Investment Banking and Private Banking
Member of the Management Committee and Executive Committee

Born in 1955		Business address:	Crédit Agricole S.A. 12, place des États-Unis 92120 Montrouge
First appointment as Deputy Chief Executive Officer	October 2008		
Number of Crédit Agricole S.A. shares held at 31/12/2012	3,782		
FCPE (employee share ownership plan) shares invested in Crédit Agricole S.A. shares	20,464		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chief Executive Officer	- Crédit Agricole CIB	Chairman of the Board of Directors	- Crédit Agricole Assurances (2008) - FGA Capital S.p.A. (ex-FGAFS) (2008) - Sofinco (2008) - Finaref (2008)
Chairman	- Crédit Agricole Private Banking - CA Cheuvreux	Chairman-Director	- Crédit Agricole Consumer Finance (2011)
Director	- Newedge Group - CA Indosuez Private Banking (ex-BGPI) - CLSA BV - Stichting CLSA Foundation	Vice-Chairman-Director	- Predica (2011)
		Chairman of the Supervisory Board	- Eurofactor (2008) - Unipierre Assurances (2008)
		Supervisory Board Member	- Korian (2008)
		Non-voting member	- Crédit Agricole Assurances (2011)
		Director	- Emporiki Bank (2012) - ASF (2008) - Attica (2008) - Crédit Agricole Leasing (2008) - CAMCA (2008) - Médicale de France (2008) - CRESERFI, Permanent Representative of Sofinco (2008) - Fireca (2010) - Cedicam (2010) - Crédit Agricole CIB (2010) - Crédit Agricole Creditor Insurance (2011) - Crédit Agricole Leasing & Factoring (2011) - Amundi Group (2011) - Crédit Agricole Assurances Italia Holding (S.p.A.) (2011) - CACEIS (2011)
		Deputy Chairman, Director	- Pacifica (2008)
		Chief Executive Officer	- Predica (2008)
		Non-voting member	- Siparex, Permanent Representative of Predica (2008) - Management Committee, Cedicam (2009) - Pacifica (2009)
IN OTHER LISTED COMPANIES			
		Director	- Gecina, Permanent Representative of Predica (2009) - Banco Espirito Santo (2011) - BESPAR (2011)
IN OTHER NON-LISTED COMPANIES			
OTHER OFFICES			
Director	- Agro Paris Tech (EPCSCP)	Supervisory Board Member	- Fonds de garantie des dépôts (2011)
Member	- MEDEF General Assembly	Member of the Board and Executive Committee Member	- FFSA (2008)
		Chairman	- Groupement Français des Bancassureurs (2008)

Bruno de LAAGE

Main office within the Company: Deputy Chief Executive Officer responsible for Retail Banking in France, Specialised Financial Services and Payment Systems and Flows
Member of the Management Committee and Executive Committee

Born in 1951		Business address:	Crédit Agricole S.A. 12, place des États-Unis 92120 Montrouge
First appointment as Deputy Chief Executive Officer	February 2010		
Number of Crédit Agricole S.A. shares held at 31/12/2012	1,752		
FCPE (employee share ownership plan) shares invested in Crédit Agricole S.A. shares	3,016		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chairman	- Crédit Agricole Consumer Finance - Uni-Éditions	Chief Executive Officer	- Caisse régionale de l'Anjou et du Maine (2010)
Director	- LCL - BforBank - Crédit Agricole Creditor Insurance - Emporiki Bank - Fireca - Crédit Agricole Leasing & Factoring - CA Cards & Payments (ex-Cedicam) - CA Paiement SAS - FIA-NET Europe	Chairman	- SAS John Deere Crédit (2008) - GIE Atlantica (2009) - SAS BforBank (2010) - Cedicam (Acting Chairman) (2011)
		Supervisory Board Member	- Crédit du Maroc (2012)
		Director – Vice-Chairman	- Crédit Agricole Egypt SAE (2012)
		Deputy Chairman	- Ubaf (2012)
		Deputy Secretary General	- FNCA (2010)
Non-voting member	- Crédit Agricole Assurances	Director	- SAS Rue La Boétie (2010) - Crédit Agricole Titres (SNC) (2008) - Crédit Agricole Capital-Investissement et Finance (2008) - Uni-Éditions (2007) - GIE Atlantica (2010) - Uni Expansion Ouest (2010) - Crédit Agricole S.A. (2010) - Cariparma (2012)
		Management Committee Member	- Adicam SARL (2007)
IN OTHER LISTED COMPANIES			
Director, Vice-Chairman	- Banco Espirito Santo		
IN OTHER NON-LISTED COMPANIES			
Director	- BESPAR	Director	- Société Euro Securities Partners (2008)
OTHER OFFICES			
Supervisory Board Member	- Deposit guarantee funds	Chairman	- Vegepolys (2011)

Michel MATHIEU

Main office within the Company: Deputy Chief Executive Officer responsible for Group Central Functions
Member of the Management Committee and Executive Committee

Born in 1958		Business address:	Crédit Agricole S.A. 12, place des États-Unis 92120 Montrouge
First appointment as Deputy Chief Executive Officer	February 2010		
Number of Crédit Agricole S.A. shares held at 31/12/2012	220		
FCPE (employee share ownership plan) shares invested in Crédit Agricole S.A. shares	2,770		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Chairman	- Lesica	Chief Executive Officer	- Caisse régionale du Languedoc (2010)
Director	- Crédit Agricole CIB - Cariparma - LCL - CACEIS	Supervisory Board Member	- Crédit Agricole Private Equity (CAPE) (2012) - Crédit Agricole Titres (SNC) (2010) - SOFILARO (2011)
Director	- Predica	Director	- Crédit Agricole S.A. (2010) - Friulia S.p.A. (2010) - Ifcam (2010) - Deltager (2010) - Crédit Agricole Solidarité et Développement - GIE EXA (permanent representative of Caisse régionale du Languedoc) - Amundi Group (2012) - Crédit Agricole Assurances (2012) - CACI (2012) - Pacifica, representative of Crédit Agricole S.A. (2012)
Member	- Joint Commission for Senior Executives (FNCA)	Member	- FNCA Board (2010) - Cotec – Strategy Committee on technology (FNCA) - Financial and Banking Policy Commission (FNCA)
Supervisory Board Member permanent representative of Crédit Agricole S.A., Manager	- SILCA		
IN OTHER LISTED COMPANIES			
Supervisory Board Member	- Eurazéo	Director	- Banco Espirito Santo (2012) - BESPAR (2012)
IN OTHER NON-LISTED COMPANIES			
OTHER OFFICES			
		Director	- Centre monétique méditerranéen

Xavier MUSCA

Main office within the Company: Deputy Chief Executive Officer responsible for International Retail Banking, Asset Management and Insurance
Member of the Management Committee and Executive Committee

Born in 1960		Business address:	Crédit Agricole S.A. 12, place des États-Unis 92120 Montrouge
First appointment as Deputy Chief Executive Officer	July 2012		
Number of Crédit Agricole S.A. shares held at 31/12/2012	1,000		

OFFICES HELD AT 31/12/2012		OTHER OFFICES HELD WITHIN THE PAST FIVE YEARS	
IN CRÉDIT AGRICOLE GROUP COMPANIES			
Director	- Amundi Group - CA Assurances - CACI - Cariparma		
Deputy Chairman of the Supervisory Board	- Crédit du Maroc		
Director, Vice-Chairman	- Predica - Crédit Agricole Egypt S.A.E.		
Deputy Chairman	- Ubaf		
Director, permanent representative of Crédit Agricole S.A.	- Pacifica		
IN OTHER LISTED COMPANIES			
Director	- Banco Espirito Santo	Director	- Gaz de France (2009)
IN OTHER NON-LISTED COMPANIES			
Director	- BESPAR	Chairman	- EU Economic and Financial Committee (2009) - Club de Paris (2009)
		Supervisory Board Member	- CNP Assurances (2009)
OTHER OFFICES			

The Company's Board of Directors comprises twenty-one Directors, including one Corporate Officer of SAS Rue la Boétie, which is owned by the Regional Banks and owns 56.25% of Crédit Agricole S.A., and ten Corporate Officers of the Regional Banks in which Crédit Agricole S.A. is shareholder at approximately 25%. The Regional Bank representatives therefore hold a majority of the seats on the Board. This illustrates the will to give the Regional Banks a broad representation and reflects Crédit Agricole Group's decentralised structure.

The interests of the Regional Banks and of SAS Rue la Boétie could differ from those of Crédit Agricole S.A. or of other Crédit Agricole S.A. shareholders. This could lead to potential conflicts of interests between the duties to Crédit Agricole S.A. of persons serving as both Director of Crédit Agricole S.A. and Corporate Officer of SAS Rue la Boétie or of a Regional Bank and their duties to SAS Rue la Boétie or to a Regional Bank. For information, it is noted that Crédit Agricole S.A. acts as the central body for the Regional Banks, in accordance with the provisions of Articles L. 511-30 to L. 511-32 and L. 512-47 to L. 512-54 of the French Monetary and Financial Code.

Since 2010, the Board of Directors has strengthened the presence of Independent Directors on the Board. There are currently six Independent Directors. Three of the four Specialised Committees (Audit and Risks, Compensation, Appointments and Governance) are chaired by an independent Director. Consequently, after reviewing the situation with respect to the Directors in the light of the AFEP/MEDEF independence criteria, the Board concluded that the existing operation enabled the Board and its committees to fulfil their duties with the required effectiveness, objectivity and independence, particularly with respect to preventing potential conflicts of interest, and to the equitable consideration of all shareholders' interests.

There exist no **service contracts** between the members of the administrative or management bodies and Crédit Agricole S.A. or any of its subsidiaries that grant benefits to such members.

To the Company's knowledge, there are no **family ties** among the Corporate Officers, Directors, Chief Executive Officer and Deputy Chief Executive Officers of Crédit Agricole S.A.

Crédit Agricole S.A. complies with the **corporate governance regulations** applicable in France, as described in the report of the Chairman of the Board of Directors submitted to the shareholders at the General Meeting of Shareholders of 23 May 2013, which is produced in full in this registration document. The AFEP/MEDEF Code is the Company's reference code for the purposes of preparing the report stipulated in Article L. 225-37 of the French Commercial Code.

To the Company's knowledge, at this date, no member of an administrative or management body of Crédit Agricole S.A. has been convicted in relation to fraudulent offences during the last five years.

To the Company's knowledge, at this date, no member of an administrative or management body of Crédit Agricole S.A. has been associated with any bankruptcy, receivership or liquidation during the last five years.

Details of any official charges and/or sanctions ruled against any member of an administrative or management body

No member of the administrative or management bodies of Crédit Agricole S.A. has been disqualified by a court from acting as a member of an administrative or management body or from participating in the management or running of Crédit Agricole S.A. within at least the last five years.

Management bodies at 12 March 2013

COMPOSITION OF THE MANAGEMENT COMMITTEE

Jean-Paul CHIFFLET	Chief Executive Officer
Jean-Yves HOCHER	Deputy Chief Executive Officer, Responsible for Corporate and investment banking and private banking
Bruno de LAAGE	Deputy Chief Executive Officer, Responsible for Retail banking in France, Specialised financial services and payment systems and flows
Michel MATHIEU	Deputy Chief Executive Officer, Responsible for Group Central functions
Xavier MUSCA	Deputy Chief Executive Officer, Responsible for International retail banking, asset management and insurance
Joseph d'AUZAY	Secretary General of Crédit Agricole S.A.
Pierre DEHEUNYNCK	Head of Group Human Resources
Bernard DELPIT	Group Chief Financial Officer
Philippe DUMONT	Chief Executive Officer of Crédit Agricole Consumer Finance
Olivier GAVALDA	Head of Regional Banks division
Jérôme GRIVET	Chief Executive Officer of Crédit Agricole Assurances
Yves NANQUETTE	Chief Executive Officer of LCL
Yves PERRIER	Head of asset management, securities and investor services
Hubert REYNIER	Head of Group Risk Management and Permanent Controls

COMPOSITION OF THE EXECUTIVE COMMITTEE

The Executive Committee is composed of the members of the Management Committee, plus:

Jérôme BRUNEL	Head of Public affairs
Pierre CAMBEFORT	Deputy Chief Executive Officer of Crédit Agricole Corporate and Investment Bank
Francis CANTERINI	Deputy General Manager of Crédit Agricole Corporate and Investment Bank
Philippe CARAYOL	Chief Executive Officer of Crédit Agricole Leasing & Factoring
Julien FONTAINE	Head of Group strategy
Christophe GANCEL	Head of private banking
Jean-Christophe KIREN	Head of Group Payments
Giampiero MAIOLI	Head of Crédit Agricole S.A. Group in Italy
Jean-Paul MAZOYER	Head of Group IT and Industrial Projects
Marc OPPENHEIM	Head of International retail banking
Alain STRUB	Senior Country Officer, Greece

Operating and financial information

4

Presentation of Crédit Agricole S.A.'s consolidated financial statements

PRESENTATION OF CRÉDIT AGRICOLE S.A.'S CONSOLIDATED ACCOUNTS

Changes to accounting principles and policies

Changes to accounting principles and policies are described in Note 1 to the consolidated financial statements for the year ended 31 December 2012.

Changes in the scope of consolidation

Changes in the scope of consolidation are described in Notes 2.1.1, 2.1.4 and 2.1.5, and in Note 12 to the consolidated financial statements for the year ended 31 December 2012.

ECONOMIC AND FINANCIAL ENVIRONMENT

In 2012, Greece once again dominated the headlines, with a new financial aid package, the cancellation of its debt resulting in a severe haircut for private investors, and chronic political and social instability fuelling fears that the country would leave the Eurozone.

Spain entered a difficult period, amidst doubts about the strength of its banking system, the deterioration of its public finances, record unemployment and deepening recession. Embodying these concerns, risk premiums on sovereign debt climbed considerably, sporadically exceeding the symbolic 7% threshold at which bailouts for Greece, Ireland and Portugal were triggered. Despite reform efforts undertaken by the technocratic government led by Mario Monti, Italy was not spared, with yields on its debt rising as well. **Together, this sparked fears for the very integrity of the Eurozone.**

This was the very tense backdrop to the European summit in late June. To break the bonds of interdependence between sovereign risk and banking risk, the European Stabilisation Mechanism, the new permanent relief fund (which began operations in October), has been authorised to provide financial assistance to banks directly, independently of Member States, in exchange for the implementation of banking supervision at European level under the aegis of the European Central Bank (ECB). Aid totalling €100 billion was also granted to Spain to reinforce its banking sector. This declared willingness to move towards banking union did not fully convince the markets, which remained worried about the time it would take to implement.

Spain's financial difficulties and disturbing signals heralding a slowdown in the global economy continued to fuel a sense of mistrust toward the Eurozone, to the point of sparking fears of a resurgence of the disaster scenario that prevailed in the summer of 2011. **26 July marked a real turning point, when ECB President Mario Draghi declared that the ECB was prepared, within the limits of its mandate, to take all necessary measures to safeguard the integrity of the Eurozone.** The head of the ECB joined his actions to his words in early September, announcing a programme of unlimited bond purchases under strict conditions (known as OMT, for Outright Monetary Transactions). This helped avert the extreme scenario of a pure and simple collapse of the Eurozone, triggering a bull run in the markets that corrected the excessive pessimism of the past.

Despite the stabilisation of expectations and the market environment, it will not be possible to render debt trajectories achievable without growth. The issue of growth will therefore dominate 2013.

CRÉDIT AGRICOLE S.A. OPERATIONS AND CONSOLIDATED INCOME STATEMENTS

(in millions of euros)	2012	2011 *pro forma*[1]	Change 2012-2011
Revenues	**16,315**	**19,385**	**(15.8%)**
Operating expenses	(12,037)	(12,393)	(2.9%)
Gross operating income	**4,278**	**6,992**	**(38.8%)**
Cost of risk	(3,736)	(4,252)	(12.1%)
Operating income	**542**	**2,740**	**(80.2%)**
Share of net income of equity-accounted entities	503	230	x 2.2
Net income on other assets and change in value of goodwill	(3,207)	(1,578)	n.m.
Pre-tax income	**(2,162)**	**1,392**	**n.m.**
Income tax charge	(360)	(885)	(59.3%)
Net income from discontinued or held-for-sale operations	(3,991)	(1,705)	x 2.3
Net income	**(6,513)**	**(1,198)**	**x 5.4**
NET INCOME GROUP SHARE	**(6,471)**	**(1,470)**	**X 4.4**
Basic earnings per share *(in euros)*	(2.61)	(0.60)	-

(1) Pro forma reclassification of Emporiki, Cheuvreux and CLSA as per IFRS 5.

2012 was a year of defined by structuring measures for the Group, implemented as part of thorough work to adjust to the new financial and regulatory environment: disposals of non-core businesses, revaluation of balance sheet assets, enhancement of operational efficiency. The sale of the Greek subsidiary Emporiki was thus completed during the second half, with no residual funding lines. At the same time, the Group stepped up its efforts to refocus its assets in southern Europe: in addition to its entire stake in Intesa Sanpaolo, it sold its stake in BES Vida, while keeping its interest in BES unchanged; it also reduced its stake in Bankinter from more than 20% in early 2012 to 15.1% at year's end, and to less than 10% since then.

Revenues for the year amounted to €16,315 million, a decline of 15.8% compared with 2011. The decline was attributable chiefly to the negative impact of value adjustments of own debt stemming from the improvement of the credit quality of Crédit Agricole S.A. and Crédit Agricole CIB, in the amount of -€1,551 million over the year. It also included capital losses on the disposal of portfolios as part of the adjustment plan in Corporate and investment banking and Specialised financial services, in the amount of -€498 million.

Lastly, it stemmed from transactions relating to the Group's strategic refocus, including impairment losses on Intesa Sanpaolo securities in the amount of -€427 million, relative to the permanent impairment of available-for-sale securities, followed by the sale of all relevant securities. Moreover, various losses on securities at the beginning of the year, in the amount of €93 million, reduced the positive impact of €864 million of the redemption of hybrid debt carried out early in the year.

Excluding these specific items, the decline in revenues was limited to 5.7% over the year, reflecting a sluggish economic environment.

Operating expenses amounted to €12,037 million, a decline of 2.9% compared with 2011 thanks to efforts to rein in expenses. Excluding expenses recognised in 2011 with respect to the adjustment plan, the decline was 0.2%.

Gross operating income was €4,278 million, a decline of 38.8% compared with the previous year. Excluding specific items, the decline was 15.0%.

The **cost of risk** was €3,736 million, of which €327 million of specific items (impact of the adjustment plan, provisions related to Greece). At end-December 2012, impaired outstanding loans (excluding lease finance transactions with customers) amounted to €15.6 billion, very close to the end-2011 level (+0.5%). This represented 3.5% of gross outstanding loans to customers and credit institutions, compared with 3.3% at end-September 2012 and end-December 2011. The coverage ratio of impaired loans by specific reserves continued to increase: it was 57.3% at end-December 2012, compared with 55.4%[1] at end-December 2011. Including collective provisions, the coverage ratio of impaired loans was 75.7%.

(1) Pro forma, excluding Emporiki, CA Cheuvreux and CLSA reclassified as per IFRS 5.

Income from equity affiliates was +€503 million. This includes the impact of the impairment of SAS Rue La Boétie and SACAM International securities, and the value adjustment of securities following the merger of Regional Banks. These items represented a negative amount of €210 million in the Regional Banks' contribution to Crédit Agricole's 2012 net income. It also includes the impairment of BES in the amount of -€267 million and the impact of the deconsolidation of Bankinter in August 2012, after the stake was taken below 20% and significant influence was lost (-€193 million).

Change in the value of goodwill was -€3,395 million in 2012 following the carrying out of impairment tests and taking primarily into account the impact of the reinforcement of regulatory requirements, as well as deterioration in the macroeconomic and financial environments in the relevant countries and business lines. These impairments relate to Corporate and investment banking (-€826 million in net income Group share), Consumer finance (-€1,495 million in net income Group share) and International retail banking (-€921 million in net income Group share).

Pre-tax income was accordingly -€2,162 million, and a +€3,934 million excluding specific items.

Net income from discontinued or held-for-sale operations was -€3,991 million over the year, reflecting progress in the disposals of Emporiki, Cheuvreux and CLSA.

Net income Group share for 2012 was a -€6,471 million. Excluding specific items, it was €3,009 million.

Implementation of the adjustment plan: sharp reduction of funding needs and risk weighted assets

The Group vigorously pursued the implementation of the adjustment plan announced on 14 December 2011, exceeding its initial targets in respect of both debt reduction and the optimisation of equity consumption. Accordingly, the Group reduced its liquidity requirements by €68 billion at current exchange rates between June 2011 and December 2012, *i.e.* 136% of the €50 billion target. Risk weighted assets were reduced by €57 billion at constant exchange rates over the same period (160% of the target), including the impact of Basel 3 and the Marylebone transaction, which cut risk weighted assets by €14 billion.

These reductions reflect measures taken within three business lines. In Retail banking, the loan-to-deposit ratio improved considerably, easing from 129% in June 2011 to 122% at end-December 2012. Specialised financial services reduced its requirements and successfully carried out external refinancing operations through the gathering of retail deposits in Germany, securitisations and bond issues, which generated €7 billion in deposits over the duration of the plan. Lastly, in addition to implementing its new model, Crédit Agricole CIB sold €10.3 billion in loan portfolios (with an average discount of only 2.3%), as well as CDO and RMBS portfolios and the market risk of its correlation book.

	Funding	Solvency
(in billions of euros)	Reduction in funding needs at 31/12/2012(1)	Reduction in risk weighted assets at 31/12/2012(2)
Retail banking	(22)	
Specialised financial services	(13)	(6)
Corporate and investment banking	(33)	(51)
TOTAL	**(68)**	**(57)**

(1) At current exchange rates.

(2) At constant exchange rates, including the Basel 3 impact.

Liquidity

Crédit Agricole Group's cash balance sheet totalled €1,032 billion at end-December 2012, €2 billion more than a year earlier.

Short-term debt, corresponding to outstanding debt due within 370 days raised by the Group from market counterparties (excluding the netting of repos and reverse repos, and excluding central bank refinancing in the amount of €34 billion), was €137 billion at 31 December 2012, compared with €136 billion at 31 December 2011. Short-term market funds and repos declined by €12 billion over the year, while liquid assets, primarily deposits with central banks, interbank assets and the securities portfolio, increased by €36 billion over the year.

The surplus of long-term sources of funds over long-term uses of funds at 31 December 2012 was €47 billion. Long-term funding sources totalled €861 billion at 31 December 2012 and comprised long-term market funds, customer-related funds and equity (and similar items). Long-term funding sources increased by €14 billion between 31 December 2011 and 31 December 2012. Funding requirements in respect of customer-related assets and tangible and intangible assets amounted to €814 billion at 31 December 2012, a reduction of €34 billion compared with 31 December 2011.

The €68 billion reduction in funding requirements achieved under the adjustment plan comprises the €21 billion reduction recorded at end-2011 and a €47 billion reduction in 2012. This €47 billion reduction stemmed chiefly from an increase in customer-related funding (€23 billion) and a reduction in customer assets and customer-related trading assets (€27 billion).

Reserves of available assets (after haircut) eligible for central bank refinancing or securities which can be made liquid on the markets, including central bank deposits, totalled €230 billion at end-December 2012, an increase of €29 billion compared with end-September 2012. They amply covered short-term market funds (168%), which amounted to €137 billion at end-2012.

Available reserves comprised €95 billion in securities which can be made liquid on the markets also eligible for central bank refinancing (41% of total reserves), €15 billion in securities which can be made liquid on the markets (7%), €53 billion in deposits with central banks (23%), €58 billion in assets eligible for central bank refinancing (25%) and €9 billion in securitisation and self-securitisation tranches eligible for central bank refinancing (4%).

As regards medium- and long-term funding, Crédit Agricole S.A. exceeded its market issuance programme of €12 billion in 2012, raising €18.8 billion between 1 January and 31 December 2012. The average term of funds raised was 6.3 years and the average spread was 121.9 basis points *versus* mid-swap. Crédit Agricole S.A.'s 2013 medium- and long-term funding programme is €12 billion, the same level as the 2012 programme.

Concurrently, the Group is developing its access to additional funding sources *via* its retail bank networks and specialised subsidiaries, notably through debt issuance. At 31 December 2012, €3.7 billion had been raised through the Regional Bank network, €4.9 billion *via* the LCL and Cariparma networks, €7.6 billion *via* Crédit Agricole CIB (mainly in structured private placements) and €4.4 billion *via* Crédit Agricole Consumer Finance (mainly issues and securitisations). Total medium- and long-term issues carried out *via* the Group's retail networks and the specialised subsidiaries amounted to €20.6 billion in 2012.

OPERATIONS AND RESULTS BY BUSINESS LINE

Crédit Agricole S.A. Group is organised into six business lines:

- French retail banking – Crédit Agricole Regional Banks;
- French retail banking – LCL;
- International retail banking;
- Specialised financial services (SFS);
- Savings management (SM);
- Corporate and investment banking (CIB);

as well as the Corporate Centre.

The Group's business lines are defined in Note 5 to the consolidated financial statements for the year ended 31 December 2012 – "Operating segment information". The organisation and activities are described in section 1 of Crédit Agricole S.A.'s registration document.

CONTRIBUTION BY BUSINESS LINE TO CRÉDIT AGRICOLE S.A.'S NET INCOME GROUP SHARE

(in millions of euros)	2012	2011 *pro forma*(1)
French retail banking – Regional Banks	824	1,008
French retail banking – LCL	663	675
International retail banking	(4,880)	(2,458)
Specialised financial services	(1,613)	91
Savings management	1,720	951
Corporate and investment banking	(880)	(147)
Corporate centre	(2,305)	(1,590)
TOTAL	**(6,471)**	**(1,470)**

(1) Pro forma reclassification of Emporiki, Cheuvreux and CLSA as per IFRS 5.

1. French retail banking – Crédit Agricole Regional Banks

(in millions of euros)	2012	2011	Change 2012-2011
Revenues	**12,870**	**13,420**	**(4.1%)**
Operating expenses and amortisation	(7,652)	(7,377)	3.7%
Gross operating income	**5,218**	**6,043**	**(13.6%)**
Cost of risk	(853)	(1,008)	(15.4%)
OPERATING INCOME	**4,365**	**5,035**	**(13.3%)**

Consolidated data for the 38 Regional Banks restated for intragroup transactions (including Crédit Agricole S.A. dividends received by the Regional Banks)

(in millions of euros)	2012	2011	Change 2012-2011
Net income accounted for at equity (approximately 25%)	**674**	**854**	**(21.1%)**
Change in share of reserves	150	154	(2.6%)
Share of net income of equity-accounted entities	824	1,008	(18.4%)
NET INCOME GROUP SHARE	**824**	**1,008**	**(18.4%)**

In 2012, the Regional Banks continued to pursue their strategy of achieving balanced growth in their franchise, while maintaining innovation and customer relations at the centre of their business.

In the retail market, the Regional Banks continued to roll out offers such as the "*Compte à Composer*" and the "*Démarche retraite*". In insurance and services, the sluggish economic environment in France limited the growth of day-to-day banking, while property & casualty insurance business grew by 2.6% year-on-year, driven by property insurance. In terms of innovation, the Regional Banks launched "CA-Store", a cooperative combining players in the digital sector, allowing Crédit Agricole to co-create, with its customers, web and mobile banking applications that went on to win awards at the *Palmes de la Relation Client*.

Despite a difficult economic environment, which limited the growth of the franchise which was virtually stable year-on-year, the Regional Banks reported a robust overall deposit-gathering performance. Deposits totalled €574.3 billion at end-December 2012, an increase of 4.4% year-on-year.

On-balance-sheet deposits closed the year at €333.7 billion, an increase of 5.7% year-on-year. This growth was driven in particular by term accounts and deposits which increased by 18.1%, while savings accounts grew by 10.8%, with most of the increase focused on regulated accounts. *Livret A* and LDD (sustainable development) savings accounts benefited greatly from an increase in ceilings in the second half of the year, largely at the expense of demand deposits of which volumes were down 1.9% year-on-year. As such, the number of *Livret A* savings accounts increased by approximately one million to nearly seven million, with deposits totalling €30.6 billion at end-2012, compared with €23.2 billion at end-2011 (+31.9% year-on-year). The increase in deposits resulted in a corresponding increase in the rate of centralisation with the *Caisse des Dépôts et Consignations*. It rose to 36.0% at end-2012 (based on volumes at 30 September), compared with 31.2% at end-2011.

Meanwhile, the Regional Banks maintained good momentum in respect of off-balance-sheet deposits, buoyed by a positive market effect. They totalled €240.6 billion at end-December 2012, an increase of 2.6% year-on-year. This performance was notable in securities which benefited from the recovery in financial markets in 2012, with volumes up 13.3% year-on-year. Life insurance also experienced renewed interest after a difficult start to the year (funds under management up 2.0% over the year).

In lending, the Regional Banks maintained their commitment to their customers and their regions, with a 1.4% year-on-year increase in outstanding loans to €396.0 billion at end-2012. The overall growth in outstanding loans reflects contrasting trends between the various markets. Outstanding housing loans ended the year at €218.9 billion, with growth slowing on the back of flagging demand (+2.2% year-on-year, compared with +5.7% a year before). Outstanding loans to farmers and local authorities continued to grow, while consumer finance continued its decline in the wake of new regulatory constraints and slower demand (-6.5% year-on-year). Lastly, outstanding loans to small businesses and SMEs edged down in a difficult economic environment.

The loan-to-deposit ratio improved slightly in 2012. It was 126% at end-December 2012, compared with 129% a year earlier. Since the launch of the adjustment plan in June 2011, it has improved by four percentage points.

The revenues of the Regional Banks (restated for intragroup transactions) were €12.9 billion in 2012, down 4.1% compared with 2011. Over the period, revenues from customer business excluding home purchase savings plans were virtually stable thanks to higher margins on loans, which partially offset lower volumes. Fee and commission income was down 1.3% year-on-year, penalised by a poor performance in securities (-15.5%), although fee and commission income on banking services held up well (+6.3% year-on-year). The decline also reflects the recognition in the accounts of the Regional Banks of the impairment of SAS Rue La Boétie securities following the change in their valuation method (-€650 million). This impact was partially offset, in the amount of €161 million, by the cancellation of consolidation entries in conjunction with the merger of Regional Banks. Lastly, revenues also included the impairment of Sacam International securities in the amount of €330 million. Excluding these effects and the impact of home purchase savings plans, revenues would have increased by 1.5% in 2012 compared with 2011.

Expenses were up 3.7% in 2012 compared with 2011. They include new taxes introduced in 2012 under the amended Finance Law and the Social Security Finance Law. They also include a cost overrun of €14 million related to the NICE project, the full-year cost of which was €223 million, up slightly compared with the €209 million recorded in 2011. 2012 saw the completion of this major IT project which will allow the Regional Banks to share a single information system. From 2014, the Regional Banks' IT spending is expected to decline by €250 million per annum. Excluding this additional cost and the effects of taxes introduced under the amended Finance Law, expenses were up 1.9% in 2012 compared with 2011.

Operating income was €4.4 billion in 2012, factoring in a cost of risk of €853 million, down 15.4% compared with 2011. Total provisions outstanding at end-2012 represented 107.6% of impaired loans at end-December 2012, compared with 108.8% at end-December 2011. Impaired loans represented 2.4% of the loan book at end-December 2012, stable since end 2010.

Consequently, the Regional Banks' contribution to Crédit Agricole S.A.'s net income Group share was €824 million in 2012, down 18.4% compared with 2011. Excluding the negative impact of impairments and value adjustments of securities, the contribution was €1,032 million, up 1.9% year-on-year.

2. French retail banking – LCL

(in millions of euros)	2012	2011	Change 2012-2011
Revenues	**3,891**	**3,822**	**1.8%**
Operating expenses and amortisation	(2,522)	(2,497)	1.0%
Gross operating income	**1,369**	**1,325**	**3.3%**
Cost of risk	(311)	(286)	8.6%
Pre-tax income	**1,059**	**1,040**	**1.8%**
Income tax charge	(361)	(330)	9.5%
Net income	**698**	**710**	**(1.8%)**
NET INCOME GROUP SHARE	**663**	**675**	**(1.8%)**

In 2012, LCL continued its development around the "*Centricité Clients*" business project, which places customer satisfaction at the centre of its commercial approach. It accordingly enhanced the "*Contrat de reconnaissance*" by adding the "*SAV bancaire*". This new service includes a satisfaction questionnaire that allows customers to assess the bank at any time, with the commitment that complaints will be dealt with in a timely manner. LCL also confirmed its role in the financing of the French economy, with outstanding loans up 1.6% year-on-year at €89.2 billion at end-December 2012. At the same time, deposit gathering remained strong, with a rebalancing of on- and off-balance-sheet deposits at year end.

In loans, growth was driven significantly by outstanding housing loans, which were up 3.0% in 2012 compared with 2011. Outstanding loans to small businesses and companies were virtually stable at €27.1 billion (-0.2% in 2012 compared with 2011). At the same time, consumer finance outstandings almost reached end-2011 level at €7 billion, after falling at the start of the year.

Deposit gathering was strong (+3.9% over the year), with a rebalancing of on- and off-balance-sheet deposits at year-end. Total deposits amounted to €156.7 billion at 31 December 2012, up 3.9% year-on-year, with increases of 5.0% in on-balance-sheet deposits and 2.8% in off-balance-sheet deposits over the same period. The positive momentum in off-balance-sheet deposits at year's end, coupled with a positive market effect, allowed funds under management in life insurance to grow by 5.4% over the year to €51.2 billion. Similarly, inflows in securities increased by 10.3% year-on-year, while bond issues, mainly at the beginning of the year, allowed €500 million to be raised in the networks, with total outstandings of €2.2 billion at end-December 2012. In on-balance-sheet deposits, after substantial inflows early in the year, higher ceilings on *Livret A* and LDD saving accounts resulted in inflows of €3.1 billion, an increase of 34.4% year-on-year. These inflows came at the expense of other savings accounts, ultimately capping the overall increase in savings accounts at 3.2%. For the same reasons, volumes in demand deposits were virtually stable year-on-year (+0.3%).

Under the combined impact of changes in lending and deposits, the loan-to-deposit ratio was 116% at end-December 2012, stable over the years despite the increase in ceilings on *Livret A* and LDD savings accounts in the fourth quarter of 2012. Since end-June 2011 and the implementation of the adjustment plan, the loan-to-deposit ratio has improved by 13 percentage points.

LCL also maintained strong commercial activity throughout the year. In the retail and small business markets, comprehensive home, car and health insurance policies were up 16.6% year-on-year, while the number of cards remained stable thanks to a good performance in high-end cards, and despite a reduction in the take-up of credit cards following the adoption of a new law on consumer credit.

Revenues were €3.9 billion, an increase of 1.8% year-on-year thanks to firmer margins on loans, offsetting the decline in margins on deposits, penalised by an unfavourable yield curve. Overall, the interest margin rose by 7.2% year-on-year. By contrast, fee et commission income was down 4.9% year-on-year, adversely impacted by lower volumes of customer securities transactions, which were down 23.3% over the same period, due mainly to the falling popularity of UCITS.

Operating expenses, excluding the impact of the new taxes introduced under the amended Finance Law (including the doubling of the systemic tax and the increase in the employer tax on incentive and profit-sharing payments from 8 to 20%) and the Social Security Finance Law (enlargement of the base subject to payroll tax), were down 0.5% year-on-year. Including this negative impact, they remained under tight control, rising only 1.0% over the same period. To adjust to the difficult economic environment, LCL has also implemented a programme to improve the management and control of its expenses, giving priority to projects that improve the quality of customer service. Thus, despite the increase in costs, the cost-income ratio declined to 64.8% in 2012, an improvement of 0.5 percentage points year-on-year.

The cost of risk was up 8.6% in 2012 compared with 2011. It represented 33 basis points of average outstanding customer loans over the full year in 2012, a slight increase compared with 2011 (31 basis points of average outstanding customer loans). The rate of impaired outstanding loans improved at 2.4% compared with 2.5% a year earlier. At the same time, the coverage ratio, including collective provisions, increased to 76.8%, compared with 75.5% at end-December 2011.

Net income Group share totalled €663 million in 2012, down 1.8% compared to 2011.

3. International retail banking

The 2012 results of International retail banking were marked by Greece and the search for a way to withdraw from the country that would best serve the Group's interests. A solution was found in the third quarter of 2012 and finalised in early 2013.

At the end of the year, the business line was also affected by the impairment of goodwill and investments totalling €1,188 million in net income Group share.

Prior to the impairments over the year and excluding Emporiki, International retail banking's contribution to Crédit Agricole S.A.'s net income Group share was €203 million in 2012, *versus* €280 million the previous year.

(in millions of euros)	2012	2011 *pro forma*	Change 2012-2011
Revenues	**2,472**	**2,380**	**+ 3.9%**
Operating expenses and depreciation	(1,707)	(1,568)	+ 8.9%
Gross operating income	**765**	**812**	**(5.8%)**
Cost of risk	(522)	(441)	18.4%
Share of net income of equity-accounted entities	(393)	(911)	(56.9%)
Net income (loss) on disposal of other assets and change in the value of goodwill	(1,069)	(275)	x 3.9
Pre-tax income	**(1,219)**	**(815)**	**49.6%**
Income tax charge	(50)	(84)	(40.2%)
Net income from discontinued or held-for-sale operations	(3,742)	(1,610)	x 2.3
Net income	**(5,011)**	**(2,509)**	**99.7%**
NET INCOME GROUP SHARE	**(4,880)**	**(2,458)**	**98.5%**

Financial years 2011 and 2012 were restated for reclassification of Emporiki as per IFRS 5.

In Italy, the environment was significantly impacted by the measures taken to reduce public indebtedness and to reform the country's economic framework. GDP was down 2% for the year in comparison to 2011. The market is affected by the recession and increased risk.

Under the circumstances, Cariparma held up well due to its status as a regional network based primarily in northern Italy with a limited decline in outstanding loans and a rise in revenues.

In 2012, Cariparma took measures to boost its operational efficiency and reduce costs, such as implementing a voluntary redundancy plan, streamlining its commercial network, adopting a new customer service model and outsourcing its back office. These actions, launched in 2012, will continue in 2013.

CARIPARMA GROUP'S CONTRIBUTION TO CRÉDIT AGRICOLE S.A.'S INCOME

(in millions of euros)	2012	2011	Change 2012-2011
Revenues	**1,634**	**1,592**	**2.6%**
Operating expenses and depreciation	(1,124)	(1,006)	11.6%
Gross operating income	**510**	**586**	**(13.0%)**
Cost of risk	(373)	(278)	34.3%
NET INCOME GROUP SHARE EXCLUDING IMPAIRMENT OF GOODWILL	**89**	**181**	**(50.9%)**

At 31 December 2012, outstanding loans totalled €33.4 billion, representing a 1.2% decrease compared to 31 December 2011, while the market fell by 2.9%[(1)]. Off-balance sheet customer deposits were strong, rising 11%. Total customer deposits reached €35.6 billion, up 5.5% for the year, while the market fell by 3.5%[(1)]. Thus, Cariparma has excess liquidity that enables it to contribute to the funding of the Group's other activities in Italy.

Revenues increased by 2.6% in 2012, driven by a strong performance in the retail segment.

Expenses were up 11.6% *versus* 2011, with the year being marked by the launch of a voluntary redundancy plan. €118 million was provisioned for this purpose in 2012. Under the plan, a total of 720 redundancies is planned by 2015. Excluding the cost of this plan and the integration costs of new branches in 2011, and on a like-for-like basis, operating expenses increased 0.9% over the year.

The cost of risk increased by 34.3% in 2012 *versus* 2011 to €373 million, as a result of the deterioration of the economic situation. Bad loans represented 8.1% of outstanding loans, with a coverage ratio of 45.4% (*versus* 45.5% at 31 December 2011).

In addition, within a central provision booked in the corporate centre, a €35 million provision was allocated to the risk related to the control of the Bank of Italy currently underway.

Overall, Cariparma's contribution to net income Group share was €89 million in profit for the year, before impairment of goodwill (€852 million), compared to €181 million the previous year.

In Greece, efforts made since early 2012 allowed Crédit Agricole to successfully negotiate an agreement to sell Emporiki to Alpha Bank.

Crédit Agricole S.A. announced that it has signed an agreement on 16 October for the sale of the entire share capital of Emporiki to Alpha Bank. After the deal was approved by the relevant authorities, the sale took place on 1 February 2013.

The transaction resulted in a net loss Group share of -€706 million in Crédit Agricole S.A.'s consolidated financial statements in the fourth quarter of 2012. This figure includes writebacks of funding provisions that are no longer applicable as Crédit Agricole CIB acquired assets in Emporiki's shipping portfolio representing USD1.4 billion and Emporiki repaid the remaining funding to Crédit Agricole S.A. After the sale, Emporiki no longer receives any funding from Crédit Agricole S.A. On the other hand, the tax effects forecast in the third quarter of 2012, and up to 18 February 2013, were modified following the French Government's decision to apply the new rules of non-tax deductibility (*loi de finance rectificative* of 16 August 2012) to losses resulting from the disposal of shares issued at the time of Emporiki's capital increase on 17 July 2012.

Outside Italy and Greece, the Group's other entities reported balanced loan-to-deposit ratios at 31 December 2012, with €10.2 billion in on-balance sheet customer deposits for a total of €9.8 billion in gross loans outstanding. Of these entities, Crédit Agricole Bank Polska had the largest proportion of revenues, at 37%, followed by Crédit du Maroc (22%), Crédit Agricole Egypt (22%), Crédit Agricole Ukraine (13%) and Crédit Agricole Srbija (4%).

Net income Group share of the International retail banking entities other than those in Italy and Greece amounted to €115 million, up 15% for the year, thanks to strong operational performance. This figure includes €33 million for the Ukrainian subsidiary, €37 million for the Polish subsidiary, €23 million for Crédit du Maroc and €21 million for Crédit Agricole Egypt. It should be noted that as a result of the downturn in Egypt's economic situation, €69 million in goodwill were impaired on the Egyptian subsidiary.

(1) Source: Associazione Bancaria Italiana.

As regards investments in equity-accounted entities, Crédit Agricole S.A. restructured its investment in BES. During the first half of 2012, its investment in BES Vida was sold for €225 million while taking part in BES' capital increase, in proportion to Crédit Agricole S.A.'s rights, for the same amount. During the fourth quarter, the value of the 20.2% stake in BES was written down by €267 million.

In addition, Crédit Agricole S.A. withdrew from certain subsidiaries or investments.

Concerning Bankinter, Crédit Agricole S.A. implemented a divestment strategy. Crédit Agricole S.A.'s stake in Bankinter fell to below 20% during the third quarter of 2012 after the Spanish bank carried out a capital increase in which Crédit Agricole S.A. did not participate. This dilution, which coincided with its business refocusing strategy, led Crédit Agricole S.A. to review the criteria for its significant influence on Bankinter and to deconsolidate the latter. As a result of this deconsolidation, the corresponding securities were recognized as available-for-sale securities and a €193 million loss was recorded. This strategy was pursued during the second half of the year with disposals of other securities and, in January 2013, with the announcement that 5.2% of the capital of Bankinter would be sold under a private placement with institutional investors, bringing Crédit Agricole S.A.'s stake down to 9.9%.

Lastly, BNI Madagascar was recognised as a non-current asset held for sale.

4. Specialised financial services

(in millions of euros)	2012	2011 *pro forma*	Change 2012-2011
Revenues	**3,445**	**3,926**	**(12.3%)**
Operating expenses and depreciation	(1,601)	(1,744)	(8.2%)
Gross operating income	**1,844**	**2,182**	**(15.5%)**
Cost of risk	(2,105)	(1,606)	31.1%
Share of net income of equity-accounted entities	19	14	37.9%
Change in the value of goodwill	(1,495)	(247)	n.m.
Pre-tax income	**(1,737)**	**343**	**n.m.**
Income tax charge	(101)	(242)	(58.5%)
Net income from discontinued or held-for-sale operations	-	5	n.m.
Net income	**(1,838)**	**106**	**n.m.**
NET INCOME GROUP SHARE	**(1,613)**	**91**	**n.m.**

In 2012, the **Specialised financial services business lines** achieved its targets under the adjustment plan by continuing to down-size its business and to diversify its funding sources.

As a result, the consolidated outstandings of Crédit Agricole Consumer Finance (CACF) stood at €47.6 billion at 31 December 2012, down by €4.6 billion since June 2011. Agos Ducato accounted for €1.4 billion of the reduction in outstandings between June 2011 and December 2012. The organic decrease in outstandings represented approximately €3.6 billion over the period, due to a slowdown in the consumer credit market in Europe coupled with deliberate efforts to tighten credit approval criteria and the discontinuation of insufficiently profitable partnerships. Furthermore, disposals of bad loans represented €1.1 billion over the course of the plan, including one transaction carried out by Agos Ducato in late 2012 concerning a fully provisioned portfolio of €0.5 billion. Outstandings managed on behalf of third parties dropped by €0.6 billion since June 2011 while outstandings managed for Crédit Agricole Group remained stable. Thus, total outstandings managed by CACF were €73.2 billion at 31 December 2012, down by €5.2 billion since June 2011. Their geographical breakdown was relatively unchanged, with 38% of outstandings in France, 34% in Italy and 28% in other countries.

In terms of diversification of external sources of funding, CACF was able to secure over €7 billion in additional funding since June 2011. Thus, retail deposits in Germany totalled more than €1 billion at 31 December 2012 while €5.6 billion were raised though securitisations and bond issues.

At the same time, Crédit Agricole Leasing and Factoring (CAL&F) also intensified its efforts under the adjustment plan, both to shrink its outstandings and to diversify its external funding. As a result, at 31 December 2012, outstandings under management in lease finance were 6.5% lower than at 31 December 2011 and amounted to €18.6 billion. In France, they declined by 8.2% over the period. Factored receivables amounted to €56.3 billion at 31 December 2012, down by 6.0% from 31 December 2011, with nearly half of the decline coming from international operations.

This down-sizing policy affected the business line's revenues, which were down 12.3% in 2012 in comparison with 2011. Operating expenses followed suit, falling 8.2% over the same period. The cost-income ratio thus stood at 46.5%.

Cost of risk rose 31.1% over the year to €2.1 billion, as a result of additional provisions totalling €364 million recorded for the Italian consumer finance subsidiary Agos. Adjusted for these additional provisions, the cost of risk increased by only 8.4% between December 2011 and December 2012. The impact of the adjustment plan, a €77 million cost of risk writeback, partially offset this increase of provision on Agos.

In 2012, goodwill impairments represented almost €1.5 billion, all of which can be attributed to the consumer finance business line.

Overall, on account of the additional provisions for Italy, the costs of the adjustment plan and goodwill impairments, the business line recorded a net loss Group share of -€1,613 million.

In **consumer finance**, the down-sizing of this business line, the impact of the additional provisioning for Agos and goodwill impairments caused CACF to record a net loss Group share of €1,616 million for the year 2012.

The decline in the business line's activity led to a 13.3% drop in revenues between 2011 and 2012, to €2,907 million. In this context, the measures taken by CACF to strengthen its operational efficiency resulted in an 8.0% drop in expenses over the same period, as well as an automatic increase in the cost-income ratio, which stood at 44.1% at end-2012.

Total cost of risk rose sharply *versus* 2011 to €2,105 million (+ 31.1%), reflecting a variety of circumstances and trends. CACF France continues to steadily improve and posted its lowest cost of risk since the third quarter of 2008. All international subsidiaries except Agos also saw their overall cost of risk fall by 1.8% between end-2011 and end-2012. Conversely, current cost of risk remained high for Agos in 2012 on account of additional provisions totalling €364 million over the year. Significant measures have been taken to reform Agos' governance – such as changes within its Board of Directors – and its risk management and collection – with various projects launched and reinforcement of the dedicated teams. At 31 December 2012, Agos' impaired loans stood at 13.5% of its total outstandings, with a high coverage ratio of 96.4%, including collective provisions.

CACF recognized a total of €1,495 million in goodwill impairments in 2012.

In **lease finance and factoring,** CAL&F's net income Group share was €4 million for the year 2012, compared to a net loss of €257 million in 2011.

In conjunction with the slowdown in business, revenues fell by 6.1% between 2011 and 2012 to €538 million. Expenses decreased significantly over the period at - 9.3%, which made it possible to limit the decline in gross operating income to 1.3%. The cost-income ratio improved by 2.1 points over the twelve-month period to 59.1% for the year. At €131 million, the cost of risk was down by 37.0% over the year. Lastly, CAL&F's tax charge increased by a factor of 2.5 between 2011 and 2012 due to depreciation of deferred tax assets totalling €30 million in 2012 and non-activation of deferred tax assets for Emporiki Leasing from 1 January 2012.

5. Savings management

The Savings management business line includes asset management, insurance, private banking and investor services.

At 31 December 2012, the business line's funds under management had risen by €83.3 billion over the year, with positive net inflows over the year of €15.2 billion for Amundi and €1.9 billion for CA Assurances. In addition to strong business momentum across all segments, the business line benefited from highly favourable market and exchange rate effects (+ €68.9 billion). Total funds under management amounted to €1,084.4 billion at 31 December 2012.

The business line reported €1,720 million in net income Group share for the year 2012, up 80.9% from the previous year, which induded the negative impact of the European bailout plan for Greece (€712 million in net income Group share in 2011). In 2012, net income Group share was again affected by this bailout plan, for -€35 million. The cost-income ratio was low at 46.5% in 2012, down 1.3 points from 2011.

(in millions of euros)	2012	2011 *pro forma*	Change 2012-2011
Revenues	**5,160**	**5,243**	**(1.6%)**
Operating expenses and depreciation	(2,401)	(2,508)	(4.3%)
Gross operating income	**2,759**	**2,735**	**0.9%**
Cost of risk	(55)	(1,075)	(94.9%)
Share of net income of equity-accounted entities	10	11	(3.7%)
Net gains (losses) on other assets	28	(1)	n.m.
Pre-tax income	**2,742**	**1,670**	**64.2%**
Income tax charge	(848)	(620)	36.8%
Net income	**1,894**	**1,050**	**80.4%**
NET INCOME GROUP SHARE	**1,720**	**951**	**80.9%**

In asset management, Amundi benefited from high inflows of €15.2 billion plus a very favourable market effect (+ €54 billion). As a result, it saw its assets under management increase by 10% over the course of the year 2012, reaching €727.4 billion at the end of the year. The aggressive policy taken towards institutional, corporate and third-party distributors paid off, more than offsetting the outflows from the networks. New inflows excluding branch networks achieved record-breaking levels at €26 billion.

In the institutional and insurers segment, inflows amounted to €18.8 billion, driven primarily by Group and non-Group insurers and French pension plans. In the corporates segment, Amundi significantly strengthened its positions in France and abroad: inflows into employee savings schemes came to €5.2 billion, increasing Amundi's market share by more than three points in France to over 40%. For its other products, Amundi brought in €3.1 billion in inflows and significantly increased its penetration rate among major European corporations. With third-party distributors, Amundi recorded €2.0 billion in net inflows thanks to a very strong performance in Europe and Japan, as well as with global distributors through its expertise in volatility, bonds (especially high yield and global) and long-term money market investments.

As for the branch networks, while flows remained negative in Europe (-€10.8 billion over the year), outflows slowed significantly as a result of less pressure on on-balance sheet customer savings. Joint ventures in India, Korea and China continued to grow. Amundi thus reinforced its positions in France and abroad with significant increases in its market share. In France its market share grew almost 2 points to 26.6%. Amundi is the second-largest deposit gatherer on the European market.

In terms of expertise, the year 2012 affirmed the success of the money market line, thanks to secure products that offer strong management performance. In Europe, Amundi was No. 1 in money market products for the year, as well as No. 1 in assets under management since June 2012, with a 12.2% market share. For ETFs, an area launched only four years ago, assets under management amounted to €8.9 billion at end-2012, placing Amundi among the European top players in this market after several consecutive years of inflows that outperformed the market. The large inflows seen on products such as the volatility, high yield, global bond or real estate instruments are also testament to Amundi's strong performance in active management.

Amundi posted revenues of €1,456 million in 2012, up 4.6% over 2011, including the gain on the disposal of Hamilton Lane (€60 million). The disposal of this investment at the beginning of the year completed Amundi's efforts to streamline its operations in the United States. Excluding the gain, Amundi's revenues remained stable in relation to 2011 despite a downward trend in margins within the asset management sector. High performance-based commissions, 2.3 times higher than in 2011, almost entirely offset the decline in other asset management products affected by the weakening of the product mix. Revenues also benefited from the positive trends seen in the financial markets.

Amundi kept a tight rein on its costs: operating expenses fell by 1.4%, despite the tax increases affecting employee expenses. As a result of these factors, gross operating income rose by +2.4% to €688.9 million, excluding the disposal of Hamilton Lane, with a cost-income ratio of 55.0%.

Amundi posted a total of €480 million in net income in 2012, up 16.3% from 2011. Its contribution to net income Group share is €351 million (+16.5%).

As for **Investor services,** CACEIS continued to show strong momentum since the beginning of the year, with organic growth based on genuine commercial successes in its two business activities, custody and administration. In addition, CACEIS benefited from a favourable market effect, in both its fixed income business (decrease in long-term rates) and its equity business (CAC 40 up by 15% since December 2011). Consequently, assets under custody rose by 10.3% over the year to €2,491 billion, while assets under administration increased by 20.3% to €1,251 billion over the same period.

Revenues increased by 3.3% under the combined effect of pressure on margins and tightening spreads on cash, especially at the end of the year. Gross operating income increased by 8.2% as a result of virtually unchanged operating expenses (+1.1%). Net income Group share was €148 million, up 7.6%.

Private banking held up well amidst the financial crisis. Assets under management in private banking totalled €132 billion at 31 December 2012, up by 4.7% from end-2011, owing to a positive market and currency impact. Outflows amounted to €2.7 billion over the year, in a general climate unfavourable to off-balance sheet savings and following the sale of non-core assets in Latin America. However, over the past year, the pace of these outflows has slowed in every quarter. As a result, in France, assets under management rose by 5.6% over end-2011 to €60.4 billion. Internationally, they increased by 3.9% over the same period to €71.8 billion.

Revenues were up 5.4% in 2012 to €712 million, due especially to the increase in assets under management. Operating expenses were down 0.7% at €516 million, due in part to a €17 million non-recurring reduction in expenses related to a pension fund (+ €14 million impact after taxes). Net income Group share was €139.2 million, up 23.4% from 2011.

In **Insurance,** total premium income was €23.2 billion for the year 2012, as a result of mixed activity levels and trends across the various markets.

Life insurance (restated for BES Vida which was sold to BES in the second quarter of 2012) delivered very good results after weathering difficult market conditions at the beginning of the year. In France, business grew sharply during the fourth quarter but was down 11% over the year as a whole, in line with the market (source: FFSA). Internationally, business grew by 7% over the year. All in all, owing primarily to positive net new inflows of €1.9 billion in 2012, life insurance volumes rose by 4% year-on-year to nearly €225 billion euros at 31 December 2012. At end-2012, 18.5% of these funds were in unit linked accounts.

Property & casualty insurance continued to grow, both in France and internationally, where premium income increased by 6% between 31 December 2011 and 31 December 2012. In France, premium income amounted to almost €2.5 billion for the year 2012, up 7%, while the market grew by 4% over the same period (source: FFSA). The claims ratio for the business line (net of reinsurance) remained under control, at 70.1% in 2012.

Although home loans continued to support this area in 2012, the creditor insurance business declined by 6.0% due to the slowdown in the consumer credit market. Premium income totalled €964 million in 2012.

On an international level, 2012 was marked by two changes in the scope of consolidation. In April 2012, Crédit Agricole Assurances (CAA) sold BES Vida, which had €5.4 billion in funds under management at 31 December 2011, to BES. In addition, CAA increased its stake in CA Vita to 100% with the purchase, on 30 March 2012, of the shares held by Cariparma. In international business, total premium income (in life insurance and property & casualty insurance, excluding creditor insurance and restated for BES Vida) continued to grow. It rose by 7.0% between December 2011 and December 2012 to €3.5 billion, while property & casualty insurance saw its premium income increase by 6.0% over the same period.

Investments are managed prudently. As such, €7.4 billion in sovereign debt of peripheral countries was sold in 2012 so that, at end-2012, CAA's aggregate exposure to Italy, Spain, Ireland and Portugal was less than €8 billion, compared with €15.3 billion at end-2011. Exposure to Greek sovereign debt was nil at end-2012 (*versus* €1.9 billion one year earlier). In addition, fixed income products continue to account for a predominant share of investments in euros (79.4% of the total at end-2012). At the same time, short-term investments accounted for 6.9%, real estate for 4.9% (buildings, shares in property and property investment companies, etc.), alternative investments for 1.6%, other shares (adjusted for hedging) for 5.5%, and other products (private equity, convertible bonds, etc.) for 1.7%. Lastly, in 2012, Crédit Agricole Assurances confirmed its major role in financing of the French economy alongside the Group's banks by offering financing solutions to corporate customers and local community institutions. CAA thus invested a total of over €10 billion in the French economy, including €3 billion in innovative financing, mainly in the form of loans to local community institutions (€1.0 billion) and underwriting of bond issues by unrated companies (€1.7 billion).

CAA's revenues fell by 8.9% between December 2011 and December 2012 due to an unfavourable basis of comparison and the exclusion of BES Vida from CAA's scope of consolidation in the second quarter of 2012. Operating expenses fell apparently by 15.5% year-on-year, but remained stable excluding one-off impacts related to the treatment of Greek sovereign debt on the calculation basis of certain taxes (negative impact of €69 million in 2011 followed by a positive effect of €45 million in 2012). Cost of risk in 2012, as in 2011, is attributable to the European bailout plan for Greece; however, it represented only €51 million in 2012 *versus* €1,079 million in 2011. Lastly, the Insurance business line recorded a €28 million gain on the sale of BES Vida shares to BES in 2012.

Net income Group share thus amounted to €1,081 million for the year 2012.

6. Corporate and investment banking

NB: All figures for 2011 are presented *pro forma* of the transfers from financing activities and capital markets and investment banking to discontinuing operations during 2012 (see press release from 5 October 2012). They are also *pro forma* of the reclassification of CA Cheuvreux and CL Securities Asia (CLSA) as discontinued operations (IFRS 5) in 2012.

Corporate and investment banking pursued its transformation strategy in keeping with the adjustment plan announcements made on 14 December 2011. In order to adapt to constraints related to liquidity, risk weighted assets and equity, the adjustment plan led Crédit Agricole CIB to refocus its efforts on the businesses where it shows excellency for a portfolio of strategic customers (large corporates and financial institutions) and on major financial centres representing 85% of global GDP. The decision was made to discontinue equity derivative and commodities activities and to sell its equity broking businesses. Thus, in 2012, Crédit Agricole CIB finalised the sale of CLSA to CITICS and signed an agreement to sell Cheuvreux to Kepler. These transactions will be finalised in 2013 after the regulatory authorities have given the necessary approvals.

(in millions of euros)	2012	2012 Cost of the adjustment plan	2012 Impact of the revaluation of debt and loan hedges	2012 restated[1]	2012[1] o/w restated ongoing activities
Revenues	**3,188**	**(477)**	**(855)**	**4,520**	**4,358**
Operating expenses and depreciation	(2,890)	-	-	(2,890)	(2,596)
Gross operating income	**298**	**(477)**	**(855)**	**1,630**	**1,762**
Cost of risk	(468)	(151)	-	(317)	(292)
Operating income	**(170)**	**(628)**	**(855)**	**1,313**	**1,470**
Share of net income of equity-accounted entities	165	-	-	165	165
Net gains (losses) on other assets	39	-	-	39	37
Change in the value of goodwill	(834)	-	-	-	-
Pre-tax income	**(800)**	**(628)**	**(855)**	**1,517**	**1,672**
Income tax charge	146	227	(293)	(374)	(428)
Net income from discontinued or held-for-sale operations	(249)	-	-	-	-
Net income	**(903)**	**(401)**	**(562)**	**1,143**	**1,244**
NET INCOME GROUP SHARE	**(880)**	**(392)**	**(549)**	**1,130**	**1,211**

(1) Restated for revaluation of debt, loan hedges, impacts of the adjustment plan, reclassification of CA Cheuvreux and CL Securities Asia (CLSA) as discontinued operations (IFRS 5) and changes in the value of goodwill.

In an environment still affected by the financial crisis, the year 2012 marked a strategic turning point for Crédit Agricole CIB as the first impacts of the adjustment plan took effect and its "Distribute to Originate" model, focusing on distributing to and serving its key customers, was rolled out. Excluding the significant impact of non-recurring items, operating income was satisfactory, on par with that of 2011 despite the effects of the adjustment plan. This bears testament to the resilience and pertinence of the new model in a context of reduced liquid resources.

Excluding equity brokerage activities, the capital markets segment performed very well after a difficult year in 2011. Financing activities saw a drop in revenues as a direct result of the liquidity constraints under the adjustment plan.

Corporate and investment banking recorded a net loss Group share for the year 2012 of -€880 million, *versus* -€147 million in 2011. These figures primarily reflect the impacts of the adjustment plan, which took a -€392 million toll on net income Group share in 2012, *versus* -€334 million in 2011 (excluding changes in the value of goodwill).

It also encompasses a €549 million expense recognised under net income Group share for the revaluation of debt and loan hedges related to the easing of credit spreads. For purposes of comparison, this figure was €456 million in income for the year 2011.

The year 2012 also saw a €826 million goodwill impairment in net income Group share. This impairment stems mainly from the impact of more stringent regulatory requirements. It pertains to both financing activities and investment banking, excluding brokerage, (€466 million) and Newedge (€360 million), of which the restructuring, announced in December 2012, led to the splitting of its trade execution and clearing businesses.

These non-recurring items represented just over €1.7 billion for the year 2012, to which may be added the estimated losses on the ongoing disposal of CA Cheuvreux (-€187 million in net income Group share) and the net operating loss of CLSA, reclassified as a discontinued operation (IFRS 5) for the year 2012 (-€56 million). Adjusted for these various items, 2012 net income Group share stands at €1,130 million, of which €1,211 million for ongoing activities alone.

Adjustment plan costs for the year 2012 stem mainly from discontinuing operations (net loss Group share of -€321 million) related to disposals of the CDO and RMBS portfolios and the review of impairment assumptions for CDOs in the banking book. Excluding the impact of the adjustment plan, discontinuing operations represented a cost of only €81 million in 2012, compared to -€416 million in 2011.

Ongoing operations

(in millions of euros)	2012	2012[(1)]	2011[(1)]	Change 2012[(1)]-2011[(1)]
Revenues	**(3,389)**	**4,358**	**4,508**	**(3.3%)**
Operating expenses and depreciation	(2,596)	(2,596)	(2,440)	2.8%[(2)]
Gross operating income	**793**	**1,762**	**2,068**	**(14.8%)**
Cost of risk	(292)	(292)	(328)	(11.0%)
Operating income	**501**	**1,470**	**1,740**	**(15.5%)**
Share of net income of equity-accounted entities	165	165	134	22.7%
Net gains (losses) on other assets	37	37	1	n.m.
Change in the value of goodwill	(834)	-	-	n.m.
Pre-tax income	**(131)**	**1,672**	**1,875**	**(10.9%)**
Income tax charge	(94)	(428)	(558)	(23.4%)
Net income from discontinued or held-for-sale operations	(249)	-	-	n.m.
Net income	**(474)**	**1,244**	**1,317**	**(5.6%)**
NET INCOME GROUP SHARE	**(478)**	**1,211**	**1,284**	**(5.7%)**

(1) Restated for revaluation of debt, loan hedges, impacts of the adjustment plan, reclassification of CA Cheuvreux and CL Securities Asia (CLSA) as discontinued operations (IFRS 5) and changes in the value of goodwill.

(2) At constant exchange rates.

Ongoing activities in 2012 recorded a net loss Group share of -€478 million *versus* + €383 million in 2011.

Adjusted for impairment of goodwill (-€826 million), revaluation of debt and loan hedges (-€549 million), adjustment plan costs related to loan disposals (-€71 million) and reclassification of CA Cheuvreux's and CLSA's income as discontinued operations (IFRS 5) (-€243 million), net income Group share for ongoing activities stood at €1,211 million, down slightly by 5.7% compared to 2011.

Restated revenues totalled €4,358 million, down slightly by 3.3% year-on-year. These results reflect the strong performance by capital market activities in 2012 and a limited decline in financing activities in a climate of tight liquidity. At constant exchange rates, operating expenses declined steadily but were negatively impacted throughout the year by taxes and social measures enacted in the summer of 2012 representing €37 million (doubling of the systemic tax and increase in the tax on salaries) as well as non-recurring items (costs related to the rationalisation of the real estate portfolio, IT expenses, etc.).

The cost-income ratio thus stands at 59.6%, up 5.5 points from 2011.

Net gains (losses) on other assets amounted to +€37 million over the year 2012, including the disposal of the registered office in La Défense for €7 million and of the Turkish subsidiary CA Yatirim Bankasi Turk AS for €18 million. The residue stems mainly from gains earned on the disposal of securities.

The -€249 million net loss from discontinued or held-for-sale operations includes the estimated impact of the ongoing sale of CA Cheuvreux as well as the operating income of CLSA in accordance with IFRS 5.

The cost of risk in its core business activities continues to fall, illustrating the quality of the portfolio as well as the Group's prudent risk management strategy.

Financing activities

(in millions of euros)	2012	2012 Cost of the adjustment plan	2012[1]	2011[1]	Change 2012[1]-2011[1]
Revenues	**2,092**	**(114)**	**2,128**	**2,538**	**(16.2%)**
Operating expenses and depreciation	(947)	-	(947)	(868)	6.6%[2]
Gross operating income	**1,145**	**(114)**	**1,181**	**1,670**	**(29.3%)**
Cost of risk	(293)	-	(293)	(319)	(8.2%)
Operating income	**852**	**(114)**	**888**	**1,351**	**(34.2%)**
Share of net income of equity-accounted entities	164	-	164	134	22.6%
Net gains (losses) on other assets	26	-	26	2	x 12.8
Pre-tax income	**1,042**	**(114)**	**1,078**	**1,487**	**(27.5%)**
Income tax charge	(278)	41	(291)	(485)	(40.0%)
Net income	**764**	**(73)**	**787**	**1,002**	**(21.4%)**
NET INCOME GROUP SHARE	**749**	**(71)**	**771**	**980**	**(21.3%)**

(1) Restated for loan hedges, excluding the cost of the adjustment plan.

(2) At constant exchange rates.

Financing activities were impacted this year by the new Distribute to Originate model, which involves strategic adjustments to adapt to new economic and regulatory requirements (less buoyant markets, increased competition, implementation of Basel 3, etc.) with the aim of maintaining its origination volumes while boosting its distribution capacities. This new model draws particularly on the worldwide expertise of the structured finance, corporate and loan syndication teams.

Crédit Agricole CIB modified its organisational structure accordingly and created a new business line, "Debt Optimisation & Distribution" (DOD). Business relationships with financial institutions were strengthened in order to develop partnerships. Commercial banking activities were grouped with those of export finance and international trade in order to offer clients comprehensive financing that covers the entire business cycle.

Furthermore, throughout the year 2012, the targets of the adjustment plan in terms of reduced liquidity consumption continued to affect most **Financing activities**.

Facing a difficult market environment, structured finance posted lower revenues as a result of the reduction in outstandings; nevertheless, it managed to retain its competitive positions. Crédit Agricole CIB thus maintained its No. 2 position in project financing in the EMEA region and moved up to fourth place in project finance in the Americas region (source: Thomson Financial).

Revenues from structured finance amounted to €1,154 million for the year 2012 compared with €1,382 million for the year 2011 (restated for loan hedges and impacts of the adjustment plan).

Despite its status as leader in the French syndication market (source: Thomson Financial), commercial banking saw its earnings fall as a result of intense competition in the bank loan market, especially in Asia (where banks do not face the same liquidity constraints), and of corporate clients' preference for bond issues rather than loans.

Likewise, the efforts made since 2011 to reduce assets under the adjustment plan continued throughout 2012 at a somewhat slower pace but on nonetheless satisfactory terms. The loans sold from the financing activities portfolio, totalling €3.9 billion in 2012, had a negative impact of €114 million on revenues (€71 million on net income Group share). A total of €10.3 billion in loans have been sold since the adjustment plan was launched at an average discount of 2.3%.

Regarding loan hedges, €78 million were recorded in revenues in 2012 due to the drop in credit spreads during the year. As a comparison, this figure was equal to + €40 million for the year 2011.

Over the year, cost of risk amounted to -€293 million; this figure comprises relatively small specific reserves on a limited number of loans.

Overall, net income Group share for 2012 for financing activities was €749 million, or €771 million after being restated for loan hedges and excluding the cost of the adjustment plan.

Capital markets and investment activities

(in millions of euros)	2012	2012 Impairment of goodwill	2012[1]	2011[1]	Change 2012[1]-2011[1]
Revenues	**1,297**	**-**	**2,230**	**1,970**	**13.2%**
Operating expenses and depreciation	(1,649)	-	(1,649)	(1,572)	0.7%[2]
Gross operating income	**(352)**	**-**	**581**	**398**	**45.9%**
Cost of risk	1	-	1	(9)	n.m.
Operating income	**(351)**	**-**	**582**	**389**	**49.4%**
Share of net income of equity-accounted entities	1	-	1	-	n.m.
Net gains (losses) on other assets	11	-	11	(1)	n.m.
Change in the value of goodwill	(834)	(834)	-	-	n.m.
Pre-tax income	**(1,173)**	**(834)**	**594**	**388**	**52.7%**
Income tax charge	184	-	(137)	(73)	86.4%
Net income from discontinued or held-for-sale operations	(249)	-	-	-	n.m.
Net income	**(1,238)**	**(834)**	**457**	**315**	**44.9%**
NET INCOME GROUP SHARE	**(1,227)**	**(826)**	**440**	**304**	**44.5%**

(1) *Restated for revaluation of debt, impacts of the adjustment plan, reclassification of CA Cheuvreux and CL Securities Asia (CLSA) as discontinued operations (IFRS 5) and changes in the value of goodwill.*

(2) *At constant exchange rates.*

Capital markets and investment activities posted a 13.2% increase in revenues for the year 2012. The business segment was driven by a solid performance by the capital markets activities in a context of easing credit spreads and lower long-term interest rates.

In capital markets, bond activities performed particularly well due to the upswing in business in debt markets and the increase in issue volumes. Crédit Agricole CIB ranks second worldwide for euro issues by financial institutions and fourth worldwide for all euro issues combined. The bank rose to third place in EMTN private placements in euros. It should also be noted that the Group is leader on the French corporate bond market (Dealogic) and was awarded "Best Uridashi Dealer 2012" (bond issues in Japan).

Crédit Agricole CIB also became the European leader in the socially responsible bonds market: the bank broke new ground by arranging four socially responsible bond issues.

In investment banking, the socially responsible mergers and acquisitions teams won major advisory mandates, such as for the acquisition of Vermandoise de Sucreries by Cristal Union and the acquisition of CFAO by Toyota Tsusho Corporation, reinforcing Crédit Agricole CIB's position as number one in public takeover offers in the French market in 2012 (source: Thomson). In Equity Capital Markets, Crédit Agricole CIB finalised capital increases (Alstom) or convertible bond issues (Faurecia and Unibail), as well as employee savings operations, thus confirming its position as No. 1 in employee savings schemes in France.

The year 2012 also reflects Crédit Agricole CIB's refocusing of its business. For instance, it sold off part of its brokerage business:

- agreement finalised with Kepler Capital Markets for the merger between CA Cheuvreux and Kepler;
- on 25 October 2012, Crédit Agricole CIB exercised a put option for the remaining 80.1% of CLSA. The expected gain on the sale of CLSA will not be recognised until the transaction is finalised.

Overall, Capital markets and investment activities recorded a net loss Group share of -€1,227 million for the year 2012. Adjusted for revaluation of debt (-€598 million), goodwill impairments (-€826 million) and the ongoing disposal of CA Cheuvreux and CLSA, net income Group share is equal to €440 million, up by 44.5% from 2011.

VaR remains under control at a mere €10 million at 31 December 2012, down 34% from 31 December 2011.

Discontinuing operations

(in millions of euros)	2012	2012 Cost of the adjustment plan	2012[(1)]	2011[(1)]	Change 2012[(1)]-2011[(1)]
Revenues	**(201)**	**(363)**	**162**	**(99)**	**n.m.**
Operating expenses and depreciation	(294)	-	(294)	(381)	(22.8%)
Gross operating income	**(495)**	**(363)**	**(132)**	**(480)**	**(72.6%)**
Cost of risk	(176)	(151)	(25)	(175)	(85.6%)
Operating income	**(671)**	**(514)**	**(157)**	**(655)**	**(76.1%)**
Net gains (losses) on other assets	2	-	2	-	n.m.
Pre-tax income	**(669)**	**(514)**	**(155)**	**(655)**	**(76.5%)**
Income tax charge	240	186	54	205	(73.6%)
Net income	**(429)**	**(328)**	**(101)**	**(450)**	**(77.8%)**
NET INCOME GROUP SHARE	**(402)**	**(321)**	**(81)**	**(416)**	**(80.7%)**

(1) Restated for impacts of the adjustment plan.

Under the adjustment plan, the loan disposals which begun during the fourth quarter of 2011 were stepped up over 2012: almost the entire portfolio of CDOs recognised in the trading portfolio was sold as well as the US RMBSs, representing a total of €5.9 billion (€1.1 billion for the year 2011). These disposals had a -€251 million impact on net income Group share for the year and generated a reduction of around €14 billion in risk weighted assets (under CRD 4), which adds up to the €3.5 billion savings generated by the disposals carried out in the fourth quarter of 2011.

In addition, the transfer of the market risk of the correlation book to Blue Mountain in February 2012 had an impact of €14 billion in risk weighted assets.

Excluding the impacts of the plan, the net loss Group share from discontinuing operations was negligible for the year 2012, at -€81 million *versus* -€416 million in 2011.

Additional information on the nature of the main exposures is presented in the section entitled "Sensitive Exposures based on the Financial Stability Board Recommendations" under the heading "Risk factors".

7. Corporate centre

(in millions of euros)	2012	2011 *pro forma*	Change 2012-2011
Revenues	**(1,841)**	**(845)**	**x 2.2**
Operating expenses and depreciation	(916)	(981)	(6.7%)
Gross operating income	**(2,757)**	**(1,826)**	**50.8%**
Cost of risk	(275)	(341)	(19.1%)
Share of net income of equity-accounted entities	(122)	(26)	x 4.6
Net gains (losses) on other assets	123	(4)	n.m.
Pre-tax income	**(3,031)**	**(2,197)**	**37.9%**
Income tax charge	854	796	7.2%
Net income	**(2,177)**	**(1,409)**	**54.5%**
NET INCOME GROUP SHARE	**(2,305)**	**(1,590)**	**45.0%**

In 2012, the Corporate centre recorded several non-recurring items.

First, the intragroup elimination of debt instruments issued by Crédit Agricole S.A. and held by the insurance companies on behalf of policyholders under unit-linked contracts generated a negative impact of -€618 million over the year within the Corporate centre (-€405 in net loss Group share). The par value of the securities eliminated was €8.1 billion at 31 December 2012.

Second, the Corporate centre recorded impacts related to actions carried out throughout the year to reduce the risks faced by the Group and to rapidly adapt to the new environment. For instance, a loss of -€93 million on the disposal of securities was recorded at the beginning of the year, followed by €52 million in gains on the sale of Intesa Sanpaolo shares after major impairments at the beginning of the year, and Fransabank shares. Revenues also comprise a gain resulting from a debt buyback operation carried out in February 2012 that generated €864 million in revenues (€552 million in net income Group share).

As a reminder, 2011 revenues included high financial management earnings due to the sharp rise in returns on inflation-indexed assets.

In addition, operating expenses decreased by 6.7% compared to 2011.

Tax includes -€128 million for the impact of the exceptional 7% tax on insurance companies' capitalisation reserve.

Overall, net income Group share for the Corporate centre was a loss of -€2,305 million in 2012, *versus* -€1,590 million in 2011.

CRÉDIT AGRICOLE S.A. CONSOLIDATED BALANCE SHEET

At end-2012, Crédit Agricole S.A. had consolidated assets of €1,842.4 billion, compared with €1,723.6 billion at 31 December 2011, an increase of €118.8 billion (+6.9%). The increase was attributable to a substantial rise in the value of financial assets and liabilities at fair value through profit or loss, which only partially offset the decrease in loans (-€69.6 billion) and debt (-€54.0 billion) to customers and credit institutions.

In 2012, the foreign exchange effect on the balance sheet amounted to €3.8 billion. It was negligible in 2011.

Assets

The main asset items were financial assets at fair value through profit or loss (33.6%), loans and receivables to customers (20.9%) and to credit institutions (17.9%), and available-for-sale financial assets (14.1%). These items accounted together for 86.6% of assets, and recorded the biggest changes in absolute terms over the year (up €98.1 billion in total, including particularly increases of €129.7 billion in financial assets at fair value through profit or loss and €32.3 billion in available-for-sale financial assets, and a decrease of €63.9 billion in loans and receivables to customers and credit institutions).

Financial assets at fair value through profit or loss

Total financial assets at fair value through profit or loss amounted to €620.0 billion at 31 December 2012, compared with €490.3 billion at 31 December 2011, a year-on-year increase of 26.5%.

The bulk of the portfolio (88.7% or €550.2 billion) consists of financial assets held for trading at fair value through profit or loss, which were up 23.1% over the year at €103.1 billion. It is comprised mainly of the positive fair value of derivative financial instruments (€418.5 billion at end-2012, compared with €349.5 billion at end 2011) and securities received under repurchase agreements (€82.6 billion at end-2012, compared with €21.7 billion at end-2011). At €48.7 billion, securities held for trading were down nearly €27 billion or 35.6% year-on-year. They consist of treasury bills and similar instruments (€34.9 billion), bonds and other fixed income securities (€9.4 billion), and equities and other variable-income securities (€4.4 billion).

The significant increase in the "Derivative instruments" item (19.8% or €69.1 billion) essentially reflects a positive price effect on interest rate swaps, recorded mainly by Crédit Agricole CIB. Securities received under repurchase agreements increased at the same time by €61 billion (multiplying the end-2011 amount by 3.8), while securities held for trading decreased by 35.6% or nearly €27 billion.

The remainder of the portfolio (€69.8 billion or 11.3% of the portfolio) is comprised of securities classified as financial assets at fair value through profit or loss as a result of an option taken by Crédit Agricole S.A.; these securities are mainly assets backing unit-linked contracts in insurance operations. They were up 61.7% compared with 2011, reflecting the improved performance of financial markets in 2012. This change is reflected symmetrically in the mathematical reserves in the liabilities on the balance sheet.

Loans and receivables to customers and to credit institutions

This category records financial assets not listed on an active market, at fixed- or determinable-income, adjusted for potential impairment provisions. Total outstandings amounted to €715.3 billion, a decrease of 8.2% or €63.9 billion compared with 2011.

Loans and receivables to customers (including lease finance operations) totalled €329.8 billion at 31 December 2012, down by 17.4% or -€69.6 billion compared with 31 December 2011. This sharp decline reflects the slowdown in demand for credit in a sluggish European market and the impact of ongoing efforts by Crédit Agricole S.A. Group to adjust to both market and regulatory constraints.

Most of the decline in customer receivables, *i.e.* 52.6% of the decrease, related to the "Securities received under repurchase agreements" item, which stood at €16.7 billion at end-2012, compared with €53.3 billion at end-2011 (-68.7% year-on-year). "Other customer loans", which were down 9.2% over the year at €269.9 billion at end-2012, contributed 39.3% of the overall decline in loans and receivables to customers. There was a significant reduction in activity in securities received under repurchase agreements at Crédit Agricole CIB. Lending activity in the networks, both in France and Italy, was also highly impacted by the difficult macroeconomic environment and the ensuing slowdown in demand. Also noteworthy was the decrease in customer loans at Crédit Agricole CIB and in the consumer finance subsidiaries in France and Italy, in line with the adjustment plan announced in September 2011.

Loans and receivables to credit institutions totalled €385.5 billion at 31 December 2012, up 1.5% or €5.7 billion over the year. They included €267.2 billion from internal Crédit Agricole transactions, primarily term deposits and advances from Crédit Agricole S.A. to the Regional Banks. The components of this item reflect the financial mechanisms that govern the relationships between Crédit Agricole S.A. and the Regional Banks.

Amounts due from credit institutions outside the Group rose by 13.1% over the year to €118.3 billion at end-2012. This relative stability reflects both an increase in loans and receivables of 24.6% or €16.7 billion, and a reduction of 15.0% in securities received under repurchase agreements (-€5.4 billion).

Impairments on loans and receivables to customers and credit institutions, on principal and excluding amounts related to lease finance transactions, decreased by 25.7% over the year (€4.2 billion), *Pro forma* the reclassification to IFRS 5 of Emporiki, Cheuvreux and CLSA, the coverage ratio for doubtful loans and receivables moved from 76.9% at end-December 2011 to 75.7% at end-December 2012. This includes €2.9 billion in collective provisions. Excluding collective provisions, the *pro forma* coverage ratio was 57.3%, compared with 55.4% a year earlier.

Available-for-sale financial assets

Available-for-sale financial assets (net of impairment losses) increased by €32.3 billion (+14.2%) to €259.7 billion between 31 December 2011 and 31 December 2012. Within Crédit Agricole S.A. Group, Predica was the largest holder of such securities, followed by Crédit Agricole S.A. Available-for-sale financial assets are recognised at fair value and recorded in gains and losses, recognised directly in other comprehensive income. If the securities are sold, these changes are transferred to the income statement. Amortisation of any premiums or discounts on fixed income securities is recognised in the income statement using the effective interest rate method.

These assets include bonds and other fixed income securities (€171.0 billion), treasury bills and similar securities (€66.6 billion), shares and other variable-income securities (€16.4 billion) and non-consolidated equity investments (€5.7 billion). The portfolio of bonds and other fixed income securities increased by €23.4 billion (+15.9%) in 2012. Since 2012, non-consolidated equity investments (€5.7 billion at end-2012) have included the stake in Bankinter, while the investment in Intesa Sanpaolo S.p.A has been removed from this item.

At 31 December 2012, after tax unrealised gains on available-for-sale financial assets totalled €8.5 billion (*versus* unrealised losses of €3.8 billion in 2011). They were partially offset by the deferred profit-sharing assets of €6.9 billion after tax of the Group's insurance companies (€1.9 billion at end-2011). The balance of €1.6 billion was recognised in equity.

At 31 December 2012, permanent impairment provisions on available-for-sale assets totalled €2.3 billion (€7.5 billion at 31 December 2011). The difference is mainly due to reversals and use in the amount of €5.8 billion stemming primarily from the impairment of Greek government bonds, recognised in Insurance activities (under the Greek bailout plan).

Held-to-maturity financial assets

This category encompasses fixed- or determinable-income securities that Crédit Agricole S.A. Group has the intention and capacity to hold to maturity. They are recognised at amortised cost with any premiums or discounts being amortised using the effective interest rate method. Net of impairment, their value fell by €741 million (-4.8%) to €14.6 billion between 2011 and 2012.

Investments in equity-accounted entities

Total investments in equity-accounted entities were virtually stable at €18.6 billion at end-2012, compared with €18.3 billion in 2011. This mainly reflects the impact of the deconsolidation of Bankinter and impairments on Eurazeo and BES, offset by gains relating particularly to the Regional Banks and Bank Al Saudi Al Fransi.

Goodwill

At €13.9 billion net, goodwill was down by €3.5 billion year-on-year. The decline in the value of goodwill reflects the deterioration of macroeconomic conditions in the markets in which the Group operates, the tightening of valuation parameters for the entities on which Crédit Agricole S.A. Group carries goodwill, and impairment losses resulting from the implementation of the Crédit Agricole Group adjustment plan. In 2012, contributors to the impairment of goodwill were Crédit Agricole Consumer Finance (CACF) in the amount of €1,495 million, International retail banking in the amount of €1,066 million and Credit Agricole CIB in the amount of €834 million. In respect of CACF, the goodwill of Agos has been reduced to zero, while the partial impairment of goodwill on partnerships with car makers was made solely for technical reasons, namely the tightening of valuation parameters. For Credit Agricole CIB, the impairment was attributable to the cost of the adjustment plan and to Newedge, following the announcement of a reorganisation plan within that entity. Lastly, the impairment of goodwill on International retail banking stemmed chiefly from the deterioration of macroeconomic conditions in Italy.

Liabilities

Liabilities mainly comprise debts due to credit institutions and customers (35.0%), financial liabilities at fair value through profit or loss (31.1%), technical reserves for insurance contracts (13.3%) and debt securities (8.2%). These items accounted for 87.4% of total liabilities including equity.

Financial liabilities at fair value through profit or loss

At 31 December 2012, financial liabilities at fair value through profit or loss totalled €572.5 billion, up by €132.8 billion (+30.2%) year-on-year. The increase stemmed primarily from rises of €72.4 billion (+20.9%) in the fair value of derivative financial instruments held for trading and €54.6 billion in securities received under repurchase agreements.

The portfolio consists solely of financial liabilities held for trading. At end-December 2012, it was comprised of derivative financial instruments held for trading (€418.3 billion), securities received under repurchase agreements (€90.6 billion), debt securities (€31.1 billion) and short-sold securities (€32.5 billion).

Amounts due to customers and credit institutions

Amounts due to customers and credit institutions totalled €644.3 billion at end-2012, a decrease of €54.0 billion over the year (-7.7% compared with 2011).

Amounts due to credit institutions totalled €160.6 billion, a decrease of €12.0 billion or 7.0% over the year. They included internal transactions within Crédit Agricole in the amount of €50.1 billion (fund movements resulting from internal financial relationships between the Regional Banks and Crédit Agricole S.A.).

Amounts due to customers totalled €483.6 billion at 31 December 2012, down nearly €42.0 billion over the year (-8.0%). They mainly comprised special savings accounts (€226.3 billion), current accounts in credit (€121.2 billion) and other liabilities (€113.0 billion).

Due to internal financial mechanisms within Crédit Agricole Group (see the general framework in the consolidated financial statements section of this document), savings deposits in the Regional Banks (passbook accounts, home-purchase savings schemes, savings bonds and term accounts, time deposits, etc.) are centralised on Crédit Agricole S.A.'s balance sheet. At 31 December 2011, they totalled almost €199 billion, an increase of nearly €8 billion compared with 2011.

The reduction in amounts due to customers was attributable primarily to the decline of €50.5 billion in securities received under repurchase agreements (-70.2%). Due to a good deposit-gathering performance in French retail banking (LCL and Regional Banks) in these products – particularly the *Livret A* savings account – deposits in special savings accounts grew by 2.1% (+€4.6 billion) to €226.3 billion at end-2012. Other amounts due to customers increased by €5.0 billion to €113.0 billion at end-2012, while current accounts in credit were stable compared with 2011 at €121.2 billion (-0.4%). In addition, the promissory notes in favour of the *Caisse de Refinancement à l'Habitat* (Refinancing Fund for Housing, CRH) were reclassified from amounts due to customers to debt securities, contributing to the decline in this item.

Debt securities

Debt securities (excluding securities at fair value through profit or loss) increased by €2 billion (+1.4% between 2011 and 2012) to €150.4 billion, Crédit Agricole S.A. having reduced over the year the amount of funds raised in the market *via* issues of negotiable debt securities by €11.0 billion (-18.5%) and *via* bond issues by €1.5 billion to €76.7 billion. By contrast, the value of outstanding interbank market instruments was multiplied by 3.4 to €20.6 billion between 2011 and 2012.

Insurance company technical reserves

Insurance companies' technical reserves increased by 5.9% to €244.6 billion in 2012 compared with 2011. Insurance liabilities remain partially valued under French GAAP, as required by the IAS and IFRS regulations applicable at the reporting date.

Subordinated debt

Subordinated debt declined by €3.8 billion (-11.3%) to nearly €30.0 billion in 2012, reflecting reductions in both fixed-term and perpetual subordinated debt, which fell by €1.6 billion (-7.4%) and €2.2 billion (-18.0%) to €19.7 billion and €10.0 billion respectively.

Capital

Equity amounted to €45.2 billion at 31 December 2012, down by €4.1 billion compared with 31 December 2011.

Equity Group share (including net income for the year) amounted to €39.7 billion at end-2012, compared with €42.8 billion at end-2011, down by €3.1 billion over the period. The change stemmed primarily from the following factors:

- the net loss of €6.5 billion in respect of 2012 (-€1.5 billion in 2011);
- the decline of €1.7 billion in consolidated reserves to €13.7 billion at end-2012;
- gains and losses recognised directly in equity of +€1.9 billion at end-2012, compared with -€1.3 billion at end-2011.

Capital management and regulatory ratios

The amendment to IAS 1 adopted by the European Union on 11 January 2006 requires disclosure of quantitative and qualitative information on the capital of the issuer and on its management: the objectives, policy and procedures of its capital management. This information is provided in Note 3.6 to the financial statements and in "Basel 2 Pillar 3 disclosures", provided below.

RELATED-PARTY TRANSACTIONS

The main transactions entered into with related parties are disclosed in the consolidated financial statements for the year ended 31 December 2012 in the "General framework - Related parties" section.

INTERNAL CONTROL

As required by the French Financial Security Act of 1 August 2003, the Chairman of the Board of Directors must report on the preparation and organisation of the Board's work and on the internal control procedures implemented throughout the Company, on a consolidated basis in a report accompanying the management report.

This report, which is published in the manner set out by the *Autorité des Marchés Financiers* (AMF) and is incorporated into this document (section 3, Chairman's report), contains two parts:

- part I deals with the work of the Board of Directors of Crédit Agricole S.A.;
- part II contains information on the organisational principles underpinning the internal control systems and to the risk management and monitoring procedures in effect within Crédit Agricole Group. It contains descriptions of the risk management and permanent controls, non-compliance risk prevention and control and periodical control systems.

RECENT TRENDS AND OUTLOOK

Outlook for the first half of 2013

In the Eurozone, the strategy for resolving the crisis is reaching its limits in terms of growth. Domestic growth looks set to remain sustainably depressed, amidst high unemployment, wage disinflation or deflation, and a rising tax burden. This trend spans across the Eurozone with the notable exception of Germany, creating a recessive environment as declines in intra-zone markets coincide with flagging regional trade. As such, traction can only come from outside, but Member States look prepared compete fiercely among themselves to win market share. This is compounded by the current strength of the euro, which represents an additional handicap, although the upward trend is likely to reverse during the year to better reflect the weakness of Europe's economic fundamentals (EUR/USD estimated at 1.30 at end-June 2013).

Support factors do exist, however, namely a sustainably accommodative monetary policy, bearing in mind that the ECB has scope to make one final gesture (bringing its policy rate down to 0.5%, an all-time low), and low long-term yields, which will help the debt-reduction process (yields on 10-year German bonds seen at 1.8% mid-year). Projections point to a further decline in economic activity in the Eurozone in 2013 (-0.3% on average over the year), with very muted growth in the North (Germany: +0.4%; France: +0.2%) and another year of recession in the South (Italy: -1.2%; Spain: -1.6%).

A complicating factor will be the busy political agenda, with elections in Italy (February) and Germany (September). While campaign issues and extremist discourse, tinged with populism and euroscepticism, may fuel instability in the markets, Mario Draghi inspires confidence and should be able to prevent panic, now that belief in the survival of the Eurozone is deeply rooted.

The United States, meanwhile, has opted for growth to ease the debt burden, with fiscal and monetary stimulus bolstering activity. However, debt now exceeds 100% of gross domestic product, making the issue of fiscal consolidation more pressing. **It will be hard to remove fiscal stimulus in what remains a convalescent economy in which household consumption, the traditional engine of growth, is constrained by the need to rebalance private balance sheets.** The most likely outcome is that Democrats and Republicans will agree on an unambitious deficit reduction programme, with moderate impact on growth and not enough clout to stop the debt spiral. The Federal Reserve is expected to maintain an accommodative bias in its monetary policy, with additional quantitative easing measures as needed to help the Federal Government refinance on favourable terms (target of 2.5% on ten-year notes at end-June). **This should enable growth to remain at roughly 2% in the United States.**

For Crédit Agricole S.A.

In-depth work was conducted by Crédit Agricole in 2012 to adapt to the new financial and regulatory environment. It allowed the Group to establish its future on new foundations, namely debt control, reduction of risks and prioritisation of organic growth. Crédit Agricole will build on these principles over two important steps: the reinforcement of Crédit Agricole S.A.'s solvency and the elaboration of a new medium-term plan that will be communicated in the autumn of 2013.

Crédit Agricole S.A. will thus strengthen its solvency in 2013 without recourse to a capital increase, by pursuing its work on the rigorous management of its assets and by setting up, with the Crédit Agricole Regional Banks, an extension of the existing internal solidarity mechanism ("Switch"). Crédit Agricole S.A.'s, solvency trajectory within that of Crédit Agricole Group will be disclosed in the medium-term plan.

This plan, established in the current economic, banking and regulatory environment, will determine Crédit Agricole S.A.'s targets within the ten year Group Project. Two major axes will structure this work: on the one hand, the acceleration of universal retail banking projects, based on the strong positions already established in retail banking and savings management; and, on the other, the continued implementation of changes undertaken in specialised business lines.

Recent events

Events after the reporting period are disclosed in Note 11 to the consolidated financial statements for the year ended 31 December 2012.

Information on parent company financial statements (Crédit Agricole S.A.)

ANALYSIS OF CRÉDIT AGRICOLE S.A.'S (PARENT COMPANY) RESULTS

At 31 December 2012, Crédit Agricole S.A.'s revenues totalled €3,790 million, up **€2,605** million from the €1,185 million recorded in 2011. This change was attributable to:

- a reduction in the interest margin, which was down **€51** million over the period on the back of:
  - the €449 million increase in expenses on the Switch deposits put in place on 23 December 2011,
  - the €443 million increase in income following the change in presentation of the London branch's micro-hedging interest rate instruments. These are now included in the interest margin,
  - a fall in interbank rates, which automatically fed into an increase in the net interest expense.
- the "income from variable income securities" heading, which notably includes dividends and related income from our subsidiaries and associated companies, registered a gain of €4,419 million at 31 December 2012. This largely consisted of the following dividends and interim payments: €2,101 million from Crédit Agricole Assurances, €630 million from Crédit Agricole Corporate & Investment Bank, €522 million from LCL, €282 million from the Cooperative Investment Certificates (CCI) and Cooperative Associate Certificates (CCA) issued by the Regional Banks, €171 million from Amundi, €116 million from Delfinances, €115 million from Crédit Agricole Consumer Finance, €107 million from CACEIS and €82 million from Cariparma.

  The **€750** million change seen over the period was largely attributable to:
  - the higher dividends paid by the following entities: €1,196 million from Crédit Agricole Assurances (increase driven by its efforts to optimise its capital structure), €77 million from Delfinances, €65 million from CACEIS,
  - the reduction in the dividends paid by Crédit Agricole Corporate & Investment Bank of €300 million and Crédit Agricole Consumer Finance of €267 million.
- a **€33** million increase in net fees and commissions income on deposits and the €41 million refund in 2012 of the "cheque image" fine following the overturning of the Competition Authority's decision by the Paris Court of Appeal;
- a **€710** million increase in net income from the trading book following:
  - a €65 million increase in profits from the securities portfolio following the improvement in the bond markets (including €32 million on the CA Cheuvreux market-making agreement),
  - a €715 million increase in profits from the trading derivatives portfolio. This increase stemmed from net reversals of provisions on hedging items in the investment portfolio totalling €1,155 million (net reversal of €395 million in 2012 compared with a net charge of €760 million in 2011), offset by a €366 million reduction following the change in presentation of the London branch's micro-hedging interest rate instruments in the trading book in 2011. Finally, the change in the yield curve resulted in a €74 million reduction in interest rate derivatives,
  - a €70 million reduction was recorded from currency and related trading, due primarily to our exposure to the Polish zloty arising from hedging foreign exchange risk with derivatives on our investments in Crédit Agricole Bank Polska (formerly Lukas Bank) and CA EFL totalling €148 million, offset by a €65 million increase from currency derivatives.
- a **€1,168** million increase from the short-term investment portfolio mainly as a result of a €911 positive change following the reversal of impairment losses on fixed income securities in 2012.

At 31 December 2012, Crédit Agricole S.A. recognised €689 million in operating expenses, down **€32** million on 2011. Employee expenses (including provisions) were up €24 million as a result of the lower level of charge-backs for staff at Crédit Agricole Card & Payments (formerly Cedicam). At the same time, external services and other administrative expenses were down €58 million as a result of lower IT expenses connected with the implementation of Group projects in 2011 (Arpège, Nice, Pygmalion). Finally, the "Taxes other than on income or payroll-rated" heading rose €8 million in connection with the Levy tax in the UK, which affected the London branch.

As a result of these changes, gross operating income totalled €3,086 million at 31 December 2012, an increase of **€2,635** million over 2011 (€451 million).

A net charge of €1,004 million was recognised for the cost of risk in 2012, compared with a net charge of €295 million in 2011, representing a year-on-year change of **€709** million. This change was primarily due to a total charge of €942 million recognised in connection with the disposal of Emporiki, which was finalised on 1 February 2013 (including €585 million for the recapitalisation carried out in 2013).

The €7,026 million charge recognised under "Net gains (losses) on fixed assets" broke down as follows:

- A net impairment charge and bad debts written off totalling €5,599 million. This change was primarily due to the €3,612 million recapitalisation of Emporiki in February and July 2012. In addition, charges were recognized following the renewed impairment testing at the following entities: €1,249 million at Crédit Agricole Consumer Finance (this sum includes the losses at the Italian consumer credit subsidiary AGOS), €909 million at Cariparma and €907 million at Crédit Agricole Corporate & Investment Bank. These charges were partly offset by reversals of impairment losses totalling €1,302 million following the disposal of Intesa Sanpaolo and Bankinter (respectively for €1,161 million and €141 million);
- Net gains and losses on the disposal of equity investments and investments in related parties totalled €1,503 million mainly due to losses totalling €1,122 million on Intesa and €278 million on Bankinter;
- Gains on the disposal of fixed assets used in operations totalling €76 million, primarily as a result of the disposal of the Pasteur buildings, which generated a gain of €75 million.

The **€2,047** million year-on-year change in "Net gains (losses) on fixed assets" was largely attributable to:

- The higher impairment losses: €1,540 million at Emporiki, €1,249 million at Crédit Agricole Consumer Finance, €250 million at Cariparma and €167 million at Crédit Agricole Corporate & Investment Bank;
- The reversal of impairment losses on Intesa and Bankinter securities respectively generating positive changes of €1,692 million and €711 million;
- Increases in losses on Intesa and Bankinter respectively totalling €1,071 million and €278 million;
- A €75 million gain in connection with the disposal of the Pasteur buildings.

Tax gains, resulting largely from the tax consolidation mechanism in France, with Crédit Agricole S.A. at the head of the tax group, totalled €767 million in 2012 compared with €1,201 million in 2011, representing a **€434** million year-on-year reduction. This significant change stemmed from the sharp reduction in the total net income of the tax consolidation group.

At 31 December 2012, 1,311 entities had signed tax consolidation agreements with Crédit Agricole S.A., compared with 1,309 at 31 December 2011.

The fund for Bank Liquidity and Solvency Risks (FRBLS) was increased by €34 million in 2012 (compared with €28 million in 2011) and a net charge of €24 million was recognised on the regulated provisions in 2012 (compared with €6 million in 2011).

Overall, the net income of Crédit Agricole S.A. was minus €4,235 million at 31 December 2012, compared with minus €3,656 million in 2011.

FIVE YEAR FINANCIAL SUMMARY

	2008	2009	2010	2011	2012
Equity at year end *(in euros)*	**6,679,027,488**	**6,958,739,811**	**7,204,980,873**	**7,494,061,611**	**7,494,061,611**
Number of shares outstanding	2,226,342,496	2,319,579,937	2,401,660,291	2,498,020,537	2,498,020,537
Operations and net income for the period *(in millions of euros)*					
Gross revenues	33,916	20,008	16,436	17,854	21,646
Earnings before tax, employee profit-sharing, depreciation, amortisation and provision expense	1,296	1,227	312	1,171	692
Employee profit-sharing		1	1	1	2
Income tax charge	(373)	(544)	(1,136)	(1,201)	(767)
Earnings after tax, employee profit-sharing, depreciation, amortisation and provision expense	249	1,066	(552)	(3,656)	(4,235)
Distributable earnings at the date of the General Meeting of Shareholders	1,002	1,044	1,081		
Earnings per share *(in euros)*					
Earnings after tax & employee profit-sharing but before depreciation, amortisation and provision expense	0,750	0,760	0,600	0,949	0,583 (1)
Earnings after tax, employee profit-sharing, depreciation, amortisation and provision expense	0,110	0,460	(0,230)	(1,464)	(1,695) (1)
Dividend per share	0,45	0,45	0,45	-	-
Employees					
Average headcount (2)	3,235	3,259	3,316	3,295	2,757
Total payroll for the period *(in millions of euros)*	232	227	243	239	203
Cost of benefits paid during the period (costs and social welfare) *(in millions of euros)*	143	141	162	117	106

(1) *Calculated based on the number of shares issued as of the General Meeting of Shareholders on 23 May 2013, or 2,498,020,537 shares.*

(2) *Refers to headquarters employees.*

RECENT CHANGES IN SHARE CAPITAL

The table below shows changes in Crédit Agricole S.A.'s share capital over the last five years:

Date and type of transaction	Amount of share capital *(in euros)*	Number of shares
Share Capital at 31/12/2007	**5,009,270,616**	**1,669,756,872**
07/07/2008 Capital increase by share issue for cash *(Shareholders' General Meeting of 21/05/2008)*	+1,669,756,872	+556,585,624
Share Capital at 31/12/2008	**6,679,027,488**	**2,226,342,496**
22/06/2009 Payment of scrip dividends *(Shareholders' General Meeting of 19/05/2009)*	+279,712,323	+93,237,441
Share Capital at 31/12/2009	**6,958,739,811**	**2,319,579,937**
21/06/2010 Payment of scrip dividends *(Shareholders' General Meeting of 19/05/2010)*	+199,239,846	+66,413,282
29/07/2010 Capital increase reserved for employees *(Shareholders' General Meeting of 19/05/2009)*	+47,001,216	+15,667,072
Share Capital at 31/12/2010	**7,204,980,873**	**2,401,660,291**
20/06/2011 Payment of scrip dividends *(Shareholders' General Meeting of 18/05/2011)*	+288,935,580	+96,311,860
05/10/2011 Capital increase reserved for employees *(Shareholders' General Meeting of 18/05/2011)*	+145,158	+48,386
SHARE CAPITAL AT 31/12/2012	**7,494,061,611**	**2,498,020,537**

As the Crédit Agricole S.A. net income Group share for the year ended 31 December 2012 was negative, the Board of Directors decided, at its meeting of 19 February 2013, to propose to the General Meeting of Shareholders that no dividend will be distributed for the financial year ending 31 December 2012.

Since 5 October 2011, the share capital of Crédit Agricole S.A. has amounted to €7,494,061,611 divided into 2,498,020,537 shares with a par value of €3 each.

CHANGE IN SHARE OWNERSHIP OVER THE PAST THREE YEARS

The table below shows changes in the ownership of Crédit Agricole S.A. over the past three years:

	At 31/12/2012			At 31/12/2011	At 31/12/2010
Shareholders	**Number of shares**	**% of voting rights**	**% of the share capital**	**% of the share capital**	**% of the share capital**
SAS Rue La Boétie [(1)]	1,405,263,364	56.42%	56.25%	56.25%	55.86%
Treasury shares [(2)]	7,319,186	-	0.29%	0.28%	0.39%
Employee share ownership plans (ESOP)	110,546,010	4.44%	4.43%	4.78%	4.59%
Institutional investors	695,978,777	27.94%	27.86%	27.89%	31.90%
Retail investors	278,913,200	11.20%	11.17%	10.80%	8.25%
TOTAL	**2,498,020,537**	**100%**	**100%**	**100%**	**100%**

(1) SAS Rue La Boétie is wholly-owned by the Crédit Agricole Regional Banks.

(2) The treasury shares are directly held as part of the share buyback programme, which is recognised on Crédit Agricole S.A.'s balance sheet, designed to cover stock options and as part of a market-making agreement.

The ownership structure changed slightly in 2012

The Regional Banks consolidate their investment in Crédit Agricole S.A. through the SAS Rue La Boétie. Acting together and for the long term, they own the majority of the share capital: 55.86% at end-2010 and 56.25% at end-2011 and end-2012.

Institutional investor holdings remained unchanged at 27.9% between 31 December 2011 and 31 December 2012, while retail investors increased their holdings from 10.80% at end-2011 to 11.17% at end-2012.

Employee ownership through employee share ownership plans declined slightly in 2012, following increases in 2010 and 2011: it thus went from 119.3 million shares at end-2011 to 110.5 million shares at end-2012.

AUTHORISATIONS TO EFFECT CAPITAL INCREASES

Table summarising authorisations in force granted by the General Meeting of Shareholders to the Board of Directors to effect capital increases and use made of such authorisations during the year (information required by Order no. 2004-604 of 24 June 2004 reforming the system applicable to negotiable securities):

General Meetings Resolutions	Purpose of grant of authority to the Board of Directors	Maximum amounts authorised	Total ceilings, duration	Use during 2012
General Meeting of Shareholders of 22/05/2012 22nd resolution	Share capital increase by issuance of ordinary shares and/or any other negotiable securities giving access to the ordinary shares, with pre-emptive subscription rights	Nominal amount of the capital increase: ● €3.75 billion ● €7.5 billion for debt securities	The nominal amount of capital increases approved pursuant to the 23rd, 24th and 26th resolutions will count towards the ceiling of this resolution. Valid for a term of 26 months	None
General Meeting of Shareholders of 22/05/2012 23rd resolution	Share capital increase by issuing ordinary shares and/or securities granting rights to ordinary shares, without pre-emptive subscription rights [in situations other than public offerings]	Nominal amount of the capital increase: ● €1.125 billion ● €5 billion for debt securities	Up to the €3.75 billion ceiling on capital increases set by the 22nd resolution Valid for a term of 26 months	None
General Meeting of Shareholders of 22/05/2012 24th resolution	Capital increase by issuing ordinary shares and/or securities granting rights to ordinary shares, without pre-emptive subscription rights [in the case of a public offering]	Nominal amount of the capital increase: ● €1.125 billion ● €5 billion for debt securities	Up to the €3.75 billion ceiling on capital increases set by the 22nd resolution Valid for a term of 26 months	None
General Meeting of Shareholders of 22/05/2012 25th resolution	Increase the amount of the initial issue, in the event of an issue of ordinary shares and/or any securities granting rights to ordinary shares, with or without pre-emptive subscription rights, approved pursuant to the 22nd, 23rd, 24th, 26th, 27th, 31st and 32nd resolutions.		Within the limits set by the 22nd, 23rd, 24th, 26th, 27th, 31st and 32nd resolutions Valid for a term of 26 months	None
General Meeting of Shareholders of 22/05/2012 26th resolution	Issue ordinary shares and/or other securities granting rights to ordinary shares in consideration for contributions in kind to the Company, consisting of equity securities or other securities granting rights to the share capital, other than through a public exchange offer	Up to the legal ceiling of 10% of the share capital	Up to the €1.125 billion ceiling set by the 23rd and 24th resolutions Valid for a term of 26 months	None
General Meeting of Shareholders of 22/05/2012 27th resolution	Determine the issue price of ordinary shares and/or any other securities giving access to ordinary shares in the event that pre-emptive subscription rights are waived (at a level at least equal to the weighted average over the three trading days prior to the date it is set, with the possibility of a maximum discount of 10%)	Up to a maximum of 5% of the share capital in each 12-month period	Up to the €1.125 billion ceiling set by the 23rd and 24th resolutions Valid for a term of 26 months	None
General Meeting of Shareholders of 22/05/2012 28th resolution	Ceiling on authorisations to issue securities with or without pre-emptive subscription rights as a result of the adoption of the 22nd to 26th resolutions	Nominal amount of the capital increase approved pursuant to the 22nd to 26th resolutions: ● €3.75 billion		None
General Meeting of Shareholders of 22/05/2012 29th resolution	Share capital increase by issuing securities granting rights to debt securities	Nominal amount of €5 billion	Independent of the amount of debt securities provided for in the 22nd to 26th resolutions. Valid for a term of 26 months	None

General Meetings Resolutions	Purpose of grant of authority to the Board of Directors	Maximum amounts authorised	Total ceilings, duration	Use during 2012
General Meeting of Shareholders of 22/05/2012 30th resolution	Share capital increase by incorporating reserves, earnings, share premiums or other items, either by increasing the nominal amount of ordinary shares outstanding or the free allocation of new ordinary shares, or by a combination of both	Maximum nominal amount: ● €1 billion	Autonomous and distinct from other ceilings Valid for a term of 26 months	None
General Meeting of Shareholders of 22/05/2012 31st resolution	Share capital increase by issuance of ordinary shares reserved for employees of Crédit Agricole Group who subscribe to a company savings plan	Nominal amount of the capital increase: ● €200 million	Autonomous and distinct from other ceilings on capital increases Valid for a term of 26 months	None
General Meeting of Shareholders of 22/05/2012 32nd resolution	Increase share capital by issuing ordinary shares reserved for Crédit Agricole International Employees	Nominal amount of the capital increase: ● €50 million	Autonomous and distinct from other ceilings on capital increases Valid for a term of 18 months	None

PURCHASE BY THE COMPANY OF ITS OWN SHARES

The twentieth resolution of the Ordinary General Meeting of Shareholders of Crédit Agricole S.A. of 22 May 2012 authorised the Board of Directors to trade in Crédit Agricole S.A. ordinary shares, in accordance with the General Regulations of the *Autorité des marchés financiers* (the French Financial Markets Authority - AMF) and with Articles L. 225-209 *et seq.* of the French Commercial Code.

Twentieth resolution (Authorisation to be granted to the Board of Directors to buy back the Company's ordinary shares)

1. The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, having reviewed the Board of Directors' report, authorises the Board of Directors, which may further delegate such authority as provided by law, to buy back the Company's ordinary shares in accordance with the provisions of the General Regulations of the *Autorité des marchés financiers* (AMF) and of Articles L. 225-209 *et seq*. of the French Commercial Code.
2. This authorisation, which supersedes the unused portion of the authorisation granted by the sixteenth resolution adopted at the Ordinary General Meeting of Shareholders of 18 May 2011, is granted to the Board of Directors until renewed at a future Ordinary General Meeting of Shareholders and, in all circumstances, for a maximum period of eighteen (18) months from the date of this General Meeting of Shareholders.
3. The purchases of the Company's ordinary shares carried out by the Board of Directors pursuant to this authorisation may not, under any circumstances, result in the Company holding more than ten per cent (10%) of the ordinary shares representing its share capital.
4. Trading in the Company's shares under the ordinary share buyback programme established by the Company may be effected in one or more transactions and by any means authorised by the applicable regulations, including on-market or off-market, over the counter notably by block purchases or sales, or *via* derivative instruments traded on regulated exchanges or over the counter (such as put and call options or any combination thereof), or warrants or, more generally, securities giving rights to ordinary shares of the Company, under the conditions permitted by the relevant market authorities and at such times as the Board of Directors or the person acting pursuant to powers delegated by the Board of Directors shall determine. It should be noted that the entire ordinary share buyback programme may be carried out through block purchases of ordinary shares.
5. The number of ordinary shares purchased may not exceed 10% of the total number of ordinary shares at the date on which the said purchases are carried out. However, the number of ordinary shares purchased by the Company to be held and delivered at a later date either as payment or in exchange for other securities in a merger, spin-off or asset transfer may not exceed 5% of the Company's ordinary shares.

The Board of Directors will ensure that these buybacks are executed according to the regulatory requirements as set by law and the *Autorité de contrôle prudentiel* (the French Prudential Supervisory Authority – ACP).

6. Such shares may not be purchased at a price higher than €10. However, in the event of capital transactions and, more particularly, capital increases with pre-emptive subscription rights or capital increases carried out by capitalisation of reserves, profits or share premiums followed by the creation and award of free ordinary shares, or a split or reverse split of ordinary shares, the Board of Directors may adjust the aforesaid maximum purchase price in order to factor in the effect of such transactions on the value of the ordinary share.

   In any event, the Company is only authorised to use a maximum of €1.25 billion to buy back ordinary shares under this resolution;

7. This authorisation is intended to allow the Company to buy back ordinary shares for any purpose that has been authorised or may be authorised under applicable laws and regulations. In particular, the Company may use this authorisation:

   a. to cover stock options granted to some or all of the Company's employees and/or to some or all of the eligible Corporate Officers of the Company or companies or groupings affiliated with it, now or in the future, as defined by Article L. 225-180 of the French Commercial Code,

   b. to allot ordinary shares to eligible Corporate Officers, employees and former employees of the Company or of the Group, or to certain categories thereof, as part of an employee profit-sharing or share ownership plan, as provided for by law,

   c. to allot free shares under a free share allocation plan as provided by Articles L. 225-197-1 *et seq*. of the French Commercial Code to some or all categories of eligible employees and Corporate Officers of the Company, and/or companies and economic interest groupings affiliated therewith under the conditions set out in Article L. 225-197-2 of the French Commercial Code, and, more generally, to allot ordinary shares in the Company to such employees and Corporate Officers, notably under variable compensation plans for employees who are financial market professionals and whose activities have a material impact on the Company's risk exposure, in which case such allotments are contingent upon such employees meeting performance targets,

   d. to hold purchased Company ordinary shares with a view subsequently to exchanging them or using them to pay for a potential acquisition, in compliance with the market practice accepted by the *Autorité des marchés financiers* (AMF),

   e. to ensure coverage of securities granting rights to the Company's ordinary shares,

   f. to ensure that market liquidity is provided for ordinary shares by an investment services provider under a market-making agreement that complies with the AMAFI (the French Association of Financial Market Professionals) Code of Conduct, in compliance with the market practice accepted by the *Autorité des marchés financiers* (AMF), it being specified that, for purposes of calculating the 10% limit set forth in paragraph 5 above, the number of ordinary shares purchased in this respect shall be the number of ordinary shares purchased less the number of ordinary shares sold during the term of this authorisation,

   g. to cancel all or part of the ordinary shares purchased, provided the Board of Directors holds a valid authorisation from the General Meeting of Shareholders, duly convened to conduct extraordinary business, to reduce the share capital by cancelling the ordinary shares purchased under the terms of an ordinary share buyback programme.

While the share buyback programme is in effect, the Board of Directors may effect transactions at any time, except during a public offer for the Company, under the authorisation hereby granted.

The Company may also use this resolution and carry out its buyback programme in accordance with the law and regulations, including in particular the provisions of Articles 231-1 *et seq*. of the General Regulations of the *Autorité des marchés financiers* (AMF), during a tender or exchange offer initiated by the Company.

The General Meeting of Shareholders fully empowers the Board of Directors, with the right to further delegate such powers as permitted by law, for the purpose of implementing this authorisation and determining the relevant terms and conditions, pursuant to the law and the terms of this resolution, including placing stock orders, signing all documents, entering into all agreements, filing all reports and carrying out all formalities, including with the French Prudential Supervisory Authority (ACP) and the *Autorité des marchés financiers* (AMF), and, more generally, to do all that is necessary.

Information on the use of the share buyback programme given to the General Meeting of Shareholders according to Article L. 225-211 of the French Commercial Code

The Board of Directors informs the General Meeting of Shareholders of the following activities undertaken in accordance with the share buyback programme for the period from 1 January to 31 December 2012.

Transactions were carried out as part of the programme in order to:

- cover commitments made to employees, in the framework of stock option plans;
- to ensure market-making by an investment services provider under a market-making agreement that complies with the AMAFI (the French Association of Financial Markets Professionals) Code of Conduct.

Number of shares registered in the Company's name at 31/12/2011	6,969,381
To cover commitments to employees	*889,381*
To provide volume to the market in the context of the market-making agreement	*6,080,000*
Number of shares bought in 2012	40,434,343
To cover commitments to employees	*1,808,121*
To provide volume to the market in the context of the market-making agreement	*38,626,222*
Volume of shares used to achieve the purpose set (1)	
Coverage of commitments to employees	*2,301,437*
Market-making agreement (Procurements + Disposals)	*78,217,444*
Number of shares reallocated for other purposes	0
Average purchase price of shares bought in 2012	€4.37
Value of shares bought in 2012 at purchase price	€176,531,782
Trading costs	€375,389
Number of shares sold in 2012	40,084,538
To cover commitments to employees	*493,316*
To provide volume to the market in the context of the market-making agreement	*39,591,222*
Average price of shares sold in 2012	€4.41
Number of shares registered in the Company's name at 31/12/2012	7,319,186
To cover commitments to employees	*2,204,186*
To provide volume to the market in the context of the market-making agreement	*5,115,000*
Gross carrying amount per share (2)	
Shares bought to cover commitments to employees (historical cost)	*€7.22*
Shares bought as part of the market-making agreement (traded price at 31/12/2012)	*€6.08*
Total gross carrying amount of shares	€47,043,428
Par value	€3
Percentage of the share capital held by the Company at 31/12/2012	0.29%

(1) Shares bought to cover commitments to employees are (a) shares sold or transferred to beneficiaries after they exercise options on Crédit Agricole S.A. shares, or sold on the stock market for the surplus coverage recorded at the closing date of the plans and (b) shares acquired and delivered or sold under deferred compensation plans as performance shares. Shares relating to the market-making agreement are shares bought and sold under the agreement during the period in question.

(2) Shares bought to cover commitments to employees are recognised as investment securities and valued at their purchase price, less any impairment; shares bought in relation to the market-making agreement are recognised as trading securities and valued at market value at each reporting date.

INFORMATION ON ACCOUNTS PAYABLE

Under Article L. 441-6-1 of the French Commercial Code, companies whose separate financial statements are certified by a Statutory Auditor are required to disclose in their management report the net amounts due to suppliers by due date, in accordance with the terms and conditions set out in Article D. 441-4 of Decree no. 2008-1492.

AGING OF ACCOUNTS PAYABLE
At 31 December 2012

		Not yet due			
(in millions of euros)	**Due**	**< 30 days**	**> 30 days < 45 days**	**> 45 days**	**Total at 31/12/2012**
Accounts payable	8 [(1)]	4	1	-	13

(1) Including €8 million paid by 31 January 2013.

At 31 December 2011

		Not yet due			
(in millions of euros)	**Due**	**< 30 days**	**> 30 days < 45 days**	**> 45 days**	**Total at 31/12/2011**
Accounts payable	27 [(1)]	5	5	1	38

(1) Including €26 million paid by 31 January 2012.

INFORMATION ON CORPORATE OFFICERS

Information on the remuneration, appointments and duties of the Corporate Officers, as required by Articles L. 225-102-1 and L. 225-184 of the French Commercial Code, by the French Financial Security Act of 1 August 2003, and by Order no. 2004-604 of 24 June 2004 appears in the chapter entitled "Corporate governance" in the "Remuneration of Corporate Officers" and "Offices Held by Corporate Officers" sections of this registration document.

They meet the AFEP-MEDEF recommendations of October 2008 and the AMF recommendation of 22 December 2008 on executive compensation.

