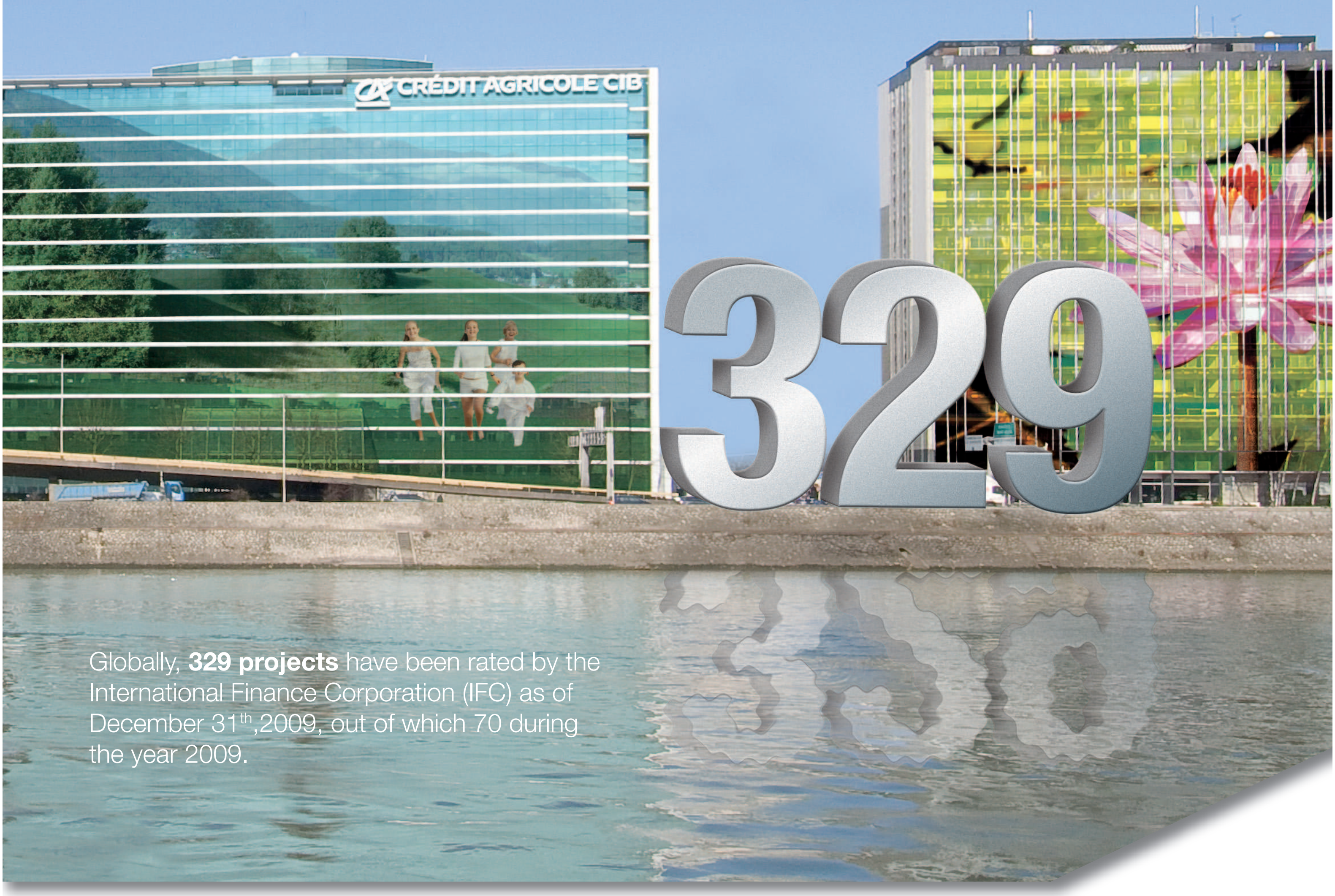
SHELF-REGISTRATION DOCUMENT 2009

A commitment to responsible growth



Globally, **329 projects** have been rated by the International Finance Corporation (IFC) as of December 31th,2009, out of which 70 during the year 2009.

CRÉDIT AGRICOLE
CORPORATE & INVESTMENT BANK

Shelf-registration Document 2009

Crédit Agricole CIB

AMF | AUTORITÉ DES MARCHÉS FINANCIERS

Only the French version of the shelf-registration document has been submitted to the Autorité des Marchés Financiers. It is therefore the only version that is binding in law. The original French version of this shelf-registration document was filed at the AMF on 23rd March 2010 under registration number D.10-0142 in accordance with article 212-13 of the AMF's Internal Regulations. It may be used in support of a financial transaction if accompanied by a transaction circular approved by the AMF.

Crédit Agricole group, a leader in Europe.

Retail bank leader in France [1] and in Europe [2], Crédit Agricole is a first-class partner for the economies in which it operates.

The strength of its retail banks including 11,500 branches worldwide and the **expertise of its specialised subsidiaries** give Crédit Agricole an effective presence in all areas of banking and finance. More than 160,000 employees work to satisfy the banking requirements of **59 million customers** in 70 countries.

Crédit Agricole intends to fulfil its role as a leading European player with global scale, while complying with the commitments that stem from its **mutualist background.** Its development is focused on servicing the real economy and it is commited to the principle of **responsible growth.** It is well positioned in three major sustainable development indices [3].

(1) by customer bank deposits, source: Banque de France
(2) by retail banking revenues and the number of branches, source: company data
(3) ASPI Eurozone since 2004; FTSE4Good since 2005; DJSI since 2008.

28% of the household market in France

59 million customers worldwide

70 countries

€2.7 billion net income - group share

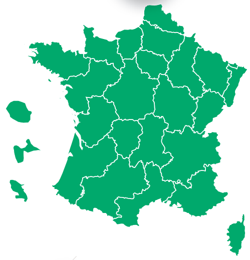
€68.8 billion shareholders' equity - group share

9.7% *tier 1* ratio

The Group's organisation

6.2 million cooperative shareholders
elect the 32,600 Local Banks directors

The Fédération Nationale du Crédit Agricole (FNCA)
acts as a consultative and representative body and a forum for the Regional Banks



39 Crédit Agricole Regional Banks
As cooperative societies and fully-fledged banks, they propose a wide offering of banking products and financial services to their customers. Together, they hold 55.2% of Crédit Agricole S.A. share capital via SAS Rue La Boétie.

2,544 Local Banks hold the bulk of the Regional Banks' share capital. The Local Bank directors are key players in France's local communities and enable Crédit Agricole to tailor its product and service offering to customer requirements

Float represents 44.4% of Crédit Agricole S.A. share capital
- **Institutional investors: 31.2%**
- **Individual shareholders: 8.6%**
- **Employees via employee mutual funds: 4.6%**

Listed since December 2001, **Crédit Agricole S.A.** ensures the cohesion of the strategic development and the Group's financial unity. **Crédit Agricole S.A.** manages and consolidates its subsidiaries organised into 3 business lines.

3 BUSINESS LINES:

RETAIL BANKING	SPECIALISED BUSINESS LINES	CORPORATE AND INVESTMENT BANKING
• In France - 25% of the Regional Banks (excl. the Regional Bank of Corsica) - LCL **• International retail banking** - Cariparma FriulAdria - Emporiki - Crédit du Maroc - Crédit Agricole Egypt. - Lukas Bank	**• Specialised financial services** - Consumer finance - Leasing - Factoring **• Savings management** - Asset management - Insurance - Private banking	- Coverage and Investment Banking - Equity Brokerage and Derivatives - Fixed Income Markets - Structured Finance

SPECIALISED SUBSIDIARIES: Crédit Agricole Immobilier, Crédit Agricole Private Equity, Idia - Sodica, Uni-Editions.

Contents

1 Presentation of Crédit Agricole CIB

MESSAGES FROM THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

Message from Georges Pauget

The past two years were marked by a profound crisis that truly changed the world in which we live. In 2009, French banks suffered less of an impact from the crisis than did others thanks to the solidity of their universal banking model.

Crédit Agricole managed to make the right decisions to adapt to this new environment. Beginning in the spring of 2008, major steps were taken: there was a pause in acquisitions, a reduction in capital markets activities and cost optimisation across our various business lines. By refocusing on its core businesses and changing its working methods, Crédit Agricole S.A. succeeded in absorbing the sharp growth of risk-related costs in 2008 and 2009.

We refined our risk management methodologies – whether involving counterparty, market or operational risks. In sum we developed a business model different from that of our main competitors, giving added weight to retail banking and its related businesses and reducing significantly the most risky capital markets activities within the corporate and investment bank.

With regard to Crédit Agricole Corporate and Investment Bank, we intentionally and very clearly reduced its risk profile by putting an end to certain capital markets activities. This reduction did not come at the expense of our commercial momentum, quite the contrary. We developed those activities that meet our clients' true needs and strengthened our global leadership positions, for example in aviation finance and project finance. Excluding debt re-evaluation and loan hedging, the Corporate and Investment bank generated net income of EUR 349 million in the fourth quarter in its core activities. That corresponds to our objective of annual earnings of more than EUR 1 billion.

Because of the crisis, the banking sector undertook fundamental reflections on its role and development, with the constant participation of Crédit Agricole. With respect to remuneration, France has led the way in taking the initiative.

Accordingly, in February 2009, a code of conduct aimed at better framing the remuneration of traders was drafted under the aegis of the French Banking Federation (FBF), which I was then chairing. Crédit Agricole CIB was the first financial institution to apply the FBF recommendations in combining moderation in the amounts distributed with the payment over several years of variable pay in order to take into account the medium-term performances of operations.

Currently, the development of Crédit Agricole CIB is well under way. I would like to thank all the employees of Crédit Agricole Corporate and Investment Bank for their constant commitment. At the end of my term of office, I know that I will be able to count on the continued efforts of everyone to respond to our new challenges while complying with shared Group values.

Georges Pauget
Chairman of Crédit Agricole CIB
Chief Executive Officer of Crédit Agricole S.A.

Message from Patrick Valroff

In 2009, we continued the implementation of our refocusing and development plan, enabling us, as announced, to generate from our core activities a Group share of net income of more than EUR 1 billion. Our entire staff contributed to developing our commercial momentum with performances reflected in the league tables. Our Financing activities posted revenues up sharply in the record fourth quarter and achieved industry-leading positions: number one global Mandated Lead Arranger for project finance (Infrastructure Journal) and top global bookrunner in trade finance (Dealogic). Capital Markets activities and Investment Banking confirmed their performances, with rankings as sixth global bookrunner for euro-denominated bond issues (Thomson Financial) and third global bookrunner for euro-denominated bond issues for Sovereigns, Governments and Supranationals (Thomson Financial). In addition we doubled our cross-selling activity in 2009 compared with 2008.

Lastly, we succeeded in winding down in an active and controlled fashion those activities that are no longer part of our new model: we brought to an end our activities in overly risky exotic products, structured credits and some of our equity derivatives operations. The resulting decline in capital consumption was in part redeployed to our core activities.

In early 2010, Calyon became Crédit Agricole Corporate and Investment Bank, with the new name strengthening our attachment to the Crédit Agricole Group, and thus our brand’s reputation and solidity with respect to the various players in the finance sector. This name change takes into account the changes in our strategy and ambitions both in France and abroad: a new commitment to work as partners with our clients to contribute to the achievement of their projects. We are continuing to play our role of banker everywhere in the world.
In 2010, we must focus our efforts on revenue growth through sustained sales activity by bringing to bear the synergies within our Group, making selective investments to support our growth and taking new partnership initiatives as we did in 2009, for example, in forming a joint venture with EDF Trading.

We will carry out these projects with confidence and determination – confidence in our shareholder’s support and the relevance of our business model and determination in achieving our objectives – within the framework of the tasks assigned to us by the Group.

Patrick Valroff
Chief Executive Officer of Crédit Agricole CIB

HISTORY

1863	Creation of **Crédit Lyonnais**
1875	Creation of **Banque d'Indochine**
1894	Creation of the first « Sociétés de Crédit Agricole », later termed « Caisses Locales » (« Local Banks »)
1920	Creation of **Office National de Crédit Agricole**, which became **Caisse Nationale de Crédit Agricole** (CNCA) in 1926
1945	**Nationalisation** of Crédit Lyonnais
1959	Creation of **Banque de Suez**
1975	Merger of Banque de Suez and Union des Mines with Banque d'Indochine to form **Banque Indosuez**
1988	CNCA becomes a public limited company owned by Regional Banks and employees **(« mutualisation »)**
1996	**Acquisition of Banque Indosuez** by Crédit Agricole, one of the world's top 5 banking groups, to create an **international investment banking** arm
1997	Caisse Nationale de Crédit Agricole consolidates within **Crédit Agricole Indosuez** its existing international, capital markets and corporate banking activities
1999	**Privatisation** of Crédit Lyonnais
2001	CNCA changes its name to **Crédit Agricole S.A.** and goes public on 14 December 2001
2003	Successful **takeover bid** for Crédit Lyonnais by Crédit Agricole
2004	Creation of **Calyon**, the new brand and corporate name of the Crédit Agricole Group's financing and investment banking business, through a partial transfer of assets from Crédit Lyonnais to Crédit Agricole Indosuez
6th February 2010	Calyon changes its name and becomes **Crédit Agricole Corporate and Investment Bank**

2009 KEY FIGURES

Income statement highlights

€ million	31.12.2009		31.12.2008	
	Crédit Agricole CIB	Ongoing activities	Crédit Agricole CIB	Ongoing activities
Net banking income	4,428	5,775	2,153	6,615
Gross operating income	957	2,428	(1,738)	3,023
Net income, Group share	(331)	1,158	(1,540)	1,888

Balance sheet

€ billion	31.12.2009	31.12.2008
Total assets	712.4	857.5
Gross loans	152.7	145.8
Assets under management (private banking)	61.4	55.9

Headcount at end of December 2009

(full-time equivalent)	2009	2008
France	4,687	4,801
International	9,646	9,879
Total (1)	**14,333**	**14,680**

(1) Private banking contributes to 2,196 in 2009 and to 2,210 in 2008

Financial structure

€ billion or %	31.12.2009	31.12.2008
Shareholders'equity and shareholder advances (including income)	14.4	14.2
Tier I capital	13.9	14.7
Basel II risk-weighted assets	134.9	169.4
Tier I solvency ratio	10.3%	8.7%
Overall solvency ratio	11.7%	10.7%

Ratings

	Short-term	Long-term	Update
Moody's	Prime-1	Aa3 [negative outlook]	4th February 2009
Standard & Poor's	A-1 +	AA- [negative outlook]	25th June 2009
Fitch Ratings	F1+	AA- [stable outlook]	9th July 2009

2009 HIGHLIGHTS

Name change

In 2007, before the crisis erupted, Calyon had looked at the possibility of changing its name. The process resumed in 2009 and Calyon has been renamed Crédit Agricole Corporate and Investment Bank. The new name gives it a stronger connection with its shareholder, in keeping with the Crédit Agricole Group's ambitions in France and abroad.

Implementation of refocusing plan

In 2009, Crédit Agricole CIB continued to work towards the goals set by the development plan adopted at the end of 2008. The business model, which is centred on customer service worldwide, proved its resilience and viability in 2009.

Financing activities delivered steady revenue growth while Capital markets and investment banking confirmed its ability to generate a base of recurring income. Moreover, cross-selling operations between Financing activities and Capital markets and investment banking doubled in 2009 by comparison with 2008.
Crédit Agricole CIB forged new strategic partnerships, including in the energy market with EDF Trading, in aircraft finance with Goldman Sachs and with Pusan Bank in Korea.
Discontinuing operations that are being run off are no longer a part of this new business model. Exotic equity derivatives and credit derivatives have been discontinued.

2010 goals

In 2010, the goal is to expand the Crédit Agricole brand beyond its domestic borders, to enhance the product range and distribution capacity, thereby generating growth for Crédit Agricole CIB.

BUSINESS LINES

Crédit Agricole CIB operates in corporate and investment banking (ongoing activities), discountinuing operations and international private banking.

Corporate and investment banking

Crédit Agricole CIB's Corporate and Investment Banking business includes Capital Markets and Investment Banking on the one hand, and Financing on the other

Financing

The financing business combines structured financing and commercial banking in France and abroad. Banking syndication is involved in both of these activities.

Global loan syndication

This business line specialises syndicates products in areas such as project financing and leveraged financing. Crédit Agricole CIB has operations in origination, structuring, distribution and secondary-market activities.
It covers the EMEA (Europe, Middle East, Africa) using a cluster bringing together London, Paris and Madrid, Asia-Pacific with specialists based in Hong Kong, Taipei, Tokyo,Sydney and the Americas with a team based in New York.

Structured Financing

The structured financing business consists of originating, structuring and financing major export and investment operations in France and abroad, often backed with assets as collateral (aircraft, boats, business property, commodities etc.), along with complex and structured loans.

⅄ Transaction commodity finance

Our commodity trade financing activities, based in Geneva, are aimed at major international producers and traders. We provide financing and secure short-term payment services for goods flows in commodities and semi-finished products.
Our clients are major international traders and producers operating in the commodity markets, particularly energy, metals, soft and certain agricultural commodities.

⅄ Export and Trade Finance

Crédit Agricole CIB provides clients with financing for capital goods exports or certain foreign investments. Most of its operations involve export credit (for buyers or suppliers) guaranteed by public-sector credit insurance companies. Crédit Agricole CIB also offers co-financing alongside multilateral financial institutions, along with loans with or without coverage from private-sector insurers. We occasionally provide other services such as letters of credit, forfaiting, documentary products and market transactions.
This business is supported by a commercial network spanning almost 40 countries.

⅄ Acquisition Financing

The acquisition financing team is the result of collaboration between Crédit Agricole CIB's commercial banking and investment banking businesses. It offers private equity funds various tailored services covering all steps of their development (fund-raising, acquisition of target companies, buying and selling advice, IPOs, interest-rate and foreign-exchange products).
The team operates in Europe (Paris, London, Frankfurt, Milan and Madrid) and in Asia (Tokyo, Hong Kong and Sydney).

⅄ Natural resources, infrastructure and power

Crédit Agricole CIB provides financial advice and arranges non-recourse credit for new projects or privatisations. The bank and bond financing that Crédit Agricole CIB arranges involves commercial banks as well as export credit agencies and/or multilateral organisations.
The project finance business operates in natural resources (oil, gas, petrochemicals, mines and metalbashing), electricity generation and distribution, environmental services (water, waste processing) and infrastructure (transport, hospitals, prisons, schools and public services).
The business operates worldwide, with regional excellence centres in Paris, London, Madrid, Milan, New York, Houston, Singapore, Hong Kong, Tokyo, Sydney, Moscow, Sao Paulo and Mumbai.

⅄ Real Estate and Hotels

Crédit Agricole CIB's real estate and hotels department operates in 11 countries.
Crédit Agricole CIB provides advice to real estate professionals and to companies and institutional investors that want to optimize the value of their properties.

Shipping Financing

Crédit Agricole CIB has been financing ships for 30 years for French and foreign ship-owners and has built up a strong world –renowned expertise in this field.
This business finances a recent and diversified fleet of more than 1,150 ships for an international ship-owner client base.

Aircraft and rail financing

Crédit Agricole CIB has been operating in the aircraft financing sector for more than 35 years, and has an excellent reputation in the market. We have always taken a long-term view, seeking to establish sustained relationships with major airlines, airports and companies providing air transport services (maintenance, ground services etc.) in order to understand their business priorities and financing requirements.
The bank financed around 160 aircraft in 2009 and received four awards for its expertise in air transport, as announced in Jane's Transport Finance on December 2, 2009.
Crédit Agricole CIB has been operating for several years in the New York and Paris rail sectors, and is continuing to extend its services in Europe.

Commercial Banking in France and abroad

Commercial Banking in France

In France, Crédit Agricole CIB's commercial banking products and services are supported by the expertise of Crédit Agricole CIB's specialist business lines, the Crédit Agricole Group's networks (regional banks and LCL) and specialised financial subsidiaries (lease financing, asset management, factoring).
The commercial banking activity provides services including domestic and international cash management, short-and medium-term commercial loans, syndicated loans, leasing, factoring, international trade services (letters of credit, cash collection, export prefinancing, buyer credit, forfaiting etc.), domestic and international guarantees, market guarantees, and currency risk and interest-rate risk management.

International Commercial Banking

Outside France, Crédit Agricole CIB's network covers more than about fifty countries worldwide. It provides Crédit Agricole's corporate customers with a better knowledge of the local environment and easier access to the banking services they need outside France.
As regards Islamic finance, Crédit Agricole CIB offers Sharia-compliant solutions in various areas.

Banque Saudi Fransi

Banque Saudi Fransi (69.9% owned by Saudi shareholders and 31.1% by Crédit Agricole CIB) covers three regional offices located in Jeddah, Riyadh, and Al Khobar, and 75 branches distributed throughout the country. The bank offers tailored financial services, such as securities trading in the world's main financial markets and access to a wide range of mutual funds, to clients which are active throughout the Arab-speaking world and to global company subsidiaries.

Capital Markets and Investment Banking

This business includes capital markets, brokerage and equity derivatives, as well as investment banking activities.

Fixed Income Markets

With its network of 31 trading rooms, Crédit Agricole CIB has strong positions in Europe and Asia, a targeted presence in the USA and the Middle East, and additional entry points into local markets.

Treasury

The Treasury business line provides liquidity in convertible currencies up to two years.
It acts through five main liquidity centres located in Paris, London, New York, Tokyo and Hong Kong, and is active in 20 other countries.
Liquidity centres control and help to manage the liquidity of branches and subsidiaries in each region. This structure gives Crédit Agricole CIB consolidated control and oversight over its cash position by providing constant access to the world's money markets.
Crédit Agricole CIB manages local, multi-currency issuance programs, which broaden its investor base. Sharia-compliant products have also been developed.
Crédit Agricole CIB's treasury department is a major counterparty for 90 supranational institutions and central banks.

Foreign exchange

Crédit Agricole CIB has a strong presence in the currencies of Eastern Europe, Asia, Latin America, North Africa and the Middle East, as well as the main international currencies (euro, sterling, yen, Swiss franc, US dollar, Australian dollar and the Nordic currencies).
It offers a wide product range from spot foreign exchange to more complex products such as investment structured forex products, forex risk hedging products and cash liability optimisation tools. Each product can be designed to specific requirements.

Interest - rate derivatives

This business line deals with all interest-rate derivatives including standard products like interest-rate and currency swaps and liquid bonds. It also provides with property derivatives, including Investment Property Databank (IPD). In 2009, a US liquid rates platform was launched to strenghten the USD based products offer.

Debt and Credit Markets

This business focuses on credit and debt instruments for issuers (governments, statutory bodies, financial institutions and corporates) and investors worldwide.
It covers all the process from credit origination, sales and trading, securitisation, risks and transactions, to managing securitisations for third parties.

It is located in all major financial centers and has dedicated trading hubs in London, New York and Hong Kong.

Commodities

Crédit Agricole CIB's commodities business has a presence in six major financial centres: Paris, London, Geneva, New York, Houston and Hong Kong. Crédit Agricole CIB operates in energy (oil and refined products), core and precious metals, and also in soft and agricultural assets.
In 2009, the activity of the business line has been widened on the energy with the partnership with EDF Trading. This partnership allows Crédit Agricole CIB to act in Europe on the physical markets of electricity, gas and coal.

Brokerage and Equity Derivatives

Equity brokerage

CLSA

CLSA is a market-leader in Asian markets, providing equity brokerage, capital markets, M&A and asset management services to large corporations and institutional investors worldwide. It operates from about 15 locations in Asia, but also Dubai, London and New York.

CA Cheuvreux

CA Cheuvreux is the Crédit Agricole Group's European broker, covering Europe but also the Middle East, North America and South Africa, and providing execution services in 60 markets. Overall, it covers 790 stocks in Europe and the Gulf countries. Its independent research is weel known among institutional investors.
It provides institutional brokerage services in the main European stock exchanges, along with execution of program trades, electronic brokerage in international markets and intermediation. Its client base includes companies, European private equity funds and Crédit Agricole Group retail customers

Newedge

Newedge was created on 2 January 2008 through the merger of Calyon Financial and Fimat (Société Générale group). Its core business consists of brokerage services for listed derivatives. Newedge offers institutional clients a full range of clearing and execution services covering futures and options on financial products and commodities, as well as money market instruments, bonds, foreign exchange, equities, and commodities on OTC markets.
Newedge also provides interbank brokerage, along with a range of more specialized services, including prime brokerage, asset financing, an electronic platform for trading and order routing, cross margining, and the processing and centralized reporting of client portfolios.
Newedge operates across 85 equity and derivatives markets worldwide, with 25 locations in 17 countries.

Equity derivatives

Crédit Agricole CIB's equity derivatives and funds business combines trading, sales and arbitrage of equity derivatives, indexes and funds from standard products like certificates and convertible bonds to more investment solutions like structured products.
The business works closely with Crédit Agricole Structured Asset Management (CASAM), a joint venture owned jointly by Crédit Agricole Asset Management and Crédit Agricole CIB, which brings together the Crédit Agricole Group's skills in terms of structured product management, alternative investment solutions and ETFs (exchange-traded funds).
Crédit Agricole CIB has 12 sites in Europe, Americas and Asia, and covers around 40 countries.

Investment Banking

Crédit Agricole CIB's investment banking business involves all equity and long-term financing activities for corporate clients, and has three main segments:

Primary equity capital markets

The Equity Capital Markets business line is responsible for the activities related to the issuance of stock and securities giving access to equity such as primary issues, initial public offerings and privatisations (opening of capital to private investors).
The business deals with capital increases, secondary offerings as well as convertible bonds, exchangeable bonds and other hybrid products issues for the large and mid-cap primary markets.

Corporate Equity Derivates

The Corporate Equity Derivatives business is in charge of structuring and selling transactions involving equity derivatives, in order to help corporate clients to manage their equity and long term financing.
Along with the Brokerage and Equity Derivatives business line, this activity covers leveraged employee savings, stock repurchase programs and hedging of stock options. It also provides corporate clients with structuring and sale of equity derivative products.

Global Corporate Finance

This business line gathers all the activities dedicated to mergers and acquisitions, from strategic advisory services to transaction execution.
It assists clients in their development with, advisory mandates for both purchases and disposals, opening up capital to new investors and restructuring, strategic financial advisory services and advisory services for privatisations.

International Private Banking

The international private banking business provides individual investors with a worlwide comprehensive wealth management service range.
This business requires the implementation and rigorous co-ordination of numerous skills, specially adapted to the level of requirements of this customer segment, particularly as regards assets engineering, asset management, and order execution in all global financial markets.
International Private Banking has a strong global presence through its Crédit Agricole Suisse, Crédit Agricole Luxembourg, Crédit Foncier de Monaco and Crédit Agricole Brasil DTVM subsidiaries, along with its three branches in Spain and Miami.

Discontinuing operations

The "discontinuing operations" perimeter has been set up during Crédit Agricole CIB's refocusing and development plan it adopted in the autumn of 2008. It encompasses the operations which were the most impacted by the crisis. The aim is to stricly manage the losses and to reduce the risk profile of the following portfolios:

- Portfolios of the CDO (Collateralized Debt Obligations) and ABS (Asset-Backed Securities) mainly collateralized by american subprime mortgages, commercial real estate mortgages or leveraged loans exposure.
- Structured Credit and "Correlation" products, underlying risk being a corporate credit portfolio represented by a CDS (Credit Default Swaps).
- Exotic equity derivatives products.

Income statement highlights for Crédit Agricole CIB group's main subsidiaries as of 31 December 2009

(contribution to Group consolidated net income)

€ million	CA Suisse	Banque Saudi Fransi	CA Luxembourg	Calyon Securities USA	Crédit Foncier Monaco	Calyon Bank Ukraine
Net banking income	423		120	118	99	49
Gross operating income	190		54	53	41	44
Net income	99	118 [1]	39	38	25	34

[1] Group share accounting under the equity method.

2 Corporate Governance & Internal Control

CHAIRMAN'S REPORT

Chairman's report to the annual general shareholders' meeting of 11 May 2010
(Code de commerce, art. L 225-37; Code monétaire et financier, art. L 621-18-3)

To the Shareholders:

In accordance with article L. 225-37 of the Code de Commerce and the principles and standards in force within Credit Agricole S.A. and the Credit Agricole Group as a whole as regards corporate governance, internal control and risk management, this report is presented alongside the management report drawn up by the Board of Directors, in order to provide you with information on the way in which the work done by the Board of Directors is prepared and organised, and on the internal control and risk management procedures implemented by Crédit Agricole Corporate and Investment Bank.

This report has been prepared on the basis:

- of work done by the various staff responsible for periodic controls, permanent controls and compliance, their discussions with the Executive Management and within the Audit Committee and the Board of Directors, particularly through the presentation of the internal control report;
- of internal control documentation prepared within the Company; and
- of work done by the Corporate Secretary and the Finance Department.

This report was presented to the Audit Committee on 18 February 2010 and was approved by the Board of Directors at its meeting of 23 March 2010.

Change in corporate name

The Extraordinary General Meeting of 26 August 2009:

- decided to change Calyon's corporate name to "Crédit Agricole Corporate and Investment Bank";
- granted authority to the Board of Directors or to the Chairman to select a date in the future, in order to prepare and arrange for these changes.

At its meeting on 26 August 2009, the Board of Directors:

- adopted the trade name of "Crédit Agricole Corporate and Investment Bank" and the variant "Crédit Agricole CIB";
- this decision was to be applicable as of the effective date of the corporate name change.

At its meeting on 14 January 2010, the Board of Directors decided that the change in corporate name and in trade name would take effect on 6 February 2010.

This name change anchors the Company more firmly within the Crédit Agricole Group and clearly reflects the Group's resolve to support sustainable growth in corporate and investment banking, by focusing on its areas of expertise to serve the real economy.

Preparation and organisation of the Board's work

Information relating to the composition of the Board of Directors and the Executive Management, their terms of office and compensation, appearing on pages 38 to 50 of this chapter ("Corporate governance and internal control") of the registration document, are incorporated into this section by reference.

The preparation and organisation of work done by the Board of Directors comply with laws and regulations currently in force, the Company's Articles of Association, the internal rules applying to the Board of Directors and internal directives.

Following its 13 November 2008 board meeting, Crédit Agricole Corporate and Investment Bank stated in a press release on executive compensation dated 25 November 2008 that it would use the AFEP/MEDEF corporate governance code in preparing this report.

The Board of Directors takes the view that these recommendations fit with the Company's corporate governance approach. This report will state the main reasons for which Crédit Agricole Corporate and Investment Bank's organisation differed from those recommendations in 2009, together with proposed changes, where applicable. The AFEP/MEDEF corporate governance code may be consulted on the www.medef.fr website.

General presentation and composition of the Board

At 31 December 2009, Crédit Agricole Corporate and Investment Bank's Board of Directors was made up of eighteen voting directors and one non-voting director. Sixteen of these directors were appointed by shareholders in the general shareholders' meeting and two were elected by employees. The Company's Articles of Association state that the Board of Directors shall be made up of between six and twenty directors, appointed for three-year terms. At least six of these directors shall be appointed by shareholders in the general shareholders' meeting, and two elected by employees.
At its meeting of 23 February 2010, the Board approved certain changes in the composition of the Board of Directors. These will be presented in dedicated paragraphs.

Terms of office of directors

In accordance with article 9 of the articles of association, a director's term of office is three years. The age limit for directors is sixty-five, although as an exceptional measure the term of office of a director who has reached the age limit may be renewed for a maximum of five subsequent one-year periods, provided the total number of directors aged sixty five or over does not exceed one-third of the number of directors in office (article 10 of the articles of association).
At the general shareholders' meeting of 13 May 2009, Mr François Veverka was appointed as director.
Following the re-appointment of two directors by the shareholders at the May 2009 general meeting, the expiry dates of directors' terms of office are staggered as follows:

Shareholders' meeting in:	2010	2011	2012
Number of directors	(1) 7	10	1

(1) For a period of one year in accordance with article 10 of the articles of association, as mentioned above.

Composition of Crédit Agricole Corporate and Investment Bank's Board of Directors

At 31 December 2009, the Board of Directors consisted of Georges Pauget, Chairman, Edmond Alphandéry, Pierre Bru, Jean-Paul Chifflet, Jean-Dominique Comolli, Frank E. Dangeard, Jean-Frédéric de Leusse, Jean-Frédéric Dreyfus, Philippe Geslin, François Imbault, Marc Kyriacou, Jean Le Vourch, Bernard Lolliot, François Macé, Didier Martin, Jean Philippe, Jean-Marie Sander, François Veverka (voting directors) and Henri Moulard (non-voting director).

In 2009, the average age of directors was 58.

At the Board of Directors meeting of 23 February 2010:
- Georges Pauget resigned from his offices as Chairman and Director;
- Jean-Paul Chifflet was appointed Chairman;
- Philippe Brassac was co-opted as Director;
- Jean-Frédéric de Leusse resigned as Director;
- Jean-Yves Hocher was co-opted as Director.

Since that date, the Board has consisted of Jean-Paul Chifflet, Chairman; Edmond Alphandéry, Philippe Brassac, Pierre Bru, Jean-Dominique Comolli, Frank E. Dangeard, Jean-Frédéric Dreyfus, Philippe Geslin, Jean-Yves Hocher, François Imbault, Marc Kyriacou, Jean le Vourch, Bernard Lolliot, François Macé, Didier Martin, Jean Philippe, Jean-Marie Sander, François Veverka (voting directors) and Henri Moulard (non-voting director).

Separation of the functions of Chairman and Chief Executive Officer

The position of the Chairman, occupied by Mr Pauget during 2009, then by Mr Chifflet since 23 February 2010, is separate from that of the Chief Executive Officer, which is held by Mr Valroff.

The Board of Directors decided to split the two roles in May 2002, in accordance with article 13, paragraph 5 of the Company's articles of association and France's New Economic Regulations Act no. 2001-420 of 15 May 2001. The decision followed the shareholders' decision in the May 2002 shareholders' meeting to change the Company from a *société anonyme* (public limited company) governed by a supervisory board and management board to a *société anonyme* governed by a board of directors.

The separation of the two functions fully distinguishes between the roles of the CEO and the Chairman of the Board of Directors. The Chairman's role includes organizing and directing the work done by the Board of Directors, and ensuring that the Company's governing bodies are operating properly. The separation of functions also clarifies the roles of the supervisory body and the executive body, and makes them easier to fulfil. These roles are defined by laws and regulations applicable to the Company, particularly as regards internal control, including CRBF (Comité de la Réglementation Bancaire et Financière) regulation 97-02.

The decision to separate the functions of Chairman and Chief Executive Officer proved entirely justified in 2008 and 2009 – two years of financial and economic crisis. In 2008, the Chairman and members of the Board of Directors redefined the Company's strategy in the light of the new challenges, and the Executive Management set up a new arrangement based on the following principles:
- business lines and support functions had to be organised more simply, to provide better service to customers;
- new corporate governance methods were needed to increase collaboration between business lines and support functions.

During 2009, the Executive Management periodically reported to the Board of Directors on matters relating to the progress of the Company's refocusing and development plan, which is designed to quickly and actively refocus the Company on its core competencies.

Composition of the Executive Management

At 31 December 2009, the Company's Executive Management consisted of Patrick Valroff, CEO, and Alain Massiera and Jérôme Grivet, Deputy CEOs. Mr Valroff was appointed CEO at the Board meeting of 14 May 2008. In the same meeting, on the recommendation of the new CEO, the Board reappointed the two Deputy CEOs, Mr Massiera and Mr Grivet.

At its meeting of 23 February 2010, on the CEO's recommendation, the Board of Directors appointed Pierre Cambefort as Deputy Chief Executive Officer, effective as of 1 September 2010, to replace Jérôme Grivet, who has been called to serve in another office.

Responsible executives within the meaning of banking regulations (DECEI)

Georges Pauget and Patrick Valroff are designated as responsible executives within the meaning of French banking regulations (DECEI). Effective as of 23 February 2010, Jean-Paul Chifflet was named responsible executive to replace Mr Pauget.

Independent directors with respect to AFEP/MEDEF recommendations

Based on the criteria set out in the AFEP/MEDEF report, the Board of Directors determined that the following were independent directors: Messrs Alphandéry, Comolli, Dangeard and Martin during the full year 2009, and Mr Veverka, who was appointed as Director effective as of 13 May 2009.

The recommended proportion of independent directors on the Board of Directors is one-third for companies majority-owned by one shareholder. The Company is more than 97%-owned by Crédit Agricole S.A. and just under one-third of its directors (five instead of six) are independent directors. This divergence from the AFEP/MEDEF recommendations reflects the Crédit Agricole Group's desire that the CEOs of Crédit Agricole's Regional Banks be represented on the boards of certain Crédit Agricole S.A. subsidiaries. It should be noted that the Company's board includes a non-voting director who is external to the Crédit Agricole group.

	Criterion (1)	Criterion (2)	Criterion (3)	Criterion (4)	Criterion (5)	Criterion (6)	(7) (a) b) Options not selected by the Company
Mr Alphandéry	X	X	X	X	X	X	Not applicable
Mr Comolli	X	X	X	X	X	X	
Mr Dangeard	X	X	X	X	X	X	
Mr Martin	X	X	X	X	X	X	
Mr Veverka	- (a)	X	X	X	X	X	(a) Mr Veverka is also an Independent Director on the board of Crédit Agricole S.A.

(1) Is not, and has not been in the last five years, an employee or corporate officer of the company, an employee or corporate officer of the parent company or of a company that consolidates the company
(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 whose activities consist significantly of business with the company or its group.

(4) Has no close family relationship with a corporate officer.
(5) Has not been an auditor of the company in the last five years.
(6) Has not been a director of the company for more than 12 years.
(7) a/ Directors representing major shareholders of the company or of the parent company may be considered independent if they do not take part in the control of the company. If the shareholder owns more than 10% of the capital or voting rights, the Board of Directors, based on a report by the Appointments Committee, shall systematically investigate the director's independence taking into account the company's ownership structure and the existence of a potential conflict of interest.
b/ The Board of Directors may take the view that a director who fulfils the criteria below should not be deemed independent because of his/her particular situation or that of the company, given the company's ownership structure or for any other reason. Conversely, the Board may take the view that a director who does not fulfil the criteria below is nevertheless independent.

Shares held by directors

Directors must own at least one share each in the company, in accordance with the provisions of the articles of association.

Operation of the Board of Directors

Calling Board meetings and frequency of Board meetings

The Articles of Association state that the Board shall meet whenever the interests of the Company so require and that meetings shall be called by the Chairman or by any person authorised to do so by the Board of Directors. If the Board has not met for more than two months, the Chairman may be asked by at least one third of the Board members to call a meeting in order to consider a predetermined agenda.

Powers of the Board of Directors

The powers of the Board, as defined in article L.225-35 of the French Commercial Code, are set out in the Board's internal rules, as follows: Under the duties given to it by law and taking into account the powers granted to the Executive Management, the Board of Directors defines the Company's strategies and general policies, and approves – on the basis of proposals by the Chief Executive Officer and/or the Deputy Chief Executive Officers, as applicable - the means, structures and plans designed to implement the strategies and general policies it has defined. It makes decisions on all matters concerning the governance of the Company referred to it by the Chairman and the Chief Executive Officer. In addition to the aforementioned powers and those conferred upon it by law, the Board of Directors takes decisions, on the basis of proposals by the Chief Executive Officer and/or any of the Deputy Chief Executive Officers:

- relating to transactions involving:
  - the creation, acquisition or sale of any subsidiaries or holdings;
  - the opening or closure of any branches abroad;
  - the acquisition, disposal, exchange or transfer of business assets
  - liable to result in an investment or divestment in excess of €50 million; or
- the provision of security to guarantee the Company's commitments (including those not relating to transactions on the financial markets), when the security concerns Company assets with a value of more than €50 million.

The Board also approves proposals by the Chief Executive Officer or Deputy Chief Executive Officers relating to the purchase or sale of real estate made in the name or on behalf of the Company, when the amount involved exceeds €30 million.

During 2009, the Board's Rules of Procedure were amended to comply with changes in the provisions of CRBF regulation 97-02, and with the various recommendations issued in this area. The regulation states that the Board of Directors makes decisions, *inter alia*, on the guidelines for variable compensation paid to employees of the Company and on the total amount of such bonuses awarded, after review by the Compensation Committee.

Referral, information and decision-making procedures

An internal directive describes these procedures and the conditions under which the Board operates.

The agenda for each Board meeting is drawn up by the Board Secretary fifteen days before the scheduled date of the meeting. The Board Secretary sends information to the Directors in a timely manner, so that they can make an informed and useful contribution to the meeting.

Head office departments or branches needing to refer matters to the Board or pass information on, in compliance with the predefined calendar of Board meetings, must inform the Secretary of the Board of Directors of the matters to be discussed, via the head of the relevant business line and in a timely manner.
Proposals that are essentially legal in nature, in view of the issues involved, their complexity or their innovative nature, or that concern:

- the calling of a general shareholders' meeting;
- a change to the composition of the Board of Directors or the Executive Management;
- an amendment to the Memorandum and Articles of Association or a change in the capital; or
- authorisations to operate as a credit institution or investment services provider

shall be submitted by the relevant departments and prepared in conjunction with the Group Legal Department before the meeting is held.

In accordance with articles L. 225-38 and seq. of the Code de Commerce, the Board of Directors:

- authorises "regulated" related-party agreements prior to their signature; the directors and managers concerned by the agreement do not take part in the voting; these agreements are the subject of a special report drawn up by the independent auditors and provided to shareholders in the annual shareholders' meeting;
- takes note of the nature and purpose of other "unregulated" agreements – material agreements concerning "day to day business operations entered into under normal conditions" – which are also sent to the statutory auditors and made available to shareholders in the shareholders' meeting.

Information relating to these agreements and to those entered into before 2009 that continued to have an effect in 2009, was sent to the statutory auditors, who will present their special report to the shareholders at the shareholders' meeting.

For all other Board activities and decisions that are:

- decisions that are essentially operational in nature;
- reports required by laws and regulations;
- memoranda prepared by the Board on specific issues or the implementation of strategies defined by the Board;

the departments concerned, after including these issues on the agenda of the Board meeting according to the aforementioned procedure, must send the related referral and information memos to the Corporate Secretary before the Board meeting, along with all required enclosures.

These memoranda must include among others:

- a brief description of the transaction;
- the amount at stake for the Company and the Group;
- the advantages and likely outcome within the framework of the Company or Group strategy;
- the timetable for decisions and action; and

- any legal or tax opinions that may have been requested from internal or external advisers.

They must also contain the wording of the proposed resolution.

In addition, a Director's Code of Conduct, containing by business ethics recommendations, has been circulated within the Crédit Agricole Group.

Assessment of the Board of Directors' performance

The Board of Directors met five times during 2009: on 20 January, 2 March, 13 May, 26 August and 10 November 2009, in accordance with the agreed timetable.

Prior to each meeting, documentation was sent to Directors as early as possible to ensure that they were properly informed. For almost all items on the agenda of board meetings, supporting documentation is distributed, if possible, several days before the meeting.

Meetings dealt mainly with the following subjects:

- annual, half-yearly and quarterly financial statements;
- the annual budget – the half-year financial report – the parent-company balance sheet - financial report/management report included in the shelf-registration document – the Chairman's report to the shareholders' meeting;
- reports on work done by the Audit Committee;
- main risk and exposure limits - risk situation at 30 June and 31 December - 2008 annual report on internal control and 2008 report by the person in charge of compliance for investment services - status reports on compliance - information on appointment of new persons in charge of internal control;
- status reports on the refocusing and development plan and, in this respect, follow-up on activities and business lines;
- presentation of letters from the supervisory authorities;
- delegations of powers, particularly as regards bond issues;
- approval of regulated agreements - the list of "unregulated" material agreements;
- amendments to the Board Rules of Procedure in the light of the new provisions of CRBF regulation 97-02 (specifying the role of the Board and the Board Committees).

As part of the Board's performance assessment, a document was sent to the Board at its January 2009 and November 2009 meetings setting out the main topics covered in Board meetings in 2008 and 2009, along with certain information relating to the Board's organisation.

Since the Company's share capital is more than 97%-owned by a majority shareholder, there was no formal assessment such as that recommended by the AFEP/MEDEF code, which recommends performing an assessment at least every three years. In 2010, the Board of Directors will follow corporate governance recommendations adopted within the Crédit Agricole Group.

In 2009, the attendance rate at Board meetings was over 95%.

Starting in the second half of 2009, the Executive Management proposed that members of the Board of Directors be invited to attend special presentations of the Company's business lines ("Business Line Monographs") so that they can learn more about these activities and how they are organised and meet key people in the business lines. The first such meetings involved presentations by the business line management teams of hedging and financing products developed by Fixed Income Markets, and of asset and trade financing activities carried out by Structured Finance.

These presentations offer a way for the directors to learn more about the Company, its special attributes, its business lines and business sectors.

Specific Committees

The Board of Directors, when preparing its internal rules in 2002, set up an Audit Committee and a Compensation Committee, and outlined their composition, operating procedures and duties in those internal rules.

The members of these committees are appointed by the Board of Directors in accordance with its Rules of Procedure. There is no committee for appointing corporate officers. Appointment proposals are examined directly by the Board of Directors as part of corporate governance discussions within Crédit Agricole Group entities.

Compensation Committee

October 2008 AFEP/MEDEF recommendations on executive compensation

In a press release dated November 2008, Crédit Agricole Corporate and Investment Bank stated that it would refer to these recommendations in preparing this Report.

Compensation principles and rules

The Compensation Committee is made up of four Board members:

- Georges Pauget, chairman, appointed on 17 January 2006;
- Pierre Bru, appointed on 16 November 2004;
- Didier Martin, independent director, appointed 4 September 2002;
- Frank Dangeard, Independent Director, appointed on 14 January 2010.

Since the start of 2006, the committee has been chaired by the Chairman of the Board of Directors, in his capacity as CEO of the majority shareholder. It now comprises four members, two of whom have the status of independent directors.
The Compensation Committee meets as and when required, and at the request of the Chairman of the Board of Directors.
The Committee met three times in 2009: on 20 January, 2 March and 5 November. It also held sessions on 12 January 2010 and 19 February 2010.

At its meeting of 23 February 2010, the Board of Directors appointed Jean-Paul Chifflet as the new Chairman of the Compensation Committee to replace Georges Pauget.

The role of the Compensation Committee is to make recommendations to the Board of Directors concerning the ordinary and special compensation paid to members of the Board and its Chairman, as specified in the Articles of Association, as well as fees, benefits in kind and other pecuniary benefits granted to the Chief Executive Officer and Deputy Chief Executive Officers. It is also responsible for the information in the management report relating to the compensation received by corporate officers.

Since May 2009, to comply with the provisions of CRBF regulation 97-02, the Compensation Committee has also been responsible for submitting to the Board of Directors its recommendations on the proposals of the Executive Management pertaining to the guidelines for compensation applicable to employees of the Company (composition, basis, form and date of payment) and the total amount of such compensation. The Compensation Committee is informed of the way in which this total amount is allocated to individuals whose compensation exceeds a limit set by the Executive Management.

Moreover, on the basis of proposals made by the Compensation Committee, the principles and rules governing executive compensation adopted by the Board of Directors are as follows:

Variable compensation of employees

The principles proposed by the Compensation Committee were reviewed at the Committee's meetings on 5 November 2009, 12 January 2010 and 19 February 2010. They were approved by the Board at its meetings on 10 November 2009, 14 January 2010 and 23 February 2010, in the light of the provisions of the decree published on 3 November 2009, of the Fédération Bancaire Française (FBF) professional standards of 5 November 2009, and of the recommendations of the FSA and the Fed.

As from 2009, variable compensation awarded to employees in respect of the financial year will be broken down into two parts:

- One part payable in cash in Year N+1;
- One conditional deferred part (contingent on meeting Crédit Agricole CIB performance criteria), with 50% payable in Year N+3 and the remaining 50% payable in Year N+4.

With respect to variable compensation payable to market operators, the terms and conditions of the compensation policy and the quantitative information requested will be detailed in the special report dedicated to this matter, to be issued subsequently.

Distribution of attendance fees paid to directors in 2009

Attendance fees are distributed among directors on the basis of their attendance at Board meetings and at Audit and Compensation Committee meetings, and a fixed sum is paid to the Chairman of the Board.
Attendance fees are set according to the following rules:

- the amount of attendance fees paid by the Company to Members of the Board of Directors is calculated according to their attendance at Board meetings (€3,000 per meeting);
- members of the Compensation Committee and the Audit Committee receive an annual fee for their participation in these Committees (€4,000 and €15,000 respectively);
- members of the Audit Committee receive an additional fee of €3,000 per person per meeting attended, with an annual limit of €15,000 per member;
- an annual fee of €20,000 is paid to the Chairman of the Board of Directors in consideration for holding this office.

Compensation of Executive Management

The compensation paid to Executive Management with respect to 2009 includes a fixed component and a variable component, as well as deferred variable compensation.

- The fixed component is determined with reference to market practices;
- The variable component is based on quantitative and/or qualitative criteria:
  - the quantitative criteria are tied to meeting Crédit Agricole CIB and CA S.A. earnings targets. These quantitative criteria may determine the majority of the variable component;
  - the qualitative criteria consist of criteria linked, *inter alia*, to efforts to foster compliance with rules of governance, procedures and professional conduct, the cross-company culture, quality of management and team management;
  - in 2009, the weight assigned to these criteria in determining variable compensation was changed from the weight assigned in 2008; it was approved by the Board of Directors at its meeting of 2 March 2009, on the recommendation of the Compensation Committee, following its meeting on the same date.

Compensation of Patrick Valroff, Chief Executive Officer

Mr Valroff supervises the Coverage & Investment Banking business line and the following support functions: Human Resources, Group Internal Audit, Global Compliance, Corporate Secretary (functions including internal compliance control, central secretariat and head office functions, strategy and sustainable development) and Communication.

- The fixed component of Mr Valroff's compensation is set with reference to market practice for CEO compensation.
- In 2009, the variable component was based on two sets of criteria:
  - quantitative criteria: assigned a weight of 60%
  - qualitative criteria: assigned a weight of 40%.

Compensation of Alain Massiera, Deputy CEO

Mr Massiera supervises the Structured Finance, Equity Brokerage & Derivatives and Fixed Income Markets business lines, along with some international operations.

- The fixed portion of Mr Massiera's compensation is set with reference to market practice for Deputy CEO compensation.
- In 2009, the variable component was based on two sets of criteria:
  - quantitative criteria: assigned a weight of 60%
  - qualitative criteria: assigned a weight of 40%.

Compensation of Jérôme Grivet, Deputy CEO

Mr Grivet supervises the Transaction & Commercial Banking and Distressed Assets departments and the following support functions: Risk and Permanent Control, Finance, Global IT & Operations, Legal, Credit Portfolio Management and Corporate Secretary.

- The fixed portion of Mr Massiera's compensation is set with reference to market practice for Deputy CEO compensation.
- In 2009, the variable component was based on two sets of criteria:
  - quantitative criteria: assigned a weight of 50%
  - qualitative criteria: assigned a weight of 50%.

Award of options to subscribe for or to purchase shares of Crédit Agricole Corporate and Investment Bank or Crédit Agricole S.A.

In 2009:

- no stock options were allotted to corporate officers of Crédit Agricole CIB;
- no performance shares were allotted to corporate officers of Crédit Agricole CIB.

Compensation due or potentially due as a result of termination or change of office:

In the event that Crédit Agricole CIB should terminate Mr Valroff's position as CEO before he has reached the age of 65, Mr Valroff will be entitled to severance pay, which is subject to the following conditions.
The severance pay will be based on a sum corresponding to twice the total annual gross compensation received with respect to the previous year.
The amount payable will be reduced by any severance pay that may be paid under statute or industry agreements in the event that Mr Valroff's employment contract is terminated in the two months following the termination of his corporate office.
Potential severance pay will fall on a straight-line basis from Mr. Valroff's 62nd birthday, with a one-third reduction on his 63rd birthday, a two-thirds reduction on his 64th birthday and a 100% reduction on his 65th birthday.
In accordance with applicable laws, the payment of this severance pay is subject to the performance conditions described below and relating to Crédit Agricole CIB's refocusing and development plan.
In the event that his term of office as CEO ends after 30 June 2009, Mr Valroff will lose the right to severance pay if Crédit Agricole CIB's cumulative net income, Group share between 1 January 2009 and the end of the quarter in which his term of office ends is 50% lower than the target set in the Crédit Agricole CIB refocusing and development plan as approved in the 9 September 2008 board meeting and relating to 2009, 2010 and 2011.

Crédit Agricole Corporate and Investment Bank loyalty programme

Under the Crédit Agricole CIB loyalty programme, corporate officers who are beneficiaries of this plan and who are employed by Crédit Agricole CIB or another Crédit Agricole Group company as of the payment date, will receive three bonuses payable in 2010, 2011 an 2012 respectively. This programme was not renewed for 2010.

Supplementary pension plans

Crédit Agricole CIB's corporate officers do not benefit from specific pension and provident plans related to their corporate offices within Crédit Agricole CIB.

- **CEO**

Crédit Agricole CIB has no supplementary pension liability to Patrick Valroff other than the group and mandatory pension and provident plans to which all staff are entitled.

- **Deputy CEOs**

In addition to collective and mandatory pension and provident plans, Jérôme Grivet and Alain Massiera still benefit from a defined-benefit supplementary pension plan for executives, to which they became entitled before they were first appointed as corporate officers.

At the time of payment, amounts paid under mandatory basic and complementary pension plans throughout their career, both within and outside Crédit Agricole CIB, are taken into account. The total annuity received under mandatory, complementary and supplementary collective pension plans may not exceed 50% of the base salary.

- Jérôme Grivet:

  Rights arising from this differential plan do not accrue until the beneficiary ends his career with the Crédit Agricole CIB Group, and are expressed as a percentage of a base salary, which is the average of his five highest annual fixed salaries;

- Alain Massiera:

  Rights arising from this differential plan do not accrue until the beneficiary ends his career with the Crédit Agricole CIB Group, and are expressed as a percentage of a base salary, which is the average of his last three annual fixed salaries plus the average gross bonus paid in the last 36 months, with the average bonus being limited to half of the most recent fixed salary. The base salary is limited to the upper end of Tranche D, i.e. 16 times the annual social security limit.

These undertakings are borne by Crédit Agricole CIB.

- **Chairman of the Board of Directors**

As a corporate officer of Crédit Agricole S.A. and Crédit Agricole CIB, Georges Pauget, Chairman of the Board of Directors of Crédit Agricole CIB until 23 February 2010, does not benefit from specific pension or provident plans or severance pay related to his corporate office.

In addition to collective and mandatory pension and provident plans, he is covered by a supplementary defined-benefit pension plan for executives of the Crédit Agricole Group, to which he became entitled before he was first appointed as a corporate officer.

Rights arising from this differential plan do not accrue until the beneficiary ends his career within the Crédit Agricole Group. From the age of 60, these rights may be up to 70% of average overall compensation (fixed and variable) in the previous three years. The guaranteed amount is capped and, at the time of payment, account is taken of amounts paid with respect to mandatory basic and complementary pension plans throughout Mr Pauget's career both within and outside Crédit Agricole.

This undertaking is not borne by Crédit Agricole CIB.

With respect to his salaried functions before he was appointed as a corporate officer of Crédit Agricole S.A. and Crédit Agricole CIB, Mr Pauget benefits from a collective insurance policy that will deliver a retirement bonus, which he wanted to retain. The total amount of payments into this policy by successive Crédit Agricole Group employers, in the name of each beneficiary, may not exceed six months of fixed and variable compensation. Contributions are repaid in full to the person concerned, plus the financial return arising from the investment of the funds, provided that the person works for the Crédit Agricole Group on the day that his/her statutory pension plan rights are calculated.

This arrangement ended on 31 December 2008. Crédit Agricole S.A. did not make any supplementary payment under the terms of this agreement.

This undertaking is not borne by Crédit Agricole CIB.

At its meeting of 23 February 2010, the Board of Directors of Crédit Agricole S.A. CIB formally noted Mr Pauget's resignation as Chairman of the Board. Mr Georges Pauget has requested that he be eligible for his pension benefits as of 1 April 2010. The total annuity payment that he will receive is estimated at €796,260. This undertaking is borne by Crédit Agricole S.A.

As from 23 February 2010, Mr Chifflet, Chairman of the Board of Directors of Crédit Agricole CIB, had no employment agreement with any entity of the Crédit Agricole S.A. Group; however, he is the beneficiary of undertakings approved by Crédit Agricole S.A.:

- Severance pay in the event that his office is terminated by Crédit Agricole S.A. due to a change in control or in strategy. Severance pay will be subject to meeting certain performance criteria, as follows:
  - the severance pay will be based on a sum corresponding to twice the total annual gross compensation received during the calendar year preceding the year in which the office was terminated. Potential severance pay will fall on a straight line basis, with a one-fifth reduction for each full year as from 1 January 2010;
  - The performance-based criteria shall be the budget criteria tied to the performance of the Crédit Agricole S.A. Group, which factor in the organic growth of business activities as well as the cost of risk, that is:
    - net banking income of the operational business lines (excluding Corporate centre),
    - operating income for the operational business lines (excluding Corporate centre);
  - In the event that a severance payment is effectively made, Mr Chifflet shall not be entitled to receive his pension benefits before twelve months.

  It is specified that any such severance payment includes all other benefits, and more specifically, the benefit arising in connection with any application of the non-compete clause;

- Non-compete clause: Upon termination of Mr Chifflet's term of office, regardless of the reason, the Company may request that, as from that date, he refrain from directly or indirectly engaging in an activity on behalf of an entity that is a competitor of Crédit Agricole S.A., whether in the capacity of volunteer, employee, corporate officer or independent. This undertaking is confined to the banking sector and shall apply for a period of one year after the end of his term of office;

- Pension: Mr Chifflet will make contributions to the pension, provident and mutual insurance plans in effect within the Company. Supplementary pension plans include a combination of a defined contribution plan and a defined benefit plan, which is a top-up type scheme. Benefits accruing under the top-up scheme are determined after deduction of the annuity built up under the defined contribution plan. Contributions to the defined contribution plan amount to 8% of gross salary, capped at eight times the Social Security ceiling, with the beneficiary contributing 3%. Benefits under the top-up defined benefit plan are equal, subject to the beneficiary's presence until the end of the term, for each year of service, to 1.2% of fixed compensation plus variable compensation (capped at 60% of fixed compensation). On the date on which benefits become payable, the total pension annuity arising from these schemes and from the mandatory pension schemes will be capped at twenty-three times the annual Social Security ceiling as of that date.

These undertakings are not borne by Crédit Agricole Corporate and Investment Bank

Additional information

Details on all components of compensation paid to Crédit Agricole CIB corporate officers are provided in this "Governance and Internal Control" chapter, on pages 38 to 42.

Audit Committee

The Board of Directors' Rules of Procedure state that the Audit Committee shall consist of at least four people, appointed by the Board of Directors from among the voting and non-voting directors, for their full term of office, and shall contain at least two members who have no other ties to the Credit Agricole Group.

At 31 December 2009, the Audit Committee consisted of seven members:

- Henri Moulard, non-voting director, member of the Committee since November 2003, appointed Committee Chairman on 1 April 2004, member with no other ties to the Crédit Agricole Group;
- Edmond Alphandéry, Independent Director, and Philippe Geslin, appointed in September 2002;
- Bernard Lolliot, appointed in March 2006;
- Jean-Frédéric de Leusse and Jean Philippe, appointed on 14 May 2008;
- François Veverka, Independent Director, appointed on 13 May 2009.

Pursuant to Board rules, the Committee meets as often as is necessary, and at least once every six months. Meetings shall be called by the Committee Chairman or by the Chairman of the Board of Directors.

The role of the Audit Committee as defined in the Rules of Procedure was clarified in 2009 in the light of changes in the relevant provisions of CRBF Regulation 97-02, *inter alia*.

The Audit Committee has the task of examining and monitoring the internal control and risk management system, to monitor any event of fraud, or any other event whether or not detected by internal control procedures in accordance with the criteria and significance thresholds defined by the Board, to monitor the work done by the statutory auditors and internal control teams, to monitor the process for preparing financial information, to assess the relevance of accounting information, to examine drafts of annual and half-year parent-company and consolidated financial statements, to advise on the renewal or appointment of the statutory auditors and to examine any questions of a financial or accounting nature referred to it by the Chairman or the CEO. It can make recommendations on these matters and can also instruct the Chief Executive Officer to organise internal or independent audits, after informing the Chairman of the Board of Directors. The Chairman of the Audit Committee has the task of presenting summaries of the Committee's work to the Board of Directors.

The Audit Committee met six times in 2009. The attendance rate at Audit committee meetings was approximately 85% in 2009. The Committee examined the annual, half-year and quarterly consolidated financial statements before presenting them to the Board.

The following items were also included in the Committee's agenda:

- 2009 budget;
- presentation of business activities, and of discontinuing operations under the refocusing and development plan.

The operating procedures of the internal control and risk management system were discussed on a regular basis, involving:

- discussions of periodic control and summary reporting duties;
- compliance reviews;
- risk situation (at June 30 and December 31) - risk management, liquidity – determination of significance thresholds in compliance with CRBF regulation 97-02;
- half-yearly internal control reporting.

The Committee also examined reports relating to 2008: the report on internal control, and the report on risk measurement and supervision presented to the Commission Bancaire.

The Committee heard reports by the statutory auditors whenever they examined financial statements. It met with Executive Management, the Chief Financial Officer and the Deputy CFO, along with various persons in charge of internal control (periodic control, risk and permanent control and compliance).

Mr Moulard, Audit Committee Chairman, met twice with a member of the Board, eight times with a member of the Executive Committee and/or Executive Management, three times with the statutory auditors and twice with the Head of Internal Audit. He also read forty-six summaries of Internal Audit reports and five summaries of Banking Commission audit reports.

A presentation of the Audit Committee's work was made by the Committee's chairman at each Board meeting. The Committee's operating procedures and composition are governed by the Board of Directors' rules of procedure. The Audit Committee may refer issues relating to its composition, operating procedures and organisation to the Board of Directors at any time. The Committee consists mainly of members with accounting, financial and banking expertise. The number of committee members was increased from six to seven in 2009.

Limitations placed on the powers of the Chief Executive Officer by the Board of Directors

The Board rules stipulate that in the performance of his duties the Chief Executive Officer is required to comply with the internal control rules that apply within the Crédit Agricole Group, the strategies defined and the decisions taken, as well as the powers conferred by the law or by Board rules to the Board of Directors or the shareholders' meeting. They also stipulate that the Chief Executive Officer is required to refer "all significant transactions concerning the Company's strategic decisions or that may affect or alter its financial structure or scope of activity" to the Board of Directors, requesting instructions. In addition, as mentioned in the "Powers of the Board of Directors" section on page 21, as a purely internal limitation that is not binding on third parties, the Chief Executive Officer is required to obtain prior authorisation from the Board of Directors or its Chairman before entering into certain types of transactions.

Attendance at the shareholders' meeting

The arrangements for attending shareholders' meetings are set out in section V of the Company's articles of association. The composition, operating procedures and main powers of the shareholders' meeting, the description of shareholders' rights and the arrangements for exercising these rights are set out in "Article 19 - Composition and Nature of Meetings", "Article 20 - Meetings", "Article 21 - Ordinary Shareholders' Meeting" and "Article 22 - Extraordinary Shareholders' Meeting".

SECTION V – Shareholders' meetings

Article 19 – Composition and Nature of Meetings

Shareholders' meetings may be attended by all shareholders, regardless of the number of shares they own.

Duly constituted shareholders' meetings represent all shareholders.

Decisions taken in shareholders' meetings in accordance with laws and regulations in force are binding on all shareholders.

A shareholders' meeting is deemed extraordinary if any decisions relate to a change in the articles of association. All other meetings are deemed ordinary.

Special shareholders' meetings convene holders of a particular category of shares, if any such category exists, to make decisions about any changes in the rights of such shares.

These special shareholders' meetings are convened and take decisions according to the same conditions as extraordinary shareholders' meetings.

Article 20 – Meetings

Meetings are convened in accordance with laws and regulations in force.

Meetings take place at the head office or in any other location specified in the notice of meeting.

The shareholders' meeting is chaired by the Chairman of the Board of Directors or, in his absence, by a Vice-Chairman of the Board of Directors or by a Director designated by the Chairman of the Board of Directors for this purpose. If no such person is available, the persons present shall themselves elect a chairman for that meeting.

The agenda shall be determined by the person convening the meeting. The agenda shall only contain proposals made by the person convening the meeting or by shareholders.

Each member of the ordinary or extraordinary shareholders' meeting shall have a number of votes proportional to the portion of the share capital corresponding to the shares that he/she owns or represents, provided that those shares are not deprived of voting rights.

The Board of Directors may decide to treat as present, for the purpose of calculating the quorum and majority, shareholders taking part in the meeting by videoconferencing or a medium that enables them to be identified, the type and terms of use of which are compliant with regulations in force.

Article 21 – Ordinary Shareholders' Meeting

The Ordinary Shareholders' Meeting takes decisions according to the quorum and majority conditions determined by laws and regulations in force.

Shareholders are invited to attend an ordinary shareholders' meeting every year.

The ordinary shareholders' meeting takes note of the reports by the Board of Directors and the Statutory Auditors.

It discusses, approves or adjusts the parent-company financial statements and, if applicable, the consolidated financial statements, and determines the appropriation of income for the year.

It appoints the Statutory Auditors.

It discusses all other proposals on the agenda that do not fall under the remit of the extraordinary shareholders' meeting.

Other ordinary shareholders' meetings may be held in addition to the annual meeting.

Article 22 – Extraordinary Shareholders' Meeting

The extraordinary shareholders' meeting takes decisions according to the quorum and majority conditions determined by laws and regulations in force.

The extraordinary shareholders' meeting may make any changes to the articles of association."

Capital structure

At 31 December 2009, the Company's share capital consisted of 224,277,957 ordinary shares with a par value of €27 each, giving share capital of €6,055,504,839, following a capital increase for cash on 28 January 2009. The shares are more than 97%-owned by Crédit Agricole S.A. and more than 99%-owned by the Crédit Agricole Group.

The Company's shares have not been offered to the public and are not listed for trading on a regulated market.

Internal control and risk management procedures

Definition of the internal control system

Within the Credit Agricole Group, the internal control system is defined as all procedures aimed at controlling activities and risks of all kinds and enabling transactions to be carried out properly, securely, and efficiently, in accordance with texts referred to below. Crédit Agricole CIB, which is a wholly owned subsidiary of the Credit Agricole Group, complies with the rules laid down in French and international regulations and with the rules and regulations set by its parent company.

The internal control system and procedures can therefore be classified by their purpose:

- application of instructions and guidance given by the Executive Management; a financial performance objective, to ensure effective and proper use of Group assets and resources and protection against the risk of loss;
- access to exhaustive, accurate and timely information for decision-making and risk management purposes,
- a compliance objective, in respect of internal and external rules;
- prevention and detection of fraud and errors,
- an objective to compile accurate and exhaustive accounting records and prepare reliable and timely accounts and financial statements.

However, this system and these procedures have limits, relating in particular to technical problems and staff shortcomings.

Under the systems implemented within this standardised framework, certain resources, tools and reporting documents are made available to the Board, to Executive Management and to other managers so that they can assess the quality of the internal control systems.

Reference documents relating to internal control

Laws and regulations

The internal control procedures implemented by Crédit Agricole CIB comply with the laws and regulations governing French credit institutions and investment companies, and namely with:

- the French Monetary and Financial Code;
- regulation 97-02 as amended, issued by the French Banking and Financial Regulatory Committee (CRBF);
- all texts relating to the conduct of banking and financial activities (collated by the Banque de France and the CRBF);
- the Autorité des Marchés Financiers' General Regulation.

The Company's internal control system also takes into account the following international reference documents:

- the Basel Committee's recommendations
- the applicable laws and regulations in the countries in which the Group operates

Main internal reference documents

The main internal reference documents are:

- Procedural Memo 2006-11 on "the organisation of internal control within the Crédit Agricole S.A. Group";
- Procedural Memos dealing with the Crédit Agricole S.A. Group's risk management and permanent controls;
- documents circulated by Crédit Agricole S.A., relating to subjects including accounting (Crédit Agricole chart of accounts), financial management, and risk management and permanent controls;
- the Crédit Agricole Group's Code of Conduct;
- Directive 3.3.1 of 27 March 2007 on the organisation of internal control in the Crédit Agricole CIB Group;
- the Crédit Agricole CIB compliance manuals;
- a set of procedures (intranet database of governance texts, maintained by the Company's office of the Corporate Secretary) relating in particular to compliance and risk management and permanent controls;
- procedures implemented by the various departments of Crédit Agricole CIB, its subsidiaries and its branches.

Organisation of the internal control system

Basic principles

The organisational principles and components of Crédit Agricole CIB's internal control systems, which are common to all Crédit Agricole Group entities, are as follows:

- reporting to the decision-making body (risk strategies, limits, internal control activities and results);
- the direct involvement of the executive body in the organisation and operation of the internal control system;
- complete coverage of activities and risks;
- responsibility of all persons involved;
- clear definition of tasks;
- separation of commitment and control functions;
- formal and up-to-date delegations of powers;
- formal and up-to-date standards and procedures, especially for accounting and information processing;
- systems for measuring risks and performance;
- systems for monitoring and controlling risk;
- a control system that includes permanent controls performed by operating units or dedicated staff, and periodic controls (Group Internal Audit, Audit).

The internal control system is also designed to ensure that the compensation policy is consistent with risk management and control objectives, particularly with regard to market operators.

- At the beginning of 2009, the Bank initiated a project to review the conditions of the existing system, concurrently with cross-industry work. In keeping with the recommendations of the Fédération Bancaire Française and the Board of Directors' Rules of Procedure, the Bank created the Global Compensation Review Governance Committee, which is chaired by the Chief Executive Officer. Its members include the Deputy Chief Executive Officers and the Heads of the Risk and Permanent Control, Human Resources and Global Compliance departments. Its role is to insure that proposals submitted to the Compensation Committee are consistent with the principles of the compensation policy (circular sent out in September).

The internal control system is also designed to ensure that the corrective measures adopted are applied within a reasonable time.

Oversight of the system

In order to ensure that the internal control system is consistent and efficient and that the above-mentioned principles are applied by all entities within the scope of Crédit Agricole CIB's internal control system, three separate persons responsible for Periodic Control (Audit-Inspection), Permanent Risk Control and Compliance Control have been appointed.

The Internal Control Committee, chaired by the Chief Executive Officer, is responsible for:

- reviewing internal control procedures and the control system implemented;
- examining the main risks to which Crédit Agricole CIB is exposed and any changes in risk measurement systems;
- deciding on remedial measures to be taken to address weaknesses identified during audits, either in internal control reports or as a result of problems that have occurred;
- monitoring the fulfilment of commitments made following internal and external audits;
- taking any decisions necessary to make up for weaknesses in internal control.

Its members are Credit Agricole S.A.'s Head of Group Internal Audit, Crédit Agricole CIB's Head of Audit, the Corporate Secretary, the Chief Financial Officer, the Chief Risk and Permanent Controls Officer, the Head of Permanent Controls, the Chief Compliance Officer, the Head of Fraud Prevention, the Chief Legal Officer and, depending on the matters under discussion, the heads of other Bank units.

The Committee met four times in 2009.

Local internal control committees have also been set up in several subsidiaries and branches, both in France and abroad.

Role of the supervisory body: Board of Directors

The Board of Directors is kept informed of the organisation, activities and results of internal control and of the main risks faced by the Bank. It approves the general organisation of the bank and of its internal control system. In addition to regular information updates on global risk limits and exposures, the following reports with respect to 2009 will be submitted to the Audit Committee at its April 2010 meetings and to the Board at its May 2010 meeting:

- a report on the conditions under which internal control is carried out;
- a report on risk measurement and monitoring;
- a report by the person in charge of compliance for investment services on the organisation of this function, its duties and responsibilities, any observations and the measures adopted.

The Board is also informed of any significant event of fraud, or any other event whether or not detected by internal control procedures, in accordance with the criteria and thresholds that it has determined.

The Audit Committee's responsibilities are to examine and monitor the internal control and risk management system and to familiarise itself with the work performed by the heads of the Internal Control functions (see paragraph entitled "Audit Committee" on page 26) and to monitor any event of fraud, or any other event whether or not detected by internal control procedures, in accordance with the applicable criteria and significance thresholds.

Role of the executive body: Executive Management

The executive body is directly involved in the organisation and operation of the internal control system. It ensures that risk strategies and limits are compatible with the Company's financial situation (level of shareholders' equity, results) and the strategies defined by the governing body.

- It defines the Company's general organisation and ensures that it is implemented in an efficient way and by competent individuals.
- It clearly assigns roles and responsibilities in the area of internal control and allocates the appropriate resources to the system.
- It verifies that risk identification and measurement procedures appropriate to the Company's activities and organisation are adopted.
- It also verifies that it regularly receives the key information produced by these systems.
- It ensures that the internal control system is continuously monitored, to verify its suitability and effectiveness.

The Executive Management is informed of the main problems identified by internal control procedures and the remedial measures proposed by the Internal Control Committee, *inter alia*.

Furthermore, a Global Compensation Review Governance Committee has been set up to ensure that the principles defined by FBF professional standards are taken into account in employee compensation proposals submitted to the decision-making body and to the Compensation Committee.

Scope and global organisation of Crédit Agricole CIB's internal control systems

In accordance with the principles applied within the Group, Crédit Agricole CIB's internal control system applies to its branches and subsidiaries in France and other countries, irrespective of whether they are under its sole control or joint control. The system is intended to govern and control activities, and to measure and monitor risks on a consolidated basis.

Each entity within the Crédit Agricole CIB Group applies this principle to its own subsidiaries, thus creating a pyramidal internal control structure and reinforcing consistency between different Group entities.

In this way, Crédit Agricole CIB ensures that it has an adequate system within each of its risk-bearing subsidiaries, and that activities, risks and controls are identified and monitored on a consolidated basis within these subsidiaries, particularly as regards accounting and financial information.

Brief description of internal control and risk management procedures implemented within the Company

Detailed information on credit, market, operational and liquidity risk management is provided in the Management Report and the documents appended to the financial statements.

The internal control system is based on three levels of controls, which distinguish permanent control from periodic control.

Permanent control is carried out as follows:

- first-degree permanent controls are carried out when a transaction is initiated and while the transaction is being validated. They are carried out by the operators themselves, by the hierarchy within the unit or by automated transaction processing systems;
- second-degree, first-level permanent controls are carried out by staff who are separate from those that initiated the transactions and who may perform operational activities;
- second-degree, second-level permanent controls are carried out by staff working exclusively at the final level of specialist permanent control with no authorisation to make commitments involving the taking of risk (credit or market risk control, accounting control, compliance control etc.);
- periodic (third-degree) controls cover occasional onsite audits of accounting records relating to all of the company's activities and functions by Group Internal Audit.

First-degree controls

First-degree controls are carried out by each employee on the transactions he/she handles, by referring to the applicable procedures. They apply to front-office units operating within following business lines: Coverage & Investment Banking, Structured Finance, Equity Brokerage and Derivatives, Fixed Income Markets, Transaction & Commercial Banking, Distressed Assets and International Private Banking. The controls essentially consist of operational checks by operators or account executives on their positions and limits.

They also apply within support functions

At the local level, the head of the entity is responsible for first-degree controls, while the head of the business line is responsible at central level.

Operating staff are therefore expected to remain vigilant at all times with regard to the transactions they handle. This should take the form of compliance with all procedures introduced to ensure the procedural compliance, security, validity and completeness of transactions. Each line manager must check, for the activities for which he/she has responsibility, that his/her staff are aware of and comply with the rules and internal procedures for processing transactions.

Second-degree - first-level controls

As well as having responsibility for the administrative processing of all transactions, back offices perform checks on the activities of the front offices during the recording and execution of transactions, namely by comparing data in front-office databases with back-office data and information provided by the counterparties.

These controls are coordinated locally by the entity's head, via the Chief Operating Officer or the officer responsible for administration or finance.

Second-degree, second-level controls

These controls are carried centrally out by specialised units:

Risk Management and Permanent Controls division

The Risk and Permanent Control division (RPC) is responsible for supervising risks within Crédit Agricole CIB.

The purpose of this division is to control credit risks, country risks, market risks, and operational and accounting risks. However, structural financial risks are managed by the finance department.

To control these risks, it oversees the Group's commercial development in order to minimise risk-related costs relating to the activities of the different business lines, entities or units.

The RPC is also in charge of monitoring the risk management and permanent control system, defined above, for the whole of Crédit Agricole CIB.

The risk management and permanent control organisation within Crédit Agricole CIB forms part of the risk and permanent control function set up within the Crédit Agricole S.A. Group.

Crédit Agricole CIB holds certain powers in managing its risks. Any cases outside the scope of its powers, as well as certain significant risk strategies, are validated by the Group Risk Management Committee.

Within Crédit Agricole CIB, RPC is organised as an independent global business line. It combines all head office risk functions and activities, as well as local and regional officers in the international network. At 31 December 2009, RPC had a worldwide staff of 869 (full-time equivalents).

Crédit Agricole CIB's Head of Risk and permanent controls reports hierarchically to the Crédit Agricole S.A. Group's Head of Risk and permanent controls and functionally to Crédit Agricole CIB's Executive Management. It is part of the bank's executive committee (Comex). The Head of Risk and permanent control is also responsible for Permanent Control within the meaning of CRBF regulation 97-02 as amended.

Corporate governance is structured primarily around the following bodies:

- a Strategic Risk Management Committee, which enhances risk supervision and supplements the governance system (setting the broad approach to risk to be applied to the commercial policy, along with major risk budgets and the main methods used),
- a Strategy and Portfolio Committee, which sets the broad commercial/risk approach, along with risk budgets for each business line and unit,
- a Counterparty Risk Committee, which decides on individual risks;
- a Market Risk Committee, which defines applicable limits and supervises positions taken;
- a Sensitive Cases Committee, which decides on the classification of sensitive cases and doubtful customers, and proposes reserves that are validated by Executive Management;
- an umbrella Permanent Control Committee, which approves missions assigned to Permanent Control, examines permanent control systems at the business lines and branches, and reviews any cross-company matters.

In addition, RPC is a standing member of Crédit Agricole CIB's NAP (New Activities and Products) Committee, of the business lines' and entities' committees, and of the Compliance Management Committee.

Crédit Agricole CIB has a set of procedures that determines risk monitoring, risk control and permanent control arrangements. The set of procedures was updated in 2009 to improve risk measurement and supervision.

Risk master plan

The risk master plan was launched in late 2007 to address the need to adopt a view of the medium- to long-term trends in risk management. The aim is to accelerate improvements and to ensure consistency among the main areas for improvement, enabling Crédit Agricole CIB to assess its risks more quickly and with greater precision while taking into account the strategic decisions of Crédit Agricole CIB's Refocusing and Development plan.

It covers three broad areas: organisational aspects that need to be adjusted, processes that need to be streamlined and IT systems that need to be speeded up or introduced. It deals with the major types of risks: counterparty risk (including on capital markets transactions), market risks and operational risks. It covers related projects whose risk-management aspects are dependent on the plan.

The master plan is managed by Risk and Permanent Control in project mode. It encompasses some twenty projects and programmes covering about one hundred projects. Governance is provided by a steering committee that meets monthly and is chaired by a member of Executive Management.

The initial results are on track with the targets defined at the outset: to increase cross-functionality of the Risk Management Division, to enhance its ability to assess and manage counterparty risks on capital market transactions, to strengthen the market risk management and monitoring system and to streamline the loan-granting process across the corporate scope. Goals that are being finalised include fraud prevention measures and the build-up of permanent control.

The objectives by the end of 2010 and for 2011 are to continue efforts initiated to meet regulatory requirements (Basel II, calculation of regulatory capital for market risks) and continued improvement in the reliability of tools for granting loans.

Counterparty risks

Any counterparty or group of counterparties is subject to limitations within the framework of specific procedures.

The decision-making process requires two authorised front-office signatures (one relating to analysis of commitments, the other being that of the Chairman of the relevant Committee), as well as the independent opinion of the RPC.

If the RPC's opinion is negative, the decision-making power is passed on to the Chairman of the Committee immediately above.

Credit decisions are subject to risk strategies that set the main guidelines (target customer base, types of approved products, total budgets and expected unit values etc.), which each geographical unit or business line must apply to its activities.

When a case is considered to be outside the framework of the risk strategy in force, intermediary authorisations do not apply and a decision can only be made by the Executive Management-level committee (CRC).

The RPC also identifies, as soon as possible, assets that may deteriorate and initiates the most suitable measures to protect the Bank's interests.

The process for monitoring receivables is enhanced by a system of portfolio and sub-portfolio analyses on group-wide business line, geographical or sector basis. Analysing concentrations and, if applicable, recommendations for the reorganisation of the portfolio are an integral part of this exercise.

In addition, portfolio reviews are organised periodically for each profit centre in order to verify that the portfolio complies with the risk strategy in force. The rating of certain counterparties under review may be adjusted at this time.

Sensitive cases and major risks are monitored every quarter. Other risks are reviewed on an annual basis.

The adequacy of the level of reserves in relation to risk is assessed every quarter by the Executive Management, on the recommendation of the RPC.

This approach also involves stress tests, aimed at assessing the impact of unfavourable macroeconomic assumptions and quantifying the risks to which the bank may be exposed in an unfavourable climate.

Country risks

Country risks are subject to an assessment and monitoring system based on a specific rating methodology. Country ratings are updated quarterly. Annually reviewed limits are applied to each country whose rating is lower than the threshold set by procedures.

Market risk

Upstream market risk management takes place through several committees that assess risks associated with activities, products and strategies before they are introduced or implemented:

- the New Activity and New Product Committees, organised by the business lines' permanent control function, pre-approve business developments for the Market Risk teams;
- the Market Risk committee co-ordinates the whole market risk management system and approves market risk limitations;
- the Pricer Validation Committee approves the new models used for capital market products before they come into use.

Risk management is carried out using a variety of risk measurements:

- global measurements using Value at Risk (VaR) or stress scenarios; VaR measurements are drawn up with a 1% probability of occurring in any one day; stress scenario measurements include global stress (historical, hypothetical and adverse) and specific stress for each activity;
- specific measurements using sensitivity indicators, measurements of notional amounts and stop-loss limits.

Lastly, the Valuations and Pricing Committees define and monitor the application of portfolio valuation rules for each product range.

Operational risk

Operational risk management relies mainly on a network of Permanent Control correspondents co-coordinated by the RPC.

Operational risks are monitored for each business line and each region, which ensures the reporting of losses and incidents, as well as their analysis by Internal Control Committees.

Each quarter, the RPC produces an operational risk scorecard showing movements in operational risk-related costs and associated key events.

Remedial action following significant incidents is monitored closely, in conjunction with business lines and support functions.

The operational risk map covering all business lines at head office, the international network and subsidiaries is revised every year. Together with the compliance and legal functions, the RPC takes into account non-compliance risks and legal risks.

Outsourced Essential Services

The outsourcing policy is governed by a directive published in January 2008, which was supplemented in 2009 by an Implementation Note on the formal documentation of the Outsourced Essential Services control system. The system provides for reporting on the quality of services and the compliance of contracts, *inter alia*.

Basel II system

As part of the Basel II project, which was initiated in 2004 to implement regulatory reforms, Crédit Agricole CIB received authorisation from the Commission Bancaire in late 2007 to use its internal credit risk rating system, along with the advanced approach for measuring operational risk, when calculating its regulatory capital requirements.

Crédit Agricole CIB's internal rating system has a 15-notch system for rating credit risk, along with methods appropriate to each major class of counterparty. All of these arrangements have been presented to and validated by Crédit Agricole S.A.'s standards and methodology committee. A data quality committee supervises the data used for loans approval and rating purposes.

In 2008, Crédit Agricole CIB adopted these methods into its day-to-day operations, with an organisation that ensures that the Basel II system operates correctly and is constantly improved.

Finance Division: internal control of accounting and financial information

Roles and responsibilities relating to the preparation and processing of accounting and financial information

Within the Accounting and Finance Division, Group Financial Control is responsible for preparing Crédit Agricole CIB's parent-company and consolidated financial statements and for sending to Crédit Agricole S.A. the information needed to prepare the Crédit Agricole Group's consolidated financial statements. The Finance Divisions of consolidated entities are also responsible for preparing their financial statements and sending them to Group Financial Control.

In accordance with Group recommendations regarding permanent controls, Crédit Agricole CIB puts in place the resources to ensure that accounting and management information transmitted to the Group for consolidation purposes is reliable. More specifically, it must ensure that data conform to accounting standards and are consistent with the individual accounts approved by its decision-making body, and is responsible for reconciling accounting and management data.

Final-level permanent controls on accounting and financial information is carried out by a dedicated team that reports functionally to Crédit Agricole CIB's Head of Permanent Controls and up the line to the Chief Financial Officer.

A directive relating to the organisation of permanent accounting and financial controls, adopted in August 2008, defines the scope of permanent accounting and financial controls and the permanent control system adopted at Group level and within the entities.

Procedures for the preparation and processing of financial information

Most financial information published by Crédit Agricole CIB is based on accounting data and on management data.

Accounting data

Crédit Agricole CIB prepares parent-company and consolidated financial statements using the Crédit Agricole Group's accounting standards, which are circulated by Crédit Agricole S.A.'s Accounting and Consolidation department. The accounting treatment of complex instruments and transactions undergoes prior analysis by the Accounting Standards unit of Crédit Agricole CIB's Finance Department. Each Crédit Agricole CIB Group entity produces a consolidation package, which feeds into the accounting consolidation system. The accounting consolidation system is common to the Crédit Agricole Group, and is owned by Crédit Agricole S.A. Instructions are disseminated by Group Financial Control to entities' finance divisions, specifying the type of information to be collected, particularly with a view to preparing the notes to the consolidated financial statements.

In 2009, Crédit Agricole CIB worked on initiatives to organise and adjust IT systems as part of the project to speed up the publication of consolidated financial reporting by the Crédit Agricole Group. This included automating a number of processes, enhancing data reporting tools and improving coordination between the Risk Management and Finance departments. The principles and implementation stages for an international accounting platform were also defined.

Management data

Each entity reconciles the main items of its management results with the intermediate income statement balances produced from accounting data. Group Financial Control checks that the sum of business-line results equals the sum of entity results, which must in turn be equal to the Crédit Agricole CIB Group's consolidated results. This check is made easier by the fact that the analytical unit (profit centre) is integrated within the entities' accounting information system. Management data are prepared using calculation methods that ensure they are comparable over time

When published data are not extracted directly from accounting information, the sources and definition of calculation methods are generally mentioned to facilitate understanding.

The management data published by Crédit Agricole CIB are subject to permanent controls (primarily those arising from the application of IFRS 7) that ensure the quality of their reconciliation with accounting data, their compliance with management standards set by the executive body and the reliability of management information calculations.

Description of the permanent accounting control system

Permanent accounting controls are intended to provide adequate protection against the major accounting risks that may damage the quality of accounting and financial information, presented below:

- compliance of data with laws, regulations and Crédit Agricole Group standards;
- reliability and accuracy of data, allowing a true and fair view of the results and financial position of Crédit Agricole CIB and entities within its scope of consolidation;
- security of data preparation and processing methods, limiting operational risks with respect to Crédit Agricole CIB's commitments regarding published information;
- prevention of fraud and accounting irregularities.

To meet these objectives, Crédit Agricole CIB implemented general recommendations for performing permanent controls on accounting and financial reporting. A specific action plan to reinforce permanent accounting controls was defined and submitted to the governance bodies. In 2009, implementation of this plan entailed mapping of Crédit Agricole CIB Paris' accounting risks. Other major work included updating operational risk mapping to cover risks of fraud, deploying the accounting control plan within the Finance Department, and the production of indicators by the main entities.

Final-level accounting control is based on the assessment of risks and controls relating to accounting processes managed by operational departments:

- first-degree accounting controls performed by decentralised accounting centres, reporting to divisions/business lines,
- second-degree, first-level controls performed by the Accounting and Finance Division.

This assessment is designed to enable Crédit Agricole CIB's Head of Permanent Control to define a control plan and any remedial measures needed to strengthen, as necessary, the system for preparing and processing accounting and financial information.

Permanent control reporting documents cover the progress of work on permanent accounting controls and assessments on the permanent accounting control system within the entity.

Relations with the statutory auditors

In accordance with French professional standards, the Statutory Auditors perform procedures they deem appropriate on published financial and accounting information:

- audit of the individual accounts and consolidated accounts;
- partial audit of half-year consolidated financial statements;
- review of all published financial information

As part of their statutory assignment, the Statutory Auditors submit the conclusions of their work to Crédit Agricole CIB's Board of Directors.

The Information Security and Continuity division

The Information Security and Continuity (ISEC) division handles IT security and business continuity issues. It reports to the Corporate Secretary of Crédit Agricole CIB.

In carrying out its permanent control functions, ISEC relies on a network of correspondents in France and internationally.

As regards information security, ISEC defines rules and coordinates efforts to maintain an adequate security level, primarily through a secondary review of information risk analyses. Internet systems and critical internal servers are covered by large-scale specific checks. ISEC also supervises the workflow for granting access authorisations to the Bank's IT applications and coordinates periodic reviews of employee authorisations to access sensitive applications.

As regards business continuity, substantial resources have been allocated to ensure that in the event of an incident, business activities can resume within the time allotted by the business lines. Tests are carried out to check the ability of Crédit Agricole CIB's various units to resume operations. A special business continuity plan was developed to deal with the A/H1N1 influenza pandemic. The goals of this plan are to guarantee the safety of employees by securing special protection equipment and measures and to ensure the continuity of the Bank's critical operations.

A yearly assessment is carried out to check the effectiveness of the IT security system and business continuity plan. The Division reports on Crédit Agricole CIB's security level to a committee that meets every two months and is chaired by an Executive Committee member.

Global compliance department

The Global Compliance division is organised as a separate business line within Crédit Agricole CIB. It helps to ensure that the Bank and its employees comply with professional obligations and with guidance given by the supervisory and executive bodies, and to detect any risk of non-compliance with legal and regulatory obligations or with professional standards. Its actions mainly involve money laundering, fraud and terrorist financing prevention, protecting investors from insider trading, price manipulation and the dissemination of false information, or any other breach that is liable to be harmful to investors or clients' interests, and to ensure market integrity and effectiveness.

Crédit Agricole CIB's Chief Compliance Officer reports up the line to Crédit Agricole CIB's Chief Executive Officer and functionally to Crédit Agricole S.A.'s Chief Compliance Officer.

He is assisted by:
- a Financial Security Officer;
- a compliance officer for Capital Market Activities (who has access to a global organisation as part of a Paris-London platform);
- a head of fraud prevention;
- a compliance officer for Coverage and Investment banking activities who is mainly in charge of detecting and preventing conflicts of interest;
- a compliance officer for Financing and Commercial Banking activities and the office of the Company Secretary, including a centralised team of permanent auditors.

The Head of Global Compliance also has functional supervisory authority over the compliance officers of:
- the Crédit Agricole CIB head office central support functions and business (compliance correspondents detached within the business lines);
- Crédit Agricole CIB entities in the international network (LCO, Local Compliance Officers);
- the subsidiaries belonging to Crédit Agricole CIB's scope of internal control.

At the end of 2009, 150 employees (full-time equivalent) worked in Global Compliance for the CIB scope, plus 16 compliance correspondents detached within the business lines.

The Compliance function systematically attends all meetings of the Internal Control Committees of Crédit Agricole CIB's business lines and of the Permanent Control Committees.

Its main governing body is the Compliance Management Committee, in which the Crédit Agricole CIB legal (LGL), permanent control (RPC), and audit functions participate. Crédit Agricole S.A.'s Compliance Division is also a standing member of this Committee, which meets monthly.

The permanent control function within Global Compliance is reinforced by the existence of dedicated Compliance permanent control units, in France, in the USA and in London. Compliance risks are assessed jointly by the compliance officers and business lines included in an annual risk map, which is used in the preparation of compliance control plans.

In 2009, the bank continued to work on major structural projects, including a comprehensive review of all New Activities and New Products (NAP) for existing products, a complete overhaul of embargo compliance procedures, the adoption of a single KYC policy for Paris, London and New York, worldwide deployment of automated supervision (money laundering prevention), and strengthening the conflict of interest identification and prevention system and the automated insider list management system. In accordance with Group standards, Crédit Agricole CIB also set up a dedicated fraud oversight and prevention team.

In 2010, in addition to continuing the structural projects initiated in 2009, the focus will be placed on implementing the Third Directive in Europe and on worldwide money-laundering risk mapping. Special efforts will be dedicated to training.

Legal Function

Crédit Agricole CIB's system for the permanent control and management of legal and compliance risks forms part of the framework defined by Crédit Agricole S.A.

Crédit Agricole CIB's Head of Legal reports up the line to the Deputy Chief Executive Officer of Crédit Agricole CIB. The Head of Legal has hierarchical or functional authority, as the case may be, over head-office legal officers and the legal officers of Crédit Agricole CIB Group entities, and over legal officers who have regional responsibilities.

Within the Crédit Agricole CIB Group, the Legal function is organised as a separate business line. Its duties include managing legal risk within Crédit Agricole CIB in accordance with CRBF regulation 97-02 as amended, and providing the necessary support to business lines to enable them to operate with minimal legal risk and cost. It performs permanent controls on legal risks arising from Crédit Agricole CIB's activities, products, services and transactions, along with the operational risks generated by the legal function itself.

The Legal Function contributes to ensuring that the Bank's business activities and operations comply with the applicable laws and regulations.

It does so through legal watch operations, staff training, the definition and implementation of legal policies and procedures, by providing consultations and developing standard contracts, through involvement in contract negotiations and in decision-making bodies and procedures, as required by the Bank's governance rules. The Legal function systematically takes part in the process of approving new products and activities and in major lending decisions.

In 2009, several parts of the legal risk management and permanent control system were strengthened:
- the organisation of the legal department was changed to ensure more "global" management of legal risks, mainly between Paris and London;
- the effectiveness of legal documentation for Capital Markets activities was enhanced by standardising master contracts and by streamlining the negotiation process in the Legal Data Base (LDB). The security, comprehensiveness and ease of use of the LDB were also improved;
- a knowledge-sharing system was rolled out at the Crédit Agricole CIB head office and entities;
- the use of external legal advice was controlled more closely.

Third degree

Periodic control

Group Internal Audit has responsibility expediting inspections across all Crédit Agricole CIB Group units. It also has direct hierarchical responsibility for all audit units, both local and regional, belonging to both Crédit Agricole CIB and its subsidiaries.

Neither Group Internal Audit nor the audit units have any responsibility or authority over the activities they control. Crédit Agricole CIB's Internal Audit unit is an integral part of the Crédit Agricole S.A. Group's Audit/Inspection business line. Crédit Agricole CIB's Head of Group Internal Audit, who is in charge of periodic control at Crédit Agricole CIB, reports up the line to Credit Agricole S.A.'s Head of Group Internal Audit and functionally to Crédit Agricole CIB's Chief Executive Officer, to whom he submits his briefs on work and investigations carried out by Internal Audit.

Nearly 220 people work in the Group's internal audit units. Of these, approximately 100 are based at the head office.

To fulfil these missions, Crédit Agricole CIB Internal Audit is organised into two divisions: 1) the Central Audit Team and 2) the regional audit units and subsidiaries' audit units.

Central team

Group Internal Audit has a central team of 55 auditors, and has the task of assessing the effectiveness of the internal control system within Crédit Agricole CIB and all its subsidiaries. To achieve this, it conducts assignments within entities. These assignments involve ensuring compliance with external and internal rules, ensuring the adequacy of arrangements for measuring and supervising risks of all types and checking the quality of accounting information. Assignments also cover the permanent control and compliance control systems. For this purpose, Group Internal Audit:

- performs global audits of Group entities;
- carries out thematic audits with the aim of evaluating the risk control and monitoring system;
- carries out specific checks on activities organised in the form of international product lines.

These audits form part of the annual audit plan, approved by Crédit Agricole CIB's Executive Management and Credit Agricole S.A.'s Group Internal Audit. The conclusions, resulting from studies conducted by Group Internal Audit, are communicated to Crédit Agricole CIB's Executive Management, Credit Agricole S.A.'s Executive Management and Credit Agricole S.A.'s Group Internal Audit.

Internal audit teams

The internal audit units, including the France Audit Unit in charge of the Group Head Office subsidiaries and units comprised 150 people at end-2009. Regional or subsidiary audit managers are responsible for coordinating the audit teams in their area. The activities of these managers are coordinated by a staff member reporting to the Head of Group Internal Audit.

The local audit units' duties entail:

- auditing the quality of internal control, the quality of processes and the regulatory compliance of operations throughout the entity, according to a three-year audit cycle;
- carrying out occasional audits when requested by the head of the entity and/or by Internal Audit;
- checking that their recommendations and those made by Group Internal Audit or external audit bodies, particularly supervisory bodies, are implemented;
- reporting to Internal Audit on their activities

Each audit unit regularly identifies risk areas, on the basis of which it prepares an annual audit plan as part of a multi-year cycle, which must be approved by Group Internal Audit.

Half-yearly formal follow-ups are carried out by internal audit teams on audits carried out by internal and external internal control bodies (supervisory authorities or audit firms). For each recommendation made as a result of an audit, this system ensures that the planned remedial action is taken in accordance with a predetermined timetable, established according to priority. The results of recommendation follow-up are presented to the Internal Control Committee of Crédit Agricole CIB.

In addition, representatives from Internal Audit regularly attend local internal control committee meetings. These committees deal with permanent controls, implementation of the enhanced compliance control program, completed audit assignments, and Audit's monitoring of recommendations made by Group Internal Audit and the supervisory authorities.

Lastly, Crédit Agricole CIB Internal Audit reports to the Audit Committee on periodic control activities on a regular basis. More specifically, in accordance with the changes in regulation 97-02 as amended in 2009, it reports on the main delays in implementing the recommendations arising from internal and external audits. It also submits Internal Audit's annual audit plan.

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In accordance with organisational arrangements shared with Crédit Agricole Group entities, described above, and with arrangements and procedures within Crédit Agricole CIB, the Board of Directors, the Executive Management and Crédit Agricole CIB's relevant units are given detailed information about internal control and risk exposure, progress in these areas and the implementation of remedial measures, as part of an ongoing improvement approach. This information is contained in the annual report on internal control, risk measurement and risk supervision, but also in regular reporting documents covering business activities, risk and control.

The Chairman of the Board of Directors,

AUDITORS' REPORT YEAR ENDED 31 DECEMBER 2009

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

To the Shareholders,

In our capacity as Statutory Auditors of Crédit Agricole CIB and in accordance with article L. 225-235 of the French Commercial Code (Code de commerce), we hereby report to you on the report of the Chairman of your Company in accordance with article L. 225-37 of the French Commercial Code (Code de commerce) for the year ended 31 December 2009.

It is the Chairman's role to prepare, and submit to the Board of Directors for approval, a report on the internal control and risk management procedures used within the company. The report must also contain other information required by articles L.225-37 of the Code de Commerce, relating in particular to corporate governance.
It is our responsibility:

- to inform you of our observations based on the information contained in the Chairman's report relating to internal control procedures and the preparation and treatment of accounting and financial information, and
- to state that the report includes the other information required by article L.225-37 of the Code de Commerce, but not to verify the accuracy of those other information.

We performed our assignment in accordance with the prevailing standards of the profession in France.

Information concerning internal control procedures and risk management relating to the preparation and treatment of accounting and financial information

The prevailing standards of the profession require us to assess the accuracy of information concerning internal control procedures and risk management relating to the preparation and treatment of accounting and financial information in the Chairman's report. This work included:

- familiarising ourselves with internal control procedures and risk management relating to the preparation and processing of the financial and accounting information used to produce the information presented in the Chairman's report, and with existing documentation;
- familiarising ourselves with work done to prepare this information and with existing documentation;
- determining whether any major deficiencies in internal control relating to the preparation and processing of accounting and financial information that we found in our audit are reported appropriately in the Chairman's report.

On the basis of this work, we have no comment to make about the information concerning the company's internal control procedures and risk management as they relate to the preparation and treatment of accounting and financial information contained in the Chairman's report prepared pursuant to the provisions of Article L.225-37 of the Commercial Code.

Further information

We confirm that the report by the Chairman of the Board of Directors contains the other information required by article L.225-37 of the Code de Commerce.

Neuilly-sur-Seine, 22 March 2010
Statutory Auditors

PRICEWATERHOUSECOOPERS AUDIT	ERNST & YOUNG ET AUTRES
Catherine Pariset et Pierre Clavié	Pierre Hurstel

INFORMATION ON CORPORATE OFFICERS

Corporate officers' compensation

Board of Directors

The following attendance fees were paid to Crédit Agricole CIB's Board members for serving as Directors of Crédit Agricole CIB in 2009:

(Attendance fees paid by Crédit Agricole S.A., Crédit Agricole Egypt and Crédit Foncier de Monaco to Crédit Agricole CIB directors with respect to their directorship in these companies are also stated)

Directors' attendance fees in 2009

Board members (voting and non-voting) in €	Attendances fees paid by Crédit Agricole CIB	Attendance fees paid by Crédit Agricole S.A. (3)	Attendance fees and other compensation paid by Crédit Agricole Egypt	Attendance fees and other compensation paid by Crédit Foncier de Monaco	**Total 2009**	Total 2008
Georges PAUGET, Président	39,000				39,000	42,000
Edmond ALPHANDERY	30,000				30,000	45,000
Pierre BRU	19,000	44,500			63,550	61,600
Jean-Paul CHIFFLET	15,000	51,150			66,150	70,250
Jean-Dominique COMOLLI	15,000				15,000	15,000
Frank DANGEARD	15,000				15,000	18,000
Jean-Frédéric DE LEUSSE	21,000		2,500		23,500	31,250
Jean-Frédéric DREYFUS (2)	15,000				15,000	18,000
Philippe GESLIN	27,000			9,147	36,147	60,536
François IMBAULT	15,000				15,000	18,000
Marc KYRIACOU (2)	12,000				12,000	18,000
Jean LE VOURCH	15,000				15,000	18,000
Bernard LOLLIOT	30,000				30,000	48,000
François MACÉ	15,000				15,000	12,000
Didier MARTIN	16,000				16,000	16,000
Jean PHILIPPE	27,000				27,000	34,000
Jean-Marie SANDER	15,000	64,350			79,350	78,500
Henri VEVERKA (1)	28,000	50,700			78,700	
Henri MOULARD, Censeur	30,000	45,400			75,400	93,500

(1) Appointed by the 13 May 2009 AGM.
(2) Elected by employees.
(3) Meetings of the Crédit Agricole S.A. Board of Directors give rise to the payment of a fee of €3,300 per meeting for each Director and €2,750 per meeting for the non-voting director, allocated according to their actual attendance at meetings. Additional fees were paid to members of the Committees according to their attendance at meetings of these Committees and to the Chairmen of these Committees.

Attendance fees paid by Crédit Agricole CIB to:	**2009**	2008
Yves COUTURIER, director whose term of office ended on 13 May 2008		19,500

Attendance fees are distributed among directors on the basis of their attendance at Board meetings and at Audit and Compensation Committee meetings and a fixed sum is paid to the Chairman of the Board.
Attendance fees are set according to the following rules:

- the amount of attendance fees paid by Calyon to Members of the Board of Directors is calculated according to their attendance at Board meetings (€3,000 per meeting);
- members of the Compensation Committee and the Audit Committee receive an annual fee for their participation in these Committees (€4,000 and €15,000 respectively);
- members of the Audit Committee receive an additional fee of €3,000 per person per meeting attended, with an annual limit of €15,000 per member;
- an annual fee of €20,000 is paid to the Chairman of the Board of Directors.

Management Board

Compensation principles

The compensation paid to Management Board members with respect to 2009 includes a fixed component and a variable component.
The fixed component is determined with reference to market practices. The variable component is based on quantitative and/or qualitative criteria:

- The quantitative criteria are linked to the achievement of earnings objectives of Crédit agricole CIB and Crédit Agricole S.A. These quantitative criteria may mainly contribute to the variable component.
- The qualitative criteria are linked to corporate governance, procedure and compliance, cross-selling culture and quality of management and team building.

The deferred additional variable compensation expressed in CA S.A. shares is completely subjected to the grantee's continued employment and to Crédit Agricole CIB's future performance.

Patrick Valroff, CEO since 14 May 2008

The fixed portion of Mr Valroff's compensation is set with reference to market practice for CEO compensation. It was set at €650,000 by the Board of Directors on 14 May 2008 and remains unchanged for 2009.
Patrick Valroff did not receive any options or performance shares in 2008 and 2009. Performance shares are bonus shares allotted free of charge to corporate officers. They are governed by articles L.225-197-1 and following of the Code de Commerce and subject to additional requirements set out in the Afep/Medef recommendations of October 2008.

Summary of Patrick Valroff's compensation

€	2008		2009	
	Due [2]	Paid [3]	Due [2]	Paid [3]
Fixed compensation [1]	401,978	401,978	650,000	650,000
Variable compensation [1]	[4] 565,000	[5] -	[6] 441,000	565,000
Deferred additional variable compensation subject to attendance	[4] -		[6] 879,000	
Exceptional compensation [1]	-	-		
Attendance fees				
Benefits in kind	3,262	3,262	5,862	5,862
Total	**970,240**	**405,240**	**1,975,862**	**1,220,862**

(1) Gross, before tax.
(2) Compensation paid (from 14 May 2008) with respect to work done during the year, regardless of the payment date.
(3) All compensation paid during the year with respect to work done.
(4) As proposed by the Compensation Committee on 2 March 2009, the Board of Directors granted Patrick Valroff a €565,000 variable compensation with respect to 2008 and a deferred additional variable compensation subject to attendance that the beneficiary has waived
(5) No payment by Crédit Agricole CIB in 2008.
(6) As proposed by the Compensation Committee on 19 February 2010, the Board of Directors granted Patrick Valroff a total variable compensation of €1,320,000 out of which €441,000 with respect to 2009 and a deferred additional variable compensation of €879,000 expressed in CA S.A. shares and vested until 2012 and 2013, subject, on the one hand to Crédit Agricole CIB's future performance, and on the other hand to the grantee's continued employment on these vesting dates.

Jérôme Grivet, Deputy CEO

The fixed portion of Mr Grivet's compensation is set with reference to market practice for deputy CEO compensation. It was increased to €450,000 by decision of the Board of Directors on 2 March 2009, effective from 1 January 2009.
Jérôme Grivet did not receive any options or performance shares in 2008 and 2009.

Summary of Jérôme Grivet's compensation

€	2008		2009	
	Due (2)	Paid (3)	Due (2)	Paid (3)
Fixed compensation (1)	420,000	420,000	450,000	450,000
Variable compensation (1)	(4) 240,000	(5) 310,000	(6) 189,450	(4) 240,000
Deferred additional variable compensation subject to attendance	(4)		(6) 218,550	
Compensation related to the loyalty plan		(7) 15,615		(8) 47,425
Exceptional compensation (1)	50,000		(6) 150,000	50,000
Attendance fees				
Benefits in kind	4,276	4,276	6,777	6,777
Total	**714,276**	**749,891**	**1,014,777**	**794,203**

(1) Gross, before tax.
(2) Compensation paid with respect to work done during the year, regardless of the payment date.
(3) All compensation paid during the year with respect to work done.
(4) As proposed by the Compensation Committee on 2 March 2009, the Board of Directors granted Jérôme Grivet a €240,000 variable compensation with respect to 2008 paid in 2009 and a deferred additional variable compensation subject to attendance that the beneficiary has waived.
(5) Consists of €310,000 variable compensation with respect to 2007
(6) As proposed by the Compensation Committee on 19 February 2010, the Board of Directors granted Jérôme Grivet a total variable compensation of €408,000 out of which €189,450 with respect to 2009 and a deferred additional variable compensation of €218,550 expressed in CA S.A. shares and vested until 2012 and 2013, subject, on the one hand to Crédit Agricole CIB's future performance, and on the other hand to the grantee's continued employment on these vesting dates. The Compensation Committee also granted an exceptional compensation of €150,000.
(7) Consists of €15,615 fees paid in 2008 related to the 2007 loyalty plan for the 1rst third.
(8) Consists of fees paid in 2009:
- €16,255 deferred variable compensation with respect to 2007 and with the 2nd third due in 2009
- €31,170 deferred variable compensation with respect to 2008 and with the 1st third due in 2009.

Alain Massiera, Deputy CEO

The fixed portion of Mr Massiera's compensation is set with reference to market practice for deputy CEO compensation. It was increased to €600,000 by decision of the Board of Directors on 3 March 2008, effective from 1 January 2008, and remains unchanged in 2009.
Alain Massiera did not receive any options or performance shares in 2007 or 2008.

Summary of Alain Massiera's compensation

€	2008		2009	
	Due (2)	Paid (3)	Due (2)	Paid (3)
Fixed compensation (1)	600,000	600,000	600,000	600,000
Variable compensation (1) (4)	(6) 568,000	(7) 245,000	(8) 423,000	(6) 568,000
Deferred additional variable compensation subject to attendance	(6)		(8) 837,000	
Compensation related to the loyalty plan				(9) 114,290
Exceptional compensation (1)				
Attendance fees				
Benefits in kind (5)	47,247	47,247	92,226	92,226
Total	**1,215,247**	**892,247**	**1,952,226**	**1,374,516**

(1) Gross, before tax.
(2) Compensation paid with respect to work done during the year, regardless of the payment date.
(3) All compensation paid during the year with respect to work done.
(4) Variable compensation includes additional compensation relating to time spent outside France.
(5) Benefits in kind are mainly related to company housing.
(6) As proposed by the Compensation Committee on 2 March 2009, the Board of Directors granted Alain Massiera a €568,000 variable compensation with respect to 2008, paid in 2009 and a deferred additional variable compensation subject to attendance that the beneficiary has waived.
(7) Consists of €245,000 variable compensation with respect to 2007

(8) As proposed by the Compensation Committee on 19 February 2010, the Board of Directors granted Alain Massiera a total variable compensation of €1,260,000 out of which €423,000 with respect to 2009 and a deferred additional variable compensation of €837,000 expressed in CA S.A. shares and vested until 2012 and 2013, subject, on the one hand to Crédit Agricole CIB's future performance, and on the other hand to the grantee's continued employment on these vesting dates.
(9) Consists of €114,290 deferred variable compensation with respect to 2007 and with the 1st third due in 2009.

Other compensation

(paid by Crédit Agricole S.A. for duties performed within that company)

Georges Pauget, Chairman of the Board of Directors of Crédit Agricole CIB

Summary of compensation paid by Crédit Agricole S.A. with respect to Georges Pauget's functions as CEO of Crédit Agricole S.A. – Attendance fees paid by Crédit Agricole CIB with respect to Georges Pauget's functions as Chairman of Crédit Agricole CIB's Board of directors

€	2008		2009	
	Due (2)	Paid (3)	Due (2)	Paid (3)
Fixed compensation (1)	920,000	920,000	920,000	920,000
Variable compensation (1)	(6)	607,200	(7)	(6)
Exceptional compensation (1)				
Attendance fees(4)	42,000	42,000	39,000	39,000
Benefits in kind(5)	256,711	256,711	18,040	18,040
Total	**1,218,711**	**1,825,911**	**977,040**	**977,040**

(1) Gross, before tax.
(2) Compensation paid with respect to work done during the year, regardless of the payment date.
(3) All compensation paid during the year with respect to work done.
(4) Attendance fees paid by Crédit Agricole CIB with respect to Georges Pauget's office as Chairman of Crédit Agricole CIB's Board of Directors.
(5) Benefits are mainly made up of payments by Crédit Agricole S.A. in respect of retirement benefits. No payment done in 2009.
(6) Georges Pauget made a proposal to Crédit Agricole S.A.'s Compensation Committee on 20 January 2009 to waive his variable compensation for 2008, which was accepted by Crédit Agricole S.A.'s Board of Directors in its 3 March 2009 meeting. As a result, no payment occured in this respect in 2009.
(7) At the date of the disclosure of this document, Crédit Agricole S.A.'s Board of Directors had not decided the variable compensation of corporate officers with respect to 2009. As soon as approved, specific disclosure will be performed.

Crédit Agricole CIB and Crédit Agricole S.A. stock options (grant or exercise) - Performance shares

In 2009:
- no stock options were exercised by Crédit Agricole CIB corporate officers
- no stock options were granted to Crédit Agricole CIB corporate officers
- no performance shares were granted to Crédit Agricole CIB corporate officers
- no performance shares vested for Crédit Agricole CIB corporate officers.

Compliance with AFEP/MEDEF's October 2008 recommendation

The CEO and the Deputy CEOs do not benefit from any special pension arrangements provided for by the Board of Directors.

Executive Corporate officers	Term of office mandate		Employment contract [1]		Complementary pension plan [2]		Compensation or benefits due or potentially due because of termination or a change in function		Compensation relating to a non-compete clause	
	Begins	Ends	Yes	No	Yes	No	Yes	No	Yes	No
Patrick Valroff [4] CEO	14 May 2008	2nd quarter of 2011	✓			✓	[6] ✓		[7] ✓	
Alain Massiera [5] Deputy CEO	1st October 2007	2nd quarter of 2011	✓		[3] ✓			✓		✓
Jérôme Grivet [5] Deputy CEO	1st October 2007	2nd quarter of 2011	✓		[3] ✓			✓		✓
Georges Pauget Chairman of the Board of Directors	15 May 2007 [8]	23 February 2010 [9]	✓		[3] ✓			✓		✓

(1) The Afep/Medef recommendation against a corporate officer also having an employment contract only relates to the roles of Chairman of the Board of Directors, Chairman/CEO and CEO.
(2) Any employee who has an employment contract with Crédit Agricole CIB France also benefits from a defined-contribution pension plan (article 83).
(3) Information on complementary pension plan is available on the Chairman's report to the shareholder's meeting –see above- on pages 24 and 26.
(4) Appointed on 14 May 2008 for a period expiring at the end of the Board meeting held in the second quarter of 2011 examining the financial statements for the first quarter of 2011.
(5) Appointed in the 28 August 2007 Board meeting, with effect from 1 October 2007. Their terms of office were renewed on 14 May 2008 for a period expiring at the end of the Board meeting held in the second quarter of 2011 examining the financial statements for the first quarter of 2011.
(6) Information on compensation or benefits due or potentially due because of termination or a change in function is available on the Chairman's report to the shareholder's meeting –see above- on pages 24 to 26.
(7) After the termination of his employment contract, Patrick Valroff will be subject to a non-compete obligation for one year from the date on which his functions end. In return, he will be paid compensation equal to 100% of the gross fixed compensation paid to him during the 12 months preceding the termination of his employment contract. This amount will be deducted from any severance pay (as defined above) paid to Mr Valroff if greater.
This non-compete clause will only be applicable from 3 January 2011.
(8) 1st appointment as a Chairman.
(9) Resignation of its function of Director and Chairman effective 23 February 2010.

Offices held by Corporate officers

At 31 December 2009

Executive Management

Patrick Valroff

9, quai du Président Paul Doumer
92920 Paris La Défense cedex

Date of first appointment: 2008
Term of office: 2011

Function within Crédit Agricole CIB: CEO

Other offices outside Crédit Agricole CIB:
Member of the Executive Committee, Crédit Agricole S.A.

Other professional details and professional activities in the last five years

- Chairman and CEO, Sofinco
- Chairman:
  - FGA Capital S.p.A. (Italy)
  - Crédit Lift (SAS)
  - Valris (SAS)
- Chairman of the Supervisory Board:
  - Eurofactor
  - Finaref
- Permanent representative, Sofinco
- Director:
  - Crédit Agricole Leasing
  - Creserfi

Alain Massiera

9, quai du Président Paul Doumer
92920 Paris La Défense cedex

Date of first appointment : 2007
Term of office : 2011

Function within Crédit Agricole CIB : Deputy CEO

Other offices outside Crédit Agricole CIB:

- Member of the Executive Committee, Crédit Agricole S.A.
- Director and member of the Executive Committee:
  - Banque Saudi Fransi
- Director:
  - Crédit Agricole (Switzerland)
  - Crédit Agricole Cheuvreux
  - Crédit Agricole Egypt
- Managing director:
  - Stichting CLSA foundation
  - CLSA BV

Other professional details and professional activities in the last five years

- Chairman, Crédit Agricole Funds
- Chairman, Crédit Agricole (Switzerland) Conseil
- Director:
  - Caceis Fastnet
  - CAI BP Holding
  - Finanziaria Indosuez International S.A.
  - Safec

Jérôme Grivet

9, quai du Président Paul Doumer
92920 Paris La Défense cedex

Date of first appointment : 2007
Term of office : 2011

Function within Crédit Agricole CIB : Deputy CEO

Other offices outside Crédit Agricole CIB

- Member of the Executive Committee, Crédit Agricole S.A
- Chairman and CEO:
  - Mescas
- Director:
  - Crédit Agricole Cheuvreux
  - Newedge Group
  - CEDICAM
  - LCL Obligation Euro
  - UBAF
  - Fletirec
  - Trilion
- Managing Director:
  - Stichting CLSA Foundation
  - CLSA BV
- Permanent representative of Crédit Agricole Corporate and Investment Bank

Other professional details and professional activities in the last five years

- Chairman of the Board of Directors, SNGI
- Chairman of the Supervisory Board, UBAF

Board of Directors

Georges Pauget

91-93 Boulevard Pasteur – 75015 Paris
Holds one share

Date of first appointment: 2004
Term of office: 2010

Function within Crédit Agricole CIB:
- Chairman of the Board of Directors until 23 February 2010
- Chairman of the compensation committee

Other offices outside Crédit Agricole CIB
- CEO, Crédit Agricole S.A.
- Chairman of the Executive Committee, Crédit Agricole S.A
- Chairman of the Board of Directors, LCL
- Chairman of the Board of Directors, Amundi Group S.A
- Director:
  - Valeo
  - Danone communities (Sicav)
- Permanent representative, Crédit Agricole S.A., member of the Club des partenaires de TSE (association)
- Member of the Advisory Council, Paris-Europlace
- Member of the Executive Committee, Fédération bancaire française

Other professional details and professional activities in the last five years
- CEO, Crédit Lyonnais (LCL)
- Deputy CEO, Crédit Agricole S.A.
- Chairman of the Executive Committee, Fédération bancaire française
- Chairman:
  - Cedicam (SAS)
  - TLJ SAS
  - Uni-Editions (SAS)
- Vice-Chairman:
  - Pacifica
  - Prédica
- Director:
  - Banca Intesa
  - Banque de Gestion Privée Indosuez
  - Bankoa
  - Europay France
  - Holding Eurocard
  - Prédi-retraite
  - Gecam (GIE)
- Permanent representative, Crédit Agricole S.A.,
- Member of the Supervisory Board, fonds de garantie des dépôts
- Permanent representative, Crédit Lyonnais (LCL),
- Director, Fondation de France

Edmond Alphandéry

4 Place Raoul Dautry – 75015 Paris
Holds one share

Date of first appointment: 2002
Term of office: 2010

Function within Crédit Agricole CIB:
- Director
- Member of the Audit Committee

Other offices outside Crédit Agricole CIB:
- Chairman of the Board of Directors, CNP Assurances
- Director:
  - Caixa Seguros (Brazil)
  - CNP Capitalia Vita (Italy)
  - Icade
  - Suez

Other professional details and professional activities in the last five years:
- Director, « Les Affiches parisiennes »
- Member of the European Advisory Board, Lehman Brothers and then of the "European Advisory Panel" of Nomura Securities

Pierre Bru

219 Avenue François Verdier – 81022 Albi cedex 9
Holds one share

Date of first appointment: 2002
Term of office: 2011

Function within Crédit Agricole CIB:
- Director
- Member of the Compensation Committee

Other offices outside Crédit Agricole CIB:
- Chairman of the Board of Directors, CRCAM Nord Midi-Pyrénées
- Chairman of the Board of Directors, Sodagri
- Director:
  - Caisse locale de Crédit Agricole de Pont-de-Salars
  - Crédit Agricole S.A.
  - Chabrillac (SAS)
  - Graphi (SAS)
  - Grand Sud-Ouest Capital
  - Inforsud Diffusion (SAS)
  - Inforsud Editique (SAS)
  - Inforsud Gestion SAS
  - Merico-Deltaprint (SAS)
  - Edokial (SAS)
  - Caisse locale de Crédit Agricole de Pont-de-Salars
- Member of the Compensation Committee, Crédit Agricole S.A
- Manager:
  - GFA Pont des Rives
  - GAEC Recoules d'Arques
- Permanent representative, CRCAM Nord Midi-Pyrénées
- Chairman, N.M.P. Développement SAS
- Non-voting Director, SEM 12
- Chairman, Institut universitaire de technologie de Rodez

Other professional details and professional activities in the last five years

- Chairman, Sodagri
- Director:
  - Camarca
  - CRCCA
  - GIE Gecam
  - Idia Participations
  - Sacam
  - Sacam Participations (SAS)
  - Scicam
  - Sofipar
  - Inforsud FM SAS
- Member and treasurer of FNCA's Bureau Fédéral

Jean-Paul Chifflet

1 Rue Pierre de Truchis de Lays
69410 Champagne au Mont d'Or
Holds one share

Date of first appointment: 2004
Term of office: 2010

Function within Crédit Agricole CIB:

- Director

Other offices outside Crédit Agricole CIB:

- CEO, CRCAM Centre-Est
- Vice-Chairman of the Board of Directors, Crédit Agricole S.A.
- Chairman, SAS Sacam Développement
- Founding chairman in the Rhône Alpes of IMS, Entreprendre pour la cité
- Vice-Chairman, SAS Rue La Boétie
- Vice-Chairman, Comité des banques de la région Rhône Alpes
- Director:
  - Crédit Agricole Financements SA (Switzerland)
  - Fédération Rhône-Alpes du Crédit Agricole
  - GIE AMT
  - Sacam Participations SAS
  - SCI Scicam
  - Siparex associés (SA)
  - Lyon Place financière et tertiaire
- CEO, Sacam International SAS
- Permanent representative, SAS Sacam Développement,
- Director, Crédit Lyonnais (LCL)
- Corporate Secretary and member of the office, FNCA
- Corporate secretary of the Management Committee, GIE Adicam
- Member of the Management Committee, SARL Adicam

Other professional details and professional activities in the last five years

- Chairman of Pacifica and Carvest
- Member of the Executive Committee, SAS Sacam Santeffi
- Director:
  - Apis CA
  - Banque de Gestion Privée Indosuez
  - Crédit Agricole Capital Investissement et Finance
  - Deltager
  - GIE Attica
  - Predica
  - Sacam SAS
- Deputy Corporate Secretary, FNCA

Jean-Dominique Comolli

143 Boulevard Romain Rolland – 75014 Paris
Holds one share

Date of first appointment: 2005
Term of office: 2011

Function within Crédit Agricole CIB

- Director

Other offices outside Crédit Agricole CIB

- Chairman of the Board of Directors, Altadis (Spain)
- Chairman of the Board of Directors, Seita
- Chairman of the Supervisory Board, Altadis (Morocco)
- Vice-Chairman and Director, Imperial Tobacco (UK)
- Director and chairman of nomination and compensation committee, Pernod-Ricard
- Director and member of the Audit Committee, Casino

Other professional details and professional activities in the last five years

- Director:
  - Aldeasa (Spain)
  - Logista (Spain)

Franck Dangeard

22 Rue Simon Dereure – 75008 Paris
Holds one share

Date of first appointment: 2005
Term of office: 2011

Function within Crédit Agricole CIB

- Director
- Member of the Compensation Committee since 10 January 2010

Other offices outside Crédit Agricole CIB

- Chairman of the Board of Directors, Atari
- Chairman of the Strategic Council, PwC France
- Director:
  - Bruegel
  - Energos (Italy)
  - Moser Baer (India)
  - Sonae (Portugal)
  - Symantec (USA)
- Managing partner, Harcourt
- Member of counsultancy councils of HEC and Harvard busines school

Other professional details and professional activities in the last five years

- Chairman CEO of the Board of Directors, Thomson
- Director, EDF, Equant (Netherlands) and Orange

Jean-Frédéric De Leusse

91-93 Boulevard Pasteur – 75015 Paris
Holds one share

Date of first appointment: 2008
Term of office: 2011

Function within Crédit Agricole CIB
- Director
- Member of the Audit Committee

Other offices outside Crédit Agricole CIB
- Deputy CEO, Crédit Agricole S.A.
- Member of the Executive Committee, Crédit Agricole S.A.
- Chairman:
  - Crédit Agricole Luxembourg
- Chairman of the Board of Directors:
  - Emporiki Bank
  - FGA Capital S.p.A
  - FINAREF
  - SOFINCO
- Vice-Chairman:
  - Crédit Agricole Egypt
  - Banco Espirito Santo
  - UBAF
- Director:
  - Bespar
  - Banque Saudi Fransi
  - Amundi Group
  - BGPI
  - CACEIA SAS
- Member of the Supervisory Board:
  - De Dietrich
  - UBAF

Other professional details and professional activities in the last five years
- Chairman, UIB Holding
- Chairman of the Supervisory Board, Lukas Bank
- Member of the Supervisory Board, Crédit du Maroc
- Director, Banque Libano-Française
- CEO, Fédération Nationale du Crédit Agricole (FNCA)
- Director of Crédit Agricole Asset Management (CAAM becoming Amundi)
- Member of the Supervisory Board, CACEIS (SAS)
- Member of the Supervisory Board, UBAF

Jean-Frédéric Dreyfus

9 Quai du Président Paul Doumer
92920 Paris la Défense cedex
Holds one share

Date of first appointment: 1999
Term of office: 2011

Function within Crédit Agricole CIB
- Director representing employees

Other offices outside Crédit Agricole CIB
- Director:
  - Union d'économie sociale pour le logement
  - Foncière Logement
  - Astria
  - Agence nationale pour la participation des employeurs à l'effort de construction
  - Université de Paris Dauphine
- Member, Conseil national de la comptabilité, Conseil consultatif du secteur financier

Other professional details and professional activities in the last five years
- Member, Conseil national du développement durable

Philippe Geslin

Holds one share

Date of first appointment: 2002
Term of office: 2010

Function within Crédit Agricole CIB
- Director
- Member of the Audit Committee

Other offices outside Crédit Agricole CIB
- Director:
  - Crédit Foncier de Monaco
  - Union Financière de France
  - Gecina
- Manager, Gestion Financière Conseil (SARL)
- Member of the Supervisory Board, Société vermandoise de sucreries
- Member of the Supervisory Board, Eurodisney S.C.A and Eurodisney Associés S.C.A
- Non-voting director and permanent representative of Invelios Capital
- Director, Société sucrière de Pithiviers le Vieil and Other

Other professional details and professional activities in the last five years
- Chairman, Conseil de surveillance d'Etam Développement
- Director, Société vermandoise-Industries

François Imbault

26 Quai de la Râpée – 75012 Paris
Holds one share

Date of first appointment: 2004
Term of office: 2010

Function within Crédit Agricole CIB
- Director

Other offices outside Crédit Agricole CIB
- Chairman of the Board of Directors CRCAM de Paris et d'Ile de France
- Chairman, SAS Domaine de la Sablonnière
- Permanent representative, CRCAM de Paris et d'Ile de France
- Director, Socadif
- Manager, SCI Bercy Villiot and manager, SCI Agricole de l'Ile-de-France

Marc Kyriacou

9 Quai du Président Paul Doumer
92920 Paris la Défense cedex
Holds one share

Date of first appointment: 2007
Term of office: 2011

Function within Crédit Agricole CIB
- Director representing employees

Jean Le Vourch

7 Rue du Loch – 29555 Quimper cedex
Holds one share

Date of first appointment: 2007
Term of office: 2011

Function within Crédit Agricole CIB
- Director

Other offices outside Crédit Agricole CIB
- Chairman of the Board of Directors, CRCAM Finistère
- Chairman, Breiz Europe (Association – Belgium)
- Member of The Conseil économique et social de Bretagne
- Director:
  - Predica
  - CA Assurances
  - Cofilmo
  - Valorial
- Manager, GFA de Kerveguen
- Permanent representative, CRCAM Finistère
- Chairman of Fédération bretonne du Crédit Agricole
- Vice-Chairman, Association Investir en Finistère
- Member of the Supervisory Board de CA Bretagne Habitat Holding
- Representative of Fédération bretonne du Crédit Agricole
- Member of the Supervisory Board de CA Titres (SNC)
- Partner, GAEC Le Vourch

Other professional details and professional activities in the last five years
- Chairman of the Board of Directors:
  - Coopérative laitière de Ploudanel
  - Société financière du groupe Even
  - Sica Ouest Elevage
  - Fédération Nnationale de la Coopération Laitière
- Chairman of the Supervisory Board, Régilait
- Vice-Chairman, Uclab

Bernard Lolliot

3 avenue de la Libération – 63000 Clermont-Ferrand
Holds one share

Date of first appointment: 2006
Term of office: 2010

Function within Crédit Agricole CIB
- Member of the Audit Committee

Other offices outside Crédit Agricole CIB
- CEO, CRCAM de Centre France
- Chairman of the Board of Directors and CEO of Banque Chalus
- Chairman, CACF Développement (SAS)
- Director:
  - Association Handicap et emploi
  - CA-titres
  - Crédit Agricole Solidarité et Développement
  - Crédit Agricole Capital Investissement et Finance
  - Green CAM
  - Pleinchamp (SAS)
  - Sofinco
- Permanent representative, CRCAM Centre-France, Manager, SCI Jaude and SNC Alli-domes

Other professional details and professional activities in the last five years
- CEO, CRCAM d'Alsace Vosges
- Chairman, CACF Immobilier
- Director:
  - Cirecam GIE
  - GPF
  - Synergie GIE
  - Fireca

François Macé

Rue d'Epagnac, BP 21 – 16800 Soyaux
Holds one share

Date of first appointment: 2008
Term of office: 2011

Function within Crédit Agricole CIB
- Director

Other offices outside Crédit Agricole CIB
- CEO, Caisse régionale de Crédit Agricole Mutuel de Charente-Périgord
- Chairman of John Deere Credit SAS
- Chairman of the Audit Committee of SOFINCO
- Vice-Chairman, Pleinchamp (SAS)
- Director:
  - CAMCA
  - CAMCA Réassurance
  - Cari
  - Fireca (SAS)
  - Greencam (GIE)
  - Meridian Bank (Serbia)
  - Sofinco
  - Grand Sud-Ouest Capital
- Member of the managing Board, Uni Editions (SAS)
- Permanent representative, CRCAM Charente-Périgord:
- Chairman of the Board of Directors, GIE Comète

Other professional details and professional activities in the last five years
- Director, Radian

Didier Martin

130 rue du Faubourg Saint Honoré – 75008 Paris
Holds one share

Date of first appointment: 2002
Term of office: 2011

Function within Crédit Agricole CIB
- Director
- Member of the Compensation Committee

Other offices outside Crédit Agricole CIB
- Partner at the Law Firm Bredin Prat
- Permanent representative, Frontline,
- Member of the Supervisory Board, Europacorp
- Member of the Supervisory Board, Soparexo

Other professional details and professional activities in the last five years
- Chairman of the Supervisory Board, Mondialum (SAS)

Jean Philippe

64060 Pau cedex 9
Holds one share

Date of first appointment: 2007
Term of office: 2011

Function within Crédit Agricole CIB
- Director
- Member of the Audit Committee

Other offices outside Crédit Agricole CIB
- CEO, CRCAM Pyrénées Gascogne
- Chairman of the Board of Directors, Radian
- Chairman of BANKOA SA
- Chairman of the Pilotage Nouvelles Relations Clients en multicanal Committee
- Chairman of the Board of Association Nationale des Cadres de Direction de la FNCA
- Director:
  - Crédit Agricole Covered Bonds SA
  - Crédit Agricole Solidarité et Développement (Association)
  - GIE Synergie
  - FIRECA
  - SAS Sacam Participations
  - Scicam
  - Bankoa (Spain)
  - Mercagentes (Spain)
  - Mercagestion (Spain)
  - Grand Sud Ouest Capital
- Member of Commission de Développement FNCA
- Member of the Managing Committee, GIE Gecam
- Member of the Comité des Partenariats
- Invited guest of the Bureau Fédéral of the FNCA
- Member of the Supervisory Board, Eurofactor
- Permanent representative, CRCAM Pyrénées Gascogne

Other professional details and professional activities in the last five years
- Director:
  - Crédit Agricole Cheuvreux
  - Foncaris
  - GSCO Capital

Jean-Marie Sander

1 Place de la Gare, BP 440 – 67008 Strasbourg cedex
Holds one share

Date of first appointment: 2004
Term of office: 2010

Function within Crédit Agricole CIB
- Director

Other offices outside Crédit Agricole CIB
- Chairman of the Board of Directors, CRCAM d'Alsace-Vosges
- Chairman, FNCA
- Chairman, SAS Rue La Boétie
- Representative, SAS Rue La Boétie
- Vice-Chairman of the Board of Directors, Crédit Agricole S.A.
- Chairman:
  - Sacam International (SAS)
  - Sacam Participations (SAS)
- Vice-Chairman, SAS Sacam Développement
- Director:
  - LCL
  - Scicam
  - Cirecam (GIE)
- Chairman of the Management Committee, Gecam (GIE)
- Member of the Management Committee, Adicam (SARL)
- Permanent representative, SAS Sacam
- Chairman:
  - Miromesnil
  - Sacam Assurances caution
  - Sacam Avenir
  - Sacam Fireca
  - Sacam Pleinchamp
  - Sacam Progica
  - Sacam Santefi
  - Segur
- Non-voting director, Electricité de Strasbourg

Other professional details and professional activities in the last five years
- Director, Prédica and SACAM (SAS)
- Chairman :
  - Conseil Economique et Social d'Alsace
  - Confédération Nationale de la Mutualité
  - Coopération et du Crédit François Veverka

François Veverka

84 Avenue des Pages – 78110 Le Vésinet
Holds one share

Date of first appointment: 2009
Term of office: 2012

Function within Crédit Agricole CIB
- Director
- Member of the Audit Committee

Other offices outside Crédit Agricole CIB
- Director and Chairman of the Audit and Risk Committee, Crédit agricole S.A

- Director and member of the Finance and Risk Committee, LCL
- Member of Supervisory Board, Octofinances
- Member of the Strategic Committee, Crédit Agricole S.A

Henri Moulard

5 Rue de la Baume – 75008 Paris

Date of first appointment: 2003
Term of office: 2012

Function within Crédit Agricole CIB
- Non voting director
- Chairman of the Audit Committee

Other offices outside Crédit Agricole CIB
- Chairman:
  - HM & Associés (SAS)
  - Truffle capital (SAS)
- Chairman of the supervisory Board, Dixence (SAS)
- Chairman of the supervisory Board, Centuria Capital (SAS)
- Chairman of the Audit Committee, Amundii
- Chairman of the Compensation Committee, GFI Informatique
- Chairman of the Finance and Risk Committee, LCL
- Vice-Chairman of the Executive Committee representing the non-voting directors, Gerpro (SAS)
- Member of Supervisory Board, Unibail-Rodamco and Centuria Capital (SAS)
- Director:
  - Crédit Agricole S.A
  - Atlamed (Morocco)
  - Burelle S.A.
  - Elf Aquitaine
  - Involys (Morocco)
  - Compagnie Financière Sainte-Colombes
  - Neuflize Vie
  - Centuria Capital
- Non-voting director:
  - Crédit Agricole S.A.
  - LCL
  - GFI Informatique
  - Amundi Group
  - Amundi
  - Involys (Morocco)
- Permannet representative of GERPRO SAS, Saproc, Royal Hotel, Hotelière de la Côte d'Azur

Other professional details and professional activities in the last five years
- Chairman of the Nominations and Audit Committee, La Française des placements investissements
- Member of the governing council, La Française des placements investissements
- Chairman of the Nominations and Compensation Committee and member of the Audit Committee, Unibail
- Chairman of the Audit Committee, Amundi
- Chaiman of the Board of Directors Attijariwafa Bank Europe
- Director:
  - Attijariwafa Bank (Morocco)
  - Attijariwafa Bank Europe
  - Attijarii Bank
  - Foncia
  - Unibail
  - La Française des placements investissements
- Non voting director:
  - Amundi
  - Dietswell
  - La Française des placements investissements
- Member of the Audit Committee, Attijariwafa Bank
- Member of the Supervisory Board of Foncia

Potential conflicts of interest among members of the Board of Directors and Management Board between their private interrests or other duties and their duties towards Crédit Agricole CIB

To Crédit Agricole CIB's knowledge, there is no potential conflict of interest between the duties of members of the Board of Directors and Management Board with respect to Crédit Agricole CIB and their private interests.
Crédit Agricole CIB's Board of Directors and Management Board include corporate officers of companies (including Crédit Agricole Group companies) with which Crédit Agricole CIB has commercial relationships. This may be a source of potential conflicts of interest between these officers' duties with respect to Crédit Agricole CIB and their duties with respect to these other companies.
The directors' charter is distributed to members of the Board of Directors to remind them in particular of their obligation to:

- ensure that their membership of the Board does not cause a fundamental conflict of interest at professional or private level;
- abstain from voting on any resolution involving a transaction that might result in a conflict of interests.

Trading of company's shares by executive officers

Crédit Agricole CIB's executives had no dealings in the Company's shares in 2009 with a cumulative value of more than €5,000 (in accordance with article L. 621-18-2 of the Code Monétaire et Financier and article 223-26 of the Autorité des Marchés Financiers' General Regulations as amended by the order of 4 January 2007).

Executive Committee

The composition of Crédit Agricole CIB's Executive Committee at 31 December 2009 was as follows:

Patrick VALROFF	CEO
Jérôme GRIVET	Deputy CEO
Alain MASSIERA	Deputy CEO
Gilles de DUMAST	Coverage & Investment Banking
Jean-François MARCHAL	Structured Finance
François SIMON	Equity Brokerage & Derivatives
Guy LAFFINEUR	Fixed Income Markets
Daniel PUYO	Risk & Permanent Control
Thomas GADENNE	Finance
Eric BAUDSON	Global IT & Operations
Ivana BONNET	Human Resources
Jean-Pierre TREMENBERT	Corporate Secretary

Jean-Frédéric de Leusse is a permanent guest to the committee. The committee's secretary is Jean-Pierre Trémenbert.

3 Management report

CRÉDIT AGRICOLE CIB BUSINESS REVIEW & FINANCIAL RESULTS

Presentation of the Crédit Agricole CIB group's financial statements

Changes to accounting principles and policies

In accordance with EC regulation 1606/2002, the yearly consolidated-Crédit Agricole CIB financial statements were prepared in accordance with IAS/IFRS standards and IFRIC interpretations as adopted by the European Union and applicable at 31 December 2009.

They have been supplemented by IFRSs as adopted by the European Union at 31 December 2009 for a first application in 2009. These mainly cover the following:

- the first-time application of IFRS 8, resulting in a change in segmental reporting by Crédit Agricole CIB, which includes a new segment "Discontinuing operations" following implementation of the refocusing plan in the third quarter of 2008;
- revised IAS 1 and the IFRS 7 amendment, which produced the following effects on the presentation of financial statements:
    - publication of the new statement of net income and of gains and losses recognised directly in equity;
    - analysis of instruments recognised at fair value based on a split that introduces three levels of inputs, presented in the Notes to the Financial Statements ;
- the application of the other IFRSs and IFRICs has resulted in no significative impact over the period.

Changes in the scope of consolidation

The main changes in the scope of consolidation between 1 January 2009 and 31 December 2009 were as follows:

Entries in 2009

The following companies were added to the scope of consolidation during the year 2009:

- Himalia PLC,
- Calyce PLC,
- Calyon China Limited: This subsidiary was consolidated in the third quarter after transferring the operations of the Crédit Agricole CIB branches in China; Crédit Agricole CIB still retains one branch in Shanghai.

Disposals in 2009

The following companies, whose business activities were no longer material, were deconsolidated:

- Groupe Cholet Dupont,
- Calyon Leasing Japan Co Ltd.

Besides, Casam and its subsidiaries (Lyra Capital LLC, Casam Advisers LLC, Casam Americas Inc) are removed of the scope of consolidation further to their sale to Crédit Agricole S.A. as well as CPR Online sold to one of the subsidiaries of the Regional Banks of Crédit Agricole Group.

Finally, those two companies have been deconsolidated during the period :

- Cogenec, because of the stop of its activity,
- CA Cheuvreux Italie SPA because of the contribution of its business to new created branch of CA Cheuvreux SA, in Italy.

Corporate name change

During the Extraordinary General Meeting of 26 August 2009, the shareholders approved a proposal to change the corporate name of Calyon SA to Crédit Agricole CIB S.A., with the name change being effective on 6 February 2010.
As of the date of the Crédit Agricole CIB S.A. Board of Directors meeting held to approve the parent company financial statements for 2009, no other entity included in the scope of consolidation had adopted this new name, except the followings:

- Calyon Financial Products becomes Crédit Agricole CIB Financial Products (Guernesey) Ltd
- Calyon Finance Guernesey becomes Crédit Agricole CIB Financial Finance (Guernesey) Ltd

The names of the subsidiaries will be changed in the following months.

Economic and financial environment

During the first part of 2009, governments worked relentlessly to extract the world economy from its worst recession in the post-war period. The generalised mistrust that followed the failure of Lehman Brothers in September 2008 paralysed economic agents, leading to a collapse in global demand and bringing international trade to a halt. The downturn was most severe in the first quarter of 2009, with GDP contractions of 5.3% in France (on an annualised basis over the quarter), 6.4% in the USA, and as much as 13.4% in Germany.

Colossal resources were deployed to stabilise the financial markets and dampen the shock on economic activity. The central banks aggressively cut key rates which reached all-time lows, ranging from 0 to 0.25% for Fed Funds in December 2008, of 0.5% in the UK and of 1% in Europe at the beginning of 2009. After exhausting their arsenal of conventional weapons, they turned to other, non-conventional means known as "quantitative easing", to continue to support their economies by actively managing the size and structure of their national account balances. The ECB focused its efforts on (re)financing banks though fixed-rate auctions in unlimited amounts and with maturities of up to 12 months, which made sense for the European economies where the level of intermediation is still high. The Fed and the Bank of England intervened more directly in the markets by providing liquidity and financing to sectors that were damaged by the crisis, in an attempt to stem the downward spiral in asset prices and to lower risk premiums, so as ultimately to enable conventional monetary policy to work through the interest rate and credit mechanisms. The Bank of England and the Fed also decided to purchase government securities in an effort to directly affect the very foundation of market rates.

The governments did not spare the resources needed to shore up global demand and the financial sector as a whole. The banks received government support in the form of capital injections when necessary and through various guarantee mechanisms, in addition to measures to provide liquidity. Ambitious fiscal policy programmes were also implemented, with the priority placed on standard demand- stimulus measures, such as tax cuts and tax credits, increased government spending, and incentives to scrap old cars.