A summary of trading in the Company's shares by executives of Crédit Agricole S.A. in 2012, as required by Article L. 621-18-2 of the French Monetary and Financial Code and Article 223-26 of the General Regulations of the *Autorité des marchés financiers* (AMF), is provided in the chapter entitled "Corporate governance" in the "Compensation of Corporate Officers" section of this registration document.

Risk factors and Pillar 3

5

Risk factors

This part of the management report sets out the type of risks to which the Group is exposed, their extent and the systems used to manage them.

The information presented in accordance with IFRS 7, relating to disclosures on financial instruments, covers the following types of risks[(1)]:

- credit risks (including country risks): risk of losses arising from a default by a counterparty leading to that counterparty's inability to meet its commitments to the Group;
- market risks: risks of losses arising from changes in market parameters (interest rates, exchange rates, prices, credit spreads);
- particular risks attributable to the financial crisis;
- structural asset/liability management risks: risks of losses arising from changes in interest rates (global interest rate risk) and exchange rates (foreign exchange risk) and the risk of not having the necessary resources to meet commitments (liquidity risk), including risks in the insurance sector.

In order to cover all risks inherent in the banking business, additional information is provided concerning:

- operational risks: risks of losses resulting primarily from the unsuitability or failure of processes, systems or people in charge of transaction processing;
- legal risks: risks arising from the Group's exposure to civil or criminal proceedings;
- non-compliance risks: risks relating to failure to comply with laws and regulations governing the Group's banking and financial activities.

Organisation of risk management

Risk management, which is inherent in banking activities, lies at the heart of the Group's internal control system. All staff involved, from the initiation of transactions to their final maturity, play a part in this system.

Measuring and supervising risk is the responsibility of the dedicated Risk Management and Permanent Controls function (DRG – Group Risk Management department), which is independent from Group functions and reports directly to the Executive Management.

Although risk management is primarily the responsibility of the business lines which oversee growth in their own operations, DRG's task is to ensure that the risks to which the Group is exposed are consistent with the risk strategies defined by the business lines (in terms of global and individual limits and selection criteria) and compatible with the Group's growth and profitability targets.

DRG performs consolidated Group-wide monitoring of risks using a network of risk management and permanent control officers who report hierarchically to the head of Risk Management and Permanent Controls and functionally to the executive body of their entity or business line.

To ensure a consistent view of risks within the Group, DRG has the following duties:

- it defines and/or validates methods and procedures for analysing, measuring and monitoring credit, market and operational risks;
- it takes part in the critical analysis of the business lines' commercial development strategies, focusing on the risk impact of these strategies;
- it provides independent opinions to Executive Management on risk exposure arising from business lines' positions (credit transactions, setting of market risk limits) or anticipated by their risk strategy;
- it lists and analyses Group entities' risks, on which data are collected in risk information systems.

The Financial Management unit of the Group Finance department (FIG) manages structural asset/liability risk (interest rate, exchange rate and liquidity) along with the refinancing policy and supervision of capital requirements.

Supervision of these risks by Executive Management is carried out through ALM (Asset Liability Management) Committee Meetings, in which DRG takes part.

Governance

DRG organises a periodic review of the main credit risk and market risk issues through quarterly Risk Committee Meetings, which address the following issues: policies on risk-taking, portfolio analysis and analysis of cost of risk, market limits and concentration limits. These Risk Committees cover all of Crédit Agricole Group's risks (including those of the Regional Banks) and are chaired by the Chief Executive Officer of Crédit Agricole S.A.

DRG regularly informs Crédit Agricole S.A.'s Audit Committee about risk exposures, the methods used to measure them and its recommendations for managing them in accordance with the policies defined by the Board of Directors.

(1) These disclosures are an integral part of the consolidated financial statements for the year ending at 31 December 2012 and as such are covered by the Statutory Auditors' report.

CREDIT RISKS

A credit risk is realised when a counterparty is unable to honour its obligations and when the carrying amount of these obligations in the bank's books is positive. The counterparty may be a bank, an industrial or commercial enterprise, a government and its various controlled entities, an investment fund, or an individual person.

The definition of default used in management, which is the same as the one used for regulatory calculations, complies with current prudential requirements in the various Group entities.

A debtor is, therefore, considered to be in default when at least one of the following conditions has been met:

- a payment is generally more than 90 days past due, unless specific circumstances point to the fact that the delay is due to reasons beyond the debtor's control;
- the entity believes that the debtor is unlikely to settle its credit obligations unless it avails itself of certain measures such as the provision of collateral surety.

The exposure may be a loan, debt security, deed of property, performance exchange contract, performance bond or unutilised confirmed commitment. The risk also includes the settlement risk inherent in any transaction entailing an exchange of cash or physical goods outside a secure settlement system.

I. Objectives and policy

The risks taken by Crédit Agricole S.A. and its subsidiaries must comply with the risk strategies approved by the Group's Risk Management Committee, which is a sub-committee of Crédit Agricole S.A.'s Executive Committee and is chaired by its Chief Executive Officer. Risk strategies are adjusted to each business line and its development plan. They set out global limits, intervention criteria (types of eligible counterparties, nature and maturity of eligible products, collateral required) and arrangements for delegating decision-making authority. These risk strategies are adjusted as required for each business line, entity, business sector or country. Business lines are responsible for complying with these risk strategies, and compliance is controlled by the risk management and permanent control officers.

Crédit Agricole S.A. and its subsidiaries seek to diversify their risks in order to limit their counterparty risk exposures, particularly in the event of a crisis affecting a particular industry or country. To achieve this, Crédit Agricole S.A. and its subsidiaries regularly monitor their total exposures by counterparty, by trading portfolio, by business sector and by country (taking into account internal calculation methods, depending on the type of exposure).

Crédit Agricole CIB, the Group's Corporate and investment banking arm, also carries out active portfolio management in order to reduce the main concentration risks borne by Crédit Agricole S.A. Group. The Group uses market instruments such as credit derivatives or securitisation mechanisms which reduce and diversify counterparty risk that enable it to optimise its use of capital. Similarly, potential risk concentration is mitigated by syndication of loans with outside banks and use of risk hedging instruments (credit insurance, derivatives, sharing risk with *Oseo Garantie*).

When the risk is recognised, an impairment policy is implemented, on an individual or portfolio basis.

II. Credit risk management

1. Risk-taking general principles

All credit transactions require in-depth analysis of the customer's ability to repay the debt and the most efficient way of structuring the transaction, particularly in terms of security and maturity. This analysis must comply with the risk strategy of the business line concerned and with all limits in force, both individual and aggregate. The final lending decision is based on an internal rating and is taken by the commitment units or by the Credit Committees, on the basis of an independent opinion given by a representative of the Risk Management and Permanent Control Group function as part of the authorisation system in place. The Group Risk Management Committee and its Chairman constitute the Group's ultimate decision-making authority.

Each lending decision requires an analysis of the risk taken in relation to the expected return. In Corporate and investment banking, an *ex ante* calculation of the transaction's expected return is carried out (on the basis of Raroc – risk-adjusted return on capital).

In addition, the principle of an individual risk limit applies to all types of counterparty, whether companies, banks, financial institutions, public sector or semi-public sector entities.

2. Risk measurement methods and systems

2.1. INTERNAL RATING SYSTEMS AND CREDIT RISK CONSOLIDATION SYSTEMS

The internal rating systems cover all of the methods, procedures and controls used for assessment of credit risk, rating of borrowers and estimation of losses given default by the borrower. Governance of the internal rating system relies on the Standards and Methodologies Committee (CNM), chaired by the Group's head of Risk Management and Permanent Controls, whose task is to validate and spread standards and methodologies relating to measuring and controlling risks within Crédit Agricole Group. In particular, the Standards and Methodologies Committee reviews:

- rules for identifying and measuring risks, in particular, methods used to rate counterparties, estimate Basel 2 risk parameters (PD, CCF, LGD) and related organisational procedures;

- the performance of rating and risk assessment methods by periodically reviewing backtesting results;
- the use of ratings (validation of common syntaxes, glossaries and benchmarks).

For retail customers, including loans to individuals (in particular, home loans and consumer finance) and small businesses, each entity is responsible for defining, implementing and substantiating its rating system, in accordance with the Group standards established by Crédit Agricole S.A. LCL and the consumer credit subsidiaries (Crédit Agricole Consumer Finance) have their own rating systems. The Regional Banks have common risk assessment models which are managed at the Crédit Agricole S.A. level. Back-testing procedures of the parameters used in calculating the regulatory capital requirements have been defined and are operational in all entities. The internal models used by the Group are based on statistical models established on explanatory behavioural variables (e.g. average current account balance) and identifying variables (e.g. business sector). The approach taken can be either customer-centred (Individuals, Farmers, Small businesses) or product-centred. The estimated probability of default in year 1, to which the rating relates, is updated on a yearly basis.

For the large institutional customer category, a single fifteen-grade rating scale has been established on the basis of a segmentation of risk so as to provide a uniform view of default risk "over a full business cycle". The scale comprises thirteen ratings (A+ to E-) for counterparties that are not in default (including two ratings for counterparties that have been placed on credit watch) and two ratings (F and Z) for counterparties that are in default.

COMPARISON BETWEEN THE INTERNAL GROUP RATINGS AND THE RATING AGENCIES

Crédit Agricole Group rating	**A+**	**A**	**B+**	**B**	**C+**	**C**	**C-**	**D+**	**D**	**D-**	**E+**	**E**	**E-**
Indicative Moody's rating equivalent	Aaa	Aa1/Aa2	Aa3/A1	A2/A3	Baa1	Baa2	Baa3	Ba1	Ba2	Ba3	B1/B2	B3	Caa/Ca/C
Indicative Standard & Poor's rating equivalent	AAA	AA+/AA	AA-/A+	A/A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+/B	B-	CCC/CC/C
Probability of default in year 1	0.001%	0.01%	0.02%	0.06%	0.16%	0.30%	0.60%	0.75%	1.25%	1.90%	5.0%	12.0%	20.00%

Within Crédit Agricole Group, the large institutional customer category comprises primarily sovereigns and central banks, corporates, specialised financings as well as banks, insurance companies and other financial companies. An internal rating method tailored to each specific risk profile, based on financial and qualitative criteria, is applied to each type of large customer. For corporate clients, Crédit Agricole Group entities have common internal rating methodologies. A rating is assigned when a relationship with the counterparty is first initiated, and that rating is updated upon each request for a credit limit and upon any event that could affect risk quality. The rating assignment must be approved by a unit independent of the front office. The rating is reviewed at least annually. To ensure that each counterparty carries one and only one rating within Crédit Agricole Group, a single entity in the Group is responsible for rating it.

Whether these are large institutional or retail customers, rating methods must be approved by the Standards and Methodology Committee as follows:

- validation of rules for identifying and measuring risks, in particular, methods used to rate counterparties, to estimate the probability of default (PD) and loss given default (LGD) as well as related organisational procedures;
- oversight of the performance of rating and risk assessment methods by periodically reviewing backtesting results;
- validation of common syntaxes, glossaries and benchmarks.

The rating oversight system implemented by Crédit Agricole S.A., its subsidiaries and the Regional Banks across the entire rating process aims to ensure:

- rules for identifying and measuring risks, in particular, methods used;
- uniformity in the handling of default events on a consolidated basis;
- proper utilisation of the internal rating methodologies;
- reliability of data substantiating the internal rating.

Furthermore, Crédit Agricole S.A., its subsidiaries and the Regional Banks continue to focus on improving the risk-tracking system for:

- risk management of single clients and groups which is designed to ensure accurate identification of counterparties on which there is a risk within the entities and to improve cross-functional risk information management on single clients and groups, which is crucial to ensuring rating uniqueness and consistent allocation of exposures to Basel portfolios;
- the closing process, which aims to guarantee the quality of the process of production of the solvency ratio.

The French Prudential Supervisory Authority (ACP) has authorised Crédit Agricole Group to use internal rating systems to calculate regulatory capital requirements for credit risk of its retail and corporate loan portfolios on the greater part of its scope.

Having internal rating systems deployed throughout the Group enables it to implement counterparty risk management based on current prudential regulation-type risk indicators (CRD – Capital Requirement Directives). For large institutional customers, the single rating system (identical tools and methods, shared data) which has been implemented for several years now, has helped to improve counterparty monitoring, in particular, for counterparties common to several Group entities. The system has also made it possible to have a common reference framework on which to base standards and procedures, governance tools, alert procedures and risk provisioning policies.

Finally, in the corporate and investment banking businesses, expected loss, economic capital and risk-adjusted return measurements are used in the processes for making loan approval decisions, defining risk strategies and setting risk limits.

2.2. CREDIT RISK MEASUREMENT

The measurement of credit risk exposures includes both drawn facilities and confirmed unutilised facilities.

To measure counterparty risk on capital markets transactions, Crédit Agricole S.A. and its subsidiaries use different types of approaches to estimate the current and potential risk of derivative instruments (such as swaps and structured products).

Crédit Agricole CIB uses a specific internal methodology to estimate the risk of change in relation to such derivative instruments, using a net portfolio approach for each customer:

- current risk corresponds to the sum owing by the counterparty in the event of instantaneous default;
- the risk of change corresponds to our estimated maximum exposure over its remaining maturity, for a given confidence interval.

The methodology used is based on Monte Carlo-type simulations, enabling the risk of variation to be assessed on the basis of statistical calculations of the change in underlying market parameters. This model also makes it possible to consider the different risk reduction factors linked to the use of netting and collateralisation agreements negotiated with counterparties when documentation is drafted prior to transactions being conducted (see paragraph 4 below: "Credit risk mitigation mechanism"). The risk of change calculated using this methodology is used to manage counterparty credit limits and also to calculate Basel 2 pillar 2 economic capital *via* the determination of an expected positive exposure which corresponds to an average risk profile using a global portfolio approach.

For other Group entities, the risk basis is the sum of the positive market value of the instrument and an add-on coefficient applied to the nominal amount. This add-on coefficient represents the potential credit risk arising from the change in market value of derivative instruments during their residual lifespan. It is calculated using the type and residual lifespan of the instrument, based on a statistical observation of movements in its underlying instruments. When the netting and collateralisation agreements with the counterparty allow, counterparty risk is measured for the portfolio net of eligible collateral. This method is used for the purposes of internal management of counterparty risk, and it differs:

- from the regulatory approach used to meet the measurement requirements of European and international solvency ratios or for reporting major risks;
- from the accounting policies and principles used to prepare the consolidated financial statements.

3. Supervision system of commitments

Rules for dividing and limiting risk exposures, along with specific processes relating to commitments, are used to prevent any excessive concentration of the portfolio.

3.1. PROCESS FOR MONITORING CONCENTRATIONS BY COUNTERPARTY OR GROUP OF RELATED COUNTERPARTIES

The consolidated commitments of all Crédit Agricole Group's entities are monitored by counterparty and by group-related counterparties. A group of related counterparties is a set of French or foreign legal entities that are connected, regardless of their status and economic activity, in such a way that the total exposure to this group can be measured on the basis of exposure to one or more of these entities. Commitments to a counterparty or group of related counterparties include all loans granted by the Group as well as corporate finance transactions, bond portfolios, financing commitments and counterparty risks relating to capital market transactions. Exposure limits for counterparties and groups of related counterparties are recorded in the internal information systems of each subsidiary or business line. When several subsidiaries have a counterparty in common, a Group-level aggregate limit is set on the basis of commitment authorisation limits that depend on the internal rating.

Each operating entity reports the amount of its commitments by risk category on a monthly or quarterly basis to the Group Risk Management and Permanent Controls department. Exposures to major non-bank counterparties, *i.e.* those on which the aggregate commitments of Crédit Agricole Group exceed €300 million after netting, are reported separately to the Group Risk Management Committee.

At year-end 2012, lending commitments of Crédit Agricole S.A. and its subsidiaries to their ten largest non-sovereign, non-bank customers amounted to 6.4% of the total non-bank portfolio (compared with just under 6% at 31 December 2011). The diversification of the portfolio on an individual basis is still satisfactory, despite a slight increase in concentration.

Moreover, for the Regional Banks and LCL, major counterparty risks on the food-processing sector are monitored also *via* the Foncaris subsidiary. At 31 December 2012, Foncaris guaranteed 50% of the €8.2 billion outstanding portfolio due to major counterparties for these entities (€8.7 billion at 31 December 2011).

3.2. PORTFOLIO REVIEW AND SECTOR MONITORING PROCESS

Periodic portfolio reviews conducted by entity or business line serve to identify counterparties whose credit quality is deteriorating, update counterparty ratings, monitor risk strategies and check on changes in concentration ratios, for instance, per business sector. Moreover, the Corporate and investment banking business has a portfolio modelling tool that it uses to test how well portfolios hold up under stress scenarios.

3.3. PROCESS FOR MONITORING COUNTERPARTIES IN DEFAULT AND ON CREDIT WATCH

Counterparties in default and on credit watch are monitored closely by the business lines, in collaboration with risk management and permanent control officers. They are also the object of formal monitoring by the entities' Sensitive exposure committees and of quarterly monitoring by the Group Risk Management Committee and the Audit Committee on a consolidated basis.

3.4. CONSOLIDATED RISK MONITORING PROCESS

Every quarter, the Group Risk Management Committee examines the risk report produced by the Group Risk Management and Permanent Controls department. This document gives the Committee a detailed review of the Group's risk situation on a consolidated basis across all business lines. In addition, detailed periodic reviews of banking risks, country risks and the main non-banking risks are conducted during Group Risk Management Committee Meetings.

The unfavourable economic environment led Crédit Agricole S.A. to maintain a Risk Monitoring Committee chaired by Executive Management. This Committee meets twice a month and reviews all risk alerts collected centrally by the Group Risk Management and Permanent Controls department in accordance with the internal alert procedures.

3.5. COUNTRY RISK MONITORING AND MANAGEMENT SYSTEM

Country risk is the risk that economic, financial, political or social conditions in a foreign country will affect the financial interests of the Group. This risk does not differ in nature from "elementary" risks (credit, market and operational risks), but is an aggregate of risks resulting from vulnerability to a specific political, macroeconomic and financial environment.

The system for assessing and monitoring country risk within Crédit Agricole S.A. Group is based on the Group's own rating methodology. Internal country ratings are based on criteria relating to the structural solidity of the economy, ability to pay, governance and political stability. Annually reviewed limits and risk strategies are applied to each country whose rating is lower than the threshold specified in the procedures.

The introduction of regular reporting and reviews enables detailed country risk monitoring, on an overall portfolio basis, as a result of the use of quantitative tools. This approach is supplemented by scenario analyses aimed at testing the impact of adverse macroeconomic and financial assumptions. These tests enable the Group to develop an integrated view of the risks to which it may be exposed in situations of extreme tension.

The Group manages and controls its country risks according to the following principles:

- activities exposed to country risk are defined and identified through the development and monitoring of analytical country risk management tools;
- acceptable country risk exposure limits are determined through annual reviews of country strategies, depending on the vulnerability of the portfolio to country risk. The degree of vulnerability is determined by the type and structure of transactions, the quality of counterparties and the term of commitments. These exposure limits may be reviewed more frequently if developments in a particular country make it necessary. These strategies and limits are validated by Crédit Agricole CIB's Strategy and Portfolio Committee (CSP) or Country Risk Committee (CRP) and by Crédit Agricole S.A.'s Group Risk Management Committee (CRG);
- the Corporate and investment banking business maintains a system for regular assessment of country risk and for updating the country risk rating quarterly for each country in which the Group does business. This rating is produced using an internal country rating model based on various criteria (structural solidity, governance, political stability, ability and willingness to pay). Specific events may cause ratings to be adjusted before the next quarterly review;
- Crédit Agricole CIB's Country and Portfolio Risk department validates transactions whose size, maturity and degree of country risk could affect the quality of the portfolio.

Country risk exposure is monitored and controlled in both quantitative (amount and term of exposure) and qualitative (portfolio vulnerability) terms through regular specific reporting on all exposures to risky countries.

Euro zone countries with an internal rating that qualifies them for country risk monitoring undergo a separate *ad hoc* monitoring procedure.

3.6. STRESS SCENARIO IMPACTS

Credit stress scenarios are applied periodically in conjunction with the business lines, based on internal requirements or at the request of the French Prudential Supervisory Authority (ACP), to assess the risk of loss and consequent changes in capital requirements in the event of a sharp deterioration in the economic and financial environment. The results of these stress tests are examined by the Group Risk Management Committee or the Executive Committee, in particular as part of the annual budgetary process.

4. Credit risk mitigation mechanisms

4.1. COLLATERAL AND GUARANTEES RECEIVED

Guarantees or collateral are intended to provide partial or full protection against credit risk.

The principles governing the eligibility, utilisation and management of collateral and guarantees received as security are defined by Crédit Agricole Group's Standards and Methodology Committee (CNM), in accordance with the CRD system of calculating the solvency ratio. This common framework ensures a consistent approach across the Group's various entities. It documents aspects that include the conditions for prudential recognition, valuation and revaluation methods of all the various credit risk mitigation techniques that are used: collateral (notably for financing of assets: property, aircraft, ships, etc.), security in the form of guarantees, public export credit insurance, private credit insurance, financial guarantee insurance, credit derivatives, and cash collateral. The entities are in charge of implementing this framework at the operational level (management, monitoring of valuations, implementation).

Details of guarantee commitments received are presented in Note 3.1 and in Note 8 to the consolidated financial statements.

Regarding financial assets obtained by enforcement of guarantees or credit enhancement measures, the Group's policy on assets that have come into its possession by these means is to sell them as soon as possible.

4.2 USE OF NETTING CONTRACTS

If a "master" contract has been agreed with a counterparty, Crédit Agricole S.A. and its subsidiaries net their exposures to that counterparty. Crédit Agricole S.A. and its subsidiaries also use collateralisation techniques (deposits of cash or securities) to reduce their risk positions.

4.3. USE OF CREDIT DERIVATIVES

In managing its banking book, the Group's Corporate and investment bank uses credit derivatives and a range of risk-transfer instruments including namely securitisation. The aim is to reduce concentration of corporate credit exposure, diversify the portfolio and reduce loss levels.

The risks arising from such transactions are monitored using indicators such as VaR (Value at Risk) on all cash transactions to buy or sell protection for the bank's own account.

The notional amount of protection bought by Crédit Agricole CIB in the form of unitary credit derivatives outstanding at 31 December 2012 was €10.8 billion (€11.4 billion at 31 December 2011). The outstanding notional amount of protection sold by Crédit Agricole CIB was €867 million (€965 million at 31 December 2011).

III. Exposure

1. Maximum exposure

The maximum exposure to credit risk of Crédit Agricole S.A. and its subsidiaries corresponds to the net carrying amount of financial assets (loans and receivables, debt instruments and derivative instruments) before the effect of non-recognised netting agreements and collateral.

MAXIMUM EXPOSURE TO CREDIT AND COUNTERPARTY RISK OF CRÉDIT AGRICOLE S.A. GROUP

(in millions of euros)	31/12/2012 Ongoing activities	31/12/2011
Financial assets at fair value through profit or loss (excluding equity securities and assets backing unit-linked contracts)	573,567	432,721
Hedging derivative instruments	41,850	33,560
Available-for-sale assets (excluding equity securities)	237,601	206,353
Loans and receivables to credit institutions (excluding internal transactions)	118,333	104,610
Loans and receivables to customers	329,756	399,381
Held-to-maturity financial assets	14,602	15,343
Exposure to on-balance sheet commitments (net of impairment losses)	**1,315,709**	**1,191,968**
Financing commitments given (excluding internal operations) (1)	149,217	160,160
Financial guarantee commitments given (excluding internal operations)	93,435	98,898
Provisions – financing commitments	(309)	(219)
Exposure to off-balance sheet commitments (net of provisions)	**242,343**	**258,839**
Maximum exposure to credit risk (2)	**1,558,052**	**1,450,807**

(1) At 31 December 2011, securities sold under repurchase agreements recognised at the transaction date were recorded for their notional amount as counterpart to the sundry debtors' account for €2 billion; at 31 December 2012, these operations, which represented €22 billion, were recorded in "financing commitments received" between the transaction date and the settlement date (see Note 8 Financing and guarantee commitments and other guarantees).

(2) The contribution for 31 December 2011 of entities reclassified as held-for-sale activities in 2012 came to €34,005 million.

At 31 December 2012, the maximum exposure to credit and counterparty risk of Crédit Agricole S.A. and its subsidiaries amounted to €1,558 billion (€1,450.8 billion at 31 December 2011), up 7.4% in 2012.

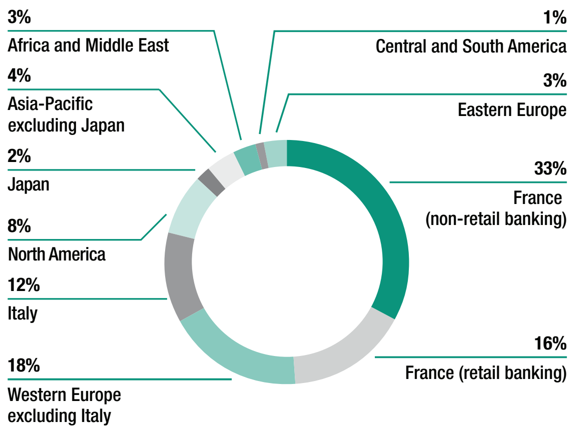
2. Concentration

An analysis of credit risk on commercial lending commitments excluding Crédit Agricole S.A. Group internal transactions and collateral given as part of repurchase agreements (loans and receivables to credit institutions, loans and receivables to customers, financing commitments given and guarantee commitments given for €705 billion) is presented below. This scope includes exposure to activities recognised in discontinued or held-for-sale operations. In particular, it excludes derivative instruments, which are primarily monitored in VaR (see section on Market risks), and financial assets held by insurance companies (€176 billion – see section on Risks in the insurance sector).

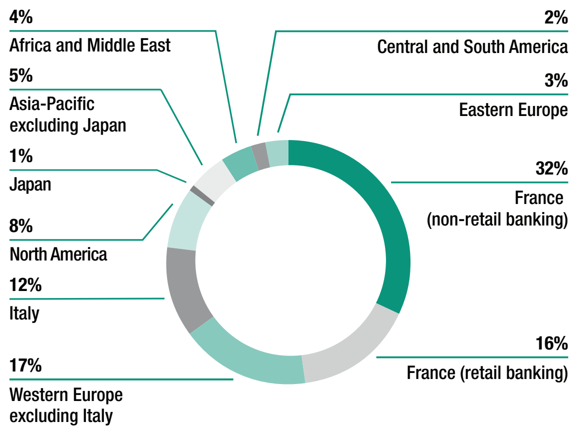
2.1. PORTFOLIO DIVERSIFICATION BY GEOGRAPHIC AREA

On the commercial lending portfolio (including banking counterparties outside the Group), the breakdown by geographic area covers a total portfolio of €675.8 billion at 31 December 2012, compared with €685.1 billion at 31 December 2011. The breakdown reflects the country in which the commercial lending risk is based.

BREAKDOWN BY GEOGRAPHIC AREA OF COMMERCIAL LENDING OF THE CRÉDIT AGRICOLE S.A. GROUP AT 31 DECEMBER 2012



BREAKDOWN BY GEOGRAPHIC AREA OF COMMERCIAL LENDING OF THE CRÉDIT AGRICOLE S.A. GROUP AT 31 DECEMBER 2011



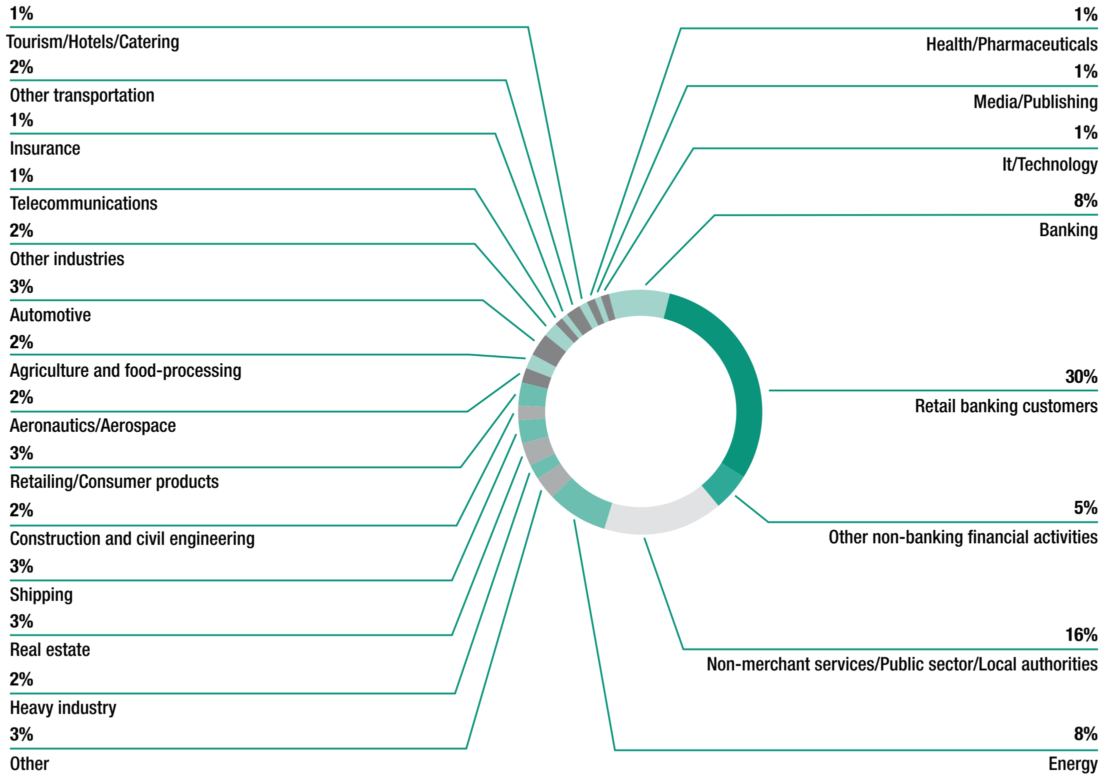
Commercial commitments based in France are up slightly in 2012 at 49% of total commitments, compared with 48% in 2011. Italy, the Group's second largest market, remained unchanged with 12% of commitments.

Note 3.1 to the financial statements presents the breakdown of loans and receivables and commitments to customers and credit institutions by geographic area on the basis of accounting data.

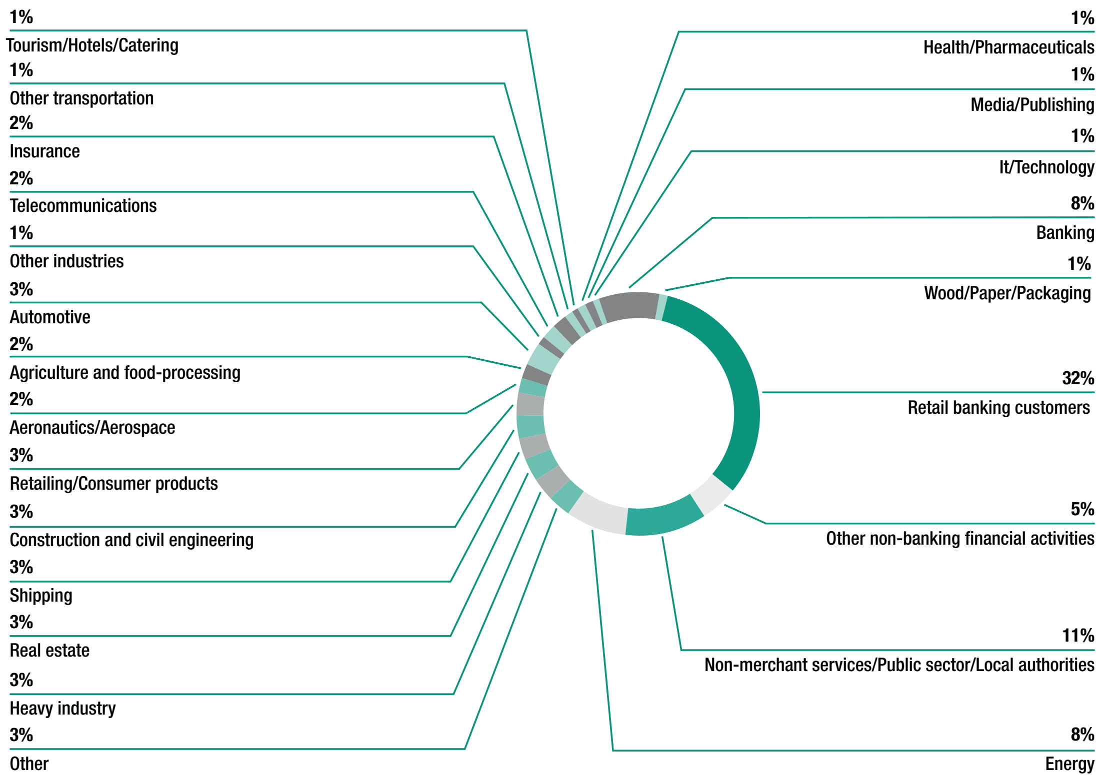
2.2. PORTFOLIO DIVERSIFICATION BY BUSINESS SECTOR

On the commercial lending portfolio (including banking counterparties outside the Group), the breakdown by business sector covers a total portfolio of €630.6 billion at 31 December 2012, compared with €639.4 billion at 31 December 2011. The breakdown reflects the business sector in which the commercial lending risk to customers is based.

BREAKDOWN BY BUSINESS SECTOR OF COMMERCIAL LENDING OF THE CRÉDIT AGRICOLE S.A. GROUP AT 31 DECEMBER 2012



BREAKDOWN BY BUSINESS SECTOR OF COMMERCIAL LENDING OF THE CRÉDIT AGRICOLE S.A. GROUP AT 31 DECEMBER 2011



Well diversified, the commercial lending portfolio breakdown by business sector continues to remain stable for 2012. Apart from the "Non-merchant/public sector/local authorities" sector, whose relative share grew from 11% at end-2011 to 16% at end-2012, and that of the Retail banking customers which fell from 32% at end 2011 to 30% at end-2012, no other sector experienced an annual variation higher than 1%.

2.3. BREAKDOWN OF LOANS AND RECEIVABLES BY TYPE OF CUSTOMER

Concentrations by customer type of loans and receivables and commitments given to credit institutions and customers are presented in Note 3.1 to the consolidated financial statements.

The gross amount of loans and receivables outstanding, including accrued interest (€461 billion at 31 December 2012), fell by 11.5% in 2012 (from €521 billion at 31 December 2011). It is split mainly between large corporates and retail customers (respectively, 31.4% and 32.8%, compared with 32.2% and 31.8% at 31 December 2011). The proportion of institutions other than banks and credit institutions fell slightly to 29.2% of these outstandings at 31 December 2012, compared with 30.2% at 31 December 2011.

2.4. EXPOSURE TO COUNTRY RISK

If 2011 was marked by the socio-political crisis in North Africa and the Middle East, the nuclear disaster in Japan and the increasing tensions over sovereign debt in a number of European nations, the mood throughout 2012 was again bleak. The global economy continued to experience reduced structural growth, with a deterioration in the social climate and increased unemployment in both developed and some emerging countries, fostering an upsurge in the “black” economy which does not bode well for the future. Budgetary and current account deficits will continue to be a major source of concern for governments in developed countries in the coming months. This may be reflected in an increased risk of protectionism threatening recovery and international cooperation. Emerging countries which have, in the main, been more resilient to the crisis due to the strength of domestic demand, have witnessed a rise in political risk which has weakened their economy.

Crédit Agricole S.A. Group’s commercial lending (on and off balance sheet) to customers at risk in emerging counties comes mainly *via* Crédit Agricole CIB, *via* UBAF (47.01% owned by Crédit Agricole CIB) and *via* International retail banking. These exposures include guarantees received coming in deduction (export credit insurance, cash deposits, securities pledged, etc.).

At 31 December 2012, commercial lending (including to banking counterparties) amounted to €45.9 billion (compared with €50.7 billion at 31 December 2011).

Concentration of exposures on emerging countries was up slightly in 2012: the top 20 countries accounted for 88.3% of the portfolio at year-end 2012, compared with 84.5% at year-end 2011.

Three geographic areas are predominant: the Middle East/North Africa, Eastern Europe and Asia. They are following by Latin America and Sub-Saharan Africa.

The Middle East and North Africa

The Middle East and North Africa constitute the leading area of exposure for emerging countries at 34.4% at 31 December 2012 (€15.8 billion) compared with 35.7% at 31 December 2011 (€18.1 billion). The exposures are concentrated in Morocco, Egypt, the United Arab Emirates, Saudi Arabia and Algeria (80% of Middle Eastern and North African exposures). The drop recorded in 2012 was the result of a hike in exposure on Algeria, offset by more sizeable drops in exposures on the United Arab Emirates, Qatar, Egypt and Saudi Arabia.

Eastern Europe

Exposure in this region accounted for 29.6% of the Group’s emerging-country risks, totalling €13.6 billion. It remains concentrated in five countries (89% of total exposures on Poland, Russia, the Ukraine, Serbia and Hungary). At 31 December 2011, this region accounted for 25.7% of emerging-country risks, totalling €13 billion.

Asia

Asia represents the third-largest exposure among emerging countries, with 23.9% of exposures at year-end 2012 (22.8% at year-end 2011), or €11 billion (€11.6 billion at 31 December 2011). Activity remained concentrated in the main countries of the region (China, India, and Indonesia).

Latin America

At year-end 2012 this region represented 8.7% of the exposure on emerging countries, with exposures of €4 billion concentrated in four countries: Mexico, Brazil, Cuba and Peru (compared with 10.4% at year end-2011 for €5.3 billion).

Sub-Saharan Africa

This region represented exposure of €1.6 billion (3.4% of emerging-country risks) at year-end 2012, including 32.1% on South Africa (compared with €2.7 billion at year-end 2011, including 37.6% on South Africa). This region’s decline in absolute terms is due to the ongoing closure of the Crédit Agricole CIB entity in South Africa.

3. Credit quality

3.1. ANALYSIS OF LOANS AND RECEIVABLES BY CATEGORY

The breakdown of loans and receivables to credit institutions and customers is presented as follows:

Loans and receivables *(in millions of euros)*	31/12/2012	31/12/2011
Neither past due nor impaired	436,542	489,090
Past due but not impaired	7,011	7,146
Impaired	17,349	24,759
TOTAL	**460,902**	**520,995**

The portfolio of loans and receivables at 31 December 2012 consisted for 94.7% in amounts that were neither past due nor impaired (94.0% at 31 December 2011).

Under IFRS 7, a financial asset is past due when a counterparty has failed to make a payment when contractually due. The Group considers that there is no identified credit risk on loans and receivables that are less than 90 days past due, accounting for 89% of past due but not impaired loans.

Details of financial assets that were past due or impaired are presented in Note 3.1 to the consolidated financial statements.

3.2. ANALYSIS OF OUTSTANDINGS BY INTERNAL RATING

The internal rating policy used by Crédit Agricole Group aims to cover the entire Group customer portfolio, *i.e.*, retail customers, corporate customers, banks and financial institutions, government agencies and local authorities.

On the performing commercial lending portfolio excluding retail customers (€503.7 billion at 31 December 2012, compared with €500.8 billion at 31 December 2011), rated borrowers accounted for 75% of the total (compared with 74% at year-end 2011) (€375.8 billion at 31 December 2012, compared with €373.2 billion at 31 December 2011). The breakdown of this portfolio is presented according to the Standard & Poor's equivalents of the Group's internal ratings.

CHANGE IN THE NON-BANK, NON-RETAIL CUSTOMERS COMMERCIAL LENDING PERFORMING PORTFOLIO OF CRÉDIT AGRICOLE S.A. GROUP BY INDICATIVE S&P EQUIVALENT OF INTERNAL RATING

This breakdown reflects a credit portfolio of good quality, and which shows a consistent risk profile between 2011 and 2012. At 31 December 2012, 88% of exposures related to borrowers with investment-grade ratings (rating that is equal to or greater than BBB) compared with 88% at 31 December 2011, and 1% related to borrowers on watch.

3.3 IMPAIRMENT AND RISK COVERAGE

3.3.1 Impairment and risk coverage policy

The policy for hedging loan loss risks is based on two kinds of impairment allowances:

- impairment allowances on an individual basis intended to cover probable losses on impaired receivables;
- collective impairment allowances under IAS 39, recognised when objective indications of impairment are identified on one or more homogeneous subgroups within the credit risk portfolio. These impairment allowances are intended to cover deterioration in the risk profile of exposures to certain countries, business sectors or counterparties, not because they are in default but because their rating has been lowered. Impairment losses on a portfolio basis are also made in retail banking. Collective impairments are, in the main, calculated on statistical bases on the amount of loss expected until the transactions mature, using Basel probability of default (PD) and loss given default (LGD) criteria.

3.3.2 Impaired financial assets

The breakdown of impaired loans and receivables due from credit institutions and customers by customer type and geographic area is presented in Note 3.1 to the financial statements.

At 31 December 2012, total impaired loans and receivables stood at €17.3 billion (compared with €24.8 billion at 31 December 2011). The drop was mainly due to the reclassification of Emporiki Bank as discontinued operations (IFRS 5). These consist of non-performing loans and commitments on which the Group sees potential non-recovery. Impaired assets accounted for 3.8% of the Group's gross recorded outstandings at 31 December 2012 (4.8% at 31 December 2011). They were covered by €9.9 billion of individual impairment allowances (€13.5 billion at 31 December 2011), including lease finance transactions but not including collective impairment allowances.

Performing loans and receivables that were renegotiated amounted to €2.4 billion at 31 December 2012 (€3 billion at 31 December 2011).

4. Cost of risk

The overall cost of risk of Crédit Agricole S.A. and its subsidiaries amounted to €3.7 billion at 31 December 2012, compared with €4.3 billion in 2011 (restated for held-for-sale activities) *i.e.* a drop of about 12%. 2011 was marked by the worsening of the economic situation in Greece and the need to write down, in the banking and insurance subsidiaries, Greek sovereign bonds by between 70% and 75% depending on their maturity. Specialised financial services (Consumer Finance, Leasing and Factoring) recorded a sharp increase in cost of risk, due mainly to the need to strengthen the coverage of risks in Greece and in Italy. This trend continued in 2012, notably on an international level where the cost of risk continued to deteriorate on Agos Ducato. This deterioration is due to unsatisfactory debt-collection performances and non-recurring provisions for adjustments to the cost of litigations portfolio disposal and for methodological corrections.

Details of the movements that affected the cost of risk are presented in Note 4.8 to the consolidated financial statements. This is broken down by business line in note 5.1 to the consolidated financial statements.

5. Counterparty risk on derivative instruments

The counterparty risk on derivative instruments is established according to market value and potential credit risk calculated and weighted in accordance with regulatory standards. At 31 December 2012, the exposures of Crédit Agricole S.A. Group to counterparty risk on derivative instruments are presented in Note 3.1 to the consolidated financial statements.

MARKET RISKS

Market risks are risks of a negative impact on the income statement or balance sheet of adverse fluctuations in the value of financial instruments following changes in market parameters, particularly:

- interest rates: interest rate risk is the risk of a change in the fair value of a financial instrument or the future cash flows from a financial instrument due to a change in interest rates;
- exchange rates: foreign exchange risk is the risk of a change in the fair value of a financial instrument due to a change in exchange rates;
- prices: price risk is the risk of a change in the price or volatility of equities and commodities, baskets of equities or stock market indices. The instruments most exposed to this risk are equity securities, equity derivative instruments and commodity derivative instruments;
- credit spreads: credit risk is the risk of a change in the fair value of a financial instrument resulting from movement in the credit spreads for indices or issuers. For more complex credit products, there is also the risk of a change in fair value arising from a change in correlation between issuer defaults.

I. Objectives and policy

Crédit Agricole S.A. Group has a specific market risk management system with its own organisation independent of operational hierarchies, risk identification and measurement methods, monitoring and consolidation procedures.

The system covers all market risks arising from capital market activities, mainly directional positions taken by the trading desks and market making. The investment portfolios of the finance departments are monitored separately.

In 2012, the Group continued to apply a prudent market risk management policy. Moreover, its subsidiary Crédit Agricole CIB continued to implement the restructuring plan *via* the sale of correlation portfolio market risk and the sale of other activities considered to be non-strategic.

II. Risk management

1. Local and central organisation

Crédit Agricole S.A. Group has two distinct but complementary levels of market risk management:

- at the central level, the Group Risk Management and Permanent Controls department coordinates all Group-wide market risk supervision and control issues. It standardises data and data processing to ensure consistency of both consolidated risk measurement and controls. It keeps the executive (Crédit Agricole S.A. Executive Management) and administrative (Board of Directors, Audit Committee) bodies informed of the status of market risks;
- at the local level, for each Crédit Agricole S.A. Group entity, a Risk Management and Permanent Controls officer monitors and controls market risks arising from the entity's businesses. Within the Crédit Agricole CIB subsidiary, the Risk Management and Permanent Controls department relies on decentralised teams of risk controllers, generally based abroad. These control functions are performed by different teams:
  a) Risk Management whose role is to ensure monitoring and control of market risks for all product lines worldwide: limit proposals which are approved by the Market Risk Committee and monitored for their compliance, analysis of limit excesses as well as significant variations in results brought to the attention of the Market Risk Committee,

b) activity monitoring: control and validation of market parameters used for the production of results and risk indicators, production of management results and risk indicators for all activities covered by market risk limits, reconciliation of management and accounting data,

c) cross-functional teams: quantitative research, internal VaR model, Market Data Management.

Operating agreements between the central and local levels determine the level of information, format and frequency of the reports that entities must transmit to Crédit Agricole S.A. (Group Risk Management and Permanent Controls).

2. Decision-making and Risk Monitoring Committees

Three governance bodies are involved in the management of market risk at Crédit Agricole S.A. Group level:

- the Group Risk Management Committee, chaired by the Chief Executive Officer of Crédit Agricole S.A., approves the aggregate limits on each entity's market risks when it presents its risk strategy and makes the main decisions in the matter of risk containment. The Committee examines the market situation and risks incurred on a quarterly basis, in particular through the utilisation of limits and any significant breaches of limits and incidents;
- the Risk Monitoring Committee, chaired by the Chief Executive Officer of Crédit Agricole S.A., reviews the main indicators of market risk twice a month;
- the Standards and Methodology Committee meets periodically and is chaired by the Head of Group Risk Management and Permanent Controls. Its responsibilities include approving and disseminating standards and methods concerning the supervision and permanent control of market risks.

In addition, each entity has its own Risk Committee. The most important of these is Crédit Agricole CIB's Market Risk Management Committee (CRM), which meets twice a month and is chaired by the Executive Management member of the Committee in charge of risks. It is made up of Crédit Agricole CIB's Head of market risk management and the risk managers responsible for specific activities. This Committee reviews Crédit Agricole CIB's positions and the results of its capital market activities and verifies compliance with the limits assigned to each activity. It is empowered to make decisions on requests for temporary increases in limits.

III. Market risk measurement and management methodology

1. Indicators

The market risk measurement and supervision system is based on a combination of several indicators, most of which are subject to global or specific limits. It draws principally on Value at Risk, stress scenarios and complementary indicators (risk factor sensitivity, combined qualitative and quantitative indicators). Moreover, following regulatory changes relating to the measurement of capital requirements for market risks, Crédit Agricole CIB has put in place indicators relating to the CRD 3 Directive (stressed VaR, Incremental Risk Charge, Comprehensive Risk Measure).

The measurement system for the indicators relies on a process of evaluating positions for each entity that is subject to market risk. The permanent control process includes procedures for validating models and also procedures for structuring the back-testing of models.

1.1 VAR (VALUE AT RISK)

The central element of the market risk measurement system is the Value at Risk (VaR). VaR can be defined as the maximum theoretical loss on a portfolio in the event of adverse movements in market parameters over a given timeframe and for a given level of confidence. Crédit Agricole S.A. Group uses a confidence level of 99%, a timeframe of one day, and one year of historical data. In this way, market risks incurred by the Group in its trading activities can be monitored on a daily basis by quantifying the estimated maximum level of loss in 99 out of 100 cases, after inclusion of a number of risk factors (interest rate, foreign exchange, asset prices, etc.). The inter-correlation of such factors affects the maximum loss amount.

The netting figure is defined as the difference between total VaR and the sum of VaRs by risk factor. It represents the effects of netting among positions held simultaneously on different risk factors. A procedure known as back-testing (comparing each day's result against VaR estimated the day before) is used to confirm the relevance of the methodology.

The main method used to measure VaR is the historical VaR method. The Monte Carlo method is used only for a marginal portion of Crédit Agricole CIB's commodity-related activities.

The internal VaR model of Crédit Agricole CIB, which is the main contributor to the VaR of Crédit Agricole S.A. Group, has been approved by the regulatory authorities.

The process of measuring a historical VaR for risk positions on a given date D is based on the following principles:

- compilation of an historical database of risk factors on positions held by Crédit Agricole S.A. Group entities (interest rates, share prices, exchange rates, commodity prices, volatilities, credit spreads, correlation, etc.);
- determination of 261 scenarios corresponding to one-day changes in risk factors, observed over a rolling one-year period;
- adjustment of parameters corresponding to date D according to the 261 scenarios;
- remeasurement of the day's positions based on the 261 scenarios.

The 99% VaR figure based on the 261 scenarios is equal to the average of the second and third worst risks observed.

The VaR calculation methodology undergoes constant improvement and adjustment to take into account, among other things, the changing sensitivity of positions to risk factors and the relevance of the methods to new market conditions. For example, efforts are made to incorporate new risk factors and to achieve finer granularity on existing risk factors. In 2012, the mark-to-market measurement of positions backed by CSAs (Collateral Service Agreements) was improved by recognising collateral cost.

Limitations of the historical VaR calculation

The main methodological limitations of the VaR model are the following:

- the use of daily shocks assumes that all positions can be liquidated or covered in one day, which is not always the case for certain products and in certain crisis situations;
- the use of a 99% confidence interval leaves out losses that could occur outside that interval: VaR is consequently an indicator of risk under normal market conditions and does not take into account movements of exceptional magnitude;
- VaR does not provide any information on amounts of exceptional losses (outside the 99% confidence interval).

Back-testing

A back-testing process is applied to check the relevance of the VaR model for each of the Crédit Agricole S.A. Group's entities which have capital market activities. This process verifies *a posteriori* whether the number of exceptions (days when actual losses exceeded estimated VaR) was within the 99% confidence interval (a daily loss should exceed the calculated VaR only two or three times a year). For Crédit Agricole CIB, for which the measurement of capital requirements for market risk partly depends on the number of exceptions observed over a rolling one-year period, only one exception was seen at the level of regulatory VaR for 2012.

1.2 STRESS SCENARIOS

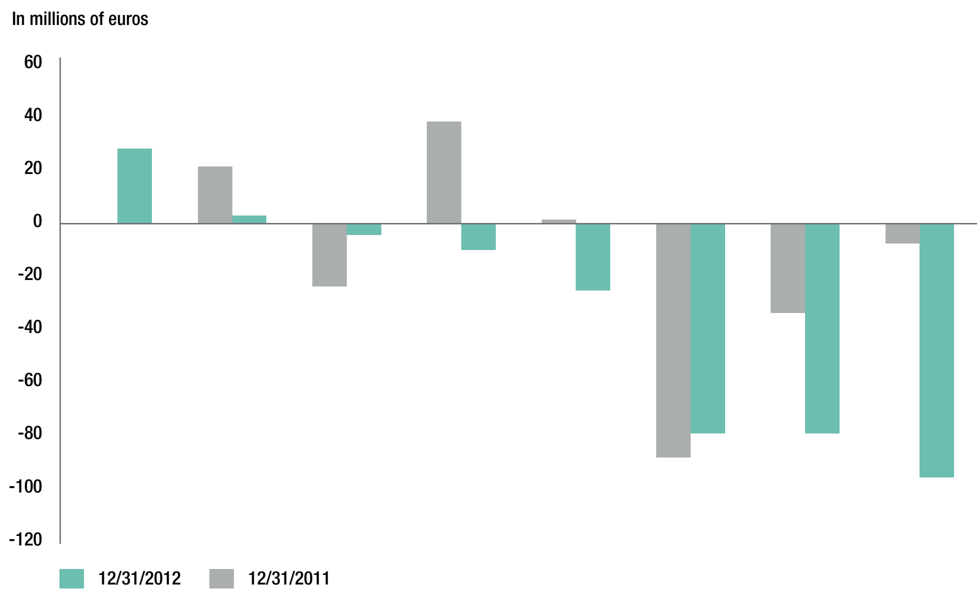
Stress scenarios complement the VaR measure which does not capture the impact of extreme market conditions. Stress scenarios are calculated following Group principles to simulate extreme market conditions and are the result of different complementary approaches:

- historical scenarios, which consist in replicating the impact on the current portfolio of major crises observed in the past. The past crises used in historical stress scenarios are the 1987 stock market crash; the 1994 bond market crisis; the 1998 credit market crisis coupled with falling equity markets, sharply rising interest rates and declining emerging-country currencies; the 2008 failure of Lehman Brothers (two stress scenarios measuring the impact of market movements after the failure);
- hypothetical scenarios anticipating plausible shocks, which are developed in conjunction with economists. The hypothetical scenarios used are: economic recovery (with rising equity and commodity markets, flattening yield curves, appreciation of the USD and narrowing credit spreads); liquidity crunch (with flattening yield curves, widening credit spreads and falling equity markets); and international tensions (with flattening yield curves, falling equity markets and rising volatility, fall in the USD, widening credit spreads and increasing volatility on the commodity markets).

The stress scenarios are calculated weekly.

At year-end 2012, the risk levels of Crédit Agricole S.A. Group (excluding the Crédit Agricole CIB business in run-off, which is monitored separately) as measured under historical and hypothetical stress scenarios were as follows:

ESTIMATED LOSSES ASSOCIATED WITH STRESS SCENARIOS



In addition other types of stress tests are performed:

- at the level of the entities, adverse stress tests enabling evaluation of the impact of major and unfavourable market movements for all business lines including businesses in run-off;
- at the level of Crédit Agricole CIB, extreme stress tests, calculated since the beginning of 2010, enabling measurement of the impact of even more severe market shocks without looking for the impacts of netting between different business lines.

1.3 COMPLEMENTARY INDICATORS

Other complementary indicators are also produced and can, as part of the risk containment system, be subject to limits. These include indicators of sensitivity to various risk factors, loss alerts, stop-loss indicators, nominal amounts, outstandings, remaining terms, etc. These indicators provide fine-grained measurements of exposure to different market risk factors, serve to identify atypical transactions and fill out the summary picture of risks supplied by VaR and global stress scenarios.

1.4 INDICATORS RELATING TO THE CRD 3 DIRECTIVE

Stressed VaR

The "stressed" VaR was implemented in June 2010. It is consistent with a one-day historical VaR with a confidence interval of 99%. Its unique feature lies in the history of shocks, which is identified as the most damaging one-year period since mid-2007. At year-end 2012, it includes, notably, the end of 2008 (bankruptcy of Lehman Brothers).

Incremental Risk Charge

The incremental risk charge is a calculation of incremental losses related to changes in a portfolio's credit quality.

Comprehensive Risk Measure

Following the entry into force of CRD 3 on 31 December 2011, Crédit Agricole CIB introduced the CRM (Comprehensive Risk Measure). This indicator relates to the correlation portfolio. Given that the correlation portfolio market risk had been transferred to an external counterparty, the CRM showed a nil value at 31 December 2012.

1.5 INDICATORS RESPONDING TO REGULATION CHANGES

Following regulatory changes relating to capital requirements applicable to credit institutions, Crédit Agricole CIB introduced a VaR known as "CVA" (Credit Valuation Adjustment) which measures the potential loss arising from a deterioration in counterparties' credit ratings.

2. Use of credit derivatives

As part of its capital markets activities, Crédit Agricole CIB deals in credit products (trading, structuring and sales) that entails the use of credit derivatives. The products currently traded are simple Credit Default Swaps (CDSs) in which credit spreads are the main risk factor. In early 2012, Crédit Agricole CIB transferred the market risk attached to the correlation portfolio.

The business in complex and structured products is managed in run-off. All of these positions are measured at fair value, with deductions for model and parameter uncertainties.

These activities are managed through a system of market-risk indicators and limits designed to cover all risk factors. These indicators are:

- VaR (historical, 99%, daily, including credit spread risk and correlation risk);
- credit sensitivity;
- sensitivity to correlation;
- sensitivity to interest rates.

Independent teams are responsible for valuing positions, calculating risk indicators, setting limits and validating models.

IV. Exposure on capital markets (Value at Risk)

The VaR of Crédit Agricole S.A. Group is calculated by incorporating the impacts of diversification between the different entities of the Group.

Crédit Agricole CIB's capital market activities are taken to be those within the scope of the regulatory VaR measure (measured using an internal ACP-approved model).

The change in VaR on the capital markets activities of Crédit Agricole S.A. Group between 31 December 2011 and 31 December 2012, broken down by major risk factor, is shown in the table below:

BREAKDOWN OF VAR (99%, ONE DAY)

(in millions of euros)	31/12/2012	Minimum	Maximum	Average	31/12/2011
Fixed income	7	5	17	10	8
Credit	4	3	16	6	13
Foreign Exchange	2	1	7	3	4
Equities	3	1	6	2	3
Commodities	0	0	5	2	5
Netting	(7)			(10)	(13)
VAR OF CRÉDIT AGRICOLE S.A. GROUP	**9**	**7**	**25**	**13**	**20**
For reference: Total VaR of all entities	11	9	27	15	21

The Group's VaR amounts to €9 million at 31 December 2012. The netting offset (-€7 million) is defined as the difference between total VaR and the sum of the VaRs by risk factor. For reference, without accounting for the diversification effect between different entities, the total VaR would be €11 million (of which €9 million for Crédit Agricole CIB).

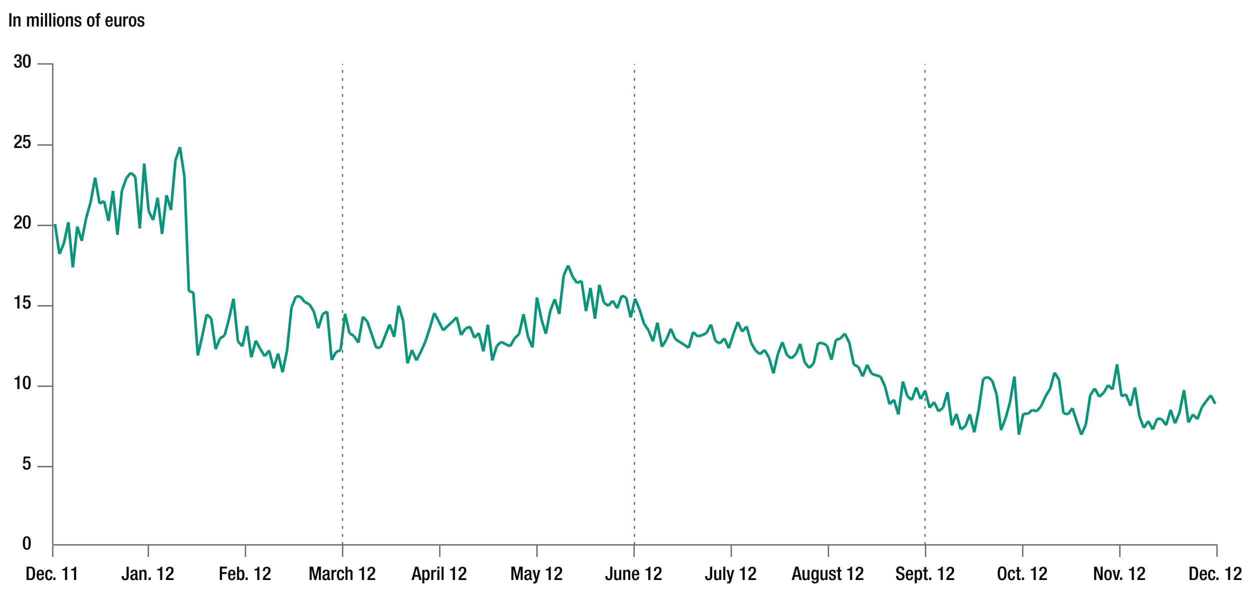
The "Fixed income" VaR, calculated for the aggregate cash and interest rate derivatives activities was reduced to €7 million at 31 December 2012 (compared with €8 million at 31 December 2011) in the light of low rates. The main risk factor at 31 December 2012 for the Group's capital market activities was the rate factor.

The "Credit" VaR, calculated for credit market activities, dropped sharply to €4 million. This drop followed the transfer, in early 2012, of the market risk attached to Crédit Agricole CIB's correlation portfolio.

"Equity" and "Exchange rate" VaRs made a more marginal contribution and, at 31 December 2012, stood at €3 million and €2 million respectively. Crédit Agricole CIB's commodities activities were sold.

The graph below shows the change in VaR during 2012, reflecting the maintaining of a conservative strategy in a period of significant market uncertainty:

CRÉDIT AGRICOLE S.A. GROUP VAR BETWEEN 01/01/2012 AND 31/12/2012



V. Equity risk

Equity risk arises in the trading and arbitrage of equity securities as well as on shares held in the investment portfolio and on treasury shares.

1. Equity risk from trading and arbitrage activities

Equity risk from trading and arbitrage activities arises from positions taken on shares and stock market indices *via* cash or derivatives markets (positions in exotic equity derivatives are being managed in run-off mode, and no new transactions of this kind are being made). The main risk factors are prices of shares and of stock indices, volatilities of those prices and smile parameters of those volatilities[1].

Measurement and containment of equity risk is addressed in the description of the processes indicated in section III above.

This risk is monitored by means of VaR. Equity VaRs during 2012 are shown in the table in section IV above. Equity VaR was €3 million at 31 December 2012 (unchanged from year-end 2011).

2. Equity risk from other activities

A number of Crédit Agricole S.A. Group entities hold portfolios of available-for-sale financial assets that are invested partly in equities and structured products whose market value depends on prices of underlying equities and equity indices. At 31 December 2012, total outstandings exposed to equity risk *via* these portfolios primarily comprise available-for-sale financial assets for €22 billion (including insurance company portfolios for €18.6 billion) and financial assets at fair value through profit or loss held by insurance companies for €7.6 billion.

Note 6.4 to the financial statements gives figures in particular on outstandings of equities, and unrealised gains and losses on “available-for-sale financial assets”. Information on market risk (including equity risk) on the portfolios held by the insurance companies is presented below in the section on “insurance sector risks”.

3. Treasury shares

In accordance with Articles L. 225-209 et seq. of the French Commercial Code and European Commission Regulation 2273/2003 of 22 December 2003, the Combined Ordinary and Extraordinary General Meeting of Shareholders may authorise the Board of Directors of Crédit Agricole S.A. to trade in treasury shares. Crédit Agricole S.A. uses such an authorisation mainly to cover its commitments to employees under stock options or to stimulate the market by a share liquidity agreement.

Details of 2012 transactions in treasury shares under the share buy-back programme are provided in chapter 3 of this registration document, in the section “Purchase by the Company of its own shares”.

At 31 December 2012, holdings of treasury shares amounted to 0.29% of share capital, compared with 0.28% at 31 December 2011 (see Note 8 of the parent company financial statements and Note 6.19 of the consolidated financial statements).

Details of the 2012 treasury share buy-back programme are provided in section 8 of this registration document, “Information on the share capital”.

(1) The smile is the parameter that reflects the change in implied volatility on an option as a function of the exercise price.

SENSITIVE EXPOSURES BASED ON THE FINANCIAL STABILITY BOARD RECOMMENDATIONS

The exposures below correspond to the recommendations of the Financial Stability Board. This information forms an integral part of Crédit Agricole S.A. Group's consolidated financial statements at 31 December 2012. For this reason it is covered by the Statutory Auditors' report on the annual financial information.

I. Summary schedule of exposures

	Asset under loans and receivables					Assets at fair value			
(in millions of euros)	Gross exposure	Discount	Collective provisions	Net exposure	Accounting category	Gross exposure	Discount	Net exposure	Accounting category
RMBS	620	(132)	(87)	401		155	(103)	52	
CMBS	115	(4)	(18)	93	(1)	10	(2)	8	
Unhedged super senior CDOs	2,071	(1,086)	(241)	744		1,155	(1,137)	18	
Unhedged mezzanine CDOs						585	(585)	0	
Unhedged CLOs	2,135	(31)	(11)	2,093	(2)	649	(21)	628	(3)
Protection acquired from monolines						141	(106)	35	
Protection acquired from CDPC						137	(48)	89	(4)

(1) Loans and receivables to credit institutions and to customers – Securities not listed on an active market (see Note 6.5 to the consolidated financial statements).

(2) Loans and receivables to customers – Securities not listed on an active market (see Note 6.5 to the consolidated financial statements).

(3) Financial assets at fair value through profit or loss – Bonds and other fixed income securities and derivatives (see Note 6.2 to the consolidated financial statements).

(4) Financial assets at fair value through profit or loss – Derivatives (see Note 6.2 to the consolidated financial statements).

II. Mortgage Asset Backed Securities (ABS)

(in millions of euros)	United States		United Kingdom		Spain	
RMBS	**31/12/2012**	**31/12/2011**	**31/12/2012**	**31/12/2011**	**31/12/2012**	**31/12/2011**
Recognised under loans and receivables						
Gross exposure	339	430	181	197	100	172
Discount [1]	(161)	(132)	(32)	(68)	(26)	(47)
Net exposure *(in millions of euros)*	**178**	**298**	**149**	**129**	**74**	**125**
Recognised under assets measured at fair value						
Gross exposure	109	214	40	66	6	31
Discount	(97)	(185)	(5)	(7)	(1)	(5)
Net exposure *(in millions of euros)*	**12**	**29**	**35**	**59**	**5**	**26**
% underlying subprime on net exposure	95%	98%				
Breakdown of gross exposure, by rating						
AAA	5%	5%		7%		34%
AA	4%	2%		34%		19%
A	3%	7%	79%	41%	58%	19%
BBB	5%	3%			13%	
BB	3%	1%	21%	18%		3%
B	5%	4%			7%	25%
CCC	3%	21%				
CC	3%	9%				
C	43%	28%				
Not rated	26%	20%			22%	

(in millions of euros)	United States		United Kingdom		Other	
CMBS	**31/12/2012**	**31/12/2011**	**31/12/2012**	**31/12/2011**	**31/12/2012**	**31/12/2011**
Recognised under loans and receivables						
Net exposure [1]			25	63	68	97
Recognised under assets measured at fair value						
Net exposure			5	5	3	4

(1) Including a €106 million collective provision at 31 December 2012 compared with €93 million at 31 December 2011.

Purchases of protection on RMBSs and CMBSs measured at fair value are as follows:

- 31 December 2012: nominal = €93 million; fair value = €79 million.
- 31 December 2011: nominal = €320 million; fair value = €87 million.

Mortgage ABSs are measured at fair value based on information provided by outside sources.

III. Measurement methodology for super senior CDO tranches with US residential mortgage underlyings

1. Super senior CDOs measured at fair value

Super senior CDOs are measured by applying a credit scenario to the underlyings (mainly residential mortgages) of the ABSs making up each CDO.

The final loss percentages on loans at the end of their term are:

- determined on the basis of the quality and origination date of each residential loan;
- expressed as a percentage of the nominal amount. In particular, this approach enables the assessment of loss assumptions on the basis of the risks present on the Bank's statement of financial position.

	Loss rates on subprime produced in		
Closing date	**2005**	**2006**	**2007**
31/12/2011	50%	60%	60%
31/12/2012	**50%**	**60%**	**60%**

The future cash flows obtained are then discounted at a rate which takes market liquidity into account.

2. Super senior CDOs at amortised cost

Since the fourth quarter of 2012, impairment has been calculated using the same methodology as for super senior CDOs measured at fair value, but the future cash flows obtained are discounted at actual interest rates on the reclassification date.

IV. Unhedged super senior CDOs with US residential mortgage underlyings

At 31 December 2012, Crédit Agricole CIB's net exposure to unhedged super senior CDOs was €762 billion (after taking into account a collective provision of €241 million).

1. Breakdown of super senior CDOs

(in millions of euros)	Assets at fair value	Asset under loans and receivables
Nominal	**1,155**	**2,071**
Discount	(1,137)	(1,086)
Collective provisions		(241)
Net amount	**18**	**744**
Net amount at 31/12/2011	*975*	*1,290*
Discount rate(1)	**98%**	**64%**
Underlying		
% of underlying subprime assets produced before 2006	24%	27%
% of underlying subprime assets produced in 2006 and 2007	29%	3%
% of underlying Alt-A assets	1%	21%
% of underlying Jumbo assets	0%	10%

(1) After inclusion of fully written down tranches.

2. Other exposures at 31 December 2012

(in millions of euros)	Nominal	Discount	Collective provisions	Net
Unhedged CLOs measured at fair value	649	(21)		628
Unhedged CLOs recognised in loans and receivables	2,135	(31)	(11)	2,093
Unhedged Mezzanine CDOs	585	(585)		0

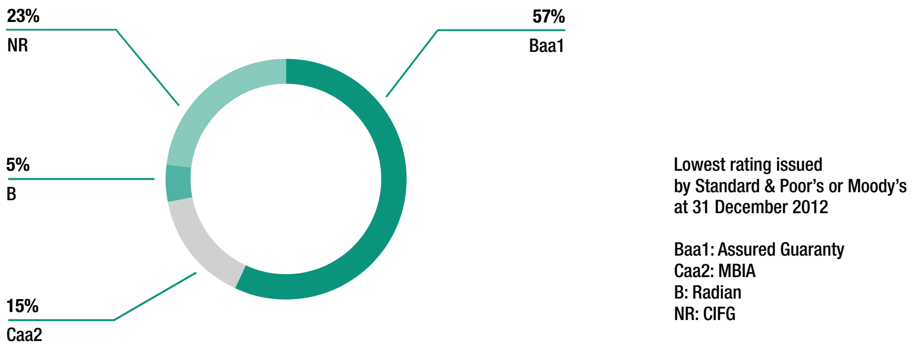
V. Protection

1. Protection purchased from monolines at 31 December 2012

1.1. EXPOSURES TO MONOLINE COUNTERPARTY RISKS

	Monolines covering				
(in millions of euros)	US residential CDOs	Corporate CDOs	CLOs	Other underlying	Total protection acquired from monolines
Gross notional amount of purchased protection	93	2,611	276	335	3,315
Gross notional amount of hedged items	93	2,611	276	335	3,315
Fair value of hedged items	88	2,609	258	219	3,174
Fair value of protection before value adjustments and hedges	**5**	**2**	**18**	**116**	**141**
Value adjustments recognised on protection	(1)	(1)	(16)	(88)	(106)
Residual exposure to counterparty risk on monolines	**4**	**1**	**2**	**28**	**35**

1.2. BREAKDOWN OF NET EXPOSURE TO MONOLINES



2. Protection purchased from CDPC (Credit Derivative Product Company)

At 31 December 2012 the net exposure to CDPC was €89 million (compared with €985 million at 31 December 2011), mainly on corporate CDOs, after taking into account a discount of €48 million (compared with €160 million at 31 December 2011).

ASSET/LIABILITY MANAGEMENT

I. Asset/liability management – Structural financial risks

Crédit Agricole S.A.'s Financial Management department defines the principles of financial management and ensures their consistent application within Crédit Agricole S.A. Group. It has responsibility for organising financial flows, defining and implementing refinancing rules, performing asset/liability management and managing prudential ratios.

Optimising financial flows within Crédit Agricole S.A. Group is an ongoing objective. Pooling of surplus resources and making it systematically possible to hedge the associated risks contribute to this objective.

Thus the principles of the Group's ALM approach ensure that any surpluses and shortfalls in terms of customer resources in particular at the Regional Banks are centralised in the books of Crédit Agricole S.A. This resource pooling helps in refinancing other Group entities as needed (including Crédit Agricole Leasing & Factoring and Crédit Agricole Consumer Finance).

This system for centralising the management of liquidity at Crédit Agricole S.A. serves to control and optimise cash management, especially since it is accompanied by partial interest rate matching.

Consequently, the Group has a high level of financial cohesion, with limited diffusion of financial risks, particularly liquidity risk. However, the Group's various entities are responsible for managing the risk that remains at their level, within the limits assigned to them.

Limits are defined by order of the Chief Executive Officer of Crédit Agricole S.A. in the framework of the Group Risk Management Committee, approved by the Board of Directors of Crédit Agricole S.A., and apply throughout Crédit Agricole S.A. Group:

- subsidiaries that carry asset/liability risks comply with limits set by Crédit Agricole S.A.'s Group Risk Management Committee;
- methods of measuring, analysing and managing assets and liabilities of the Group are defined by Crédit Agricole S.A. Regarding retail banking balance sheets in particular, a consistent system of conventions and run-off planning has been adopted for the Regional Banks, LCL and the foreign subsidiaries;
- Crédit Agricole S.A. consolidates the subsidiaries' measurements of their asset-liability risks. Results of these measures are monitored by Crédit Agricole S.A.'s Treasury and ALM Committee;
- Crédit Agricole S.A.'s Financial Management department and Risk Management and Permanent Controls department take part in meetings of the ALM committees of the main subsidiaries.

II. Global interest rate risk

1. Objectives and policy

Global interest rate risk management aims to protect the net asset value of Group entities and optimise and stabilise their interest margins over time.

Net asset value and interest margins vary according to the sensitivity of net present values of cash flows of financial instruments, held on or off the balance sheet, to changes in interest rates. This sensitivity arises when the interest rate reset dates on assets and liabilities do not coincide.

Much of the Group's exposure to global interest rate risk relates to retail banking.

These include:

- in France, the Regional Banks (for which the Group's financial centralisation rules provide structural backing from Crédit Agricole S.A. to cover a substantial portion of the risk) and LCL. With regard to LCL, the system of delegating global interest rate risk management to Crédit Agricole S.A., introduced in 2007, underwent a significant change in 2012 with the reintegration of matching of savings in the LCL balance sheet;
- on an international level, Cariparma in particular.

Given the nature of their business, other subsidiaries such as Crédit Agricole CIB, Crédit Agricole Consumer Finance, Crédit Agricole Leasing & Factoring, Crédit Agricole Bank Polska and EFL also bear a global interest rate risk.

When new acquisitions are made, Crédit Agricole S.A. organises the incoming entity's adoption of the global interest rate risk management standards and methods in force and prepares a calibration report on the limits for the entity. This report is then presented to the Group Risk Management Committee for a decision.

2. Risk management

Each entity, in accordance with the Group's limits and standards, manages its exposures under the supervision of its ALM Committee.

The Group's exposure to global interest rate risk is presented regularly to Crédit Agricole S.A.'s Treasury and ALM Committee.

This Committee is chaired by the Chief Executive Officer of Crédit Agricole S.A. and includes several members of the Executive Committee along with representatives of the Risk Management and Permanent Controls department:

- examines the individual positions of Crédit Agricole S.A. and its main subsidiaries along with consolidated positions at each quarterly closing;

- examines compliance with limits applicable to Crédit Agricole S.A. Group and to entities authorised to bear global interest rate risk;
- validates the guidelines for global interest rate risk of Crédit Agricole S.A. managed by the Financial Management department.

The financial management department and the Risk Management and Permanent Controls department are represented on the main subsidiaries' ALM committees. They ensure harmonisation of methods and practices across the Group and monitor compliance with the limits assigned to each of the subsidiaries' entities.

Each Regional Bank's situation as regards global interest rate risk is reviewed quarterly by the Regional Banks' Risk Management Committee.

3. Methodology

The rate risk measurement is, in the main, based on the calculation of rate gaps or impasses. This methodology consists of creating future projections of outstandings at known rates and inflation-indexed outstandings according to their contractual features (maturity date, amortisation profile). The future behaviour of certain outstandings must, however, be modelled when:

- the maturity profile is not known (products with no contractual maturity such as demand deposits, passbook accounts or capital);
- implicit options sold to customers are incorporated (early loan repayments, home purchase savings etc.).

At the moment, these models are essentially based on statistical analysis of customers' past behaviour, possibly supplemented by expert appraisals. They must adhere to the modelling principles approved by the Standards and Methodology Committee, must be approved by the entity's ALM Committee and their relevance monitored on an annual basis.

The reference gap is the gap observed at the end of the reporting period. This is the "static" gap. Forecasts of loan production can then be employed to generate a projected gap.

The gaps are consolidated quarterly at Group level. When their management requires it, some entities, particularly the major ones, measure their gaps more frequently.

The rules that apply in France to the *Livret A* interest rate, which is a benchmark for part of the deposits collected by the Group's retail banking business (regulated products and others), index a portion of the interest to inflation over a rolling 12-month period. As a result, the Group hedges the risk associated with these balance sheet items using instruments (carried on or off the balance sheet) for which the underlying is an inflation rate.

Option risks are included in the gaps using a delta-equivalent measure of the residual position. A significant portion of these risks is hedged using other option-based products, however. These various measurements have been complemented by the implementation, for the Group's main entities, of the basis risk measurement, which relates to adjustable- and variable-rate transactions for which the rate-setting conditions are not consistent for both assets and liabilities.

The Group is primarily exposed to changes in interest rates in the euro zone (real rates, reflecting inflation, and nominal rates). The Group also manages interest rate positions related to other currency zones, mainly the US dollar, the Polish zloty and the Swiss Franc.

The limits set at Group and entity levels put bounds on the extent of the maximum discounted loss over the next 30 years and the maximum annual loss over the next 15 years in the event of a rate shock. The rules for setting limits are intended to protect the Group's net asset value in accordance with the second pillar of the Basel 2 regulations regarding global interest rate risk and to limit the volatility, over time, of net interest income by avoiding sizeable concentrations of risk on certain maturities. As well as being validated by the Group's Risks Committee, these limits must be approved by each entity's decision-making body.

Each entity (including Crédit Agricole S.A.) hedges the interest rate risks entailed by this method of financial organisation at its own level, by means of financial instruments (on- and-off-balance sheet, firm or optional). For example, fair value hedging is put in place as a result of monitoring fixed-rate gaps.

4. Exposure

The Group's interest rate gaps are broken down by type of risk (nominal rate/real rate) in the various currencies. They measure the surplus or deficit on sources of fixed-rate funds. By convention, a positive (negative) figure represents a downside (upside) risk on interest rates in the year considered. The figure indicates the economic sensitivity to a change in interest rates.

The results of these measures for Crédit Agricole S.A. Group in the aggregate at 31 December 2012 are as follows:

GAPS IN EUROS (AT 31 DECEMBER 2012)

(in billions of euros)	2013	2014-2018	2019-2023	> 2023
Gaps in euros	(1.1)	(3.9)	(2.6)	(0.9)

In terms of revenues sensitivity during the first year (2013), Crédit Agricole S.A. Group is exposed to a hike in interest rates (Eonia) in the euro zone and would lose €10.8 million in the event of a sustained hike of 100 basis points, giving a revenues sensitivity of 0.07% (reference revenues: €16.31 billion).

At 31 December 2011, in terms of revenues sensitivity in the first year (2012), Crédit Agricole S.A. Group was exposed to a drop in the euro zone interest rates (Eonia) and would have lost €22.4 million in the event of a sustained drop of 100 basis points, giving a revenues sensitivity of 0.11% (reference revenues of €20.78 billion).

Based on these sensitivity figures, the net present value of losses incurred over the next 30 years in the event of a 200-basis-point upward shift in the euro zone yield curve is less than 2% of Crédit Agricole S.A. Group's regulatory capital (Tier 1 + Tier 2) after deduction of equity investments.

OTHER CURRENCY GAPS (AT 31 DECEMBER 2012)

(in billions of euros)	2013	2014-2018	2019-2023	> 2023
Other currency gaps(1)	4.6	0.5	0.3	0.1

(1) Sum of all gaps in all currencies in absolute values countervalued in billions of euros.

The aggregate sensitivity of the 2013 revenues to a change (primarily to a rise) in interest rates across all other currencies amounts to 0.28% of the reference (2012) revenues of Crédit Agricole S.A. Group. The main foreign currencies to which Crédit Agricole S.A. Group had exposure were the US dollar, the Polish zloty and the Swiss franc.

At 31 December 2011, the aggregate sensitivity of the revenues over the first year to a change (primarily to a rise) in interest rates across all other currencies amounted to 0.26% of the reference revenues.

III. Foreign exchange risk

Foreign exchange risk is treated differently depending on whether the currency position is structural or operational.

1. Structural foreign exchange risk

The Group's structural foreign exchange risk arises from long-term investments by the Group in assets denominated in foreign currencies (equity of the foreign operating entities, whether resulting from acquisitions, transfers of funds from the head office, or capitalisation of local earnings), with the Group's reference currency being the euro.

At 31 December 2012, the Group's main structural foreign currency positions, on a gross basis before hedging, are in US dollars and currencies pegged to it (such as the Hong Kong dollar), sterling pounds, Swiss francs, Polish zlotys and yen.

Foreign exchange risks are borne mainly by Crédit Agricole S.A. and its subsidiaries. The Regional Banks retain only a residual risk. Positions are determined on the basis of financial statements.

In most cases, the Group's policy is to borrow in the currency in which the investment is made in order to immunise that asset against foreign exchange risk.

The Group's policy for managing structural foreign exchange positions has two overall objectives:

- first, to immunise the Group's solvency ratio against currency fluctuations. Unhedged structural foreign exchange positions are sized to obtain such immunisation;
- second, to hedge the risk of asset impairment due to changes in foreign exchange rates.

Five times a year, the Group's foreign exchange positions are presented to the Treasury and ALM Committee, which is chaired by the Chief Executive Officer. General decisions on how to manage positions are taken during these meetings. In this case, the Group documents net investment hedges in foreign currencies.

2. Operational foreign exchange risk

Operational foreign exchange risk arises mainly from revenues and expenses of all kinds that are denominated in currencies other than the euro (provisions, net income generated by foreign subsidiaries and branches, dividends in foreign currencies etc.).

Crédit Agricole S.A. manages the positions affected by foreign currency revenues and expenses that appear on its books, as does each entity within the Group that bears significant risk. The Foreign Subsidiaries' Treasury departments manage their operational foreign exchange risk in their local currency.

The Group's general policy is to limit its operational currency positions and not to hedge revenues that have not yet materialised, unless there is a strong probability that losses will materialise and unless the impairment risk is high.

In accordance with the foreign exchange risk monitoring and management procedures, operational currency exposure positions are updated monthly, or daily for foreign exchange trading operations.

IV. Liquidity and financing risk

Like all credit institutions, the Group is exposed to a risk of not having sufficient funds to honour its commitments. This risk may materialise, for example, in the event of massive withdrawals of customer deposits, a crisis of confidence or a general shortage of liquidity in the market (limited access to inter-bank and money markets).

1. Objectives and policy

The Group's primary objective in managing liquidity is to ensure that it has sufficient resources to meet its requirements in the event of a severe, prolonged liquidity crisis.

The Group relies on a system for assessing and monitoring liquidity risk based on maintaining liquidity reserves, organising its refinancing seeking to curb short-term refinancing, achieve an appropriate long-term refinancing timeframe and diversify sources of refinancing, and ensuring a balanced development between loans and deposits.

The system is underpinned by a series of limits, indicators and procedures.

It is applied consistently across Crédit Agricole Group, thereby allowing liquidity risk to be assessed and managed on a consolidated basis.

This system was approved by the Board of Directors of Crédit Agricole S.A. in February 2010. It aims to organise the funding of Crédit Agricole Group by bringing its structure (volume, components, maturities) into line with the liquidity risk tolerance thresholds the Group sets for itself. These tolerance thresholds are expressed by the Group's duration of resistance to different stresses. There are three aggregate limits on the liquidity risk relating to short-term debt and one aggregate limit on long- and medium-term debt.

This internal approach complies with the liquidity ratio set out in the ministerial order of 5 May 2009 on identifying, measuring, monitoring and managing liquidity risks. This order applies to all of the Group's credit institutions.

2. Risk management

Crédit Agricole S.A. is responsible for rolling out and consolidating the risk management system across the entire Crédit Agricole Group.

Within Crédit Agricole S.A., this responsibility falls to both the Financial Management department which manages refinancing at an operational level, monitors reserves and coordinates Treasury departments; and the Risk Management department, which validates the risk management system and ensures that limits and other rules are respected.

The management of short-term refinancing involves:

- setting spreads on short-term funds raised under the various programmes (mainly negotiable CDs);
- centralising assets eligible for refinancing by the central banks of Group entities and specifying the terms and conditions of use in the framework of tenders;
- monitoring and forecasting cash positions.

The management of long-term refinancing involves:

- surveying needs for long-term funds and tradeoffs that might be made;
- planning refinancing programmes to meet these needs;
- executing and monitoring these programmes over the course of the year;
- reallocating the funds raised to Group entities;
- setting prices for liquidity in intragroup flows.

Long-term refinancing programmes comprise various instruments. The main ones are shown, in detail, in item 3 below.

The body in charge of these tasks at an operational level is the Group's Treasury and Liquidity Committee, which reviews all matters relating to liquidity issues ranging from intraday to medium/long-term. This Committee also acts as the liaison between the Treasury departments of Crédit Agricole S.A. and Crédit Agricole CIB (the Group's two most active Treasury departments). It proposes policy directions for the Group's Asset-Liability Management and Capital Liquidity Committee.

The Asset-Liability Management and Capital Liquidity Committee, chaired by the Chief Executive Officer of Crédit Agricole S.A. (who is also informed of the Group's liquidity positions), is responsible for all key decisions concerning the management of funding programmes, the launch of new programmes, the validation of funding budgets, and management of the balance between loans and deposits.

The Group Risk Management Committee, chaired by the Chief Executive Officer of Crédit Agricole S.A., is responsible for approving aggregate liquidity limits.

If funding markets tighten, a committee is set up by the Executive Management, the Group Risk Management and Permanent Controls department and the Group Finance department in order to keep a close watch on the Group's liquidity situation. This Committee, ushered in by a new phase of the sovereign debt crisis in June 2011, continued to meet throughout 2012 despite the ongoing improvement in funding conditions over the period.

3. Funding conditions in 2012

Extraordinary mechanisms put in place by the ECB in late 2011 and early 2012, kickstarted funding in the first quarter. Major tensions returned to the funding markets in the second quarter in the period prior to the Greek and French elections. The ECB's July announcements gave rise to an upturn in business in the second half, and a severe tightening of funding costs, which continued on into 2013.

Under these conditions, the Crédit Agricole Group continued to follow a prudent liquidity management policy. This prudence was reflected in its ongoing deleveraging plan, as well as in its adjustment plan which aimed to reduce funding requirements by €50 billion. This objective was achieved from the third quarter of 2012 by means of a strategy to increase its reserves in the form of securities, in line with the new Basel regulatory plans.

These initiatives enabled the Group to reduce its dependency on the funding markets and to increase its resistance to their closure, notably by hedging its customer and illiquid assets with stable structural liabilities: customer deposits, equity and medium/long-term debt.

In 2012, Crédit Agricole S.A. realised 157% of its medium- and long-term market issue programme, set at €12 billion for the year. Issues therefore exceeded the initial programme of €6.8 billion.

The Group continued its policy of diversifying across the various debt markets, notably by launching a vehicle, Crédit Agricole Public Sector SCF, which enables it to fund loans guaranteed by export credit agencies under favourable terms.

Debt issues and refinancing operations guaranteed by collateralised receivables represented €9 billion and had an average maturity of nine years. These included:

- Crédit Agricole Home Loan SFH (e.g. Crédit Agricole Covered Bonds): €4.5 billion;
- Crédit Agricole Public Sector SCF: €1 billion;
- CRH (Caisse de refinancement de l'habitat): €2.4 billion;
- Supranational organisations (CDC, EIB, CEDB): €1.1 billion.

It also issued senior unsecured debt (Euro Medium Term Note – EMTN, USMTN, currency placements and private placements in euros) for a total of €9.8 billion and an average maturity of 3.8 years.

Furthermore, to enhance its Core Tier 1 capital, on 26 January 2012, Crédit Agricole S.A. launched a buyback offer on eight series of subordinated bonds in circulation.

These offers resulted in the repurchase of:

- US$610 million as a nominal amount of perpetual deeply subordinated notes issued on 31 May 2007;
- and the repurchase of €1,633 million as a nominal amount for seven series of securities denominated in euros, sterling pounds and Canadian dollars (six series of perpetual deeply subordinated notes and a series of perpetual subordinated notes).

The gains concerning this operation, net of tax, amounted to €552 million.

At the same time, the Group is developing access to additional funding, *via* its retail networks and specialised subsidiaries:

- the issue of Crédit Agricole S.A. bonds in the networks of the Regional Banks amounted to €3.7 billion in 2012 with an average maturity of 9.5 years;
- the issues carried out by LCL and Cariparma in their networks amounted to €4.9 billion in 2012;
- Crédit Agricole CIB issued €7.6 billion, mainly in structured private placements with its international customers;
- Crédit Agricole Consumer Finance raised €4.4 billion in 2012.

4. Methodology

Crédit Agricole Group's liquidity risk management and control system is built around indicators divided into four separate groups:

- short-term indicators derived largely from simulations of crisis scenarios. The purpose of these is to schedule maturities and volumes of short-term refinancings as a function of liquidity reserves, cash flow from commercial business and repayment of long-term borrowings;
- long-term indicators used to assess the risk of a rise in Crédit Agricole issue spreads and to schedule maturities of long-term debt so as to anticipate Group funding requirements;
- diversification indicators which are used to limit concentration in sources of funding;
- cost indicators used to measure the short-term and long-term trends in the Group's issue spreads and evaluate the impact of a higher or lower liquidity cost.

The definition of these indicators and the way in which they are to be managed are set out in a series of standards which were reviewed and validated by various Group bodies.

Crédit Agricole Group continues to:

- monitor the work of regulators relating to the management of the liquidity risk, particularly by taking part, through French and European professional associations, in consultations carried out by European bodies in this field. The Group has noted the announcements of the Basel group on the revision of the regulatory definition of liquidity reserves;
- analyse and perform regular simulations of two future Basel liquidity ratios, the Liquidity Coverage Ratio (LCR) governing one-month liquidity and the Net Stable Funding Ratio (NSFR).

This regulatory environment of profound change and the lessons learnt from the 2011 crisis, led the Group to conduct a review of the Crédit Agricole Group's liquidity management and oversight system. A thorough overhaul was begun at the end of the first quarter and has been continued with, in particular, the introduction of the notion of liquidity reporting (preparation of a cash balance sheet) and related distribution principles.

5. Exposure

Credit institutions in France are subject to the "standard" liquidity ratio set out in the ministerial order of 5 May 2009 and introduced in June 2010. This liquidity ratio is the ratio of cash and other short-term assets to short-term liabilities. It is calculated monthly, on a company basis, with the minimum figure being 100%.

At 31 December 2012, the liquidity ratio of Crédit Agricole S.A. was 150%, compared with 122% at 31 December 2011.

V. Hedging policy

Within Crédit Agricole S.A. Group, derivative instruments are used for three main purposes:

- to meet demand from Group customers;
- to manage the Group's financial risks;
- to take positions for the Group's own account as part of specific trading activities.

Derivatives not held for hedging purposes (as defined by IAS 39) are recognised in the trading portfolio. Accordingly, these derivatives are monitored for market risk as well as counterparty risk, where applicable. Certain derivative instruments may be held for the economic hedging of financial risks, but without meeting the IAS 39 criteria (prohibition on equity hedging, etc.). For this reason, they are likewise recognised in the trading portfolio.

In all cases, the intent of the hedge is documented at the outset and verified quarterly by appropriate tests (forward-looking and backward-looking).

Each Group entity manages its financial risks within limits set by the Group Risk Management Committee chaired by the Chief Executive Officer of Crédit Agricole S.A.

The tables in Note 3.4 to the consolidated financial statements give the market values and notional amounts of hedging derivative instruments.

1. Fair value hedges and cash flow hedges

Global interest rate risk management aims to reconcile two approaches:

- protection of the Group's net asset value, which requires matching balance sheet and off-balance sheet items that are sensitive to interest rate variations (*i.e.* fixed-rate items, for the sake of simplicity) against instruments that are also fixed-rate, so as to neutralise the variations in fair value that occur when interest rates change. If the matching is done by means of derivative instruments (mainly fixed-rate swaps, inflation swaps and market caps), the derivatives are classified as **fair value hedges** if the instruments (micro FVHs) or groups of instruments (macro FVHs) identified as the hedged items (fixed-rate assets and inflation: loans and receivables due to customers, fixed-rate liabilities and inflation: demand deposits and savings deposits) are eligible under IAS 39. As mentioned above, these derivatives are recognised in the trading portfolio by default, even though they represent economic hedging of risk.

  To check hedging suitability, hedging instruments and hedged items are grouped by maturity using contract characteristics or, for certain balance sheet line items (particularly deposits), using assumptions based on the financial characteristics of the products and historical behaviour. The comparison between the two maturity schedules (hedges and hedged items) means that hedging can be documented in a forward-looking manner for each maturity;
- protection of the interest margin, which requires neutralising variations in future cash flows associated with instruments or related balance sheet items that are affected by interest rate resets on the instruments, either because they are indexed to interest rate indices that fluctuate or because they will be refinanced at market rates by some point in the future. If this neutralisation is effected using derivative instruments (mainly interest rate swaps), the derivative instruments are classified as **cash flow hedge (CFH) instruments**. This neutralisation can also be carried out for balance sheet items or instruments that are identified individually (micro CFHs) or portfolios of line items or instruments (macro CFHs).

The table below shows the amount of cash flows covered by cash flow hedges, broken down by projected maturity date, for the main relevant subsidiaries:

(in millions of euros)	At 31/12/2012			
Remaining time to maturity	**Less than one year**	**One to five years**	**More than five years**	**Total**
Hedged cash flows	25	230	1,456	1,711

2. Net investment hedge in foreign currencies

A third category of hedging is protection of the Group's net asset value against fluctuations in exchange rates and resulting changes in the value of assets or liabilities held in currencies other than the Group's reference currency, which is the euro. The instruments used to manage this risk are classified in the **net investment hedge** category.

RISKS IN THE INSURANCE SECTOR

The Crédit Agricole Assurances Group markets savings, death and disability, property & casualty and creditor insurance in its French and foreign subsidiaries.

Four types of risks are monitored and managed by Crédit Agricole Assurances entities:

- market risks, mainly ALM related: interest rate, equity, foreign exchange, liquidity or redemption risks. These risks are measured based on the guarantees given to the customer (guaranteed minimum return, floor rate, etc.);
- counterparty risks on portfolio assets (issuer credit quality) and on reinsurers;
- technical risks associated with the insurance business, which vary depending on levels of claims and premiums. These mainly depend on pricing, marketing and medical screening. Part of these risks can be reinsured by paying a premium to reinsurance entities;
- operational risks, particularly in process execution. These risks may be specific to insurance but are monitored and managed in accordance with Crédit Agricole S.A. Group standards and procedures.

Crédit Agricole Assurances (CAA) risks are monitored under the current regulatory framework for solvency requirements, known as "Solvency 1", which applies at entity level as well as at consolidated level. Crédit Agricole Assurances Group is in compliance with all applicable solvency requirements.

The adjusted solvency ratio calculated on the basis of the consolidated financial statements is reported annually to the French Prudential Supervisory Authority (ACP).

At the same time, Crédit Agricole Assurances Group is preparing itself for "Solvency 2". It has planned and launched projects, at subsidiary and Group level, to implement the new rules and monitor their smooth progress towards full compliance with the directive. All Crédit Agricole Assurances entities took part in the European QIS5 (quantitative impact study no. 5) carried out on the 31 December 2009 financial statements under the aegis of the Committee of European Insurance and Occupational Pensions Supervisors (CEIOPS). The QISs consist in assessing the solvency margins required by Crédit Agricole Assurances Group based on its consolidated financial statements after taking into account the diversification effect between Group entities.

The simulations applied to the financial statements at 31 December 2010 and 31 December 2011 showed that capital qualifying under the transitional rules covers the capital requirements defined by Solvency 2. Moreover, an additional stress test exercise conducted by the EIOPA in 2011 confirmed the sufficient level of capital in the various scenarios.

I. Risk monitoring and management

1. Risk strategy

Crédit Agricole Assurances risks are managed as part of Crédit Agricole S.A.'s insurance business risk strategy for common and uniform risks. Each entity in France and abroad applies it in order to draw up its risk strategy, based on a schematic mapping of its major risk exposures (market, technical, counterparty and operational risks specific to their business) and their valuation.

These risk strategies, coordinated at the level of the Crédit Agricole Assurances holding (CAA) holding company by its head of Risk Management and Permanent Controls, are the formal expression of the different policies entities use to manage their life insurance risks (financial, subscription, pricing, provisioning, reinsurance, claims management policies, etc.). They notably fix global limits in between which these risk exposures are kept (through asset allocation, counterparty limits, hedging rules, for instance) and prescribe management and supervision procedures. These are reported to Crédit Agricole S.A.'s Group Risk Management department (DRG) in a process coordinated with the CAA's heads of Risk Management and Permanent Controls (RCPR) at each entity. They are submitted for validation to the Group Risk Management Committee chaired by Crédit Agricole S.A.'s CEO.

2. Operational risk management

Risk management policies defined by each company are reviewed at least once a year and approved by their Board of Directors.

Operational management of the risks specific to each entity's business is based around regular committees (financial or investment committees, ALM committees in life insurance, technical committees, reinsurance committees in property & casualty, etc.). These committees are responsible for monitoring the risk situation, based on the reporting system of the particular business line (investment, actuarial items, ALM reports, etc.), and presenting analyses to support the risk management process. If necessary, they can draw up proposals for action, which are then submitted to the Board of Directors.

The Crédit Agricole Assurances holding company has also drawn up a set of standards for foreign subsidiaries to be applied in each subsidiary. These define limits on the scope of decentralised decisions and lay down rules for the decision process.

3. Risk monitoring

Risk monitoring procedures within the entities implement the directives of Crédit Agricole S.A. as they apply to the insurance business. They are examined during meetings of the Internal Control or Risk Management and Permanent Control Committees, in light of the permanent and periodic control reports. The same committees also examine the risk scoreboards which report relevant indicators for each risk type and monitor compliance with limits. The head of Risk Management and Permanent Controls can submit to the committees operational limits and alert thresholds in addition to the global limits set by the Risk strategy. Any alteration to these global limits must be resubmitted for approval to the Crédit Agricole S.A. Group Risk Management and Permanent Controls department.

Whenever execution of financial management is entrusted to investment service providers, delegation agreements are signed setting out in detail the risk management and control procedures as well as the monitoring methods (limit monitoring, monitoring of Risk Strategy targets, etc.).

The Crédit Agricole Assurances holding company has set up a group-wide Risk Management and Permanent Control Committee to make high-level policy for Risk Management and Permanent Controls in the insurance business and to monitor risks at consolidated level. The Crédit Agricole Assurances holding company thus produces a Group Risk scorecard on a quarterly basis, which is updated with entities' management indicators and provides an overall, consolidated view of the Group's risks.

In order to improve capacity for prevention, assessment and consistency, a Risk Monitoring Committee was set up in 2012, meeting twice monthly, providing a shared RCPR forum. This committee analyses the occurrence of, and changes in, risks on an *ad hoc* basis and submits a summary report to the Crédit Agricole Assurances Executive Committee. In addition, the heads of Risk Management and Permanent Controls in Companies dealing with a major risk area play a cross-functional role as risk specialists for their area of expertise.

Finally, as part of its consolidated supervision process, Crédit Agricole S.A. carries out quarterly risk reviews of the entities belonging to Crédit Agricole Assurances Group based on reports from the RCPRs to the Crédit Agricole S.A. Risk department (DRG). Committees organised by DRG meet several times a year with each subsidiary. They are attended by the local CEO, local RCPRs and Crédit Agricole Assurances holding company RCPRs, to examine risk management and control processes as well as any current risk issues affecting the entity. The RCPRs alert DRG of any breaches to global limits. An action plan is then drawn up to rectify the breach.

4. Risk measurement tool for the savings and retirement business

In the savings and retirement business, risk measurement relies on modelling to assess the entity's risks by simulating its asset-liability matching on the basis of economic methods. This modelling is used to make MCEV (Market Consistent Embedded Value) and capital requirement calculations under Solvency 2. This modelling tool is used in the main entities outside France active in savings and in the death and disability business (Italy, Greece and Japan).

The tool replicates the insurer's policy choices in different market environments (asset allocation, contract revaluation, fees charged, etc.) and the behaviour of policyholders (mortality tables, simulation of structural and cyclical redemption patterns, etc.). It also takes into account the regulatory constraints (minimum policyholder profit participation, technical provisions, asset class limits, etc.). Simulations carried out using this tool shed light of the major decisions made by each company, whether commercial (products, rates paid), financial (asset allocation, hedging, etc.) or underwriting (reinsurance) and inform debates on governance issues.

II. Market risk

In each Crédit Agricole Assurances entity, transactions on financial markets are governed by policies appropriate to the entity's asset portfolio and matching of their liabilities (ALM). These take into account regulatory limits, internal limits (those approved under the Risk strategy or operational limits set by the entity), financial diagnosis based on the market outlook in a range of probable economic scenarios, and stress scenarios.

Crédit Agricole Assurances is continuously aware of the need to manage financial risks. Its strategy of diversifying allocations across all asset classes (fixed income, equities, alternative investment, real estate) allows it to control the total volatility of the value of its investment portfolio. Depending on portfolio size, profit targets and risk profiles, some types of investment may be forbidden or only authorised under certain conditions, e.g. *via* collective investment vehicles.

Crédit Agricole Assurances savings, pension and death and disability businesses are particularly affected by market risks owing to the very large volume of financial assets held to cover policyholder liabilities. Market risks are tested under stress scenarios to see how changes in the main risk factors would impact profitability (policyholder participation company profit or loss) and solvency: fall in equities, rise in rates, looking at their consequences for new inflows, redemptions (based on laws used in the internal modelling tool).

1. Interest rate risk

Interest rate risk is the risk of a change in the value of the fixed income portfolio due to interest rates level. Investments at floating rates expose the Group to fluctuations in future cash flows, whereas investments at fixed rates expose it to variations in the fair value of portfolio instruments.

A fall in rates may reduce the profitability of portfolios and ultimately create problems in meeting guaranteed minimum returns. A rate rise could make Crédit Agricole Assurances savings policies less competitive and create a risk of mass redemptions (potentially leading to forced sales of part of the fixed income portfolio in unfavourable market conditions and at a loss).

The bond portfolio (excluding units and securities issued by Crédit Agricole S.A.) amounts to €176 billion at 31 December 2012, compared with €162 billion in 2011.

To address this risk, Crédit Agricole Assurances has drawn up the following hedging and management rules:

- risk of decline in interest rates, owing to the presence of liabilities that feature a minimum guaranteed return superior to zero. This risk is managed by setting a minimum allocation to bonds, and a minimum share in fixed-rate bonds and hedging instruments (swaps, swaptions, floors);
- in France, regulation calls for recognition of a "provision for financial hazard" if the return on assets becomes insufficient to meet the insurer's liabilities to policyholders on guaranteed returns. No such provision was recognised by Crédit Agricole Assurances at 31 December 2012 or at 31 December 2011;
- risk of rate rises, to protect the entity against the risks of policyholders redeeming their policies in the event of a sharp and lasting rise in long-term yields making savings policies uncompetitive compared with other savings vehicles. This risk is managed by caps against a rise in rates which at end-2012 covered more than a third of assets managed under the fixed income portfolio and by keeping 25% of the portfolio invested in assets that can be quickly mobilised (liquid assets with low capital risk).

The sensitivity to rate risk of Crédit Agricole Assurances fixed-income portfolio excluding assets of unit-linked contracts, assuming a 100 basis point rise or fall in interest rates, is as follows (net of the impact on deferred policyholder surplus and tax):

	31/12/2012		31/12/2011	
(in millions of euros)	Impact on net income	Impact on equity	Impact on net income	Impact on equity
100 basis point rise in risk-free rates	(18)	(720)	(21)	(578)
100 basis point fall in risk-free rates	18	704	16	576

Impacts on securities held as available-for-sale financial assets are recognised in equity. Impacts on securities held for trading are recognised in profit or loss.

The Group's technical liabilities are largely insensitive to rate risks for the following reasons:

- savings reserves (more than 90% of technical reserves excluding unit-linked policies): these are based on the pricing rate which is unchanging over time for any particular policy. As a result, a change in interest rates will have no impact on the value of these commitments;
- property and casualty reserves: these technical reserves are not discounted to present value and changes in interest rate therefore have no impact on the value of these commitments;
- mathematical reserves for benefits (personal injury, disability): the discount rate used in calculating these reserves is based on the interest rate in force at the calculation date. Therefore, the size of these commitments varies with interest rates. However, given the small amount of these technical commitments, they represent no significant risk for Crédit Agricole Assurances.

Borrowings arranged by Crédit Agricole Assurances pay fixed rates. Interest is therefore insensitive to rate changes.

2. Equity risk

Equity market risk is the risk of a decline in the value of investments in equities consequent to a decline in stock market indices.

Falls in equity asset values can have multiple consequences: a negative impact on income if values are significantly impaired with implications for future profitability, guaranteed minimum return reserves and withdrawals.

Asset allocation studies performed on a regular basis have led the Group to cap the proportion of diversification assets based on the implied volatility of the equity markets. The optimal long-term allocation is estimated accordingly.

Crédit Agricole Assurances has also defined rules for hedging and managing risks relative to the valuation of diversification assets and can use options to partially hedge the risk of a fall in equity markets.

Investments in equities (including mutual funds and excluding assets of unit-linked contracts) amount to €26 billion at 31 December 2012, compared with €24 billion at 31 December 2011.

Crédit Agricole Assurances sensitivity to equity risk, assuming a 10% rise or decline in equity markets, is as follows (impacts are shown net of deferred policyholder surplus and tax):

	31/12/2012		31/12/2011	
(in millions of euros)	Impact on net income	Impact on equity	Impact on net income	Impact on equity
10% rise in equity markets	60	95	60	109
10% decline in equity markets	(65)	(93)	(70)	(108)

These sensitivity measurements include the impact of changes in the benchmark equity index on assets measured at fair value, reserves for guaranteed minimum return and reserves for the right to withdraw from unit-linked policies as well as any additional impairment provisions required by a decline in equity markets.

Changes to the fair value of available-for-sale financial assets are recognised in reserves for unrealised gains or losses, all other items are recognised in profit or loss.

3. Foreign exchange risk

Foreign exchange risk is the risk of a change in the fair value of a financial instrument due to a change in exchange rates.

Crédit Agricole Assurances holding has one subsidiary which operates using a foreign currency, Crédit Agricole Life Insurance Japan. This investment is partially hedged by a loan denominated in yen.

The residual exposure to foreign exchange risk of this investment is negligible.

Furthermore, the diversification of investments to international financial markets (equities, fixed income) automatically creates exposure to foreign exchange risk. For dollar, yen and sterling pounds assets held through dedicated mutual funds, a minimum coverage ratio is set for each currency. Fixed income mutual funds are systematically hedged against foreign exchange risk, and direct holdings of securities (bonds, equities) are denominated in euros as a matter of course.

At year end-2012, residual foreign exchange exposure was low.

4. Liquidity risk

Liquidity risk is the risk of not being able to cover liabilities when due, as a result of a mismatch between the cash requirement and the Group's available cash. It is a concern mainly for entities conducting savings and death and disability insurance business.

Liquidity risk can result from:

- illiquid investments. To deal with this risk, Crédit Agricole Assurances entities pay specific attention to liquidity when selecting their investments. Most are securities listed on liquid regulated markets. The valuation of other asset classes – private equity, over-the-counter derivatives, etc. – is monitored by the investment managers to whom responsibility has been delegated;
- a mismatch between the maturity schedules of investments (assets) and insurance contracts (liabilities). Crédit Agricole Assurances entities have established a prudential framework for managing liquidity as part of their ALM policy.

Furthermore, life entities have defined a "reactivity" ratio intended to reflect the entity's ability to come up with short-term liquidity without risking loss of value. This indicator is calculated as the ratio of assets maturing in less than two years to the total portfolio. Liquid assets maturing in less than two years include cash, money-market mutual funds, fixed income mutual funds whose sensitivity is controlled, floating-rate and inflation-indexed bonds, as well as hedges on two- to five-year CMS indices and fixed-rate bonds with a remaining maturity of less than two years. Also, a payability test analyses the ability of each subsidiary to meet massive outflows (tripling of historical redemptions).

Against a backdrop of significant uncertainty in terms of business and, therefore, net inflows, liquidity management may be adapted by setting targets for amounts of liquidity to be held in the very short term (weeks and months).

In the non-life business, internal simulations are also carried out to quantify any liquidity risk following shocks to liabilities (increase in claims) and/or assets (deterioration of financial markets).

III. Credit or counterparty risk

A second dimension of the policy for containing financial risks is containment of counterparty risk, that is, the risk of payment default by one or more issuers of instruments held in the investment portfolio. Counterparty risk on reinsurers is treated in the section on reinsurance (see section that follows).

As with market risks, each Crédit Agricole Assurances entity has a policy on controlling credit or counterparty risks tailored to its own portfolio profile, covering both overall risk to the fixed income portfolio and individual risks.

Accordingly, counterparty risk is contained in the first instance by aggregate limits based on issuer credit ratings (Solvency 2 rating corresponding to the second best of the three S&P, Moody's and Fitch ratings) defining allocation by rating levels.

Crédit Agricole Assurances's rules do not allow direct holdings of securities rated lower than BBB, save in the exceptional case of a downgrade that occurred after the acquisition, and provided the repayment capacity of the issuer involved remains intact. Indirect investments *via* a specialist fund in high-yield securities, when permitted by investment rules, is subject to strict weighting constraints.

At 31 December 2012, non-investment grade bonds held either directly or indirectly, made up 3% of Crédit Agricole Assurances's total portfolio, compared with 6% at end-2011.

In addition, this year some subsidiaries began to extend their bond investments to issuers not rated by at least one of the rating agencies (local authorities and mid-caps) but with an internal Crédit Agricole S.A. investment grade rating as a minimum requirement. These investments, which were minor in 2012 (€2.7 billion) are managed using specific risk policies.

In addition to the concentration ratios imposed by local regulations, entities have also defined risk limits for each name, calibrated against the portfolio's exposures in line with its credit quality.

The bond portfolio (excluding unit-linked policies) by credit rating breaks down as follows:

Additional diversification rules may be imposed (on sectors, bank deposits, etc.).

In 2012, just as in 2011, exposure to Eurozone sovereign debt was brought down with major disposals on weakened sovereigns cutting exposures by half. Greek government debt holdings were put up for exchange on 12 March 2012, resulting in an additional loss for Crédit Agricole Assurances, given the disparity between the value of the new securities received (Greek and EFSF) and the valuation carried out at the end of 2011. The new Greek securities obtained under the exchange were, however, fully paid up such that by the end of 2012, Crédit Agricole Assurances no longer had any exposure to Greece. A highly selective approach, and even abstention, was also applied when granting corporate or financial credits in these countries.

The residual exposure to the sovereign debt of weakened euro zone countries is set out in Note 6.8 to the consolidated financial statements.

IV. Technical risks

Underwriting risk takes different forms depending on the nature of the insurance, life or non-life.

Risks related to reinsurance are treated separately in the section below.

1. Technical risks from personal insurance

In the life business, underwriting risk results from the pricing of risks associated with the length of a human life and the hazards of life at the time the policy is written. It can also arise from mortality shocks (such as a pandemic).

The main businesses concerned are savings and death and disability insurance and creditor insurance as regards the death benefit feature of the policies.

Underwriting risk arises from the assumptions underlying the pricing of the benefits and the financial options that the policyholder can exercise.

These mainly consist of:

- four elementary biometric risks:
  - mortality risk (benefit paid in the event of death),
  - longevity risk (benefit paid in the event of survival, as on a life annuity or whole life policy, etc.),
  - morbidity risk (benefit paid in the event of disability and need for long-term care),
  - disability risk (benefit paid in the event of inability to work);
- a behavioural risk is a risk of early redemption (or prorogation, arbitration, termination, etc.) of insurance policies compared with the expected level;
- a risk that loading charges will be insufficient to cover operating expenses and commission paid to distributors.

Underwriting risk is measured on the basis of observed gaps in these factors between the pricing elements used when the policy was written and the actual annual results on the policy portfolio:

- for the biometric risks, statistical tables are established either from national or international statistics or from insurance portfolio statistics (experience tables);
- for redemption risk, probability criteria are constructed on the basis of observation on the portfolio (for structural redemptions) and primarily on "expert opinion" (for cyclical redemptions not amenable to statistical observation);
- for loading risk, the relevant gap is the difference between expenses actually charged and expenses borne by the insurer.

To limit behavioural risk, the policy compensation strategy, which is partly discretionary, takes into account market conditions on a forward-looking basis. The participation payout strategy relies on tests of sensitivity to market conditions or loss experience. Regularly conducted stress tests are used to evaluate different remuneration rate policies over the course of the next five years based on analyses of the impacts on earnings, reserves and solvency.

Similarly, modelling of policyholder behaviour and ex post analysis of their actual behaviour are used to adjust the duration of assets to the duration of liabilities at regular intervals, so as to limit the risk of an unexpected deviation in redemptions.

Given the weight and the general physiognomy of the portfolios (mass risk, average capital), only catastrophe risk is liable to have any real impact on results in individual or group death and disability insurance. The French life insurance subsidiary's portfolio benefits from BCAC cover (*Bureau Commun des Assurances Collectives*), both on Group death benefits (insured loans) and individual death and disability benefits (open group), as well as, in part, supplementary cover of disability risk.

As regards unit-linked contracts, variations in the value of the underlying assets are borne by the policyholders, provided there is no floor guarantee benefit payable under the policy. In the event that the insured dies, this guarantee entitles the beneficiaries to receive at least the amount invested by the insured, regardless of the value of the unit-linked account at the date of death. The insurer is thus exposed to a composite risk determined by (i) the probability of death of the insured and (ii) the financial risk on the value of the unit-linked account. A technical provision is recognised for the floor guarantee. It is measured using an economic model incorporating the two components.

The performance of unit-linked funds is monitored on a regular basis, *via* comparison with the competition for funds available on the open market, and in terms of how to apply formula-based funds.

As regards reinsurance, Crédit Agricole S.A. entities in the savings and death and disability business in France and internationally make little use of reinsurance. As it is:

- the bulk of their business is in individual savings products;
- the death and disability risk policies that they distribute are made up of a very large number of small risks, with the exception of the long-term care policies;
- strong financials and prudent management enable them to exceed the minimum required solvency ratio by a comfortable margin.

2. Technical risks from property & casualty and creditor insurance

This mainly concerns the property & casualty business and non-life benefits included in creditor insurance policies.

The main risks from property & casualty and creditor insurance are as follows:

- poor selection of risks and under-priced premiums;
- claims management;
- concentration and catastrophe risks.

The technical risk is managed by means of five policies:

- underwriting policy, which is specific to each market or type of policy and which sets the rules that partners must apply in distributing policies;
- pricing policy, which is governed by the entity's development strategy, and for which pricing rules and procedures are formalised as part of the strategy;
- commercial policy, which is part of the Risk Strategy for managing the entity's financial equilibrium and long-term solvency;
- partner compensation policy, which is governed by management agreements;

- claims management policy, which depends on manuals of procedures and controls to be applied by those in charge of managing claims;
- reinsurance policy.

The technical result on non-life business is measured mainly using the claims ratio, which is the ratio of claims paid to premiums earned on the business.

Claims ratios are calculated every month by product line. They are analysed by actuaries in terms of their variation from one quarter to the next and their closeness to the initial targets. They are presented to the relevant Management Committees.

Tracking claims ratios serves to identify products that are structurally unprofitable and therefore require solutions to improve underwriting results (new rate schedule, redefinition of the target customer or the underwriting rules, restriction of policy benefits, etc.), and to identify where efforts must be made on pricing, for example, when a product's sales volume is not satisfactory.

Monitoring of underwriting risk is supplemented by the analysis of portfolios from the standpoint of production over time (policyholder profile, etc.), breakdown of claims (frequency, average cost, etc.) and the evolution in claims by year of occurrence.

Concentration risk in non-life insurance relates to a concentration of risks resulting in an aggregation of liabilities arising from a single claim.

Two types of concentration risks should be distinguished:

- underwriting concentration risk in which policies are written by one or more Group entities on the same risk;
- claim concentration risks, where policies are written by one or more Group entities on risks that are different, but liable to be triggered by a single covered event or the same primary cause.

This type of risk is hedged, first, by a policy of diversifying the risks written in a single region and, second, by reinsurance to limit the financial impact of major events (storms, natural disasters, civil liability claims, serial risks, unemployment, etc.). The reinsurance policy thus seeks to achieve a high level of protection against systemic and/or exceptional events, thereby reducing the volatility of net income and protecting capital (through a general hedge of retentions and any overruns in individual reinsurance agreements covering each type of risk).

3. Reinsurance risk

Reinsurance risks are of three types:

- inappropriate reinsurance (insufficient cover or, on the other hand, payment of too high a premium which erodes technical margins and competitiveness);
- risk of a reinsurer defaulting and not being able to pay all their share of the claims;
- no or virtually no reinsurance on a given activity or guarantee given.

Risk containment measures have been implemented along four lines:

- monitoring the adequacy of reinsurance cover relative to the commitments to insureds;
- monitoring the reinsurers' credit rating;
- monitoring the dispersion of risk across reinsurers;
- monitoring results on each reinsurance agreement.

Reinsurance policy seeks to optimise protection through a good "cover/price" ratio.

The terms and conditions of reinsurance (premium rates, nature of cover, types of limits, etc.) are for the most part reset annually when reinsurance agreements are renewed.

The reinsurance plan is reviewed annually by the Board of Directors at subsidiary level.

Since the entity will be left to pick up the liabilities of any reinsurer who defaults, financial robustness is a prime criterion in selecting reinsurers. Similarly, limits on the share of risks taken on by each reinsurer both globally and under each agreement, where possible, tends to reduce the impact of a default.

Net outstandings ceded to reinsurers (ceded reserves and current accounts with reinsurers net of cash deposits received) totalled €0.4 billion at 31 December 2012, unchanged on end-2011.

Their breakdown by rating is as follows:

V. Operational risk and non-compliance risk

Operational risk is the risk of loss resulting from shortcomings or failure in internal procedures, human error, information systems or external events. It includes legal risk but not strategic or reputational risk.

Non-compliance risk refers to a potential lack of adherence to rules governing financial and banking activities. These rules may be laws, regulations, professional or ethical standards, instructions, professional codes of conduct, or efforts to combat money-laundering, corruption or the financing of terrorism.

Crédit Agricole Assurances entities apply Crédit Agricole S.A. Group directives on operational and compliance risk management.

The operational risk management system is thus comprised of the following components:

- identification of the associated operational risks and processes, including a qualitative and quantitative assessment (cost) of each known or potential risk event. This mapping is updated annually by the entities that have already completed the roll-out;
- the inventorying of losses arising from the realisation of an operational risk and early-warning system to report significant incidents. The roll-out of this collection process is not yet complete across all entities.

The Risk Management and Permanent Controls function and, more specifically, the Operational Risks manager, under the responsibility of the RCPR (Risk Management and Permanent Controls officer), coordinate this system in liaison with operational managers and track progress on identified action plans in order to mitigate the impact of exceptional risks and the frequency of recurring risks. They may employ the Crédit Agricole S.A. tools designed for operational risk management.

Summaries of the results of this system are presented to Management at the internal control or Risk Management and Permanent Controls committee.

Non-compliance risks are an integral part of operational risk mapping within entities. Within each entity the Compliance Officer is responsible for the dedicated monitoring system, which ensures that these risks are controlled and that their impact in terms of financial losses, or legal, administrative or disciplinary sanctions, is minimised. The common objective is to preserve the Group's reputation. In this respect, the new business and new products committee (NAP) present in all entities is tasked with approving all new businesses and products.

Monitoring of operational risk and non-compliance risk is based on the rules established for Crédit Agricole S.A. Group and presents no characteristic specific to the insurance business (see following section on operational risks).

VI. Legal risks

Insofar as Crédit Agricole Assurances is aware, there are no administrative, court or arbitration proceedings that could have or have had, within the previous 12 months, a substantial effect on the financial position or profitability of the Company and/or Group.

OPERATIONAL RISKS

Operational risk is the risk of loss resulting from shortcomings or failure in internal procedures, human error, information systems or external events. It includes legal risk but not strategic or reputational risk.

I. Objectives and policy

The operational risk system, adjusted to each Group entity, comprises the following components common to the entire Group:

- **governance of the Operational Risk Management function**: supervision of the system by Executive Management (*via* the Operational Risk Committee or the operational risk unit of the Group Risk Management Committee and the Internal Control Committee), oversight and co-ordination of the system by Risk Management and Permanent Control officers (Crédit Agricole S.A. and entities), entities' responsibilities in controlling their risks through the network of Operational Risk Managers;
- **identification and qualitative assessment of risks** through risk mapping, and the use of indicators to monitor the most sensitive processes;
- **collection of operational loss data and an early-warning system** to report significant incidents, which are consolidated in a database used to measure and monitor the cost of risk;
- **annual calculation** (except for significant events: major loss, change in organisation, etc.) and allocation of regulatory capital for operational risks at both consolidated and entity levels;
- periodic production of an **operational risk scorecard** at entity level, plus a Group summary.

II. Risk management: organisation and supervision system

The organisation of operational risk management forms part of the overall Risk Management and Permanent Controls Group function: Operational risk officers, most of whom now cover permanent risk monitoring, report to the heads of Risk Management and Permanent Controls in the various entities.

Crédit Agricole S.A. Group uses an operational risk scorecard covering its major business lines. This scorecard shows the main sources of risk affecting the business lines, along with exposure profiles differentiated by subsidiary and business line: recurring risk, mainly arising from external fraud involving payment instruments in retail banking or stock market errors in Asset management, and Investor Services, higher risk in Corporate and investment Banking (legal risks and capital markets) and Factoring (external fraud).

The change in operational risk also reflects the effect of action plans designed to reduce the impact of exceptional risks (*i.e.* by strengthening information systems and controls) when encountering high unit losses, as well as to reduce the frequency of recurring risks (electronic banking fraud and heightened monitoring of external fraud in the consumer finance businesses).

Initiatives taken to counter internal fraud in 2007, particularly for capital markets activities and in Crédit Agricole CIB, have been extended through implementation of a system to bring the risk thereof under further control. Measures include reviewing authorisation procedures, strengthening early-warning systems and creating an anti-fraud unit in the Compliance function. Following the publication in 2011 of the recommendations of the Committee of European Banking Supervisors, CEBS, on the management of operational risks in capital market activities, an action plan was drawn up to cover the Group. There are regular presentations on action plan progress. In 2012, this initiative was extended to the Regional Banks.

With respect to the **identification and qualitative assessment of risks** component, as every year, the risk mapping campaign was held. The results of these risk mapping efforts will be analysed by each entity in the course of the first quarter and will be presented to the operational Risk Management Committee.

To improve operational risk tools even further and promote overall consistency in the Risk Management and Permanent Controls function, the operational risk computer system now supplies information on a quarterly basis to the Group's accounting consolidation tool, "Arpège". The Corep OR reports are now validated by the entities. In response to the regulatory changes arising from CRD 4 (changes to COREP), a dedicated IT project was undertaken in 2012.

The RCP platform, which now contains the three essential elements of the existing tools (collection of loss data, risk mapping and permanent controls), makes it possible to share the same framework and thus confirm the choices of methodology in the link between risk mapping and risk management (permanent controls, action plans, etc.).

Lastly, concerning the **calculation and allocation of regulatory capital** component, the application chain was secured and automated in 2011. The upgrade plan for the operational risk computer system continued in 2012, with a new version of the capital calculation engine, offering improved digital performance, and the automation of the back-testing system.

A biannual committee for back-testing the Advanced Measurement Approach (AMA) model is in place and analyses the model's sensitivity to changes in the risk profile of the entities. Every year, this committee identifies areas where improvements are possible, and draws up corresponding action plans.

III. Methodology

The main entities of Crédit Agricole Group use the Advanced Measurement Approach: Crédit Agricole CIB, Amundi Group, LCL, Crédit Agricole Consumer Finance, Agos and all Regional Banks. The use of the AMA for these entities has been validated by the French Prudential Supervisory Authority (ACP) in 2007 and reconfirmed (following the change in legal status) for Amundi, Crédit Agricole Consumer Finance and Agos in 2010. This scope accounts for 72% of total capital requirements for operational risk.

In 2012, work was undertaken to integrate Cariparma and FriulAdria into AMA, accompanied by a commission from the Italian regulator.

For the entities that use the standardised approach (TSA), the regulatory weighting coefficients used in calculating the capital requirement are those recommended by the Basel Committee (percentage of revenues according on business line).

AMA regulatory capital requirements calculation

The AMA method for calculating capital requirements for operational risk has the following objectives:

- increase control over the cost of operational risk, and prevent exceptional risks across the Group's various entities;
- determine the level of capital needed for the measured risks, which may be lower than that calculated using the standardised approach;
- promote improvements in permanent controls through the monitoring of action plans.

The systems implemented within the Group aim for compliance with all qualitative criteria (making risk measurement an integral part of day-to-day management, independence of the Risk function, periodic disclosure of operational risk exposures etc.) and Basel 2 quantitative criteria (99.9% confidence interval over a one-year period; incorporation of internal data, external data and analyses of scenarios and factors reflecting the operating environment; incorporation of risk factors that influence the statistical distribution, etc.).

The AMA model for calculating capital requirements is based on an actuarial model called the "**Loss Distribution Approach**" which is unique to the Group. The largest entities handle their own capital allocation based on centrally defined principles.

Internal factors (change in the entity's risk profile) are considered according to:

- organisational changes within the entity;
- changes in risk mapping;
- an analysis of the history of internal losses and the quality of the risk management system, in particular *via* the Permanent Controls function.

Concerning external factors, strategic monitoring of incidents observed in the other institutions is conducted through the analysis of the ORX consortium database, which catalogues losses at approximately 50 banks throughout the world including Crédit Agricole S.A. Depending on the results of this analysis, the stress tests developed in the various Group entities are reviewed. In order to enhance this system, a second external database will be integrated.

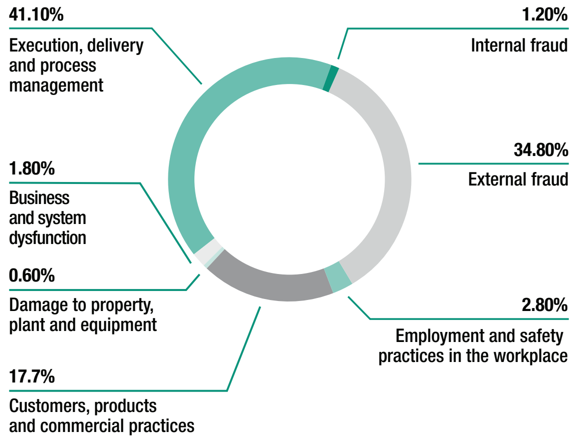
The model was designed and developed according to the following principles:

- it must form an integral part of the risk policy;
- it must be pragmatic, *i.e.* the methodology must be applicable to real operating conditions;
- it must have educational value, in order to be endorsed by senior management and business lines;
- it must be robust, *i.e.* it must be able to provide estimates that are realistic and stable from one year to the next.

All the Operational Risks methodology was presented to the Standards and Methodology Committee in December 2011 and was audited by the French Prudential Supervisory Authority (ACP) in 2012 which evaluated progress made by the Group and areas for improvement).

IV. Exposure

BREAKDOWN (BY VALUE) OF OPERATIONAL LOSSES BY BASEL RISK CATEGORY (2010-2012)



Generally, the exposure profile in terms of operational risks reflects the principal activities at Crédit Agricole S.A. Group:

- still-overwhelming exposure to the Execution risk category, due to processing errors inherent in all activities;
- still significant exposure to external fraud, notably in connection with credit boundary operational risk which reflects the importance of the retail banking activity in particular in consumer finance;
- finally, exposure to legal risks (commercial disputes), which remains unchanged.

V. Insurance and coverage of operational risks

Crédit Agricole S.A. Group has obtained insurance coverage for its operational risks to protect its assets and profits. For high-intensity risks, Crédit Agricole S.A. has taken out Group policies from major insurance companies. These policies harmonise the transfer of personal and property risks and to set up specific professional civil liability and fraud insurance programmes for each business line. Furthermore, business-line subsidiaries are responsible for managing lower intensity risks themselves.

In France, insurance of operating assets (property and IT equipment) includes third-party liability coverage for buildings with the highest exposure to this risk. This insurance is supplemented by special coverage for civil operating liability.

Insurance policies for operating loss, fraud and securities risks, Group professional civil liability, and civil liability for Executive Officers were renewed in 2012.

Basel 2 eligible policies contribute to reducing the amount of capital that must be held against operational risks (within the 20% authorised limit).

High-frequency and low-intensity risks on certain programmes that cannot be insured on satisfactory financial terms are retained in the form of deductibles or are pooled within Crédit Agricole S.A. Group ultimately through its captive reinsurance subsidiary (Crédit Agricole Réassurance CARE), and represent around 6% of all Group insurance programmes.

▶ LEGAL RISKS

The main legal and tax proceedings outstanding at Crédit Agricole S.A. and its fully consolidated subsidiaries are described in the 2011 management report. The cases presented below are those that have evolved since 15 March 2012, the date on which registration document no. D. 12-0160 was filed with the AMF.

Any legal risks outstanding at 31 December 2012 that could have a negative impact on the Group's net assets have been covered by adequate provisions, which correspond to Executive Management's estimations, based on the information available to it.

To date, to the best of Crédit Agricole S.A.'s knowledge, there is no other governmental, judiciary or arbitration proceeding (or any proceeding known by the Company, in abeyance or that threatens it) that could have or has had, in the previous 12 months, any substantial effect on the financial situation or the profitability of the Company and/or the Group.

Litigation and exceptional events

IFI Dapta Mallinjoud Group

The *Commissaire à l'exécution du plan* (insolvency professional) acting for the companies of the IFI Dapta Mallinjoud group initiated joint proceedings against CDR and Crédit Lyonnais on 30 May 2005 before the Commercial Court of Thiers. The suit alleges that CDR and Crédit Lyonnais committed violations in arranging and financing the IFI group's acquisition of the Pinault Group's furniture business (ex-CIA). The Riom Court of Appeal, in its order dated 12 July 2006, referred the matter to the Paris Commercial Court.

In its ruling of 24 September 2007, the Paris Commercial Court:

- ordered CDR to pay €2.9 million for unjustified interest charges;
- ordered Crédit Lyonnais to pay €5 million for improper financial support;
- ordered Crédit Lyonnais and CDR to pay €50,000 under Article 700 of the French Code of Civil Procedure.

The Court did not make the judgement immediately enforceable.

The *Commissaire à l'exécution du plan* appealed against this decision and the Paris Court of Appeal issued an order on 10 December 2010, in the terms of which it:

- rejects the request for overall indemnification for the alleged damage to the 13 companies of the Group;
- asks the *Commissaire à l'exécution du plan* to indicate, company by company, the amount of the alleged damage; and
- orders an in-depth expert appraisal of the financial situation of each of the companies in the Group at the time of the events.

The expert report was submitted in September 2012. The Appeal Court hearings should take place in mid-June 2013.

Strauss/Wolf/Faudem

US citizens and members of their families who were victims of terrorist attacks attributed to Hamas and committed in Israel between 2001 and 2004 have brought proceedings against National Westminster Bank and Crédit Lyonnais before a New York court.

They claim that these banks gave support to terrorists to the extent they each kept an account opened (in 1990 in the case of Crédit Lyonnais) by a charity providing aid to Palestinians. The plaintiffs allege that the accounts were used to transfer funds to Palestinian entities accused of financing Hamas. The plaintiffs, who have not put a figure on the damages they have suffered, are claiming compensation for “injury, anguish and emotional pain”.

As the matter and the proceedings currently stand, Crédit Lyonnais argues that the plaintiffs have not provided proof that the charity was actually linked to terrorists, nor that Crédit Lyonnais was aware that its client could have been involved (if it were to be proven) in financing terrorism. The plaintiffs will have to provide such proof in order to win the case.

LCL vigorously denies the plaintiffs’ allegations.

The discovery phase is now complete and the Court reached the conclusion that the examination of the plaintiffs’ demands should continue at jury-based trail. LCL expects this suit will take place during 2013.

CIE case (Cheque Image Exchange)

In March 2008, LCL and Crédit Agricole S.A. and ten other banks were served notice of grievances on behalf of the *Conseil de la concurrence i.e.* the Competition Council (now the *Autorité de la concurrence*).

They are accused of colluding to implement and apply interchange fees for cashing cheques, since the passage of the Cheque Image Exchange system, *i.e.* between 2002 and 2007. In the opinion of the *Autorité de la concurrence*, these fees constitute anti-competitive price agreements in the meaning of Articles 81 §1 of the treaty establishing the European Community and Article L. 420-1 of the French Commercial Code, and allegedly caused damage to the economy.

In their defence, the banks categorically refuted the anti-competitiveness of the fees and contested the legality of the proceedings.

In a decision published on 20 September 2010, the *Autorité de la concurrence* stated that the Cheque Image Exchange fee (CEIC) was anti-competitive by its very aim and that it artificially increased the costs borne by remitting banks, which resulted in an unfavourable impact on the prices of banking services. Concerning one of the fees for related services, the fee for cancellation of wrongly cleared transactions (AOCT), the *Autorité de la Concurrence* called on the banks to revise their amount within six months of the notification of the decision.

The accused banks were sanctioned for an overall amount of €384.92 million.

LCL and Crédit Agricole were respectively sentenced to pay €20.7 million and €82.1 million for the CEIC and €0.2 million and €0.8 million for the AOCT.

All of the banks appealed the decision to the Paris Court of Appeal. By a decree of 23 February 2012, the Court overruled the decision, stating that the *Autorité de la concurrence* had not proven the existence of competition restrictions establishing the agreement as having an anti-competitive purpose.

The French Competition Authority filed an appeal with the Supreme Court on 23 March 2012. The French Supreme Court has not yet handed down its decision.

New York Attorney General (NYAG)

As the New York Attorney General did not follow-up on the subpoena he addressed to the subsidiary of Crédit Agricole Corporate and Investment Bank (“Crédit Agricole CIB”) in New York in May 2010, which demanded information regarding Crédit Agricole CIB’s relations with the rating agencies, it was decided that this demand for information, duly satisfied at the time, would no longer be mentioned in the annual report.

Office of Foreign Assets Control (OFAC)

United States laws and regulations require adherence to economic sanctions put in place by the Office of Foreign Assets Control (OFAC) on certain foreign countries, individuals and entities. The office of the District Attorney of New York County and other American governmental authorities would like to know how certain financial institutions made payments denominated in US dollars involving countries, individuals or entities that had been sanctioned.

Crédit Agricole S.A. and Crédit Agricole CIB are currently conducting an internal review of payments denominated in US dollars involving countries, individuals or entities that could have been subject to such sanctions and are cooperating with the American authorities as part of such requests.

It is currently not possible to know the outcome of these internal reviews and requests, nor the date when they will be concluded.

Crédit Agricole CIB sued by Intesa Sanpaolo

On 9 April 2012, Intesa Sanpaolo S.p.A (“Intesa”) sued Crédit Agricole CIB, Crédit Agricole Securities (USA), a number of Magnetar Group companies and The Putnam Advisory Company LLC in the Federal Court of New York regarding a CDO structured by Crédit Agricole CIB, called Pyxis ABS CDO 2006-1.

Intesa, which had agreed a Credit Default Swap for a notional amount of US$180 million with Crédit Agricole CIB on the super senior tranche of the CDO, argues that it has suffered damage because of structuring of the CDO and is seeking US$180 million in compensation, plus interest on this sum as well as compensatory and punitive damages, repayment of fees, these sums not yet having been calculated.

Euribor/Libor

Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB, in their capacity as contributors to a number of interbank rates, have received requests for information from a number of authorities as part of investigations into i) the calculation of the Libor (London Interbank Offered Rates) rate in a number of currencies, the Euribor (Euro Interbank Offered Rate) rate and certain other market indices, and ii) transactions connected with these rates and indices. These requests cover a number of periods running from 2005 to the present date.

As part of its cooperation with these authorities, Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB, carried out investigations in order to gather the information requested by these various authorities. This work will continue in 2013. It is not possible to predict the outcome of said work, nor the date at which it will end.

Bell Group

The liquidators of Bell Group companies that owed money to a consortium of some twenty banks (the Banks) including Crédit Agricole S.A., LCL and CACIB, brought proceedings in 1995 in order to challenge payments made to the Banks out of the proceeds of the sale of Bell Group assets given as collateral to said Banks.

In a decision handed down on 17 August 2012, the Court of Appeal of the Supreme Court of Western Australia ordered the Banks to pay the liquidators of said Bell Group companies a sum estimated, in October 2012, for all Banks at circa AUS$2.6 billion (circa €2.1 billion). This sum is still not final.

The Banks lodged an appeal against the decision of 17 August 2012 with the High Court of Australia. A ruling on the admissibility of this appeal should be handed down in March or April 2013.

The proportion relating to the various Crédit Agricole Group entities (Crédit Agricole S.A., LCL and CACIB) is around ten percent of the total sum covered by the judgement.

Binding agreements

Crédit Agricole S.A. does not depend on any industrial, commercial or financial patent, license or contract.

▶ NON-COMPLIANCE RISKS

Non-compliance risk refers to a potential lack of adherence to rules governing financial and banking activities. These rules may be laws, regulations, professional or ethical standards, instructions, professional codes of conduct, or efforts to combat money-laundering, corruption or the financing of terrorism.

A dedicated monitoring system ensures that these risks are controlled and that their impact in terms of financial losses, or legal, administrative or disciplinary sanctions, is minimised. The common objective is to preserve the Group's reputation.

The organisation and main actions relating to compliance are detailed in the key economic performance indicators section of the part of the registration document dealing with employee, social and environmental information related to Crédit Agricole S.A. Group.

The prevention, monitoring and control of compliance and reputational risks are detailed in the report of the Chairman of the Board of Directors to the General Meeting of Shareholders on the preparation and organisation of the Board's work and on the internal control procedures implemented within the Company, as required by the French Financial Security Act of 1 August 2003.

Basel 2 Pillar 3 disclosures

The decree of 20 February 2007 transposing Basel 2 regulations into French law requires relevant financial institutions (mainly credit institutions and investment firms) to disclose quantitative and qualitative information on their risk management activities. Crédit Agricole S.A. Group's risk management system and exposure levels are presented in this section and in the section entitled "Risk Factors". Crédit Agricole S.A. Group has chosen to disclose its Pillar 3 information in a separate section from its Risk Factors. This section provides information on capital requirements, constituents of capital and exposures to credit risk, market risk and operational risk.

Crédit Agricole Corporate and Investment Bank also discloses detailed information on Pillar 3 requirements on a sub-consolidated basis in its Registration document.

▶ REGULATORY BACKGROUND

I. Scope of application of the capital requirements for the purposes of regulatory supervision

Credit institutions and investment firms are subject to solvency and large exposure ratios on an individual and, where applicable, sub-consolidated basis, although they may have an exemption under the provisions of Article 4 of Regulation no. 2000-03 of 6 September 2000, amended on 29 October 2009.

The French Prudential Supervisory Authority (*Autorité de Contrôle Prudentiel* – ACP) has agreed that some of Crédit Agricole Group's subsidiaries may benefit from exemption on an individual or, where applicable, sub-consolidated basis.

As such, Crédit Agricole S.A. has been exempted by the French Prudential Supervisory Authority on an individual basis, in accordance with the provisions of Article 4.2 of the aforesaid Regulation 2000-03.

II. Reform of regulatory ratios

The decree of 20 February 2007, amended on 23 November 2011, transposing the European Capital Requirements Directive (CRD 3) into French law, sets out the "capital requirements applicable to credit institutions and investment firms". In accordance with these provisions, Crédit Agricole S.A. Group has incorporated the impacts of the implementation of this directive into the management of its capital and its risks.

The French Prudential Supervisory Authority ensures that the capital of credit institutions and investment companies is at least equal to 80% of the amount calculated using the Basel 1 ratio.

The solvency ratio, calculated in accordance with the European Capital Requirements Directive, is based on the assessment of weighted assets of credit risk, of market risk and of operational risk. The resulting capital requirements for each type of risk are set out below in the section entitled "Capital requirements by type of risk".

In accordance with the decree of 20 February 2007, exposure to credit risk is measured using two methods:

- the standardised approach, which is based on external credit ratings and fixed weightings for each Basel exposure class;
- the Internal Ratings Based approach (IRB), which is based on the bank's own internal rating system.

  There are two subsets of the IRB approach:

  - the "Foundation Internal Ratings-Based" approach, under which institutions may use exclusively their own default probability estimates,
  - the "Advanced Internal Ratings-Based" approach, under which institutions use all their internal estimates of the risk components: probability of default, loss given default, exposure given at default, maturity.

Since late 2007, the French Prudential Supervisory Authority has authorised Crédit Agricole S.A. Group to use its internal rating systems to calculate regulatory capital requirements for credit risk on Retail and Corporate exposures throughout almost all of its consolidation scope.

In the Pillar 3 tables, LCL's portfolios have been included in the IRB scope, even where ratings have been obtained using Group's ratings methodology. The reason for this presentation choice is to provide precise information on the risk structure of LCL's portfolios. It should be noted, however, that these portfolios are risk weighted using the standardised method. An adjustment is then made to risk weighted assets to incorporate the difference between the two approaches and this adjustment is reported under the Pillar 3 standardised heading.

In addition, the French Prudential Supervisory Authority has since 1 January 2008 authorised Crédit Agricole S.A.'s main entities to use the Advanced Measurement Approach (AMA) to calculate their capital requirements for operational risk. The Group's other entities use the standardised approach, in accordance with regulations.

The main Group entities or portfolios still using the standardised method for measuring credit and/or operational risk at 31 December 2012 were as follows:

- the Cariparma Group and all other entities of the International retail banking division;
- CA Leasing & Factoring;
- some portfolios and foreign subsidiaries of Crédit Agricole Consumer Finance;
- the real estate professionals portfolio;
- the corporate portfolio on the LCL scope.

Pursuant to the Group's commitment to phase in the advanced method, agreed with the French Prudential Supervisory Authority in May 2007 (rollout plan), work on the main entities or portfolios under the standardised method continues. An update of the rollout plan is sent annually to the French Prudential Supervisory Authority.

The use of internal models for calculating solvency ratios has strengthened Crédit Agricole S.A. Group's risk management. In particular, the development of "internal rating" methods has led to the systematic collection of reliable data in respect of historical default and loss for the majority of Group entities. The collection of historical data of this nature makes it possible to quantify credit risk by giving each rating an average probability of default (PD) and, for "advanced internal rating" approaches, the loss given default (LGD).

In addition, the parameters of the "internal rating" models are used in the definition, implementation and monitoring of entities' risk and credit policies. On the scope of large customers, the Group's unique rating system (identical methods and tools, shared data), in place for many years, has contributed to strengthening and standardising the use of ratings and the associated risk parameters within the entities. The uniqueness of ratings in the Large customers' scope thereby provides a shared framework on which to base standards and procedures, management tools, provisioning and risk-hedging policies, as well as alerts and close monitoring procedures. Due to their role in the monitoring and managing of risk within the various entities, ratings are subject to quality controls and regular monitoring at all stages of the rating process.

Internal models for measuring risks accordingly promote the development of sound risk-management practices among Group entities and improve the efficiency of the process of capital allocation by allowing a more accurate measurement of its consumption by business line and by entity.

RISK MANAGEMENT

The policies and procedures for managing each category of risk are described under "Risk factors".

REGULATORY RATIOS

I. Regulatory scope

Difference between the accounting and regulatory scopes of consolidation:

Insurance companies consolidated in the financial statements are not included in the regulatory scopes of consolidation. These insurance companies do not present a lack of capital.

Information on these entities and their consolidation method for accounting purposes is provided in Note 12 to the consolidated financial statements, "Scope of consolidation at 31 December 2012".

II. Regulatory ratios at 31 December 2012

The table below shows the European CRD solvency ratio and details Crédit Agricole S.A. Group's weighted risks and the regulatory capital requirements calculated in accordance with the applicable regulations.

The total solvency ratio is calculated as the ratio between total regulatory capital and the sum of:

- credit risk weighted assets;
- regulatory capital requirements for market and operational risks multiplied by 12.5.

(in billions of euros)	31/12/2012	31/12/2011
TIER 1 CAPITAL (A)	**36.3**	**40.4**
Equity capital and reserves Group share	38.6	43.2
Tier 1 capital as agreed by the French Prudential Supervisory Authority (ACP)	1.0	1.0
Minority interests excluding hybrid instruments	3.3	3.5
Hybrid instruments included in Tier 1 capital as agreed by the French Prudential Supervisory Authority (ACP)	9.3	11.8
Deduction from Tier 1 capital including intangible assets	(15.9)	(19.1)
TIER 2 CAPITAL (B)	**20.3**	**21.9**
TIER 3 CAPITAL	**0.0**	**0.0**
DEDUCTIONS FROM TIER 1 AND 2 CAPITAL	**(4.8)**	**(6.3)**
Deductions from Tier 1 capital (C)	(2.1)	(3.1)
Deductions from Tier 2 capital (D)	(2.7)	(3.2)
including stakes in credit and banking institutions amounting to more than 10% of their capital or which provide significant influence over these institutions (at 100%)	*(3.6)*	*(3.7)*
including securitisation exposures weighted at 1,250%	*(0.7)*	*(2.0)*
including, for institutions using IRB approaches, the negative difference between the sum of value adjustments and collective impairment losses on the relevant exposures and the expected losses	*(0.1)*	*(0.1)*
DEDUCTIONS OF INSURANCE COMPANIES' EQUITY	**(13.2)**	**(11.3)**
TOTAL NET AVAILABLE CAPITAL	**38.6**	**44.8**
Tier 1 (A – C)	34.2	37.4
Tier 2 (B – D)	17.6	18.7
Tier 3	0.0	0.0
TOTAL RISK WEIGHTED ASSETS	**293.1**	**333.7**
Credit risk	257.1	277.8
Market risk	13.1	32.8
Operational risk	22.9	23.1
TIER 1 SOLVENCY RATIO	**11.7%**	**11.2%**
TOTAL SOLVENCY RATIO	**13.2%**	**13.4%**

At 31 December 2012, Crédit Agricole S.A. Group's total CRD solvency ratio was 13.2%, including a Basel 2 Tier 1 ratio of 11.7%, compared with ratios of 13.4% and 11.2% respectively at 31 December 2011.

Changes in the various components of this ratio are analysed below:

- net available capital totalled €38.6 billion at 31 December 2012, down €6.2 billion compared with 31 December 2011:
  - Tier 1 capital amounted to €34.2 billion at 31 December 2012, a decline of €3.2 billion compared with end-2011,
  - equity capital and reserves Group share decreased by a total of €4.6 billion, with major impacts being the regulatory result for an amount of -€6.1 billion and unrealised gains and losses for an amount of +€1.6 billion.

    Income was affected by negative exceptional items relating to the refocus of the Group's activities, the main items being the impact of the sale of Emporiki, for an amount of €3.7 billion (impact taken into account as per IFRS 5 on Non-current assets held for sale and discontinued operations) and impairment provisions for €3.5 billion. These provisions were offset from a regulatory standpoint at the goodwill level for an amount of €3.4 billion,
  - hybrid instruments included in Tier 1 capital as agreed by the French Banking Commission decreased by €2.5 billion. The year was marked by the redemption of subordinated notes totalling €1.7 billion, in addition to the exercise of the call option on the issue of LCL preferred shares for an amount of €750 million,
  - deductions from Tier 1 and Tier 2 capital in respect of equity-investments edged down very slightly. Deductions in respect of securitisation exposures decreased by €1.3 billion, due mainly to the sale of Crédit Agricole CIB securitised lines as part of the adjustment plan, through the disposal of non-strategic assets,
  - Tier 1 capital has since 31 March 2008 included a shareholders' advance made available to Crédit Agricole S.A. by the Regional Banks. It has amounted to €1.0 billion since 31 December 2011, when part of it was repaid with the implementation of the "Switch" transaction, which reduced the regulatory requirements on Crédit Agricole S.A. in respect of the 25% minority interest held in the capital of the Regional Banks,
  - Tier 2 capital net of deductions declined by €1.1 billion to €17.6 billion. The Group bought back perpetual subordinated notes for an amount of €0.4 billion in the first half. It also carried out buybacks and exercised a call option on redeemable subordinated notes in the amount of €0.7 billion in the fourth quarter,
  - Tier 3 capital was reduced to zero at 31 December 2012, following the repayment of the debt on 31 March 2010,
  - Crédit Agricole S.A. Group deducts the capital of insurance companies from the total capital. The deduction amounted to €13.2 billion, an increase of €1.9 billion. In December, the capital structure of insurance companies, between capital and Tier 2 funding, was optimised. It resulted in a reduction of Tier 1 capital for an amount of €1.7 billion, fully offset by issues of hybrid capital in the form of subordinated notes underwritten by Credit Agricole S.A.;
- Basel 2 risk weighted assets totalled €293.1 billion at 31 December 2012, down 12.2% compared with the end-2011 level of €333.7 billion:
  - credit risk, which totalled €257.1 billion at 31 December 2012, declined by €20.7 billion over the period, due mainly to the continuation of the adjustment plan in the Corporate and investment banking and Specialised financial services divisions,
  - market risk, which totalled €13.1 billion at 31 December 2012, recorded a sharp decline of €19.7 billion in 2012, attributable mainly to the transfer of market risk of correlation portfolio,
  - operational risk edged down slightly to €22.9 billion.

  Moreover, the risk weighted assets related to investments in the Regional Banks' CCAs/CCIs increased by €2.2 billion over the period.

The table below shows change in Crédit Agricole S.A.'s risk weighted assets in 2012:

	Amount *(in billions of euros)*
Risk weighted assets at 31 December 2011	**333.7**
Foreign exchange effect (USD)	(0.9)
Updating of models and methodological developments	6.3
Organic change(1)	(46.0)
Risk weighted assets at 31 December 2012(2)	**293.1**

(1) Change in exposures and credit migration.

(2) o/w Emporiki Bank: €15.5 billion.

CAPITAL, CAPITAL REQUIREMENTS AND CAPITAL ADEQUACY

I. Composition of capital

Regulatory capital is calculated in accordance with Regulation no. 90–02 of 23 February 1990, amended by the decree of 23 November 2011, published by the *Comité de la réglementation bancaire et financière* related to capital. It is divided into three categories: Tier 1, or core capital, Tier 2 capital and Tier 3 capital, from which various types of deductions are made.

Categories of capital are broken on the basis of the following criteria: decreasing degree of robustness and stability, duration, degree of subordination.

1. Tier 1 capital or core capital

This includes:

A. PERMANENT EQUITY (CAPITAL, RESERVES, MINORITY INTERESTS) AFTER DEDUCTIONS

- issued capital;
- reserves, including revaluation adjustments and other comprehensive income;

  Unrealised gains or losses on available-for-sale financial assets are recognised for accounting purposes in other comprehensive income and are restated as follows:

  - for equity instruments, net unrealised gains are deducted from Tier 1 capital on a currency-by-currency basis, net of the amount of tax already deducted for accounting purposes. 45% of the gains before tax are then added back to Tier 2 capital on a currency-by-currency basis. Net unrealised losses are not restated,
  - other comprehensive income from cash flow hedges are neutralised,
  - other comprehensive income from other financial instruments, including debt instruments or loans and receivables are also neutralised,
  - impairment losses on available-for-sale assets recognised through profit or loss are not restated;
- share and merger premiums;
- retained earnings;
- net earnings for the current financial year, *i.e.* net income Group share, less a provision for estimated dividends (unless a dividend payment is not planned);
- funds deemed by the French Prudential Supervisory Authority (ACP) to fulfil the conditions for inclusion in Tier 1 capital, and which are not hybrid instruments such as those referred to below. As at 31 December 2012, Crédit Agricole S.A. had a €1 billion shareholders' advance from the Regional Banks that was classified in this category and partially redeemed;
- the share of minority interests in stakes held by Crédit Agricole S.A. as well as the T3CJ (see Note 6.11 to the consolidated financial statements) which have received approval from the ACP not to be included in the category of hybrid instruments below;
- the following items are deducted:
  - treasury shares held, valued at their net carrying amount,
  - intangible assets including start-up costs and goodwill.

B. HYBRID INSTRUMENTS (INCLUDING PREFERRED SHARES)

These include non-innovative capital instruments and innovative capital instruments, the latter with a strong repayment incentive notably *via* a step-up mechanism. Hybrid instruments consist of the deeply subordinated notes issued under the terms of Article L. 228-97 of the French Commercial Code, as amended by the French Financial Security Act of 1 August 2003, and preferred securities issued under UK and US laws, which come from the consolidation of ad hoc vehicles for the indirect issue of hybrid instruments.

Note 6.19 to the consolidated financial statements "Equity" presents, in particular, the capital composition and details of the preferred shares.

Hybrid instruments are subject to certain limits relative to Tier 1 capital (before the deductions set out in item 3 below):

- "innovative" hybrid instruments, as defined above, are limited to 15% of Tier 1 capital subject to prior approval from the SGACP providing that they meet the criteria for eligibility as Tier 1 capital;
- total hybrid instruments – both innovative and non-innovative – may not exceed 35% of Tier 1 capital;
- hybrid instruments (including the aforementioned preferred shares), and the aforementioned minority interests, taken collectively, may not exceed 50% of Tier 1 capital.

Deeply subordinated notes

Details of the deeply subordinated notes at 31 December 2012 were as follows:

Issuer	Date of issue	Amount on issue *(in millions)*	Currency	Call dates	Compensation	Innovative (I) Non-innovative (NI)	Regulatory amounts at 31/12/2012 *(in millions of euros)*[1]
Crédit Agricole S.A.	February 2005	600	EUR	February 2015 then annually	6% then starting 04/02/2006, 10y CMS +0.025%, cap at 7.75%	NI	371
Crédit Agricole S.A.	November 2005	600	EUR	November 2015 then quarterly	4.13% then starting 09/11/2015, E3M +1.65%	I	329
Crédit Agricole S.A.	February 2006	500	GBP	February 2016 then quarterly	5.136% then starting 24/02/2016, Libor3M GBP +1.575%	I	243
Crédit Agricole S.A.	August 2006	400	CAD	August 2016 then quarterly	5.5% then starting 11/08/2016, CDOR 3M Cad +1.75%	I	45
Crédit Agricole S.A.	October 2007	500	USD	October 2012 then semi-annually	7.375%	NI	379
Crédit Agricole S.A.	December 2007	250	NZD	December 2017 then quarterly	10.035%, then starting 19/12/2012, 5.04%, then starting 19/12/2017, NZD 3M +1.90%	NI	155
Crédit Agricole S.A.	December 2007	650	EUR	December 2012 then quarterly	7.625% then starting 27/12/2012, E3M +3.10%	NI	650
Crédit Agricole S.A.	May 2007	1,500	USD	May 2017 then every 10 years	6.637% then starting 31/05/2017, Libor 3M USD +1.2325%	NI	673
Crédit Agricole S.A.	January 2008	400	GBP	January 2020 then quarterly	7.589% then starting 30/01/2020, Libor 3M GBP +3.55%	I	210
Crédit Agricole S.A.	March 2008	850	EUR	March 2018 then quarterly	8.2% then starting 31/03/2018, E3M +4.80%	I	849
Crédit Agricole S.A.	September 2008	500	EUR	September 2018 then quarterly	10.653% then starting 30/09/2018, E3M +6.80%	I	499
Crédit Agricole S.A.	June 2009	1,350	USD	December 2014 then semi-annually	9.75%	NI	1,020
Crédit Agricole S.A.	October 2009	1,000	USD	October 2019 then quarterly	8.375% then starting 13/10/2019, Libor 3M USD +6.982%	I	754
Crédit Agricole S.A.	October 2009	550	EUR	October 2019 then quarterly	7.875% then starting 26/10/2019, E3M +6.424%	I	547
Crédit Agricole S.A.	October 2009	300	GBP	October 2019 then quarterly	8.125% then starting 26/10/2019, Libor 3M GBP +6.146%	I	355
CACEIS	November 2007	40	EUR	November 2017 then quarterly	6.315% then starting 28/11/2017, E3M +2.80%	I	40
Newedge	December 2008	103	USD	December 2013 then quarterly	8.60% then starting 23/12/2013, Libor 3M +6.5%	NI	78
Cariparma	June 2011	30	EUR	June 2016 then quarterly	E3M +7.29%	NI	29
TOTAL							**7,226**

(1) Amounts used for the Corep declaration.

2. Tier 2 capital or supplementary capital

This includes in particular:

- funds from subordinated debt instruments that meet the conditions set out in Article 4c of Regulation 90-02 on capital (perpetual subordinated notes);
- funds from subordinated debt instruments that meet the conditions set out in Article 4d of Regulation 90-02 on capital (redeemable subordinated notes);
- 45% of net unrealised gains on equity instruments transferred on a currency by currency basis before tax into Tier 2 capital;
- the positive difference between the sum of value adjustments and collective impairment related to these exposures and expected losses calculated using the internal ratings-based approach, capped at 0.6% of the risk weighted exposure.

Perpetual subordinated notes

Details of the perpetual subordinated notes as at 31 December 2012 were as follows:

Issuer	Date of issue	Amount on issue *(in millions)*	Currency	Call dates	Compensation	Regulatory amounts at 31/12/2012 *(in millions of euros)*(1)
Crédit Agricole S.A.	June 2003	1,050	GBP	June 2018 then every 5 years	5% then starting 20/06/2018, 5Y UKT +0.97% +1%	187
Crédit Agricole S.A.	December 2001	937	EUR	December 2011 then quarterly	5.641% then starting 20/12/2011, E3M +0.75%	937
Crédit Agricole S.A.	March 2003	636	EUR	March 2015 then every 12 years	5.2% then starting 07/03/2015, 12-year govt. lending rate +1.50% (revised every 12 years)	583
Crédit Agricole S.A.	June 2003	497	EUR	July 2016 then every 13 years	4.7% then starting 03/07/2016 until 03/07/2029, 13-year govt. lending rate +1% then starting 03/07/2029, 13-year govt. lending rate +1.25% (revised every 13 years)	447
Crédit Agricole S.A.	December 2003	505	EUR	December 2015 then every 12 years	5% then starting 24/12/2015, 12-year govt. lending rate +0.75% (revised every 12 years)	422
Crédit Agricole S.A.	June 2006	500	EUR	June 2011 then quarterly	4.61% then starting 30/06/2011 until 30/06/2016, E3M +1.29%, then starting 30/06/2016, E3M +2.04%	500
LCL	November 1985	229	EUR	-	Average of average monthly rates of return for payment of govt.-guaranteed and similar loans (INSEE(2) publication) -0.15%	115
LCL	January 1987	229	EUR	January 1994 then annually	Average of average monthly rates of return for payment of govt.-guaranteed and similar loans (INSEE(2) publication) -0.30%	97
TOTAL						**3,288**

(1) Amounts used for the Corep declaration.

(2) INSEE: National Institute for Statistics and Economic Studies.

In addition, subordinated debts at 31 December 2012 also include (see Note 6.11 to the consolidated financial statements "Debt securities in issue and subordinated debt"):

- mutual security deposits;
- participating securities and loans;
- redeemable subordinated notes (TSR).

3. Deductions from capital

Deductions are described in Articles 6.6 bis and 6 *quater* of Regulation 90-02 on share capital. They include equity interests representing more than 10% of the equity capital of a credit institution or investment firm, as well as subordinated debt holdings and any other equity-based instruments. 50% of the amounts concerned is deducted from Tier 1 capital and 50% from Tier 2 capital.

Since 31 December 2010, the equity-accounted interests held by Crédit Agricole S.A. in the capital of the Regional Banks are no longer included in deductions under the terms of Article 67 of the "New methods of calculating solvency ratios", which, since 2011, has stipulated that Article 6 III of Regulation No. 90-02 applies to intra-group investments by cooperative and mutual banks held in the form of cooperative investment certificates (CCI) and cooperative associate certificates (CCA). Consequently, Crédit Agricole S.A. no longer deducts 50% of the amount of its interests in the Regional Banks and their financial subsidiaries from Tier 1 capital and 50% from Tier 2 capital, but adds them to the total risk weighted assets after applying weightings.

At the end of 2011, Crédit Agricole S.A. set up the "Switch" operation, reducing the regulatory requirements on Crédit Agricole S.A. for the 25% minority interests held in the Regional Banks.

In return, Crédit Agricole S.A. repaid 74.5% of the shareholder advance agreed by the Regional Banks and 74.5% of the hybrid capital securities "T3CJ", *i.e.* a total of €4.2 billion.

In accordance with Article 6 bis of the aforementioned Regulation 90-02, the deductions include securitisation exposures weighted at 1,250% held by institutions subject to that Regulation when these exposures are not included in the calculation of risk weighted exposure amounts.

Finally, these deductions also include the deduction for expected losses on the share portfolio, and, where relevant, the negative difference for institutions using internal ratings-based approaches between the collective impairments and the expected losses.

Tier 1 consists of Tier 1 capital after the relevant deductions. Symmetrically, Tier 2 consists of supplementary capital after the related relevant deductions.

On the other hand, as authorised by the aforementioned Article 6 (except for transactions completed after 31 December 2006), Crédit Agricole S.A.'s interests in insurance companies and its holdings of their subordinated debt and other equity items are deducted from total capital. In exchange, Crédit Agricole S.A. is subject to an additional capital requirement based on the appendix to Regulation 2000-03, which describes the supervision of financial conglomerates.

4. Tier 3 capital

This includes subordinated debt with an initial term equal to or more than two years, within the regulatory limits imposed. The Group no longer holds any Tier 3 capital.

5. Reconciliation of accounting and regulatory capital

	31/12/2012	
(in millions of euros)	Detail	Total
EQUITY, GROUP SHARE (CARRYING AMOUNT)		**39,727**
Minority and assimilated interests:		
Minority interests (carrying amount)	5,505	
less preferred shares reclassified as "other components of Tier 1 capital"	(2,104)	
Regulatory adjustments to Tier 1 capital:		
Other equity instruments(1)	1,428	
Goodwill and intangible assets	(15,874)	
Unrealised gains/losses on cash flow hedge	(507)	
Unrealised gains/losses on available-for-sale financial assets	(550)	
Expected losses (50% of the total on Tier 1)	(26)	
Deduction of securitisation exposures (50% of the total on Tier 1)	(357)	
Deductions in respect of investments in credit or financial institutions	(1,788)	
Other regulatory adjustments	(596)	
Other components of Tier 1 capital:		
Hybrid equity instruments	7,225	
Preferred shares	2,104	
Total Tier 1 capital		**34,187**
Tier 2 funds:		
Items, securities and borrowings complying with Articles 4b and 4c (perpetual) of Regulation 90-02	3,565	
Securities and borrowings complying with Article 4d (fixed term) of Regulation 90-02	16,330	
Regulatory adjustments to Tier 2 capital:		
Regulatory adjustments to other equity instruments(2)	297	
Surplus of collective impairment expense in relation to expected losses	112	
Deduction of securitisation exposures (50% of the total on Tier 2)	(357)	
Expected losses (50% of the total on Tier 2)	(26)	
Deductions in respect of investments in credit or financial institutions	(2,344)	
Total Tier 2 capital		**17,577**
Investments in insurance companies		**(13,176)**
TOTAL COMPREHENSIVE CAPITAL		**38,588**

(1) These items comprise the SAS Rue La Boétie shareholders' advance to Crédit Agricole S.A. in the amount of €958 million and T3CJ super-subordinated loan notes in the amount of €470 million.

(2) Regulatory adjustment to Upper Tier 2 capital of 45% of unrealised gains on available-for-sale equity securities.

II. Capital requirements by type of risk

The capital requirements set out below by risk type, by approach and by exposure class (for credit risk) correspond to 8% of the risk weighted exposures set out in the table of prudential ratios, which represents the regulatory minimum. Weighted exposures are calculated by applying a weighting ratio to each exposure at risk.

The capital requirements for credit risk, market risk and operational risk were €23.5 billion at 31 December 2012, down 12.0% on December 2011.

1. Capital requirement for credit risk in the Standardised approach

(The definition of the exposure classes is given in the section entitled "Exposure to credit and counterparty risk")

	31/12/2012		31/12/2011	
(in billions of euros)	Risk weighted assets	Capital requirements	Risk weighted assets	Capital requirements
Central governments and central banks	2.4	0.2	2.0	0.2
Institutions	10.7	0.9	10.1	0.8
Corporates	62.4	5.0	67.7	5.5
Retail customers	36.6	2.9	40.5	3.2
Equities	2.2	0.2	2.2	0.2
Securitisation	0.2	0.0	0.2	0.0
Other non-credit obligation assets	14.2	1.1	16.8	1.3
TOTAL CAPITAL REQUIREMENTS FOR STANDARDISED CREDIT RISK APPROACH	**128.7**	**10.3**	**139.5**	**11.2**

The capital requirement for credit risk in the standardised approach was down compared with 2011, due chiefly to a decline in outstanding loans. It was €10.3 billion, representing 44% of the total capital requirement at 31 December 2012.

Unchanged compared with the prior year, the Corporate and Retail loan books accounted for the majority (more than 75%) of the total capital requirement under the standard approach and are concentrated mainly in the entities that are part of the sequential transition project to the IRB approach and are to be processed using the IRB method according to the Group's rollout schedule.

2. Capital requirement for credit risk under the internal ratings-based (IRB) approach

(The definition of the exposure classes is given in the section entitled "Exposure to credit and counterparty risk").

(in billions of euros)	31/12/2012 Risk weighted assets	31/12/2012 Capital requirements	31/12/2011 Risk weighted assets	31/12/2011 Capital requirements
Central governments and central banks	2.0	0.2	1.4	0.1
Institutions	10.5	0.8	11.5	0.9
Corporates	71.5	5.7	79.2	6.3
Retail customers	26.9	2.2	26.1	2.1
Small and medium businesses	*5.0*	*0.4*	*4.7*	*0.4*
Revolving credit	*3.1*	*0.2*	*3.5*	*0.3*
Home loans	*5.7*	*0.5*	*6.1*	*0.5*
Other retail	*13.1*	*1.1*	*11.8*	*0.9*
Equities	10.5	0.8	11.9	1.0
• Simple risk-weighting approach	10.5	0.8	11.9	1.0
Private equity exposures in sufficiently diversified portfolios (190% weighting)	*1.9*	*0.2*	*2.3*	*0.2*
Listed equity exposures (290% weighting)	*3.4*	*0.3*	*5.7*	*0.5*
Other equity exposures (370% weighting)	*5.2*	*0.3*	*3.9*	*0.3*
• Internal models method	-	-	-	-
Securitisation	7.0	0.6	8.2	0.7
Other non-credit obligation assets	-	-	-	-
TOTAL CAPITAL REQUIREMENTS FOR INTERNAL RATINGS-BASED CREDIT RISK APPROACH	**128.4**	**10.3**	**138.3**	**11.1**

The capital requirement for credit risk under the internal ratings-based approach was €10.3 billion, representing 44% of total capital requirements at 31 December 2012. It was down compared with the prior year (-7.2%), due primarily to the reduction in Corporate exposures which, as in 2011, represented more than 55% of the total.

The capital requirements for Retail customers stem mainly from LCL and from the Consumer finance subsidiaries such as Crédit Agricole Consumer Finance.

3. Capital requirements for market risk

	31/12/2012		31/12/2011	
(in billions of euros)	Risk weighted assets	Capital requirements	Risk weighted assets	Capital requirements
Market risk under standardised approach	**3.3**	**0.3**	**7.1**	**0.6**
Interest rate risk	*1.6*	*0.2*	*5.3*	*0.5*
Equity position risk	*0.1*	*0.0*	*0.1*	*0.0*
Foreign exchange risk	*1.5*	*0.1*	*1.6*	*0.1*
Commodities risk	*0.1*	*0.0*	*0.1*	*0.0*
Market risk under internal models approach	**9.8**	**0.8**	**25.7**	**2.0**
of which additional capital requirements arising from exceeding the large exposures limits				
TOTAL CAPITAL REQUIREMENTS FOR MARKET RISK	**13.1**	**1.1**	**32.8**	**2.6**

The capital requirement for market risk amounted to €1.1 billion, representing 4.7% of total capital requirements at 31 December 2012 (compared with nearly 10% at 31 December 2011).

The sharp decline in 2012 was attributable to the disposal of the market risks relating to the Crédit Agricole CIB correlation book.

Capital requirement for payment and settlement risk

This requirement was not material: it amounted to €4.8 million for the Group as a whole at 31 December 2012, compared with €0.3 million at 31 December 2011.

4. Capital requirements for operational risk

	31/12/2012		31/12/2011	
(in billions of euros)	Risk weighted assets	Capital requirements	Risk weighted assets	Capital requirements
Operational risk under the standardised approach	8.5	0.7	9.3	0.7
Operational risk under the advanced measurement approach	14.4	1.1	13.8	1.1
TOTAL CAPITAL REQUIREMENTS FOR OPERATIONAL RISK	**22.9**	**1.8**	**23.1**	**1.8**

The capital requirement for operational risk amounted to €1.8 billion, (down 1.1% compared with 2011), representing 7.7% of the Group's total capital requirements at 31 December 2012.

The calculation under the advanced measurement approach accounted for 61% of total capital requirements for operational risk.

The main contributing entities are: Crédit Agricole CIB, LCL and Amundi under the advanced approach and Cariparma and Crédit Agricole Consumer Finance under the standardised approach.

III. Assessment of internal capital adequacy

The Group has implemented an internal capital adequacy assessment system covering Crédit Agricole Group, Crédit Agricole S.A. Group and the Group's main French and foreign entities. This approach is designed to meet the requirements of Pillar 2 of the Basel agreement, and more particularly the Internal Capital Adequacy Assessment Process (ICAAP), implemented under the responsibility of institutions.

Its main purpose is to ensure that the Group's capital, calculated at the level of the financial conglomerate, and that of its main entities, is adequate for the risks incurred, while ensuring the quality of risk controls and checks.

The risks quantified for the purposes of internal capital are:

- risks covered by Pillar 1 (credit and counterparty risk, market risk and operational risk);
- risks covered by Pillar 2 (interest rate risk in the banking portfolio and credit concentration risk);
- Insurance risks.

Liquidity risk is not included in the assessment as the Group takes a qualitative approach to liquidity risk through its management and supervision systems, as well as to its liquidity continuity plan.

In addition to these risks, the internal capital approach requires banks to ensure that their capital requirements calculated under Pillar 1 adequately cover all residual risk related to risk mitigation techniques and securitisation transactions. Failing that, for internal capital purposes, a risk adjustment to Pillar 1 requirements must be made by any entities exposed to these risks.

The quantitative approach used to calculate internal capital is incremental compared with Pillar 1 requirements. Measures implemented refer to the target rating of the Group. This approach consists in:

- adjusting capital requirements calculated under Pillar 1 so that internal capital adequately reflects, from an economic standpoint, all the material risks in each business activity;
- supplementing Pillar 1 requirements to take Pillar 2 risks into account;
- taking into account, on a prudent basis, the impacts of diversification resulting from the broad spread of business activities within the same group, including between banking and insurance.

Internal capital for credit risk exposures excluding retail banking is based on an internal economic capital model, enabling in particular a better comprehension of concentrations in credit portfolios.

For market risk, which is monitored through VaR, internal capital fully integrates regulatory developments under Pillar 1 (stressed VaR, IRC). The horizon of capital measurement is made consistent with that used for other risks.

For interest rate risk in the banking portfolio, Crédit Agricole S.A. Group applies the interest rate shocks set out in Pillar 2 of the Basel 2 reform to calculate its internal capital, *i.e.* an immediate 200-basis-point parallel shift in the yield curve. Internal capital includes the offsetting impact of the interest margin on customer deposits.

Insurance risks are taken into account in the Group's internal capital based on the measures taken under the current and future regimes applicable to insurance companies (Solvency 1, Solvency 2).

Diversification between risks is measured by an internal model to quantify the correlations between the different classes of risk.

A prospective approach is implemented to measure internal capital requirements, so as to integrate the anticipated effects of the Basel III reform, both for the calculation of available capital and for measuring capital requirements.

Crédit Agricole S.A. Group entities subject to the requirement to measure internal capital within their scope are responsible for doing so in accordance with standards and methodologies defined by the Group. More specifically, they must ensure that their ICAAP is appropriately organised and managed. Internal capital determined by the entities is reported in detail to the central body.

In addition to the quantitative aspect, the Group's approach relies on a qualitative component supplementing the calculation of internal capital with indicators of the business lines' exposure to risk and their permanent controls. The qualitative part of the ICAAP has three objectives:

- regularly assess the appropriateness of the risk management and control mechanisms of the Group's most significant entities;
- continuously improve the system of risk management and permanent control in the business lines;
- complete the analyses in the quantitative section of the ICAAP.

CREDIT RISK

I. Exposure to credit risk

Definitions:

- **probability of default (PD):** the probability that a counterparty will default within a period of one year;
- **exposure at default (EAD):** exposure amount in the event of default. The concept of exposure encompasses balance sheet assets plus a proportion of off-balance sheet commitments;
- **loss given default (LGD):** ratio between the loss incurred upon counterparty default and the amount of the exposure at the time of default;
- **gross exposure:** amount of the exposure (balance sheet + off-balance sheet), after the impacts of netting and before the application of any credit risk mitigation techniques (guarantees and collateral) and the credit conversion factor (CCF);
- **credit conversion factor (CCF):** ratio between the unused portion of a commitment that will be drawn and at risk at the time of default and the unused portion of the commitment calculated on the basis of the authorised limit or, where applicable, the unauthorised limit if higher;
- **expected losses (EL):** the amount of the average loss the bank expects to have to recognise in its loan portfolio within one year;

- **risk weighted assets (RWA):** weighted exposures are calculated by applying a weighting ratio to each exposure. The ratio is a function of the characteristics of the exposure and the calculation method used (IRB or standardised);
- **value adjustments:** impairment losses on a specific asset due to credit risk, recognised either through a partial write-down or a deduction from the carrying amount of the asset;
- **external credit ratings:** credit ratings provided by an external credit rating agency recognised by the French Prudential Supervisory Authority (ACP).

Credit exposures are classified by counterparty type and financial product type, based on the seven exposure classes shown in the table below and set out in Article 40-1 of the decree of 20 February 2007 on capital requirements applicable to credit institutions and investment firms:

- in addition to exposures to central governments or central banks, the Central government or central banks class includes exposures to certain regional and local authorities and public sector agencies that are treated as central government agencies, as well as multilateral development banks and international organisations;
- the Institutions class comprises exposure to credit institutions and investment firms, including those recognised in other countries. It also includes some exposures to regional and local authorities, public sector agencies and multilateral development banks that are not classified under central governments;
- the Corporates class is divided into large corporates and small and medium-sized businesses, which are subject to different regulatory treatments;
- the Retail customer class is broken down into home loans, revolving credits, other retail loans and small businesses loans;
- the Equity class comprises exposures that convey a residual, subordinated claim on the assets or income of the issuer or have a similar economic substance;
- the Securitisation class includes exposures to securitisation operations or structures, including those resulting from interest rate or exchange rate derivatives, independently of the institution's role (whether it is the originator, sponsor or investor);
- the Other non-credit obligation assets class mainly includes fixed assets and accruals, prepayments and sundry assets.

In accordance with Basel II, risk weighted assets in the Central governments and central banks, Institutions, Corporate and Retail customers classes are calculated by applying a prescribed formula, the main parameters of which are the EAD, PD, LGD and the maturity associated with each exposure:

- for exposures to large customers (Central governments and central banks, Institutions and Corporates), the formula is given in Article 47 of the Order dated 20 February 2007;
- for exposures to Retail customers, the formula is given in Article 54-1 of the Order dated 20 February 2007.

Risk weighted assets in the Equities category are calculated by applying standardised weightings to the carrying amount of the exposures. These weightings, prescribed in Article 58-1 of the Order dated 20 February 2007, are a function of the nature of the relevant equities: 190% for capital investment exposures in the case of a diversified portfolio, 290% for exposures to listed equities and 370% for all other "Equities".

The calculation of risk weighted assets in respect of Securitisation exposures is set out in item III below.

Weighted assets relating to exposures in respect of "Other assets not corresponding to a credit obligation" are calculated by applying a standardised weighted of 100% to the carrying amount of the exposures in question.

Parameters that fall into the formulas cited above are estimated using historical default and loss data collected internally by Crédit Agricole S.A. The definition of default used for the calculation of these parameters has a significant influence on the value thereof.

For large customers, default is defined on a customer-by-customer basis. It accordingly factors in the principle of contagion: an exposure to a defaulting customer causes the classification under default of all of the said customer's assets within the entity responsible for the uniformity of the rating ("RUN") as well as all of its outstanding debts to Crédit Agricole Group.

For Retail customers, the default can be recorded at the level of the transaction. When applied to the debtor, it factors in the principle of contagion. Contagion rules are defined and precisely documented by the entity (joint account, outstandings of individual, professionals, notion of risk group, etc.).

Moreover, the historical default and loss data are themselves highly dependent on the characteristics of the products marketed and the markets in which the Group's various subsidiaries operate. As such, it may be difficult or misleading to compare these parameters between each other or to compare weighted assets calculated using these parameters for a given class of exposure.

Differences in market characteristics may be of various kinds:

- maturity of the market: risk parameters in respect of large customers vary significantly depending on whether the customer or its shareholder is located in a developed or an emerging country; in the former, the rating of the counterparty will depend solely on the specific characteristics of the customer or its reference shareholder; in the latter, the rating of the country will be an important factor in the rating (the rating of a counterparty may only be greater than that of the country in which it is based in very specific cases, the ratings of companies located in emerging markets are generally capped by the rating of the country in question);

- structure of the market: risk parameters vary depending on the type of products marketed, the risk weighted assets calculated on certain products (e.g. home loans) are structurally lower than those calculated on other products (e.g. consumer loans) for the same rating class; consequently, in some countries where home loans account for a very significant part of outstandings, the risk weighted assets of subsidiaries located in these countries tend to be below the Group average;
- position in the cycle: as GDP growth cycles are not synchronous in all countries in which the Group operates, the PD and LGD parameters do not necessarily follow the same trend for all subsidiaries; for instance, PD and LGD estimates on home loans will tend to increase for subsidiaries operating in markets experiencing or having experienced a real estate crisis, while remaining stable elsewhere;
- demographic and cultural differences: the place of private property in the culture of a country, the level of *per capita* income and demographic characteristics are other factors influencing risk parameters; accordingly, for instance, subsidiaries operating in countries in which the population is better off tend to have lower risk weighted assets than elsewhere, due to the fact that debt-to-income ratios will tend to be lower.

Products marketed may also vary from one subsidiary to another or from one country to another, potentially resulting in divergent risk parameters and risk weighted assets for the same type of customer. The type of products marketed can influence risk parameters in various ways:

- nature of products: products marketed may be very different in nature; as such, home loans may vary from one country to another as a function of their average maturity or the average ratio between the amount of the loan and the value of the financed property (loan-to-value ratio, LTV); the longer the maturity or the higher the LTV, the higher the risk parameters and risk weighted assets;
- business model: Crédit Agricole S.A.'s business model consists in holding loans granted to customers to maturity, whereas other banking models consist in selling large portions of their outstanding loans to securitisation vehicles; Crédit Agricole S.A. consequently keeps all home loans on its balance sheet, where they are generally blended with the lower risk parameters and risk weighted assets of other asset classes, resulting in a structurally lower level of average weighted assets than for banks that sell this type of loan;
- collateral: loans granted can be secured by collateral or personal guarantees, the value and quality of which will be reflected in lower risk parameters than those of unsecured loans;

In addition, the type of customers may also vary significantly depending on the distribution channel: in the case of revolving credit, for instance, the customer (and the associated risk parameters) will differ depending on whether the products are marketed by Crédit Agricole Group Regional Banks to their customers or through subsidiaries specialising in consumer credit.

The pertinence and reliability of the rating data used are guaranteed by a process consisting in the initial validation and subsequent maintenance of internal models based on a structured and documented organisation implemented throughout the Group and involving entities, the Risk Management and Permanent Controls department and the Audit function.

The set of internal models used in Crédit Agricole Group was presented for approval to the Standards and Methodology Committee before internal validation by the Group Control function. The internal validation is deemed to be a pre-validation, as it pre-dates the application for formal approval to the French Prudential Supervisory Authority. The process of constructing and validating an internal rating model requires work over a period generally spanning three to five years, involving several on-site pre-validation and validation assignments.

After validation, systems governing internal ratings and the calculation of risk parameters are subject to permanent and periodic control within each Group entity.

With regard to permanent control, a back-testing committee has been established within each entity. This committee (which may, for some entities, be a specific agenda item for the Risk Committee) is chaired by the Risk Management department of the relevant entity and includes a representative from the Group Risk Management and Permanent Controls department. It meets at least twice a year and is the subject of reports to the Chief Executive Officer and the head of the entity's Risk Management department, as well as the Group Risk Management and Permanent Controls department.

Periodic inspection is conducted annually by the internal audit function or any third party specifically authorised by it. The audit plan covers:

- systems for calculating ratings and estimating risk parameters, as well as compliance with minimum requirements;
- systems functioning (correct implementation).

The corresponding reports are sent to the person responsible for monitoring the relevant entity within the Group Risk Management and Permanent Controls department.

The entity performs internal controls (permanent and periodic) bear on:

- the quality of input and output data within the system;
- the conceptual and technical quality of systems for calculating ratings and estimating risk parameters;
- the completeness of data used for the calculation of weighted assets.

Back-testing is critical in maintaining the pertinence and performance of rating models. A first phase of analysis is based chiefly on the quantitative analysis of the predictive model as a whole and its main explanatory variables.

This exercise can also detect significant change in the structure and behaviour of portfolios and customers. Back-testing then results in decisions to adjust or recast models in order to factor in the new structural elements. This allows changes in non-cyclical behaviour or change in the franchise to be identified, revealing the impact of commercial or risk strategies implemented by the Bank.

Across the Group as a whole, each rating method is back-tested at least once annually by the unit responsible for the method (Risk Management and Permanent Controls department or its delegate). This formalises the procedures and operating methods adopted in a precise manner. Back-testing work can be performed in accordance with differing periodicities, depths and times, each with different objectives.

- Quarterly back-testing: this type of back-testing, systematically performed on the large customer scope, has two objectives: the first is to ensure as far upstream as possible the absence of drift in the application of methodologies; the second is to maintain the business of user entities thanks to these results;
- Annual back-testing: the analysis conducted in accordance with the requirements of Article 145 *et seq*. of the Order of 20 February 2007 aims to ensure that the models used on scopes either authorised or in the process of authorisation yield the anticipated results.

These *ex-post* controls are performed through-the-cycle on historical data covering as long a period as possible. The results of back-testing are ultimately expressed in a summary document containing critical analysis of the discriminating properties of the rating method and estimated default rates associated with each rating calculated by the model.

This critical analysis of the pertinence of the method and its implementation is performed in reference to the actual scope of application of the methodology in Crédit Agricole Group. It must analyse in sufficient depth to detect and describe any possible dysfunctions.

Three types of analysis are carried out systematically:

- control of the stability of the population;
- monitoring of the performance of the rating system: analysis of the discriminating character of the rating grid, for example through the ROC curve, the Gini index and/or the Kolmogorov-Smirnov curve and index;
- monitoring of deviations in respect of default rates: in particular, the review of default rates among Retail customers by batch and by generation of production is a key factor in assessing the quality of the rating system. The gaps between estimated default rates are recognised and assessed by batch on the basis of a confidence interval.

The unit responsible for the method submits annually to the Group, *via* the Standards and Methodologies Committee, the result of back-testing after review by an ad hoc committee aimed at confirming the correct application of the statistical methods selected and the validity of the results. The summary document recommends, if necessary, appropriate corrective measures (revision of methodology, recalibration, training effort, control recommendations, etc.).

1. Breakdown of exposures

1.1 EXPOSURES BY TYPE OF RISK

The table below shows Crédit Agricole S.A. Group's exposure to credit and counterparty risk by exposure class for the standardised and internal ratings based approaches. This exposure is the amount of gross exposure after the impact of netting and before the application of any credit risk mitigation techniques (guarantees and collateral).

EXPOSURE TO CREDIT RISK BY APPROACH AND CLASS OF EXPOSURE: GROSS EXPOSURE

	31/12/2012							31/12/2011		
	Standardised		IRB		Total			Total		
(in billions of euros)	Credit risk	o/w counterparty risk	Credit risk	o/w counterparty risk	Credit risk	o/w counterparty risk	Average exposure	Credit risk	o/w counterparty risk	Average exposure
Central governments and central banks	43.0	11.8	148.2	3.2	191.2	15.0	173.9	156.5	12.0	160.1
Institutions	344.2	24.0	124.1	41.0	468.3	65.0	467.6	466.8	54.0	466.1
Corporates	97.3	10.3	237.4	25.1	334.7	35.4	347.7	360.7	42.8	360.7
Retail customers	72.8		118.0		190.8		195.1	199.4		199.3
Equities	3.4		18.9		22.3		22.3	22.2		22.6
Securitisations (securitisation position)	0.5		56.3		56.8		62.0	67.3		67.2
Other non-credit obligation assets	45.1				45.1		35.0	24.9		31.7
TOTAL	**606.3**	**46.1**	**702.9**	**69.3**	**1,309.2**	**115.4**	**1,303.6**	**1,297.8**	**108.8**	**1,307.6**

EXPOSURES AT DEFAULT BY APPROACH AND EXPOSURE CLASS: EAD

(in billions of euros)	31/12/2012							31/12/2011		
	Standardised		IRB		Total			Total		
	Credit risk	o/w counterparty risk	Credit risk	o/w counterparty risk	Credit risk	o/w counterparty risk	Average exposure	Credit risk	o/w counterparty risk	Average exposure
Central governments and central banks	40.1	11.8	147.8	3.2	187.9	15.0	170.0	152.1	12.0	155.6
Institutions	287.8	24.0	112.6	33.1	400.4	57.1	403.9	407.4	54.1	406.0
Corporates	81.7	10.3	199.9	24.3	281.6	34.6	292.4	303.1	40.4	302.6
Retail customers	55.9		113.7		169.6		172.0	174.4		172.9
Equities	1.7		3.6		5.3		5.6	5.9		13.3
Securitisation	0.5		55.6		56.1		61.3	66.5		63.2
Other non-credit obligation assets	44.2				44.2		34.0	23.9		30.6
TOTAL	**511.9**	**46.1**	**633.2**	**60.6**	**1,145.1**	**106.7**	**1,139.2**	**1,133.3**	**106.6**	**1,144.0**

EXPOSURE TO CREDIT RISK BY APPROACH AND CLASS EXPOSURE: RWA

(in billions of euros)	31/12/2012							31/12/2011		
	Standardised		IRB		Total			Total		
	Credit risk	o/w counterparty risk	Credit risk	o/w counterparty risk	Credit risk	o/w counterparty risk	Average exposure	Credit risk	o/w counterparty risk	Average exposure
Central governments and central banks	2.4	0.2	2.0	0.2	4.4	0.4	3.9	3.4	0.1	3.7
Institutions	10.7	2.4	10.5	4.2	21.2	6.6	21.4	21.6	6.4	22.5
Corporates	62.4	2.5	71.5	9.3	133.9	11.8	140.5	146.8	15.5	150.2
Retail customers	36.6		26.9		63.5		65.0	66.5		66.8
Equities	2.2		10.5		12.7		13.4	14.1		40.3
Securitisation	0.2		7.0		7.2		7.8	8.4		8.8
Other non-credit obligation assets	14.2				14.2		12.3	10.5		9.4
TOTAL	**128.7**	**5.1**	**128.4**	**13.7**	**257.1**	**18.8**	**264.3**	**271.3**	**22.0**	**301.5**

The average amount by exposure class at 31 December 2012 is the arithmetic average between exposures at 31 December 2012 and exposures at 31 December 2011.

With no notable changes from previous years, the loan book is characterised by the structural weight of Institutions which includes €300.4 billion of exposures related to Crédit Agricole Group internal transactions at 31 December 2012 (€306.3 billion at 31 December 2011). Excluding these internal operations, gross exposure for the loan book totalled €1,009 billion at end-December 2012, a 1.7% increase year-on-year.

In terms of gross exposure, as in 2011, the 2012 financial year saw near-stagnation of total deposits, with contrasting changes in different portfolios. In line with the overall deterioration of the economic environment in Europe, outstandings on Retail and Corporates dropped sharply (by -7.2% and -4.3% respectively). The Securitisation portfolio fell even more steeply (-15.6%) due to the sale of Crédit Agricole CIB's correlation book. In contrast, the change in exposures observed on the Central governments and central banks portfolio was caused by an increase in liquid assets in the form of central bank deposits.

The loan book's EAD rose by 1.05% over the year.

Counterparty risk exposure also recorded an increase of 6.1% over the year to €115.5 billion of gross exposure compared with €109 billion at end-2011.

Counterparty risk on market transactions

Crédit Agricole S.A. and its subsidiaries calculate counterparty risk for all their exposures, whether in the banking book or the trading book. For items in the trading book, counterparty risk is calculated in accordance with the provisions relating to the regulatory supervision of market risk.

The regulatory treatment of counterparty risk on future derivative financial instruments in the banking portfolio is defined in the French transposition (decree of 20 February 2007) of the European directive. Crédit Agricole S.A. Group uses the market price method to measure its exposure to counterparty risk on future derivative financial instruments in the banking portfolio.

The exposure at default on counterparty risk amounted to €106.8 billion at 31 December 2012 (€59.7 billion in the form of derivative instruments and €47.1 billion in the form of security financing operations).

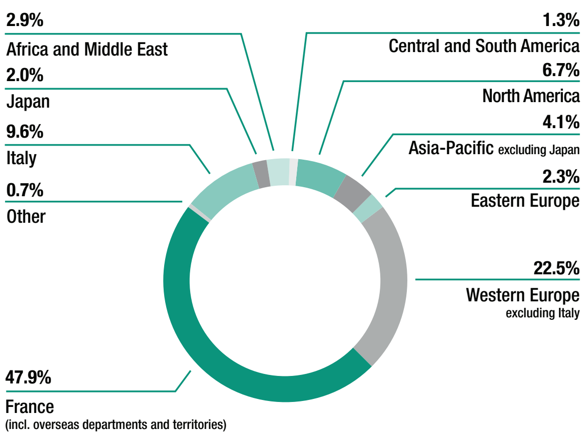
Information on exposure to forwards/futures is also provided in Note 3.1 "Credit risk" to the consolidated financial statements.

1.2 EXPOSURE BY GEOGRAPHIC AREA

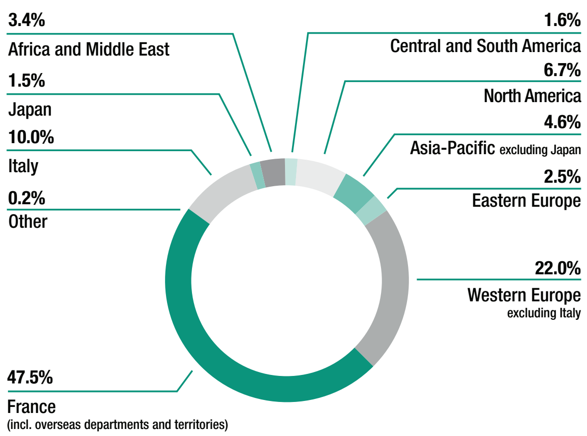
The breakdown by geographical area includes all Crédit Agricole S.A. Group's exposures except for securitisations assets and other non-credit obligation assets.

At 31 December 2012, total exposure for the scope defined above was €906.9 billion (excluding Crédit Agricole Group internal transactions), compared with €896.1 billion at 31 December 2011. The amount allocated by geographical area was €880.9 billion, compared with €884.4 billion at 31 December 2011.

BREAKDOWN OF CRÉDIT AGRICOLE S.A. GROUP SCOPE AT 31/12/2012



BREAKDOWN OF CRÉDIT AGRICOLE S.A. GROUP SCOPE AT 31/12/2011



(in %) Geographic area of exposure	Central governments and central banks		Institutions		Corporates		Retail customers		Equities	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011	31/12/2012	31/12/2011	31/12/2012	31/12/2011	31/12/2012	31/12/2011
France (incl. Overseas departments and territories)	58.0	64.7	48.7	46.4	36.0	35.3	57.2	56.7	79.9	81.9
Western Europe excluding Italy	14.3	11.1	32.9	33.0	27.6	26.4	13.0	14.0	8.0	6.2
North America	11.5	11.3	5.5	5.6	8.5	8.8	0.0	0.0	2.0	2.4
Italy	4.2	4.9	1.7	2.2	8.2	7.8	24.6	24.5	4.1	4.0
Japan	4.1	2.0	2.7	2.8	1.5	1.6	0.0	0.0	0.5	0.4
Other	3.3	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Asia-Pacific excluding Japan	1.7	1.7	4.7	5.5	7.2	7.6	0.5	0.5	5.1	4.9
Africa and Middle East	1.3	1.4	2.5	2.9	4.9	5.6	1.4	1.4	0.2	0.2
Central and South America	1.0	1.1	0.4	0.5	2.6	3.1	0.3	0.2	0.0	0.0
Eastern Europe	0.6	0.8	0.9	1.1	3.5	3.8	3.0	2.7	0.2	0.0
	100.0	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

With no major changes compared to 2011, the loan book is still mainly concentrated in France (47.9%) and Western Europe in general (80.0%), a direct consequence of the predominance of European operations in Crédit Agricole S.A.'s activities. Distribution in Europe remained stable overall, though Italy saw its share of the total portfolio fall from 10.0% to 9.6% at 31 December 2012.

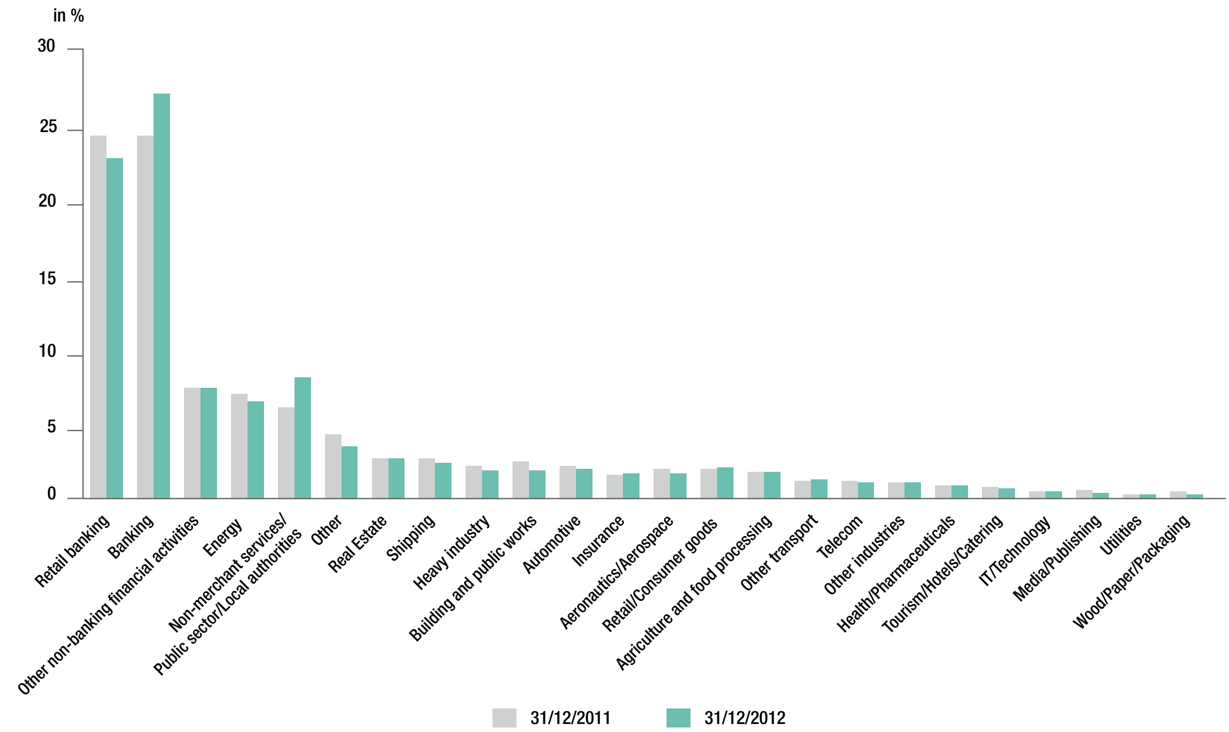
Total exposure to France includes 25.7% exposure to Retail outstandings (-1.0% year-on-year) and 28.7% exposure to Corporates (-1.8% year-on-year). In Italy – Crédit Agricole Group's second largest market – the Retail customer loan book accounted for 54.8% of total exposure (54.9% at end-December 2011). By comparison, Western Europe excluding France and Italy remained mainly exposed to Corporates (46.8% at 31 December 2012, compared to 49.1% at 31 December 2011).

1.3 EXPOSURES BY BUSINESS SECTOR

The breakdown by business sector covers Crédit Agricole S.A. Group's exposures to Central governments and central banks, Institutions, Corporates and Retail customers. The Retail customer portfolio is also broken down by Basel sub-portfolio (home loans, revolving credit, other small business loans, farmers and other retail).

At 31 December 2012, total exposure for the scope defined above was €884.7 billion (excluding Crédit Agricole Group internal transactions), compared with €877.0 billion at 31 December 2011. The amount allocated by business sector was €836.3 billion at 31 December 2012, compared with €812.2 billion at 31 December 2011.

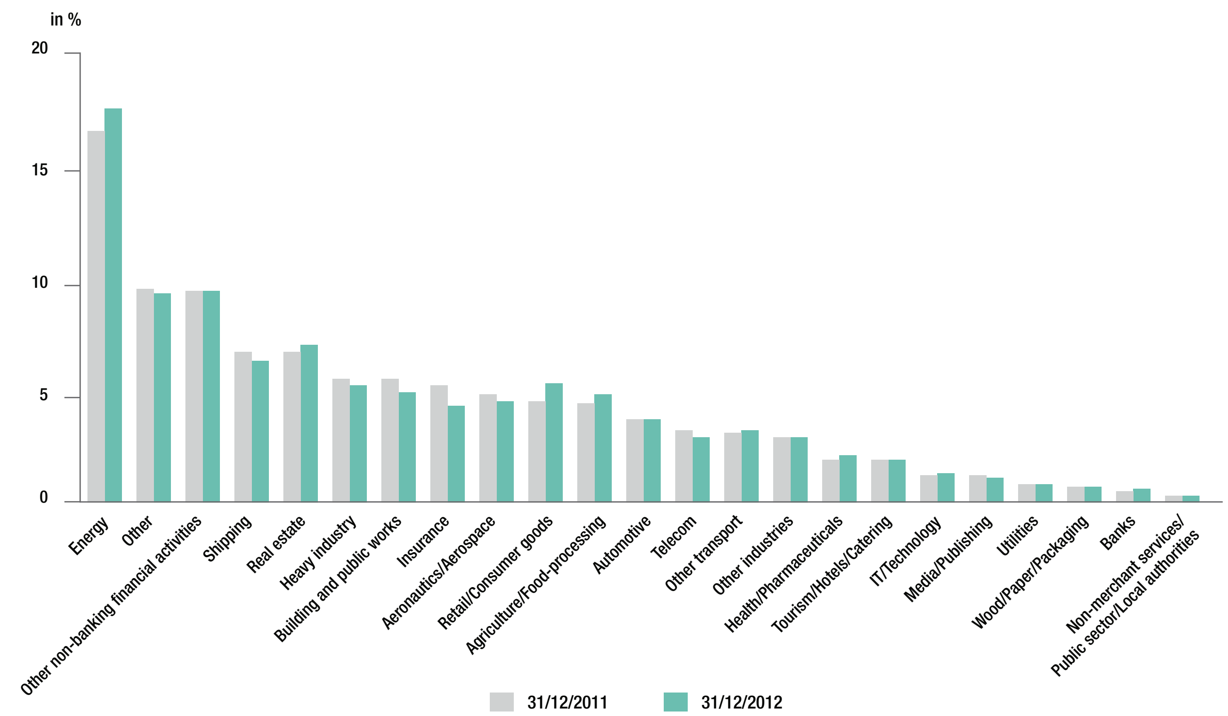
BREAKDOWN OF CRÉDIT AGRICOLE S.A. GROUP PORTFOLIO



Prudential scope defined above, including central governments and central banks, institutions, corporates and retail customers.

The breakdown of the loan book by business sector changed little in 2012 and shows a good level of risk diversification. Excluding Retail customers and the financial and public sectors, the Corporate loan book shows a satisfactory level of risk diversification.

BREAKDOWN OF CORPORATE PORTFOLIO

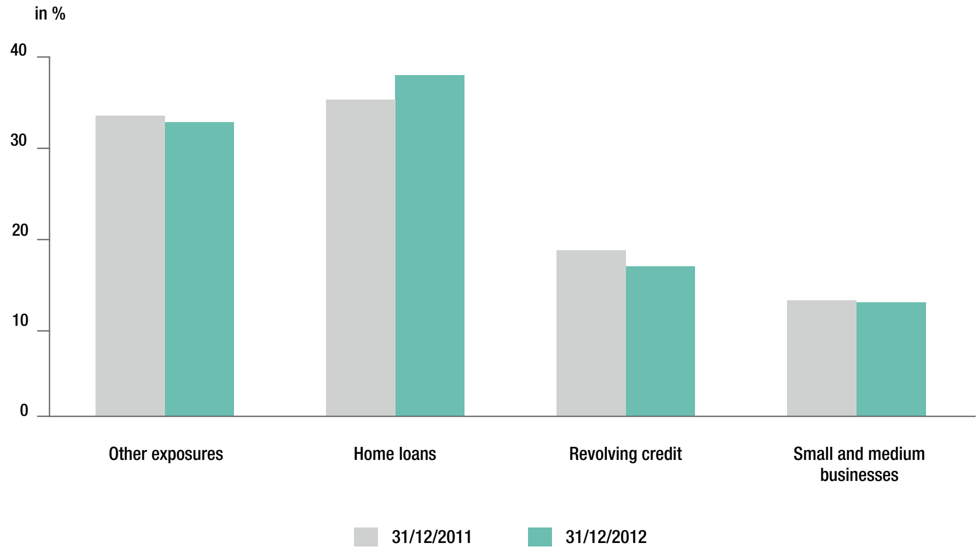


Within the Corporate portfolio, which has shown an overall decrease, the sectors whose relative proportion fell most sharply in 2012 were heavy industry, shipping and building and public works, together with the insurance sector where the increase in 2011 arose from exceptional transactions.

Breakdown of exposures – Retail customer portfolio

The chart below shows a breakdown of Crédit Agricole S.A.'s retail customer portfolio exposures by Basel sub-portfolio (outstandings of €190.8 billion at 31 December 2012 compared with €199.4 billion at 31 December 2011).

BREAKDOWN OF RETAIL CUSTOMERS PORTFOLIO



As in 2011, the breakdown of the Retail customer portfolio by Basel sub-portfolio was marked by an increase in the share of home loans to the detriment of consumer loans ("other exposures" class) and revolving credit, which saw a sizeable fall in outstandings in 2012 (-13.9%).

1.4 EXPOSURES BY RESIDUAL MATURITY

The breakdown of exposures by residual maturity and by financial instrument is disclosed on an accounting basis in Note 3.3 to the consolidated financial statements on "Liquidity and financing risk".

2. Quality of exposures

2.1 QUALITY OF EXPOSURES IN STANDARDISED APPROACH

Credit risk exposure in standardised approach

For Central governments and central banks and Institutions in the standardised approach, Crédit Agricole S.A. Group has chosen to use Moody's ratings for the sovereign risk and the correspondence grid with the French Prudential Supervisory Authority's (ACP) credit quality assessment scale.

The Group does not use external credit rating agencies for Corporate exposures. Consequently, in accordance with the applicable regulation, Corporate exposures are assigned a 100% weighting or a 150% weighting when exposure to the country in which the company is based has a 150% weighting, with the exception of the LCL scope, for which calculation of additional capital requirements under the standardised approach factors in the ratings provided by the Bank of France.

Breakdown of exposures and exposures at default by credit quality level

CENTRAL GOVERNMENTS AND CENTRAL BANKS

Credit quality level *(in billions of euros)*	31/12/2012		31/12/2011	
	Exposure amount	Exposure at risk	Exposure amount	Exposure at risk
1	32.7	30.0	46.7	43.6
2	0.4	0.4	6.8	6.8
3	7.2	7.2	0.4	0.4
4	0.6	0.6	0.4	0.4
5	1.5	1.5	1.3	1.3
6	0.6	0.5	0.8	0.5
TOTAL	**43.0**	**40.2**	**56.4**	**53.0**

Pursuing the trend observed in 2011, exposure to Central governments and central banks under the standardised approach recorded a significant drop in 2012 (-23.8%). The top credit quality level continued to account for the vast majority of the portfolio (76.1%), but the deterioration in sovereign ratings in 2012 led to a significant shift of outstandings to levels 3 and 4. The proportion of ratings 5 and 6, however, remained very low, accounting for less than 5% of all exposures.

INSTITUTIONS

Credit quality level *(in billions of euros)*	31/12/2012		31/12/2011	
	Exposure amount	Exposure at risk	Exposure amount	Exposure at risk
1	340.8	284.7	336.2	279.7
2	-	-	2.2	2.2
3	1.7	1.7	-	-
4	0.3	0.3	0.4	0.4
5	0.9	0.8	0.9	0.8
6	0.5	0.3	0.7	0.5
TOTAL	**344.2**	**287.8**	**340.4**	**283.6**

Exposure to Institutions under the standardised approach remained, as in previous years, almost entirely concentrated on the top credit quality level, reflecting the extent of business with very high quality institutions: the percentage of institutions ranked level 2 and above was less than 1%.

2.2 QUALITY OF EXPOSURES UNDER THE INTERNAL RATINGS-BASED APPROACH (IRB)

Presentation of the internal ratings system and procedure

The internal ratings systems and procedures are described in the section entitled “Risk Factors – Credit Risk – Risk Measurement methods and systems”.

EXPOSURE TO CREDIT RISK BY CLASS OF EXPOSURE AND BY INTERNAL RATING AT 31 DECEMBER 2012

(in millions of euros)	Internal rating of counterparty	Probability of default *(in %)*	Gross exposure	EAD	EAD Balance sheet	EAD Off-balance sheet	RWA	Average LGD *(in %)*	Average RW *(in %)*	Expected Losses (EL)
Central governments and central banks	A+ to B+	0.0%	139,433.9	140,554.2	137,408.4	3,145.8	50.6	20.2%	0.0%	-
	B	0.06%	4,375.7	4,536.6	4,383.0	153.6	492.1	21.2%	10.8%	0.6
	C+	0.16%	1,187.5	1,113.7	703.6	410.1	269.6	32.3%	24.2%	0.6
	C	0.30%	1,627.9	516.4	203.9	312.5	132.9	23.9%	25.7%	0.4
	C-	0.60%	475.8	407.1	375.3	31.8	123.0	20.8%	30.2%	0.5
	D+	0.75%	500.8	387.9	338.9	49.0	322.5	42.8%	83.2%	1.2
	D	1.25%	60.3	18.6	2.0	16.6	20.2	45.0%	108.6%	0.1
	D-	1.90%	211.1	151.3	48.1	103.2	197.2	45.0%	130.4%	1.3
	E+	5.00%	187.5	29.5	19.7	9.8	69.8	59.2%	236.5%	0.9
	E	12.00%	17.6	0.5	0.5	-	1.5	60.0%	309.5%	-
	E-	20.00%	127.1	65.7	42.3	23.4	316.4	77.6%	481.7%	10.2
Subtotal		**0.02%**	**148,205.2**	**147,781.5**	**143,525.7**	**4,255.8**	**1,995.8**	**20.5%**	**1.4%**	**15.8**
Institutions	A+ to B+	0.0%	84,066.6	76,332.6	58,718.5	17,614.1	1,792.5	35.5%	2.3%	1.2
	B	0.06%	20,296.0	19,611.2	8,939.3	10,671.9	2,153.1	25.8%	11.0%	2.7
	C+	0.16%	7,806.2	6,793.2	2,822.4	3,970.8	1,597.7	30.6%	23.5%	3.3
	C	0.30%	5,195.1	4,682.0	2,611.2	2,070.8	1,695.0	33.8%	36.2%	9.3
	C-	0.60%	2,831.2	2,294.7	1,039.0	1,255.7	960.7	26.2%	41.9%	3.8
	D+	0.75%	1,135.3	717.9	240.6	477.3	444.9	36.9%	62.0%	1.9
	D	1.25%	834.3	700.0	241.6	458.4	462.7	28.6%	66.1%	2.5
	D-	1.90%	691.1	538.0	165.0	373.0	235.2	17.0%	43.7%	1.7
	E+	5.00%	122.7	43.4	0.8	42.6	54.1	40.8%	124.7%	0.9
	E	12.00%	2.2	7.8	6.8	1.0	2.3	82.8%	29.0%	1.1
	E-	20.00%	579.9	369.0	89.0	280.0	1,074.2	49.6%	291.1%	36.6
Subtotal		**0.16%**	**123,560.6**	**112,089.8**	**74,874.2**	**37,215.6**	**10,472.4**	**33.2%**	**9.3%**	**65.0**
Corporates	A+ to B+	0.0%	40,384.5	46,816.6	21,790.6	25,026.0	2,667.1	26.8%	5.7%	2.9
	B	0.06%	48,227.4	38,098.9	12,943.1	25,155.8	6,343.5	37.9%	16.7%	7.0
	C+	0.16%	38,755.1	31,422.6	17,697.4	13,725.2	9,675.5	35.0%	30.8%	16.8
	C	0.30%	39,100.7	29,371.6	18,321.4	11,050.2	12,018.5	34.3%	40.9%	27.6
	C-	0.60%	26,737.9	19,827.0	12,354.2	7,472.8	11,874.1	32.0%	59.9%	37.5
	D+	0.75%	12,860.6	9,954.5	6,518.0	3,436.5	6,962.9	36.6%	69.9%	26.2
	D	1.25%	11,973.4	9,116.5	6,187.7	2,928.8	7,416.2	34.5%	81.3%	38.3
	D-	1.90%	7,897.0	5,987.7	4,261.1	1,726.6	5,734.8	35.6%	95.8%	39.9
	E+	5.00%	3,739.2	2,582.1	2,158.4	423.7	2,822.6	31.3%	109.3%	39.9
	E	12.00%	1,251.1	1,141.1	973.7	167.4	1,344.6	26.7%	117.8%	36.9
	E-	20.00%	2,641.6	2,263.0	1,208.9	1,054.1	4,409.3	34.4%	194.8%	154.2
Subtotal		**0.67%**	**233,568.5**	**196,581.6**	**104,414.5**	**92,167.1**	**71,269.1**	**33.2%**	**36.3%**	**427.2**
TOTAL		**0.33%**	**505,334.3**	**456,452.9**	**322,814.4**	**133,638.5**	**83,737.3**	**29.2%**	**18.3%**	**508.0**

EXPOSURE TO CREDIT RISK BY CLASS OF EXPOSURE AND BY INTERNAL RATING AT 31 DECEMBER 2011

(in millions of euros)	Internal rating of counterparty	Probability of default *(in %)*	Gross exposure	EAD	EAD Balance sheet	EAD Off-balance sheet	RWA	Average LGD *(in %)*	Average RW *(in %)*	Expected Losses (EL)
Central governments and central banks	A+ to B+	0.0%	95,294.4	96,070.4	91,321.5	4,748.8	183.2	24.1%	0.2%	0.1
	B	0.06%	366.1	382.0	339.9	42.1	9.1	6.3%	2.4%	-
	C+	0.16%	911.3	900.1	688.2	211.9	155.3	20.8%	17.3%	0.3
	C	0.30%	2,180.9	1,011.3	741.2	270.1	442.2	36.9%	43.8%	1.1
	C-	0.60%	489.6	419.0	266.5	152.5	81.2	11.5%	19.4%	0.3
	D+	0.75%	157.0	82.4	33.5	48.9	77.8	45.0%	94.4%	0.3
	D	1.25%	320.6	112.6	106.7	5.9	109.8	38.6%	97.5%	0.5
	D-	1.90%	180.7	95.9	92.1	3.8	95.9	43.1%	99.9%	0.8
	E+	5.00%	72.6	12.0	2.4	9.6	30.8	62.4%	257.4%	0.4
	E	12.00%	26.2	0.5	0.5	-	1.7	60.0%	316.6%	-
	E-	20.00%	107.9	36.7	17.6	19.1	215.7	94.7%	587.5%	7.0
Subtotal		**0.02%**	**100,107.3**	**99,122.9**	**93,610.1**	**5,512.7**	**1,402.7**	**24.2%**	**1.4%**	**10.8**
Institutions	A+ to B+	0.0%	85,944.6	87,549.0	67,187.1	20,361.9	2,362.1	10.2%	2.7%	1.7
	B	0.06%	18,192.9	17,356.0	7,354.8	10,001.2	1,778.2	25.0%	10.2%	2.2
	C+	0.16%	9,793.7	8,519.3	3,076.8	5,442.5	2,249.4	32.3%	26.4%	4.3
	C	0.30%	5,859.7	5,163.6	3,113.5	2,050.0	1,733.7	32.8%	33.6%	4.8
	C-	0.60%	3,357.1	2,770.8	1,675.9	1,094.9	1,657.4	28.6%	59.8%	5.3
	D+	0.75%	1,266.5	1,126.5	448.8	677.7	591.5	31.5%	52.5%	2.6
	D	1.25%	491.2	334.5	108.8	225.7	279.3	36.5%	83.5%	1.5
	D-	1.90%	239.5	160.8	86.1	74.7	157.0	41.4%	97.6%	1.3
	E+	5.00%	107.3	46.0	7.3	38.7	78.8	49.9%	171.5%	1.1
	E	12.00%	41.9	37.4	2.5	34.9	155.7	79.5%	416.7%	3.4
	E-	20.00%	463.9	111.3	30.6	80.7	476.5	73.0%	428.1%	16.3
Subtotal		**0.10%**	**125,758.3**	**123,175.2**	**83,092.2**	**40,082.9**	**11,519.6**	**15.6%**	**9.4%**	**44.5**
Corporates	A+ to B+	0.0%	45,721.7	55,235.4	26,925.8	28,309.6	3,043.8	27.7%	5.5%	1.8
	B	0.06%	52,330.2	40,310.4	13,464.1	26,846.3	7,676.4	39.7%	19.0%	7.6
	C+	0.16%	39,388.2	32,770.8	19,274.8	13,496.0	10,133.9	34.2%	30.9%	17.1
	C	0.30%	42,795.1	31,291.5	18,040.3	13,251.2	14,123.6	36.3%	45.1%	32.0
	C-	0.60%	33,941.9	24,832.3	16,462.4	8,369.9	14,744.8	34.3%	59.4%	48.6
	D+	0.75%	16,541.1	11,177.2	7,007.8	4,169.4	7,510.7	36.4%	67.2%	28.6
	D	1.25%	11,621.2	9,066.3	6,175.7	2,890.6	7,833.1	36.2%	86.4%	40.6
	D-	1.90%	8,546.2	6,111.9	4,159.5	1,952.4	6,283.8	37.6%	102.8%	42.3
	E+	5.00%	3,159.7	2,397.0	1,576.7	820.3	2,886.5	34.0%	120.4%	40.4
	E	12.00%	1,578.5	1,247.2	1,130.7	116.5	1,448.7	24.0%	116.2%	35.5
	E-	20.00%	2,354.2	1,852.6	1,237.6	615.0	3,388.2	41.8%	182.9%	118.7
Subtotal		**0.59%**	**257,978.0**	**216,292.6**	**115,455.4**	**100,837.2**	**79,073.5**	**34.2%**	**36.6%**	**413.2**
TOTAL		**0.33%**	**483,843.6**	**438,590.7**	**292,157.7**	**146,432.8**	**91,995.8**	**29.2%**	**21.0%**	**468.5**

As exposure to retail credit risk categories do not use the same internal ratings as the other categories, they are presented separately.

The breakdown of the large corporates portfolios (exposure class: Central governments and central banks, Institutions and Corporates) by internal rating still shows good overall quality: over 90% of exposures rank Investment grade (internal rating of A+ to C-).

EXPOSURE TO RETAIL CUSTOMER CREDIT RISK BY EXPOSURE CLASS AND BY INTERNAL RATING AT 31 DECEMBER 2012

(in millions of euros)	Interval of probability of default	Average PD *(in %)*	Gross exposure	EAD	EAD Balance sheet	EAD Off-balance sheet	RWA	Average LGD *(in %)*	Average RW *(in %)*	Expected Losses (EL)
Home loans	0.08%<PD<0.17%	0.11%	22,230.7	22,230.7	21,267.0	963.7	608.0	10.1%	2.7%	2.5
	0.17%<PD<0.32%	0.25%	180.4	180.4	174.8	5.6	12.4	13.8%	6.9%	0.1
	0.32%<PD<0.64%	0.39%	8,612.1	8,612.1	8,269.4	342.7	618.9	10.3%	7.2%	3.5
	0.64%<PD<0.96%	0.64%	4,759.7	4,759.7	4,581.6	178.1	472.1	10.1%	9.9%	3.1
	0.96%<PD<1.28%	1.10%	5,023.5	5,023.5	4,749.3	274.2	716.8	10.1%	14.3%	5.6
	1.28%<PD<2.56%	2.09%	6,301.2	6,301.2	6,033.1	268.1	1,360.7	10.3%	21.6%	13.4
	2.56%<PD<5.12%	4.70%	3,503.7	3,503.7	3,159.7	344.0	1,197.8	10.1%	34.2%	16.7
	5.12%<PD<15%	9.77%	1,022.7	1,022.7	993.4	29.3	501.5	10.3%	49.0%	10.3
	15%<PD<22%	16.46%	3.9	3.9	3.8	0.1	4.3	19.3%	110.3%	0.1
	22%<PD<34%	23.47%	197.1	197.1	194.2	2.9	123.3	10.2%	62.5%	4.7
	34%<PD<65%	52.48%	136.9	136.9	135.8	1.1	72.6	10.3%	53.0%	7.4
	65%<PD<99%	65.51%	0.5	0.5	0.5	-	0.4	21.0%	84.6%	0.1
Subtotal		**1.27%**	**51,972.4**	**51,972.4**	**49,562.6**	**2,409.8**	**5,688.8**	**10.2%**	**10.9%**	**67.5**
Revolving credit	0.03%<PD<0.04%	0.03%	3.2	2.9	0.1	2.8	-	41.0%	1.0%	-
	0.04%<PD<0.08%	0.07%	1,505.4	504.5	-	504.5	13.6	54.5%	2.7%	0.2
	0.08%<PD<0.17%	0.11%	1,635.6	1,024.2	146.3	877.9	52.2	72.1%	5.1%	0.8
	0.17%<PD<0.32%	0.22%	1,286.4	341.5	48.4	293.1	21.3	52.1%	6.2%	0.4
	0.32%<PD<0.64%	0.42%	1,804.5	856.3	312.9	543.4	103.9	60.0%	12.1%	2.1
	0.64%<PD<0.96%	0.70%	790.5	481.0	215.7	265.3	88.0	60.0%	18.3%	2.0
	0.96%<PD<1.28%	1.16%	952.2	668.8	394.9	273.9	164.2	54.5%	24.5%	4.2
	1.28%<PD<2.56%	1.94%	1,135.8	994.7	529.9	464.8	376.5	56.7%	37.9%	11.1
	2.56%<PD<5.12%	3.83%	2,016.4	1,940.2	1,487.0	453.2	1,052.1	50.2%	54.2%	37.8
	5.12%<PD<15%	8.94%	798.1	797.6	684.1	113.5	734.0	50.1%	92.0%	35.9
	15%<PD<22%	19.27%	147.1	144.1	135.4	8.7	180.2	45.7%	125.1%	12.7
	22%<PD<34%	25.21%	34.4	36.1	27.2	8.9	62.7	58.1%	173.6%	5.2
	34%<PD<65%	42.15%	130.7	127.4	125.2	2.2	190.5	47.5%	149.5%	25.6
	65%<PD<99%	77.08%	39.4	39.2	39.1	0.1	35.7	48.2%	91.0%	14.6
Subtotal		**3.80%**	**12,279.7**	**7,958.5**	**4,146.2**	**3,812.3**	**3,074.9**	**56.1%**	**38.6%**	**152.6**
Other exposures	0.03%<PD<0.04%	0.03%	425.7	425.7	425.5	0.2	1.5	3.8%	0.3%	-
	0.04%<PD<0.08%	0.07%	2,185.7	2,184.8	2,183.8	1.0	21.2	5.5%	1.0%	0.1
	0.08%<PD<0.17%	0.11%	5,565.8	5,563.8	5,328.2	235.6	187.4	12.1%	3.4%	0.7
	0.17%<PD<0.32%	0.23%	1,817.6	1,817.1	1,786.1	31.0	131.5	13.4%	7.2%	0.6
	0.32%<PD<0.64%	0.50%	3,640.4	3,640.9	3,568.5	72.4	858.0	30.9%	23.6%	5.7
	0.64%<PD<0.96%	0.77%	1,785.3	1,788.1	1,741.7	46.4	509.8	29.5%	28.5%	4.2
	0.96%<PD<1.28%	1.11%	2,846.3	2,851.8	2,791.0	60.8	1,136.1	35.4%	39.8%	11.2
	1.28%<PD<2.56%	2.15%	7,357.0	7,371.8	7,227.1	144.7	3,650.8	35.8%	49.5%	57.3
	2.56%<PD<5.12%	4.41%	5,822.0	5,835.8	5,730.0	105.8	3,311.8	36.8%	56.8%	94.3
	5.12%<PD<15%	9.03%	3,493.1	3,493.3	3,473.7	19.6	2,248.7	37.2%	64.4%	115.3
	15%<PD<22%	18.48%	259.9	259.9	255.9	4.0	132.3	22.2%	50.9%	10.8
	22%<PD<34%	28.00%	694.3	694.3	693.2	1.1	524.5	28.7%	75.5%	55.4
	34%<PD<65%	45.26%	387.8	387.8	387.1	0.7	331.8	31.2%	85.6%	54.8
	65%<PD<99%	74.89%	124.5	124.5	124.5	-	90.7	40.2%	72.9%	37.5
Subtotal		**3.62%**	**36,405.4**	**36,439.6**	**35,716.3**	**723.3**	**13,136.1**	**28.1%**	**36.0%**	**447.9**

(in millions of euros)	Interval of probability of default	Average PD *(in %)*	Gross exposure	EAD	EAD Balance sheet	EAD Off-balance sheet	RWA	Average LGD *(in %)*	Average RW *(in %)*	Expected Losses (EL)
Small and medium businesses	0.03%<PD<0.04%	0.03%	0.4	0.4	-	0.4	-	88.4%	9.3%	-
	0.08%<PD<0.17%	0.14%	16.0	15.6	14.6	1.0	2.9	30.9%	18.8%	-
	0.17%<PD<0.32%	0.25%	1,729.8	1,728.0	1,634.0	94.0	390.1	29.2%	22.6%	1.3
	0.32%<PD<0.64%	0.63%	2,618.9	2,616.5	2,537.0	79.5	870.4	27.1%	33.3%	4.5
	0.64%<PD<0.96%	0.65%	59.0	57.7	51.0	6.7	13.3	22.3%	23.1%	0.1
	0.96%<PD<1.28%	1.00%	1,075.4	1,073.7	1,049.6	24.1	327.4	22.3%	30.5%	2.4
	1.28%<PD<2.56%	1.75%	1,928.4	1,926.7	1,859.8	66.9	744.0	23.8%	38.6%	8.1
	2.56%<PD<5.12%	3.71%	2,308.5	2,306.8	2,177.1	129.7	1,048.6	24.4%	45.5%	20.7
	5.12%<PD<15%	7.96%	1,733.6	1,730.9	1,669.5	61.4	1,036.9	27.8%	59.9%	37.2
	15%<PD<22%	19.48%	602.8	602.8	574.9	27.9	500.5	29.2%	83.0%	34.2
	22%<PD<34%	27.45%	9.3	9.4	5.3	4.1	10.5	41.9%	111.6%	1.1
	34%<PD<65%	46.93%	63.3	63.3	59.2	4.1	56.3	31.7%	89.0%	9.4
	65%<PD<99%	76.34%	1.9	1.9	1.9	-	1.9	57.7%	99.7%	0.8
Subtotal		**3.63%**	**12,147.3**	**12,133.7**	**11,633.9**	**499.8**	**5,002.8**	**26.1%**	**41.2%**	**119.8**
TOTAL		**2.51%**	**112,804.8**	**108,504.2**	**101,059.0**	**7,445.2**	**26,902.6**	**21.3%**	**24.8%**	**787.8**

EXPOSURE TO RETAIL CUSTOMER CREDIT RISK BY EXPOSURE CLASS AND BY INTERNAL RATING AT 31 DECEMBER 2011

(in millions of euros)	Interval of probability of default	Average PD *(in %)*	Gross exposure	EAD	EAD Balance sheet	EAD Off-balance sheet	RWA	Average LGD *(in %)*	Average RW *(in %)*	Expected Losses (EL)
Home loans	0.08%<PD<0.17%	0.12%	20,540.5	20,540.5	19,477.6	1,062.9	601.7	10.1%	2.9%	2.5
	0.17%<PD<0.32%	0.26%	145.9	145.9	141.9	4.0	10.0	13.1%	6.8%	-
	0.32%<PD<0.64%	0.41%	7,838.3	7,838.3	7,503.2	335.1	583.3	10.3%	7.4%	3.3
	0.64%<PD<0.96%	0.66%	4,586.0	4,586.0	4,375.2	210.8	466.1	10.1%	10.2%	3.1
	0.96%<PD<1.28%	1.14%	4,982.2	4,982.2	4,688.2	294.0	730.2	10.1%	14.7%	5.7
	1.28%<PD<2.56%	1.69%	3,208.0	3,208.0	3,037.8	170.2	623.1	10.4%	19.4%	5.6
	2.56%<PD<5.12%	2.84%	4,542.2	4,542.2	4,114.6	427.6	1,173.0	10.2%	25.8%	13.1
	5.12%<PD<15%	6.46%	4,280.4	4,280.4	4,075.1	205.3	1,695.4	10.2%	39.6%	28.2
	15%<PD<22%	17.16%	4.8	4.8	4.8	-	5.2	18.8%	108.7%	0.2
	22%<PD<34%	24.19%	200.4	200.4	195.2	5.2	127.6	10.4%	63.7%	5.0
	34%<PD<65%	53.76%	126.1	126.1	124.8	1.3	66.0	10.3%	52.4%	7.0
	65%<PD<99%	69.67%	0.4	0.4	0.4	-	0.3	21.3%	76.3%	0.1
Subtotal		**1.43%**	**50,455.2**	**50,455.2**	**47,738.8**	**2,716.4**	**6,081.9**	**10.2%**	**12.1%**	**73.8**
Revolving credit	0.03%<PD<0.04%	-	-	-	-	-	-	-	0.0%	-
	0.04%<PD<0.08%	0.07%	1,949.3	749.8	0.1	749.7	20.5	54.9%	2.7%	0.3
	0.08%<PD<0.17%	0.12%	2,092.8	1,007.4	116.3	891.1	51.5	66.7%	5.1%	0.8
	0.17%<PD<0.32%	0.27%	1,903.4	531.0	184.8	346.2	41.8	54.8%	7.9%	0.8
	0.32%<PD<0.64%	0.45%	1,100.6	665.2	169.2	496.0	83.4	57.5%	12.5%	1.7
	0.64%<PD<0.96%	0.71%	809.3	467.0	223.2	243.8	82.6	57.1%	17.7%	1.9
	0.96%<PD<1.28%	1.11%	1,018.5	700.4	397.1	303.3	161.9	52.7%	23.1%	4.1
	1.28%<PD<2.56%	1.62%	867.7	666.2	394.8	271.4	210.1	54.0%	31.5%	5.8
	2.56%<PD<5.12%	3.32%	2,113.3	2,026.8	1,469.8	557.0	1,020.9	52.0%	50.4%	34.8
	5.12%<PD<15%	7.87%	1,394.9	1,428.6	1,050.1	378.5	1,265.2	52.7%	88.6%	59.2
	15%<PD<22%	18.88%	171.4	163.7	156.4	7.3	220.6	49.6%	134.7%	15.3
	22%<PD<34%	25.71%	41.9	44.5	32.3	12.2	74.5	55.5%	167.2%	6.3
	34%<PD<65%	42.47%	144.4	139.7	136.3	3.4	218.2	49.7%	156.2%	29.5
	65%<PD<99%	77.94%	35.0	34.7	34.6	0.1	33.0	52.0%	95.2%	14.0
Subtotal		**3.90%**	**13,642.5**	**8,625.0**	**4,365.0**	**4,260.0**	**3,484.2**	**55.1%**	**40.4%**	**174.5**
Other exposures	0.03%<PD<0.04%	0.03%	521.6	521.4	521.0	0.4	7.6	13.1%	1.5%	-
	0.04%<PD<0.08%	0.07%	2,566.0	2,554.1	2,518.4	35.7	37.8	8.4%	1.5%	0.1
	0.08%<PD<0.17%	0.12%	6,144.0	6,133.0	5,849.1	283.8	230.2	13.0%	3.8%	1.0
	0.17%<PD<0.32%	0.23%	1,432.5	1,430.4	1,397.4	33.0	98.4	14.5%	6.9%	0.5
	0.32%<PD<0.64%	0.47%	3,505.0	3,504.8	3,437.4	67.4	762.3	29.1%	21.7%	5.0
	0.64%<PD<0.96%	0.79%	2,528.2	2,530.0	2,468.1	61.9	726.0	29.3%	28.7%	6.0
	0.96%<PD<1.28%	1.12%	2,368.5	2,373.3	2,279.7	93.6	784.1	29.2%	33.0%	7.8
	1.28%<PD<2.56%	2.10%	6,570.9	6,576.7	6,479.1	97.6	2,709.2	30.1%	41.2%	41.2
	2.56%<PD<5.12%	2.60%	6,064.2	6,120.2	5,923.3	196.9	2,842.9	30.5%	46.5%	75.3
	5.12%<PD<15%	8.40%	4,903.5	4,910.3	4,834.3	76.0	2,556.2	30.3%	52.1%	126.7
	15%<PD<22%	18.70%	227.3	226.8	221.7	5.1	120.9	23.1%	53.3%	9.9
	22%<PD<34%	25.63%	503.8	504.0	501.9	2.1	363.5	27.9%	72.1%	36.5
	34%<PD<65%	44.20%	641.0	641.0	640.1	0.9	405.7	23.1%	63.3%	66.5
	65%<PD<99%	75.46%	128.3	128.3	128.3	-	74.9	33.0%	58.4%	32.0
Subtotal		**3.50%**	**38,104.8**	**38,154.3**	**37,199.8**	**954.4**	**11,719.7**	**24.8%**	**30.7%**	**408.5**

(in millions of euros)	Interval of probability of default	Average PD *(in %)*	Gross exposure	EAD	EAD Balance sheet	EAD Off-balance sheet	RWA	Average LGD *(in %)*	Average RW *(in %)*	Expected Losses (EL)
Small and medium businesses	0.03%<PD<0.04%	0.03%	0.7	0.7	0.1	0.6	0.1	88.6%	9.3%	-
	0.08%<PD<0.17%	0.12%	9.4	9.2	8.7	0.5	2.5	38.3%	26.9%	-
	0.17%<PD<0.32%	0.25%	1,586.7	1,585.5	1,525.3	60.2	356.5	28.0%	22.5%	1.1
	0.32%<PD<0.64%	0.36%	74.1	73.8	30.3	43.5	29.2	61.2%	39.5%	0.2
	0.64%<PD<0.96%	0.65%	2,491.0	2,486.7	2,408.4	78.3	831.3	26.7%	33.4%	4.3
	0.96%<PD<1.28%	1.03%	1,111.5	1,110.9	1,085.6	25.3	375.5	24.0%	33.8%	2.8
	1.28%<PD<2.56%	1.75%	1,690.7	1,689.1	1,602.9	86.2	602.1	22.3%	35.6%	6.5
	2.56%<PD<5.12%	3.75%	2,381.1	2,376.6	2,235.9	140.7	1,075.0	24.6%	45.2%	21.7
	5.12%<PD<15%	8.33%	1,587.8	1,587.0	1,525.9	61.1	895.1	25.4%	56.4%	33.0
	15%<PD<22%	19.59%	631.1	630.7	599.0	31.7	456.9	26.0%	72.4%	32.1
	22%<PD<34%	28.36%	8.0	8.0	6.0	2.0	8.7	40.5%	109.0%	0.9
	34%<PD<65%	47.12%	77.6	77.6	74.1	3.5	64.5	28.3%	83.2%	10.3
	65%<PD<99%	76.35%	1.5	1.5	1.5	-	1.5	59.4%	100.1%	0.7
Subtotal		**3.83%**	**11,651.2**	**11,637.3**	**11,103.7**	**533.6**	**4,698.9**	**25.6%**	**40.4%**	**113.6**
TOTAL		**2.61%**	**113,853.7**	**108,871.8**	**100,407.3**	**8,464.4**	**25,984.7**	**20.5%**	**23.9%**	**770.4**

The breakdown of the Retail customer portfolio exposures by credit quality level confirmed its stability in 2012, showing the same disparities between the Retail customer categories already observed in previous years: 59% of the gross exposures for “home loans” are in internal ratings 1 to 5 (PD of less than 0.64%), whilst this figure is 34% for small and medium businesses in the Group’s IRB – retail portfolio.

As in previous years, there were significant disparities in the Retail customer portfolio processed using the IRB method in terms of contribution to total expected losses; this was due in particular to significant adjustments in the LGD level by portfolio: exposures to home loans accounted for more than 44% of total Retail customer exposure but less than 9% of expected losses (EL).

3. Impaired exposures and value adjustments

IMPAIRED EXPOSURES AND VALUE ADJUSTMENTS AT 31 DECEMBER 2012

	31/12/2012					
		Impaired exposures				
(in billions of euros)	Gross exposure	Standardised approach[(1)]	IRB approach	Total	Individual value adjustments	Collective value adjustments
Central governments and central banks	191.3	0.1	0.0	0.1	0.0	
Institutions	468.3	0.1	0.6	0.7	0.7	
Corporates	334.7	5.8	3.8	9.6	4.9	
Retail customers	190.8	10.5	5.2	15.7	9.3	
Small and medium businesses	*24.2*	*2.1*	*0.6*	*2.7*	*1.5*	
Revolving credit	*31.8*	*2.0*	*0.6*	*2.6*	*1.9*	
Home loans	*72.4*	*2.9*	*0.6*	*3.5*	*1.0*	
Other exposures	*62.4*	*3.5*	*3.4*	*6.9*	*4.9*	
TOTAL	**1185.1**	**16.5**	**9.6**	**26.1**	**14.9**	**1.9**

(1) More than 90 days past due.

IMPAIRED EXPOSURES AND VALUE ADJUSTMENTS AT 31 DECEMBER 2011

	31/12/2011					
		Impaired exposures				
(in billions of euros)	Gross exposure	Standardised approach[(1)]	IRB approach	Total	Individual value adjustments	Collective value adjustments
Central governments and central banks	156.6	0.1	0.0	0.1	0.0	
Institutions	466.8	0.0	0.6	0.6	0.6	
Corporates	360.6	4.9	3.2	8.1	4.2	
Retail customers	199.4	10.7	5.2	15.9	9.2	
Small and medium businesses	*25.8*	*1.9*	*0.7*	*2.5*	*1.5*	
Revolving credit	*36.9*	*2.3*	*0.6*	*3.0*	*2.0*	
Home loans	*70.2*	*2.5*	*0.5*	*3.0*	*0.8*	
Other exposures	*66.5*	*4.0*	*3.4*	*7.4*	*4.9*	
TOTAL	**1183.4**	**15.7**	**9.0**	**24.7**	**14.0**	**2.0**

(1) More than 90 days past due.

Impaired exposure amounted to €26.1 billion at 31 December 2012, a rise of 5.8% compared to December 2011 and significantly higher than the change in gross exposure, which remained more or less stable over the period (+0.14%). The upward trend observed in 2011 on the Corporates portfolio accelerated (+19%), whilst impaired exposure on Retail showed a slight drop overall (-1.7%). Although the amounts were still relatively insignificant, 2012 also saw a sharp increase in impaired exposure on the Central governments and central banks and Institutions portfolios (+54.0% and +22.1% respectively).

In parallel, individual value adjustments rose 6.9%, in contrast with collective value adjustments, which fell by 3.6% over the period.

IMPAIRED EXPOSURES AND VALUE ADJUSTMENTS BY GEOGRAPHIC AREA

31/12/2012 *(in billions of euros)*	Standardised approach	Internal ratings approach
	Past due [1]	Exposure at default
Africa and Middle East	0.3	0.8
Central and South America	0.0	0.3
North America	0.0	0.5
Asia-Pacific excluding Japan	0.0	0.2
Eastern Europe	0.7	0.3
Western Europe excluding Italy	9.4	1.0
France (incl. Overseas departments and territories)	1.8	3.8
Italy	4.3	2.5
Japan	0.0	0.1
TOTAL AMOUNT	**16.5**	**9.5**

31/12/2011 *(in billions of euros)*	Standardised approach	Internal ratings approach
	Past due [1]	Exposure at default
Africa and Middle East	0.3	0.7
Central and South America	0.0	0.3
North America	0.0	0.4
Asia-Pacific excluding Japan	0.0	0.1
Eastern Europe	0.8	0.2
Western Europe excluding Italy	8.5	0.9
France (incl. Overseas departments and territories)	2.0	4.1
Italy	4.1	2.1
Japan	0.0	0.0
TOTAL AMOUNT	**15.7**	**8.8**

(1) More than 90 days past due.

Total exposure in default (using the standardised and IRB approaches) is mainly concentrated in Western Europe excluding Italy and France. These regions account for 40%, 26% and 22% respectively of the total amount of this type of exposure. The overall increase compared with end-2011 is 6%, with a more significant rise in the Western Europe excluding Italy (+11%) and Italy (+9%) zones, reflecting the economic deterioration in these two areas in 2012.

4. Comparison between estimated and actual losses:

The ratio of Expected Losses (EL) to Exposure at Default (EAD) was 1.58% at 31 December 2012, a slight fall on the 1.60% ratio registered at 31 December 2011. This ratio is calculated for the Central government and central banks, Institutions, Corporates, Retail customer and Equity portfolios.