This government "hyper-activity" produced a positive psychological effect on economic agents and broke the vicious economic and financial cycle by restoring confidence. After fearing the worst at the beginning of the year, the markets began to see the light at the end of the tunnel, as evidenced by the sharp rebound for all asset classes as from the month of March. Confidence surveys also began to reflect a reversal in the trend and to suggest that the recession was easing. This was confirmed by growth figures for the second quarter, when GDP contracted at annualised rates of just 0.7% in the US and 0.5% in the euro zone. While some countries, such as France and Germany, saw growth return to positive territory in the second quarter 2009, they were the exception; the trend did not spread throughout the developed economies until the third quarter, which marked the end of the recession and the beginning of the recovery. Yet based on figures available at the end of 2009, the cyclical upturn is modest by comparison with the rebound usually seen after a severe recession. While fiscal and monetary stimulus measures shored up the foundations of growth, the concurrent and unrelenting rise in unemployment, credit shortage and overcapacity inherited from the crisis continued to hinder the recovery process in nearly all countries.

Against this backdrop of a timid upturn, long rates gradually adjusted upwards and closed the year just below the 4% mark on both sides of the Atlantic. As investors' risk appetite was rekindled, the US dollar gradually lost some of its appeal as a safe haven. The euro rose to a high of 1.50 against the dollar at the beginning of December before easing to around 1.435 at year-end on the back of technical trading.

Consolidated statement of income

Condensed consolidated statement of income

€ million	2009	2009 of which Ongoing Activities	2008	2008 of which Ongoing Activities	Change 2009/2008 Ongoing activities
Net banking income	4,428	**5,775**	**2,153**	**6,615**	**(13 %)**
Operating expenses	(3,471)	(3,347)	(3,891)	(3,592)	(7 %)
Gross operating income	**957**	**2,428**	**(1,738)**	**3,023**	**(20 %)**
Cost of risk	(1,769)	(1,032)	(1,328)	(1,101)	(6 %)
Income from equity affiliates	117	117	114	114	3 %
Gains/(losses) on other assets	22	22	428	428	(95 %)
Pre-tax income	**(673)**	**1,535**	**(2,524)**	**2,464**	**(38 %)**
Corporate income tax	381	(338)	1,047	(513)	(34 %)
Net income/(loss)	**(292)**	**1,197**	**(1,477)**	**1,951**	**(39 %)**
Net income, Group share	**(331)**	**1,158**	**(1,540)**	**1,888**	**(39 %)**
Net income, (Group share) restated (1)		**1,764**		**895**	

(1) Restated for reevaluation of debt issues and loan hedges

In 2009, Crédit Agricole CIB implemented the refocusing and development plan it adopted in the autumn of 2008.

Losses from exotic equity derivatives and correlation activities were staunched owing to active risk mitigation efforts. At the same time, deterioration in US residential mortgage market indicators over the year led to additional impairment on the CDO, CLO and ABS portfolios. Net income from discontinuing operations was a loss of €1.5 billion, including a loss of €333 million in the fourth quarter, compared with a loss of €3.4 billion in 2008.

Excluding the impact of issuer spreads and loan hedges on reevaluation of debt issues, net banking income from ongoing activities rose by 31% year-on-year in 2009. This sharp increase is due to both revenues from fixed income activities which rose by 36% and the strong pick up of corporate banking activities.

Operating expenses fell by 11% over the year, in line with refocusing plan targets.

The cost of risk of continuing operations remained high in 2009. They include impairment losses on individual deals in Financing activities and an increase in collective reserves.

The results posted by Banque Saudi Fransi (accounted for under the equity method) are stable compared to last year.

After tax, the net income (Group share) of ongoing activities (restated) amounted to €1,764 million up from €895 million in 2008, (which included net gain of €435m related to the transfer of Calyon Financial entities to Newedge).

Statement of income by business line

Financing

€ million	2009	2008	Change 2009/2008	Change at constant exchange rates
Net banking income	**1,928**	**2,646**	**(27 %)**	**(29 %)**
Operating expenses	(775)	(839)	(8 %)	(9 %)
Gross operating income	**1,153**	**1,807**	**(36 %)**	**(38 %)**
Cost of risk	(931)	(627)	(48 %)	
Income from equity affiliates	117	121	(3 %)	
Gains/(losses) on other assets	5	(2)	ns	
Pre-tax income	**344**	**1,299**	**(74 %)**	
Corporate income tax	(61)	(290)	(79 %)	
Net income/(loss)	**283**	**1,009**	**(72 %)**	
Net income, Group share	**257**	**962**	**(73 %)**	
Net income, (Group share) restated (1)	**533**	**494**	**8 %**	

(1) Restated for loan hedges

Corporate banking results reflect the impact of the valuation adjustments to hedging derivatives in the loan portfolio. In 2008, when credit spreads widened, these instruments generated income of €714 million. In 2009, narrowing spreads produced the opposite effect. The €420 million negative impact in 2009 was mitigated by active management of these hedges, which made it possible to lock a substantial portion of unrealised gains and to bring down the cost of the hedges to a minimal level by year-end.

Adjusted for results of loan hedging derivatives and syndication discounts in 2008, revenues of Financing activities advanded by 11% in 2009, mainly due to Commercial banking.

- Structured finance, which generates a recurring base of revenues, registered a 5% rise over the period. 2009 was an excellent year in project finance (No. 3 worldwide at year-end), trade finance (No. 1 at year-end) and aerospace (No. 2 world-wide at year-end).
- Commercial banking registered an 18% jump in revenues, mainly abroad, where Crédit Agricole CIB ranks third in syndicated loans in the Europe/Middle East/Africa region.

Expenses declined by 8% in 2009.

In 2009, the cost of risk reflects impairment losses for a few off transactions, including a €295 million loss in the Gulf, and higher collective reserves, which amounted to €1,574 million at 31 December 2009.

Net income adjusted for loan hedges was €533 million in 2009, a rise of 8% compared to 2008.

Capital Markets and Investment Banking

€ million	2009	2008	Change 2009/2008
Net banking income	**3,219**	**3,534**	**(9 %)**
Operating expenses	(2,204)	(2,370)	(7 %)
Gross operating income	**1,015**	**1,164**	**(13 %)**
Cost of risk	(96)	(457)	(79 %)
Income from equity affiliates		(8)	ns
Gains/(losses) on other assets	7		ns
Pre-tax income	**926**	**699**	**32 %**
Corporate income tax	(209)	(218)	(4 %)
Net income/(loss)	**717**	**481**	**49 %**
Net income, Group share	**710**	**474**	**50 %**
Net income, (Group share) restated (1)	**1,040**	**(51)**	ns

(1) Restated for reevaluation of debt issues and loan hedges

Structured debt issued by Crédit Agricole CIB generated a net unrealised loss of €0.5 billion in 2009 compared with a gain of €0.7 billion in 2008. Adjusted for these amounts, net banking income is 31% higher in 2009.

Revenues from the Fixed income segment are 48% up in 2009 compared to 2008.

- Treasury operations continued to benefit from market opportunities in the first half of 2009 and full-year revenues from this business were as high as 2008 ones. To a lesser extent, this was also the same for commodities and foreign exchange activities, for which 2008 was a tremendous year.
- Plain-vanilla credit derivatives performance was excellent.
- Regarding bond issues, revenues doubled year-on-year, driven mainly by primary market issues.

Revenues from the Equities segment are 22% up in 2009 compared to 2008.

- The equity derivatives business returned to profits in 2009.
- Brokerage revenues were down by 17%, in line with the downturn in the equity brokerage market and the organised exchanges. Newedge, which delivered a strong performance in 2008, retained a solid market share, with revenues almost equal to 2007. In Asia, CLSA staged a rebound at the end of the year.
- In investment banking, numerous new share issues generated substantial revenues.

Operating expenses declined by 7%.

The cost of risk reflected impairment losses on some small individual transactions.

After-tax, net income (Group share), restated for reevaluation of debt issues, was €1,040 million.

Discontinuing operations

€ million	2009	2008	Change 2009/2008
Net banking income	**(1,347)**	**(4,462)**	**(70 %)**
Operating expenses	(124)	(299)	(59 %)
Gross operating income	**(1,471)**	**(4,761)**	**(69 %)**
Cost of risk	(737)	(227)	X 3,2
Pre-tax income	**(2,208)**	**(4,988)**	**(56 %)**
Corporate income tax	719	1,560	(54 %)
Net income/(loss)	**(1,489)**	**(3,428)**	**(57 %)**
Net income, Group share	**(1,489)**	**(3,428)**	**(57 %)**

Active portfolio management efforts led to reduced losses from discontinuing operations in 2009, as well as Basel II risk-weighted assets, which amounted to €12,5 billion at 31 December 2009 compared to €25.8 billion at 31 December 2008.

Exposure to exotic derivatives declined steadily over the year and made only a marginal contribution to NBI (€72) million in 2009.

Narrowing spreads beginning second quarter of 2009 coupled with a mitigation of implied risk in the correlation business reduced the loss reflected in net banking income to €151 million in 2009. The volatility of the portfolio has been brought under control.

Further deterioration in US residential mortgage market indicators throughout 2009 led to additional impairment losses on the CDO, CLO and ABS portfolios of €1.8 billion (in NBI and cost of risk) compared to €3.3 billion in 2008. These figures include counterparty risk on monoline insurers and Credit Derivative Products Companies, which exposures were sharply reduced in 2009.

In 2008, operating expenses included restructuring charges of €121 million. Adjusted for this item, 2009 operating expenses are 30% lower than 2008.

After-tax net income (Group share) was (€1,489) million in 2009.

International Private Banking

€ million	2009	2008	Change 2009/2008	Change at constant scope and exchange rates
Net banking income	**487**	**504**	**(3 %)**	**(5 %)**
Operating expenses	(356)	(369)	(4 %)	(4 %)
Gross operating income	**131**	**135**	**(3 %)**	**(8 %)**
Cost of risk	(5)	(17)		
Income from equity affiliates		1		
Pre-tax income	**126**	**119**	**6 %**	
Corporate income tax	(22)	(32)		
Net income/(loss)	**104**	**87**	**20 %**	
Net income, Group share	**98**	**78**	**26 %**	

Following an adverse year in 2008, market conditions improved in 2009. Wealth under management amounted to €62 billion at 31 December 2009 compared to €56 billion at 31 December 2008.

Net banking income slightly declined by 3% and expenses were reduced by 4% over the year thanks to strong cost-cutting efforts.

Net income (Group share), was €98 million, 26% higher than 2008.

Proprietary Asset Management and other activities

€ million	2009	2008	Change 2009/2008
Net banking income	**141**	**(69)**	**ns**
Operating expenses	(12)	(14)	(14%)
Gross operating income	**129**	**(83)**	**ns**
Gains/(losses) on other assets	10	430	ns
Pre-tax income	**139**	**347**	**(60%)**
Corporate income tax	(46)	27	ns
Net income/(loss)	**93**	**374**	**(75%)**
Net income, Group share	**93**	**374**	**(75%)**

The 2008 gains on other assets of €430 milion mainly reflect the gain realized when Calyon Financial entities were transfered to crate Newedge.

Consolidated balance sheet

Assets

€ billion	**31.12.2009**	31.12.2008
Cash, due from central banks and other banks (excluding repos)	51.1	67.5
Financial assets at fair value (excluding repos)	346.8	459.1
Derivative financial instruments held for hedging	1.3	2.2
Available-for-sale financial assets	23.2	19.9
Loans and advances to customers (excluding repos)	116.4	121.6
Repos	109.2	115.9
Accruals, prepayments and sundry assets	60.7	67.6
Investments in equity affiliates	0.9	0.9
Non-current assets	0.9	0.9
Goodwill	1.9	1.9
Total	**712.4**	**857.5**

Liabilities and shareholders’ equity

€ billion	**31.12.2009**	31.12.2008
Due to central banks and other banks (excluding repos)	50.0	57.4
Financial liabilities at fair value (excluding repos)	324.5	433.8
Derivative financial instruments held for hedging	0.8	1.8
Customer accounts (excluding repos)	87.2	98.0
Repos	111.8	122.5
Debt securities in issue	64.0	65.9
Accruals, deferred income and sundry liabilities	50.5	53.7
Reserves	1.2	1.2
Subordinated debt	8.0	13.9
Minority interests	0.9	0.8
Shareholders’ equity, Group share (excluding net income for the year)	13.8	10.0
Net income, group share	(0.3)	(1.5)
Total	**712.4**	**857.5**

At 31 December 2009, Crédit Agricole CIB had total assets of €712 billion, down €145 billion relative to 31 December 2008. Movements in the dollar dragged total assets down by €9 billion and movements in the yen depressed assets by €3bn. The main changes were in the following items:

Cash, due from central banks and other banks

The fall in cash and amounts due from central and other banks resulted mainly from the €14.4 billion decline in central bank deposits. In 2008, central banks provided large amounts of liquidity to combat the financial crisis, and in 2009 the financing market loosened up gradually. This made it less necessary to hold cash balances that could be called upon at short notice.

Financial assets and liabilities at fair value through profit and loss

Financial assets at fair value through profit or loss (excluding repos) fell by €112 billion, while financial liabilities at fair value through profit or loss (excluding repos) fell by €109 billion. Financial assets consist mainly of the positive fair value of derivative financial instruments and the portfolio of securities held for trading. Financial liabilities consist mainly of the negative fair value of derivatives, negotiable debt instruments held for trading and securities sold short.

The reduction in these items arose mainly from the lower mark-to-market value of derivatives, which dragged assets down by €128 billion and liabilities by €122 billion. This was partly caused by the narrowing in credit spreads in 2009.

Securities purchased or sold under repurchase agreements

Repo activities are mainly focused on Paris, which accounted for 58% of securities purchased and 69% of securities sold under repo agreements. The fall in repos in 2009 resulted from the decline in the trading and arbitrage businesses, which make heavy use of repos, with a -€6.7 billion impact on assets and a -€10.7 billion impact on liabilities.

Amounts due to customers

The reduction in amounts due to customers resulted principally from the decline in term deposits.

Debt securities in issue

Apart from traditional refinancing via interbank borrowings, Crédit Agricole CIB raises liquidity via issuing paper in the main financial markets (particularly in the USA via its US branch, the UK via its London branch, and France).

Subordinated debt

In 2008, this item included a €4.9 billion shareholder advance, which was repaid in January 2009. In addition, a €5.2 billion capital increase was carried out.

Shareholders' equity (group share)

Shareholders' equity (group share) excluding net income for the period was €13.8 billion at year-end, up €3.8 billion with respect to end-2008. This increase resulted from the following movements:

- the €5.2 billion capital increase, which took place on 28 January 2009,
- and the appropriation of 2008 losses (€1.5 billion).

Recent trends and outlook

2010 outlook

After 2009, when growth resumed following a recession of unprecedented magnitude and duration, 2010 should be a year of consolidation.

Growth in the US economy is expected be close to 3% in 2010, which is respectable but below average during a standard cyclical upturn in that country. In the euro zone, growth is unlikely to be much higher than 1% owing to differences in the economic situation of individual countries as they emerge from recession. The more cyclical economies, such as Germany, are being buoyed by the world-wide upturn, while those that relied too heavily on leverage to drive their economies, such as Spain and Ireland, will have a tough time emerging from recession. France, with its more balanced growth model, is expected to remain within the European average.

Even so, it will take a long time before a self-sustaining recovery sets in. On the one hand, the strength of the cycle, with the pick-up in the inventory cycle and pent-up demand that is waiting to erupt, combined with a resolute policy mix and government stimulus measures, are feeding the economic growth machine. These are the ingredients of a V-shaped recovery, which can only run their full course if nothing interferes with the cyclical forces at work. On the other hand, major structural limitations are likely to rein in the recovery process. Debt excesses, which plagued the private sector in the past and are now burdening governments, will have to be purged over a sufficiently long time frame to smooth the cost of adjustment. In the interim, the world economy will be firmly entrenched in a process of sluggish, post-bubble growth.

The balance sheets of private sector players have started to be cleansed, but the process has only just begun, as evidenced by persistently high debt ratios, particularly in highly leveraged countries such as the US and the UK. For governments, the belt-tightening process is some way off, since they cannot undermine the chances of recovery by premature budget cuts. But this should not stop them from starting to map out sufficiently credible exit strategies today to fend off the spectre of a bond market crash tomorrow.

This is because the market's chronology is not attuned to the notion of duration. There is already talk of turning off the money tap as the global economy regains its strength. Yet the convalescent state of global finance and the degree to which it is dependent on the antidotes that are being injected are shrouded in considerable uncertainty. This argues in favour of a cautious, gradual approach. The state of the markets will partly govern the speed at which the tap can be turned off, with the outlook for inflation and lending being equally decisive. The ECB, which now seems to be preaching a preventive approach to avoid stoking a new bubble, is likely to rapidly resume more conventional ways of managing interbank liquidity before flipping the interest rate switch in late 2010. The Fed could allow its various financing facilities to mature but, as it is anxious about the possibility of a relapse, it could put off starting to turn the monetary screws for as long as possible (not before early 2011, according to our forecasts).

Long rates should rise in step with the cycle but remain on a low trend (4.3% for the 10-year US Treasury, 4.0% for the German Bund by mid-year), since inflation is not a threat in the developed economies where the pace of growth has slowed. At the beginning of the year, a resurgence of risk aversion against a backdrop of growing concerns over the solvency of certain euro zone countries hurt the euro, which lost significant ground against the US dollar. This excessive pessimism should gradually dissipate. The dollar would then lose its appeal as a safe haven and start heading down again, to a low of around 1.44 to the euro in March. The currency markets are then likely to switch their focus and place greater weight on the differentials of growth and interest rates, which could give an edge to the dollar, with a return towards 1.35 against the euro by the end of 2010 (on our forecasts).

Crédit Agricole CIB's outlook in 2010

In 2010, Crédit Agricole CIB will continue to refocus its Corporate and Investment Banking activities on its long-standing businesses, while continuing to wind down certain operations.

- It will maintain its recurrent revenue base in financing, including structured financing.
- It will stabilise revenues in capital markets and investment banking, despite less buoyant market conditions, by developing plain-vanilla bond activities and through targeted initiatives in brokerage.

Efforts to manage costs and reduce risk exposure will be maintained.

CREDIT AGRICOLE CIB S.A. FINANCIAL STATEMENTS

Crédit Agricole CIB S.A. condensed balance sheet

Assets

€ billion	31.12.2009	31.12.2008
Interbank and similar items	150.1	167.3
Customer items	111.4	117.8
Securities portfolio	59.7	46.1
Accruals, prepayments and sundry assets	317.2	139.6
Non-current assets	8.7	8.0
Total assets	**647.1**	**478.8**

Liabilities and shareholders' equity

€ billion	31.12.2009	31.12.2008
Interbank and similar items	116.7	160.6
Customer accounts	109.9	99.7
Debt securities in issue	79.0	76.7
Accruals, deferred income and sundry liabilities	322.0	122.9
Impairment and subordinated debt	11.8	17.1
Fund for general banking risks	0.1	0.1
Shareholders' equity (excl. FRBG)	7.6	1.7
Total liabilities and shareholders' equity	**647.1**	**478.8**

At 31 December 2009, Crédit Agricole CIB's total assets were €647 billion, an increase of €168 billion relative to the 31 December 2008 figure.
This sharp increase was mainly due to a change in the rules for netting forward financial instruments on the balance sheet. In 2009, Crédit Agricole CIB aligned the presentation rules it uses for netting forward financial instruments in its French GAAP financial statements with IFRS presentation rules. French GAAP does not contain any specific rules on this matter. In 2008, netting of financial instruments took place at the account level, whereas it took place on a contract-by-contract basis in 2009. The impact of this presentational change on total assets was €199 billion at 31 December 2009, and this affected accruals.

Interbank transactions

Assets relating to interbank transactions fell by €17.2 billion or 10%. Interbank liabilities fell by €43.9 billion or 27%. These changes are the result of several factors:

- Demand deposits with central banks fell by €15.5 billion. The high level of liquidity in the Banque de France account at 31 December 2008 resulted from major constraints on liquidity in the fourth quarter of 2008. This surplus liquidity position did not recur in December 2009.
- Term deposits and borrowings fell by €16.6 billion. At end-December 2008, Crédit Agricole Paris had captured surplus European liquidity and placed part of it in its Banque de France account. In 2009, the trend reversed.
- Treasury bills rose by €11.5 billion. This increase resulted from a reallocation of liquidity in 2009 towards Treasury bills and highly-rated securities, in line with the refocusing plan and the development of activities involving plain-vanilla securities.
- Repo activity fell sharply, with securities bought and sold under repo agreements falling by €8.8 billion and €27.2 billion respectively, due to the VaR constraints of the refocusing plan. There was also a shift from repo activities with banks to repo activities with customers, in which securities bought under repo agreements rose by €3.4 billion and securities sold under repo agreements rose by €14.9 billion.

Assets and liabilities relating to customer transactions

Assets fell by €6.4 billion or 5%, and liabilities rose by €10.2 billion or 10%.

- The reduction in lending to customers took place mainly in the branches, with a fall from €56.8 billion at end-2008 to €47.1 billion at end-2009, whereas lending to customers in Paris was stable at €41.0 billion. The reduction outside of Paris is in line with the aim of reducing the consumption of capital.
- The decline in customer liabilities was due to a sharp fall in ordinary account balances, from €23.5 billion to €18.7 billion.

Securities transactions and debt securities in issue

- The most significant change related to bonds and other fixed-income securities. Highly rated short-term securities held for trading rose by €11.0 billion, and government-guaranteed medium-term securities rose by €2.5 billion. Securities held by discontinuing activities fell by €4.1 billion, including €2.1 billion relating to securities reclassified as held-to-maturity in 2008.
- Reclassifications in the second half of 2008 required more long-term financing, resulting in a €2.3 billion (+3%) increase in securities issued on the liabilities side.
- The €2.3 billion increase in equities and other variable-income securities was mainly due to securities held for trading, bought as part of the long-standing equity trading business.

Subordinated debt and shareholders' equity

The symmetrical variations in these two items were due to the transformation of €5.2 billion of shareholder advances into equity in the first quarter of 2009.

Crédit Agricole CIB S.A. supplier payment times

Crédit Agricole CIB pays its suppliers within 30-45 days. CA CIB had outstanding payables of €4 million at 31 December 2009.

Crédit Agricole CIB S.A. condensed income statement

€ million	2009	2008
Net banking income	4,368	(1,808)
Operating expenses	(1,995)	(2,163)
Gross operating income	**2,373**	**(3,971)**
Cost of risk	(1,691)	(1,143)
Net operating income	**682**	**(5,114)**
Net gain/loss on disposal of non-current assets	(19)	1,133
Pre-tax income on ordinary activities	**663**	**(3,981)**
Corporate income tax and other	57	(173)
Net income/(loss)	**720**	**(4,154)**

Crédit Agricole CIB's net banking income in 2009 was €4.4 billion, as opposed to -€1.8 billion in 2008.

The €6.2 billion increase in net banking income was driven mainly by the refocusing plan. The negative contribution of discontinuing activities fell from €4.5 billion in 2008 to €1.3 billion in 2009, an improvement of €3.2 billion.

General operating expenses declined by €168 million (8%), continuing the reductions already achieved in 2008 and in line with Crédit Agricole CIB's refocusing plan. €133 million of savings came from the network in 2009, and €34 million were achieved in Paris. Half of the savings came from staff costs, and the other half from structural costs.

Crédit Agricole CIB generated gross operating income of €2.4 billion in 2009, an improvement of €6.3 billion relative to 2008.

As in 2008, risk levels were high, and risk-related costs rose to €1.7 billion. The increase was the partly the result of higher provisions for discontinuing activities (€0.5 billion). The rest of the increase related to continuing activities, including financing activities.

Net gains/losses on the disposal of non-current assets were not material in 2009. In 2008, the €1.1 billion gain mainly arose from gains on the transfer of securities held by Crédit Agricole CIB when Newedge was created.

After income tax, Crédit Agricole CIB generated net income of €720 million in 2009, as opposed to a €4.1 billion loss in 2008. Crédit Agricole CIB Paris accounted for €389 million of this profit, while branches accounted for €331 million.

Five-year financial summary

	2005	2006	2007	2008	**2009**
Share capital at year-end (€)	3,119,771,484	3,435,953,121	3,714,724,584	3,714,724,584	6,055,504,839
Number of shares issued	115,547,092	127,257,523	137,582,392	137,582,392	224,277,957
Total result of realized transactions (€ million)					
Gross revenue (excl. tax)	497,286	382,645	367,761	488,353	447,272
Income before tax, depreciation, amortisation and reserves	704	1,790	(2,237)	(2,936)	1,519
Corporate income tax	120	318	(12)	135	(28)
Income after tax, depreciation, amortisation and reserves	1,350	1,531	(2,855)	(4,154)	720
Dividends paid	1,551	2,049	-	-	-
Earnings per share (€)					
Income after tax but before depreciation, amortisation and reserves	(1) 5.05	(2) 11.57	(3) (16.17)	(4) (22.32)	(5) 6.90
Income after tax, depreciation, amortisation and reserves	(1) 11.68	(2) 12.03	(3) (20.75)	(4) (30.15)	(5) 3.21
Dividend per share	13.42	16.10	-	-	-
Personnel					
Number of employees	(6) 7,782	(6) 7,735	(6) 8,363	(6) 7,695	(6) 7,415
Wages and salaries paid during the financial year (€ million)	869	962	1,011	855	827
Employee benefits and social contributions (€ million)	289	337	323	339	295
Payroll taxes (€ million)	47	54	30	34	33

(1) Calculation based on number of shares issue excluding treasury stock at end-2005, i.e. 115,547,092.
(2) Calculation based on number of shares issue excluding treasury stock at end-2006, i.e. 127,257,523.
(3) Calculation based on number of shares issue excluding treasury stock at end-2007, i.e. 137,582,392.
(4) Calculation based on number of shares issue excluding treasury stock at end-2008, i.e. 137,582,392.
(5) Calculation based on number of shares issue excluding treasury stock at end-2009, i.e. 224,277,957.
(6) Average headcount.

Recent changes in share capital

The table below shows changes in Crédit Agricole CIB's share capital over the last five years.

Date and type of transaction	Amount of share capital (€)	Number of shares
Share capital au 31 December 2004	**3,119,771,484**	**115,547,092**
30/04/2004		
Capital increase following Crédit Agricole S.A.'s transfer of a portfolio of debt instruments to Calyon	+163,974,240	+6,073,120
Share issue for cash	+297,000,000	+11,000,000
01/05/2004		
Capital increase following transfer of Crédit Lyonnais' corporate and investment banking activities to Calyon	+1,380,335,229	+51,123,527
27/05/2004		
Cancellation of treasury shares	(3,633,282)	(134,566)
Scrip dividend of payment	+139,614,624	+5,170,912
Share capital au 31 December 2005	**3,119,771,484**	**115,547,092**
Scrip dividend payment	316,181,637	11,710,431
Share capital au 31 December 2006	**3,435,953,121**	**127,257,523**
Scrip dividend payment	278,771,463	10,324,869
Share capital au 31 December 2007	**3,714,724,584**	**137,582,392**
Share capital au 31 December 2008	**3,714,724,584**	**137,582,392**
28/01/2009		
Capital increase (share issuance)	+ 2,340,780,255	+ 86,695,565
26/08/2009		
Capital increase (issuance premiums and increase in the par value of existing shares)	2,357,161,328	
Capital decrease (appropriation of 2008 retained earnings and decrease of the par value of existing shares)	(2,357,161,328)	
Share capital au 31 December 2009	**6,055,504,839**	**224,277,957**

Authorisations to effect capital increases

Information required by Order 2004-604 of 24 June 2004, reforming the system applicable to negotiable securities.

Crédit Agricole CIB has no autorisation validated at 31 December 2009, granted by the shareholders' meeting to the Board of Directors to proceed to capital increases (article L 225-100 of the Code de commerce).

Informations on corporate officers

Information relating to the compensation, terms of office and functions of corporate officers as required by article L.225-102-1 of the Code de Commerce, the new economic regulations act of 15 May 2001, the financial security act of 1 August 2003 and order 2004-604 of 24 June 2004, is provided in the "Governance and internal control" chapter on pages 41 to 54 of this document.

Information relating to trading in the Company's shares by Crédit Agricole CIB's executives in 2009, required by article L.621-18-2 of the Code Monétaire et Financier, and article 223-26 of the Autorité des Marchés Financiers' general regulations as amended by the order of 4 January 2007, is provided in the "Governance and internal control" chapter on page 50 of this document.

RISK MANAGEMENT IN THE CRÉDIT AGRICOLE CIB GROUP

This section of the report sets out the types of risks to which the Group is exposed, their extent and the systems used to manage them.
It includes information relating to financial instruments as required by IFRS 7, which forms an integral part of the consolidated financial statements for the period ended 31 December 2009 and is provided under the following four headings:

- credit risks (including country risk): risks of losses arising from 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);
- specific risks defined by the Financial Stability Forum;
- structural and ALM risks: risks of losses arising from changes in interest rates (global interest-rate risk) and exchange rates (exchange-rate risk), and the risk of not having the necessary resources to meet commitments (liquidity risk).

Additional information not covered by IFRS 7:

- 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 of the group being exposed to civil or criminal proceedings.
- non-compliance risk: risk associated with failure to comply with the laws or with regulations governing the banking and financial operations conducted by the Group.

Organisation of the risk function

The Risk Management and Permanent Controls (RPC) division is in charge of the supervision and permanent control of risks across the whole of the Crédit Agricole CIB group's scope of internal control. It carries out second-level supervision and permanent control of credit, market and operational risks. It also supervises units in charge of financial internal control, along with those in charge of information continuity and security.

Crédit Agricole CIB 's Risk Management and Permanent Controls organisation is integrated into the Crédit Agricole SA group's Risk Management and Permanent Controls business line. Risk management is delegated to Crédit Agricole CIB under formally adopted subsidiarity and delegation principles. Within this framework, the RPC regularly reports its major risks to Crédit Agricole SA's Group Risk Management Division, and has Crédit Agricole SA's Group Risk Management Committee approve those cases which exceed its authorised limits as well as substantial risk strategies at the Crédit Agricole SA group level.

A worldwide organisation

The RPC is a worldwide organisation with the following attributes:

- all risk management tasks and business lines, whatever their nature or location, are grouped together within the division. The RPC has seven departments :
    - "Corporate" Individual Counterparty Risks,
    - "Financial Institutions" Individual Counterparty Risks,
    - Organisation, projects and operational management of Counterparty Risks, counterparty risks on market transactions,
    - Country and Portfolio Risks,
    - Market Risks,
    - Permanent Controls and Operational Risks, and Corporate Secretariat of RPC;
    - and specialist units (supervision, central management and special affairs);
- all of Crédit Agricole CIB's local and regional RPC managers within the international network report directly to the RPC's managers at Head Office;
- internal financial control officers and information continuity and security officers report functionally to the head of the Permanent Controls and Operational Risks department;
- Crédit Agricole CIB's head of Risk Management and Permanent Controls reports hierarchically to Crédit Agricole SA's head of Group Risk Management;
- Crédit Agricole CIB's head of Risk Management and Permanent Control reports functionally to Crédit Agricole CIB's Management Board and is a member of Crédit Agricole CIB's Executive Committee;

Governance

The governance is structured around the following decision-making committees:

- a Counterparty Risk Committee, which decides on individual risks (ad hoc approvals or annual facility renewals), whatever the nature of the operation (on-or off-balance sheet, credit or market transaction);
- a Market Risk Committee, which sets the overall amount of market limits, and closely monitors market positions and the control system,
- a Strategy and Portfolio Committee, which studies and decides on the main development guidelines for each business line and each geographical unit; it also decides on the main risk limits used in the global portfolio, and periodically reviews their utilisation ;
- a strategic risk management committee, created in 2008, which determines the broad risk approach to be applied to the commercial policy, along with major risk budgets and the main methods used.
- A central Permanent Control Committee in charge of oversight, which validates the work assigned to Permanent Control and reviews the Permanent Control systems of the Business Lines or branches and cross-functional issues.

Credit risk

A credit risk occurs when a counterparty is unable to fulfill its obligations and when the book value of these obligations in the bank's records is positive. The counterparty may be a bank, an industrial or commercial corporate, a government or government entity, an investment fund or a natural person.

The exposure may be a loan, debt security, deed of property, performance exchange contract, guarantee 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.

General principles of credit risk management

Credit decisions depend on upstream risk strategies that define the boundaries within which each business line or geographical entity must conduct its activities: industrial sectors included (or excluded), type of counterparty, nature and duration of transactions and products authorised, category or intensity of risks incurred, existence and value of guarantees, overall portfolio volume, definition of individual and overall risk level, diversification criteria.
Limits are set for all counterparties and groups of counterparties, in order to control the amount of commitments, whatever the type of counterparty (corporate, sovereign, banks, financial institutions, local authorities, SPEs, etc.). Authorisations vary according to the quality of the risk, assessed by an internal rating of the counterparty. The credit decision must form part of the formally approved risk strategies.
Second-level controls on compliance with limits are performed by the RPC, supplemented by a process for monitoring individual risks and portfolio risks, in order to detect any possible deterioration in the quality of the counterparty and Crédit Agricole CIB's commitments as far ahead as possible.
Where the risk is substantiated, a collective and specific impairment policy is put into effect.

Lending decision process

New transactions are approved according to a decision-making process based on two front-office signatures, one by a commitment analysis unit, the other by a front-office manager as signing officer. The decision is supported by an independent opinion by the RPC and must take Basel II parameters into account, including the internal rating of the counterparty and the predictive Loss Given Default (LGD) attributed to the proposed transactions; a calculation of ex-ante profitability (RAROC) must also be included in the credit file. In the event that the risk management team's opinion is negative, the decision-making power is passed up to the chairman of the higher committee and, if necessary, all the way up to the Management Board via the Counterparty Risks Committee.

Risk measurement methods and systems

Internal rating system

The internal rating system covers all methods, procedures and controls used to calculate credit risk, borrower ratings and loss given default figures for all of our exposures.

In 2007, Crédit Agricole CIB received authorisation from the Commission Bancaire to use its internal credit risk rating system to calculate regulatory capital requirements.

The methods used cover all types of counterparty and combine quantitative and qualitative criteria. They are devised using the expertise of the various financing activities within Crédit Agricole CIB, or within the Crédit Agricole group if they cover customers shared by the whole Group. The rating scale has 15 notches. All of these methods are presented and validated by Crédit Agricole SA's Standards and Methodology Committee, which ensures that they are consistent with the group's other methods.

The internal ratings of corporate customers are monitored using a system deployed across the whole Crédit Agricole Group, known as "FRANE" (corporate rating regulatory support functions), which ensures that uniform ratings are applied throughout the group and organises back-testing work on shared customers.

Crédit Agricole CIB has ensured that the risk parameters required by Basel II, allowing the calculation of capital requirements, are used as part of the Bank's internal management. They are used by all people involved in the process of granting loans and measuring and monitoring credit risks.

Data used for granting loans and determining ratings are monitored every month by a data quality committee. This committee is coordinated by the Risk Management Department, and representatives of all business lines take part in it. The committee monitors a set of indicators concerning the quality of data used for rating purposes, as well as the calculation of other Basel II parameters when granting loans, such as loss given default (LGD), credit conversion factor (CCF) and risk reduction factor (RRF). The committee helps business lines apply Basel II requirements and, if necessary, to take remedial action when discrepancies arise. It provides important help in checking that the Basel II system is used properly by the business lines.

Portfolio risk

Decision-making and individual risk monitoring within Crédit Agricole CIB are backed up by a portfolio risk monitoring system that enables the group to assess counterparty risks for its overall portfolio and for each of the constituent sub-portfolios, according to a breakdown by business line, sector, geographic zone, or any delineation that brings out specific risk characteristics in the overall portfolio.

Portfolio reviews are conducted periodically at each profit centre in order to check that the portfolio is consistent with the risk strategy in force, to assess the various segments of the portfolio against one another and against any aspects of the operating environment or external impacts that may be influencing them, and finally to reassess the internal rating of the counterparties under review.

An analysis is carried out to detect any concentration deemed to be excessive for both the overall portfolio and the constituent sub-portfolios.

Since 2008 Crédit Agricole CIB took additional and urgent action to manage its commitments in line with its best interests. This effort resulted in measures to stabilize exposures to certain sub-portfolios, along with decisions to reduce pro-actively exposure to areas regarded as the most risky. Portfolio reviews were also speeded up with the same objective.

Crédit Agricole CIB employs credit risk modelling tools and in particular uses an internal portfolio model that calculates average expected loss, average loss volatility and unexpected loss, allowing it to estimate the economic capital required to conduct its business. Average loss and volatility figures enable Crédit Agricole CIB to anticipate the average risk-related cost in its portfolio, and changes therein. Economic capital is an additional measurement of Basel II regulatory capital, to the extent that it allows a more detailed view of the portfolio using a correlation model and parameters calibrated using internal databases. For example, economic capital is estimated by taking into account Crédit Agricole CIB's internal rating target rather than the 99.9% confidence interval required by Basel II.

The internal portfolio model also takes into account the positive impact of protection (Credit Default Swaps, securitisations) purchased by Crédit Agricole CIB's Credit Portfolio Management unit. Finally, it measures the effects of excessive concentration or diversification within our portfolio.

Stress scenarios are the final type of counterparty risk assessment tool. They are regularly produced to estimate the impact of extreme shocks on some or all of the portfolio.

Sector risks

Crédit Agricole CIB's portfolio is analysed by major industrial sector at regular intervals, at least once a quarter. Risks within each sector in terms of commitments, level of risk (expected loss, economic capital) and concentration are examined.

Concentration is assessed on two levels: the sector's weighting within Crédit Agricole CIB's overall portfolio and the level of diversification within each sector.

At the same time, the economic and financial risks of each significant sector are analysed and leading indicators of deterioration are monitored. These analysis are prepared with Crédit Agricole S.A's specialists teams.

Stress scenarios are also prepared where necessary.

In the light of these various analyses, measures to diversify or protect sectors at risk of deterioration are recommended.

Country risks

Country risk is the risk that economic, financial, political or social conditions in a foreign country will affect the bank's financial interests. It does not differ in nature from "elementary" risks (credit, market and operational risks). It constitutes a set of risks resulting from the bank’s vulnerability to a specific political, macroeconomic and financial environment.

The system for assessing and monitoring country risk within Crédit Agricole CIB is based on an internal rating model. Internal country ratings are based on criteria relating to the economy's structural solidity, 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 set by procedures.

In addition, the Bank performs scenario analyses to test adverse macroeconomic and financial assumptions, which give an integrated overview 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 portfolio’s vulnerability to country risk. This 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 this necessary. These strategies and limits are validated by Calyon's Strategy and Portfolio Committee (CSP) or Country Risk Committee (CRP) and by Crédit Agricole SA's Risk Management Committee (CRG).
- Country risk is evaluated on a regular basis through the production and quarterly updating of ratings on each country to which the Group is exposed. These ratings are produced using an internal country rating model based on various criteria (structural solidity, governance, political stability and ability/desire 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 country risk intensity may potentially 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 specific and regular reports on all country risk exposures.

Counterparty risks on capital market activities

Derivatives and repo transactions carried out by Crédit Agricole CIB as part of its capital market activities generate a risk of default by the transaction counterparties. Crédit Agricole CIB uses internal methods to estimate the current and potential risk inherent in derivative instruments, taking a net portfolio approach for each client:

- The current risk is the amount that would be due by the counterparty in the event of immediate default.
- The risk of variation is the estimated maximum amount of our exposure over the residual life of the transaction, at a given confidence interval.
  The methods used are based on Monte Carlo simulations to measure the risk of change in the market value of a portfolio of derivatives over the residual life of the portfolio, based on a statistical observation of movements in the underlying variables.
- The model also takes into account various risk mitigation factors, linked to set-off and collateralisation contracts negotiated with counterparties during the pre-transaction documentation phase.

The risk of variation calculated using the internal model is used to manage limits assigned to counterparties and to calculate economic capital under Pillar 2 of Basel II, by calculating the "Expected Positive Exposure", which corresponds to an average risk profile in a global portfolio approach.

For regulatory purposes, Crédit Agricole CIB uses the standard approach to calculate the benchmark EAD (mark-to-market+ regulatory add-on [potential credit risk] after factoring in portfolio effects). See note 3.1 to the consolidated financial statements: "Derivative financial instruments – Counterparty Risks" on page 160.

Monitoring of commitments

First-degree controls on compliance with the conditions that accompany a credit decision are carried out by the front office. The Risk Management and Permanent Controls division is in charge of second-level controls. Commitments are supervises for this purpose, and portfolio business is monitored constantly in order to identify at an early stage any assets that could deteriorate. The aim is to adopt practical initiatives as early as possible so as to protect the Bank's interests.

The main methods used in this monitoring are:

- enhanced day-to-day controls on capital markets transactions and introduction of weekly market transaction committee meetings;
- Control Committees which meet monthly to examine deviations and exceptions (arrears, excess drawings and breaches of limits, ongoing syndications, flawed legal documentation, review frequency etc.);
- Early Warning Committees, which meet monthly and endeavour, by various means, to identify early signs of potential deterioration in loans which are healthy but deemed sensitive, in order to reduce or cover the risk exposure;
- quarterly reviews of major risks regardless of the quality of borrowers concerned;
- a regular search for excessive concentrations with respect to the amount of economic capital employed and the amount of existing commitments.

These steps lead to:

- changes in internal ratings of counterparties which are, where necessary, classified as sensitive;
- practical decisions to reduce or cover commitments at risk;
- possible transfers of assets to the specialised recovery unit.

Monitoring of sensitive items and impairment

Sensitive items", whether performing debts on the watch list or doubtful or bad debts, are managed on a daily basis within the entities, and enhanced surveillance is carried out on a quarterly basis:

- sensitive items review committees are held locally every quarter, to provide an update of the scope and changes in impairment for each entity.
- Central committees are also convened under the chairmanship of the Risk Management and Permanent Controls division, in order to proceed with a joint examination of these loans' classification as Doubtful or Sensitive Items.

These committees propose specific impairment decisions which are then validated by the Management Board.

The definition of default complies with the required Basel II definition; rigorous default identification procedures have been introduced on this basis.

Stress scenarios

Credit stress scenarios are devised to assess Crédit Agricole CIB's risk of loss in the event of a serious deterioration in the economic and financial environment.

There are two types of stress scenario:

- the first aims to reflect the impact of a macroeconomic deterioration affecting the whole portfolio in terms of Basel II regulatory capital and revenues;
- the second focuses on a sector or geographical zone that constitutes a homogeneous set of risks.

Scenarios are devised either as part of risk strategies to support decisions, or for occasional enhanced surveillance requirements. They are also used under Pillar 2 of Basel II and for financial management purposes (capital funds oversight).

Credit risk mitigation mechanism

Guarantees received

The principles for accepting, taking into account and managing guarantees and collateral are defined by the Crédit Agricole Group's Standards and Methodology Committee. This common framework ensures a consistent approach across the Group's various entities. The Committee documents aspects including the conditions for prudential use, valuation and revaluation methods and all credit risk mitigation techniques used within the Crédit Agricole CIB group. Crédit Agricole CIB then devises its own operational procedures and arrangements for the detailed management of these guarantees and collateral.
Commitments given and received are presented in note 8 to the consolidated financial statements.

Use of netting contracts

If a "framework" contract has been signed with the counterparty, Crédit Agricole CIB applies netting to the counterparty's exposures. Crédit Agricole CIB also uses collateralisation techniques (deposits of cash or securities).

Use of credit derivatives

The Bank uses credit derivatives and a range of risk transfer instruments, including securitisation, in managing its banking book (cf. Pillar 3 page 104 to 106).

Outstanding nominal amounts of protection purchased in the form of credit derivatives came to €15.5 billion at end-2009. The notional amount of sell positions totalled €933 million.

Exposures

Maximum exposure to credit risk

Crédit Agricole CIB's maximum exposure to credit risk is the net book value of loans and advances, debt instruments and derivative instruments before the effect of unrecognised netting agreements and collateral.

€ million	Notes	31.12.2009	31.12.2008
Financial assets at fair value through profit or loss (excluding variable-income securities)	6.2	372,515	509,216
Derivative financial instruments held for hedging	3.4	1,371	2,214
Available-for-sale assets (excluding variable-income securities)	6.4	22,093	18,806
Due from banks	6.5	65,874	65,006
Loans and advances to customers	6.5	149,033	143,091
Exposure to on-balance-sheet commitments (net of impairment)		**610,886**	**738,333**
Financing commitments given	8	111,157	101,052
Financial guarantee commitments given	8	47,945	41,499
Reserves - Financing commitments	6.13	(313)	(162)
Exposure to off-balance sheet commitments (net of reserves)		**158,789**	**142,389**
Total net exposure		**769,675**	**880,722**

Source: consolidated financial statements

Concentration

Breakdown of counterparty risks by geographical zone

At 31 December 2009, loans granted to customers by Crédit Agricole CIB (€243 billion versus €265 billion at 31 December 2008) broken down by geographical zone as follows:

Percentage	31.12.2009	31.12.2008
Western European countries	29.5%	25.8%
France	23.8%	28.4%
North America	19.0%	20.5%
Asia (excluding Japan)	10.0%	8.7%
Africa and Middle-East	7.0%	6.7%
Rest of Europe	4.2%	4.2%
Latin America	3.3%	2.8%
Japan	3.2%	2.8%
Other	0.1%	0.2%

Source: Risk data (on- and off-balance sheet of customer and central banks commercial commitments)

Breakdown of risks by economic sector

At 31 December 2009, loans granted to customers by Crédit Agricole CIB (€243 billion versus €265 billion at 31 December 2008) broken down by economic sector as follows:

Percentage	31.12.2009	31.12.2008
Energy	16.9%	13.2%
Miscellaneous (including securitisation for third parties)	12.6%	13.9%
Central banks	10.3%	14.9%
Shipping	6.7%	6.2%
Aerospace	5.9%	4.5%
Real estate	5.7%	5.4%
Heavy industry	5.0%	6.6%
Other financial (non-banks)	4.3%	5.8%
Construction	4.0%	2.7%
Production and distribution of consumer goods	3.9%	3.9%
Telecoms	3.6%	3.1%
Automotive	3.2%	3.0%
Insurance	2.8%	2.3%
Non-commercial services/Public sector/local authorities	2.4%	1.6%
Other industries	2.3%	2.4%
Other transport	1.9%	1.7%
Food	1.9%	2.1%
Tourism, hotels and restaurants	1.6%	1.5%
Healthcare and pharmaceuticals	1.4%	1.4%
Media and publishing	1.3%	1.3%
IT and technology	1.0%	1.2%
Wood, paper and packaging	0.7%	0.8%
Utilities	0.6%	0.5%

Source: Risk data (on- and off-balance sheet of customer and central banks commercial commitments)

Loans to customers and Central Banks amounts to €243 billion at 31 December 2009, a decrease of €22 billion compared to 2008. This trend illustrates the very close management of our commitments throughout the actual 2009 economic crisis.
Global balance of the portfolio between the different businesses remains steady in 2009, despite some changes described below:
Energy becomes the main sector representing 16.9% of the portfolio but consistent with the overall contribution of the Energy sector in the global economy. This sector is moreover well diversified across types of underlyings, borrowers and financing facilities.

Second sector is securitisation (mainly liquidity lines granted to securitisation programs funded via Crédit Agricole CIB's conduits), as well as commitments for well diversified customers (wealth or financial holdings principally).
The proportion of transportation sectors (aerospace, shipping, automotive) slightly increases, with a pro-active policy of limiting risk in this very troubled sectors.
Exposure in shipping sector are in most cases secured by financed assets which are young and well diversified. Aerospace financings concern high quality assets or large car manufacturers among the worlwide leaders. Automotive portfolio is volontarily concentrated on large manufacturers, mainly European ones.
Real estate exposure, after a significant drop in 2008 due the strong policy of limiting and mitigating our risks, still continue to decline slightly in 2009.
Finally, heavy industry sector contribution falls down in 2009, whereas Contruction sector contribution is higher. These changes are linked because cement customers have been reclassified in the Contruction sector due to the high level of correlation between the two.

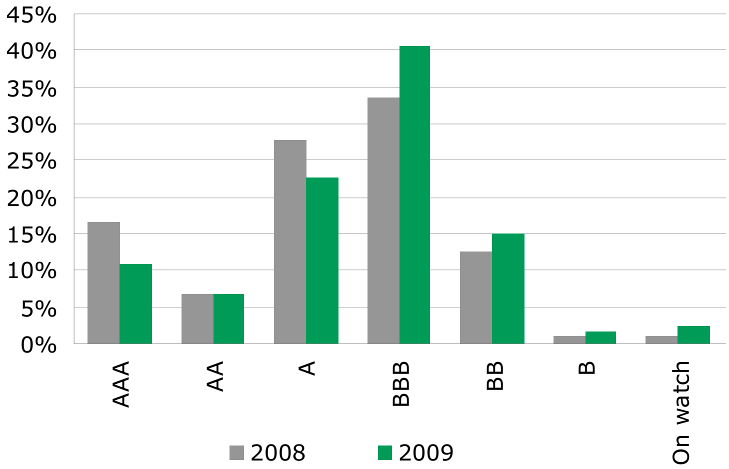
Exposure to the top ten counterparties (corporates)

The top ten made up 8% of total client exposure at 31 December 2009.

Quality of exposure

Quality of the portfolio exposed to credit risk

Loans granted to performing clients amount to €237 billion. Credit rating breakdown is as follows:



The quality of the portfolio declined in 2009, investment grade ratings representing 81% at the end of December 2009, versus 84.8% in 2008. This decline could be considered as very slight compared to serious deterioration of the economy since the last 2008 quarter. In this context, the portfolio proved its resilience.

Impairment and risk coverage policy

The policy covering loan loss risks is based on two kinds of impairment allowances:

- Individual impairment allowances intended to cover probable losses on impaired receivables;
- Collective impairment allowances under IAS 39, recognized when objective indications of impairment are identified on one or more homogeneous subgroups within the credit risk portfolio. These 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 allowances on a portfolio basis are also made in retail banking.

Impaired financial assets

The breakdown of impaired loans and receivables due from credit institutions and customers by type of borrower and geographic area is presented in note 3.1 to the financial statements. The statements provide details of impairment allowances on financial assets on bad and doubtful debts.

Collective reserves

In accordance with IAS 39, collective reserves are set aside when objective indications of impairment are identified:

- assets that already show increased risk: impairment is based on statistics relating to expected losses until mturity of the the transactions;
- sectors and countries under supervision: impairment is intended to cover estimated sector or geographical risks for which there is statistical or historical risk of partial non-recovery.

At the en of 2009, sub-portfolios where sector reserves existed are selected LBO, real-estate (in certain geographical areas), some segment of shipping and tourism.
Risky countries on which collective impairment exists are those whose ratings are below a certain threshold in our internal rating scale, giving them the status of countries under supervision.
Collective impairment totalled €1,536 million at 31 December 2009 for Crédit Agricole CIB's ongoing activities.

Country risk policy

After the historic economic crisis of the autumn 2008 which affected all the countries, so developed as emergent, year 2009 showed the best global resilience of emerging countries in the crisis. While developed countries entered a deep recession (-3.2 %), the emergent world managed to maintain a positive growth (2.1 %), however sharply lower than previous years (6.1 %) suffering particularly from the contraction of the industrial production, linked to the fall in the demand of the developed countries, to the fall in prices of commodities and to the significant contraction of the capital flows.
The reason of the preservation of a certain economic growth in 2009 within emerging countries was without any contest Asia, in particular China and India, who were able to benefit from a steady domestic demand. Besides, the national authorities strongly contributed to the support of their own economies in most of these countries.
In this context of uncertainty regarding the evolution of the world economy and the financial markets, Crédit Agricole CIB pursued a moderated development policy in emerging countries. The transactions in favour of targeted customers, situated mainly in the countries of status "investment grade" were privileged while maintaining a qualitative risk profile. This business development came along with regular reviews of the country and portfolios ratings and of a monthly control

of exposures and limits over all the emerging countries, including specific country focus on certain countries particularly affected by the crisis.

Changes in country risk exposure

Crédit Agricole CIB's risk exposures at 31 December 2009, including Calyon's 47.32% stake in UBAF, declines slightly compared to 2008 (-5%). They totalled €31.9 billion. The figure covers commercial client exposures (on- and off-balance sheet), net of collateral. Emerging-market exposures remains concentrated in 2009. 33 countries made up 95% of Calyon's emerging-market portfolio, and 12 countries accounted for 72%.
In 2009, the risk profile oof the portfolio improved. Investment-grade exposure in emerging-market countries amounted to 76% of the total, and exposure to sensitive countries remained low at 5%. Most of Emerging-market exposure was in three geographical areas : Middle east, Asia and Eastern Europe.
The world economic and financial crisis of 2008, which still impacts 2009, explains largely the slight decrease of exposures on emerging countries, especially in the first half of the year 2009. Slight recovery was noticed in the second half-year.

Middle East and North Africa

Middle East and North Africa accounts for the largest portion of emerging-market exposure (31%, €9.6 billion). The main exposures are in the United Arab Emirates and Saudi Arabia.

Asia

Asia is the second-largest area of emerging-market commercial exposure (29.4%, €9.4 billion). Activity remained concentrated in the region's main countries (India, China and Hong Kong), which showed a good resilience in the global crisis, mainly India and China, as a result of their strong domestic demand.

Eastern Europe

Exposure to this region makes up 21.3% of the emerging-market total (€7.5 billion). It remains concentrated in four countries (Russia, Poland, Hungary and Czech Republic).

Latin America

This region makes up 12.2% of Crédit Agricole CIB's emerging-market exposure (€3.9 billion), mainly in three countries: Brazil, Mexico and Chile.

Sub-Saharan Africa

Exposure to this region at the end of 2009 was 7.1% of Crédit Agricole CIB's emerging-market exposure (2.3 billion), 52% of which related to South Africa.

Market risks

Market risk is the risk of a negative impact on the income statement or balance sheet caused by adverse fluctuations in the value of financial instruments following changes in market parameters:

- 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 the interest rate;
- exchange rates: currency risk is the risk of a change in the fair value of a financial instrument due to a change in an exchange rate;
- price: price risk is the risk of a change in the fair value of a financial instrument resulting from a change in the price of commodities or equities, or other associated products, such as baskets of equities or equity indices;
- credit risks: credit risk is the risk of a change in the fair value of a financial instrument due to a change in the credit spreads of indexes or issuers;
- other market variables: volatility and correlation risks are the risk of a change in the fair value of financial instruments resulting from a change in the volatility of these variables or a change in their correlation.

Crédit Agricole CIB has a well-developed process to manage market risks, comprising an independent Risk Management organisation, robust and consistent control and reporting procedures and a reliable and exhaustive assessment system.
Work undertaken to consolidate the process has led, on most of Crédit Agricole CIB's activites, to the internal model being validated by the regulatory authorities.
The internal model applies mainly to the trading book portfolios which are fair valued (including discountinued activities) and to Treasury operations.

Market risk monitoring organisation

Decision-making and risk monitoring committees

The entire system falls under the authority of the Market Risk Committee. The Committee is chaired by a member of Crédit Agricole CIB's Management Board and meets twice a month. It monitors and analyses market risks and their evolution. It ensures compliance with supervision indicators, specific management rules and defined limits. It sets limits for the operational units within the overall limit fixed by the Strategy and Portfolio Committee and overall limits determined by the Group Risk Management Committee (Crédit Agricole S.A.).
The Market Risk Committee includes members of Crédit Agricole CIB's Executive Committee, a representative of Crédit Agricole SA Group Risk Management Division, heads of Market Risk Management, officers in charge of capital markets activities and a representative of the Crédit Agricole CIB Finance Division.

Minutes from committee meetings are sent to Crédit Agricole CIB's CEO, who is also informed about the situation in terms of risks, strategies and outlook as part of Strategy and Portfolio Committee meetings
Finally, Internal Audit carries out regular audits to ensure compliance with the Group's internal control standards.

Risk control

Market risk control forms an independent global function within the Risk Management and Permanent Controls division, which is based on three teams.

- Quantitative analysis, which duties are :
  - validating valuation and risk-measurement models;
  - identifying and quantifying modeling risks;
  - making recommendations regarding reserves arising from model-related uncertainty.
- The Activity Monitoring Team is in charge of producing management results data and risk indicators for all activities subject to market risk limits. Activity Monitoring is also in charge of checking and validating market parameters used to produce earnings and risk indicators. Lastly, it works with the Finance Department in reconciling income for management purposes with income for accounting purposes.
- At the global level, Risk Management monitors, controls and reports on market risks for all product lines. Its duties include:
  - proposing sets of limits (approval by the Market Risk Committee) and monitoring compliance with these limits; limit breaches and significant variations in results are reported to the Market Risk Committee;
  - analysing market portfolio risks;
  - validating risks and results;
  - analysing and monitoring complex transactions.

Cross-company teams supplement this system and their tasks include international consolidation, ensuring the consistency of market parameters and monitoring the quality of the internal model.

Market risk monitoring indicators

Market risk management involves various indicators at different levels of aggregation. By defining limits, Crédit Agricole CIB aims to cover all risk factors.

Value at Risk (VaR)

VaR is the central plank of the risk measurement system. The regulatory authorities' validation of the internal model supports the use of VaR in the operational monitoring of market risks.
VaR is a measure of the potential loss that Crédit Agricole CIB's portfolio could suffer in the event of adverse movements in market parameters over a one-day period and with a confidence interval of 99%, based on one year of historical data. This allows the day-to-day monitoring of market risks incurred by the group in its trading activities. The method quantifies the loss regarded as the maximum in 99 cases out of 100, after calculating various risk factors (interest rates, exchange rates, asset prices etc.). The correlation between risk factors influences the maximum loss figure. Netting is defined as the difference between total VaR and the sum of VaR figures for each type of risk. It represents the netting effect on the various risk factors caused by simultaneously held positions.
Crédit Agricole CIB's internal model is based on an historic VaR model, except in the case of commodities, for which a Monte Carlo model is applied (Precious Metal and Gas & Power are based on an historic VaR in 2009).
The VaR method undergoes constant improvement and adjustment to take account the relevance of methods to new market conditions For example, efforts are made to integrate new risk factors and to achieve greater detail on existing

Evolution of the regulatory VaR in 2009:

Crédit Agricole CIB regulatory VaR in 2009 (€ million)

The VaR profile in 2009 reflects both continued efforts to reduce the risk profile and the gradual normalisation of market conditions, with a shift away from the historical scenarios of June 2008 and October 2008.

VaR figures for each business line in 2009 are set out in the table below:

	Commodities	Forex	Interest rate	Credit	Equities	Netting	Crédit Agricole CIB
Max 2009	4	11	32	147	14	(68)	143
Min 2009	1	2	13	9	3	(16)	13
Average 2009	2	4	22	44	7	(31)	49

Regulatory VaR was to €29 million at 31 December 2009.

These figures show that the decline in VaR was driven by:

- the credit business: average VaR was €44 million in 2009 compared with €67 million in 2008, reflecting a sharp drop due primarily to the correlation risk mitigation measures adopted by Crédit Agricole CIB in the first half.
- the substantial decline in credit spreads, which also contributed to the contraction in VaR, which amounted to €23 million at end-2009.
- fixed-income business, with average VaR of €22 million compared with €27 million in 2008; VaR is €15 million at end-2009;
- equities business, with average VaR of €7 million, down from €16 million in 2008; VaR is €4 million at end-2009;
- forex and commodities businesses: the contribution from these businesses was more marginal, at €3 million each at 31 December 2009.

Crédit Agricole CIB also carries out specific monitoring of VaR in strategic activities. At 31 December 2009, VaR was €18 million, within the €35 million limit set under the Refocusing and Development Plan.

Lastly, Crédit Agricole CIB actively continued its work on projecting the new regulatory requirements for capital allocated to capital market activities, including specific interest rate risk requirements, stressed VaR measurement requirements and changes in current VaR measurements.

Backtesting

Under the internal model, a daily loss should not exceed VaR more than two or three times per year.
Backtesting allows permanent comparisons between VaR and the daily results of product lines, calculated both on the basis of real positions and assuming unchanged positions.. During 2009, there was only one exception, compared with eight exceptions in 2008. This is due to the lower volatility of market variables.

Stress scenarios

To complement VaR measurements, Crédit Agricole CIB applies stress scenarios to its trading activities in order to assess the impact of extreme market turbulence on its book values.
Global scenarios are applied to all trading activities. These scenarios are based on three complementary approaches:

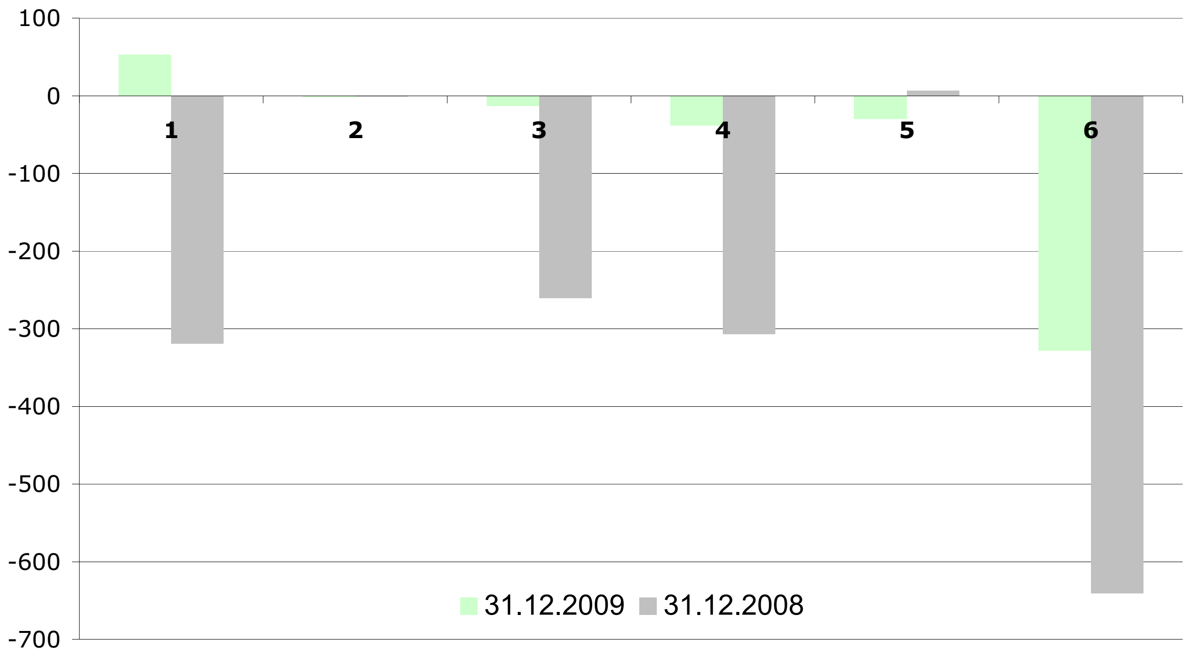
- historical approaches, which replicate the impact of past crises on the current portfolio. The historical scenarios relate to 1994 (bond crisis), 1998 (credit market crisis, falling equity markets, sharp rise in interest rates and declining emerging-market currencies) and 1987 (stockmarket crash); a complementary scenario based on market conditions in 2008 was reviewed and will be implemented in 2010.
- hypothetical scenarios anticipating plausible shocks, which are developed in conjunction with economists. Hypothetical scenarios are those of an economic recovery (rally in equity and commodity markets, increase of short term rates, stronger USD and tighter credit spreads) and a tightening in liquidity (increase of short term rates, widening credit spreads, falling equity markets).
- an "adverse" approach, assessing the impact of large adverse market movements on all business lines. Losses measured by this scenario are managed using a limit.

Global stresses are calculated on a weekly basis, and are presented to Crédit Agricole CIB's Market Risk Committee twice a month.

At the same time, specific stress scenarios are developed for each business line, and are produced with a frequency ranging mostly once per week. These specific scenarios add precision to the analysis of risks relating to the various business lines.

At the end of 2009, the risk levels assessed using these stress scenarios are as follows:

Estimated loss of the six global stress scenarii (€ million)



Other indicators

VaR measurement is associated with a set of complementary and explanatory indicators, most of which are subject to limits:

- the set of limits provides for precise risk management. Applied by business activity and by desk, tighter risk management is achieved by adopting sets of limits on a range of indicators. These indicators are calculated for each activity and specify the products authorized and the maximum time to maturity. They also include a system of loss alerts and stop losses;
- analytical indicators are used by Risk Management for explanatory purposes. They primarily mainly include notional indicators that are designed to reveal atypical transactions.

Use of credit derivatives

Within the capital markets business, Crédit Agricole CIB runs a credit products business (trading, structuring and selling products) in which credit derivatives are used. Actively traded products are simple products (credit default swaps) in which credit spreads are the main risk factor. The structured and complex product business is being wound down.
All the positions are measured at fair value with deductions for model and data uncertainties.
These activities are managed through a system of market-risk indicators accompanied by limits designed to cover all risk factors. These indicators are:

- VaR (historical, 99%, daily, including credit spread and correlation risk);
- credit sensitivity;
- sensitivity to correlation;
- sensitivity to interest rates.

Independent teams belonging to the Risk Management and Permanent Controls division are responsible for valuing positions, calculating risk indicators, setting limits and validating models.

Equity risks

Crédit Agricole CIB's equity risk results mainly from trading and arbitrage transactions involving equities, carried out as part of capital markets activities involving equity derivatives and funds. It also results, to a lesser extent, from CA Cheuvreux and CLSA's equity brokerage activities.
Equity risk arising from trading and arbitrage activities is monitored using a 99% "Value at Risk" (VaR) method. This measures the greatest risk, based on a number of parameters and scenarios, once the most adverse 1% of occurrences have been eliminated.
Average, minimum and maximum VaR figures and the VaR figure on 31 December 2009 are analysed by risk factor – and equity risk in particular – in the "Market risks" section of the management report (see above).
Equities in the banking book totaled €1.1 billion (see note 6.4 to the consolidated financial statements).

Specific risks (Financial Stability Forum format)

The following disclosures are made in accordance with the recommendations of the Financial Stability Forum. They form an integral part of Crédit Agricole CIB 's consolidated financial statements for the period ended 31 December 2009 and are covered by the Statutory Auditors' report on the interim financial information.

Mortage ABS

€ million	USA		UK		Spain	
RMBS [(1)]	31.12.2008	**31.12.2009**	31.12.2008	**31.12.2009**	31.12.2008	**31.12.2009**
Recognised under loans and receivables	**738**	**728**	**430**	**404**	**232**	**197**
Recognised under assets measured at fair value						
Gross exposure	637	506	172	110	48	30
Discount	(579)	(460)	(29)	(30)	(9)	(3)
Net exposure in millions of euros	**58**	**46**	**143**	**80**	**39**	**27**
% underlying subprime	79%	93%				
Breakdown by rating on total gross exposure						
AAA	28%	9%	76%	51%	91%	95%
AA	8%	6%	16%	26%	7%	2%
A	6%	4%	3%	7%	1%	1%
BBB	7%	6%	3%	12%	1%	1%
BB	8%	1%	2%	2%	ns	1%
B	9%	9%		1%		0%
CCC	10%	21%		1%		
CC	5%	12%				
C	19%	29%				
Not rated		3%				

€ million	USA		Spain and UK		Others	
CMBS [(1)]	31.12.2008	**31.12.2009**	31.12.2008	**31.12.2009**	31.12.2008	**31.12.2009**
Recognised under loans and receivables	19	13	157	160	220	217
Recognised under assets measured at fair value						
Exposition nette	15	22	23	10	3	9

[(1)] 31.12.2008: Exposure adjusted following a technical error.

Purchases of RMBS and CMBS credit protections measured at fair value:

- 31 December 2008: gross exposure = €779 million, net value = €517 million;
- 31 December 2009: gross exposure = €627 million, net value = €210 million.

Real-estate ABSs measured at fair value are valued on the basis of data from external contributors.
Collective provisions for European RMBSs and CMBSs at 31 December 2009: €106 million.

Method used to measure super senior CDOs with US residential mortgages underlyings

Super senior CDOs measured at fair value

Discounts were calculated by applying a credit scenario to the underlying (mainly residential mortgages) of the ABSs making up each CDO.
Final loss rates on continuing loans are adjusted based on the quality and origination date of each loan and on past performance (early redemptions, repayments, actual losses):

Rate of losses for subprimes produced in	2005	2006	2007
31.12.2008	18 %	32 %	38 %
31.12.2009	26 %	42 %	50 %

The horizon for recognizing these losses was fixed at 40 months (with gradual recognition of losses over the period).

At 31 December 2009, sensitivity to a 10% change in the loss scenarios for loans underlying CDOs measured at fair value was -€42 million.

Super senior CDOs measured at amortised cost

These are impaired if there is an identified credit risk.

Unhedged super senior CDOs with US residential mortgages underlying

At 31 December 2009, Crédit Agricole CIB net exposure on unhedged super senior CDOs with US residential mortgages underlying was €2.8 billion.

Breakdown of super senior CDO tranches recognized under assets measured at fair value

€ million	Tranche 1 [1]	Tranche 2 [2]	Tranche 5	Tranche 6	Tranche 7 [4]	Tranche 8	Tranche 10 [3]	Tranche 12 [3]	**Total**
Net value at 31.12.2008	139	528	336	91	134	167			**1,395**
Gross exposure	345	1,354	528	594	500	446	51	622	4,440
Discount	279	863	461	581	488	427	33	565	3,698
Net value 31.12.2009	66	491	67	13	12	18	18	57	**743**
Discount rate	81%	64%	87%	98%	98%	96%	65%	91%	**83%**
Attachment rate	6%	9%	28%	40%	30%	39%	30%	41%	
Underlying	High Grade	High Grade	Mezzanine	Mezzanine	Mezzanine	Mezzanine	Mezzanine	Mezzanine	
% of underlying subprime assets produced before 2006	14%	27%	73%	37%	51%	74%	40%	62%	
% of underlying subprime assets produced in 2006 and 2007	31%	18%	15%	56%	40%	9%	12%	30%	
% of Alt-A underlying assets	27%	16%	3%	0%	0%	0%	3%	0%	
% of Jumbo underlying assets	7%	11%	0%	0%	0%	0%	0%	0%	

[1] Including tranche in a nominal amount of €176 million, formerly covered by a monoline
[2] Including tranche in a nominal amount of €771 million formerly covered by a monoline
[3] Tranches formerly covered by a monoline
[4] Reclassified as an doubtful in 2009

The net banking income caused by the revaluation of CDOs measured at fair value is -€616 million in 2009.

Breakdown by super senior CDO tranches recognized as loans and receivables

€ million	Tranche 1	Tranche 2 [1]	Tranche 4	Tranche 9	Tranche 11 [2]	Tranche 13 [1]	Tranche 14 [1]	Total
Net value at 31 December 2008	388	-	430	348				**1,166**
Gross exposure at 31 December.2009	464	50	554	740	690	589	104	3,192
Discount	85	31	135	401	433	51	26	1,162
Net Value at 31 December 2009	**379**	**19**	**419**	**339**	**257**	**538**	**78**	**2,030**

[1] formerly covered by a monoline
[2] reclassified as en doubtful in 2009

Totally discounted tranches have been excluded from the figures.
Collective provisions for super senior CDOs recognised in loans and receivables at 31 December 2009: €464 million.
After collective impairment and inclusion of fully discounted tranches, the discount rate on CDOs recognised in loans and receivables is 63%.