The Pillar 3 working group of the European Banking Federation (EBF) suggests comparing the EL/EAD ratio with the amount of provisions as a percentage of gross exposure (see “Final Version of the EBF Paper on Alignment of Pillar 3 Disclosures”). The latter ratio was 1.67% at 31 December 2012, compared to 1.62% in 2011.

II. Credit risk mitigation techniques

Definitions:

- **collateral:** a security interest giving the bank the right to liquidate, keep or obtain title to certain amounts or assets in the event of default or other specific credit events affecting the counterparty, thereby reducing the credit risk on an exposure;
- **personal guarantee:** undertaking by a third party to pay the sum due in the event of the counterparty’s default or other specific credit events, therefore reducing the credit risks on an exposure.

1. Collateral management system

The main categories of collateral taken by the bank are described in the section entitled “Risk Factors – Credit Risk – Collateral and guarantees received”.

When a credit is granted, collateral is analysed to assess the value of the asset, its volatility and the correlation between the value of the collateral and the quality of the counterparty financed. Regardless of collateral quality, the first criterion in the lending decision is always the borrower’s ability to repay sums due from cash flow generated by its operating activities, except for specific trade finance transactions.

For financial collateral, a minimum exposure coverage ratio is usually included in loan contracts, with readjustment clauses. Financial collateral is revalued according to the frequency of margin calls and the variability of the underlying value of financial assets transferred as collateral or quarterly, as a minimum.

The minimum coverage ratio (or the haircut applied to the value of the collateral under Basel 2) is determined by measuring the pseudo-maximum deviation of the value of the securities on the revaluation date. This measurement is calculated with a 99% confidence interval over a time horizon covering the period between each revaluation, the period between the default date and the date on which asset liquidation starts, and the duration of the liquidation period. This haircut also applies for currency mismatch risk when the securities and the collateralised exposure are denominated in different currencies. Additional haircuts are applied when the size of the stocks position implies a block sale or when the borrower and the issuer of the collateral securities belong to the same risk group.

The initial value of real estate assets granted as collateral is based on acquisition or construction cost. It may subsequently be revalued using a statistical approach based on market indices, or on the basis of an expert appraisal performed at least annually.

For retail banking (LCL, Cariparma), revaluation is automatic based on changes in the property market indices. Conversely, for project-type property financing, assets are mainly revalued on the basis of an expert appraisal combining various approaches (asset value, rental value, etc.) and including external benchmarks.

For minimum coverage ratios (or the haircut applied to the collateral value under Basel 2), Crédit Agricole CIB projects the value of the real estate asset between the revaluation date and the date on which the collateral is realised by modelling the asset value, and includes the repossession costs over that period. Assumptions regarding liquidation periods depend on the type of financing (project, property investment companies, property developers, etc.).

Other types of asset may also be pledged as non recourse financial assets. This is notably the case for certain activities such as aircraft, shipping or commodities financing. These businesses are conducted by middle offices, which have specific expertise in valuing the assets financed.

2. Protection providers

Two major types of guarantee are used (other than intra-Group guarantees): export credit insurance taken out by the Bank and unconditional payment guarantees.

The main guarantee providers (excluding credit derivatives – see section below) are export credit agencies, most of which enjoy a good quality sovereign rating. The three major ones are Coface (France), Sace S.p.A. (Italy), Euler Hermes (Germany) and Korea Export Insur (Korea).

Guarantees are also received from mutual guarantee companies such as Credit Logement or Interfimo, which cover low value loans but overall represent a significant amount of risk transference.

3. Use of credit derivatives for hedging purposes

The use of credit derivatives for hedging purposes is described in the section entitled “Risk Factors – Credit Risk – Credit Risk Mitigation Mechanisms – Use of Credit Derivatives”.

III. Securitisation transactions

Crédit Agricole Group carries out securitisation transactions as an originator, arranger and investor according to the Basel 2.5 criteria.

The securitisation transactions listed below are transactions as defined in the decree of 20 February 2007, transposing the European Capital Requirements Directive (CRD) into French law. They cover operations or structures under which the credit risk associated with an exposure or pool of exposures is sub-divided into tranches with the following features:

- payments depend on collected cash flows realised from the underlying exposure or pool of exposures ;
- subordination of the tranches determines how losses are allocated during the period of the operation or structure.

Securitisation transactions include:

- traditional securitisations: imply the economic transfer of the securitised exposures to a special purpose vehicle that issues notes. The operation or structure implies the transfer of ownership in the securitised exposures by the originating bank or *via* a sub-participation. The notes issued do not represent payment obligations for the originating bank;
- synthetic securitisations: the credit risk is transferred through the use of credit derivatives or guarantees and the pool of exposures is kept on the balance sheet of the originating bank.

1. Purpose and strategy

1.1 SECURITISATION TRANSACTIONS ON OWN ACCOUNT

The Group implements two types of strategies:

- the first consists of using securitisations as part of collateralised refinancing transactions. These transactions may be fully or partially placed with investors, sold under repurchase agreements or kept on the issuer's balance sheet to form reserves of liquid securities that may be used as part of refinancing management. This activity concerns several of the Group's entities, mainly CACF; its impact on the consolidated financial statements is detailed in Note 2.3 to the financial statements, "Securitisation transactions".
- the second strategy consists of using securitisation in combination with other instruments, mainly credit derivatives, to actively manage Crédit Agricole CIB's corporate financing portfolio.

This activity entails purchasing credit derivatives on single exposures (see chapter on "Risk Management" – Risk factors and Pillar 3 – Credit risks section – Use of credit derivatives) and first-loss protections on asset portfolios to reduce the risk. It also entails selling credit derivatives and purchasing senior tranches of exposures to diversify risks.

Such credit risk management is aimed at reducing the concentration of outstanding loans to companies, freeing up resources to favour origination and cutting loss levels. This business is managed by the Credit Portfolio Management (CPM) team. The Supervisory Formula Approach is used to calculate the risk weighted exposures on proprietary securitisation positions. In this business, the Bank does not systematically purchase protection on all tranches, as the management goal is to cover certain of the more risk-exposed financing portfolio tranches whilst keeping part of the overall risk.

1.2 SECURITISATION TRANSACTIONS AS AN INVESTOR

This business consists mainly of investments at Crédit Agricole CIB that are either discontinuing operations or exposures for which the risk is considered to be low and that Crédit Agricole CIB is willing to carry for the long term. These were segregated into a dedicated regulatory banking book in 2009. These activities generate no market risk.

1.3 SECURITISATION TRANSACTIONS CARRIED OUT ON BEHALF OF CUSTOMERS AS ARRANGER/ SPONSOR, INTERMEDIARY OR ORIGINATOR

Within the Crédit Agricole Group, only Crédit Agricole CIB carries out securitisation transactions on behalf of customers.

The securitisation transactions carried out on behalf of customers by Crédit Agricole CIB through its Fixed Income Markets activities result in the issue of liquidity facilities and, where necessary, guarantees to specific entities ("ABCP conduits"). These specific entities are bankruptcy-remote and are not consolidated by the Group with respect to the SIC12 criteria of standard IAS 27, applicable as at 31 December 2012.

It should be noted that most securitisation transactions on behalf of European customers involve Ester Finance Titrisation, a fully-owned banking subsidiary of Crédit Agricole CIB, which finances the purchase of receivables.

Activities carried out as arranger/sponsor

1. Short-term refinanced transactions

This short-term activity constitutes economic working capital requirement (WCR) financing solutions provided by Crédit Agricole CIB to its main customers. The underlying assets are mainly commercial or financial loans.

At 31 December 2012, two non-consolidated multi-seller ABCP conduits (LMA and Atlantic) were sponsored by Crédit Agricole CIB and dedicated to transactions on behalf of customers. These entities obtain financing on the local market by issuing commercial and other short-term paper.

The sponsoring business is limited to transactions not involving Ester Finance Titrisation.

The amount committed to liquidity facilities granted to LMA and Atlantic amounted to €9.9 billion (€3.4 billion for LMA and €6.5 billion for Atlantic) at 31 December 2012.

The Securitisation business has never sponsored any SIVs (Structured Investment Vehicles).

2. Medium and long-term refinanced transactions

In Europe and the US, Crédit Agricole CIB's structuring platform remained active and continued to offer financing solutions to customers, using products adapted to current constraints in terms of risk and liquidity.

These solutions may include the implementation of liquidity facilities granted to non-consolidated funds (Special Purpose Vehicles and/ or conduits) receiving customers' securitised assets. All of these facilities, along with a few retained residual positions, amounted to €1.9 billion euros at 31 December 2012.

Intermediary activities

Crédit Agricole CIB participates in pre-securitisation financing, in structuring and in the placement of securities backed by client asset pools and to be placed with investors.

In this business, the Bank retains a relatively low risk *via* the possible contribution of back-up lines to securitisation vehicles or *via* a share of the notes issued.

Activities carried out as originator

They follow the same economic logic as sponsoring activities, but with the following specificities:

- they apply only to structured transactions in Europe;

- the assets are bought by Ester Finance Titrisation before being refinanced *via* the LMA or Atlantic conduits.

The amount committed to liquidity facilities granted to LMA in this role stood at €6.3 billion at 31 December 2012.

1.4 SUMMARY OF ACTIVITY ON BEHALF OF CUSTOMERS IN 2012

Crédit Agricole CIB's Securitisation activity in 2012 was characterised by:

- support of the development of the public ABS market in the United States and its reopening in Europe. Crédit Agricole CIB structured and organised the placement (arranger and bookrunner) of a significant number of primary ABS issues on behalf of its major "Financial institutions" customers, in particular in the car industry and consumer financing;
- its ranking being maintained as one of the leaders in the ABCP conduits market, both in Europe and in the American market. This was achieved *via* the renewal and implementation of new securitisation operations for commercial or financial loans on behalf of its mainly Corporate customers, while ensuring that the profile of risks borne by the Bank remained good. The strategy of Crédit Agricole CIB, focused on the financing of its customers, is well perceived by investors and resulted in financing conditions that remained competitive.

2. Risk monitoring and recognition

2.1 RISK MONITORING

Securitisation exposures (recorded on or off-balance sheet) generate Risk Weighted Assets (RWA) and capital requirements with respect to Crédit Agricole S.A. Group's regulatory portfolio, according to the following typologies:

- synthetic securitisations for own account, deemed efficient under Basel 2.5 insofar as there is a significant transfer of risks;
- programmes in which the Group holds investment positions:
  - either having been the original arranger and/or sponsor,
  - or having invested in programmes issued by third parties;

Most of Crédit Agricole Group's securitisation exposures are measured using the IRB-securitisation approach, *i.e.*;

- Ratings-Based Approach (RBA) for exposures with a public external rating (directly or inferred) from agencies approved by the Committee of European Banking Supervisors (CEBS). The external agencies used are Standard & Poor's, Moody's, Fitch Ratings and Dominion Bond Rating Services (DBRS);
- Internal Assessment Approach (IAA): the Bank's internal rating methodology approved by Crédit Agricole S.A.'s Standards and Methodology Committee for the main asset classes (particularly commercial loans) as there are no agency ratings for the exposure under consideration;
- Supervisory Formula Approach (SFA): in residual cases where there are neither public external ratings nor any possibility of applying the IAA method for exposures with no public external rating.

These ratings cover all types of risk generated by these securitisation transactions: intrinsic risks on receivables (debtor insolvency, payment delays, dilution, offsetting of receivables) or risks on the structuring of transactions (legal risks, risks relating to the receivables collection circuit, risks relating to the quality of information supplied periodically by managers of transferred receivables, etc.)

These critically examined ratings are merely an aid for making decisions pertaining to these transactions; such decisions are taken by credit committees at various levels.

Credit decisions relate to transactions, that are reviewed at least once a year by the same committees. Committee decisions incorporate varying limits according to the evolution of the acquired portfolio (arrears rate, loss rate, rate of sector-based or geographical concentration, rate of dilution of receivables or periodic valuation of assets by independent experts, etc.); non-compliance with these limits may cause the structure to become stricter or place the transaction in early amortisation.

Credit decisions also include, in liaison with the Bank's other credit committees, an assessment focusing on the risk generated by the transferee of the receivables and the possibility of substituing the manager by a new one in the event of a failure in the management of those receivables.

Moreover, some securitisation transactions, held by various Group entities for relatively small amounts, are handled using the standard method.

2.2 ACCOUNTING METHODS

Under securitisation transactions, a derecognition test is carried out with respect to IAS 39 (the criteria of this test are set out in Note 1.3 to the consolidated financial statements, on accounting principles and methods). The impact of securitisation transactions on own account in the consolidated financial statements is set out in Note 2, "Significant information for the financial year", in the Notes to the financial statements.

In the case of synthetic securitisations, the assets are not derecognised in that they remain under the control of the institution. The assets are still recognised according to their classification and original valuation method (see Note 1.3 to the consolidated financial statements, on accounting principles and methods, for the classification and valuation methods of financial assets). A received guarantee is recorded off-balance sheet on the covered portion.

3. Exposure

3.1 INTERNAL RATINGS-BASED APPROACH

EXPOSURE AT DEFAULT TO SECURITISATION OPERATION RISKS BY ROLE

Underlyings (in millions of euros)	Securitised EAD at 31/12/2012						TOTAL
	Traditional			Synthetic			
	Investor	Originator	Sponsor	Investor	Originator	Sponsor	
Residential real estate loans	402	-	270	192	-	-	864
Commercial real estate loans	68	61	264	56	-	-	449
Credit card loans	1	-	-	-	-	-	1
Leasing	-	-	1,456	-	-	-	1,456
Loans to corporates and SMEs	516	1,726	-	26,078	2,346	-	30,665
Personal loans	16	11	2,338	-	-	-	2,365
Trade receivables	-	7,321	3,751	-	-	-	11,072
Secondary securitisation	318	221	39	128	5	-	711
Other assets	380	349	3,864	1,018	-	-	5,611
TOTAL	**1,701**	**9,689**	**11,982**	**27,472**	**2,351**	**-**	**53,195**

EXPOSURE AT DEFAULT TO SECURITISATION OPERATION RISKS BY RISK WEIGHTING APPROACH

Underlyings (in millions of euros)	Securitised EAD at 31/12/2012			TOTAL
	SFA	IAA	RBA	
Residential real estate loans	-	-	864	864
Commercial real estate loans	-	-	449	449
Credit card loans	-	-	1	1
Leasing	-	1,393	64	1,456
Loans to corporates and SMEs	27,851	-	2,815	30,665
Personal loans	-	1,778	587	2,365
Trade receivables	101	10,971	-	11,073
Secondary securitisation	-	-	711	711
Other assets	2,180	1,765	1,665	5,611
TOTAL	**30,132**	**15,907**	**7,156**	**53,195**

EXPOSURE AT DEFAULT TO SECURITISATION OPERATION RISKS BY WEIGHTING

(in millions of euros)	31/12/2012	31/12/2011
EXPOSURE AT DEFAULT	**53,195**	**57,953**
External ratings based approach	**7,156**	**9,358**
Weighting 6-10%	4,123	6,393
Weighting 12-35%	1,984	1,163
Weighting 40-75%	384	547
Weighting 100-650%	580	1,183
Weighting 1,250%	85	73
Internal Assessment Approach	**15,907**	**14,418**
Average weighting (%)	9.99	11.03
Supervisory Formula Approach	**30,132**	**34,177**
Average weighting (%)	7.67	8.85
Risk weighted exposure	**6,994**	**8,207**
Capital requirements	**559**	**657**

Exposure deductible from capital

At 31 December 2012, the total exposure held deductible from Basel 2.5 capital amounted to €714 million.

3.2 SECURITISATION OPERATIONS UNDER THE STANDARDISED APPROACH

(in millions of euros)	31/12/2012	31/12/2011
TOTAL SECURITISATION EXPOSURES	**528.5**	**764.3**
Traditional securitisations	528.5	764.3
Synthetic securitisations	-	-

The gross amount of securitisation exposures under the standardised method is marginal compared with exposures in the internal ratings based approach (see section on “Internal Ratings Based Approach”).

AGGREGATE SECURITISATION EXPOSURES HELD OR ACQUIRED (EXPOSURES AT RISK)

(in millions of euros)	31/12/2012	31/12/2011
AGGREGATE OF SECURITISATION EXPOSURES HELD OR ACQUIRED	**499.4**	**763.7**
With external credit rating	**493.6**	**761.8**
Weighting 20%	381.8	728.6
Weighting 40%	-	-
Weighting 50%	105.4	21.6
Weighting 100%	4.3	5.0
Weighting 225%	-	-
Weighting 350%	2.1	6.6
Weighting 650%	0.0	-
Weighting 1,250%	**5.8**	**2.0**
Transparency approach	**-**	**-**

Most of these exposures correspond to the securitisation portion of mutual funds held in the banking portfolio and treated by transparency.

IV. Equity exposures in the banking portfolio

Crédit Agricole S.A. Group's equity exposures, excluding the trading book, consist of securities "that convey a residual, subordinated claim on the assets or income of the issuer or have a similar economic substance". These mainly include:

- listed and non-listed equities and shares in investment funds;
- options implicit in convertible, redeemable or exchangeable bonds;
- stock options;
- deeply subordinated notes.

Non-consolidated equity interests are acquired for management purposes (financial assets at fair value through profit or loss or designated as at fair value through profit or loss or held for trading, available-for-sale financial assets, held-to-maturity investments, loans and receivables) as described in Note 1.3 to the financial statements entitled "Accounting policies and principles – Financial Instruments".

The accounting policies and valuation methods used are described in Note 1.3 to the financial statements "Accounting policies and principles".

GROSS EXPOSURE AND EXPOSURE AT DEFAULT BY EXPOSURE CLASS

	31/12/2012		31/12/2011	
(in billions of euros)	Gross exposure	Exposure at default	Gross exposure	Exposure at default
Equity exposures under the internal ratings-based approach	**18.9**	**3.6**	**19.0**	**4.3**
Private equity exposures in sufficiently diversified portfolios	1.0	1.0	1.2	1.2
Listed equity exposures	2.5	1.2	3.2	2.0
Other equity exposures	15.4	1.4	14.6	1.1
Equity exposures under the standardised approach	**3.4**	**1.7**	**3.3**	**1.7**
TOTAL EQUITY EXPOSURE	**22.3**	**5.3**	**22.3**	**6.0**

Equity exposures under the standardised approach mainly include guarantees granted by Ségespar Finance, a subsidiary of Amundi, on behalf of certain mutual funds managed by Amundi. Given the regulatory credit conversion factor (CCF) for this exposure, the total exposure at default is much lower than the gross exposure.

Equity exposures under the internal ratings based approach mainly comprise the portfolios of Crédit Agricole S.A., Crédit Agricole CIB and Crédit Agricole Investissement et Finance.

The carrying amount of equity exposures under the internal rating approach was €18.9 billion at 31 December 2012, compared with €19 billion at 31 December 2011.

The cumulative amount of gains or losses on disposals and liquidations in the period under review is disclosed in Note 4 to the financial statements, "Notes to the income statement".

MARKET RISK

I. Internal model market risk measurement and management methodology

Market risk measurement and management internal methods are described in the section entitled “Risk Factors – Market Risk – Market Risk Measurement and Management Methodology”.

II. Rules and procedures for valuing the trading book

The rules for valuing the various items in the trading book are described in Note 1.3 to the financial statements, “Accounting policies and principles”.

Measurement models are reviewed periodically as described in the section entitled “Risk Factors – Market Risk – Market Risk Measurement and Management Methodology”.

III. Interest rate risk from transactions other than those included in the trading book – Global interest rate risk

The nature of interest rate risk, the main underlying assumptions retained and the frequency of interest rate risk measurements are described in the section entitled “Risk Factors – Asset/Liability Management – Global interest rate risk”.

OPERATIONAL RISK

I. Advanced measurement approach

The scope of application of the advanced measurement and standardised approaches and a description of the Advanced Measurement Approach methodology are provided in the section entitled “Risk Factors – Operational Risk – Methodology”.

II. Insurance techniques for reducing operational risk

The insurance techniques used to reduce operational risk are described in the section entitled “Risk Factors – Insurance and coverage of operational risks”.

Consolidated financial statements

for the year ended 31/12/2012, approved by the Crédit Agricole S.A. Board of Directors on 19 February 2013 and submitted to shareholders for approval at the General Meeting of Shareholders of 23 May 2013

6

The consolidated financial statements consist of the general framework, the consolidated financial statements and the notes to the consolidated financial statements.

General framework

LEGAL PRESENTATION OF THE ENTITY

Since the Extraordinary General Meeting of Shareholders of 29 November 2001, the Company's name is: **Crédit Agricole S.A.**

Registered office: 12, place des États-Unis 92127 Montrouge Cedex

Registration number: 784 608 416, Nanterre Trade and Companies Registry

NAF code: 6419Z

Crédit Agricole S.A. is a French Public Limited Company (*Société Anonyme*) with a Board of Directors governed by ordinary company law and more specifically by Book II of the French Commercial Code.

Crédit Agricole S.A. is also subject to the provisions of the French Monetary and Financial Code and more specifically Articles L.512-47 *et seq.* thereof.

Crédit Agricole S.A. was licensed as an authorised lending institution in the mutual and co-operative banks category on 17 November 1984. As such, it is subject to oversight by the banking supervisory authorities, and more particularly by the French Prudential Supervisory Authority (ACP).

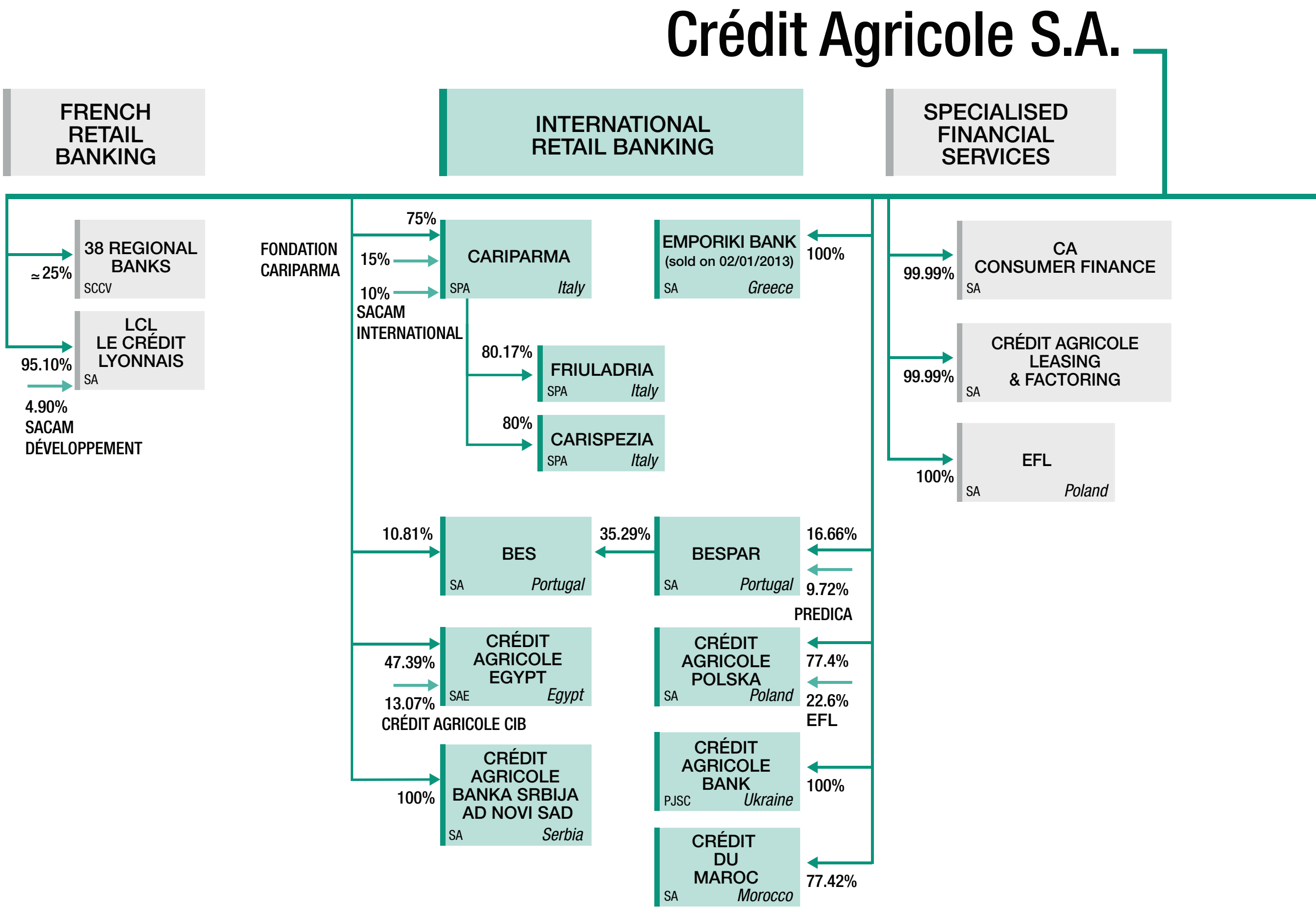
Crédit Agricole S.A. shares are admitted for trading on Euronext Paris. Crédit Agricole S.A. is subject to the prevailing stock market regulations particularly with respect to public disclosure obligations.

A bank with mutual roots

Crédit Agricole has a unified yet decentralised organisation. Its financial, commercial and legal cohesion go hand-in-hand with decentralised responsibility. The Local Banks (*Caisses Locales*) form the bedrock of the Group's mutual organisation. Their share capital is held by almost 6.9 million mutual shareholders electing 29,118 Directors. They play a key part in maintaining a strong local presence and close relationships with clients. The Local Banks hold the bulk of the capital of the Regional Banks, which are co-operative entities with variable capital and fully-fledged Regional Banks. SAS Rue La Boétie, which is wholly owned by the Regional Banks, holds the majority of Crédit Agricole S.A.'s share capital. Shares in SAS Rue La Boétie may not be transferred outside the Regional Banks' network. Furthermore, any trading in these shares between Regional Banks is governed by a liquidity agreement that in particular sets out the procedures for determining the transaction price. This encompasses both disposals of shares between the Regional Banks and capital increases at SAS Rue La Boétie.

The *Fédération Nationale du Crédit Agricole* (FNCA) acts as a consultative and representative body, and as a communication forum for the Regional Banks.

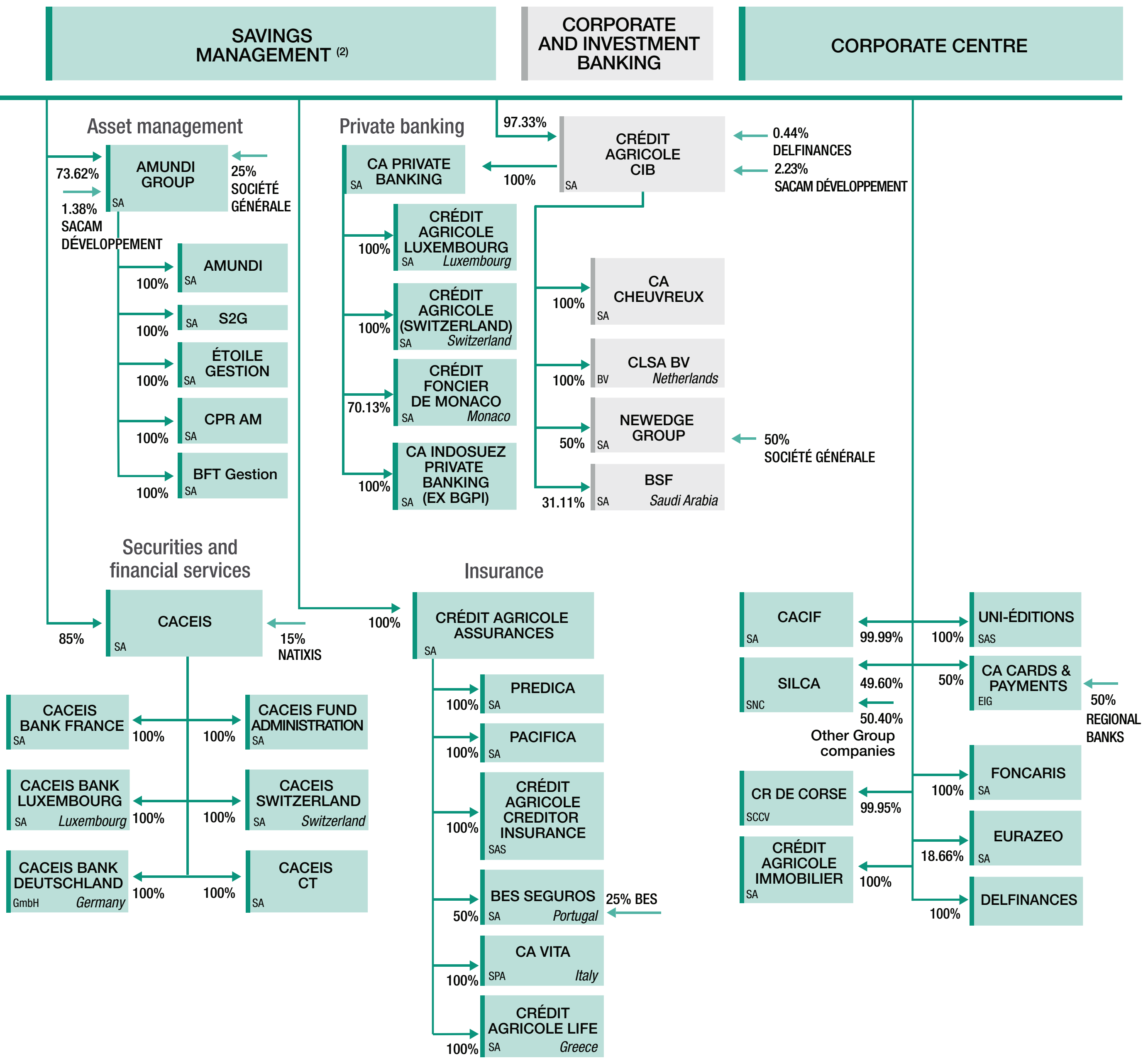
In accordance with the provisions of the French Monetary and Financial Code (Article L. 511-31 and Article L. 511-32), as the central body of Crédit Agricole Group, Crédit Agricole S.A. is responsible for exercising administrative, technical and financial control over the institutions affiliated to it in order to maintain a cohesive network (as defined in Article R. 512-18 of the French Monetary and Financial Code) and to ensure their proper functioning and their compliance with all regulations and legislation governing them. As such, Crédit Agricole S.A. may take all necessary measures, notably to guarantee the liquidity and solvency of both the network as a whole and of each of its affiliated institutions.



(1) Direct % interest held by Crédit Agricole S.A. and its subsidiaries

(2) Combines the asset management, insurance and private banking business lines

at 31/12/2012 (% interest)(1)



CRÉDIT AGRICOLE INTERNAL RELATIONS

Internal financing mechanisms

Crédit Agricole has instituted a number of internal financing mechanisms specific to the Group.

Regional Banks' current accounts

Each Regional Bank holds a current account with Crédit Agricole S.A., which records the financial movements resulting from internal financial transactions within the Group. This account, which may be in credit or debit, is presented in the balance sheet under "Crédit Agricole internal transactions – Current Accounts" and integrated on a specific line item, either "Loans and receivables to credit institutions" or "Due to credit institutions".

Special savings accounts

Funds held in special savings accounts (popular savings plans and accounts, sustainable development passbook accounts (*Livret de développement durable*), home purchase savings plans and accounts, youth passbook accounts and *Livret A* passbook savings accounts) are collected by the Regional Banks on behalf of Crédit Agricole S.A. These funds are required to be transferred to the latter. Crédit Agricole S.A. recognises them on its balance sheet as "Due to customers".

Term deposits and advances

The Regional Banks also collect savings funds (passbook accounts, bonds, certain term accounts and related accounts, etc.) on behalf of Crédit Agricole S.A. These funds are transferred to Crédit Agricole S.A. and are recognised as such on its balance sheet.

Special savings accounts and term deposits and advances are used by Crédit Agricole S.A. to make "advances" (loans) to the Regional Banks, with a view to funding their medium and long-term loans.

A series of four internal financial reforms has been implemented. These reforms have permitted the transfer back to the Regional Banks, in the form of "advances" (loans) of a specific percentage of the funds collected by them (first 15%, 25%, then 33% and with effect since 31 December 2001, 50%), *via* "mirror advances" with maturities and interest rates precisely matching those of the savings funds received, and which they are free to use at their discretion.

Since 1 January 2004, the financial margins generated by the centralised management of funds collected (and not transferred back *via* mirror advances) are shared by the Regional Banks and Crédit Agricole S.A. and are determined by using replacement models and applying market rates.

Furthermore, 50% of new loans written since 1 January 2004 and falling within the field of application of financial relations between Crédit Agricole S.A. and the Regional Banks may be refinanced in the form of advances negotiated at market rates with Crédit Agricole S.A.

Hence, there are currently two types of advances: advances governed by financial rules before 1 January 2004 and those governed by the new rules.

Crédit Agricole S.A. may also make additional financing available to the Regional Banks at market rates.

Transfer of Regional Banks' liquidity surpluses

The Regional Banks may use their "monetary" deposits (demand deposits, non-centralised term deposits and negotiable certificates of deposit) to finance lending to their customers. Surpluses must be transferred to Crédit Agricole S.A. where they are booked as current or term accounts, under "Crédit Agricole internal transactions".

Investment of Regional Banks' surplus capital with Crédit Agricole S.A.

Regional Banks' available surplus capital may be invested with Crédit Agricole S.A. in the form of three- to ten-year instruments, with the same characteristics of interbank money market transactions in all respects.

Foreign currency transactions

Crédit Agricole S.A. represents the Regional Banks with respect to the Bank of France and centralises their foreign currency transactions.

Medium and long-term notes issued by Crédit Agricole S.A.

These are placed mainly on the market or by the Regional Banks with their customers. They are booked by Crédit Agricole S.A. under liabilities either as Debt securities or as Subordinated debt, depending on the type of security issued.

Hedging of liquidity and solvency risks

In 2001, ahead of Crédit Agricole S.A.'s initial public offering, CNCA (which subsequently became Crédit Agricole S.A.) entered into an agreement with the Regional Banks governing internal relations within the Crédit Agricole Group. The agreement notably provided for the creation of a Fund for Bank Liquidity and Solvency Risks (FRBLS) designed to enable Crédit Agricole S.A. to fulfil its role as central body by providing assistance to any affiliate experiencing difficulties. The main provisions of this agreement are set out in Chapter III of the Registration document filed by Crédit Agricole S.A. with the *Commission des Opérations de Bourse* on 22 October 2001 under number R.01-453. The fund originally had €609.8 million in assets. At 31 December 2012 the fund's assets stood at €939 million, including a €35 million provision for the year and are recognised in the Group's consolidated reserves.

Furthermore, since CNCA's reorganisation as a mutual company in 1988, the Regional Banks have committed to making up any shortfall suffered by creditors should Crédit Agricole S.A. become insolvent or experience similar financial difficulties. The Regional Banks' commitment under this guarantee is equal to the sum of their share capital and reserves.

"Switch" guarantee

The "Switch" mechanism established on 23 December 2011 forms part of the financial arrangements between Crédit Agricole S.A., as central body, and the mutual network of the Crédit Agricole Regional Banks.

Crédit Agricole S.A. uses the equity method to account for its investments in the Regional Banks. These investments are risk weighted at 290% (CCI) or 370% (CCA) in Crédit Agricole S.A.'s solvency ratio.

By means of the "Switch" mechanism, the Regional Banks commit to supporting the capital requirements and the associated economic risks, providing compensation where necessary.

The effectiveness of the mechanism is secured by a cash deposit paid by the Regional Banks to Crédit Agricole S.A.

If a drop in value is observed, the guarantee mechanism is activated and Crédit Agricole S.A. receives compensation drawn from the cash guarantee deposit. If the overall equity-accounted value later recovers, Crédit Agricole S.A. returns the previously received compensation in accordance with a financial recovery clause.

As a result, from a regulatory perspective:

- Crédit Agricole S.A. reduces its capital requirements in proportion to the amount of the guarantee provided by the Regional Banks;
- the Regional Banks symmetrically record capital requirements matching those offloaded by Crédit Agricole S.A.

This mechanism, which is neutral at Crédit Agricole Group level, enables the rebalancing of capital allocation between Crédit Agricole S.A. and the Regional Banks.

This contract can be analysed in substance as a complementary right attached to the 25% stake held by Crédit Agricole S.A. in the CCI/CCA of Regional Banks. As such, it is related to the significant influence that Crédit Agricole S.A. exercises over the Regional Banks.

The term of the guarantee is 15 years and can be extended by tacit consent. This guarantee may be terminated early, in certain circumstances and with the prior agreement of the French Prudential Supervisory Authority (ACP, *Autorité de Contrôle Prudentiel*).

The guarantee deposit is remunerated at a fixed rate based on conditions prevailing for long-term liquidity. The guarantee bears a fixed remuneration covering the present value of the risk and cost of capital of the Regional Banks.

The arrangement is reported in the consolidated financial statements on the basis of the substance of the transaction: the amounts paid as security and their return in the event of a recovery in value is treated as a profit-pooling arrangement, the effects of which are recognised in the consolidated reserves of the Regional Banks and in share of net income of equity-accounted entities in Crédit Agricole S.A.'s consolidated financial statements, reflecting the significant influence exercised by Crédit Agricole S.A. The security deposit is carried as a receivable at amortised cost by the Regional Banks and as a payable at amortised cost by Crédit Agricole S.A. Remunerations are recognised correspondingly in revenues, except for remuneration of the guarantee, which is posted under Share of net income of equity accounted entities at Crédit Agricole S.A.

Capital ties between Crédit Agricole S.A. and the Regional Banks

The capital ties between Crédit Agricole S.A. and the Regional Banks are governed by an agreement entered into by the parties prior to Crédit Agricole S.A.'s initial public offering.

Under the terms of this agreement, the Regional Banks exercise their control over Crédit Agricole S.A. through SAS Rue La Boétie, a holding company wholly-owned by them. The purpose of SAS Rue La Boétie is to hold enough shares to ensure that it always owns at least 50% of the share capital and voting rights of Crédit Agricole S.A.

In addition, under the agreement, Crédit Agricole S.A. directly owns approximately 25% of the share capital of each Regional Bank (except for the *Caisse Régionale de la Corse* which is wholly owned).

Its holding is in the form of *Certificats coopératifs d'associés* and *Certificats coopératifs d'investissement,* both types of non-voting shares which are issued for a term equal to the Company's lifetime and which give the holders a right in the Company's net assets in proportion to the amount of share capital they represent.

Crédit Agricole S.A., the central body of Crédit Agricole Group, also holds one mutual share in each Regional Bank, which gives it the status of member.

These arrangements enable Crédit Agricole S.A., as the central body for Crédit Agricole, to account for the Regional Banks using the equity method.

Given the Group's equity structure and the resulting break in the chain of control, the Regional Banks' interests in SAS Rue La Boétie are recovered in the consolidated financial statements of Crédit Agricole S.A. at its share in the Regional Banks.

However, dividends from SAS Rue La Boétie received by the Regional Banks are eliminated from income with a corresponding entry in reserves within each Regional Bank's contribution, given that these dividends represent a portion of the income already recognised in the consolidated financial statements of Crédit Agricole S.A.

In the consolidated financial statements of the Regional Banks, and consequently in their equity-accounted value in the consolidated financial statements of Crédit Agricole S.A., shares in SAS Rue La Boétie must be measured at fair value. These shares are not listed on an active market and establishing a valuation that takes account of all the rights and obligations associated with owning shares in SAS Rue La Boétie raises a number of uncertainties, in particular as regards the valuation of intangible and non-marketable items such as:

- the Group's stable capital structure, which gives the Regional Banks permanent collective control over Crédit Agricole S.A.;
- the hedging of the liquidity and solvency risks of the Regional Banks;
- Crédit Agricole Group's internal economic and financial relations;
- the pooling of resources; and
- the promotion, development and use of the Crédit Agricole brand.

As a result, and pursuant to IAS 39, where valuation models do not enable a reliable valuation, shares in SAS Rue La Boétie are valued at cost. Where there are objective indications of impairment, the shares are impaired when the share's carrying amount exceeds a reference value determined using a multi-criteria approach, which is designed to value the expected future cash flows discounted at a rate that would be applied in the market for a similar asset in accordance with paragraph 66 of IAS 39. This approach combines a valuation of the future expected cash flows from the various Group businesses discounted at a market rate, a valuation of the Group's net asset value, a valuation of the Group's businesses by reference to recently observed transaction prices for similar businesses, a valuation based on the Crédit Agricole S.A. stock price plus a control premium and, where necessary, a valuation by reference to internal transactions.

RELATED PARTIES

Parties related to Crédit Agricole S.A. Group are those companies that are fully consolidated, proportionately consolidated or accounted for using the equity method, and Senior Executives of the Group.

In accordance with the internal financial mechanisms at Crédit Agricole, transactions between Crédit Agricole S.A. and the Regional Banks are presented as Crédit Agricole internal transactions in the balance sheet and income statement (Note 6.5 "Loans and receivables to credit institutions and to customers", 4.1 "Interest and expenses" and 4.2 "Net fees and commissions").

Other shareholders' agreements

No other shareholders' agreement concerning Crédit Agricole S.A. had been made public or existed during 2012.

Relationships between controlled companies affecting the consolidated balance sheet

A list of Crédit Agricole S.A. Group companies can be found in Note 12 "Scope of consolidation at 31 December 2012". Transactions and outstandings at the period end and between fully consolidated companies are eliminated in full on consolidation. Therefore, the Group's consolidated financial statements are only affected by those transactions between fully consolidated companies and proportionately consolidated companies to the extent of the interests held by other shareholders.

The main corresponding outstandings in the consolidated balance sheet at 31 December 2012 relate to the Newedge, UBAF, Menafinance, FGA Capital and Forso groups for the following amounts:

- loans and receivables to credit institutions: €1,745 million;
- loans and receivables to customers: €2,100 million;
- due to credit institutions: €801 million;
- due to customers: €675 million.

The transactions entered into with these groups did not have a material effect on the income statement for the period.

Management of retirement, early retirement and end-of-career allowances: internal hedging contracts within the Group

As presented in Note 1.3 "Accounting policies and principles", employees are provided with various types of post-employment benefits. These include:

- end-of-career allowances;
- retirement plans, which may be either "defined-contribution" or "defined-benefit" plans.

Its liability in this respect is partially funded by collective insurance contracts taken out with Predica, Crédit Agricole Group's life insurance company.

These contracts govern:

- the setting up by the insurance company of mutual funds for investing contributions made by the employer to build up sufficient funds to cover end-of-career allowances or retirement benefits;
- the management of the funds by the insurance company;
- the payment to the beneficiaries of the allowances and of the benefits due under the various plans.

Information on post-employment benefits is provided in Note 7, "Employee benefits and other compensation" in paragraphs 7.3 and 7.4.

Relations with senior management

Detailed information on senior management compensation is provided in Note 7, "Employee benefits and other compensation" in paragraph 7.7.

There exist no material transactions between Crédit Agricole S.A. and its senior management, their families or the companies they control and which are not included in the Group's scope of consolidation.

Consolidated financial statements

INCOME STATEMENT

(in millions of euros)	Notes	31/12/2012	31/12/2011 *pro forma*	31/12/2011 reported
Interest and similar income	4.1	32,514	33,591	34,570
Interest and similar expenses	4.1	(17,784)	(19,167)	(19,401)
Fee and commission income	4.2	8,257	9,963	10,779
Fee and commission expenses	4.2	(5,632)	(5,935)	(6,107)
Net gains (losses) on financial instruments at fair value through profit and loss	4.3	5,377	(64)	(52)
Net gains (losses) on available-for-sale financial assets	4.4, 6.4	(122)	(3,562)	(3,570)
Income on other activities	4.5	28,038	33,893	33,900
Expenses on other activities	4.5	(34,333)	(29,334)	(29,336)
Revenues		**16,315**	**19,385**	**20,783**
Operating expenses	4.6, 7.1, 7.4, 7.6	(11,316)	(11,711)	(12,878)
Depreciation, amortisation and impairment of property, plant and equipment, and intangible assets	4.7	(721)	(682)	(734)
Gross operating income		**4,278**	**6,992**	**7,171**
Cost of risk	4.8	(3,736)	(4,252)	(5,657)
Operating income		**542**	**2,740**	**1,514**
Share of net income of equity-accounted entities	2.2	503	230	229
Net gains (losses) on other assets	4.9	188	(3)	5
Change in value of goodwill	2.5	(3,395)	(1,575)	(1,934)
Pre-tax income		**(2,162)**	**1,392**	**(186)**
Income tax charge	4.10	(360)	(885)	(1,026)
Net income from discontinued or held-for-sale operations	6.14	(3,991)	(1,705)	14
Net income		**(6,513)**	**(1,198)**	**(1,198)**
Minority interests		(42)	272	272
NET INCOME GROUP SHARE		**(6,471)**	**(1,470)**	**(1,470)**
Basic earnings per share (in euros) [(1)]	6.19	**(2.613)**	**(0.604)**	**(0.604)**
Diluted earnings per share (in euros) [(1)]	6.19	**(2.613)**	**(0.604)**	**(0.604)**

(1) Corresponds to income including net income from discontinued and held-for-sale operations.

In accordance with IFRS 5, comparative information is restated to reflect the impacts of discontinued or held-for-sale operations.

STATEMENT OF COMPREHENSIVE INCOME

Amounts below are reported net of tax.

(in millions of euros)	Notes	31/12/2012	31/12/2011 (1)
Net income Group share		**(6,471)**	**(1,470)**
Gains or losses on translation adjustments		(88)	90
Gains or losses on available-for-sale financial assets		3,263	(1,773)
Gains or losses on hedging derivative instruments		117	174
Actuarial gains or losses on post-employment benefits		(168)	(4)
Other comprehensive income (loss), excluding equity-accounted entities, in equity Group share		**3,124**	**(1,513)**
Share of other comprehensive income (loss) of equity-accounted entities		129	(50)
Total other comprehensive income (loss), Group share	**4.11**	**3,253**	**(1,563)**
Net income and other comprehensive income, Group share		**(3,218)**	**(3,033)**
Net income and other comprehensive income, minority interests		95	244
Net income and other comprehensive income		**(3,123)**	**(2,789)**

(1) Pro forma restatement in respect of discontinued or held-for-sale operations has no significant impact on presentation at 31 December 2011.

BALANCE SHEET – ASSETS

(in millions of euros)	Notes	31/12/2012	31/12/2011
Cash due from central banks	6.1	42,714	28,467
Financial assets at fair value through profit or loss	6.2, 6.8	619,976	490,263
Hedging derivative instruments	3.2, 3.4	41,850	33,560
Available-for-sale financial assets	6.4, 6.6, 6.7, 6.8	259,679	227,390
Loans and receivables to credit institutions	3.1, 3.3, 6.5, 6.7, 6.8	385,567	379,841
Loans and receivables to customers	3.1, 3.3, 6.5, 6.7, 6.8	329,756	399,381
Revaluation adjustment on interest rate hedged portfolios		14,292	8,300
Held-to-maturity financial assets	6.7, 6.8, 6.10	14,602	15,343
Current and deferred tax assets	6.12	7,178	8,231
Accruals, prepayments and sundry assets	6.13	63,449	82,765
Non-current assets held for sale	6.14	21,496	260
Deferred participation benefits	6.17	-	4,273
Investments in equity-accounted entities	2.2	18,561	18,286
Investment property	6.15	3,041	2,682
Property, plant and equipment	6.16	4,517	5,170
Intangible assets	6.16	1,700	1,868
Goodwill	2.5	13,983	17,528
TOTAL ASSETS		**1,842,361**	**1,723,608**

BALANCE SHEET – EQUITY AND LIABILITIES

(in millions of euros)	Notes	31/12/2012	31/12/2011
Due to central banks	6.1	1,061	127
Financial liabilities at fair value through profit or loss	6.2	572,537	439,680
Hedging derivative instruments	3.2, 3.4	42,411	34,605
Due to credit institutions	3.3, 6.9	160,651	172,665
Due to customers	3.1, 3.3, 6.9	483,638	525,636
Debt securities	3.2, 3.3, 6.11	150,390	148,320
Revaluation adjustment on interest rate hedged portfolios		12,777	5,336
Current and deferred tax liabilities	6.12	5,221	4,755
Accruals, deferred income and sundry liabilities	6.13	67,104	73,690
Liabilities associated with non-current assets held for sale	6.14	22,015	39
Insurance company technical reserves	6.17	244,578	230,883
Provisions	6.18	4,766	4,798
Subordinated debt	3.2, 3.3, 6.11	29,980	33,782
Total liabilities		**1,797,129**	**1,674,316**
Equity		**45,232**	**49,292**
Equity, Group share		39,727	42,797
Share capital and reserves		30,538	30,164
Consolidated reserves		13,738	15,434
Other comprehensive income		1,922	(1,331)
Net income/(loss) for the year		(6,471)	(1,470)
Minority interests		5,505	6,495
TOTAL EQUITY AND LIABILITIES		**1,842,361**	**1,723,608**

STATEMENT OF CHANGES IN EQUITY

	Share capital and reserves								
(in millions of euros)	**Share capital**	Share premium and consolidated reserves [1]	Elimination of treasury shares	Capital and consolidated reserves, Group share	Other comprehensive income	Net income Group share	Total equity Group share	Minority interests	Total equity
Equity at 1 January 2011	**7,205**	**38,747**	**(517)**	**45,435**	**232**	**-**	**45,667**	**6,482**	**52,149**
Capital increase	289	622		911			911		911
Change in treasury shares held		(59)	151	92			92		92
Dividends paid in 2011		(1,079)		(1,079)			(1,079)	(349)	(1,428)
Dividends received from Regional Banks and subsidiaries		160		160			160		160
Impact of acquisitions/disposals on minority interests		(16)		(16)			(16)	(134)	(150)
Changes due to share-base payments		4		4			4		4
Changes due to transactions with shareholders	**289**	**(368)**	**151**	**72**	**-**	**-**	**72**	**(483)**	**(411)**
Change in other comprehensive income	**-**	**-**	**-**	**-**	**(1,513)**	**-**	**(1,513)**	**(28)**	**(1,541)**
Share of changes in equity of equity-accounted entities		8		8	(50)		(42)		(42)
Net income at 31/12/2011						(1,470)	(1,470)	272	(1,198)
Other changes		83		83			83	252	335
Equity at 31 December 2011	**7,494**	**38,470**	**(366)**	**45,598**	**(1,331)**	**(1,470)**	**42,797**	**6,495**	**49,292**
Appropriation of 2011 net income		(1,470)		(1,470)		1,470	-		-
Equity at 1 January 2012	**7,494**	**37,000**	**(366)**	**44,128**	**(1,331)**	**-**	**42,797**	**6,495**	**49,292**
Capital increase				-			-		-
Change in treasury shares held			(4)	(4)			(4)		(4)
Dividends paid in 2012				-			-	(375)	(375)
Dividends received from Regional Banks and subsidiaries				-			-		-
Impact of acquisitions/disposals on minority interests [2]		(96)		(96)			(96)	(703)	(799)
Changes related to stock options		8		8			8	1	9
Changes related to transactions with shareholders	**-**	**(88)**	**(4)**	**(92)**	**-**	**-**	**(92)**	**(1,077)**	**(1,169)**
Change in other comprehensive income	**-**	**-**	**-**	**-**	**3,124**	**-**	**3,124**	**137**	**3,261**
Share of changes in equity of equity-accounted entities		29		29	129		158		158
Net income at 31/12/2012				-		(6,471)	(6,471)	(42)	(6,513)
Other changes		211		211	-		211	(8)	203
EQUITY AT 31 DECEMBER 2012	**7,494**	**37,152**	**(370)**	**44,276**	**1,922**	**(6,471)**	**39,727**	**5,505**	**45,232**

(1) Consolidated reserves before elimination of treasury shares.

(2) The change in minority interests was mainly due to the capital increase at Agos, to which minority interests subscribed €92 million, the redemption of capital at CL Preferred Capital for -€750 million following its liquidation, the buying out of minority interests in BES Vida for -€151 million and the buying out of minority interests in Emporiki as part of plans to dispose of it for €76 million.

CASH FLOW STATEMENT

The cash flow statement is presented using the indirect method.

Operating activities show the impact of cash inflows and outflows arising from Crédit Agricole S.A. Group's income-generating activities, including those associated with assets classified as held-to-maturity financial assets.

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

Investment activities show the impact of cash inflows and outflows associated with purchases and sales of investments in consolidated and non-consolidated companies, property, plant and equipment and intangible assets. This section includes strategic equity investments classified as available-for-sale financial assets.

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

The net cash flows attributable to the operating, investment and financing activities of **discontinued operations** are presented on separate lines in the cash flow statement.

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

(in millions of euros)	Notes	31/12/2012	31/12/2011 *pro forma*	31/12/2011 reported
Pre-tax income		**(2,162)**	**1,392**	**(186)**
Depreciation and impairment of property, plant & equipment and intangible assets		795	737	789
Impairment of goodwill and other fixed assets	2.5	3,395	1,575	1,934
Net depreciation charges to provisions		6,998	8,736	10,252
Share of net income (loss) of equity-accounted entities	2.2	(503)	(230)	(229)
Net income (loss) from investment activities		238	246	238
Net income (loss) from financing activities		4,321	4,915	4,923
Other movements		3,952	1,732	1,744
Total non-cash and other adjustment items included in pre-tax income		**19,196**	**17,711**	**19,651**
Change in interbank items		(13,369)	14,149	15,543
Change in customer items		25,462	1,419	1,019
Change in financial assets and liabilities		(20,025)	(28,680)	(29,759)
Change in non-financial assets and liabilities		12,213	(4,355)	(4,559)
Dividends received from equity-accounted entities (1)		339	403	403
Tax paid		305	1,459	1,406
Net change in assets and liabilities used in operating activities		**4,925**	**(15,605)**	**(15,947)**
Cash received from discontinued operations		**(2,707)**	**20**	**-**
TOTAL NET CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES (A)		**19,252**	**3,518**	**3,518**
Change in equity investments (2)		**241**	**(1,219)**	**(1,221)**
Change in property, plant & equipment and intangible assets		**(400)**	**(745)**	**(787)**
Cash provided (used) by discontinued operations		**69**	**(44)**	**-**
TOTAL NET CASH FLOWS FROM (USED BY) INVESTMENT ACTIVITIES (B)		**(90)**	**(2,008)**	**(2,008)**
Cash received from (paid to) shareholders (3)		**(3,333)**	**(267)**	**(274)**
Other cash provided (used) by financing activities (4)		**581**	**11,024**	**10,999**
Cash provided (used) by discontinued operations		**2,499**	**(32)**	
TOTAL NET CASH FLOWS FROM (USED BY) FINANCING ACTIVITIES (C)		**(253)**	**10,725**	**10,725**
Impact of exchange rate changes on cash and cash equivalents (D)		**(971)**	**772**	**772**
Net increase/(decrease) in cash & cash equivalents (A+B+C+D)		**17,938**	**13,007**	**13,007**
Cash and cash equivalents at beginning of period		**46,468**	**33,461**	**33,461**
Net cash accounts and accounts with central banks*		28,335	28,878	28,878
Net demand loans and deposits with credit institutions**		18,133	4,583	4,583
Cash and cash equivalents at end of period		**64,406**	**46,468**	**46,468**
Net cash accounts and accounts with central banks*		42,059	28,335	28,335
Net demand loans and deposits with credit institutions**		22,347	18,133	18,133
NET CHANGE IN CASH AND CASH EQUIVALENTS		**17,938**	**13,007**	**13,007**

* *Consisting of the net balance of "Banks and central banks items", excluding accrued interest and including cash of entities reclassified as held-for-sale operations.*

** *Consisting of the balance of "performing current accounts in debit" and "performing overnight accounts and advances" as detailed in Note 6.5 and "current accounts in credit" and "current accounts and overdrafts" as detailed in Note 6.9 (excluding accrued interest and including Crédit Agricole internal transactions).*

(1) *Dividends received from equity-accounted: At 31 December 2012, this amount included mainly the payment of dividends of the Regional Banks for €283 million.*

(2) *Change in equity investments: this line item shows the net effects on cash of acquisitions and disposals of equity investments. These external operations are described in Note 2.1. The net impact of acquisitions and disposals of consolidated equity investments (subsidiaries and equity-accounted entities) on Group cash at 31 December 2012 is -€326 million. The main operations relate in particular to the disposal of BES Vida securities for an amount of €225 million less cash transferred of -€143 million, Bankinter securities for €35 million and subscriptions for the capital increases of Banco Espirito Santo for -€109 million and of Bespar for -€112 million. Finally, the deconsolidation de Vert SRL had a negative effect on cash of -€177 million.*

Over the same period, the impact of acquisitions and disposals of non-consolidated equity investments on the Group's cash came to €567 million related mainly to disposals of securities in Intesa Sanpaolo for €791 million, Bankinter for €79 million and Hamilton Lane Advisor for €73 million and acquisitions of securities in Altat Blue for -€127 million and SCI Rue du Bac for -€126 million.

(3) *Cash received from (paid to) shareholders: This line includes -€370 million of dividends, excluding dividends paid in shares, paid by the subsidiaries of Crédit Agricole S.A. to their minority shareholders, the capital increase of Agos subscribed by the minority shareholders for €92 million and the capital repayment of CL Preferred Capital for €750 million following its liquidation. This line also takes account of the subscription to the capital increase of Emporiki by Crédit Agricole S.A. for €2,320 million, which is offset with the heading "cash received from discontinued operations" for financing activities.*

(4) *Other cash from financing activities: During 2012, bond issues totalled €24,878 million and redemptions €15,430 million. Subordinated debt issues totalled €303 million and redemptions €4,756 million. This line also includes cash flows from interest payments on subordinated debt and bonds.*

Notes to the financial statements

Detailed summary of the notes

NOTE 1 Group accounting policies and principles, assessments and estimates

1.1 Applicable standards and comparability

Pursuant to Regulation EC no. 1606/2002, the annual financial statements have been prepared in accordance with IAS/IFRS and IFRIC applicable at 31 December 2012 and as adopted by the European Union (carve-out version), thus using certain exceptions in the application of IAS 39 on macro-hedge accounting.

These standards and interpretations are available on the European Commission website at:
http://ec.europa.eu/internal_market/accounting/ias/index_en.htm.

The standards and interpretations are the same as those applied and described in the Group's financial statements for the year ended 31 December 2011. They have been supplemented by the IFRS as adopted by the European Union at 31 December 2012 and that must be applied for the first time in the 2012 financial year. These cover the following:

Standards, Amendments or Interpretations	Date published by the European Union	Date of first application: financial year from
Amendment to IFRS 7 on additional disclosures for transfers of financial assets	22 November 2011 (EU No. 1205/2011)	1 January 2012

The application of these new provisions had no material impact on income or shareholder's equity for the period.

Moreover, where the early application of standards and interpretations adopted by the European Union is optional for a period, this option is not selected by the Group, unless otherwise stated. This in particular applies to:

Standards, Amendments or Interpretations	Date published by the European Union	Date of first-time mandatory application: financial year from
Amendment to IAS 1 regarding the presentation of items of other comprehensive income, breakdown of equity	5 June 2012 (EU No. 475/2012)	1 July 2012
Amendment to IAS 19 on Employee Benefits (Defined Benefit Plans)	5 June 2012 (EU No. 475/2012)	1 January 2013
IFRS 10 on consolidated financial statements	11 December 2012 (EU No. 1254/12)	1 January 2014
IFRS 11 on joint arrangements	11 December 2012 (EU No. 1254/12)	1 January 2014
IFRS 12 on disclosure of interests in other entities	11 December 2012 (EU No. 1254/12)	1 January 2014
IAS 27 on parent company's financial statements	11 December 2012 (EU No. 1254/12)	1 January 2014
Amended IAS 28 on investments in associates and joint ventures	11 December 2012 (EU No. 1254/12)	1 January 2014
Amendment to IAS 12, regarding the recovery of underlying assets	11 December 2012 (EU No. 1255/12)	1 January 2013
Amendment to IFRS 1, on serious hyperinflation; new application guide for first-time adopters who have (or had) a functional currency affected by serious hyperinflation	11 December 2012 (EU No. 1255/12)	1 January 2013
IFRS 13 regarding fair value measurement	11 December 2012 (EU No. 1255/12)	1 January 2013
Amendments to IFRS 7 on disclosures offsetting financial assets and financial liabilities	13 December 2012 (EU No. 1256/12)	1 January 2013
Amendments to IAS 32: Presentation-offsetting financial assets and financial liabilities	13 December 2012 (EU No. 1256/12)	1 January 2014

Studies examining the impact of the application of IFRS 10, IFRS 11, IFRS 12 and IFRS 13 are ongoing.

The Group does not expect other normative changes to produce a significant impact on the net income or equity.

As it is:

- the Amendment to IAS 1 permits a recyclable/non-recyclable distinction in other comprehensive income;
- the main change introduced by the amendment to IAS 19 is the obligation to recognise actuarial gains and losses on defined benefit plans in other comprehensive income. The Group already applies this method (optional in the current version of IAS 19);
- the amendment to IAS 12 introduces a new measurement method for deferred tax Assets and Liabilities arising from temporary differences on certain revalued assets. This approach does not affect the Group which has not opted for the method of revaluation of non-depreciable property, plant and equipment under IAS 16, nor of investment property under IAS 40;
- the amendment to IFRS 1 only applies to first-time adopters.

Furthermore, standards and interpretations that have been published by the IASB, but not yet been adopted by the European Union, will become mandatory only as from the date of such adoption. The Group has not applied them at 31 December 2012.

1.2 Presentation of financial statements

In the absence of a required presentation format under IFRS, Crédit Agricole S.A. Group's complete set of financial statements (balance sheet, income statement, statement of comprehensive income, statement of changes in equity and cash flow statement) has been presented in the format set out in CNC Recommendation 2009-R-04.

1.3 Accounting policies and principles

USE OF ASSESSMENTS AND ESTIMATES TO PREPARE THE FINANCIAL STATEMENTS

Estimates made to draw up the financial statements are by their nature based on certain assumptions and involve risks and uncertainties as to whether they will be achieved in the future.

Actual results may be influenced by many factors, including:

- activity in domestic and international markets;
- fluctuations in interest and exchange rates;
- the economic and political climate in certain industries or countries;
- changes in regulations or legislation.

This list is not exhaustive.

Accounting estimates based on assumptions are principally used in the following assessments:

- financial instruments measured at fair value;
- investments in non-consolidated companies;
- retirement plans and other post-employment benefits;
- stock option plans;
- impairment of available-for-sale financial assets and held-to-maturity investments;
- impairment of unrecoverable debts;
- provisions;
- impairment of goodwill;
- deferred tax assets;
- valuation of equity-accounted entities;
- deferred participation benefits.

The procedures for the use of assessments or estimates are described in the relevant sections below.

FINANCIAL INSTRUMENTS (IAS 32 AND 39)

Financial assets and liabilities are treated in the financial statements in accordance with IAS 39 as endorsed by the European Commission.

At the time of initial recognition, financial assets and financial liabilities are measured at fair value including trading costs (with the exception of financial instruments recognised at fair value through profit or loss). Subsequently, financial assets and financial liabilities are measured according to their classification, either at fair value or at amortised cost based on the effective interest rate method.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties at market conditions.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to obtain the net carrying amount of the financial asset or financial liability.

Securities

Classification of financial assets

Under IAS 39, securities are divided into four categories:

- financial assets at fair value through profit or loss held for trading and financial assets designated as at fair value through profit or loss upon initial recognition;
- held-to-maturity financial assets;
- loans and receivables;
- available-for-sale financial assets.

Financial assets at fair value through profit or loss classified as held for trading and financial assets designated as at fair value through profit or loss upon initial recognition

According to IAS 39, this portfolio comprises securities that are classified under financial assets at fair value through profit or loss upon initial recognition either as a result of a genuine intention to trade them or of being designated as at fair value by Crédit Agricole S.A. Group.

Financial assets at fair value through profit or loss classified as held for trading are assets acquired or generated by the enterprise primarily with the aim of disposal in the short term or which are included in a portfolio of financial instruments managed as a unit and with the purpose of making a profit from short-term price fluctuations or an arbitrage margin.

Financial assets may be designated at fair value through profit or loss upon initial recognition when such designation meets the conditions defined in the standard in the following three cases: for hybrid instruments containing one or more embedded derivatives, to reduce any distortion of accounting treatment or in the case of a group of managed financial assets whose performance is measured at fair value. This method is generally used so that derivatives embedded in hybrid instruments do not have to be recognised and measured separately.

Crédit Agricole S.A. Group has designated the following assets at fair value through profit or loss upon initial recognition:

- assets backing unit-linked contracts;
- private equity business portfolio.

Securities that are classified under financial assets at fair value through profit or loss are recognised at fair value at inception, excluding transaction costs attributable directly to their acquisition (which are taken directly to profit or loss) and including accrued interest.

They are subsequently carried at fair value and changes in fair value are taken to profit or loss.

No impairment losses are booked for this category of securities.

Outstanding syndication securities held for sale are recognised as Financial assets held for trading and are marked to market.

Held-to-maturity financial assets

The category Held-to-maturity financial assets (applicable to securities with fixed maturities) includes securities with fixed or determinable payments that Crédit Agricole S.A. Group has the intention and ability to hold until maturity other than:

- securities that are initially designated as financial assets at fair value through profit or loss at the time of initial recognition by Crédit Agricole S.A. Group;
- securities that fall into the "Loans and receivables" category. Hence, debt securities that are not traded in an active market cannot be included in the "Held-to-maturity financial assets" category.

Classification as held-to-maturity means that the entity must abide by the prohibition on the sale of securities prior to maturity, except where allowed under IAS 39.

Hedging of interest rate risk for this category of securities is not allowed for hedge accounting under IAS 39.

Held-to-maturity financial assets are initially recognised at acquisition cost, including transaction costs that are directly attributable to the acquisition and including accrued interest.

They are subsequently measured at amortised cost using the effective interest method, including any premiums or discounts.

Impairment rules for this financial asset category are disclosed in the specific section on "impairment of securities" for securities measured at amortised cost.

Loans and receivables

"Loans and receivables" comprise unlisted financial assets that generate fixed or determinable payments.

Securities of the "loans and receivables" portfolio are initially recognised at acquisition cost, including transaction costs that are directly attributable to the acquisition and including accrued interest.

They are subsequently measured at amortised cost with amortisation of any premiums or discounts using the effective interest method adjusted for any impairment losses.

Impairment rules for this financial asset category are disclosed in the specific section on "impairment of securities" for securities measured at amortised cost.

Available-for-sale financial assets

IAS 39 defines "available-for-sale financial assets" both as assets that are designated as available-for-sale and as the default category.

"Available-for-sale financial assets" are initially recognised at fair value, including transaction costs that are directly attributable to the acquisition and including accrued interest.

"Available-for-sale financial assets" are later measured at fair value and subsequent changes in fair value are recorded in other comprehensive income.

If the securities are sold, these changes are transferred to the income statement.

Amortisation of any premiums or discounts on fixed income securities is recognised in the income statement using the effective interest rate method.

Impairment rules for this financial asset category are disclosed in the specific section dedicated to "impairment of securities".

Impairment of securities

Impairment shall be booked when there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the securities, other than assets measured as at fair value through profit or loss.

Objective evidence of impairment corresponds to a prolonged or significant decline in the value of the security for equity securities or the appearance of significant deterioration in credit risk evidenced by a risk of non-recovery for debt securities.

For equity securities, Crédit Agricole S.A. Group uses quantitative criteria as indicators of potential impairment. These quantitative criteria are mainly based on a loss of 30% or more of the value of the equity instrument over a period of six consecutive months. Crédit Agricole S.A. Group may also take account of other factors such as financial difficulties of the issuer, or short term prospects, etc.

Notwithstanding the above-mentioned criteria, Crédit Agricole S.A. Group recognises an impairment loss when there is a decline in the value of the equity instrument, higher than 50% or prolonged over three years.

For debt securities, impairment criteria are the same as for loans and receivables.

Such impairment is only recognised when it translates into a probable loss of all or part of the amount invested:

- for securities measured at amortised cost through the use of an impairment account, the amount of the loss is recognised in the income statement, and may be reversed in case of subsequent improvements;
- for available-for-sale securities, the amount of the aggregate loss is transferred from other comprehensive income to the income statement; in the event of subsequent recovery in the price of the securities, the loss previously transferred to the income statement may be reversed when justified by circumstances for debt instruments.

Recognition date of securities

At 31 December 2012, the date of recognition of the notional amount of securities sold/bought under repurchase agreements and securities lending/borrowing recognised at fair value through profit or loss, was brought into line with that of securities sold/bought under repurchase agreements and securities lending/borrowing classified under loans and receivables or under borrowings, in order to provide greater clarity in the balance sheet.

Previously, the notional amount of securities sold/bought under repurchase agreements and securities lending/borrowing recognised at fair value through profit or loss was recognised in the balance sheet on the transaction date. Now, the notional amount of these transactions is recognised under financing commitments (off balance sheet) on the transaction date and then on the balance sheet on the settlement date. Changes in the fair value of these transactions between the two dates continue to be recognised in income.

As a result, on 31 December 2012, €22 billion in securities bought under repurchase agreements and securities borrowing was recognised under financing commitments given and €27 billion in securities sold under repurchase agreements and securities lending was recognised under financing commitments received.

The impact of this change is discussed in Notes 6.2 “Assets and liabilities at fair value through profit or loss”, 6.13 “Accrued income and expenses and other assets and liabilities” and 8 “Financing and guarantee commitments, and other guarantees”.

Reclassification of financial assets

In accordance with the amendment to IAS 39 as published and adopted by the European Union in October 2008, the following reclassifications are now allowed:

- from the “Financial assets held for trading” and “Available-for-sale financial assets” categories to the “Loans and receivables” category, if the entity now has the intention and ability to hold the financial asset for the foreseeable future or until maturity and if the classification criteria for this category are met upon the transfer date (in particular, financial asset not quoted in an active market);
- in rare documented circumstances, from “Financial assets held for trading” to “Available-for-sale financial assets” or “Held-to-maturity financial assets” if the eligibility criteria are met upon the transfer date for each category.

The fair value on the date of reclassification becomes the new cost or amortised cost, as applicable, of the reclassified financial asset.

Information on reclassifications made by Crédit Agricole S.A. Group under the terms of the amendment to IAS 39 is provided in Note 9 “Reclassification of financial instruments”.

Temporary investments in/disposals of securities

Within the meaning of IAS 39, temporary sales of securities (securities lending/borrowing, repurchase agreements) do not fulfil the derecognition conditions of IAS 39 and are regarded as collateralised financing.

Assets lent or sold under repurchase agreements are kept on the balance sheet. If applicable, the amounts received, representing the liability to the transferee, are recognised on the liability side of balance sheet.

Items borrowed or bought under repurchase agreements are not recognised on the balance sheet of the transferee. A receivable is recognised for the amount paid. If the security is subsequently sold, the transferee recognises a liability in respect of their obligation to return the security under the repurchase agreement.

Revenue and expenses relating to such transactions are posted to profit and loss on a *pro rata temporis basis*, except in the case of assets and liabilities recognised at fair value through profit or loss.

Lending operations

Loans are principally allocated to the “Loans and receivables” category. In accordance with IAS 39, they are initially valued at fair value and subsequently valued at amortised cost using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash payments to the original net loan amount. This rate includes the discounts and any transaction income or costs that are an integral part of the effective interest rate.

Syndication loans held for trading are classified as “Financial assets held for trading” and are marked to market.

Subordinated loans and repurchase agreements (represented by certificates or securities) are included under the various categories of loans and receivables according to counterparty type.

Income calculated based on the effective interest rate is recognised in the balance sheet under the appropriate category of loans and receivables and booked to the income statement.

Advances made by Crédit Agricole S.A. to the Regional Banks do not represent a direct risk for Crédit Agricole S.A. with respect to the corresponding customer loans made by the Regional Banks. They do, however, represent a potential indirect risk with respect to the financial strength of the Regional Banks. Crédit Agricole S.A. has not made any provisions for such advances to the Regional Banks.

Impaired loans or receivables

In accordance with IAS 39, loans recorded under "Loans and receivables" are impaired when one or more loss events occurs in the collection of such loans. Once these loans and receivables have been identified, they may be individually or collectively assessed for impairment. Foreseeable losses are assessed by recognition of impairment in an amount equal to the difference between the carrying amount of the loans (amortised cost) and the sum of estimated future cash flows, discounted at the original effective interest rate, or in the form of discounts on loans that have been restructured due to customer default.

The following distinctions are made:

- loans individually assessed for impairment: these are loans covered by impairment losses and loans restructured due to customer default that have been discounted;
- loans collectively assessed for impairment: these are loans that are not individually assessed for impairment, for which impairment is determined for a homogeneous class of loans displaying similar credit risk characteristics. It concerns in particular loans and receivables that are past due.

Loans that are past due consist of loans that are overdue but not necessary individually impaired (part of the watch-list category).

Impairment losses are discounted and estimated on the basis of several factors, notably business- or sector-related. It is possible that future assessments of the credit risk may differ significantly from current estimates, which may lead to an increase or decrease in the amount of the impairment.

Probable losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities.

Impairment charges and reversals of impairment losses for non-recovery risk are recognised in cost of risk and any increase in the carrying amount of the loan arising from the accretion of the impairment or amortisation of the restructured loan discount is recognised in net interest income.

Loans individually assessed for impairment

These are loans and receivables of all kinds, even guaranteed, where there are objective indications of impairment, such as:

- borrower in serious financial difficulties;
- a breach of contract such as a default on the payment of interest or principal;
- the granting by the lender to the borrower, for economic or legal reasons connected with the borrower's financial difficulties, of a facility that the lender would not have envisaged in other circumstances (loan restructuring);
- increasing probability of bankruptcy or other financial restructuring of the borrower.

Crédit Agricole S.A. Group recognises impairment for all foreseeable losses in respect of impaired loans and receivables, discounted at the initial effective interest rate.

Possible losses in respect of portfolios of small loans with similar characteristics may be estimated on a statistical basis rather than individually assessed.

Restructured loans are loans for which the entity has changed the initial financial terms (interest rate, term) due to counterparty risk.

The discount recognised when a loan is restructured is recorded under cost of risk.

The discount represents future loss of cash flow discounted at the original effective interest rate.

It is equal to the difference between:

- the nominal value of the loan;
- the sum of theoretical future cash flows from the restructured loan, discounted at the original effective interest rate (defined at the date of the financing commitment).

Loans collectively assessed for impairment

Statistical and historical customer default experience shows that there is an identified risk of partial uncollectibility of loans non individually impaired. To cover these risks, which cannot by nature be allocated to individual loans, Crédit Agricole S.A. Group takes various collective impairment losses, calculated using models developed on the basis of these statistical data, by way of deduction from asset values, such as:

- Impairment for past due exposures:

  Such impairment losses are calculated on the basis of Basel 2 models.

  Under Basel 2 regulations, each Crédit Agricole S.A. Group entity calculates the amount of losses anticipated within one year, using statistical tools and databases, based on a variety of observation criteria that meet the definition of a "loss event" within the meaning of IAS 39.

  The amount of impairment is based on the probability of default in each rating class assigned to borrowers, and also on management's experienced judgement.

  The amount of this impairment is obtained by applying to the amount of anticipated losses calculated using the Basel 2 models, a maturity correction factor designed to take account of the need to record impairment losses for the anticipated losses up to maturity.

- Other loans collectively assessed for impairment:

  Crédit Agricole S.A. Group also sets aside collective impairment losses to cover customer risks that are not allocated to individual loans, such as sector or country impairment losses. These provisions are intended to cover estimated risks based on a sector or geographical analysis for which there is statistical or historical risk of partial non-recovery.

Subsidised loans (IAS 20)

Under French government measures to support the agricultural and rural sector and to help home buyers, certain Crédit Agricole S.A. Group entities grant subsidised loans at rates fixed by the government. The government pays these entities the difference between the subsidised lending rate and a predetermined benchmark rate. Accordingly, no discounts are recognised against subsidised loans.

The subsidy system is periodically reviewed by the government.

In accordance with IAS 20, subsidies received from the government are recorded under "Interest income" and spread over the life of the corresponding loans.

Financial liabilities

IAS 39 as endorsed by the European Union recognises three categories of financial liabilities:

- financial liabilities at fair value through profit or loss. Fair value changes on this portfolio are recognised in profit or loss at accounting end-periods;
- financial liabilities designated as at fair value through profit or loss upon initial recognition. Financial liabilities may be designated as at fair value through profit and loss when such designation meets the conditions defined in the standard, in the following three cases: for hybrid instruments containing one or more embedded derivatives, to reduce any distortion of accounting treatment or in the case of a group of managed financial liabilities which performance is measured at fair value. This method is generally used so that derivatives embedded in hybrid instruments do not have to be recognised and measured separately;
- other financial liabilities: this category includes all other financial liabilities. These liabilities are initially measured at fair value (including transaction income and costs) and subsequently at amortised cost using the effective interest method.

Crédit Agricole S.A. Group's structured issues are recognised as financial liabilities at fair value through profit or loss, classified as held for trading. Changes in fair value are taken to profit or loss.

Revaluation adjustments related to the Group's issuer credit risk are measured using models based on the Group's refinancing conditions, as established at the end of the corresponding reporting period. They also take account of the residual term of the relevant liabilities.

Securities classified as financial liabilities or equity

Distinction between liabilities and equity

A debt instrument or financial liability is a contractual obligation to:

- deliver cash or another financial asset;
- exchange instruments under potentially unfavourable conditions.

An equity instrument is a contract evidencing a residual interest in an enterprise after deduction of all of its liabilities (net assets).

Treasury shares buy-back

Treasury shares (or equivalent derivative instruments, such as stock options) bought back by Crédit Agricole S.A. Group, including shares held to cover stock option plans, do not meet the definition of a financial asset and are deducted from equity. They do not generate any impact on the income statement.

Deposits

All deposits are recorded under "Due to customers" in spite of the characteristics of the collection system within Crédit Agricole Group, with deposits originating from the Regional Banks centralised at Crédit Agricole S.A. For the Group, the ultimate counterparty for these deposits is indeed the end customer.

The deposits are initially measured at fair value and subsequently at amortised cost.

Regulated savings products are by nature deemed to be at market rates.

Provisions are taken where necessary against home purchase savings plans and accounts as set out in Note 6.18.

Derivative instruments

Derivative instruments are financial assets or liabilities and are recognised on the balance sheet at fair value at inception of the transaction. At the end of each reporting period derivatives are measured at fair value, whether they are held for trading purposes or used for hedging.

Any change in the value of derivatives on the balance sheet is recorded in the income statement (except in the special case of a cash flow hedging relationship).

Hedge accounting

Fair value hedges are intended to provide protection from exposure to a change in the fair value of an asset or of a liability that has been recognised, or of a firm commitment that has not been recognised.

Cash flow hedges are intended to provide protection from a change in future cash flows from financial instruments associated with a recognised asset or liability (for example, with all or part of future interest payments on a floating-rate debt) or a projected transaction that is considered to be highly probable.

Hedges of net investments in a foreign operation are intended to provide protection from the risk of an adverse movement in fair value arising from the foreign exchange risks associated with a foreign investment in a currency other than the euro.

Hedges must meet the following criteria in order to be eligible for hedge accounting:

- the hedging instrument and the instrument hedged must be eligible;
- there must be formal documentation from inception, primarily including the individual identification and characteristics of the hedged item, the hedging instrument, the nature of the hedging relationship and the nature of the hedged risk;
- the effectiveness of the hedge must be demonstrated, at inception and retrospectively, by testing at each reporting date.

For interest rate hedges for a portfolio of financial assets or financial liabilities, Crédit Agricole S.A. Group documents the hedging relationship for fair value hedges in accordance with the "carve-out" version of IAS 39 as endorsed by the European Union.

The Group also documents these hedging relationships based on its gross position in derivative instruments and hedged items.

The effectiveness of the hedging relationships is measured by maturity schedules.

The change in value of the derivative is recorded in the financial statements as follows:

- fair value hedges: the change in value of the derivative is recognised in the income statement symmetrically with the change in value of the hedged item in the amount of the hedged risk. Only the net amount of any ineffective portion of the hedge is recognised in the income statement;
- cash flow hedges: the change in value of the derivative is recognised in the balance sheet through a specific account in other comprehensive income for the efficient portion and any inefficient portion of the hedge is recognised in the income statement. Any profits or losses on the derivative accrued through other comprehensive income are then reclassified in the income statement when the hedged cash flows occur;
- hedge of a net investment in a foreign operation: the change in value of the derivative is recognised in the balance sheet in the translation adjustment equity account and any ineffective portion of the hedge is recognised in the income statement.

Where the conditions for benefiting from hedging accounting are no longer met, the following accounting treatment must be applied prospectively:

- fair value hedges: only the hedging instrument continues to be revalued through profit or loss. The hedged item is wholly accounted for according to its classification. For available-for-sale securities, changes in fair value subsequent to the ending of the hedging relationship are recorded in other comprehensive income. For hedged items valued at amortised cost, which were interest rate hedged, the revaluation adjustment is amortised over the remaining life of those hedged items;
- cash flow hedges: the hedging instrument is valued at fair value through profit or loss. The amounts accumulated in other comprehensive income under the effective portion of the hedging remain in other comprehensive income until the hedged element affects profit or loss. For interest rate hedged instruments, profit or loss is affected according to the payment of interest. The revaluation adjustment is therefore amortised over the remaining life of those hedged items;
- hedges of net investments in a foreign operation: the amounts accumulated in other comprehensive income under the effective portion of the hedging remain in other comprehensive income while the net investment is held. The income is recorded once the net investment in a foreign operation exits the scope of consolidation.

Embedded derivatives:

An embedded derivative is a component of a hybrid contract that meets the definition of a derivative product. Embedded derivatives must be accounted for separately from the host contract if the following three conditions are met:

- the hybrid contract is not measured at fair value through profit or loss;
- the embedded component taken separately from the host contract has the characteristics of a derivative;
- the characteristics of the derivative are not closely related to those of the host contract.

Determination of the fair value of financial instruments

The fair value of financial instruments is measured according to the provisions of IAS 39 and is presented following the hierarchy defined in IFRS 7.

To measure some financial instruments at fair value, the Group also applies the 15 October 2008 recommendation of the AMF, CNC and ACAM.

For financial instruments measured at fair value, IAS 39 considers that the best evidence of fair value is quoted prices published in an active market.

When such quoted prices are not available, IAS 39 requires fair value to be established by using a valuation technique based on observable data or unobservable inputs.

Level 1: fair value corresponding to listed prices (unadjusted) in active markets.

Level 1 is composed of financial instruments that are quoted in an active market. These are stocks and bonds listed on active markets (such as the Paris Stock Exchange, the London Stock Exchange or the New York Stock Exchange) and also fund securities listed on an active market and derivatives traded on an organised market, in particular futures.

A market is regarded as being active if quoted prices are readily and regularly available from an exchange, broker, dealer, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For financial assets and liabilities with offsetting market risks, Crédit Agricole S.A. Group uses mid-prices as a basis for establishing fair values for the offsetting risk positions. The Group applies the current bid price to asset held or liability to be issued (open long position) and the current asking price to asset to be acquired or liability held (open short position).

Level 2: fair value measured using directly or indirectly observable inputs other than those in Level 1

These inputs that are observable, either directly (*i.e.* as prices) or indirectly (*i.e.* derived from prices) generally meet the following characteristics: they are not entity-specific data but available and obtainable public data accordingly used by marked participants.

Level 2 is composed of:

- stocks and bonds listed on an inactive market or non listed on an active market but for which fair value is established using a valuation methodology usually used by market participants (such as discounted cash flow techniques or the Black & Scholes model) and based on observable market data;
- instruments that are traded over the counter, the fair value of which is measured with models using observable market data, *i.e.* derived from various and independent available external sources which can be obtained on a regular basis. For example, the fair value of interest rate swaps is generally derived from the yield curves of market interest rates as observed at the reporting date.

When the models are consistent notably with standard models based on observable market data (such as interest rate yield curves or implied volatility surfaces), the day one gain or loss resulting from the initial fair value measurement of the related instruments is recognised in profit or loss at inception.

Level 3: fair value that is measured using significant unobservable inputs

For some complex instruments that are not traded in an active market, fair value measurement is based on valuation techniques using assumptions, *i.e.* that cannot be observed on the market for an identical instrument. These instruments are disclosed within Level 3.

This mainly concerns complex interest rate instruments, equity derivatives, structured credit instruments which fair value measurement includes for instance correlation or volatility inputs that are not directly benchmarkable.

Since the transaction price is deemed to reflect the fair value at initial recognition, any day one gain or loss recognition is deferred.

The day one gain or loss relating to these structured financial instruments is generally recognised through profit or loss over the period during which inputs are deemed unobservable. When market data become observable, the remaining margin to be deferred is immediately recognised in profit or loss.

Valuation methodologies and models used for financial instruments that are disclosed within Levels 2 and 3 incorporate all factors that market participants would consider in setting a price. They shall be beforehand validated by an independent control. Fair value measurement includes both liquidity risk and counterparty risk.

Absence of accepted valuation method to determine equity instruments' fair value

In accordance with IAS 39 principles, if there is no satisfactory method or if the estimates obtained using the various methods differ excessively, the security is valued at cost and stays recorded under "Available-for-sale financial assets" because its fair value cannot be reliably measured. In this case, the Group does not report a fair value, in accordance with the applicable recommendations of IFRS 7. These primarily include equity investments in companies that are not listed on an active market of which fair value is difficult to measure reliably.

Net gains or losses on financial instruments

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

For financial instruments designated at fair value through profit or loss and financial assets and liabilities held for trading, this heading mainly includes the following income statement items:

- dividends and other revenues from equities and other variable-income securities which are classified under financial assets at fair value through profit or loss;
- changes in fair value of financial assets or liabilities at fair value through profit or loss;
- gains and losses on disposal of financial assets at fair value through profit or loss;
- changes in fair value and gains and losses on disposal or termination of derivative instruments not included in a fair value or cash flow hedging relationship.

This heading also includes the inefficient portion of fair value hedges, cash flow hedges and hedges of net investments in foreign currencies.

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

For available-for-sale financial assets, this heading mainly includes the following income statement items:

- dividends and other revenues from equities and other variable-income securities which are classified under available-for-sale financial assets;
- gains and losses on disposal of fixed income and variable-income securities which are classified under available-for-sale financial assets;
- losses in value of variable-income securities;
- net income on disposal or termination of instruments used for fair value hedges of available-for-sale financial assets when the hedged item is sold;

- gains and losses on disposal or termination of loans and receivables and held-to-maturity securities in those cases provided for by IAS 39.

Netting of financial assets and financial liabilities

In accordance with IAS 32, Crédit Agricole S.A. Group nets a financial asset and a financial liability and reports the net amount when, and only when, it has a legally enforceable right to offset the amounts reported and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial guarantees given

A financial guarantee contract is a contract that calls for specific payments to be made by the issuer to reimburse the holder for a loss incurred due to a specified debtor's failure to make a payment when due under the initial or amended terms of a debt instrument.

Financial guarantee contracts are recognised at fair value initially then subsequently at the higher of:

- the amount calculated in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets"; or,
- the amount initially recognised, less any depreciation recognised in accordance with IAS 18 "Revenue".

Financing commitments that are not designated as fair value through profit or loss or not treated as derivative instruments within the meaning of IAS 39 are not recognised on the balance sheet. They are, however, covered by provisions in accordance with IAS 37.

Derecognition of financial instruments

A financial asset (or group of financial assets) is fully or partially derecognised if:

- the contractual rights to the cash flows from the financial asset expire or are transferred or are deemed to have expired or been transferred because they belong de facto to one or more beneficiaries;
- substantially all the risks and rewards of ownership in the financial asset are transferred.

In this case, any rights or obligations created or retained at the time of transfer are recognised separately as assets and liabilities.

If the contractual rights to the cash flows are transferred but some of the risks and rewards of ownership as well as control are retained, the financial assets continue to be recognised to the extent of the Group's continuing involvement in the asset.

A financial liability is fully or partially derecognised only if the liability is settled.

PROVISIONS (IAS 37 AND 19)

Crédit Agricole S.A. Group has identified all obligations (legal or constructive) resulting from a past event for which it is probable that an outflow of resources will be required to settle the obligation, and for which the due date or amount of the settlement is uncertain but can be reliably estimated. These estimates are discounted where applicable whenever there is a material impact.

For obligations other than those related to credit risk, Crédit Agricole S.A. Group has set aside general provisions to cover:

- operational risks;
- employee benefits;
- financing commitment execution risks;
- claims and liability guarantees;
- tax risks;
- risks in connection with home purchase savings plans.

The latter provision is designed to cover the Group's obligations in the event of unfavourable movements in home purchase savings schemes. These obligations are: i) to pay a fixed rate of interest on the savings contract from inception for an undefined period of time; and ii) to grant a loan to home purchase savings plan savers at a rate fixed at inception of the contract. The provision is calculated for each generation of a home purchase savings plan and for all home purchase savings accounts, with no netting of obligations between generations.

The amount of these obligations is calculated taking account notably of:

- saver behaviour models, based on assumptions regarding customer behaviour drawn from historical experience, which may not necessarily reflect actual trends in future behaviour;
- an estimate of the amount and term of the loans that will be granted in the future, based on historical experience over an extended period of time;
- the yield curve for market rates and reasonably foreseeable trends.

Certain estimates may be made to determine the amount of the following provisions:

- the reserve for operational risks, which although subject to examination for identified risks, requires management to make assessments with regard to incident frequency and the potential financial impact;
- the reserve for legal risks, which is based on management's best estimate in light of the information in its possession at the end of the reporting period.

Detailed information is provided in section 6.18.

EMPLOYEE BENEFITS (IAS 19)

In accordance with IAS 19, employee benefits are recorded in four categories:

- short-term employee benefits, such as salaries, social security contributions and variable compensation payable within 12 months after the end of the period;
- long-term employee benefits (long-service awards, variable compensation and compensation payable 12 months or more after the end of the period);
- termination benefits;

- post-employment benefits, classed in two categories described below: defined-benefit plans and defined-contribution plans.

Long-term employee benefits

Long-term employee benefits are employee benefits other than post-employment benefits or termination benefits and equity benefits but not fully due to employees within 12 months after the end of the period in which the related services have been rendered.

These include, in particular bonuses and other deferred compensation payable over 12 months after the end of the period.

The methods used to determine the amount and payment of deferred variable compensation by Crédit Agricole S.A. Group comply with the statutory provisions on compensation of employees whose activities are likely to have a significant effect on the Group's risk exposure (ministerial order of 3 November 2009 and the industry standards for practical implementation issued by the FBF). They stipulate deferred variable compensation payment spread over several years and payable either in cash indexed to Crédit Agricole S.A. share price, or in Crédit Agricole S.A. shares.

The expenses are accounted for on a straight line basis under "Employee expenses" spread over the vesting period (between three and four years) to cover performance and/or continued employment conditions. For variable compensation paid in cash, the corresponding debt is revised until settlement to account for failure to meet the above conditions and for changes in Crédit Agricole S.A.'s share value. For compensation paid in shares of Crédit Agricole S.A., the corresponding expense is revised if the vesting conditions are not met.

The measurement method is similar to the one used by the Group for post-employment benefits with defined-benefit plans.

Post-employment benefits

Retirement and early retirement benefits – Defined-benefit plans

At each reporting date, Crédit Agricole S.A. Group sets aside reserves to cover its liabilities for retirement and similar benefits and all other employee benefits falling in the category of defined-benefit plans.

In keeping with IAS 19, these commitments are stated based on a set of actuarial, financial and demographic assumptions, and in accordance with the projected unit credit method. Under this method, for each year of service, a charge is booked in an amount corresponding to the employee's vested benefits for the period. The charge is calculated based on the discounted future benefit.

Liabilities for retirement and other employee benefits are based on assumptions made by management with respect to the discount rate, staff turnover rate and probable increases in salary and social security costs. If the actual figures differ from the assumptions made, the retirement liability may increase or decrease in future years (see Note 7.4).

Discount rates are determined based on the average term of the commitment, that is, the arithmetical average of the terms calculated between the valuation date and the payment date weighted by employee turnover assumptions.

The anticipated return on plan assets is also estimated by management. Returns are estimated on the basis of expected returns on fixed income securities, and notably bonds.

Crédit Agricole S.A. Group does not apply the optional "corridor method" and all actuarial gains or losses are recognised in other comprehensive income.

The amount of the provision is equal to:

- the present value of the obligation to provide the defined-benefits at the end of the reporting period, calculated in accordance with the actuarial method recommended by IAS 19;
- if necessary, reduced by the fair value of the assets allocated to covering these commitments. These may be represented by an eligible insurance policy. In the event that 100% of the obligation is covered by a policy that meets exactly the expense amount payable over the period for all or part of a defined-benefit plan, the fair value of the policy is deemed to be the value of the corresponding obligation, *i.e.* the amount of the corresponding actuarial liability.

For such obligations that are not covered, a provision for retirement benefits is recognised under "Provisions" on the liabilities side of the balance sheet. This provision is equal to Crédit Agricole S.A. Group's liabilities towards employees in service at year-end, governed by the new Crédit Agricole Group collective agreement that came into effect on 1 January 2005.

A provision to cover the cost of early retirement commitments is also listed under "Provisions". This provision covers the additional discounted cost of the various early retirement agreements signed by Crédit Agricole Group entities under which employees of eligible age may take early retirement.

Lastly, certain Group companies are liable to pay supplementary retirement benefits. A provision is calculated on the basis of the Company's actuarial liability for these benefits. These provisions are also shown on the liabilities side of the balance sheet under "Provisions".

Retirement plans – Defined-contribution plans

Employers contribute to a variety of compulsory pension schemes. Plan assets are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to cover all benefits corresponding to services rendered by employees during the year and during prior years. Consequently, Crédit Agricole S.A. Group has no liabilities in this respect other than their ongoing contributions.

SHARE-BASED PAYMENT (IFRS 2)

IFRS 2 on share-based payment requires valuation of share-based payment transactions in the Company's income statement and balance sheet. The standard applies to plans granted after 7 November 2002, in accordance with the provisions of IFRS 2 and which had not yet vested at 1 January 2005 and covers two possible cases:

- share-based payment transactions settled in equity instruments;
- share-based payment transactions settled in cash.

Share-based payment plans initiated by Crédit Agricole S.A. Group that are eligible for IFRS 2 are mainly transactions settled in equity instruments.

Options granted are measured at their fair value on the date of grant primarily using the Black & Scholes model. These options are recognised as a charge under "Employee expenses", with a corresponding adjustment to equity, spread over the vesting period (four years for existing plans).

Employee share issues offered to employees as part of the employee saving plan are also subject to the IFRS 2 standard. Shares may be offered to employees with a discount of no more than 20%. These plans have no vesting period but the shares are subject to a lock-up period of five years. The benefit granted to employees is measured as the difference between the fair value per share acquired taking account of the lock-up period and the purchase price paid by the employee on the issue date multiplied by the number of shares issued.

A more detailed description of the method, existing plans and valuation methods is provided in Note 7.6, "Share-based payment".

The Group carried out a capital increase reserved for employees in 2011.

The cost of stock options settled in Crédit Agricole S.A. equity instruments and the cost of share subscriptions are now recognised in the financial statements of the entities that employ the plan beneficiaries. The impact is recorded under "Employee expenses", with a corresponding increase in "Consolidated reserves (Group share)".

CURRENT AND DEFERRED TAXES

In accordance with IAS 12, the income tax charge includes all income taxes, whether current or deferred.

IAS 12 defines current tax liability as "the amount of income tax payable (recoverable) in respect of the taxable profit (tax loss) for a reporting period." Taxable income is the profit (or loss) for a given accounting period measured in accordance with the rules determined by the taxation authorities.

The applicable rates and rules used to measure the current tax liability are those in effect in each country where the Group's companies are established.

The current tax liability relates to any income due or that will become due, for which payment is not subordinated to the completion of future transactions, even if payment is spread over several years.

The current tax liability must be recognised as a liability until it is paid. If the amount that has already been paid for the current year and previous years exceeds the amount due for these years, the surplus must be recognised under assets.

Moreover, certain transactions carried out by the entity may have tax consequences that are not taken into account in measuring the current tax liability. IAS 12 defines a difference between the carrying amount of an asset or liability and its tax basis as a temporary difference.

This standard requires that deferred taxes be recognised in the following cases:

A deferred tax liability should be recognised for any taxable temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base, unless the deferred tax liability arises from:

- initial recognition of goodwill;
- the initial recognition of an asset or a liability in a transaction that is not a business combination and that does not affect either the accounting or the taxable profit (taxable loss) at the transaction date.

A deferred tax asset should be recognised for any deductible temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base, insofar as it is deemed probable that a future taxable profit will be available against which such deductible temporary differences can be allocated.

A deferred tax asset should also be recognised for carrying forward unused tax losses and tax credits insofar as it is probable that a future taxable profit will be available against which the unused tax losses and tax credits can be allocated.

The tax rates applicable in each country are used.

Deferred taxes are not discounted.

Taxable unrealised gains on securities do not generate any taxable temporary differences between the carrying amount of the asset and the tax base. As a result, deferred tax is not recognised on these gains. When the relevant securities are classified as available-for-sale securities, unrealised gains and losses are recognised directly through other comprehensive income. The tax charge or saving effectively borne by the entity arising from these unrealised gains or losses is reclassified as a deduction from these gains.

In France, all but 10% of long-term capital gains on the sale of equity investments, as defined by the General Tax Code, are exempt from tax as from the tax year commencing on 1 January 2007; the 10% are taxed at the normally applicable rate. Accordingly, unrealised gains recognised at the end of the year generate a temporary difference requiring the recognition of deferred tax on this share.

Current and deferred tax is recognised in net income for the year, unless the tax arises from:

- either a transaction or event that is recognised directly through other comprehensive income, during the same year or during another year, in which case it is directly debited or credited to other comprehensive income; or
- a business combination.

Deferred tax assets and liabilities are offset against each other if, and only if:

- the entity has a legally enforceable right to offset current tax assets against current tax liabilities; and
- the deferred tax assets and liabilities apply to income taxes assessed by the same tax authority:

a) either for the same taxable entity, or

b) on different taxable entities that intend either to settle current tax assets and liabilities on a net basis, or to settle their tax assets and liabilities at the same time during each future financial year in which it is expected that substantial deferred tax assets or liabilities will be paid or recovered.

When tax credits on income from securities portfolios and amounts receivable are effectively used to pay income tax due for the year, they are recognised under the same heading as the income with which they are associated. The corresponding tax charge continues to be recognised under the "Income tax charge" heading in the income statement.

TREATMENT OF FIXED ASSETS (IAS 16, 36, 38, AND 40)

Crédit Agricole S.A. Group applies component accounting for all of its property, plant and equipment. In accordance with the provisions of IAS 16, the depreciable amount takes account of the potential residual value of property, plant and equipment.

Land is measured at cost less any impairment losses.

Property used in operations, investment property and equipment are measured at cost less accumulated depreciation and impairment losses since the time they were placed in service.

Purchased software is measured at purchase price less accumulated depreciation and impairment losses since acquisition.

Proprietary software is measured at cost less accumulated depreciation and impairment losses since completion.

Apart from software, intangible assets are mainly assets acquired during a business combination resulting from contract law (e.g. distribution agreement).

Fixed assets are depreciated over their estimated useful lives.

The following components and depreciation periods have been adopted by Crédit Agricole S.A. Group following the application of the measures on component accounting for property, plant and equipment. These depreciation periods are adjusted according to the type of asset and its location:

Component	Depreciation period
Land	Not depreciable
Structural works	30 to 80 years
Non-structural works	8 to 40 years
Plant and equipment	5 to 25 years
Fixtures and fittings	5 to 15 years
Computer equipment	4 to 7 years
Special equipment	4 to 5 years

Exceptional depreciation charges corresponding to tax-related depreciation and not to any real impairment in the value of the asset are eliminated in the consolidated financial statements.

Based on available information, Crédit Agricole S.A. Group has concluded that impairment testing would not lead to any change in the existing amount of its fixed assets at the end of the reporting period.

FOREIGN CURRENCY TRANSACTIONS (IAS 21)

In accordance with IAS 21, a distinction is made between monetary and non-monetary items.

On the reporting date, foreign-currency denominated monetary assets and liabilities are translated into Crédit Agricole S.A. Group's functional currency on the closing date. The resulting translation adjustments are recorded in the income statement. There are two exceptions to this rule:

- for available-for-sale financial assets, only the translation adjustments calculated on amortised cost is taken to the income statement; the balance is recorded in equity;
- translation adjustments on elements designated as cash flow hedges or forming part of a net investment in a foreign entity are recognised in other comprehensive income.

Non-monetary items are treated differently depending on the type of items:

- items at historical cost are measured at the exchange rate on the transaction date;
- items at fair value are measured at the exchange rate at the closing rate at the end of the reporting period.

Translation adjustments on non-monetary items are recognised:

- in the income statement if the gain or loss on the non-monetary item is recorded in the income statement;
- in other comprehensive income if the gain or loss on the non-monetary item is recorded in other comprehensive income.

FEES AND COMMISSIONS (IAS 18)

Fee and commission income and expenses are recognised in income based on the nature of services with which they are associated:

- fees and commissions that are an integral part of the effective yield on a financial instrument are recognised as an adjustment to the yield on the instrument and included in its effective interest rate;
- when the result from a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised in "fees and commissions" by reference to the stage of completion of the transaction at the end of the reporting period:

a) fees and commissions paid or received in consideration for non-recurring services are fully recognised in the income statement.

Fees and commissions payable or receivable that are contingent upon meeting a performance target are recognised only if all the following conditions are met:

i) the amount of fees and commissions can be reliably estimated,

ii) it is probable that the future economic benefits from the services rendered will flow to the Company,

iii) the stage of completion of the service can be reliably estimated, and the costs incurred for the service and the costs to complete it can be reliably estimated,

b) fees and commissions in consideration for ongoing services, such as fees and commissions on payment instruments, are recognised in the income statement and spread over the duration of the service rendered.

INSURANCE BUSINESSES (IFRS 4)

Liabilities remain partially valued under French GAAP, as permitted by IAS and IFRS regulations, pending further amendments to the existing standards. Financial assets held by the Crédit Agricole S.A. Group's insurance companies have been reclassified into the financial assets categories set out in IAS 39.

Contracts containing discretionary participation features are collectively classified as a liability under insurance Company's technical reserves. They are recognised in the same way as insurance contracts. Premiums on these contracts are recognised as income and the increase in obligations to policyholders is recognised as an expense.

Life insurance technical reserves are conservatively estimated based on the technical rates defined in the contracts. Liabilities associated with contracts with or without discretionary participation features or guaranteed elements, are measured based on the fair value of the underlying assets or its equivalent at the end of the reporting period and are recorded under financial liabilities.

The financial margin on these policies is taken to profit or loss, after reversing out the technical items (premiums, benefits, etc.), according to deposit accounting principles.

Property and casualty insurance policy liabilities are estimated at the end of the reporting period, without applying any discount. Claims management costs associated with technical reserves are charged to a provision in the financial statements at the reporting date.

For non-life insurance contracts, acquisition costs are recognised as and when the premium is earned. For life insurance contracts, directly identifiable acquisition costs are deferred over the profit generation period.

Total expenses related to the insurance business are presented in Note 4.5 – Net income (expenses) on other activities.

As permitted by the extension of local GAAP specified by IFRS 4 and CRC regulation 2000-05 pertaining to consolidated financial statements for insurance companies, "shadow accounting" is used to account for insurance liabilities for contracts with discretionary participation features. Under this practice, positive or negative valuation differences in the corresponding financial assets that will potentially revert to policyholders are recognised in a "Deferred profit sharing" account.

The deferred profit sharing is recognised on the liabilities side of the balance sheet under insurance Company's technical reserves or on the asset side with an offsetting entry in the income statement or in the valuation reserve, in the same way as unrealised gains and losses on the underlying assets.

The deferred profit sharing is determined in two stages:

- by allocating unrealised gains and losses on the assets to insurance contracts with participation features on the basis of a three-year historic average;
- then by applying to the remeasurements of insurance contracts with participation features a historical distribution key observed over the past three years for redeemable securities and a 100% key for the other financial assets.

To determine whether the deferred profit-sharing asset is recoverable, tests are carried out to determine whether any unrealised losses can be applied to future surpluses before testing for liability shortfall in accordance with the CNC recommendation of 19 December 2008.

These tests are based:

- first, on liquidity analyses of the Company, which show the enterprise's capacity to access funding sources to meet its obligations and its ability to hold assets with unrealised losses even if new production declines. The tests were performed with and without new production;
- second, on a comparison between the average value of future services measured by the internal model replicating the Company's management decisions and the value of the assets representing the obligations at fair value. This shows the enterprise's ability to meet its obligations.

Lastly, sensitivity tests on the ability to activate the deferred profit sharing are also carried out:

- in the event of a uniform 15% increase in redemptions applied to redemption rates drawn from scenarios similar to those used by the French Prudential Supervisory Authority;
- in the event of an additional 10% decline in the equity markets.

In accordance with IFRS 4, at each reporting date, the Group also ascertains that insurance liabilities (net of deferred acquisition costs and associated intangible assets) are adequate to meet estimated future cash flows.

The liability adequacy test used to verify this must meet the following minimum requirements, as defined in paragraph 16 of the standard:

- it must consider current estimates of all future contractual cash flows, including associated management costs, fees and commissions as well as options and guarantees implicit in these contracts;
- if the test shows that the liability is inadequate, it is wholly recognised in profit or loss.

LEASES (IAS 17)

As required by IAS 17, leases are analysed in accordance with their substance and financial reality. They are classified as operating leases or finance leases.

Finance lease transactions are treated as an acquisition of a fixed asset by the lessee financed by a loan from the lessor.

In the lessor's financial statements, analysis of the economic substance of the transactions results in the following:

- recognition of a financial receivable from the customer, which is amortised by the lease payments received;
- lease payments are broken down into interest and principal, known as financial amortisation;
- recognition of a net lease reserve. This is equal to the difference between:

a) the net lease receivable: amount owned by the lessee, comprising outstanding finance lease receivable and accrued interest at the reporting date,

b) the net carrying amount of the leased fixed assets,

c) the provision for deferred taxes.

In the lessee's financial statements, finance leases are restated such that they are recognised in the same way as if the asset had been purchased on credit, by recognising a financial liability, recording the purchased asset under assets and depreciating the asset.

In the income statement, the theoretical depreciation charge (the charge that would have been recognised if the asset had been purchased) and the finance expenses (incurred in connection with the financing) are recorded in the place of the lease payments.

For operating leases, the lessee recognises payments as expenses and the lessor records the corresponding income under rents, and the leased assets on its balance sheet.

NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (IFRS 5)

A non-current asset (or a disposal group) is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition and its sale must be highly probable.

The relevant assets and liabilities are shown separately on the balance sheet under "Non-current assets held for sale" and "Liabilities associated with non-current assets held for sale".

A non-current asset (or disposal group) classified as held for sale is measured at the lower of its carrying amount and fair value less costs of sale. A charge for impairment of unrealised gains is recognised in the income statement. Unrealised gains are no longer amortised when they are reclassified.

If the fair value of a disposal group less selling costs is under its carrying amount after impairment of non-current assets, the difference is allocated to other disposal group assets including the financial assets and is recognised under net income of held-for-sale operations.

A discontinued operation is a component that the Group has either disposed of, or is classified as held for sale, according to the following situations:

- it represents a separate major business line or geographical area of operations;
- it is part of a single coordinated plan to dispose of a separate major business line or geographical area of operations; or
- it is a subsidiary acquired exclusively with a view to resale.

The following are disclosed on a separate line of the income statement:

- the profit or loss from discontinued operations until the date of disposal, net of tax;
- the gain or loss recognised on the disposal or on measurement to fair value less costs of sale of the assets and liabilities constituting the discontinued operations, net of tax.

1.4 Consolidation principles and methods (IAS 27, 28 and 31)

SCOPE OF CONSOLIDATION

The consolidated financial statements include the financial statements of Crédit Agricole S.A. and those of all companies over which, in compliance with IAS 27, IAS 28 and IAS 31, Crédit Agricole S.A. exercises control. This control is presumed when Crédit Agricole S.A. holds, directly or indirectly, at least 20% of existing or potential voting rights.

Definitions of control

In compliance with international standards, all entities under exclusive control, under joint control or under significant influence are consolidated, provided that their contribution is deemed material and that they are not covered under the exclusions below.

Materiality is assessed in the light of three main criteria representing a percentage of the consolidated balance sheet, the consolidated net assets and the consolidated results.

Exclusive control is presumed to exist when Crédit Agricole S.A. holds over half of the existing or potential voting rights in an entity, whether directly or indirectly through subsidiaries, except in exceptional circumstances when it can be clearly demonstrated that such ownership does not give it control. Exclusive control also exists when Crédit Agricole S.A. owns half or less than half of the voting rights or potential voting rights in an entity, but holds majority power within management bodies.

Joint control is exercised in joint ventures in which each of the two or more co-owners are bound by a contractual contribution that provides for joint control.

Significant influence is defined as the power to influence but not control a company's financial and operational policies. Crédit Agricole S.A. is presumed to have significant influence if it owns 20% or more of the voting rights in an entity, whether directly or indirectly through subsidiaries.

Consolidation of Special Purpose Entities

The consolidation of Special Purpose Entities (entities created to manage a given transaction or a set of similar transactions), and more specifically of funds held under exclusive control, is specified by SIC 12 (Standing Interpretation Committee).

In accordance with this interpretation, Special Purpose Entities are consolidated when Crédit Agricole S.A. Group exercises control in substance over the entity, even if there is no equity relationship. This applies primarily to dedicated mutual funds.

Whether or not a Special Purpose Entity is controlled in substance is determined by considering the following criteria:

- activities of Special Purpose Entities are organised on behalf of a company in Crédit Agricole S.A. Group depending on its specific business needs, such that this company obtains benefits from the SPE's activities;
- the company has the decision-making powers to obtain a majority of the benefits of the SPE's activities or has delegated such decision-making powers by establishing an "autopilot" mechanism;
- the company has rights to obtain a majority of the benefits of the SPE's activities and as a result may be exposed to the risks related to the SPE's activities; or
- the company retains the majority of the residual risks or risks arising from ownership relating to the SPE or its assets, in order to obtain benefits from its activities.

Exclusions from the scope of consolidation

In accordance with IAS 28 § 1 and IAS 31 § 1, minority interests held by venture capital entities are excluded from the scope of consolidation insofar as they are classified under financial assets at fair value through profit or loss (including financial assets classified as held for trading and financial assets designated at fair value through profit or loss upon initial recognition).

CONSOLIDATION METHODS

The methods of consolidation are respectively defined by IAS 27, 28 and 31. They depend on the type of control exercised by Crédit Agricole S.A. over the entities that can be consolidated, regardless of activity or whether or not they have legal entity status:

- full consolidation, for entities under exclusive control, including entities with different financial statement structures, even if their business is not an extension of that of Crédit Agricole S.A.;
- proportionate consolidation, for entities under joint control, including entities with different financial statement structures, even if their business is not an extension of that of Crédit Agricole S.A.;
- the equity method, for the entities over which Crédit Agricole S.A. exercises significant influence.

Consolidation consists in substituting for the value of the shares each of the assets and liabilities carried by each subsidiary. The share of the minority interests in equity and income is separately identified in the consolidated balance sheet and income statement.

Minority interests correspond to the holdings that do not allow control as defined by IAS 27 and incorporate the instruments that are shares of current interests and that give right to a proportional share of net assets in the event of liquidation and the other equity instruments issued by the subsidiary and not held by the Group.

Proportionate consolidation consists in substituting for the value of the share, the carrying proportion of the asset, liability and net income of the consolidated company representing the consolidating company's interest.

The equity method consists in substituting for the value of shares the Group's proportional share of the equity and income of the companies concerned.

The change in the carrying amount of these shares now includes changes in goodwill.

ADJUSTMENTS AND ELIMINATIONS

Adjustments are made to harmonise the methods of valuing the consolidated companies, unless they are deemed to be non-material.

Group internal transactions affecting the consolidated balance sheet and income statement are eliminated.

Capital gains or losses arising from intra-Group asset transfers are eliminated; any potential lasting impairment measured at the time of disposal in an internal transaction is recognised.

TRANSLATION OF FOREIGN SUBSIDIARIES' FINANCIAL STATEMENTS (IAS 21)

Financial statements of subsidiaries denominated in foreign currencies are translated into euros in two stages:

- if applicable, the local currency in which the financial statements are prepared is translated into the functional currency (currency of the main business environment of the entity). The translation is made as if the information had been recognised initially in the functional currency (same translation principles as for foreign currency transactions);
- the functional currency is translated into euros, the currency in which the Group's consolidated financial statements are presented. Assets and liabilities are translated at the closing rate. Income and expenses included in the income statement are translated at the average exchange rate for the period. Translation adjustments for assets, liabilities and income statement items are recorded under a specific item in equity. These translation differences are recognised as income during the total or partial transfer of the entity. In the event of the sale of a subsidiary (exclusive control), the reclassification of equity as income takes place only in the event of a loss of control.

BUSINESS COMBINATIONS – GOODWILL

Business combinations are accounted for using the acquisition method in accordance with IFRS 3, except for business combinations under common control (in particular mergers of Regional Banks) which are excluded from the field of application of IFRS 3. Pursuant to IAS 8, these transactions are entered at carrying amount using the pooling of interests method, with reference to US standard ASU805-50 which seems to comply with the IFRS general principles.

On the date of acquisition of the identifiable assets, liabilities and contingent liabilities of the acquired entity which satisfy the conditions for recognition set out in IFRS 3 are recognised at their fair value.

Notably, restructuring liabilities are only recognised as a liability of the acquired entity if, at the date of acquisition, the acquiree is under an obligation to complete the restructuring.

Price adjustment clauses are recognised at fair value even if their application is not probable. Subsequent changes in the fair value of clauses if they are financial liabilities are recognised in the income statement. Only price adjustment clauses relating to transactions where control was obtained at the latest by 31 December 2009 may still be recorded against goodwill, because these transactions were accounted for under IFRS 3 pre revision (2004).

The portion of holdings not allowing control that are shares of current interests giving rights to a share of the net assets in the event of liquidation may be measured, at acquirer's choice, in two ways:

- at fair value on the date of acquisition;
- the share of the identifiable assets and liabilities of the acquired company revalued at fair value.

The option may be exercised at each acquisition.

The balance of interests not allowing control (equity instruments issued by the subsidiary and not held by the Group) should be recognised for its fair value on the date of acquisition.

The initial assessment of assets, liabilities and contingent liabilities may be revised within a maximum period of twelve months after the date of acquisition.

Some transactions relating to the acquired entity are recognised separately from the business combination. This applies primarily to:

- transactions that end an existing relationship between the acquired company and the acquiring company;
- transactions that compensate employees or shareholders of the acquired company for future services;
- transactions whose aim is to have the acquired company or its former shareholders repay expenses borne by the acquirer.

These separate transactions are generally recognised in the income statement at the acquisition date.

The transferred counterparty at the time of a business combination (the acquisition cost) is measured as the total of fair values transferred by the acquirer, on the date of acquisition in exchange for control of the acquired entity (for example: cash, equity instruments, etc.).

The costs directly attributable to the business combination shall be recognised as expenses, separately from the business combination. If the transaction has very strong possibilities of occurring, they are recognised under the heading "Net gains (losses) on disposal of other assets", otherwise they are recognised under the heading "Operating expenses".

The difference between the cost of acquisition and interests that do not allow control and the net balance on the date of acquisition of acquired identifiable assets and liabilities taken over, valued at their fair value is recognised, when it is positive, in the assets side of the consolidated balance sheet, under the heading "Goodwill" when the acquired entity is fully or proportionately consolidated and in the heading "Investments in equity-accounted entities" when the acquired company is consolidated using the equity method of accounting. Any negative goodwill is recognised immediately through profit or loss.

Goodwill is carried in the balance sheet at its initial amount in the currency of the acquired entity and translated at the closing rate at the end of the reporting period.

When control is taken by stages, the interest held before taking control is revaluated at fair value through profit or loss at the date of acquisition and the goodwill is calculated once, using the fair value at the date of acquisition of acquired assets and liabilities taken over.

It is tested for impairment whenever there is objective evidence of a loss of value and at least once a year.

The choices and assumptions used in assessing the holdings that do not allow control at the date of acquisition may influence the amount of initial goodwill and any impairment resulting from a loss of value.

For the purpose of impairment testing, goodwill is allocated to the Cash Generating Units (CGUs) that are expected to benefit from the business combination. The CGUs have been defined within the Group's business lines as the smallest identifiable group of assets and liabilities functioning in a single business model. Impairment testing consists of comparing the carrying amount of each CGU, including any goodwill allocated to it, with its recoverable amount.

The recoverable amount of the CGU is defined as the higher of market value and value in use. The value in use is the present value of the future cash flows of the CGU, as set out in medium-term business plans prepared by the Group for management purposes.

When the recoverable amount is lower than the carrying amount, a corresponding impairment loss is recognised for the goodwill allocated to the CGU. This impairment is irreversible.

In the case of an increase in the percentage of interest of the Group in an entity that is already exclusively controlled, the difference between the acquisition cost and the share of net assets acquired is recognised under the item "Consolidated reserves, Group share". In the event that the Group's percentage of ownership interest in an entity that remains under its exclusive control declines, the difference between the selling price and the carrying amount of the share of net assets sold is also recognised directly under "Consolidated reserves, Group share". The expenses arising from these transactions are recognised in equity.

The accounting treatment of sale options granted to minority shareholders is as follows:

- when a sale option is granted to the minority shareholders of a fully consolidated subsidiary, a liability is recognised in the balance sheet; on initial recognition, the liability is measured at the estimated present value of the exercise price of the options granted. Against this liability, the share of net assets belonging to the minority shareholders concerned is reduced to zero and the remainder is deducted from equity;
- subsequent changes in the estimated value of the exercise price will affect the amount of the liability, offset by an equity adjustment. Symmetrically, subsequent changes in the share of net assets due to minority shareholders are cancelled, offset in equity.

When there is a loss of control, the proceeds from the disposal are calculated on the entirety of the entity sold and any investment share kept is recognised in the balance sheet at its fair value on the date control was lost.

NOTE 2 Significant information for the financial year

The scope of consolidation and changes to it at 31 December 2012 are shown in detail at the end of the notes in Note 12.

2.1 Major transactions and material events occurring in 2012

2012 was the year in which the Crédit Agricole S.A. Group's adjustment plan was completed, as announced at the Cheuvreux conference on 28 September 2011. The Group's structural debt reduction and capital consumption optimisation targets were largely exceeded between June 2011 and December 2012.

In addition, targets set for refocusing on core business *via* the disposal of assets (Emporiki and non-core assets) as well as adapting our business lines to the economic environment, were successfully implemented.

The trade-offs identified by the business lines in order to achieve these targets were reflected in the impacts on the financial statements at 31 December 2012, the most significant of which are included in the events described below.

2.1.1 PLANNED DIVESTMENTS AT 31 DECEMBER 2012

Given the material nature of the entities subject to the divestment plan at 31 December 2012, Note 6.14 to the consolidated financial statements states, in accordance with IFRS 5, what these entities' contribution to the balance sheet, the income statement and the cash flow statement would have been at year-end 2012 in the absence of the divestment process.

Planned divestment of the Emporiki Group (IFRS 5)

Following the entry into exclusive negotiations with Alpha Bank approved by the Board of Directors on 28 September 2012, the contract for the sale of the entire share capital of the Emporiki Group to Alpha Bank was signed on 16 October 2012.

Once the financial statements for the third quarter of 2012 had been prepared, the Group reclassified Emporiki Group's contribution, in accordance with IFRS 5, and assessed the impacts of this discontinued operation by estimating all the costs anticipated from the disposal of current and non-current assets. The contract for the sale of Emporiki Group to Alpha Bank was signed on 1 February 2013 (see Note 11 "Events after the reporting period").

At 31 December 2012, following Crédit Agricole S.A.'s repurchase of the 1% share held by SACAM International, the impact on Net income Group share of the future sale of the Emporiki Group was estimated at -€3,702 million, including a €2,010 charge to 2012 operating income and a €1,692 million disposal loss.

The terms of the sale are as follows:

- a sale price of €1;
- the €2.3 billion recapitalisation of the Emporiki Group by Crédit Agricole S.A. in July 2012 will be supplemented by a further capital injection of €585 million when the sale contract is signed;
- Crédit Agricole S.A.'s subscription, when the sale was agreed, to €150 million of convertible bonds issued by Alpha Bank, redeemable in Alpha Bank shares, subject to conditions and on Crédit Agricole S.A.'s initiative.

The sale of the €1,072 million Emporiki Group shipping portfolio to Crédit Agricole CIB in the fourth quarter of 2012 made possible Crédit Agricole S.A.'s funding of the Emporiki Group at 31 December 2012.

In accordance with IFRS 5 "Non-current assets held for sale and discontinued operations", the Emporiki Group's assets and liabilities and net income were reclassified under Non-current assets and liabilities held for sale, with €17,294 million under Assets, €18,072 under Liabilities and -€3,750 million under Net income from discontinued or held-for-sale operations.

Prior to this transaction, between 29 June and 3 September 2012, Emporiki Group and IUB Holding signed protocols of sale for 100% of the share capital of Emporiki's three subsidiaries, totalling €103 million: Crédit Agricole Bank Romania S.A. (formerly Emporiki Bank Romania S.A.), Emporiki Bank Bulgaria EAD and Emporiki Bank Albania S.A. The impact on Consolidated reserves, Group share, was immaterial.

Planned divestment of CA Cheuvreux (IFRS 5)

On 17 July 2012, Crédit Agricole CIB and Kepler Capital Market announced that they had entered into exclusive negotiations to bring together Cheuvreux and Kepler Capital Market to create the leading European independent equity broker, Kepler Cheuvreux. Under the terms of this agreement, it is foreseen that:

- Crédit Agricole CIB will sell to Kepler Capital Market all of its shares in CA Cheuvreux;
- Crédit Agricole CIB will acquire a 15% holding in the newly created Kepler Cheuvreux;

IFRS 5 application requirements concerning the sale of CA Cheuvreux to Kepler Capital Market were met at 31 December 2012, insofar as the parties will do their utmost to complete the transaction over the next few months.

The impact of the sale on Crédit Agricole S.A. consolidated financial statements is estimated at -€192 million in Net income from discontinued or held-for-sale operations, €1,091 million in Non-current assets held-for-sale and €1,005 million in Liabilities for assets held-for sale.

The impact of the future sale of Cheuvreux on Net income Group share was estimated at -€192 million, including a €21 million charge to 2012 operating income and a €171 million disposal loss.

Planned divestment of CLSA (IFRS 5)

On 20 July 2012, Crédit Agricole CIB sold 19.9% of CLSA to CITICS International for US$310 million. The price received was subject to a repurchase option, in light of the reciprocal put and call options held by both parties enabling them to cancel this transaction in the event of failure to complete the sale in its entirety.

At the same time, CITICS granted Crédit Agricole CIB an option to sell its remaining 80.1% share to CITICS International for US$942 million. This option was exercised on 25 October 2012, followed by the signing, on 5 November 2012, of a firm purchase and sale agreement.

The signing of this firm sale and purchase agreement by the parties and the considerable progress achieved in discussions with regulatory authorities increased the likelihood of the sale being finalised in 2013. Consequently, IFRS 5 application criteria were met for the financial statements at 31 December 2012.

The impact of the sale on Crédit Agricole S.A. consolidated financial statements is estimated at -€57 million in Net income from discontinued or held-for-sale operations, corresponding to current operating income, €2,721 million in Non-current assets held-for-sale and €2,520 million in Liabilities for assets held-for sale.

The gain expected to be generated in 2013 from the sale of CLSA means that the assets and liabilities of this holding are held at their carrying amount in Crédit Agricole S.A.'s consolidated financial statements.

Planned divestment of BNI Madagascar (IFRS 5)

Despite the cancellation of the memorandum of understanding signed on 20 March 2012 by Crédit Agricole S.A. for the sale by IUB Holding of a 51% capital interest in BNI Madagascar, the Crédit Agricole S.A. Group's intention to dispose of this subsidiary was confirmed, in January 2013, by the commencement of negotiations with new potential buyers.

In accordance with IFRS 5 "Non-current assets held for sale and discontinued operations", BNI Madagascar's assets and liabilities and net income were retained under Non-current assets and liabilities held for sale, with €386 million under Assets, €389 under Liabilities and €9 million under Net income from discontinued or held-for-sale operations.

2.1.2 RESTRUCTURING OF GREEK SOVEREIGN DEBT

Following the Eurogroup's announcement, on 21 February 2012, that an agreement had been reached on the second support plan to Greece, private sector bondholders noted the terms and scope of the voluntary exchange offer issued by the Greek Government on 24 February 2012. The final scope included financing granted to certain Government-guaranteed public companies, three of which (Hellenic Railways Organisation – OSE, Hellenic Defense Systems EAS and Athens Urban Transport Organisation – OASA) are counterparties of Emporiki.

Within this context, securities held by eligible private creditors were exchanged on 12 March 2012 for securities regulated under Greek law and, on 11 April 2012, for those regulated under international law.

The impact of the implementation of this exchange plan, the terms of which are described in Note 6.8 "Exposure to sovereign and non-sovereign risk in European countries under watch" was:

- for the insurance business, a €53 million charge to the cost of risk, net of profit-sharing mechanisms of policyholders specific to life insurance (see Note 4.8 "Cost of risk");
- for Emporiki, a €345 million charge to Net income from discontinued operations.

The Group's policy of disengaging from exposure to Greek sovereign debt led entities from the Insurance business and Emporiki to pay up their portfolio in full.

2.1.3 GOODWILL IMPAIRMENT (SEE NOTE 2.5 "GOODWILL")

In 2012, goodwill impairment tests recorded an impairment of €3,395 million, up from €1,934 million in 2011:

- At 31 December 2012, the Consumer credit CGU was split into three CGUs to take into consideration, on the one hand, the direct oversight by Crédit Agricole S.A. of Agos Ducato and, on the other, the specific management of other partnerships within the business line. The Consumer credit CGU (not including Agos and Automotive partnerships) was impaired by €802 million, the Agos CGU by €572 million and the Automotive partnerships CGU by €121 million;
- the value of the Corporate and non-broker investment banking CGU was impaired by €466 million. The Corporate and broker investment banking CGU was impaired by €368 million;
- the value of the International retail banking CGU fell and at 31 December 2012 was impaired by €997 for Italy, including €852 million under Net income Group share and €69 million for Egypt. Furthermore, the price adjustment for the acquisition of Carispezia and a network of Intesa Sanpaolo branches in 2011, led to a €82 million adjustment in the value of the CGU in Italy.

2.1.4 ACQUISITIONS OVER THE PERIOD

Repurchase by CAA of 50% interest in CA Vita held by Cariparma

On 30 March 2012, Crédit Agricole Assurances bought back 50% of its capital interest in CA Vita from Cariparma for €175 million.

Upon completion of this internal transaction, Crédit Agricole Assurances owned 100% of CA Vita's share capital.

CA Vita, which was 87.50% consolidated in the Crédit Agricole S.A. Group's financial statements, is now fully consolidated.

Since the transaction did not result in a change of control, its impact was recognised directly through equity as a -€12 million charge to the Consolidated reserves, Group share.

2.1.5 DISPOSALS OVER THE PERIOD AND FOLLOW-UP ON PREVIOUS DISPOSALS

Actual sale of Crédit Agricole Private Equity and Crédit Agricole Capital Investment Finance funds managed by Crédit Agricole Private Equity

On 16 December 2011, Crédit Agricole S.A. and Coller Capital signed a memorandum of understanding for the sale of two sets of assets. The sale actually took place on 29 March 2012, once the necessary authorisations had been obtained from the relevant authorities:

- the sale by Crédit Agricole S.A. of its entire capital interest in Crédit Agricole Private Equity (CAPE) to Coller Capital for €8 million generated a consolidated loss of €3 million shown under Gains/ losses on other assets;
- the sale of the majority share of the funds managed by CAPE and owned by Crédit Agricole Capital Investment Finance (CACIF), a Crédit Agricole S.A. subsidiary, for €223 million. The disposal of the portfolio did not generate any gain/loss at 31 December 2012. Changes in fair value had been recognised in the financial statements at 31 December 2011 by virtue of the optional recognition of funds at fair value through profit or loss.

Sale of BES Vida to BES

On 12 April 2012, Crédit Agricole S.A. and Banco Espirito Santo (BES) signed a memorandum of understanding for the sale of Crédit Agricole Assurances's 50% holding in BES Vida for €225 million. At the same time, this sale formed part of the capital increase launched by BES with a view to strengthening its equity and meeting the target set by the Banque du Portugal.

Once the sale had actually taken place on 11 May 2012, BES Vida was wholly owned by BES. This transaction was reflected by a change of consolidation method: from 20 June 2012 BES Vida, which was 60.25% consolidated, was recognised indirectly in the equity-accounted value of BES's degree of consolidation, at 20.27%.

The sale was reflected as a €28 million consolidated gain shown under gains/losses on other assets and recognised under “Asset management”.

2.1.6 OTHER SIGNIFICANT ITEMS FOR THE FINANCIAL YEAR

Crédit Agricole CIB Group Adjustment Plan

In accordance with the objectives announced on 14 December 2011 by the Crédit Agricole Group, Crédit Agricole CIB is continuing to actively manage its adjustment plan.

In keeping with the disclosures made in 2011, the overall impact on the Net income Group share in 2012 was -€392 million (not including the impact of CA Cheuvreux and CLSA classified under IFRS 5).

In fact, the disposal of portfolios of run-off assets launched in the fourth quarter of 2011 was accelerated in 2012. Almost the entire portfolio of US residential CDOs recorded in trading book and US RMBSs were sold for the nominal amount of €6 billion (€1 billion for 2011).

The impact of these disposals on Pre-tax income was -€402 million, to which one must add impairments of -€112 million, *i.e.* a total of -€514 million (-€321 million in Net income Group share).

Disposals of corporate banking portfolio loans amounted to €3.9 billion in 2012 (*i.e.* a total of €10.3 billion), at a slightly slower pace but still under satisfactory conditions, with an impact on revenues of -€114 million in 2012 (-€71 million in Net income Group share).

CACF Group adjustment plan

On 14 December 2011, the Crédit Agricole S.A. Group presented an adjustment plan for CA Consumer Finance which aimed to preserve its business in an increasingly complex financial environment. To achieve this objective, three priorities were identified:

- organic decrease in business;
- disposals of doubtful loans;

  Income generated in 2012 from the disposal of doubtful loans in 2012 led to the attainment of the objectives set with regard to the volume of receivables sold and to disposal gains;
- disposals/closures of subsidiaries or partnerships.

At 31 December 2012, the provision for restructuring stood at €54 million, including €41 million for employee benefits.

Cariparma Group adjustment plan

The structural reduction of labour and staff costs was one of the objectives set by the Cariparma Group as part of its 2011-2014 strategic plan.

With a view to achieving this objective, the Cariparma Group entered into negotiations which resulted in the drafting of a Voluntary Redundancy Plan for employees already at retirement age or due to reach it over the next few years.

A total of 722 redundancies are planned for the Cariparma Group between 30 September 2012 and 31 December 2014, at a total estimated cost of €120 million, provisioned at 31 December 2012.

Disposal of operating premises

As part of its strategy of streamlining its operating premises, the Crédit Agricole S.A. Group sold premises located on the boulevards Raspail and Pasteur in Paris and on the quai du Président-Paul-Doumer in La Défense. A €121 million net gain was generated by these transactions.

Sale of Intesa Sanpaolo S.p.A. shares

Given the change in the Intesa Sanpaolo S.p.A. share price over the first half of 2012, the material loss criterion (loss in excess of 50%) was exceeded during 15 trading days. Consequently, a permanent impairment was recognised from 30 June 2012.

All Intesa Sanpaolo S.p.A. shares were sold in the second half of 2012. Consequently, at 31 December 2012, the Net income Group share from these sales was -€445 million.

Deconsolidation of Bankinter following the dilution of Crédit Agricole S.A.’s interest in Bankinter

On 10 August 2012, Bankinter issued 27,270,552 new shares, following the conversion of a portion of its “*Participaciones Preferentes*” securities, classed as perpetual subordinated bonds, for which Crédit Agricole S.A. had not subscribed. This capital increase resulted in the dilution of the percentage share owned by Crédit Agricole S.A. which fell from 20.4% at 30 June 2012, to 19.4% once this transaction had been completed.

This dilution, as well as its strategy of refocusing on core businesses, led the Crédit Agricole S.A. Group to review its significant influence criteria, as established by IAS 28, and to conclude that there had been a loss of significant influence resulting in the deconsolidation of Bankinter.

Since Bankinter’s equity-accounted value in Crédit Agricole S.A.’s financial statements stood at €531 million on that date, a loss of -€193 million was recognised and shown under Share of net income of equity-accounted entities.

In view of the share sales which took place in the second half of 2012, Crédit Agricole S.A.’s percentage holding in Bankinter stood at 15.1% at 31 December 2012, confirming Crédit Agricole S.A.’s withdrawal strategy. (See Note 11 “Events after the reporting period”).

Valuation of SAS Rue La Boétie shares in the Regional Banks’ contribution to the consolidated financial statements

In their financial statements, prepared in accordance with IFRS, Crédit Agricole’s Regional Banks have developed the method of valuing the shares that they hold in SAS Rue La Boétie, the majority shareholder of Crédit Agricole S.A.

Based on a multi-criteria approach, this valuation resulted in an overall provision of €651 million for these shares, across all the Regional Banks.

The Regional Banks' contribution to Crédit Agricole S.A.'s Net income of equity accounted entities, therefore, had a negative impact on the financial statements at 31 December 2012 of €165 million. This impact was, however, decreased by €40 million by the cancellation of consolidation entries recorded for Regional Bank mergers.

Permanent impairment of SACAM International shares by Regional Banks

In application of the initial analysis permanent impairment reporting criteria threshold (a loss of value of at least 30% over a period of six consecutive months), SACAM International shares, held by Regional Banks and Group international subsidiary shareholders, have been permanently impaired. The impact on Regional Banks' contribution to the Net income of equity accounted entities was -€85 million in Crédit Agricole S.A.'s consolidated financial statements in 2012.

Repurchase of subordinated debt issued by the Group

In view of regulatory changes, particularly the new Basel 3 rules, and in order to improve the quality of its Tier 1 capital, Crédit Agricole S.A., on 26 January 2012, launched offers to redeem its subordinated bonds outstanding.

These offers resulted in the repurchase of:

- US$610 million nominal amount of Perpetual Deeply Subordinated Notes issued on 31 May 2007;
- and €1,633 billion as a nominal amount for seven series of securities denominated in euros, British pounds and Canadian dollars (six series of Perpetual Deeply Subordinated Notes and a serie of Perpetual Subordinated Notes).

The impact on the consolidated financial statements was reflected by the recognition of an €864 million gain generated by this transaction and shown under revenues, *i.e.* Net income of €552 million.

Recognition of the impact of issuer spreads

In accordance with IAS 39, the Group values its structured issues, recognised at fair value, by taking as a reference the issuer spread that specialist participants agree to receive to acquire new Group issues.

Crédit Agricole CIB – Revaluation of structured issues

The change in issuer spread on structured issues issued by Crédit Agricole CIB, and valued on the basis of the last end-of-period share issue table, generated an impact of -€933 million on revenues at 31 December 2012 (+€671 million at 31 December 2011) and -€598 million on Net income Group share at 31 December 2012 (compared to +€430 million at 31 December 2011).

Unrealised gains or losses linked to the revaluation of Crédit Agricole CIB structured issues at 31 December 2012 stood at €77 million before tax.

Crédit Agricole S.A. – Elimination of debt issues by the Group, backing insurance company unit-linked contracts

At 1 January 2012, debt instruments issued by Crédit Agricole S.A. and subscribed for by the Group's insurance companies on behalf of policyholders within the context of unit-linked contracts were eliminated, which then had a material effect on the financial statements.

The impact on Net income Group share at 31 December 2012, brought about by the change in issuer spread on debt instruments issued by Crédit Agricole S.A. and its subsidiaries, and retained in the Group's insurance companies' balance sheet liabilities under Insurance companies' technical reserves, stood at -€405 million at 31 December 2012.

Correlation activities

The transfer, in February 2012, of the market risk exposure of Crédit Agricole CIB's correlation activity to Blue Mountain did not have any material impact on the Group's consolidated financial statements.

Cheque Image Exchange Dispute

The Competition Authority, in its decision dated 20 September 2010, found 11 French banks, including the Crédit Agricole S.A. Group, guilty of unlawful agreements relating to commissions received by banks for processing cheques.

In application of the order issued by the Paris Appeal Court on 23 February 2012 quashing this ruling, Crédit Agricole S.A., the Regional Banks and LCL were reimbursed for the fine paid.

On 23 March 2012, the Competition Authority filed an appeal against this ruling by the Paris Appeal Court. At this stage of the proceedings, Crédit Agricole S.A. does not have any new information justifying a provision.

2012 Amending finance law, 2013 Social Security financing act and 2013 Finance Act

The principal measures contained in the second amending finance act for 2012, issued on 16 August 2012, mainly related to:

- the creation of an extraordinary contribution payable for 2012 by credit institutions (doubling of systemic risk tax), the impact of which for Crédit Agricole S.A. at 31 December 2012 stood at -€76 million;
- the removal of the waiver of social security contributions on overtime hours and the increase in the corporate employer contribution on various forms of employee savings, generated a charge of €34 million in 2012.

The other measures had no material impact on Crédit Agricole S.A.'s consolidated financial statements at 31 December 2012.

The Social Security financing act was published in the official journal on 18 December 2012. The principal measure impacting on the 2012 financial statements concerns payroll tax with the creation of an additional 20% tax band for remunerations in excess of €150 thousand and the widening of the tax base. The charge for 2012 was less than €50 million.

The 2013 Finance Act introduced an extraordinary 7% contribution on sums placed in capitalisation reserves by insurance companies. The combined total of this exit tax and the additional contribution introduced by the 2011 finance act at a rate of 10%, is capped at 5% of capital (including the capitalisation reserve), estimated at the opening of the financial year in progress at the time the 2013 finance act is enacted.

For the Crédit Agricole S.A. Group, this exit tax represents an additional tax of €128 million for 2012.

2.2 Investments in equity-accounted entities

	31/12/2012					
(in millions of euros)	Equity-accounted value	Share in market value	Total assets	Revenues	Restated total net income	Share of net income
Bank Al Saudi Al Fransi	1,360	1,671	31,884	1,033	622	164
BES	974	729	81,866	1,875	90	(238)
Regional Banks and affiliates	15,344					839
Bankinter (1)	-					(175)
Eurazeo (2)	581	430	15,088	4,440	(129)	(24)
Other	302					(63)
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES	**18,561**					**503**

(1) *Bankinter was deconsolidated in the third quarter of 2012 (see Note 2 "Significant reporting for the period").*

(2) *Total assets are based on figures reported by the Company for the period ended 30 June 2012. Revenues and Restated total net income are based on 12-month figures for the period ended 30 June 2012.*

The market value shown in the above table is the quoted price of the shares on the market at 31 December 2012. This value may not be representative of the selling value since the value in use of equity-accounted entities may be different from the equity-accounted value determined pursuant to IAS 28.

Investments in equity-accounted entities were subject to impairment tests using the same methodology as for goodwill, *i.e.*, by using expected future cash flow estimates of the companies in question and by using the valuation parameters described in Note 2.5 "Goodwill".

The share of BES income includes the recognition of a loss of value of €267 million.

	31/12/2011					
(in millions of euros)	Equity-accounted value	Share in market value	Total assets	Revenues	Restated total net income	Share of net income
Bank Al Saudi Al Fransi	1,229	1,952	28,951	873	554	134
BES	888	404	82,771	2,095	(109)	(329)
Regional Banks and affiliates	14,604					1,027
Bankinter	555	555	59,491	1,104	181	(597)
Other	305					22
Eurazeo (1)	638	311	14,454	4,122	(100)	(24)
Other	67					(4)
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES	**18,286**					**229**

(1) *Total assets are based on figures reported by the Company for the period ended 30 June 2011.*
Revenues and Restated total net income are based on 12-month figures for the period ended 30 June 2011.

2.3 Securitisation transactions

SECURITISATION TRANSACTIONS ON OWN ACCOUNT

Various Group entities conduct securitisation operations on their own account as part of collateralised refinancing transactions. Depending on the circumstances, these transactions can be wholly or partially placed with investors, sold under repurchase agreements or kept on the issuer's balance sheet as liquid securities reserves that can be used to manage refinancing. According to the IAS 39 decision tree, these transactions are classed as deconsolidation transactions or non-deconsolidation transactions. For non-deconsolidation transactions, assets are retained on the Crédit Agricole S.A. Group's consolidated balance sheet.

At 31 December 2012, the CA Consumer Finance Group managed 17 consolidated vehicles for securitisation of retail consumer loans and dealer financing in Europe. Securitisation transactions carried out within the CA Consumer Finance Group are not considered to form part of a deconsolidation transaction under IFRS and have therefore been reintegrated into Crédit Agricole S.A. Group's consolidated financial statements.

The carrying amounts of the relevant assets (net of related liabilities) amounted to €12,230 million at 31 December 2012. They include, in particular, outstanding customer loans with a net carrying amount of €15,557 million at 31 December 2012. The amount of securities mobilised on the market stood at €3,327 million. The value of securities still available to be mobilised stood at €6,422 million at 31 December 2012.

At 31 December 2012, Cariparma managed a mortgage securitisation vehicle. These securitisation transactions are not considered to form part of a deconsolidation transaction under IFRS and have therefore been reintegrated into Crédit Agricole S.A. Group's consolidated financial statements.

The carrying amounts of the relevant assets amounted to €5,689 million at 31 December 2012.

2.4 Investments in non-consolidated companies

These investments, which are included in the portfolio of Available-for-sale financial assets, consist of variable-income securities representing a significant percentage of the share capital of the companies that issued them and are intended to be held for the long term.

This line item amounts to €5,665 million at 31 December 2012 compared with €5,569 million at 31 December 2011. At 31 December 2012, the main investments in non-consolidated companies where percentage of control is greater than 20% and which have significant value on the balance sheet are *Crédit Logement* (shares A and B) and Korian. The Group's investment amounts to €485 million and €235 million, respectively.

These shares represent 33% of the share capital of *Crédit Logement* and 31% of the share capital of Korian, but do not confer any significant influence on these entities which are jointly held by various French banks and companies.

At 31 December 2012, net charges to durable impairment of equity investments in non-consolidated companies was -€7 million.

2.5 Goodwill

(in millions of euros)	31/12/2011 Gross	31/12/2011 Net	Increases (acquisitions)	Decreases (divestments)	Impairment losses during the period	Translation adjustment	Other movements	31/12/2012 Gross	31/12/2012 Net
French Retail Banking	**5,263**	**5,263**						**5,263**	**5,263**
● o/w LCL Group	5,263	5,263						5,263	5,263
Specialised financial services	**3,499**	**3,116**	**-**	**-**	**(1,495)**	**1**	**(7)**	**3,493**	**1,615**
● o/w Consumer finance [1]	1,948	1,948			(802)		(12)	1,939	1,134
● o/w Consumer finance – Agos	567	567			(572)		5	569	-
● o/w Consumer finance – Car partnerships	531	531			(121)	1		532	411
● o/w *factoring*	453	70						453	70
Savings management	**4,541**	**4,541**	**12**	**(19)**	**-**	**(6)**	**11**	**4,539**	**4,539**
● o/w asset management	2,046	2,046				(6)	(6)	2,034	2,034
● o/w investor services	643	643	12					655	655
● o/w insurance	1,228	1,228		(19)			6	1,215	1,215
● o/w international private banking	624	624					11	635	635
Corporate and investment banking	**2,420**	**1,353**	**1**	**-**	**(834)**	**(2)**	**(42)**	**2,365**	**476**
● o/w corporate and investment banking (excluding brokers)	1,701	942			(466)			1,701	476
● o/w brokers, equities	55	41	1				(42)	-	-
● o/w brokers, other	664	370			(368)	(2)		664	-
International retail banking	**5,069**	**3,183**	**-**	**-**	**(1,066)**	**(11)**	**(88)**	**3,450**	**2,018**
● o/w Greece	1,516	-						-	-
● o/w Italy	2,960	2,745			(997)		(88)	2,872	1,660
● o/w Poland	265	265						265	265
● o/w Ukraine	127	-				(0)		124	-
● o/w other countries	201	173			(69)	(11)		190	93
Corporate centre	**72**	**72**						**72**	**72**
TOTAL	**20,864**	**17,528**	**13**	**(19)**	**(3,395)**	**(18)**	**(126)**	**19,182**	**13,983**
Group Share	**20,405**	**17,107**	**11**	**(19)**	**(3,242)**	**(16)**	**(102)**	**18,747**	**13,739**
Minority Interest	**459**	**421**	**2**		**(153)**	**(2)**	**(24)**	**435**	**244**

(1) CA Consumer Finance excluding Agos and Car partnerships.

At 31 December 2012, the Consumer credit cash generating unit (CGU) was split into three CGUs:

- Consumer credit (not including Agos and Automotive partnerships);
- Agos;
- Automotive partnerships.

Goodwill was subject to impairment tests based on the assessment of the value in use of the cash generating units (CGU) to which it is associated. The determination of value in use was calculated by discounting the CGU's estimated future cash flows calculated from the medium-term plans developed for Group management purposes.

The following assumptions were used:

- **estimated future cash flows:** projected data over three years based on the three-year budget forecasts approved by Management. Five-year projected data can be used for some CGUs in order to take into account the longer economic cycle of the CGUs in question.

Business line plan projections were prepared using the end-of-September 2012 economic scenario, based on the following assumptions:

- a slow and modest upturn in the eurozone

  Following on from the 2012 recession in the eurozone, 2013 will be marked by a very slow and modest upturn (0.3%), against a backdrop of the gradual resolution of the debt crisis.

  In 2014-2015, growth will return with rates potentially around 1.5%, with a modest upturn in France (1.3% in 2014 and 1.8% in 2015). In Italy, growth will undergo a technical recovery in 2014, following two years of recession, but will remain weak in 2015,

- short-term rates to remain low in 2013

  The ECB lowered its funding rate from 0.75% (since July 2012) to 0.50% in 2013, due to the deterioration in the economic climate in the eurozone. Very low key interest rates (0% for deposit rates and 0.75% for funding rates), unlimited refinancing transactions and the widening of collateral eligibility criteria are likely to help to maintain excess liquidity in the eurozone and, consequently, very low short-term rates (0.25% for the Euribor 3-month rate at the end of 2012 and into 2013).

  In 2014-2015, the ECB will raise its refinancing rate cautiously, in stages, in line with the slow and modest recovery witnessed in the eurozone,

- a slow and gradual rise in long-term rates

  In 2012, the eurozone public debt crisis and risk aversion led to a marked flight to quality in favour of German and French government bonds, hence the two country's extremely low 10-year rates. With the ECB's announcement of a new public debt buyback programme (conditional but unlimited) known as OMT, risk aversion may gradually lessen. At the same time, however, the economic climate in most European countries, especially Italy and Spain, is proving to be poorer than expected. Safe haven securities are, therefore, still highly attractive and a rise in long-term French and German rates will take longer than anticipated.

  In 2014-2015, a return to growth and an improvement in public finances will favour a shift to more risky assets (drop in risk premiums). The fragility of the recovery and its vulnerability to shocks is still, however, likely to sustain purchases of safe haven assets, with very gradual normalisation of long-term French and German rates,

- stable euro/dollar parity over the period

  Euro/dollar parity was stable at around the 1.25 mark, in the light of the Fed's ultra-accommodating policy which is forcing the dollar down. This effect was, however, offset by the highly unfavourable economic climate in the eurozone.

  The allocation of rare resources (liquidity, RWA) over the period for financing business lines (SFS and CIB) continued to be restricted;

- **the equity allocated** to the various business lines corresponds, at 31 December 2012, to 8% of risk weighted assets for banking activity and 100% of the solvency margin for insurance activities;

- **perpetual growth rates and discount rates**: rates varying depending on the CGU, as shown in the table below;

In 2012	Perpetual growth rates	Discount rate
French Retail Banking	2.0%	9.2%
International retail banking	2.0% to 5.0%	10.4% to 16.9%
Specialised financial services	2.0%	9.2% to 10.9%
Asset management	2.0%	9.7% to 10.1%
Corporate and investment banking	2.0%	11.3% to 12.6%
Corporate centre	2.0%	11.8%

The discount rates for CGUs were adjusted to take into account sovereign risk developments in Southern European countries and the consequences of these developments on our assessment of the value of the entities in these countries.

Consequently, discount rates were raised for International retail banking, between 2011 and 2012 from 10.0% to 10.4% for Italy and from 12.7% to 16.9% for Egypt, respectively. A change in Italian sovereign risk also had an impact on the discount rates applied to well-established specialised financial services in Italy (Agos Ducato, automotive partnerships).

Sensitivity tests were conducted on goodwill – Group share.

With regard to financial parameters, these showed that:

- a variation of +/-50 basis points in the discount rates would lead to a variation of about +/-€900 million in the impairment charge Group share recorded at end 2012:
  - +/-€250 million for consumer credit GGUs,
  - +/-€200 million for the international retail banking CGU – Italy;
- a variation of +/-50 basis points in the level of equity allocated to the banking CGUs would lead to a variation of about +/-€800 million in the impairment charge Group share recorded at end 2012:
  - +/-€160 million for consumer credit GGUs;
  - +/-€100 million for the international retail banking CGU – Italy,
- a variation of +/-50 basis points in the perpetual growth rate would lead to a variation of about +/-€200 million in the impairment charge Group share recorded at end 2012:
  - +/-€75 million for consumer credit GGUs,
  - +/-€85 million for the international retail banking CGU – Italy.

With regard to operational parameters, these showed that:

- a variation of +/-1% in the cost-income ratio of CGUs in the final year would lead to a variation of about +/-€500 million in the impairment charge Group share recorded at end 2012:
  - +/-€180 million for consumer credit GGUs,
  - +/-€70 million for the international retail banking CGU – Italy;
- a variation of +/-10 basis points in the cost of risk in the final year would lead to a variation of about +/-€900 million in the impairment charge Group share recorded at end 2012:
  - +/-€280 million for consumer credit GGUs,
  - +/-€140 million for the international retail banking CGU – Italy.

The additional impairment charge resulting from each of these different scenarios would only affect CGUs already impaired at 31 December 2012.

2.6 Investments in joint ventures

LIST AND DESCRIPTION OF INVESTMENTS IN JOINT VENTURES

At 31 December 2012, the main investments in joint ventures were:

- Newedge, 50% consolidated, whose contribution to the consolidated balance sheet totalled €22,910 million, €1,329 million in expenses and €984 million in revenues;
- FGA Capital S.p.A., 50% consolidated, whose contribution to the consolidated balance sheet amounted to €7,129 million, €783 million in expenses and €863 million in revenues.

LIABILITIES IN RESPECT OF INVESTMENTS IN JOINT VENTURES

At 31 December 2012, there were no material liabilities for investments in joint ventures.

NOTE 3 Financial management, risk exposure and hedging policy

Crédit Agricole S.A.'s Financial Management department is responsible for organising financial flows within Crédit Agricole S.A. Group, defining and implementing refinancing rules, asset and liability management, and managing regulatory ratios. It sets out the principles and ensures a cohesive financial management system throughout the Group.

The Group's management of banking risks is handled by the Group Risk Management and Permanent Controls department (DRG). This Department reports to the Chief Executive Officer of Crédit Agricole S.A. and its task is to control credit, financial and operational risks.

A description of these processes and commentary appear in the chapter on "Risk factors", as allowed by IFRS 7. Nonetheless, the accounting breakdowns are still presented in the financial statements.

3.1 Credit risk

(See "Risk factors – Credit Risk")

Credit risk is realised when a counterparty is unable to honour its obligations and when the carrying amount of these obligations in the bank's books is positive. The counterparty may be a bank, an industrial or commercial enterprise, a government and its various controlled entities, an investment fund, or an individual person.

The exposure may be a loan, debt security, deed of property, performance exchange contract, performance bond or unused confirmed commitment. The risk also includes the settlement risk inherent in any transaction entailing an exchange of cash or physical goods outside a secure settlement system.

MAXIMUM EXPOSURE TO CREDIT RISK

An entity's maximum exposure to credit risk is the gross carrying amount, net of any offset amount and any recognised loss of value.

(in millions of euros)	31/12/2012 Activities continued	31/12/2011
Financial assets at fair value through profit or loss (excluding equity securities and assets backing unit-linked contracts) (1)	573,567	432,721
Hedging derivative instruments	41,850	33,560
Available-for-sale assets (excluding equity securities)	237,601	206,353
Loans and receivables to credit institutions (excluding internal transactions)	118,333	104,610
Loans and receivables to customers	329,756	399,381
Held-to-maturity financial assets	14,602	15,343
Exposure to on-balance sheet commitments (net of impairment losses)	**1,315,709**	**1,191,968**
Financing commitments given (excluding internal operations) (1)	149,217	160,160
Financial guarantee commitments given (excluding internal operations)	93,435	98,898
Provisions – financing commitments	(309)	(219)
Exposure to off-balance sheet financing commitments (net of provisions)	**242,343**	**258,839**
MAXIMUM EXPOSURE TO CREDIT RISK (2)	**1,558,052**	**1,450,807**

(1) *At 31 December 2011, securities bought under repurchase agreements recognised at the transaction date were recorded for their notional amount as counterpart to the sundry creditors' account for €2 billion; at 31 December 2012, these operations, which represented €22 billion, were recorded in "financing commitments given" between the transaction date and the settlement date. (see Note 8, Financing and guarantee commitments and other guarantees).*

(2) *The contribution for 31 December 2011 of entities reclassified as held-for-sale activities in 2012 came to €34,005 million.*

Guarantees and other credit enhancements amount to:

(in millions of euros)	31/12/2012	31/12/2011
Loans and receivables to credit institutions (excluding internal transactions) (1)	4,405	22,759
Loans and receivables to customers	139,388	154,975
Financing commitments given (excluding internal operations)	13,541	14,676
Guarantee commitments given (excluding internal operations)	5,058	4,682

(1) *The amount in respect of discontinued or held-for-sale operations, corresponding to Emporiki, came to €7,976 million at 31 December 2011.*

The amounts presented represent the amounts of guarantees and collateral used in the calculation of capital requirements for the purposes of the solvency ratio. They are valued by the Risk department on the basis of rules drawn up by the Standards and Methodology Committee of the Crédit Agricole S.A. Group. The methods used to update this valuation and the frequency at which it is done depends on the nature of the collateral, and is done at least once a year. The amount declared with respect to guarantees received shall be no greater than the amount of assets covered.

BREAKDOWN OF LOAN ACTIVITY BY CUSTOMER TYPE

Loans and receivables to credit institutions and to customers by customer type (excluding Crédit Agricole internal transactions)

	31/12/2012				
(in millions of euros)	Gross outstanding	o/w gross loans and receivables individually impaired	Individual impairment	Collective impairment	Total
Central governments	4,961	62	56	28	4,877
Due to central banks	25,500	-	-	-	25,500
Credit institutions	93,392	648	557	-	92,835
Institutions other than credit institutions	41,272	2,571	1,214	646	39,412
Large corporates	144,469	5,297	2,786	1,333	140,350
Retail customers	151,308	8,771	5,337	856	145,115
TOTAL (1) LOANS AND RECEIVABLES TO CREDIT INSTITUTIONS AND TO CUSTOMERS	**460,902**	**17,349**	**9,950**	**2,863**	**448,089**

(1) Of which €2,389 million in restructured (unimpaired) performing loans.

	31/12/2011				
(in millions of euros)	Gross outstanding	o/w gross loans and receivables individually impaired	Individual impairment	Collective impairment	Total
Central governments	7,112	210	83	23	7,006
Due to central banks	23,214	-	-	-	23,214
Credit institutions	81,964	611	569	-	81,395
Institutions other than credit institutions	75,593	2,369	1,213	1,136	73,244
Large corporates	167,620	7,491	4,446	1,662	161,512
Retail customers	165,492	14,078	7,153	720	157,619
TOTAL (1) LOANS AND RECEIVABLES TO CREDIT INSTITUTIONS AND TO CUSTOMERS	**520,995**	**24,759**	**13,464**	**3,541**	**503,990**

(1) Of which €3,020 million in restructured (unimpaired) performing loans.

Commitments given to customers by customer type

(in millions of euros)	31/12/2012	31/12/2011
Financing commitments given to customers		
Central governments	3,383	4,518
Institutions other than credit institutions	17,255	21,865
Large corporates	95,911	91,264
Retail customers	26,053	31,249
TOTAL LOAN COMMITMENTS	**142,602**	**148,896**
Guarantee commitments given to customers		
Central governments	325	990
Institutions other than credit institutions	9,098	7,940
Large corporates	38,405	38,788
Retail customers	34,844	39,003
TOTAL GUARANTEE COMMITMENTS	**82,672**	**86,721**

Due to customers by customer type

(in millions of euros)	31/12/2012	31/12/2011
Central governments	10,862	11,058
Institutions other than credit institutions	58,587	99,699
Large corporates	111,011	116,863
Retail customers	303,178	298,016
TOTAL AMOUNTS DUE TO CUSTOMERS	**483,638**	**525,636**

BREAKDOWN OF LOAN ACTIVITY BY GEOGRAPHICAL AREA

Loans and receivables to credit institutions and to customers by geographical area (excluding Crédit Agricole internal transactions)

	31/12/2012				
(in millions of euros)	Gross outstanding	o/w gross loans and receivables individually impaired	Individual impairment	Collective impairment	Total
France (including overseas departments and territories)	213,388	5,398	2,852	965	209,571
Other EU countries	126,185	8,798	5,075	1,019	120,091
Other European countries	16,050	461	233	97	15,720
North America	39,540	507	343	361	38,836
Central and South America	12,744	880	658	17	12,069
Africa and Middle East	18,279	998	705	181	17,393
Asia-Pacific (ex. Japan)	18,541	198	17	126	18,398
Japan	16,175	109	67	97	16,011
Supranational organisations	-	-	-	-	-
TOTAL (1) LOANS AND RECEIVABLES TO CREDIT INSTITUTIONS AND TO CUSTOMERS	**460,902**	**17,349**	**9,950**	**2,863**	**448,089**

(1) *Of which €2,389 million in restructured (unimpaired) performing loans.*

	31/12/2011				
(in millions of euros)	Gross outstanding	o/w gross loans and receivables individually impaired	Individual impairment	Collective impairment	Total
France (including overseas departments and territories)	208,593	5,874	3,288	878	204,427
Other EU countries	161,444	15,918	8,207	1,136	152,101
Other European countries	16,297	523	252	100	15,945
North America	63,612	457	350	916	62,346
Central and South America	14,613	913	607	23	13,983
Africa and Middle East	20,116	903	653	331	19,132
Asia-Pacific (ex. Japan)	15,223	117	68	83	15,072
Japan	21,069	54	39	74	20,956
Supranational organisations	28	-			28
TOTAL (1) LOANS AND RECEIVABLES TO CREDIT INSTITUTIONS	**520,995**	**24,759**	**13,464**	**3,541**	**503,990**

(1) *Of which €3,020 million in restructured (unimpaired) performing loans.*

Commitments given to customers: geographical analysis

(in millions of euros)	31/12/2012	31/12/2011
Financing commitments given to customers		
France (including overseas departments and territories)	70,924	64,904
Other EU countries	32,290	42,029
Other European countries	6,790	7,043
North America	19,084	20,155
Central and South America	4,010	4,747
Africa and Middle East	1,769	2,266
Asia-Pacific (ex. Japan)	6,862	6,735
Japan	873	1,017
TOTAL LOAN COMMITMENTS	**142,602**	**148,896**
Guarantee commitments given to customers		
France (including overseas departments and territories)	55,139	58,037
Other EU countries	12,632	12,888
Other European countries	3,627	1,806
North America	5,337	5,705
Central and South America	559	682
Africa and Middle East	1,360	1,990
Asia-Pacific (ex. Japan)	3,123	4,527
Japan	895	1,086
TOTAL GUARANTEE COMMITMENTS	**82,672**	**86,721**

Due to customers: geographical analysis

(in millions of euros)	31/12/2012	31/12/2011
France (including overseas departments and territories)	340,783	338,381
Other EU countries	74,415	85,294
Other European countries	11,745	10,349
North America	26,133	62,146
Central and South America	3,583	3,359
Africa and Middle East	13,747	13,277
Asia-Pacific (ex. Japan)	9,212	10,709
Japan	4,020	2,121
Supranational organisations	-	-
TOTAL AMOUNTS DUE TO CUSTOMERS	**483,638**	**525,636**

INFORMATION ON PAST DUE OR INDIVIDUALLY IMPAIRED FINANCIAL ASSETS

Analysis of past due or impaired financial assets by customer type

	31/12/2012						
	Payments arrears on past due loans						
(in millions of euros)	≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year	Net carrying amount of past due financial assets	Net carrying amount of individually impaired financial assets	Impairment of individually and collectively tested financial assets
Equity instruments	-	-	-	-	-	2,770	1,936
Debt instruments	-	-	-	-	-	591	569
Central governments (1)	-	-	-	-	-	-	-
Due to central banks	-	-	-	-	-	1	8
Credit institutions	-	-	-	-	-	444	501
Institutions other than credit institutions	-	-	-	-	-	146	60
Large corporates	-	-	-	-	-	-	-
Retail customers	-	-	-	-	-	-	-
Loans and receivables	6,254	312	370	75	7,011	7,401	12,395
Central governments	51	2	4	2	59	6	60
Due to central banks	-	-	-	-	-	-	-
Credit institutions	108	33	223	-	365	91	553
Institutions other than credit institutions	774	41	25	3	843	1,357	1,140
Large corporates	2,060	131	69	63	2,322	2,511	4,551
Retail customers	3,261	105	49	7	3,422	3,436	6,091
TOTAL PAST DUE OR INDIVIDUALLY IMPAIRED FINANCIAL ASSETS	**6,254**	**312**	**370**	**75**	**7,011**	**10,762**	**14,900**

(1) *Greek government securities were exchanged under the sovereign debt restructuring plan announced by the Greek government on 21 February 2012. This operation was the reason for the reduction in impairments of -€5 billion and in net book value for -€2 billion.*

	31/12/2011						
	Payments arrears on past due loans						
(in millions of euros)	≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year	Net carrying amount of past due financial assets	Net carrying amount of individually impaired financial assets	Impairment of individually and collectively tested financial assets
Equity instruments	-	-	-	-	-	2,416	2,296
Debt instruments	174	-	-	-	174	2,702	5,794
Central governments (1)	-	-	-	-	-	2,002	5,116
Due to central banks	-	-	-	-	-	2	-
Credit institutions	-	-	-	-	-	-	23
Institutions other than credit institutions	-	-	-	-	-	494	417
Large corporates	174	-	-	-	174	204	238
Retail customers	-	-	-	-	-	-	-
Loans and receivables	6,151	401	275	145	6,972	11,295	17,005
Central governments	43	1	2	-	46	127	106
Due to central banks	-	-	-	-	-	-	-
Credit institutions	225	65	-	30	320	42	569
Institutions other than credit institutions	218	42	7	1	268	1,156	2,349
Large corporates	2,096	104	254	110	2,564	3,045	6,108
Retail customers	3,569	189	12	4	3,774	6,925	7,873
TOTAL PAST DUE OR INDIVIDUALLY IMPAIRED FINANCIAL ASSETS	**6,325**	**401**	**275**	**145**	**7,146**	**16,413**	**25,095**

(1) *Greek government securities measured using an internal model were impaired by 74% on average for a total amount of €5.1 billion, which after applying mechanisms specific to life insurance and net of taxes impacted the Group by €943 million. The net carrying amount at 31 December 2011 totalled €2 billion (see Note 6.8).*

DERIVATIVE INSTRUMENTS – COUNTERPARTY RISK

The counterparty risk on derivative instruments is established according to market value and potential credit risk calculated and weighted in accordance with the Basel 2 regulatory standards.

The impacts of netting and collateralisation contracts, which reduce this risk, are also presented for information.

	31/12/2012			31/12/2011		
(in millions of euros)	Market value	Potential credit risk (1)	Total counterparty risk	Market value	Potential credit risk (1)	Total counterparty risk
Risk regarding OECD governments, central banks and similar organisations	8,184	2,137	10,321	6,630	2,950	9,580
Risk regarding OECD financial institutions and similar organisations	157,109	60,628	217,737	174,122	81,312	255,433
Risk on other counterparties	21,295	11,497	32,792	27,648	17,085	44,733
Total counterparty risk	**186,588**	**74,262**	**260,850**	**208,400**	**101,347**	**309,746**
Risk on:						
• interest rate, exchange rate and commodities contracts	176,816	61,741	238,556	184,711	82,877	267,586
• equity and index derivative contracts	4,473	2,545	7,018	9,490	4,749	14,240
• credit derivatives	5,299	9,976	15,276	14,199	13,721	27,920
Total risk	**186,588**	**74,262**	**260,850**	**208,400**	**101,347**	**309,746**
Impact of netting and collateralisation contracts	**150,324**	**50,296**	**200,621**	**177,277**	**65,247**	**242,523**
TOTAL AFTER IMPACT OF NETTING AND COLLATERALISATION CONTRACTS	**36,264**	**23,966**	**60,229**	**31,123**	**36,100**	**67,223**

(1) Calculated using Basel 2 regulatory standards.

Contracts among members of the network are excluded as they do not carry any counterparty risk.

3.2 Market risk

(See chapter on “Risk factors – Market risk”)

Market risk is the risk of a negative impact on the income statement or balance sheet of adverse fluctuations in the value of financial instruments following changes in market parameters, particularly:

- interest rates: interest rate risk is the risk of a change in the fair value of a financial instrument or the future cash flows from a financial instrument due to a change in interest rates;
- exchange rates: foreign exchange risk is the risk of a change in the fair value of a financial instrument due to a change in exchange rates;
- prices: price risk is the risk of a change in the price or volatility of equities and commodities, baskets of equities and stock indices. The instruments most exposed to this risk are variable-income securities, equity derivatives and commodity derivatives.

DERIVATIVE INSTRUMENTS: ANALYSIS BY REMAINING MATURITY

The breakdown of market values of derivative instruments is shown by remaining contractual maturity.

Hedging derivative instruments – Fair value of assets

	31/12/2012							31/12/2011
	Exchange-traded			Over-the-counter			Total market value	Total market value
(in millions of euros)	≤ 1 year	> 1 year ≤ 5 years	> 5 years	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
Interest rate instruments:	**-**	**-**	**-**	**3,844**	**12,720**	**24,343**	**40,907**	**32,163**
● *Interest* rate swaps				3,824	12,430	24,195	40,449	31,450
● Interest rate options				-	-	-	-	150
● Caps-floors-collars				20	290	148	458	482
● Other options				-	-	-	-	81
Currency and gold:	**-**	**-**	**-**	**324**	**139**	**68**	**531**	**812**
● Currency futures				322	139	68	529	788
● Currency options				2	-	-	2	24
Other instruments	-	-	-	**19**	**12**	**1**	**32**	**18**
● Equity and index derivatives				19	12	1	32	18
Subtotal				**4,187**	**12,871**	**24,412**	**41,470**	**32,993**
● Forward currency transactions	-	-	-	140	13	227	380	567
TOTAL FAIR VALUE OF HEDGING DERIVATIVES – ASSETS	**-**	**-**	**-**	**4,327**	**12,884**	**24,639**	**41,850**	**33,560**

Hedging derivative instruments – Fair value of liabilities

	31/12/2012							31/12/2011
	Exchange-traded			Over-the-counter			Total market value	Total market value
(in millions of euros)	≤ 1 year	> 1 year ≤ 5 years	> 5 years	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
Interest rate instruments:	**-**	**-**	**-**	**3,185**	**11,945**	**26,698**	**41,828**	**33,535**
● *Interest* rate swaps				3,155	11,731	26,505	41,391	32,997
● Interest rate options				-	5	-	5	71
● Caps-floors-collars				29	208	188	425	395
● Other options				1	1	5	7	72
Currency and gold:	**-**	**-**	**-**	**167**	**183**	**18**	**368**	**323**
● Currency futures				165	183	18	366	298
● Currency options				2	-	-	2	25
Other instruments:	**-**	**-**	**-**	**15**	**1**	**1**	**17**	**19**
● Equity and index derivatives				15	1	1	17	19
Subtotal	**-**	**-**	**-**	**3,367**	**12,129**	**26,717**	**42,213**	**33,877**
● Forward currency transactions				175	17	6	198	728
TOTAL FAIR VALUE OF HEDGING DERIVATIVES – LIABILITIES	**-**	**-**	**-**	**3,542**	**12,146**	**26,723**	**42,411**	**34,605**

Derivative instruments held for trading – Fair value of assets

(in millions of euros)	31/12/2012							31/12/2011
	Exchange-traded			Over-the-counter			Total market value	Total market value
	≤ 1 year	> 1 year ≤ 5 years	> 5 years	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
Interest rate instruments:	**4**	**3**	**-**	**18,111**	**98,774**	**263,465**	**380,357**	**290,976**
• *Futures*	-	-	-	-	-	-	-	2
• FRAs	-	-	-	672	102	-	774	766
• *Interest* rate swaps	-	-	-	16,734	86,689	225,862	329,285	240,318
• Interest rate options	-	-	-	80	3,413	32,208	35,701	35,810
• Caps-floors-collars	-	-	-	624	8,570	5,395	14,589	14,078
• Other options	4	3	-	1	-	-	8	2
Currency and gold:	**10**	**-**	**-**	**3,152**	**3,257**	**3,959**	**10,378**	**11,030**
• Currency futures	10	-	-	1,441	755	1,376	3,582	4,810
• Currency options	-	-	-	1,711	2,502	2,583	6,796	6,220
Other instruments:	**111**	**592**	**19**	**3,851**	**12,929**	**1,212**	**18,714**	**31,820**
• Equity and index derivatives	111	592	19	1,277	4,560	544	7,103	12,767
• Precious metal derivatives	-	-	-	23	4	-	27	87
• Commodities derivatives	-	-	-	322	220	46	588	2,889
• Credit derivatives	-	-	-	2,229	8,145	622	10,996	16,077
• Other	-	-	-	-	-	-	-	
Subtotal	**125**	**595**	**19**	**25,114**	**114,960**	**268,636**	**409,449**	**333,826**
• Forward currency transactions	-	-	-	7,968	953	172	9,093	15,622
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES – ASSETS	**125**	**595**	**19**	**33,082**	**115,913**	**268,808**	**418,542**	**349,448**

Derivative instruments held for trading – Fair value of liabilities

(in millions of euros)	31/12/2012							31/12/2011
	Exchange-traded			Over-the-counter			Total market value	Total market value
	≤ 1 year	> 1 year ≤ 5 years	> 5 years	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
Interest rate instruments:	**1**	**-**	**-**	**17,637**	**96,336**	**265,741**	**379,715**	**290,928**
• *Futures*	1	-	-	-	-	-	1	1
• FRAs	-	-	-	654	76	-	730	746
• *Interest* rate swaps	-	-	-	15,940	81,571	225,446	322,957	235,430
• Interest rate options	-	-	-	235	4,091	33,657	37,983	37,107
• Caps-floors-collars	-	-	-	799	10,576	6,556	17,931	17,535
• Other options	-	-	-	9	22	82	113	109
Currency and gold:	**5**	**-**	**-**	**3,203**	**3,856**	**3,221**	**10,285**	**10,674**
• Currency futures	4	-	-	1,173	1,144	968	3,289	3,972
• Currency options	1	-	-	2,030	2,712	2,253	6,996	6,702
Other instruments:	**195**	**1,030**	**46**	**4,182**	**13,183**	**1,154**	**19,790**	**31,509**
• Equity and index derivatives	150	1,026	46	1,027	4,780	514	7,543	12,014
• Precious metal derivatives	-	-	-	27	4	-	31	84
• Commodities derivatives	45	-	-	250	207	48	550	2,736
• Credit derivatives	-	-	-	2,862	8,192	592	11,646	16,538
• Other	-	4	-	16	-	-	20	137
Subtotal	**201**	**1,030**	**46**	**25,022**	**113,375**	**270,116**	**409,790**	**333,111**
• Forward currency transactions	-	-	-	7,287	1,144	140	8,571	12,884
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES – LIABILITIES	**201**	**1,030**	**46**	**32,309**	**114,519**	**270,256**	**418,361**	**345,995**

DERIVATIVE INSTRUMENTS: TOTAL COMMITMENTS

	31/12/2012	31/12/2011
(in millions of euros)	Total notional amount outstanding	Total notional amount outstanding
Interest rate instruments:	**11,614,034**	**11,966,780**
• *Futures*	385,345	248,816
• FRAs	1,309,145	1,404,723
• *Interest* rate swaps	7,386,997	7,205,798
• Interest rate options	1,434,031	1,831,275
• Caps-floors-collars	1,098,473	1,274,716
• Other options	43	1,452
Currency and gold:	**2,414,807**	**2,336,985**
• Currency futures	1,890,181	1,674,697
• Currency options	524,626	662,288
Other instruments:	**1,195,451**	**1,013,368**
• Equity and index derivatives	110,805	172,418
• Precious metal derivatives	811	1,220
• Commodities derivatives	7,235	69,783
• Credit derivatives	1,076,273	769,254
• Other	327	693
Subtotal	**15,224,292**	**15,317,133**
• Forward currency transactions	323,499	653,489
TOTAL NOTIONAL AMOUNTS	**15,547,791**	**15,970,622**

FOREIGN EXCHANGE RISK

Analysis of the consolidated balance sheet by currency

	31/12/2012		31/12/2011	
(in millions of euros)	Assets	Liabilities	Assets	Liabilities
EUR	1,451,816	1,451,353	1,305,515	1,297,660
Other EU currencies	37,357	33,404	25,037	27,070
USD	265,056	269,421	286,103	308,534
JPY	33,485	43,721	42,268	42,909
Other currencies	54,647	44,462	64,685	47,435
TOTAL	**1,842,361**	**1,842,361**	**1,723,608**	**1,723,608**

Breakdown of bonds and subordinated debt by currency

	31/12/2012			31/12/2011		
(in millions of euros)	Bonds	Fixed-term subordinated debt	Perpetual subordinated debt	Bonds	Fixed-term subordinated debt	Perpetual subordinated debt
EUR	65,934	17,825	5,814	66,866	18,792	6,407
Other EU currencies	1,612	1,209	1,031	1,044	1,461	2,109
USD	4,795	536	2,929	5,553	871	3,376
JPY	2,039	-	-	2,161	-	-
Other currencies	2,319	155	201	2,569	180	278
TOTAL	**76,699**	**19,725**	**9,975**	**78,193**	**21,304**	**12,170**

Debt issues related to assets held by Group insurers on behalf of policyholders, included in unit-linked contracts, were eliminated at 31 December 2012 for €7,884 million (see Note 6.11 “Debt securities and subordinated debt”).

3.3 Liquidity and financing risk

(See chapter on “Risk factors – Asset/Liability Management”)

Liquidity and financing risk is the risk of loss if the Company is unable to meet its financial commitments in timely fashion or to renew its borrowings at reasonable prices when they reach maturity.

These commitments include obligations to depositors and suppliers, as well as commitments in respect of loans and investments.

LOANS AND RECEIVABLES TO CREDIT INSTITUTIONS AND TO CUSTOMERS BY RESIDUAL MATURITY

	31/12/2012					
(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Permanent	Total
Loans and receivables to credit institutions (including Crédit Agricole internal transactions)	144,069	63,956	108,679	64,769	4,651	386,124
Loans and receivables to customers (o/w finance leases)	87,019	33,828	118,358	98,510	4,297	342,012
Total	**231,088**	**97,784**	**227,037**	**163,279**	**8,948**	**728,136**
Impairment						**(12,813)**
TOTAL LOANS AND RECEIVABLES TO CREDIT INSTITUTIONS AND TO CUSTOMERS						**715,323**

	31/12/2011					
(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Permanent	Total
Loans and receivables to credit institutions (including Crédit Agricole internal transactions)	138,986	65,926	104,044	68,060	3,394	380,410
Loans and receivables to customers (o/w finance leases)	142,675	37,174	122,471	104,512	8,985	415,817
Total	**281,661**	**103,100**	**226,515**	**172,572**	**12,379**	**796,227**
Impairment						**(17,005)**
TOTAL LOANS AND RECEIVABLES TO CREDIT INSTITUTIONS AND TO CUSTOMERS						**779,222**

DEBTS TO CREDIT INSTITUTIONS AND CUSTOMERS BY RESIDUAL MATURITY

	31/12/2012					
(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Permanent	Total
Due to credit institutions (including Crédit Agricole internal transactions)	69,037	12,929	56,003	19,968	2,714	160,651
Due to customers	405,907	31,924	34,658	7,480	3,669	483,638
TOTAL AMOUNTS DUE TO CUSTOMERS AND CREDIT INSTITUTIONS	**474,944**	**44,853**	**90,661**	**27,448**	**6,383**	**644,289**

	31/12/2011					
(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Permanent	Total
Due to credit institutions (including Crédit Agricole internal transactions)	101,959	10,288	33,453	23,712	3,253	172,665
Due to customers	442,878	36,726	33,920	8,299	3,813	525,636
TOTAL AMOUNTS DUE TO CUSTOMERS AND CREDIT INSTITUTIONS	**544,837**	**47,014**	**67,373**	**32,011**	**7,066**	**698,301**

DEBT SECURITIES AND SUBORDINATED DEBT

(in millions of euros)	31/12/2012 ≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Permanent	Total
Debt securities						
Interest bearing notes	137	61	-	-	-	198
Money-market instruments	-	1,991	8,364	10,236	-	20,591
Negotiable debt securities	32,557	14,630	1,399	352	-	48,938
Bonds [(1)]	7,657	8,922	42,104	18,016	-	76,699
Other debt securities	1,725	1,611	430	198	-	3,964
TOTAL DEBT SECURITIES	**42,076**	**27,215**	**52,297**	**28,802**	**-**	**150,390**
Subordinated debt						
Fixed-term subordinated debt	288	1,554	2,730	15,153	-	19,725
Perpetual subordinated debt	4	1	-	211	9,759	9,975
Mutual security deposits	-	-	-	-	136	136
Participating securities and loans	1	-	-	2	141	144
TOTAL SUBORDINATED DEBT	**292**	**1,555**	**2,730**	**15,366**	**10,036**	**29,980**

Debt securities issued by Crédit Agricole S.A. and underwritten by the insurance companies of the Group were eliminated for the first time in the first quarter of 2012 for the portion where the financial risk is borne by the policyholder, due to the nature of these contracts.

The now significant amount was eliminated from debt securities for €7,884 million at 31 December 2012.

(in millions of euros)	31/12/2011 ≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Permanent	Total
Debt securities						
Interest bearing notes	134	97	65	-	2	298
Money-market instruments	-	128	1,616	4,262	-	6,006
Negotiable debt securities	46,027	11,350	1,919	665	-	59,961
Bonds [(1)]	5,106	8,373	38,938	25,299	477	78,193
Other debt securities	1,228	1,145	-	1,321	168	3,862
TOTAL DEBT SECURITIES	**52,495**	**21,093**	**42,538**	**31,547**	**647**	**148,320**
Subordinated debt						
Fixed-term subordinated debt	762	1,175	3,491	15,811	65	21,304
Perpetual subordinated debt	7	211	-	11,634	318	12,170
Mutual security deposits	-	-	-	-	128	128
Participating securities and loans	1	-	-	179	-	180
TOTAL SUBORDINATED DEBT	**770**	**1,386**	**3,491**	**27,624**	**511**	**33,782**

(1) Debt issues related to assets held by Group insurers on behalf of policyholders included in unit-linked contracts are not eliminated. This has no material impact on the Group's consolidated financial statements.

FINANCIAL GUARANTEES AT RISK GIVEN BY EXPECTED MATURITY

The amounts presented correspond to the expected amount of the call of financial guarantees at risk, *i.e.* guarantees that have been impaired or are on a watch-list.

	31/12/2012					
(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Undefined	Total
Financial Guaranties given	174	372	-	-	-	546

	31/12/2011					
(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Undefined	Total
Financial Guaranties given	150	426	-	-	-	576

The remaining contractual maturities of derivative instruments are shown in Note 3.2 “Market Risk”.

3.4 Cash flow and fair value interest rate and foreign exchange hedging

(See chapter on “Risk factors – Asset/Liability Management”)

Derivative financial instruments used in a hedging relationship are designated according to the intended purpose:

- fair value hedge;
- cash flow hedge;
- hedge of a net investment in foreign currency.

Each hedging relationship is formally documented describing the strategy, item hedged and hedging instrument, and method of measuring effectiveness.

FAIR VALUE HEDGES

A fair value hedge modifies the risk caused by changes in the fair value of a fixed-rate financial instrument as a result of changes in interest rates. Fair value hedges transform fixed-rate assets or liabilities into floating-rate assets or liabilities.

Items hedged are principally fixed-rate loans, securities, deposits and subordinated debt.

FUTURE CASH FLOW HEDGES

A cash flow hedge modifies the risk related to variability in cash flows arising from floating-rate financial instruments.

Items hedged are principally floating-rate loans and deposits.

HEDGE OF A NET INVESTMENT IN FOREIGN CURRENCY

A hedge of a net investment in a foreign currencies modifies the risk inherent in exchange rate fluctuations connected with foreign currency investments in subsidiaries.

HEDGING DERIVATIVE INSTRUMENTS

(in millions of euros)	31/12/2012 Market value Positive	31/12/2012 Market value Negative	31/12/2012 Amount notional	31/12/2011 Market value Positive	31/12/2011 Market value Negative	31/12/2011 Amount notional (1)
Fair value hedges	**40,247**	**42,276**	**1,172,979**	**32,345**	**34,436**	**1,261,213**
Interest rate	39,417	41,796	1,101,015	30,958	33,516	1,183,527
Equity instruments	13	2	356	18	5	184
Foreign Exchange	817	478	71,608	1,369	915	77,498
Credit	-	-	-	-	-	-
Commodities	-	-	-	-	-	-
Other	-	-	-	-	-	4
Future cash flow hedges	**1,575**	**121**	**27,489**	**1,205**	**34**	**12,369**
Interest rate	1,490	31	14,480	1,205	21	12,369
Equity instruments	19	15	90	-	13	-
Foreign Exchange	66	75	12,919	-	-	-
Credit	-	-	-	-	-	-
Commodities	-	-	-	-	-	-
Other	-	-	-	-	-	-
Hedges of net investments in foreign operations	**28**	**14**	**3,695**	**10**	**135**	**6,278**
TOTAL HEDGING DERIVATIVE INSTRUMENTS	**41,850**	**42,411**	**1,204,163**	**33,560**	**34,605**	**1,279,860**

(1) *Including opening adjustment of €372,923 million in macro-hedging on fair value hedging – interest rates.*

3.5 Operational Risks

(See chapter on “Risk factors – Operational risks”)

Operational risk is the possibility of loss resulting from failings in internal procedures or inadequate systems, human error or external events that are not linked to a credit, market or liquidity risk.

3.6 Capital management and regulatory ratios

The amendment to IAS 1 adopted by the European Union on 11 January 2006 requires disclosure of information on the entity’s capital and management of its capital. The purpose of the amendment is to disclose to users information on the entity’s objectives, policies and processes for managing capital. It requires disclosure of qualitative and quantitative information in the notes to the financial statements, namely summary quantitative data about what the entity manages as capital, a description of any externally imposed requirements on the entity’s capital (such as regulatory requirements), indication as to whether the entity has complied with regulatory requirements, and, if it has not complied, the consequences of such non-compliance.

In accordance with regulatory regulations applicable to banks, which transpose into French law the European Directives on “the capital adequacy of investment firms and credit institutions” and “financial conglomerates”, Crédit Agricole S.A. Group must comply with the solvency ratio, with liquidity ratios and with rules on the division of risks and balance sheet management.

Crédit Agricole S.A. Group manages its capital so as to comply with regulatory capital requirements within the meaning of Regulation 90/02 as required by the French Prudential Supervisory Authority (ACP) so as to cover risk weighted assets for credit risk, operational risk and market risk.

The decree of 20 February 2007 transposed the European CRD (Capital Requirements Directive) (2006/48/EC and 2006/49/EC) into French regulations. The decree defines the "capital requirements applicable to credit institutions and investment companies" and the methods of calculating the solvency ratio as from 1 January 2008.

In compliance with these provisions, Crédit Agricole S.A. Group incorporated, in 2007, the impacts of the transition to the new European CRD directive into its capital and risk management processes.

However, the regulator maintained the additional capital requirements until 31 December 2011 relating to floors (the Basel 2 requirement cannot be less than 80% of the Basel 1 requirement). In 2012, the floor was eliminated. However, disclosures on Basel 1 requirements remain mandatory.

Regulatory capital breaks down into three categories:

- Tier 1 capital, calculated based on the Group's equity and adjusted notably for unrealised gains and losses;
- Tier 2 capital, which is limited to 100% of the amount of Tier 1 capital and consists primarily of subordinated debt;
- Tier 3 capital included in the ratio, which consists primarily of subordinated debt with a shorter maturity.

Deductions for equity investments in other credit institutions reduce the total of this capital and are now allocated directly to the amount of Tier 1 and Tier 2 capital, in accordance with regulations.

Application of the "Conglomerate Directive" involves, for Crédit Agricole S.A. Group, the deduction of the investment in equity-accounted insurance companies. In accordance with regulations, this deduction applies to 100% of the capital funds of entities acquired before 1 January 2007.

In accordance with regulations, Crédit Agricole S.A. Group must maintain a core capital fund ratio of at least 4% and a solvency ratio of 8%.

In 2012, as in 2011, Crédit Agricole S.A. Group met these regulatory requirements.

NOTE 4 Notes to the income statement

In accordance with IFRS 5, comparative information is restated to reflect the impact of held-for-sale or discontinued operations.

4.1 Interest income and expenses

(in millions of euros)	31/12/2012	31/12/2011 *pro forma*	31/12/2011 reported
Interbank transactions	1,252	1,680	1,731
Crédit Agricole internal transactions	6,196	6,938	6,938
Customer transactions	13,594	13,319	14,195
Accrued interest receivable on available-for-sale financial assets	7,177	8,278	8,330
Accrued interest receivable on held-to-maturity investments	763	906	906
Accrued interest receivable on hedging instruments	1,948	1,281	1,281
Finance leases	1,098	1,146	1,146
Other interest income	486	43	43
INTEREST AND SIMILAR INCOME[1]	**32,514**	**33,591**	**34,570**
Interbank transactions	(1,282)	(1,972)	(1,990)
Crédit Agricole internal transactions	(1,646)	(1,044)	(1,044)
Customer transactions	(7,601)	(7,488)	(7,672)
Debt securities	(4,051)	(4,377)	(4,393)
Subordinated debt	(1,150)	(2,297)	(2,297)
Accrued interest receivable on hedging instruments	(1,802)	(1,755)	(1,755)
Finance leases	(239)	(240)	(240)
Other interest expense	(13)	6	(10)
INTEREST AND SIMILAR EXPENSES	**(17,784)**	**(19,167)**	**(19,401)**

(1) *Including €188 million on individually impaired loans at 31 December 2012 compared to €215 million at 31 December 2011.*

The redemption of subordinated debt at 31 December 2012 impacted "Other interest income" and "Interest expense on subordinated debt", with a combined impact of €864 million.

Fee and commission income on commitments previously included under "Fee and commission income" was reclassified at 31 December 2012 under "Interest income". Fee and commission income on commitments totalled €841 million at 31 December 2012 compared with €1,041 million at 31 December 2011. No *pro forma* was prepared for this reclassification at 31 December 2011.

4.2 Net fees and commissions

(in millions of euros)	31/12/2012 Income	31/12/2012 Expense	31/12/2012 Net	31/12/2011 *pro forma* Income	31/12/2011 *pro forma* Expense	31/12/2011 *pro forma* Net	31/12/2011 reported Income	31/12/2011 reported Expense	31/12/2011 reported Net
Interbank transactions	238	(96)	142	160	(57)	103	160	(57)	103
Crédit Agricole internal transactions	496	(1,015)	(519)	427	(973)	(546)	427	(974)	(547)
Customer transactions	1,685	(184)	1,501	1,748	(190)	1,558	1,816	(190)	1,626
Securities transactions	277	(238)	39	680	(729)	(49)	1,289	(775)	514
Foreign exchange transactions	41	(18)	23	43	(18)	25	44	(18)	26
Derivative instruments and other off-balance sheet items	908	(591)	317	2,076	(759)	1,317	2,120	(760)	1,360
Payment instruments and other banking and financial services	2,018	(2,841)	(823)	2,116	(2,640)	(524)	2,208	(2,735)	(527)
Mutual funds management, fiduciary and similar operations	2,594	(649)	1,945	2,713	(569)	2,144	2,715	(598)	2,117
NET FEES AND COMMISSIONS	**8,257**	**(5,632)**	**2,625**	**9,963**	**(5,935)**	**4,028**	**10,779**	**(6,107)**	**4,672**

Fee and commission income on commitments previously included under "Fee and commission income" was reclassified at 31 December 2012 under "Interest income". Fee and commission income on commitments totalled €841 million at 31 December 2012 compared with €1,041 million at 31 December 2011. No *pro forma* was prepared for this reclassification at 31 December 2011.

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

(in millions of euros)	31/12/2012	31/12/2011 *pro forma*	31/12/2011 reported
Dividends received	353	627	627
Unrealised or realised gains or losses on assets/liabilities at fair value through profit or loss classified as held for trading (1)	(526)	1,635	1,677
Unrealised or realised gains or losses on assets/liabilities at fair value through profit or loss upon initial recognition (2)	5,325	(1,828)	(1,846)
Net gains (losses) on foreign exchange transactions and similar financial instruments (excluding gains or losses on hedges of net investments in foreign operations)	247	(474)	(486)
Gains or losses from hedge accounting	(22)	(24)	(24)
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS	**5,377**	**(64)**	**(52)**

(1) *The change in the issuer spread on structured issues measured at fair value led, under Revenues, to an expense of -€933 million at 31 December 2012 compared to income of €671 million at 31 December 2011 (see Note 6.2 Financial liabilities at fair value through profit and loss).*

(2) *Including €6,367 million at 31 December 2012 on financial assets held by the insurance companies. This line item mainly comprises the change in the value of assets backing unit-linked contracts (€3,976 million at 31 December 2012 compared to -€1,993 million at 31 December 2011). An opposite trend is observed in the change in technical reserves related to these contracts, recognised in "Net income (expenses) on other activities".*

Analysis of net gains (losses) from hedge accounting:

	31/12/2012		
(in millions of euros)	Gains	Losses	Net
Fair value hedges	**11,402**	**(11,418)**	**(16)**
Change in fair value of hedged items attributable to hedged risks	*5,439*	*(4,839)*	*600*
Change in fair value of hedging derivatives (including sales of hedges)	*5,963*	*(6,579)*	*(616)*
Cash flow hedges	**-**	**-**	**-**
Change in fair value of hedging derivatives – ineffective portion	-	-	-
Hedges of net investments in foreign operations	**-**	**-**	**-**
Change in fair value of hedging derivatives – ineffective portion	-	-	-
Fair value hedge of the interest rate exposure of a portfolio of financial instruments	**17,968**	**(17,974)**	**(6)**
Change in fair value of hedged items	*11,570*	*(13,111)*	*(1,541)*
Change in fair value of hedging derivatives	*6,398*	*(4,863)*	*1,535*
Cash flow hedge of the interest rate exposure of a portfolio of financial instruments	**-**	**-**	**-**
Change in fair value of hedging instrument – ineffective portion	-	-	-
TOTAL GAINS OR LOSSES FROM HEDGE ACCOUNTING	**29,370**	**(29,392)**	**(22)**

	31/12/2011 *pro forma*		
(in millions of euros)	Gains	Losses	Net
Fair value hedges	**7,952**	**(7,972)**	**(20)**
Change in fair value of hedged items attributable to hedged risks	*3,446*	*(4,212)*	*(766)*
Change in fair value of hedging derivatives (including sales of hedges)	*4,506*	*(3,760)*	*746*
Cash flow hedges	**-**	**-**	**-**
Change in fair value of hedging derivatives – ineffective portion			-
Hedges of net investments in foreign operations	**-**	**-**	**-**
Change in fair value of hedging derivatives – ineffective portion			-
Fair value hedge of the interest rate exposure of a portfolio of financial instruments	**16,736**	**(16,739)**	**(3)**
Change in fair value of hedged items	*8,336*	*(8,439)*	*(103)*
Change in fair value of hedging derivatives	*8,400*	*(8,300)*	*100*
Cash flow hedge of the interest rate exposure of a portfolio of financial instruments	**1**	**(2)**	**(1)**
Change in fair value of hedging instrument – ineffective portion	*1*	*(2)*	*(1)*
TOTAL GAINS OR LOSSES FROM HEDGE ACCOUNTING	**24,689**	**(24,713)**	**(24)**

	31/12/2011 reported		
(in millions of euros)	**Gains**	**Losses**	**Net**
Fair value hedges	**7,957**	**(7,976)**	**(19)**
Change in fair value of hedged items attributable to hedged risks	*3,446*	*(4,213)*	*(767)*
Change in fair value of hedging derivatives (including sales of hedges)	*4,511*	*(3,763)*	*748*
Cash flow hedges	**-**	**-**	**-**
Change in fair value of hedging derivatives – ineffective portion			*-*
Hedges of net investments in foreign operations	**-**	**-**	**-**
Change in fair value of hedging derivatives – ineffective portion			*-*
Fair value hedge of the interest rate exposure of a portfolio of financial instruments	**16,778**	**(16,781)**	**(3)**
Change in fair value of hedged items	*8,343*	*(8,474)*	*(131)*
Change in fair value of hedging derivatives	*8,435*	*(8,307)*	*128*
Cash flow hedge of the interest rate exposure of a portfolio of financial instruments	**-**	**(2)**	**(2)**
Change in fair value of hedging instrument – ineffective portion	*-*	*(2)*	*(2)*
TOTAL GAINS OR LOSSES FROM HEDGE ACCOUNTING	**24,735**	**(24,759)**	**(24)**

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

(in millions of euros)	31/12/2012	31/12/2011 *pro forma*	31/12/2011 reported
Dividends received	681	886	886
Realised gains or losses on available-for-sale financial assets[(1)]	224	817	815
Permanent impairment losses on equity investments[(2)]	(855)	(5,050)	(5,057)
Gains or losses on disposal of held-to-maturity investments and on loans and receivables	(172)	(215)	(214)
NET GAINS (LOSSES) ON AVAILABLE-FOR-SALE FINANCIAL ASSETS	**(122)**	**(3,562)**	**(3,570)**

(1) Excluding realised gains or losses on permanently impaired fixed income securities recognised as available-for-sale financial assets mentioned in Note 4.8.

(2) Insurance activities made a contribution of -€59 million at 31 December 2012 compared to -€3,545 million at 31 December 2011. After applying the policyholder profit-sharing mechanism specific to the insurance business (recognised in "Net income (expenses) on other activities"), Crédit Agricole S.A. Group's insurance companies retained a residual cost of risk on impairment of Greek securities of -€53 million at 31 December 2012 compared to -€1,081 million at 31 December 2011.

4.5 Net income (expenses) on other activities

(in millions of euros)	31/12/2012	31/12/2011 *pro forma*	31/12/2011 reported
Gains or losses on fixed assets not used in operations	44	61	61
Other net income from insurance activities[(1)]	2,948	4,000	3,999
Change in insurance technical reserves[(2)]	(9,930)	162	162
Net income from investment properties	148	136	136
Other net income (expense)	495	200	206
INCOME (EXPENSE) RELATED TO OTHER ACTIVITIES	**(6,295)**	**4,559**	**4,564**

(1) The reduction of €1,051 million in other net income from insurance activities related mainly to the decline in life insurance premiums issued for -€1,795 million and benefits paid in respect of claims for €440 million.

(2) The change in insurance technical reserves at Predica was mostly explained by the increased allocation to mathematical provisions for -€3,161 million (mainly associated with the measurement of unit-linked contracts of -€3,836 million), the increase of -€4,175 million in the provision for profit sharing and the change in deferred profit sharing for -€1,654 million, which became a liability again after the revaluation of financial markets.

4.6 Operating expenses

(in millions of euros)	31/12/2012	31/12/2011 *pro forma*	31/12/2011 reported
Employee expenses	(6,864)	(7,013)	(7,824)
Taxes other than on income or payroll-related	(465)	(481)	(504)
External services and other general operating expenses	(3,987)	(4,217)	(4,550)
GENERAL OPERATING EXPENSES	**(11,316)**	**(11,711)**	**(12,878)**

The breakdown of fees paid to Statutory Auditors by firm and type of engagement by fully and proportionately consolidated Crédit Agricole S.A. Group companies was as follows in 2012:

	2012								
(in thousands of euros excluding taxes)	Ernst & Young	Pricewaterhouse Coopers	Mazars	KPMG	Deloitte	Other	TOTAL	31/12/2011 *pro forma*	31/12/2011 reported
Independent audit, certification, review of separate and consolidated financial statements	16,673	13,069	1,437	240	181	858	32,458	33,991	37,051
Ancillary assignments and services directly linked to the mission of independent audit	3,947	4,614	26	75	84	15	8,761	10,039	10,304
TOTAL STATUTORY AUDITORS' FEES	**20,620**	**17,683**	**1,463**	**315**	**265**	**873**	**41,219**	**44,030**	**47,355**

4.7 Depreciation, amortisation and impairment of property, plant & equipment and intangible assets

(in millions of euros)	31/12/2012	31/12/2011 *pro forma*	31/12/2011 reported
Depreciation charges and amortisation	**(711)**	**(684)**	**(730)**
• property, plant and equipment	(440)	(434)	(464)
• intangible assets	(271)	(250)	(266)
Impairment losses (reversals)	**(10)**	**2**	**(4)**
• property, plant and equipment	(10)	1	-
• intangible assets	-	1	(4)
DEPRECIATION, AMORTISATION AND IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS	**(721)**	**(682)**	**(734)**

4.8 Cost of risk

(in millions of euros)	31/12/2012	31/12/2011 *pro forma*	31/12/2011 reported
Charge to provisions and impairment losses	**(5,858)**	**(5,744)**	**(7,313)**
Fixed income available-for-sale financial assets	(21)	(896)	(1,144)
Loans and receivables	(4,717)	(3,977)	(5,285)
Held-to-maturity financial assets	-	(190)	(190)
Other assets	(32)	(83)	(83)
Financing commitments	(183)	(168)	(168)
Risks and expenses	(905)	(430)	(443)
Reversal of provisions and impairment losses	**3,753**	**1,956**	**1,972**
Fixed income available-for-sale financial assets	1,101	38	40
Loans and receivables	2,214	1,448	1,448
Held-to-maturity financial assets	-	-	-
Other assets	4	81	81
Financing commitments	76	197	197
Risks and expenses	358	192	206
Net charge to reversal of impairment losses and provisions	**(2,105)**	**(3,788)**	**(5,341)**
Realised gains or losses on impaired fixed income available-for-sale financial assets	(1,145)	(31)	(34)
Bad debts written off – not provided for	(623)	(310)	(311)
Recoveries on bad debts written off	213	7	170
Discounts on restructured loans	(50)	(56)	(56)
Losses on financing commitments	-	(2)	(2)
Other losses	(26)	(72)	(83)
COST OF RISK	**(3,736)**	**(4,252)**	**(5,657)**

The costs incurred by the Greek debt restructuring had a -€53 million impact on the cost of risk at 31 December 2012 compared with -€1,326 million at 31 December 2011.

Disposals of CDOs and RMBS generated -€348 million in losses recognised under “Bad debts written off”, offset by €212 million in reversals of net collective provisions recognised under “Reversals of provisions on loans and receivables”.

4.9 Net gains (losses) on other assets

(in millions of euros)	31/12/2012	31/12/2011 *pro forma*	31/12/2011 reported
Property, plant & equipment and intangible assets used in operations	**134**	**(1)**	**8**
Gains on disposals	147	7	16
Losses on disposals	(13)	(8)	(8)
Consolidated equity investments	**54**	**2**	**1**
Gains on disposals	63	6	6
Losses on disposals	(9)	(4)	(5)
Net income (expense) on combinations	**-**	**(4)**	**(4)**
NET GAINS (LOSSES) ON OTHER ASSETS	**188**	**(3)**	**5**

4.10 Income tax charge (income)

INCOME TAX CHARGE

(in millions of euros)	31/12/2012	31/12/2011 *pro forma*	31/12/2011 reported
Current tax charge	(465)	173	177
Deferred tax charge	105	(1,058)	(1,203)
TAX CHARGE FOR THE PERIOD	**(360)**	**(885)**	**(1,026)**

RECONCILIATION OF THEORETICAL TAX RATE AND EFFECTIVE TAX RATE

At 31 December 2012

(in millions of euros)	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	729	36.10%	(263)
Impact of permanent differences [(1)]		9.03%	(66)
Impact of different tax rates on foreign subsidiaries		3.17%	(23)
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences		17.60%	(108)
Impact of reduced tax rate		(3.58%)	26
Impact of other items		(13.03%)	74
EFFECTIVE TAX RATE AND TAX CHARGE		**49.29%**	**(360)**

The theoretical tax rate is the tax rate applicable under ordinary law (including the additional social contribution and the exceptional contribution to corporate income tax) to taxable profits in France for the year ended 31 December 2012.

(1) Including -€128 million related to the new tax regulations for the insurance capitalisation reserve.

At 31 December 2011 *pro forma*

(in millions of euros)	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	2,738	36.10%	(988)
Impact of permanent differences		2.48%	(68)
Impact of different tax rates on foreign subsidiaries		0.26%	(7)
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences		0.29%	(8)
Impact of reduced tax rate		(8.84%)	242
Impact of other items		2.05%	(55)
EFFECTIVE TAX RATE AND TAX CHARGE		**32.34%**	**(885)**

At 31 December 2011 reported

(in millions of euros)	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	1,519	36.10%	(548)
Impact of permanent differences (1)		7.57%	(115)
Impact of different tax rates on foreign subsidiaries		12.38%	(188)
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences (2)		20.80%	(316)
Impact of reduced tax rate (3)		(5.66%)	86
Impact of other items (4)		(3.62%)	55
EFFECTIVE TAX RATE AND TAX CHARGE		**67.57%**	**(1,026)**

(1) Including -€51 million related to provisions for risks and expenses.

(2) Including -€208 million related to Emporiki.

(3) Including -€380 million related to non-activation and impairment of deferred taxes on non-deductible provisions for risks and expenses of Emporiki.

(4) Including €89 million related to the application of the affrancamento mechanism to the branch contributions for Cariparma and FriulAdria.

The theoretical tax rate is the tax rate applicable under ordinary law (including the additional social contribution) to taxable profits in France for the year ended 31 December 2011.

4.11 Change in other comprehensive income

Amounts below are reported net of tax.

(in millions of euros)	Other comprehensive income: Due to change in translation adjustments	Other comprehensive income: Change in fair value of available-for-sale financial assets [1]	Other comprehensive income: Change in fair value of hedging derivatives	Other comprehensive income: Actuarial gains or losses on post-employment benefits	Other comprehensive income	Share of other comprehensive income of equity-accounted entities
Change in fair value	-	2,747	115	-	2,862	
Reclassified to profit or loss [1]	-	516	2	-	518	
Change in translation adjustments	(88)	-	-	-	(88)	
Change in actuarial gains or losses on post-employment benefits	-	-	-	(168)	(168)	
Share of other comprehensive income of equity-accounted entities	(13)	179	(8)	(29)	129	129
Other comprehensive income for the 2012 financial year (Group share)	**(101)**	**3,442**	**109**	**(197)**	**3,253**	**129**
Other comprehensive income for the 2012 financial year (minority interests)	**(53)**	**197**	**4**	**(11)**	**137**	
TOTAL OTHER COMPREHENSIVE INCOME FOR THE 2012 FINANCIAL YEAR [2]	**(154)**	**3,639**	**113**	**(208)**	**3,390**	**129**
Change in fair value	-	(2,615)	169	-	(2,446)	
Reclassified to profit or loss [1]	-	842	5	-	847	
Change in translation adjustments	90	-	-	-	90	
Change in actuarial gains or losses on post-employment benefits	-	-	-	(4)	(4)	
Share of other comprehensive income of equity-accounted entities	37	(135)	42	6	(50)	(50)
Other comprehensive income for the 2011 financial year (Group share)	**127**	**(1,908)**	**216**	**2**	**(1,563)**	**(50)**
Other comprehensive income for the 2011 financial year (minority interests)	**106**	**(142)**	**8**		**(28)**	
TOTAL OTHER COMPREHENSIVE INCOME FOR THE 2011 FINANCIAL YEAR [2]	**233**	**(2,050)**	**224**	**2**	**(1,591)**	**(50)**

(1) In 2012 this amount included mainly recycling in the income statement of capital gains worth €0.2 billion, impairments of -€0.9 billion (see Note 4.4 Net gains or losses on available-for-sale financial assets) and a stake in policyholder participation of -€0.4 billion.

In 2011 this amount included mainly recycling in the income statement of capital gains worth -€0.8 billion (see Note 4.4 Net gains or losses on available-for-sale financial assets). Recycling in the income statement of impairment losses on equity investments worth €5.8 billion, a stake in policyholder participation of -€2.6 billion and taxes of -€1.3 billion.»

(2) Data for "Total gains and losses recognised in other comprehensive income for available-for-sale financial assets" is detailed below:

(in millions of euros)	31/12/2012	31/12/2011
Gross amount	4,896	(2,844)
Tax	(1,257)	794
NET TOTAL GAINS OR LOSSES	**3,639**	**(2,050)**

NOTE 5 Segment reporting

DEFINITION OF OPERATING SEGMENTS

According to IFRS 8, information disclosed is based on the internal reporting that is used by the Executive Committee to manage Crédit Agricole S.A., to assess performance and to make decisions about resources to be allocated to the identified operating segments.

Operating segments according to the internal reporting consist of the business lines of the Group.

Crédit Agricole S.A.'s activities are organised into seven operating segments:

- **Six business lines:**
  - French retail banking – Regional Banks,
  - French retail banking – LCL Network,
  - International retail banking,
  - Specialised financial services,
  - Asset management,
  - Corporate and investment banking;
- and **Corporate centre.**

PRESENTATION OF BUSINESS LINES

1. French retail banking – Regional Banks

This business line comprises the Regional Banks and their subsidiaries.

The Regional Banks provide banking services for individual customers, farmers, small businesses, corporates and local authorities, with a very strong local presence.

The Crédit Agricole Regional Banks provide a full range of banking and financial services, including savings products (money market, bonds, equity), life insurance, lending (particularly mortgage loans and consumer finance), and payment services. In addition to life insurance, they also provide a broad range of property and casualty and death & disability insurance.

2. French retail banking – LCL Network

This business line comprises the LCL branch network in France, which has a strong focus on urban areas and a segmented customer approach (individual customers, small businesses and small and medium-sized enterprises).

LCL offers a full range of banking products and services, together with asset management, insurance and wealth management products.

3. International retail banking

This business line encompasses foreign subsidiaries and investments – fully consolidated or equity-accounted entities – that are mainly involved in retail banking.

These subsidiaries and investments are mostly in Europe (Emporiki Bank in Greece, Cariparma, FriulAdria and Carispezia in Italy, Crédit Agricole Polska in Poland, Banco Espirito Santo in Portugal, Bankoa in Spain, Centea and Crédit Agricole Belge in Belgium, PJSC Crédit Agricole Bank in Ukraine, Crédit Agricole Banka Srbija a.d. Novi Sad in Serbia) and, to a lesser extent, in the Middle East and Africa (Crédit du Maroc and Crédit Agricole Egypt, etc.). The foreign subsidiaries in consumer finance, lease finance and factoring (subsidiaries of CA Consumer Finance, of Crédit Agricole Leasing & Factoring and EFL in Poland, etc.) are however not included in this division but are reported in the "Specialised financial services" segment.

4. "Specialised financial services"

Specialised financial services comprises the Group subsidiaries that provide banking products and services to individual customers, small businesses, corporates and local authorities in France and abroad. These include:

- consumer finance companies belonging to Crédit Agricole Consumer Finance in France and held through its subsidiaries or partnerships in countries other than France (Agos S.p.A., Forso, Credit-Plus, Ribank, Credibom, Dan Aktiv, Interbank Group, Emporiki Credicom, FGA Capital S.p.A.);
- specialised financial services for companies such as factoring and lease finance (Crédit Agricole Leasing & Factoring Group, EFL).

5. Asset management

This business line encompasses:

- the asset management activities of the Amundi group, offering savings solutions for individuals and investment solutions for institutions;
- investor services: CACEIS Bank for custody and CACEIS Fastnet for fund administration;
- personal insurance (Predica and Médicale de France in France and CA Vita in Italy);
- property & casualty insurance (Pacifica, and BES Seguros in Portugal);
- creditor insurance activities (conducted by Crédit Agricole Creditor Insurance);
- private banking activities conducted mainly by CA Indosuez Private Banking and by Crédit Agricole CIB subsidiaries (Crédit Agricole Suisse, Crédit Agricole Luxembourg and Crédit Foncier de Monaco, etc.).

6. Corporate and investment banking

In line with the new organisation of Corporate and investment banking, which stems from the adjustment plan established in the third quarter of 2012 (see the press release of 5 October 2012), Corporate and investment banking breaks down into three main business activities, for the most conducted by Crédit Agricole CIB:

- financing activities comprise traditional commercial banking and structured finance in France and abroad: project financing, aeronautical financing, maritime financing, acquisition financing, real estate financing, international trade;

- capital markets and investment activities bring together capital market activities (cash, foreign exchange, interest rate derivatives, debt markets and equity derivatives), investment banking (merger and acquisitions consulting and primary equity) and equity brokerage activities conducted by CA Cheuvreux and CLSA and future activities by Newedge;
- since the new organisation of Crédit Agricole CIB was established in the third quarter of 2012, following the adjustment plan, businesses in run-off now include the correlation business, the CDO, CLO and ABS portfolios, the equity derivatives excluding corporates and convertibles, the exotic rate derivatives, and the impaired portfolios of residential underlyings.

7. Corporate centre

This segment encompasses mainly Crédit Agricole S.A.'s central body function, asset and liability management and management of debt connected with acquisitions of subsidiaries or equity investments.

It also includes the results of the private equity business and results of various other Crédit Agricole S.A. Group's companies (Uni-Éditions, Foncaris, etc.).

This segment also includes the income from resource pooling companies, real-estate companies holding properties used in operations by several business lines and activities undergoing reorganisation.

Lastly, it also incorporates the net impact of tax consolidation for Crédit Agricole S.A.

5.1 Operating segment information

Transactions between operating segments are effected at arm's length.

Segment assets are calculated on the basis of accounting items comprising the balance sheet for each operating segment.

	31/12/2012							
	French Retail Banking							
(in millions of euros)	Regional Banks	LCL network	International retail banking	Specialised financial services	Savings management	Corporate and investment banking	Corporate centre[1]	Total
Revenues		3,891	2,472	3,445	5,160	3,188	(1,841)	16,315
Operating expenses		(2,522)	(1,707)	(1,601)	(2,401)	(2,890)	(916)	(12,037)
Gross operating income		**1,369**	**765**	**1,844**	**2,759**	**298**	**(2,757)**	**4,278**
Cost of risk [1]		(311)	(522)	(2,105)	(55)	(468)	(275)	(3,736)
Operating income		**1,058**	**243**	**(261)**	**2,704**	**(170)**	**(3,032)**	**542**
Share of net income of equity-accounted entities	824		(393)	19	10	165	(122)	503
Net gains (losses) on other assets		1	(3)		28	39	123	188
Change in value of goodwill			(1,066)	(1,495)		(834)		(3,395)
Pre-tax income	**824**	**1,059**	**(1,219)**	**(1,737)**	**2,742**	**(800)**	**(3,031)**	**(2,162)**
Income tax charge		(361)	(50)	(101)	(848)	146	854	(360)
Net income from discontinued or held-for-sale operations			(3,742)			(249)		(3,991)
Net income for the period	**824**	**698**	**(5,011)**	**(1,838)**	**1,894**	**(903)**	**(2,177)**	**(6,513)**
Minority interests		35	(131)	(225)	174	(23)	128	(42)
NET INCOME GROUP SHARE	**824**	**663**	**(4,880)**	**(1,613)**	**1,720**	**(880)**	**(2,305)**	**(6,471)**
Segment assets								
Of which investments in equity-accounted entities	15,071	-	1,246	210	86	1,367	581	18,561
Of which goodwill	-	5,263	2,018	1,615	4,539	476	72	13,983
TOTAL ASSETS	**8,580**	**115,394**	**71,259**	**107,453**	**390,294**	**1,022,900**	**126,481**	**1,842,361**

(1) The cost of risk of "Corporate centre" contains the provisions recognised by Crédit Agricole S.A. for the guarantees granted to its subsidiaries.

(in millions of euros)	French Retail Banking – Regional Banks	French Retail Banking – LCL network	International retail banking	Specialised financial services	Savings management	Corporate and investment banking	Corporate centre	Total
	31/12/2011 *pro forma*							
Revenues		3,822	2,380	3,926	5,243	4,859	(845)	19,385
Operating expenses		(2,497)	(1,568)	(1,744)	(2,508)	(3,095)	(981)	(12,393)
Gross operating income		**1,325**	**812**	**2,182**	**2,735**	**1,764**	**(1,826)**	**6,992**
Cost of risk		(286)	(441)	(1,606)	(1,075)	(503)	(341)	(4,252)
Operating income		**1,039**	**371**	**576**	**1,660**	**1,261**	**(2,167)**	**2,740**
Share of net income of equity-accounted entities	1,008	-	(911)	14	11	134	(26)	230
Net gains (losses) on other assets		1	(1)	-	(1)	1	(3)	(3)
Change in value of goodwill	-	-	(274)	(247)	-	(1,053)	(1)	(1,575)
Pre-tax income	**1,008**	**1,040**	**(815)**	**343**	**1,670**	**343**	**(2,197)**	**1,392**
Income tax charge	-	(330)	(84)	(242)	(620)	(405)	796	(885)
Net income from discontinued or held-for-sale operations		-	(1,610)	5	-	(92)	(8)	(1,705)
Net income for the period	**1,008**	**710**	**(2,509)**	**106**	**1,050**	**(154)**	**(1,409)**	**(1,198)**
Minority interests		35	(51)	15	99	(7)	181	272
NET INCOME GROUP SHARE	**1,008**	**675**	**(2,458)**	**91**	**951**	**(147)**	**(1,590)**	**(1,470)**
Segment assets								
Of which investments in equity-accounted entities	14,404	-	1,724	178	82	1,261	638	18,287
Of which goodwill	-	5,263	3,183	3,116	4,541	1,353	72	17,528
TOTAL ASSETS	**7,937**	**112,543**	**75,926**	**117,418**	**351,564**	**1,011,617**	**46,603**	**1,723,608**

(in millions of euros)	French Retail Banking – Regional Banks	French Retail Banking – LCL network	International retail banking	Specialised financial services	Savings management	Corporate and investment banking	Corporate centre (1)	Total
	31/12/2011 reported							
Revenues		3,822	3,068	3,926	5,243	5,436	(712)	20,783
Operating expenses		(2,497)	(2,104)	(1,744)	(2,508)	(3,784)	(975)	(13,612)
Gross operating income		**1,325**	**964**	**2,182**	**2,735**	**1,652**	**(1,687)**	**7,171**
Cost of risk (1)		(286)	(1,846)	(1,606)	(1,075)	(504)	(340)	(5,657)
Operating income		**1,039**	**(882)**	**576**	**1,660**	**1,148**	**(2,027)**	**1,514**
Share of net income of equity-accounted entities	1,008	-	(911)	14	11	133	(26)	229
Net gains (losses) on other assets		1	8	-	(1)	1	(4)	5
Change in value of goodwill	-	-	(634)	(247)	-	(1,053)		(1,934)
Pre-tax income	**1,008**	**1,040**	**(2,419)**	**343**	**1,670**	**229**	**(2,057)**	**(186)**
Income tax charge	-	(330)	(247)	(242)	(620)	(383)	796	(1,026)
Net income from discontinued or held-for-sale operations		-	14	5	-	-	(5)	14
Net income for the period	**1,008**	**710**	**(2,652)**	**106**	**1,050**	**(154)**	**(1,266)**	**(1,198)**
Minority interests		35	(51)	15	99	(7)	181	272
NET INCOME GROUP SHARE	**1,008**	**675**	**(2,601)**	**91**	**951**	**(147)**	**(1,447)**	**(1,470)**
Segment assets								
Of which investments in equity-accounted entities	14,404	-	1,724	178	82	1,261	638	18,287
Of which goodwill	-	5,263	3,183	3,116	4,541	1,353	72	17,528
TOTAL ASSETS	**7,937**	**112,543**	**75,926**	**117,418**	**351,564**	**1,011,617**	**46,603**	**1,723,608**

(1) *The cost of risk of "Corporate centre" contains the provisions recognised by Crédit Agricole S.A. for the guarantees granted to its subsidiaries (Crédit Agricole CIB, Emporiki and Emporiki Leasing).*

5.2 Segment information: geographical analysis

The geographical analysis of segment assets and results is based on the place where operations are booked for accounting purposes.

(in millions of euros)	31/12/2012				31/12/2011			
	Net income Group share	O/w revenues	Segment assets	of which goodwill	Net income Group share	O/w revenues	Segment assets	of which goodwill
France (including overseas departments and territories)	(477)	10,821	1,524,490	10,305	75	11,062	1,395,267	11,794
Other European Union countries	(6,025)	4,694	168,106	2,992	(2,334)	6,394	171,037	4,971
Other European countries	36	171	18,573	507	138	766	16,098	497
North America	(3)	168	82,604	27	251	923	83,299	27
Central and South America	(4)	7	268	22	(1)	58	88	23
Africa and Middle East	(4)	369	10,044	94	238	461	10,396	174
Asia-Pacific (ex. Japan)	13	30	16,679	-	187	921	27,877	2
Japan	(7)	55	21,597	36	(24)	198	19,546	40
TOTAL	**(6,471)**	**16,315**	**1,842,361**	**13,983**	**(1,470)**	**20,783**	**1,723,608**	**17,528**

5.3 Insurance specificities

GROSS INCOME FROM INSURANCE ACTIVITIES

(in millions of euros)	31/12/2012	31/12/2011
Premium written	22,563	24,345
Change in unearned premiums	(53)	(130)
Earned premiums	**22,510**	**24,215**
Other operating income	**184**	**29**
Investment income	7,784	8,567
Investment expenses	(375)	(315)
Gains (losses) on disposal of investments net of impairment and amortisation reversals	(331)	794
Change in fair value of investments at fair value through profit or loss	5,592	(3,161)
Change in impairment on investments	(331)	(6,164)
Investment income after expenses	**12,339**	**(279)**
Claims paid (1)	**(29,580)**	**(19,920)**
Income on business ceded to reinsurers	391	267
Expenses on business ceded to reinsurers	(507)	(458)
Net income (expense) on business ceded to reinsurers	**(116)**	**(191)**
Contract acquisition costs	(1,832)	(1,821)
Amortisation of investment securities and similar	(4)	(8)
Administration costs	(1,169)	(1,232)
Other current operating income (expense)	(607)	9
Other operating income (expense)	28	(1)
Operating income	**1,753**	**801**
Financing costs	(177)	(170)
Share of net income of associates	-	-
Income tax charge	(491)	(282)
Consolidated net income	**1,085**	**349**
Minority interests	**4**	**(49)**
NET INCOME GROUP SHARE	**1,081**	**398**

(1) *Including -€19.5 billion of cost of claims at 31 December 2012 (-€20 billion in 2011), -€0.4 billion of changes in the stake in policyholder participation at 31 December 2012 (€3.7 billion in 2011) and -€9.5 billion of changes in technical reserves at 31 December 2012 (-€3.7 billion in 2011).*

INSURANCE COMPANY INVESTMENTS

(in millions of euros)	31/12/2012 Carrying amount	31/12/2012 Gains recognised in other comprehensive income	31/12/2012 Losses recognised in other comprehensive income	31/12/2011 Carrying amount	31/12/2011 Gains recognised in other comprehensive income	31/12/2011 Losses recognised in other comprehensive income
Available-for-sale assets	**154,982**	**14,429**	**(2,395)**	**148,295**	**4,288**	**(7,884)**
Treasury bills and similar securities	11,918	426	(485)	26,287	107	(2,655)
Bonds and other fixed income securities	124,431	11,675	(1,301)	105,215	3,087	(3,223)
Equities and other equity variable-income securities	15,615	1,871	(552)	14,560	737	(1,927)
Non-consolidated equity investments	3,018	457	(57)	2,233	357	(79)

(in millions of euros)	31/12/2012 Carrying amount	31/12/2012 Market value	31/12/2011 Carrying amount	31/12/2011 Market value
Assets held to maturity	**14,602**	**17,474**	**15,322**	**16,886**
Bonds and other fixed income securities	3,162	3,906	3,187	3,595
Treasury bills and similar securities	11,440	13,568	12,135	13,291
Impairment	-	-	-	-
Loans and receivables	**8,503**	**8,936**	**7,360**	**7,352**
Investment properties	**2,968**	**5,106**	**2,494**	**4,507**

Carrying amount (in millions of euros)	31/12/2012	31/12/2011
Financial assets at fair value through profit or loss classified as held for trading and financial assets designated at fair value through profit or loss upon initial recognition	**67,110**	**62,830**
Assets backing unit-linked contracts [(1)]	33,433	40,372
Securities bought under repurchase agreements	-	-
Treasury bills and similar securities	5,726	4,755
Bonds and other fixed income securities	19,437	9,975
Equities and other equity variable-income securities	7,574	6,935
Derivative instruments	940	793

Carrying amount (in millions of euros)	31/12/2012	31/12/2011
Total insurance company investments	**248,165**	**236,301**

(1) Debt issues related to assets held by Group insurers on behalf of policyholders, included in unit-linked contracts, are eliminated at 31 December 2012 for €8,136 million.

5.4 French retail banking – Regional Banks

OPERATIONS AND CONTRIBUTION OF THE REGIONAL BANKS AND THEIR SUBSIDIARIES

(in millions of euros)	31/12/2012	31/12/2011
Revenues	**12,870**	**13,420**
Operating expenses	(7,652)	(7,377)
Gross operating income	**5,218**	**6,043**
Cost of risk	(853)	(1,008)
Operating income	**4,365**	**5,035**
Other income	15	5
Income tax charge	(1,808)	(1,748)
Adjusted aggregate net income of Regional Banks	**2,572**	**3,292**
Adjusted aggregate net income of Regional Banks' subsidiaries	**50**	**46**
Net aggregate income (100%)	**2,622**	**3,338**
Net aggregate income contributed before restatements	**674**	**854**
Increase in share of Regional Banks' net income [1]	161	162
Income from dilution/accretion on changes in share capital	(11)	(9)
Other consolidation restatements and eliminations	-	1
SHARE OF NET INCOME OF EQUITY-ACCOUNTED ENTITIES	**824**	**1,008**

(1) Including the difference between dividends actually paid by the Regional Banks to Crédit Agricole S.A. and dividends calculated on the basis of Crédit Agricole S.A.'s percentage ownership of the Regional Banks.

NOTE 6 Notes to the balance sheet

6.1 Cash due from central banks

	31/12/2012		31/12/2011	
(in millions of euros)	Assets	Liabilities	Assets	Liabilities
Cash	1,306		1,356	
Central banks	41,408	1,061	27,111	127
CARRYING AMOUNT	**42,714**	**1,061**	**28,467**	**127**

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

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(in millions of euros)	31/12/2012[1]	31/12/2011
Financial assets held for trading	550,160	447,075
Financial assets designated at fair value through profit or loss upon initial recognition	69,816	43,188
CARRYING AMOUNT	**619,976**	**490,263**
Of which lent securities	***435***	***720***

(1) Debt issues related to assets held by Group insurers on behalf of policyholders included in unit-linked contracts are eliminated at 31 December 2012 for €8,136 million (see Note 5.3 Insurance specifics).

Insurance business exposures to Ireland and France, at 31 December 2011 and which initially appeared in trading accounts, were reclassified at 31 December 2012 under asset accounts at fair value through profit or loss upon initial recognition (JVO) so as to reflect the actual method used to recognise these securities.

FINANCIAL ASSETS HELD FOR TRADING

(in millions of euros)	31/12/2012	31/12/2011
Loans and receivables to customers	253	263
Securities bought under repurchase agreements [1]	82,642	21,684
Securities held for trading	48,722	75,680
• Treasury bills and similar items	34,920	31,046
• Bonds and other fixed income securities	9,442	28,510
• Equities and other equity variable-income securities	4,360	16,124
Derivative instruments	418,543	349,448
CARRYING AMOUNT	**550,160**	**447,075**

(1) At 31 December 2011, securities bought under repurchase agreements recognised at the transaction date were recorded for their notional amount as counterpart to the sundry creditors' account for €2 billion; at 31 December 2012, these operations, which represented €22 billion, were recorded in "financing commitments given" between the transaction date and the settlement date.

Securities acquired under repurchase agreements include those that the entity is authorised to use as collateral.

FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS UPON INITIAL RECOGNITION

(in millions of euros)	31/12/2012	31/12/2011
Loans and receivables to customers	222	78
Assets backing unit-linked contracts [1]	33,433	40,372
Securities designated as at fair value through profit or loss upon initial recognition	36,161	2,738
• Treasury bills and similar items	5,726	3
• Bonds and other fixed income securities	21,819	1,691
• Equities and other equity variable-income securities	8,616	1,044
CARRYING AMOUNT	**69,816**	**43,188**

(1) Debt issues related to assets held by Group insurers on behalf of policyholders included in unit-linked contracts are eliminated at 31 December 2012 for €8,136 million.

FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

(in millions of euros)	31/12/2012 (1)	31/12/2011
Financial liabilities held for trading	572,537	439,680
Financial liabilities designated as at fair value upon initial recognition	-	-
CARRYING AMOUNT	**572,537**	**439,680**

(1) Exposures at 31 December 2011 to Ireland and France, initially shown in the trading accounts, were reclassified at 31 December 2012 in the accounts of assets at fair value through profit and loss upon initial recognition to reflect the real method for recognising these securities.

Revaluation adjustments related to the Group's issuer credit risk are measured using models based on the Group's refinancing conditions. They also take account of the residual term of the relevant liabilities. The revaluation of structured issues is based on the use of the issue spreads in force on the reporting date.

FINANCIAL LIABILITIES HELD FOR TRADING

(in millions of euros)	31/12/2012	31/12/2011
Securities sold short	32,503	26,259
Securities sold under repurchase agreements (1)	90,602	36,013
Debt securities	31,071	31,413
Derivative instruments	418,361	345,995
CARRYING AMOUNT	**572,537**	**439,680**

(1) At 31 December 2011, securities sold under repurchase agreements recognised at the transaction date were recorded for their notional amount as counterpart to the sundry debtors' account for €7 billion; at 31 December 2012, these operations, which represented €27 billion, were recorded in "financing commitments received" between the transaction date and the settlement date.

Detailed information on trading derivatives is provided in Note 3.2 on market risk, in particular with regard to interest rates.

6.3 Hedging derivative instruments

Detailed information is provided in Note 3.4 on cash flow and fair value hedges, and more particularly with respect to interest rates and foreign exchange rates.

6.4 Available-for-sale financial assets

(in millions of euros)	31/12/2012			31/12/2011		
	Fair value on balance sheet	Gains recognised in other comprehensive income	Losses recognised in other comprehensive income	Fair value on balance sheet	Gains recognised in other comprehensive income	Losses recognised in other comprehensive income
Treasury bills and similar securities	66,585	1,617	(1,771)	58,520	551	(4,303)
Bonds and other fixed income securities	170,993	12,318	(1,938)	147,555	3,359	(4,223)
Equities and other equity variable-income securities	16,413	2,028	(612)	15,468	841	(2,036)
Non-consolidated equity investments	5,665	965	(7)	5,569	905	(619)
Total available-for-sale securities	**259,656**	**16,928**	**(4,328)**	**227,112**	**5,656**	**(11,181)**
Available-for-sale receivables	23	-	-	278	-	-
Total available-for-sale receivables	**23**	**-**	**-**	**278**	**-**	**-**
Carrying amount of available-for-sale financial assets (1)	**259,679**	**16,928**	**(4,328)**	**227,390**	**5,656**	**(11,181)**
Income tax charge (income)		**(5,574)**	**1,489**		**(1,781)**	**3,536**
GAINS AND LOSSES ON AVAILABLE-FOR SALE FINANCIAL ASSETS RECOGNISED IN OTHER COMPREHENSIVE INCOME (NET OF INCOME TAX) (2)		**11,354**	**(2,839)**		**3,875**	**(7,645)**

(1) *The carrying amount of impaired available-for-sale debt securities is €318 million (€2,168 million at 31 December 2011) and the carrying amount of impaired net variable-income available-for-sale securities is €2,768 million (€2,737 million at 31 December 2011).*

(2) *At 31 December 2012, a net unrealised gain of €8,515 million (unrealised loss of -€3,770 million at 31 December 2011) is offset by the after-tax deferred profit-sharing liability of €6,896 million for Group insurance companies (€1,936 million at 31 December 2011); the balance of €1,619 million corresponds to net unrealised gains recognised in recyclable equity at 31 December 2012 (net unrealised loss of -€1,838 million at 31 December 2011).*

6.5 Loans and receivables to credit institutions and to customers

LOANS AND RECEIVABLES TO CREDIT INSTITUTIONS

(in millions of euros)	31/12/2012	31/12/2011
Credit institutions		
Loans and receivables	84,462	67,727
of which performing current accounts in debit	*24,431*	*23,940*
of which performing overnight accounts and advances	*18,483*	*10,873*
Pledged securities	240	285
Securities bought under repurchase agreements	30,780	36,196
Subordinated loans	409	394
Securities not traded in an active market	2,887	419
Other loans and receivables	112	157
Gross amount	**118,890**	**105,178**
Impairment	**(557)**	**(569)**
Net value of loans and receivables due to credit institutions	**118,333**	**104,609**
Crédit Agricole internal transactions		
Current accounts	2,227	1,979
Term deposits and advances	265,007	273,253
Subordinated loans	-	-
Securities not traded in an active market	-	-
Net value of loans and receivables within Crédit Agricole	**267,234**	**275,232**
CARRYING AMOUNT	**385,567**	**379,841**

LOANS AND RECEIVABLES TO CUSTOMERS

(in millions of euros)	31/12/2012	31/12/2011
Loans and receivables to customers		
Trade receivables	13,921	13,794
Other customer loans	269,877	297,260
Securities bought under repurchase agreements	16,718	53,327
Subordinated loans	216	697
Securities not traded in an active market	5,486	10,679
Insurance receivables	1,312	1,353
Reinsurance receivables	203	267
Advances in associates current accounts	328	366
Current accounts in debit	16,721	19,031
Gross amount	**324,782**	**396,774**
Impairment	**(11,681)**	**(15,895)**
Net value of loans and receivables due to customers	**313,101**	**380,879**
Finance Leases		
Property leasing	7,510	7,973
Equipment leases, operating leases and similar transactions	9,720	11,070
Gross amount	**17,230**	**19,043**
Impairment	**(575)**	**(541)**
NET VALUE OF LEASE FINANCING OPERATIONS	**16,655**	**18,502**
CARRYING AMOUNT	**329,756**	**399,381**

6.6 Transferred assets not derecognised or derecognised with ongoing involvement

TRANSFERRED ASSETS NOT FULLY DERECOGNISED

	Assets transferred, but				
	Assets transferred,				
	Assets transferred				
Nature of assets transferred	Carrying amount	O/w securitisation (non-deconsolidating)	O/w securities sold/bought under Repurchase agreements	Other [(1)]	Fair value*
Held for trading	**24,546**	**-**	**24,503**	**43**	**24,546**
Equity instruments	1,189	-	1,146	43	1,189
Debt securities	23,357	-	23,357	-	23,357
Loans and receivables	-	-	-	-	-
Designated as at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**
Equity instruments	-	-	-	-	-
Debt securities	-	-	-	-	-
Loans and receivables	-	-	-	-	-
Available-for-sale	**12,954**	**-**	**8,891**	**4,063**	**13,197**
Equity instruments	1,423	-	-	1,423	1,423
Debt securities	11,531	-	8,891	2,640	11,774
Loans and receivables	-	-	-	-	-
Loans and receivables	**16,850**	**15,678**	**651**	**521**	**16,929**
Debt securities	10,921	9,749	651	521	10,921
Loans and receivables	5,929	5,929	-	-	6,008
Held-to-maturity	**-**	**-**	**-**	**-**	**-**
Debt securities	-	-	-	-	-
Loans and receivables	-	-	-	-	-
Total financial assets	**54,350**	**15,678**	**34,045**	**4,627**	**54,672**
Finance leases	**-**	**-**	**-**	**-**	**-**
TOTAL ASSETS TRANSFERRED	**54,350**	**15,678**	**34,045**	**4,627**	**54,672**

* *When the "counterparty (counterparties) to the associated liabilities has (have) recourse only to the transferred assets" (IFRS 7.42D.(d))*

(1) *Including securities lending without cash collateral.*

not fully derecognised								
but still fully recognised						Assets transferred, but recognised to the extent of the entity's continuing involvement		
Associated liabilities					Assets and associated liabilities			
Carrying amount	O/w securitisation (non-deconsolidating)	O/w securities sold/bought under Repurchase agreements	Other	Fair value*	Net fair value*	Initial total carrying amount of assets prior to transfer	Carrying amount of asset still recognised (continuing involvement)	Carrying amount of associated liabilities
24,546	**-**	**24,503**	**43**	**24,546**	**-**	**-**	**-**	**-**
1,189	-	1,146	43	1,189	-	-	-	-
23,357	-	23,357	-	23,357	-	-	-	-
-	-	-	-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
9,532	**-**	**8,574**	**958**	**9,532**	**3,665**	**-**	**-**	**-**
958	-	-	958	958	465	-	-	-
8,574	-	8,574	-	8,574	3,200	-	-	-
-	-	-	-	-	-	-	-	-
16,329	**15,438**	**891**	**-**	**16,346**	**583**	**-**	**-**	**-**
10,400	9,749	651	-	10,338	583	-	-	-
5,929	5,689	240	-	6,008	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
50,407	**15,438**	**33,968**	**1,001**	**50,424**	**4,248**	**-**	**-**	**-**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
50,407	**15,438**	**33,968**	**1,001**	**50,424**	**4,248**	**-**	**-**	**-**

6.7 Impairment deducted from financial assets

(in millions of euros)	31/12/2011	Changes in scope	Depreciation charges	Reversals and utilisations	Translation adjustment	Transfers in non-current assets held for sale	Other movements	31/12/2012
Loans and receivables to credit institutions	568	-	10	(11)	(10)		(0)	556
Loans and receivables to customers	15,895	(5)	4,965	(5,097)	(12)	(4,104)	38	11,681
of which collective impairment	*3,541*	-	*735*	*(1,165)*	*(17)*	*(210)*	*(20)*	*2,864*
Lease financing operations	542	-	287	(256)	1		1	575
Securities held to maturity	57	-	-	(57)	-		0	0
Available-for-sale financial assets (1)	7,515	25	851	(5,844)	95	(349)	(23)	2,270
Other financial assets	125	(0)	35	(29)	(8)		5	127
TOTAL IMPAIRMENTS OF FINANCIAL ASSETS	**24,702**	**20**	**6,148**	**(11,293)**	**65**	**(4,453)**	**20**	**15,210**

(1) *Reversals and utilisations of sustainable impairments on available-for-sale assets concern mainly impairments on Greek government securities recorded in insurance activities.*

(in millions of euros)	31/12/2010	Changes in scope	Depreciation charges	Reversals and utilisations	Translation adjustment	Other movements	31/12/2011
Loans and receivables to credit institutions	555	-	37	(40)	16	-	568
Loans and receivables to customers (1)	13,709	71	4,977	(2,921)	51	8	15,895
of which collective impairment	*3,250*	*19*	*461*	*(271)*	*74*	*8*	*3,541*
Finance Leases (2)	309	-	454	(211)	(1)	(9)	542
Securities held to maturity(3)	-	-	745	-	-	(688)	57
Available-for-sale financial assets(4)	1,656	(1)	5,625	(450)	7	678	7,515
Other financial assets	133	1	97	(101)	(5)	-	125
TOTAL IMPAIRMENTS OF FINANCIAL ASSETS	**16,362**	**71**	**11,935**	**(3,723)**	**68**	**(11)**	**24,702**

Changes in scope

(1) *The €71 million under "Changes in Scope" essentially includes Carispezia for €64 million and new branches with Cariparma for €7 million.*

Depreciation charges

(3) and (4) Including impairments on Greek government debt under the Greek bailout plan, which are recognised primarily in insurance businesses and partially offset by a reversal of provisions in insurance technical reserves recognised in liabilities.

(4) *The assessment of the need to record permanent impairment losses on equity securities classified as available-for-sale financial assets, beyond the impairment criteria defined in the Accounting policies and principles (see Note 1.3 Registration Document at 31 December 2011), led to the recognition of €185 million in such losses (before applying the policyholder profit sharing mechanism specific to the insurance business).*

Reversals and utilisations

(4) *Reversals and utilisations of provisions on available-for-sale financial assets essentially refer to full or partial sales of available-for-sale asset securities or UCITS.*

Other movements

(1) *Including €4 million of reclassifications as assets at Crédit Agricole Leasing & Factoring.*

(2) *Including mainly a transfer of €9.5 million to fixed assets at Crédit Agricole Leasing & Factoring.*

(3) *Transfer from held-to-maturity securities to available-for-sale asset securities of -€688 million of sovereign debt in insurance activities.*

(4) *Including mainly the transfer of €688 million of held-to-maturity to available-for-sale asset securities and -€18 million transferred between the outstanding amount and the impairment of CA Vita securities portfolio.*

6.8 Exposure to sovereign and non-sovereign risk in European countries under watch

Given the economic climate confirming the difficulties that some countries in the Eurozone face in controlling their finances, the exposure of the entity to European countries is presented below.