Other exposure at 31 December 2009

€ million	Nominal	Discount	Net
CLOs measured at fair value	295	100	**195**
Unhedged CLOs recognised as loans and receivables			**263**
Unhedged mezzanine CDOs	1,228	1,228	-

Protections on monolines at 31 December 2009

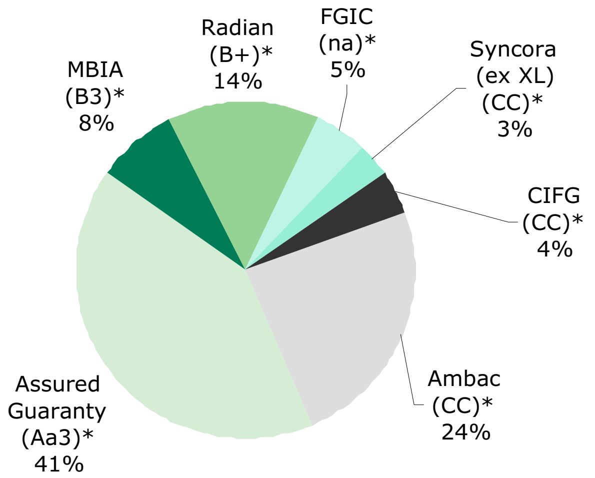
€ million	Gross notional amount of purchased protections	Gross notional amount of hedged CDOs	Fair value of hedged CDOs	Fair value of protection before value adjustments and hedging	Value adjustments recognised on protection
CDO protections (US residential market) with subprime underlyings	545	545	312	233	115
Other protection purchased from monolines (other CDO, CLO, CDS corporates, etc.)	10,531	10,531	9,832	698	460
Total of protections on purchased hedged CDO	11,075	11,075	10,144	931	575

€ billion	31.12.2008	31.12.2009
Notional amount of CDS with monolines to hedge US residential CDOs	4.4	0.5
Notional amount of CDS with monolines to hedge CDOs corporate	8.8	7.2
Notional amount of CDS with monolines to hedge CLOs	3.6	2.9
Notional amount of CDS with monolines to hedge other underlyings	0.4	0.4
Exposure to monolines to hedge US residential CDOs	2.5	0.2
Exposure to monolines to hedge US residential CDOs corporate	1.5	0.1
Exposure to monolines to hedge US residential CLOs	0.6	0.4
Exposure to monolines to hedge other underlyings	0.2	0.2
Total exposure on monolines	**4.8**	**0.9**
Other hedges purchased from bank counterparties	0.0	0.0
Unhedged exposure to monolines	**4.8**	**0.9**
Allowances	(2.8)	(0.6)
Net exposure after allowances	**2.0**	**0.3**

The €1.7 billion exposure decrease could be explained as follows:

- Commutations on hedges relating to US residential CDO for €3.8 billion. Non covered exposures, which residual value are not 0, are reported in the above table.
- Significant decrease on corporate CDO exposure due to the narrowing of sreads during the year.
- CLO sales.
- Transactions regarding CDO corporate close to maturity.

Breakdown of net exposure to monolines at 31 December 2009



* Lowest rating issued by Standards & Poor's or Moody's at 31 December 2009.

Protections purchased from CDPC (Credit Derivative Product Companies)

At 31 December 2009, net exposure to CDPC was €858 billion (mainly corporate CDOs) after a discount of €324 million.

Protections purchased from other counterparties

At 31 December 2009, no more protections purchased from insurers to hedge exposure to the US residential market.

Leverage Buy Out

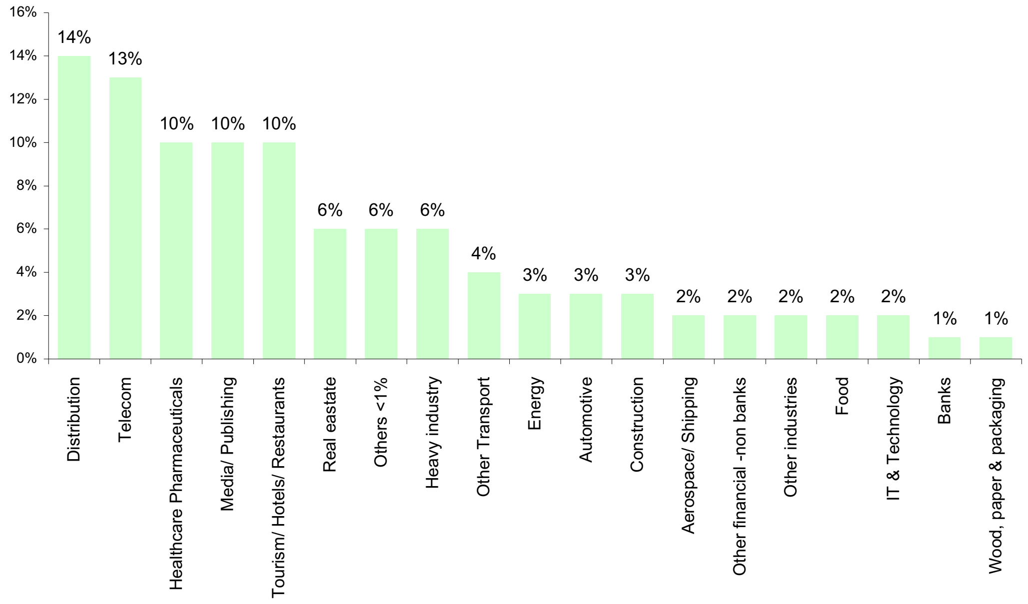
LBO – units to be sold

They are measured at fair value.
The net exposure at 31 December 2009 is €0.3 billion on one loan (€0.5 billion on five loans at 31 December 2008).

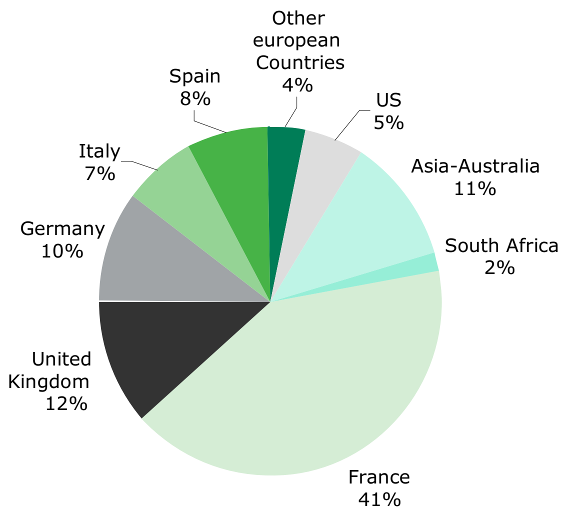
LBO – final shares

They are booked on loans and receivables category. The net exposure at 31 December 2009 is €5.8 billion on 160 loans (€6 billion on 176 loans at 31 December 2008).
Collective reserves are registered for €475 million at 31 December 2009.

Breakdown by economic sector at 31 December 2009



Breakdown by geographic zone at 31 December 2009



Securisation

ABCP conduits sponsored by Crédit Agricole CIB on behalf of third parties

at 31 December 2009	Atlantic	LMA	Hexagon	Total
Ratings (S&P/Moody's/Fitch)	**A1/P1/F1**	**A1/P1**	**A1+**	
Country of issue	USA	France+USA	France	
Cash lines provided by Crédit Agricole CIB (€m)	7,291	7,389	510	**15,190**
Amount of assets financed (€m)	4,910	6,006	448	**11,364**
Maturity of assets (weighted average)				
0-6 months	43%	81%	100%	
6-12 months	6%	2%		
Over 12 months	51%	17%		
Analysis of assets by geographic region				
United States	100%	2%		
United Kingdom		5%		
Italy		36%		
Germany		9%		
Dubai		7%		
Spain		11%	19%	
France		24%	77%	
Other (1)		6%	4%	
Analysis by asset class (as % of assets held)				
Car loans	15%	6%		
Commercial claims	43%	85%	100%	
Commercial mortgage loans				
Residential mortgage loans	2%			
Consumer loans		7%		
Equipment loans	1%			
CLOs and CBOs (2)	3%			
Others (3)	35%	2%		

(1) Mainly Korea, Belgium and the Netherlands.
(2) Collateralized Loan Securitisation and Collateralized Bonds Securitisation.
(3) Atlantic: Commitments on investors in « Capital Calls » funds (20%), commercial loans (7%), SWIFT payment securitisation (6%).

These conduits are not consolidated. At 31 December 2009, they have issued commercial papers for €11.6 billion, including €0.6 billion held by Crédit Agricole CIB. Letters of credit given to Crédit Agricole CIB as part of the ABCP financings amount to €0.6 billion.

Other conduits sponsored by Crédit Agricole CIB for third parties

Crédit Agricole CIB has granted €1.2 billion of cash facilities to other special-purpose entities.

Conduits sponsored by a third party

Cash facilities granted by Crédit Agricole CIB amount to €0.3 billion.

Crédit Agricole CIB does not carry out any securitisation on its own account, and does not co-sponsor securitisations for third parties.

Structural financial risks

The Finance Department manages structural ALM risks (interest rate risk, currency risk, liquidity risk) within an ALM Committee, which includes representatives of the Risk and Permanent Control department and general management and defines the refinancing policy and oversight of capital requirements.

Global interest-rate risk

Method

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

Exposure

Crédit Agricole CIB 's exposure to interest-rate risk in its customer transactions is limited through interest-rate micro-matching on customer assets by its market teams, and through the low level of non-interest bearing deposits.
The remaining measured exposure includes interest-rate risk arising from equity capital and equity investments.
The Group is mainly exposed to changes in interest rates in the euro currency zone, and to a lesser extent to changes in US dollar interest rates.
Crédit Agricole CIB manages its interest-rate risk exposure through a gap limit set by Crédit Agricole SA at €3 billion, amortizable over 10 years.

Interest-rate gaps

Interest-rate gaps measure the surplus or deficit of fixed-rate resources. Conventionally, a positive gap represents an exposure to a risk of falling interest rates during the period under consideration.
The results of these measurements at 31 December 2009 for entities fully consolidated by Crédit Agricole CIB show that Crédit Agricole CIB is exposed to a fall in interest rates:

€ billion	0-1 an	1-5 ans	5-10 ans
Average gaps US Dollar	+0.5	+0.3	+0.1
Average gaps Euro and other currencies	-0.3	+0.8	+0.9

Sensitivity

Based on these same sensitivity calculations, the net present value of the loss incurred in the next ten years in the event of an adverse 200-basis-point movement in the yield curve equals less than 1.1% of the Group's prudential capital.

Stress scenarios

In addition, the income impacts of five stress scenarios (three historical and two hypothetical) regarding the interest rate gap are measured on a quarterly basis and reported to the ALM Committee.
The scenarios are those used by Crédit Agricole CIB’s Treasury department :

- The historical scenarios are: a major equity market crash (Black Monday in 1987); a surge in interest rates (bond crash in 1994); a sharp increase in issuer spreads (rise in credit spreads in 1998).
- Hypothetical scenarios : one is based on the assumption of an economic recovery (rise of the equity market, of rates in general, of the USD spot, of oil and decrease of issuer spreads and the other on a liquidity crisis following the Central Bank decision to increase its key rates

Simulations are made using the sensitivity of Crédit Agricole CIB’s interest-rate mismatch. Sensitivity is defined as the gain or loss arising from a 1% change in interest rates. This sensitivity is calculated in EUR and USD. The calculation is based on average outstandings over a rolling 1-year period.

The shocks contained in these scenarios are calculated on a 10-day basis, according to Crédit Agricole CIB's stress scenario methodology. Sensitivity is "shocked" in various ways. The result of a stress test corresponds to the net present value of changes in the scenario's characteristics.

These stress scenarios show relatively limited impacts, since the net present value of the maximum potential loss equalled 0.2% of prudential capital and 0.7% of net banking income at 31 December 2009.

Liquidity risk

Liquidity and financing risk is the risk of loss if a company is unable to meet its financial commitments in a timely fashion and at reasonable prices when they become due.
These commitments include obligations to depositors and suppliers, as well as commitments in respect of loans and investments.

Crédit Agricole CIB, as a credit institution, complies with the liquidity requirements set out in the following texts:

- CRBF regulation 88-01 of 22 February 1988 relating to liquidity,
- Commission Bancaire instruction 88-03 of 22 April 1988 on liquidity,
- Commission Bancaire instruction 89-03 of 20 April 1989 on how to take account of refinancing agreements in calculating liquidity.

Liquidity management

Crédit Agricole CIB's policy for managing its short-term and medium-term liquidity risk is set by its Asset-Liability Management Committee as part of the Crédit Agricole group's policy.
The Financing Committee shared by the Treasury Department and the Finance Department's Asset-Liability Management unit meets monthly to analyse developments in long-term resource requirements and in market conditions. It sets the financial terms of new transactions.

Medium- and long-term management

Crédit Agricole CIB's medium-to long-term liquidity management is performed centrally by the Asset-Liability Management Department of the Finance Division. It defines internal transformation policies, rules and procedures, both on an overall basis for major currencies and on a specific basis for certain local currencies. It determines medium-and long-term financing needs, as well as needs arising from financial transactions concerning equity and long-term financing.

Short-term management

Short-term liquidity management is handled by the Bank's Treasury Department. It renews financing and manages portfolios of liquid assets.

It sets rules and limits for the Bank's various global liquidity centres. It ensures compliance with the applicable regulatory liquidity coefficient.

Liquidity risk measurement

Liquidity risk measurement: short term (from intraday to one year)

In accordance with the order of 5 May 2009, the Commission Bancaire's General Secretariat allows institutions to replace, from June 2010, the calculation of the regulatory liquidity ratio with an advanced approach based on internal methods. These methods are based on stress scenarios that must cover time horizons from intraday to 1-year and at least three types of crisis: systemic liquidity crisis, bank credit crisis and a combination of the two.
The Crédit Agricole SA group is developing a plan to ensure that all its subsidiaries comply with this order, and Crédit Agricole CIB is an integral part of the plan.
The bank capitalizes on a number of existing tools that are already being used for the operational management of liquidity risk.

- every day, the Treasury department calculates liquidity gaps on time horizons from intraday to 1-year, assuming a total lack of a market access in the first two weeks. Potential sources of additional liquidity are assets from central banks, followed by gaps with longer time horizons of up to 1 year, with variable assumptions regarding the renewal of maturing assets and liabilities corresponding to a liquidity crisis scenario. The calculation of these liquidity gaps is based on the bank's five liquidity centres, which make up most of the consolidated balance sheet. Crédit Agricole CIB's other entities are taken into account via intra-group items.

- Crédit Agricole CIB also has a Contingency Funding Plan (CFP), which simulates the impact of a severe rating crisis for Crédit Agricole CIB over a three-month period, with short-term ratings falling to A2/P2 at the end of the second month. The CFP calculation is based on the five liquidity centers: Paris, Tokyo, New York, London and Hong Kong. The rest of the scope of consolidation is taken into account via intra-group items. The Contingency Funding Plan is produced monthly. The calculation of the Treasury department's liquidity gaps has been based on the same scope as the Contingency Funding Plan, resulting in a daily proforma CFP calculation.

- Crédit Agricole CIB also takes into account the fact that not all of the currencies in which it operates can be considered totally fungible. National regulators will seek to limit international outflows of cash in order to preserve the liquidity situation of their national financial systems. As a result, specific simulations are carried out for the US dollar, the balance-sheet impact of which is significant. The Treasury department calculates liquidity gaps for 1-15 days in USD, and Calyon USA implements a specific USD stress scenario as part of a 1-month simulation of a complete closure of the USD market.

Liquidity risk measurement: medium- and long-term risk

Medium- and long-term risk is measured by calculating the Bank's 1- and 5-year transformation mismatches.
These mismatches are the difference between long-term uses of funds (comprising bank lending, securities and non-current assets) and available long-term financial resources. The transformation mismatch is calculated by applying various run-off assumptions to assets and liabilities with no contractual maturity, and by taking into account the contingent financing commitments made by the Bank. Exceptionally, run-off assumptions are also applied to sight and term deposits in the private banking business.

The 1-year transformation mismatch must remain below a set limit, taking into account the pressure placed on short-term markets by treasury operations. Specific sets of limits are applied to the most sensitive areas of Crédit Agricole CIB's activities.
This approach is now complemented by a limit on the amount of short-term financing that Crédit Agricole CIB can use to finance its balance sheet, as part of the common approach of the Crédit Agricole SA group.

This method aims to ensure surplus liquidity over a 1-year time horizon in a market stress scenario, and results from the following principles:

- the Treasury department will always maintain a minimum amount of short-term financing from its usual sources;
- the surplus must be covered by net cash inflows in the following 12-month period, based on maturing assets and liabilities, to which a set of renewal assumptions is applied;
- asset and liability renewal assumptions, along with the stable portion of short-term resources, may vary between Crédit Agricole SA group entities.

This method is consistent with the calculation of the 1-year-plus transformation mismatch. It analyses more accurately the pressure created by cash requirements in the short-term markets. Checks that the short-term financing limit is being complied with may be carried out daily. These checks use the same IT resources as those used to calculate liquidity gaps.

Lastly, medium- to long-term liquidity risk assessment has been fined-tuned by validating and applying new run-off assumptions specific to certain business lines (particularity commodities and export finance).

Financing

Short-term financing

In addition to traditional sources of short-term liquidity, Crédit Agricole CIB also has a policy of actively diversifying its financing sources. This resulted in a program of structured issues specific to the US market, a domestic commercial paper issuance program in Japan and a CD program based in London and intended for sale in Asia.

Medium-and long-term risk

Crédit Agricole CIB's long-term liquidity sources consist of customer deposits, interbank borrowings and issues of various types of debt securities (e.g. certificates of deposit, BMTNs and EMTNs).
Because of the duration of the crisis that began in August 2007, Crédit Agricole CIB has stepped up issuance of products with liquidity options (EMTNs that can be called or put at the investor's discretion).
Crédit Agricole CIB makes extensive use of its Euro Medium Term Notes (EMTN) programs: there is a program governed by English law for a maximum amount of €40 billion, and a program governed by French law for a maximum amount of €4 billion.
Unless stated otherwise, issues carried out under these programs for Crédit Agricole CIB 's international and domestic customers are "structured", meaning that the coupon paid and/or the amount redeemed on maturity comprises a component which is linked to one or more market indexes (equity, interest rate, currency or commodity indexes).
Similarly, certain issues are termed "Credit Linked Notes", meaning that the amount redeemed is reduced in the event of default on the part of a third party that is contractually defined at the time of issue.
Calyon New York and Calyon Hong Kong regularly issue long-term certificates of deposit Calyon Australia and Calyon South Africa have their own local long-term issuance programs.

Recent developments

Crédit Agricole CIB has implemented a systematic booking policy for distributed loans, in order to maximize its ability to raise finance from the Banque de France, taking advantage of the looser eligibility criteria for loans tendered. It was one of the first French banks to set up European cross-border customer loan refinancing programmes with the Bank of France. Like other Crédit Agricole group entities, Crédit Agricole CIB benefits from financing arranged as part of the government plan to support the banking sector via *Société de Financement de l'Economie Française*.

Equity and long-term financing transactions are also used to finance the Bank, although this is not their primary purpose.

- Redeemable subordinated notes: considering the current operating structure of the Crédit Agricole SA group, Crédit Agricole CIB no longer issues redeemable subordinated notes, but uses subordinated borrowings entered into with Crédit Agricole SA. These borrowings are generally at an adjustable rate.
- The subordinated borrowings may be distinguished from ordinary loans and bonds due to the ranking of the debt contractually defined in the subordination clause. In the event of liquidation, borrowings obtained by Crédit Agricole CIB will be reimbursed after secured and ordinary-ranking creditors have

been paid, but before reimbursement of Crédit Agricole CIB's participating securities and loans.

- Deeply subordinated notes: the deeply subordinated notes issued by Crédit Agricole CIB are fixed-rate or adjustable-rate perpetual borrowings, senior to ordinary shares but subordinated to all subordinated debt. The coupons are non-cumulative and subordinated to Crédit Agricole CIB's annual net income which must be sufficient to remain positive after payment of the coupon due for the financial year in question. Notes issued by Crédit Agricole CIB provide for the possibility of early redemption by the issuer after the tenth anniversary of their issue, subject to the prior agreement of the Secretary-General of the Commission Bancaire. Depending on the issue, the interest rate may be increased after the first possible date for early redemption by the issuer. To date, eight issues of deeply subordinated notes have been made, three at a fixed rate and five at an adjustable rate. They were all underwritten by Crédit Agricole SA.

Exchange-rate risk

Currency risk is assessed mainly by measuring net residual exposure, taking into account gross foreign exchange positions and hedging.

Structural exchange-rate risk

The Group's structural exchange-rate risk results from its other-than-temporary investments in assets denominated in foreign currencies, mainly the equity of its foreign operating entities, whether they result from acquisitions, transfers of funds from Head Office or the capitalisation of local earnings.

In most cases, the Group’s policy is to borrow the currency in which the investment is made in order to immunise that investment from currency risk. These borrowings are documented as investment hedging instruments. In some cases, particularly for illiquid currencies, the investment gives rise to purchases of the local currency. Currency risk is then hedged, if possible, through forward transactions.

The Group's main gross structural foreign exchange positions are denominated in US dollar, in US dollar-linked currencies (mainly Middle Eastern and some Asian currencies), in sterling and in Swiss franc.

The Group’s policy for managing structural foreign exchange positions aims to achieve two main goals:

- first, to protect prudential ratios by immunising the Group’s solvency ratio from currency fluctuations; unhedged structural currency positions will be scaled so as to equal the proportion of risk-weighted assets denominated in the currencies concerned and unhedged by other types of equity in the same currency;
- second, to protect assets by reducing the risk of a fall in value in the assets under consideration.

Hedging of structural currency risk is managed centrally and arranged following decisions by the Bank's Asset-Liability Management Committee.

Crédit Agricole CIB's structural currency positions are also included with those of Crédit Agricole SA, which are presented five times a year to its Asset-Liability Management Committee, chaired by its CEO.

Operational exchange-rate risk

The Bank is further exposed to operational exchange-rate positions on its foreign-currency income and expenses, both at Head Office and in its foreign operations.

The Group's general policy is to limit net operational exchange-rate positions as far as possible by periodically hedging them, usually without prior hedging of earnings not yet generated except if they have a high probability and a high risk of impairment.

Rules and authorisations applicable to the management of operational positions are put in place by decision of the Asset-Liability Management Committee.

Rate and change risks hedging

In managing its financial risks, Calyon uses interest-rate swaps and forex transactions, as hedging operations as regards the intention for which they are undertaken.

Fair value hedges

The aim is to protect the intrinsic value of fixed-rate financial assets and liabilities that are sensitive to changes in interest rates, by hedging them with instruments that are also at fixed rate. When hedging takes place through derivatives (swaps), the derivatives are termed fair value hedging derivatives.

Hedging carried out in this respect by ALM relates to non-interest-bearing private-banking customer deposits, which are analyzed as fixed-rate financial liabilities.

Cash flow hedges

The second aim is to protect interest margin so that interest flows generated by variable-rate assets financed by fixed-rate liabilities (working capital in particular) are not affected by the future fixing of interest rates on these items.

When the required neutralisation takes place through derivatives (swaps), these derivatives are termed cash flow hedging derivatives.

According to IFRS 7, future interests related to balance sheet items under cash flow hedge strategy are detailed, by maturity, in the table below:

	31.12.2009			
€ million	0 to 1 year	1 to 5 years	Over 5 years	**Total**
Hedged cash flows	89	700	377	**1,166**

As regards macro-hedges managed by ALM, hedge relationships are documented from inception and checked quarterly through forward-and backward-looking tests. For this purpose, hedged items are classified by maturity, using the characterictics of contracts or, for items without contractual maturities (such as demand deposits), runoff models based on each product's behaviour.The comparison between this maturity schedule and that of the derivative instrument allows efficiency of hedging to be assessed .

Hedging of net investments in foreign currencies

The instruments used to manage structural exchange-rate risk are classified as hedges of net investments in foreign currencies. The effectiveness of these hedges is documented every quarter.

Operational risk

Operational risk is the risk of loss resulting from shortcomings in internal procedures or information systems, human error or external events that are not linked to a credit, market or liquidity risk.

Management of operational risks

The Risk Management and Permanent Controls division is responsible for supervising the system, and it is overseen by the Management Board through the operational risk section of Crédit Agricole CIB's Internal Control committee. Operational risk management specifically relies on a network of permanent controllers, who also perform the functions of operational risk managers, covering all Group subsidiaries and business lines, and who are supervised by the Risk Management and Permanent Controls division (this system is described in the Report by the Chairman of the Board to the shareholders' meeting on page 32).

The system is monitored by internal control committees under the authority of each entity's management. Head office control functions are invited to the meetings of these committees.

Risk identification and qualitative assessments

In accordance with principles in force within the Credit Agricole S.A. Group, Crédit Agricole CIB's Risk and Permanent Control Department implemented a qualitative and quantitative system designed to identify, assess, prevent and monitor operational risk, as required by the Basel II reform.
The operational risk mapping process is applied to all group entities. These risk maps allow Crédit Agricole CIB to supervise the most sensitive processes and to draw up control plans. They are updated every year.

Operational loss detection and significant incident reporting

A unified procedure for loss detection and for reporting significant incidents has been set up across the whole scope of Crédit Agricole CIB. The data required by the internal model for calculating the economic capital allocation, in accordance with the Basel II advanced method, are consolidated into a single database that provides five years of historical data.

Calculation and allocation of economic capital with respect to operational risks

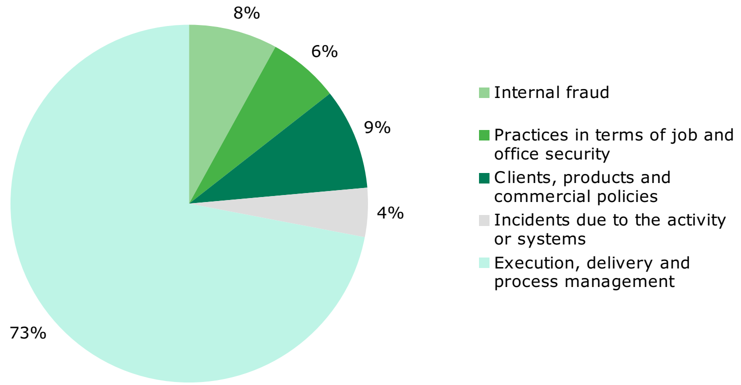
Capital requirements are calculated annually at the Crédit Agricole CIB level, based on historical loss data together with risk scenarios. They are then allocated by Crédit Agricole CIB Paris business line and entity.
Capital requirement is calculated using the internal AMA methodology (Advanced Measurement Approach) of Crédit Agricole Group applied on Crédit Agricole CIB's perimeter. This model has been validated at the end of 2007 by the Commission Bancaire (French Banking Authority).

Production of operational scorecards

The Risk Management and Permanent Controls division produces a quarterly operational risk scorecard, highlighting key events and movements in costs related to these risks. These scorecards provide global confirmation of the main sources of risks: litigation with customers and management of processes (including those relating to market transactions) which determine the priorities of preventative or remedial action plans.

Quantitative figures

Breakdown of operational losses by nature over the 2007-2009 period (excluding 2007 losses in New-York)



Main initiatives taken in 2009

Actions initiated in keeping with the recommendations of the Lagarde report were continued:

- Reinforcing IT system security;
- Cash flow management;
- Risk monitoring and anticipation.

Furthermore, a team responsible for internal and external fraud prevention coordination was created. It reports to the Compliance Function. It carries out its actions with the support of the control functions and, more generally, all units responsible for internal control of the bank's operations.

Prudential work in 2009 included the calculation of the capital requirement relating to operational risk.

Insurance and risk coverage

Crédit Agricole CIB has broad insurance coverage of its operating risks in accordance with guidelines set by its parent company, Crédit Agricole SA, with the aim of protecting its balance sheet and its income statement.
Crédit Agricole CIB is covered by all group policies taken out by Crédit Agricole SA from major insurers for major risks including fraud, all-risk securities (or theft), operating loss, professional liability, operational liability, directors and officers liability and property damage (furniture and IT, third party claims for risky buldings).
In addition, Crédit Agricole CIB, like all the Group's business-line subsidiaries, manages smaller risks itself that cannot be insured in an economically satisfactory manner are kept in the form of deductibles or spread within the Crédit Agricole SA group by the one of the Crédit Agricole Group's insurance companies.
This general framework may vary according to local regulations and the specific requirements of countries in which the Crédit Agricole CIB group operates. It is generally complemented by local insurance.

Legal risks

Management of legal risks

The legal risk management system is described in the Report by the Chairman of the Board to the shareholders' meeting on page 35.

Risk assessment

At 31 December 2009, any legal risks that could have a negative impact on Group assets were covered by adequate provisions based on the information available to general management.

Like many financial institutions, Crédit Agricole CIB is involved in many lawsuits, including class action suits in the USA and investigations by the regulatory authorities. As of this date, to Crédit Agricole CIB's knowledge, there are no governmental, legal or arbitration proceedings that are liable to produce, or that have recently produced, a material impact on the financial condition or profitability of the Company or the Crédit Agricole CIB group.

New investigation in 2009

US laws and regulations require compliance with US economic sanctions, administered by the Office of Foreign Assets Control, with respect to designated foreign countries, nationals and others. The New York County District Attorney's Office and other governmental authorities are reported to be conducting a broader review of how certain financial institutions have processed US dollar payments involving US sanctioned countries, persons and entities.
Crédit Agricole CIB is conducting an internal review of certain US dollar payments involving countries, persons or entities that may be subject to these sanctions and are cooperating with the inquiries by such authorities.
It is currently not possible to predict the ultimate resolution or timing of this matter.

Non-compliance risks

Non-compliance risk is the risk associated with failure to comply with regulations, which may lead to criminal penalties, penalties assessed by the regulatory authorities, legal disputes with customers and, more broadly, reputational damage.

Management of non-compliance risks

Compliance business line oversees compliance with laws and regulations applicable to Crédit Agricole CIB's activities. Its work enables stakeholders (customers, staff, investors, regulators and suppliers) to be confident that these laws and regulations are being complied with. Compliance has two main missions:

- To protect Crédit Agricole CIB from potentially damaging external activities. This financial security role involves the prevention of money laundering and terrorist financing, and the management of asset freezes and embargos. Financial security relies on ongoing in-depth knowledge of customers.
- To protect the interests of customers and its reputation in the markets by combating internal ethical breaches (insider trading, internal fraud, conflicts of interest, unsuitable advice etc.).

Compliance also ensures that the systems in place for preventing these risks are effective. It does this by:

- translating laws and regulations into procedures and compliance manuals;
- training staff in compliance matters;
- advising operational staff through opinions on transactions referred to it;
- checking that the compliance system operates correctly.

The Compliance business line's governance arrangements are set out in the report by the Chairman of the Board of Directors to the shareholders' meeting on page 34.

Risk indicators

Risk monitoring is carried out using the same tools and processes applied by the Crédit Agricole Group:

- risk mapping, which allows the assessment of risks including the risks of non-compliance and fraud within the Group;
- reporting, which allows the assessment of the global compliance system;
- financial security tools designed to generate alerts, first internally and then, if appropriate, to the competent authorities;
- tools for monitoring sensitive or complex transactions and specific market transactions

PILLAR 3 OF THE BASEL II REFORMS

Risk management

The policies, objectives and systems put in place to manage and mitigate risks are described in the « Risk management » chapter of the management report, on pages 68 to 93.

Regulatory Environment

Application of capital requirements with respect to prudential supervision

Credit institutions and investment companies must comply with minimum solvency ratios and ratios concerning major risks on an individual basis or, if applicable, sub-consolidated basis. However, they may be exempted subject to conditions set out in article 4 of regulation 2000-03 of 6 September 2000.

The order dated 20 February 2007 allowed exemptions from these ratios under certain conditions. Accordingly, Calyon sent a request to the Commission Bancaire that certain group subsidiaries under its sole control be exempted on an individual basis. The subsidiaries concerned were exempted.

Solvency ratio reform

The order of 20 February 2007, which transposes the European CRD (Capital Requirements Directive) into French law, defined the "capital requirements applicable to credit institutions and investment companies". In accordance with those requirements, the Crédit Agricole CIB group has incorporated the impact of this new directive into its capital and risk management procedures.

The CRD ratio has had legal force since 1st January 2008. However, banks are continuing to calculate the CAD ratio during a parallel phase, as the regulatory authority has defined the minimum capital requirements until the end of 2009:

- 90% of these requirements until 31 December 2008;
- 80% of these requirements until 31 December 2009.

The method for calculating the solvency ratio is set out in the Capital Requirements Directive. The ratio is based on the measurement of assets weighted by credit risk, market risk and operational risk. The resulting capital requirements for each risk are stated below.

In accordance with the order of 20 February 2007, credit risk exposures are measured using two approaches:

- the standardised method, based on external measurements and standard weightings for each category of exposure;
- the IRB (Internal Rating Based) method, which relies on the institution's internal rating system. There is a distinction between:
  - the IRB foundation method, for which institutions may only use their estimated probabilities of default;
  - and the advanced IRB method, for which institutions use internal estimates for all risk components, i.e. probability of default, loss given default, exposure at default and maturity.

In late 2007, the Commission Bancaire authorised the Crédit Agricole CIB group to use its advanced internal rating systems to calculate regulatory capital requirements with respect to credit risk.

Prudential ratios

Differences between the scope of statutory and regulatory consolidation

Insurance companies are excluded from the scope of prudential supervision, but are included in the accounting scope of consolidation. Crédit Agricole CIB owns only one insurance company: CAIRS Assurance SA, which does not show any capital shortage.

Ratios at 31 December 2009

The table below sets out the CRD solvency ratio and details the risks faced by the Crédit Agricole CIB group measured on a credit-risk-equivalent basis (after counterparty weighting), along with the level of regulatory capital, calculated in accordance with the regulation.

€ billion	31.12.2009	31.12.2008
Tier I capital [A]	**15.9**	**16.0**
Capital and reserves, group share	13.0	(1) 8.2
Minority interests	0.2	(1) 0.1
Capital included in core capital with the agreement of the Commission Bancaire	-	5.0
Hybrid securities	4.7	4.8
Deductions of intangible assets	(2.0)	(2.0)
Tier II capital [B]	**3.9**	**4.0**
Tier III capital	**-**	**0.6**
Deductions from Tier I capital and Tier II capital	**(4.0)**	**(2.6)**
Deductions from Tier I capital [C]	(2.0)	(1.3)
Deductions from Tier II capital [D]	(2.0)	(1.3)
Total available capital	**15.8**	**18.0**
Tier 1 [A - C]	13.9	14.7
Tier 2 [B - D]	1.9	2.7
Tier 3	-	0.6
Credit risk	114.6	116.0
Market risk	7.0	23.6
Operational risk	13.3	12.4
Total risk-weighted asset pre-floor	**134.9**	**152.0**
Total risk post floor	**134.9**	**169.4**
Tier I solvency ratio	**10.3%**	**8.7%**
Overall solvency ratio	**11.7%**	**10.7%**
Tier I solvency ratio pre-floor	**10.3%**	**9.7%**

(1) Figure at 31 December 2008 adjusted due to a technical error

At 31 December 2009, the Credit Agricole CIB group's Basel II overall solvency ratio is 11.7%, and the Basel II Tier I solvency ratio is 10.3%.

At 31 December 2008, the Group's overall ratio was 10.7%, and the Tier 1 ratio post-floor was 8.7%. At 31 December 2008, the ratio was calculated based on the amount of Basel II risk-weighted assets after applying the flat 90% floor to Basel I risk-weighted assets; from 1 January 2009, the floor was lowered to 80% and the overall ratio at 31 December 2009 was calculated in the Basel II approach with no floor adjustment.

Basel II risk-weighted assets totalled €134.9 billion at 31 December 2009, an decrease of 20% relative to the €169.4 billion figure at end-2008.

The €34.5 billion decrease broke down as follows:

- credit risks declined by €1.4 billion over the period (excluding the currency effect), primarily due to the fall in the basis for weighting counterparty risk in the trading book thanks to improvement in market conditions. This decline was mitigated by substantial deterioration in counterparty ratings;

- In 2009, market risk declined by €16.6 billion in risk-weighted asset equivalents, primarily owing to improvement in market conditions, which produced a favourable effect on VaR, and to the steady decline in market risk, in keeping with the strategic refocusing plan for Crédit Agricole CIB;
- Operational risk amounted to €13.3 billion, a rise of €0.9 billion on 31 December 2008, with more fine-tuned modelling of this risk in capital market activities;
- The overall decline in risk-weighted assets was significantly magnified by the reduction in the floor requirement from 90% to 80% of Basel I risk-weighted assets. This resulted in a €17.4 billion reduction in Basel II risk-weighted assets to by comparison with the requirement at end-2008.

Tier I capital totalled €13.9 billion at 31 December 2009. The €0.8 billion decrease in 2009 was due to several factors:

- the net loss for the year (€0.3 billion);
- the capital increase at the beginning of 2009 after repayment of the €0.3 billion shareholder's advance;
- the downgrade below BB- of securitised assets backed mainly by US real estate assets ; 50% of these were deducted from Tier 1 and 50%, from Tier 2 (producing a €0.7 billion negative impact on Tier1).

Tier II decreased by €0.8 billion mainly due to new 50% deductions.

Tier III capital totally disappeared at 31 December 2009 following maturity of subordinated debts.

Capital, capital requirements and adequacy of capital

Composition of capital and ratios

Capital is split into three categories: Tier I capital, Tier II capital and Tier III capital, according to the following criteria:

- solidity and stability;
- maturity;
- subordination.

Tier I capital

Tier I capital includes:

Core capital and deductions

- Capital
- Reserves, including revaluation adjustments and unrealised or deferred capital gains/losses.
  Unrealised gains or losses on available-for-sale financial assets are recognised directly in shareholders' equity and adjusted as follows:
  - for equity instruments, net unrealised capital gains are deducted from Tier I capital, currency by currency, net of any tax already deducted in the accounts, and 45% of the amount is released, currency by currency, before tax to Tier II capital. Unrealised net capital losses are not adjusted ;
  - unrealised gains or losses recognised directly in equity capital, as a result of a cash flow hedging transaction, are neutralised;
  - for other financial instruments, including debt instruments, loans and advances, unrealised capital gains and losses are neutralised;
  - impairment losses on all available-for-sale assets taken to profit and loss are not adjusted.
- Share premiums.
- Retained earnings.
- Net income from the current year, i.e. net income, group share minus projected dividend payments;
- Funds that the Commission Bancaire has deemed to meet the conditions for inclusion in Tier I capital.
- Deductions are as follows:
  - own shares, measured at book value;
  - intangible assets, including start-up costs and goodwill.

Other Tier I capital

- Minority interests include minorities' shares in entities owned by Crédit Agricole CIB, and a hybrid instrument that, with the Commission Bancaire's agreement, is not included in the hybrid security category detailed below.
- Hybrid securities similar to minority interests.

Hybrid or Lower Tier I securities.

These include equity instruments, either innovative or non-innovative. Innovative equity instruments feature progressive remuneration.

Crédit Agricole CIB's subordinated debt

They are subject to compliance with certain limits relative to Tier I capital (calculated before deductions), in the same way as the total of minority interests and hybrid securities, the limit of which is calculated relative to core capital (2008: 25 %, 2009: 35 %).

Tier II capital

Tier II capital includes:

- funds from the issuing of subordinated securities or loans that meet the conditions of article 4c of regulation 90-02 (perpetual subordinated notes);
- funds that meet the conditions of article 4d of regulation 90-02 (redeemable subordinated notes);
- for equity instruments, unrealised net capital gains released, currency by currency and before tax, to Tier II capital at a rate of 45%;
- since Crédit Agricole CIB uses internal rating-based approaches for measuring credit risk, the positive difference between the sum of value adjustments and collective impairment relating to the exposures concerned and expected losses.

Deductions

Deductions are covered by articles 6, 6 bis and 6 quater of regulation 90-02 and include investments representing more than 10% of the capital of a credit institution or investment company, along with subordinated debt and any other element of shareholders' equity. Deductions are split 50/50 between Tier I and Tier II capital.

Tier III capital

Subordinated debt with an initial maturity of at least two years, within the limits of regulatory requirements. The sum of the aforementioned capital figures makes up the institution's total shareholders' equity.

Capital requirements by type of risk

The overall solvency ratio, presented in the table of prudential ratios, equals total capital divided by total exposures weighted by credit risk, market risk and operational risk.
The capital requirements by type of risk, method and exposure category (for credit risk) set out below correspond to 8% (the regulatory minimum) of risk-weighted exposures (average risk equivalent) presented in the prudential ratio table.

Credit risk: capital requirements using the standardised method

€ million	31.12.2009 Risk weighted asset	31.12.2009 Capital requirements	31.12.2008 Risk weighted asset	31.12.2008 Capital requirements
Central governments and central banks	317	25	275	22
Institutions	2,889	231	2,813	225
Corporates	6,970	558	6,510	521
Retail customers				
Equities	138	11	530	42
Securitisations	7,308	585	3,674	294
Total	**17,622**	**1,410**	**13,802**	**1,104**

The capital requirement calculated using the standardised approach to credit risk equalled 13% of total capital requirements at 31 December 2009 (9% at 31 December 2008).

Credit risk: capital requirements using the IRB method

€ million	31.12.2009 Risk weighted asset	31.12.2009 Capital requirements	31.12.2008 Risk weighted asset	31.12.2008 Capital requirements
Central governments and central banks	865	69	760	61
Institutions	11,354	908	12,247	980
Corporates	72,741	5,819	74,913	5,993
Retail customers	351	28	391	31
Equities	2,697	216	2,381	190
Securitisations	8,992	719	11,524	922
Total	**97,000**	**7,760**	**102,216**	**8,177**

The capital requirement calculated using the internal rating-based method equalled 72% of total capital requirements at 31 December 2009 (67% at 31 December 2008).

Capital requirements with respect to market risk and settlement risk

€ million	31.12.2009 Risk weighted asset	31.12.2009 Capital requirements	31.12.2008 Risk weighted asset	31.12.2008 Capital requirements
Market risk using standardised approach	2,482	199	2,688	215
Interest-rate risks	*1,307*	*105*	*1,338*	*107*
Securities valuation risks	*51*	*4*	*338*	*27*
Exchange-rate risks	*794*	*64*	*813*	*65*
Commodity risks	*330*	*26*	*200*	*16*
Market risk measured using an internal model	4,469	358	20,875	1,670
of which additional capital requirements resulting from major risk limits being exceeded				-
Settlement risk	5		50	4
Total	**6,957**	**557**	**23,613**	**1,889**

The capital requirement for market risk and settlement risk equalled 5% of total capital requirements at 31 December 2009 (16% at 31 December 2008).

Capital requirements relating to operational risks

€ million	31.12.2009 Risk weighted asset	31.12.2009 Capital requirements	31.12.2008 Risk weighted asset	31.12.2008 Capital requirements
Standardised approach to measuring operational risk	1,173	94	1,088	87
Advanced approach to measuring operational risk	12,154	972	11,300	904
Total	**13,327**	**1,066**	**12,388**	**991**

The capital requirement for operational risk equalled 10% of total capital requirements at 31 December 2009 (8% at 31 December 2008).

Assessment of adequacy of internal capital

The Group has begun to develop an internal capital procedure within the Crédit Agricole CIB group and the group's main French and foreign entities. The approach aims to comply with the requirements of the second pillar of Basel II, particularly as regards the ICAAP (Internal Capital Adequacy Assessment Process), which institutions are responsible for implementing.

The main objective of this procedure is to ensure that group shareholders' equity and the shareholders' equity of group entities are appropriate given the risks incurred.

Risks quantified for internal capital purposes include:

- risks covered by the first pillar of Basel II (credit and counterparty risks, operational risks, market risks);
- risks covered by the second pillar of Basel II (interest-rate risk in the banking book, concentration risk in the loan book).

Liquidity risk is excluded from this procedure, since the Group prefers to take a qualitative approach to managing this risk. This involves ensuring the quality of its management and supervision system, together with the liquidity continuity plan.

In addition to these risks, the internal capital procedure requires the group to check that the capital requirements calculated under the first pillar adequately cover any residual risks relating to techniques used to mitigate credit and securitisation risks. If risks are not adequately covered, an adjustment relative to first-pillar requirements is made by the entities exposed to these risks.

The quantitative approach used to calculate internal capital is incremental, and can be adjusted relative to first-pillar requirements. The approach consists:

- of adjusting capital requirements calculated with respect to the first pillar, so that internal capital reflects economic risks in each business;
- of supplementing requirements corresponding to first-pillar risks, taking into account the second pillar;
- of taking into account, in a prudent manner, the effects of diversification resulting from carrying out diversified activities within the same group.

Within Crédit Agricole CIB, exposure to counterparty and credit risk is calculated using an internal model, and internal capital is calculated using an economic capital model with a threshold of 99.97%.

As regards market risk, first-pillar capital requirements are calculated using internal value-at-risk models, and internal capital for market risk takes into account the liquidity of instruments in the trading book. As for credit risk, the percentile used to calculate internal capital for market risk is 99.97%.

As regards internal capital for interest-rate risk in the banking book, the Group applies the interest-rate shocks specified in the second pillar of Basel II, which correspond to instant and parallel upward and downward shocks of 200 basis points. The calculated internal capital figure includes the risk-offsetting effect of net interest margin on customer deposits.

Credit risk

Exposure to credit risk

- Probability of default (PD) means the probability that a counterparty will default in a 1-year period.
- Loss given default (LGD) means the relationship between the loss when a counterparty defaults and the amount of the exposure at the time of default;
- Gross exposure means the amount of exposure (on- and off-balance sheet) before the application of credit risk mitigation techniques and before the application of the conversion factor (CCF).
- Exposure at default (EAD): means the amount of exposure (on- and off-balance sheet) before the application of credit risk mitigation techniques and before the application of the credit conversion factor (CCF).
- 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.
- Risk-weighted assets (RWA) : Exposure at default (EAD) after application of a weighting ratios
- Value adjustments: decline in the value of a specific asset due to credit risk, recognised either through a partial write-off 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 Commission Bancaire.

Credit exposures are classified by type of counterparty and type of financial product, in one of the exposure categories in the table above and defined by article 40-1 of the order of 20 February 2007 relating to the capital requirements applicable to credit institutions and investment companies:

- The "institutions" category corresponds to exposures to credit institutions and investment companies. The category also includes some exposures to regional and local governments, public-sector entities and multilateral development banks, which are not treated as central governments.
- The "Corporates" exposure category includes large, medium-sized and small companies.
- The "Retail customers" category corresponds to loans granted in private banking operations.
- The equity investments category is defined on page 108.
- The “Securisation transactions” category is defined on page 106.
- The "Other assets that do not correspond to a credit obligation" category mainly includes non-current assets and accruals.

Analysis of exposures

Exposures by type of risk

The tables below show Crédit Agricole CIB's exposure to credit and counterparty risk by exposure class for the standardised and internal ratings based approaches. This exposure corresponds to gross exposure (on- and off-balance sheet) after netting and before risk mitigation techniques (guarantees and collateral).

Institutions take into account counterparty risk in all of their exposures, whether in the banking or trading books. For items in the trading book, counterparty risk is managed in accordance with arrangements for the prudential supervision of market risk.

The prudential treatment of counterparty risk for operations involving derivative financial instruments in the banking book is governed by regulations, i.e. by France's transposition of the European directive (order of 20 February 2007). To measure exposure to counterparty risk on transactions involving forward financial instruments, Crédit Agricole CIB uses the market price measurement method.

Counterparty risk exposure totalled €85.4 billion at 31 December 2009, with €12.7 billion of repos and €72.7 of derivative financial instruments.

Additional information on counterparty risk exposure on derivative financial instruments is provided in note 3.1 to the consolidated financial statements.

◊ Exposure to credit risk by method and category of exposure (total exposure)

	31.12.2009						31.12.2008	
	IRB		Standard		Total		Total	
€ million	Credit risk	including counterparty risk	Credit risk	including counterparty risk	Credit risk	including counterparty risk	Credit risk	including counterparty risk
Central governments and central banks	45,697	2,891	8,239		53,936	2,891	62,074	4,496
Institutions	101,991	50,264	13,379	1,075	115,369	51,339	151,798	66,938
Corporates	196,664	29,607	5,545	1,554	202,210	31,161	275,787	41,863
Retail customers	6,650				6,650		7,402	
Equities	1,109		4,419		5,528		1,728	
Securitisations	58,880				58,880		44,599	
Other assets that do not correspond to a credit obligation			21,988		21,988		50,105	
Total	**410,992**	**82,763**	**53,570**	**2,629**	**464,562**	**85,392**	**593,493**	**113,297**

◊ Exposures at default by method and category of exposure (EAD)

	31.12.2009						31.12.2008	
	IRB		Standard		Total		Total	
€ million	Credit risk	including counterparty risk	Credit risk	including counterparty risk	Credit risk	including counterparty risk	Credit risk	including counterparty risk
Central governments and central banks	44,997	2,891	8,224		53,221	2,891	61,119	4,496
Institutions	98,342	51,495	13,018	1,075	111,360	52,570	139,522	66,938
Corporates	169,213	29,607	5,009	1,554	174,222	31,161	230,382	41,863
Retail customers	6,630				6,630		7,383	
Equities	782		4,419		5,200		1,194	
Securitisations	47,396				47,396		41,060	
Other assets that do not correspond to a credit obligation			21,947		21,947		49,569	
Total	**367,360**	**83,994**	**52,616**	**2,629**	**419,976**	**86,623**	**530,229**	**113,297**

◊ Risk weighted asset by method and category of exposure (RWA)

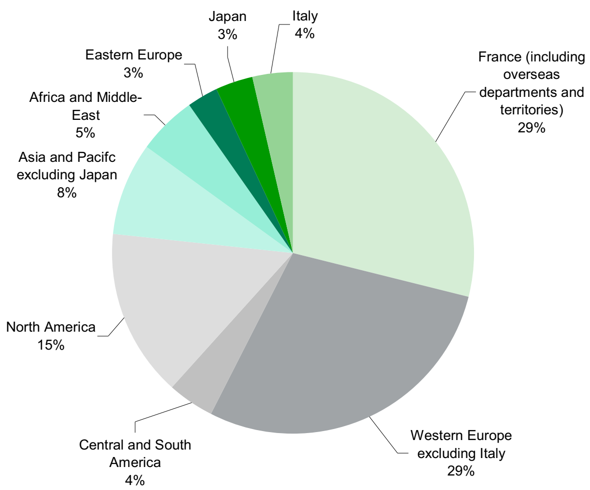
	31.12.2009						31.12.2008	
	IRB		Standard		Total		Total	
€ million	Credit risk	including counterparty risk	Credit risk	including counterparty risk	Credit risk	including counterparty risk	Credit risk	including counterparty risk
Central governments and central banks	865	43	317		1,181	43	1,035	102
Institutions	11,354	5,958	2,889	215	14,242	6,173	15,060	7,318
Corporates	72,741	14,701	6,970	1,482	79,711	16,183	81,422	18,163
Retail customers	351				351		391	
Equities	2,697		138		2,836		2,911	
Securitisations	8,992				8,992		11,524	
Other assets that do not correspond to a credit obligation			7,308		7,308		3,674	
Total	**97,000**	**20,703**	**17,622**	**1,697**	**114,621**	**22,399**	**116,017**	**25,583**

Exposures by geographical area

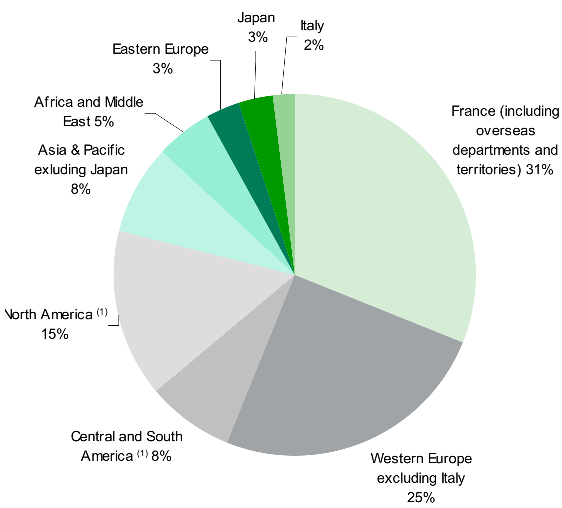
The analysis covers the total amount of exposures by geographical area within the Crédit Agricole CIB group, excluding securitisation transactions and other assets that do not correspond to a credit obligation.

At 31 December 2009, the figure was €371 billion (€497 billion at 31 December 2008).

2009



2008



(1) 2008 corrected data

◊ Geographical analysis of portfolio by category of exposure

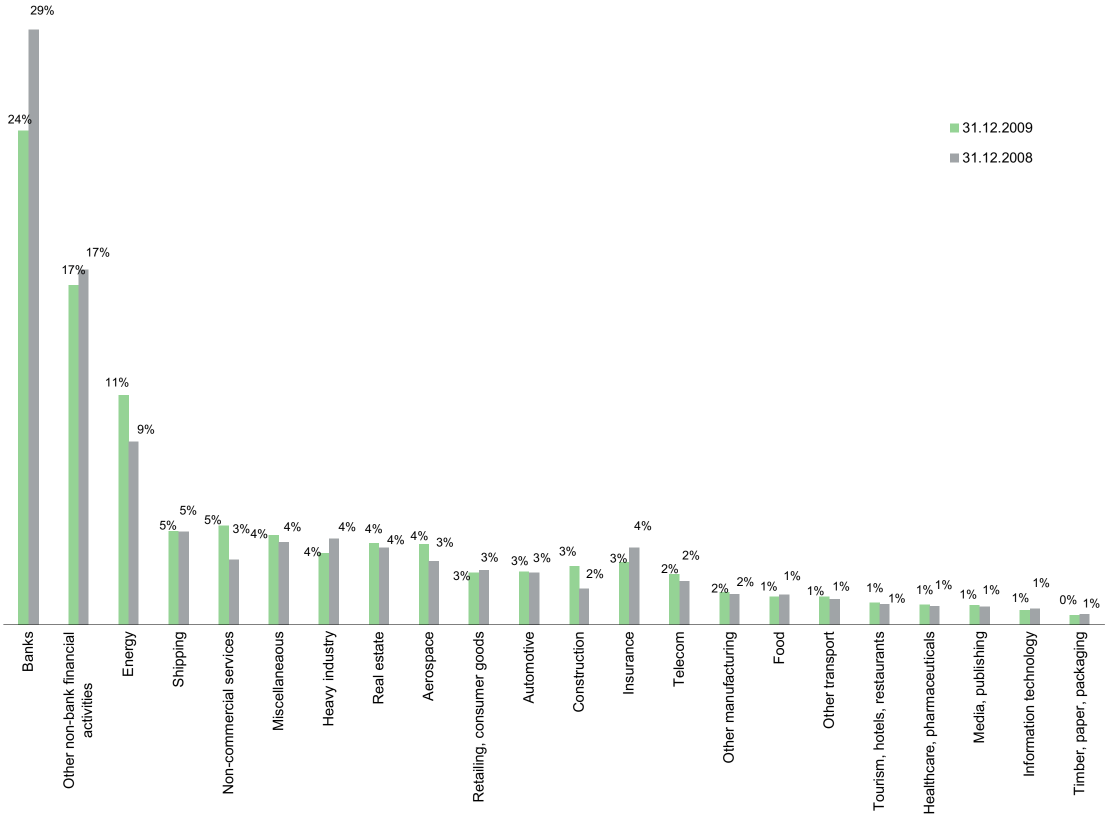
%	Central governments and central banks		Institutions		Corporates	
	2009	2008	2009	2008	2009	2008
France (including overseas departments and territories)	26%	35 %	27%	22 %	25%	24 %
Western Europe excluding Italy	17%	5 %	46%	40 %	27%	26 %
Central and south America [(1)]	2%	14 %	0%	5 %	7%	8 %
Italy	4%	1 %	2%	1 %	4%	3 %
Asia and Pacific excluding Japan	5%	4 %	7%	7 %	11%	11 %
Africa and Middle-East	3%	2 %	5%	5 %	7%	6 %
North America [(1)]	25%	24 %	10%	17 %	14%	16 %
Eastern Europe	1%	1 %	1%	1 %	4%	4 %
Japan	15%	13 %	2%	2 %	2%	2 %
other	1%	1 %	0%	0 %	0%	0 %
Total	**100 %**	**100 %**	**100 %**	**100 %**	**100 %**	**100 %**

(1) 2008 corrected data

Exposures by industry

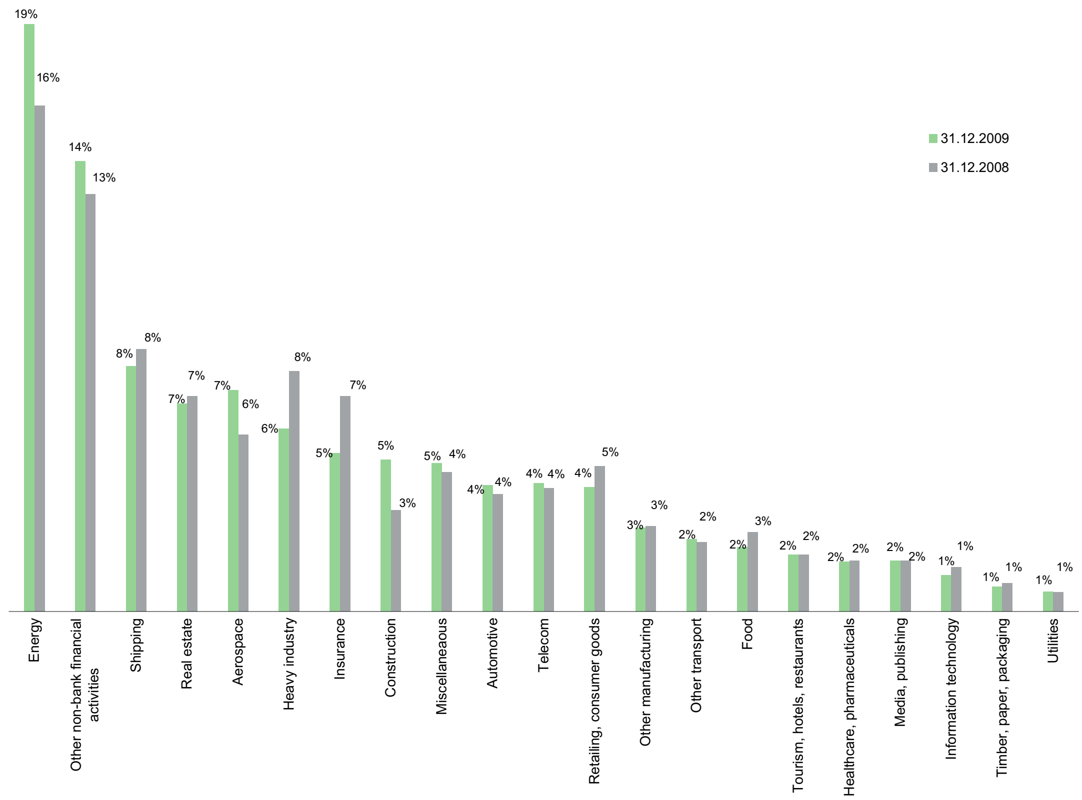
The Crédit Agricole CIB Group's total exposures are broken down by industry. At 31 December 2009, total exposures amounted to €378 billion euros compared with €497 billion at 31 December 2008).

◊ Industry analysis of exposures – all category of exposures



The analysis of the loan book by industry shows a well diversified risk. Banks and Other non-bank financial activities make up 41% of the total portfolio. Excluding Other non-bank financial activities, the Corporates portfolio shows a satisfactory level of diversification, with the main economic sector being Energy (11%).

◊ Industry analysis of exposures – Corporate



Contractual maturity analysis of exposures

The contractual maturity analysis of exposures and by financial instruments is available, on an accounting basis, in note 3.3 to the consolidated financial statements.

Quality of exposure at 31.12.2009

Quality of exposure by type of customer

€ million	31.12.2009					
	Gross exposure	Impaired exposure: Standardised approach	Impaired exposure: IRB approach	Total	Individual value adjustments	Collective value adjustments
Central governments and central banks	53,936	9	65	74	73	
Institutions	115,369		200	200	298	
Corporates	202,210	72	3,095	3,167	1,177	1,576
Retail customers	6,650		1,005	1,005	70	
Total	**378,165**	**81**	**4,538**	**4,446**	**1,618**	**1,576**

€ million	31.12.2008					
	Gross exposure	Impaired exposure: Standardised approach	Impaired exposure: IRB approach	Total	Individual value adjustments	Collective impairment
Central governments and central banks	62,074	62	78	140	106	
Institutions	151,798	15	272	287	258	
Corporates	275,787	13	2,684	2,697	995	1,291
Retail customers	7,402		1,217	1,217	32	
Total	**497,061**	**90**	**4,251**	**4,341**	**1,391**	**1,291**

Quality exposure by geographical area

€ million	2009		2008
	Standardised approach	**IRB approach**	**IRB approach**
	Past due exposure [(1)]	Exposure at default	Exposure at default
Western Europe excluding Italy	70	1,495	1,763
Italy	11	912	1,169
Eastern Europe		262	180
North America		633	601
Central and South America		757	272
Asia and Pacific excluding Japan		159	121
Japan		7	27
Africa and Middle-East		513	118
Total	**81**	**4,738**	**4,251**

[(1)] Over 90 days

Quality of exposure

Quality of exposure by type of customer standardised approach

◊ Credit valuation under the standardised approach

When no external credit valuation is available, Crédit Agricole CIB uses the Commission Bancaire weighting. The Crédit Agricole CIB group also cross-references external credit evaluations with the various credit quality steps published by the Commission Bancaire.

For the Central Governments/Central Banks and Corporates categories, under the standardised approach, the Crédit Agricole CIB Group has chosen to use Moody's evaluations to assess sovereign risk, along with the Commission Bancaire's table to cross-reference with credit quality steps.

As regards Corporates, the Group does not use external credit evaluation organisations. Corporates are weighted at 100% or 150% when exposures to government of the country in which the company is established is weighted at 150%, in accordance with regulations. As a result, it is not possible to break down corporate exposures by credit quality step using the standardised approach.

◊ Credit quality step analysis of exposures and exposure at default (EAD)

Central government and central banks

€ million	31.12.2009		31.12.2008	
Weightings	Exposures	EAD	Exposures	EAD
0 %	7,922	7,907	8,974	8,781
10% - 20 %	1	1	29	29
100 %	316	316	372	269
Total	**8,239**	**8,224**	**9,375**	**9,079**

Institutions

€ million	31.12.2009		31.12.2008	
Weightings	Exposures	EAD	Exposures	EAD
10 %	12,548	12,483	11,508	10,980
35 % - 50%	536	285	26	26
100 %	295	250	1,041	602
150 % - 200%			2	1
Total	**13,379**	**13,018**	**12,577**	**11,609**

Exposure under the IRB approach

◊ Presentation of the internal rating system and procedure

Internal rating systems and procedures are presented in the management report in the "Risk management - Counterparty risk - Risk measurement methods and system" section on pages 70 to 71.

◊ Credit risk exposure by category of exposure and internal rating (excluding defaulted exposure)

€ million 31.12.2009	Internal obligor rating	Gross exposure	Exposure at default (EAD)	Balance-sheet exposure at default	Off-balance sheet exposure at default	Risk weighted assets	Average LGD	Average RW	Expected Loss
Central governments and central banks	1	41,107	42,444	38,610	3,834	17	1%	0%	
	2	810	797	460	336	26	7%	3%	
	3	2,602	1,160	470	689	188	14%	16%	
	4	859	483	430	53	459	44%	95%	2
	5	37	3,	2	0	9	88%	356%	
	6	205	33	28	6	161	82%	487%	5
Sub-total		45,619	44,919	40,000	4,919	862			7
Institutions	1	55,369	54,336	21,294	33,042	2,716	16%	5%	3
	2	12,304	11,809	2,364	9,445	1,398	23%	12%	2
	3	32,799	30,059	20,270	9,789	5,419	31%	18%	16
	4	2,114	1,477	644	833	1,299	45%	88%	7
	5	69	25	10	15	68	84%	273%	1
	6	800	101	66	35	427	80%	421%	12
Sub-total		101,455	97,808	44,648	53,160	11,327			43
Corporates	1	30,143	34,478	12,459	22,020	3,036	23%	9%	2
	2	30,386	26,179	8,565	17,615	4,459	37%	17%	5
	3	87,439	71,099	35,970	35,129	29,394	37%	41%	74
	4	32,264	23,778	14,631	9,146	20,727	39%	87%	105
	5	5,077	4,284	2,270	2,014	5,749	38%	134%	77
	6	7,654	5,938	3,772	2,165	9,208	35%	155%	278
Sub-total		192,963	165,756	77,667	88,090	72,573			542
Retail customers	1	554	547	512	35	4	6%	1%	
	2	2,260	2,251	2,233	19	18	5%	1%	
	3	2,966	2,962	2,955	7	156	12%	5%	1
	4	125	125	125		47	28%	38%	1
	6	46	46	45	1	75	83%	162%	5
Sub-total		5,951	5,930	5,870	61	300			7
Total		**345,989**	**314,414**	**168,185**	**146,230**	**85,059**			**597**

Credit risk mitigation techniques

Defintions:

- 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 counterparty, thereby reducing the credit risk on an exposure;
- 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 on an exposure.

Collateral management

The main categories of collateral taken by the bank are described in the section of the management report entitled "Risk Factors – Credit Risk – Guarantees Received and Security".

Collateral is analysed when granted 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 criteria in the lending decision is always the borrower's ability to repay sums due from cash flow generated by its operating activities, except for some commodities financing.

For financial collateral, a minimum exposure hedging rate is usually included in the loan contract, with readjustment clauses. Financial collateral is revalued according to remargining and marking-to market frequency and at least quarterly.

The minimum exposure hedging rate (or the haircut applied to the value of the collateral under Basel II) is determined by measuring the pseudo-maximum deviation of the value of the securities on the revaluation date. This measurement is calculated on a 99% confidence interval over a time horizon covering the period between each revaluation, the period between the date of default and the date on which asset liquidation starts, and the duration of the liquidation period. A haircut is also applied for currency mismatch risk when the collateral and the collateralised exposure are denominated in different currencies. Additional haircuts are applied when the size of the securities position implies a block sale or when the borrower and the issuer of the collateral securities belong to the same group.

Other types of asset may also be pledged as collateral. This is notably the case for certain activities such as aircraft, shipping or commodities financing. These businesses are conducted by the middle offices, which have specific expertise in valuing the assets financed.

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) are export credit agencies, most of which enjoy a good quality sovereign rating. The largest are Coface (France), Sace SPA (Italy), Eurler Hermès (Germany) and Korea Export Insur (Korea).

Credit derivatives used for hedging

Credit derivatives used for hedging are described in the "Risk factors – credit risk – use of credit derivatives" section of the management report.

Securisations

Prudential treatment of Crédit Agricole CIB securitisations is set out in title V of the European directive as transposed in French law by the decree of 20 February 2007.
Definitions:

- securitisation: a transaction or structure under which the credit risk associated with an exposure or pool of exposures is subdivided into tranches with the following features:
  - cash flows from the underlying exposure or pool of exposures are used to make payments,
  - subordination of the tranches determines how losses are allocated during the period of the transaction or structure;
- Traditional securitisation: implies the economic transfer of the securitised exposures to a special purpose entity that issues notes. The transaction 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 securitisation: 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;

Crédit Agricole CIB's securitisation exposures are dealt with using the IRB securisation approaches:

- The Rating Based Approach (RBA) for exposures that have an external public rating (directly or through an inferred rating). The external rating agencies used are Standard & Poors, Moody's, Fitch Ratings and Dominion Bond Rating Services DBRS.
- The Internal Assessment Approach (IAA).
- The Supervisory Formula Approach (SFA) for exposures without external public rating.

Internal Rating-Based approach

Securisations carried out on behalf of customers

As part of its securitisation business, the Crédit Agricole CIB Group:

- provides financing facilities and letters of credit to the securitisation vehicles to cover liquidity risk and a portion of the credit risk associated with the transactions financed;
- participates directly in the financing by holding ABCP and ABS.

The assets financed are mainly commercial loans and automobile loans. The countries of origin of the assets are mainly France, the United States and Italy.

Traditional securisations

€ million	31.12.2009	31.12.2008
Exposures	**19,540**	**23,997**
Balance sheet	2,034	1,687
Off-balance sheet	17,507	23,310
Exposures at default (EAD)	**18,896**	**22,032**
Rating-Based Approach (RBA)	**4,611**	**3,573**
Weighting 6-10 %	2,263	2,533
Weighting 12-35 %	1,395	817
Weighting 50-75 %	405	223
Weighting 100-650 %	549	
Internal Assessment Approach (IAA)	**13,796**	**17,654**
Weighting 6-10 %	9,470	13,146
Weighting 12-35 %	3,563	3,669
Weighting 50-75 %	344	54
Weighting 100-650 %	419	785
Supervisory Formula Approach (SFA)	**489**	**805**
Risk weighted assets (RWA)	**3,511**	**3,360**
Capital requirements	**281**	**269**

Proprietary securisations

Crédit Agricole CIB has two types of exposure to own account securitisations:

- Crédit Agricole CIB uses securitisation techniques to manage its corporate financing portfolio. They are used in addition to a range of risktransfer instruments (see section of the management report entitled "Risk Factors – Credit Risk - Credit Risk Mitigation Mechanisms – Use of Credit Derivatives").

  - The aim is to reduce concentration of corporate credit exposures, to diversify the portfolio and to reduce loss levels. This business is managed by the Credit Portfolio Management (CPM) team. The internal rating based approach is used to calculate risk weighted securitisation exposures on own account. In this business, the bank does not purchase or hold protection on all tranches. Hence, the bank's exposure is either from the portions of the securitisations held for own account or sales of protection on the tranches for which the bank does not want to hold protection.

- The second type mainly comprises equity investments, which:
  - 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, and which in 2009 were segregated into a dedicated prudential banking book.

◊ Tranches of securitisation (after protection)

€ million	31.12.2009	31.12.2008 [1]
Traditional securisations	9,325	9,827
Synthetic securisations	30,015	10,775
Total	**39,340**	**20,602**

[1] Change of allocation due to a classification error.

◊ Securisation tranches deductible from shareholders' equity (EAD)

At 31 December 2009, the total amount of retained securisation tranches deductible from Basel II shareholders' equity was €2,760 million.

Aggregate amount of securitized positions retained or acquired by weighting category (EAD)

€ million	31.12.2009	31.12.2008
Rating-Based Approach (RBA)	**3,713**	**11,864**
Weighting 6-10 %	1,743	1,575
Weighting 12-35 %	581	7,569
Weighting 50-75 %	237	2,230
Weighting 100-650 %	1,135	489
Weighting 1250 %	17	1
Supervisory Formula Approach (SFA)	**24,787**	**7,164**
Total	**28,500**	**19,028**

◊ Impaired assets, exposure to delinquent securitised loans and losses during the period

After impairment of €116 million, the net exposure of impaired assets was 257 million at 31 December 2009.

Exposure to equity investments

Equity investments owned by Crédit Agricole CIB outside the trading book are made up of securities "that give residual and subordinated rights to the assets or income of the issue or that are of a similar economic nature".
They mainly consist of:

- Listed and unlisted equities and shares in investment funds;
- Implied options in convertible bonds and mandatory convertible bonds;
- Equity bonds;
- Deeply subordinated notes.

Equity exposures by exposure category

	31.12.2009				31.12.2008			
€ million	Exposures	EAD	RWA	Capital requirements	Exposures	EAD	RWA	Capital requirements
Internal rating-based approach	**1,109**	**782**	**2,697**	**216**	**1,155**	**663**	**2381**	**191**
Private equity exposures held in sufficiently diversified portfolios	68	45	86	7	47	27	51	4
Exposures to listed equities	148	142	411	33	31	31	90	7
Other equity exposures	893	595	2,201	176	1,077	605	2,240	179
Standardised approach	**138**	**138**	**138**	**11**	**573**	**530**	**530**	**42**
Total	**1,247**	**920**	**2,836**	**227**	**1,728**	**1,193**	**2,911**	**233**

The total amount of capital gains realized on sales in 2009 was €46 million.
The total amount of unrealized gains and losses recorded directly in shareholders' equity was €225 million at 31 December 2009 (before tax).

Unrealized gains included in Tier I or Tier II capital totaled €67 million at 31 December 2009.