EXPOSURE TO SOVEREIGN RISK IN GREECE, IRELAND, PORTUGAL, ITALY, SPAIN, CYPRUS AND HUNGARY.

Exposures to sovereign risk in Cyprus and Hungary were immaterial at 31 December 2011 and 31 December 2012.

The scope of sovereign exposures recorded covers exposures to Government, but does not include local authorities.

Exposure to sovereign debt corresponds to an exposure net of impairment (carrying amount) and gross and net of hedging.

Banking activity

	Net exposure Banking activity net of impairment							
	Including banking portfolio							
31/12/2012 *(in millions of euros)*	Held-to-maturity financial assets	Available-for-sale financial assets	Financial assets at fair value through profit or loss	Loans and receivables*	Including trading book (excluding derivatives)	Total Banking activity Before hedging	Hedging** Available-for sale financial assets	Total Banking activity After hedging
Greece	-	-	-	-	-	-	-	-
Ireland	-	96	-	-	-	96	-	96
Portugal	-	146	-	1	27	174	(3)	171
Italy	-	4,252	8	173	47	4,480	(375)	4,105
Spain	-	-	-	-	61	61	-	61
TOTAL (1)	**-**	**4,494**	**8**	**174**	**135**	**4,811**	**(378)**	**4,433**

* Excluding deferred tax assets.

** No hedging on financial assets held-to-maturity and on trading.

(1) The exposure at 31 December 2012 does not include entities reclassified pursuant to IFRS 5.

	Net exposure Banking activity net of impairment							
	Including banking portfolio							
31/12/2011 *(in millions of euros)* (1)	Held-to-maturity financial assets	Available-for-sale financial assets	Financial assets at fair value through profit or loss	Loans and receivables*	Including trading book (excluding derivatives)	Total Banking activity Before hedging	Hedging** Available-for-sale financial assets	Total Banking activity After hedging
Greece (2)	-	111	-	-	1	112	-	112
Ireland	-	146	-	-	-	146	(6)	140
Portugal	-	589	-	18	8	615	(14)	601
Italy	-	3,567	-	192	128	3,887	(246)	3,641
Spain	-	48	-	-	-	48	-	48
TOTAL	**-**	**4,461**	**-**	**210**	**137**	**4,808**	**(266)**	**4,542**

* Excluding deferred tax assets.

** No hedging on financial assets held-to-maturity and on trading.

(1) The exposure at 31 December 2011 was restated i) for an exposure to Spanish local authorities totalling -€124 million (non-sovereign exposure) and ii) for an exposure to Italy totalling -€10 million.

(2) At 31 December 2011, Emporiki's exposures to Greece totalled €107 million in Available-for-sale financial assets and €1 million in the Trading book (excluding derivatives).

Crédit Agricole S.A. Group insurance companies

For insurance activity, exposure to sovereign debt is presented as a value net of impairment and corresponds to an exposure before application of sharing mechanisms between insurer and policyholder specific to life insurance.

31/12/2012 *(in millions of euros)*	Gross exposures Insurance activity (1)
Greece	-
Ireland	1,045
Portugal	1,560
Italy	4,387
Spain	979
TOTAL EXPOSURE	**7,971**

31/12/2011 *(in millions of euros)*	Gross exposures Insurance activity (1)
Greece	1,890
Ireland	1,309
Portugal	1,870
Italy	7,078
Spain	3,155
TOTAL EXPOSURE	**15,302**

(1) Gross exposure means the value of securities in the balance sheet before sharing mechanism between policyholders and insurers.

At 31 December 2011, Greek sovereign bonds were valued using an internal valuation model (level 3 mark to model) based on a 30% weighting of the market price at 31 December 2011 and a 70% weighting of the valuation based on macroeconomic assumptions (debt/GDP target ratio, completion of the privatisation programme, investment by the various creditors of the Greek government, etc.). At 31 December 2011, Greek bonds were valued, irrespective of their maturity, with an average discount of 74%, *i.e.* an impairment net of profit-sharing mechanisms of policyholders specific to life insurance, of €1,326 million.

TREATMENT OF THE EXCHANGE OF GREEK BONDS HELD BY PRIVATE CREDITORS

In exchange for old bonds regulated under Greek law, participants received new Greek bonds, EFSF bonds and "zero coupon" bonds to finance interest accrued on the old bonds.

The exchange transaction can be analysed as a disposal followed by an acquisition: the opening carrying amount of the new bonds issued by the Greek State corresponds to their fair value on the date of the exchange. EFSF bonds are recognised at 100% of their par value.

Overall, the transaction generated a 77% loss on the portfolio put up for exchange. Consequently, the impact on cost of risk of the implementation of the PSI was a charge of €53 million for the insurance business. For Emporiki, the impact of the PSI, *i.e.* €25 million, and the €320 million impairment of corporate portfolios guaranteed by the Greek State included within the final scope of the exchange offer, were reclassified under Net income from discontinued operations.

The Group's policy of disengaging from exposure to Greek sovereign debt led the Insurance business and Emporiki to sell off their entire portfolio at 31 December 2012.

SOVEREIGN DEBT BANKING AND INSURANCE ACTIVITIES – MATURITY GROSS OF HEDGING

Gross exposure *(in millions of euros)*	Residual maturities	Bank (banking book) 31/12/2012	Bank (banking book) 31/12/2011 [1]	Insurance 31/12/2012	Insurance 31/12/2011
Greece [2]	One year	-	6	-	12
	Two years	-	-	-	31
	Three years	-	-	-	22
	Five years	-	102	-	29
	Ten years	-	-	-	876
	Over ten years	-	3	-	920
	Total	**-**	**111**	**-**	**1,890**
Ireland	One year	-	-	19	-
	Two years	96	-	-	37
	Three years	-	146	-	19
	Five years	-	-	-	6
	Ten years	-	-	1,018	992
	Over ten years	-	-	8	237
	Total	**96**	**146**	**1,045**	**1,291**
Portugal	One year	147	480	3	671
	Two years	-	127	3	99
	Three years	-	-	4	35
	Five years	-	-	110	27
	Ten years	-	-	21	175
	Over ten years	-	-	1,419	863
	Total	**147**	**607**	**1,560**	**1,870**
Italy	One year	217	192	235	123
	Two years	92	35	342	157
	Three years	277	87	372	428
	Five years	1,343	426	644	881
	Ten years	1,199	1,961	1,206	4,224
	Over ten years	1,305	1,058	1,588	1,265
	Total	**4,433**	**3,759**	**4,387**	**7,078**
Spain	One year	-	48	-	3
	Two years	-	-	-	1
	Three years	-	-	-	1,017
	Five years	-	-	-	30
	Ten years	-	-	1	120
	Over ten years	-	-	978	1,984
	Total	**-**	**48**	**979**	**3,155**
TOTAL [3]		**4,676**	**4,671**	**7,971**	**15,284**

(1) The exposure at 31 December 2011 was restated i) for an exposure to Spanish local authorities totalling -€124 million (non-sovereign exposure) and ii) for an exposure to Italy totalling -€10 million.

(2) At 31 December 2011, Emporiki's exposures to Greece totalled €2 million in one year, €102 million in five years and €3 million in over ten years.

(3) The exposure at 31 December 2012 does not include entities reclassified pursuant to IFRS 5.

SOVEREIGN DEBT BANKING ACTIVITY - CHANGES FROM 31 DECEMBER 2011 TO 31 DECEMBER 2012

Changes in exposures before hedging *(in millions of euros)*	Outstanding at 31/12/2011 [1]	Change in fair value	Recycling of available-for-sale reserves	Accrued interest	Maturity dates	Disposals net of reversals of provisions	Acquisitions	Outstanding at 31/12/2012
Greece	-	-	-	-	-	-	-	-
Ireland	-	-	-	-	-	-	-	-
Portugal	-	-	-	-	-	-	-	-
Italy	-	-	-	-	-	-	-	-
Spain	-	-	-	-	-	-	-	-
Held-to-maturity financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Greece[2]	111	(7)	(8)	(1)	-	(153)	58	-
Ireland	146	7	-	3	-	(60)	-	96
Portugal	589	30	-	10	(483)	-	-	146
Italy [1]	3,567	667	-	17	-	(1)	2	4,252
Spain	48	-	-	-	(45)	(3)	-	-
Available-for-sale financial assets	**4,461**	**697**	**(8)**	**29**	**(528)**	**(217)**	**60**	**4,494**
Greece	-	-	-	-	-	-	-	-
Ireland	-	-	-	-	-	-	-	-
Portugal	-	-	-	-	-	-	-	-
Italy	-	2	-	-	-	(1)	7	8
Spain	-	(37)	-	-	-	(1)	38	-
Financial assets at fair value through profit or loss	**-**	**(35)**	**-**	**-**	**-**	**(2)**	**45**	**8**
Greece	-	-	-	-	-	-	-	-
Ireland	-	-	-	-	-	-	-	-
Portugal	18	-	-	-	(13)	(4)	-	1
Italy	192	-	-	-	(1)	(192)	174	173
Spain [1]	-	-	-	-	-	-	-	-
Loans and receivables	**210**	**-**	**-**	**-**	**(14)**	**(196)**	**174**	**174**
Greece	1	(1)	-	-	-	-	-	-
Ireland	-	-	-	-	-	-	-	-
Portugal	8	(8)	-	-	-	(17)	44	27
Italy	128	-	-	-	-	(386)	305	47
Spain	-	24	-	-	-	(75)	112	61
Book portfolio (excluding derivatives)	**137**	**15**	**-**	**-**	**-**	**(478)**	**461**	**135**
TOTAL BANKING ACTIVITY	**4,808**	**677**	**(8)**	**29**	**(542)**	**(893)**	**740**	**4,811**

(1) *The exposure at 31 December 2011 was restated i) for an exposure to Spanish local authorities totalling -124 million (non-sovereign exposure) and ii) for an exposure to Italy totalling -10 million.*

(2) *At 31 December 2011, Emporiki's exposures to Greece totalled 107 million in Available-for-sale financial assets and 1 million in the Trading book (excluding derivatives). In 2012, on Available-for-sale financial assets this broke down into a change in fair value of -7 million, -8 million in recycling of available-for-sale reserves, -1 million in accrued interest, -149 million in disposals net of reversals of provisions and 58 million in acquisitions. In the Trading book (excluding derivatives) it represented a change in fair value of -1 million.*

SOVEREIGN DEBT INSURANCE ACTIVITY – CHANGES FROM 31 DECEMBER 2011 TO 31 DECEMBER 2012

Changes in exposures before hedging *(in millions of euros)*	Outstanding at 31/12/2011	Change in fair value	Recycling of available-for-sale reserves	Accrued interest	Maturity dates	Disposals net of reversals of provisions	Acquisitions	Outstanding at 31/12/2012
Greece	1,890	(138)	144	(137)	-	(2,273)	514	-
Ireland	1,309	319	(6)	(17)	-	(567)	7	1,045
Portugal	1,870	640	48	(19)	(2)	(993)	16	1,560
Italy	7,078	1,119	129	(39)	(52)	(3,961)	113	4,387
Spain	3,155	(52)	119	(67)	-	(2,193)	17	979
TOTAL INSURANCE ACTIVITY	**15,302**	**1,888**	**434**	**(279)**	**(54)**	**(9,987)**	**667**	**7,971**

EXPOSURE TO NON-SOVEREIGN RISK IN GREECE, IRELAND, PORTUGAL, ITALY, SPAIN, CYPRUS AND HUNGARY

Crédit Agricole S.A. Group's risk to non-sovereign risk in European countries under supervision is shown below. It involves portfolios of debt instruments and loans and receivables to customers and credit institutions. Exposures held for trading and off-balance sheet commitments are not included in this analysis. Breakdown by country is by counterparty risk country.

Banking activity - Credit risk

	31/12/2012					31/12/2011
(in millions of euros)	Gross outstanding loans	Of which impaired outstanding loans	Individual and collective impairment	Rate of provisioning of gross outstanding	Net outstanding loans	Net outstanding loans
Greece (including Cyprus)	**4,369**	**572**	**254**	**5.81%**	**4,115**	**22,895**
Banks	*68*	*-*	*-*	*0.00%*	*68*	*276*
Retail customers	*703*	*212*	*118*	*16.79%*	*585*	*9,650*
Companies and Large Companies, excluding semi-public	*3,598*	*360*	*136*	*3.78%*	*3,462*	*11,824*
Companies and Large Companies, semi-public	*-*	*-*	*-*		*-*	*1,043*
Local authorities	*-*	*-*	*-*		*-*	*102*
Ireland	**2,134**	**11**	**7**	**0.33%**	**2,127**	**2,101**
Banks	*11*	*-*	*-*	*0.00%*	*11*	*11*
Retail customers	*2*	*-*	*-*	*0.00%*	*2*	*4*
Companies and Large Companies, excluding semi-public	*2,121*	*11*	*7*	*0.33%*	*2,114*	*2,086*
Companies and Large Companies, semi-public	*-*	*-*	*-*		*-*	*-*
Local authorities	*-*	*-*	*-*		*-*	*-*
Italy	**65,854**	**6,381**	**3,931**	**5.97%**	**61,923**	**66,970**
Banks	*1,195*	*-*	*-*	*0.00%*	*1,195*	*2,605*
Retail customers	*43,917*	*4,888*	*3,248*	*7.40%*	*40,669*	*42,746*
Companies and Large Companies, excluding semi-public	*19,827*	*1,274*	*574*	*2.90%*	*19,253*	*20,631*
Companies and Large Companies, semi-public	*218*	*32*	*21*	*9.63%*	*197*	*183*
Local authorities	*697*	*187*	*88*	*12.63%*	*609*	*805*
Spain	**5,783**	**355**	**366**	**6.33%**	**5,417**	**6,750**
Banks	*274*	*-*	*-*	*0.00%*	*274*	*196*
Retail customers	*485*	*37*	*27*	*5.57%*	*458*	*700*
Companies and Large Companies, excluding semi-public	*4,633*	*310*	*335*	*7.23%*	*4,298*	*5,316*
Companies and Large Companies, semi-public						*-*
Local authorities	*391*	*8*	*4*	*1.02%*	*387*	*538*
Portugal	**1,723**	**263**	**141**	**8.18%**	**1,582**	**1,791**
Banks	*15*	*-*	*-*	*0.00%*	*15*	*47*
Retail customers	*1,330*	*224*	*114*	*8.57%*	*1,216*	*1,355*
Companies and Large Companies, excluding semi-public	*378*	*39*	*27*	*7.14%*	*351*	*389*
Companies and Large Companies, semi-public	*-*	*-*	*-*		*-*	*-*
Local authorities	*-*	*-*	*-*		*-*	*-*
Hungary	**264**	**-**	**-**	**0.00%**	**264**	**495**
Banks	*25*	*-*	*-*	*0.00%*	*25*	*94*
Retail customers	*1*	*-*	*-*	*0.00%*	*1*	*1*
Companies and Large Companies, excluding semi-public	*212*	*-*	*-*	*0.00%*	*212*	*352*
Companies and Large Companies, semi-public	*26*	*-*	*-*	*0.00%*	*26*	*21*
Local authorities	*-*	*-*	*-*		*-*	*27*
TOTAL (1) (2)	**80,127**	**7,582**	**4,699**	**5.86%**	**75,428**	**101,002**

(1) Exposure at 31 December 2012 does not take account of entities reclassified under IFRS 5. At 31 December 2011, Emporiki's exposure was €19.6 billion.

(2) Exposure at 31 December 2011 has been restated in relation to the publication of 30 June 2012.

Banking activity - Debt instruments

The amounts shown include the carrying amount of debt instruments classed as Available-for-sale financial assets and Held-to-maturity financial assets.

(in millions of euros)	31/12/2012 Exposure to bonds net of impairment	31/12/2012 Exposure to other debt instruments net of impairment	31/12/2012 Net exposure of debt instruments	31/12/2011 Net exposure of debt instruments
Greece (including Cyprus)	**-**	**-**	**-**	**408**
Banks	*-*	*-*	*-*	*129*
Retail customers	*-*	*-*	*-*	*-*
Companies and Large Companies, excluding semi-public	*-*	*-*	*-*	*279*
Companies and Large Companies, semi-public	*-*	*-*	*-*	*-*
Local authorities	*-*	*-*	*-*	*-*
Ireland	**36**	**-**	**36**	**114**
Banks	*1*	*-*	*1*	*77*
Retail customers	*-*	*-*	*-*	*-*
Companies and Large Companies, excluding semi-public	*4*	*-*	*4*	*6*
Companies and Large Companies, semi-public	*-*	*-*	*-*	*-*
Local authorities	*31*	*-*	*31*	*31*
Italy	**1,634**	**-**	**1,634**	**2,606**
Banks	*1,345*	*-*	*1,345*	*2,219*
Retail customers	*-*	*-*	*-*	*-*
Companies and Large Companies, excluding semi-public	*172*	*-*	*172*	*387*
Companies and Large Companies, semi-public	*117*	*-*	*117*	*-*
Local authorities	*-*	*-*	*-*	*-*
Spain	**1,228**	**-**	**1,228**	**2,826**
Banks	*1,101*	*-*	*1,101*	*2,752*
Retail customers	*-*	*-*	*-*	*-*
Companies and Large Companies, excluding semi-public	*127*	*-*	*127*	*74*
Companies and Large Companies, semi-public	*-*	*-*	*-*	*-*
Local authorities	*-*	*-*	*-*	*-*
Portugal	**284**	**-**	**284**	**673**
Banks	*192*	*-*	*192*	*607*
Retail customers	*-*	*-*	*-*	*-*
Companies and Large Companies, excluding semi-public	*92*	*-*	*92*	*-*
Companies and Large Companies, semi-public	*-*	*-*	*-*	*66*
Local authorities	*-*	*-*	*-*	*-*
Hungary	**-**	**-**	**-**	**-**
Banks	*-*	*-*	*-*	*-*
Retail customers	*-*	*-*	*-*	*-*
Companies and Large Companies, excluding semi-public	*-*	*-*	*-*	*-*
Companies and Large Companies, semi-public	*-*	*-*	*-*	*-*
Local authorities	*-*	*-*	*-*	*-*
TOTAL[(1)(2)]	**3,182**	**-**	**3,182**	**6,627**

(1) Exposure at 31 December 2012 does not take account of entities reclassified under IFRS 5. At 31 December 2011, Emporiki's exposure was €0.4 billion.

(2) Exposure at 31 December 2011 has been restated in relation to the publication of 30 June 2012.

Insurance activity - Debt instruments

The amounts shown include the carrying amount of debt instruments classed as Available-for-sale financial assets and Held-to-maturity financial assets.

	31/12/2012			31/12/2011
(in millions of euros)	Exposure to bonds net of impairment	Exposure to other debt instruments net of impairment	Net exposure of debt instruments	Net exposure of debt instruments
Greece (including Cyprus)	**-**	**-**	**-**	**-**
Banks	-	-	-	-
Retail customers	-	-	-	-
Companies and Large Companies, excluding semi-public	-	-	-	-
Companies and Large Companies, semi-public	-	-	-	-
Local authorities	-	-	-	-
Ireland	**332**	**-**	**332**	**338**
Banks	*330*	-	*330*	*333*
Retail customers	-	-	-	-
Companies and Large Companies, excluding semi-public	*2*	-	*2*	*5*
Companies and Large Companies, semi-public	-	-	-	-
Local authorities	-	-	-	-
Italy	**3,660**	**-**	**3,660**	**3,546**
Banks	*1,760*	-	*1,760*	*1,794*
Retail customers	-	-	-	-
Companies and Large Companies, excluding semi-public	*1,900*	-	*1,900*	*1,492*
Companies and Large Companies, semi-public	-	-	-	*260*
Local authorities	-	-	-	-
Spain	**3,923**	**-**	**3,923**	**3,928**
Banks	*2,057*	-	*2,057*	*1,932*
Retail customers	-	-	-	-
Companies and Large Companies, excluding semi-public	*1,495*	-	*1,495*	*1,383*
Companies and Large Companies, semi-public	*155*	-	*155*	*402*
Local authorities	*216*	-	*216*	*211*
Portugal	**541**	**-**	**541**	**416**
Banks	*472*	-	*472*	*361*
Retail customers	-	-	-	-
Companies and Large Companies, excluding semi-public	*69*	-	*69*	*55*
Companies and Large Companies, semi-public	-	-	-	-
Local authorities	-	-	-	-
Hungary	**3**	**-**	**3**	**-**
Banks	-	-	-	-
Retail customers	-	-	-	-
Companies and Large Companies, excluding semi-public	*3*	-	*3*	-
Companies and Large Companies, semi-public	-	-	-	-
Local authorities	-	-	-	-
TOTAL[(1)]	**8,459**	**-**	**8,459**	**8,228**

(1) Exposure at 31 December 2011 has been restated in relation to the publication of 30 June 2012.

6.9 Due to credit institutions and to customers

DUE TO CREDIT INSTITUTIONS

(in millions of euros)	31/12/2012	31/12/2011
Credit institutions		
Accounts and overdrafts:	88,263	92,204
of which current accounts in credit	*15,298*	*12,294*
of which daylight overdrafts and accounts	*5,937*	*3,314*
Pledged securities (1)		12,195
Securities sold under repurchase agreements	22,320	23,298
TOTAL	**110,583**	**127,697**
Crédit Agricole internal transactions		
Current accounts in credit	2,044	3,098
Term deposits and advances	48,024	41,870
Total	**50,068**	**44,968**
CARRYING AMOUNT	**160,651**	**172,665**

(1) Reclassification of promissory notes in favour of the "Caisse de Refinancement à l'Habitat" from "Due to credit institutions" to "Debt securities".

DUE TO CUSTOMERS

(in millions of euros)	31/12/2012	31/12/2011
Current accounts in credit	121,179	121,610
Special savings accounts	226,294	221,644
Other amounts due to customers	113,006	108,035
Securities sold under repurchase agreements	21,476	72,018
Direct insurance liabilities	745	1,428
Payables arising from reinsurance transactions	380	414
Cash deposits received from cedants and retrocessionaires against technical insurance commitments	558	486
CARRYING AMOUNT	**483,638**	**525,636**

6.10 Held-to-maturity financial assets

(in millions of euros)	31/12/2012	31/12/2011
Treasury bills and similar securities	11,440	12,191
Bonds and other fixed income securities	3,162	3,209
Total	**14,602**	**15,400**
Impairment	**-**	**(57)**
CARRYING AMOUNT	**14,602**	**15,343**

6.11 Debt securities and subordinated debt

(in millions of euros)	31/12/2012	31/12/2011
Debt securities		
Interest bearing notes	198	298
Money-market instruments [(1)]	20,591	6,006
Negotiable debt securities	48,938	59,961
Bonds [(2)]	76,699	78,193
Other debt securities	3,964	3,862
CARRYING AMOUNT	**150,390**	**148,320**
Subordinated debt		
Fixed-term subordinated debt [(3)]	19,725	21,304
Perpetual subordinated debt [(4)]	9,975	12,170
Mutual security deposits	136	128
Participating securities and loans	144	180
CARRYING AMOUNT	**29,980**	**33,782**

(1) *Reclassification of promissory notes in favour of the "Caisse de Refinancement à l'Habitat" from "Due to credit institutions" to "Debt securities". At 31 December 2012 the amount stood at €14.6 billion.*

(2) *At 31 December 2011, debt issues related to assets held by Group insurers on behalf of policyholders included in unit-linked contracts are not eliminated. Includes issues of* covered bonds.

(3) *Includes issues of redeemable subordinated notes "TSR".*

(4) *Includes issues of deeply subordinated notes "TSS", perpetual subordinated notes "TSDI", hybrid capital instruments "T3CJ" and shareholder advances agreed by SAS Rue La Boétie.*

At 31 December 2012, deeply subordinated notes totalled €5,536 million, down from €7,243 million at 31 December 2011. The €1,707 million drop in outstandings corresponds to the Group's buyback of a portion of its subordinated debts.

At 31 December 2012, as at 31 December 2011, the shareholder advance granted by SAS La Boétie stood at €958 million and "T3CJ" notes outstanding stood at €470 million.

The debt instruments issued by Crédit Agricole S.A. and its subsidiaries and subscribed for by Crédit Agricole S.A. insurance companies, were eliminated for the contracts in euro. They were eliminated for the first time in the first half of 2012 for the portion backing unit-linked contracts with financial risk borne by the policyholder. €7,884 million in debt securities were eliminated at 31 December 2012.

SUBORDINATED DEBT ISSUES

All banks adjust the volume and nature of their liabilities continuously according to developments in their uses of funds.

Subordinated debt thus plays a part in regulatory capital management while contributing to refinancing all of Crédit Agricole S.A.'s operations.

Management of regulatory capital was impacted by important regulatory changes, including the implementation of new Basel 3 rules through the draft directives and CRD 4 regulations that are to come into force from 1 January 2013. The draft directives and CRD 4 regulations provide new, more restrictive conditions to be met by the instruments issued to benefit from the status of regulatory capital and a gradual disqualification scheduled between 1 January 2013 and 1 January 2019 of old instruments that will no longer meet the new criteria.

In light of these regulatory changes and to enhance the quality and adequacy of its capital base, on 26 January 2012 Crédit Agricole S.A. launched a buyback offer on its eight series of subordinated bonds in circulation. These offers resulted in the repurchase of US$610 million as a nominal amount of perpetual deeply subordinated notes issued on 31 May 2007, and the repurchase of €1,633 million as a nominal amount for seven series of securities denominated in euros, British pounds and Canadian dollars (six series of Perpetual Deeply Subordinated Notes and a series of Perpetual Subordinated Notes). The estimated gains concerning this operation, net of tax, amounted to €552 million recorded upon redemption.

Crédit Agricole S.A. Group has issued various types of subordinated debt securities, which are described below.

Redeemable Subordinated notes (TSR)

Redeemable Subordinated Notes (TSR) issued by Crédit Agricole S.A. are usually fixed-rate and pay interest on a quarterly or annual basis.

They are issued either on the French market under French law or on the international markets under UK law, under the Euro Medium Term Notes programme (EMTN).

These notes differ from traditional bonds in terms of their ranking as defined by the subordination clause.

In the case of notes issued by Crédit Agricole S.A., in the event of liquidation, redeemable subordinated notes (TSR) will be repaid after all other secured and unsecured creditors, but before either participating loans provided to the issuer, or any participating notes issued by the Bank, as well as any deeply subordinated notes according to Article L. 228-97 of the French Commercial Code. Interest payments are not usually subject to a subordination clause. Where one exists, it generally refers to events outside the Company's control.

Perpetual Subordinated Notes (TSDI)

Perpetual Subordinated Notes (TSDI) issued by Crédit Agricole S.A. are usually fixed-rate and pay interest quarterly. They are only redeemable in the event of the issuer's liquidation or on expiry of the issuer's term as indicated in Crédit Agricole S.A.'s Articles of Association, unless they contain a contractually defined early redemption clause. The subordination clause may apply to principal and interest. Namely, the coupon may be suspended if the General Meeting of Shareholders duly notes that there were no distributable earnings for the relevant financial year.

Note: TSDIs rank senior to shares, T3CJs, TSSs and participating notes and securities issued by the issuer; they rank *pari passu* with TSRs and are subordinated to all other debt.

Deeply Subordinated Notes (TSS)

Deeply Subordinated Notes issued by Crédit Agricole S.A. are either fixed or floating-rate and perpetual (unless they contain a contractually defined early redemption clause). They are senior to shares and T3CJ but subordinated to all other subordinated debt.

Deeply subordinated notes are generally fixed-rate then floating rate beyond a certain maturity and include early repayment options in favour of the issuer after that maturity.

The coupons are non-cumulative and payment of a dividend, or coupon for T3CJ, by Crédit Agricole S.A. involves the obligation to pay the coupon on the deeply subordinated notes for a period of one year. However, the coupons may not be paid if Crédit Agricole S.A. experiences a regulatory event, *i.e.*, falls below the legal minimum equity ratio, or if the French Prudential Supervisory Authority (ACP) anticipates such an event in the near future.

Given the new Basel 3 requirements, terms for recognition of deeply subordinated notes should change. However, ACP has still not yet defined the new criteria that must be met by deeply subordinated notes issued by French banks to be classified as regulatory capital under Basel 3.

Early redemption at the issuer's discretion

Redeemable Subordinated Notes (TSR), Perpetual Subordinated Notes (TSDI) and Deeply Subordinated Notes (TSS) may be early redeemed, through buy-back transactions, either on the market through public takeover bids or exchange offers or over-the-counter, subject to prior approval by the regulatory authority and at the issuer's initiative, in accordance with the contractual clauses applicable to each issue.

Furthermore, for contracts containing specific early redemption clauses (call options), after securing approval from the regulatory authority, Crédit Agricole S.A. is entitled to redeem the notes prior to their maturity, under the conditions and at the times defined by the contractual terms of the issue, in the event that the issuance agreement for the securities contains such a clause.

Early payability

Existing debt instruments may become due and payable immediately under certain circumstances, for example upon non-payment of principal and interest, after a predetermined grace period has elapsed, following which they become due and payable, the insolvency of Crédit Agricole S.A. as issuer and in the case of breach by Crédit Agricole S.A. of its other contractual obligations. TSS contain no early repayment clauses, except in the event of the liquidation de Crédit Agricole S.A.

Hybrid capital instruments

Crédit Agricole S.A.'s T3CJ (*Titres de créances complexes de capital jumelés*) issue is a private investment entirely taken up by the Regional Banks. T3CJs are debt securities issued on the basis of Articles L. 228-40 of the French Commercial Code and are not transferable.

The €1,839 million issue was made in 2003 and carries a coupon that is payable only if Crédit Agricole S.A. generates a positive provisional result for the financial year. Since the result was negative for 2012, no coupon will be paid to the Regional Banks.

Moreover, as part of the "Switch" transaction, €1,369 million in T3CJs was repaid on 23 December 2011, bringing the amount outstanding of the T3CJs to €470 million at 31 December 2012. Moreover, the balance of the T3CJ issue may be repaid in advance, in whole or in part, at the initiative of Crédit Agricole S.A.

COVERED BOND-TYPE ISSUES

To increase the amount of medium-to-long term financing, the Group issues covered bonds through two subsidiaries:

- Crédit Agricole Home Loan SFH, whose initial issue was launched in January 2009. A total of €26.6 billion had thus been raised at 31 December 2012.
- Crédit Agricole Public Sector SCF, whose initial issue was launched in October 2012 for €1 billion.

6.12 Current and deferred tax assets and liabilities

(in millions of euros)	31/12/2012	31/12/2011
Current tax	3,292	3,136
Deferred tax	3,886	5,095
TOTAL CURRENT AND DEFERRED TAX ASSETS	**7,178**	**8,231**
Current tax	3,967	2,998
Deferred tax	1,254	1,757
TOTAL CURRENT AND DEFERRED TAX LIABILITIES	**5,221**	**4,755**

Net deferred tax assets and liabilities break down as follows:

(in millions of euros)	31/12/2012	31/12/2011
Temporary timing differences	**3,865**	**3,874**
Non-deductible accrued expenses	295	306
Non-deductible provisions for liabilities and charges	2,850	3,426
Other temporary differences (1)	720	142
Deferred tax/Reserves for unrealised gains or losses	**(297)**	**859**
Available-for-sale assets	(833)	339
Cash flow hedges	446	495
Gains and losses/Actuarial differences	90	25
Deferred tax/Income and reserves	**(936)**	**(1,395)**
TOTAL DEFERRED TAX	**2,632**	**3,338**

(1) The portion of deferred tax related to tax loss carry-forwards is €293 million for 2012 compared to €789 million for 2011.

Deferred tax assets are netted on the balance sheet by taxable entity.

In order to assess the level of deferred tax assets to be recognised, Crédit Agricole S.A. takes into account for each company or tax group in question the dedicated tax status and the earnings projections established during the budgetary process.

Emporiki's remaining stock of deferred tax assets, totalling €133 million at 31 December 2011, was fully written down over the year.

6.13 Accrued income and expenses and other assets and liabilities

ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS

(in millions of euros)	31/12/2012	31/12/2011
Other assets	**55,756**	**75,299**
Inventory accounts and miscellaneous	118	210
Collective management of Livret de développement durable (LDD) savings account securities	-	-
Sundry debtors [(1)]	49,268	47,126
Settlement accounts	4,919	26,635
Due from shareholders – unpaid capital	13	19
Other insurance assets	310	366
Reinsurers' share of technical reserves	1,128	943
Accruals and deferred income	**7,693**	**7,466**
Items in course of transmission from other banks	1,726	2,959
Adjustment and suspense accounts	2,958	1,221
Accrued income	1,569	1,309
Prepaid expenses	412	482
Other accruals prepayments and sundry assets	1,028	1,495
CARRYING AMOUNT	**63,449**	**82,765**

(1) At 31 December 2011, repo securities given recognised at the transaction date were recorded for their notional amount as counterpart to the sundry debtors' account for €7 billion; at 31 December 2012, these operations, which represented an amount of €27 billion, were recorded in "financing commitments received" between the transaction date and the settlement date.

ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIES

(in millions of euros)	31/12/2012	31/12/2011
Other liabilities	**52,308**	**57,162**
Settlement accounts	11,993	23,958
Sundry creditors [(1)]	40,269	33,056
Liabilities related to trading securities	7	66
Other insurance liabilities	39	82
Other	-	-
Accruals and deferred income	**14,796**	**16,528**
Items in course of transmission from other banks	2,578	4,309
Adjustment and suspense accounts	4,787	5,179
Unearned income	2,177	2,226
Accrued expenses	3,638	3,613
Other accruals prepayments and sundry assets	1,616	1,201
CARRYING AMOUNT	**67,104**	**73,690**

(1) At 31 December 2011, securities given under repurchase agreements received recognised at the transaction date were recorded for their notional amount as counterpart to the sundry creditors' account for €2 billion; at 31 December 2012, these operations, which represented an amount of €22 billion, were recorded in "financing commitments given" between the transaction date and the settlement date.

6.14 Non-current assets and associated liabilities from discontinued operations

DISCONTINUED OPERATIONS

Discontinued operations income statement

(in millions of euros)	31/12/2012	31/12/2011
Revenues	**855**	**1,414**
Operating expenses	(1,056)	(1,168)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	(48)	(52)
Cost of risk	(1,755)	(1,405)
Pre-tax income	**(2,004)**	**(1,211)**
Share of net income (loss) of associates	(2)	(1)
Net gains (losses) on other assets	(1)	8
Change in value of goodwill	-	(359)
Income tax charge	(122)	(142)
Net income	**(2,129)**	**(1,705)**
Income associated with fair value adjustments of discountinued operations	(1,862)	-
Net income from discontinued or held-for-sale operations	**(3,991)**	**(1,705)**
Minority interests	45	115
Net income from discontinued or held-for-sale operations – Group share	**(3,946)**	**(1,590)**
Basic earnings per share *(in euro)*	**(1.579)**	**(0.653)**
Diluted earnings per share *(in euro)*	**(1.579)**	**(0.653)**

Balance sheet of discontinued operations

(in millions of euros)	31/12/2012
Cash due from central banks	411
Financial assets at fair value through profit or loss	1,248
Hedging derivative instruments	-
Available-for-sale financial assets	611
Loans and receivables to credit institutions	989
Loans and receivables to customers	15,354
Revaluation adjustment on interest rate risk hedged portfolios	70
Held-to-maturity financial assets	7
Current and deferred tax assets	22
Accruals, prepayments and sundry assets	2,364
Investment properties	116
Property, plant and equipment	265
Intangible assets	39
Total assets	**21,496**
Due to central banks	-
Financial liabilities at fair value through profit or loss	1,265
Hedging derivative instruments	-
Due to credit institutions	1,273
Due to customers	13,132
Debt securities	848
Revaluation adjustment on interest rate risk hedged portfolios	21
Current and deferred tax liabilities	-
Accruals, deferred income and sundry liabilities	2,524
Provisions	339
Subordinated debt	16
Adjustment to fair value of assets held for sale (excluding taxes)	2,597
Total equity and liabilities	**22,015**
NET ASSET FROM DISCONTINUED OPERATIONS	**(519)**

Net asset of discontinued operations includes operating income of -€2,129 million and the fair value measurement of discontinued operations of -€2,597 million before tax, to which a €735 million tax benefit must be added (see Income statement, Net income from discontinued operations).

Discontinued operations cash flow statement

(in millions of euros)	31/12/2012	31/12/2011
Net cash flows from (used by) operating activities	(2,758)	(122)
Net cash flows from (used by) investing activities	69	(44)
Net cash flows from (used by) financing activities	2,499	(32)
TOTAL	**(190)**	**(198)**

OTHER NON-CURRENT ASSETS FROM DISCONTINUED OPERATIONS

(in millions of euros)	31/12/2012	31/12/2011
Non-current assets of discontinued operations	-	260
Liabilities associated with non-current assets of discontinued operations	-	39

6.15 Investment property

(in millions of euros)	31/12/2011	Change in scope[(2)]	Transfers in non-current assets held for sale	Increases (acquisitions)	Decreases (disposals and redemptions)	Translation adjustment	Other movements	Balance at 31/12/2012
Gross amount	2,839	389	(125)	311	(514)	-	276	3,176
Amortisation and impairment	(157)	17	4	(17)	223	-	(205)	(135)
NET CARRYING AMOUNT [(1)]	**2,682**	**406**	**(121)**	**294**	**(291)**	**-**	**71**	**3,041**

(1) Including investment property let to third parties.

(2) The change in scope is explained by the sale of BES Vida in the first half of 2012 for -€58 million and by the transfer of securities and current accounts net of accrued interest of the OPCI "Commerce, Bureau et Habitation", from "Available-for-sale financial assets" due to their consolidation in the first half of 2012.

(in millions of euros)	31/12/2010	Changes in scope	Increases (acquisitions)	Decreases (disposals and redemptions)	Translation adjustment	Other movements[(2)]	Balance at 31/12/2011
Gross amount	2,797	4	203	(239)	-	74	2,839
Amortisation and impairment	(146)	(1)	(15)	19	-	(14)	(157)
NET CARRYING AMOUNT [(1)]	**2,651**	**3**	**188**	**(220)**	**-**	**60**	**2,682**

(1) Including investment property let to third parties.

(2) At Predica, current account reclassification of SCI Imefa 128 regarding the Procession building from "Operating building" to "Investment property" for €38 million.

Investment properties are valued by expert appraisers. The market value of investment properties recognised at amortised cost, as valued by expert appraisers, was €5,263 million at 31 December 2012 compared to €4,719 million at 31 December 2011.

6.16 Property, plant & equipment and intangible assets (excluding goodwill)

(in millions of euros)	31/12/2011	Changes in scope	Transfers in non-current assets held for sale	Increases (acquisitions, business combinations)	Decreases (disposals and redemptions)	Translation adjustment	Other movements	Balance at 31/12/2012
Property, plant & equipment used in operations								
Gross amount	9,592	(29)	(544)	763	(1,459)	(1)	232	8,554
Amortisation and impairment (1)	(4,422)	15	241	(621)	871	3	(124)	(4,037)
CARRYING AMOUNT	**5,170**	**(14)**	**(303)**	**142**	**(588)**	**2**	**108**	**4,517**
Intangible assets								
Gross amount	4,670	(98)	(188)	478	(221)	-	(12)	4,629
Depreciation and impairment	(2,802)	41	126	(410)	115	1	-	(2,929)
CARRYING AMOUNT	**1,868**	**(57)**	**(62)**	**68**	**(106)**	**1**	**(12)**	**1,700**

(1) Including depreciation on fixed assets let to third parties.

(in millions of euros)	31/12/2010	Change in scope(2)	Increases (acquisitions, business combinations)	Decreases (disposals and redemptions)	Translation adjustment	Other movements(3)	Balance at 31/12/2011
Property, plant & equipment used in operations							
Gross amount	9,342	108	935	(1,086)	-	293	9,592
Amortisation and impairment (1)	(4,140)	(63)	(661)	617	(1)	(174)	(4,422)
CARRYING AMOUNT	**5,202**	**45**	**274**	**(469)**	**(1)**	**119**	**5,170**
Intangible assets							
Gross amount	4,060	137	420	-	3	50	4,670
Depreciation and impairment	(2,317)	1	(395)	(39)	(2)	(50)	(2,802)
CARRYING AMOUNT	**1,743**	**138**	**25**	**(39)**	**1**	**-**	**1,868**

(1) Including depreciation on fixed assets let to third parties.

(2) At Cariparma, FriulAdria and Carispezia, allocation of goodwill as an intangible asset for a total amount of €133 million. Intangible assets arising from mark-to-market adjustments to assets and liabilities acquired are amortised over the same period and according to the same method used to amortise other intangible assets of the same class.

At Carispezia, inclusion of property, plant & equipment for a gross value of €108 million and related amortisations for -€63 million.

(3) Inclusion of temporarily vacant property corresponding to expired or terminated finance lease contracts for €146 million.

At Predica, current account reclassification of SCI Imefa 128 regarding the Procession building from Operating building to Investment property for -€38 million.

At Amundi, de-netting of €53 million of amortisation on intangible assets previously recognised at net value.

6.17 Insurance company technical reserves

BREAKDOWN OF INSURANCE TECHNICAL RESERVES

	31/12/2012				
(in millions of euros)	Life	Non-life	International	Creditor	Total
Insurance contracts	116,701	2,662	9,905	1,445	130,713
Investment contracts with discretionary participation features	96,244	-	5,337	-	101,581
Investment contracts without discretionary participation features	1,824	-	840	-	2,664
Deferred participation benefits (liability) (1)	9,606	-	14	-	9,620
Other technical reserves	-	-	-	-	-
Total technical reserves	**224,376**	**2,662**	**16,096**	**1,445**	**244,578**
Deferred participation benefits (asset) (1)	-	-	-	-	-
Reinsurers' share of technical reserves	(574)	(199)	(89)	(265)	(1,128)
NET TECHNICAL RESERVES(2)	**223,801**	**2,463**	**16,006**	**1,179**	**243,450**

(1) *Including deferred liability on revaluation of available-for-sale securities of €10.5 billion before tax, i.e. €6.9 billion after tax (see Note 6.4 Available-for-sale financial assets).*

(2) *Reinsurers' share in technical reserves and other insurance liabilities are recognised under "Accruals, prepayments and sundry assets".*

	31/12/2011				
(in millions of euros)	Life	Non-life	International	Creditor	Total
Insurance contracts	107,797	2,441	8,878	1,381	120,497
Investment contracts with discretionary participation features	97,992	-	6,422	-	104,414
Investment contracts without discretionary participation features	1,743	-	4,163	-	5,906
Deferred participation benefits (liability) (1)	-	-	-	-	-
Other technical reserves	-	-	-	-	-
Total technical reserves (2)	**207,532**	**2,441**	**19,463**	**1,381**	**230,817**
Deferred participation benefits (asset) (1)	(3,872)	-	(401)	-	(4,273)
Reinsurers' share of technical reserves	(498)	(178)	(38)	(293)	(1,007)
NET TECHNICAL RESERVES (3)	**203,162**	**2,263**	**19,024**	**1,088**	**225,537**

(1) *Including deferred asset on revaluation of available-for-sale securities of €2.9 billion before tax, i.e. €1.9 billion after tax (see Note 6.4 Available-for-sale financial assets).*

(2) *Companies in the Crédit Agricole Assurances scope.*

(3) *Reinsurers' share in technical reserves and other insurance liabilities is recognised under "Accruals, prepayments and sundry assets".*

Deferred participation benefits at 31 December 2012 and 31 December 2011 breaks down as follows:

Deferred participation benefits	31/12/2012 Deferred participation benefits in liabilities	31/12/2011 Deferred participation benefits in assets
Deferred participation on revaluation of held-for-sale securities and hedging derivatives (1)	10,952	(2,584)
Deferred participation on trading securities mark-to-market adjustment	(1,071)	(2,034)
Other deferred participation (liquidity risk reserve cancellation)	(261)	345
TOTAL	**9,620**	**(4,273)**

(1) *At 31 December 2012 deferred liability participation on revaluation of held-for-sale securities was €10.5 billion before tax, i.e. €6.9 billion after tax. At 31 December 2011 deferred asset participation on revaluation of available-for-sale securities was €2.9 billion before tax and €1.9 billion after tax (see Note 6.4 Available-for-sale financial assets).*

6.18 Provisions

(in millions of euros)	31/12/2011	Changes in scope	Depreciation charges	Reversals, amounts used	Reversals, amounts not used	Translation adjustment	Transfer in non-current assets held for sale	Other movements	31/12/2012
Home purchase savings plans	380	-	54	-	(101)	-	-	-	334
Financing commitment execution risks	219	-	184	(7)	(76)	(9)	-	(1)	309
Operational Risks	73	-	18	(5)	(12)	0	-	(4)	70
Employee retirement and similar benefits (1)	1,861	(2)	270	(99)	(245)	(1)	(336)	274	1,721
Litigation	1,208	(18)	379	(124)	(265)	(5)	(62)	(22)	1,092
Equity investments	25	-	36	(2)	(6)	-	-	1	55
Restructuring	80	-	8	(12)	(13)	-	-	(31)	33
Other risks	952	(2)	760	(93)	(395)	1	(50)	(20)	1,153
TOTAL	**4,798**	**(23)**	**1,709**	**(342)**	**(1,112)**	**(14)**	**(448)**	**198**	**4,766**

(1) Employee retirement and similar benefits include in “other movements” €255 million on actuarial differences at 31 December 2012 associated with the decline in benchmark rates used to measure commitments related to long-term benefit schemes and -€17 million at Crédit Agricole S.A. in respect of actuarial differences on externally managed commitments.

(in millions of euros)	31/12/2010	Changes in scope (4)	Depreciation charges	Reversals, amounts used	Reversals, amounts not used	Translation adjustment	Other movements (5)	31/12/2011
Home purchase savings plans	468	-	10	-	(98)	-	-	380
Financing commitment execution risks	264	-	167	(10)	(197)	(5)	-	219
Operational risks (1)	83	3	14	(7)	(21)	-	1	73
Employee retirement and similar benefits (2)	1,775	33	401	(239)	(179)	1	69	1,861
Litigation	990	3	318	(54)	(101)	4	48	1,208
Equity investments	20	-	5	-	-	-	-	25
Restructuring(3)	18	-	79	(15)	(2)	-	-	80
Other risks	874	11	432	(149)	(175)	4	(45)	952
TOTAL	**4,492**	**50**	**1,426**	**(474)**	**(773)**	**4**	**73**	**4,798**

(1) The main contributors are LCL and specialised financial services (lease finance, factoring and investor services).

(2) “Employee retirement and similar benefits” includes post-employment benefits under defined-benefit plans as well as provisions for obligations to employees arising from the LCL competitiveness plan and the adjustment plan at Crédit Agricole CIB for €286 million.

(3) The provision for restructuring includes €57 million for CA Consumer Finance for the adjustment plan and €10 million for BFT.

(4) Changes in scope:

Movement in the change of scope for the most part involve the inclusion of Carispezia for €32 million and the branch contributions at Cariparma for €16 million.

(5) Other movements:

- *Employee retirement and similar benefits: €69 million is associated mainly with actuarial differences on defined benefit schemes;*
- *Litigation and other risks: including €48 million corresponding primarily to transfers of other risks to various litigation.*

TAX AUDITS

Predica tax audit

In 2009 Predica was the object of a tax audit, with an audit of accounts covering the years 2006 and 2007.

At the end of December 2009, it received a tax adjustment notice applying to one provision item.

In 2012, the tax authorities decided to abandon this adjustment in its entirety.

LCL tax audit

In 2010 and 2011, LCL was the object of an audit of accounts covering years 2007, 2008 and 2009 as well as an audit on regulated savings. All the resulting financial consequences have been paid, with only one adjustment currently being the subject of a dispute.

Ongoing Crédit Agricole CIB Paris tax audit

Since February 2012, Crédit Agricole CIB has been undergoing a tax audit. The audit relates to corporate income tax returns for 2008, as well as 2009 and 2010.

A tax adjustment notice, with interruptive effect, was received at the end of December. Crédit Agricole CIB is ready to mount a well-founded challenge to this adjustment on all counts. The provision recognised reflects the risk estimated by Crédit Agricole CIB's Tax department.

Crédit Agricole CIB Milan tax audit

At end-2012, following the tax adjustment notices already received for 2005 and 2006, Crédit Agricole CIB received a tax adjustment notice for 2008, issued by the Italian tax authorities. As in the case of the 2005 and 2006, Crédit Agricole CIB is ready to mount a well-founded challenge to this adjustment on all counts. Crédit Agricole CIB has already sought arbitration from the French and Italian authorities with regard to 2005 and 2006.

The provision recognised for this reflects the risk estimated by Crédit Agricole CIB's Tax department.

Merisma tax audit

Merisma, a Crédit Agricole CIB subsidiary, consolidated by Crédit Agricole S.A. Group for tax purposes, has been the object of tax adjustment notices for 2006 to 2010, plus surcharges for abuse of law.

Although challenged in their entirety, provisions have been set aside for the adjustments.

Crédit Agricole Assurances tax audit

Crédit Agricole Assurances underwent a tax audit covering the years 2008 and 2009. The adjustment notified was not material, and it has been fully challenged. It was not provisioned, given the opinion of the Crédit Agricole S.A. Group Tax department.

Pacifica tax audit

Crédit Agricole Pacifica underwent a tax audit covering the years 2009 and 2010.

Although challenged on all counts by the Company, provisions have been set aside for all the adjustments notices it has received.

HOME PURCHASE SAVING PLAN PROVISION

Deposits collected under home purchase savings accounts and plans during the savings phase

(in millions of euros)	31/12/2012	31/12/2011
Home purchase savings plans:		
Under four years old	7,383	2,542
Between four and ten years old	24,811	48,594
Over ten years old	36,710	19,120
Total home purchase savings plans	**68,904**	**70,256**
Total home purchase savings accounts	**13,293**	**13,810**
TOTAL DEPOSITS COLLECTED UNDER HOME PURCHASE SAVINGS CONTRACTS	**82,197**	**84,066**

Age is determined in accordance with CRC Regulation 2007-01 of 14 December 2007.

Customer deposits outstanding are based on carrying amount at the end of November 2012 for the financial statements at 31 December 2012 and at the end of November 2011 for the financial statements at 31 December 2011 and do not include government subsidy.

Outstanding loans granted to holders of home purchase savings accounts and plans

(in millions of euros)	31/12/2012	31/12/2011
Home purchase savings plans	48	66
Home purchase savings accounts	250	277
TOTAL OUTSTANDING LOANS GRANTED UNDER HOME PURCHASE SAVINGS CONTRACTS	**298**	**343**

Provision for home purchase savings accounts and plans

(in millions of euros)	31/12/2012	31/12/2011
Home purchase savings plans:		
Under four years old	-	-
Between four and ten years old	1	48
Over ten years old	309	300
Total home purchase savings plans	**310**	**348**
Total home purchase savings accounts	**24**	**32**
TOTAL PROVISION FOR HOME PURCHASE SAVINGS CONTRACTS	**334**	**380**

Age is determined in accordance with CRC Regulation 2007-01 of 14 December 2007.

The calculation model was updated in 2012. The main changes to this model involve a review of the run-off rules for Home Purchase Savings Plans and Home Purchase Savings Accounts as well as the incorporation of a liquidity component to reflect current market conditions.

(in millions of euros)	31/12/2011	Depreciation charges	Reversals	Other movements	31/12/2012
Home purchase savings plans	348	-	(38)	-	310
Home purchase savings accounts	32	-	(8)	-	24
TOTAL PROVISION FOR HOME PURCHASE SAVINGS CONTRACTS	**380**	**-**	**(46)**	**-**	**334**

In Crédit Agricole Group's internal financial organisation, 100% of deposits in home purchase savings plans and accounts collected by the Regional Banks are included in Crédit Agricole S.A.'s liabilities and the savings deposits shown in the tables above therefore take all of these amounts into account.

Conversely, Crédit Agricole S.A. assumes risk only on a portion of these outstandings (32.6% at 31 December 2012 and 29.1% at 31 December 2011). The balance is carried by the Regional Banks: only the amount representing the actual exposure is provisioned in Crédit Agricole S.A.'s financial statements.

Consequently, the ratio between the provision booked and the outstanding amounts shown on Crédit Agricole S.A. Group's balance sheet is not representative of the level of provisioning for home purchase savings risk.

6.19 Equity

OWNERSHIP STRUCTURE AT 31 DECEMBER 2012

At 31 December 2012, to the knowledge of Crédit Agricole S.A., the distribution of capital and voting rights is as follows:

Shareholders	Number of shares at 31/12/2012	% of the share capital	% of voting rights
S.A.S. Rue La Boétie	**1,405,263,364**	**56.25%**	**56.42%**
Treasury shares	**7,319,186**	**0.29%**	
Employees (ESOP)	**110,546,010**	**4.43%**	**4.44%**
Public	**974,891,977**	**39.03%**	**39.14%**
Institutional investors	695,978,777	27.86%	27.94%
Retail investors	278,913,200	11.17%	11.20%
TOTAL	**2,498,020,537**	**100.00%**	**100.00%**

SAS Rue La Boétie is wholly-owned by the Crédit Agricole Regional Banks. Due to the Group's capital structure and the resulting break in the chain of control, Crédit Agricole S.A.'s share of the Regional Banks' holding in SAS Rue La Boétie is retained in its consolidated financial statements.

The treasury shares are held as part of Crédit Agricole S.A.'s share buyback programme designed to cover stock options and as part of a share liquidity agreement.

Concerning Crédit Agricole S.A. stock, a liquidity agreement was signed on 25 October 2006 with Crédit Agricole Cheuvreux S.A. This agreement is automatically renewed every year. So that the operator can conduct the operations stipulated in the agreement with complete independence the agreement has been allocated an amount of €50 million.

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

To the Company's knowledge, no other shareholder owns 5% or more of the share capital or voting rights, either directly or indirectly or with others.

On 31 December 2012, Crédit Agricole S.A.'s share capital amounted to €7,494,061,611 shares divided into 2,498,020,537 ordinary shares each with a par value of €3.

PREFERRED SHARES

Issuer	Issue date	Issue amount *(in millions of dollars)*	Issue amount *(in millions of euros)*	31/12/2012 *(in millions of euros)*	31/12/2011 *(in millions of euros)*
CA Preferred Funding LLC	January 2003	1,500		1,137	1,159
CA Preferred Funding LLC	July 2003	550		417	425
CA Preferred Funding LLC	December 2003		550	550	550
Crédit Lyonnais Preferred capital 1 LLC (1)	April 2002		750		750
TOTAL		**2,050**	**1,300**	**2,104**	**2,884**

(1) *Dissolution of this entity in May 2012.*

EARNINGS PER SHARE

	31/12/2012	31/12/2011
Net income Group share for the period *(in millions of euros)*	(6,471)	(1,470)
Weighted average number of ordinary shares in circulation during the period	2,476,072,634	2,434,681,792
Adjustment ratio	1.000	1.000
Weighted average number of ordinary shares for calculation of diluted earnings per share	2,476,072,634	2,434,681,792
BASIC EARNINGS PER SHARE *(in euros)*	**(2.613)**	**(0.604)**
BASIC EARNINGS PER SHARE FROM ONGOING ACTIVITIES *(in euros)*	**(1.021)**	**(0.610)**
BASIC EARNINGS PER SHARE FROM DISCONTINUING OPERATIONS *(in euros)*	**(1.592)**	**0.006**
DILUTED EARNINGS PER SHARE *(in euros)*	**(2.613)**	**(0.604)**
DILUTED EARNINGS PER SHARE FROM ONGOING ACTIVITIES *(in euros)*	**(1.021)**	**(0.610)**
DILUTED EARNINGS PER SHARE FROM DISCONTINUING OPERATIONS *(in euros)*	**(1.592)**	**0.006**

Taking into consideration the change in the average price of Crédit Agricole S.A. share, all Crédit Agricole S.A. stock option plans are anti-dilutive (see Note 7.6).

Without any dilutive issue by Crédit Agricole S.A., the basic earnings per share are identical to the diluted earnings per share.

DIVIDENDS

For 2012, the Board of Directors of Crédit Agricole S.A., at its meeting on 19 February 2013, decided to propose to the General Meeting of Shareholders of 23 May 2013 that no payment of dividends take place.

(in euros)	2012 proposed	2011	2010	2009	2008	2007
Net dividend per share	-	-	0.45	0.45	0.45	1.20
Gross dividend	-	-	0.45	0.45	0.45	1.20

DIVIDENDS PAID DURING THE YEAR

For 2011, the Board of Directors of Crédit Agricole S.A. decided not to offer the General Meeting of Shareholders of 22 May 2012 the payment of any dividends.

APPROPRIATION OF NET INCOME

The proposed appropriation of results for 2012 is set out in the resolutions to be presented by the Board of Directors at Crédit Agricole S.A.'s Combined Ordinary and Extraordinary General Meeting of Shareholders on 23 May 2013.

For the financial year 2012, Crédit Agricole S.A. reported a net loss of €4,235,369,288.89. The Board of Directors proposes that the General Meeting of Shareholders transfers the full amount to retained earnings. After the appropriation of net income for the financial year 2012, the retained earnings balance will fall from -€941,259,815.45 to -€5,176,629,104.34.

6.20 Breakdown of financial assets and liabilities by contractual maturity

The breakdown of balance sheet financial assets and liabilities is made according to maturity date.

The maturities of derivative instruments held for trading and for hedging correspond to their date of contractual maturity.

Equities and other variable-income securities are by nature without maturity; they are classified "Undefined".

Value adjustment on interest rate risk hedged portfolios are considered to have an undefined maturity given the absence of a defined maturity.

	31/12/2012					
(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Undefined	Total
Cash due from central banks	42,714	-	-	-	-	42,714
Financial assets at fair value through profit or loss	108,535	27,321	139,987	289,018	55,115	619,976
Hedging derivative instruments	2,556	1,771	12,884	24,635	4	41,850
Available-for-sale financial assets	16,648	24,960	81,958	112,212	23,901	259,679
Loans and receivables to credit institutions	144,040	63,720	108,670	64,486	4,651	385,567
Loans and receivables to customers	80,510	33,049	116,356	96,704	3,137	329,756
Value adjustment on interest rate risk hedged portfolios	14,292	-	-	-	-	14,292
Held-to-maturity financial assets	-	280	3,584	10,738	-	14,602
TOTAL FINANCIAL ASSETS BY MATURITY	**409,295**	**151,101**	**463,439**	**597,793**	**86,808**	**1,708,436**
Due to central banks	1,061	-	-	-	-	1,061
Financial liabilities at fair value through profit or loss	118,621	20,402	143,186	291,771	(1,443)	572,537
Hedging derivative instruments	1,747	1,795	12,146	26,600	123	42,411
Due to credit institutions	69,037	12,929	56,003	19,968	2,714	160,651
Due to customers	405,907	31,924	34,658	7,480	3,669	483,638
Debt securities	42,076	27,216	52,297	28,975	(174)	150,390
Subordinated debt	292	1,555	2,730	15,428	9,975	29,980
Value adjustment on interest rate risk hedged portfolios	12,777	-	-	-	-	12,777
TOTAL FINANCIAL LIABILITIES BY MATURITY	**651,518**	**95,821**	**301,020**	**390,222**	**14,864**	**1,453,445**

(in millions of euros)	31/12/2011 ≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Undefined	Total
Cash due from central banks	28,467	-	-	-	-	28,467
Financial assets at fair value through profit or loss	62,534	29,472	120,041	227,502	50,714	490,263
Hedging derivative instruments	3,251	1,600	10,989	17,647	73	33,560
Available-for-sale financial assets	23,388	25,484	47,491	108,225	22,802	227,390
Loans and receivables to credit institutions	138,660	65,921	104,044	67,822	3,394	379,841
Loans and receivables to customers	131,700	36,691	121,288	103,553	6,149	399,381
Value adjustment on interest rate risk hedged portfolios	-	-	-	-	8,300	8,300
Held-to-maturity financial assets	2	552	3,756	11,033	-	15,343
TOTAL FINANCIAL ASSETS BY MATURITY	**388,002**	**159,720**	**407,609**	**535,782**	**91,432**	**1,582,545**
Due to central banks	127	-	-	-	-	127
Financial liabilities at fair value through profit or loss	69,390	26,517	121,887	221,885	1	439,680
Hedging derivative instruments	2,868	1,229	10,274	20,234	-	34,605
Due to credit institutions	101,959	10,288	33,453	23,712	3,253	172,665
Due to customers	442,878	36,726	33,920	8,299	3,813	525,636
Debt securities	52,496	21,092	42,538	31,547	647	148,320
Subordinated debt	770	1,386	3,491	15,991	12,144	33,782
Value adjustment on interest rate risk hedged portfolios	-	-	-	-	5,336	5,336
TOTAL FINANCIAL LIABILITIES BY MATURITY	**670,488**	**97,238**	**245,563**	**321,668**	**25,194**	**1,360,151**

NOTE 7 Employee benefits and other compensation

7.1 Analysis of employee expenses

(in millions of euros)	31/12/2012	31/12/2011 *pro forma*	31/12/2011 reported
Salaries (1)	(4,723)	(4,847)	(5,543)
Contributions to defined-contribution plans	(370)	(389)	(471)
Contributions to defined-benefit plans	(26)	(84)	(84)
Other social security expenses	(1,167)	(1,123)	(1,154)
Profit-sharing and incentive plans	(232)	(263)	(263)
Payroll-related tax	(346)	(307)	(309)
TOTAL EMPLOYEE EXPENSES	**(6,864)**	**(7,013)**	**(7,824)**

(1) Salaries include the following expenses related to shared-based payments:

- *in respect of share-based compensation, Crédit Agricole S.A. Group recognised an expense of €8 million at 31 December 2012 (including €7 million related to the free share allocation plan) compared to €5 million at 31 December 2011 (including €1 million related to the free share allocation plan);*
- *in respect of deferred variable compensation paid to market professionals, Crédit Agricole S.A. recognised an expense of €70 million at 31 December 2012 compared to €69 million at 31 December 2011.*

7.2 Headcount at year-end

Number of employees	31/12/2012	31/12/2011
France	40,341	41,296
Foreign	38,941	46,155
TOTAL	**79,282**	**87,451**

7.3 Post-employment benefits, defined-contribution plans

Employers contribute to a variety of compulsory pension schemes. Plan assets are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to cover all benefits corresponding to services rendered by employees during the year and during prior years. Consequently, Crédit Agricole S.A. Group companies have no liability in this respect other than the contributions payable.

Within the Group, there are several compulsory defined-contribution plans, the main ones being Agirc/Arrco, which are French supplementary retirement plans, and some supplementary plans in place notably within UES Crédit Agricole S.A.

ANALYSIS OF SUPPLEMENTARY PENSION PLANS IN FRANCE

Business line	Entity	Compulsory supplementary pension plans	Number of employees covered Estimate at 31/12/2012	Number of employees covered Estimate at 31/12/2011
Central Support Functions	UES Crédit Agricole S.A.	Agriculture industry plan 1.24%	3,027	3,072
Central Support Functions	UES Crédit Agricole S.A.	"Article 83" Group managers plan	210	218
French retail banking	LCL	"Article 83" Group managers plan	306	299
Corporate and investment banking	CA CIB	"Article 83" type plan	5,037	4,584
Corporate and investment banking	IPB/IG/CAPB(1)	"Article 83" type plan	495	428
Insurance	Predica/CAA/Caagis/Pacifica/Sirca	Agriculture industry plan 1.24%	3,119	3,045
Insurance	Predica/CAA/Caagis/Pacifica/CACI	"Article 83" Group managers plan	62	64
Insurance	CACI	"Article 83" type plan	183	181

(1) Indosuez Private Banking/Indosuez Gestion/CA Private Banking.
Number of employees on the payroll.

7.4 Post-employment benefits, defined-benefit plans

(in millions of euros)	31/12/2012	31/12/2011
Change in actuarial liability		
Actuarial liability at 31/12/N-1	**2,331**	**2,231**
Translation adjustments	8	34
Current service cost during the period	69	73
Interest cost	86	81
Employee contributions	11	11
Benefit plan changes and settlement	(81)	(36)
Changes in scope	(41)	93
Benefits paid (mandatory)	(146)	(152)
Actuarial (gains)/losses	263	(4)
ACTUARIAL LIABILITY AT 31/12/N	**2,500**	**2,331**

(in millions of euros)	31/12/2012	31/12/2011 pro forma	31/12/2011 reported
Breakdown of net charge recognised in the income statement			
Service cost	69	62	73
Interest cost	86	72	81
Expected return on assets	(52)	(64)	(56)
Amortisation of past service cost	(23)	(11)	(11)
Net actuarial gains/(losses)	-	-	-
Amortisation of gains/(losses) generated by benefit plan changes, withdrawals and settlements	(44)	(23)	(23)
Gains/(losses) due to asset restriction changes	-	-	-
NET CHARGE RECOGNISED IN INCOME STATEMENT	**37**	**36**	**64**

(in millions of euros)	31/12/2012	31/12/2011
Change in fair value of assets and reimbursement rights		
Fair value of assets/reimbursement rights at 31/12/N-1	**1,274**	**1,180**
Translation adjustments	9	28
Expected return on assets	52	48
Actuarial gains/(losses)	14	13
Employer contributions	76	71
Employee contributions	11	11
Benefit plan changes, withdrawals and settlement	(15)	(4)
Changes in scope	(14)	(13)
Benefits paid out under the benefit plan	(56)	(60)
FAIR VALUE OF ASSETS/REIMBURSEMENT RIGHTS AT 31/12/N	**1,351**	**1,274**

(in millions of euros)	31/12/2012	31/12/2011
Net position		
Closing actuarial liability	**2,500**	**2,331**
Unrecognised past service costs (plan changes)	2	2
Impact of asset restriction	-	-
Fair value of assets at end of period	**1,351**	**1,274**
NET POSITION OF ASSETS/(LIABILITIES) AT END OF PERIOD	**(1,147)**	**(1,055)**

(in millions of euros)	31/12/2012	31/12/2011
Items immediately recognised through SoRIE (Statement of recognised income and expense) and reported in comprehensive income		
Actuarial gains or losses generated by post-employment benefit plans	249	(16)
Asset restriction adjustments (including impact of IFRIC 14)	-	-
Total items immediately recognised through SoRIE during the financial year	**249**	**(16)**
Total amount of actuarial gains or losses in SoRIE at end of financial year	**345**	**96**

Information on plan assets	31/12/2012 Eurozone	31/12/2012 Other	31/12/2011 Eurozone	31/12/2011 Other
Breakdown of assets				
• % bonds	85.4%	45.5%	83.9%	45.9%
• % equities	8.0%	22.3%	7.4%	21.4%
• % other assets	6.6%	32.2%	6.7%	32.7%

Defined-benefit plans: main actuarial assumptions	31/12/2012 Eurozone	31/12/2012 Other	31/12/2011 Eurozone	31/12/2011 Other
Discount rate (1)	1% to 3.1%	1% to 13%	4.30% to 5.50%	1% to 10.5%
Expected return on plan assets and reimbursement rights	2% to 5.6%	1.30% to 9.50%	3.20% to 4.50%	1.25% to 9%
Actual return on plan assets and reimbursement rights	2.07%	5.05%	2.20%	7.30%
Expected salary increase rates(2)	1.5% to 4%	1.5% to 8.6%	0.76% to 6%	2% to 9%
Rate of change in medical costs	n.m.	n.m.	n.m.	n.m.

(1) Discount rates are determined based on the average term of the commitment, that is, the arithmetical average of the terms calculated between the valuation date and the payment date weighted by employee turnover assumptions. The underlying used is the discount rate with reference to the iBoxx AA index.

(2) As a function of the relevant employee category (managerial or non-managerial).

At 31 December 2012, the sensitivity analysis showed that:

- a 50 basis point increase in discount rates would reduce the commitment by 6.28%;
- a 50 basis point decrease in discount rates would increase the commitment by 7.04%.

7.5 Other employee benefits

Among the various collective variable compensation plans within the Group, Crédit Agricole S.A. *Rémunération variable collective* (RVC) is a global plan encompassing the discretionary incentive scheme and the compulsory profit-sharing scheme. The amount is calculated in accordance with the Company's performance as measured on the basis of Crédit Agricole S.A.'s net income Group share.

A given level of net income Group share will give rise to an entitlement equal to a given percentage of the total payroll.

The amount of the profit-sharing component is calculated in accordance with the standard legal formula and is deducted from the total RVC to obtain the amount of the discretionary incentive entitlement.

Other employee benefits: in France, the Group's main entities pay long-service awards. The amounts vary according to practices and collective bargaining agreements in place.

7.6 Share-based payments

7.6.1 STOCK OPTION PLAN

The Board of Directors of Crédit Agricole S.A. has implemented various stock option plans using the authorisations granted by the Extraordinary General Meeting of Shareholders of 17 May 2006.

The Board of Directors of Crédit Agricole S.A. implemented three stock options plans prior to 2012. No new plans were implemented in 2012.

2006 Stock option plan

Pursuant to the authorisation granted by the Extraordinary General Meeting of Shareholders of 17 May 2006, the Board of Directors of Crédit Agricole S.A. set the terms and conditions for granting a stock option plan and granted the necessary powers to its Chairman to carry out this plan.

The Board of Directors thus created a stock option plan for Executive Officers and certain senior managers of Crédit Agricole S.A. and its subsidiaries, for 12,029,500 stock options at a price of €33.61 per share, for 1,745 beneficiaries.

2007 Stock option plan

Pursuant to the authorisation granted by the Extraordinary General Meeting of Shareholders of 17 May 2006, at its meeting of 17 July 2007, the Board of Directors of Crédit Agricole S.A. created a stock option plan for six employees who had joined the Group, at the exercise price of €29.99 per share, which is equal to the average price quoted during the twenty trading sessions preceding the date of the board meeting, with no discount.

2008 Stock option plan

Pursuant to the authorisation granted by the Extraordinary General Meeting of Shareholders of 17 May 2006, at its meeting of 15 July 2008, the Board of Directors of Crédit Agricole S.A. created a stock option plan, effective on 16 July 2008, for three employees who had joined the Group, at the exercise price of €14.42 per share, which is equal to the higher of 1) the undiscounted average opening price quoted during the 20 trading sessions preceding the date of the Board Meeting, or 2) 80% of the average purchase price for Crédit Agricole S.A. treasury shares.

Following the capital transactions of January 2007 and June 2008, the Board of Directors of Crédit Agricole S.A. adjusted the number of options and the exercise prices under the plans implemented in 2006 and 2007.

The following tables show the attributes and general terms and conditions of the plans in place at 31 December 2012:

DESCRIPTION OF CRÉDIT AGRICOLE S.A. STOCK OPTION PLANS

Crédit Agricole S.A. stock option plans	2006	2007	2008	Total
Date of General Meeting of Shareholders that authorised the plan	17/05/2006	17/05/2006	17/05/2006	
Date of Board Meeting	18/07/2006	17/07/2007	15/07/2008	
Option attribution date	06/10/2006	17/07/2007	16/07/2008	
Term of plan	7 years	7 years	7 years	
Lock-up period	4 years	4 years	4 years	
First exercise date	06/10/2010	17/07/2011	16/07/2012	
Expiry date	05/10/2013	16/07/2014	15/07/2015	
Number of beneficiaries	1,745	6	3	
Number of options granted	13,116,803	136,992	74,000	13,327,795
Exercise price	€30.83	€27.91	€14.42	
Performance conditions	no	no	no	
Conditions in case of departure from Group				
Resignation	Forfeit	Forfeit	Forfeit	
Dismissal	Forfeit	Forfeit	Forfeit	
Retirement	Retain	Retain	Retain	
Death	Retain (1)	Retain (1)	Retain (1)	
Number of options				
Granted to Executive Officers	185,336	0	0	
Granted to the ten largest grantees	861,262	136,992	74,000	
Exercises in 2012				0
Forfeited and exercised since inception	1,577,253	32,233		1,609,486
NUMBER OF OPTIONS IN PLACE AT 31 DECEMBER 2012	**11,539,550**	**104,759**	**74,000**	**11,718,309**
Fair value (as a % of purchase price)	**28.60%**	**22.70%**	**24.30%**	
Valuation method used	Black & Scholes	Black & Scholes	Black & Scholes	

(1) If heirs and successors exercise within 6 months of death.

STATISTICS ON CRÉDIT AGRICOLE S.A. STOCK OPTION PLANS

	2005		2006	2007	2008	
Crédit Agricole S.A. stock option plans	**25/01/2005**	**19/07/2005**	**06/10/2006**	**17/07/2007**	**16/07/2008**	**Total**
Options in place at 31 December 2011	**25,068**	**5,452**	**11,539,550**	**104,759**	**74,000**	**11,748,829**
Options cancelled or matured in 2012	25,068	5,452				30,520
Options exercised in 2012						
OPTIONS IN PLACE AT 31 DECEMBER 2012			**11,539,550**	**104,759**	**74,000**	**11,718,309**

Hedging of Crédit Agricole S.A. stock option plans

The 2006 stock option plan (maturity: 2013) is hedged through Crédit Agricole S.A. options to buy existing shares.

The other stock option plans are covered by treasury shares held directly by Crédit Agricole S.A.

Key assumptions used to value the stock option plans

Crédit Agricole S.A. values the options granted and recognises an expense determined on the date of grant of the plans based on the market value of the options on that date. The only assumptions that may be revised during the vesting period giving rise to an adjustment to the expense are those relating to the beneficiaries (options forfeited on resignation or dismissal).

STOCK OPTION PLANS

Date of grant	06/10/2006	17/07/2007	16/07/2008
Estimated life	7 years	7 years	7 years
Rate of forfeiture	1.25%	1.25%	1.25%
Estimated dividend rate	3.03%	4.20%	6.37%
Volatility on the date of grant	28%	28%	40%

The Black & Scholes model has been used for all Crédit Agricole S.A. stock option plans.

7.6.2 BONUS SHARE PLAN

Pursuant to the authorisations granted by the Extraordinary General Meeting of Shareholders of 18 May 2011, at its meeting of 9 November 2011, the Board of Directors decided to implement a bonus share plan to allow all employees of Crédit Agricole S.A. Group to participate in the Company's capital and success.

This plan provides for individual grants of 60 shares each to more than 82,000 Crédit Agricole S.A. employees in 58 countries. No condition of performance is required. The plan includes, however, two-restrictions: attendance during the vesting period and the prohibition to transfer or sell the shares during the lock-up period.

In France and a few other countries, the vesting period and the lock-up period each last for two years. Other countries have specific durations for these periods, tailored to local circumstances: such as a three-year lock-up period (in Spain and Italy) and a four-year vesting period (with no lock-up period).

The shares allocated at the end of the vesting period will be new shares issued for this purpose.

The expense related to this plan was calculated on the basis of the share price on 9 November 2011 (€5.02) adjusted to take into account the share lock-up period and employee turnover assumptions derived from historical data. This expense is recognised over the vesting period and the amount was not material in 2012.

7.6.3 DEFERRED VARIABLE COMPENSATION PAYABLE EITHER IN SHARES OR IN CASH INDEXED ON SHARE PRICE

The deferred compensation plans implemented by the Group in respect of services rendered in 2011 comprise:

- equity-settled plans;
- cash-settled plans indexed on Crédit Agricole S.A. share price.

In both cases, variable compensation is subject to conditions of attendance and performance and deferred by thirds to March 2013, March 2014 and March 2015.

The expense related to these plans is recognised in compensation expenses on a straight-line basis over the vesting period to reflect the condition of attendance, along with an entry to:

- equity, in the case of equity-settled plans, with the expense being revalued solely on the basis of the estimated number of shares to be paid (in relation to the conditions of attendance and performance);
- liabilities to employees, in the case of cash-settled plans, with periodical revaluation of the liability through profit or loss until the settlement date, depending on the evolution of the share price and on vesting conditions (conditions of attendance and performance).

7.7 Executive compensation

Top executives include all members of the Executive Committee, namely the Chief Executive Officer and Deputy Chief Executive Officers of Crédit Agricole S.A., the Chief Executive Officers of the main subsidiaries and the heads of the Group's core business activities.

Compensation and benefits paid to the members of the Executive Committee in 2012 were as follows:

- short-term benefits: €25.2 million for fixed and variable compensation (€0.33 million of which paid in shares), including social security expenses and benefits in kind;
- post-employment benefits: €2.6 million for end-of-career benefits and for the supplementary pension plan for Group Senior Executive Officers;
- other long-term benefits: the amount of long-service awards granted was not material;

- employment contract termination indemnities: not material;
- other payment in shares: not applicable.

Total Directors' fees paid to members of Crédit Agricole S.A. Board of Directors in 2012 in consideration for serving as Directors of Crédit Agricole S.A. amounted to €971,005.

These amounts include compensation and benefits paid to the Chief Executive Officer and Deputy Chief Executive Officers of Crédit Agricole S.A. shown in the section on "Corporate governance and internal control" of the present registration document.

NOTE 8 Financing and guarantee commitments and other guarantees

Financing and guarantee commitments and other guarantees include discontinued or held-for-sale operations.

COMMITMENTS GIVEN AND RECEIVED

(in millions of euros)	31/12/2012	31/12/2011
Commitments given		
Financing commitments[1]	**192,398**	**191,245**
● Commitments given to credit institutions	49,796	42,349
● Commitments given to customers	142,602	148,896
● Confirmed credit lines	114,787	130,960
- Documentary credits	9,613	11,818
- Other confirmed credit lines	105,174	119,142
● Other commitments given to customers	27,815	17,936
Guarantee commitments	**95,092**	**98,902**
● Credit institutions	12,420	12,181
● Confirmed documentary credit lines	2,546	3,025
● Other	9,874	9,156
● Customers	82,672	86,721
● Property guarantees	2,701	2,904
● Other customer guarantees[2]	79,971	83,817
Commitments received		
Financing commitments[3]	**106,458**	**62,430**
● Commitments received from credit institutions	84,698	59,343
● Commitments received from customers	21,760	3,087
Guarantee commitments	**264,353**	**272,351**
● Commitments received from credit institutions[4]	67,463	61,402
● Commitments received from customers	196,890	210,949
● Guarantees received from government bodies or similar	19,853	22,378
● Other guarantees received	177,037	188,571

(1) *At 31 December 2011, securities received under repurchase agreements and recognised at the transaction date were recorded for their notional amount as counterpart to the sundry creditors' account for €2 billion; at 31 December 2012, these operations, which represented an amount of €22 billion, were recorded in "financing commitments given" between the transaction date and the settlement date.*

(2) *Financial guarantees presented separately at 31 December 2011 for an amount of €7,204 million have been reclassified in "Other customer guarantees". At 31 December 2012, the impact of this reclassification was €6,391 million.*

(3) *At 31 December 2011, securities given under repurchase agreements and recognised at the transaction date were recorded for their notional amount as counterpart to the sundry debtors' account for €7 billion; at 31 December 2012, these operations, which represented an amount of €27 billion, were recorded in "financing commitments received" between the transaction date and the settlement date.*

(4) *This line includes €14.7 billion of guarantee commitments related to the "Switch" mechanism.*

Financial instruments given and received as collateral

(in millions of euros)	31/12/2012	31/12/2011
Carrying amount of financial assets provided as collateral (including transferred assets)		
Securities and receivables provided as collateral for the refinancing structures (SFEF, Banque de France, CRH, etc.)	189,389	175,880
Securities lent	11,555	4,945
Security deposits on market transactions	33,992	26,016
Securities sold under repurchase agreements	134,398	143,525
TOTAL CARRYING AMOUNT OF FINANCIAL ASSETS PROVIDED AS COLLATERAL	**369,334**	**350,366**
Faire value of instruments received as reusable and reused collateral		
Securities borrowed	330	3
Securities bought under repurchase agreements	286,213	237,417
Securities sold short	32,173	26,255
TOTAL FAIR VALUE OF INSTRUMENTS RECEIVED AS REUSABLE AND REUSED COLLATERAL	**318,716**	**263,675**

Guarantees held

Guarantees held and assets received as collateral by Crédit Agricole S.A. Group which it is allowed to sell or to use as collateral amount to €132.9 billion, mostly within Crédit Agricole S.A. The majority of these are receivables pledged as collateral by the Regional Banks to Crédit Agricole S.A., as Crédit Agricole S.A. acts as the centralising body for the external refinancing organisations. Crédit Agricole CIB also has €123 billion in assets received as collateral.

The majority of these guarantees consists of mortgage liens, collateral or guarantees received, regardless of the quality of the assets guaranteed. They are mainly related to repurchase agreements and securities pledged to guarantee brokerage transactions.

Crédit Agricole S.A. Group policy is to sell seized collateral as soon as possible. Crédit Agricole CIB and Crédit Agricole S.A. had no such assets at 31 December 2012.

Receivables received and pledged as collateral

At 31 December 2012, Crédit Agricole S.A. deposited €95.5 billion of receivables (mainly on behalf of Regional Banks) for refinancing transactions to the Banque de France, up from €61.1 billion at 31 December 2011, and €21.5 billion of receivables were deposited directly by subsidiaries.

At 31 December 2012, Crédit Agricole S.A. deposited €22.1 billion of receivables for refinancing transactions to the *Caisse de Refinancement de l'Habitat* on behalf of the Regional Banks, up from €18.1 billion at 31 December 2011, and €8.3 billion of receivables were deposited directly by LCL.

At 31 December 2012, €10.7 billion of receivables were still pledged as collateral by the Crédit Agricole S.A. Group for 2009 refinancing transactions to SFEF (down from €25 billion at 31 December 2011).

At 31 December 2012, €38.3 billion of Regional Banks and LCL receivables had been pledged as collateral for the covered bond issues of Crédit Agricole Home Loan SFH, a financial company wholly owned by Crédit Agricole S.A.

These processes, for which there is no transfer of contractual cash flows, do not form part of the asset transfers mentioned in item 6.6 "Transferred assets not derecognised or derecognised with ongoing involvement".

NOTE 9 Reclassification of financial instruments

In 2012, the Group did not implement any reclassifications permitted by the amendment to IAS 39. Information on previous reclassifications is shown below.

The table below shows their value on the reclassification date, as well as the value, at 31 December 2012, of assets reclassified prior to 2011 and still included in the Group's assets at that date:

(in millions of euros)	Total reclassified assets		Assets reclassified at 31/12/2012			Assets reclassified before 2011			
	Carrying amount 31/12/2012	Estimated market value at 31/12/2012	Reclassification value	Carrying amount 31/12/2012	Estimated market value 31/12/2012	Carrying amount 31/12/2012	Estimated market value 31/12/2012	Carrying amount 31/12/2011	Estimated market value 31/12/2011
Financial assets at fair value through profit or loss reclassified as loans and receivables	4,872	4,556	-	-	-	4,872	4,556	5,902	5,322
Available-for-sale financial assets transferred to loans and receivables									
TOTAL RECLASSIFIED ASSETS	**4,872**	**4,556**	**-**	**-**	**-**	**4,872**	**4,556**	**5,902**	**5,322**

Change in fair value of reclassified assets recognised in profit or loss

No change in fair value of reclassified assets has been recognised in profit or loss since 2011.

Contribution of reclassified assets to net income since the reclassification date

The contribution of the reclassified assets since the date of reclassification to net income for the year includes all gains, losses, income and expenses recognised in profit or loss or in other comprehensive income.

Analysis of the impact of the transferred assets:

(in millions of euros)	Impact on pre-tax income since reclassification date							
	Reclassified assets		Assets reclassified before 2011					
	Impact 31/12/2012		Cumulative impact at 31/12/2011		Impact at 31/12/2012		Cumulative impact at 31/12/2012	
	Actual income and expenses recognised	If asset had been retained in its former category (change in fair value)	Actual income and expenses recognised	If asset had been retained in its former category (change in fair value)	Actual income and expenses recognised	If asset had been retained in its former category (change in fair value)	Actual income and expenses recognised	If asset had been retained in its former category (change in fair value)
Financial assets at fair value through profit or loss reclassified as loans and receivables	-	-	(36)	(675)	(135)	134	(171)	(541)
Available-for-sale financial assets transferred to loans and receivables								
TOTAL RECLASSIFIED ASSETS	**-**	**-**	**(36)**	**(675)**	**(135)**	**134**	**(171)**	**(541)**

NOTE 10 Fair value of financial instruments

The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The fair values shown below are estimates made on the reporting date. They are subject to change in subsequent periods due to developments in market conditions or other factors.

The calculations represent best estimates. They are based on a number of valuation models and assumptions.

To the extent that these models contain uncertainties, the fair values shown may not be achieved upon actual sale or immediate settlement of the financial instruments concerned.

In practice, and in line with the going-concern principle, not all these financial instruments would necessarily be settled immediately at the values estimated below.

10.1 Fair value of financial assets and liabilities measured at amortised cost

Amounts presented below include accruals and prepayments and are net of impairment.

	31/12/2012		31/12/2011	
(in millions of euros)	Carrying amount	Estimated market value	Carrying amount	Estimated market value
Assets				
Loans and receivables to credit institutions	385,567	393,775	379,841	385,241
Loans and receivables to customers	329,756	341,639	399,381	404,354
Held-to-maturity financial assets	14,602	17,474	15,343	16,908
Liabilities				
Due to credit institutions	160,651	165,195	172,665	172,580
Due to customers	483,638	483,722	525,636	525,750
Debt securities	150,390	151,549	148,320	152,740
Subordinated debt	29,980	29,520	33,782	29,961

For financial instruments that are traded in an active market (*i.e.* prices are quoted and disseminated), the best estimate of fair value is their market price.

In the absence of a market and of reliable data, fair value is determined using an appropriate method that is consistent with the valuation methods used in financial markets: market value of a comparable instrument, discounted future cash flows, or valuation models.

Where it is necessary to assess market value, the discounted cash flow method is the most commonly used.

In addition, it should be noted that the Crédit Agricole S.A. Group took into account the experts' report published by the IASB on 31 October 2008 on the valuation of certain financial instruments at fair value listed on markets that are no longer active.

In some cases, market values are close to carrying amounts. This applies primarily to:

- assets or liabilities at variable rates for which interest rates changes do not have a significant influence on the fair value, since the rates on these instruments frequently correct themselves to the market rates;
- short-term assets or liabilities where the redemption value is considered to be close to the market value;
- regulated instruments (e.g. regulated savings accounts) where prices are fixed by the government;
- demand liabilities;
- transactions for which there are no reliable observable data.

10.2 Information about financial instruments measured at fair value

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE BROKEN DOWN INTO THE FAIR VALUE HIERARCHY

Financial assets measured at fair value

(in millions of euros)	Total 31/12/2012	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3	Total 31/12/2011	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial assets held for trading	**550,160**	**47,922**	**499,219**	**3,019**	**447,075**	**66,016**	**370,565**	**10,494**
Loans and receivables to customers	253	-	253	-	263	-	263	-
Securities bought under repurchase agreements	82,642	-	82,642	-	21,684	-	21,684	-
Securities held for trading	48,722	47,085	1,619	18	75,681	60,573	12,104	3,004
Treasury bills and similar securities	34,920	34,903	17	-	31,046	31,032	14	
Bonds and other fixed income securities	9,442	8,043	1,381	18	28,511	19,550	7,996	965
Equities and other equity variable-income securities	4,360	4,139	221	-	16,124	9,991	4,094	2,039
Derivative instruments	418,543	837	414,705	3,001	349,447	5,443	336,514	7,490
Financial assets designated at fair value through profit or loss upon initial recognition	**69,816**	**44,723**	**21,513**	**3,580**	**43,188**	**29,149**	**12,584**	**1,455**
Loans and receivables to customers	222	-	-	222	78			78
Asset backing unit-linked contracts	33,433	21,001	12,369	63	40,372	28,744	11,178	450
Securities designated as at fair value through profit or loss upon initial recognition	36,161	23,722	9,144	3,295	2,738	405	1,406	927
Treasury bills and similar securities	5,726	5,726	-	-	3	3	-	-
Bonds and other fixed income securities	21,819	16,786	5,032	1	1,690	378	1,311	1
Equities and other equity variable-income securities	8,616	1,210	4,112	3,294	1,045	24	95	926
Available-for-sale financial assets	**259,679**	**222,338**	**36,066**	**1,275**	**227,390**	**179,355**	**44,524**	**3,511**
Treasury bills and similar securities	66,585	65,278	1,307	-	58,519	55,609	951	1,959
Bonds and other fixed income securities	170,993	142,556	28,165	272	147,559	110,387	36,879	293
Equities and other equity variable-income securities	22,078	14,504	6,571	1,003	21,034	13,359	6,416	1,259
Available-for-sale receivables	23	-	23	-	278	-	278	-
Hedging derivative instruments	**41,850**	**2,740**	**39,110**	**-**	**33,560**	**2,415**	**31,137**	**8**
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**921,505**	**317,723**	**595,908**	**7,874**	**751,213**	**276,935**	**458,810**	**15,468**

Financial liabilities measured at fair value

(in millions of euros)	Total 31/12/2012	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3	Total 31/12/2011	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial liabilities held for trading	**572,537**	**29,746**	**539,953**	**2,838**	**439,680**	**30,974**	**406,074**	**2,632**
Securities sold short	32,503	28,491	4,012	-	26,259	24,724	1,535	-
Securities sold under repurchase agreements	90,602	-	90,602	-	36,013	-	36,013	-
Debt securities	31,071		31,071	-	31,413	-	31,413	-
Derivative instruments	418,361	1,255	414,268	2,838	345,995	6,250	337,113	2,632
Financial liabilities designated as at fair value upon initial recognition	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Hedging derivative instruments	**42,411**	**999**	**41,412**	**-**	**34,605**	**746**	**33,859**	**-**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**614,948**	**30,745**	**581,365**	**2,838**	**474,285**	**31,720**	**439,933**	**2,632**

Market data used for valuation models are regarded as observable if the Market Risks department can obtain data from several sources independent of the front offices on a regular basis (daily if possible), for example from brokers or pricing services that collect data from a sufficient number of market participants. A dedicated team, which reports to the Market Risks department, regularly checks the relevance of data obtained in this way and formally documents it.

Conversely, some complex products with a basket component, where valuation requires correlation or volatility data that are not directly comparable with market data, may be classified as non-observable.

FINANCIAL INSTRUMENTS VALUED ON A LEVEL 3 MODEL

Most of these instruments valued on a Level 3 model are complex fixed income instruments, structured credit instruments (including some correlation instruments whose measurement incorporates non-observable credit spreads), equity derivatives (including some instruments with multiple underlyings), or hybrid contracts and instruments linked to risk capital and, to a lesser extent, foreign exchange and commodities products. Some financial instruments that are themselves standard but with long maturities may also be classified as Level 3 if the only market data available to measure them are for maturities that are shorter than the contractual maturity and must be extrapolated in order to measure fair value.

At 31 December 2012, financial instruments whose measurement is based on unobservable data (Level 3) mainly included:

- CDO units with US real-estate underlyings;
- hedges on some of the above-mentioned CDOs with US real-estate underlyings;
- CDOs indexed on corporate credit risk (correlation business);
- venture capital funds;
- to a lesser extent, shares of SCI property companies and SCPI property investment funds and other fixed income, equity and credit derivatives.

VALUATION METHOD

- the method used to measure super-senior CDOs with US residential underlyings is described in the "Risk factors" – "Particular risk attributable to the financial crisis" section of the management report.
- corporate CDOs are valued using a pricing model, which allocates expected losses according to the level of subordination of each transaction. This model uses both observable data (credit default swap spreads) and data that became much less observable since 2008 (correlation data relating to CDOs based on a standard basket of non-corporates). Since 2009, Crédit Agricole CIB adjusted its model to take this factor into account. More specifically, on the least liquid senior tranches, Crédit Agricole CIB introduced valuation factors adjusted to its assessment of the intrinsic risk of its exposures.
- the fair value of venture capital funds (FCPR) is measured based on the valuation of the portfolio of equity investments. For investments in unlisted companies, the assessment is based on models using factors such as discounted cash flows, earnings multiples, or net asset value, etc.

  The net asset value of FCPR is obtained from the sum of valuations of holdings restated to account for any liabilities.

CHANGES IN VALUATION MODELS

No material transfers between levels 1 and 2 were made over the period.

NET VARIATIONS IN FINANCIAL INSTRUMENTS MEASURED ACCORDING TO LEVEL 3

Financial assets measured at fair value according to Level 3

		Financial assets held for trading				Financial assets designated at fair value through profit or loss upon initial recognition					Available-for-sale financial assets			
(in millions of euros)	Total	Bonds and other fixed income securities	Equities and other equity variable-income securities	Securities held for trading	Derivative instruments	Asset backing unit-linked contracts	Loans and receivables to customers	Bonds and other fixed income securities	Equities and other equity variable-income securities	Securities designated as at fair value through profit or loss upon initial recognition	Treasury bills and similar securities	Bonds and other fixed income securities	Equities and other equity variable-income securities	Hedging derivative instruments
Opening balance (01/01/2012)	**15,468**	**965**	**2,039**	**3,004**	**7,490**	**450**	**78**	**1**	**926**	**927**	**1,959**	**293**	**1,259**	**8**
Gains or losses for the period	(4,393)	(18)		(18)	(4,244)	1	144		(58)	(58)	(222)	6	(2)	
Recognised in profit or loss [(1)]	(4,478)	(18)		(18)	(4,244)	1					(222)		5	
Recognised in other comprehensive income[(1)]	85						144		(58)	(58)		6	(7)	
Purchases	3,698				769				2,855	2,855		2	72	
Sales	(5,932)	(929)	(2,039)	(2,968)	(364)	(5)			(434)	(434)	(1,726)	(29)	(406)	
Issues	2												2	
Settlements	(502)				(498)	(19)							15	
Reclassifications	472								243	243			229	
Changes associated with scope for the period	(135)					(364)		(1)		(1)	(11)		241	
Transfers	(804)				(152)			1	(238)	(237)			(407)	(8)
Transfers to Level 3	1							1		1				
Transfers out of Level 3	(805)				(152)				(238)	(238)			(407)	(8)
CLOSING BALANCE (31/12/2012)	**7,874**	**18**		**18**	**3,001**	**63**	**222**	**1**	**3,294**	**3,295**		**272**	**1,003**	

(1) Gains and losses on financial assets held in the balance sheet at the closing date stood at -€2,472 million.

Financial liabilities measured at fair value according to Level 3

		Financial liabilities held for trading
(in millions of euros)	Total	Derivative instruments
Opening balance (01/01/2012)	**2,632**	**2,632**
Gains or losses for the period	(403)	(403)
Recognised in profit or loss [(1)]	(403)	(403)
Purchases	1,218	1,218
Sales	(299)	(299)
Settlements	(230)	(230)
Transfers	(80)	(80)
Transfers out of Level 3	(80)	(80)
CLOSING BALANCE (31/12/2012)	**2,838**	**2,838**

(1) Gains and losses on financial liabilities held in the balance sheet at the closing date stood at €2,035 million.

Gains or losses relating to assets and liabilities on the balance sheet at year-end (-€523 million) mainly comprise:

- the impact of changes in values recognised on CDOs with US real-estate underlyings and the related hedges, for approximately €0.2 billion;
- the change in value of other interest rate, credit and equity derivatives, and in particular corporate CDOs valued on the basis of data that became non-observable, for -€0.7 billion.

However, the fair value alone (and the related change) of these instruments is not relevant. Indeed, these products are extensively hedged by other, less complex products, which are individually valued based on data deemed to be observable. The valuation of these hedging products (and the related changes), which to a large extent is symmetrical to the valuation of products measured on the basis of data deemed to be unobservable, does not appear in the table above;

During the period, the fair value of financial instruments transferred out of Level 3 was approximately -€0.2 billion. These transfers are mainly due to the restored observability of some valuation inputs as they get closer to their maturity date over time and to revised observability criteria.

SENSITIVITY ANALYSIS FOR FINANCIAL INSTRUMENTS MEASURED USING LEVEL 3 VALUATION TECHNIQUES

At 31 December 2012, at Crédit Agricole CIB, the sensitivity to variables used in the models based on reasonable alternative assumptions amounted to approximately -€5 million (most of it for discontinuing operations: -€2 million on CDOs with American residential underlyings and -€3 million on corporate CDO activities).

Sensitivity is calibrated independently of the front office, based primarily on consensus data:

- **corporate CDOs:** the extent of uncertainty over the default correlation (an unobservable input) is determined based on the standard deviation between the consensus data compared to standard indices;
- **super senior ABS CDO tranches:** the extent of uncertainty is estimated based on a set rate (10% change in loss scenarios);
- **equity derivatives:** the extent of uncertainty over both dividends and correlation is estimated based on the standard deviation of consensus data;
- **interest rate derivatives:** a 2% shock is applied to the main correlations (Interest rate/exchange rate and Interest rate/Interest rate).

ESTIMATED IMPACT OF INCLUSION OF THE MARGIN AT INCEPTION

(in millions of euros)	31/12/2012	31/12/2011
Deferred income at 1 January	**162**	**241**
Income generated by new transactions during the year	32	27
Recognised in net income for the period	-	-
Amortisation and cancelled/reimbursed/matured transactions	(92)	(106)
Effects of inputs or products reclassified as observable during the year	-	-
DEFERRED INCOME AT THE END OF THE PERIOD	**102**	**162**

NOTE 11 Events after the reporting period

11.1 Disposal of 5.2% capital interest in Bankinter

On 24 January 2013, in line with the divestment strategy initiated in 2012, Crédit Agricole S.A., which held a 15.1% capital interest in Bankinter at 31 December 2012, agreed to sell 29,300,000 shares, *i.e.* 5.2% of Bankinter's capital as part of an accelerated private placement to institutional investors.

The sale price totalled €116 million, generating a €32 million gain. Once the transaction was complete, Crédit Agricole S.A.'s residual capital interest in Bankinter stood at 9.9%. As part of this market transaction, Crédit Agricole S.A. made a commitment to the banks in charge of the placement to retain the balance of its holding for a minimum of 180 calendar days, subject to certain exceptions.

This transaction, which brought Crédit Agricole S.A.'s capital interest in Bankinter down below the 10% mark, had a positive effect on Crédit Agricole S.A.'s solvency ratios.

11.2 Completion of the sale of the Emporiki Group on 1 February 2013

Upon completion of the sale of all of the Emporiki Group's capital to Alpha Bank on 1 February 2013, Emporiki will no longer benefit from any funding from Crédit Agricole S.A.

This sale, which helped Crédit Agricole S.A. to hit its solvency targets, with a *pro forma* solvency ratio at 31 December 2012 of 13.9%, up from 13.2% prior to the sale of the Emporiki Group, is part of the Group's strategy of strengthening its financial structure and re-focusing its activities.

NOTE 12 Scope of consolidation at 31 December 2012

Crédit Agricole S.A. Group Scope of consolidation	(1)	Country	Method 31/12/2012	% control 31/12/2012	% control 31/12/2011	% interest 31/12/2012	% interest 31/12/2011
French retail banking							
Banking and financial institutions							
Banque Chalus		France	Equity	25.0	25.0	25.0	25.0
Banque Thémis		France	Full	100.0	100.0	95.1	95.1
Caisse régionale Alpes Provence		France	Equity	25.2	25.2	25.2	25.2
Caisse régionale Alsace Vosges		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Aquitaine		France	Equity	29.3	29.3	29.3	29.3
Caisse régionale Atlantique Vendée		France	Equity	25.6	25.6	25.6	25.6
Caisse régionale Brie Picardie		France	Equity	27.2	27.0	27.2	27.0
Caisse régionale Centre Est		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Centre France		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Centre Loire		France	Equity	27.7	27.7	27.7	27.7
Caisse régionale Centre Ouest		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Champagne Bourgogne		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Charente Maritime - Deux Sèvres		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Charente-Périgord		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Côtes d'Armor		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale de l'Anjou et du Maine		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale des Savoie		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Finistère		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Franche Comté		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Guadeloupe		France	Equity	27.2	27.2	27.2	27.2
Caisse régionale Ille et Vilaine		France	Equity	26.0	26.0	26.0	26.0
Caisse régionale Languedoc		France	Equity	25.7	25.6	25.7	25.6
Caisse régionale Loire - Haute Loire		France	Equity	25.4	25.4	25.4	25.4
Caisse régionale Lorraine		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Martinique		France	Equity	28.2	28.2	28.2	28.2
Caisse régionale Morbihan		France	Equity	27.5	27.3	27.5	27.3
Caisse régionale Nord de France		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Nord Midi Pyrénées		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Nord-Est		France	Equity	26.4	26.4	26.4	26.4
Caisse régionale Normandie		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Normandie Seine		France	Equity	25.6	25.6	25.6	25.6
Caisse régionale Paris et Île de France		France	Equity	25.5	25.5	25.5	25.5

Crédit Agricole S.A. Group Scope of consolidation	(1)	Country	Method 31/12/2012	% control		% interest	
				31/12/2012	31/12/2011	31/12/2012	31/12/2011
Caisse régionale Provence - Côte d'Azur		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Pyrénées Gascogne		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Réunion		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Sud Méditerranée		France	Equity	25.0	25.0	25.0	25.0
Caisse régionale Sud Rhône-Alpes		France	Equity	25.8	25.4	25.8	25.4
Caisse régionale Toulouse 31		France	Equity	26.5	26.3	26.5	26.3
Caisse régionale Touraine Poitou		France	Equity	26.2	26.1	26.2	26.1
Caisse régionale Val de France		France	Equity	25.0	25.0	25.0	25.0
Cofam		France	Equity	25.4	25.4	25.4	25.4
Interfimo		France	Full	99.0	99.0	94.1	94.1
LCL		France	Full	95.1	95.1	95.1	95.1
Mercagentes		Spain	Equity	25.0	25.0	20.6	20.6
Sircam		France	Equity	25.4	25.4	25.4	25.4
Lease financing companies							
Locam		France	Equity	25.4	25.4	25.4	25.4
Investment companies							
Bercy Participations		France	Equity	25.5	25.5	25.5	25.5
CA Centre France Développement		France	Equity	25.0	25.0	20.8	20.8
CACF Immobilier		France	Equity	25.0	25.0	25.0	25.0
CADS Développement		France	Equity	25.0	25.0	25.0	25.0
Calixte Investissement		France	Equity	25.0	25.0	25.0	25.0
Crédit Agricole Centre Est Immobilier		France	Equity	25.0	25.0	25.0	25.0
L'Immobilière d'A Côté		France	Equity	25.2	25.2	25.2	25.2
Nord Capital Investissement		France	Equity	25.0	30.0	26.6	27.2
Nord Est Champagne Agro Partenaires		France	Equity	26.4	26.4	26.4	26.4
Nord Est Expansion (formerly Cofinep)	O1	France	Equity	26.4	26.4	26.4	26.4
Prestimmo		France	Equity	25.0	25.0	25.0	25.0
Sepi		France	Equity	25.0	25.0	25.0	25.0
Sequana		France	Equity	25.0	25.0	25.0	25.0
Socadif		France	Equity	25.5	25.5	25.7	25.6
Other							
Adret Gestion		France	Equity	25.0	25.0	25.0	25.0
Alsace Elite		France	Equity	25.0	25.0	23.7	23.7
Anjou Maine Gestion		France	Equity	25.0	25.0	25.0	25.0
Aquitaux Rendement		France	Equity	29.3	29.3	29.3	29.3
C.L. Verwaltungs und Beteiligungsgesellschaft GmbH		Germany	Full	100.0	100.0	95.1	95.1
CA Aquitaine Agences Immobilières		France	Equity	29.3	29.3	29.3	29.3
CA Aquitaine Immobilier		France	Equity	29.3	29.3	29.3	29.3
CA Participations		France	Equity	25.0	25.0	25.0	25.0
Caapimmo 4		France	Equity	25.2	25.2	24.9	24.9
Caapimmo 6		France	Equity	25.2	25.2	25.2	25.2
CAP Actions 2		France	Equity	25.2	25.2	25.2	25.2
CAP Obligataire		France	Equity	25.2	25.2	25.2	25.2
CAP Régulier 1		France	Equity	25.2	25.2	25.2	25.2

Crédit Agricole S.A. Group Scope of consolidation	(1)	Country	Method 31/12/2012	% control		% interest	
				31/12/2012	31/12/2011	31/12/2012	31/12/2011
CAPI Centre-Est (formerly Sparkway)		France	Equity	25.0	25.0	25.0	25.0
Caryatides Finance		France	Equity	25.0	25.0	22.0	22.0
Centre France Location Immobilière		France	Equity	25.0	25.0	25.0	25.0
CMDS Opportunités	E1	France	Equity		25.0		25.0
Crédit Lyonnais Développement Économique (CLDE)		France	Full	100.0	100.0	95.1	95.1
Crédit Lyonnais Europe		France	Full	100.0	100.0	95.1	95.1
Crédit Lyonnais Preferred Capital	E1	United States	Full		100.0		0.0
Emeraude Croissance	I2	France	Equity	26.0		26.0	
Europimmo		France	Equity	25.0	25.0	25.0	25.0
Financière PCA		France	Equity	25.0	25.0	25.0	25.0
Finarmor Gestion		France	Equity	25.0	25.0	25.0	25.0
Fonds dédié Elstar		France	Equity	25.0	25.0	25.0	25.0
Force Alsace		France	Equity	25.0	25.0	25.0	25.0
Force CACF		France	Equity	25.0	25.0	25.1	25.1
Force Charente Maritime Deux Sèvres		France	Equity	25.0	25.0	25.0	25.0
Force Iroise		France	Equity	25.0	25.0	25.0	25.0
Force Languedoc		France	Equity	25.7	25.6	25.8	25.6
Force Lorraine Duo		France	Equity	25.0	25.0	25.0	25.0
Force Profile 20		France	Equity	25.6	25.6	25.7	25.7
Force Run		France	Equity	25.0	25.0	25.0	25.0
Force Toulouse Diversifié		France	Equity	26.5	26.3	26.5	26.3
Force 4		France	Equity	25.0	25.0	25.0	25.0
Green Island		France	Equity	25.0	25.0	25.0	25.0
Immobilière de Picardie (formerly Société Immobilière de Picardie)		France	Equity	27.2	27.0	27.2	27.0
Inforsud Gestion		France	Equity	25.0	25.0	22.2	22.2
Morbihan Gestion		France	Equity	27.5	27.3	27.6	27.3
Nacarat		France	Equity	25.0	25.0	7.7	7.7
NMP Gestion		France	Equity	25.0	25.0	25.0	25.0
Nord de France Immobilier		France	Equity	25.0	25.0	25.0	25.0
NS Immobilier Finance		France	Equity	25.0	25.0	25.0	25.0
Ozenne Institutionnel		France	Equity	26.5	26.3	26.6	26.3
PCA IMMO		France	Equity	25.0	25.0	25.0	25.0
PG IMMO		France	Equity	25.0	25.0	25.0	25.0
Pyrénées Gascogne Altitude		France	Equity	25.0	25.0	25.0	25.0
Pyrénées Gascogne Gestion		France	Equity	25.0	25.0	25.0	25.0
S.A.S. Immnord		France	Equity	25.0	25.0	25.0	25.0
SAS Brie Picardie Expansion (formerly Société Picarde de développement)	O1	France	Equity	27.2	27.0	27.2	27.0
SCI Capimo	E4	France	Equity		25.0		25.0
SCI Euralliance Europe		France	Equity	25.0	25.0	25.0	25.0
SCI Les Fauvins		France	Equity	25.2	25.2	25.2	25.2
Scica HL		France	Equity	25.4	25.4	25.1	25.1
Square Habitat Lorraine (formerly CAL Immobilier)	O1	France	Equity	25.0	25.0	25.0	25.0
Sud Rhône Alpes Placement		France	Equity	25.8	25.4	26.0	25.7

Crédit Agricole S.A. Group Scope of consolidation	(1)	Country	Method 31/12/2012	% control		% interest	
				31/12/2012	31/12/2011	31/12/2012	31/12/2011
Toulouse 31 Court Terme		France	Equity	26.5	26.3	26.5	26.3
Toulouse 31 Obligations	E1	France	Equity		26.3		26.3
Val de France Rendement		France	Equity	25.0	25.0	25.0	25.0
Voix du Nord Investissement		France	Equity	25.0	25.0	6.3	6.2
Tourism - property development							
Franche Comté Développement Foncier		France	Equity	25.0	25.0	25.0	25.0
Franche Comté Développement Immobilier		France	Equity	25.0	25.0	25.0	25.0
Nord Est Optimmo S.A.S.		France	Equity	26.4	26.4	26.4	26.4
S.A. Foncière de l'Erable		France	Equity	25.0	25.0	25.0	25.0
S.A.S. Arcadim Fusion		France	Equity	25.0	25.0	25.0	25.0
SCI Crystal Europe		France	Equity	25.0	25.0	25.0	25.0
SCI Quartz Europe		France	Equity	25.0	25.0	25.0	25.0
International retail banking							
Banking and financial institutions							
Banca Popolare Friuladria S.p.A.		Italy	Full	80.2	80.2	60.1	60.1
Bankinter	E2	Spain	Equity		24.5		24.5
Bankoa		Spain	Equity	30.0	30.0	28.7	28.7
BES (Banco Espirito Santo)		Portugal	Equity	10.8	9.4	20.2	20.5
BNI Madagascar		Madagascar	Full	51.0	51.0	51.0	51.0
Cariparma		Italy	Full	75.0	75.0	75.0	75.0
Carispezia		Italy	Full	80.0	80.0	60.0	60.0
Centea		Belgium	Equity	5.0	5.0	22.1	22.1
Crédit Agricole Bank Polska S.A. (formerly Lukas Bank)		Poland	Full	100.0	100.0	100.0	100.0
Crédit Agricole Banka Srbija a.d. Novi Sad		Serbia	Full	100.0	100.0	100.0	100.0
Crédit Agricole Egypt S.A.E.		Egypt	Full	60.5	60.5	60.2	60.2
Crédit Agricole Financement		Switzerland	Equity	40.0	40.0	35.9	35.9
Crédit Agricole Polska S.A. (formerly Lukas S.A.)		Poland	Full	100.0	100.0	100.0	100.0
Credit Agricole Romania (formerly Emporiki Bank Romania S.A.)	O1	Romania	Full	99.7	99.7	99.7	94.7
Crédit du Maroc		Morocco	Full	77.4	77.0	77.4	77.0
Emporiki Bank		Greece	Full	100.0	95.0	100.0	95.0
Crédit Agricole Bank Albania S.A. (formerly Emporiki Bank Albania S.A.)	O1	Albania	Full	100.0	100.0	100.0	95.0
Credit Agricole Bulgaria (formerly Emporiki Bank Bulgaria EAD)	O1	Bulgaria	Full	100.0	100.0	100.0	95.0
Emporiki Bank Cyprus		Cyprus	Full	85.2	73.3	85.2	69.6
Europabank		Belgium	Equity	5.0	5.0	22.1	22.1
Lukas Finanse S.A.	I2	Poland	Full	100.0		100.0	
PJSC Crédit Agricole (formerly JSC Index Bank HVB)		Ukraine	Full	100.0	100.0	100.0	100.0
PJSC Crédit Agricole CIB Ukraine	E4	Ukraine	Full		100.0		97.8
S.A. Crédit Agricole (Belgique)		Belgium	Equity	5.0	5.0	22.1	22.1
Other							
Belgium CA S.A.S.		France	Equity	10.0	10.0	33.1	33.1
Bespar		Portugal	Equity	26.4	32.6	26.4	32.6
Emporiki Group Finance P.l.c.		United Kingdom	Full	100.0	100.0	100.0	95.0

Crédit Agricole S.A. Group Scope of consolidation	(1)	Country	Method 31/12/2012	% control		% interest	
				31/12/2012	31/12/2011	31/12/2012	31/12/2011
IUB Holding		France	Full	100.0	100.0	100.0	100.0
Keytrade		Belgium	Equity	5.0	5.0	22.1	22.1
Specialised financial services							
Banking and financial institutions							
Aetran Administrative Dientverlening B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
Agos S.p.A.		Italy	Full	61.0	61.0	61.0	61.0
Alsolia		France	Equity	20.0	20.0	20.0	20.0
Antera Incasso B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
Assfibo Financieringen B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
BC Finance	E3	France	Full		55.0		55.0
BCC Credito Consumo		Italy	Equity	40.0	40.0	24.4	24.4
Climauto		France	Full	100.0	100.0	100.0	100.0
Crealfi		France	Full	51.0	51.0	51.0	51.0
Credibom		Portugal	Full	100.0	100.0	100.0	100.0
Credicom Consumer Finance Bank S.A.		Greece	Full	100.0	100.0	100.0	100.0
Crediet Maatschappij “De Ijssel” B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
Crédit Agricole Commercial Finance Polska S.A.		Poland	Full	100.0	100.0	100.0	100.0
Crédit Agricole Consumer Finance		France	Full	100.0	100.0	100.0	100.0
Crédit Agricole Consumer Finance Nederland		Netherlands	Full	100.0	100.0	100.0	100.0
Crédit Lift S.p.A.	E4	Italy	Full		100.0		61.0
Creditplus Bank AG		Germany	Full	100.0	100.0	100.0	100.0
Credium Slovakia, a.s.		Slovakia	Full	100.0	100.0	100.0	100.0
Dan-Aktiv		Denmark	Full	100.0	100.0	100.0	100.0
De Kredietdesk B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
Dealerservice B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
DMC Groep N.V.		Netherlands	Full	100.0	100.0	100.0	100.0
DNV B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
EFL Services		Poland	Full	100.0	100.0	100.0	100.0
Eurofactor AG (Allemagne)		Germany	Full	100.0	100.0	100.0	100.0
Eurofactor France		France	Full	100.0	100.0	100.0	100.0
Eurofactor Italia S.p.A.		Italy	Full	100.0	100.0	100.0	100.0
Eurofactor S.A./N.V. (Belgique)		Belgium	Full	100.0	100.0	100.0	100.0
Inter-factor Europa (formerly Eurofactor Hispania S.A.)		Spain	Full	100.0	100.0	100.0	100.0
Eurofactor S.A. (Portugal)		Portugal	Full	100.0	100.0	100.0	100.0
Eurofintus Financieringen B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
Euroleenlijn B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
FC France S.A.		France	Proportionate	50.0	50.0	50.0	50.0
FGA Bank Germany GmbH		Germany	Proportionate	50.0	50.0	50.0	50.0
FGA Bank GmbH		Austria	Proportionate	50.0	50.0	50.0	50.0
FGA Capital Belgium S.A.		Belgium	Proportionate	50.0	50.0	50.0	50.0
FGA Capital Danmark A/S		Denmark	Proportionate	50.0	50.0	50.0	50.0
FGA Capital Hellas S.A.		Greece	Proportionate	50.0	50.0	50.0	50.0
FGA Capital IFIC		Portugal	Proportionate	50.0	50.0	50.0	50.0
FGA Capital Ireland P.l.c.		Ireland	Proportionate	50.0	50.0	50.0	50.0

Crédit Agricole S.A. Group Scope of consolidation	(1)	Country	Method 31/12/2012	% control		% interest	
				31/12/2012	31/12/2011	31/12/2012	31/12/2011
FGA Capital Netherlands B.V.		Netherlands	Proportionate	50.0	50.0	50.0	50.0
FGA Capital Re Limited		Ireland	Proportionate	50.0	50.0	50.0	50.0
FGA Capital S.p.A.		Italy	Proportionate	50.0	50.0	50.0	50.0
FGA Capital Spain EFC S.A.		Spain	Proportionate	50.0	50.0	50.0	50.0
FGA Capital UK Ltd.		United Kingdom	Proportionate	50.0	50.0	50.0	50.0
FGA Distribuidora		Portugal	Proportionate	50.0	50.0	50.0	50.0
FGA Insurance Hellas S.A.		Greece	Proportionate	50.0	50.0	50.0	50.0
FGA Leasing Polska		Poland	Proportionate	50.0	50.0	50.0	50.0
FGA Leasing GmbH		Austria	Proportionate	50.0	50.0	50.0	50.0
FGA Wholesale UK Ltd.		United Kingdom	Proportionate	50.0	50.0	50.0	50.0
Fiat Bank Polska S.A.		Poland	Proportionate	50.0	50.0	50.0	50.0
Fidis Finance Polska Sp. Zo.o.		Poland	Proportionate	50.0	50.0	50.0	50.0
Fidis Finance S.A.		Switzerland	Proportionate	50.0	50.0	50.0	50.0
Finalia	E2	Belgium	Equity		49.0		49.0
Financierings Data Netwerk B.V.		Netherlands	Full	44.0	44.0	44.0	44.0
Financieringsmaatschappij Mahuko N.V.		Netherlands	Full	100.0	100.0	100.0	100.0
Finaref AB		Sweden	Full	100.0	100.0	100.0	100.0
Finaref AS		Norway	Full	100.0	100.0	100.0	100.0
Finaref OY		Finland	Full	100.0	100.0	100.0	100.0
Finata Bank N.V.		Netherlands	Full	100.0	100.0	100.0	100.0
Finata Sparen N.V.		Netherlands	Full	100.0	100.0	100.0	100.0
Finata Zuid-Nederland B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
FL Auto S.N.C.		France	Proportionate	50.0	50.0	50.0	50.0
FL Location S.N.C.		France	Proportionate	50.0	50.0	50.0	50.0
FORSO Denmark		Denmark	Proportionate	50.0	50.0	50.0	50.0
FORSO Finland		Finland	Proportionate	50.0	50.0	50.0	50.0
FORSO Norway		Norway	Proportionate	50.0	50.0	50.0	50.0
FORSO Sweden		Sweden	Proportionate	50.0	50.0	50.0	50.0
GAC - Sofinco Auto Finance Co. Ltd.		China	Equity	50.0	50.0	50.0	50.0
IDM Finance B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
IDM Financieringen B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
IDM lease maatschappij N.V.		Netherlands	Full	100.0	100.0	100.0	100.0
Iebe Lease B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
InterBank N.V.		Netherlands	Full	100.0	100.0	100.0	100.0
J.J.P. Akkerman Financieringen B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
Krediet '78 B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
Logos Finanziaria S.p.A.		Italy	Full	94.8	94.8	57.8	57.8
Mahuko Financieringen B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
Matriks N.V.		Netherlands	Full	100.0	100.0	100.0	100.0
Menafinance		France	Proportionate	50.0	50.0	50.0	50.0
Money Care B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
New Theo		United Kingdom	Full	100.0	100.0	100.0	100.0
NVF Voorschotbank B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
Regio Kredietdesk B.V.		Netherlands	Full	100.0	100.0	100.0	100.0