Market risk

Internal model-based method for measuring and managing market risks

The internal model-based methods for measuring and managing market risks are described in the "Risk management – Market risks" section of the management report, on page 77.

Measurement policies and procedures used for the trading book

Measurement rules used for trading book items are presented in note 1.3 to the financial statements, "Significant accounting policies".
Measurement models undergo periodic examination, as described in the "Risk management - Market risks" section of the management report, on page 76.

Global interest-rate risk

The type of interest-rate risk, the main assumptions used and the frequency with which interest-rate risk is measured are presented in the "Risk management - Global interest-rate risk" section of the management report, on page 87.

Operational risk

Method for calculating capital using the advanced approach

The scope of application of the advanced and standardised approaches, and the description of the advanced approach, are presented in the "Risk management - Operational risks" section of the management report, on page 91.

Insurance techniques for mitigating operational risk

Insurance techniques for mitigating operational risk are presented in the "Risk management - Insurance and hedging of operational risks" section of the management report, on page 92.

EMPLOYEE, SOCIAL AND ENVIRONMENTAL INFORMATION

Workforce indicators

Methodology

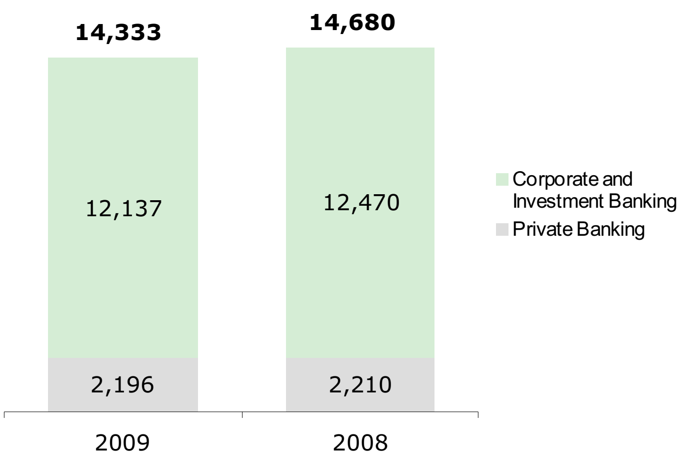
Each company of the Crédit Agricole S.A. Group has its own employee relations policy, under the responsibility of a Human Resources Director. Overall consistency is managed by the human resources Department of Crédit Agricole S.A.Group.
Entities concerned are those with employees that are consolidated either fully or proportionally (figures are reported according to the percentage of the Group's interest in their capital). In many cases,

- data are stated from the employer's side and not from the beneficiary one. The difference relates to employees seconded to one entity by another (with no changes in the employment contract), who report to their host entity from a beneficiary's point of view and to their legal belonging entity from the employer's point of view.
- The population in question is that of "active" employees. "Being active" implies :
  - a legal link in the form of a « standard » permanent or temporary contract of employment (or similar for foreign entities),
  - to be on the payroll and at work the last day of the period concerned,
  - working time of at least 50%

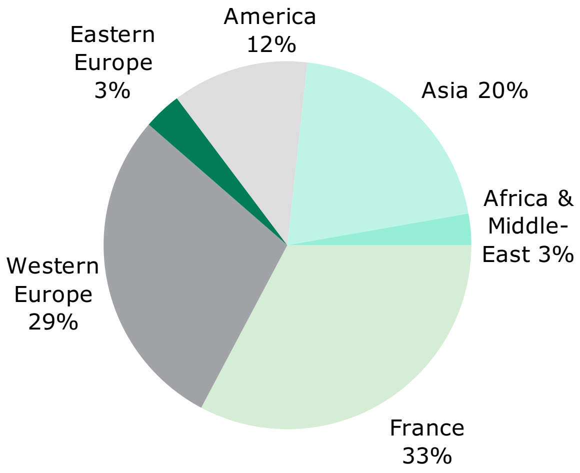
The scope of employees covered (as a percentage of full-time equivalent employees at the end of the year) is presented below each item or table of this section.

Key figures

Headcount by business line (FTE: full-Time Equivalent)



Headcount by region



More than 2/3 of the Crédit Agricole CIB Group's employees are based in Europe
Outside France (33% of employees), the main contributors are:
- USA (11% of employees)
- Switzerland (9% of employees)
- United Kingdom (9% of employees)
- Hong Kong (6% of employees)

Breakdown by type of contract (full-Time Equivalent)

	2009			2008		
	France	International	Total	France	International	Total
Active permanent staff	4,639	9,383	14,022	4,766	9,696	14,462
Contract staff	48	263	311	35	183	218
Total active staff	4,687	9,646	14,333	4,801	9,879	14,680
Permanent staff on extended leave of absence	109	NA	109	200	NA	200
Total Staff	**4,796**	**9,646**	**14,442**	**5,001**	**9,879**	**14,880**

NA: Non available

Recruitment policies

Recruiting talents, both internally or externally, is one of the main challenges facing Crédit Agricole CIB in relation with its development plan and the growth of its businesses.

Becoming a more attractive employer and recruiting new staff

Crédit Agricole CIB has implemented a pre-recruitment policy as part of its commitment to integrate young people. Expanding work-study programmes in France (+40% in 2009) and a procedure for identifying talents among trainees, work-study and international voluntary work placements are also part of the CA CIB global policy.

In 2009, Crédit Agricole CIB recruited almost 1,000 trainees, including more than 600 in France, along with 350 people on work-study programmes and around 100 on voluntary work placements in its foreign subsidiaries.

Pre-recruitment

Internships and work-based training in France (average monthly full-Time Equivalent)	2009	2008
Work-based training	198	123
Interns	353	378
% of business scope in France	96%	97%

Crédit Agricole CIB's pursued its policy of becoming a more attractive employer in 2009 with a strong presence in school forums in France and abroad. A large number of staff accompanied the HR team in these forums, sharing their experiences with students. Crédit Agricole CIB continued to strengthen its links with the student community.

A "manager-recruiter" guide was produced, to make managers aware of anti-discrimination regulations and the importance of Crédit Agricole CIB's image as an employer, to help them look for the behavioural and managerial skills required to enhance Crédit Agricole CIB's performance, and to harmonise the recruitment process. The guide will be launched in March 2010 among managers in France and abroad.

Number of staff recruited

(number)	2009			2008(*)
	CIB	Private Banking	Total	
France	265		265	320
Western Europe	214	128	342	372
Central and Eastern Europe	26		26	63
Africa	9		9	6
Middle-East	11		11	23
Asia-Pacific	245	17	262	214
Americas	178	9	187	130
Total	**948**	**154**	**1,102**	**1,128**
% of business scope			93%	80%

(*) In 2008 the number of staff recruited was 904 in CIB and 224 in Private Banking

Integration and loyalty

Each new recruit is invited to a breakfast meeting with HR staff within three months of arriving at Crédit Agricole CIB. The aim of these meetings is to present the Group, explain the integration process and answer any questions new recruits may have.
Six months after arriving at Crédit Agricole CIB, all new staff must complete a feedback report and meet their HR manager to discuss their experiences and impressions of the company.

Supporting organisational change

Each new recruit is invited to a breakfast meeting with HR staff within three months of arriving at Crédit Agricole CIB. The aim of these meetings is to present the Group, explain the integration process and answer any questions new recruits may have.

Six months after arriving at Crédit Agricole CIB, all new staff must complete a feedback report and meet their HR manager to discuss their experiences and impressions of the company.

The workforce adjustment plan involved the loss of 500 jobs, including around 225 in France. While the plan was active, Crédit Agricole CIB provided an "information and advice area" that gave information and support regarding new roles inside or outside the Group to affected employees in France. The redundancy plan ended in late February 2009. The final number of redundancies was slightly lower than originally announced, i.e. 211 instead of 225.

To help Crédit Agricole CIB deal with the new operating environment, the HR department, while focusing on the restructuring plan, has developed a policy regarding career and talent management, as well as recruitment and compensation.

Employee development and support policies

The aim of the Group's human resources management is to ensure that all positions are held by motivated employees whose skills and performance meet the demands and requirements of their role.

Career management and mobility policy

The Group's career management policy aims to allow all employees – regardless of their level within the organisation – to develop their professional experience in a constructive matter. The Group has worked hard to give staff new internal roles as far as possible. Vacancies are published in the Group's various job lists.

The current context in the banking industry, and Crédit Agricole CIB's market position, means that managing talent is more important than ever.

In addition to the usual meetings between staff, managers and HR teams, Crédit Agricole CIB has introduced harmonised, interactive career management into all its worldwide operations, taking into account the international character of its activities and its corporate culture.

It has adopted initiatives in several areas:

Staff appraisals

Annual appraisals are an important part of the dialogue between managers and staff. This process is central to Crédit Agricole CIB's approach to career management and staff mobility.

In 2009, Crédit Agricole CIB took steps to give managers a greater role in HR management. Managers are provided with training and tools to help them appraise their staff.
This training programme will continue into 2010, covering all of Crédit Agricole CIB's managers.

In 2009, as part of the process of setting 2010 targets, Crédit Agricole CIB introduced qualitative and quantitative targets, the attainment of which can be assessed using precise criteria. The importance of these criteria in the overall appraisal depends on the business line. They are defined in accordance with guidance given by the head of the business line, who implements the Management Board's strategy.

Career committees

In 2009, career committees, which manage movements of staff between different functions, were strengthened within Crédit Agricole CIB in order to increase mobility between business lines.
There were ongoing efforts to identify key resources and potential, with the aim of defining action plans (development, training and mobility) and preparing succession plans for all members of business-line and support-function committees.

Enhancing employees' sense of belonging and developing the Group culture: Peoplec@re

In the last few years, the Credit Agricole S.A. Group has undergone major changes and expanded in France and abroad. Human resource management and the development of a Group culture are crucial to the success of this strategy.

As a result, the Crédit Agricole S.A. Group has adopted PeopleC@re, a shared career management tool that is being gradually rolled out across all entities.
PeopleC@re was launched within Crédit Agricole CIB in September 2009 and is now used around the world for annual appraisal and target-setting meetings, which are attended by all Crédit Agricole CIB staff.

Mobility figures for 2009:

- Around 120 international transfers on an annual basis
- Around 490 transfers between business lines
- 65 transfers within the Crédit Agricole S.A. group

Training policy

The main initiatives that were started in 2008 continued in 2009.
Training is a crucial method for supporting career development and helping to develop the individual and collective skills required in the Group's businesses.
In 2009, Crédit Agricole CIB offered around 330 advanced training programmes covering technical and managerial skills, in order to meet the collective and individual needs of its staff.
Some training is provided via e-learning, to enable as many staff as possible to fit training around their individual schedules and constraints, in France and abroad.

Main areas of training in 2009:
- Enhancing managerial expertise
- Additional collective training and information about career paths, internationally and whenever required
- Regulatory training via e-learning modules.

In 2009, Crédit Agricole CIB's spending on training relative to its payroll was once again higher than the statutory minimum. This shows the efforts the company is making to develop and strengthen the skills of its teams.
In 2009, €7.6 million was spent on training in France.
The number of staff receiving training equalled 73% of permanent employees at the end of the year.
On average, staff who received training in 2009 received 26 hours of training as opposed to 27 hours in 2008 (in France).

	2009 (11 months)*		**2008** (11 months)*	
	Number of employees trained	Number of hours training	Number of employees trained	Number of hours training
France	3,775	73,519	3,599	90,289
International	4,713	117,437	4,726	138,745
Total	**8,488**	**190,956**	**8,325**	**229,034**
% of business scope	75%	75%	71%	71%

***** December figures are not representative.

The main areas of training in France were as follows:
- Banking and finance were in first place, accounting for 29% of total training hours.
- Languages remained in second place, with 24%.
- Behavioural training was in third place, accounting for 20% of total training hours.

Knowledge area

(number of hours)	**2009** (11 months)*				**2008** (11 months)*	
Themes	Total	%	France	International	Total	%
Knowledge of the Crédit Agricole S.A. group	4,818	2.5%	1,910	2,908	3,334	1.5%
Personnel et business management	10,055	5.3%	5,306	4,749	15,890	6.9%
Banking, law, economics	33,346	17.5%	9,264	24,082	53,467	23.3%
Insurance					535	0.2%
Financial management (Accounting, Fiscal policy, …)	14,069	7.4%	8,147	5,922	14,001	6.1%
Risks	5,679	3.0%	2,240	3,439	5,665	2.5%
Compliance	18,203	9.5%	2,105	16,098	10,536	4.6%
Method, organisation, quality	7,398	3.9%	4,296	3,102	4,640	2.0%
Purchasing, Marketing, Distribution	3,625	1.9%	1,450	2,175	4,540	2.0%
IT, Networks, Telecommunications	9,933	5.2%	4,196	5,737	8,879	3.9%
Foreign languages	54,254	28.4%	19,329	34,925	66,116	28.9%
Office systems, business-specific software, new technology	8,993	4.7%	5,349	3,644	12,405	5.4%
Personal development and communication	13,575	7.1%	7,375	6,200	23,017	10.0%
Health and safety	3,531	1.8%	1,040	2,491	1,255	0.5%
Human rights and Environment	522	0.3%	175	347	2,062	0.9%
Human resources	2,955	1.5%	1,337	1,618	2,692	1.2%
Total	**190,956**	**100%**	**73,519**	**117,437**	**229,034**	**100%**
% of business scope	75%		100%	63%	71%	

***** Note that December figures are not representative.

Compensation Policy

The Group strives to offer competitive compensation packages and incentives to motivate its staff, while taking into account the specific characteristics of its business lines, legal entities and local laws.

The compensation policy is designed to reward both individual and team performance, in keeping with the values of fairness, humanism and merit on which the Group has built its success.

Skills and responsibility level are rewarded by basic salary in line with each business's specific conditions and 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 Group entities, a variable component tied to individual performance (bonus, commissions, etc.) is applied on the basis of performance targets and the entity's results.

Variable compensation of market operators in 2009

Industry standards applying to the compensation of market operators whose activities are likely to have an impact on risk exposure in credit and financial institutions concerns have been developed by the industry with the active participation of Crédit Agricole S.A. representatives. These standards are based on the recommendations of the Financial Stability Council as adopted by G20 member states at the Pittsburgh summit in September 2009, and commitments made by the banking industry at the 25 August 2009 meeting with the French President.

The Crédit Agricole S.A. Group has decided to extend the principle of deferring variable compensation to all corporate and investment banking employees to achieve consistency and to bring them into line with the company's overall performance.

These new rules are designed to better reflect the cost of risk in calculating performance on which variable compensation is based. They specify that a large part of variable compensation should be deferred over several years so that bonuses can be clawed back in the event that results are not as profitable as anticipated. Finally, these rules implement governance of compensation decisions, under the control of the Crédit Agricole S.A. central bodies.

The terms and conditions of the 2009 compensation policy and quantitative information will be published at a later date.

Governance of compensation policy

The governance of compensation policy will be amended in 2010 and the role of the Crédit Agricole S.A. Group Compensation Committee will change:

The Committee's role is to submit to the Board of Directors for approval proposals on the compensation policy applicable to all Crédit Agricole S.A. Group entities and, in particular, on the principles for determining variable compensation packages (amount, allocation), taking into account the impact of risks and capital requirements inherent in the relevant businesses, and on applying industry standards applicable to financial market professionals whose activities are likely to have a significant impact on the risk exposure of the relevant Crédit Agricole S.A. Group entities.

The Committee monitors application of this policy, across the entire Group and by major business line, through an annual review to ensure compliance with regulations and industry standards. In so doing, the Committee reviews the opinions and recommendations of the Group risk and permanent control and Group compliance departments, which are responsible for monitoring the application of this policy within the Crédit Agricole S.A. Group.

The Committee reviews the compensation of corporate officers and, in accordance with regulations and industry standards on financial market professionals, for the most highly paid employees (one million euros and over), it reviews variable compensation on a case-by-case basis.

Compensation of senior executives

Following a review in 2009, at its meeting of 9 December 2009, the Board of Directors of CA S.A. adopted a new compensation policy for the Group's senior executives.

The policy aims to reconcile the demands of an increasingly competitive market with the expectations of shareholders, employees and customers, and to be consistent with the Group's stature as a leading operator in the banking sector both nationally and internationally.

Direct compensation of Group executives consists of a fixed salary and variable compensation in the form of an annual bonus, half of which is based on financial targets, and the other half on non-financial criteria (managerial, customer satisfaction and social value creation targets). In addition, long-term variable compensation in the form of performance shares provides incentives to outperform stated financial and social targets.

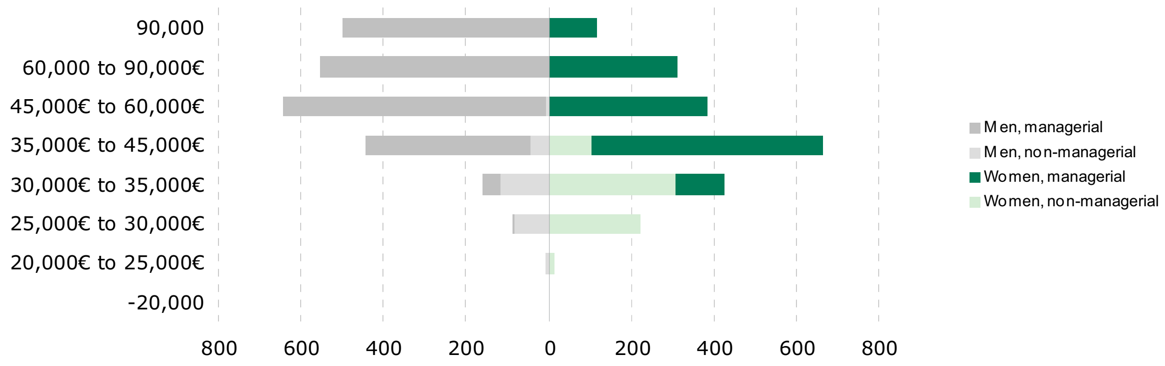
In addition to direct compensation, senior executives receive other benefits, in the form of supplementary pension schemes, which were harmonised across all entities in 2009.

Individual salaries in France

Average base monthly salaries for active permanent employees at end-December in France

in €	2009			2008		
	Men	Women	Total	Men	Women	Total
Managerial	6,071	4,509	5,429	5,911	4,397	5,308
Non-managerial	2,662	2,610	2,625	2,608	2,529	2,551
Total	**5,706**	**3,936**	**4,872**	**5,563**	**3,813**	**4,753**
% of business scope in France			96%			97%

Annual fixed remuneration at end-December 2009 for employees in France



% of business scope in France 96%

The salaries presented here are based on weighted averages, taking account of the employee structure in 2008 and 2009. They include both joiners and leavers and annual salary reviews.
26% of staff in France received a collective pay rise in 2009.
Note that 2,023 employees in France benefited from individual pay rises in 2009.

Collective variable compensation policies: incentive plan and profit-sharing

- Amendment to the incentive agreement, altering the rules for calculating the incentive plan reserve and allowing an increase in the amount paid to staff.
- Mandatory annual negotiation protocol relating to the payment of a special incentive bonus of €500 (gross) in 2009

Collective variable compensation paid in France in respect of the previous year's results

	2009			2008		
	Gross amount paid (en K€)	Number of beneficiaries	Average amount (in €)	Gross amount paid (en K€)	Number of beneficiaries	Average amount (in €)
Profit-sharing				2,936	654	4,489
Incentive plan	2,443	4,720	518	2,436	654	3,724
Employee savings plan top-up	4,822	3,897	1,237	4,797	3,405	1,409
Total	**7,265**			**10,169**		
% of business scope in France:		96%			97%	

Promotions

(number)	2009			2008		
	Women	Men	Total	Women	Men	Total
Promotion within non-managerial category	84	36	120	99	42	141
Promotion from non-managerial to managerial	36	10	46	66	24	90
Promotion within managerial category	168	183	351	139	207	346
Total	**288**	**229**	**517**	**304**	**273**	**577**
%	56%	44%	100%	53%	47%	100%
% of business scope in France:			96%			97%

Development of company-wide agreements

The Crédit Agricole S.A. Group's social policy aims to encourage constructive dialogue and relations with employees within the framework of:

- The development and performance of the Group and its employees ;
- A CRS approach (Company Social responsibility).

Company-wide agreements at Crédit Agricole Group level

These agreements are governed by three bodies: the European Works Council, the Group Works Council and the Consultation Committee.

The Crédit Agricole Group's European Works Council, formed on the basis of an agreement signed in January 2008 does not replace national bodies for dialogue with employees. It is a forum for information and discussion about economic, financial and social issues, which in view of their strategic importance deserve to be tackled on a pan-European level.

The Crédit Agricole S.A. Group Works Council, which does not replace existing works council within Group entities, is made up of both employee representatives and representatives of subsidiaries of the Crédit Agricole S.A. Group and the Regional Banks.

Lastly, the Consultative Committee, set up at the level of the Crédit Agricole S.A. Group, aims to develop discussions with employee representatives, particularly about strategic plans shared by a number of Group entities, cross-functional aspects of the Group's operation and the development strategies of each business line.

These three Crédit Agricole S.A. group bodies may have jurisdiction for matters concerning the Crédit Agricole CIB group, but do not replace Crédit Agricole CIB's own bodies.

Dialogue between management and labour within Crédit Agricole CIB entities in France

Within Crédit Agricole CIB, dialogue between management and labour takes place in several ways, involving the Works Council, the Health, Safety and Working Conditions Committee (CHSCT) and staff representatives.

Crédit Agricole CIB's Works Council consists of 12 primary members and 12 alternate members.
The Works Council is informed about and consulted on general issues affecting working conditions, resulting from the organisation of work, technology, working conditions, working time organisation, qualifications and compensation methods. It receives input from the Health, Safety and Working Conditions Committee (CHSCT).

The CHSCT consists of 12 members, and its brief is to help protect the health and safety of workers, and to improve working conditions.

Crédit Agricole CIB has two staff delegations, one in Courbevoie and another in Saint Quentin en Yvelines. The Courbevoie delegation has 25 primary members and 25 alternate members, while the Saint Quentin en Yvelines delegation has 8 primary members and 8 alternate members. The role of staff representatives is to present to management any individual or collective complaints relating to pay, the application of employment legislation or statutory provisions relating to social protection, health and safety, and agreements applicable to the company.

Dialogue between management and labour also takes place through talks between unions and the Crédit Agricole CIB Group's management.
In 2009, these talks yielded nine agreements.

Number of company-wide agreements signed in France by theme

	2009	2008
Salary and related	4	7
Training		-
Staff representation bodies	2	3
Employment		-
Working time	1	2
Diversity and professional equality		-
Other	2	4
Total	**9**	**16**
% of business scope in France:	96%	97%

Elections of staff representatives of Crédit Agricole CIB in 2009

Elections of Crédit Agricole CIB staff representatives and Works Council staff representatives took place in December 2009. Those elected will serve a 4-year term.

Participation in these elections showed a sharp increase, with over 61% of non-executives and almost 54% of executives voting.

Social responsibility

Reflecting its commitment to its values, the Crédit Agricole S.A. Group has paid particular attention to diversity for a number of years, and in 2009 stepped up its efforts to promote diversity.

After signing the Diversity Charter in 2008, Crédit Agricole CIB signed the Parents' Charter on 7 May 2009. This charter was devised in April 2008 by Observatoire de la Parentalité en Entreprise, and has three main aims:

- to give a greater voice to parents in the workplace,
- to create a positive environment for parents in the workplace and particularly for pregnant women,
- to combat discrimination against parents in terms of career development.

Non-discrimination policies and integration of minorities

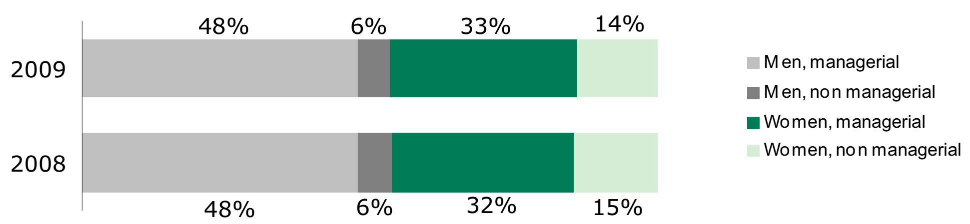
The "Manager-Recruiter Guide", which will be distributed to all managers in March 2010, contains a chapter about avoiding discrimination in the management of recruitment interviews.

Equality between men and women in the workplace

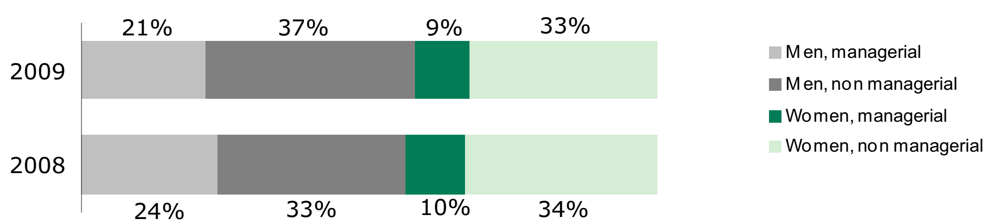
The Group is also continuing with its efforts to develop equality between men and women in the workplace. These efforts include:

- Gender breakdown of governing bodies:
  - Crédit Agricole CIB's Executive Committee contains one woman.
  - Seven women sit on the Management Committee.
- Initiatives to ensure the professional equality of men and women.
  As part of annual negotiations in 2009, the Human Resources department again allocated €300,000 to reducing wage differences between professional-grade men and women aged 40 or over.

Breakdown of employees in France by gender and category



Breakdown of international employees by gender and category



Proportion of women

(%)	2009		2008	
	%	Of workforce covered	%	Of workforce covered
Total employees	42.8%	93%	43.6%	80%
Permanent employees	38.3%	93%	41.4%	80%
Group Executive Committee	2 out of 12	100%	2 out of 23	100%
Management circles 1 and 2(*)	14.9%	100%	14.5%	100%
Top 10% of highest earning employees in each subsidiary	18.0%	76%	14.4%	76%

(*) Management circles comprise members of executive committees and members of management committees of each entity.

Employment of disabled workers

Several initiatives were undertaken in 2009 to promote the integration of disabled people within Crédit Agricole CIB in France.

- Individual assistance measures:
  - Funding for workstation adjustments (hearing aids, larger screens, Tadeo implementation, remote working tools)
  - Provision of taxis
  - Installation of the Themis system which, in the event of a fire, sends a warning to the mobile phones of all staff who are deaf or hard-of-hearing.
  - Disability awareness training was provided to an entire team, and several coaching sessions were held.
  - Several training sessions were translated into sign language.

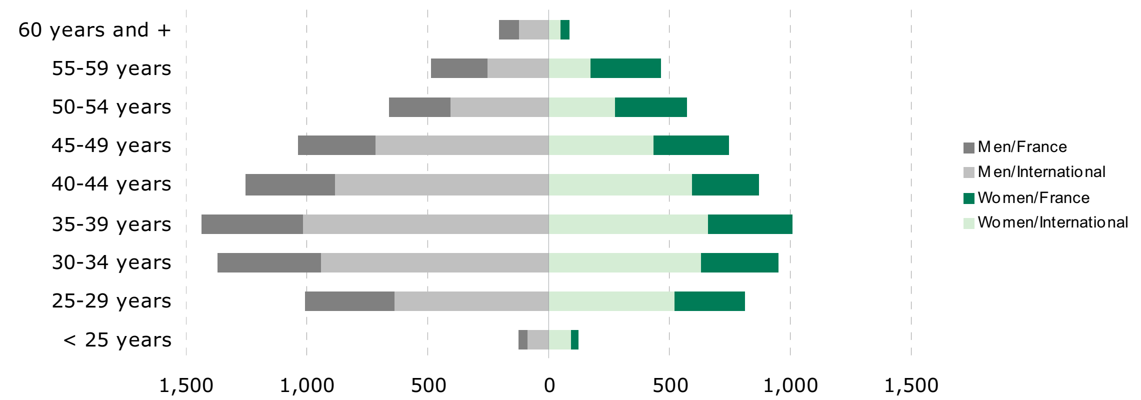
- Awareness-raising
  - Distribution of Crédit Agricole S.A.'s disabilities brochure (entitled "*Nos compétences n'ont pas de handicap*") to all staff
  - Presentation to all HR teams
  - Disability day on 9 October 2009, involving workshops, a play and a drinks party organised by a sheltered workshop.

Age management and developing the employability of older staff

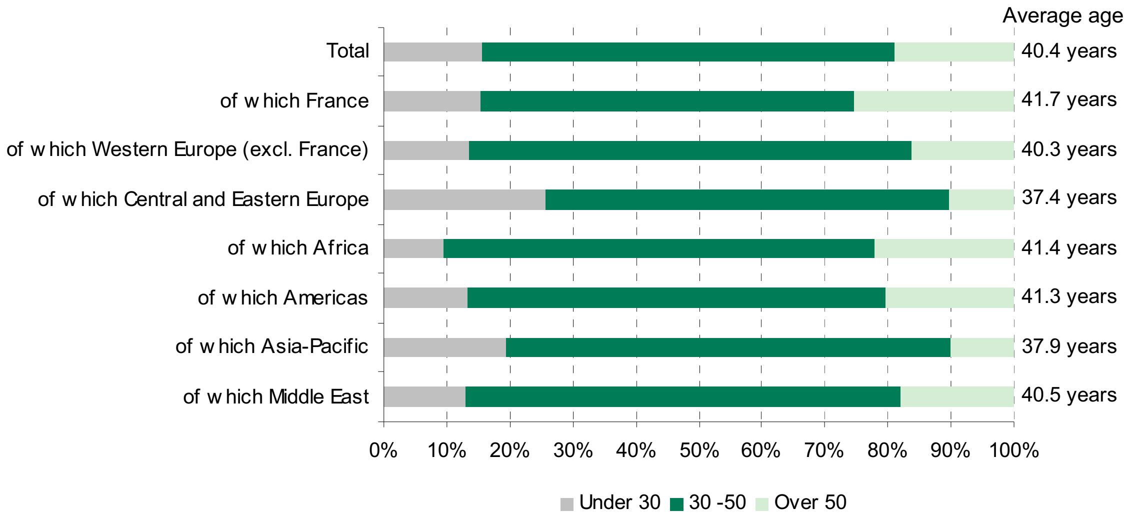
Talks are underway with unions about fair conditions for older employees in terms of compensation, promotion, training and mobility. Main initiatives planned for 2010:

- Advanced career meetings: in 2010, advanced career meetings will be organised by HR managers for every Crédit Agricole CIB employee aged over 45.
  HR staff will be offered a training session to help them prepare for these meetings.
- Commitment to supporting older employees' professional development in terms of pay and training
- From 2010, a skills review will be offered to all staff aged over 45
- Pension review for employees aged over 58

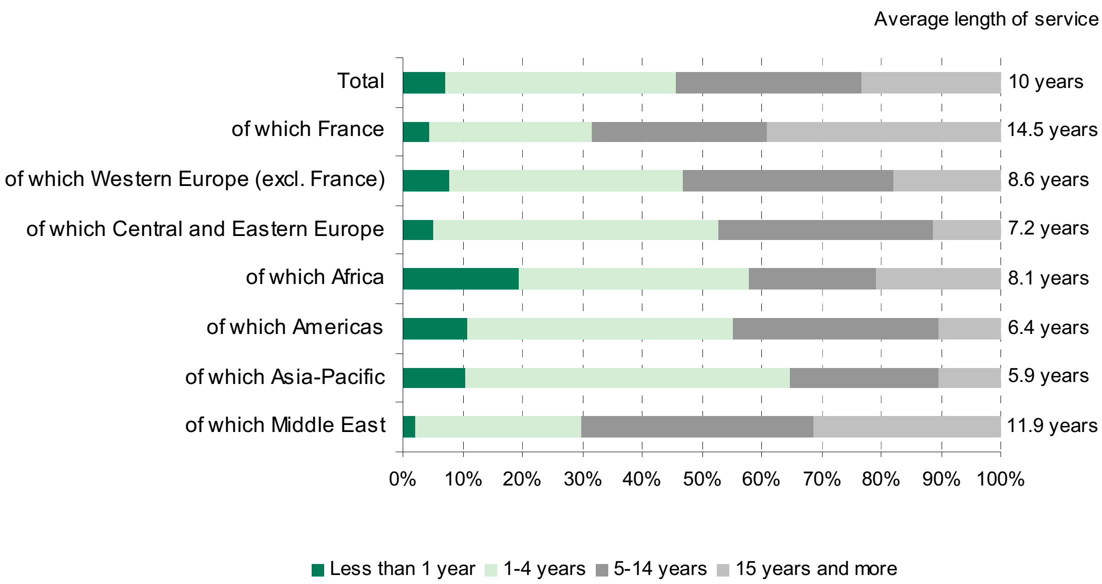
Age structure (at 31.12.09)



Breakdown of permanent staff by age bracket



Breakdown of permanent staff by length of service bracket and region in the Crédit Agricole CIB



Other areas of social and environmental responsibility

Listening to staff and employee satisfaction surveys

A survey was carried out in 2009, jointly with Crédit Agricole S.A., regarding business travel. The survey covered all Crédit Agricole CIB employees in France in April 2009. The response rate was 52%.

Stress prevention and management

In 2009, the Crédit Agricole CIB Group took steps to raise awareness about the prevention and management of work-related stress. These initiatives took several forms:

- A joint stress-prevention committee, set up within Crédit Agricole CIB in the spring of 2009. The committee consists of representatives of CHSCT, occupational health, the social assistance team and the HR department.
- A freephone advice line for people in need of help.
- Eight interactive conferences raising awareness about stress management, open to all staff in France.

- A stress analysis system has been devised by an external consultant in early 2010. Recommendations will be produced for combating work-related stress.

Heath and safety in the workplace

A special business continuity plan to deal with an international pandemic was set up in response to the risks posed by the H1N1 virus.

Work-life balance and part-time work

	2009			2008		
	Managerial	Non-managerial	Total	Managerial	Non-managerial	Total
Part-time staff	255	189	444	211	191	402
Part-time staff as % of total	7.0%	21%	9.8%	5.6%	20.1%	8.5%
% of business scope in France		96%			97%	

The proportion of part-time employees decreased slightly between 2008 and 2009. Nearly 93% of part-time staff are women.

Other indicators

Permanent staff departures

Permanent staff departures by reason	2009				2008			
	France	International	Total	%	France	International	Total	%
Resignation	56	518	574	42%	169	729	898	65%
Retirement and early retirement	34	59	93	7%	24	30	54	4%
Redundancy (*)	213	380	593	44%	45	350	395	28%
Death	5	5	10	1%	4	3	7	1%
Other reasons	24	60	83	6%	24	12	36	2%
Total	332	1,021	1,353	100%	266	1,124	1,390	100%
% of business scope :	100%	90%	93%				80%	

(*) Redundancy plan completion rate: 94% in France / 84% outside France

Retirements

	2009			2008		
	France	International	Total	France	International	Total
Retirements	**34**	**59**	**83**	**24**	**30**	**54**
Managerial	26			16		
Non-managerial	8			8		
% of business scope :			93%			80%

Absenteeism

Reason for absence	2009							2008		
	Managerial		Non-managerial		Total		Average number of absence days per employee	Total		Average number of absence days per employee
	Women	Men	Women	Men	Number of days	%		Number of days	%	
Illness	10,913	8,541	9,781	3,622	32,857	32%	7.2	28,362	44%	5.9
Accident in the workplace and during travel	542	174	558	55	1,329	1%	0.3	1,124	2%	0.2
Maternity/paternity	22,974	1,590	5,790	129	30,483	30%	6.7	25,233	39%	5.2
Authorised leave	4,346	1,681	1,312	285	7,624	8%	1.7	5,881	9%	1.2
Other reasons	8,361	15,741	4,740	1,385	30,227	29%	6.6	4,349	6%	0.9
Total	**47,137**	**27,727**	**22,181**	**5,476**	**102,520**	**100%**	**22.4**	**64,949**	**100%**	**17.2**
% of business scope in France						96%		97%		

Environmental information

Environmental performance

Crédit Agricole CIB is seeking to reduce its direct environmental footprint in each of its activities. It has lowered its greenhouse gas emissions and implemented recycling systems.

Energy

In Paris, energy consumption for buildings managed by Crédit Agricole CIB was reduced by 2.6% following a 2.4% reduction in 2008. Ongoing conservation measures include the installation of automatic lighting controls, the use of low-energy bulbs and shortening operating periods for electric motors and hot water heaters.

25% of electricity used at the head office, and 17% in the Greater Paris Area, comes from renewable sources.

For premises that are leased by Crédit Agricole CIB, energy conservation measures are more difficult to implement. Nevertheless, in 2009, the building that houses Crédit Agricole CIB's offices in New York received the "Energy Star" award, which is conferred upon the most energy-efficient buildings. In London, Crédit Agricole CIB's offices cut energy consumption by 8% from the 2008 level.

Paper

Almost all of the printing paper used by Crédit Agricole CIB in Paris London is certified by the Forest Stewardship Council (FSC), which means that it comes from sustainably managed forests. In 2009, this policy was initiated in Hong Kong.

Paper consumption at the Paris head office fell by 17% in 2009 to 45 million sheets per year, following a 9% reduction in 2008. This represents a decline of 26% over three years.

In addition to reducing the weight of its paper from 80 grams to 75 grams, the Paris head office began to use of recycled paper. At Crédit Agricole CIB Tokyo, 40% of all paper used is recycled paper. Crédit Agricole CIB New York is also looking at this option.

Waste

At the Paris and London offices, spent electronic equipment, batteries, light bulbs and print cartridges are collected and sorted for recycling. Most of Crédit Agricole CIB Paris' PCs are dismantled, then either recycled or sold cheaply to charities by Ateliers du Bocage (a subsidiary of Emmaüs).

In Paris, the use of the outside special sorting centre has been replaced by a selective paper collection for each building. In London, a test of selective collection conducted on one floor of the building showed a potential recycling rate of 96%. In November 2009, it was decided to implement more advanced selective collection procedures for all offices.

Transportation

Following a review carried out in 2008, Corporate Transport Plan was developed for the Greater Paris Area. The goal is to reduce transport emissions by 15% within three years from the average over 2005-2007. The attendant measures include extending the travel policy (for example, for business journeys lasting less than three hours, employees are now required to take the train, the use of taxis has been sharply curtailed and ride-sharing is recommended), encouraging car pooling through the car-pool exchange which now has 650 members, and promoting the use of videoconferencing instead of physical meetings. In addition, special efforts will be made to reduce emissions generated by the bank's vehicle fleet.

In London, Crédit Agricole CIB launched a "Cycle to Work" programme, which mirrors the UK government's plan to encourage people to use their bicycles to commute to work.

Direct impact associated with name change

The name change gave the bank an opportunity for the bank to review routine practices and to find ways to further reduce its direct carbon footprint. For example, the graphic identity was optimised so as to achieve sustainable reductions in the use of ink. Similarly, travel to prepare for the name change was kept to a minimum. The impact of this project on greenhouse gas emissions is being measured with the help of a consulting firm and will be offset by buying carbon credits, then cancelled in the records of Caisse des Dépôts et Consignations. This action has raised awareness among managers at all Crédit Agricole CIB facilities of the need to minimise the direct impact as a function of business targets.

Managing environmental and social impacts

Wider consideration of sustainable development issues

A framework directive issued in 2008 outlines the principles for taking into account the environmental and social aspects of financing and investing activities in the various phases of transaction analysis and management. In 2009, this directive was supplemented by a bank-wide assessment of the environmental and social sensitivity associated with transactions.

An Ethics Committee (CERES), chaired by the head of Compliance, was set up for transactions involving environmental or social risks and has assumed the duties and responsibilities of the Equator Principles Committee for project finance. It reviews projects to determine whether their environmental and social impact requires close monitoring and issues recommendations prior to Credit Committee meetings.

Staff awareness of these issues was enhanced by adding new training programmes covering the Equator Principles and the Climate Principles to the training catalogue. These are available to all head office employees.

Creation of a "Sustainable Business Unit"

In 2009, a Sustainable Business Unit was created so as better to meet customers' new expectations in the area of sustainable development and to support their efforts to reduce their carbon footprint. This unit is in charge of coordinating competencies, deploying the bank's existing offerings and developing new products.

The Equator Principles

Crédit Agricole CIB is one of around 60 financial institutions that have voluntarily made a commitment to respect the Equator Principles (EP). These principles constitute a methodological support for factoring social and environmental impacts into the project finance process. They allow for the assessment of the risks relating to the environmental and social impacts of projects of more than €10 million.

Project assessment

Project classification is based on International Finance Corporation (IFC) classification, which comprises three levels: A, B and C.

- A corresponds to a project presenting potentially significant negative social or environmental impacts that are uniform, irreversible or unprecedented;
- B corresponds to a project presenting limited negative social or environmental impacts, generally relating to one site, that are largely reversible and easy to resolve;
- lastly, C corresponds to projects presenting minimal or no negative social or environmental impacts.

Crédit Agricole CIB classifies projects by using a tool to assess their social and environmental impact according to the IFC rating system developed by the bank in 2008.

Implementation of the Equator Principles

The implementation of the EP was developed on the initiative of Crédit Agricole CIB's Project Finance business line. The assessment and management of environmental and social risks is carried out initially by business managers, assisted by a network of local EP correspondents within each Project Finance regional structuring centre in permanent collaboration with a Coordination Unit.
In addition, Crédit Agricole S.A.'s Industry and Sector Research unit provides help and additional insight, adding its skills in environmental and technical issues and helping to refine the analysis and identification of risks depending on the business sector. The co-ordination unit, consisting of operational staff from the project financing business, co-ordinates the practical aspects of implementing the Equator Principles. It manages the network of local correspondents and provides special training for staff concerned.

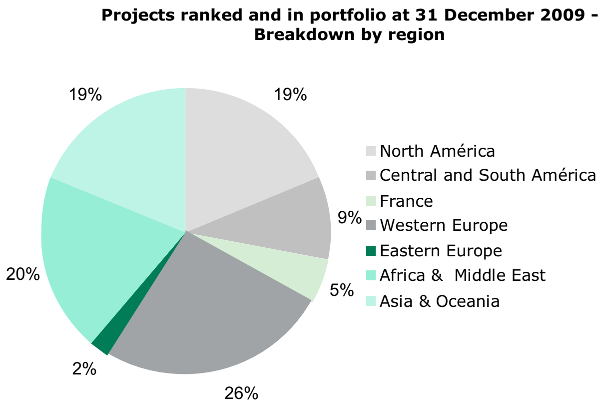
The CERES Committee, which has replaced the Equator Principles Committee, meets in official sessions at least four times per year and validates the classification of projects into categories A, B or C.
However, specific consultations are held for all projects likely to be fall into the A category and for any urgent matters.

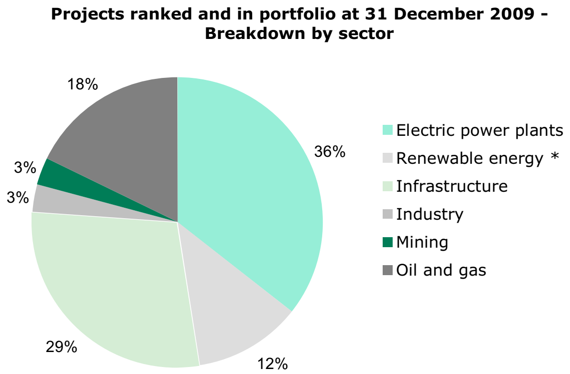
Statistics

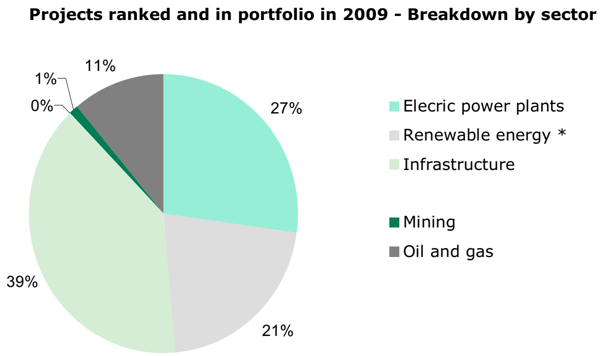
Globally, 329 projects have been rated at 31 December 2009 of which 70 during 2009:

- 21 projects were placed in category A of which 6 during 2009,
- 267 were placed in category B of which 53 during 2009,
- and 41 were placed in category C of which 11 during 2009.

The breakdown of ranked project by sector and region is shown below:







* Renewable energy: Wind, solar, biomass and hydraulic

Principles for Responsible Investment

In September 2008, Crédit Agricole Cheuvreux signed the United Nations Principles for Responsible Investment and began to incorporate environmental, social and corporate governance (ESG) issues into its financial research. Crédit Agricole Cheuvreux's equity research now systematically includes an ESG analysis section.

Promotion of best practices

Crédit Agricole CIB was one of banks that launched the Equator Principles in June 2003. Since then, it has actively worked to ensure that they are successfully applied. Within a few years, the Equator Principles have become a benchmark in the project finance market.

In 2009, Crédit Agricole CIB actively participated in several task forces set up by the group of banks that has adopted the Equator Principles. Crédit Agricole CIB heads a task force that is working on developing best practice codes to promote the application of these principles to financing in areas other than project finance.

Other areas of commitment

Efforts to combat global warning

Crédit Agricole CIB continues to implement the Climate Principles that were launched by the Crédit Agricole Group and four other leading financial institutions on 2 December 2008.

In 2009, Crédit Agricole CIB decided to initiate a project to start quantifying induced emissions to gain a better overview of issues associated with its loan portfolio. This ambitious goal requires substantial work on methodology that will take some time to complete.

Crédit Agricole CIB, partner of Université Paris Dauphine and Ecole Polytechnique Chair of Quantitative Finance and Sustainable Development

The aim of the Chair is to bring together specialists in quantitative finance, economics and sustainable development to review financial and economic instruments, with the aim of promoting sustainable development.

This programme, which was launched in 2007, has delivered impressive results over its first few years, with high-quality management and clarified research focuses. It has already generated a great deal of scientific material, including 5 books, more than 60 research articles, over 150 presentations at conferences and colloquia, 18 colloquia, 8 courses for Dauphine Polytechnique students, 24 PhD students and post-doctoral associates. One example is the work on long-term discount rates or ecological rates.

Climate change is a new research focus, with an emphasis on the study of economic instruments used to combat global warming.

CA Cheuvreux: pioneering the integration of climate issues into financial research

Crédit Agricole Cheuvreux, with its expertise in the field of climate change and its research on the carbon market, was selected to prepare the 2009 Carbon Disclosure Project covering the largest 300 European listed companies.

Financing of renewable energies

Financing of renewable energy forms an integral part of the strategy in Project Finance. The bank been involved in this field for about a decade. It financed its first wind farms in 1997, and financed a solar energy project in Spain in 2008.

18% of project financing provided for power generation projects now relates to renewable energies, and the figure is 27% in terms of the number of transactions, due to their lower average value.

Promoting human rights

Crédit Agricole CIB works within the Crédit Agricole group's framework of values. In particular, it complies with principles concerning human rights and working standards defined by the UN Global Compact and the Diversity Charter.

Policy on financing military and defence equipment

Crédit Agricole CIB's policy in this area restricts the financing of certain controversial military and defence equipment and imposes numerous conditions concerning the type of transaction, the identity of the stakeholders and approval by official organisations.

In 2009, it took another step forward by deciding gradually to phase out credit facilities for companies that make or sell anti-personnel mines or cluster bombs.

4 Consolidated financial statements

Approved by the Board of Directors in its meeting of 25 February 2010
and put to shareholders for their approval in the 11 May 2010 shareholder's meeting

The financial statements consist of the general background, consolidated financial statements and the notes to the financial statements.

GENERAL BACKGROUND

Legal presentation of Crédit Agricole CIB

Since 6 February 2010 midnight, the company's name has been Crédit Agricole Corporate and Investment Bank.

Its trading name is: Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB).

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

Registration number: 304 187 701, Nanterre Trade and Companies Registry

Code NAF: 6419 Z (APE)

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

Simplified diagram of the Crédit Agricole CIB group's main subsidiaries and investments

At 31 December 2009

This diagram groups units according to their main business area, and shows Crédit Agricole CIB's ownership in each company.

	Corporate and Investment Banking			**International Private Banking**
Branches	**Europe:** Germany, Belgium, Spain, Finland, Hungary, Italy, Luxembourg, Poland, United-Kingdom, Slovakia, Sweden, Tchekia	**Asia:** China, South Korea, Hong-Kong, India, Japan, Malaysia, Philippines, Singapore, Taïwan, Thaïland, Vietnam	**America:** United-States **Africa, Middle East:** South Africa, Gulf, Yemen	CA Suisse and subsidiaries (100%) CA Luxembourg and subsidiaries (100%) CFM - Crédit Foncier Monaco (69%) Aguadana (Spain) (100%) CA Brasil DTVM (100%)
	Corporate Banking	**Brokerage**	**Other subsidiaries Corporate and Investment Banking**	
Subsidiaries	Calyon Airfinance (100%) Calyon Asia Shipfinance (100%) Financière Immobilière Calyon (100%) UBAF - Union de Banques Arabes et Françaises (47%) B.S.F.- Banque Saudi Fransi (31%)	CA Cheuvreux (100%) CLSA Group (99%) Newedge (50%)	Calyon Securities (USA) Inc. (100%) Calyon Capital Market Asia (100%) Calyon Securities Japan (100%) Calyon Algérie (100%) Calyon Australia Ltd (100%) Calyon China Ltd (100%) Calyon Yatirim Nankasi Turk (100%) Calyon Bank Ukraine (100%) Calyon Rusbank (100%) Banco Calyon Brasil (100%)	

Related parties

The Crédit Agricole CIB’s related parties comprise group companies that are fully integrated or consolidated under proportional or equity method as well as main senior executives of the Group.

The information provided in this report is supplemented by the information given in the statutory auditors' special report on regulated agreements on page 248.

Relations with the Crédit Agricole SA group

On-and off-balance sheet amounts representing transactions between the Crédit Agricole CIB group and the rest of the Crédit Agricole group are summarized in the following table:

€ million	31.12.2009
ASSETS	10,947
Loans and advances	18,956
Derivative financial instruments held for trading	
LIABILITIES	
Loans and advances	14,431
Derivative financial instruments held for trading	19,785
Subordinated debt and shareholder advances	7,709
Preferred shares	382
FINANCING COMMITMENTS	
Financing commitments given	
Other guarantees given	5,931
Guarantees received	6,370

Figures for loans and advances represent cash relations between Crédit Agricole CIB and Crédit Agricole S.A.

Figures for trading derivatives mainly represent Crédit Agricole Group interest-rate hedging transactions arranged by Crédit Agricole CIB in the market.

Information concerning preferred shares appears in note 6.14

Relations between consolidated companies within the Crédit Agricole CIB group

A list of the Crédit Agricole CIB group's consolidated companies can be found in note 12.

Transactions between two fully consolidated entities are eliminated in full.

Period-end outstandings between fully consolidated and proportionally consolidated companies are only eliminated to the extent of the interests held by group shareholders. The remaining balances are included in Crédit Agricole CIB’s consolidated financial statements. At 31 December 2009, non-eliminated outstandings with UBAF, Chauray and Newedge on the balance sheet were as follows:

- due from banks: €365 million
- due to banks: €1,010 million
- securities sold under repurchase agreements : €60 million

Relations with executive officers and senior management

Detailed information on senior management compensation is provided in note 7.7 "Executive officers' compensation".

CONSOLIDATED INCOME STATEMENTS

Income statement

€ million	Notes	31.12.2009	31.12.2008
Interest receivable and similar income	4.1	7,119	16,442
Interest payable and similar expense	4.1	(4,865)	(16,008)
Fee and commission income	4.2	3,660	3,728
Fee and commission expense	4.2	(1,461)	(1,634)
Net gains (losses) on financial instruments at fair value through profit or loss	4.3	(62)	(503)
Net gains (losses) on available-for-sale financial assets	4.4	58	113
Income related to other activities	4.5	60	96
Expenses related to other activities	4.5	(81)	(81)
Net banking income		**4,428**	**2,153**
Operating expenses	4.6, 7.1	(3,312)	(3,736)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	4.7	(159)	(155)
Gross operating income		**957**	**(1,738)**
Cost of risk	4.8	(1,769)	(1,328)
Net operating income		**(812)**	**(3,066)**
Share of net income of affiliates	2.3	117	114
Net income on other assets	4.9	(1) 22	(1) 428
Goodwill			
Pre-tax income		**(673)**	**(2,524)**
Income tax	4.10	381	1,047
Net income		**(292)**	**(1,477)**
Minority interests		39	63
Net income - Group share		**(331)**	**(1,540)**
Earnings per share (in €)	6.14	(1.83)	(11.19)
Diluted earnings per share (in €)	6.14	(1.83)	(11.19)

(1) Mainly includes capital gains from both sales of Casam to Crédit Agricole SA and CPR Online to one of a subsidiary of Regional banks for respectively €11.3 million and €6.7 million.
(2) Mainly includes gains related to Newedge transaction.

Net income and gains/(losses) recognised directly in equity

€ million	Notes	31.12.2009	31.12.2008
Foreign exchange	4.11	(41)	44
Available for-sale-assets	4.11	137	(173)
Hedging derivatives	4.11	53	334
Gains (and losses) recognised directly in equity, Group share without affiliates	4.11	**149**	**205**
Share of net gains (and losses) recognised directly in equity of affiliates	4.11	(33)	61
Total gains (and losses) recognised directly in equity, Group share	4.11	**116**	**266**
Net income, Group share		(331)	(1,540)
Net income and gains (and losses) recognised directly in equity, Group share		**(215)**	**(1,274)**
Net income and gains (and losses) recognised directly in equity, minorities interests		35	55
Net income and gains (and losses) recognised directly in equity		**(180)**	**(1,219)**

(1) The "share of other comprehensive income on investments accounted for under the equity method" is included in Crédit Agricole CIB consolidated reserves.
Amounts are disclosed after tax.

Assets

€ million	Notes	31.12.2009	31.12.2008
Cash, due from central banks	6.1	23,826	38,530
Financial assets at fair value through profit or loss	6.2	384,760	517,443
Derivative hedging instruments	3.2, 3.4	1,371	2,214
Available-for-sale financial assets	6.4, 6.6	23,218	19,947
Due from banks	3.1, 3.3, 6.5, 6.6	65,874	65,006
Loans and advances to customers	3.1, 3.3, 6.5, 6.6	149,033	143,091
Valuation adjustment on portfolios of hedged items			
Held-to-maturity financial assets	6.8		
Current and deferred tax assets [1]	6.10	3,955	3,920
Accruals, prepayments and sundry assets	6.11	56,744	63,618
Non-current assets held for sale			
Investments in affiliates	2.3	913	891
Investment property			1
Property, plant and equipment	6.12	714	762
Intangible assets	6.12	168	181
Goodwill	2.5	1,856	1,867
TOTAL ASSETS		**712,432**	**857,471**

[1] At 31 December 2008, this item was broken down as follows: €127 million in current tax assets and €3,793 million in deferred tax assets.

Liabilities and shareholders' equity

€ million	Notes	31.12.2009	31.12.2008
Due to central banks	6.1	1,536	1,311
Financial liabilities at fair value through profit or loss	6.2	379,669	503,500
Derivative hedging instruments	3.2, 3.4	798	1,772
Due to banks	3.3, 6.7	69,474	80,566
Customer accounts	3.1, 3.3, 6.7	122,836	126,443
Debt securities in issue	3.2, 3.3, 6.9	64,005	65,911
Valuation adjustment on portfolios of hedged items		16	12
Current and deferred tax liabilities [1]	6.10	537	1,049
Accruals, deferred income and sundry liabilities	6.11	49,941	52,552
Liabilities associated with non-current assets held for sale			
Insurance companies' technical reserves		7	10
Reserves	6.13	1,175	1,156
Subordinated debt	3.2, 3.3, 6.9	8,029	13,906
Total debt		**698,023**	**848,188**
Shareholders' equity	6.14		
Shareholders' equity, Group share		13,499	8,453
Share capital and reserves		6,557	5,407
Consolidated reserves		6,841	4,303
Unrealised or deferred gains or losses		432	283
Net income for the year		(331)	(1,540)
Minority interests		910	830
Total shareholders' equity		**14,409**	**9,283**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**712,432**	**857,471**

[1] At 31 December 2008, this item was broken down as follows: €292 million in current tax liabilities and €757 million in deferred tax liabilities.

Change in shareholders' equity

€ million	Share capital and reserves			Retained earnings, group share	Total gains/ (losses) recognised directly in equity	Net income Group share	Total Equity, Group share	Minority interests Share capital	Total share-holders' equity Share premiums and reserves
	Share capital	Share premiums and reserves	Elimination of treasury shares						
Shareholders' equity at 1 Jan. 2008	**3,715**	**5,975**		**9,690**	**78**		**9,768**	**865**	**10,633**
Dividends paid in 2008								(95)	(95)
Impact of acquisitions/ disposals on minority interests		*(48)*		*(48)*			*(48)*	*3*	*(45)*
Movements related to stock options and discount on reserved capital increase		*14*		*14*			*14*		*14*
Movements related to shareholders' items		(34)		(34)			(34)	(92)	(126)
Change in gains/(losses) recognised directly in equity					205		205	(8)	197
Share of change in equity of associates accounted for under the equity method		61		61			61		61
2008 net income						(1,540)	(1,540)	63	(1,477)
Other changes		(7)		(7)			(7)	2	(5)
Shareholders' equity at 31 December 2008	**3,715**	**5,995**		**9,710**	**283**	**(1,540)**	**8,453**	**830**	**9,283**
Appropriation of 2008 earnings		(1,540)		(1,540)		1,540			
Shareholders' equity at 1 January 2009	**3,715**	**4,455**		**8,170**	**283**		**8,453**	**830**	**9,283**
Capital increase (1)	*2,341*	*2,859*		*5,200*			*5,200*	*15*	*5,215*
Dividends paid in 2009								*(45)*	*(45)*
Impact of acquisitions/ disposals on minority interests		*42*		*42*			*42*		*42*
Movements related to stock options		*12*		*12*			*12*		*12*
Movements related to shareholders' items	2,341	2,913		5,254			5,254	(30)	5,224
Change in gains/(losses) recognised directly in equity					149		149	(4)	145
Share of change in equity of associates accounted for under the equity method		(33)		(33)			(33)		(33)
2009 net income						(331)	(331)	39	(292)
Other changes		7		7			7	75	82
Shareholders' equity at 31 December 2009	**6,056**	**7,342**		**13,398**	**432**	**(331)**	**13,499**	**910**	**14,409**

(1) In the first quarter of 2009, Crédit Agricole CIB made a €2,341 million capital increase with a share premium of €2,859 million. The proceeds were used in 2009 to repay the €4,950 million of shareholders' advances made by Crédit Agricole SA in 2007 and 2008 (see note 6.9).

Consolidated reserves mainly include undistributed profits from prior years, amounts arising from the first-time application of IFRS, and consolidation adjustments.

Amounts deducted from shareholders' equity and transferred to the income statement and that relate to cash flow hedges are included under net banking income.

Cash flow statement

The cash flow statement is presented using the indirect method.

Operating activities are Crédit Agricole CIB's revenue generating activities.
Tax inflows and outflows are included in full within operating activities.

Investing activities show the impact of cash inflows and outflows associated with purchases and sales of investments in consolidated and non-consolidated companies, property, plant and equipment and intangible assets. This section includes strategic investments classified as available for sale.

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

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

€ million	2009	2008
Pre-tax income	**(673)**	**(2,524)**
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	159	155
Impairment of goodwill and other non-current assets		
Net charge to impairment	1,749	1,656
Share of net income of affiliates	(117)	(114)
Net loss/(gain) on investing activities	27	(54)
Net loss/(gain) on financing activities	194	622
Other movements	(577)	(792)
Total non-cash items included in pre-tax income and other adjustments	**1,435**	**1,473**
Change in interbank items	(12,230)	7,713
Change in customer items	(10,030)	(729)
Change in financial assets and liabilities	5,375	32,729
Change in non-financial assets and liabilities	4,090	(12,213)
Taxes paid	(259)	(369)
Net decrease/(increase) in assets and liabilities used in operating activities	**(13,054)**	**27,131**
TOTAL net cash provided/(used) by operating activities [A]	**(12,292)**	**26,080**
Change in equity investments	44	3,809
Change in property, plant and equipment and intangible assets	(96)	(191)
TOTAL net cash provided/(used) by investing activities [B]	**(52)**	**3,618**
Cash received from/(paid to) shareholders	137	2,578
Other cash provided/(used) by financing activities	(1,145)	463
TOTAL net cash provided/(used) by financing activities [C]	**(1,008)**	**3,041**
Effect of exchange rate changes on cash and cash equivalents [D]	(476)	896
Net increase/(decrease) in cash and cash equivalents [A + B + C + D]	**(13,828)**	**33,635**
Opening cash and cash equivalents	**36,050**	**2,415**
Net gain (losses) on cash and central banks (assets and liabilities) [(1)]	37,226	9,982
Net gain (losses) on interbank sight balances (assets and liabilities) [(2)]	(1,176)	(7,567)
Closing cash and cash equivalents	**22,222**	**36,050**
Net gain (losses) on cash and central banks (assets and liabilities) [(1)]	22,286	37,226
Net gain (losses) on interbank sight balances (assets and liabilities) [(2)]	(64)	(1,176)
CHANGE IN NET CASH AND CASH EQUIVALENTS	**(13,828)**	**33,635**

(1) Consisting of the net balance of "cash, due from central banks", excluding accrued interests and including cash of entities reclassified as held-for-sale operations.

(2) Comprises the balance of "performing current accounts in debit and performing overnight accounts and advances" and "current accounts in credit" and "daylight overdrafts and accounts" (excluding accrued interest)

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Accounting principles and policies applicable, assessments and estimated used

1.1 Applicable standards and comparability

In accordance with EC regulation 1606/2002, the parent-company financial statements were prepared in accordance with IAS/IFRS standards and IFRIC interpretations as adopted by the European Union and applicable at 31 December 2009.
Crédit Agricole CIB applies these standards and uses the options available in the version of IAS 39 adopted by the European Union (the "carve-out" version), which authorizes certain dispensations as regards macro-hedge accounting.
The applicable standards are available on the European Commission website, at the following address:
http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

The standards and interpretations are identical to those used and described in the Group's financial statements for the year ended 31 December 2008.
They have been supplemented by IFRSs as adopted by the European Union at 31 December 2009, the application of which is mandatory for the first time in 2009. These standards and interpretations are as follows:

- Amendment to IFRS 7 – Improving Disclosures about Financial Instruments, arising from Regulation EC 1165/2009 of 27 November 2009. These amendments improve the disclosure requirements about fair value measurements and reinforce existing principles for disclosures about the liquidity risk associated with financial instruments.
- IFRIC 11 adopted by Regulation EC 611/2007 of 1st June 2007 on treatment of treasury shares and intragroup transactions under IFRS 2 - Share-based Payments;
- IFRS 8, Operating Segments, adopted by Regulation EC 1358/2007 of 21 November 2007, which replaces IAS 14 on segment reporting;

The first-time application of IFRS 8 resulted in a change in segment reporting presentation by Crédit Agricole CIB which now presents supplemental information on a new operating segment: "Discontinuing operations".

- The amendment to IAS 23 - Borrowing Costs, adopted by Regulation EC 1260/2008 of 10 December 2008;
- The amendment to IFRS 2 - Share Based Payment, adopted by Regulation EC 1261/2008 of 16 December 2008, pertaining to vesting conditions and cancellations;
- IFRIC 13 - Customer Loyalty Programmes. adopted by Regulation EC 1262/2008 of 16 December 2008;
- IFRIC 14 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction (the interpretation on IAS 19 - Employee Benefits) adopted by Regulation EC 1263/2008 of 16 December 2008;
- The amendment to IAS 1 - Presentation of Financial Statements, adopted by Regulation EC 1274/2008 of 17 December 2008. Pursuant to this amendment, a statement of "Net income and gains/(losses) recognised directly in equity" is now included in the financial statements and supplemented by notes applicable thereto;
- the amendments to IAS 1 and IAS 32 - Classification of Financial Instruments, adopted by Regulation EC 53-2009 of 21 January 2009, and the associated disclosure requirements;
- the amendments to IFRS 1 and IAS 27 - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate, adopted by Regulation EC 69-2009 of 23 January 2009;
- 35 amendments to improve and clarify 18 standards adopted by Regulation EC 70-2009 of 23 January 2009. It is noted that the date of first-time application of the amendment to IFRS 5, and the resulting amendment to IFRS 1, has been postponed until financial years commencing on or after 1 July 2009.
- Amendment to IAS 39 – Financial Instruments: Recognition and Measurement and related amendment to IFRS 7 – Financial Instruments: Disclosures, arising from Regulation EC 824/2009 of 9 September 2009. These amendments deal with reclassification of financial assets, effective date and transition.

The application of these new provisions did not produce a material impact over the period.

However, the Revised IAS 1 and the Amended IFRS 7 change the presentation of Financial Statements, including:
- the new statement of Net Income and Other Comprehensive Income (IAS 1),
- the new disclosure requirements regarding the Fair Value hierarchy and the three measurement levels (IFRS 7).

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

- The amendment to IFRS 5 adopted by Regulation EC 69-2009 of 23 January 2009, which applies to accounting for the disposal of a subsidiary involving loss of control, and the ensuing amendment to IFRS 1. These amendments will be applied as of 1 January 2010 for the first time;
- IFRIC 12 adopted by Regulation EC 254/2009 of 25 March 2009 on service concession arrangements,

which does not apply to the Group's operations. This revised standard will be applied on 1 January 2010 for the first time;
- Revised IAS 27 - Consolidated and Separate Financial Statements, adopted by Regulation EC 494/2009 of 3 June 2009. This interpretation will be applied on 1 January 2010 for the first time;
- The revision to IFRS 3 - Business Combinations, adopted by Regulation EC 495/2009 of 3 June 2009. This revised standard will be applied on 1 January 2010 for the first time;
- Amendment to IAS 39 – Financial Instruments: Recognition and Measurement, arising from Regulation EC 839/2009 of 15 September 2009. This amendment deals with eligible hedged items and will be applied for the first time from 1 January 2010.
- IFRIC 16 - Hedges of a Net Investment in a Foreign Operation, adopted by Regulation EC 460/2009 of 4 June 2009. This revised standard will be applied on 1 January 2010 for the first time;
- Interpretation IFRIC 15 – Agreements for Constructions of a Real Estate, arising from Regulation EC 636/2009 of 22 July 2009 (IAS 11), Construction contracts and IAS 18, revenue. This amendment will be applied for the first time from 1 January 2010.

The Group does not expect the application of these standards and interpretations to produce a material impact on its financial statements.
Lastly, as 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 as of 31 December 2009.

1.2 Presentation of financial statements

In the absence of a model required under IFRS, the balance sheet, income statement, statement of changes in shareholders' equity and cash flow statement are presented in the format set out in CNC Recommendation 2009-R.04 of 2 July 2009 which canceled and replace the one of 2004-R.03 of 27 October 2004.

1.3 Significant accounting policies

Use of assessments and extimated when preparing the financial statements

Estimates have been made by management to prepare the financial statements. These estimates are based on certain assumptions and involve risks and uncertainties as to their actual achievement 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 to value the following assets and liabilities:
- financial instruments measured at fair value,
- investments in non-consolidated companies,
- pension plans and future employee benefits,
- stock option plans,
- impairment of securities,
- impairment of unrecoverable debts,
- reserves,
- goodwill impairment,
- deferred tax assets.

The use of assessments and estimates is discussed below.

Financial instruments (IAS 32 and 39)

In the financial statements, financial assets and liabilities are treated in accordance with IAS 39 as adopted by the European Commission on 19 November 2004, together with EC regulations 1751/2005 of 25 October 2005 and 1864/2005 of 15 November 2005 on use of the fair value option and 1004/2008 of 15 October 2008 relating to the reclassification of financial assets.

At initial recognition, financial assets and liabilities are measured at fair value including transaction costs (except for financial instruments recognized at fair value through profit or loss). After initial recognition, financial assets and liabilities are measured, depending on their classification, either at fair value or amortized cost using 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 in an arm's length transaction.
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 the net carrying amount of the financial asset or financial liability.

Securities

Classification of financial assets

Under IAS 39, financial assets are divided into four categories:

- 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,
- held-to-maturity investments,
- 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

According to IAS 39, this portfolio comprises securities that are classified under financial assets at fair value through profit or loss either as a result of a genuine intention to trade them or designated as at fair value by Crédit Agricole CIB.
Financial assets at fair value through profit or loss classified as held for trading are assets acquired or generated by the enterprise primarily for purposes of making a profit from short-term price fluctuations or an arbitrage margin.
Financial assets may be designated as at fair value through profit and loss if they meet the conditions set out in the standard, in the three following cases: for hybrid instruments including one or more embedded derivatives, to reduce distortions in accounting treatment or if there is a group of managed financial assets whose performance is measured at fair value. Assets are generally designated as at fair value through profit and loss to avoid separate recognition and measurement of derivatives embedded in hybrid instruments.
Crédit Agricole CIB generally uses this approach for certain minority interests in venture capital companies measured at fair value.

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 booked directly to profit or loss) and including accrued interest.
They are carried at fair value and changes in fair value are taken to profit or loss. No impairment is booked for this category of securities.
Securities held for sale pending syndication are included in the "financial assets at fair value through profit and loss" category and are marked to market.

◊ Held-to-maturity investments

This category includes securities with fixed or determinable payments and fixed maturities that Crédit Agricole CIB has the intention and ability to hold until maturity other than:

- securities that are initially classified as financial assets at fair value through profit or loss at the time of initial recognition;
- 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 investments" category.

To classify investments as held to maturity, an entity must have the positive intention and ability to hold them to maturity, without exception allowed by IAS 39.

Hedging of interest-rate risk in this category of securities is not eligible for hedge accounting as defined by IAS 39.

Held-to-maturity securities 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 chapter dedicated to "impairment of securities" when securities are measured at amortised cost.

◊ Loans and receivable

Loans and receivables comprise financial assets that are not listed "on an active market" and that generate fixed or determinable payments.
Securities are initially recognised at purchase price, including directly attributable transaction costs and accrued interest, and subsequently at amortised cost using the effective interest method, adjusted for any impairment.
They are subsequently measured at amortised cost using the effective interest method adjusted for any impairment provisions.
Impairment rules for this financial asset category are disclosed in the specific chapter dedicated to "impairment of securities" when securities are measured at amortised cost.

◊ Available-for-sale financial assets

IAS 39 defines available-for-sale financial assets as the default category.
Available-for-sale securities are initially recognised at fair value, including transaction costs that are directly attributable to the acquisition and including accrued interest;

Changes in fair value are recorded in gain / losses through shareholders' equity. If the securities are sold, these changes are reversed out and recognized in profit and loss.

Amortisation of any premiums or discounts on fixed income securities is taken to profit and loss using the effective interest rate method.

Accrued interests are reported in the relevant balance sheet account, accrued interest against the corresponding profit and loss account.

This available for sale category is subjected to impairment (see dedicated section "impairment").

Impairment

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, the 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 6 consecutive months. The Crédit Agricole S.A. Group may also take account of other factors such as financial difficulties of the issuer, short term prospects…
Notwithstanding the above-mentioned criteria, the 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 3 years.
For debt securities, impairment criteria are the same as for loans and receivables.
Such impairment is recognised:

- 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 recoveries in the price of the securities, the loss previously transferred to the income statement may be reversed when warranted by circumstances for debt instruments.

Recognition date

Crédit Agricole CIB recognises securities classified as held-to-maturity on the settlement date. Other securities, regardless of type or classification, are recognised on the trading date.

Reclassification of financial instruments

In accordance with the amendment to IAS 39, published and adopted by the European Union in October 2008, it is now authorized to reclassify securities as follows:

- from "held-for-trading financial assets" and "available-for-sale financial assets" to "loans and receivables" if the entity intends and is able to hold the financial asset concerned for the foreseeable future or until maturity;
- in rare and documented circumstances, from the "held-for-trading financial assets" to the "available-for-sale financial assets" or "held-to-maturity financial assets" categories, subject to compliance with eligibility criteria.

Crédit Agricole CIB approach

Crédit Agicole CIB has not used the latter option allowing assets to be reclassified in rare circumstances, and has chosen not to use the reclassification options permitted by the amendment made in the third quarter of 2008.
Reclassifications carried out in the fourth quarter of 2008 took effect and were recognized on the date the transfer was decided.
Fair value on the reclassification date becomes the reclassified asset's new cost or new amortized cost, as the case may be.
Information on reclassifications carried out by Crédit Agicole CIB in accordance with the amendment to IAS 39 is provided in note 9.

Temporary purchases and sales of securities

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, monies received, representing the liability to the transferee, are recognised on the liabilities side of the balance sheet. Items borrowed or bought under repurchase agreements are not recognised on the transferee's balance sheet. Instead, if the items are subsequently sold, the transferee recognises the amount paid out representing its receivable from the transferor.

Revenue and expenses relating to such transactions are taken to profit and loss on a prorata temporis basis, except in the case of assets and liabilities designated 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, including any discounts and any transaction income or costs that are an integral part of the effective interest rate.
Loans and securities held for sale in the near future pending syndication are included in the "financial assets at fair value through profit and loss" category and are marked to market.

Subordinated loans and repurchase agreements (represented by certificates or securities) are included under the various categories of loans and advances according to counterparty type.
Revenue calculated using the effective interest rate on receivables is booked to profit and loss as interest and similar income.

Impaired loans or receivable

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. In this way, expected losses are recognised through impairment equal to the difference between the book value of loans (amortised cost) and the sum of expected future cash flows, discounted using the original effective interest rate, or in the form of discounts on loans restructured due to client default.

The following distinctions are made:

- loans individually assessed for impairment: these are doubtful loans covered by impairment 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 uniform class of loans displaying similar credit risk characteristics. It concerns in particular loans 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 is discounted and estimated on the basis of several factors, notably business or sector-related. It is possible that future credit risk measurements will differ significantly from current measurements, and this could require an increase or decrease in the impairment amount.
Probable losses in respect of off-balance sheet items are covered by provisions recognized as liabilities on the balance sheet.
Additions to and releases from impairment for non-recovery risk are included in risk-related costs. The increase in the book value of receivables resulting from the accretion of impairment and the amortisation of the discount on restructured receivables is recognised in net interest income.

◊ Loans individually assessed for impairment

Loans and advances of all kinds, even those which are guaranteed, are classified as bad or 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 six 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.

When a loan is recorded as doubtful, all other loans or commitments relating to that borrower are also recorded in their entirety as doubtful debts, whether or not they are collateralised.
Crédit Agricole CIB makes the following distinction between doubtful and 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;
- all doubtful debts and advances which do not fall into the bad debt category are classified as doubtful debts.

If a restructured loan is still kept in the impaired loan category, the discount is not recognized separately but through impairment.
Crédit Agricole CIB books impairment for all foreseeable losses in respect of bad and doubtful debts, discounted at the initial effective interest rate.
For small loans with similar characteristics, the analysis of individual counterparties may be replaced with a statistical estimate of projected losses.
In the case of restructured loans whose initial financial terms (interest rate, maturity) have been adjusted by the entity concerned because of counterparty risk, as well as the loan being moved to the performing category, the reduction in future cash flows from the counterparty as a result of restructuring gives rise to a discount.

The discount recognised when a loan is restructured is recorded under risk-related costs.
The discount corresponds to the reduction in future cash flows discounted at the original effective interest rate.
It is equal to the difference between:

- the par value of the loan,
- the sum of the restructured loan's theoretical future cash flows discounted at the original effective interest rate (defined on the date the financing commitment was made).

- Loans collectively assessed for impairment

Statistical and historical customer default experience shows that there is an identified risk that loans classified as performing will be partially uncollectible. To cover these risks, which cannot by nature be allocated to individual loans, Crédit Agricole CIB takes various collective impairment provisions by way of deduction from asset values, such as provisions for sensitive exposure (loans under surveillance), calculated based on Basel II models and sector and country impairment provisions.

- Impairment on sensitive exposure:

Such impairment losses are calculated on the basis of Basel II models.

As part of the implementation of Basel II, Crédit Agricole CIB's Risk Management and Permanent Controls Division entity calculates the amount of losses anticipated within one year, using statistical tools and databases, based on multiple observation criteria meeting the definition of a loss event within the meaning of IAS 39.

Impairment is measured with reference to the likelihood of non-payment in each borrower rating class, but also based on the experienced judgment of management.

Impairment is calculated by applying a timeframe lasting until the maturity of transactions to the anticipated loss.

- Other loans collectively assessed for impairment:

Crédit Agricole CIB also sets aside collective impairment to cover customer risks that are not individually allocated to individual loans, such as sector or country impairment. This impairment is intended to cover estimated risks based on a sector, business-line or geographical analysis for which there is statistical or historical risk of partial non-recovery.

Financial liabilities

IAS 39 as adopted by the European Union recognises three categories of financial liabilities:

- financial liabilities at fair value through profit or loss classified as held for trading. Fair value changes on this portfolio are recognised in profit or loss;
- financial liabilities at fair value through profit or loss classified as held for trading. Financial liabilities may be designated as at fair value through profit and loss if they meet the conditions set out in the standard, in the three following cases: for hybrid instruments including one or more embedded derivative, to reduce distortions in accounting treatment or if there is a group of managed financial liabilities whose performance is measured at fair value. Under this method, derivatives embedded in hybrid instruments do not have to be recognized 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 amortized cots using the effective interest method.

The valuation of issues recognized at fair value factors in the change in the Crédit Agricole CIB group's own credit risk.

Distinction between liabilities and shareholders' 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).

Pursuant to these definitions, shares in the Regional Banks and Local Banks are considered as equity under IAS 32 and IFRIC 2, and are treated as such in the Group’s consolidated financial statements.
According to amended IAS 32 as adopted by the EU on the 21 January 2009, it is now possible under conditions to qualify as equity instruments some financial instruments that were previously qualified as debt instruments. Such financial instruments are:

- some puttable instruments on the issuer side;
- some instruments that impose on the issuer an obligation to deliver to the holder a prorata share of the net assets of the issuer only on liquidation.

Therefore, provided that conditions are satisfied, Mutual funds securities shall now be classified as equity instruments on the issuer side.

Symmetrically, Crédit Agricole S.A. Group has changed the qualification for such Mutual funds securities on the holder side. Therefore, OPCVM securities with bond and money market underlying shall still be considered as debt instruments; other OPCVM securities (with Equity, hybrid, alternative underlying…) shall now be considered as equity instruments.

Purchase of Treasury shares

Treasury shares (or equivalent derivatives, such as options to buy shares) purchased by Crédit Agricole CIB do not meet the definition of a financial asset and are deducted from shareholders' equity. They do not generate any impact on the income statement.

Derivatives

Derivatives are financial assets or liabilities and are recognised on the balance sheet at fair value at inception of the transaction. At each balance sheet date, 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 an account in the income statement (except in the special case of a cash flow hedging relationship).
If the counterparty defaults, any impairment is recorded under cost of risk.

Hedge accounting

Fair-value hedging is intended to protect against exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm undertaking.
Cash flow hedges are intended to guard against exposure to variations in future cash flows from financial instruments associated with a recognized asset or liability (such as all or some future interest payments on variable-rate debt) or a highly probable forecast transaction.

Hedging of a net investment in a foreign activity is intended to reduce the risk of a fall in fair value arising from the exchange rate risk on an investment made abroad in a currency other than the euro.

Micro-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, through tests performed on each accounts closing date.

When hedging the interest-rate risk exposure of a portfolio of financial assets or liabilities, Crédit Agricole CIB favors documented fair-value hedges, as permitted by IAS 39 as adopted by the European Union ("carve out" version).

In addition, the Group documents these hedge relationships on the basis of the gross position of derivatives and hedged items.

The effectiveness of these hedge relationships is measured by maturity schedules.

The change in value of the derivative is recorded in the accounts as follows:
- fair-value hedges: the changes in value of the derivative and of the hedged item, to the extent of the hedged risk, are taken symmetrically to profit and loss. There is no net impact on earnings unless there the hedge has an ineffective portion,
- Cash flow hedges: the change in value of the derivative is recognised in the balance sheet through a specific account in other comprehensive income 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 recognized in the balance sheet in a special reversible shareholders' equity account and any inefficient portion of the hedge is recognized in the income statement.

Embedded derivatives

An embedded derivative is the 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 disclosed following the hierarchy defined in IFRS 7.
To valuate some financial instruments at fair value, the Crédit Agricole S.A. Group also applies the 15 October 2008 recommendation from 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 that is quoted prices (unadjusted) in active markets

Level 1 is composed of financial instruments for which fair value is the quoted price (unadjusted) in an active market. It concerns stocks and bonds listed in active markets (such as the Paris Stock Exchange, the London Stock Exchange, the New York Stock Exchange…); it also concerns Funds securities quoted in an active market and listed derivatives such as Futures.
A financial instrument is regarded as quoted in an active market 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 assets and liabilities with offsetting market risks, Crédit Agricole S.A. Group uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and 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 that is measured using observable inputs, either directly or indirectly, other than quoted prices included within 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 market participants.

Level 2 is composed of:

- Stocks and Bonds that are quoted in an inactive market or, that are not quoted in an active market but which fair value is established using a valuation methodology currently used by market participants (such as discounted cashflows technique, Black & Scholes model) and that is based on observable market data.
- Instruments that are traded over the counter, which fair value is measured thanks to models using observable market data, ie derived from various and steady available external sources. For example, interest rate swaps' fair value is generally derived from yield curves of interest market rates as observed at the reporting date.

When the Group uses valuation models that are consistent 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 unobservable inputs i.e. that cannot be observed on the market for an identical instrument. These instruments are disclosed within Level 3.
Are mainly concerned, 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 differed.
The day one gain or loss relating to these structured financial instruments is generally yield through profit or loss over the period during which inputs are deemed unobservable. When market data become observable, the outstanding amount of day one gain or loss is directly 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 department. Fair value measurement includes both liquidity risk and counterparty risk.

Absence of accepted valuation method to determine equity instruments' fair value

According to 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, Crédit Agricole CIB does not report a fair value, in accordance with the applicable recommendations of IFRS 7. These primarily include investments in non-consolidated subsidiaries that are not listed on an active market which fair value is difficult to measure reliably.

These investments, which are listed in Note 2.4, are intended to be held for the long term.

Net gains (losses) on financial instruments

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

For financial instruments designated as at fair value through profit and loss and financial assets and liabilities held for trading, this caption includes the following income items:

- dividends and other revenues from equities and other variable-income securities classified in financial assets at fair value through profit and loss;
- changes in the fair value of financial assets and liabilities at fair value through profit and loss;
- disposal gains and losses realised on financial assets at fair value through profit and loss;
- changes in fair value and disposal or termination gains/losses on derivative instruments not involved in a fair-value or cash-flow hedge relationship.

This caption also includes the inefficient portion of fair-value, cash-flow and net-foreign-currency hedging operations.

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

For available-for-sale financial assets, this caption includes the following income items:

- dividends and other revenues from equities and other variable-income securities classified as available-for-sale financial assets;
- disposal gains and losses realised on fixed- and variable-income securities classified as available-for-sale financial assets;
- impairment losses on variable-income securities;
- gains/losses on the disposal or termination of fair-value hedges on available-for-sale financial assets when the hedged item is sold;
- gains/losses on the disposal of termination of loans, receivables and held-to-maturity securities in cases set out by IAS 39.

Offsetting financial assets and liabilities

In accordance with IAS 32, Crédit Agricole CIB offsets financial assets and liabilities and presents a net balance only if it has a legally enforceable right to offset the recognized amounts and intends to settle the net amount or to realize the asset and liability simultaneously.

Financial guarantees given

A financial guarantee contract is one that requires the issuer to make specified payments to repay an entity that has suffered a loss due to the failure of a specified debtor to make a due payment according to the initial or amended terms of the debt instruments.

Financial guarantee contracts are initially measured at fair value, and then at the higher of:

- the value calculated in accordance with IAS 37 "Provisions, contingent liabilities and contingent assets", and
- the amount initially recognized, less any amortisation recognized in accordance with IAS 18 "Revenue".

Financing commitments not designated as assets at fair value through profit and loss or not deemed derivative instruments within the meaning of IAS 39 are not carried on the balance sheet. However, reserves are set aside for them in accordance with IAS 37.

Derecognition of financial instruments

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 assets 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 are recognised to the extent of the entity's continuing involvement in the asset.

A financial liability is fully or partially derecognised only when this liability is settled.

Reserves (IAS 37, 19)

Crédit Agricole CIB identifies 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 updated as required if the effect is significant.

As regards obligations other than those related to credit risk, Crédit Agricole CIB has set aside reserves covering:

- operational risks,
- employee benefits,
- financing commitment execution risks,
- claims and liability guarantees,
- tax risks.

Certain estimates may be made to determine the amount of reserves for legal risks: the amount results from the best available assessment of information on the accounts closing date.
Detailed information is provided in note 6.18.

Employee benefits (IAS 19)

In accordance with IAS 19, employee benefits are recorded in four categories:

- short-term employee benefits, such as wages, salaries, security contributions and bonuses payable within 12 months of the end of the period;
- long-term employee benefits (long-service awards, bonuses and compensation payable 12 months or more after the end of the period),
- termination benefits,
- post-employment benefits, which in turn are recorded in the two following categories: defined-benefit plans and defined-contribution plans.

Long-term employee benefits

Long-term employee benefits are neither post-employment benefits nor termination benefits but compensation partly or fully paid to employees 12 months or more after the end of the period in which the employees render the related services. It concerns in particular bonuses and other deferred compensation paid 12 months or more after the end of the period in which they are earned.
The measurement method is similar to the one used by the Crédit Agricole CIB for post-employment benefits with defined benefit plans.

Post-employment benefits

Retirement and early retirement benefits – defined benefit plans

At each accounts closing, the Crédit Agricole CIB group determines 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 liability may increase or decrease in future years (see note 7.4).

Discount rates are determined based on the average duration of the obligation, that is, the arithmetic mean of the durations calculated between the valuation date and the payment date weighted by employee turnover assumptions.

The 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.
The Crédit Agricole CIB group does not use the optional "corridor" approach and recognises all actuarial differences in profit and loss. The Group has opted not to apply the option allowed under IAS 19 §93, under which actuarial gains or losses are recognised in a special statement of changes in shareholders' equity rather than in the income statement. Consequently, the amount of the reserve is equal to:

- the present value of the obligation to provide the defined benefits as of the balance sheet date, calculated in accordance with the actuarial method recommended by IAS 19,
- less the fair value of any assets allocated to covering these commitments. These assets may be in the form of an eligible insurance policy. In the event that 100% of the obligation is fully 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.

Pension plans – defined contribution plans

French employers contribute to a variety of compulsory pension plans.
Plan assets are managed by independent organisations and the contributing companies have no legal or implicit 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 CIB has no liabilities in this respect other than its contributions due for the past financial year.

Share-based payments (IFRS 2)

IFRS 2 (Share-based Payment) requires share-based payment transactions to be measured and recognised in the income statement and balance sheet. The standard applies to share option plans granted after 7 November 2002, in accordance with IFRS 2, and which had not yet vested at 1 January 2005. It covers two possible cases:

- share-based payment transactions settled in equity instruments,
- share-based payment transactions settled in cash.

The share-based payments initiated by the Crédit Agricole CIB 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, mainly using the Black-Scholes model. These options are recognised as a charge under "Personnel costs", with a corresponding adjustment to equity, spread over the vesting period (4 years for all existing plans).
Issues of Crédit Agricole S.A. shares proposed to employees as part of an employee share ownership plan are also governed by IFRS 2. The Crédit Agricole CIB group applies the treatment set out in the release issued by the CNC on 21 December 2004, supplemented by the release issued by the CNC on 7 February 2007.

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. The plans granted and the estimations methods are described in greater detail in note 7.6 "Share-based payments"
IFRIC 11 has clarified the application of IFRS 2, which was already applied by the Crédit Agricole CIB group. The consequences of this clarification were taken into account as of 1 January 2007. The charge relating to share plans settled in Crédit Agricole S.A. equity instruments, and the charge relating to share subscriptions, are now recognised in the accounts of the Crédit Agricole CIB group entities that employ the plan beneficiaries. The impact is in charge under personnel costs, with a balancing increase in "consolidated reserves, Group share"».

Current and deferred tax

Crédit Agricole CIB has been 99.9%-owned by the Crédit Agricole group since 27 December 1996 and some of its subsidiaries form part of the tax consolidation group at the Crédit Agricole S.A. level.

In accordance with IAS 12, income tax includes all taxes based on income, both current and deferred.

IAS 12 defines current tax as "the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period". The taxable profit is the income (or loss) of a given period, determined according to rules established by the tax authorities.

The rates and rules used to determine the current tax charge are those in force in each country in which Group companies are located.

Current tax includes all income tax, due or receivable, the payment of which is not contingent on future operations, even if settlement is spread over several periods.

Until it is paid, current tax must be recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess should be recognised as an asset.

Certain transactions carried out by the entity may have fiscal consequences that are not taken into account in determining current tax. The differences between the book value of an asset or liability and its tax basis are qualified by IAS 12 as temporary differences.

IAS 12 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,
- initial recognition of an asset or liability in a transaction that is not a business combination and

that does not affect either the accounting or the taxable profit (tax loss) as of 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 basis, insofar as it is 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. In France, the rate of tax on income from ordinary activities and deferred tax is 34.43%.

Deferred taxes are not discounted.

In France, taxable unrealised gains on securities do not generate any taxable temporary differences between the carrying value of the asset and the tax basis. 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 equity. The tax charge effectively borne by the entity arising from these unrealised gains is reclassified as a deduction from these gains.

In France, all but 5% of long-term capital gains on the sale of investments in participating interests, as defined by the General Tax Code and which come under long-term tax rules, are exempt from tax as from the tax year commencing on 1 January 2007; this 5% is taxed at the standard tax rate. Hence, unrealised gains at the end of the financial year do not generate temporary differences likely to give rise to the recognition of deferred tax up to this 5% 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 equity, during the same year or during another year, in which case it is directly debited or credited to equity;
- or a business combination.

Deferred tax assets and liabilities are offset against each other if, and only if:

- the entity has a legal right to offset current tax assets against current tax liabilities; and
- the deferred tax assets and liabilities apply to taxes levied by the same taxing authority:
    - either on the same taxable entity,
    - or 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.

Tax credits on income from receivables and securities portfolios, where they are effectively used to pay corporate income tax due with respect to the period, are recognised in the same item as the income to which they relate. The corresponding tax charge is kept in the "Income tax" caption on the income statement.

Non-current assets (IAS 16, 36, 38, 40)

The Crédit Agricole CIB group applies component accounting for all of its non-current tangible. 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 charges.

Property used in operations, investment property and equipment are measured at cost less accumulated depreciation and impairment charges.

Purchased software is measured at purchase price less accumulated depreciation and impairment charges.

Proprietary software is measured at cost less accumulated depreciation and impairment charges.

Other than software, intangible assets principally comprise purchased goodwill, which is measured on the basis of the corresponding future economic benefits or expected service potential.

Non-current assets are depreciated over their estimated useful life.

The following components and depreciation periods have been adopted by the Crédit Agricole CIB group following the application of component accounting for non-current 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	8 to 40 years
Plant and equipment	5 to 25 years
Fixtures and fittings	5 to 15 years
Computer equipment	3 to 7 years
Specialist 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.

Currency transactions (IAS 21)

In accordance with IAS 21, a distinction is made between monetary and non-monetary items.

At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are converted into the functional currency of Groupe Crédit Agricole S.A. at the closing exchange rate Foreign exchange differences arising from translation are recorded in the income statement. There are two exceptions to this rule:

- for available-for-sale financial assets, only the foreign exchange difference calculated on amortised cost is taken to the income statement; the balance is recorded in shareholders' equity;
- foreign exchange differences on items classified as cash flow hedges or that are part of a net investment in a foreign entity are recorded in shareholders' equity.

Non-monetary items are treated differently depending on the type of item:

- items at historical cost are valued at the exchange rate on the transaction date;
- items at fair value are measured at the exchange rate on the closing date.

Foreign exchange differences 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 shareholders' equity if the gain or loss on the non-monetary item is recorded in shareholders' equity.

Service fees (IAS 18)

Commission income and expenses are taken to profit and loss according to the type of service to which they relate:

- commissions that are an integral part of the return on a financial instrument are recognized as an adjustment to the return on that instrument and included in its effective interest rate,
- when the outcome of a transaction involving the provision of services can be estimated reliably, the commissions associated with the transaction are recognized by reference to the transaction's stage of completion at the balance sheet date:
    - Commissions paid or received as consideration for non-recurring services are fully recognized in the income statement.
      Commissions payable or receivable subject to the fulfillment of a performance objective are only recognized if all the following conditions are met:
        - the commission amount can be reliably measured,
        - it is probable that the economic benefits associated with the service will flow to the enterprise,
        - the service's stage of completion can be reliably measured, and the costs incurred in providing and completing the service can be reliably measured.
    - Commissions remunerating continuing services (on payment instruments for example) are taken to profit and loss over the period of the service provided.

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. Operating leases are treated as an acquisition of a fixed asset by the lessee financed by a loan from the lessor. In the lessor's accounts, analysis of the economic substance of the transactions results in the following:

- a financial receivable from the customer is recognised, which is amortised by the lease payments received;
- lease payments are broken down into interest and principal, known as financial amortisation.

In the lessee's accounts, 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 debt, recording the asset purchased on the asset side of the balance sheet 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 charges (incurred in connection with the financing) are recorded in the place of the lease payments.
In operating leases, the lessee recognises the payments and the lessor records the revenues corresponding to the lease payments, as well as the assets leased on the asset side of 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 to sell. In the event of unrealised losses, an impairment charge is made in the income statement, and such impaired assets are no longer depreciated.
A discontinued operation is a component of the entity that has either been disposed of, or is classified as held for sale and:

- represents a separate major line of business or geographical zone of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical zone of operations;
- is a subsidiary acquired exclusively with a view to resale.

The following are disclosed on a separate line of the income statement:

- the post-tax profit or loss of discontinued operations until the date of disposal;
- the post-tax gain or loss recognised on the disposal or on measurement at fair value less costs to sell of the assets and liabilities constituting the discontinued operations.

1.4 Consolidation principles and methods (IAS 27, 28, 31)

Scope of consolidation

The consolidated financial statements include the accounts of Crédit Agricole CIB and of all companies over which Crédit Agricole CIB exercises control, in accordance with IAS 27, IAS 28 and IAS 31.
Exceptionally, entities that have a non-material impact on the overall consolidated financial statements are not included in the scope of consolidation.
Materiality is assessed in the light of three main criteria representing a percentage of the consolidated balance sheet, the consolidated retained earnings and the consolidated income statement.

Definitions of control

In accordance with international standards, all entities falling under Crédit Agricole CIB's exclusive control, joint control or material influence are consolidated, providing that their contribution is deemed to be material and that they are not covered under the exclusions described below. Exclusive control is presumed to exist if Crédit Agricole CIB owns over half of the existing or potential voting rights in an entity, whether directly or indirectly through subsidiaries, except if, in exceptional circumstances, it can be clearly demonstrated that such ownership does not give it control. Exclusive control also exists if Crédit Agricole CIB, as the owner of half or less than half of the voting rights (including potential voting rights) in an entity, 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 CIB 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 (structures created to manage a transaction or group of similar transactions and more particularly funds under sole control) is specified by SIC 12.
A special-purpose entity (SPE) is consolidated if it is in substance controlled by the Crédit Agricole CIB group, even in the absence of a capital link.
Whether or not a special-purpose entity is controlled in substance is determined by considering the following criteria:

- the activities of the SPE, in substance, are conducted on behalf of a Crédit Agricole CIB group company according to its specific business needs, such that this company obtains benefits from the SPE's activities,
- Crédit Agricole CIB, in substance, 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,
- Crédit Agricole CIB, in substance, 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
- Crédit Agricole CIB, in substance, 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 section 1 and IAS 31 section 1, minority stakes held by venture capital entities are excluded from the scope of consolidation insofar as they are classified under financial assets designated as at fair value through profit or loss (including financial assets designated upon initial recognition as at fair value through profit or loss).

Consolidation methods

The consolidation methods are respectively defined by IAS 27, 28 and 31, based on the type of control exercised by Crédit Agricole CIB over the entities that can be consolidated, regardless of their business or of whether or not they have legal entity status.

- entities under exclusive control are fully consolidated, including entities with different account structures, even if their business is not an extension of that of Crédit Agricole CIB;
- entities under joint control are proportionally consolidated, including entities with different account structures, even if their business is not an extension of that of Crédit Agricole CIB;
- entities over which Crédit Agricole CIB exercises significant influence are accounted for under the equity method.

Full consolidation consists of eliminating the book value of the shares held in the consolidating company’s financial statements and aggregating all assets and liabilities carried by the consolidated companies, and determining and separately identifying the value of the minority interests in their net assets and earnings.

Proportional consolidation consists of eliminating the book value of the shares held in the consolidating company's financial statements and aggregating a proportion of the assets, liabilities and results of the company concerned representing the consolidating company's interest.
The equity method consists of eliminating the book value of the shares held in the Group’s financial statements and accounting for its interest in the underlying equity and results of the companies concerned.

Consolidation adjustments and eliminations

The Group makes all adjustments required to ensure the application of consistent accounting policies in the consolidated financial statements, unless they are deemed not to be 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; possible prolonged impairment measured at the time of an intra-group transfer are recorded.

Translation of foreign subsidiaries' financial statements (IAS 21)

Financial statements of subsidiaries expressed in foreign currencies are translated into Euros in two stages:

- translation, if applicable, from the local account-keeping currency into the functional currency (currency used in the main economic environment in which the entity operates) using the historical cost method, with all translation differences immediately taken to profit and loss,
- translation from the functional currency into Euros, i.e. the currency in which the Group reports its consolidated financial statements. Assets and liabilities are translated at the closing exchange rate. Income and expenses on the income statement are translated at the average exchange rate for the period.

Translation differences resulting from the translation of assets, liabilities and the income statement are recognized as a separate component of shareholders' equity.

Business combinations - Goodwill (IFRS 3)

Business combinations are accounted for using the purchase method in accordance with IFRS 3.
The cost of a business combination is the aggregate of the fair values, on the date of acquisition, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree, plus any costs directly attributable to the business combination.
On the date of acquisition (or on the date of each transaction in the case of an acquisition through successive share purchases), the acquiree's identifiable assets, liabilities and contingent liabilities that satisfy the conditions for recognition set out in IFRS 3 are recognised at their fair value. Restructuring liabilities are only recognised as a liability if the acquiree is under an obligation to complete the restructuring on the date of acquisition.
The initial valuation of assets, liabilities and contingent liabilities may be revised within a period of twelve months after the date of acquisition.
The excess of the cost of acquisition over the fair value of the Group's share in the net assets acquired is recognised in the balance sheet as goodwill if the acquiree is fully or proportionately consolidated. If the acquiree is accounted for using the equity method, the excess is included under the heading "investments in affiliates". 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 acquiree and translated at the year-end exchange rate.
It is tested for impairment whenever there is objective evidence that it may be impaired and at least once a year.
The assumptions made in order to measure the fair value of goodwill may influence the amount of any impairment loss taken.
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 Group defines a CGU as the smallest identifiable group of assets and liabilities within its core businesses that can operate on the basis of a specific business model. Impairment testing consists of comparing the carrying amount of each CGU, including any goodwill allocated to it, with its recoverable amount.
Recoverable amount is defined as the higher of fair value less costs to sell and value in use, which is the present value of the future cash flows expected to be derived from continuing use 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, an irreversible impairment loss is recognised through profit or loss and deducted from the goodwill allocated to the CGU.
When Crédit Agricole CIB increases its ownership percentage in an entity over which it already has exclusive control, the difference between the purchase cost and the portion of assets arising from this increase is now recognised as a deduction from the "consolidated reserves, Group share" item. When Crédit Agricole CIB decreases its ownership percentage in an entity that remains under its exclusive control, the difference between the selling price and the book value of minority interests sold is also recognised, since 1 January 2007, directly in "consolidated reserves, Group share".
The Crédit Agricole CIB group has granted shareholders of certain fully consolidated subsidiaries an undertaking to acquire their holdings in these subsidiaries, at a price to be determined according to a predefined formula which takes account of future developments in their business. These undertakings are in substance put options granted to the minority shareholders, which in accordance with the provisions of IAS 32, means that the minority interests are treated as a liability rather than as shareholders' equity.
As a result, the accounting treatment of put options granted to minority shareholders is now as follows:

- when a put option is granted to the minority shareholders of an already-fully consolidated subsidiary, a liability is recognised in the balance sheet in the amount of the estimated present value of the strike price of the options granted to these shareholders;
- as the balancing entry for this debt, the portion of net assets attributable to the minority interests concerned is reduced to zero and the balance is recorded as a deduction from shareholders' equity;
- subsequent changes in the estimated strike price affect the amount of debt recorded under liabilities, with a balancing adjustment to shareholders' equity;
- the portion of earnings attributable to minority shareholders is deducted from shareholders' equity.

Note 2: Scope of consolidation

The detailed scope of consolidation at 31 December 2009 is given in note 12.

2.1 Change in the scope of consolidation during the period

Changes in the scope of consolidation during the year:

Entries in 2009

The following companies were added to the scope of consolidation during the year 2009:

- Himalia PLC,
- Calyce PLC,
- Calyon China Limited: This subsidiary was consolidated in the third quarter after transferring the operations of the Crédit Agricole CIB branches in China; Crédit Agricole CIB still retains one branch in Shanghai.

Disposals in 2009

The following companies, whose business activities were no longer material, were deconsolidated:

- Groupe Cholet Dupont,
- Calyon Leasing Japan Co Ltd.

Besides, Casam and its subsidiaries (Lyra Capital LLC, Casam Advisers LLC, Casam Americas Inc) are removed of the scope of consolidation further to their sale to Crédit Agricole SA as well as CPR Online sold to one of the subsidiaries of the Regional Banks of Crédit Agricole Group.

Finally, those two companies have been deconsolidated during the period:

- Cogenec, because of the stop of its activity,
- CA Cheuvreux Italie SPA because of the contribution of its business to new created branch of CA Cheuvreux SA, in Italy.

Corporate name change

During the Extraordinary General Meeting of 26 August 2009, the shareholders approved a proposal to change the corporate name of Calyon SA to Crédit Agricole CIB S.A., with the name change being effective on 6 February 2010.
As of the date of the Crédit Agricole CIB S.A. Board of Directors meeting held to approve the parent company financial statements for 2009, no other entity included in the scope of consolidation had adopted this new name, except the followings:

- Calyon Financial Products becomes Crédit Agricole CIB Financial Products (Guernesey) Ltd
- Calyon Finance Guernesey becomes Crédit Agricole CIB Financial Finance (Guernesey) Ltd

The names of the subsidiaries will be changed in the following months.

2.2 Main acquisitions during the year

No significant event since the 1st January 2009.

2.3 Investments in equity affiliates

€ million	31.12.2009 Equity accounted value	Market value	Total assets	Net banking income	Net income	Share of net income
Financial companies:	**888**	**1,703**	**25,162**	**846**	**475**	**118**
Banque Saudi Fransi	863	1,703	22,314	820	471	117
Crédit Agricole Financement Suisse	25		2,848	26	4	1
Non-financial companies:	**25**		**214**	**52**	**2**	**(1)**
CASAM			164	38	(1)	1
CA AM (Spain) affiliates	5		33	6		(1)
CASAM (USA) affiliates			17	8	3	2
CLSA BV affiliates	17					(3)
Newedge affiliates	3					
Net book value of investments in affiliates	**913**	**1,703**	**25,376**	**898**	**477**	**117**

The market value shown in the above table is the quoted price of the shares on their trading market at 31 December. It may not be representative of the realisable value of the securities.

€ million	31.12.2008 Equity accounted value	Market value	Total assets	Net banking income	Net income	Share of net income
Financial companies:	**808**	**1,514**	**26,929**	**818**	**510**	**121**
Banque Saudi Fransi	783	1,514	24,098	796	508	121
Crédit Agricole Financement Suisse	25		2,831	22	2	
Non-financial companies:	**83**		**370**	**102**	**20**	**(7)**
CASAM	25		191	41	3	2
CA AM (Spain) affiliates	11		43	23	14	1
Groupe Cholet Dupont	9		108	20	1	
CASAM (USA) affiliates	10		28	18	2	(8)
CLSA BV affiliates	25					(2)
Newedge affiliates	3					
Net book value of investments in affiliates	**891**	**1,514**	**27,299**	**920**	**530**	**114**

2.4 Investments in non-consolidated companies

These securities, recorded in the "Available-for-sale assets" portfolio, are variable-income securities that represent a significant portion of the capital of the companies that issued them, and are intended to be held on an other-than-temporary basis.

€ million	31.12.2009		31.12.2008	
	Book value	% interest	Book value	% interest
Attijari Wafa Bank (ex Banque Commerciale du Maroc)	58	1.44	65	1.44
Gestion Immobilière de Sites Industriels et Commerciaux (GISIC)	16	99.99	16	99.99
CA Preferred Funding LLC	15	50.00	15	50.00
CA Preferred Funding II LLC	31	50.00	32	50.00
CLCM Limited Partnership	4	99.90	5	99.90
Immarex	12	99.99	12	99.99
GATX	10	ns	10	ns
BFO	44	98.95	44	98.95
CAI Risk Solutions Insurance	14	100.00	16	100.00
Sicovam Holding	35	ns	43	6.37
Indosuez Beteiligungs und Verwaltungs	18	100.00	18	100.00
Banque Libano Française SAL	18	9.00	23	9.00
Pagson Holding CY [2]			15	100.00
Redcliffe Investments Ltd	8	100.00	8	100.00
FX Alliance	ns	ns	11	4.34
Crédit Agricole Egypte SAE	116	13.07	120	13.07
CLIAM BV	15	100.00	11	100.00
Sufinair BV	25	100.00	25	100.00
CLTR	16	100.00	16	100.00
Other shares	210		194	
Net book value [1]	**665**		**699**	

[1] Taking into account a €11 million long-term impairment charge in 2009.
[2] Pagson secuties were reclassified within the available-for-sale portfolio from investment securities to other equities.

2.5 Goodwill

€ million	31.12.2008	Increases (Acquisitions)	Decreases (Disposals)	Impairment losses during the period	Translation adjustments	Other movements	31.12.2009
Corporate and Investment Banking							
Crédit Agricole Cheuvreux SA	132						132
Crédit Lyonnais Securities Asia BV	2						2
Newedge (group)	661	2					663
Crédit Agricole CIB	682						682
CPR Online [1]	9		(9)				
International Private Banking							
Crédit Agricole Suisse	301						301
Crédit Agricole Suisse (Bahamas)	24		(3)		(1)		20
Crédit Agricole Luxembourg	106						106
CA Brasil DTVM	2						2
Private Bank in Spain	3						3
Gross Value	**1,922**	**2**	**(12)**		**(1)**		**1,911**
Crédit Agricole CIB	(55)						(55)
Accumulated impairment losses	**(55)**						**(55)**

€ million	31.12.2008	Increases (Acquisitions)	Decreases (Disposals)	Impairment losses of the period	Translation adjustments	Other movements	31.12.2009
Corporate and Investment Banking							
Crédit Agricole Cheuvreux SA	132						132
Crédit Lyonnais Securities Asia BV	2						2
Newedge (group)	661	2					663
Crédit Agricole CIB	627						627
CPR Online [1]	9		(9)				
International Private Banking							
Crédit Agricole Suisse	301						301
Crédit Agricole Suisse (Bahamas)	24		(3)		(1)		20
Crédit Agricole Luxembourg	106						106
CA Brasil DTVM	2						2
Private bank in Spain	3						3
Net book value	**1,867**	**2**	**(12)**		**(1)**		**1,856**

[1] Sold in the third quarter 2009.

€ million	31.12.2007	Increases (Acquisitions)	Decreases (Disposals)	Impairment losses of the period	Translation adjustments	Other movements	31.12.2008
Corporate and Investment Banking							
Crédit Agricole Cheuvreux SA	132						132
Crédit Lyonnais Securities Asia BV	1				1		2
Newedge (group)		660			1		661
Crédit Agricole CIB	682						682
CPR Online	9						9
International Private Banking							
Crédit Agricole Suisse	281				20		301
Crédit Agricole Suisse (Bahamas)		23			1		24
Crédit Agricole Luxembourg	10					[1] 96	106
Crédit Agricole Luxembourg Bank	96					[1] (96)	-
CA Brasil DTVM	2						2
Banque Privée en Espagne	3						3
Gross Value	**1,216**	**683**			**23**		**1,922**
Crédit Agricole CIB	(55)						(55)
Accumulated impairment losses	**(55)**						**(55)**
Corporate and Investment Banking							
Crédit Agricole Cheuvreux SA	132						132
Crédit Lyonnais Securities Asia BV	1				1		2
Newedge (group)		660			1		661
Crédit Agricole CIB	627						627
CPR Online	9						9
International Private Banking							
Crédit Agricole Suisse	281				20		301
Crédit Agricole Suisse (Bahamas)		23			1		24
Crédit Agricole Luxembourg	10					[1] 96	106
Crédit Agricole Luxembourg Bank	96					[1] (96)	-
CA Brasil DTVM	2						2
Private bank in pain	3						3
Net book value	**1,161**	**683**			**23**		**1,867**

[1] Crédit Agricole Luxembourg Bank was absorbed by Crédit Agricole Luxembourg in 2008.

Goodwill undergoes impairment testing at least once per year.
Goodwill is the subject of impairment tests, based on the assessment of the fair value or value in use of the Cash-Generating Units (CGUs) to which they are attached.

- Fair value corresponds to the amount that could be obtained from the sale of a cash-generating unit in a transaction in normal market conditions. It is based on observed prices in recent transactions for comparable entities, or on standard valuation multiples in the market in which the unit operates (e.g. a certain percentage of assets under management).
- Value in use was determined by discounting the CGU's estimated future cash flows calculated from medium term plans. The following assumptions were used:
    - estimated future cash flows: projections between 3 and 6 years;
    - perpetual growth rate: rates ranging between 1.5% and 4.5% depending on the CGU;
    - discount rate: rates ranging between 10% and 15% depending on the CGU.

Crédit Agricole CIB favors the value-in-use method.
In particular:

- Crédit Agricole Suisse: goodwill is calculated using a percentage of assets under management;
- Newedge : goodwill is calculated depending on future estimated results
- Crédit Agricole CIB S.A.: goodwill is calculated on the basis of earnings projections after the introduction of the new refocusing plan for the Corporate and Investment Banking business.

These tests did not lead to any impairment charge being recorded in 2008.

Note 3: Financial management, risk exposure and hedging policy

A description of different risks exposures of Crédit Agricole CIB and the policies put in place to manage and mitigate those risks are described in the Management Report in the section entitled "Risk factors", as allowed by IFRS 7.

3.1 Credit risk

Concentrations by credit activity's type of customer

Loans and advances to customers: analysis by customer type

€ million	31.12.2009					
	Gross	Financial assets individually impaired (gross amount)		Individual impairments		Total
		Doubtful debts	Bad debts	Doubtful debts	Bad debts	
Central governments	3,270		74		(73)	3,197
Banks	66,175	459	114	(310)	(104)	65,761
Non-bank institutions	15,125	378	11	(121)	(6)	14,998
Corporates	128,591	2,202	576	(628)	(422)	127,541
Retail customers	5,201	30	975	(8)	(62)	5,131
Total [1]	**218,362**	**3,069**	**1,750**	**(1,067)**	**(667)**	**216,628**
Accrued interest, net						442
Collective impairment						(2,163)
Net book value						**214,907**

[1] including €558 million of restructured performing customer loans; €307 million of loans less than 90 days past-due and €579 million of guarantees received.

€ million	Gross	Financial assets individually impaired (gross amount)		Individual impairments		Total
	31.12.2008					
		Doubtful debts	Dab debts	Doubtful debts	Dab debts	
Central governments	2,189		75		(73)	2,116
Banks	64,902	251	39	(223)	(38)	64,641
Non-bank institutions	12,933	44	7	(22)	(7)	12,904
Corporates	124,166	2,296	587	(589)	(407)	123,170
Retail customers	5,673	18	1,024	(2)	(30)	5,641
Total [(1)]	**209,863**	**2,609**	**1,732**	**(836)**	**(555)**	**208,472**
Accrued interest, net						1,022
Collective impairment						(1,397)
Net book value						**208,097**

(1) including €255 million of restructured performing customer loans; €367 million of loans less than 90 days past-due and €652 million of guarantees received.

Commitments given to customers by customer type

€ million	31.12.2009	31.12.2008
Financing commitments given to customers		
Central governments	2,124	3,338
Non-bank institutions	9,424	4,272
Corporates	84,744	84,480
Retail customers	1,195	1,197
Total	**97,487**	**93,287**
Guarantee commitments given to customers		
Central governments	545	611
Non-banks institutions	4,857	3,548
Corporates	27,909	27,200
Retail customers	1,225	513
Total	**34,536**	**31,872**

Customer accounts by customer type

€ million	31.12.2009	31.12.2008
Central governments and non-bank institutions	6,580	1,875
Non-banks institutions	20,762	21,263
Corporates	74,873	87,918
Retail customers	20,455	15,092
TOTAL	**122,670**	**126,148**
Accrued interest	166	295
Book value	**122,836**	**126,443**

Concentration by geographical zone

Due from banks and loans and advances to customers by geographical zone

€ million	31.12.2009					
	Gross	Financial assets individually impaired (gross amount)		Individual impairments		Total
		Doubtful debts	Bad debts	Doubtful debts	Bad debts	
France (including overseas departments and territories)	43,892	173	124	(59)	(116)	43,717
Other EU countries	69,080	1,101	1,090	(257)	(159)	68,664
Other European countries	14,046	170	92	(29)	(83)	13,934
North America	38,291	420	213	(209)	(95)	37,987
Central and South America	14,193	670	87	(280)	(87)	13,826
Africa and Middle-East	10,534	424	89	(199)	(84)	10,251
Asia and Pacific (excluding Japan)	17,225	104	55	(32)	(43)	17,150
Japan	9,802	7	-	(2)	-	9,800
Supranationals	1,299	-	-	-	-	1,299
Total [(1)]	**218,362**	**3,069**	**1,750**	**(1,067)**	**(667)**	**216,628**
Accrued interest, net						442
Collective impairment						(2,163)
Net book value						**214,907**

(1) including €558 million of restructured performing customer loans; €307 million of loans less than 90 days past-due and €579 million of guarantees received.

€ million	31.12.2008					
	Gross	Financial assets individually impaired (gross amount)		Individual impairments		Total
		Doubtful debts	Bad debts	Doubtful debts	Bad debts	
France (including overseas departments and territories)	42,688	218	125	(172)	(115)	42,401
Other EU countries	67,661	1,560	1,119	(217)	(116)	67,328
Other European countries	13,384	158	22	(80)	(20)	13,284
North America	36,221	381	220	(242)	(84)	35,895
Central and South America	10,514	148	124	(64)	(107)	10,343
Africa and Middle-East	10,303	23	95	(12)	(89)	10,202
Asia and Pacific (excluding Japan)	17,110	94	27	(42)	(24)	17,044
Japan	10,925	27		(7)		10,918
Supranationals	1,057					1,057
Total [(1)]	**209,863**	**2,609**	**1,732**	**(836)**	**(555)**	**208,472**
Accrued interest, net						1,022
Collective impairment						(1,397)
Net book value						**208,097**

(1) including €255 million of restructured performing customer loans, €367 million of loans less than 90 days past-due and €652 million of guarantees received.

Commitments given to customers by geographical zone

€ million	31.12.2009	31.12.2008
Financing commitments given to customers		
France (including overseas departments and territories)	37,587	29,248
Other EU countries	21,004	22,332
Other European countries	5,433	7,037
North America	19,550	20,362
Central and South America	4,540	5,083
Africa and Middle-East	3,126	3,632
Asia and Pacific (excluding Japan)	5,558	4,844
Japan	689	749
Total	**97,487**	**93,287**
Guarantee commitments given to customers		
France (including overseas departments and territories)	12,495	2,380
Other EU countries	7,775	6,910
Other European countries	2,208	1,666
North America	4,454	7,558
Central and South America	1,195	7,862
Africa and Middle-East	1,939	1,756
Asia and Pacific (excluding Japan)	3,922	3,406
Japan	548	334
Total	**34,536**	**31,872**

Customer accounts by geographical zone

€ million	31.12.2009	31.12.2008
France (including overseas departments and territories)	19,481	18,475
Other EU countries	35,838	34,683
Other European countries	5,089	5,686
North America	36,992	34,358
Central and South America	5,621	7,899
Africa and Middle-East	7,456	7,656
Asia and Pacific (excluding Japan)	9,499	11,690
Japan	2,694	5,080
Supranationals	-	621
Total	**122,670**	**126,148**
Accrued interest	166	295
Book value	**122,836**	**126,443**

Derivative financial instruments – Counterparty risk

The counterparty risk on derivative instruments is the potential credit risk calculated and weighted in accordance with prudential standards.
The impacts of netting contracts and collaterals, which reduce this risk, is also presented for information.

€ million	31.12.2009			31.12.2008		
	Market value	Potential credit risk	Total counterparty risk	Market value	Potential credit risk	Total counterparty risk
Risk on:						
Interest rates, exchange rates and commodities	155,855	74,260	230,115	225,592	80,467	306,059
Equity and index derivatives	12,062	7,538	19,600	18,266	8,416	26,682
Credit derivatives	23,492	21,781	45,273	104,992	21,325	126,317
Total	**191,409**	**103,579**	**294,988**	**348,850**	**110,208**	**459,058**
Impact of netting agreements	159,487	56,634	216,121	281,727	69,240	350,967
Impact of netting collaterisations	6,216		6,216	6,128		6,128
Total after impact of netting agreements	**25,706**	**46,945**	**72,651**	**60,995**	**40,968**	**101,963**

3.2 Market risk

Breakdown on debt securities in issue and subordinated debt by currency

€ million	31.12.2009			31.12.2008		
	Bonds	Fixed-term subordinated debt	Perpetual subordinated debt	Bonds	Fixed-term subordinated debt	Perpetual subordinated debt
EUR						
Fixed-rate	89			183	1	
Floating-rate		1,648	620		(1) 7,098	621
USD						
Fixed-rate			1,555		74	57
Floating-rate		1,915	2,285		1,871	3,916
JPY						
Fixed-rate						
Floating-rate						
Other currencies						
Fixed-rate	97			78		
Floating-rate				23		
TOTAL	**186**	**3,563**	**4,460**	**284**	**9,044**	**4,594**
Fixed-rate	**186**		**1,555**	**261**	**75**	**57**
Floating-rate		**3,563**	**2,905**	**23**	**8,969**	**4,537**

(1) of which €4,950 million of shareholder advances at 31.12.2008 reimbursed in 2009

Derivative instruments: analysis by remaining maturity

Hedging instruments – Fair value of assets

€ million	31.12.2009 Exchange-traded Under 1 year	Exchange-traded 1-5 years	Exchange-traded Over 5 years	Over-the-counter Under 1 year	Over-the-counter 1-5 years	Over-the-counter Over 5 years	Total fair value	31.12.2008 Total fair value
Interest rate instruments				**925**	**22**	**42**	**989**	**1,184**
Futures								
Forward rate agreements								
Interest rate swaps				925	22	42	989	1,173
Interest rate swaps								9
Caps-floors-collars								
Other options								2
Currency and gold				**10**	**9**	**5**	**24**	**920**
Currency futures				10	9	5	24	919
Currency options								1
Other								
Equity and index derivatives								
Precious metal derivatives								
Commodity derivatives								
Credit derivatives and other								
Sub-total				**935**	**31**	**47**	**1,013**	**2,104**
Forward currency transactions				357	1		358	110
Net book value				**1,292**	**32**	**47**	**1,371**	**2,214**

Hedging instruments – Fair value of liabilities

€ million	31.12.2009 Exchange-traded Under 1 year	Exchange-traded 1-5 years	Exchange-traded Over 5 years	Over-the-counter Under 1 year	Over-the-counter 1-5 years	Over-the-counter Over 5 years	Total fair value	31.12.2008 Total fair value
Interest rate instruments				**515**	**108**	**22**	**645**	**464**
Futures								3
Forward rate agreements								
Interest rate swaps				515	108	20	643	461
Interest rate swaps								
Caps-floors-collars								
Other options						2	2	
Currency and gold				**2**	**1**		**3**	**172**
Currency futures				2	1		3	172
Currency options								
Other								
Equity and index derivatives								
Precious metal derivatives								
Commodity derivatives								
Credit derivatives and other								
Sub-total				**517**	**109**	**22**	**648**	**636**
Forward currency transactions				150			150	1,136
Net book value				**667**	**109**	**22**	**798**	**1,772**

Derivative financial instruments held for trading – Fair value of assets

€ million	31.12.2009							31.12.2008
	Exchange-traded			Over-the-counter				
	Under 1 year	1-5 years	Over 5 years	Under 1 year	1-5 years	Over 5 years	**Total fair value**	Total fair value
Interest rate instruments	**1**			**18,824**	**68,585**	**111,068**	**198,478**	**232,538**
Futures								
Forward rate agreements				418	57		475	1,909
Interest rate swaps				16,699	56,749	81,433	154,881	180,996
Interest rate swaps				10	3,963	22,739	26,712	19,465
Caps-floors-collars				1,692	7,816	6,883	16,391	16,057
Other options	1			5		13	19	14,111
Currency and gold		**7**		**3,512**	**4,232**	**2,980**	**10,731**	**6,627**
Currency futures				1,014	769	1,185	2,968	3,625
Currency options		7		2,498	3,463	1,795	7,763	3,002
Other	**3,945**	**2,913**	**490**	**7,448**	**24,677**	**9,281**	**48,754**	**132,567**
Equity and index derivatives	3,900	2,913	490	3,659	6,256	1,266	18,484	28,711
Precious metal derivatives								
Commodity derivatives	45			2,507	1,734	41	4,327	3,448
Credit derivatives and other				1,282	16,687	7,974	25,943	100,408
Sub-total	**3,946**	**2,920**	**490**	**29,784**	**97,494**	**123,329**	**257,963**	**371,732**
Forward currency transactions				4,643	3,881	418	8,942	**23,533**
Net book value	**3,946**	**2,920**	**490**	**34,427**	**101,375**	**123,747**	**266,905**	**395,265**

Derivative financial instruments held for trading – Fair value of liabilities

€ million	31.12.2009							31.12.2008
	Exchange-traded			Over-the-counter				
	Under 1 year	1-5 years	Over 5 years	Under 1 year	1-5 years	Over 5 years	**Total fair value**	Total fair value
Interest rate instruments				**26,924**	**65,134**	**112,928**	**204,986**	**239,504**
Futures								
Forward rate agreements				460	55		515	1,920
Interest rate swaps				24,763	52,239	80,134	157,136	182,690
Interest rate swaps				15	4,061	24,158	28,234	21,412
Caps-floors-collars				1,674	8,778	8,634	19,086	19,281
Other options				12	1	2	15	14,201
Currency and gold				**3,836**	**4,857**	**2,335**	**11,028**	**9,500**
Currency futures				1,573	899	700	3,172	5,949
Currency options				2,263	3,958	1,635	7,856	3,551
Other	**3,421**	**3,694**	**442**	**6,498**	**20,803**	**6,860**	**41,718**	**121,511**
Equity and index derivatives	3,396	3,694	442	3,005	4,618	1,154	16,309	27,805
Precious metal derivatives								
Commodity derivatives	25			2,692	883	46	3,646	2,117
Credit derivatives and other				801	15,302	5,660	21,763	91,589
Sub-total	**3,421**	**3,694**	**442**	**37,258**	**90,794**	**122,123**	**257,732**	**370,515**
Forward currency transactions				3,545	4,410	397	8,352	17,463
Net book value	**3,421**	**3,694**	**442**	**40,803**	**95,204**	**122,520**	**266,084**	**387,978**

Derivative instruments: commitments

€ million	31.12.2009 Total notional amount outstanding	31.12.2008 Total notional amount outstanding
Interest rate instruments	**12,788,045**	**12,619,305**
Futures	305,542	271,532
Forward rate agreements	1,190,805	934,555
Interest rate swaps	7,968,153	7,976,906
Interest rate options	2,026,318	2,059,341
Caps-floors-collars	1,285,027	1,376,949
Other options	12,200	22
Currency and gold	**1,929,230**	**1,797,944**
Currency futures	1,267,311	907,809
Currency options	661,919	890,135
Other	**1,348,941**	**1,734,091**
Equity and index derivatives	281,197	160,164
Precious metal derivatives	155	55
Commodity derivatives	52,159	35,305
Credit derivatives	1,015,430	1,538,567
Sub-total	**16,066,216**	**16,151,340**
Forward currency transactions	663,951	1,035,050
TOTAL	**16,730,167**	**17,186,390**

Currency risk

Analysis of the consolidated balance sheet by currency

€ million	31.12.2009		31.12.2008	
	Asset	Liability	Asset	Liability
EUR	404,929	403,090	460,001	435,249
Other EU currencies	19,969	20,621	41,552	45,709
USD	201,261	217,286	254,603	280,389
JPY	37,420	32,623	47,821	40,040
Other currencies	48,853	38,812	53,494	56,084
Total balance sheet	**712,432**	**712,432**	**857,471**	**857,471**

3.3 Liquidity and financing risk

Due from banks and loans and advances to customers: analysis by residual maturity

€ million	31.12.2009				
	Under 3 months	3 months to 1 year	1-5 years	Over 5 years	Total
Loans and advances to banks	54,627	3,330	5,933	2,285	66,175
Loans and advances to customers (including lease finance)	58,786	19,983	45,299	28,119	152,187
Total	**113,413**	**23,313**	**51,232**	**30,404**	**218,362**
Accrued interest					635
Impairment					(4,090)
Net book value					**214,907**

€ million	31.12.2008				
	Under 3 months	3 months to 1 year	1-5 years	Over 5 years	Total
Loans and advances to banks	49,060	5,549	7,576	2,717	64,902
Loans and advances to customers (including lease finance)	49,052	18,253	43,279	34,378	144,962
Total	**98,112**	**23,802**	**50,855**	**37,095**	**209,864**
Accrued interest					1,207
Impairment					(2,974)
Net book value					**208,097**

Due to banks and customer accounts: analysis by residual maturity

€ million	31.12.2009				
	Under 3 months	3 months to 1 year	1-5 years	Over 5 years	Total
Due to banks	56,086	6,099	6,611	611	69,407
Customer accounts	101,303	13,500	5,105	2,762	122,670
Total	**157,389**	**19,599**	**11,716**	**3,373**	**192,077**
Accrued interest					233
Book value					**192,310**

€ million	31.12.2008				
	Under 3 months	3 months to 1 year	1-5 years	Over 5 years	Total
Due to banks	68,864	5,285	5,274	805	80,228
Customer accounts	103,392	13,379	6,125	3,252	126,148
Total	**172,256**	**18,664**	**11,399**	**4,057**	**206,376**
Accrued interest					633
Book value					**207,009**

Debt securities in issue and subordinated debt

€ million	31.12.2009				
	Under 3 months	3 months to 1 year	1-5 years	Over 5 years	Total
Debt securities in issue					
Interest-bearing notes				32	32
Negotiable debt securities:					
Issued in France	10,055	2,898	91		13,044
Issued in other countries	36,317	13,820	350	195	50,682
Bonds		97		89	186
Other debt securities in issue					
Total	**46,372**	**16,815**	**441**	**316**	**63,944**
Accrued interest					62
Book value					**64,005**
Subordinated debt					
Fixed-term subordinated debt			522	3,041	3,563
Perpetual subordinated debt				4,460	4,460
Total			**522**	**7,501**	**8,023**
Accrued interest					6
Book value					**8,029**

€ million	31.12.2008				
	Under 3 months	3 months to 1 year	1-5 years	Over 5 years	Total
Debt securities in issue					
Interest-bearing notes				36	36
Negotiable debt securities:					
Issued in France	17,679	44	45	30	17,798
Issued in other countries	37,772	6,654	2,733	241	47,400
Bonds		23	78	183	284
Other debt securities in issue					
Total	**55,451**	**6,721**	**2,856**	**490**	**65,518**
Accrued interest					393
Book value					**65,911**
Subordinated debt					
Fixed-term subordinated debt	(1) 4,951	500	500	3,093	9,044
Perpetual subordinated debt				4,594	4,594
Total	**4,951**	**500**	**500**	**7,687**	**13,638**
Accrued interest					268
Book value					**13,906**

(1) including €4,950 million of shareholder advances

Financial guarantee contracts issued by remaining maturity

Amounts presented below correspond to financial guarantees at risk, that is to say impaired or under watch.

€ million	31.12.2009				
	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total
Given financial guarantee	23	56			79

The remaining contractual maturities are disclosed in the note 3.2 “Market Risk”.

3.4 Derivative hedging instruments

(See Management Report, “Crédit Agricole CIB - Risk factors - Asset/ Liability Management”)

Derivative hedging instruments by type of risk

€ million	31.12.2009		
	Positive market value	Negative market value	**Notional amount**
Fair value hedges	**737**	**742**	**44,202**
Interest rate	376	639	22,955
Shareholders’ equity			4
Foreign exchange	361	103	21,243
Credit			
Commodities			
Other			
Cash flow hedges	**630**	**21**	**7,649**
Interest rate	613	6	7,613
Shareholders’ equity			
Foreign exchange	17	15	36
Credit			
Commodities			
Other			
Hedging of net investments in a foreign activity	**4**	**35**	**2,493**
Total	**1,371**	**798**	**54,344**

€ million	31.12.2008 Positive market value	Negative market value	Notional amount
Fair value hedges	**1,624**	**1,745**	**96,312**
Interest rate	594	461	52,504
Shareholders' equity			
Foreign exchange	1,030	1,284	43,808
Credit			
Commodities			
Other			
Cash flow hedges	**528**	**11**	**8,106**
Interest rate	527	4	8,078
Shareholders' equity			
Foreign exchange	1	7	28
Credit			
Commodities			
Other			
Hedging of net investments in a foreign activity	**62**	**16**	**1,126**
Total	**2,214**	**1,772**	**105,544**

Note 4: Notes to the income statement

4.1 Interest income and expense

€ million	31.12.2009	31.12.2008
Loans and advances to banks	1,792	7,167
Loans and advances to customers	4,204	7,238
Accrued interest receivable on available-for-sale financial assets	551	819
Accrued interest receivable on hedging instruments	518	1,156
Lease finance	54	62
Interest income (1)	**7,119**	**16,442**
Deposits by banks	(1,819)	(7,566)
Customer accounts	(1,070)	(3,671)
Debt securities in issue	(1,147)	(2,855)
Subordinated debt	(186)	(440)
Accrued interest payable on hedging instruments	(605)	(1,436)
Lease finance	(38)	(40)
Interest expense	**(4,865)**	**(16,008)**

(1) of which €186 million on individually impaired receivables at 31.12.2009 and € 193 million 31.12.2008.

4.2 Net fee and commission income

€ million	31.12.2009			31.12.2008		
	Income	Expense	Net	Income	Expense	Net
Interbank transactions	74	(88)	(14)	113	(152)	(39)
Customer transactions	379	(41)	338	376	(66)	310
Securities transactions (including brokerage) (1)	1,007	(405)	602	1,229	(428)	801
Foreign exchange transactions	12	(11)	1	13	(12)	1
Transactions on derivative instruments and other off-balance sheet transactions (including brokerage) (1)	1,723	(797)	926	1,604	(790)	814
Payment instruments and other banking and financial services (2)	395	(108)	287	318	(183)	135
Trust and similar activities (2)	70	(11)	59	75	(3)	72
Net fee and commission income	**3,660**	**(1,461)**	**2,199**	**3,728**	**(1,634)**	**2,094**

(1) Fee and commission income and expense related to securities commitments are now reported under "Derivative instruments and other off-balance sheet items" rather than "Securities transactions". Net fee and commission income in this respect totalled +€240 million in 2009 and +€64 million in 2008.
(2) Some fee and commission income and expense related to financial services, previously reported under "Mutual funds management, fiduciary and similar operations", are now reported under "Payment instruments and other banking and financial services". Net fee and commission expense in this respect totalled -€11 million in 2009 and -€46 million in 2008.

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

€ million	31.12.2009	31.12.2008
Dividends received	52	12
Unrealised or realised gains or losses on financial assets/liabilities at fair value through profit or loss	(247)	(1,869)
Unrealised or realised gains or losses on financial assets/liabilities designated as at fair value through profit or loss	25	(26)
Gain/loss on currency transactions and similar financial instruments (excluding gain/loss on hedges on net investments in foreign activities)	109	1,378
Hedge accounting gain/loss	(1)	2
Net gains (losses) on financial instruments at fair value through profit or loss	**(62)**	**(503)**

Changes in issuer spreads resulted in a charge of €504 million on 31 December 2009 (taken to net banking income) on structured issues measured at fair value, compared with a gain of €688 million at 31 December 2008.

Net gain/loss resulting from hedge accounting

€ million	2009			2008		
	Gains	Losses	Net	Gains	Losses	Net
Fair value hedges						
Changes in the fair value of hedged items Attributable to hedged risks	390	(379)	11	588	(381)	207
Changes in the fair value of hedging derivatives (including termination of coverage)	379	(391)	(12)	381	(587)	(206)
Cash flow hedges						
Changes in the fair value of hedging derivatives – ineffective portion						
Hedging of net investments in a foreign activity						
Changes in the fair value of hedging derivatives – ineffective portion						
Fair-value hedging of the interest-rate risk exposure of a portfolio of financial instruments						
Changes in the fair value of hedged items	40	(28)	12	43	(29)	14
Changes in the fair value of hedging derivatives	28	(40)	(12)	29	(42)	(13)
Cash-flow hedging of the interest-rate risk exposure of a portfolio of financial instruments						
Changes in the fair value of the hedging instrument – ineffective portion						
Total hedge accounting gain/loss	**837**	**(838)**	**(1)**	**1,041**	**(1,039)**	**2**

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

€ million	31.12.2009	31.12.2008
Dividends received	55	60
Realised gains or losses on available-for-sale financial assets [1]	46	151
Impairment losses on variable-income securities	(23)	(44)
Disposal gains/(losses) on loans and advances	(20)	(54)
Net gains/(losses) on available-for-sale financial assets	**58**	**113**

[1] Excluding realised gains or losses on long-term impaired fixed-income securities recognised as available-for-sale financial assets.

4.5 Net income and expenses related to other activities

€ million	31.12.2009	31.12.2008
Other net income from insurance activities	4	5
Change in insurance technical reserves	3	(3)
Net income from investment properties	1	12
Other net income (expense)	(29)	1
Net income (expense) related to other activities	**(21)**	**15**

4.6 General operating expenses

€ million	31.12.2009	31.12.2008
Staff costs	(2,201)	(2,502)
Taxes other than income or payroll-related	(49)	(38)
External services and other expenses	(1,062)	(1,196)
Operating expenses	**(3,312)**	**(3,736)**

These amounts include fees paid to Crédit Agricole CIB statutory auditors. A breakdown of fees paid to statutory auditors by firm and type of engagement by fully and proportionately consolidated Crédit Agricole CIB companies in 2009 is provided below:

Fee paid to statutory auditors

Total amount (excluding VAT) 2009 In '000€	Ernst & Young	Pricewater-house-Coopers	Mazars & Guerard	Deloitte	KPMG	Others	Total
Independent audit, certification, overview of parent company and consolidated financial statements	7,056	7,842	8	114	88	412	15,520
Ancillary assignments	71	413					484
Total	**7,127**	**8,255**	**8**	**114**	**88**	**412**	**16,004**

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

€ million	31.12.2009	31.12.2008
Depreciation and amortisation	**(161)**	(153)
Property, plant and equipment	(111)	*(108)*
Intangible assets	(50)	*(45)*
Impairment	**2**	(2)
Property, plant and equipment	2	(2)
Intangible assets		
Total	**(159)**	**(155)**

4.8 Cost of risk

€ million	31.12.2009	31.12.2008
Charge to reserves and impairment	**(1,922)**	**(1,360)**
Available-for-sale financial assets	(46)	(90)
Loans and advances	(1,694)	(1,070)
Other assets	(6)	(3)
Financing commitments	(157)	(156)
Risks and expenses	(19)	(41)
Write-backs of reserves and impairment	**165**	**115**
Available-for-sale financial assets		1
Loans and advances	56	40
Financing commitments	6	10
Risks and expenses	103	64
Charges to reserves and impairment net of write-backs	**(1,757)**	**(1,245)**
Gains or losses on disposal of available-for-sale financial assets		
Bad debts written off-not impaired	(46)	(154)
Recoveries on bad debts written off	44	79
Other losses	(10)	(8)
Cost of risk	**(1,769)**	**(1,328)**

4.9 Net gains/(losses) on other assets

€ million	31.12.2009	31.12.2008
Property, plant and equipment and intangible assets	**2**	**3**
Gains	4	5
Losses	(2)	(2)
Consolidated equity investments	**20**	[2] **425**
Gains	[1] 21	435
Losses	(1)	(10)
Net gains/(losses) on other assets	**22**	**428**

[1] Mainly corresponds to the sale of CASAM to Crédit Agricole S.A. and the sales of CPR Online to a subsidiary of the Regional Banks for respectively €11.3 million and €6.7 million.
[2] Gains relating mainly to the Newedge transaction.

4.10 Income tax

Tax charge

€ million	31.12.2009	31.12.2008
Current tax charge	(149)	(423)
Deferred tax income (charge)	530	1,470
Tax income (charge) for the period	**381**	**1,047**

Reconciliation of theoretical tax rate and effective tax rate

31 December 2009 € million	**Basis**	**Tax rate**	**Tax amount**
Income before tax, goodwill impairment and share of net income of equity affiliates	**(790)**	**34.43%**	**272**
Impact of permanent timing differences		0.13%	1
Impact of different rates on foreign subsidiaries		17.97%	142
Impact of losses for the year, utilisation of tax loss carry forwards and timing differences		(6.84%)	(54)
Impact of reduced rate tax		0.63%	5
Impact of other items		1.90%	15
Effective tax rate and tax charge		**48.22%**	**381**

31 December 2008 € million	**Basis**	**Tax rate**	**Tax amount**
Income before tax, goodwill impairment and share of net income of equity affiliates	**(2,638)**	**34.43%**	**908**
Impact of permanent timing differences		7.05%	186
Impact of different rates on foreign subsidiaries		3.71%	98
Impact of losses for the year, utilisation of tax loss carry forwards and timing differences		(2.46%)	(65)
Impact of reduced rate tax		0.30%	8
Impact of other items		(3.34%)	(88)
Effective tax rate and tax charge		**39.69%**	**1,047**

4.11 Change in gains/(losses) recognised directly in equity

Gains and losses for the period are disclosed below, after tax.

€ million	Gains/(losses) recognised directly in equity			Total gains/losses recognised directly in equity excluding share of equity affiliates	Share of gains/(losses) on equity affiliates recognised directly in equity	Total
	On foreign exchange	Change in fair value of available-for-sale financial assets (1)	Change in fair value of hedging instruments			
Change in fair value		132	53	185		185
Reclassified to income statement		5		5		5
Change in currency translation adjustment	(41)			(41)		(41)
Share of gains/(losses) on equity affiliates recognised directly in equity					(33)	(33)
Gains/(losses) recognised directly in 2009 equity (Group share)	**(41)**	**137**	**53**	**149**	(33)	**116**
Gains/(losses) recognised directly in 2009 equity (minority shareholders' share)	(4)	(1)	1	(4)		(4)
Total gains/(losses) recognised directly in 2009 equity(1)	**(45)**	**136**	**54**	**145**	**(33)**	**112**
Change in fair value		(131)	334	203		203
Reclassified to income statement		(42)		(42)		(42)
Change in currency translation adjustment	44			44		44
Share of gains/(losses) on equity affiliates recognised directly in equity					61	61
Gains/(losses) recognised directly in 2008 equity (Group share)	**44**	**(173)**	**334**	**205**	61	**266**
Gains/(losses) recognised directly in 2008 equity (minority shareholders' share)	**(10)**	**2**		**(8)**		**(8)**
Total gains/(losses) recognised directly in 2008 equity(1)	**34**	**(171)**	**334**	**197**	**61**	**258**

(1) Gains and losses recognised in other comprehensive income for available-for-sale financial assets are disclosed below:

	31.12.2009	31.12.2008
Gross amount	213	(288)
Tax charge	(77)	117
Total – Net	**136**	**(171)**

Note 5: Segmental reporting

Definition of business

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

Presentation of business lines

Operations are broken down into five business lines.
Financing activities includes French and international commercial banking and structured finance: project finance, aircraft finance, ship finance, acquisition finance, property finance, and international trade.
Capital markets and investment banking encompasses capital markets activities (treasury, foreign exchange, commodities, interest-rate derivatives, debt markets, and equity derivatives), investment banking activities (mergers and acquisitions and equity capital markets), as well as equity brokerage activities carried out by CA Cheuvreux and CLSA and futures brokerage activities carried out by Newedge.
Since the refocusing plan was implemented in September 2008, discontinuing operations have been segregated into a separate business line, which includes exotic equity derivatives, correlation activities and the CDO, CLO and ABS portfolios.
These three business lines make up nearly 100% of the Corporate and investment banking business line of Crédit Agricole SA.
Crédit Agricole CIB is also present in international private banking through its establishments in Switzerland, Luxembourg, Monaco, Spain and Brazil.
Proprietary asset management and other activities encompasses the non-operational activities of the above business lines.

5.1 Analysis by business line

	31.12.2009						
€ million	Financing	Capital markets and investment banking	Discontinuing operations	**Total** Corporate and investment banking	International private banking	Proprietary asset management and other activities	**Total**
Net banking income	**1,928**	**3,219**	**(1,347)**	**3,800**	**487**	**141**	**4,428**
Operating expenses	(775)	(2,204)	(124)	(3,103)	(356)	(12)	(3,471)
Gross operating income	**1,153**	**1,015**	**(1,471)**	**697**	**131**	**129**	**957**
Cost of risk	(931)	(96)	(737)	(1,764)	(5)		(1,769)
Operating income	**222**	**919**	**(2,208)**	**(1,067)**	**126**	**129**	**(812)**
Share of net income of affiliates	117			117			117
Net gains (losses) on other assets	5	7(1)		12		10(2)	22
Pre-tax income	**344**	**926**	**(2,208)**	**(938)**	**126**	**139**	**(673)**
Income tax	(61)	(209)	719	449	(22)	(46)	381
Net income	**283**	**717**	**(1,489)**	**(489)**	**104**	**93**	**(292)**
Minority interests	(26)	(7)		(33)	(6)		(39)
Net income, Group share	**257**	**710**	**(1,489)**	**(522)**	**98**	**93**	**(331)**
Business line assets:							
of which investments in affiliates				833	30		913
of which goodwill arising during the period				(7)	(4)		(11)
Total assets				**704,694**	**7,468**		**712,432**

(1) Including €6.7 million capital gain from the sale of CPR Online to a subsidiary of the Regional Banks

(2) Including €11.3 million capital gain from the sale of CASAM to Crédit Agricole S.A.