Crédit Agricole S.A. Group Scope of consolidation	(1)	Country	Method 31/12/2012	% control 31/12/2012	% control 31/12/2011	% interest 31/12/2012	% interest 31/12/2011
Ribank		Netherlands	Full	100.0	100.0	100.0	100.0
Sedef		France	Full	100.0	100.0	100.0	100.0
Tunisie Factoring		Tunisia	Equity	36.4	36.4	36.4	36.4
Ucalease		France	Full	100.0	100.0	100.0	100.0
VoordeelBank B.V.		Netherlands	Full	100.0	100.0	100.0	100.0
Wafasalaf		Morocco	Equity	49.0	49.0	49.0	49.0
Lease financing companies							
Auxifip		France	Full	100.0	100.0	100.0	100.0
CAREFLEET S.A.		Poland	Full	100.0	100.0	100.0	100.0
Crédit Agricole Leasing & Factoring		France	Full	100.0	100.0	100.0	100.0
Crédit Agricole Leasing Italia		Italy	Full	100.0	100.0	78.7	78.7
Crédit du Maroc Leasing		Morocco	Full	100.0	100.0	84.9	84.7
Credium		Czech Republic	Full	100.0	100.0	100.0	100.0
Emporiki Leasing S.A.		Greece	Full	100.0	100.0	100.0	100.0
Emporiki Rent Long Term Leasing of Vehicles S.A.		Greece	Full	99.7	99.7	99.7	99.7
Etica		France	Full	100.0	100.0	100.0	100.0
Europejski Fundusz Leasingowy (E.F.L.)		Poland	Full	100.0	100.0	100.0	100.0
FAL Fleet Services S.A.S.		France	Proportionate	50.0	50.0	50.0	50.0
FGA Capital Services Spain S.A.		Spain	Proportionate	50.0	50.0	50.0	50.0
FGA Contracts UK Ltd.		United Kingdom	Proportionate	50.0	50.0	50.0	50.0
Finamur		France	Full	100.0	100.0	100.0	100.0
Green FCT Lease	I2	France	Full	100.0		100.0	
Leasys S.p.A.		Italy	Proportionate	50.0	50.0	50.0	50.0
Lixxbail		France	Full	100.0	100.0	100.0	100.0
Lixxcourtage		France	Full	100.0	100.0	100.0	100.0
Lixxcredit		France	Full	100.0	99.9	100.0	99.9
NVA (Négoce Valorisation des actifs)		France	Full	99.9	99.9	99.9	99.9
Unifergie		France	Full	100.0	100.0	100.0	100.0
Investment companies							
Argence Investissement S.A.S.		France	Full	100.0	100.0	100.0	100.0
Argence Participation		France	Full	100.0	100.0	100.0	100.0
Nordic Consumer Finance A/S (formerly Nordic Consumer Finans)		Denmark	Full	100.0	100.0	100.0	100.0
Insurance							
ARES Reinsurance Ltd. (formerly Arès)		Ireland	Full	100.0	100.0	61.0	61.0
Other							
CCDS (Carte Cadeaux Distribution Services)		France	Equity	49.0	49.0	49.0	49.0
Crédit LIFT		France	Full	100.0	100.0	100.0	100.0
Eda		France	Full	100.0	100.0	100.0	100.0
EFL Finance S.A.		Poland	Full	100.0	100.0	100.0	100.0
Emporiki Credicom Insurance Brokers S.A.		Greece	Full	100.0	100.0	100.0	100.0
GEIE Argence Développement		France	Full	100.0	100.0	100.0	100.0
Sofinco Participations		France	Full	100.0	100.0	100.0	100.0
Teotys (formerly Clientys)	O1	France	Full	100.0	100.0	100.0	100.0

Crédit Agricole S.A. Group Scope of consolidation	(1)	Country	Method 31/12/2012	% control 31/12/2012	% control 31/12/2011	% interest 31/12/2012	% interest 31/12/2011
Savings management							
Banking and financial institutions							
ABC-CA Fund Management CO		China	Equity	33.3	33.3	24.5	24.5
Aguadana S.L.	E1	Spain	Full		100.0		97.8
Amundi		France	Full	100.0	100.0	73.6	73.6
Amundi (UK) Ltd.		United Kingdom	Full	100.0	100.0	73.6	73.6
Amundi AI Holding		France	Full	100.0	100.0	73.6	73.6
Amundi AI S.A.S.		France	Full	100.0	100.0	73.6	73.6
Amundi Alternative Investments Ltd.	E1	Bermuda	Full		100.0		73.6
Amundi Finance		France	Full	100.0	100.0	73.6	73.6
Amundi Group		France	Full	73.6	73.6	73.6	73.6
Amundi Hellas MFMC S.A.		Greece	Full	100.0	100.0	73.6	73.6
Amundi Hong Kong Ltd.		Hong Kong	Full	100.0	100.0	73.6	73.6
Amundi Iberia S.G.I.I.C S.A.		Spain	Full	100.0	100.0	84.5	84.5
Amundi Immobilier		France	Full	100.0	100.0	73.6	73.6
Amundi India Holding		France	Full	100.0	100.0	73.6	73.6
Amundi Intermédiation		France	Full	100.0	100.0	73.6	73.6
Amundi Investment Solutions		France	Full	100.0	100.0	73.6	73.6
Amundi Investments USA LLC (formerly Amundi AI LLC)	O1	United States	Full	100.0	100.0	73.6	73.6
Amundi Japan		Japan	Full	100.0	100.0	73.6	73.6
Amundi Japan Holding		Japan	Full	100.0	100.0	73.6	73.6
Amundi Japan Securities Cy Ltd.		Japan	Full	100.0	100.0	73.6	73.6
Amundi Luxembourg S.A.		Luxembourg	Full	100.0	100.0	73.6	73.6
Amundi Private Equity Funds		France	Full	100.0	100.0	73.6	73.6
Amundi Real Estate Italia SGR S.p.A.		Italy	Full	100.0	100.0	73.6	73.6
Amundi SGR S.p.A.		Italy	Full	100.0	100.0	73.6	73.6
Amundi Singapore Ltd.		Singapore	Full	100.0	100.0	73.6	73.6
Amundi Suisse		Switzerland	Full	100.0	100.0	73.6	73.6
Amundi Tenue de Comptes (formerly Creelia)	O1	France	Full	100.0	100.0	73.6	73.6
Amundi USA Inc. (formerly European Partners in Emerging Markets Inc.)	O1	United States	Full	100.0	100.0	73.6	73.6
BFT Gestion		France	Full	100.0	100.0	73.6	73.6
CA (Suisse) S.A.		Switzerland	Full	100.0	100.0	97.8	97.8
CA Brasil DTVM		Brazil	Full	100.0	100.0	97.8	97.8
CA Indosuez Gestion (formerly Gestion Privée Indosuez)	O1	France	Full	100.0	100.0	97.8	100.0
CA Indosuez Private Banking (formerly BGP Indosuez)	O1	France	Full	100.0	100.0	97.8	100.0
CA Luxembourg		Luxembourg	Full	100.0	100.0	97.8	97.8
CACEIS (Bermuda) Ltd.	E4	Bermuda	Full		100.0		85.0
CACEIS (Canada) Ltd.		Canada	Full	100.0	100.0	85.0	85.0
CACEIS FA USA Inc. (formerly CACEIS (Cayman) Ltd.)	O1	United States	Full	100.0	100.0	85.0	85.0
CACEIS (USA) Inc.		United States	Full	100.0	100.0	85.0	85.0
CACEIS Bank Deutschland GmbH		Germany	Full	100.0	100.0	85.0	85.0
CACEIS Bank France (formerly CACEIS Bank)	O1	France	Full	100.0	100.0	85.0	85.0
CACEIS Bank Luxembourg		Luxembourg	Full	100.0	100.0	85.0	85.0
CACEIS Belgium (formerly Fastnet Belgique)		Belgium	Full	100.0	100.0	85.0	85.0

Crédit Agricole S.A. Group Scope of consolidation	(1)	Country	Method 31/12/2012	% control 31/12/2012	% control 31/12/2011	% interest 31/12/2012	% interest 31/12/2011
CACEIS Corporate Trust		France	Full	100.0	100.0	85.0	85.0
CACEIS Fund Administration (formerly CACEIS Fastnet)		France	Full	100.0	100.0	85.0	85.0
CACEIS Ireland Ltd. (formerly CACEIS Fastnet Ireland Ltd.)	O1	Ireland	Full	100.0	100.0	85.0	85.0
CACEIS Netherlands N.V. (formerly Fastnet Pays-Bas)	O1	Netherlands	Full	100.0	100.0	85.0	85.0
CACEIS Switzerland S.A. (formerly CACEIS Fastnet Suisse)	O1	Switzerland	Full	100.0	100.0	85.0	85.0
Clam Philadelphia	I1	France	Full	100.0		73.6	
CPR AM		France	Full	100.0	100.0	73.6	73.6
Crédit Agricole Suisse (Bahamas) Ltd. (formerly CA (Suisse) Bahamas)		Bahamas	Full	100.0	100.0	97.8	97.8
Crédit Foncier de Monaco		Monaco	Full	70.1	70.1	67.4	67.4
Étoile Gestion		France	Full	100.0	100.0	73.6	73.6
Finanziaria Indosuez International Ltd.		Switzerland	Full	100.0	100.0	97.8	97.8
Fund Channel		Luxembourg	Equity	50.0	50.0	36.8	36.8
IKS KB		Czech Republic	Full	100.0	100.0	73.6	73.6
Investor Service House S.A.		Luxembourg	Full	100.0	100.0	85.0	85.0
NH-CA Asset Management Ltd.		South Korea	Equity	40.0	40.0	29.4	29.4
Partinvest S.A.		Luxembourg	Full	100.0	100.0	85.0	85.0
Société Générale Gestion (S2G)		France	Full	100.0	100.0	73.6	73.6
State Bank of India Fund Management		India	Equity	37.0	37.0	27.2	27.2
Stockbrokers							
Crédit Agricole Van Moer Courtens		Luxembourg	Full	92.2	85.0	90.1	83.1
Investment companies							
CACEIS S.A.		France	Full	85.0	85.0	85.0	85.0
Lyra Capital LLC	E1	United States	Full		100.0		73.6
Insurance							
Assurances Mutuelles Fédérales		France	Full	100.0	100.0	100.0	100.0
BES Seguros		Portugal	Full	50.0	50.0	55.1	55.1
BES Vida	E2	Portugal	Full		50.0		60.2
BFT opportunité		France	Full	100.0	100.0	100.0	100.0
CA Assicurazioni		Italy	Full	100.0	100.0	100.0	100.0
CACI Life Limited		Ireland	Full	100.0	100.0	100.0	100.0
CACI Non Life Limited		Ireland	Full	100.0	100.0	100.0	100.0
CACI Reinsurance Ltd. (formerly CACI RE)		Ireland	Full	100.0	100.0	100.0	100.0
Crédit Agricole Assurances (CAA)		France	Full	100.0	100.0	100.0	100.0
Crédit Agricole Creditor Insurance (CACI)		France	Full	100.0	100.0	100.0	100.0
Crédit Agricole Life		Greece	Full	100.0	100.0	100.0	100.0
Crédit Agricole Life Insurance Company Japan Ltd.		Japan	Full	100.0	100.0	100.0	100.0
Crédit Agricole Life Insurance Europe		Luxembourg	Full	100.0	100.0	99.9	99.9
Crédit Agricole Reinsurance S.A.		Luxembourg	Full	100.0	100.0	100.0	100.0
Crédit Agricole Vita S.p.A.		Italy	Full	100.0	100.0	100.0	87.5
Dolcea Vie		France	Full	100.0	100.0	100.0	100.0
Edram Opportunités		France	Full	100.0	100.0	100.0	100.0
FCPR CAA Compart. Part. A1		France	Full	100.0	100.0	100.0	100.0
FCPR CAA Compart. Part. A2		France	Full	100.0	100.0	100.0	100.0
FCPR CAA Compart. Part. A3		France	Full	100.0	100.0	100.0	100.0

Crédit Agricole S.A. Group Scope of consolidation	(1)	Country	Method 31/12/2012	% control		% interest	
				31/12/2012	31/12/2011	31/12/2012	31/12/2011
FCPR CAA France croissance 2 A	I2	France	Full	100.0		100.0	
FCPR Roosevelt Investissements		France	Full	100.0	100.0	100.0	100.0
FCPR UI CAP SANTE A	I2	France	Full	100.0		100.0	
Federval		France	Full	100.0	100.0	100.0	100.0
FIC CAA Priv. Financ. Comp. 1 A1	I2	France	Full	100.0		100.0	
FIC CAA Priv. Financ. Comp. 2 A2	I2	France	Full	100.0		100.0	
Finaref Assurances		France	Full	100.0	100.0	100.0	100.0
Finaref Risques Divers		France	Full	100.0	100.0	100.0	100.0
Finaref Vie		France	Full	100.0	100.0	100.0	100.0
Foncière Hypersud		France	Proportionate	51.4	51.4	51.4	51.4
GRD1		France	Full	100.0	100.0	100.0	100.0
GRD2		France	Full	100.0	100.0	100.0	100.0
GRD3		France	Full	100.0	100.0	100.0	100.0
GRD4		France	Full	100.0	100.0	100.0	100.0
GRD5		France	Full	100.0	100.0	100.0	100.0
GRD7		France	Full	100.0	100.0	100.0	100.0
GRD8		France	Full	94.7	100.0	94.7	100.0
GRD9		France	Full	98.5	100.0	98.5	100.0
GRD10		France	Full	100.0	100.0	100.0	100.0
GRD11		France	Full	100.0	100.0	100.0	100.0
GRD12		France	Full	100.0	100.0	100.0	100.0
GRD14		France	Full	100.0	100.0	100.0	100.0
GRD16		France	Full	100.0	100.0	100.0	100.0
GRD17		France	Full	100.0	100.0	100.0	100.0
GRD18		France	Full	100.0	100.0	100.0	100.0
GRD19		France	Full	100.0	100.0	100.0	100.0
GRD20		France	Full	100.0	97.1	100.0	97.1
Médicale de France		France	Full	99.8	99.8	99.8	99.8
Pacifica		France	Full	100.0	100.0	100.0	100.0
Predica		France	Full	100.0	100.0	100.0	100.0
Predica 2005 FCPR A		France	Full	100.0	100.0	100.0	100.0
Predica 2006 FCPR A		France	Full	100.0	100.0	100.0	100.0
Predica 2006-2007 FCPR		France	Full	100.0	100.0	100.0	100.0
Predica 2007 FCPR A		France	Full	100.0	100.0	100.0	100.0
Predica 2007 FCPR C		France	Full	100.0	100.0	100.0	100.0
Predica 2008 FCPR A1		France	Full	100.0	100.0	100.0	100.0
Predica 2008 FCPR A2		France	Full	100.0	100.0	100.0	100.0
Predica 2008 FCPR A3		France	Full	100.0	100.0	100.0	100.0
Predica 2010 FCPR A1		France	Full	100.0	100.0	100.0	100.0
Predica 2010 FCPR A2		France	Full	100.0	100.0	100.0	100.0
Predica 2010 FCPR A3		France	Full	100.0	100.0	100.0	100.0
Predica OPCI Bureau	I1	France	Full	100.0		100.0	
Predica OPCI Commerces	I1	France	Full	100.0		100.0	
Predica OPCI Habitation	I1	France	Full	100.0		100.0	
Predica Secondaires I A1		France	Full	100.0	100.0	100.0	100.0

Crédit Agricole S.A. Group Scope of consolidation	(1)	Country	Method 31/12/2012	% control 31/12/2012	% control 31/12/2011	% interest 31/12/2012	% interest 31/12/2011
Predica Secondaires I B1		France	Full	100.0	100.0	100.0	100.0
Predica Secondaires II A1		France	Full	100.0	100.0	100.0	100.0
Predica Secondaires II B1		France	Full	100.0	100.0	100.0	100.0
Predicant A1 FCP (formerly Prediquant actions Asie)	O1	France	Full	100.0	100.0	100.0	100.0
Predicant A2 FCP (formerly Prediquant actions Amérique)	O1	France	Full	100.0	100.0	100.0	100.0
Predicant A3 FCP (formerly Prediquant actions Europe)	O1	France	Full	100.0	100.0	100.0	100.0
Prediquant opportunité		France	Full	100.0	99.3	100.0	99.3
Prediquant Stratégies	E3	France	Full		100.0		100.0
Space Holding (Ireland) Limited		Ireland	Full	100.0	100.0	100.0	100.0
Space Lux		Luxembourg	Full	100.0	100.0	100.0	100.0
Spirica (formerly Axeria Vie)		France	Full	100.0	100.0	100.0	100.0
Vert SRL (formerly CAAIH)	E3	Italy	Full		100.0		100.0
Other							
Amundi Alternative Investments Services Inc.	E4	United States	Full		100.0		73.6
Amundi Informatique Technique Services (formerly Segespar Informatique Technique Services)		France	Full	99.5	99.8	75.7	76.0
C.A.P.B. Levante	E1	Spain	Full		100.0		97.8
C.A.P.B. Norte	E1	Spain	Full		100.0		97.8
CACI Gestion		France	Full	100.0	100.0	99.0	99.0
Crédit Agricole Private Banking		France	Full	100.0	100.0	97.8	97.8
SAS CAAGIS		France	Full	50.0	50.0	62.9	62.9
SCI La Baume		France	Full	100.0	100.0	97.8	100.0
Via Vita		France	Full	100.0	100.0	100.0	100.0
Corporate and investment banking							
Banking and financial institutions							
Al BK Saudi Al Fransi - BSF		Saudi Arabia	Equity	31.1	31.1	30.4	30.4
Crédit Agricole CIB Algérie (formerly Calyon Algérie)	O1	Algeria	Full	100.0	100.0	97.8	97.8
Crédit Agricole CIB Australia Ltd.		Australia	Full	100.0	100.0	97.8	97.8
Crédit Agricole CIB China Ltd.		China	Full	100.0	100.0	97.8	97.8
Crédit Agricole CIB Merchant Bank Asia Ltd.		Singapore	Full	100.0	100.0	97.8	97.8
Crédit Agricole CIB S.A.		France	Full	97.8	97.8	97.8	97.8
Crédit Agricole CIB Services Private Ltd.		India	Full	100.0	100.0	97.8	97.8
Crédit Agricole CIB ZAO Russia		Russia	Full	100.0	100.0	97.8	97.8
Crédit Agricole Yatirim Bankasi Turk A.S.	E2	Turkey	Full		100.0		97.8
Himalia P.l.c.		United Kingdom	Full	100.0	100.0	97.8	97.8
Inca SARL	E2	Luxembourg	Full		65.0		63.6
Lyane BV	E2	Netherlands	Full		65.0		63.6
Newedge Group		France	Proportionate	50.0	50.0	48.9	48.9
Stockbrokers							
Cheuvreux/CLSA Global Portfolio Trading Pte Ltd.	O2	Singapore	Full		100.0		97.8
Crédit Agricole Cheuvreux Espana S.A.		Spain	Full	100.0	100.0	97.8	97.8
Crédit Agricole Cheuvreux International Ltd.		United Kingdom	Full	100.0	100.0	97.8	97.8
Crédit Agricole Cheuvreux Nordic AB		Sweden	Full	100.0	100.0	97.8	97.8
Crédit Agricole Cheuvreux North America Inc.		United States	Full	100.0	100.0	97.8	97.8
Crédit Agricole Cheuvreux S.A.		France	Full	100.0	100.0	97.8	97.8

Crédit Agricole S.A. Group Scope of consolidation	(1)	Country	Method 31/12/2012	% control		% interest	
				31/12/2012	31/12/2011	31/12/2012	31/12/2011
Crédit Agricole Securities Asia BV (Tokyo)		Japan	Full	100.0	100.0	97.8	97.8
Lease financing companies							
Cardinalimmo	E1	France	Full		49.6		48.5
Immofi CACIB (formerly Financière Immobilière Crédit Agricole CIB)	O1 / E1	France	Full		100.0		97.8
Investment companies							
Banco Crédit Agricole Brasil S.A.		Brazil	Full	100.0	100.0	97.8	97.8
Calyce P.l.c.		United Kingdom	Full	100.0	100.0	97.8	97.8
Clifap		France	Full	100.0	100.0	97.8	97.8
Clinfim		France	Full	100.0	100.0	97.8	97.8
Compagnie Française de l'Asie (CFA)		France	Full	100.0	100.0	97.8	97.8
Crédit Agricole CIB Air Finance S.A.		France	Full	100.0	100.0	97.8	97.8
Crédit Agricole CIB Capital Market Asia B.V.		Netherlands	Full	100.0	100.0	97.8	97.8
Crédit Agricole CIB Finance (Guernsey) Ltd.		United Kingdom	Full	99.9	99.9	97.7	97.7
Crédit Agricole CIB Financial Prod. (Guernsey) Ltd.		United Kingdom	Full	99.9	99.9	97.7	97.7
Crédit Agricole CIB Global Banking		France	Full	100.0	100.0	97.8	97.8
Crédit Agricole CIB Global Partners Inc. Group		United States	Full	100.0	100.0	97.8	97.8
Crédit Agricole CIB Holdings Ltd.		United Kingdom	Full	100.0	100.0	97.8	97.8
Crédit Agricole CIB UK IH	E3	United Kingdom	Full		100.0		97.8
Crédit Agricole Securities USA Inc.		United States	Full	100.0	100.0	97.8	97.8
Crédit Lyonnais Securities Asia BV		Netherlands	Full	100.0	100.0	97.8	96.7
Doumer Finance S.A.S.		France	Full	100.0	100.0	97.8	97.8
Ester Finance		France	Full	100.0	100.0	97.8	97.8
Fininvest		France	Full	98.3	98.3	96.1	96.1
Fletirec		France	Full	100.0	100.0	97.8	97.8
I.P.F.O.		France	Full	100.0	100.0	97.8	97.8
Safec	E4	Switzerland	Full		100.0		97.8
Insurance							
CAIRS Assurance S.A.		France	Full	100.0	100.0	97.8	97.8
Other							
Aylesbury (formerly Interco)	E3	United Kingdom	Full		100.0		97.8
CA Conseil S.A.		Luxembourg	Full	100.0	100.0	97.8	97.8
Calixis Finance		France	Full	100.0	100.0	97.8	97.8
Calliope SRL		Italy	Full	100.0	100.0	65.5	65.5
Crédit Agricole Asia Shipfinance Ltd.		Hong Kong	Full	100.0	100.0	97.8	97.8
Crédit Agricole CIB Financial Solutions		France	Full	99.8	99.8	97.5	97.5
Crédit Agricole CIB Preferred Funding II LLC		United States	Full	100.0	100.0	99.5	99.5
Crédit Agricole CIB Preferred Funding LLC		United States	Full	100.0	100.0	99.6	99.7
DGAD International SARL		Luxembourg	Full	100.0	100.0	97.8	97.8
European NPL S.A.		Luxembourg	Full	60.0	60.0	65.5	65.5
Immobilière Sirius S.A.		Luxembourg	Full	100.0	100.0	97.8	97.8
Indosuez Finance Limited	E1	United Kingdom	Full		100.0		97.8
Indosuez Holding SCA II		Luxembourg	Full	100.0	100.0	97.8	97.8
Indosuez Management Luxembourg II		Luxembourg	Full	100.0	100.0	97.8	97.8
Island Refinancing SRL		Italy	Full	100.0	100.0	65.5	65.5

Crédit Agricole S.A. Group Scope of consolidation	(1)	Country	Method 31/12/2012	% control 31/12/2012	% control 31/12/2011	% interest 31/12/2012	% interest 31/12/2011
LSF Italian Finance Cpy SRL		Italy	Full	100.0	100.0	65.5	65.5
MERISMA		France	Full	100.0	100.0	97.8	97.8
Sagrantino		Netherlands	Full	100.0	100.0	65.5	65.5
Sagrantino Italy SRL		Italy	Full	100.0	100.0	65.5	65.5
Semeru CLSA Capital Partners Pte Ltd. (formerly Alcor)	O1	Hong Kong	Full	74.8	100.0	73.1	97.8
SNC Doumer		France	Full	99.9	99.9	97.7	97.7
SPV LDF 65	E2	Luxembourg	Full		64.9		63.5
UBAF		France	Proportionate	47.0	47.0	46.0	46.0
Corporate Centre							
Crédit Agricole S.A.							
Crédit Agricole S.A.		France	Parent company	100.0	100.0	100.0	100.0
Banking and financial institutions							
BFC Antilles Guyane		France	Full	100.0	100.0	95.1	95.1
BFT (Banque Financement et Trésorerie)	E4	France	Full		100.0		97.8
Caisse régionale de Crédit Agricole mutuel de la Corse		France	Full	99.9	99.9	99.9	99.9
CL Développement de la Corse		France	Full	99.9	99.9	99.9	99.9
Crédit Agricole Home Loan SFH (formerly Crédit Agricole Covered Bonds)		France	Full	100.0	100.0	100.0	100.0
FIA-NET		France	Full	50.0	50.0	50.0	50.0
Foncaris		France	Full	100.0	100.0	100.0	100.0
Investment companies							
Crédit Agricole Capital Investissement et Finance (CACIF)		France	Full	100.0	100.0	100.0	100.0
Crédit Agricole Private Equity	E2	France	Full		100.0		100.0
Delfinances		France	Full	100.0	100.0	100.0	100.0
Eurazeo		France	Equity	25.1	25.4	18.7	18.6
IDIA-Sodica		France	Full	100.0	100.0	100.0	100.0
Other							
CA Grands Crus		France	Full	100.0	100.0	82.5	82.5
CA Preferred Funding LLC		United States	Full	100.0	100.0	6.5	6.5
CPR Holding (CPRH)		France	Full	100.0	100.0	100.0	100.0
Crédit Agricole Cards & Payments (formerly Cedicam)	O1	France	Full	50.0	50.0	63.0	63.0
Crédit Agricole Immobilier		France	Full	100.0	100.0	100.0	100.0
Crédit Agricole Immobilier Facilities	I1	France	Full	100.0		100.0	
Crédit Agricole Public Sector SCF	I1	France	Full	100.0		100.0	
Fia-Net Europe		Luxembourg	Full	50.0	50.0	50.0	50.0
Finasic		France	Full	100.0	100.0	100.0	100.0
GIE Silca		France	Full	100.0	100.0	94.9	99.3
S.A.S. Evergreen Montrouge		France	Full	100.0	100.0	100.0	100.0
SCI D2 CAM		France	Full	100.0	100.0	100.0	100.0
SCI Max Hymans		France	Full	100.0	100.0	100.0	100.0
SCI Pasteur 3		France	Full	100.0	100.0	100.0	100.0
SCI Quentyvel		France	Full	100.0	100.0	100.0	100.0
SCI Raspail	E5	France	Full		100.0		100.0
SIS (Société Immobilière de la Seine)		France	Full	72.9	72.9	79.8	79.8
SNC Kalliste Assur		France	Full	100.0	100.0	99.9	99.9

Crédit Agricole S.A. Group Scope of consolidation	(1)	Country	Method 31/12/2012	% control		% interest	
				31/12/2012	31/12/2011	31/12/2012	31/12/2011
UI Vavin 1		France	Full	100.0	100.0	100.0	100.0
Unibiens		France	Full	100.0	100.0	100.0	100.0
Uni-Édition		France	Full	100.0	100.0	100.0	100.0
Tourism - property development							
Crédit Agricole Immobilier Entreprise (formerly CA Immobilier Promotion)	O1	France	Full	100.0	100.0	100.0	100.0
Crédit Agricole Immobilier Résidentiel (formerly Monné Decroix Promotion SAS)	O1	France	Full	100.0	100.0	100.0	100.0
Monné-Decroix Courtage S.A.S.	E4	France	Full		100.0		100.0
Monné-Decroix Gestion S.A.S.		France	Full	100.0	100.0	100.0	100.0
Monné-Decroix Résidences S.A.S.		France	Full	100.0	100.0	100.0	100.0
Selexia S.A.S.		France	Full	100.0	100.0	100.0	100.0

(1) Crédit Agricole S.A. Group – Scope of consolidation

Inclusions (I) into the scope of consolidation:

- *I1: Breach of threshold*
- *I2: Creation*
- *I3: Acquisition (including controlling interests)*

Exclusions (E) from the scope of consolidation:

- *E1: Discontinuation of business (including dissolution and liquidation)*
- *E2: Sale to non-Group companies or deconsolidation following loss of control*
- *E3: Deconsolidated due to non-materiality*
- *E4: Merger or takeover*
- *E5: Transfer of all assets and liabilities*

Other:

- *O1: Change of company name*
- *O2: Change in consolidation method*
- *O3: First time listed in the Note on scope of consolidation*

Statutory Auditors' report on the consolidated financial statements

This is a free translation into English of the Statutory Auditors' report issued in French. It is provided solely for the convenience of English speaking users. The Statutory Auditors' report includes information required specifically by French law in such reports, whether qualified or not. This information presents below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report should be read and construed in accordance with French law and professional auditing standards applicable in France.

Year ended December 31, 2012

To the shareholders:

In compliance with the assignment entrusted to us by your General Meeting of Shareholders, we hereby report to you, for the year ended December 31, 2012 on:

- the audit of the accompanying consolidated financial statements of Crédit Agricole S.A.;
- the justification of our assessments;
- the specific verification required by law.

The consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform procedures to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets, liabilities and of the financial position of the Group at 31 December 2012, as well as of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II. Justification of our assessments

In accordance with the requirements of Article L. 823-9 of the French Commercial Code (Code de Commerce) relating to the justification of our assessments, we bring to your attention the following matters:

- your Group accounts for impairment reserves to cover identified credit risk, which are inherent to its business activities. We have reviewed the procedures implemented by management to identify and assess these risks and to determine the amount of impairment considered necessary, and we have verified that these accounting estimates were based on documented methods that comply with the principles described in Note 1.3 to the consolidated financial statements;
- as stated in Notes 1.3 and 10.2 to the consolidated financial statements, your Group uses internal models to assess the fair value of certain financial instruments that are not traded on an active market. We have reviewed the control procedures around these models, the assumptions used and the way the risks associated with such instruments are taken into consideration;

- as stated in Note 2.1 to the consolidated financial statements, your Group has estimated the impact of the planned sales of some subsidiaries. We have reviewed the assumptions used for this purpose and verified that these accounting estimates are based on documented procedures consistent with the principles described in the financial statements. We have also verified that the presentation in the notes to the consolidated financial statements was appropriate;
- as stated in Notes 1.4, 2.2 and 2.5 to the consolidated financial statements, your Group has performed impairment tests on goodwills and investments in equity affiliates. We have reviewed the terms and conditions related to these tests, the main parameters and assumptions used, and have verified that the presentation in the notes to the consolidated financial statements was appropriate;
- as stated in Note 1.3 to the consolidated financial statements, in order to determine the fair value of the issued securities accounted for at fair value through profit and loss, your Group has measured the impact its own credit risk. We have reviewed the appropriateness of the methods and assumptions used for this purpose and verified that these accounting estimates are based on documented procedures consistent with the principles described in the financial statements;
- as part of its process of preparation of the consolidated financial statements, your Group has made other accounting estimates, as explained in Note 1.3 to the consolidated financial statements, in particular regarding the valuation and impairment of non-consolidated equity securities, the pension and future employee benefits engagements, reserves for operational risks, reserves for legal risks, deferred taxes assets. We have reviewed the methods and assumptions used and ensured that the accounting estimates are appropriately documented in conformity with the principles described in Note 1.3 of the consolidated financial statements.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verification

As required by law, we have also verified in accordance with professional standards applicable in France the information on the Group presented in the management report. We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, March 14, 2013

The Statutory Auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Catherine Pariset	Valérie Meeus

Parent company financial statements

at 31 December 2012
approved by the Crédit Agricole S.A. Board of Directors on 19 February 2013

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Parent company financial statements

BALANCE SHEET AT 31 DECEMBER 2012

ASSETS

(in millions of euros)	Notes	31/12/2012	31/12/2011
Cash money market and interbank items		**143,882**	**165,210**
Cash due from central banks		521	1,519
Treasury bills and similar securities	5	26,511	22,087
Loans and receivables to credit institutions	3	116,850	141,604
Crédit Agricole internal transactions	**3**	**267,819**	**275,765**
Loans and receivables to customers	**4**	**2,638**	**2,983**
Portfolio securities		**30,878**	**31,704**
Bonds and other fixed income securities	5	30,430	31,101
Equities and other equity variable-income securities	5	448	603
Fixed assets		**62,714**	**67,755**
Equity investments and other long-term equity investments	6,7	8,688	9,855
Investments in subsidiaries and affiliates	6,7	53,828	57,701
Intangible assets	7	46	41
Property, plant and equipment	7	152	158
Due from shareholders – unpaid capital			
Treasury shares	**8**	**45**	**30**
Accruals, prepayments and sundry assets		**32,099**	**27,586**
Other assets	9	5,921	5,503
Accruals and prepayments	9	26,178	22,083
TOTAL ASSETS		**540,075**	**571,033**

EQUITY AND LIABILITIES

(in millions of euros)	Notes	31/12/2012	31/12/2011
Money market and interbank items		**99,642**	**126,252**
Due to central banks		3	
Due to credit institutions	11	99,639	126,252
Crédit Agricole internal transactions	**11**	**49,895**	**44,965**
Due to customers	**12**	**208,853**	**218,912**
Debt securities	**13**	**85,938**	**82,187**
Accruals, deferred income and sundry liabilities		**32,094**	**27,051**
Other liabilities	14	5,343	4,935
Accruals and deferred income	14	26,751	22,116
Provisions and subordinated debt		**35,086**	**38,922**
Provisions	15,16,17	2,868	2,322
Subordinated debt	19	32,218	36,600
Fund for general banking risks (FGBR)	**18**	**939**	**904**
Equity (excluding FGBR)	**20**	**27,628**	**31,840**
Share capital		7,494	7,494
Share premium		22,452	22,452
Reserves		2,827	2,827
Revaluation adjustments			
Regulated provisions and investment subsidies		31	8
Retained earnings		(941)	2,715
Net income for the financial year		(4,235)	(3,656)
TOTAL EQUITY AND LIABILITIES		**540,075**	**571,033**

OFF-BALANCE SHEET AT 31 DECEMBER 2012

(in millions of euros)	Notes	31/12/2012	31/12/2011
COMMITMENTS GIVEN		**63,310**	**61,130**
Financing commitments	26	35,700	33,315
Guarantee commitments	26	27,455	27,804
Commitments on securities		155	11

(in millions of euros)		31/12/2012	31/12/2011
COMMITMENTS RECEIVED		**59,365**	**56,785**
Financing commitments	26	40,641	38,823
Guarantee commitments	26	18,569	17,951
Commitments on securities		155	11

INCOME STATEMENT AT 31 DECEMBER 2012

(in millions of euros)	Notes	31/12/2012	31/12/2011
Interest and similar income[(1)]	28, 29	15,112	14,092
Interest and similar expenses[(1)]	28	(16,478)	(15,407)
Income from variable-income securities	29	4,419	3,669
Fee and commission income	30	801	679
Fee and commission expenses	30	(1,260)	(1,171)
Net gains (losses) on trading book[(1)]	31	479	(231)
Net gains (losses) on investment portfolios	32	753	(415)
Other banking income	33	82	59
Other banking expenses	33	(118)	(90)
Revenues		**3,790**	**1,185**
Operating expenses	34	(689)	(721)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets		(15)	(13)
Gross operating income		**3,086**	**451**
Cost of risk	35	(1,004)	(295)
Operating income		**2,082**	**156**
Net gains (losses) on fixed assets	36	(7,026)	(4,979)
Pre-tax income on ordinary activities		**(4,944)**	**(4,823)**
Net extraordinary items			
Income tax charge	37	767	1,201
Net allocation to FGBR and regulated provisions		(58)	(34)
NET INCOME FOR THE FINANCIAL YEAR		**(4,235)**	**(3,656)**

(1) Income and expenses on the London branch's micro-hedging interest rate instruments are now presented under the "interest income" and "interest expense" headings. The balance of these transactions, which were previously recognised under the "Net gains (losses) on trading book" heading, totalled €366 million at 31 December 2011.

Notes to the Parent Company financial statements

Detailed summary of the notes

Detailed summary of the notes

NOTE 1 Legal and financial background – Significant Events In 2012

1.1 Legal and financial background

Crédit Agricole S.A. is a French Limited Liability Company (*Société Anonyme*) with a share capital of €7,494,062 thousand, divided into 2,498,020,537 shares with a par value of 3 euros each.

At 31 December 2012, the share capital of Crédit Agricole S.A. was held as follows:

- 56.25% by SAS Rue La Boétie;
- 43.46% free float (including employees).

In addition, Crédit Agricole S.A. held 7,319,186 treasury shares at 31 December 2012, representing 0.29% of its share capital, compared with 6,969,381 treasury shares at 31 December 2011.

Crédit Agricole's Regional Banks are co-operative companies whose status and operating procedures are defined by laws and regulations codified in the French Monetary and Financial Code. Crédit Agricole S.A. in turn holds around 25% of the cooperative associate certificates (*Certificats coopératifs d'associés*) and/or the cooperative investment certificates (*Certificats coopératifs d'investissement*) issued by the Regional Banks (except for *Caisse régionale de la Corse* which is wholly owned by Crédit Agricole S.A.).

Crédit Agricole S.A. coordinates the activities of the Regional Banks, is responsible for exercising administrative, technical and financial control over them and a has right of supervision in accordance with the French Monetary and Financial Code. By virtue of its duties as a central body, confirmed by France's Banking Act, it is responsible for ensuring the cohesion and proper functioning of the network, as well as each Regional Bank's compliance with operating standards. It guarantees their liquidity and solvency. Similarly, the Regional Banks guarantee Crédit Agricole S.A.'s liabilities up to the amount of their equity.

1.2 Crédit Agricole internal funding mechanisms

Affiliation with Crédit Agricole Group moreover means being part of a system of financial relationships that operates as described below:

REGIONAL BANKS' CURRENT ACCOUNTS

Each Regional Bank holds a current account with Crédit Agricole S.A., which records the financial movements resulting from internal financial transactions within the Group. This account may be in credit or debit and is presented in the balance sheet under "Crédit Agricole internal transactions – Current accounts".

SPECIAL SAVINGS ACCOUNTS

Funds held in special savings accounts (popular savings plans and accounts, sustainable development passbook accounts (*Livret de développement durable*), home purchase savings plans and accounts, youth passbook accounts and *Livret A* passbook savings accounts) are collected by the Regional Banks on behalf of Crédit Agricole S.A. These funds are required to be transferred to the latter on a compulsory basis. Crédit Agricole S.A. recognises them on its balance sheet as "Due to customers".

TERM DEPOSITS AND ADVANCES

The Regional Banks also collect savings funds (passbook accounts, bonds, certain time accounts and related accounts, etc.) on behalf of Crédit Agricole S.A. These funds are transferred to Crédit Agricole S.A. and are recognised as such on its balance sheet.

Special savings accounts and time loans and advances are used by Crédit Agricole S.A. to make "advances" (loans) to the Regional Banks, enabling them to fund their medium and long-term loans.

A series of four internal financial reforms has been implemented. These reforms have permitted the transfer back to the Regional Banks, in the form of "advances" (loans) of a specific percentage of the funds collected by them (first 15%, 25%, then 33% and, lastly, with effect since 31 December 2001, 50%), *via* "mirror advances" with maturities and interest rates precisely matching those of the savings funds received, and which they are free to use at their discretion.

Since 1 January 2004, the financial margins generated by the centralised management of funds collected (and not transferred back *via* mirror advances) are shared by the Regional Banks and Crédit Agricole S.A. and are determined by using replacement models and applying market rates.

Furthermore, 50% of new loans written since 1 January 2004 and falling within the field of application of financial relations between Crédit Agricole S.A. and the Regional Banks may be refinanced in the form of advances negotiated at market rates with Crédit Agricole S.A.

Hence, there are currently two types of advances: advances governed by financial rules before 1 January 2004 and those governed by the new rules.

Crédit Agricole S.A. may also make additional financing available to the Regional Banks at market rates.

TRANSFER OF REGIONAL BANKS' LIQUIDITY SURPLUSES

The Regional Banks may use their "monetary" deposits (demand deposits, non-centralised time deposits and negotiable certificates of deposit) to finance lending to their customers. Surpluses must be transferred to Crédit Agricole S.A., where they are booked as current or time accounts, under "Crédit Agricole internal transactions".

INVESTMENT OF REGIONAL BANKS' SURPLUS CAPITAL WITH CRÉDIT AGRICOLE S.A.

Available surplus capital may be invested with Crédit Agricole S.A. in the form of three- to ten-year instruments with the same characteristics of interbank money market transactions in all respects.

FOREIGN CURRENCY TRANSACTIONS

Crédit Agricole S.A. represents the Regional Banks with respect to the Bank of France and centralises their foreign currency transactions.

MEDIUM AND LONG-TERM NOTES ISSUED BY CRÉDIT AGRICOLE S.A.

These are placed mainly on the market or by the Regional Banks with their customers. They are booked by Crédit Agricole S.A. under liabilities either as "Debt securities" or as "Subordinated debt", depending on the type of security issued.

HEDGING OF LIQUIDITY AND SOLVENCY RISKS

In 2001, ahead of Crédit Agricole S.A.'s initial public offering, CNCA (which subsequently became Crédit Agricole S.A.) entered into an agreement with the Regional Banks governing internal relations within the Crédit Agricole Group. The agreement notably provided for the creation of a Fund for Bank Liquidity and Solvency Risks ("FRBLS") designed to enable Crédit Agricole S.A. to fulfil its role as central body by providing assistance to any affiliate experiencing difficulties. The main provisions of this agreement are set out in Chapter III of the Registration document filed by Crédit Agricole S.A. with the *Commission des opérations de Bourse* on 22 October 2001 under number R.01-453. The fund was originally allocated €609.8 million in assets. It stood at €938.6 million at 31 December 2012, having been increased by €34.5 million over the year.

Furthermore, since CNCA's reorganisation as a mutual company in 1988, the Regional Banks have committed to making up any shortfall suffered by creditors should Crédit Agricole S.A. become insolvent or experience similar financial difficulties. The Regional Banks' potential commitment under this guarantee is equal to the sum of their share capital.

"SWITCH" GUARANTEE

The "Switch" mechanism established on 23 December 2011 forms part of the financial arrangements between Crédit Agricole S.A., as central body, and the mutual network of the Crédit Agricole Regional Banks.

This enables the transfer of the regulatory requirements applying to Crédit Agricole S.A.'s interests in the Regional Banks, which are accounted for under the equity method in the consolidated financial statements of Crédit Agricole S.A. This transfer to the Regional Banks is achieved by means of a guarantee mechanism granted by them to Crédit Agricole S.A. with respect to contractual minimum equity-accounted values for the cooperative investment certificates and the cooperative associate certificates issued by the Regional Banks. This value was fixed when the guarantee was initially set-up.

The effectiveness of the mechanism is secured by a cash deposit paid by the Regional Banks to Crédit Agricole S.A.

As structured, the mechanism protects Crédit Agricole S.A. from a decline in the overall equity-accounted value of the Regional Banks. Indeed, as soon as a drop in value is observed, the guarantee mechanism is activated and Crédit Agricole S.A. receives compensation drawn from the cash security deposit. If the overall equity-accounted value later recovers, Crédit Agricole S.A. returns previously paid compensation in accordance with a financial recovery clause.

The term of the guarantee is 15 years and can be extended by tacit consent. This guarantee may be terminated early, in certain circumstances and with the prior agreement of the French Prudential Supervisory Authority (ACP, *Autorité de Contrôle Prudentiel*).

The guarantee deposit is remunerated at a fixed rate based on conditions prevailing for long-term liquidity. The guarantee attracts a fixed remuneration covering the present value of the risk and cost of capital of the Regional Banks.

In the parent company's financial statements, the "Switch" guarantee is an off-balance sheet commitment given by the Regional Banks and symmetrically received by Crédit Agricole S.A. The total remuneration for the guarantee is staggered over the duration of the agreement and recognised within revenues under net interest income. When the guarantee is called in, the compensation is symmetrically recognised by Crédit Agricole S.A. and the Regional Banks in income under cost of risk. The clawback provision gives rise to the booking of a provision in the financial statements of Crédit Agricole S.A., the amount of which depends on the likelihood of repayment.

1.3 Significant events in 2012

On 26 January 2012, Crédit Agricole S.A. launched offers to redeem its outstanding subordinated bonds in order to strengthen the quality and adequacy of its Tier 1 capital and in response to regulatory changes coming into force on 1 January 2013 (new Basel 3 rules). In total, some €2 billion worth was redeemed.

The impact on income was an after-tax gain of €552 million (including the effect of the unwinding of hedges).

On 22 February 2012, the Board of Directors decided to move the headquarters of Crédit Agricole S.A. to Montrouge. This decision was approved by the General Meeting of Shareholders of 22 May 2012. The transfer took effect on 1 July 2012.

In addition, Crédit Agricole S.A. disposed of Banque de Gestion Privée Indosuez to Crédit Agricole Private Banking on 22 February 2012, backdated to 1 January 2012.

In the second quarter of 2012, the Crédit Agricole S.A. Group disposed of the 50% interest held by Crédit Agricole Assurances in BES Vida to Banco Espirito Santo (BES). This disposal was done in conjunction with a capital increase undertaken by BES to strengthen its capital base and comply with the target set by the Bank of Portugal, a transaction that enabled it to purchase said interest in order to take control of the BES Vida insurance subsidiary.

In line with the decision of its Board of Directors on 14 June 2012, Emporiki Bank Greece disposed of its subsidiaries in Albania, Bulgaria and Romania to IUB Holding, a wholly owned subsidiary of Crédit Agricole S.A.

On 17 October 2012, Crédit Agricole S.A. announced the signing of an agreement for the outright disposal of Emporiki Bank to Alpha Bank. The deal was approved by the Board of Directors of Crédit Agricole S.A. on 15 October 2012. The main terms of the deal consisted of the outright disposal of the Emporiki Group's share capital to Alpha Bank for one euro. That share capital was increased in 2012 by means of the conversion in February of a €2 billion fundable advance as well as a €2.3 billion recapitalisation in July.

This disposal was finalised on 1 February 2013. As part of this, a further recapitalisation totalling €585 million was carried out. Crédit Agricole S.A. also subscribed for €150 million in convertible bonds issued by Alpha Bank, redeemable in Alpha Bank shares, under certain conditions and at the initiative of Crédit Agricole S.A.

This deal allowed Crédit Agricole S.A. to continue to refocus itself in line with its strategic plan.

Following the meeting of the Board of Directors of 16 December 2010, and the announcement by Crédit Agricole S.A. that it was terminating the arrangements giving it representation on the Supervisory Board of Intesa Sanpaolo S.p.A., in the course of 2012 Crédit Agricole S.A. finalised the disposal of all its shares in Intesa Sanpaolo S.p.A, thereby generating an overall loss of €1,122 million. This loss was nevertheless fully offset by reversals of previously recognised impairment losses.

Crédit Agricole S.A. reduced its interest in Bankinter by close to 10% in 2012. This generated a loss of €278 million in the financial year. This was wholly offset by reversals of previously recognised impairment losses.

In order to satisfy the future banking regulatory environment (Basel 3), in December 2012 Crédit Agricole Assurances (CAA) optimised its capital structure between equity and subordinated debt financing. This transaction resulted in an increase in equity at Crédit Agricole S.A., offset by the issuance of subordinated debt. Thus, CAA paid Crédit Agricole S.A. an extraordinary dividend of €1.7 billion. In addition, CAA carried out debt issuances (redeemable subordinated notes, perpetual subordinated debt and senior loans) totalling over €2 billion that were subscribed by Crédit Agricole S.A.

1.4 Events subsequent to the 2012 reporting period

In January 2013, Crédit Agricole S.A. disposed of a 5.2% equity interest in Bankinter by means of a private placement to institutional investors. This disposal was for €116 million and generated a loss of €283 million for Crédit Agricole S.A. This loss was offset by reversals of previously recognised impairment losses.

Following this deal, Crédit Agricole S.A. had a residual circa 9.9% equity interest in Bankinter. As part of this market transaction, Crédit Agricole S.A. made a commitment to the banks handling the placement to retain its residual interest for at least 180 days, subject to certain exceptions.

On 1 February 2013, Crédit Agricole S.A. finalised the outright disposal of Emporiki to Alpha Bank. As part of this, a further recapitalisation totalling €585 million was first carried out. Crédit Agricole S.A. also subscribed for €150 million in convertible bonds issued by Alpha Bank, redeemable in Alpha Bank shares, under certain conditions and at the initiative of Crédit Agricole S.A.

This deal allowed Crédit Agricole S.A. to continue to refocus itself in line with its strategic plan. Following the sale, Emporiki no longer benefits from any form of Crédit Agricole S.A. financing.

NOTE 2 Accounting policies and principles

Crédit Agricole S.A. prepares its financial statements in accordance with the accounting principles applicable to banks in France.

The presentation of Crédit Agricole S.A.'s financial statements complies with the provisions of CRB (French Banking Regulations Committee) regulation 91-01, as amended by CRC (French Accounting Regulations Committee) regulation 2000-03, on the preparation and publication of the annual parent company's financial statements of companies within the jurisdiction of the CRBF (French Banking and Financial Regulations Committee), as amended in particular in 2010 by ANC regulation 2010-08 of 07 October 2010 on the publication of the parent company's financial statements of credit institutions.

Regulations	Date published by the French State	Date of first-time application: financial year from
ANC regulation on the accounting treatment of the measure provided for in Article 1 of French Act No. 2011-894	30/12/2011 No. 2011-04	01/01/2012
ANC regulation on the accounting treatment of the change in tax regime for mutual and provident institutions in the consolidated or combined financial statements at 31 December 2012	04/12/2012 No. 2012-01	01/01/2012
ANC regulation on the application of Article L. 233-24 of the French Commercial Code, disapplication of IFRS in favour of CRC regulation 99-02	04/12/2012 No. 2012-02	01/01/2012
ANC regulation on the recognition of greenhouse gas emission allowances and equivalent units	28/12/2012 No. 2012-03	01/01/2013
ANC regulation on the recognition of energy efficiency certificates	28/12/2012 No. 2012-04	01/01/2014
ANC regulation amending article 380–1 of CRC regulation No. 99-03 on off-plan sales	28/12/2012 No. 2012-05	01/01/2013
ANC regulation on the notes to the annual financial statements of funds and companies falling within the scope of French Decree No. 2012-465 of 10 April 2012 on the framework for and transparency of fees and charges	28/12/2012 No. 2012-06	31/12/2012
ANC regulation on the accounting treatment of the change in tax regime for mutual and provident institutions in the consolidated or combined financial statements	28/12/2012 No. 2012-07	01/01/2012

ANC regulation no. 2011-04 on the accounting treatment of the measure provided for in Article 1 of French Act no. 2011-894, published on 30 December 2011, did not have a material impact on the income or shareholders' equity of Crédit Agricole S.A.

ANC regulation nos. 2012-01, 2012-02, 2012-03, 2012-04, 2012-05, 2012-06 and 2012-07 had no impact on the income and shareholders' equity of Crédit Agricole S.A.

2.1 Loans and financing commitments

Loans and receivables to credit institutions, Crédit Agricole Group entities and customers are governed by CRC regulation 2002-03 of 12 December 2002, as amended.

They are presented in the financial statements according to their initial term or the nature of the receivable:

- demand and time deposits for banks;
- current accounts, time loans and advances for Crédit Agricole's internal transactions;
- trade receivables and other loans and receivables to customers.

In accordance with regulations, the customers category also includes transactions with financial customers.

Subordinated loans and repurchase agreements (represented by certificates or securities) are included under the various categories of loans and receivables according to counterparty type (interbank, Crédit Agricole, customers).

Amounts receivable are recognised on the balance sheet at face value.

Pursuant to CRC regulation 2009-03, the commissions and fees received and the marginal transaction costs borne are now deferred over the effective term of the loan and are thus included in the outstanding amount of the relevant loan.

Accrued interest is recognised on the balance sheet under the appropriate category of loans and advances and booked to the income statement as interest income.

Financing commitments recognised as off-balance-sheet represent irrevocable commitments to cash advances and guarantee commitments that have not resulted in fund movements.

Advances made by Crédit Agricole S.A. to the Regional Banks do not represent a direct risk for Crédit Agricole S.A. with respect to the corresponding customer loans made by the Regional Banks. They do, however, represent a potential indirect risk with respect to the financial strength of the Regional Banks. Crédit Agricole S.A. has not made any provisions for such advances to the Regional Banks.

The application of CRC regulation 2002-03 as amended relating to the accounting treatment of credit risk has prompted Crédit Agricole S.A. to recognise loans showing a risk of arrears in accordance with the following rules. External and/or internal rating systems are used to help assess whether there is a credit risk.

RESTRUCTURED LOANS

These are loans to counterparties in financial difficulty, such that the bank alters their initial characteristics (term, interest rate etc.) to allow borrowers to honour the repayment schedule.

Consequently, the following are not included in restructured loans:

- loans whose characteristics have been renegotiated on a commercial basis with counterparties not showing any solvency problems;
- loans whose repayment schedule has been altered due to the application of an option or contractual clause initially included in the contract (*e.g.* payment holiday and extension of the loan term).

At 31 December 2012, Crédit Agricole S.A. did not hold any restructured loans.

DOUBTFUL LOANS AND RECEIVABLES

Loans and receivables of all kinds, even those which are guaranteed, are classified as doubtful if they carry an identified credit risk arising from one of the following events:

- the loan or advance is at least three months in arrears (six months for mortgage loans and property leases and nine months for loans to local authorities, to take account of their specific characteristics);
- the borrower's financial position is such that an identified risk exists regardless of whether the loan or advance is in arrears;
- the bank and borrower are in legal proceedings.

For overdrafts, the age of the overdue amount is calculated as from the date on which the borrower has exceeded an authorised limit that the bank has brought to its attention, has been notified that the outstanding overdraft exceeds a limit set by the bank as part of its internal control procedures, or has drawn sums without an overdraft authorisation.

Subject to certain conditions, in lieu of the above criteria, the bank may calculate the age of the overdue amount from the date on which the bank has issued a demand for total or partial repayment of the overdraft by the borrower.

Crédit Agricole S.A. makes the following distinction between doubtful loans and receivables:

- **Doubtful loans and receivables:**

  All doubtful loans and receivables which do not fall into the bad debt category are classified as doubtful debts.

- **Bad debts:**

  Bad debts are those for which the prospects of recovery are highly impaired and which are likely to be written off in time.

In the case of doubtful loans and receivables, interest continues to be recognised so long as the receivable is deemed to be doubtful, but is no longer recognised after the loss has been transferred to bad debts.

IMPAIRMENT RESULTING FROM IDENTIFIED CREDIT RISK

Once a loan is classified as doubtful, an impairment loss is deducted by Crédit Agricole S.A. from the asset in an amount equal to the probable loss. These impairment losses represent the difference between the carrying amount of the receivable and estimated future cash flows discounted at the contractual rate, taking into account the borrower's financial condition, its business prospects and any guarantees, after deducting the cost of enforcing such guarantees.

Possible losses in respect of portfolios of small loans with similar characteristics may be estimated on a statistical basis rather than individually assessed.

Probable losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities.

ACCOUNTING TREATMENT OF DISCOUNTS AND IMPAIRMENT LOSSES

Discounts in respect of restructured loans and impairment losses against doubtful loans and receivables are recognised in profit or loss under the cost of risk. For restructured loans classified as performing, the discount is amortised to profit or loss in net interest income over the life of the loan. For restructured loans classified as doubtful and all non-restructured doubtful loans and receivables, impairment losses and reversals for non-recovery are recognised in the cost of risk and any increase in the carrying amount of the loan arising from an impairment reversal or discount amortisation over time is recognised in net interest income.

IMPAIRMENT RESULTING FROM CREDIT RISK NOT INDIVIDUALLY ALLOCATED TO LOANS

Crédit Agricole S.A. also books provisions on the liabilities side of the balance sheet to cover customer risks that are not individually allocated to loans, such as sector provisions and provisions calculated based on Basel 2 models. These provisions are designed to cover identified risks for which there is a statistical or historical probability of partial non-recovery against loans classified as performing or not individually impaired.

COUNTRY RISKS

Country risks (or risks on international commitments) consist of "the total amount of doubtful loans and receivables, both on and off-balance sheet, carried by an institution directly or *via* hive-off vehicles, involving private or public debtors residing in the countries identified by the French Prudential Supervisory Authority (ACP), or where settlement thereof depends on the position of public or private debtors residing in those countries". (Memo from the French Banking Commission dated 24 December 1998).

Where these receivables are not classified as doubtful, they continue to be carried under their original heading.

WRITE-OFFS

Decisions as to when to write off are taken on the basis of expert opinion, with Crédit Agricole S.A. doing so in conjunction with its Risk Management Department, having regard to its business knowledge.

2.2 Securities portfolio

The rules on recognition of securities portfolios are defined by CRB regulation 90-01 as amended, inter alia, by CRC regulations 2005-01, 2008-07 and 2008-17 and, for determination of credit risk and impairment of fixed income securities, CRC regulation 2002-03.

These securities are presented in the financial statements according to their asset class: treasury bills (treasury bonds and similar securities), bonds and other fixed income securities (negotiable debt securities and interbank market instruments) and equities and other variable-income securities.

They are classified in portfolios defined by regulation (trading, short-term investment, long-term investment, portfolio, other long-term equity investments and investments in subsidiaries and affiliates), depending on the initial intention for holding the securities as identified in the accounting IT system at the time they were acquired.

2.2.1 TRADING SECURITIES

These are securities that were originally:

- bought with the intention of selling them in the near future, or sold with the intention of repurchasing them in the near future;
- or held by the bank as a result of its market-making activity. The classification of these securities as trading securities depends on the effective turnover of the securities and on a significant trading volume taking into account market opportunities.

These securities must be tradable on an active market and resulting market prices must represent real transactions regularly undertaken in the market on an arm's length basis.

Trading securities also include:

- securities bought or sold as part of specialised management of the trading portfolio, including forward financial instruments, securities or other financial instruments that are managed collectively and on which there is an indication of recent short-term profit taking;
- securities on which there is a commitment to sell as part of an arbitrage transaction on an organised exchange for financial instruments or similar market.

Other than in the cases stipulated in CRC regulation 2008-17, trading securities may not be reclassified into another accounting category. They continue to be presented and measured as trading securities until they are removed from the balance sheet after being sold, fully redeemed or written off.

Trading securities are recognised on the date they are purchased in the amount of their purchase price, excluding transaction expenses and including accrued interest.

Liabilities relating to securities sold short are recognised on the liabilities side of the seller's balance sheet in the amount of the selling price excluding transaction expenses.

At each reporting date, securities are measured at the most recent market price. The overall amount of differences resulting from price changes is taken to profit and loss and recorded under "Net gains (losses) on trading book".

2.2.2 SHORT-TERM INVESTMENTS

This category consists of securities that do not fall into any other category.

The securities are recorded at purchase price, including transaction expenses.

Crédit Agricole S.A.'s portfolio of short-term investment securities consists mostly of bonds denominated in euros and foreign currencies and mutual fund units.

- **Bonds and other fixed income securities:**

These securities are recognised at acquisition cost including interest accrued at the acquisition date. The difference between the purchase price and the redemption value is spread over the residual life of the security on an actuarial basis.

Income is recorded in the income statement under "Interest income from bonds and other fixed income securities".

- **Equities and other variable-income securities:**

Equities are recognised on the balance sheet at their purchase price including transaction expenses. The associated dividends are recorded as income under "Income from variable-income securities".

Income from mutual funds is recognised when received under the same heading.

At each reporting date, short-term investment securities are measured at the lower of acquisition cost and market value. If the current value of an item or a homogeneous set of securities (calculated from market prices at the reporting date, for example) is lower than its carrying amount, an impairment loss is recorded for the unrealised loss without being offset against any gains recognised on other categories of securities. Gains from hedging, as defined in Article 4 of CRB Regulation 88-02, taking the form of purchases or sales of forward financial instruments, are factored in for the purposes of calculating impairment losses. Potential gains are not recorded.

Impairment intended to take into account counterparty risk and recognised under the cost of risk is booked on fixed income securities as follows:

- in the case of listed securities, impairment is based on market value, which intrinsically reflects credit risk. However, if Crédit Agricole S.A. has specific information on the issuer's financial position that is not reflected in the market value, a specific impairment loss is recorded;
- in the case of unlisted securities, impairment is recorded in the same way as on loans and receivables to customers based on identified probable losses (see Note 2.1 "Loans and financing commitment – Impairment resulting from identified credit risk").

Sales of securities are deemed to take place on a first-in, first-out basis.

Impairment losses and reversals and disposal gains or losses on short-term investment securities are recorded under "Net gains (losses) on investment portfolios" in the income statement.

2.2.3 LONG-TERM INVESTMENT SECURITIES

Long-term investment securities are fixed income securities with a fixed maturity date that have been acquired or transferred to this category with the manifest intention of holding them until maturity.

This category only includes securities for which Crédit Agricole S.A. has the necessary financial ability to continue holding them until maturity and that are not subject to any legal or other restriction that could interfere with its intention to hold them until maturity.

Long-term investment securities are recognised at their purchase price, including acquisition costs and accrued interest.

The difference between the purchase price and the redemption price is spread over the residual life of the security.

Impairment is not booked for long-term investment securities if their market value falls below cost. On the other hand, if the impairment arises from a risk relating specifically to the issuer of the security, impairment is recorded under “Cost of risk”, in accordance with CRC regulation 2002-03 on credit risk.

In the case of the sale or reclassification to another category of long-term investment securities and representing a material amount, during the current financial year and the next two financial years, the reporting entity is no longer authorised to classify securities previously bought and to be bought as long-term investment securities, in accordance with CRC regulation 2005-01, except in the special cases provided by that regulation and by CRC regulation 2008-17.

2.2.4 MEDIUM-TERM PORTFOLIO SECURITIES

In accordance with CRC regulation 2000-02, these securities are “investments made on a normal basis, with the sole aim of securing a capital gain in the medium term, with no intention of investing in the issuer’s business on a long-term basis or taking an active part in its management”.

Securities can only be included in this category if the activity is carried out to a significant extent and on an ongoing basis within a structured framework and gives the reporting entity a recurring return mainly in the form of capital gains on disposals.

Crédit Agricole S.A. meets these conditions and some of its securities can be classified in this category.

Medium-term portfolio securities are recorded at purchase price, including transaction expenses.

They are recognised at the end of the reporting period at the lower of historical cost or value in use, which is determined on the basis of the issuer’s general outlook and the estimated remaining time horizon for holding the securities.

For listed companies, value in use is generally the average quoted price over a sufficiently long period of time, depending on the estimated time horizon for holding the securities, to mitigate the impact of substantial fluctuations in stock prices.

Impairment losses are booked for any unrealised losses calculated for each line of securities, and are not offset against any unrealised gains. Unrealised losses are recorded under “Net gains (losses) on investment portfolios” along with impairment losses and reversals on these securities.

Unrealised gains are not recognised.

2.2.5 INVESTMENTS IN SUBSIDIARIES AND AFFILIATES, EQUITY INVESTMENTS AND OTHER LONG-TERM EQUITY INVESTMENTS

Investments in subsidiaries and affiliates are investments in companies that are under exclusive control and that are or are liable to be fully consolidated into a given group that can be consolidated.

Equity investments are investments (other than affiliates), of which the long-term ownership is judged beneficial to the reporting entity, in particular because it allows it to exercise influence or control over the issuer.

Other long-term equity investments consist of securities held with the intention of promoting long-term business relations by creating a special relationship with the issuer, but with no influence on the issuer’s management due to the small percentage of voting rights held.

These securities are recognised at purchase price, including transaction expenses.

At the reporting date, the value of these securities is measured individually, based on value in use, and they are recorded on the balance sheet at the lower of historical cost or value in use.

Value in use represents the price the reporting entity would be prepared to pay to acquire these securities if it had to buy them having regard to its reasons for holding them.

Value in use may be estimated on the basis of various factors such as the issuer’s profitability and prospective profitability, its equity, the economic environment, the average share price in the preceding months or the mathematical value of the security.

When value in use is lower than historical cost, impairment losses are booked for these unrealised gains and are not offset against any unrealised gains.

Impairment losses and reversals and disposal gains or losses on these securities are recorded under “Net gains (losses) on fixed assets”.

2.2.6 MARKET PRICE

The market price at which the various categories of securities are measured is determined as follows:

- securities traded on an active market are measured at the latest price;
- if the market on which the security is traded is not or no longer considered active or if the security is unlisted, Crédit Agricole S.A. determines the likely value at which the security concerned would be traded using valuation techniques. Firstly, these techniques take into account recent transactions carried out in normal competition conditions. If required, Crédit Agricole S.A. uses valuation techniques commonly used by market participants to price these securities, when it has been demonstrated that these techniques provide reliable estimates of prices obtained in actual market transactions.

2.2.7 RECORDING DATES

Crédit Agricole S.A. records securities classified as long-term investment securities on the settlement date. Other securities, regardless of type or classification, are recognised on the trading date.

2.2.8 SECURITIES SOLD/BOUGHT UNDER REPURCHASE AGREEMENTS

Securities sold under repurchase agreements are kept on the balance sheet. The amount received, representing the liability to the buyer, is recorded as a liability.

Securities bought under repurchase agreements are not recorded on the balance sheet, but the amount paid, representing the receivable from the seller, is recorded as an asset on the balance sheet.

Securities sold under repurchase agreements are subject to the accounting principles corresponding to the portfolio from which they originate.

2.2.9 RECLASSIFICATION OF SECURITIES

In accordance with CRC regulation 2008-17 of 10 December 2008, the following reclassifications are now permitted:

- from "Trading securities" to "Short-term investment securities" or "Long-term investment securities" in case of exceptional market conditions or, for fixed income securities that are no longer tradable in an active market and if the entity has the intention and ability to hold the securities for the foreseeable future or until maturity;
- from "short-term investment securities" to "long-term investment securities" in case of an exceptional market situation or for fixed income securities that are no longer tradable in an active market.

In 2012, Crédit Agricole S.A. did not make any reclassifications as allowed by CRC regulation 2008-17.

2.2.10 TREASURY SHARES BUY-BACK

Treasury shares bought back by Crédit Agricole S.A., including shares and stock options held to cover stock option plans, are recognised as assets under a specific balance sheet heading.

They may, where necessary, be impaired where the current value (namely the stock market value) is under the purchase price, except for transactions connected with employee free share allocation plans and stock options and share subscriptions as per CRC regulation 2008-15 of 04 December 2008.

2.3 Fixed assets

Crédit Agricole S.A. applies CRC regulation 2002-10 of 12 December 2002 relating to the depreciation, amortisation and impairment of assets.

As a result, Crédit Agricole S.A. applies component accounting for all of its property, plant and equipment. In accordance with this regulation, the depreciable base takes account of the potential residual value of property, plant and equipment.

In accordance with CRC regulation 2004-06, the acquisition cost of fixed assets includes the purchase price plus any incidental expenses, namely expenses directly or indirectly incurred in connection with bringing the asset into service or "into inventory".

Land is stated at acquisition cost.

Buildings and equipment are stated at acquisition cost less accumulated depreciation, amortisation and impairment losses since the time they were placed in service.

Purchased software is measured at purchase price less accumulated depreciation, amortisation and any impairment losses since acquisition.

Proprietary software is measured at cost less accumulated depreciation, amortisation and impairment losses booked since completion.

Intangible assets other than software are not amortised. They may be subject to impairment.

Fixed assets are depreciated over their estimated useful lives.

The following components and depreciation periods have been adopted by Crédit Agricole S.A. following the application of component accounting for fixed assets. These depreciation periods are adjusted according to the type of asset and its location:

Component	Depreciation period
Land	Not depreciable
Structural works	30 to 80 years
Non-structural works	20 to 40 years
Plant and equipment	10 to 25 years
Fixtures and fittings	5 to 15 years
Computer equipment	4 to 7 years (accelerated or straight-line)
Special equipment	4 to 5 years (accelerated or straight-line)

Based on available information on the value of its fixed assets, Crédit Agricole S.A. has concluded that impairment testing would not lead to any change in the existing depreciable base.

2.4 Amounts due to customers and credit institutions

Due to credit institutions, Crédit Agricole Group entities and customers are presented in the financial statements according to their initial term or their nature:

- demand and time deposits for banks;
- current accounts, time loans and advances for Crédit Agricole Group's internal transactions;
- special savings accounts and other deposits for customers (notably including financial customers).

Repurchase agreements (represented by certificates or securities) are included under these various headings, according to counterparty type.

Accrued interest on these deposits is recognised under accrued interest and taken to profit and loss.

2.5 Debt securities

Debt securities are presented according to their form: interest bearing notes, interbank market instruments, negotiable debt securities and bonds, excluding subordinated securities, which are classified in liabilities under "Subordinated debt".

Interest accrued but not yet due is recognised under accrued interest and taken to profit and loss.

Issue or redemption premiums on bonds are amortised over the maturity period of each bond issue. The corresponding charge is recorded under "Interest expenses on bonds and other fixed income securities".

Redemption premiums can be amortised in two ways:

- based on accrued interest on a pro-rata basis for bonds issued before 1 January 1993, or for those with a redemption premium of less than 10% of the issue price; or
- on an actuarial basis for debt issued after 1 January 1993 with a redemption premium of more than 10% of the issue price.

Crédit Agricole S.A. also amortises borrowing expenses in its parent company's financial statements.

Fee and commission expenses on financial services paid to the Regional Banks are recognised as expenses under "Fee and commission expenses".

2.6 Provisions

Crédit Agricole S.A. applies CRC regulation 2000-06 on liabilities relating to the recognition and measurement of provisions falling within the scope of this regulation.

Provisions include provisions relating to financing commitments, retirement and early retirement liabilities, litigation and various risks.

The provisions also include country risks. All these risks are reviewed quarterly.

Provisions are set aside for country risks following an analysis of the types of transactions, the term of commitments, their form (receivables, securities, market products) as well as country quality.

Crédit Agricole S.A. partially hedges provisions on these foreign-currency-denominated receivables by buying foreign currency, to limit the impact of changes in exchange rates on provision levels.

The provision for home purchase savings contract imbalance risk is designed to cover obligations in the event of unfavourable movements in home purchase savings contracts. These obligations are: i) to pay a fixed rate of interest on the savings contract from inception for an undefined period of time; and ii) to grant a loan to home purchase savings plan savers at a rate fixed at inception of the contract. The provision is calculated for each generation of a home purchase savings plan and for all home purchase savings accounts, with no netting of obligations between generations.

The amount of these obligations is calculated taking account notably of:

- saver behaviour, as well as an estimate of the amount and term of the loans that will be granted in the future. These estimates are based on historical observations over a long period,
- the yield curve for market rates and reasonably foreseeable trends.

This provision is calculated in accordance with CRC regulation 2007-01 of 14 December 2007.

2.7 Fund for General Banking Risks (FGBR)

In accordance with the Fourth European directive and CRBF regulation 90-02 of 23 February 1990 as amended relating to capital, funds for general banking risks are constituted by Crédit Agricole S.A., at the discretion of its management, to meet any charges or risks relating to banking operations but whose incidence is not certain.

Provisions are released to cover any incidence of these risks during a given period.

At 31 December 2012, the fund for general banking risks corresponded with the fund for banking liquidity and solvency risks, which is intended to enable Crédit Agricole S.A. to discharge its duties as central body of Crédit Agricole.

2.8 Transactions on forward financial instruments and options

Hedging and market transactions on forward interest rate, foreign-exchange or equity instruments are recorded in accordance with CRB regulations 88-02 and 90-15 as amended and the French Prudential Supervisory Authority (formerly the French Banking Commission) instruction 94-04 as amended.

Commitments relating to these transactions are recorded off-balance sheet at the nominal value of the contracts. This amount represents the volume of pending transactions.

Gains or losses relating to these transactions are recorded on the basis of the type of instrument and the strategy used:

HEDGING TRANSACTIONS

Gains or losses realised on hedging transactions are taken to profit and loss symmetrically with the recognition of income and expenses on the hedged item and under the same accounting heading.

Income and expenses relating to forward financial instruments used for hedging and managing Crédit Agricole S.A.'s overall interest rate risk are recorded on a pro-rata basis under "interest and similar income (expenses) – Net gains (losses) on macro-hedging transactions". Unrealised gains and losses are not recorded.

MARKET TRANSACTIONS

Instruments traded on a regulated exchange or similar market or over the counter, or included in a trading portfolio within the meaning of CRB regulation 90-15 as amended, are measured at fair market value at the reporting date.

If there is an active market, the instrument is stated at the quoted price on that market. In the absence of an active market, fair value is determined using internal valuation techniques and models.

Realised and unrealised gains or losses on instruments traded on organised or similar exchanges are taken to profit or loss.

Gains or losses on instruments traded in illiquid markets (over-the-counter markets) or constituting isolated open positions are taken to profit and loss on settlement or on a pro-rata basis, depending on the type of instrument. On the reporting date, provisions are booked for any unrealised losses.

Gains and losses and movements in provisions relating to such market transactions are recorded in the income statement under “Net gains (losses) on trading book operations”.

2.9 Foreign currency transactions

Monetary receivables and liabilities denominated in foreign currencies and forward foreign-exchange contracts included in off-balance sheet commitments are translated using the exchange rate at the closing date or at the next earlier date.

Expenses paid and income received are recorded at the exchange rate on the transaction date. Income and expenses accrued but not yet paid are translated at the closing rate.

Capital funds allocated to branches, fixed assets in offices abroad and short-term investment securities and long-term investment securities and equity investments in foreign currencies bought with euros are translated into euros on the transaction date. Only foreign exchange gains and losses on short-term investment securities are taken to profit and loss.

However, a provision may be booked if there is a permanent deterioration in the exchange rate affecting Crédit Agricole S.A.’s foreign equity interests.

At each reporting date, forward foreign exchange transactions are measured at the relevant forward exchange rate. Recognised gains or losses are taken to the income statement under “Net gains (losses) on trading book operations – Net gains (losses) on foreign currency transactions and similar financial instruments”.

Pursuant to CRBF regulation 89-01, Crédit Agricole S.A. has instituted multi-currency accounting to enable it to monitor its currency position and to measure its exposure to foreign exchange risk.

Crédit Agricole S.A.’s aggregate operating exposure to foreign currency was -€1,073 million at 31 December 2012. It stood at -€1,115 million at 31 December 2011.

2.10 Consolidation of foreign branches

Branches keep separate accounts that comply with the accounting rules in force in the countries in which they are based.

At each reporting date, the branches’ balance sheets and income statements are adjusted according to French accounting rules, translated into euros and integrated with the accounts of their head office after the elimination of intra-group transactions.

The rules for translation into euros are as follows:

- balance sheet items are translated at the closing rate;
- expenses paid and income received are recorded at the exchange rate on the transaction date, whereas accrued income and expenses are translated at the closing rate.

Gains or losses resulting from this translation are recorded on the balance sheet under “Accruals, prepayments and sundry assets” or “Accruals, prepayments and sundry liabilities”.

2.11 Off-balance sheet commitments

Off-balance sheet items mainly reflect the unused portion of financing commitments and guarantee commitments given and received.

A charge is booked to provisions for commitments given if there is a probability that calling in the commitment will result in a loss for Crédit Agricole S.A.

Reported off-balance sheet items do not mention commitments on forward financial instruments or foreign exchange transactions. Similarly, they do not include commitments received concerning treasury bonds, similar securities and other securities pledged as collateral.

However, these items are detailed in Notes 25 and 26 to the financial statements.

2.12 Employee profit-sharing and incentive plans

Employee profit-sharing is recognised in the income statement in the year in which the employees’ rights are earned.

Incentive plans are covered by the 21 June 2011 agreement.

The cost of employee profit-sharing and incentive plans is included in “Employee expenses”.

2.13 Post-employment benefits

2.13.1 RETIREMENT AND EARLY RETIREMENT BENEFITS AND END-OF-CAREER ALLOWANCES – DEFINED-BENEFIT PLANS

Since 1 January 2004, Crédit Agricole S.A. has applied CNC recommendation 2003-R.01 of 1 April 2003 relating to the recognition and valuation of retirement and similar benefit obligations.

In accordance with this recommendation, Crédit Agricole S.A. sets aside provisions to cover its retirement and similar benefit obligations falling within the category of defined-benefit plans.

These obligations are stated on the basis of actuarial, financial and demographic assumptions, and in accordance with the projected unit credit method. Under this method, for each year of service, a charge is booked in an amount corresponding to the employee's vested benefits for the period. The charge is calculated based on the discounted future benefit.

Since actuarial gains and losses are taken immediately to profit and loss, the amount of the provision is equal to:

- the present value of the obligation to provide the defined benefits at the reporting date, calculated in accordance with the actuarial method advised by the recommendation;
- less, where applicable, the fair value of plan assets. These may be represented by an eligible insurance policy. In the event that the obligation is fully covered by such a policy, the fair value of the policy is deemed to be the value of the corresponding obligation, *i.e.* the amount of the corresponding actuarial liability.

To the extent that the reform (Act 2010-1330 of 9 November 2010 on pension reform) does not modify the existing branch agreements, but rather the actuarial assumptions as to retirement age, it is considered an update to actuarial assumptions and not a change in plan. To this extent, the impact of the reform must be recognised like other actuarial gains and losses, wholly in income.

2.13.2 RETIREMENT PLANS – DEFINED-CONTRIBUTION PLANS

Employers contribute to a variety of compulsory pension schemes. Plan assets are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to cover all benefits corresponding to services rendered by employees during the year and during prior years. Consequently, Crédit Agricole S.A. has no liabilities in this respect other than the contributions payable for the period ended.

The amount of contributions under the terms of these retirement plans is shown under "Employee expenses".

2.14 Stock options and share subscription offered to employees under the employee share ownership plan

STOCK OPTION PLANS

Stock option plans granted to certain categories of employees are recorded when exercised. Exercise gives rise to either an issue of shares, recorded in accordance with requirements relating to capital increases, or the transfer to employees of treasury shares, previously purchased by Crédit Agricole S.A. and recognised in accordance with the terms set out in the "Treasury share buyback" section.

SHARE SUBSCRIPTION UNDER THE EMPLOYEE SHARE OWNERSHIP PLAN

Share issues offered to employees under the employee share ownership plan, with a maximum discount of 20%, do not involve a vesting period but are subject to a five-year lock-up period. These share subscriptions are recognised in accordance with requirements relating to capital increases.

2.15 Extraordinary income and expenses

These comprise income and expenses that are extraordinary in nature and relate to transactions that do not form part of Crédit Agricole S.A.'s ordinary activities.

2.16 Income tax charge

In general, only the current tax liability is recognised in the parent company's financial statements.

The tax charge appearing in the income statement is the income tax due in respect of the reporting period. It includes the impact of the 3.3% additional social contribution on profits, as well as the exceptional 5% increase in the income tax payable by companies generating revenue of over €250 million.

When tax credits on income from securities portfolios and amounts receivable are effectively used to pay income tax due for the year, they are recognised under the same heading as the income with which they are associated. The corresponding tax charge continues to be recognised under the "Income tax charge" heading in the income statement.

Crédit Agricole S.A. has had a tax consolidation mechanism since 1990. At 31 December 2012, 1,311 entities had signed tax consolidation agreements with Crédit Agricole S.A. Under these agreements, each company that is part of the tax consolidation mechanism recognises in its financial statements the tax that it would have had to pay in the absence of the mechanism.

NOTE 3 Loans and receivables to credit institutions – analysis by remaining maturity

	31/12/2012							31/12/2011
(in millions of euros)	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Credit institutions								
Loans and receivables:								
● demand	13,979				13,979		13,979	14,076
● time	10,422	13,481	65,313	7,981	97,197	259	97,456	120,656
Pledged securities								
Securities bought under repurchase agreements	390				390		390	
Subordinated loans		500	1,326	3,194	5,020	9	5,029	6,876
Total	**24,791**	**13,981**	**66,639**	**11,175**	**116,586**	**268**	**116,854**	**141,608**
Impairment							(4)	(4)
NET CARRYING AMOUNT							**116,850**	**141,604**
Crédit Agricole internal transactions								
Current accounts	2,227				2,227		2,227	1,978
Term deposits and advances	62,072	59,220	80,071	63,560	264,923	654	265,577	273,772
Securities bought under repurchase agreements								
Subordinated loans			15		15		15	15
Total	**64,299**	**59,220**	**80,086**	**63,560**	**267,165**	**654**	**267,819**	**275,765**
Impairment								
NET CARRYING AMOUNT							**267,819**	**275,765**
TOTAL							**384,669**	**417,369**

NOTE 4 Loans and receivables to customers – analysis by remaining maturity

	31/12/2012							31/12/2011
(in millions of euros)	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Loans and receivables to customers								
Trade receivables								
Other customer loans	174	204	983	1,157	2,518	19	2,537	2,651
Securities bought under repurchase agreements								
Current accounts in debit	102				102		102	335
Impairment							(1)	(3)
NET CARRYING AMOUNT							**2,638**	**2,983**

4.1 Loans and receivables to customers – geographic analysis

(in millions of euros)	31/12/2012	31/12/2011
France (including overseas departments and territories)	2,327	2,849
Other European Union countries	293	92
Rest of Europe		
North America		
Central and Latin America		
Africa and the Middle East		
Asia-Pacific (ex. Japan)		
Japan		
Non allocated and international organisations		
Total principal	**2,620**	**2,941**
Accrued interest	19	45
Impairment	(1)	(3)
NET CARRYING AMOUNT	**2,638**	**2,983**

4.2 Loans and receivables to customers – Doubtful loans and receivables and impairment losses: geographical analysis

	31/12/2012					31/12/2011				
(in millions of euros)	Gross outstanding	o/w doubtful loans and receivables	o/w bad debts	Impairment of doubtful loans and receivables	Impairment of bad debts	Gross outstanding	o/w doubtful loans and receivables	o/w bad debts	Impairment of doubtful loans and receivables	Impairment of bad debts
France (including overseas departments and territories)	2,344	1		(1)		2,894	3		(3)	
Other European Union countries	295					92				
Rest of Europe										
North America										
Central and Latin America										
Africa and the Middle East										
Asia-Pacific (ex. Japan)										
Japan										
Non allocated and international organisations										
TOTAL	**2,639**	**1**		**(1)**		**2,986**	**3**		**(3)**	

4.3 Loans and receivables to customers – analysis by customer type

(in millions of euros)	31/12/2012 Gross outstanding	o/w doubtful loans and receivables	o/w bad debts	Impairment of doubtful loans and receivables	Impairment of bad debts	31/12/2011 Gross outstanding	o/w doubtful loans and receivables	o/w bad debts	Impairment of doubtful loans and receivables	Impairment of bad debts
Individual customers						136				
Farmers										
Other small businesses										
Financial institutions	996					1,012				
Corporates	1,639	1		(1)		1,837	3		(3)	
Local authorities	4					1				
Other customers										
TOTAL	**2,639**	**1**		**(1)**		**2,986**	**3**		**(3)**	

NOTE 5 Trading, short-term investment, long-term investment and medium-term portfolio securities

(in millions of euros)	31/12/2012 Trading securities	Short-term investment securities	Medium-term portfolio securities	Long-term investment securities	Total	31/12/2011 Total
Treasury bills and similar securities:	812	24,239			25,051	21,343
o/w residual net premium		1,450			1,450	988
o/w residual net discount		156			156	227
Accrued interest		1,470			1,470	1,054
Impairment		(10)			(10)	(310)
NET CARRYING AMOUNT	**812**	**25,699**			**26,511**	**22,087**
Bonds and other fixed income securities[1]:						
Issued by public bodies	329	1,633			1,962	1,515
Other issuers	505	27,583			28,088	29,469
o/w residual net premium		291			291	206
o/w residual net discount		28			28	31
Accrued interest		410			410	395
Impairment		(30)			(30)	(278)
Net carrying amount	**834**	**29,596**			**30,430**	**31,101**
Equities and other equity variable-income securities	24	427			451	638
Accrued interest						
Impairment		(3)			(3)	(35)
Net carrying amount	**24**	**424**			**448**	**603**
TOTAL	**1,670**	**55,719**			**57,389**	**53,791**
Estimated values	**1,670**	**57,451**			**59,121**	**53,743**

(1) Of which €8,949 million of subordinated debt (excluding accrued interest) at 31 December 2012 compared to €7,273 million at 31 December 2011.

5.1 Trading, short-term investment, long-term investment and medium-term portfolio securities (excluding treasury bills) – Breakdown by major category of counterparty

(in millions of euros)	Net outstandings 31/12/12	Net outstandings 31/12/2011
Government and central banks (including central governments)	1,962	1,516
Credit institutions	21,796	25,774
Financial institutions	1,365	509
Local authorities		
Corporates, insurance companies and other customers	5,378	3,824
Other and non-allocated		
Total principal	**30,501**	**31,623**
Accrued interest	410	395
Impairment	(33)	(314)
NET CARRYING AMOUNT	**30,878**	**31,704**

5.2 Breakdown of listed and unlisted securities between fixed income and variable-income securities

	31/12/2012				31/12/2011			
(in millions of euros)	Bonds and other fixed income securities	Treasury bills and similar securities	Equities and other equity variable-income securities	Total	Bonds and other fixed income securities	Treasury bills and similar securities	Equities and other equity variable-income securities	Total
Fixed income and variable-income securities:	30,050	25,051	451	55,552	30,984	21,343	638	52,965
o/w listed securities	20,377	25,051	4	45,432	22,726	21,343	89	44,158
o/w unlisted securities (1)	9,673		447	10,120	8,258		549	8,807
Accrued interest	410	1,470		1,880	395	1,054		1,449
Impairment	(30)	(10)	(3)	(43)	(278)	(310)	(35)	(623)
NET CARRYING AMOUNT	**30,430**	**26,511**	**448**	**57,389**	**31,101**	**22,087**	**603**	**53,791**

(1) *Mutual fund units break down as follows: French mutual funds: €25 million; of which French capitalisation funds: €20 million. Foreign mutual funds: €4 million constituted of foreign capitalisation funds.*

BREAKDOWN OF MUTUAL FUNDS BY TYPE AT 31/12/2012

(in millions of euros)	Carrying amount	Cash-in value
Money market funds	20	20
Bond funds		
Equity funds	5	11
Other funds	4	2
TOTAL	**29**	**33**

5.3 Treasury bills, bonds and other fixed income securities – analysis by remaining maturity

	31/12/2012							31/12/2011
(in millions of euros)	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accruals	Total	Total
Bonds and other fixed income securities								
Gross amount	1,110	1,606	14,694	12,640	30,050	410	30,460	31,379
Impairment							(30)	(278)
NET CARRYING AMOUNT							**30,430**	**31,101**
Treasury bills and similar securities								
Gross amount		1,944	12,536	10,571	25,051	1,470	26,521	22,397
Impairment							(10)	(310)
NET CARRYING AMOUNT							**26,511**	**22,087**

5.4 Treasury bills, bonds and other fixed income securities – geographical analysis

(in millions of euros)	Outstanding net 31/12/2012	Outstanding net 31/12/2011
France (including overseas departments and territories)	39,493	36,189
Other European Union countries	12,358	13,579
Rest of Europe	977	541
North America	1,423	1,596
Central and Latin America		
Africa and the Middle East		
Asia-Pacific (ex. Japan)	850	422
Japan		
Total principal	**55,101**	**52,327**
Accrued interest	1,880	1,449
Impairment	(40)	(588)
NET CARRYING AMOUNT	**56,941**	**53,188**

NOTE 6 Equity investments and subsidiaries

Company	Financial Information – Address	Currency	(in millions of original currency) Share capital 31/12/2012	Equity other than than share capital 31/12/2012	Percentage of share capital owned (in %) 31/12/2012	(in millions of euros) Carrying Amounts of securities owned – Gross amount	Net amount	(in millions of euros) Loans and receivables outstanding granted by the Company and not yet paid back	Guarantees and other commitments given by the Company	NBI or revenue (ex VAT) for the year ended[2]	Net income for the year ended 31/12/2012	Dividends received by the Company during the financial year
Investments whose carrying amount exceeds 1% of Crédit Agricole S.A.'s share capital												
1) Investments in banking subsidiaries (more than 50% owned)												
Banco Bisel	Corrientes 832,1° piso, Rosario, Provincia de Santa Fe, Argentina	ARS	N.A.	N.A.	99	237		N.A.	N.A.	N.A.	N.A.	N.A.
Cariparma	Via Universita 1, 43121 Parma, Italy	EUR	877	3,072[1]	75	5,006	3,438	2,840	359	1,723[1]	204[1]	82
Crédit Agricole Srbija	Brace Ribnikara 4-6, 21000 Novi Sad, Republic of Serbia	RSD	13,122	(4,345)[1]	100	249	68	164	11	48[1]	(4)[1]	
Crédit du Maroc	48-58, boulevard Mohamed-V Casablanca, Morocco	MAD	922	1,908[1]	77	309	309		350	251[1]	28[1]	18
Emporiki Bank of Greece	11 Sophocleous Street GR 10235 Athènes, Greece	EUR	2,512	165[1]	100	8,401		2,092		1,114[1]	(1,694)[1]	
EFL SA	Pl. Orlat Lwowskich 1, 53605 Wroclaw, Poland	PLN	674	122[1]	100	355	346	208	786	129[1]	15[1]	14
PJSC Crédit Agricole Ukraine	42/4 Pushkinska Street Kiev 01004, Ukraine	UAH	1,222	(332)[1]	100	360	144	110	76	84[1]		
Crédit Agricole Polska SA	Pl. Orlat Lwowskich 1, 53605 Wroclaw, Poland	PLN	1	344[1]	77	456	456	380		24[1]	24[1]	14
Credit Agricole Corporate and Investment Bank	9, quai du Président-Paul-Doumer 92400 Courbevoie	EUR	7,255	2,328[1]	97	17,822	16,175	14,820	3,072	246,993[1]	697[1]	630
Amundi Group	90, boulevard Pasteur Immeuble Cotentin 75015 Paris	EUR	417	1,155[1]	74	3,341	3,341	1,553	1	1,748[1]	1,759[1]	171
Crédit Agricole Leasing & Factoring	1-3, rue du Passeur de-Boulogne 92861 Issy-les-Moulineaux	EUR	195	565[1]	100	839	839	13,795	2,426	36[1]	(179)[1]	
Crédit Agricole Consumer Finance	128-130, boulevard Raspail 75006 Paris	EUR	347	2,377[1]	100	5,638	4,389	34,307	4,435	3,057[1]	175[1]	115
Crédit Lyonnais	18, rue de la République 69002 Lyon	EUR	1,848	1,443[1]	95	10,897	10,897	13,682		6,018[1]	624[1]	522
Crédit Agricole Home Loan SFH	91-93, boulevard Pasteur 75015 Paris	EUR	550	3[1]	100	550	550	30		10[1]	2[1]	2
Foncaris	91-93, boulevard Pasteur 75015 Paris	EUR	225	129[1]	100	320	320		650	12[1]	32[1]	30
2) Investments in banking associates (10 to 50% owned)												
Banco Espirito Santo	Avenida Libertade 195- 1250 Lisbon, Portugal	EUR	5,040	1,274[1]	11	779	501			4,412[1]	(133)[1]	
Bankinter	Paseo de la Castellana 29, 28046 Madrid, Spain	EUR	169	2,852[1]	15	889	263			2,706[1]	181[1]	16
Crédit Agricole Egypt SAE	4/6 Hassan Sabry Street Zamalek Le Caire, Egypt	EGP	1,148	546[1]	47	258	210			268[1]	37[1]	11
Crédit Logement	50, boulevard Sébastopol 75003 Paris	EUR	1,260	120[1]	17	215	215		204	321[1]	89[1]	14

Financial Information			(in millions of original currency)			(in millions of euros)		(in millions of euros)				
						Carrying Amounts of securities owned						
Company	Address	Currency	Share capital 31/12/2012	Equity other than share capital 31/12/2012	Percentage of share capital owned (in %) 31/12/2012	Gross amount	Net amount	Loans and receivables outstanding granted by the Company and not yet paid back	Guarantees and other commitments given by the Company	NBI or revenue (ex VAT) for the year ended[2]	Net income for the year ended 31/12/2012	Dividends received by the Company during the financial year
Caisse de Refinancement de l'habitat	35, rue La Boétie 75008 Paris	EUR	300	11[1]	25	77	77			4[1]	1[1]	
Caisse régionale Alpes Provence	25, chemin des Trois-Cyprès 13097 Aix-en-Provence Cedex 2	EUR	114	1,198	25	210	210	8,103	946	411	81	5
Caisse régionale Alsace Vosges	1, place de la Gare, BP 440, 67008 Strasbourg Cedex	EUR	48	935	25	131	131	5,815	601	267	65	5
Caisse régionale Anjou et Maine	40, rue Prémartine 72000 Le Mans	EUR	211	1,606	25	234	234	7,989	1,175	466	112	8
Caisse régionale Aquitaine	304, boulevard du Président Wilson 33076 Bordeaux Cedex	EUR	129	2,029	29	310	310	8,647	350	521	114	11
Caisse régionale Atlantique Vendée	Route de Paris 44949 Nantes Cedex	EUR	113	1,409	25	196	196	9,775	1,048	433	110	8
Caisse régionale Brie Picardie	500, rue Saint-Fuscien 80095 Amiens	EUR	277	1,976	26	391	391	10,296	420	591	166	19
Caisse régionale Centre Est	1, rue Pierre-de-Truchis-de-Lays, 69541 Champagne Au Mont D'or	EUR	191	2,863	25	323	323	12,796	1,574	704	204	17
Caisse régionale Centre France	3, avenue de la Libération 63045 Clermont-Ferrand Cedex 9	EUR	146	2,330	25	318	318	9,355	1,600	506	116	10
Caisse régionale Centre Loire	8, allée des collèges 18920 Bourges Cedex	EUR	56	1,174	28	175	175	7,626	942	381	85	8
Caisse régionale Centre Ouest	29, boulevard de Vanteaux, BP 509, 87044 Limoges Cedex	EUR	58	657	25	89	89	3,245	429	194	47	4
Caisse régionale Champagne Bourgogne	269, faubourg Croncels 10000 Troyes	EUR	112	1,032	25	114	114	5,798	1,039	355	81	7
Caisse régionale Charente Maritime – Deux Sèvres	12, boulevard Guillet-Maillet 17100 Saintes	EUR	53	1,090	25	130	130	5,545	508	322	83	7
Caisse régionale Charente Périgord	Rue d'Epagnac BP21 16800 Soyaux	EUR	96	637	25	77	77	3,584	700	241	45	4
Caisse régionale Corse	1, avenue Napoléon III BP 308 20193 Ajaccio	EUR	99	(46)	100	99	87	835	99	72	9	
Caisse régionale Côtes d'Armor	La Croix Tual 22440 Ploufragan	EUR	92	818	25	118	118	3,938	300	238	62	5
Caisse régionale de Normandie	5, esplanade Brillaud de Laujardière 14050 Caen Cedex	EUR	131	1,408	25	205	205	7,675	850	400	85	6
Caisse régionale des Savoie	PAE Les Glaisins 4, av du Pré Félin 74985 Annecy Cedex 9	EUR	188	1,227	25	152	152	15,635	1,201	484	130	10
Caisse régionale Finistère	7, route du Loch 29555 Quimper Cedex 9	EUR	100	891	25	135	135	5,194	741	277	62	5
Caisse régionale Franche-Comté	11, avenue Élisée-Cusenier 25084 Besançon Cedex 9	EUR	78	789	25	109	109	6,466	750	276	58	5
Caisse régionale Ille-et-Vilaine	19, rue du Pré Perché BP 2025X 35040 Rennes Cedex	EUR	92	859	25	122	122	5,820	567	250	54	5

	Financial Information		(in millions of original currency)			(in millions of euros)		(in millions of euros)				
						Carrying Amounts of securities owned						
Company	Address	Currency	Share capital 31/12/2012	Equity other than share capital 31/12/2012	Percentage of share capital owned (in %) 31/12/2012	Gross amount	Net amount	Loans and receivables outstanding granted by the Company and not yet paid back	Guarantees and other commitments given by the Company	NBI or revenue (ex VAT) for the year ended[2]	Net income for the year ended 31/12/2012	Dividends received by the Company during the financial year
Caisse régionale Loire Haute-Loire	94, rue Bergson 42000 Saint-Étienne	EUR	31	962	25	131	131	5,541	416	268	67	5
Caisse régionale Lorraine	56-58, avenue André-Malraux 54017 Metz Cedex	EUR	32	906	25	115	115	5,479	650	244	47	4
Caisse régionale Languedoc	Avenue du Montpelliéret – Maurin 34977 Lattes Cedex	EUR	202	1,882	25	239	239	11,935	1,812	633	165	13
Caisse régionale Morbihan	Avenue de Kéranguen 56956 Vannes Cedex 9	EUR	81	665	25	92	92	4,302	678	221	45	4
Caisse régionale Nord de France	10, avenue Foch BP 369 59020 Lille Cedex	EUR	179	2,462	25	378	378	11,297	1,000	585	90	16
Caisse régionale Nord Midi-Pyrénées	219, avenue François-Verdier 81022 Albi Cedex 9	EUR	125	1,376	25	181	181	6,971	1,000	425	100	8
Caisse régionale Nord-Est	25, rue Libergier 51100 Reims	EUR	213	1,724	26	266	266	9,170	1,937	409	75	7
Caisse régionale Normandie Seine	Cité de l'agriculture, BP 800, 76230 Bois-Guillaume Cedex	EUR	92	1,184	25	162	162	6,992	500	368	100	8
Caisse régionale Paris et Île-de-France	26, quai de la Rapée 75012 Paris	EUR	114	3,401	25	488	488	16,277	3,300	965	271	23
Caisse régionale Provence Côte d'Azur	Avenue Paul-Arène Les Négadis 83002 Draguignan	EUR	83	1,392	25	166	166	8,551	1,153	492	109	9
Caisse régionale Pyrénées Gascogne	11, boulevard Pt Kennedy, BP 329, 65003 Tarbes Cedex	EUR	59	1,185	25	139	139	7,207	1,229	363	88	7
Caisse régionale Sud Rhône-Alpes	15-17, rue Paul Claudel, BP 67, 38041 Grenoble Cedex 9	EUR	70	1,197	25	138	138	8,492	1,325	448	104	8
Caisse régionale Toulouse	6-7, place Jeanne-d'Arc 31000 Toulouse	EUR	74	722	26	110	110	4,010	400	264	60	4
Caisse régionale Touraine et Poitou	18, rue Salvador-Allende 86000 Poitiers	EUR	98	1,034	26	168	168	5,976	703	297	56	5
Caisse régionale Val de France	1, rue Daniel-Boutet 28000 Chartres	EUR	43	848	25	104	104	3,989	425	246	64	5
3) Investments in other associates (more than 50% owned)												
CA Preferred Funding LLC	666 third Avenue New York NY 10017, USA	USD	154	9[1]	67	98	98					
Crédit Agricole Assurances	50-56, rue de la Procession 75015 Paris	EUR	1,163	7,091[1]	100	8,205	8,205	1,095	708	15[1]	516[1]	2,100
Crédit Agricole Capital Investissement & Finance	100, boulevard du Montparnasse 75014 Paris	EUR	688	429[1]	100	1,145	1,145	366		1[1]	(43)[1]	
Crédit Agricole Immobilier	91-93, boulevard Pasteur 75015 Paris	EUR	125	31[1]	100	296	296	59	10	28[1]	25[1]	9
Delfinances	12, place des États-Unis 92127 Montrouge Cedex	EUR	151	87[1]	100	171	171			25[1]	117[1]	116
D2 CAM	12, place des États-Unis 92127 Montrouge Cedex	EUR	112	(1)[1]	100	112	112	25			(11)[1]	

Company	Address	Currency	Share capital 31/12/2012 (in millions of original currency)	Equity other than than share capital 31/12/2012 (in millions of original currency)	Percentage of share capital owned (in %) 31/12/2012	Carrying Amounts of securities owned – Gross amount (in millions of euros)	Carrying Amounts of securities owned – Net amount (in millions of euros)	Loans and receivables outstanding granted by the Company and not yet paid back (in millions of euros)	Guarantees and other commitments given by the Company (in millions of euros)	NBI or revenue (ex VAT) for the year ended[2] (in millions of euros)	Net income for the year ended 31/12/2012 (in millions of euros)	Dividends received by the Company during the financial year (in millions of euros)
Evergreen Montrouge	91/93, boulevard Pasteur 75015 Paris	EUR	320	(34)[1]	100	320	320	35		21[1]	(17)[1]	
CPR Holding	9, quai du Président Paul-Doumer 92400 Courbevoie	EUR	78	126[1]	100	256	214			5[1]	4[1]	
CACEIS	1-3, place Valhubert 75013 Paris	EUR	602	920[1]	85	1,313	1,313	60	8,960	14[1]	(363)[1]	107
4) Other investments (10 to 50% owned)												
Bespar	Rua São Bernardo 62, 1200-826 Lisbon, Portugal	EUR	1,973	266[1]	17	427	271			59[1]	58[1]	
Eurazeo	32, rue de Monceau 75008 Paris	EUR	202	3,288[1]	18	497	497			65[1]	49[1]	14
Investments whose carrying amount is under 1% of Crédit Agricole S.A.'s share capital		**EUR**				**836**	**769**	**8,959**	**5,722**	**754**	**128[1]**	**80**
TOTAL SUBSIDIARIES AND ASSOCIATES						**77,191**	**62,453**	**354,905**	**60,138**	**283,548**	**5,530**	**4,340**
Fundable advances and accrued interest		EUR				69	63					
CARRYING AMOUNTS						**77,260**	**62,516**	**354,905**	**60,138**	**283,548**	**5,530**	**4,340**

(1) *Data for 2011.*

(2) *This is the NBI for the Regional Banks and revenue (Ex VAT) for the other entities.*

6.1 Estimated value of equity investments

	31/12/2012		31/12/2011	
(in millions of euros)	Carrying amount	Estimated value	Carrying amount	Estimated value
Investments in subsidiaries and affiliates				
Unlisted securities	66,877	66,907	57,971	66,190
Listed	567	622	4,630	765
Fundable advances	11	4	2,012	1,304
Accrued interest	30		1	
Impairment	(13,657)		(6,913)	
NET CARRYING AMOUNT	**53,828**	**67,533**	**57,701**	**68,260**
Equity investments and other long-term investment securities				
Equity investments				
Unlisted securities	6,888	6,889	6,948	6,970
Listed	2,858	2,038	5,068	2,765
Fundable advances	26	24	86	83
Accrued interest	3		7	
Impairment	(1,088)		(2,255)	
Sub-total of equity investments	**8,687**	**8,951**	**9,854**	**9,818**
Other long-term equity investments				
Unlisted securities	1	1	1	1
Listed				
Fundable advances				
Accrued interest				
Impairment				
Sub-total of other long-term equity investments	**1**	**1**	**1**	**1**
NET CARRYING AMOUNT	**8,688**	**8,952**	**9,855**	**9,819**
TOTAL EQUITY INVESTMENTS	**62,516**	**76,485**	**67,556**	**78,079**

Estimated values include fundable advances and accrued interest. They are determined based on the value in use of the securities, which is not necessarily the market value.

	31/12/2012		31/12/2011	
(in millions of euros)	Carrying amount	Estimated value	Carrying amount	Estimated value
Total gross amount				
Unlisted securities	73,766		64,920	
Listed	3,425		9,699	
TOTAL	**77,191**		**74,619**	

NOTE 7 Movements in fixed assets

7.1 Financial investments

(in millions of euros)	01/01/2012	Increases (acquisitions)	Decreases (disposals, due date)	Other movements[1]	31/12/2012
Investments in subsidiaries and affiliates					
Gross amount	62,601	5,202	(358)	(1)	67,444
Fundable advances	2,012	19	(2,020)		11
Accrued interest	1	30	(1)		30
Impairment	(6,913)	(7,492)	748		(13,657)
NET CARRYING AMOUNT	**57,701**	**(2,241)**	**(1,631)**	**(1)**	**53,828**
Equity investments					
Gross amount	12,016	262	(2,532)		9,746
Fundable advances	86		(60)		26
Accrued interest	7	2	(6)		3
Impairment	(2,255)	(1,676)	2,843		(1,088)
Sub-total of equity investments	**9,854**	**(1,412)**	**245**		**8,687**
Other long-term equity investments					
Gross amount	1				1
Fundable advances					
Accrued interest					
Impairment					
Sub-total of other long-term equity investments	**1**				**1**
NET CARRYING AMOUNT	**9,855**	**(1,412)**	**245**		**8,688**
TOTAL	**67,556**	**(3,653)**	**(1,386)**	**(1)**	**62,516**

(1) "Other movements" namely include the impact of exchange rate fluctuations on the value of fixed assets accounted for in foreign currencies.

7.2 Intangible assets and property, plant & equipment

(in millions of euros)	01/01/2012	Increases (acquisitions)	Decreases (disposals, due date)	Other movements [1]	31/12/2012
Property, plant and equipment					
Gross amount	345	98	(202)		241
Depreciation and impairment	(187)	(5)	103		(89)
NET CARRYING AMOUNT	**158**	**93**	**(99)**		**152**
Intangible assets					
Gross amount	79	15			94
Depreciation and impairment	(38)	(10)			(48)
NET CARRYING AMOUNT	**41**	**5**			**46**
TOTAL	**199**	**98**	**(99)**		**198**

(1) "Other movements" namely include the impact of exchange rate fluctuations on the value of fixed assets accounted for in foreign currencies.

NOTE 8 Treasury shares

	31/12/2012				31/12/2011
	Trading securities	Short-term investment securities	Fixed assets	Total	Total
Number	5,115,000	2,204,186		7,319,186	6,969,381
(in millions of euros)					
Carrying amounts	31	14		45	30
Market values	31	13		44	30

Par value of share: 3.00 euros

NOTE 9 Accruals, prepayments and sundry assets

(in millions of euros)	31/12/2012	31/12/2011
Other assets[(1)]		
Financial options bought	394	428
Inventory accounts and miscellaneous		
Miscellaneous debtors	5,527	5,075
Collective management of Livret développement durable (LDD) savings account securities		
Settlement accounts		
NET CARRYING AMOUNT	**5,921**	**5,503**
Due from shareholders – unpaid capital		
Due from shareholders – unpaid capital		
NET CARRYING AMOUNT		
Accruals and prepayments		
Items in course of transmission from other banks	5,390	4,993
Adjustment accounts	12,904	10,426
Unrealised losses and deferred losses on financial instruments	207	244
Accrued income on commitments on forward financial instruments	4,934	4,885
Other accrued income	472	395
Prepaid expenses	1,815	680
Bond issue and redemption premiums	141	162
Deferred charges	279	288
Other accruals prepayments and sundry assets	36	10
NET CARRYING AMOUNT	**26,178**	**22,083**
TOTAL	**32,099**	**27,586**

(1) Amounts including accrued interest.

NOTE 10 Impairment losses deducted from assets

(in millions of euros)	Outstanding at 01/01/2012	Depreciation charges	Reversals and utilisations	Accretion	Other movements	Outstanding at 31/12/2012
Cash, money-market and interbank items	314	149	(449)			14
Loans and receivables to customers	3		(2)			1
Securities transactions	321	140	(426)			35
Fixed assets[1]	9,168	9,169	(3,592)			14,745
Other assets	64	8	(1)		(7)	64
TOTAL	**9,870**	**9,466**	**(4,470)**		**(7)**	**14,859**

(1) *A net charge of €5,577 million was recognised in 2012 under the "fixed assets" heading. This change was mainly due to the recapitalisation transactions of Emporiki in February and July 2012 totalling €3,612 million and the updating of impairment tests at the end of the year, which resulted in additional impairment losses being recognised on the following equity investments: €1,249 million on Crédit Agricole Consumer Finance, €909 million on Cariparma and €907 million on Crédit Agricole Corporate & Investment Bank. These charges were partly offset by €1,161 million in provision reversals following the disposal of Intesa.*

NOTE 11 Due to credit institutions – analysis by remaining maturity

	31/12/2012							31/12/2011
(in millions of euros)	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Credit institutions								
Accounts and Overdrafts:								
• demand	15,815				15,815	8	15,823	6,724
• time	11,540	4,329	48,326	17,847	82,042	890	82,932	82,925
Pledged securities								12,216
Securities sold under repurchase agreements	308	484	14	77	883	1	884	24,387
CARRYING AMOUNT	**27,663**	**4,813**	**48,340**	**17,924**	**98,740**	**899**	**99,639**	**126,252**
Crédit Agricole internal transactions								
Current accounts	2,092				2,092		2,092	3,164
Term deposits and advances	9,338	6,702	14,765	16,545	47,350	453	47,803	41,801
Securities bought under repurchase agreements								
CARRYING AMOUNT	**11,430**	**6,702**	**14,765**	**16,545**	**49,442**	**453**	**49,895**	**44,965**
TOTAL	**39,093**	**11,515**	**63,105**	**34,469**	**148,182**	**1,352**	**149,534**	**171,217**

NOTE 12 Due to customers – analysis by remaining maturity

(in millions of euros)	31/12/2012 ≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	31/12/2011 Total
Current accounts in credit	1,186				1,186		1,186	1,417
Special savings accounts	160,025	11,983	15,037	2,280	189,325		189,325	180,962
• *demand*	*114,735*				*114,735*		*114,735*	*105,226*
• *time*	*45,290*	*11,983*	*15,037*	*2,280*	*74,590*		*74,590*	*75,736*
Other amounts due to customers	936	491	11,531	2,019	14,977	559	15,536	26,192
• *demand*	*332*				*332*		*332*	*201*
• *time*	*604*	*491*	*11,531*	*2,019*	*14,645*	*559*	*15,204*	*25,991*
Securities sold under repurchase agreements	2,763	43			2,806		2,806	10,341
CARRYING AMOUNT	**164,910**	**12,517**	**26,568**	**4,299**	**208,294**	**559**	**208,853**	**218,912**

12.1 Due to customers – geographic analysis

(in millions of euros)	31/12/2012	31/12/2011
France (including overseas departments and territories)	206,200	215,964
Other European Union countries	2,094	2,184
Rest of Europe		113
North America		
Central and Latin America		
Africa and the Middle East		
Asia-Pacific (ex. Japan)		
Japan		
Non allocated and international organisations		
Total principal	**208,294**	**218,261**
Accrued interest	559	651
CARRYING AMOUNT	**208,853**	**218,912**

12.2 Due to customers – analysis by customer type

(in millions of euros)	31/12/2012	31/12/2011
Individual customers	169,750	163,435
Farmers	13,064	12,171
Other small businesses	10,195	9,897
Financial institutions	10,309	26,948
Corporates	1,880	3,341
Local authorities	319	196
Other customers	2,777	2,273
Total principal	**208,294**	**218,261**
Accrued interest	559	651
CARRYING AMOUNT	**208,853**	**218,912**

NOTE 13 Debt securities – analysis by remaining maturity

	31/12/2012							31/12/2011
(in millions of euros)	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Interest bearing notes								
Money-market instruments		1,070	5,515	7,796	14,381	262	14,643	
Negotiable debt securities(1)	5,851	8,453	732	131	15,167	42	15,209	28,714
Bonds	1,866	8,810	23,632	20,380	54,688	1,398	56,086	53,473
Other debt securities								
CARRYING AMOUNT	**7,717**	**18,333**	**29,879**	**28,307**	**84,236**	**1,702**	**85,938**	**82,187**

(1) Of which €1,448 million issued abroad.

13.1 Bonds (by currency of issuance)

(in millions of euros)	Residual maturity ≤ 1 year	Residual maturity > 1 year ≤ 5 years	Residual maturity > 5 years	Outstandings 31/12/2012	Outstandings 31/12/2011
Euro	**8,878**	**17,772**	**19,740**	**46,390**	**43,182**
Fixed-rate	3,002	11,711	16,670	31,383	26,244
Floating-rate	5,876	6,061	3,070	15,007	16,938
Other European Union currencies	**2**	**99**	**306**	**407**	**864**
Fixed-rate			306	306	299
Floating-rate	2	99		101	565
US Dollar	**175**	**3,226**		**3,401**	**4,137**
Fixed-rate	99	2,266		2,365	1,677
Floating-rate	76	960		1,036	2,460
Yen	**249**	**1,947**	**334**	**2,530**	**2,159**
Fixed-rate	126	917	246	1,289	1,513
Floating-rate	123	1,030	88	1,241	646
Other currencies	**1,371**	**589**		**1,960**	**2,070**
Fixed-rate	548	589		1,137	1,229
Floating-rate	823			823	841
Total principal	**10,675**	**23,633**	**20,380**	**54,688**	**52,412**
Fixed-rate	3,775	15,483	17,222	36,480	30,962
Floating-rate	6,900	8,150	3,158	18,208	21,450
Accrued interest				1,398	1,061
CARRYING AMOUNT				**56,086**	**53,473**

NOTE 14 Accruals, deferred income and sundry liabilities

(in millions of euros)	31/12/2012	31/12/2011
Other liabilities[1]		
Counterparty transactions (trading securities)		
Liabilities relating to stock lending transactions		
Optional instruments sold	132	133
Settlement and negotiation accounts	4	
Miscellaneous creditors	5,135	4,766
Payments on securities in process	72	36
CARRYING AMOUNT	**5,343**	**4,935**
Accruals and deferred income		
Items in course of transmission from other banks	6,250	6,318
Adjustment accounts	11,693	8,688
Unrealised gains and deferred gains on financial instruments	122	194
Unearned income	4,188	2,304
Accrued expenses on commitments on forward financial instruments	3,828	3,866
Other accrued expenses	650	695
Other accruals prepayments and sundry assets	20	51
CARRYING AMOUNT	**26,751**	**22,116**
TOTAL	**32,094**	**27,051**

(1) Amounts including accrued interest.

NOTE 15 Provisions

(in millions of euros)	Outstanding at 01/01/2012	Depreciation charges	Reversals, amounts used	Reversals, amounts not used	Other movements	Outstanding at 31/12/2012
Provisions						
Employee retirement and similar benefits	225	28[6]	(1)		(28)	224
Other liabilities to employees	4	1				5
Financing commitment execution risks	204	136	(12)	(22)	(9)	297
Tax disputes[1]	67					67
Other litigations	29	95	(14)	(48)	(2)	60
Country risk						
Credit risks						
Restructuring						
Income tax charge[2]	381	78		(85)		374
Equity investments[3]	4	26		(4)		26
Operational risk						
Home purchase savings scheme imbalance risks[4]	283	54		(74)		263
Other provisions[5]	1,125	1,539	(17)	(1,095)		1,552
CARRYING AMOUNT[7]	**2,322**	**1,957**	**(44)**	**(1,328)**	**(39)**	**2,868**

(1) Provisions for tax adjustment notices received.

(2) Mainly comprises tax liabilities due to subsidiaries under the tax consolidation scheme.

(3) Including joint ventures, EIGs, property risks of equity instruments.

(4) See Note 16 below.

(5) Including provisions for EIG investment risks.

(6) The increase in liabilities to employees at 31 December 2012 was mainly due to the significant reduction in the reference rates used to assess obligations under defined benefit plans and other long-term benefits.

(7) There was a €546 million change in the "Provisions" heading in 2012. This change was primarily due to a total charge of €942 million linked to the disposal of Emporiki, which was finalised on 1 February 2013 (including €585 million for the recapitalisation carried out in 2013). Moreover, it is offset by a net reversal of provisions on hedging items in the long-term investment portfolio totalling €395 million.

NOTE 16 Home purchase savings contracts

DEPOSITS COLLECTED UNDER HOME PURCHASE SAVINGS ACCOUNTS AND PLANS DURING THE SAVINGS PHASE

(in millions of euros)	31/12/2012	31/12/2011
Home purchase savings plans		
Under four years old	6,388	2,329
Between four and ten years old(1)	22,906	44,439
Over ten years old(1)	31,164	16,331
Total Home purchase savings plans	**60,458**	**63,099**
Total Home purchase savings accounts	**11,577**	**12,199**
TOTAL DEPOSITS COLLECTED UNDER HOME PURCHASE SAVINGS CONTRACTS	**72,035**	**75,298**

(1) *The generation of home purchase savings plans at 4.5% was moved to the "Over ten years old" category in 2012.*

Age is determined in accordance with CRC regulation 2007-01 of 14 December 2007.

Customer deposits outstanding do not include government subsidy.

PROVISION FOR HOME PURCHASE SAVINGS ACCOUNTS AND PLANS

(in millions of euros)	31/12/2012	31/12/2011
Home purchase savings plans		
Under four years old		
Between four and ten years old(1)		37
Over ten years old(1)	241	222
Total Home purchase savings plans	**241**	**259**
Total Home purchase savings accounts	**22**	**24**
TOTAL PROVISIONS FOR HOME PURCHASE SAVINGS CONTRACTS	**263**	**283**

(1) *The generation of home purchase savings plans at 4.5% was moved to the "Over ten years old" category in 2012.*

Age is determined in accordance with CRC regulation 2007-01 of 14 December 2007.

CHANGES IN PROVISIONS

(in millions of euros)	01/01/2012	Depreciation charges	Reversals	31/12/2012
Home purchase savings plans	259		(18)	241
Home purchase savings accounts	24		(2)	22
TOTAL PROVISIONS FOR HOME PURCHASE SAVINGS CONTRACTS	**283**		**(20)**	**263**

The reversal of the provision for home purchase savings contracts at 31 December 2012 was due to the updating of the calculation model.

The main changes in the model stemmed from a review of run-off conventions of home purchase savings plans and accounts as well as the addition of a liquidity component in order to reflect current market conditions.

NOTE 17 Liabilities to employees – Post-employment benefits, defined-benefit plans

CHANGE IN ACTUARIAL LIABILITY

(in millions of euros)	2012	2011
Actuarial liability at 31/12/N-1	**217**	**233**
Service cost over the period	8	11
Interest cost	10	9
Employee contributions		
Benefit plan changes, withdrawals and settlement		
Changes in scope	(4)	1
Early retirement allowances		
Benefits paid	(16)	(15)
Actuarial (gains)/ losses	8	(22)
ACTUARIAL LIABILITY AT 31/12/N	**223**	**217**

BREAKDOWN OF CHARGE RECOGNISED IN INCOME STATEMENT

(in millions of euros)	2012	2011
Service cost	8	11
Interest cost	10	9
Expected return on assets	(7)	(8)
Amortisation of past service cost		
Net actuarial (gains)/losses	12	(21)
Amortisation of gains/(losses) generated by benefit plan changes, withdrawals and settlement		
Other gains (losses)		
NET CHARGE RECOGNISED IN INCOME STATEMENT	**23**	**(9)**

CHANGES IN FAIR VALUE OF PLAN ASSETS

(in millions of euros)	2012	2011
Fair value of asset/reimbursement rights at 31/12/N-1	**212**	**219**
Expected return on assets	7	8
Actuarial (gains)/losses	(5)	(1)
Employer contributions	3	
Employee contributions		
Benefit plan changes, withdrawals and settlement		
Changes in scope	(15)	1
Early retirement allowances		
Benefits paid out under the benefit plan	(14)	(15)
FAIR VALUE OF ASSETS/REIMBURSEMENT RIGHTS AT 31/12/N	**188**	**212**

CHANGES IN PROVISIONS

(in millions of euros)	2012	2011
(Provisions)/assets at 31/12/N-1	**(5)**	**(14)**
Employer contributions	3	
Changes in scope	(12)	
Direct payments made by employer	1	
Net charge recognised in income statement	(23)	9
(PROVISIONS)/ASSETS AT31/12/N	**(36)**	**(5)**

NOTE 18 Fund for general banking risks (FGBR)

(in millions of euros)	31/12/2012	31/12/2011
Fund for general banking risks (FGBR)	939	904
CARRYING AMOUNT	**939**	**904**

NOTE 19 Subordinated debt – analysis by remaining maturity

	31/12/2012							31/12/2011
(in millions of euros)	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Fixed-term subordinated debt	**283**	**1,419**	**2,362**	**16,102**	**20,166**	**293**	**20,459**	**22,632**
Euro	231	1,419	2,362	13,947	17,959	272	18,231	20,384
Other European Union currencies				551	551	2	553	540
US Dollar	52			1,604	1,656	19	1,675	1,708
Swiss Franc								
Yen								
Other currencies								
Participating securities and loans								
Other subordinated term loans								
Perpetual subordinated debt(1)				**11,604**	**11,604**	**155**	**11,759**	**13,968**
Euro				7,568	7,568	93	7,661	8,174
US Dollar				2,835	2,835	25	2,860	3,390
Other currencies				1,201	1,201	37	1,238	2,404
Blocked current accounts of Local Banks								
Mutual security deposits								
CARRYING AMOUNT	**283**	**1,419**	**2,362**	**27,706**	**31,770**	**448**	**32,218**	**36,600**

(1) Residual maturity of perpetual subordinated debt classified by default in > five years.