€ million	31.12.2009						
	Financing	Capital markets and investment banking	Discontinuing operations	**Total Corporate and investment banking**	International private banking	Proprietary asset management and other activities	**Total**
Net banking income	2,646	3,534	(4,462)	**1,718**	504	(69)	**2,153**
Operating expenses	(839)	(2,370)	(299)	(3508)	(369)	(14)	(3,891)
Gross operating income	**1,807**	**1,164**	**(4,761)**	**(1,790)**	**135**	**(83)**	**(1,738)**
Cost of risk	(627)	(457)	(227)	(1,311)	(17)	-	(1,328)
Operating income	**1,180**	**707**	**(4,988)**	**(3,101)**	**118**	**(83)**	**(3,066)**
Share of net income of affiliates	121	(8)	-	113	1	-	114
Net gains (losses) on other assets	(2)	-	-	(2)	-	[1] 430	428
Pre-tax income	**1,299**	**699**	**(4,988)**	**(2,990)**	**119**	**347**	**(2,524)**
Income tax	(290)	(218)	1,560	1,052	(32)	27	1,047
Net income	**1,009**	**481**	**(3,428)**	**(1,938)**	**87**	**374**	**(1,477)**
Minority interests	(47)	(7)	-	(54)	(9)	-	(63)
Net income, Group share	**962**	**474**	**(3,428)**	**(1,992)**	**78**	**374**	**(1,540)**
Business line assets:							
of which investments in affiliates				852	39		891
of which goodwill arising during the period				[2] 662	44		706
Total assets				**851 532**	**5 939**		**857,471**

[1] Disposal gains and losses relating mainly to the Newedge transaction.
[2] Of which € 661 million relating to Newedge.

5.2 Analysis by geographical zone

The geographical analysis of business-line assets and results is based on the countries where operations are booked for accounting purposes.

€ million	31.12.2009			31.12.2008		
	Net income, Group share	Net banking income	Business-line assets	Net income, Group share	Net banking income	Business-line assets
France (including overseas departments and territories)	(1,004)	1,375	540,791	(1,992)	(855)	704,672
Other European Union countries	159	1,094	49,853	(217)	784	28,602
Rest of Europe	167	540	15,607	185	558	10,058
North America	(27)	305	53,313	137	554	52,369
Central and South America	5	29	461	3	31	370
Africa and Middle-East	142	137	4,451	186	121	4,806
Asia and Pacific (excluding Japan)	254	893	28,535	172	843	30,750
Japan	(27)	55	19,241	(14)	117	25,844
Total	**(331)**	**4,428**	**712,432**	**(1,540)**	**2,153**	**857,471**

Note 6: Notes to the balance sheet

6.1 Cash, due from central banks

€ million	31.12.2009		31.12.2008	
	Assets	Liabilities and shareholders' equity	Assets	Liabilities and shareholders' equity
Cash	33		34	
Due to central banks	23,789	1,536	38,492	1,300
Total principal	**23,822**	**1,536**	**38,526**	**1,300**
Accrued interest	4		4	11
Book Value	**23,826**	**1,536**	**38,530**	**1,311**

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

Financial assets at fair value through profit or loss

€ million	31.12.2009	31.12.2008
Financial assets held for trading	384,660	517,352
Financial assets designated as at fair value	100	91
Value on balance sheet	**384,760**	**517,443**
Of which lent securities	*674*	*2,102*

Financial assets held for trading

€ million	31.12.2009	31.12.2008
Loans and advances to customers [1]	318	1,229
Securities bought under repurchase agreements	37,976	58,330
Securities held for trading	79,461	62,528
Treasury bills and similar items	37,878	33,951
Bond and other fixed-income securities [2]	29,424	20,428
Listed securities	25,054	13,595
Unlisted securities	4,370	6,833
Equities and other variable-income securities [3]	12,159	8,149
Listed securities	10,689	7,451
Unlisted securities	1,470	698
Derivative instruments	266,905	395,265
Value on balance sheet	**384,660**	**517,352**

[1] including loans being syndicated.
[2] including monetary mutual funds.
[3] including equity mutual funds.

Financial assets designated at fair value

€ million	31.12.2009	31.12.2008
Securities held for trading	**100**	**91**
Bonds and other fixed-income securities (1)	14	13
Listed securities	14	13
Unlisted securities		
Equities and other variable-income securities (2)	86	78
Listed securities		
Unlisted securities	86	78
Value on balance sheet	**100**	**91**

(1) including monetary mutual funds.
(2) including equity mutual funds.

Financial liabilities at fair value through profit or loss

€ million	31.12.2009	31.12.2008
Financial liabilities held for trading	379,669	503,500
Financial liabilities designated as at fair value		
Value on balance sheet	**379,669**	**503,500**

Financial liabilities held for trading

€ million	31.12.2009	31.12.2008
Securities sold short	28,694	21,436
Securities sold under repurchase agreements	55,160	69,678
Debt securities in issue	29,731	24,408
Derivative instruments	266,084	387,978
Fair value on balance sheet	**379,669**	**503,500**

Detailed information on trading derivatives and more particularly on interest rate hedges is provided in note 3.2 on market risk.

6.3 Derivative trading instruments

Detailed information is provided in note 3.2 on cash flow and fair value hedges, particularly for interest and exchange rates.

6.4 Available-for-sale financial assets

€ million	31.12.2009	31.12.2008
Treasury bills and similar items	10,961	8,290
Bonds and other fixed-income securities	10,989	10,389
Listed securities	8,807	7,620
Unlisted securities	2,182	2,769
Equities and other variable-income securities	1,125	1,141
Listed securities	361	268
Unlisted securities	764	873
Total available-for-sale securities	**23,075**	**19,820**
Total available-for-sale receivables		**2**
Accrued interest	143	125
Fair value on balance sheet [1]	**23,218**	**19,947**

[1] of which €150 million relating to impaired available-for-sale fixed-income securities;
€563 million relating to impaired available-for-sale variable-income securities;
No guarantees received on impaired outstandings;
No significant item less than 90 days past due;
€565 million in impairment of available-for-sale securities and receivables at 31 December 2009.

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

€ million	31.12.2009			31.12.2008		
	Fair value	Gains recognised in other comprehensive income	Losses recognised in other comprehensive income	Fair value	Gains recognised in other comprehensive income	Losses recognised in other comprehensive income
Treasury bills and similar items	10,961	18	5	8,290	34	39
Bonds and other fixed-income securities	10,989	75	82	10,389	226	366
Equities and other variable-income securities	460	67	17	442	51	41
Non-consolidated investments	665	190	15	699	222	70
Available-for-sale receivables				2		
Accrued interest	143			125		
Book value of available-for-sale financial assets	**23,218**	**350**	**119**	**19,947**	**533**	**516**
Deferred tax		(53)	(31)		(96)	(151)
Gains and losses directly in equity on available for sale financial assets (net of tax)	**23,218**	**297**	**88**	**19,947**	**437**	**365**

6.5 Due from banks and loans and advances to customers

Due from banks

€ million	31.12.2009	31.12.2008
Banks		
Loans and advances	26,584	27,320
Performing current accounts in debit and receivables	9,251	8,321
Performing overnight time accounts and loans	1,763	824
Pledged securities	144	
Securities bought under repurchase agreements	38,470	35,841
Subordinated loans	30	5
Securities not traded in an active market	944	1,690
Other loans and advances	3	46
Total	**66,175**	**64,902**
Accrued interest	164	414
Impairment	(465)	(310)
Net book value	**65,874**	**65,006**

Loans and advances to customers

€ million	31.12.2009	31.12.2008
Customer items		
Bills discounted	9,234	9,929
Other loans	94,794	97,872
Securities bought under repurchase agreements	32,593	21,491
Subordinated loans	459	479
Securities not traded in an active market	8,872	10,071
Short-term advances	3	3
Current accounts in debit	5,876	4,728
Total	**151,831**	**144,573**
Accrued interest	468	790
Impairment	(3,625)	(2,664)
Net value	**148,674**	**142,699**
Lease finance		
Property leasing	356	389
Total	**356**	**389**
Accrued interest	3	3
Net value	**359**	**392**
Net book value	**149,033**	**143,091**

During 2009, Crédit Agricole CIB brought a €5,383 million asset to support Crédit Agricole S.A. involvement in the financing granted by SFEF (Société de Financement de l'Economie Française) to the French economy. Substantially the risks and rewards of the financial asset still belong to Crédit Agricole CIB.

6.6 Impairment deducted from financial assets

€ million	31.12.2008	Change in scope	Charges	Write-backs and utilisations	Translation adjust-ments	Other movements	31.12.2009
Interbank loans	**310**		159	(5)	1		**465**
Customer loans	**2,664**		1,647	(653)	(32)	(1)	**3,625**
of which collective reserves	***1,397***		*789*		*(23)*		***2,163***
Available-for-sale assets	**533**	11	70	(64)	6	9	**565**
Other financial assets	**17**		26	(2)			**41**
Total impairment of financial assets	**3,524**	**11**	**1,902**	**(724)**	**(25)**	**8**	**4,696**

€ million	31.12.2007	Change in scope	Charges	Write-backs and utilisations	Translation adjust-ments	Other movements	31.12.2008
Interbank loans	**91**		229	(8)	(2)		**310**
Customer loans	**2,613**	7	1,506	(1,447)	(18)	3	**2,664**
of which collective reserves	***1,168***		*207*		*22*		***1,397***
Available-for-sale assets	**556**	1	142	(136)	(47)	17	**533**
Other financial assets	**147**	4	7	(140)		(1)	**17**
Total impairment of financial assets	**3,407**	**12**	**1,884**	**(1,731)**	**(67)**	**19**	**3,524**

6.7 Due to banks and customer accounts

Due to banks

€ million	31.12.2009	31.12.2008
Deposits	48,394	55,881
of which current accounts in credit	4,211	5,022
of which overnight accounts and borrowings	6,867	5,299
Pledge assets		330
Securities sold under repurchase agreements	21,013	24,017
Total	**69,407**	**80,228**
Accrued interest	67	338
Book value of amounts due to banks	**69,474**	**80,566**

Customer accounts

€ million	31.12.2009	31.12.2008
Current accounts in credit	24,965	21,694
Other accounts	62,092	76,089
Securities sold under repurchase agreements	35,613	28,365
Total	**122,670**	**126,148**
Accrued interest	166	295
Book value	**122,836**	**126,443**

6.8 Held-to-maturity financial assets

Crédit Agricole CIB does not have any portfolio of held-to-maturity financial assets.

6.9 Debt securities in issue and subordinated debt

€ million	31.12.2009	31.12.2008
Debt securities in issue		
Interest-bearing notes	32	36
Negotiable debt securities:	63,726	65,198
Issued in France	13,044	17,798
Issued in other countries	50,682	47,400
Bonds	186	284
Other debt securities in issue		-
Total	**63,944**	**65,518**
Accrued interest	61	393
Book value	**64,005**	**65, 911**
Subordinated debt		
Fixed-term subordinated debt [1]	3,563	9,044
Perpetual subordinated debt	4,460	4,594
Total	**8,023**	**13,638**
Accrued interest	6	268
Book value	**8,029**	**13 906**

(1) The €4,950 million in shareholder's advances classified under fixed-term subordinated debt at 31 December 31, 2008 were reimbursed following the capital increase in the first quarter of 2009 (see Statement of changes in shareholders' equity).

6.10 Current and deferred tax assets and liabilities

Decomposition of taxes

€ million	31.12.2009	31.12.2008
Current taxes	256	127
Deferred taxes	3,699	3,793
Total assets of current and differed taxes	**3,955**	**3,920**
Current taxes	314	292
Deferred taxes	223	757
Total liabilities of current and differed taxes	**537**	**1,049**

Deferred tax assets are netted on the balance sheet by taxable entity.

Deferred taxes

€ million	31.12.2009		31.12.2008	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Available-for-sale assets	1	24		(41)
Cash flow hedges		143	(19)	105
Non-deductible reserves	685		650	
Non-deductible accrued expenses	87		793	
Cash flow hedges		21		59
Other deferred taxes	2,926	35	2,369	634
Effect of the offsettings				
Total deferred tax liabilities	**3,699**	**223**	**3,793**	**757**

6.11 Accruals, prepayments and sundry assets and liabilities

Accruals, prepayments and sundry assets

€ million	31.12.2009	31.12.2008
Sundry assets	**52,710**	**59,256**
Inventory accounts and miscellaneous	443	402
Miscellaneous debtors	37,544	47,627
Settlement accounts	14,723	11,227
Prepayments and accrued income	**4,034**	**4,362**
Items in course of transmission to other banks	1,986	1,997
Adjustment and suspense accounts	846	876
Accrued income	446	721
Prepayments	67	103
Other	689	665
Net book value	**56,744**	**63,618**

Accruals, deferred income and sundry liabilities

€ million	31.12.2009	31.12.2008
Sundry liabilities (1)	**44,925**	**45,053**
Settlement accounts	20,885	11,594
Miscellaneous creditors	24,039	33,455
Liabilities related to trading securities	1	4
Accrued expenses and deferred income	**5,016**	**7,499**
Items in course of transmission to other banks (2)	1,757	3,450
Adjustment and suspense accounts	1,082	1,915
Deferred income	406	457
Accrued expenses	1,476	1,332
Other	295	345
Book value	**49,941**	**52,552**

(1) Amounts include accrued interest.
(2) Amounts are shown net.

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

€ millions	31.12.2008	Changes in scope	Increases (acquisitions, business combination)	Decreases (disposals and redemptions)	Translation adjustments	Other movements	31.12.2009
Property, plant and equipment							
Gross value	1,478		65	(30)	(5)	1	1,509
Accrued interest [1]							
Depreciation and impairment	(716)		(111)	25	5	2	(795)
Net book value	**762**		**(46)**	**(5)**		**3**	**714**
Intangible assets							
Gross value	453	(8)	44	(9)	(3)		477
Amortisation and impairment	(272)	8	(50)	5			(309)
Net book value	**181**		**(6)**	**(4)**	**(3)**		**168**

[1] Accrued interests on assets let to third parties

€ millions	31.12.2007	Changes in scope	Increases (acquisitions, business combination)	Decreases (disposals and redemptions)	Translation adjustments	Other movements	31.12.2008
Property, plant and equipment							
Gross value	1,331	36	128	(35)	21	(3)	1,478
Accrued interest [1]							
Depreciation and impairment	(633)	(4)	(112)	35	(10)	8	(716)
Net book value	**698**	**32**	**16**		**11**	**5**	**762**
Intangible assets							
Gross value	349	35	80	(22)	2	9	453
Amortisation and impairment	(202)	(23)	(45)	10	(1)	(11)	(272)
Net book value	**147**	**12**	**35**	**(12)**	**1**	**(2)**	**181**

[1] Accrued interests on assets let to third parties

6.13 Reserves

€ million	31.12.2008	Changes in scope	Charges	Write-backs, amounts used	Write-backs, amounts released	Translation adjustments	Other movements	31.12.2009
Financing commitment execution risks	162		157		(6)			313
Employee retirement and similar benefits [1]	446		95	(66)	(41)	(1)	(1)	432
Litigation [2]	463		33	(26)	(118)	7	(1)	358
Other risks	85		7	(4)	(12)	(1)	(3)	72
Reserves	**1,156**		**292**	**(96)**	**(177)**	**5**	**(5)**	**1,175**

[1] Including €227 million with respect to post-employment benefits on defined-benefit pension plans as detailed in note 7.4, including €5 million with respect to long-service awards at 31 December 2009.
[2] At 31 December 2009, the €358 million of litigation reserves break down as follows:
- tax disputes : €105 million;
- legal disputes : €253 million.

€ million	31.12.2007	Changes in scope	Charges	Write-backs, amounts used	Write-backs, amounts released	Translation adjustments	Other movements	31.12.2008
Financing commitment execution risks	19		156	(3)	(10)			162
Employee retirement and similar benefits	365	2	149	(135)	(9)	1	73	446
Litigation	517		79	(8)	(57)		(68)	463
Other risks	103	(3)	17	(5)	(83)	4	52	85
Reserves	**1,004**	**(1)**	**401**	**(151)**	**(159)**	**5**	**57**	**1,156**

Tax investigation

In 2007 and 2008, Crédit Agricole CIB underwent an investigation into its accounts for 2004 and 2005. An adjustment proposal was received in late December 2008. In its response in February 2009, Crédit Agricole CIB has rejected all of the proposed adjustments, giving reasons. A reserve had been set aside in the amount of the risk estimated by Crédit Agricole CIB's Tax Division.

Exchanges of information with the Government continued during 2009. In spite of this, the provision was retained, in the absence of any significant change during the financial year.

6.14 Shareholders' equity

Movement of capital of Crédit Agricole CIB

In the extraordinary shareholders' meeting of 24 December 2008, shareholders decided to increase the share capital by €2,340,780,255, from €3,714,724,584 to €6,055,504,839.
The capital increase was fully paid-up and subscribed on 28 January 2009. Crédit Agricole CIB now has share capital of €6,055,504,839. It is divided into 224,277,957 shares with par value of €27 each, fully paid-up.
The capital increase included a share premium of €2,859,219,733.7, taking the total cash paid by those subscribing the Crédit Agricole CIB capital increase to €5,199,999,988.7

The Extraordinary General Meeting of 26 August 2009 adopted the following resolutions:
- to increase the share capital by €2,357,161,328.07 by capitalisation of share premiums; this capital increase was effected by increasing the par value of the shares from €27 to €37.51;
- to reduce the share capital by €2,357,161,328.07 by drawing from the retained earnings account; this capital reduction was effected by decreasing the par value of the shares from €37.51 to €27.

Ownership structure at 31 December 2009

At 31 December 2009, ownership of the Crédit Agricole CIB parent-company's capital and voting rights was as follows:

Shareholders	Number of shares au 31.12.2009	% of share capital	% of voting rights
Crédit Agricole SA	218,290,364	97.33%	97.33%
SACAM Développement [(2)]	5,002,014	2.23%	2.23%
Delfinances [(1)]	985,562	0.44%	0.44%
Individuals	17	ns	ns
Total	**224,277,957**	**100.00%**	**100,00%**

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

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

Preferred shares

Issuing entity	Date of issue	Amount of issue in $ million	31.12.2009 € million	31.12.2008 € million
Calyon Preferred Funding LLC	dec-98	230	160	165
Calyon Preferred Funding II LLC	June-02	320	222	230
Total		**550**	**382**	**395**

Earnings per share

	31.12.2009	31.12.2008
Net income used to calculate earnings per share (in millions of Euros)	(331)	(1,540)
Average number of ordinary shares in issue during the year	180,930,175	137,582,392
Weighted average number of ordinary shares used to calculate diluted earnings per share	180,930,175	137,582,392
Basic earnings per share (in Euros)	**(1.83)**	**(11.19)**
Diluted earnings per share (in Euros)	**(1.83)**	**(11.19)**

Dividends

Dividend paid in respect of year	Net amount € million
2004	250
2005	1,551
2006	2,049
2007	-
2008	-

Crédit Agricole SA's Board of Directors has not proposed a dividend with respect to 2009, subject to shareholders' approval in the general meeting of shareholders.

No dividend have been paid in 2007 and 2008.

Appropriation of net income and proposed dividend for 2009

The appropriation of net income and the fixing of the dividend for 2009 are proposed in the draft resolutions presented by the Board of Directors to Crédit Agricole CIB's general meeting of shareholders to be held on 11 May 2010.
The proposed resolution reads as follows:

First resolution
Having heard the Board of Directors' report to the meeting, the Board of Directors' management report, the chairman's report and the statutory auditors' reports, and voting in accordance with the requirements to transact ordinary business, the shareholders approve the parent-company financial statements for the period ended 31 December 2009 as presented to them.

Second resolution
Having heard the Board of Directors' report to the meeting, the Board of Directors' management report and the statutory auditors' report, and voting in accordance with the requirements to transact ordinary business, the shareholders approve the consolidated financial statements for the period ended 31 December 2009 as presented to them.

Third resolution
The shareholders meeting approved the 2009 €719,761,961.92 profit.
Voting in accordance with the requirements to transact ordinary business, the shareholders resolve to appropriate the 2009 profit to the following items:

- €35,988,098.10 to general reserve which amounts to €318,030,607.27 in accordance with article L. 232-10 alinea 1;
- The remaining balance of €683,773,863.82 to retain earnings making it positive (€684,115,347.05).

Shareholders in the meeting note, in accordance with the law, distributions made with respect to the three previous years:

Year	Number of shares receiving dividends	Net dividend per share (in Euros)
2006	127,257,523	(1) 16.10
2007	-	-
2008		

(1) Dividend eligible for the 40% tax allowance provided for in article 158/3/2 of the General Tax Code, solely for shareholders who are individual persons.

Capital management

Crédit Agricole CIB's capital management policy is defined in two stages, in close liaison with its majority shareholder:

- compliance with the total ratio objectives set by the Crédit Agricole S.A. group (percentage capital allocation per Crédit Agricole group business line) and those set in discussion with the Commission Bancaire;
- allocation between Crédit Agricole CIB's business lines based on their risk profile, their profitability and the development targeted.

In accordance with regulation, the Crédit Agricole S.A. group has to maintain, steadily, a capital requirement ratio of at least 4% and a solvency ratio of 8%. In 2009 and 2008 the Crédit Agricole S.A. group strictly follows those capital requirements (see Management report, chapter Pillar 3 of the Basel II Reforms).

6.15 Financial assets and liabilities by maturity date

Financial assets and liabilities are split by contractual maturity dates

€ million	31.12.2009					
	Undefined	Under 3 months	3 months to 1 year	1-5 years	Over 5 years	Total
Cash, due from central banks		23,826				23,826
Financial assets at fair value through profit or loss	12,245	65,540	48,741	125,793	132,441	384,760
Derivative hedging instruments		1,147	145	32	47	1,371
Available-for-sale financial assets	1,125	3,991	7,380	8,197	2,525	23,218
Due from Banks		54,364	3,330	5,916	2,264	65,874
Loans and advances to customers		56,288	19,919	44,920	27,906	149,033
Valuation adjustment on portfolios of hedged items						
Held-to-maturity financial assets						
Total financial assets by maturity date	**13,370**	**205,156**	**79,515**	**184,858**	**165,183**	**648,082**
Due to central banks		1,536				1,536
Financial liabilities at fair value through profit or loss		73,440	30,721	134,366	141,142	379,669
Derivative hedging instruments		473	194	109	22	798
Due to banks		56,153	6,099	6,611	611	69,474
Customer accounts		101,377	13,516	5,151	2,792	122,836
Debt securities in issue		46,434	16,815	441	315	64,005
Subordinated debt				524	7,505	8,029
Valuation adjustment on portfolios of hedged items		16				16
Total financial liabilities by maturity date		**279,429**	**67,345**	**147,202**	**152,387**	**646,363**

€ million	31.12.2008					
	Undefined	Under 3 months	3 months to 1 year	1-5 years	Over 5 years	Total
Cash, due from central banks		38,530				38,530
Financial assets at fair value through profit or loss	8,227	99,056	59,717	163,816	186,627	517,443
Derivative hedging instruments		158	289	19	1,748	2,214
Available-for-sale financial assets	1,141	4,484	4,466	7,943	1,913	19,947
Due from Banks		49,180	5,549	7,565	2,712	65,006
Loans and advances to customers		47,528	18,248	43,092	34,223	143,091
Valuation adjustment on portfolios of hedged items						
Held-to-maturity financial assets						
Total financial assets by maturity date	**9,368**	**238,936**	**88,269**	**222,435**	**227,223**	**786,231**
Due to central banks		1,311				1,311
Financial liabilities at fair value through profit or loss		80,721	64,892	165,080	192,807	503,500
Derivative hedging instruments		1,076	347	108	241	1,772
Due to banks		69,202	5,286	5,273	805	80,566
Customer accounts		103,563	13,409	6,188	3,283	126,443
Debt securities in issue		55,844	6,721	2,856	490	65,911
Subordinated debt		5,213	500	506	7,687	13,906
Valuation adjustment on portfolios of hedged items		12				12
Total financial liabilities by maturity date		**316,942**	**91,155**	**180,011**	**205,313**	**793,421**

Note 7: Employee benefits and other compensation

7.1 Staff costs

Analysis of expenses € million	31.12.2009	31.12.2008
Salaries [1]	(1,700)	(2,030)
Other social security expenses	(427)	(427)
Incentive plans and profit-sharing	(1)	(6)
Payroll-related tax	(73)	(39)
Total staff costs	**(2,201)**	**(2,502)**

[1] including €12.4 million of charges relating to stock-option plans at 31.12.2009 compared to € 14.3 million at 31.12.2008.

7.2 Headcount end of December 2009

(full-time equivalent)	2009	2008
France	4,687	4,801
Outside France	9,646	9,879
Total	**14,333**	**14,680**

7.3 Post-employments benefits, defined contribution plans

French employers contribute to a variety of compulsory pension plans. Plan assets are managed by independent organisations and the contributing companies have no legal or implicit 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 CIB has no liability in this respect other than the contributions payable.

Within Crédit Agricole CIB, there are several compulsory defined contribution plans, the main ones being Agirc/Arrco, which are French supplementary retirement plans, supplemented by an "Article 83"-type plan.

7.4 Post-employment obligations, defined benefit plans

Change in actuarial liability

€ million	31.12.2009	31.12.2008
Actuarial liability at 31.12. N-1	**833**	**941**
Foreign exchange difference	19	(50)
Current service cost	30	32
Interest cost	40	37
Employee contributions	8	8
Plan revision/curtailment/settlement	3	(12)
Acquisitions, divestments (change in scope of consolidation)		(1)
Early retirement allowances		
Benefits paid (obligatory)	(45)	(32)
Actuarial gains/(losses)	48	(90)
Actuarial liability at 31.12.N	**936**	**833**

Breakdown of net charge recognised in the income statement

€ million	31.12.2009	31.12.2008
Current service cost	30	32
Interest cost	40	37
Expected return on assets during the period	(32)	(31)
Amortisation of past service cost	5	13
Amortisation of actuarial gains/(losses)	38	38
Gains/(losses) on plan curtailment/settlement	(3)	8
Gains/(losses) on asset ceiling		(17)
Net charge recognised in the income statement	**78**	**80**

Fair value of plan assets and reimbursement rights

€ million	31.12.2009	31.12.2008
Fair value of assets/reimbursement rights at 31.12.N-1	**638**	**703**
Foreign exchange difference	20	(34)
Expected return on assets	32	31
Actuarial gains/(losses) on plan assets	11	(140)
Employer's contributions	35	106
Employee contributions	8	8
Plan revision/curtailment/settlement		1
Acquisitions, divestments (change in scope of consolidation)		(5)
Early retirement allowances		(2)
Benefits paid	(40)	(30)
Fair value of assets/reimbursement rights at 31.12.N	**704**	**638**
Net position (debt) / assets	**(232)**	**(195)**

Information about plan assets [1]

	2009	2008
Breakdown of assets		
-% bonds	79%	74 %
-% equities	12%	16 %
-% other	9%	10 %

(1) Calculated on the assets of Crédit Agricole CIB (parent-company) in France.

Defined benefit plans: key actuarial assumptions

	2009	2008
Discount rate [1]	5.16%	3 % à 5.25 %
Expected return on plan assets and reimbursement rights	4.50%	4.50 %
Effective return on plan assets and reimbursement rights		
Expected salary increases [3]	4.00%	4.00 %
Increase in healthcare costs	4.50%	4.50 %

(1) Calculated on the discount rates defined by the Group and on the residual term of the commitments.
(2) Depending on the populations concerned (executive or non-executive).

7.5 Other employee benefits

Crédit Agricole CIB gives its employees an interest in its development and in its results via a number of mechanisms.
Under the profit-sharing agreement, the special reserve has since 2005 been calculated according to the statutory formula pursuant to article L.442-2 of the Employment Code. It is shared among beneficiaries in proportion to their gross salary subject to statutory caps.
As regards incentive plans, a new agreement has been signed for 2007, 2008 and 2009. This agreement retains the principles of the previous agreement for 2004-2006. It rewards employees for improvements in the cost/income ratio and overall performance, before the impact of exceptional factors. An additional agreement modifying the methods of calculation to allow the increase of the total amount of profit sharing has been signed in 2009.

The amounts distributed in the last five years have been as follows:

Financial year € million	Year of payment	Employee Profit-sharing	Incentive plans
2008	2009	-	2.4 [(1)]
2007	2008	-	-
2006	2007	-	41.5
2005	2006	-	37.1
2004	2005	29.1	-

(1) Exceptional profit sharing compensation of €500 per employee (gross before tax)

Crédit Agricole CIB also has an employee savings plan which supplements the above plans. It offers a diverse selection of mutual funds. Calyon tops up employees' voluntary contributions. The top-up rate has been 150% from 1 May 2007, limited to €1,500 per year (under the agreement of 24 April 2007, which is valid until 31 December 2009).
Crédit Agricole CIB also grants long-service awards.

7.6 Share-based payments

Using the authorities granted by extraordinary resolution of the Crédit Agricole S.A. shareholders on 22 May 2002, 21 May 2003 and 17 May 2006, Crédit Agricole S.A.'s Board of Directors have implemented five stock option plans for the benefit of Crédit Agricole CIB staff.

2003 stock option plans

Using the authority granted by extraordinary resolution of Crédit Agricole S.A. shareholders on 22 May 2002 and 21 May 2003, Crédit Agricole S.A.'s Board of Directors created two stock-option plans for executive officers and certain senior managers of Crédit Agricole S.A. and its subsidiaries including Crédit Agricole Indosuez, which is the former name of Crédit Agricole CIB:

- in April 2003, with a strike price of €14.59;
- in December 2003, with a strike price of €18.09;

corresponding to the average share price in the twenty trading sessions preceding these Board meetings.

In December 2003, using the authority granted at the AGM held on 21 May 2003, Crédit Agricole S.A. also harmonised the various stock option plans existing within the Group by converting the stock option plans granted by certain of its subsidiaries (including Crédit Agricole Indosuez) into Crédit Agricole S.A. options, and accordingly granted Crédit Agricole S.A. stock options to the beneficiaries in the subsidiaries concerned.

2004 stock option plans

On 23 June 2004, Crédit Agricole S.A.'s Board of Directors created a stock option plan for executive officers and certain senior managers of Crédit Agricole S.A. and its subsidiaries (including Crédit Agricole CIB), using the authority granted by extraordinary resolution of the shareholders at the AGM held on 21 May 2003. The total number of shares that may potentially be issued under this plan for Crédit Agricole CIB is 5,168,000 at a price of €20.48, which is equal to the average price quoted during the twenty trading sessions preceding the date of the Crédit Agricole S.A. board meeting, with no discount.

2005 stock option plans

On 19 June 2005, Crédit Agricole S.A.'s Board of Directors granted 5,000 stock options to a new Crédit Agricole CIB employee with a strike price of €20.99, equal to the average price quoted during the twenty trading sessions preceding the date of the Crédit Agricole S.A. board meeting, with no discount.

2006 stock option plans

On 18 July 2006, using the authorisation granted by extraordinary resolution of Crédit Agricole S.A. shareholders in their meeting 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.
On 6 October 2006, the Board of Directors created a stock option plan for executive officers and certain senior managers of Crédit Agricole S.A. and its subsidiaries, comprising 5,416,500 options for Crédit Agricole CIB staff at a strike price of €33.61.
Since the options granted under the April and December 2003 plans can now be exercised, and in accordance with the Board's decisions, the number of options and strike prices in these two plans have been adjusted to take into account transactions affecting the capital in November 2003 and January 2007.

Description of the aforementioned five Crédit Agricole S.A. stock option plans:

Crédit Agricole SA stock option plans	2003		2004	2005	2006	Total
Date of Crédit Agricole SA AGM authorising the plan	22.05.2002	21.05.2003	21.05.2003	21.05.2003	17.05.2006	
Date of Crédit Agricole SA board meeting	15.04.2003	17.12.2003	23.06.2004	19.07.2005	18.07.2006	
Option grant date	15.04.2003	17.12.2003	05.07.2004	19.07.2005	06.10.2006	
Term of plan	7 years	7 years	7 years	7 years	7 years	
Vesting period	4 years	4 years	4 years	4 years	4 years	
First exercise date	15.04.2007	17.12.2007	05.07.2008	19.07.2009	06.10.2010	
Expiry date	15.04.2010	17.12.2010	05.07.2011	19.07.2012	07.10.2013	
Number of Crédit Agricole CIB grantees	162	157	588	1	745	
Number of options granted to Crédit Agricole CIB staff (1)	1,842,116	4,031,071	5,635,253	5,452	5,416,500	**16,930,392**
Strike price (1)	€13.38	€16.60	€18.78	€19.25	€33.61	
Performance conditions	no	no	no	no	no	
Conditions in case of departure from						
Resignation	Forfeit	Forfeit	Forfeit	Forfeit	Forfeit	
Dismissal	Forfeit	Forfeit	Forfeit	Forfeit	Forfeit	
Retirement	Retain	Retain	Retain	Retain	Retain	
Death	Retain (2)	Retain (2)	Retain (2)	Retain (2)	Retain (2)	
Number of options						
granted to the ten largest grantees (1) (3)	1,594,343		436,122	5,000	390,000	
granted to Crédit Agricole CIB executive officers (1)	812,274		185,351		180,000	
Valuation method used	Black - Scholes	Black - Scholes	Black - Scholes	Black - Scholes	Black - Scholes	

(1) Corporate officers at vesting dates
(2) if heirs and successors exercise within six months of death.
(3) excluding Crédit Agricole CIB corporate officers.

Past allotments of stock options to corporate officers at 31 December 2009

Plans :	Plan N°1	Plan N°2	Plan N°3	Plan N°4	Plan N°5
Date of Crédit Agricole S.A. board meeting	15.04.2003	17.12.2003	23.06.2004	19.07.2005	18.07.2006
Georges Pauget			76,321		100,000

Key assumptions used to value the stock option plans

Crédit Agricole S.A. values the options granted and invoices Crédit Agricole CIB on the grant date based on the market value of the options on that date.

The only assumptions that may be revised during the vesting period, resulting in an adjustment to this expense, are those relating to the beneficiaries (options forfeited on resignation or dismissal).

Plans	Date of grant	15.04.2003	17.12.2003	05.07.2004	19.07.2005	06.10.2006
Estimated length of plan		5 years	5 years	5 years	5 years	7 years
Rate of forfeiture		5%	5%	5%	5%	1.25%
Estimated dividend rate		3.46%	3.01%	3.34%	3.22%	3.03%
Volatility on the date of grant		40%	27%	25%	25%	28%

The Black-Scholes model has been used for all Crédit Agricole S.A. stock option plans.

7.7 Executive officers’ compensation

The term "executive officers" here refers to members of Crédit Agricole CIB's Executive Committee and Board of Directors.
The membership of the Executive Committee is set out in the Governance and Internal Control chapter of this shelf registration document.
Compensation and benefits paid to the members of the Executive Committee in 2009 were as follows:

- short-term benefits: €15.5 million including fixed and variable compensation (of which social security contribution) and benefits in kind;
- post-employment benefits at 31 December 2009: €7.4 million in end-of-career and pension rights under the supplementary plan in place for the Group's senior executives;
- other long-term benefits: the amount granted under long-service bonuses is insignificant;
- employment contract termination indemnities: no payment in 2009 with respect to termination benefits

Directors' fees paid to members of Crédit Agricole CIB's Board of Directors with respect to work done in 2009 amounted to €0.4 million.

Note 8: Financing and guarantee commitments

Commitments given and received and assets given as guarantees

€ million	**31.12.2009**	31.12.2008
COMMITMENTS GIVEN	**159,102**	**142,551**
Financing Commitments	**111,157**	**101,052**
Banks	13,670	7,765
Customers	97,487	93,287
Confirmed credit lines	95,628	88,019
Confirmed documentary credits	9,020	8,334
Other confirmed credit lines	86,608	79,685
Other	1,859	5,268
Guarantee commitments	**47,945** (1)	**41,499**
Banks	13,409	9,627
Confirmed credit lines	2,609	2,459
Other	10,800	7,168
Customers	34,536	31,872
Property guarantees	2,030	2,063
Loan repayment guarantees	6,207	5,604
Other guarantees	26,299	24,205

€ million	31.12.2009	31.12.2008
COMMITMENTS RECEIVED	**130.721**	**120.791**
Financing commitments	**24,697**	**10,962**
Banks	24,173	10,453
Customers	524	509
Guarantee commitments	**106,024**	**109,829**
Banks	11,093	17,337
Customers	94,931	92,492
Guarantees received from government bodies or similar	17,135	12,933
Other	77,796	79,559

(1) Including €1,131 million of financial guarantees given on off balance sheet exposures which counterparties are doubtful or on watch list and for which the capital call is estimated to €79 million (see note 3.3 "Financial guarantee contracts issued by remaining maturity").

Assets given as guarantees

€ million	31.12.2009	31.12.2008
Loaned securities	2,511	2,321
Collateral for market transactions	19,865	33,706
Securities sold under repo agreements	111,786	122,390
Total assets given as liability guarantees	**134,162**	**158,417**

Amounts relate to loaned securities, securities and shares sold under repurchase agreements and guarantee deposits on market transactions.

Assets accepted

The majority of guarantees and enhancements held correspond to mortgages, collateral and guarantee deposits received, regardless of the quality of the assets guaranteed.
Assets accepted as collateral by the Crédit Agricole CIB group that it is authorized to sell or repledge amounted to €113 billion at 31 December 2009 versus €120 million at 31 December 2008. They relate mainly to repos and securities providing collateral for brokerage transactions.
Crédit Agricole CIB's policy is to sell seized collateral as soon as possible. Crédit Agricole CIB did not hold any seized collateral either at 31 December 2009 or 31 December 2008.

Note 9: Reclassifications

In accordance with the amendment to IAS 39, published and adopted by the European Union in October 2008, Crédit Agricole CIB is now authorized to reclassify securities as follows:

- from "held-for-trading financial assets" and "available-for-sale financial assets" to "loans and receivables" if the entity concerned intends and is able to hold the financial asset concerned for the foreseeable future or until maturity and if the eligibility criteria for this category are met (particularly financial assets not listed on an active market);
- in rare and documented circumstances, from "held-for-trading financial assets" to "available-for-sale financial assets" or "held-to-maturity financial assets", subject to compliance with eligibility criteria

Crédit Agricole CIB approach

Reclassifications from "financial assets held for trading" by the Group since the effective date of the amendment to IAS 39 adopted by the European Union on 15 October 2008 were decided then carried out in accordance with the conditions set out by that amendment. They were recorded in their new accounting category at their fair value on the reclassification date.

Reclassification done by Crédit Agricole CIB

Pursuant to the amendment to IAS 39 published and adopted by the European Union in October 2008, in 2009 Crédit Agricole CIB made reclassifications as allowed by the amendment to IAS 39, as it did in 2008. Information on these reclassifications is provided below.

Reclassifications: type, reason and amount

In 2009, Crédit Agricole CIB reclassified certain financial assets for which its management's intention changed from "Financial assets at fair value through profit or loss held for trading" to the "Loans and receivables" category. It now intends to hold these financial assets for the foreseeable future and not to sell them in the period.
These reclassifications, which relate to syndication transactions, were made during 2009.
As of this date, the reclassification value of the amounts reclassified during 2009 is shown in the table below, together with the value as of the closing date of these reclassified financial assets and of assets that were previously reclassified and remain on the asset side of Crédit Agricole CIB's balance sheet at 31 December 2009:

€ million	Reclassified Assets		Reclassified Assets in 2009			Reclassified Assets previously		Reclassified Assets previously	
	Net book value at 31.12.09	Estimated market value at 31.12.09	Reclassi-fication value	Net book value at 31.12.09	Estimated market value at 31.12.09	Net book value at 31.12.09	Estimated market value at 31.12.09	Net book value at 31.12.08	Estimated market value at 31.12.08
Financial assets at fair value through profit or loss reclassified into loans and receivables	8,904	8,097	454	462	453	8,442	7,644	11,716	10,946

Change in fair value relating to reclassified assets, taken to profit and loss

The change in fair value recognised in profit or loss on assets reclassified in 2009 is shown in the table below.

€ million	Change in recognized fair value	
	In 2009, until the reclassification date	in 2008
Financial assets at fair value through profit or loss reclassified into loans and receivables	(8)	(64)

Income contribution of transferred assets since reclassification

The income contribution of transferred assets since the reclassification date includes all gains, losses, income and expenses taken to profit and loss.

Pre-tax earnings impact since reclassification

€ million	Assets reclassified in 2009		Assets reclassified prior to 2009					
	Impact 2009		Cumulative impact 31.12.2008		Impact 2009		Cumulative impact 31.12.2009	
	Recognized income and expenses	If the asset had been kept in its original category (change in fair value)	Recognized income and expenses	If the asset had been kept in its original category (change in fair value)	Recognized income and expenses	If the asset had been kept in its original category (change in fair value)	Recognized income and expenses	If the asset had been kept in its original category (change in fair value)
Financial assets at fair value through profit or loss reclassified into loans and receivables	7	(1)	124	(637)	(150)	(198)	(26)	(835)

Additional information

At the reclassification date, the reclassified financial assets paid in 2009 effective interest rates of between 2% and 9.3%, with non-discounted future cash flows of €514 million.

Note 10: Fair value of financial instruments

Fair value 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 likely to change in subsequent periods due to developments in market conditions or other factors.

These values represent the best estimate that can be made and are based on a certain number of 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 assets and liabilities valued on the basis of amortised cost method

€ million	31.12.2009		31.12.2008	
	Book value	Estimated Market value	Book value	Estimated Market value
Assets				
Due from banks	65,874	65,829	65,006	64,913
Loans and advances to customers	149,033	147,878	143,091	140,987
Held-to-maturity financial assets				
Liabilities				
Due to banks	69,474	69,474	80,566	80,566
Customer accounts	122,836	122,836	126,443	126,443
Debt securities in issue	64,005	64,027	65,911	66,023
Subordinated debt	8,029	8,029	13,906	13,906

In some cases, market values are close to book values. This is particularly the case for:

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

10.2 Analysis of financial instruments at fair value by valuation model

Financial assets measured at fair value

€ million	Total 31.12.2009	Price quoted for identical instruments in an active market: Level 1	Measurement based on observable data: Level 2	Measurement based on observable data: Level 3
Financial assets held for trading	**384,660**	**80,977**	**292,725**	**10,958**
Advances to customers	318		318	
Securities bought under repurchase agreement	37,976		37,976	
Securities held for trading	79,461	73,621	5,068	772
Treasury bills and similar items	37,878	37,878		
Bonds and other fixed-income securities	29,424	25,054	3,598	772
Equities and other variable-income securities	12,159	10,689	1,470	
Derivative financial instruments	266,905	7,356	249,363	10,186
Financial assets designated as at fair value through profit or loss upon initial recognition	**100**	**14**	**86**	
Assets backing unit-linked business				
Securities designated as at fair value through profit or loss upon initial recognition	100	14	86	
Treasury bills ans similar items				
Bonds and other fixed-income securities	14	14		
Equities and other variable-income securities	86		86	
Available-for-sale financial assets	**23,218**	**20,272**	**2,946**	
Treasury bills and similar items	11,024	11,024		
Bonds and other fixed-income securities	11,069	8,887	2,182	
Equities and other variable-income securities	1,125	361	764	
Derivatives hedging instruments	**1,371**		**1,371**	
Total financial assets at fair value	**409,349**	**101,263**	**297,128**	**10,958**

Financial liabilities measured at fair value

€ million	Total 31.12.2009	Price quoted for identical instruments in an active market: Level 1	Measurement based on observable data: Level 2	Measurement based on observable data: Level 3
Financial liabilities held for trading	**379,669**	**7,557**	**364,846**	**7,266**
Securities sold short	28,694		28,694	
Securities sold under repurchase agreements	55,160		55,160	
Debt securities in issue	29,731		29,731	
Debts to customers				
Derivative financial instruments	266,084	7,557	251,261	7,266
Financial liabilities designated as at fair value through prof or loss				
Available-for-sale financial assets	**798**		**798**	
Total financial liabilities at fair value	**380,467**	**7,557**	**365,644**	**7,266**

Changes in valuation mode

There were no material transfers between Level 1 and Level 2 over the period.

Financial instruments valued on Level 3 model

At 31 December 2009, financial instruments whose measurement is based on non-observable data (Level 3) mainly included:

- CDO units with US mortgage underlying;
- hedges on certain of the above-mentioned CDOs with US mortgage underlying;
- CDO-type products indexed to corporate credit risk (correlation businesses);
- venture capital funds;
- to a lesser extent, the fair value of shares in SCI property companies and SCPI property investment funds and other fixed-income, equity and credit derivatives.
-

Valuation method used

- The method used to measure super-senior CDOs with US mortgage underlying is described on page 82.
- Corporate CDOs are valued with the help of a pricing model, which distributes losses expected by the market according to the level of subordination of each transaction. The model uses both observable data (margins on credit default swaps) and data that became much less observable during 2008 (correlation data relating to CDOs based on a standard basket of corporate bonds). In 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 measurement variables adjusted to its assessment of the intrinsic risk of its exposures

Net change in financial instruments measured at fair value on a level 3 valuation model

Financial assets measured at fair value on a level 3

		Financial assets held for trading				
€ million	**Total**	**Securities held for trading**	Treasury bills and similar items	Bonds and other variable income securities	Equities and other fixed-income securities	**Derivative financial instruments**
Opening balance (01.01.2009)	**38,670**	**2,504**		**2,504**		**36,166**
Total gains or losses	(22,994)	(385)		(385)		(22,609)
Accounted in profit or loss [(1)]	(22,994)	(385)		(385)		(22,609)
Accounted in other comprehensive income						
Purchases	611					611
Sales	(2,631)	(1,347)		(1,347)		(1,284)
Issues						
Settlements	(2,464)					(2,464)
Transfers	(234)					(234)
Transfers to Level 3						
Transfers out of Level 3	(234)					(234)
Closing balance (31.12.2009)	**10,958**	**772**		**772**		**10,186**

(1) Gains and losses on financial instruments held for trading are recorded in the income statement under "Net gains (losses) on financial instruments at fair value through profit or loss". They amounted to (€18,818) million for the year ended 31 December 2009.

Financial liabilities measured at fair value on a level 3

		Financial liabilities held for trading				
€ million	Total	Securities sold short	Securities sold under repurchase agreements	Debt securities in issue	Due to customers	Derivative financial instruments
Opening balance (01.01.2009)	**9,273**					**9,273**
Total gains or losses	(1,354)					(1,354)
Accounted in profit or loss [1]	(1,354)					(1,354)
Purchases	351					351
Sales	(539)					(539)
Issues						
Settlements	(140)					(140)
Transfers	(325)					(325)
Transfers to Level 3						
Transfers out of Level 3	(325)					(325)
Closing balance (31.12.2009)	**7,266**					**7,266**

[1] Gains and losses on financial instruments held for trading are recorded in the income statement under "Net gains (losses) on financial instruments at fair value through profit or loss". They amounted to €885 million for the year ended 31 December 2009.

Gains and losses for the period from assets and liabilities on the balance sheet at year-end (€17.8 billion approximately) mainly include:

- the impact of changes in value recognised on CDO units with US mortgage underlying and their hedges, in the amount of approximately €1.2 billion;
- the change in value of other interest rate, credit and equity derivatives, and notably corporate CDOs valued on the basis of data that became non-observable in 2008, in the amount of approximately €15 billion.

However, the fair value (and the change in fair value) of these products by itself is not representative. 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 change in their value), which to a large extent is symmetrical to the valuation of products measured on the basis of data deemed to be non-observable, does not appear in the table above.

As an example, net banking income for Crédit Agricole CIB's business activities that mainly include products valued on the basis of non-observable data and the associated hedging instruments was (€1.8) billion at for the year ended 31 December 2009.

During the period, the fair value of financial instruments transferred out of Level 3 was approximately €560 million. These transfers are mainly due to the restored observability horizon over the maturity of certain measurement variables over time.

Sensitivity analysis of financial instruments measured at fair value on a Level 3 valuation model

At 31 December 2009, at Crédit Agricole CIB, the sensitivity to variables used in the models based on reasonable alternative assumptions amounted to approximately €184 million (most of it for discontinuing operations, including €64 million on CDOs with US mortgage underlying and €104 million for corporate CDO business).

Sensitivity is calibrated independently of the front office, based primarily on consensus data:

- **Corporate CDOs**: the extent of uncertainty over the default correlation (a non-observable variable) is determined based on the standard deviation between the consensus data relative to the 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 method is the same as tat used for corporate CDOs (standard deviation relative to consensus estimates) but applied to dividend volatility and standard correlation variables;
- **Fixed-income derivatives**: a 2% shock is applied to the main correlations (Interest rate/ Exchange rate and Interest rate/Interest rate).

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

€ million	31.12.2009	31.12.2008
Deferred gains at 1 January	**361**	**450**
Deferred gains generated by new transactions during the period	93	119
Recognised in income during the period		
Amortisation and cancelled/redeemed/expired transactions	(157)	(208)
Effect of parameters or products that became observable during the year		
Deferred gains at the end of the period	**297**	**361**

Note 11: Post-balance-sheet events

No significant event after the closing.

Note 12: Scope of consolidation at 31 December 2009

Subsidiaries, joint-ventures and associates	(a)	Country	Method	% control		% interest	
				31.12. 2009	31.12. 2008	**31.12. 2009**	31.12. 2008
Parent company							
Crédit Agricole CIB S.A.	N	France	Parent	**100.00**	100.00	**100.00**	100.00
Banks and financial institutions							
Banco Calyon Brasil		Brazil	full	**100.00**	100.00	**100.00**	100.00
Banque Saudi Fransi - BSF		Saudi Arabia	equity	**31.11**	31.11	**31.11**	31.11
Calyon Algérie		Algeria	full	**99.99**	99.98	**99.99**	99.98
Calyon Australia Ltd		Australia	full	**100.00**	100.00	**100.00**	100.00
Calyon Bank Polska SA		Poland	full	**100.00**	100.00	**100.00**	100.00
Calyon Bank Ukraine		Ukraine	full	**100.00**	100.00	**100.00**	100.00
Calyon China Limited	E	China	Full	**100.00**		**100.00**	
Calyon Leasing Japan CO Ltd	nm	Japan	full		100.00		100.00
Calyon Merchant Bank Asia Ltd		Singapore	full	**100.00**	100.00	**100.00**	100.00
Calyon Rusbank SA		Russia	full	**100.00**	100.00	**100.00**	100.00
Calyon Saudi Fransi Ltd		Saudi Arabia	proportional	**55.55**	55.00	**55.55**	55.00
Calyon Yatirim Bankasi Turk AS		Turkey	full	**100.00**	100.00	**100.00**	100.00
Cogenec	nm	Monaco	full		99.99		99.99
CPR Online	S	France	full		100.00		100.00
Crédit Agricole Financement		Switzerland	equity	**20.00**	20.00	**20.00**	20.00
Crédit Agricole Luxembourg		Luxembourg	full	**100.00**	100.00	**100.00**	100.00
Crédit Agricole Suisse		Switzerland	full	**100.00**	100.00	**100.00**	100.00
Crédit Agricole Suisse (Bahamas)		Bahamas	full	**100.00**	100.00	**100.00**	100.00
Crédit Foncier de Monaco		Monaco	full	**70.13**	70.13	**68.95**	68.95
Finanziaria Indosuez International Ltd		Switzerland	full	**100.00**	100.00	**100.00**	100.00
LF Investiments LP		USA	full	**99.00**	99.00	**99.00**	99.00
Newedge (groupe)		France	proportional	**50.00**	50.00	**50.00**	50.00
UBAF		France	proportional	**47.01**	47.01	**47.01**	47.01
Brokerage companies							
Calyon Securities USA Inc		USA	full	**100.00**	100.00	**100.00**	100.00
Cholet Dupont (groupe)	nm	France	equity		33.40		33.40
CLSA BV (groupe)		Hong-Kong	full	**100.00**	100.00	**98.88**	89.29
Credit Agricole Cheuvreux North America, Inc		USA	full	**100.00**	100.00	**100.00**	100.00
Crédit Agricole Cheuvreux Espana SA		Spain	full	**100.00**	100.00	**100.00**	100.00
Crédit Agricole Cheuvreux International Ltd		UK	full	**100.00**	100.00	**100.00**	100.00
Crédit Agricole Cheuvreux Italia SIM SPA	S	Italy	full		100.00		100.00
Crédit Agricole Cheuvreux Nordic AB SB		Sweden	full	**100.00**	100.00	**100.00**	100.00
Crédit Agricole Cheuvreux SA		France	full	**100.00**	100.00	**100.00**	100.00

Subsidiaries, joint-ventures and associates	(a)	Country	Method	% control		% interest	
				31.12. 2009	31.12. 2008	**31.12. 2009**	31.12. 2008
Investment companies							
CAAM Distribution AV		Spain	equity	**45.00**	45.00	**45.00**	45.00
CAAM Espana Holding		Spain	equity	**45.00**	45.00	**45.00**	45.00
CAAM Fondos SGIIC		Spain	equity	**45.00**	45.00	**45.00**	45.00
CAFI Kedros		France	full	**100.00**	100.00	**100.00**	100.00
CAI BP Holding		France	full	**100.00**	100.00	**100.00**	100.00
Calyon Air Finance SA		France	full	**100.00**	100.00	**100.00**	100.00
Calyon Capital Market Asia BV		Netherlands	full	**100.00**	100.00	**100.00**	100.00
Calyon Capital Market International		France	full	**100.00**	100.00	**100.00**	100.00
Calyon Global Partners (groupe)		USA	full	**100.00**	100.00	**100.00**	100.00
Calyon Holdings		UK	full	**100.00**	100.00	**100.00**	100.00
Calyon Investments		UK	full	**100.00**	100.00	**100.00**	100.00
Calyon Securities Japan		Japan	full	**100.00**	100.00	**100.00**	100.00
Cie Française de l'Asie (CFA)		France	full	**100.00**	100.00	**100.00**	100.00
Doumer Finance SAS		France	full	**100.00**	100.00	**100.00**	100.00
Doumer Philemon		France	full	**100.00**	100.00	**100.00**	100.00
Fininvest		France	full	**98.27**	98.27	**98.27**	98.27
Fletirec (groupe)		France	full	**100.00**	100.00	**100.00**	100.00
IPFO		France	full	**100.00**	100.00	**100.00**	100.00
Lyra Capital LLC	S	USA	equity		50.00		50.00
Mescas		France	full	**100.00**	100.00	**100.00**	100.00
SAFEC		Switzerland	full	**100.00**	100.00	**100.00**	100.00
Leasing companies							
Cardinalimmo		France	full	**49.61**	49.61	**49.61**	49.61
Financière Immobilière Calyon		France	full	**100.00**	100.00	**100.00**	100.00
Insurance							
CAIRS Assurance SA		France	full	**100.00**	100.00	**100.00**	100.00
Other							
Aguadana SL		Spain	full	**100.00**	100.00	**100.00**	100.00
Aylesbury BV		UK	full	**100.00**	100.00	**100.00**	100.00
Bletchley Investments Ltd		UK	full	**82.22**	82.22	**100.00**	100.00
CA Brasil DTVM		Brazil	full	**100.00**	100.00	**100.00**	100.00
CA Conseil SA		Luxembourg	full	**99.99**	99.99	**99.99**	99.99
Calixis Finance		France	full	**89.80**	89.80	**89.80**	89.80
Calliope srl		Italy	full	**90.00**	90.00	**60.30**	60.30
Calyce PLC	E	UK	full	**100.00**		**100.00**	
Calyon Asia Shipfinance Ltd		Hong Kong	full	**99.99**	99.99	**99.99**	99.99
Calyon CLP		France	full	**100.00**	100.00	**100.00**	100.00
Crédit Agricole CIB Finance Guernesey Ltd	N	UK	full	**99.90**	99.90	**99.90**	99.90
Crédit Agricole CIB Products Guernesey Ltd	N	UK	full	**99.90**	99.90	**99.90**	99.90
Calyon Financial Solutions		France	full	**99.72**	99.60	**99.72**	99.60
Calyon Global Banking		France	full	**100.00**	100.00	**100.00**	100.00
Calyon Preferred Funding II LLC		USA	full	**100.00**	100.00	**100.00**	100.00
Calyon Preferred Funding LLC		USA	full	**100.00**	100.00	**100.00**	100.00

Subsidiaries, joint-ventures and associates	(a)	Country	Method	% control		% interest	
				31.12. 2009	31.12. 2008	31.12. 2009	31.12. 2008
Other (continued)							
CASAM	S	France	equity		50.00		50.00
Casam Advisers LLC	S	USA	equity		50.00		50.00
Casam Americas Inc	S	USA	equity		50.00		50.00
Chauray Contrôle SAS		France	proportional	**34.00**	34.00	**34.00**	34.00
CLIFAP		France	full	**100.00**	100.00	**100.00**	100.00
CLINFIM		France	full	**100.00**	100.00	**100.00**	100.00
Crédit Agricole Private Banking Levante		Spain	full	**100.00**	100.00	**100.00**	100.00
Crédit Agricole Private Banking Norte		Spain	full	**100.00**	100.00	**100.00**	100.00
DGAD International SARL		Luxembourg	full	**100.00**	100.00	**100.00**	100.00
EDELAAR EESV		Netherlands	full	**90.00**	90.00	**80.00**	80.00
Ester Finance Titrisation		France	full	**99.99**	99.99	**99.99**	99.99
European NPL SA		Luxembourg	full	**60.00**	67.00	**67.00**	67.00
Fonds Alcor		Hong Kong	full	**98.76**	99.05	**98.76**	96.48
Himalia PLC	E	UK	full	**100.00**		**100.00**	
Immobilière Sirius SA		Luxembourg	full	**100.00**	100.00	**100.00**	100.00
INCA Sarl		Luxembourg	full	**65.00**	65.00	**65.00**	65.00
Indosuez Finance Ltd		UK	full	**100.00**	100.00	**100.00**	100.00
Indosuez Holding SCA II		Luxembourg	full	**100.00**	100.00	**100.00**	100.00
Indosuez Management Luxembourg II		Luxembourg	full	**100.00**	100.00	**100.00**	100.00
Islands Refinancing Srl		Italie	full	**100.00**	100.00	**67.00**	67.00
Korea 21st Century Trust		South Korea	full	**100.00**	100.00	**100.00**	100.00
LDF 65		Luxembourg	full	**65.00**	65.00	**65.00**	65.00
LSF Italian Finance Company SRL		Italy	full	**100.00**	90.00	**67.00**	67.00
Lyane BV		Netherlands	full	**65.00**	100.00	**65.00**	65.00
MERISMA		France	full	**100.00**	100.00	**100.00**	100.00
Sagrantino BV		Netherlands	full	**100.00**	100.00	**67.00**	67.00
Sagrantino Italy srl		Italy	full	**100.00**	90.00	**67.00**	67.00
SNC Doumer		France	full	**99.94**	99.94	**99.94**	99.94
SNC Shaun		France	full	**100.00**	100.00	**100.00**	100.00

(a) "E" means that the company has entered the scope of consolidation. Companies removed from the scope of consolidation are flagged with "nm" (not meaningful), "S" (sold or transferred out), "SO" (spun off), "N" Denomination change.

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2009

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English speaking readers.
The Statutory Auditors' report includes information specifically required by French law in all audit reports, whether qualified or not, and this is presented below the opinion on the consolidated financial statements. This information 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 in conjunction with, and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Meeting, we hereby submit our report for the year ended 31 December 2009 on:

- our audit of Crédit Agricole CIB's consolidated financial statements as attached to this report,
- the substantiation of our opinion,
- the specific procedures and disclosures required by law.

The consolidated financial statements are the responsibility of the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

Opinion on the consolidated financial statements

We have conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform our audit to obtain reasonable assurance that the consolidated financial statements are free of material misstatement. An audit consists of examining, on the basis of tests and other selection methods, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made in the preparation of the financial statements and evaluating their overall presentation. We believe that the evidence we have collected is relevant and sufficient for the formation of our opinion.
In our opinion, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and results of the companies and entities included in the consolidated group in accordance with the IFRS standards as adopted in the European Union.
Without prejudice to the opinion expressed above, we draw your attention to note 1.1 to the financial statements, which describes the new standards and interpretations applied, inter alia revised IAS 1 and the amendment to IAS IFRS 7.

Substantiation of our opinion

The accounting estimates used to prepare the financial statements for the year ended 31 December 2009 were drawn up against a backdrop of deterioration in economic conditions and persistently adverse effects from the financial crisis on companies in general and more specifically on the business activities of credit institutions. Pursuant to the provisions of Article L.823-9 of the *Code de Commerce* [French Commercial Code] concerning the substantiation of our opinion, we bring to your attention the following items:

Accounting estimates

- The Group books impairment reserves to cover identified non-recovery risks relating to certain loans, which are inherent to its business activities. We have reviewed the arrangements put in place by management to identify and evaluate these risks and to determine the amount of impairment it considers necessary, and we have verified that these accounting estimates were based on documented methods that complied with the principles described in note 1.3 to the consolidated financial statements.
- As stated in note 1.3 and 10.2 to the financial statements, your Group uses internal models to assess the fair value of certain financial instruments not listed in an active market. Our work entailed reviewing the control system applied to the models used, the underlying assumptions and the methods for taking into account the risks associated with such instruments.

- As stated in note 1.3 to the financial statements, your group has made estimates in order to take into account changes in its own credit risk into the measurement of debt issues recognised at fair value through profit and loss. We have verified that the parameters used for this purpose were appropriate.
- The group has made a number of other accounting estimates as explained in note 1.3 to the consolidated financial statements, notably regarding the valuation and impairment of non-consolidated equity securities, the pension provision and future employee benefits, reserves for legal risks, impairment of goodwill and deferred tax assets. Our work consisted of examining the methods and assumptions used taking into account the circumstances arising from the financial crisis, verifying that the resulting accounting estimates are based on documented methods in accordance with the principles described in note 1.3. to the financial statements.

Our assessments were made, taken as a whole, and therefore assisted us in reaching our unqualified opinion as expressed in the first part of this report.

Specific verification

We also carried out, in accordance with professional standards applicable in France, the specific verification, required by law, of information relating to the group in the management report.

We are satisfied that the information is fairly stated and agrees with the consolidated financial statements.

Neuilly-sur-Seine, 22 March 2010

Statutory Auditors

PRICEWATERHOUSECOOPERS AUDIT	ERNST & YOUNG ET AUTRES
Catherine Pariset et Pierre Clavié	Pierre Hurstel

5 Parent-company statements

(French GAAP)
approved by the Board of Directors in its meeting of 25 february 2010
and put to shareholders for their approval in the 11 May 2010 shareholder's meeting

CREDIT AGRICOLE CIB S.A. FINANCIAL STATEMENTS

Assets

€ million	Notes	31.12.2009	31.12.2008
Interbank and similar items		**150,151**	**167,323**
Cash due from central banks and French postal system		22,924	38,421
Treasury bills and similar items	4 ; 4.2 ; 4.3 ; 4.4	43,294	31,747
Due from banks	2	83,933	97,155
Customer items	3.1 ; 3.2 ; 3.3 ; 3.4	**111,423**	**117,825**
Securities portfolios		**59,650**	**46,059**
Bonds and other fixed-income securities	4 ; 4.2 ; 4.3 ; 4.4	45,880	34,599
Equities and other variable-income securities	4 ; 4.2	13,770	11,460
Non-current assets		**8,664**	**8,026**
Participating interests and other long-term investments	5	627	563
Investments in non-consolidated companies	5	7,748	7,137
Intangible assets	6	97	113
Property, plant and equipment	6	192	213
Treasury shares			
Accruals, prepayments and sundry assets		**317,175**	**139,574**
Other assets	7	86,024	95,400
Accruals and prepayments	7	231,151	44,174
Total assets		**647,063**	**478,807**

Liabilities and shareholders' equity

€ million	Notes	31.12.2009	31.12.2008
Interbank and similar items		**116,666**	**160,658**
Due to central banks and current accounts with French postal systems		1,536	1,310
Due to banks	9	115,130	159,348
Customer accounts		**109,897**	**99,665**
Government-regulated savings plans			
Other liabilities	10.1 ; 10.2 ; 10.3	109,897	99,665
Debt securities in issue	11 ; 11.1	**78,958**	**76,671**
Accruals, deferred income and sundry liabilities		**322,026**	**122,915**
Other liabilities	12	95,922	89,625
Accruals and deferred income	12	226,104	33,290
Reserves and subordinated debt		**11,801**	**17,091**
Reserves	13	3,327	2,795
Subordinated debt	14	8,474	14,296
Fund for general banking risks		**105**	**105**
Shareholders' equity (excl. FGBR)	15	**7,610**	**1,702**
Share capital		6,056	3,715
Share premiums		502	1,692
Reserves		314	418
Excess of restated assets over historical cost			
Regulated reserves and investment grants		18	31
Retained earnings			
Net income for the year		720	(4,154)
Total liabilities and shareholders' equity		**647,063**	**478,807**

Off-balance sheet items

€ million	31.12.2009	31.12.2008
Commitments given	**198,575**	**192,019**
Financing commitments	105,426	101,088
Guarantee commitments	90,256	89,145
Securities commitments	2,893	1,786
Commitments received	**41,121**	**37,533**
Financing commitments	26,332	17,318
Guarantee commitments	12,002	17,940
Securities commitments	2,787	2,275

at 31 December 2009 € million	Commitments received	Commitments given
Guarantee commitments with Crédit Agricole S.A.	5,979	5,387
Financing commitments with Crédit Agricole S.A.		

Income statement

€ million	Notes	31.12.2009	31.12.2008
Net interest and similar income		**1,667**	**(701)**
Interest and similar income	19 ; 20	6,335	13,547
Interest and similar expenses	19	(4,668)	(14,248)
Income from variable-income securities	20	**410**	**366**
Net commission and fee income	21 et 21.1	**955**	**575**
Net income from financial transactions		**1,116**	**(2,008)**
Net gain/(loss) from trading portfolios	22	909	(1,619)
Net gain/(loss) from investment portfolios and similar	23	207	(389)
Other net banking income		**220**	**(40)**
Net banking income		**4,368**	**(1,808)**
Operating expenses	24	**(1,912)**	**(2,079)**
Personnel costs	24.1 et 24.2	(1,151)	(1,239)
Other operating expenses	24.3	(761)	(840)
Depreciation and amortisation		**(83)**	**(84)**
Gross operating income		**2,373**	**(3,971)**
Cost of risk	25	(1,691)	(1,143)
Net operating income		**682**	**(5,114)**
Net gain/(loss) on disposal of non-current assets	26	(19)	1,133
Pre-tax income on ordinary activities		**663**	**(3,981)**
Net extraordinary items			
Corporate income tax	27	45	(174)
Net allocation to the FGBR and regulated reserves		12	1
Net income		**720**	**(4,154)**

NOTES TO THE PARENT-COMPANY FINANCIAL STATEMENTS

Note 1: Accounting principles and policies

Crédit Agricole CIB S.A. prepares its financial statements in accordance with French accounting standards applicable to banks in France.
The presentation of Crédit Agricole CIB's financial statements complies with CRB (Comité de la Réglementation Bancaire) regulation 91-01, as amended by CRC (Comité de la Réglementation Comptable) regulation 2000-03 relating to the preparation and publication of parent-company financial statements of companies governed by the CRBF (Comité de la Réglementation Bancaire et Financière)
The following changes have been made to accounting methods and to the presentation of the financial statements relative to 2008:

- As from 1 January 2009, Crédit Agricole CIB has applied CRC Regulation 2009-04 of 3 December 2009 on the valuation of swaps, amending Regulation CRB 90-15 on the recognition of interest rate or currency swaps. The application of this new regulation did not have a significant impact on Crédit Agricole CIB's net income or shareholders' equity.

- As of 1 January 2009, in accordance with the decree of 6 October 2009, Crédit Agricole CIB applies Article L. 511-45 of the French Monetary and Financial Code resulting from law n° 2009-715 of 18 June 2009 relating to information about credit institutions' operations in "non-cooperative" countries or territories within the meaning of Article 238-0 A of the French General Tax Code. This information is provided in Note 28.

- In 2009, Crédit Agricole CIB aligned the presentation rules relating to the clearing of financial futures in the financial statements in accordance with French GAAP concerning IFRS presentation rules (there is no specific rule concerning this matter under French GAAP). Clearing of financial instruments was at the level of each account in 2008 and on a contract-by-contract basis in 2009. This change in presentation had an impact on total assets of €171 billion to 31 December 2009.

Loans to customers

Loans to customers are recorded on the balance sheet at their nominal value. Accrued interest is recognised in the balance sheet under the appropriate category of loans and advances and booked to the income statement as interest and similar income.
Crédit Agricole CIB applied CRC regulation 2002-03 amended by credit risk. In accordance with this regulation, loans carrying an identified credit risk are recognised as follows:

Restructured loans

Restructured loans are loans to counterparties experiencing financial difficulties such that Crédit Agricole CIB decides to alter the initial characteristics of the contract (term, interest rate etc.) and give up a portion of future interest in order to enable the counterparties to honour their repayment schedules.
As a result, the following are excluded from restructured loans:

- loans whose characteristics have been renegotiated on a commercial basis and whose counterparties do not show 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).

Bad and doubtful debts

Loans and advances of all kinds, even those that are guaranteed, are classified as doubtful if they carry an identified credit risk on an individual basis arising from one of the following events:

- the loan or advance is at least:
  - six months in arrears for mortgage loans taken out by personal customers in France and the EU (three months for personal customers outside France and the EU);
  - six months in arrears for property leases taken out by personal customers in France and the EU (three months for personal customers outside France and the EU);
  - six months in arrears for loans to local authorities in France and the EU (three months for local authorities outside France and the EU);
  - three months in arrears for loans to central governments, regional governments and public-sector entities (all territories);
  - three months in arrears for all other loans (all territories);
- 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.

When a loan is recorded as doubtful, all other loans or commitments relating to that borrower are also recorded in their entirety as doubtful debts, whether or not they are collateralised.

The length of arrears relating to overdrafts is beginning when:

- the debtor has exceeded an authorised limit and has been made aware of this by Crédit Agricole CIB;
- the debtor has been warned that its borrowings exceed a internal control limit set by Crédit Agricole CIB;
- the debtor has drawn amounts without an overdraft authorisation.

Instead of using these criteria, the length of arrears may be begin when Crédit Agricole CIB has requested that the debtor repay some or all of the overdraft, provided that this repayment request is accompanied by rigorous day-to-day overdraft monitoring and a documented procedure that states the triggering criteria.
Crédit Agricole CIB makes the following distinction between doubtful and bad 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.
Contractual interest is no longer recognized after the loan has been transferred to bad debts.

Doubtful debts

All doubtful debts and advances which do not fall into the bad debt category are classified as doubtful debts.

Impairment resulting from individually assessed credit risk

Once a loan is classified as doubtful, an impairment charge is deducted from the asset in an amount equal to the probable loss.
This impairment corresponds to the difference between the book value of the receivable and the present value of estimated future cash flows at the contractual interest rate, taking into account the counterparty's financial position, economic outlook and any collateral minus realisation costs. For outstandings comprising minor receivables presenting similar characteristics, the counterparty-by-counterparty review may be replaced by a statistical estimate of projected losses.
Probable losses in respect of off-balance sheet items are covered by reserves on the liabilities side of the balance sheet.

Treatment of discounts and impairment

Discounts in respect of restructured loans and impairment charges against doubtful debts are recognised in profit or loss under cost of risk.
For restructured loans classified as performing, the discount is amortised to profit or loss in net interest income over the remaining life of the loan.
For doubtful debts, whether restructured or not, impairment charges and write-backs are recorded under cost of risk. However, amortisation of discounts and impairment write-backs arising from the passage of time are recorded under net interest income, in accordance with the option offered by CRC regulation 2005-03.

Credit risk reserves

Crédit Agricole CIB also books reserves on the liabilities side of the balance sheet to cover customer risks that are not individually allocated to loans. Collective reserves are booked for sets of counterparties and countries under surveillance and sectors showing identified risk. These reserves are designed to cover specific risks on loans classified as performing or not individually impaired, for which there is a statistical or historical probability of partial non-recovery. In particular, they cover risks associated with international commitments (country risks) as defined in the Commission Bancaire instruction 2001-01.