NOTE 20 Changes in equity (before appropriation)

(in millions of euros)	Share capital	Legal reserve	Statutory reserve	Share premiums, reserves and retained earnings	Translation, revaluation adjustments	Regulated provisions and investment subsidies	Net income	Total equity
Outstanding at 31/12/2010	**7,205**	**566**	**1,317**	**27,121**		**2**	**(552)**	**35,659**
Dividends or interest paid on shares in respect of 2010				(167)				(167)
Change in share capital	289							289
Change in share premium and reserves				623				623
Appropriation of 2010 parent company net income				(552)			552	
Reduction in retained earnings				(914)				(914)
Net income for 2011							(3,656)	(3,656)
Other changes						6		6
Outstanding at 31/12/2011	**7,494**	**566**	**1,317**	**26,111**		**8**	**(3,656)**	**31,840**
Dividends or interest paid on shares in respect of 2011								
Change in share capital								
Change in share premium and reserves								
Appropriation of 2011 parent company net income				(3,656)			3,656	
Reduction in retained earnings								
Net income for 2012							(4,235)	(4,235)
Other changes						23		23
OUTSTANDING AT 31/12/2012	**7,494**	**566**	**1,317**	**22,455**		**31**	**(4,235)**	**27,628**

NOTE 21 Composition of capital

(in millions of euros)	31/12/2012	31/12/2011
Equity	27,628	31,840
Fund for general banking risks (FGBR)	938	904
Subordinated debt and participating securities	32,218	36,600
Mutual security deposits		
TOTAL CAPITAL	**60,784**	**69,344**

NOTE 22 Transactions with subsidiaries and affiliates, and equity investments

(in millions of euros)	Outstanding at 31/12/2012 Transactions with subsidiaries and affiliates, and equity investments	Outstanding at 31/12/2011 Transactions with subsidiaries and affiliates, and equity investments
Loans and receivables	**364,871**	**404,730**
Credit and other financial institutions	352,712	393,672
Customers	2,193	2,469
Bonds and other fixed income securities	9,966	8,589
Debt	**124,434**	**136,831**
Credit and other financial institutions	108,424	127,594
Customers	741	803
Debt securities and subordinated debt	15,269	8,434
Commitments given	**60,138**	**58,678**
Financing commitments given to credit institutions	35,680	33,292
Financing commitments given to customers		
Guarantees given to credit and other financial institutions	20,897	21,531
Guarantees given to customers	3,561	3,855
Securities acquired with repurchase options		
Other commitments given		

NOTE 23 Foreign currency denominated transactions

	31/12/2012		31/12/2011	
(in millions of euros)	Assets	Liabilities	Assets	Liabilities
Euro	497,513	468,931	512,664	495,089
Other European Union currencies	2,746	4,149	3,813	4,723
Swiss Franc	12,170	8,500	11,778	6,262
US Dollar	11,996	23,830	26,189	35,631
Yen	377	2,549	536	2,194
Other currencies	1,236	1,303	1,219	1,421
Gross amount	**526,038**	**509,262**	**556,199**	**545,320**
Accruals, prepayments and sundry assets and liabilities	29,032	30,813	24,922	25,713
Impairment	(14,995)		(10,088)	
TOTAL	**540,075**	**540,075**	**571,033**	**571,033**

NOTE 24 Foreign exchange transactions, loans and borrowings

(in millions of euros)	31/12/2012		31/12/2011	
	To be received	To be delivered	To be received	To be delivered
Foreign currency	529	532	1,151	1,107
Euros	53	50	56	100
Spot foreign exchange transactions	**582**	**582**	**1,207**	**1,207**
Foreign currency	24,369	11,876	26,114	17,922
Euros	6,965	19,199	8,989	16,387
Forward currency transactions	**31,334**	**31,075**	**35,103**	**34,309**
Foreign currency denominated loans and borrowings	1,919	1,095	962	429
Foreign currency denominated loans and borrowings	**1,919**	**1,095**	**962**	**429**
TOTAL	**33,835**	**32,752**	**37,272**	**35,945**

NOTE 25 Forward financial instruments

(in millions of euros)	31/12/2012 Hedging transactions	31/12/2012 Other	31/12/2012 Total	31/12/2011 Total
Futures and forwards	**736,815**	**691,447**	**1,428,262**	**1,384,448**
Exchange-traded[1]				
Interest rate futures				
Currency futures				
Equity and stock index instruments				
Other futures				
Over-the-counter[1]	**736,815**	**691,447**	**1,428,262**	**1,384,448**
Interest rate swaps	734,869	691,270	1,426,139	1,382,429
Other interest rate forwards				
Currency futures		177	177	
FRAs				
Equity and stock index instruments	1,946		1,946	2,019
Other futures				
Options	**10,415**	**15,860**	**26,275**	**23,738**
Exchange-traded				
Interest rate futures				
• Bought				
• Sold				
Equity and stock index instruments				
• Bought				
• Sold				
Currency futures				
• Bought				
• Sold				
Other futures				
• Bought				
• Sold				
Over-the-counter	**10,415**	**15,860**	**26,275**	**23,738**
Interest rate swap options				
• Bought		4	4	523
• Sold		4	4	24
Other interest rate forwards				
• Bought	10,415	4,533	14,948	13,301
• Sold		4,533	4,533	4,616
Currency futures				
• Bought		3,186	3,186	2,421
• Sold		3,186	3,186	2,421
Equity and stock index instruments				
• Bought		414	414	432
• Sold				
Other futures				
• Bought				
• Sold				
Credit derivatives				
Credit derivative contracts				
• Bought				
• Sold				
TOTAL	**747,230**	**707,307**	**1,454,537**	**1,408,186**

(1) *The amounts shown in respect of futures and forwards must correspond to aggregate long and short positions (interest rate swaps and interest rate swap options), or to aggregate purchases and sales of contracts (other contracts).*

25.1 Forward financial instruments – analysis by remaining maturity

	Total 31/12/2012			o/w over-the-counter			o/w exchange traded and equivalent		
(in millions of euros)	≤ 1 year	from 1 to 5 years	> 5 years	≤ 1 year	from 1 to 5 years	> 5 years	≤ 1 year	from 1 to 5 years	> 5 years
Futures									
Currency options	3,700	2,673		3,700	2,673				
Interest rate options		7			7				
Currency futures									
FRAs									
Interest rate swaps	701,365	309,195	415,578	701,365	309,195	415,578			
Caps, Floors, Collars	2,037	10,285	7,159	2,037	10,285	7,159			
Interest rate forwards									
Equity, equity index and precious metals futures and forwards	34	86	1,826	34	86	1,826			
Equity, equity index and precious metals options	2	412		2	412				
Equity, equity index and precious metals derivatives									
Credit derivatives									
Subtotal	**707,138**	**322,658**	**424,563**	**707,138**	**322,658**	**424,563**			
Currency swaps	3,701	22,802	9,673	3,701	22,802	9,673			
Forward currency transactions	24,895	1,197	142	24,895	1,197	142			
Subtotal	**28,596**	**23,999**	**9,815**	**28,596**	**23,999**	**9,815**			
TOTAL	**735,734**	**346,657**	**434,378**	**735,734**	**346,657**	**434,378**			

	Total 31/12/2011			o/w over-the-counter			o/w exchange traded and equivalent		
(in millions of euros)	≤ 1 year	from 1 to 5 years	> 5 years	≤ 1 year	from 1 to 5 years	> 5 years	≤ 1 year	from 1 to 5 years	> 5 years
Futures									
Currency options	3,793	1,049		3,793	1,049				
Interest rate options		9	538		9	538			
Currency futures									
FRAs									
Interest rate swaps	803,774	277,648	301,007	803,774	277,648	301,007			
Caps, Floors, Collars	2,271	9,684	5,962	2,271	9,684	5,962			
Interest rate forwards									
Equity, equity index and precious metals futures and forwards	43	120	1,856	43	120	1,856			
Equity, equity index and precious metals options	4	64	364	4	64	364			
Equity, equity index and precious metals derivatives									
Credit derivatives									
Subtotal	**809,885**	**288,574**	**309,727**	**809,885**	**288,574**	**309,727**			
Currency swaps	6,861	14,252	9,360	6,861	14,252	9,360			
Forward currency transactions	38,082	684	173	38,082	684	173			
Subtotal	**44,943**	**14,936**	**9,533**	**44,943**	**14,936**	**9,533**			
TOTAL	**854,828**	**303,510**	**319,260**	**854,828**	**303,510**	**319,260**			

25.2 Forward financial instruments – fair value

	31/12/2012			31/12/2011		
	Fair value		Notional amount	Fair value		Notional amount
(in millions of euros)	Positive	Negative		Positive	Negative	
Futures						
Currency options	19	19	6,373	28	28	4,843
Interest rate options	114	114	7	536	402	547
Currency futures						
FRAs						
Interest rate swaps	46,181	45,532	1,426,138	33,941	33,320	1,382,428
Caps, Floors, Collars	566	536	19,481	563	484	17,917
Interest rate forwards						
Equity, equity index and precious metals derivatives	185	74	2,360	18	5	2,451
Credit derivatives						
Subtotal	**47,065**	**46,275**	**1,454,359**	**35,086**	**34,239**	**1,408,186**
Currency swaps	331	243	36,176	596	38	30,473
Forward currency transactions	4,021	3,873	26,234	4,453	4,273	38,939
Subtotal	**4,352**	**4,116**	**62,410**	**5,049**	**4,311**	**69,412**
TOTAL	**51,417**	**50,391**	**1,516,769**	**40,135**	**38,550**	**1,477,598**

NOTE 26 Commitments given and received

(in millions of euros)	31/12/2012	31/12/2011
Commitments given	**63,155**	**61,119**
Financing commitments	**35,700**	**33,315**
Commitments given to credit institutions	35,681	33,296
Commitments given to customers	19	19
Other commitments given to customers	19	19
Guarantee commitments	**27,455**	**27,804**
Credit institutions	21,382	21,968
Confirmed documentary credit lines		
Other	21,382	21,968
Customers	6,073	5,836
Property guarantees	74	54
Other customer guarantees(1)	5,999	5,782
Commitments on securities		
Securities acquired with repurchase options		
Other commitments to be given		
Commitments received	**59,210**	**56,774**
Financing commitments	**40,641**	**38,823**
Commitments received from credit institutions	40,641	38,823
Commitments received from customers		
Guarantee commitments	**18,569**	**17,951**
Commitments received from credit institutions	18,559	17,896
Commitments received from customers	10	55
Guarantees received from government bodies or similar	8	53
Other guarantees received	2	2
Commitments on securities		
Securities sold with repurchase options		
Other commitments received		

(1) *Financial guarantees presented separately at 31 December 2011 totalling €5 million were reclassified under "Other customer guarantees".*

NOTE 27 Information on counterparty risk on derivative products

(in millions of euros)	31/12/2012			31/12/2011		
	Market value	Potential credit risk[1]	Total counterparty risk	Market value	Potential credit risk	Total counterparty risk
Risk regarding OECD governments, central banks and similar organisations						
Risk regarding OECD financial institutions and similar organisations	51,321	10,425	61,746	39,986	8,205	48,191
Risk on other counterparties	8	6	14	7	6	13
Total before impact of netting contracts	**51,329**	**10,431**	**61,760**	**39,993**	**8,211**	**48,204**
Risk on:						
• Interest rate, exchange rate and commodities contracts	51,144	10,206	61,350	39,764	7,971	47,735
• Equity and index derivatives	185	225	410	229	240	469
Total before impact of netting contracts	**51,329**	**10,431**	**61,760**	**39,993**	**8,211**	**48,204**
Impact of netting and collateralisation contracts						
TOTAL AFTER IMPACT OF NETTING CONTRACTS	**51,329**	**10,431**	**61,760**	**39,993**	**8,211**	**48,204**

(1) *Calculated under Basel 2 regulatory standards.*

NOTE 28 Net interest and similar income

(in millions of euros)	31/12/2012	31/12/2011
Interbank transactions	5,380	4,194
Crédit Agricole internal transactions	6,205	6,979
Customer transactions	413	422
Bonds and other fixed income securities	2,413	2,434
Net gains on macro-hedging transactions		
Debt securities	689	43
Other interest income	13	20
Interest income	**15,112**	**14,092**
Interbank transactions	(4,514)	(4,335)
Crédit Agricole internal transactions	(1,823)	(1,185)
Customer transactions	(5,939)	(6,331)
Bonds and other fixed income securities	(1,322)	(1,058)
Net losses on macro-hedging transactions	(243)	(328)
Debt securities	(2,626)	(2,162)
Other interest expense	(11)	(8)
Interest expense	**(16,478)**	**(15,407)**
NET INTEREST AND SIMILAR INCOME	**(1,366)**	**(1,315)**

NOTE 29 Income from securities

(in millions of euros)	31/12/2012	31/12/2011
Short-term investment securities	1,731	1,758
Sustainable development passbook account (LDD)		
Long-term investment securities		
Other securities transactions	1,371	718
Income from fixed income securities	**3,102**	**2,476**
Investments in associates, equity investments and other long-term equity investments	4,401	3,650
Short-term investment securities and medium-term portfolio securities	18	19
Other securities transactions		
Income from variable-income securities	**4,419**	**3,669**
TOTAL INCOME FROM SECURITIES	**7,521**	**6,145**

NOTE 30 Net fee and commission income

	31/12/2012			31/12/2011		
(in millions of euros)	Income	Expense	Net	Income	Expense	Net
Interbank transactions	113	(22)	91	93	(19)	74
Crédit Agricole internal transactions	497	(1,018)	(521)	428	(977)	(549)
Customer transactions						
Securities transactions		(13)	(13)	6	(21)	(15)
Forward financial instruments and other off-balance sheet transactions					(4)	(4)
Financial services	191	(207)	(16)	152	(150)	2
Provisions for fee and commission risks						
TOTAL NET FEE AND COMMISSION INCOME	**801**	**(1,260)**	**(459)**	**679**	**(1,171)**	**(492)**

NOTE 31 Net gains (losses) on trading book

(in millions of euros)	31/12/2012	31/12/2011
Gains (losses) on trading securities	102	37
Gains (losses) on foreign currency transactions and similar financial instruments	50	120
Gains (losses) on other forward financial instruments	327	(388)
NET GAINS (LOSSES) ON TRADING BOOK	**479**	**(231)**

NOTE 32 Net gains (losses) on short-term investment portfolios and similar

(in millions of euros)	31/12/2012	31/12/2011
Short-term investment securities		
Impairment losses	(250)	(1,022)
Reversals of impairment losses	804	685
Net losses/reversals	**554**	**(337)**
Gains on disposals	218	18
Losses on disposals	(12)	(79)
Net gains (losses) on disposals	**206**	**(61)**
Net gains (losses) on short-term investment securities	**760**	**(398)**
Medium-term portfolio securities		
Impairment losses	(39)	(59)
Reversals of impairment losses	70	35
Net losses/reversals	**31**	**(24)**
Gains on disposals		7
Losses on disposals	(38)	
Net gains (losses) on disposals	**(38)**	**7**
Net gains (losses) on medium-term portfolio securities	**(7)**	**(17)**
NET GAINS (LOSSES) ON SHORT-TERM INVESTMENT PORTFOLIOS AND SIMILAR	**753**	**(415)**

NOTE 33 Other banking income and expenses

(in millions of euros)	31/12/2012	31/12/2011
Other income	13	16
Share of joint ventures		
Charge-backs and expense reclassifications	69	43
Reversals of provisions		
Other banking income	**82**	**59**
Sundry expenses	(111)	(82)
Share of joint ventures	(7)	(8)
Charge-backs and expense reclassifications		
Depreciation charges to provisions		
Other banking expenses	**(118)**	**(90)**
OTHER BANKING INCOME AND EXPENSES	**(36)**	**(31)**

NOTE 34 Operating expenses

(in millions of euros)	31/12/2012	31/12/2011
Employee expenses[1]		
Salaries	(239)	(242)
Wages and salaries	(107)	(121)
o/w contributions to defined-contribution post-employment benefit plans	*(2)*	*(2)*
Profit-sharing and incentive plans	(15)	(26)
Payroll-related tax	(34)	(33)
Total employee expenses	**(395)**	**(422)**
Charge-backs and reclassification of employee expenses	77	129
Net employee expenses	**(318)**	**(293)**
Administrative expenses[2]		
Taxes other than on income or payroll-related	(54)	(46)
External services and other administrative expenses	(434)	(492)
Total administrative expenses	**(488)**	**(538)**
Charge-backs and reclassification of administrative expenses	117	110
Net administrative expenses	**(371)**	**(428)**
OPERATING EXPENSES	**(689)**	**(721)**

(1) At 31 December 2012, the compensation of Executive Board members of Crédit Agricole S.A. Group amounted to €17.1 million compared with €17.4 million at 31 December 2011.

(2) Information on fees paid to Statutory Auditors is indicated in the notes to the consolidated financial statements of Crédit Agricole S.A. Group.

34.1 Headcount by category

(average number of employees)	31/12/2012	31/12/2011
Executives	2,360	2,799
Non-Executives	413	514
TOTAL	**2,773**	**3,313**
o/w: France	*2,757*	*3,295*
Foreign	*16*	*18*
o/w: Detached employees	*630*	*1,082*

NOTE 35 Cost of risk

(in millions of euros)	31/12/2012	31/12/2011
Depreciation charges to provisions and impairment	**(1,240)**	**(409)**
Impairment of doubtful loans and receivables		(3)
Other depreciation and impairment charges	(1,240)	(406)
Reversals of provisions and impairment losses	**264**	**276**
Reversals of impairment losses on doubtful loans and receivables	2	5
Other reversals of provisions and impairment charges	262	271
Change in provisions and impairment	**(976)**	**(133)**
Bad debts written off – not provided for losses on non-impaired irrecoverable loans		(46)
Bad debts written off – provided for losses on impaired irrecoverable loans	(29)	(119)
Discount on restructured loans		
Recoveries on bad debts written off	1	3
Other losses		
COST OF RISK	**(1,004)**	**(295)**

NOTE 36 Net gains (losses) on fixed assets

FINANCIAL INVESTMENTS

(in millions of euros)	31/12/2012	31/12/2011
Impairment losses	**(9,194)**	**(4,921)**
Long-term investment securities		
Investments in associates, equity investments and other long-term equity investments	(9,194)	(4,921)
Reversals of impairment losses	**3,595**	**125**
Long-term investment securities		
Investments in associates, equity investments and other long-term equity investments	3,595	125
Net losses/reversals	**(5,599)**	**(4,796)**
Long-term investment securities		
Investments in associates, equity investments and other long-term equity investments	(5,599)	(4,796)
Gains on disposals	**76**	**71**
Long-term investment securities		
Investments in associates, equity investments and other long-term equity investments	76	71
Losses on disposals	**(1,579)**	**(254)**
Long-term investment securities		
Investments in associates, equity investments and other long-term equity investments	(1,579)	(243)
Losses on receivables from equity investments		(11)
Net gains (losses) on disposals	**(1,503)**	**(183)**
Long-term investment securities		
Investments in associates, equity investments and other long-term equity investments	(1,503)	(183)
NET GAINS (LOSSES)	**(7,102)**	**(4,979)**

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(in millions of euros)	31/12/2012	31/12/2011
Gains on disposals	76	
Losses on disposals		
Net gains (losses)	**76**	
NET GAINS (LOSSES) ON FIXED ASSETS	**(7,026)**	**(4,979)**

NOTE 37 Income tax charge

(in millions of euros)	31/12/2012	31/12/2011
Income tax charge[1]	760	1,290
Net depreciation charge for taxes under the tax consolidation scheme	7	(89)
NET BALANCE	**767**	**1,201**

(1) The tax gain mainly consists of the taxes that Crédit Agricole S.A., as head of the tax consolidation group, collected from the subsidiaries included in the tax consolidation scheme.

NOTE 38 Presence in non-cooperative states and territories

The investment and divestment projects carried out by the entities that are controlled directly or indirectly by Crédit Agricole S.A. must comply with its strategic orientations as defined by the Board of Directors of Crédit Agricole S.A. and implemented by the Group's Executive management.

A Group procedure outlines the responsibilities of both the business lines and central support functions of Crédit Agricole S.A. To this end, the Group Finance department and the Strategy and development Department are consulted in order to ensure that the economic and financial expectations of the transaction are met. They also ensure the appropriateness of the planned transaction and its consistency with the Group's strategic orientations. The Group Risk Management and Permanent Controls function, the Compliance department and the Legal department all play a role by issuing opinions within their respective fields of responsibility.

This principle applies to all subsidiaries, and concerns all new products and activities, under the responsibility of specific committees.

Crédit Agricole S.A. is present, directly and indirectly, in non-cooperative states or territories as defined by Article 238-0 A of the French General Tax Code.

The information at 31 December 2012 concerning these operations is presented as follows:

Country	Corporate name	Legal form	Nature of the authorisation (if applicable)	Share of capital in %	Type of business
Brunei	Amundi Singapore Limited Brunei Branch	Branch		73.62	Branch
Philippines	CLSA (Philippines) Inc.(1)	Incorporated		78.31	Brokerage
	CLSA Exchange Capital Inc.(1)	Incorporated		46.98	Investment company
	Crédit Agricole CIB Succursale de Manille	Branch	Banking licence(2)	97.77	Shelf company
	Philippine Distressed Assets Asia Pacific (SPV-AMC) 1 Inc.	Incorporated		97.77	Management of impaired assets
	Philippine Distressed Assets Asia Pacific (SPV-AMC) 2 Inc.	Incorporated		62.57	Management of impaired assets

(1) CLSA is accounted for in accordance with IFRS 5 (Non-current assets held for sale) in the consolidated financial statements at 31 December 2012.

(2) Removed from 18 December 2012.

The above entities are within the area of responsibility of Crédit Agricole S.A. Group's Internal Controls department and as such must respect the Group's procedures in terms of prevention and control of non-compliance risk (which include namely the necessary procedures in terms of preventing money laundering and combating terrorism financing), as described in the report of the Chairman of the Board of Directors in the registration document of Crédit Agricole S.A.

NB: the list of non-cooperative states or territories used in this note is the one issued by decree of the French Minister for the Economy, Finance and Industry on 04 April 2012.

*Brunei has signed an administrative assistance agreement with France that still hasn't come into force. (*French Official Tax Bulletin *no. 63, 14 A-7-11 of 26 July 2011).*

On 25 November 2011, the Philippines and France signed an amendment to the agreement designed to prevent income tax evasion. This amendment was promulgated by France on 29 November 2012 (Act no. 2012-1321 of 29 November 2012, JORF *no. 0279 of 30 November 2012).*

Statutory Auditors' Report on the Parent Company financial statements

This is a free translation into English of the Statutory Auditors' report issued in French. It is provided solely for the convenience of English speaking users. The Statutory Auditors' report includes information required specifically by French law in such reports, whether qualified or not. This information presents below the opinion on the parent company's financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the parent company's financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the parent company's financial statements.

This report should be read and construed in accordance with French law and professional auditing standards applicable in France.

Year ended December 31, 2012

To the shareholders:

In compliance with the assignment entrusted to us by your General Meeting of Shareholders, we hereby report to you, for the year ended December 31, 2012, on:

- the audit of the accompanying financial statements of Crédit Agricole S.A.;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform procedures to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sample techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Company at December 31, 2012 and of the results of its operations for the year ended in accordance with French generally accepted accounting principles.

II. Justification of our assessments

In accordance with the requirements of Article L. 823-9 of the French Commercial Code (Code de Commerce) relating to the justification of our assessments, we bring to your attention the following matters:

- As part of its process of preparation of the financial statements, your Company has made accounting
- estimates, in particular regarding the valuation of investments in non-consolidated companies and participating interests, loans and advances granted, other long-term investments and the pension and future employees' benefits provisions. We have reviewed the assumptions used and verified that these accounting estimates are based on documented methods that comply with the principles set forth in Note 2 to the financial statements.

These assessments were made as part of our audit of the parent company's financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information provided in the management report of the Board of Directors, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information provided in accordance with the requirements of Article L. 225-102-1 of the French Commercial Code (Code de Commerce) related to compensations and benefits received by the Directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling your Company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the main shareholders has been properly disclosed in the management report.

Neuilly-sur-Seine and Paris-La Défense, March 14, 2013

The Statutory Auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Catherine Pariset	Valérie Meeus

General information

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Memorandum and Articles of Association

Crédit Agricole S.A.

A French company ("*société anonyme*") with a share capital of €7,494,061,611

Registered with the Nanterre Trade and Company Registry under number 784 608 416

Registered office:
12, place des États-Unis – 92127 Montrouge Cedex - France
Tel. (+33) 1 43 23 52 02

Articles of Association

The Articles of Association of Crédit Agricole S.A., amended on 1 July 2012, may be consulted at Crédit Agricole S.A.'s registered office or on the Company's website: www.credit-agricole.com

Information on the Company

ACQUISITIONS MADE BY CRÉDIT AGRICOLE S.A. OVER THE PAST THREE YEARS

No acquisitions were made during 2012.

Completed acquisitions

Date	Investments	Financing
18/02/2010	Crédit Agricole S.A. announced the signing of an agreement with Intesa Sanpaolo S.A. pertaining to the sale by Intesa Sanpaolo group of **a network of 150 to 200 branches in Italy** wholly or partially composed of a subsidiary of Intesa Sanpaolo group. The transaction was finalised in 2011.	Acquisitions made in 2010 were financed by Crédit Agricole S.A. subordinated and non-subordinated medium-term notes and by Tier 1 capital generated and retained during the year.
01/07/2010	**Pacifica and Crédit Agricole Nord de France finalised the agreements signed in 2002 in the field of property and casualty insurance**. In 2004, Pacifica acquired from Crédit Agricole Nord de France a 20% stake in MRA CA, a regional casualty and property insurance company, a stake which was increased to 40% in 2008. Pacifica would acquire all remaining shares in MRA CA, which were mainly held by Crédit Agricole Nord de France. The transaction was finalised in 2011.	
02/08/2010	Crédit Agricole Luxembourg finalised an agreement pertaining to the acquisition **of a majority stake in Dresdner Van Moer Courtens (DVMC)**, a Belgian stockbroking company specialising in wealth management. DVMC would be renamed Crédit Agricole Van Moer Courtens.	
29/12/2010	Crédit Agricole Assurances finalised **the acquisition of Axeria Vie and its subsidiaries** as announced on 8 September 2010. At the end of 2009, Axeria Vie reported €187 million in new inflows, €251 million in underwriting reserves and 27 employees. April Patrimoine, a subsidiary of Axeria Vie, reported at the end of 2009 €10.3 million in commission income, €180 million in new inflows, €991 million in underwriting reserves and 36 employees.	
11/01/2011	Crédit Agricole S.A. successfully carried out its expansion strategy in Italy. In accordance with the agreement signed on 17 February 2010 with Intesa Sanpaolo, Cariparma acquired a 79.9% stake **in Cassa di Risparmio della Spezia**. This process was recently completed when Intesa Sanpaolo contributed **96 branches** to Cariparma.	Acquisitions made in 2011 were financed by Crédit Agricole S.A. subordinated and non-subordinated medium-term notes and by Tier 1 capital generated and retained during the year.
09/09/2011	Crédit Agricole S.A. successfully acquired the free float of **Emporiki Bank of Greece S.A.**, after a voluntary bid for all outstanding shares launched in concert with Sacam International. It then carried out a squeeze-out of the Greek bank's shares.	

N.B: we cannot disclose certain information about investment amounts without violating confidentiality agreements or revealing information to our rivals that could be detrimental to us.

Acquisitions in progress

No new acquisitions were announced after the end of 2012 and for which the management bodies have already made firm commitments.

NEW PRODUCTS AND SERVICES

The entities of the Group regularly offer new products and services to customers. Information is available on the Group's websites, especially through press releases on the website www.credit-agricole.com.

MATERIAL CONTRACTS

In 2001, ahead of Crédit Agricole S.A.'s initial public offering, CNCA (which subsequently became Crédit Agricole S.A.) entered into an agreement with the Regional Banks governing internal relations within the Crédit Agricole Group. The main provisions of this agreement are set out in Chapter IV of the registration document filed by Crédit Agricole S.A. with the *Commission des opérations de Bourse* on 22 October 2001 under number R. 01-453. The agreement notably provided for the creation of a Fund for Bank Liquidity and Solvency Risks (FRBLS) designed to enable Crédit Agricole S.A. to fulfil its role as central body by providing assistance to any of the affiliates experiencing difficulties. To allow for changes in the way the FRBLS worked after Crédit Agricole CIB affiliated to the Crédit Agricole network, Crédit Agricole S.A. approved new regulations at its 13 December 2011 Board meeting, which set new rules for the contributions paid by Crédit Agricole S.A.

The fund originally had €609.8 million in assets. At 31 December 2012 it totalled €938.6 million, having been increased by €34.5 million in the course of the year.

Furthermore, since CNCA's reorganisation as a mutual company in 1988, the Regional Banks have committed to making up any shortfall suffered by creditors should Crédit Agricole S.A. become insolvent or experience similar financial difficulties. The Regional Banks' commitment under this guarantee is equal to the sum of their share capital and reserves.

"Switch" guarantee

The "Switch" mechanism was implemented on 23 December 2011 as part of the financial relationship framework between Crédit Agricole S.A., as central body, and the mutual network of Crédit Agricole Regional Banks.

It enables the transfer of prudential requirements in respect of Crédit Agricole's interests in the Regional Banks, which are accounted for according to the equity method in Crédit Agricole S.A.'s consolidated financial statements. This transfer of risk to the Regional Banks is realised through a guarantee mechanism whereby the Regional Banks grant a guarantee to Crédit Agricole S.A. based on a contractual floor value of the equity-accounted CCI/CCA issued by the Regional Banks. This value was fixed when the guarantee was initially set-up.

The effectiveness of the mechanism is secured by a cash deposit paid by the Regional Banks to Crédit Agricole S.A.

This contract can be analysed in substance as a complementary right attached to the 25% stake held by Crédit Agricole S.A. in the CCI/CCA of Regional Banks. As such, it is related to the significant influence that Crédit Agricole S.A. exercises over the Regional Banks.

As structured, the mechanism protects Crédit Agricole S.A. from a decline in the overall equity-accounted value of the Regional Banks. Indeed, as soon as a drop in value is observed, the guarantee mechanism is activated and Crédit Agricole S.A. receives compensation drawn from the cash security deposit. If the overall equity-accounted value later recovers, Crédit Agricole S.A. returns previously paid compensation in accordance with a financial recovery clause.

The term of the guarantee is 15 years and can be extended by tacit consent. The guarantee can be cancelled by anticipation, under certain conditions and with the prior approval of the ACP.

The guarantee deposit is remunerated at a fixed rate based on conditions prevailing for long-term liquidity. The guarantee attracts a fixed remuneration covering the present value of the risk and cost of capital of the Regional Banks.

Crédit Agricole Home Loan SFH

To increase and diversify the Crédit Agricole Group's sources of funds, Crédit Agricole S.A. created a wholly-owned financial company, Crédit Agricole Home Loan SFH (CA HL SFH), whose sole corporate purpose was to issue covered bonds and to make "mirror" loans to Crédit Agricole S.A. This company adopted the legal form of a "*société de financement de l'habitat*" or home financing company, which confers, among other advantages, legal priority to the claims of CA HL SFH bondholders.

Repayment of amounts owed by Crédit Agricole S.A. to CA HL SFH for "mirror" loans is covered by a financial guarantee granted by the Regional Banks and LCL consisting of amounts receivable on residential loans.

Each loan granted by CA HL SFH to Crédit Agricole S.A. is redistributed in the form of advances to the Regional Banks and to LCL in proportion to their contributions to the guarantee.

The receivables pledged as guarantees by the Regional Banks and LCL continue to be managed by these institutions and remain on their balance sheet, unless the guarantee is called. Prior to calling the guarantee, protection mechanisms are provided for CA HL SFH, based on Crédit Agricole S.A.'s ratings. An interest rate hedging instrument was also put in place at the start of 2012, following the downgrades of Crédit Agricole S.A.'s long-term rating by the credit ratings agencies in 2011.

The contractual legal framework for implementing this mechanism is based on a series of agreements. The main ones are a financial guarantee agreement setting out the terms and conditions for constituting the loan repayment guarantees provided by each Regional Bank and LCL in favour of CA HL SFH, as payment surety for any amount due by Crédit Agricole S.A. in its capacity as borrower from CA HL SFH and an advance agreement, the purpose of which is to determine the terms and conditions for granting and managing intra-group advances and to define the allocation key for the volume of receivables to be provided as collateral by each Regional Bank and LCL.

The first issue was launched in January 2009. At 31 December 2012, €26.6 billion have been raised.

Crédit Agricole Public Sector SCF

In the same vein as Crédit Agricole Home Loan SFH, Crédit Agricole S.A. created a wholly-owned financial company, Crédit Agricole Public Sector SCF (CA PS SCF), whose sole corporate purpose was to issue covered bonds and to make "mirror" loans to Crédit Agricole S.A. This company adopted the legal form of a "*société de crédit foncier*" or home financing company, which confers, among other advantages, legal priority to the claims of CA PS SCF bondholders. Each loan granted by CA PS SCF to Crédit Agricole S.A. is redistributed in the form of advances to Crédit Agricole Corporate and Investment Bank.

Repayments of amounts owed by Crédit Agricole S.A. to CA PS SCF for mirrors loans is covered by a financial guarantee granted by Crédit Agricole CIB consisting of amounts receivable on export credits guaranteed by export credit agencies (Coface, Euler Hermes, ECGD). This guarantee passes through Crédit Agricole S.A.

The receivables pledged as guarantees will continue to be managed by Crédit Agricole CIB and will remain on its balance sheet, unless the guarantee is called. As with CA HL SFH, protection mechanisms are provided for this programme to ensure sustainability if the financial position of Crédit Agricole S.A. or Crédit Agricole CIB deteriorates.

The €one billion initial issue of this company took place in September 2012.

Arrangement relating to Intesa Sanpaolo

On 17 February 2010, Crédit Agricole S.A. signed an agreement with Intesa Sanpaolo S.p.A. concerning, inter alia, its equity investment in the latter. The terms of the agreement were reproduced in a decision issued by the Italian Competition Authority on 18 February 2010. Under this agreement, Crédit Agricole S.A. agreed to exercise the voting rights attached to its equity investment as part of the plan submitted to the Italian Competition Authority, and to reduce this investment (i) to less than 5% by 31 July 2010; (ii) to less than 2% by a fixed date, provided that the sale is able to take place under certain economic conditions, or to freeze, at that date, the investment exceeding 2% of the capital of Intesa Sanpaolo S.p.A. by transferring it to a frozen securities account.

Following the meeting of the Crédit Agricole S.A. Board of Directors of 16 December 2010, Crédit Agricole S.A. announced the end of its representation at the Intesa Sanpaolo S.p.A. Supervisory Board. This decision led to a reclassification of Crédit Agricole S.A.'s participation in Intesa Sanpaolo S.p.A., from investments in equity accounted entities to available-for-sale financial assets.

On 24 August 2012, Crédit Agricole S.A. reduced its equity investment in Intesa Sanpaolo S.p.A. to less than 2% of the share capital. At 31 December 2012, it no longer owned any stake in this share capital.

▶ SIGNIFICANT CHANGES

The financial statements at 31 December 2012 were approved by the Board of Directors at its meeting of 19 February 2013. Since this date, there have been no significant changes in the financial position or business operations of Crédit Agricole S.A. parent company and Group.

PUBLICLY AVAILABLE DOCUMENTS

This document is available on the websites of Crédit Agricole S.A. (www.credit-agricole.com/en/Investor-and-shareholder) and of the *Autorité des marchés financiers* (www.amf-france.org).

All regulated information as defined by the AMF (in Title II of Book II of the AMF's General Regulations) is available on the Company's website (www.credit-agricole.com under Investor and shareholder > Financial reporting > Regulated information). The full text of the Articles of Association of Crédit Agricole S.A. may be consulted on the Company's website, www.credit-agricole.com/en/Investor-and-shareholder, under Crédit Agricole S.A.

CRÉDIT AGRICOLE S.A. PUBLICATIONS

The **annual information report** below lists information that Crédit Agricole S.A. has published or disclosed over the past 12 months to fulfil legal or regulatory disclosure obligations applying to financial instruments, issuers of financial instruments and financial instrument markets as required by Article L. 451-1-1 of the *Code monétaire et financier* and Article 222-7 of the AMF's General Regulations.

1. Registration document and updates

- Available on Crédit Agricole S.A.'s website, www.credit-agricole.com, under Investor and shareholder > Financial reporting > Crédit Agricole S.A. financial results and on the *Autorité des marchés financiers* website, www.amf-france.org.

2. Issues, prospectuses and offering memorandums

- Published on Crédit Agricole S.A.'s website, www.credit-agricole.com, under Investor and shareholder > Debt, and on the *Autorité des marchés financiers* website, www.amf-france.org.

3. Disclosures

- Disclosures of trading in the Company's shares by Executive Officers and Directors:

  Disclosures are available on Crédit Agricole S.A.'s website, www.credit-agricole.com under Investor and shareholder > Crédit Agricole S.A. Shares > Déclarations individuelles des opérations sur les titres de la société, and are published on the *Autorité des marchés financiers* website, www.amf-france.org.

- Disclosure of trading in the Company's own shares:

  Monthly summaries and weekly disclosures of the trading in the Company's own shares are published on Crédit Agricole S.A.'s website www.credit-agricole.com under Investor and shareholder > Financial reporting > Regulated information.

- Disclosure of number of shares and voting rights:

  Declarations concerning the total number of shares and voting rights are published on Crédit Agricole S.A.'s website www.credit-agricole.com under Investor and shareholder > Financial reporting > Regulated information.

4. Press releases

- Published on Crédit Agricole S.A.'s website, www.credit-agricole.com, under Investor and shareholder > Press releases.

5. Investor presentations

- Prepared for conferences, investor days or corporate events, available on Crédit Agricole S.A.'s website, www.credit-agricole.com > Investor and shareholder > Financial reporting > Investor presentations.

6. Information published in the "BALO" on the Annual General Meeting and on periodical publications

- Published on the BALO website www.journal-officiel.gouv.fr/balo/ Company: Crédit Agricole S.A., No. 784 608 416 RCS NANTERRE

7. Filings with the Clerk of the Paris Tribunal de Commerce

- Available from the Clerk of the Paris Tribunal de Commerce, listed on the website www.infogreffe.fr Company: Crédit Agricole S.A., No. 784 608 416 RCS NANTERRE

Information concerning the share capital

INFORMATION CONCERNING THE SHARE CAPITAL AND MAJOR SHAREHOLDERS

There are currently no shareholders' agreements.

Crédit Agricole S.A. has not issued any securities giving rights to the share capital other than those described in the paragraph entitled "Changes in share capital over the past five years" on page 185 of this registration document, or any securities giving rights to the potential share capital or shares carrying double voting rights. Nor has it pledged any of its shares as collateral.

To the knowledge of Crédit Agricole S.A., no shareholder other than SAS Rue La Boétie owns 5% or more of the share capital or voting rights.

Control over the issuer

The shareholder relationships between Crédit Agricole S.A. and the Regional Banks are described in the notes to the financial statements under "General framework" of this document.

Control over Crédit Agricole S.A. is described in chapter III, "Corporate governance", of this registration document.

The rules governing the composition of the Board of Directors are set out in Article 11 of the Articles of Association.

The Crédit Agricole Regional Bank representatives hold a majority of the seats on the Board. The composition of the Board illustrates the willingness of Crédit Agricole S.A.'s largest shareholder (SAS Rue La Boétie, which held 56.42% of the voting rights at 31 December 2012) to give the Regional Banks a majority representation on the Board.

In addition to the Director appointed by joint decree by the Minister of Finance and the Minister of Agriculture, six seats are allocated to outside Directors. These six outside Directors are considered to be independent Directors in accordance with corporate governance guidelines (AFEP/MEDEF Code of Corporate Governance for Listed Companies). The outside Directors play an extremely important role on the Board. Three are chairmen of the Board's special Committees (Audit and Risks, Remuneration, and Appointments and Governance).

There are no agreements of which the implementation could, at a subsequent date, result in a change in the Group's control.

Dividend policy

The dividend policy is determined by the Board of Directors of Crédit Agricole S.A. This policy may inter alia take account of Company earnings and financial condition, as well as the dividend policy practices of leading French and international companies in the sector. Crédit Agricole S.A. gives no guarantee as to the amount of the dividend which will be paid in any given year.

As Crédit Agricole S.A.'s net income Group share for the financial year ended 31 December 2012 was negative, the Board of Directors decided, at its meeting on 19 February 2013, to propose to the General Meeting of Shareholders not to proceed with the distribution of a dividend.

Furthermore, SAS Rue La Boétie, Crédit Agricole S.A.'s majority shareholder, has decided to opt for the distribution of the dividend in the form of shares of Crédit Agricole S.A. for the year ended 2013.

DESCRIPTION OF CRÉDIT AGRICOLE S.A. SHARE BUYBACK PROGRAMME

Pursuant to Article L. 241-2 of the *Autorité des marchés financiers* General Regulation, this document constitutes the description of the share buyback programme to be approved by the Combined General Meeting of 23.05.13.

It is hereby specified that the expression "Ordinary Shares" as used in this document refers to the shares that make up the Company's share capital at this time, as opposed to Preferred Shares which could be issued in accordance with the authorisation given by the General Meeting of 19 May 2009 to the Board of Directors.

I. Number of shares and percentage of share capital directly owned by Crédit Agricole S.A.

At 07 March 2013, Crédit Agricole S.A. directly owned 6,547,152 shares, representing 0.26% of the share capital.

II. Breakdown of targets by equity securities held

At 7 March 2013, the shares held by Crédit Agricole S.A. were broken down as follows:

- 172,427 shares used to cover undertakings to employees under stock option plans;
- 2,424,725 shares used to cover undertakings to employees on deferred compensation in the form of performance shares;
- 3,950,000 shares held as part of a share liquidity agreement to stimulate the market in the share.

III. Purpose of share buyback programme

The authority to be granted by the shareholders at the Combined Ordinary and Extraordinary General Meeting of Shareholders of 23 May 2013 is designed to allow Crédit Agricole S.A. to trade in its own shares either on the market or over the counter for any purpose permitted or to be permitted by applicable laws or regulations.

In particular, Crédit Agricole S.A. may use this authorisation:

1. to grant stock options to some or all of the Company's employees and/or to some or all of its eligible Executive and non-Executive Corporate Officers of the Company or the companies or groupings affiliated with it, now or in the future, as defined by Article L. 225-180 of the French Commercial Code;
2. to allot ordinary shares to eligible Executive and non-Executive Corporate Officers, employees and former employees of the Company or of the Group, or to certain categories thereof, as part of an employee profit-sharing or share ownership plan, as provided for by law;
3. to allot bonus shares under a bonus share plan as provided by Articles L. 225-197-1 *et seq*. of the French Commercial Code to some or all categories of eligible employees and Corporate Officers of the Company, and/or to companies and economic interest groupings affiliated therewith under the conditions set out in Article L. 225-197-2 of the French Commercial Code, and, more generally, to allot ordinary shares in the Company to such employees and Corporate Officers, notably under variable compensation plans for employees who are financial market professionals and whose activities have a material impact on the Company's risk exposure, in which case such allotments are contingent upon such employees meeting performance targets;
4. to hold the shares purchased with a view subsequently to exchanging them or using them to pay for a potential acquisition, in compliance with the market practice accepted by the *Autorité des marchés financiers*;
5. to ensure coverage of securities giving access to the Company's ordinary shares;
6. to ensure that liquidity is provided for the shares on the equity market by an investment services provider under a share liquidity agreement that complies with the Amafi (the French Association of "Financial Market Professionals") Code of Conduct, in compliance with the market practice accepted by the *Autorité des marchés financiers*, it being specified that, for purposes of calculating the 10% limit set forth in paragraph 4-1 above, the number of ordinary shares purchased in this respect shall be the number of ordinary shares purchased less the number of ordinary shares sold during the term of this authorisation;
7. to retire the purchased shares.

IV. Maximum percentage of share capital, maximum number and characteristics of shares that may be bought back and maximum purchase price

1. Maximum percentage of share capital to be bought back by Crédit Agricole S.A.

Crédit Agricole S.A. is authorised to acquire up to 10% of the total number of shares forming its share capital at the date of settlement of the purchases. However, the number of shares purchased by the Company for the purpose of holding the shares purchased with a view subsequently to exchanging them or using them to pay for a potential merger, spin-off or asset transfer shall not exceed 5% of the Company's share capital.

In addition, the total cost of all such share purchases made during the term of the share buyback programme is €1.75 billion.

The Board of Directors will ensure that these buybacks are executed according to the regulatory requirements as set by law and the *Autorité de contrôle prudentiel.*

2. Characteristics of the shares covered

Class of shares: shares listed on Euronext Paris (Compartment A)

Name: Crédit Agricole S.A.

ISIN code: FR 0000045072

3. Maximum purchase price

The purchase price for Crédit Agricole S.A. shares under the buyback programme may not exceed €14 per share.

V. Duration of programme

In accordance with Article L. 225-209 of the French Commercial Code and with the fifteenth resolution to be adopted by the Combined Ordinary and Extraordinary General Meeting of Shareholders of 23 May 2013, this share buyback programme replaces the unused portion of the programme approved at the Ordinary General Meeting of Shareholders of 22 May 2012, and may be implemented until it is renewed by a future General Meeting of Shareholders, and in any event, for a maximum term of 18 months as from the date of the Combined Ordinary and Extraordinary General Meeting of Shareholders, that is, until 23 November 2014 at the latest.

Statutory Auditors' special report on related party agreements and commitments

This is a free translation into English of a report issued in French. It is provided solely for the convenience of English speaking users. This report should be read and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your Company, we hereby report on the agreements and commitments with related parties.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements and commitments indicated to us, or that we may have identified in the performance of our engagement. We are not required to comment as to whether they are beneficial or appropriate or to ascertain the existence of any other agreements and commitments. It is your responsibility, in accordance with Article R. 225-31 of the French commercial code (Code de commerce), to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition, we are required, where applicable, to inform you in accordance with Article R. 225-31 of the French commercial code (Code de commerce) on the implementation, during the year, of agreements and commitments previously approved by the General Meeting of Shareholders.

We performed those procedures which we considered necessary to comply with professional guidance issued by the national auditing body (Compagnie Nationale des Commissaires aux Comptes) relating to this type of engagement. These procedures consisted in verifying that the information provided to us is consistent with the documentation from which it has been extracted.

Agreements and commitments submitted for approval by the General Meeting of Shareholders

Agreements and commitments authorised during the year

In accordance with Article L. 225-40 of the French commercial code (Code de commerce), we have been advised of the following related parties' agreements and commitments which were previously authorized by your Board of Directors.

1. WITH EMPORIKI

Persons concerned

Mr de Laage, Director of Emporiki and Deputy Chief Executive Officer of your company.

Nature and purpose

The Board of Directors at its meeting of February 22, 2012, authorized a loan of Greek government bonds from Crédit Agricole S.A. to Emporiki. This loan allowed the subsidiary to raise liquidity through a repurchase agreement of these bonds with the Bank of Greece.

Conditions

This loan of bonds, for a nominal amount of € 1.5 billion and a book value of € 300 million, was implemented for a period of about one month, during the second quarter of 2012.

2. WITH BANCO ESPIRITO SANTO

Persons concerned

Mr Mathieu, Director of Banco Espirito Santo and Deputy Chief Executive Officer of your company.

Nature and purpose

The Board of Directors at its meeting of February 22, 2012, authorized the participation of Crédit Agricole S.A in the capital increase of Banco Espirito Santo (BES). This participation took place at the same time as a restructuring of relations between the Espirito Santo Group and the Crédit Agricole S.A. Group.

Conditions

In this context, 50% of the insurance company BES Vida held by Crédit Agricole Assurances, were sold to Banco Espirito Santo (on the basis of a valuation of € 225 million for its 50%) and the product of this sale was reinvested in the participation of Crédit Agricole S.A. in the capital increase of BES (up to € 109 million) and in the participation of the Crédit Agricole S.A. Group in the capital increases of Bespar, holding of the Group Espirito Santo (up to 112 million euros).

3. WITH M. XAVIER MUSCA, DEPUTY CHIEF EXECUTIVE OFFICER OF YOUR COMPANY

Nature and purpose

The Board of Directors at its meeting of July 17, 2012, designated Mr Xavier Musca as Deputy Chief Executive Officer of Crédit Agricole S.A., effective at July 19, 2012. The same Board authorized the following commitments in his favour, regarding compensation to be paid upon termination in Office as well as post-employment benefits.

Conditions

- *Conditions of termination of the Office term*

On termination of Mr Xavier Musca's term of office, his work contract will be reactivated, with conditions that cannot be less than the average annual compensation of a member of Crédit Agricole S.A.'s Executive Committee, excluding Corporate Officers, during the twelve months preceding the end of their Corporate Office term. Your Company will undertake to propose them at least two positions corresponding to duties as members of Crédit Agricole S.A.'s Executive Committee.

- *Compensation paid for the termination of contract*

In case of termination of his work contract following a decision of your Company and with the exception of serious misconduct from Mr Xavier Musca, he will receive compensation equal to one time the amount of the total gross annual wages received during the 12 months preceding the termination of the work contract (excluding fringe benefits), including all other indemnities, in particular the conventional compensation for dismissal and the compensation for the non-competition clause. If he becomes eligible for postemployment benefits, no compensation will be paid.

- *Non-competition clause*

In case of termination of his work contract and whatever the cause might be, at the day of termination, Mr Xavier Musca commits himself to an agreement, not to collaborate, directly or indirectly, on his behalf or for a third person, with a competitor company.

This engagement is held for a year starting at the date of termination of the work contract, and is limited to France. In exchange, they will be paid during the period of the engagement a monthly compensation equals to 50% of their last fixed salary.

Your Company keeps the right of cancelling, totally or partially, this obligation by warning Mr Xavier Musca in advance.

- *Retirement*

Mr Xavier Musca will contribute to the pension plans, provident schemes and mutual insurance in force in your Company. Supplementary pension plans are constituted by a combination of defined contribution plans and top-up type scheme defined benefit plans. Top-up scheme rights are determined thanks to the deduction of the annuity constituted within the defined contribution plan. Contributions to the defined contribution plan equal 8% of the gross monthly salary capped at eight times the national health insurance cap (of which 3% are paid by the beneficiary). Defined benefit plans top-up rights are equal, under the condition of presence at the end, for every year of service, to 1.20% of the fixed compensation plus variable compensation (capped at 60% of fixed compensation). At the settlement date, the total retirement annuity of these plans and compulsory pension schemes will be capped at twenty-three times the annual national health insurance cap at this date.

The reactivation of the work contract of Mr Xavier Muscat, will allow him to benefit from the retirement benefit plan established for all the employees according to the collective agreement of your Company. The total amount of this compensation cannot exceed six month of salary plus the variable compensation capped at 4.5% of the fixed salary.

4. WITH SACAM INTERNATIONAL

Persons concerned

MM. Lefebvre and Brassac, respectively Chairman of the Board of Directors and Chief Executive Officer of SACAM International, and Directors of your company.

Nature and purpose

Following the decision to sell Emporiki to Alpha Bank authorized by the Board of Directors at its meetings of September 28, 2012 and October 15, 2012, a share purchase agreement was signed on October 16, 2012, between Crédit Agricole S.A. and Alpha Bank. This agreement notably planned that Crédit Agricole S.A. would sell the entire shares of the capital of Emporiki.

As 25,613,095 shares of Emporiki were held by SACAM International, representing 1.02% of the bank's capital, the Board of Directors, at its meeting of November 8, 2012 authorized Crédit Agricole S.A. to buy these 25,613,095 shares to SACAM International, at the total price of € 0.01.

Conditions

The purchase by your company of the 25,613,095 shares of Emporiki held by SACAM International was conducted during the fourth quarter of 2012 for a total price of € 0.01.

5. WITH CRÉDIT AGRICOLE CIB, LCL AND WITH THE CAISSES RÉGIONALES ALSACE VOSGES, CHARENTE-MARITIME DEUX-SÈVRES, BRIE PICARDIE, FRANCHE-COMTÉ, VAL DE FRANCE, NORD MIDI PYRÉNÉES, MORBIHAN, PROVENCE-CÔTE-D'AZUR AND DE L'ANJOU ET DU MAINE

Persons concerned

Mr Sander, Mrs Flachaire, MM. Clavelou, Delorme, Lefebvre, Lepot and Talgorn for the financial guarantee agreement and for the amendment to the guarantee agreement , MM. Brassac, Roveyaz et Veverka for the entire agreements, Directors of your Company and Chairmen of the Board of Directors and Chief Executive Officers of the Companies mentioned above.

Nature and purpose

To increase or secure the short-term liquidity reserves, that can be used in the refinancing operations of the Eurosystem, the Board of Directors, at its meeting of December 18, 2012, authorized the creation of a "Fonds Commun de Titrisation" (FCT - Securization Fund), allowing the issuance of AAA-rated senior bonds, for a total amount of € 10 billion, secured by receivables from companies and public authorities (except receivables from individuals not eligible for the Eurosystem) and owned by Group entities (Caisses régionales and LCL).

In this context, the Board authorized the completion by Crédit Agricole S.A. of program documents subject to related party agreements and commitments procedures.

Conditions

The launch of this FCT, which will be owned by Crédit Agricole S.A., is expected in the first quarter of 2013.

Agreements and commitments previously approved by the General Meeting of Shareholders

Agreements and commitments approved in prior years whose implementation continued during the year.

In accordance with Article R. 225-30 of the French commercial code (Code de commerce), we have been advised that the implementation of the following agreements and commitments which were approved by the General Meeting of Shareholders in prior years continued during the year.

1. WITH CRÉDIT AGRICOLE CIB

Nature and purpose

Following the link-up between the corporate and investment banking businesses of Crédit Agricole S.A. and Crédit Lyonnais, Crédit Lyonnais made a partial asset transfer to Crédit Agricole Indosuez (which became Calyon and then Crédit Agricole CIB).

In view of the above transaction, it was deemed necessary to increase Crédit Agricole CIB's shareholders' equity. At its meeting of March 9, 2004, the Board of Directors authorised Crédit Agricole S.A. to carry out a series of transactions aimed at increasing Calyon's shareholders equity by a total amount of up to €3 billion.

Conditions

In accordance with this authorisation, Crédit Agricole S.A. notably subscribed in 2004 to an issue of deeply subordinated notes for an amount of US$1,730 million. No coupon will be paid by Crédit Agricole CIB for the financial year 2012.

2. WITH CRÉDIT AGRICOLE HOME LOAN SFH

Nature and purpose

To increase and diversify the Crédit Agricole Group's sources of funds, your Company's Board of Directors at its meeting of May 23, 2007 authorized a programme to issue covered bonds and the creation of a 99.99%-owned financial company (Crédit Agricole Covered Bonds which became Crédit Agricole Home Loan SFH – "CAHL-SFH" in March 2011). CACB's sole corporate purpose is to issue covered bonds and to make "mirror advances" to Crédit Agricole S.A. Reimbursement of any amounts due by Crédit Agricole S.A. to CAHL-SFH with respect to the mirror advances will be covered by a financial guarantee granted by the Regional Banks and LCL and consisting of amounts receivable on residential mortgage loans. Each advance granted by CAHL-SFH to Crédit Agricole S.A. will be redistributed in the form of advances to each Regional Bank and to LCL based on their respective contributions to the guarantee.

(Crédit Agricole Covered Bonds which became Crédit Agricole Home Loan SFH – "CAHL-SFH" in March 2011)

The receivables pledged as guarantees by each Regional Bank and LCL will continue to be managed by these institutions and will remain on their balance sheet, unless the guarantee is called. Prior to calling the guarantee, protection mechanisms are provided for CACB, based on Crédit Agricole S.A.'s credit ratings.

Conditions

During 2012, CAHL-SFH issued for a total amount of €4.5 billion. The mirror advances given to your company, were totally redistributed to the Regional Banks and LCL in the form of advances based on their respective contributions to the guarantee.

3. WITH THE CAISSES RÉGIONALES ALSACE-VOSGES, PROVENCE CÔTE D'AZUR, DE LA TOURAINE ET DU POITOU, TOULOUSE 31, BRIE PICARDIE, CHARENTE-MARITIME DEUX-SÈVRES, VAL DE FRANCE, NORD MIDI-PYRÉNÉES, WITH THE CAISSES LOCALES CINTEGABELLE ET ALSACE, AND WITH S.A.S. RUE LA BOÉTIE, SACAM DÉVELOPPEMENT, SACAM INTERNATIONAL AND SACAM AVENIR

Nature and purpose

The Board of Directors authorized the extension of Crédit Agricole S.A.'s tax group in accordance with Article 223 A alinea 3 of French Tax code (Code Général des Impôts). This extension is mandatory for all Regional and Local Banks subject to corporate income tax at the normal rate, and compulsory for their subsidiaries. It is controlled by an agreement between the central body and each entity thereby included in this tax group.

These agreements, signed as at April 21, 2010, imply in particular that half of tax saving on dividends received by SAS Rue La Boétie and the SACAM should be reallocated to them and that both savings made by Crédit Agricole S.A. on distribution received from Regional Banks and by Regional Banks on distribution received should be shared equally between Crédit Agricole S.A. and Regional Banks.

Conditions

Total tax saving paid by Crédit Agricole S.A. in respect of these agreements binding Crédit Agricole S.A. and companies mentioned above amounts to €18.6 million in 2012.

4. WITH THE CAISSES RÉGIONALES ALSACE VOSGES, PROVENCE CÔTE D'AZUR, DE LA TOURAINE ET DU POITOU, TOULOUSE 31, BRIE PICARDIE, CHARENTE-MARITIME DEUX-SÈVRES, CENTRE EST, NORD MIDI PYRÉNÉES, MORBIHAN AND VAL DE FRANCE

Nature and purpose

The Board of Directors at its meeting of November 9, 2011, authorised the implementation of "Switch" mechanism which is a part of internal financial mechanisms within Crédit Agricole S.A., as a central body and the mutual network of Crédit Agricole Regional Banks.

This scheme, implemented on December 23, 2011, allows the transfer of prudential requirements related to the shares of Regional Banks held by Crédit Agricole S.A. This mechanism consists of guarantees provided to Crédit Agricole S.A. by the Regional Banks on the equity-accounted value of the Regional Banks in Crédit Agricole S.A.' s consolidated financial Statements. As soon as a decline in the combined equity-accounted value of the Regional Banks is identified, the guarantee mechanism kicks in and Crédit Agricole receives an indemnity. If the combined equity-accounted value of the Regional Banks should subsequently recover, Crédit Agricole S.A., returns the amounts received under the terms of the contract.

The guarantee is in place for 15 years, tacitly renewable. The guarantee itself is subject to a fee covering both the risk and the cost of the Regional Banks' capital requirement.

Settlement of the guarantee is ensured through a cash deposit paid by the Regional Banks to Crédit Agricole S.A. The deposit is paid based on long-term liquidity conditions.

Conditions

At December 31, 2012, the guarantee pledged by the Regional Banks mentioned above amounts to €4,122.3 million and their cash deposit to €1,389.9 million. Besides, the remuneration to be paid by your company to these Regional Banks in respect of 2012 amounts to €129.2 million.

Neuilly-sur-Seine and Paris-La Défense, March 14, 2013

The Statutory Auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Catherine Pariset	Valérie Meeus

Fees paid to Statutory Auditors[1]

Board of Auditors of Crédit Agricole S.A. [2]

	Ernst&Young				PricewaterhouseCoopers			
	Amount (excl. VAT)		%		Amount (excl. VAT)		%	
(in thousands of euros)	2012	2011	2012	2011	2012	2011	2012	2011
Independent audit, certification, review of parent company and consolidated financial statements								
Issuer	1,705	2,180	8.1%	10.2%	1,670	2,145	7.6%	9.7%
Fully consolidated subsidiaries	13,587	13,194	64.5%	61.8%	13,048	12,956	59.6%	58.4%
Ancillary assignments and services directly linked to the Statutory Auditors' mission [3]								
Issuer	642	767	3.0%	3.6%	986	783	4.5%	3.5%
Fully consolidated subsidiaries	3,163	3,830	15.0%	17.9%	4,033	4,262	18.4%	19.2%
Subtotal	**19,097**	**19,971**	**90.6%**	**93.5%**	**19,737**	**20,146**	**90.1%**	**90.8%**
Other services								
Legal, tax and employee-related	140	66	0.7%	0.3%	336	517	1.5%	2.3%
Other	1,825	1,330	8.7%	6.2%	1,844	1,532	8.4%	6.9%
Subtotal	**1,965**	**1,396**	**9.4%**	**6.5%**	**2,180**	**2,049**	**9.9%**	**9.2%**
TOTAL	**21,062**	**21,367**	**100%**	**100%**	**21,917**	**22,195**	**100%**	**100%**

The fees paid for the services directly related to the mission of the Statutory Auditors mostly covers the work performed for the acquisition or disposal of companies and the performance of agreed procedures under the terms of the refinancing programmes of Crédit Agricole S.A. or its subsidiaries.

Other Statutory Auditors engaged in the audit of fully consolidated Crédit Agricole S.A. Group subsidiaries

	Mazars				KPMG				Deloitte				Other			
	Amount (excl. VAT)		%		Amount (excl. VAT)		%		Amount (excl. VAT)		%		Amount (excl. VAT)		%	
(in thousands of euros)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Audit																
Independent audit, certification, review of parent company and consolidated financial statements	1,404	1,954	98.2%	86.6%	240	319	77.2%	91.9%	45	210	62.1%	79.5%	861	812	98.3%	99.9%
Ancillary assignments and services directly linked to the Statutory Auditors' mission [3]	26	303	1.8%	13.4%	71	28	22.8%	8.1%	28	54	37.9%	20.5%	15	1	1.7%	0.1%
TOTAL	**1,430**	**2,257**	**100%**	**100%**	**311**	**347**	**100%**	**100%**	**73**	**264**	**100%**	**100%**	**876**	**813**	**100%**	**100%**

(1) These figures include the annual cost of Statutory Auditors' fees.

In accordance with article 222-8 of the of the AMF's General Regulations, this table encompasses fully consolidated subsidiaries (including those subject to IFRS 5 in 2012). Companies consolidated by proportionate or equity method are excluded.

(2) Including Crédit Agricole S.A. fully consolidated subsidiaries audited by the Board of Auditors.

(3) According to AMF instruction 2006-10.

General Meeting of Shareholders of 23 May 2013

AGENDA

Ordinary General Meeting of Shareholders

- Approval of the parent company's financial statements for the 2012 financial year;
- Approval of the consolidated financial statements for the 2012 financial year;
- Appropriation of net income of the parent company's financial statements for the 2012 financial year;
- Approval of agreements covered by Articles L. 225-38 *et seq.* of the French Commercial Code;
- Approval of commitments with related parties referred to in Article L. 225-42-1 of the French Commercial Code;
- Renewal of the term of Mr Jean-Marie Sander, Director;
- Renewal of the term of Mr Philippe Brassac, Director;
- Renewal of the term of Mrs Véronique Flachaire, Director;
- Renewal of the term of Mr Christian Talgorn, Director;
- Appointment of Mrs Pascale Berger, replacing Mrs Carole Giraud, Director;
- Directors' fees;
- Authorisation to be granted to the Board of Directors to purchase the company's ordinary shares.

Extraordinary General Meeting of Shareholders

- Authorisation to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities granting rights to ordinary shares, with pre-emptive subscription rights;
- Authorisation to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities granting rights to ordinary shares, without pre-emptive subscription rights, in situations other than public offerings;
- Authorisation to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities granting rights to ordinary shares, without pre-emptive subscription rights, as part of a public offering;
- Authorisation to be granted to the Board of Directors to increase the amount of the initial issue, in the event of an issue of ordinary shares or securities granting rights to ordinary shares with or without pre-emptive rights, approved pursuant to the 16th, 17th, 18th, 20th, 21st, 25th and 26th resolutions;
- Authorisation to the Board of Directors to issue ordinary shares and/or securities granting rights to ordinary shares, without pre-emptive subscription rights, as consideration for in-kind contributions to the company and consisting of equity or securities granting rights to the share capital, in situations other than public exchange offers;
- Authorisation to be granted to the Board of Directors to determine the issue price of ordinary shares or securities granting rights to ordinary shares, where the pre-emptive right is waived, up to an annual limit of 5% of the share capital;
- Combined ceiling on authorisations to issue securities with or without pre-emptive subscription rights;
- Authorisation to the Board of Directors to issue securities granting rights to debt securities;
- Authorisation to the Board of Directors to increase the share capital by capitalisation of reserves, earnings, share premiums or other items;
- Authorisation to be granted to the Board of Directors to effect capital increases by issuing ordinary shares, without pre-emptive subscription rights, reserved for employees of Crédit Agricole Group enrolled in an employee share ownership plan;
- Authorisation to be granted to the Board of Directors to effect capital increases by issuing ordinary shares, without pre-emptive subscription rights, reserved for Crédit Agricole International Employees;
- Authorisation to be granted to the Board of Directors to reduce share capital by cancelling ordinary shares;
- Powers to complete formalities.

DRAFT RESOLUTIONS PRESENTED TO THE ORDINARY AND EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF THURSDAY 23 MAY 2013 BY THE BOARD OF DIRECTORS

At the Ordinary General Meeting of Shareholders

First resolution

(Approval of the parent company's financial statements for the 2012 financial year)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, having reviewed the Board of Directors' report, the Board of Directors' management report and the Statutory Auditors' report on the parent company's financial statements, approves the aforesaid reports and financial statements for the financial year ended 31 December 2012, as presented.

It approves the transactions reflected in those financial statements or summarised in the said reports, as well as the Board's management during the past financial year.

Pursuant to Article 223 quater of the French General Tax Code, the General Meeting of Shareholders approves the total costs and expenses referred to in Article 39-4 of the French General Tax Code that are not deductible from taxable profits, *i.e.* €156,147 for the financial year ended 31 December 2012, as well as the tax payable by the Company as a result of these disallowed deductions, which amounts to €53,761.

Second resolution

(Approval of the consolidated financial statements for the 2012 financial year)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, having reviewed the Board of Directors' report, the Board of Directors' management report and the Statutory Auditors' report on the consolidated financial statements, approves the aforesaid reports and consolidated financial statements for the financial year ended 31 December 2012, as presented.

It approves the transactions reflected in those financial statements or summarised in the said reports.

Third resolution

(Appropriation of net income of the parent company's financial statements for the 2012 financial year)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, having reviewed the Board of Directors' report, duly notes that the net income for the 2012 financial year is negative, amounting to €4,235,369,288.99.

Consequently, the General Meeting of Shareholders, on the proposal of the Board of Directors, decides to carry forward the net income for the 2012 financial year.

After the appropriation of net income for the financial year ended 31 December 2012, the retained earnings balance will amount to -€5,176,629,104.34.

The dividends, distributed earnings eligible for the allowance and distributed earnings not eligible for the allowance for the three previous financial years are set out below.

Year	Dividend	Distributed earnings eligible for the 40% allowance	Distributed earnings not eligible for the 40% allowance
2009	€0.45	€0.45	None
2010	€0.45	€0.45	None
2011	-	-	-

Fourth resolution

(Securities loan from Crédit Agricole S.A. to Emporiki)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, having reviewed the Statutory Auditors' special report on the agreements referred to in Articles L. 225-38 *et seq.* of the French Commercial Code, duly notes the findings of that report and approves the agreement relating to a securities loan from Crédit Agricole S.A. to Emporiki.

Fifth resolution

(Crédit Agricole S.A.'s participation in the capital increase of Banco Espirito Santo)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, having reviewed the Statutory Auditors' special report on the agreements referred to in Articles L. 225-38 *et seq.* of the French Commercial Code, duly notes the findings of that report and approves the agreement relating to Crédit Agricole S.A.'s participation in the capital increase of Banco Espirito Santo.

Sixth resolution

(Buyout of Sacam International's interest in Emporiki)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, having reviewed the Statutory Auditors' special report on the agreements referred to in Articles L. 225-38 *et seq.* of the French Commercial Code, duly notes the findings of that report and approves the agreement relating to the buyout of Sacam International's interest in Emporiki.

Seventh resolution

(Creation of a securitisation mutual fund (FCT – *Fonds Commun de Titrisation*) for liquidity purposes)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, having reviewed the Statutory Auditors' special report on the agreements referred to in Articles L. 225-38 *et seq.* of the French Commercial Code, duly notes the findings of that report and approves the agreement relating to the creation of a securitisation mutual fund (*Fonds Commun de Titrisation* or FCT) for liquidity purposes.

Eighth resolution

(Approval of regulated commitments referred to in Article L. 225-42-1 of the French Commercial Code, made for Mr Xavier Musca)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, having reviewed the Statutory Auditors' special report, duly notes the findings of that report and approves the regulated commitments referred to in Article L. 225-42-1 of the French Commercial Code made for Mr Xavier Musca.

Ninth resolution

(Renewal of the term of Mr Jean-Marie Sander, Director)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, duly notes that the term of office of Mr Jean-Marie Sander as Director expires on this day and renews the said term for a period of three years expiring at the close of the Ordinary General Meeting of Shareholders held in 2016 and called to approve the financial statements for the financial year ending 31 December 2015.

Tenth resolution

(Renewal of the term of Mr Philippe Brassac, Director)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, duly notes that the term of office of Mr Philippe Brassac as Director expires on this day and renews the said term for a period of three years expiring at the close of the Ordinary General Meeting of Shareholders held in 2016 and called to approve the financial statements for the financial year ending 31 December 2015.

Eleventh resolution

(Renewal of the term of Mrs Véronique Flachaire, Director)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, duly notes that the term of office of Mrs Véronique Flachaire as Director expires on this day and renews the said term for a period of three years expiring at the close of the Ordinary General Meeting of Shareholders held in 2016 and called to approve the financial statements for the financial year ending 31 December 2015.

Twelfth resolution

(Renewal of the term of Mr Christian Talgorn, Director)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, duly notes that the term of office of Mr Christian Talgorn as Director expires on this day and renews the said term for a period of three years expiring at the close of the Ordinary General Meeting of Shareholders held in 2016 and called to approve the financial statements for the financial year ending 31 December 2015.

Thirteenth resolution

(Appointment of Mrs Pascale Berger, replacing Mrs Carole Giraud, Director)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, appoints Mrs Pascale Berger as Director to replace Mrs Carole Giraud, whose term expires on this day pursuant to paragraph 2 of Article 11 of the Articles of Association, for the remainder of her term, which was to expire at the close of the Ordinary General Meeting of Shareholders held in 2015 and called to approve the financial statements for the financial year ending 31 December 2014.

Fourteenth resolution

(Directors' fees)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, pursuant to Article L. 225-45 of the French Commercial Code, resolves to maintain at €1,050,000 the total annual sum allocated to members of the Board of Directors in consideration for their offices.

Fifteenth resolution

(Authorisation to be granted to the Board of Directors to purchase the Company's ordinary shares)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, having reviewed the Board of Directors' report, authorises the Board of Directors, which may further delegate such authority as provided by law, to buy back the Company's ordinary shares in accordance with the provisions of the General Regulations of the *Autorité des marchés financiers* (AMF) and of Articles L. 225-209 *et seq.* of the French Commercial Code.

This authorisation, which supersedes the unused portion of the authorisation granted by the twentieth resolution adopted at the Ordinary General Meeting of Shareholders of 22 May 2012, is granted to the Board of Directors until renewed at a future Ordinary General Meeting of Shareholders and, in all circumstances, for a maximum period of eighteen (18) months from the date of this General Meeting of Shareholders.

The purchases of the Company's ordinary shares carried out by the Board of Directors pursuant to this authorisation may not, under any circumstances, result in the Company holding more than ten per cent (10%) of the ordinary shares representing its share capital.

Trading in the Company's shares under the ordinary share buyback programme established by the Company may be affected in one or more transactions and by any means authorised by the applicable regulations, including on-market or off-market, over the counter notably by block purchases or sales, or *via* derivative instruments traded on regulated exchanges or over the counter (such as put and call options or any combination thereof), or warrants or, more generally, securities giving rights to ordinary shares of the Company, under the conditions permitted by the relevant market authorities and at such times as the Board of Directors or the person acting pursuant to powers delegated by the Board of Directors shall determine. It should be noted that the entire ordinary share buyback programme may be carried out through block purchases of ordinary shares.

The number of ordinary shares purchased may not exceed 10% of the total number of ordinary shares at the date on which the said purchases are carried out. However, the number of ordinary shares purchased by the Company to be held and delivered at a later date either as payment or in exchange for other securities in a merger, spin-off or asset transfer may not exceed 5% of the Company's ordinary shares.

The Board of Directors shall ensure that these buybacks are carried out in accordance with regulatory requirements as set by law and the French Prudential Supervisory Authority (ACP – *Autorité de contrôle prudentiel*).

Such shares may not be purchased at a price higher than €14. However, in the event of capital transactions and, more particularly, capital increases with pre-emptive subscription rights or capital increases carried out by capitalisation of reserves, profits or share premiums followed by the creation and award of free ordinary shares, or a split or reverse split of ordinary shares, the Board of Directors may adjust the aforesaid maximum purchase price in order to factor in the effect of such transactions on the value of the ordinary share.

In any event, the Company is only authorised to use a maximum of €1.75 billion to buy back ordinary shares under this resolution.

This authorisation is intended to allow the Company to buy back ordinary shares for any purpose that has been authorised or may be authorised under applicable laws and regulations. In particular, the Company may use this authorisation:

a. to grant stock options to some or all of the Company's employees and/or to some or all of its eligible Executive and non-Executive Corporate Officers of the Company or the Companies or groupings affiliated with it, now or in the future, as defined by Article L. 225-180 of the French Commercial Code;

b. to allot ordinary shares to eligible Executive and non-Executive Corporate Officers, employees and former employees of the Company or of the group, or to certain categories thereof, as part of an employee profit-sharing or share ownership plan, as provided for by law;

c. to allot free shares under a free share plan as provided by Articles L. 225-197-1 *et seq.* of the French Commercial Code to some or all categories of eligible employees and Executive and non-Executive Corporate Officers of the Company, and/or to companies and economic interest groupings affiliated therewith under the conditions set out in Article L. 225-197-2 of the French Commercial Code, and, more generally, to allot ordinary shares in the Company to such employees and Executive and non-Executive Corporate Officers, notably under variable compensation plans for employees who are financial market professionals and whose activities have a material impact on the Company's risk exposure, in which case such allotments are contingent upon such employees meeting performance targets;

d. to hold the shares purchased with a view subsequently to exchanging them or using them to pay for a potential acquisition, in compliance with the market practice accepted by the *Autorité des marchés financiers*;

e. to ensure coverage of securities giving access to the Company's ordinary shares;

f. to ensure that liquidity is provided for the shares on the equity market by an investment services provider under a share liquidity agreement that complies with the Amafi (the French Association of "Financial Market Professionals") Code of Conduct, in compliance with the market practice accepted by the *Autorité des marchés financiers*, it being specified that, for purposes of calculating the 10% limit set forth above, the number of ordinary shares purchased in this respect shall be the number of ordinary shares purchased less the number of ordinary shares sold during the term of this authorisation;

g. to cancel all or part of the ordinary shares purchased, providing that the Board of Directors holds a valid authorisation from the General Meeting of Shareholders, duly convened to conduct extraordinary business, to reduce the share capital by cancelling the ordinary shares purchased under the terms of an ordinary share buyback programme.

While the share buyback programme is in effect, the Board of Directors may effect transactions at any time, except during a public offer for the Company, under the authorisation hereby granted.

The Company may also use this resolution and carry out its buyback programme in accordance with the law and regulations, including in particular the provisions of Articles 231-1 *et seq*. of the General Regulations of the *Autorité des marchés financiers* (AMF), during a tender or exchange offer initiated by the Company.

The General Meeting of Shareholders fully empowers the Board of Directors, with the right to further delegate such powers as permitted by law, for the purpose of implementing this authorisation and determining the relevant terms and conditions, pursuant to the law and the terms of this resolution, including placing stock orders, signing all documents, entering into all agreements, filing all reports and carrying out all formalities, including with the French Prudential Supervisory Authority (ACP) and the *Autorité des marchés financiers* (AMF), and, more generally, to do all that is necessary.

At the Extraordinary General Meeting of Shareholders

Sixteenth resolution

(Authorisation to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities granting rights to ordinary shares, with pre-emptive subscription rights)

The General Meeting, acting in accordance with the conditions of quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report and in accordance with the provisions of Articles L. 225-129-2, L. 225-132, L. 225-134, L. 228-91 and L. 228-92 of the French Commercial Code:

1. empowers the Board of Directors, with the authority to further delegate as provided by law, to effect one or more capital increases, in France or abroad, by issuing ordinary shares and/or securities granting rights, by any means, immediately and/or in the future, to ordinary shares in the Company, which may be subscribed for in cash or by offsetting claims against the Company, with pre-emptive rights for ordinary shareholders;
2. resolves that the nominal amount of immediate and/or future capital increases effected under the authority hereby granted shall not exceed €3.75 billion, not including the par value of the shares to be issued, in accordance with the law and with any contractual stipulations providing for other cases requiring adjustment, to safeguard the rights of holders of securities granting rights to equity in the Company, holders of share purchase or subscription options, or holders of rights to bonus shares;
3. resolves that the securities granting rights to equity in the Company issued under the terms hereof may consist, *inter alia* of debt securities or securities to be issued together with debt securities, or allow for the issue of such securities as intermediate securities. They may be in the form of notes, subordinated or unsubordinated, dated or undated (perpetual), and may be issued in euros, in other currencies, or in any monetary unit pegged to a basket of currencies, it being specified that the nominal amount of debt securities issued in this manner shall not exceed €7.5 billion or the equivalent in foreign currencies. This ceiling applies to all debt securities that may be issued under the terms of this resolution and under the seventeenth, eighteenth and twentieth resolutions; it is independent of the amount of securities granting rights to the award of debt securities that may be issued under the terms of the twenty-third resolution below, and of the amount of debt securities that the Board of Directors may decide to issue or authorise in accordance with Article L. 228-40 of the French Commercial Code;
4. resolves that ordinary shareholders shall have a pre-emptive subscription right, as provided by law, to subscribe for ordinary shares and any securities that may be issued under this resolution, in proportion to the number of shares they hold, and that the Board may further grant ordinary shareholders a preferential right to subscribe for any securities not taken up under those pre-emptive subscription rights, in proportion to their pre-emptive rights and within the limits of their application. If the shareholders' applications under their pre-emptive and, where applicable, their preferential rights, do not take up an entire issue of ordinary shares or securities, the Board shall be entitled to make use of some or all of the options allowed by Article L. 225-134 of the French Commercial Code, in the order it shall choose, and namely to offer all or part of the unsubscribed securities for sale to the public;
5. duly notes that this resolution entails the waiver by the ordinary shareholders of their pre-emptive subscription rights to any ordinary shares to which the securities that may be issued under this authorisation may grant rights;
6. fully empowers the Board of Directors, with the right to further delegate such powers as permitted by law, for, but not limited to, the following purposes:
   a. to determine the form, nature and characteristics of securities to be issued, as well as the offering dates, timetables and other terms and conditions of issue,
   b. to set the offering price, amounts and dividend entitlement date, which may be retroactive, of the securities to be issued,
   c. to determine the payment method for the ordinary shares and/or securities,
   d. to determine, where applicable, the conditions under which the Company shall have the right to purchase or exchange the securities issued or to be issued, on-market or off-market, at any time or during a specified period of time,
   e. subsequent to the issue of ordinary shares and/or securities granting rights to ordinary shares, to take all necessary measures to safeguard the rights of holders of securities granting rights to equity in the Company, holders of share purchase or subscription options, or holders of rights to free shares, in accordance with the law and regulations and with any contractual stipulations providing for other cases requiring adjustments, and, if applicable, to suspend the exercise of rights attached to such securities in accordance with the applicable laws and regulations,

f. at its sole discretion and as it deems appropriate, to allocate issue-related costs, duties and fees to the corresponding share premiums and to deduct from said premiums the amounts necessary to raise the legal reserve to one-tenth of the new share capital after each issue,

g. if applicable, to arrange for the ordinary shares or securities to be issued to be listed on a regulated exchange,

h. and in general, to take all steps, to enter into all agreements and to attend to all necessary formalities in order to carry out the planned issues, to formally record the resulting capital increases, and to amend the Articles of Association accordingly,

i. in the event of an issue of debt securities, to notably decide whether or not such securities shall be subordinated, to set their interest rate, their maturity, the fixed or variable redemption price, with or without a premium, the terms and conditions governing their redemption and the conditions under which such securities shall grant rights to ordinary shares in the Company;

7. resolves that the authority hereby granted, which supersedes the unused portion of that granted by the twenty-second resolution of the Extraordinary General Meeting of Shareholders of 22 May 2012, shall be valid for a period of twenty-six (26) months from the date of this General Meeting of Shareholders.

Seventeenth resolution

(Authorisation to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities granting rights to ordinary shares, without pre-emptive subscription rights, in situations other than public offerings)

The General Meeting, acting in accordance with the conditions of quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report and in accordance with the provisions of Articles L. 225-129-2, L. 225-135, L. 225-136, L. 228-91 and L. 228-92 of the French Commercial Code:

1. empowers the Board of Directors, with the authority to further delegate as provided by law, to effect one or more capital increases, in France or abroad, by issuing ordinary shares and/or securities granting rights, by any means, immediately and/or in the future, to ordinary shares in the Company with the same characteristics as those described in the sixteenth resolution, which may be subscribed for in cash or by offsetting claims against the Company, without pre-emptive rights for ordinary shareholders;

2. further resolves that:

   a. the total nominal amount of immediate and/or future capital increases effected under the authority hereby granted shall not exceed €750 million, it being specified that this amount shall count towards the ceiling on the nominal amount of capital increases as provided in the sixteenth resolution, not including the par value of the shares to be issued, in accordance with the law and with any contractual stipulations providing for other cases requiring adjustment, to safeguard the rights of holders of securities giving the right to equity in the Company, of share purchase or subscription options, or of rights to free shares,

   b. the nominal amount of debt securities that may be issued under the authority hereby granted shall not exceed €5 billion or the equivalent foreign currency value, it being specified that this amount shall count towards the ceiling on the nominal amount of debt securities set by the sixteenth resolution;

3. resolves to waive ordinary shareholders' pre-emptive subscription rights to the ordinary shares or securities giving right to ordinary shares issued under the terms of this resolution and to offer such securities as part of an offering covered by Article L. 411-2 of the French Monetary and Financial Code, subject to the conditions and maximum limitations authorised by law and regulation, with the understanding that the Board of Directors may grant the ordinary shareholders a priority right to subscribe for some or all of the shares issued or, if applicable, for excess shares, in proportion to the shares held by each ordinary shareholder, subject to such time limits and terms and conditions as it may decide, in accordance with legal and regulatory provisions; this priority right shall not result in the creation of negotiable rights;

4. resolves that, if the number of applications received is not sufficient to take up the entire issue of ordinary shares or securities granting rights to equity in the Company, the Board of Directors shall be entitled to do one or both of the following, in the order it shall choose:

   a. limit the issue to the amount of applications received, provided that they amount to at least three-quarters of the approved issue,

   b. freely distribute all or part of the unsubscribed securities;

5. duly notes that this resolution entails the waiver by the ordinary shareholders of their pre-emptive subscription rights to any ordinary shares to which the securities that may be issued under this authorisation may grant rights;

6. further resolves that (i) the issue price of the ordinary shares shall not be less than the minimum price permitted by the laws and regulations applicable at the date on which this authorisation is used, adjusted, if needed, to reflect any difference in the dividend entitlement date; and (ii) the issue price of the securities shall be such that the amount received immediately by the Company, plus any amount that may in the future be received by the Company for each ordinary share issued as a result of the issuance of such securities, shall be no less than the amount indicated in item (i) above, adjusted, if needed, for any difference in the dividend entitlement date;

7. fully empowers the Board of Directors, with the right to further delegate such powers as permitted by law, for, but not limited to, the following purposes:
   a. to determine the form, nature and characteristics of securities to be issued, as well as the offering dates, timetables and other terms and conditions of issue,
   b. to set the offering price, amounts and dividend entitlement date, which may be retroactive, of the securities to be issued,
   c. to determine the payment method for the ordinary shares and/or securities,
   d. to determine, where applicable, the conditions under which the Company shall have the right to purchase or exchange, on-market or off-market, any ordinary shares or securities granting rights to ordinary shares that have been or will be issued, at any time or during specific periods,
   e. subsequent to the issue of ordinary shares and/or securities granting rights to ordinary shares, to take all necessary measures to safeguard the rights of holders of securities granting rights to equity in the Company, holders of share purchase or subscription options, or holders of rights to free shares, in accordance with the law and regulations and with any contractual stipulations providing for other cases requiring adjustments, and, if applicable, to suspend the exercise of rights attached to such securities in accordance with the applicable laws and regulations,
   f. at its sole discretion and as it deems appropriate, to allocate issue-related costs, duties and fees to the corresponding share premiums and to deduct from said premiums the amounts necessary to raise the legal reserve to one-tenth of the new share capital after each issue,
   g. if applicable, to arrange for the ordinary shares or securities to be issued to be listed on a regulated market, and in general, to take all steps, to enter into all agreements and to attend to all necessary formalities in order to carry out the planned issues, to formally record the resulting capital increases, and to amend the Articles of Association accordingly,
   h. in the event of an issue of debt securities, to notably decide whether or not such securities shall be subordinated, to set their interest rate, their maturity, the fixed or variable redemption price, with or without a premium, the terms and conditions governing their redemption and the conditions under which such securities shall grant rights to ordinary shares in the Company.
8. resolves that the authority hereby granted, which supersedes the unused portion of that granted by the twenty-third resolution of the Extraordinary General Meeting of Shareholders of 22 May 2012, shall be valid for a period of twenty-six (26) months from the date of this General Meeting of Shareholders.

Eighteenth resolution

(Authorisation to the Board of Directors to increase the share capital, by issuing ordinary shares and/or securities granting rights to ordinary shares, without pre-emptive subscription rights, as part of a public offering)

The General Meeting, acting in accordance with the conditions of quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report and in accordance with the provisions of Articles L. 225-129-2, L. 225-135, L. 225-136, L. 228-91 and L. 228-92 of the French Commercial Code:

1. empowers the Board of Directors, with the authority to further delegate as provided by law, to effect one or more capital increases, in France or abroad, by issuing ordinary shares and/or securities granting rights, by any means, immediately and/or in the future, to ordinary shares in the Company with the same characteristics as those described in the sixteenth resolution, which may be subscribed for in cash or by offsetting claims against the Company, without pre-emptive rights for ordinary shareholders;
2. further resolves that:
   a. the total nominal amount of immediate and/or future capital increases effected under the authority hereby granted shall not exceed €750 million, it being specified that this amount shall count towards the ceiling on the nominal amount of capital increases as provided in the sixteenth resolution, not including the par value of the shares to be issued, in accordance with the law and with any contractual stipulations providing for other cases requiring adjustment, to safeguard the rights of holders of securities giving the right to equity in the Company, of share purchase or subscription options, or of rights to bonus shares,
   b. the nominal amount of debt securities that may be issued under the authority hereby granted shall not exceed €5 billion or the equivalent foreign currency value, it being specified that this amount shall count towards the ceiling on the nominal amount of debt securities set by the sixteenth resolution;
3. resolves to waive ordinary shareholders' pre-emptive rights to the ordinary shares or securities giving right to ordinary shares issued under the terms of this resolution and to offer such securities as part of a public offering, subject to the conditions and maximum limitations authorised by law and regulation, with the understanding that the Board of Directors may grant the ordinary shareholders a priority right to subscribe for some or all of the shares issued or, if applicable, for excess shares, in proportion to the shares held by each ordinary shareholder, subject to such time limits and terms and conditions as it may decide, in accordance with legal and regulatory provisions; this priority right shall not result in the creation of negotiable rights;

4. resolves that, if the number of applications received is not sufficient to take up the entire issue of ordinary shares or securities granting rights to equity in the Company, the Board of Directors shall be entitled to do one or both of the following, in the order it shall choose:
   a. limit the issue to the amount of applications received, provided that they amount to at least three-quarters of the approved issue,
   b. freely distribute all or part of the unsubscribed securities.
5. duly notes that this resolution entails the waiver by the ordinary shareholders of their pre-emptive subscription rights to any ordinary shares to which the securities that may be issued under this authorisation may grant rights;
6. further resolves that (i) the issue price of the ordinary shares shall not be less than the minimum price permitted by the laws and regulations applicable at the date on which this authorisation is used, adjusted, if needed, to reflect any difference in the dividend entitlement date; and (ii) the issue price of the securities shall be such that the amount received immediately by the Company, plus any amount that may in the future be received by the Company for each ordinary share issued as a result of the issuance of such securities, shall be no less than the amount indicated in item (i) above, adjusted, if needed, for any difference in the dividend entitlement date;
7. empowers the Board of Directors, within the limits of the combined ceiling on capital increases referred to in paragraph 2 above, to increase the share capital by issuing ordinary shares or securities granting rights to ordinary shares of the Company, in France or abroad, in accordance with local regulations, in exchange for the in-kind contribution of securities tendered pursuant to a public exchange offer or a cash-and-shares offer (by way of a main, secondary or alternative offer) made by the Company for the shares of another publicly traded Company, subject to the terms, conditions and restrictions of Article L. 225-148 of the French Commercial Code, and resolves that the ordinary shareholders shall, if necessary, waive their pre-emptive subscription rights to such ordinary shares or securities to be issued in favour of their holders, and fully empowers the Board, in addition to granting the powers required to carry out this authorisation, for the following purposes: (i) to draw up the list and number of securities to be tendered in the exchange, (ii) to determine the dates, issue terms and conditions, the exchange ratio and, if applicable, any cash payment to be paid, and (iii) to determine the terms and conditions of issue;
8. fully empowers the Board of Directors, with the right to further delegate such powers as permitted by law, for, but not limited to, the following purposes:
   a. to determine the form, nature and characteristics of securities to be issued, as well as the offering dates, timetables and other terms and conditions of issue,
   b. to set the offering price, amounts and dividend entitlement date, which may be retroactive, of the securities to be issued,
   c. to determine the payment method for the ordinary shares and/or securities,
   d. to determine, where applicable, the conditions under which the Company shall have the right to purchase or exchange, on-market or off-market, any ordinary shares or securities granting rights to ordinary shares that have been or will be issued, at any time or during specific periods,
   e. subsequent to the issue of ordinary shares and/or securities granting rights to ordinary shares, to take all necessary measures to safeguard the rights of holders of securities granting rights to equity in the Company, holders of share purchase or subscription options, or holders of rights to free shares, in accordance with the law and regulations and with any contractual stipulations providing for other cases requiring adjustments, and, if applicable, to suspend the exercise of rights attached to such securities in accordance with the applicable laws and regulations,
   f. at its sole discretion and as it deems appropriate, to allocate issue-related costs, duties and fees to the corresponding share premiums and to deduct from said premiums the amounts necessary to raise the legal reserve to one-tenth of the new share capital after each issue,
   g. if applicable, to arrange for the ordinary shares or securities to be issued to be listed on a regulated market, and in general, to take all steps, to enter into all agreements and to attend to all necessary formalities in order to carry out the planned issues, to formally record the resulting capital increases, and to amend the Articles of Association accordingly,
   h. in the event of an issue of debt securities, to notably decide whether or not such securities shall be subordinated, to set their interest rate, their maturity, the fixed or variable redemption price, with or without a premium, the terms and conditions governing their redemption and the conditions under which such securities shall grant rights to ordinary shares in the Company.
9. resolves that the authority hereby granted, which supersedes the unused portion of that granted by the twenty-fourth resolution of the Extraordinary General Meeting of Shareholders of 22 May 2012, shall be valid for a period of twenty-six (26) months from the date of this General Meeting of Shareholders.

Nineteenth resolution

(Authorisation to be granted to the Board of Directors to increase the amount of the initial issue, in the event of an issue of ordinary shares or securities granting rights to ordinary shares with or without pre-emptive subscription rights, approved pursuant to the sixteenth, seventeenth, eighteenth, twentieth, twenty-first, twenty-fifth and twenty-sixth resolutions)

The General Meeting, acting in accordance with the conditions of quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report and in accordance with the provisions of Article L. 225-135-1 of the French Commercial Code:

1. authorises the Board of Directors to decide, when the Board finds there is surplus demand, the authorisation to increase the number of ordinary shares and/or securities granting rights to ordinary shares to be issued pursuant to the sixteenth, seventeenth, eighteenth, twentieth, twenty-first, twenty-fifth and twenty-sixth resolutions submitted to this General Meeting of Shareholders for approval, under the conditions provided by law and by regulations, with the authority to further delegate as provided by law, and namely in order to grant an over-allotment option in accordance with market practices, up to the ceilings provided under the sixteenth, seventeenth, eighteenth, twentieth, twenty-first, twenty-fifth and twenty-sixth resolutions, respectively;
2. resolves that the authority hereby granted, which supersedes the unused portion of that granted by the twenty-fifth resolution of the Extraordinary General Meeting of Shareholders of 22 May 2012, shall be valid for a period of twenty-six (26) months from the date of this General Meeting of Shareholders.

Twentieth resolution

(Authorisation to the Board of Directors to issue ordinary shares and/or securities granting rights to ordinary shares, without pre-emptive subscription rights, as consideration for in-kind contributions to the Company and consisting of equity or securities granting rights to the share capital, in situations other than public exchange offers)

The General Meeting, acting in accordance with the conditions of quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report and in accordance with the provisions of Articles L. 225-129-2 and L. 225-147 of the French Commercial Code:

1. gives authorisation to the Board of Directors, with the authorisation to further delegate it as provided by law, to increase the share capital by a maximum of 10% in one or more transactions by issuing ordinary shares and/or securities granting rights to ordinary shares in the Company by any means, now and/or in the future, in exchange for the in-kind contribution of securities tendered to the Company and consisting of equity or other securities granting rights to the share capital, in cases where the provisions of Article L. 225-148 of the French Commercial Code are not applicable;
2. resolves to exclude the ordinary shareholders' pre-emptive rights to the ordinary shares or securities granting rights to ordinary shares issued in this manner in favour of the holders of the shares or securities received as consideration for in-kind contributions, and duly notes that this resolution entails the waiver by the ordinary shareholders of their pre-emptive subscription rights to ordinary shares in the Company to which the securities that may be issued under this authorisation may grant rights;
3. grants full powers to the Board of Directors with the right to further delegate such powers as permitted by law, to implement this resolution and, more specifically, to approve the assessed value of assets transferred, based on the report of the merger Auditors referred to in Article L. 225-147, paragraphs 1 and 2, of the French Commercial Code, to determine the amount of the issues and their form, to set the dividend entitlement date, which may be retroactive, of the securities to be issued, to determine, where applicable, the procedures required to protect the rights of holders of securities granting rights to equity, in accordance with the applicable laws and regulations, and, where applicable, with any contractual stipulations providing for other cases requiring adjustments, to duly record completion of the capital increase in consideration for the in-kind contribution, to arrange for the listing of securities to be issued, to deduct, at its sole discretion where it deems appropriate, all expenses connected with the issue from the premium generated by such issues and to deduct from the said premium the sums required to raise the legal reserve to one-tenth of the new share capital following each new issue, and to amend the Articles of Association accordingly;
4. resolves that the total nominal amount of capital increases which may be effected under this authorisation, which shall not exceed 10% of the issued capital, shall count towards the combined ceiling on such increases as provided in the seventeenth and eighteenth resolutions submitted to this Extraordinary General Meeting of Shareholders;
5. resolves that the authority hereby granted, which supersedes the unused portion of that granted by the twenty-sixth resolution of the Extraordinary General Meeting of Shareholders of 22 May 2012, shall be valid for a period of twenty-six (26) months from the date of this General Meeting of Shareholders.

Twenty-first resolution

(Authorisation to be granted to the Board of Directors to determine the issue price of ordinary shares or any securities granting rights to ordinary shares, where the pre-emptive subscription right is waived, up to an annual limit of 5% of the share capital)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Extraordinary General Meetings of Shareholders, having reviewed the Board of Directors' report and the Statutory Auditors' special report, and in accordance with the provisions of Article L. 225-136 of the French Commercial Code, authorises the Board of Directors, with the authority to further delegate as provided by law, in the event of an issue of ordinary shares and/or securities granting rights to ordinary shares in the Company, without pre-emptive subscription rights, under the conditions set out in the seventeenth and eighteenth resolutions, and particularly those pertaining to amounts, to make exceptions to the conditions for setting prices as provided by the sixteenth, seventeenth, eighteenth and nineteenth resolutions and to determine the offering price of ordinary shares or any securities granting rights to ordinary shares: (i) for ordinary shares, not less than the weighted average price quoted on the corresponding organised exchange over the three trading days before the issue price of the shares is set; (ii) for securities giving rights to ordinary shares, such that the amount received immediately by the Company, plus any amount that may in the future be received by the Company for each ordinary share issued as a result of the issuance of such securities, is not less than the amount indicated in item "(i)" above, adjusted, if needed, for any difference in the dividend entitlement date.

The total nominal amount of capital increases that may be effected under the authorisation granted hereunder shall not exceed 5% of the issued capital over any 12 month period or the total aggregate ceiling as provided in the twenty-second resolution, and that it shall count towards this ceiling.

The authorisation hereby granted, which supersedes and replaces the unused portion of that granted by the twenty-seventh resolution approved by the Extraordinary General Meeting of Shareholders of 22 May 2012, shall be valid for a period of twenty-six (26) months from the date of this Meeting.

Twenty-second resolution

(Combined ceiling on authorisations to issue securities with or without pre-emptive subscription rights)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Extraordinary General Meetings of Shareholders, having reviewed the Board of Directors' report, and subsequent to the adoption of the sixteenth to twentieth resolutions above, resolves to set the maximum total nominal amount of immediate and/or future capital increases effected pursuant to the aforesaid resolutions at €3.75 billion, it being specified that, where applicable, this amount shall be increased by the par value of the shares to be issued in order to safeguard the rights of holders of securities granting rights to equity in the Company, holders of share purchase or subscription options, or holders of rights to bonus shares, in accordance with the law and with any contractual stipulations providing for other cases requiring adjustments.

Twenty-third resolution

(Authorisation to the Board of Directors to issue securities granting rights to debt securities)

The General Meeting, acting in accordance with the conditions of quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report and in accordance with the provisions of Articles L. 225-129-2, L. 228-91 and L. 228-92 of the French Commercial Code:

1. grants authority to the Board of Directors to carry out one or more issues, in France or abroad and/or in the international market, in euros, in other currencies, or in any monetary unit pegged to a basket of currencies, of bonds with bond warrants and, more generally, securities granting rights, immediately and/or in the future, to debt securities such as bonds, similar securities, subordinated notes, whether dated or undated (perpetual), and any other securities in a given issue granting the same rights against the Company;

   The nominal amount of all securities to be issued as mentioned above shall not exceed €5 billion or the equivalent value thereof in foreign currency or in any monetary unit pegged to a basket of currencies, it being specified that this amount is independent from the amount of debt securities that may be issued under the terms of the sixteenth to twentieth resolutions, and that this amount shall be increased by the amount of any redemption premium over par;

2. grants full powers to the Board of Directors, with the right to further delegate such powers as permitted by law, in the event that use is made of the authorisation hereby granted, for the purpose of, but not limited to, the following:

   - to carry out the said issues within the limits set out above, and determine the date, form, amounts and currency of such issues,
   - to determine the characteristics of the securities to be issued and of the debt securities to which the securities grant rights, by way of award or subscription, and more specifically, their par value and dividend entitlement date, which may be retroactive, their issue price, including any premium, their interest rate, whether fixed and/or variable, and the interest payment date, or, in the case of floating-rate securities, the terms and conditions for determining their interest rate, or the conditions for capitalising interest, for amortisation and/or early redemption of the securities to be issued and the debt securities to which the securities would grant rights, by way of award or subscription, including any premium, whether fixed or floating, or the conditions for their repurchase by the Company,
   - if appropriate, to decide to provide a guarantee or surety for the securities to be issued, as well as for any debt securities to which such securities may grant rights, and to determine the form and characteristics of such guarantee or surety,
   - in general, to determine all terms and conditions of each issue, to sign all contracts, to enter into all agreements with banks and any other institutions, to take all necessary steps and to attend to all required formalities, and, more generally, to do all that is necessary.

The authorisation hereby granted, which supersedes and replaces the unused portion of that granted by the twenty-ninth resolution approved by the Extraordinary General Meeting of Shareholders of 22 May 2012, shall be valid for a period of twenty-six (26) months from the date of this Meeting.

Twenty-fourth resolution

(Authorisation to the Board of Directors to increase the share capital by capitalisation of reserves, earnings, share premiums or other items)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Ordinary General Meetings of Shareholders, having reviewed the Board of Directors' report and in accordance with the provisions of Articles L. 225-129-2, L. 225-130 and L. 228-11 *et seq.* of the French Commercial Code:

1. grants authorisation to the Board of Directors, with the authorisation to further delegate as provided by law, to carry out one or more capital increases, in such proportions and at such

times as the Board may deem appropriate, by capitalisation of share premiums, reserves, profits or other items as permitted by law or by the Articles of Association, by distributing new free ordinary shares or by increasing the par value of ordinary shares outstanding, or by a combination of both;

2. resolves that the nominal amount of the capital increases that may be effected hereunder, plus the amount required in accordance with the law to safeguard the rights of holders of securities granting rights to equity in the Company, shall not exceed €1 billion; this ceiling is independent and separate from the ceilings set on capital increases arising from issues of ordinary shares or securities granting rights to the Company's equity authorised under the other resolutions submitted to this General Meeting of Shareholders for approval;
3. grants full powers to the Board of Directors, with the right to further delegate such powers as permitted by law, in the event that use is made of the authority hereby granted, as permitted by law, for purposes including, but not limited to, the following:
   a. to determine the amount and the type of monies to be incorporated in the share capital, to determine the number of new ordinary shares to be issued or the amount by which the par value of existing ordinary shares will be increased, to set the date, which may be a retroactive date, from which the new ordinary shares will be entitled to dividends or from which the increase in par value will be effective,
   b. in the event of an award of ordinary free shares, to determine that fractional rights will not be negotiable and that the corresponding ordinary shares will be sold; proceeds from the sale shall be awarded to the rights holders no later than 30 days following the date on which the whole number of ordinary shares awarded has been recorded in their account,
   c. to make any adjustments required by law and regulations, by any contractual stipulation or by the Articles of Association providing for other cases of adjustment,
   d. to duly record completion of each capital increase and amend the Articles of Association accordingly,
   e. to take all necessary measures and to enter into all agreements to ensure the proper completion of the transactions and, more generally, to do all that is necessary, to accomplish all actions and attend to all formalities required to finalise the capital increase(s) carried out pursuant to the authority granted hereunder;
4. resolves that the authority hereby granted, which supersedes the unused portion of that granted by the thirtieth resolution of the Extraordinary General Meeting of Shareholders of 22 May 2012, shall be valid for a period of twenty-six (26) months from the date of this General Meeting of Shareholders.

Twenty-fifth resolution

(Authorisation to be granted to the Board of Directors to effect capital increases by issuing ordinary shares, without pre-emptive subscription rights, reserved for employees of Crédit Agricole Group enrolled in an employee share ownership plan)

The General Meeting, acting in accordance with the conditions of quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report and in accordance with the provisions of Articles L. 225-129 *et seq.*, L. 225-138 and L. 225-138-1 of the French Commercial Code and Articles L. 3332-1 *et seq.* of the French Labour Code:

1. authorises the Board of Directors, with the authority to further delegate as provided by law, to carry out capital increases, in one or more transactions and at its sole discretion, at the times and in the manner it shall decide, by issuing ordinary shares in the Company reserved for employees enrolled in an employee share ownership plan (hereinafter referred to as the "Beneficiaries") of one of the legal entities of Crédit Agricole Group, which in this resolution means Crédit Agricole S.A., the companies or groupings included in the scope of consolidation of Crédit Agricole S.A. (including companies added to the scope of consolidation of Crédit Agricole S.A. no later than on the day before the opening date of the subscription period, or the opening date of the reservation period, if any), the Crédit Agricole Regional Banks and their subsidiaries and entities or groupings controlled by Crédit Agricole S.A. and/or the Crédit Agricole Regional Banks pursuant to Article L. 225-180 of the French Commercial Code and Articles L. 3344-1 and L. 3344-2 of the French Labour Code;
2. resolves to exclude the ordinary shareholders' pre-emptive subscription rights to subscribe for the ordinary shares to be issued and, if applicable, to be awarded for no consideration, in favour of the aforesaid Beneficiaries under the terms of this authorisation;
3. resolves to set the maximum nominal amount of any capital increase(s) that may be effected under this authorisation at €200 million, it being specified that this ceiling is independent and separate from the ceilings set on capital increases arising from issues of ordinary shares or securities granting rights to the Company's equity authorised under the other resolutions submitted to this General Meeting of Shareholders for approval, and does not include the par value of the shares to be issued, in accordance with the law and with any contractual stipulations providing for other cases requiring adjustment, to safeguard the rights of holders of securities granting rights to equity in the Company, holders of share purchase or subscription options, or holders of rights to bonus shares;
4. resolves that the issue price of the Crédit Agricole S.A. ordinary shares to be issued under the terms hereof shall not be more than the average price quoted on Euronext Paris during the 20 trading days preceding the date of the decision made by the Board

of Directors or the Chief Executive Officer, or by one or more Deputy Chief Executive Officers with the Chief Executive Officer's approval, fixing the opening date of the issue, nor more than 20% lower than this average. When making use of the authorisation hereby granted, the Board of Directors may reduce or eliminate the aforesaid discount on a case-by-case basis in order to comply with law and regulations, including tax-related, accounting or social security restrictions in effect in any country where Crédit Agricole Group companies or groups of entities taking part in the capital increase are located;

5. authorises the Board of Directors to award ordinary shares to be issued or that have been issued or any other securities that have been or will be issued to subscribers for no consideration, it being specified that the total benefit resulting from such award and the discount mentioned in paragraph 4 above, if any, shall not exceed regulatory limits or those in the Articles of Association;
6. resolves that the new authorisation will supersede and replace the unused portion of the authorisation granted by the thirty-first resolution of the Extraordinary General Meeting of Shareholders of 22 May 2012;
7. resolves that the new authorisation shall be valid for a period of twenty-six (26) months from the date of this General Meeting of Shareholders.

   The General Meeting of Shareholders grants full powers to the Board of Directors, with the right to further delegate such powers as permitted by law, for the purpose of setting the terms and conditions of the capital increase(s) carried out under the authority hereby granted, including, but not limited to, the following:

   a. to set the criteria that legal entities consolidated within Crédit Agricole Group shall meet in order for Beneficiaries to be entitled to subscribe for shares issued under the authorisation hereby granted;
   b. to set the conditions which Beneficiaries entitled to subscribe for new ordinary shares must satisfy, including whether shares may be subscribed for directly by Beneficiaries of an employee share ownership plan, or through a company investment fund (FCPE – *Fonds commun de placement d'entreprise*) or another qualified entity under applicable laws and regulations;
   c. to determine the characteristics, terms, amount, terms and conditions of share issues carried out under the authorisation hereby granted, including, for each issue, deciding the number of ordinary shares to be issued, the offering price and the rules for scaling back in case the issue is over-subscribed by the Beneficiaries;
   d. to set the dates on which offering periods start and expire, subscription terms and procedures, the pre-subscription reservation period, payment and delivery procedures, as well as the date from which new ordinary shares will be entitled to dividends;
   e. to decide to replace all or part of the discount on the ordinary share price with an award of bonus ordinary shares issued or to be issued, pursuant to the terms and limits set in Article L. 3332-21 of the French Labour Code;
   f. to record or arrange for the recording of capital increase(s) corresponding to the number of ordinary shares subscribed for;
   g. to charge the cost of capital increase(s) against the corresponding share premiums and to deduct from such proceeds the sums necessary to bring the legal reserve to one-tenth of share capital after each increase;
   h. to amend the Articles of Association accordingly; and
   i. more generally, to do all that is necessary and take all actions to complete the capital increase(s), enter into all agreements, attend to all necessary formalities subsequent to the aforesaid capital increase(s), and, where applicable, arrange for the listing of the ordinary shares to be issued on a regulated exchange and for the financial servicing of the ordinary shares issued under the terms hereof as well as for exercising the rights attached thereto.

Twenty-sixth resolution

(Authorisation to be granted to the Board of Directors to effect capital increases by issuing ordinary shares, without pre-emptive subscription rights, reserved for Crédit Agricole International Employees)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Extraordinary General Meetings of Shareholders, having reviewed the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L. 225-129 *et seq.* and L. 225-138 of the French Commercial Code:

1. duly notes that, in order to ensure that Crédit Agricole Group employees (as defined below) residing in certain countries and who are enrolled in an employee share ownership plan offered by a legal entity belonging to Crédit Agricole Group receive benefits as similar as possible to those that may be granted to other Crédit Agricole Group employees under the terms of the twenty-fifth resolution, taking account of any local financial, legal and/or tax restrictions, that it is appropriate to authorise "Crédit Agricole International Employees", a French Public Limited Company ("*société anonyme*") with a share capital of €48,000, with its registered office located in Courbevoie (92400), at 9, quai du Président-Paul-Doumer, registered with the Nanterre Trade and Companies Registry under SIREN number 422 549 022, hereinafter the "Beneficiary", to subscribe for a capital increase of Crédit Agricole S.A.;
2. duly notes that, in this resolution, the term "Crédit Agricole Group" refers to Crédit Agricole S.A., companies or groupings included in the scope of consolidation of Crédit Agricole S.A. (including companies added to the scope of consolidation of Crédit Agricole S.A. no later than on the day before the opening date of the subscription period, or the opening date of the reservation period, if any), the Crédit Agricole Regional Banks and their subsidiaries and entities or groupings controlled by Crédit Agricole S.A. and/or the Crédit Agricole Regional Banks pursuant to Article L. 225-180 of the French Commercial Code and Articles L. 3344-1 and L. 3344-2 of the French Labour Code;

3. authorises the Board of Directors, with the right to further delegate such powers as permitted by law, to carry out capital increases, in one or more transactions, in the proportions and at the times it shall deem appropriate, by issuing ordinary shares reserved for the Beneficiary;
4. resolves to exclude the ordinary shareholders' pre-emptive subscription rights to subscribe for any ordinary shares issued under the authority hereby granted, in favour of the Beneficiary;
5. resolves that the issue price of the ordinary shares subscribed by the Beneficiary pursuant to this authorisation shall, in any event, be the same as the price at which the ordinary shares will be offered to employees residing in France who are enrolled in one of the Company retirement plans of a Crédit Agricole Group entity pursuant to the authority granted under the twenty-fifth resolution submitted to this General Meeting of Shareholders;
6. resolves that the authorisation hereby granted, which supersedes and replaces the unused portion of that granted by the thirty-second resolution of the Extraordinary General Meeting of Shareholders of 22 May 2012, shall be valid for a period of eighteen (18) months from the date of this General Meeting of Shareholders;
7. resolves to set the maximum nominal amount of any capital increase(s) that may be decided and effected under this authorisation at €50 million, it being specified that this ceiling is independent and separate from the ceilings set on capital increases arising from issues of ordinary shares or securities granting rights to the Company's equity authorised under the other resolutions submitted to this General Meeting of Shareholders for approval, and does not include the par value of the shares to be issued, in accordance with the law and with any contractual stipulations providing for other cases requiring adjustment, to safeguard the rights of holders of securities granting rights to equity in the Company, holders of share purchase or subscription options, or holders of rights to bonus shares.

   The General Meeting of Shareholders grants full powers to the Board of Directors, with the right to further delegate such powers as permitted by law, for the purpose of setting the terms and conditions of the capital increase(s) carried out under the authority hereby granted, including, but not limited to, the following:

   a. to determine the maximum number of ordinary shares to be issued, within the limits set by this resolution, and officially record or arrange for the recording of the final amount of each capital increase;
   b. to set the issue price, dates and all other terms and conditions of issues carried out under the authority hereby granted;
   c. to charge the cost of capital increase(s) against the corresponding share premiums and to deduct from such proceeds the sums necessary to bring the legal reserve to one-tenth of share capital after each increase;
   d. to amend the Articles of Association accordingly; and
   e. more generally, to do all that is necessary and take all actions to complete the capital increase(s), to enter into all agreements, and to attend to all necessary formalities subsequent to the aforesaid capital increase(s), and, where applicable, to arrange for the listing of the ordinary shares to be issued on a regulated exchange and for financial servicing of the ordinary shares issued under the terms hereof as well as for exercising the rights attached thereto.

Twenty-seventh resolution

(Authorisation to be granted to the Board of Directors to reduce share capital by cancelling ordinary shares)

The General Meeting of Shareholders, acting in accordance with the quorum and majority requirements applicable to Extraordinary General Meetings of Shareholders, having reviewed the Board of Directors' report and the Statutory Auditors' special report, and in accordance with Article L. 225-209 *et seq.* of the French Commercial Code, authorises the Board of Directors:

1. to cancel, in one or more transactions and at its sole discretion, at the times and in the manner it shall decide, some or all of the ordinary shares purchased by the Company under the authorisation to buy back shares granted to it by the fifteenth resolution or any subsequent authorisations, up to a limit of 10% of the share capital in any twenty-four (24) month period, as from this General Meeting of Shareholders;
2. to reduce the share capital accordingly by deducting the difference between the redemption value of the cancelled ordinary shares and their par value from the distributable share premium or reserve accounts of its choice.

Effective from this day, the authorisation hereby granted supersedes and replaces that granted by the thirty-third resolution adopted at the Extraordinary General Meeting of Shareholders of 22 May 2012, and is granted for a period of twenty-four (24) months to the Board of Directors, which may further delegate such authority, for the purpose of carrying out all measures, formalities or registrations required to cancel shares, finalise the capital reduction(s), record such reduction(s), amend the Articles of Association accordingly and, in general, to do all that is necessary.

Twenty-eighth resolution

(Powers to accomplish formalities)

The General Meeting of Shareholders hereby grants full powers to the bearer of an original, copy or excerpt of the minutes of this Combined Ordinary and Extraordinary General Meeting of Shareholders to complete any legal filing or publication formalities relating to or resulting from the decisions taken in the aforementioned resolutions and/or any additional resolutions.

Persons responsible for the registration document

Mr Jean-Paul Chifflet, Chief Executive Officer of Crédit Agricole S.A.

RESPONSIBILITY STATEMENT

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

I hereby certify that, to my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the financial position and results of the Company and all entities included in the consolidated group, and that the management report herewith provides a true and fair view of the business trends, results and financial condition of the Company data and all entities included in the consolidated group, together with a description of the main risks and uncertainties that they face.

I have obtained a letter from the Statutory Auditors, PricewaterhouseCoopers Audit and Ernst & Young et Autres, upon completion of their work, in which they state that they have verified the information relating to the financial situation and financial statements provided in this registration document and read the document as a whole.

The Statutory Auditors have issued reports on the historical financial information provided in this document.

The consolidated financial statements for the year ended 31 December 2010 are the subject of a report by the Statutory Auditors appearing on pages 367-368 of the 2010 registration document filed with the AMF on 18 March 2011 under No. D.11-0146, and which contains one observation.

Executed in Paris on 15 March 2013

The Chief Executive Officer of Crédit Agricole S.A.

Jean-Paul CHIFFLET

STATUTORY AUDITORS

Statutory Auditors

Ernst & Young et Autres

Represented by Valérie Meeus

1/2, place des Saisons
92400 Courbevoie, Paris - La Défense 1

Statutory auditors, Member, Compagnie Régionale des Commissaires aux Comptes de Versailles

PricewaterhouseCoopers Audit

Represented by Catherine Pariset

63, rue de Villiers
92200 Neuilly-sur-Seine

Statutory auditors, Member, Compagnie Régionale des Commissaires aux Comptes de Versailles

Alternate Auditors

Picarle et Associés

Represented by Denis Picarle

1/2, place des Saisons
92400 Courbevoie, Paris - La Défense 1

Statutory auditors, Member, Compagnie Régionale des Commissaires aux Comptes de Versailles

Pierre Coll

63 rue de Villiers
92200 Neuilly-sur-Seine

Statutory auditors, Member, Compagnie Régionale des Commissaires aux Comptes de Versailles

Ernst & Young et Autres was appointed Statutory Auditor under the name **Barbier Frinault et Autres** at the Ordinary General Meeting of 31 May 1994. This term of office was renewed for a further six years at the Combined General Meeting of 22 May 2012.

Ernst & Young et Autres is represented by Valérie Meeus.

Picarle et Associés was appointed Alternate Auditor for Ernst & Young et Autres at the Ordinary General Meeting of 17 May 2006. This term of office was renewed for a further six years at the Combined General Meeting of 22 May 2012.

PricewaterhouseCoopers Audit was appointed Statutory Auditor at the Ordinary General Meeting of 19 May 2004. This term of office was renewed for a further six years at the Combined General Meeting of 22 May 2012.

PricewaterhouseCoopers Audit is represented by Catherine Pariset.

Pierre Coll was appointed Alternate Auditor for PricewaterhouseCoopers Audit at the Ordinary General Meeting of 19 May 2004. This term of office was renewed for a further six years at the Combined General Meeting of 22 May 2012.

Cross-reference table

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

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N.A.: not applicable.

(1) In accordance with Article 28 of EC Regulation 809/2004 and Article 212-11 of the AMF's General Regulations, the following are incorporated by reference:

- the parent company and consolidated financial statements for the year ended 31 December 2010 and the corresponding Statutory Auditors' Reports, and the Group's Management report, appearing on pages 370 to 417 and 246 to 366, on pages 418 to 419 and 367 to 368 and on pages 141 to 244 of the Crédit Agricole S.A. Registration Document 2010 registered by the AMF on 18 March 2011 under number D.11-0146;
- the parent company and consolidated financial statements for the year ended 31 December 2011 and the corresponding Statutory Auditors' Reports, and the Group's Management report, appearing on pages 385 to 434 and 255 to 382, on pages 435 to 436 and 383 to 384 and on pages 147 to 183 of the Crédit Agricole S.A. Registration Document 2011 registered by the AMF on 15 March 2012 under number D.12-0160.

The sections of the registration documents number D. 11-0146 and number D.12-0160 not referred to above are either not applicable to investors or are covered in another part of this Registration Document.

Regulated information within the meaning of the AMF's General Regulations contained in this Registration Document can be found on the pages shown in the correspondence table below

This Registration document, which is published in the form of an Annual Report, includes all components of the **2012 Annual Financial Report** referred to in paragraph I of Article L. 451–1–2 of the French Monetary and Financial Code as well as in Article 222–3 of the AMF's General Regulations:

Annual financial report

This document is printed in compliance
with ISO 14001.2004 for an environment
management system.

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CRÉDIT AGRICOLE S.A.

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