If these receivables are not classified as doubtful, they are recorded under their original caption.

Securities transactions

The rules on recognising securities transactions are defined by CRBF regulation 90-01 as amended by CRC regulations 2005-01, 2008-07 and 2008-17 and the CRC amended regulation 2002-03, as regards identification and impairment relating to credit risk on fixed-income securities.

Securities are presented in the financial statements by type: Treasury bills and similar, bonds and other fixed-income securities (negotiable debt instruments and interbank market securities), equities and other variable-income securities.

They are classified in the portfolios specified by regulations (trading, available-for-sale, held-to-maturity, portfolio, other securities held over the long term, investments in non-consolidated subsidiaries) depending on the initial ownership intention relating to the securities identified in the accounting IT system on purchase.

Trading securities

Trading securities 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 significant trading volume taking into account market opportunities.

These securities must be tradable on an active market and market prices must represent real transactions taking place regularly in the market in normal competitive conditions.
Trading securities also include:

- securities bought or sold as part of specialist management of the trading portfolio, including forward financial instruments, securities or other financial instruments that are managed together 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 market for financial instruments or similar.

Except where provided for by CRC regulation 2008-17 (see "Reclassification of securities" section below), securities held for trading cannot be reclassified into another category, and are presented and measured as securities held for trading until they leave the balance sheet through being sold, fully redeemed or written off.

Securities held for trading are recognized on the date they are purchased in the amount of their purchase price, excluding incidental purchase costs and including accrued interest.
Liabilities relating to securities sold short are recognized on the liabilities side of the seller's balance sheet in the amount of the selling price excluding incidental purchase costs.
At each period-end, securities are measured at the most recent market price. The overall balance of differences resulting from price variations is taken to profit and loss and recorded in the "Net gain/(loss) from trading portfolios" item.

Available-for-sale securities

This category consists of securities that do not fall into any other category. The securities are recorded at their purchase price, excluding incidental purchase costs.

Bonds and other fixed-income securities

These securities are recorded at their purchase price including accrued interest and excluding incidental purchase costs. The difference between the purchase price and the redemption value is spread over the security's remaining life according to an actuarial method.
Revenue is recorded in the income statement under: "Interest and similar income from bonds and other fixed-income securities".

Equities and other variable-income securities

Equities are recorded on the balance sheet at purchase price excluding incidental acquisition costs. Dividend revenues from equities are taken to the income statement under "Income from variable-income securities".
At year-end, available-for-sale securities are measured at the lower of purchase cost and market value. Unrealized capital losses recognized at the accounts closing date are subject to impairment, which may be estimated on homogeneous sets of securities, with no netting of gains recognized on other categories of securities. Gains from hedging, within the meaning of article 4 of CRB regulation 88-02, in the form of purchases or sales of forward financial instruments, are taken into account when calculating impairment. Unrealized gains are not recognized.

In addition, fixed-income securities showing identified credit risk must be classified as doubtful. Impairment intended to take into account counterparty risk and recognised under cost of risk is booked as follows:

- in the case of listed securities, impairment is based on market value, which intrinsically reflects credit risk;
- in the case of unlisted securities, impairment is carried out in the same way as on loans and advances to customers based on identified probable losses (cf. previous subdivision of "loans to customers"; "Credit risk reserves").

Sales of securities are deemed to take place on a first-in first-out basis.
Impairment charges and write-backs and disposal gains or losses on available-for-sale securities are recorded under "Net gain/(loss) from investment portfolios and similar". Income from equities and other variable-income securities is recorded on the income statement under "Income from variable-income securities".

Held-to-maturity securities

Held-to-maturity 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 CIB has the necessary financial capacity to continue holding them until maturity and that are not subject to any legal or other constraint that could threaten its plan to hold them until maturity.
Held-to-maturity securities are recognised at acquisition price, excluding incidental purchase costs, and including coupons.
The difference between the purchase price and the redemption price is spread over the security's remaining life.
Impairment is not booked for held-to-maturity securities if their market value falls below cost.

However, if impairment is related to a risk specific to the security's issuer, impairment is booked in accordance with CRC regulation 2002-03 relating to credit risk; it is recorded in the "cost of risk" item.

In the event that held-to-maturity securities are sold or transferred to another category of securities, in a significant amount relative to the total amount of held-to-maturity securities held by the entity, the entity is no longer authorised to classify securities previously acquired and to be acquired as held-to-maturity securities during that year and for two subsequent years, in accordance with CRC regulation 2005-01. This does not apply to sales and transfers of held-to-maturity securities that took place between 1 January

2005 and the date on which this CRC regulation was published or to exceptions specified by CRC regulation 2008-17.

Portfolio securities

In accordance with CRC regulation 2000-02 of the Comité de la Réglementation comptable and with the 2000-12 Commission Bancaire instructions, securities in this category comprise investments made on a regular basis with the sole aim of securing a capital gain in the medium term, with no intention of investing in the longer term in the development of the investee company's business or of becoming actively involved in its operational management.

In addition, securities can only be transferred to this portfolio if the significant and permanent activity is carried out within a structured framework and generates regular income, mainly coming from disposal gains.
Portfolio securities are recorded at acquisition price, excluding incidental purchase costs.
On the accounts closing date, these securities are measured at the lower of cost or value in use, which is determined by taking into account the issuer's general prospects and the estimated remaining term of ownership.

For listed companies, value in use is usually the average market price assessed over a sufficiently long period (taking into account the planned term of ownership) to offset the effect of temporary sharp variations in the share price.
Any unrealised capital losses are calculated for each security, and are subject to impairment without netting of unrealised capital gains. Unrealised gains are not recognised. They are recorded in the "Net gain/(loss) from investment portfolios and similar" item.
Unrealised gains are not recognised.

Investments in affiliates, non-consolidated subsidiaries and other long-term securities

Investments in affiliates are shares in companies over which Crédit Agricole CIB S.A. has sole control and that are or may be fully consolidated in the same consolidated whole.
Investments in non-consolidated subsidiaries are securities (other than shares in a related company) of which the other-than-temporary ownership is deemed useful for the business of a credit institution, including because it allows it to exert influence or control over the issuer.

Other long-term securities 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 recognized at their purchase price including incidental purchase costs in accordance with CRC regulation 2008-07.

At period-end, the securities are measured individually on the basis of their fair value, and are stated on the balance sheet at the lower of cost or fair value.
The fair value of these securities is the sum the bank would agree to pay to acquire them, taking into account its ownership objectives.

Fair value can be estimated on the basis of various factors such as the profitability and earnings outlook of the issuing company, its shareholders' equity, the economic situation, the average listed price in the last few months and the security's mathematical value.
Where the fair value of a security is lower than acquisition cost, the unrealised loss is recognised through impairment, with no offset against unrealised gains.
Additions and releases from impairment, together with disposal gains and losses, relating to these securities are recorded under "Net gain/(loss) on disposal of non-current assets".

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 CIB determines the likely value at which the security concerned would be traded using valuation techniques. In the first instance, these techniques take into account recent transactions carried out in normal competition conditions. If required, Crédit Agricole CIB 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.

Recording dates

Crédit Agricole CIB records securities classified as held-to-maturity securities on the settlement date. Other securities, regardless of type or classification, are recorded on the trade date.

Reclassification of securities

In accordance with CRC regulation 2008-17 of 10 December 2008, the following reclassifications of securities are now authorized:

- from the "held-for-trading" portfolio to the "held-to-maturity" or "available-for-sale" portfolios in an exceptional market situation or in the case of fixed-income securities that are no longer tradable on an active market, and if the institution intends and is able to hold them for the foreseeable future or until maturity;
- from the "available-for-sale" to the "held-to-maturity" portfolio in an exceptional market situation or in the case of fixed-income securities that are no longer tradable on an active market.

Securities bought or sold under repurchase agreements, loaned and borrowed

Securities bought or sold under repurchase agreements

Assets sold under repurchase agreements continue to be recorded on the balance sheet. The amount received is recorded as a liability. In the other party's books, assets bought under repurchase agreements are not recorded on the balance sheet, although the amount paid is recorded as an amount due.
The corresponding income and expenses are taken to profit or loss on a prorate basis.
Securities sold under repurchase agreements continue to be subject to the accounting principles applicable to the securities category from which they originate.

Securities loaned and borrowed

In the accounts of the lender, a receivable is recorded in the balance sheet representing the market price of the loaned securities on the date of the loan, in place of the loaned securities. At each period end, the receivable is valued using the rules applicable to loaned securities, including the recognition of accrued interest on available-for-sale securities and held-to-maturity securities.
In the accounts of the borrower, the security is recorded as an asset under trading securities at the market price prevailing on the date the security was borrowed. A liability to the lender is recorded on the balance sheet under "Liabilities relating to stock-lending transactions". At each period-end, securities are measured at the most recent market price.

Non-current assets

Crédit Agricole CIB applies CRC regulation 2002-10 relating to the depreciation, amortisation and impairment of assets.
As a result, Crédit Agricole CIB applies component accounting for all of its property, plant and equipment. In accordance with this regulation, the depreciable amount takes account of the potential residual value of assets.
In accordance with CRC regulation 2004-06, the cost of fixed assets comprises, in addition to the purchase price, associated expenses, i.e. costs related directly or indirectly to the acquisition to bring use of the asset up to standard.
Land is recorded at cost.
Buildings and equipment are measured at cost less accumulated depreciation and impairment charges.
Purchased software is measured at cost less accumulated depreciation and impairment charges.

Proprietary software is measured at production cost less accumulated depreciation and impairment charges.
With the exception of software, intangible assets are not amortized. Intangible assets may be subject to impairment if required.
Non-current assets are depreciated over their estimated useful lives.

The following components and depreciation periods have been adopted by Crédit Agricole CIB following the application of component accounting for non-current 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	8 to 40 years
Plant and equipment	5 to 25 years
Fixtures and fittings	5 to 15 years
Computer equipment	3 to 7 years (accelerated or straight-line)
Specialist equipment	4 to 5 years (accelerated or straight-line)

Based on available information on the value of its non-current assets, Crédit Agricole CIB has concluded that impairment testing would not lead to any change in the depreciable amount.

Due to banks and customer accounts

Amounts due to banks and customer accounts are presented in the financial statements according to the initial term and nature of the liabilities. This comprises:

- Demand or forward debts for credit institutions;
- Ordinary accounts, forward accounts and advances for Crédit Agricole CIB internal transactions;
- Special savings accounts and other debts for clients (including financial clients in particular).

Repurchase transactions in the form of stocks or securities are included in these various categories depending on the type of counterparty.
Accrued interest on these debts is recognized under accrued interest payable in the income statement.

Debt securities in issue

Debt securities in issue are presented according to their type: short-term notes, interbank market securities and negotiable debt securities and bonds, except subordinated debt securities which are included in liabilities under "subordinated debt".
Interest accrued but not yet due is recognised under accrued interest and taken to profit and loss

Bond issue share and redemption premiums are depreciated over the life of the bond. The corresponding expense is entered under "interest and similar charges on bonds and other fixed-income securities.
Crédit Agricole CIB also defers and amortizes borrowing expenses in its parent-company financial statements.

Reserves

Crédit Agricole CIB applies CRC regulation N°2000-06 relating to liabilities as regards the recognition and measurement of reserves.

Reserves items include any reserves relating to financing commitments, retirement and end-of-career employee benefits commitments, disputes and other risks.

Reserve for general banking risks

In accordance with the fourth European directive and the CRBF regulation 90-02 relating to shareholders' equity and to the 90-01 instruction of the Commission Bancaire, this reserve is maintained by Crédit Agricole CIB at the discretion of its management, to meet any charges or risks relating to banking operations but whose incidence is not certain.
Reserves are written back to cover any incidence of these risks during a given period.

Forward financial instruments and options

Hedging and market transactions involving forward interest-rate, exchange-rate or equity instruments are recorded in accordance with CRB modified regulations 88-02 and 90-15 and with 2003-03 instruction of the Commission Bancaire.
Commitments relating to these transactions are recorded off-balance sheet, the amount recorded being the nominal value of the contracts: this amount represents the volume of transactions outstanding.
Gains and losses from these transactions are recorded by type of instrument and strategy.
Where instruments are measured at market value, that value is determined:

- on the basis of available prices, if an active market exists,
- with the help of valuation methods and models

Interest rate and foreign exchange transactions (swaps, FRAs, caps, floors, collars and swaptions)

Crédit Agricole CIB uses interest-rate and currency swaps mainly for the following purposes:

1. to maintain individual open positions in order, when possible, to take advantage of interest rate movements;
2. to hedge interest rate risks affecting one item or a set of homogeneous items;
3. to hedge and manage the group's overall interest rate risk, except for transactions described in [2] and [4];

4. to carry out specialist management of a trading portfolio consisting of interest-rate or currency swaps, other forward interest-rate instruments, debt instruments or similar financial transactions.

Income and expenses related to transactions mentioned in the above section are recognized in the income statement as follows:
1. income and expenses are taken to profit or loss on a prorate basis, and reserves are booked for unrealised losses,
2. income and expenses are taken to profit or loss symmetrically to the recognition of income and expenses on the hedged item or set of items,
3. income and expenses are taken to profit or loss on a prorate basis, and unrealised gains and losses are not recognised,
4. income and expenses are taken to profit or loss at market value, adjusted through a reserve to take into account counterparty risks and future administrative expenses related to these contracts.

Market value is determined by discounting future cash flows using the zero coupon method.
As a rule, instruments cannot be reclassified between categories, except for transfers from category [2] to category [1] or [4] in the event of an interrupted hedge. Transfers are valued at the net book value of the instrument, which is then subject to the rules of the portfolio to which it is transferred.
Up-front and termination fees regarding interest rate or foreign exchange contracts are spread over the remaining maturity of the transaction or hedged item, except in the case of marked-to-market contracts, for which they are taken directly to the income statement.

Other interest-rate or equity transactions

Crédit Agricole CIB uses various instruments such as interest-rate futures and equity derivatives for trading or specific hedging purposes.

Contracts concluded for trading purposes are stated at market value, and the corresponding gains or losses are taken to the income statement.
Gains or losses, realised or unrealised, resulting from the mark-to-market valuation of specific hedging contracts are spread over the maturity of the hedged instrument.

Credit derivatives

Crédit Agricole CIB uses credit derivatives mainly for hedging purposes, in for of Credit Default Swaps (CDS). CDSs are recognised as forward financial instruments, and premiums paid are recorded on a prorate basis in the income statement. Contracts concluded for trading purposes are stated at market value, and the corresponding gains or losses are taken to the income statement.

Complex transactions

A complex transaction is a synthetic combination of instruments of identical or different types and valuation methods. These transactions are recognised as a single batch or as a transaction whose recognition is not governed by any explicit regulations, with the result that it is up to Crédit Agricole CIB to choose an accounting policy. The purpose of this choice is to reflect the economic reality of the transaction in accordance with the principles of fair presentation and substance over form.

Foreign exchange transactions

Foreign currency-denominated assets and liabilities are translated at year-end exchange rates. The resulting gains and losses, together with gains and losses arising from exchange rate differences on transactions during the period, are taken to the income statement.
Monetary receivables and payables, along with forward foreign-exchange contracts that appear as foreign-currency off-balance sheet commitments, are translated at the market rate in force at the balance-sheet date or at the market rate on the nearest previous date.

Spot and forward foreign exchange contracts

At each period end, spot foreign exchange contracts are valued at the spot exchange rate of the currency concerned.
Forward foreign exchange transactions categorised as trading transactions are recognised at market value using the forward rate applicable to the remaining period of the contract. Recorded net gains or losses are entered in the income statement under "Net gain/(loss) from trading portfolios – foreign exchange and similar financial instruments".
Net gains and losses on forward foreign exchange transactions that are categorised as spot exchange transactions in connection with loans and borrowings, are recognised on a prorate basis over the period of the contracts.

Currency futures and options

Currency futures and options are used for trading purposes as well as to hedge specific transactions.
Contracts concluded for trading purposes are stated at market value, and the corresponding gains or losses are taken to the income statement.
Gains or losses, realised or unrealised, resulting from the mark-to-market valuation of specific hedging contracts are recognised symmetrically to the hedged transaction.

Integration of branches outside France

Branches keep their own accounts in accordance with accounting rules in force in the countries in which they are located.
At accounts closing, the balance sheets and income statements of branches are adjusted according to French accounting rules, translated into euros and included in the head-office accounts after eliminating reciprocal transactions.
The balance sheets and income statements of foreign branches are translated into euros at year-end exchange rates.
The gains or losses that may result from this translation are recorded on the balance sheet under "Accruals, prepayments and sundry assets and liabilities".

Financing commitments

Off-balance sheet items include any undrawn portion of financing commitments as well as guarantees given and received.
If a commitment given appears likely to be used, leading to a loss for Crédit Agricole CIB, a reserve is recorded under liabilities.
Publishable off-balance sheet items do not mention commitments relating to financial futures or foreign exchange transactions. They also do not include commitments received concerning treasury bills, similar securities and other securities given as guarantees.
However, details of these items are provided in Note 17 (Outstanding foreign exchange transactions) and Note 18 (Transactions in financial futures)

Employee profit-sharing and incentive plans

Employee profit-sharing and incentive plans are recognised in the income statement under "personnel costs" in the year in which the employees' rights are earned.

End-of-career employee benefits

Crédit Agricole CIB applies CNC recommendation 2003-R.01 of 1 April 2003 relating to the recognition and measurement of commitments relating to pensions and similar benefits.
As a result, Crédit Agricole CIB sets aside reserves to cover its liabilities for retirement and similar benefits falling within the category of defined-benefit plans.

Since actuarial gains and losses are taken immediately to profit and loss, the amount of the reserve is equal to:

- the present value of the obligation to provide the defined benefits as of the balance sheet date, calculated in accordance with the recommended actuarial method;
- less the fair value of any plan assets. These assets may be in the form of an eligible insurance policy. In the event that 100% of 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).

For defined-contribution pension plans, Crédit Agricole CIB records the corresponding contributions under "Personnel costs".

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 CIB's ordinary activities.

Corporate income tax

In general, only tax due is recorded in the parent-company financial statements.
The tax charge stated on the income statement corresponds to corporate income tax due by Crédit Agricole CIB S.A. with respect to that period. It also includes the 3.3% social-security contribution.

Crédit Agricole CIB is 100%-owned by Crédit Agricole S.A. and is an integral part of the Crédit Agricole S.A. tax consolidation group. The tax consolidation gain/loss is the difference between the tax due by the Crédit Agricole CIB tax sub-group to Crédit Agricole S.A. and the sum of individual tax amounts of subsidiaries forming an integral part of the Crédit Agricole CIB sub-group. This gain/loss is recorded as an income or expense under "Corporate income tax".

Note 2: Due from banks

Analysis by residual maturity

€ million	31.12.2009							31.12.2008
	Under 3 months	3 months to 1 year	1-5 years	Over 5 years	Total principal	Accrued interest	**Total**	
Loans and advances							**22,385**	26,481
Sight	4,421				4,421		4,421	7,526
Time	8,641	2,188	5,061	1,999	17,889	75	17,964	18,955
Pledged securities								-
Securities bought under repurchases agreements	47,992	9,183	3,687		60,862	594	61,456	70,353
Subordinated debt	173		43	334	550	1	551	603
Gross outstandings	**61,227**	**11,371**	**8,791**	**2,333**	**83,722**	**670**	**84,392**	**97,437**
Impairment					(408)	(51)	(459)	(282)
Due from banks					**83,314**	**619**	**83,933**	**97,155**

Among related parties, the main counterparty is Crédit Agricole S.A. (€11,635 million at 31 December 2009 and €7,578 million at 31 December 2008).

Note 3: Customer items

3.1 Customer items – Analysis by residual maturity

€ million	31.12.2009							31.12.2008
	Under 3 months	3 months to 1 year	1-5 years	Over 5 years	Total principal	Accrued interest	**Total**	
Bills discounted	1,430	332	204	21	1,987		**1,987**	**1,881**
Other loans	17,942	9,175	41,492	19,180	87,789	312	**88,101**	**97,773**
Securities bought under repurchases agreements	19,585	1,098			20,683	15	**20,698**	**17,345**
Current accounts in debit	1,610				1,610	4	**1,614**	**1,723**
Impairment					(861)	(116)	**(977)**	**(897)**
Customer items					**111,208**	**215**	**111,423**	**117,825**

3.2 Customer items – Analysis by geographical zone of beneficiary

€ million	31.12.2009	31.12.2008
France (including overseas departments and territories)	23,345	27,435
Other EU countries	40,137	41,358
Other European countries	4,636	5,570
North America	13,509	14,148
Central and South America	10,233	9,641
Africa and Middle-East	7,970	7,306
Asia and Pacific (excluding Japan)	9,618	9,678
Japan	2,621	2,882
Gross value	**112,069**	**118,018**
Accrued interest	331	704
Impairment	(977)	(897)
Customer items	**111,423**	**117,825**

3.3 Customer items – Bad and doubtful debts and impairment by geographical zone

€ million	31.12.2009					
	Gross outstandings	Of which doubtful debts	Of which bad debts	Impairment on doubtful debts	Impairment on bad debts	Coverage %
France (including overseas departments and territories)	23,345	170	113	(56)	(106)	57.24 %
Other EU countries	40,137	1,036	119	(49)	(94)	12.38 %
Other European countries	4,636	94	7	(20)	(17)	36.63 %
North America	13,509	310	216	(103)	(97)	38.02 %
Central and South America	10,233	344	60	(148)	(54)	50.00 %
Africa and Middle-East	7,970	111	35	(50)	(32)	56.16 %
Asia and Pacific (excluding Japan)	9,618	26	44	(4)	(29)	47.14 %
Japan	2,621	7		(2)		28.57 %
Supranational organisations						
Accrued interest	331	38	78	(38)	(78)	100.00 %
Customer items	**112,400**	**2,136**	**672**	**(470)**	**(507)**	**34.79 %**

€ million	31.12.2008					
	Gross outstandings	Of which doubtful debts	Of which bad debts	Impairment on doubtful debts	Impairment on bad debts	Coverage %
France (including overseas departments and territories)	27,435	241	120	(182)	(109)	80.61 %
Other EU countries	41,358	1,287	107	(16)	(88)	7.46 %
Other European countries	5,570	315	6	(18)	(5)	7.17 %
North America	14,148	122	351	(120)	(85)	43.34 %
Central and South America	9,641	59	84	(43)	(68)	77.62 %
Africa and Middle-East	7,306	18	34	(9)	(28)	71.15 %
Asia and Pacific (excluding Japan)	9,678	11	24	(4)	(22)	74.29 %
Japan	2,882					-
Supranational organisations						-
Accrued interest	704	12	88	(12)	(88)	100.00 %
Customer items	**118,722**	**2,065**	**814**	**(404)**	**(493)**	**31.16 %**

3.4 Customer items – Analysis by type of customer

€ million	31.12.2009				
	Gross outstandings	Of which doubtful debts	Of which bad debts	Impairment on doubtful debts	Impairment on bad debts
Individuals	795		152		(54)
Farmers	152		2		(1)
Other small businesses	100	1			
Financial institutions	34,512	1,319	113	(180)	(94)
Corporates	73,000	778	305	(252)	(258)
Local authorities	2,466		22		(22)
Other	1,044				
Accrued interest	331	38	78	(38)	(78)
Book value	**112,400**	**2,136**	**672**	**(470)**	**(507)**

€ million	31.12.2008				
	Gross outstandings	Of which doubtful debts	Of which bad debts	Impairment on doubtful debts	Impairment on bad debts
Individuals	987	1	181	-	(50)
Farmers	91	11	-	-	-
Other small businesses	179	1	-	-	-
Financial institutions	33,071	1,235	137	(72)	(46)
Corporates	81,512	805	386	(320)	(287)
Local authorities	1,121	-	22	-	(22)
Other	1,057	-	-	-	-
Accrued interest	704	12	88	(12)	(88)
Book value	**118,722**	**2,065**	**814**	**(404)**	**(493)**

Note 4: Securities – Analysis by type

€ million	31.12.2009 Trading securities	Available for-sale securities	Portfolio securities	Held-to-maturity securities	Total	31.12.2008
Treasury bills and similar items	**33,987**	**9,307**			**43,294**	**31,747**
Gross debt	33,987	9,255			43,242	**31,708**
of which premiums to be amortised		*(12)*			*(12)*	*(10)*
of which discounts to be amortised		*1*			*1*	*1*
Accrued interest		52			52	**39**
Impairment						**-**
Bonds and other fixed-income securities	**28,034**	**9,592**		**8,254**	**45,880**	**34,599**
Gross debt issued by public-sector entities	998	1,364			2,362	**1,032**
Gross debt: other issuers	27,036	8,547		8,358	43,941	**34,003**
of which premiums to be amortised		*(180)*		*(2,777)*	*(2,957)*	*(98)*
of which discounts to be amortised		*16*			*16*	*3,227*
Accrued interest		98		12	**110**	**128**
Impairment		(417)		(116)	**(533)**	**(564)**
Equities and other variable-income securities	**13,451**	**245**	**74**		**13,770**	**11,460**
Gross debt	13,451	260	146		13,857	**11,576**
Accrued interest		3			**3**	**-**
Impairment		(18)	(72)		**(90)**	**(116)**
Cumulative net value	**75,472**	**19,144**	**74**	**8,254**	**102,944**	**77,806**
Estimated value	**75,472**	**19,948**	**114**	**6,893**	**102,427**	**77,160**

4.1 Reclassification

Crédit Agricole CIB carried out reclassifications of securities to 1 October 2008 as permitted by CRC regulation 2008-17. Information about these reclassifications is provided below. There were no additional reclassifications of securities in 2009.

Reclassifications: type, reason and amount

€ million	Book value 31.12.2009	Estimated market value at 31.12.2009
From "held-for-trading" to "held-to-maturity"	7,485	6,721

Trading book securities transferred to investment securities correspond to those securities that, at the date of the transfer, can no longer be traded on an active market and for which Crédit Agricole CIB has changed its investment intention, which is now to hold the financial assets for the foreseeable future or until maturity. The inactive nature of the market is assessed primarily on the basis of a significant reduction in the trading volume and level of activity, and/or significant disparity in available prices over time and between various market operators.

Income contribution of transferred assets since reclassification

The contribution from assets transferred to net income for the year since the date of reclassification comprises all profits, losses, income and expenses recognised in the income statement and other comprehensive income or expenses.

Pre-tax impact on 2009 earnings since reclassification
Assets reclassified before 2009

€ million	**Cumulative impact at 31.12.2008**		Impact 2009		**Cumulative impact at 31.12.2009**	
	Recognized income and expenses	If the asset had been kept in its original category (change in fair value)	Recognized income and expenses	If the asset had been kept in its original category (change in fair value)	Recognized income and expenses	If the asset had been kept in its original category (change in fair value)
From "held-for-trading" to "held-to-maturity"	122	(622)	(161)	(181)	(39)	(803)

4.2 Breakdown of listed and unlisted securities between fixed-income and variable-income securities

€ million	**31.12.2009**				31.12.2008			
	Bonds and other fixed-income securities	Treasury bills and similar items	Equities and other variable-income securities	**Total**	Bonds and other fixed-income securities	Treasury bills and similar items	Equities and other variable-income securities	Total
Listed securities	33,950	43,242	13,638	**90,830**	18,271	30,390	8,687	**57,348**
Unlisted securities	12,353		219	**12,572**	16,764	1,318	2,889	**20,971**
Accrued interest	110	52	3	**165**	128	39	-	**167**
Impairment	(533)		(90)	**(623)**	(564)	-	(116)	**(680)**
Net book value	**45,880**	**43,294**	**13,770**	**102,944**	**34,599**	**31,747**	**11,460**	**77,806**

4.3 Treasury bills, bonds and other fixed-income securities – Analysis by residual maturity

€ million	**31.12.2009**							31.12.2008
	Under 3 months	3 months to 1 year	1-5 years	Over 5 years	Total principal	Accrued interest	**Total**	
Bonds and other fixed-income securities	17,473	6,146	10,123	12,561	**46,303**	110	**46,413**	**35,163**
Treasury bills and similar items	7,849	14,785	15,436	5,172	**43,242**	52	**43,294**	**31,747**
Impairment							**(533)**	**(564)**
Fixed-income securities							**89,174**	**66,346**

This breakdown includes trading book securities held for less than six months.

4.4 Treasury bills, bonds and other fixed-income securities – Analysis by geographical zone

€ million	31.12.2009	31.12.2008
France (including overseas departments and territories)	21,540	9,921
Other EU countries	38,025	30,881
Other European countries	1,239	1,724
North America	3,413	2,748
Central and South America	6,858	7,142
Africa and Middle-East	230	193
Asia and Pacific (excluding Japan)	8,255	7,327
Japan	9,985	6,807
Organisations	-	-
Total principal	**89,545**	**66,743**
Accrued interest	162	167
Impairment	(533)	(564)
Fixed-income securities	**89,174**	**66,346**

Note 5: Investments in subsidiaries and affiliates

at 31 December 2009

		In millions of local currency units			In million of €	In millions of local currency units				In million of €
Company	Cur-rency	Share capital	Premiums reserves and retained earnings before appropriation of earnings	Owner-ship%	Book value of investments	Loans and advances outstanding granted by Crédit Agricole CIB	Guarantees and other commitments given by Crédit Agricole CIB	Revenues for the year ended 31.12.09 excl. VAT	Net income for the year ended 31.12.09	Dividends received during the year
I – Investments whose book value exceeded 1 % of Crédit Agricole CIB's share capital										
A – Banking subsidiaries (more than 50% owned)										
BFO	EUR	10,000	(97)	99.99	96	USD 4	EUR 3 DZD 1,050 USD 9	406	86	
CFA (Cie Française de l'Asie)	EUR	183	17	100.00	252				23	21
Crédit Agricole Cheuvreux	EUR	39	193	100.00	308	CHF 26 EUR 250 USD 35		163	21	21
Mescas	EUR	31	4	100.00	83	EUR 56			2	
CAI Risk Solutions Assurance	EUR	6	246	100.00	253				(1)	
Crédit Agricole Luxembourg	EUR	465	67	93.70	650	EUR 8 JPY 3,375		82	38	37
Crédit Agricole Suisse	CHF	579	830	71.24	613	AUD 190 EUR 3,345 JPY 9,749 RUB 4 SGD 32 TRY 1 USD 673 ZAR 5	EUR 26 USD 140	773	231	72
CAI BP Holding	EUR	93	10	100.00	93	CHF 623 EUR 12			(7)	
Calyon Capital Markets Intl	EUR	231	25	100.00	312	JPY 5,000 USD 145			(69)	
Calyon Global Banking	EUR	145	136	100.00	311	USD 6			3	3

		In millions of local currency units			In million of €	In millions of local currency units				In million of €
Company	Cur-rency	Share capital	Premiums reserves and retained earnings before appropriation of earnings	Owner-ship%	Book value of investments	Loans and advances outstanding granted by Crédit Agricole CIB	Guarantees and other commitments given by Crédit Agricole CIB	Revenues for the year ended 31.12.09 excl. VAT	Net income for the year ended 31.12.09	Dividends received during the year
Doumer Philemon	EUR	420	4	100.00	420			26	16	15
SAS Merisma	EUR	1,150		100.00	1,150	EUR 45				
CLIFAP	EUR	110	3	100.00	113	EUR 615			2	
Calyon Investments	GBP	501	53	99.80	553			22	23	
Banco Calyon Brasil SA	BRL	319	42	86.03	79	USD 10		62	39	
Calyon Rusbank	RUB	3,000		100.00	306			nm (1)	nm (1)	
Sub-Total					**5,592**					
B – Banking affiliates (10 et 50 % owned)										
Calyon Preferred Funding LLC	USD	392	(66)	50.00	160			15	29	4
Calyon Preferred Funding 2 LLC	USD	656	(199)	50.00	223			20	39	6
CASAM	EUR	7,232	6,317	31.11	115	USD 100		4,392	2,806	107
UBAF	EUR	251	13	47.01	121			59	17[illegible]	78
Crédit Agricole Egypt SAE	EGP	1,148	573	13.06	75		EUR 5 USD 2	807	475	6
Newedge Group SA	EUR	395	1,378	50.00	1,459		EUR 198 JPY 1,850 USD 1,562	624	93	22
Total					**2,153**					

II. – General information relating to other subsidiaries and affiliates

A – Subsidiaries not covered in I. above	**499**
a) French subsidiaries (aggregate)	196
b) Foreign subsidiaries (aggregate)	303
B - Affiliates not covered in I. above	**131**
a) French affiliates (aggregate)	43
b) Foreign subsidiaries (aggregate)	88
Total associates	**8,375**

(1) Created in 2009

Note 6: Change in non-current assets

€ million	31.12.2008	Changes in scope	Increases (acquisitions)	Decreases (disposals maturity)	Translation differences	Other movements	31.12.2009
Participating interests and investments in non-consolidated companies							
Gross value	8,318		704	(87)	55	-	8,990
Impairment	(657)		(48)	51	(1)	-	(655)
Other long-term securities							
Gross value	41	2	3	(5)	1	-	42
Impairment	(5)					-	(5)
Advances available for consolidation							
Gross value	3					-	3
Impairment	-					-	-
Accrued interest	-					-	
Net book value	**7,700**	**2**	**659**	**(41)**	**55**	**-**	**8,375**
Intangible assets	**113**		**(15)**		**(1)**		**97**
Gross value	301		18	(3)	(1)	(2)	313
Amortisation	(188)		(33)	3		2	(216)
Property, plant and equipment	**213**	**(1)**	**(19)**	**(4)**	**1**	**2**	**192**
Gross value	629	(2)	32	(13)	(2)	2	646
Depreciation	(416)	1	(51)	9	3	-	(454)
Non-current assets	**326**	**(1)**	**(34)**	**(4)**	**-**	**2**	**289**

Note 7: Accruals, prepayments and sundry assets

€ million	31.12.2009	31.12.2008
Sundry assets [(1)]	**86,024**	**95,400**
Financial options bought	39,698	46,913
CODEVI bonds	-	-
Miscellaneous debtors	39,956	44,451
Settlement accounts	6,370	4,036
Due from shareholders – unpaid capital	-	-
Prepaid expenses	**231,151**	**44,174**
Items in course of transmission to other banks	1,971	1,952
Adjustment accounts	226,712	2,963
Accrued income	374	1,333
Prepaid expenses	48	33
Unrealised gains and deferred losses on financial instruments	-	33,300
Bond issue premiums and discounts	104	135
Other	1,942	4,458
Accruals, prepayments and sundry assets	**317,175**	**139,574**

[(1)] Amounts shown are net of impairment and include accrued interest
[(2)] Including €199 billion relating to the change to presentation rules relating to clearing of financial futures in 2009. As of 31.12.2008, the new presentation rules would have had an impact of + €290bn on total assets.

Note 8: Impairment deducted from assets

€ million	31.12.2008	Changes in scope	Additions	Write-back or utilisation	Translation differences	Other movements	31.12.2009
Interbank loans	282		185	(9)	1		459
Customer loans	897		658	(558)	(11)	(9)	977
Securities (AFS, portfolio and HTM)	680		478	(541)	6		623
Participating interests and other long-term investments	662		48	(50)			660
Other	14		21				35
Impairment deducted from assets	**2,535**		**1,390**	**(1,158)**	**(4)**	**(9)**	**2,754**

Note 9: Due to banks – Analysis by residual maturity

€ million	31.12.2009							31.12.2008
	Under 3 months	3 months to 1 year	1-5 years	Over 5 years	Total principal	Accrued interest	**Total**	
Deposits								
sight	11,157				11,157	1	11,158	11,147
time	28,941	7,523	13,048	3,742	53,254	100	53,354	69,985
Pledged securities						1	1	332
Securities sold under repurchase agreements	39,791	4,972	4,434		49,197	1,420	50,617	77,884
Due to banks[1]							**115,130**	**159,348**

[1] Of which €13,538 million with Crédit Agricole S.A. at 31 December 2009.

Note 10: Customer accounts

10.1 Customer accounts– Analysis by residual maturity

€ million	31.12.2009							31.12.2008
	Under 3 months	3 months to 1 year	1-5 years	Over 5 years	Total principal	Accrued interest	Total	
Current accounts in credit	18,664				18,664	21	18,685	23,570
Other accounts	32,999	3,474	9,268	2,346	48,087	85	48,172	47,972
Securities sold under repurchase agreements	39,244	3,247	14	521	43,026	14	43,040	28,123
Customer accounts							**109,897**	**99,665**

10.2 Customer accounts – Analysis by geographical zone

€ million	31.12.2009	31.12.2008
France (including overseas departments and territories)	23,982	14,211
Other EU countries	43,342	31,413
Other European countries	1,712	1,504
North America	25,969	31,101
Central and South America	3,685	5,336
Africa and Middle-East	2,976	2,800
Asia and Pacific (excluding Japan)	5,596	7,637
Japan	2,515	4,785
International organisations and others		622
Total principal	**109,777**	**99,409**
Accrued interest	120	256
Customer accounts	**109,897**	**99,665**

10.3 Customer accounts – Analysis by type of customer

€ million	31.12.2009	31.12.2008
individuals	1,267	2,289
Farmers	13	2
Other small businesses	44	94
Financial institutions	69,304	66,398
Corporates	28,657	21,561
Local authorities	6,300	7,725
Other	4,192	1,340
Accrued interest	120	256
Customer accounts	**109,897**	**99,665**

Note 11: Debt securities in issue – Analysis by residual maturity

11.1 Debt securities in issue – Analysis by residual maturity

€ million	31.12.2009							31.12.2008
	Under 3 months	3 months to 1 year	1-5 years	Over 5 years	Total principal	Accrued interest	**Total**	
Interest-bearing notes		5			5		**5**	**4**
Money market instruments								**-**
Negotiable debt securities:	43,175	17,951	9,918	7,643	78,687	165	**78,852**	**76,556**
Issued in France	11,814	5,322	9,681	7,631	34,448	124	34,572	36,855
Issued abroad	31,361	12,629	237	12	44,239	41	44,280	39,701
Bonds (note 11.2)	-	97	1	-	98	3	**101**	**111**
Other liabilities	-	-	-	-	-	-	**-**	**-**
Debt securities in issue [1]					**78,790**	**168**	**78,958**	**76,671**

[1] Including € 39,701 million issued abroad in 2008 and € 44,280 million in 2009

11.2 Bonds (in currency of issue) – Analysis by residual maturity

€ million	31.12.2009				31.12.2008
	Up to 1 year	1-5 years	Over 5 years	**Total**	
Euro		**1**		**1**	**6**
Fixed-rate		1		1	6
Floating-rate					
Other EU currencies					-
Fixed-rate					
Floating-rate					
Dollar					-
Fixed-rate					
Floating-rate					
Yen					-
Fixed-rate					
Floating-rate					
Other currencies	**97**			**97**	**102**
Fixed-rate	97			97	79
Floating-rate					23
Total en principal	**97**	**1**		**98**	**108**
Fixed-rate	97	1		98	85
Floating-rate					23
Accrued interest				3	3
Bonds				**101**	**111**

Note 12: Accruals, deferred income and sundry liabilities

€ million	31.12.2009	31.12.2008
Sundry liabilities [1]	**95,922**	**89,625**
Liabilities relating to trading securities	26,939	11,374
Liabilities relating to borrowed securities	4,415	6,153
Financial options sold	42,634	48,697
Miscellaneous creditors	11,272	18,758
Settlement accounts	10,661	3,126
Payments yet to be made	1	1
Other	-	1,516
Accruals and deferred income	**226,104**	**33,290**
Items in course of transmission to other banks	1,598	3,786
Adjustment accounts [2]	221,761	1,532
Deferred income	501	252
Accrued expenses	940	1,465
Unrealised losses and deferred gains on financial instruments	-	22,392
Other	1,304	3,863
Accruals, deferred income and sundry liabilities	**322,026**	**122,915**

[1] Amounts include accrued interest.
[2] Including €199 billion relating to the change to presentation rules relating to clearing of financial futures in 2009. As of 31.12.2008, the new presentation rules would have had an impact of + €290bn on total assets.

Note 13: Reserves

€ million	31.12.2008	Changes in scope	Charges	Write-backs and utilisations	Translation differences	Other movements	31.12.2009
Country risks	921				(9)		912
Financing commitment execution risks	322		185	(64)			443
Retirement and similar benefits	148		40	(8)			180
Litigation [1]	456		52	(197)	5		315
Financial instruments	298			(207)			91
Other risks and expenses [2]	650		850	(101)	(14)		1,385
Reserves	**2,795**		**1,126**	**(577)**	**(18)**	**-**	**3,327**

[1] €315 million including, at 31 December 2009:
- tax disputes: €86 million;
- customer disputes: €198 million;
- employee disputes: €31 million.

[2] €1,349 million including, in relation to Crédit Agricole CIB Paris at 31 December 2009:
- sector risks: € 1,218 million;
- other risks and expenses: € 131 million (including a € 6 million reserve for tax consolidation).

Note 14: Subordinated debt – Analysis by residual maturity and currency of issue

€ million	31.12.2009 Under 3 months	3 months to 1 year	1-5 years	Over 5 years	Total	31.12.2008 Total
Fixed-term subordinated debt			**500**	**3,645**	**4,145**	**9,639**
Euro			500	1,100	**1,600**	**7,051**
Other EU currencies						
Dollar				2,545	**2,545**	**2,588**
Yen						
Other currencies						
Perpetual subordinated debt				**4,325**	**4,325**	**4,389**
Euro				620	**620**	**620**
Other EU currencies						**56**
Dollar				3,705	**3,705**	**3,713**
Yen						
Other currencies						
Participating securities and loans						**-**
Total principal			**500**	**7,970**	**8,470**	**14,028**
Accrued interest					4	268
Subordinated debt					**8,474**	**14,296**

Note 15: Change in shareholders' equity

€ million	Share capital	Premiums and reserves	Excess of restated assets over historical cost	Retained earnings	Regulated reserves	Net income	**Total Shareholder's equity**
31 December 2007	**3,715**	**4,965**	**-**	**-**	**32**	**(2,855)**	**5,857**
Dividends paid in 2008	-	-	-	-	-	-	-
Increase/decrease	-	-	-	-	-	-	-
2008 net income	-	-	-	-	-	**(4,154)**	**(4,154)**
Appropriation of 2007 earnings	-	**(2,855)**	-	-	-	**2,855**	-
Net charges	-	-	-	-	**(1)**	-	**(1)**
31 December 2008	**3,715**	**2,110**	**-**	**-**	**31**	**(4,154)**	**1,702**
Dividends paid in 2009							
Increase/decrease	**2,341**	**502**		**2,358**(1)			**5,201**
2009 net income						**720**	**720**
Appropriation of 2008 earnings		**(1,796)**		**(2,358)**		**4,154**	-
Net charges					**(13)**		**(13)**
31 December 2009	**6,056**	**816**	**-**	**-**	**18**	**720**	**7,610**

(1) This includes a movement of €1.14 million relating to the change of accounting method applied at the time of the restructuring of Crédit Agricole CIB's operations in China.

At 31 December 2009, share capital comprised 224,277,957 shares with a par value of €27.

Note 16: Analysis of the balance sheet by currency

€ million	31.12.2009		31.12.2008	
	Assets	Liabilities and shareholders' equity	Assets	Liabilities and shareholders' equity
Euro	404,711	394,050	259,801	241,364
Other EU currencies	38,232	39,416	2,372	10,391
Dollar	134,120	148,330	152,613	170,679
Yen	40,354	40,504	28,179	22,687
Other currencies	29,646	24,763	35,842	33,686
Total balance sheet	**647,063**	**647,063**	**478,807**	**478,807**

Note 17: Foreign exchange transactions and amounts payable in foreign currencies

€ million	31.12.2009		31.12.2008	
	To be received	To be delivered	To be received	To be delivered
Spot foreign-exchange transactions	**19,898**	**19,877**	**42,455**	**42,470**
Foreign currencies	14,459	16,341	33,279	35,962
Euro	5,439	3,536	9,176	6,508
Forward currency transactions	**336,528**	**336,366**	**472,356**	**469,457**
Foreign currencies	206,194	205,629	377,449	348,411
Euro	130,334	130,737	94,907	121,046
Lending and borrowing in foreign currencies	**2,290**	**541**		
Total	**358,716**	**356,784**	**514,811**	**511,927**

Note 18: Transactions involving forward financial instruments

€ million	31.12.2009 Hedging transactions	31.12.2009 Other transactions	31.12.2009 Total[2]	31.12.2008 Hedging transactions	31.12.2008 Other transactions	31.12.2008 Total
Futures and forwards	**10,131**	**11,520,329**	**11,530,460**	**8,589**	**10,961,979**	**10,970,568**
Exchange-traded [1]	**-**	**317,992**	**317,992**	**-**	**1,646,030**	**1,646,030**
Interest-rate futures		300,253	300,253		1,562,988	1,562,988
Currency futures						-
Forward equity and index instruments		5,488	5,488		7,116	7,116
Other		12,251	12,251		75,926	75,926
Over-the-counter [1]	**10,131**	**11,202,337**	**11,212,468**	**8,589**	**9,315,949**	**9,324,538**
Interest-rate swaps	6,391	7,971,805	7,978,196		6,427,643	6,427,643
Forward rate agreements		1,190,402	1,190,402		932,496	932,496
Forward equity and index instruments		68,229	68,229		72,183	72,183
Other	3,740	1,971,901	1,975,641	8,589	1,883,627	1,892,216
Options	**44,643**	**5,190,084**	**5,234,727**	**62,201**	**6,163,086**	**6,225,287**
Exchange-traded	**-**	**138,909**	**138,909**	**-**	**245,080**	**245,080**
Forward interest-rate instruments						
Bought		12,200	12,200		38,989	38,989
Sold					39,039	39,039
Equity and index instruments						
Bought		61,804	61,804		81,857	81,857
Sold		63,849	63,849		85,195	85,195
Forward currency instruments						
Bought						
Sold						
Other forward instruments						
Bought		545	545			
Sold		511	511			
Over-the-counter	**44,643**	**5,051,175**	**5,095,818**	**62,201**	**5,918,006**	**5,980,207**
Interest-rate swaptions						
Bought	305	1,028,230	1,028,535	1,363	1,044,194	1,045,557
Sold		997,803	997,803		1,014,765	1,014,765
Forward interest-rate instruments						
Bought	1	584,416	584,417	100	617,006	617,106
Sold	1	701,822	701,823	106	761,044	761,150
Equity and index instruments						
Bought		33,182	33,182		48,402	48,402
Sold		34,237	34,237		46,965	46,965
Forward currency instruments						
Bought	26	295,748	295,774	167	421,076	421,243
Sold	27	356,061	356,088	1,399	465,300	466,699
Other forward instruments						
Bought		6,748	6,748		9,039	9,039
Sold		7,315	7,315		11,007	11,007
Credit derivatives						
Bought	42,538	466,318	508,856	57,292	696,863	754,155
Sold	1,745	539,295	541,040	1,774	782,345	784,119
TOTAL	**54,774**	**16,710,413**	**16,765,187**	**70,790**	**17,125,065**	**17,195,855**

[1] The amounts stated under futures and forwards correspond to cumulative lending and borrowing positions (interest-rate swaps and swaptions) or to cumulative purchases and sales of contracts (other contracts).
[2] Including € 1,482,300 million with Crédit Agricole S.A. at 31 December 2009.

18.1 Forward financial instruments – Fair value and notional

€ million	31.12.2009 Fair value Assets	Liabilities	Notional
Futures			324,511
Currency options	7,687	(7,788)	651,796
Exchange-traded currency options			
Interest-rate options	32	(41)	2,038,538
Forward rate agreements	560	(515)	1,190,270
Interest rate swaps	156,625	(158,076)	7,971,725
Currency swaps	2,985	(3,162)	1,241,012
Interest-rate forwards			
Caps, floors and collars	16,388	(19,083)	1,287,296
Equity, index and commodity derivatives	18,644	(16,280)	306,964
Other	56,590	(53,402)	1,080,101
Sub total	**259,511**	**(258,347)**	**16,092,213**
Forward currency transactions	9,214	(8,761)	672,828
Total	**268,725**	**(267,108)**	**16,765,041**

18.2 Forward financial instruments – Analysis by residual maturity

Notional outstandings € million	Over-the-counter Up to 1 year	Over-the-counter 1-5 years	Over-the-counter Over 5 years	Exchange-traded Up to 1 year	Exchange-traded 1-5 years	Exchange-traded Over 5 years	31.12.2009 Total	31.12.2008 Total
Interest-rate instruments	**3,793,711**	**4,617,184**	**4,064,814**	**269,001**	**67,710**	**-**	**12,812,420**	**12,522,754**
Futures		-	-	257,801	66,710	-	324,511	356,763
Forward rate agreements	1,025,068	165,202	-	-	-	-	1,190,270	932,497
Interest-rate-swaps	2,554,650	3,329,262	2,087,893	-	-	-	7,971,805	7,716,889
Interest-rate options	330	525,428	1,500,580	11,200	1,000	-	2,038,538	2,138,349
Caps, floors and collars	213,663	597,292	476,341	-	-	-	1,287,296	1,378,256
Foreign currency and gold	**1,079,206**	**600,960**	**212,642**	**-**	**-**	**-**	**1,892,808**	**1,718,034**
Currency futures	735,677	363,864	141,471	-	-	-	1,241,012	830,093
Currency options	343,529	237,096	71,171	-	-	-	651,796	887,941
Other Instruments	**125,014**	**930,009**	**187,595**	**88,566**	**50,691**	**5,190**	**1,387,065**	**2,013,254**
Equity and index derivatives	41,934	80,830	12,885	79,835	46,205	5,100	266,789	364,068
Precious metal derivatives								
Commodity derivatives	16,992	8,547	1,330	8,731	4,486	90	40,176	110,913
Credit derivatives	66,088	840,632	173,380	-	-	-	1,080,100	1,538,273
Sub-total	**4,997,931**	**6,148,153**	**4,465,051**	**357,567**	**118,401**	**5,190**	**16,092,293**	**16,254,042**
Forward currency transactions (trading book)	614,895	49,541	6,457	-	-	-	670,893	934,698
Forward currency transactions (banking book)	1,965	36	-	-	-	-	2,001	7,115
Sub-total	**616,860**	**49,577**	**6,457**	**-**	**-**	**-**	**672,894**	**941,813**
Total	**5,614,791**	**6,197,730**	**4,471,508**	**357,567**	**118,401**	**5,190**	**16,765,187**	**17,195,855**

18.3 Forward financial instruments – Counterparty risk

€ million	31.12.2009		31.12.2008	
	Market value	Potential credit risk	Market value	Potential credit risk
OECD governments, central banks and similar institutions	1,758	1,126	3,362	1,331
OECD financial institutions and similar	150,108	76,422	212,855	79,256
Other counterparties	25,711	15,926	27,624	8,297
Total by counterparty type	**177,577**	**93,474**	**243,841**	**88,884**
By instrument				
Interest rates, exchange rates and commodities	157,351	74,681	225,574	80,467
Equity and index derivatives	20,226	18,793	18,266	8,416
Impact of netting agreements	**148,605**	**47,939**	**201,012**	**46,459**
Total after impact of netting agreements	**28,972**	**45,535**	**42,829**	**42,425**

Contracts between members of the network are not included, bescause they carry no risk.

Note 19: Net interest and similar income

€ million	31.12.2009	31.12.2008
Interbank transactions	1,508	6,409
Customer items	3,516	6,389
Bonds and other fixed-income securities (see note 20)	1,090	693
Other interest and similar income [1]	221	56
Interest and similar income [2]	**6,335**	**13,547**
Interbank transactions	(2,239)	(8,393)
Customer items	(1,331)	(3,264)
Bonds and other fixed-income securities	(991)	(2,577)
Other interest and similar expenses [1]	(107)	(14)
Interest and similar expense [3]	**(4,668)**	**(14,248)**
Net interest and similar income	**1,667**	**(701)**

(1) of which forex transactions.
(2) of which income with Crédit Agricole S.A. at 31 December 2009: € 125 million.
(3) of which income with Crédit Agricole S.A. at 31 December 2009: € 417 million.

Note 20: Income from securities

	Fixed-income securities		Variable-income securities	
€ million	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Investments in non-consolidated subsidiaries and affiliates, other long-term securities			391	346
Available-for-sale and portfolio securities	514	582	19	20
Held-to-maturity securities	576	109		
Other securities		2		
Income from securities	**1,090**	**693**	**410**	**366**

Note 21: Net commission and fee income

€ million	31.12.2009			31.12.2008		
	Income	Expense	Net	Income	Expense	Net
Interbank transactions	417	(227)	190	243	(301)	(58)
Customer transactions	361	(18)	343	317	(31)	286
Securities transactions	334	(225)	109	61	(75)	(14)
Foreign exchange transactions		(3)	(3)		(3)	(3)
Transactions involving forward financial instruments and other off-balance sheet transactions	443	(165)	278	522	(265)	257
Financial services (see note 21.1)	324	(286)	38	202	(95)	107
Net commission and fee income (1)	**1,879**	**(924)**	**955**	**1,345**	**(770)**	**575**

(1) including (€75) million of commissions with Crédit Agricole S.A. at 31 December 2009.

21.1 Banking and financial services

€ million	31.12.2009	31.12.2008
Net income from managing mutual funds and securities on behalf of customers	117	94
Net income from payment instruments	10	21
Other net financial services income (expense)	(89)	(8)
Banking and financial services	**38**	**107**

Note 22: Trading gains/(losses)

€ million	31.12.2009	31.12.2008
Trading securities	2,690	(5,513)
Forward financial instruments	(1,252)	2,130
Foreign exchange and similar financial instruments	(529)	1,764
Net trading gains/(losses)	**909**	**(1,619)**

Note 23: Gains/losses on investment portfolios and similar

€ million	31.12.2009	31.12.2008
Available-for-sale securities		
Impairment charges	(306)	(486)
Impairment write-backs	507	14
Net impairment (charge)/write-back	**201**	**(472)**
Disposal gains	50	134
Disposal losses	(46)	(31)
Net disposal gain/(loss)	**4**	**103**
Net gain/(loss) from available-for-sale securities	**205**	**(369)**
Investment portfolios		
Impairment charges	(5)	(28)
Impairment write-back	23	
Net impairment (charge)/write-back	**18**	**(28)**
Disposal gains	6	26
Disposal losses	(22)	(18)
Net disposal gain/(loss)	**(16)**	**8**
Net gain/(loss) from investment portfolios	**2**	**(20)**
Net gain/(loss) from investment portfolios and similar	**207**	**(389)**

Note 24: Operating expenses

24.1 staff costs

€ million	31.12.2009	31.12.2008
Salaries	(826)	(936)
Social security expenses	(292)	(267)
Incentive plans	-	(2)
Employee profit-sharing		
Payroll-related tax	(33)	(34)
Personnel costs [1]	**(1,151)**	**(1,239)**

[1] Including pension expenses at 31 December 2009: (€67) million.
Including pension expenses at 31 December 2008: (€62) million.

24.2 Headcount

Number (full-time equivalent)	31.12.2009	31.12.2008
Managerial	3,267	3,240
Non-managerial	719	775
Managerial and non-managerial staff at foreign branches	3,406	3,426
Total	**7,392**	**7,441**
Of which:		
France	3,986	4,015
Abroad	3,406	3,426

24.3 Other administrative expenses

€ million	31.12.2009	31.12.2008
Taxes other than on income or payroll-related	(36)	(21)
External services	(601)	(643)
Other administrative expenses	(124)	(176)
Other administrative expenses	**(761)**	**(840)**

Note 25: Cost of risk

€ million	31.12.2009	31.12.2008
Impairment charges	**(1,970)**	**(2,209)**
Impairment on doubtful debts	(914)	(1,181)
Other impairment	(1,056)	(1,028)
Write-backs from impairment	**738**	**2,220**
Write-backs from doubtful debt impairment	488	1,432
Other write-backs of impairment	250	788
Change in impairment	**(1,232)**	**11**
Bad debts written off - not provided for	(151)	(389)
Bad debts written off - provided for	(438)	(1,682)
Recoveries on bad debts written off	130	917
Cost of risk	**(1,691)**	**(1,143)**

Note 26: Net gain/(loss) on non-current asset disposals

€ million	31.12.2008	31.12.2008
Long-term investments	**(20)**	**1,124**
Impairment charges		
Held-to-maturity securities		-
Investments in affiliates, non-consolidated subsidiaries and other long-term securities	(48)	(69)
Impairment write-backs		
Held-to-maturity securities		-
Investments in affiliates, non-consolidated subsidiaries and other long-term securities	51	63
Net impairment (charge)/write-back	**3**	**(6)**
Held-to-maturity securities		-
Investments in affiliates, non-consolidated subsidiaries and other long-term securities	3	(6)
Disposal gains		
Held-to-maturity securities	8	-
Investments in affiliates, non-consolidated subsidiaries and other long-term securities	30	1,145
Disposal losses		
Held-to-maturity securities	(12)	-
Investments in affiliates, non-consolidated subsidiaries and other long-term securities	(49)	(15)
Net disposal gain/(loss)	**(23)**	**1,130**
Held-to-maturity securities	(4)	-
Investments in affiliates, non-consolidated subsidiaries and other long-term securities	(19)	1,130
Property, plant and equipment and intangible assets	**1**	**9**
Disposal gains	3	11
Disposal losses	(2)	(2)
Net gain/(loss) on disposal of non-current assets	**(19)**	**1,133**

Note 27: Corporate income tax

€ million	31.12.2009	31.12.2008
Current tax [1]	17	(162)
Deferred tax income/(charge)	28	(12)
Corporate income tax	**45**	**(174)**

[1]Includes €114 million in tax gains relating to application of the tax consolidation agreement between Crédit Agricole S.A. and Crédit Agricole CIB.
The subsidy given by Crédit Agricole S.A. to Crédit Agricole CIB was €114 million.

Note 28: Operations in non-cooperative countries or territories

(Operations in non-cooperative countries or territories within the meaning of Article 238-0 A of the French General Tax Code).

Investment process

Projects to carry out acquisitions and disposals by all entities directly or indirectly controlled by Crédit Agricole S.A. must meet the strategic guidelines defined by the Board of Directors of Crédit Agricole S.A. and applied by the Group's general management.
A Group procedural memo sets out the framework for intervention for the business lines and central functions of Crédit Agricole S.A. As such, the Group Finance Division and Strategy and Development Division are consulted to ensure that the business and financial results expected from the project are met. They also determine whether the proposed transaction is a viable opportunity and whether it is consistent with the Group's strategic guidelines. The Risk Management and Permanent Controls function and of the Compliance and Legal Affairs Departments are brought in to issue recommendations that fall within the scope of their respective responsibilities.
This principle is applied across the subsidiaries, in respect of new products and new business activities, via special Committees.

Risk monitoring procedures

The following entities are included in the internal control scope of the Crédit Agricole S.A. Group and, as such, are covered by the Group's non-compliance risk prevention and control procedures (which more specifically include rules on prevention of money-laundering and terrorism financing). These are described in the Chairman's Report to the Board of Directors in the Crédit Agricole S.A. shelf-registration document (where applicable).

Country	Company name	Activity	Legal form	% of holding by the Group
Liberia	Purpura Investments Corporation	Shipping financing	Limited liability company	100%
	Netherton Holding Corp.	Shipping financing	Limited liability company	100%
	Dell Shipping SA	Shipping financing	Limited liability company	100%
	Pedestal Investments Corporation	Shipping financing	Limited liability company	100%
	Solanum Shipping Corporation	Shipping financing	Limited liability company	100%
Panama	Ariel Secretaries SA	Wealth management	Limited liability company	100%
	Saturn Corporate Services SA	Wealth management	Limited liability company	100%
	Vulcan Corporate Services SA	Wealth management	Limited liability company	100%
	Parklight International SA	Shipping financing	Limited company	100%
Filipinas	CLSA (Philippines) Inc	Brokerage	Limited company	100%
	CLSA Exchange Capital Inc	Investment company	Limited company	60%
	Calyon – Manila branch	Branch		100%
	Philippine Distressed Assets Asia Pacific (SPV-AMC) 1, Inc	Distresses Assets management	Limited company	100%
	Philippine Distressed Assets Asia Pacific (SPV-AMC) 2, Inc	Distresses Assets management	Limited company	64%
	Indosuez WI CARR Securities (Philippines) Inc	Liquidation	Limited company	100%

AUDITORS' GENERAL REPORT ON THE PARENT-COMPANY FINANCIAL STATEMENTS

Year ended 31 December 2009

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English speaking readers.
The Statutory Auditors' report includes information specifically required by French law in all audit reports, whether qualified or not, and this is presented below the opinion on the parent-company financial statements. This information 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 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 financial statements.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In accordance with the terms of our appointment at your Annual Meeting, we hereby submit our report for the year ended 31 December 2009 on:

- our audit of Crédit agricole CIB's parent-company financial statements as attached to this report,
- the substantiation of our opinion,
- the specific procedures and disclosures required by law.

The parent-company 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.

Opinion on the parent-company financial statements

We have conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform our audit to obtain reasonable assurance that the parent-company financial statements are free of material misstatement. An audit consists of examining, on the basis of tests and other selection methods, evidence supporting the amounts and disclosures in the parent-company financial statements. An audit also includes assessing the accounting principles used and significant estimates made in the preparation of the financial statements and evaluating their overall presentation. We believe that the evidence we have collected is relevant and sufficient for the formation of our opinion.
In our opinion, the parent-company financial statements give a true and fair view, according to French accounting principles, of the results of operations for the year ended 31 December 2009 and of the company's financial situation and assets at that date.
Without prejudice to the opinion expressed above, we draw your attention to note 1 to the financial statements, which describes the change in accounting methods. They mainly relate to the change in presentation rules for netting of derivative financial instruments.

Substantiation of our opinion

The accounting estimates used to prepare the parent company financial statements for the year ended 31 December 2009 were drawn up against a backdrop of deterioration in economic conditions and persistently adverse effects from the financial crisis on companies in general and more specifically on the business activities of credit institutions. Pursuant to the provisions of Article L.823-9 of the *Code de Commerce* [French Commercial Code] concerning the substantiation of our opinion, we bring to your attention the following items:

Accounting policies

Note 1 of the notes to the parent company financial statements describes the change in presentation applied by your Company with respect to the rules pertaining to netting of forward financial instruments. As part of our assessment of the accounting principles used by your group, we have satisfied ourselves that the change in accounting method was properly applied and that the information relating to this change, in notes 1,7 and 12 to the financial statements, is appropriate.

Accounting estimates

- As indicated in note 1 to the financial statements, the company books impairment reserves to cover identified non-recovery risks relating to certain loans, which are inherent to its business activities. Given the specific circumstances arising from the financial crisis, we have reviewed the arrangements put in place by management to identify and evaluate these risks and to determine the amount of impairment it considers necessary, and we have verified that these accounting estimates were based on documented methods that complied with the principles described in note 1 to the financial statements.
- Your company uses internal models to assess the fair value of certain financial instruments not listed in an active market. Our work entailed reviewing the control system applied to the models used, the underlying assumptions and the methods for taking into account the risks associated with such instruments.
- As a usual part of the process of preparing financial statements, the company's management has made a number of other accounting estimates relating in particular to the valuation of investments in participating interests and other long-term investments as well as investments in non-consolidated companies, the measurement of recognised pension liabilities and provisions for legal disputes. We reviewed the assumptions made and verified that these accounting estimates were based on documented methods that complied with the principles described in note 1 to the financial statements.

Our assessments were made in the context of our audit of the parent-company financial statements, taken as a whole, and therefore assisted us in reaching our unqualified opinion as expressed in the first part of this report.

Specific procedures and disclosures

We also carried out the specific verifications required by law, in accordance with professional standards applicable in France
We have non comments regarding the fair presentation and consistency with the parent company financial statements of the information provided in the Board of Director’s Management Report, and in the documents addressed to the shareholders with respect to the Company’s financial position and the financial statements.
We verified the consistency of the information provided pursuant to article L. 225-102-1 of the Code de Commerce pertaining to compensation and benefits in kind paid to corporate officers and to commitments made to corporate officers, with the information contained in the accounts or with the data used to draw up these accounts and, where applicable, with the information collected by your Company from companies that control your Company or are controlled by it. On the basis of our work, we attest to the fairness and accuracy of this information.

Neuilly-sur-Seine, 22 March 2010

Statutory Auditors

PRICEWATERHOUSECOOPERS AUDIT Catherine Pariset and Pierre Clavié	ERNST & YOUNG ET AUTRES Pierre Hurstel

6 General information

INFORMATION ABOUT THE COMPANY

Registered office

9 quai du Président Paul Doumer
92920 Paris La Défense cedex - France
Tél. : 33 1 41 89 00 00
Site Internet : www.ca-cib.com

Financial year

The company's financial year begins on 1 January and ends on 31 December each year.

Date of incorporation and duration

The Company was incorporated on 23 November 1973. Its term ends on 25 November 2064, unless the term is extended or the company is wound up before that date.

Legal status

Crédit Agricole CIB is a French société anonyme (limited-liability corporation) governed by ordinary company law, in particular the Second Book of the Code de Commerce.

Crédit Agricole CIB is a credit institution approved in France and authorised to conduct all banking operations and provide all investment and related services referred to in the Code Monétaire et Financier. In this respect, Crédit Agricole CIB is subject to oversight by French supervisory authorities, particularly the Commission Bancaire. In its capacity as a credit institution authorised to provide investment services, Crédit Agricole CIB is subject to the Code Monétaire et Financier, particularly the provisions relating to the activity and control of credit institutions and investment service providers.

Material contracts

Crédit Agricole CIB has not entered into any material contracts conferring a significant obligation or commitment on the Crédit Agricole CIB group, apart from those concluded within the normal conduct of its business.

Recent trends

Crédit Agricole CIB's prospects have not suffered any significant deterioration since 31 December 2009, the date of its latest audited and published financial statements (see Management report, "Recent trends and outlook" section).

Significant changes

Since the 25 February 2009 Board meeting that approved the 31 December 2009 financial statements, there has been no exceptional event or dispute likely to have a significant effect on the financial position, activity, results or assets of the Crédit Agricole CIB company and group.

Documents on display

All reports, letters and other documents and all historical financial information, assessments and statements made by an expert at the issuer's request, part of which has been included or mentioned in this document, and all financial information for each of the two years preceding the publication of this document may be consulted at Crédit Agricole CIB's website: www.ca-cib.com or at its registered office: 9 quai du Président Paul Doumer 92920 Paris La Défense.
A copy of the articles of association may be consulted at the registered office.

Crédit Agricole CIB publications

The annual information report below lists the information published or made public by the Crédit Agricole CIB group in the last twelve months to meet legal or regulatory obligations applying to financial instruments, issuers of financial instruments and financial instrument markets as required by article 222.7 of the AMF's General Regulations.

Shelf-registration document

Available on the Crédit Agricole CIB website (www.ca-cib.com) and on the Autorité des Marchés Financiers website (www.amf-france.org)

Publication dates	Type of document
14.04.2009	2008 shelf-registration document – AMF registration n°D.09-0235
28.08.2009	Update of the 2008 shelf-registration document – AMF D.09-0235-A01

Issue programs and prospectuses as issuer or guarantor

Available on the Bourse de Luxembourg website (www.bourse.lu) and approved by CSSF

Publication dates	Type of document
28.12.2009	2nd supplement to the 17.08.2009 prospectus
17.11.2009	1rst supplement to the 17.08.2009 prospectus and to the 24.09.2009
24.09.2009	Prospectus relating to the €5 billion EMTN (Euro Medium Term Note) issue program of Crédit Agricole CIB, Crédit Agricole CIB Financial Products (Guernsey) Limited, Crédit Agricole CIB Finance (Guernsey) Limited and Calyon Financial Solutions (France)
24.09.2009	Prospectus/offering circular relating to the €40 billion Structured Euro Medium Term Note issue program of Calyon, Crédit Agricole CIB Financial Products (Guernsey) Limited, Crédit Agricole CIB Finance (Guernsey) Limited and Calyon Financial Solutions (France)
17.08.2009	Prospectus relating to the warrant and certificate issue programs of Calyon, Crédit Agricole CIB Financial Products (Guernsey) Limited and Crédit Agricole CIB Finance (Guernsey) Limited

Press releases

Published on the de Crédit Agricole CIB website (www.ca-cib.com)

Publication dates	Type of document
23.02.2010	Pierre Cambefort appointed Deputy CEO of Crédit Agricole CIB effective 1st September 2010
27.01.2010	Calyon to become Crédit Agricole Corporate and Investment Bank on February 6, 2010
16.11.2009	CA Cheuvreux expands its market connectivity to five new European dark pools
10.11.2009	Crédit Agricole S.A. - Appointment of Jean-Paul Chifflet
10.11.2009	2009 third quarter results of Crédit Agricole S.A.
09.07.2009	Crédit Agricole CIB to launch locally incorporated Bank, Crédit Agricole CIB (China) Limited
14.05.2009	Crédit Agricole S.A.'s first quarter Results 2009
13.05.2009	Crédit Agricole CIB and EDF Trading announce new trading partnership in the energy sector

Documents filed with the Registrar of the Nanterre commercial court

Available at the: www.infogreffe.fr

(Crédit Agricole CIB number: 304 187 701)
Filing notice published in la Gazette du palais : 3 Boulevard du Palais 75004 Paris

Filing date	Filing number	Type of document
14.09.2009	26026	Capital increase and reduction Continuation of activity despite the loss of half the capital Rebuilding of half net assets. Updated articles of association
12.06.2009	15956	Appointment of directors
08.06.2009	7360	2008 parent-company financial statements
08.06.2009	7361	2008 consolidated financial statements
11.02.2009	4575	Appointment of legal representatives

Publications in the Bulletin des Annonces Légales Obligatoires (BALO)

Published on the www.journal-officiel.gouv.fr/balo

Publication dates	Type of document	Article number
06.11.2009	Quarterly financial statements at 30 September 2009	0907781
04.09.2009	Quarterly financial statements at 30 June 2009	0906841
27.05.2009	2008 annual financial statements	0903918
13.05.2009	Quarterly financial statements at 31 March 2009	0903031
06.04.2009	Notice of the shareholders' meeting of 13 May 2009	0901712

ADDITIONAL INFORMATION

Fees paid to statutory auditors (1)

Crédit Agricole CIB's college of auditors (2)

In `000€	Ernst & Young Amount (excluding VAT) 2009	2008	Ernst & Young % 2009	2008	PricewaterhouseCoopers Amount (excluding VAT) 2009	2008	PricewaterhouseCoopers % 2009	2008
Audit								
Independent audit, certification, review of parent company and consolidated financial statements								
Issuer	4,507	3,941	69.5 %	64.3 %	3,447	3,078	44.1 %	47.5 %
Fully-consolidated subsidiaries	1,838	1,774	28,3 %	28.9 %	3,859	2,760	49.4 %	42.6 %
Ancillary assignments								
Issuer	59	264	1.0 %	4.3 %	243	201	3.1 %	3.1 %
Fully-consolidated subsidiaries	13	106	0.2 %	1.7 %	170	309	2.1 %	4.8 %
Sub-total	**6,417**	**6,085**	**99.0%**	**99.2 %**	**7,719**	**6,348**	**98.7 %**	**98.0 %**
Other services								
Legal, tax, personnel-related	47	42	0.7 %	0.7 %	86	129	1.1 %	2.0 %
Others to be disclosed (if >10% of audit fees)	19	8	0.3 %	0.1 %	11		0.2 %	
Sub-total	**66**	**50**	**1.0 %**	**0.8 %**	**97**	**129**	**1.2%**	**2.0 %**
Total	**6,482**	**6,135**	100 %	100 %	**7,816**	**6,477**	100 %	100 %

Other statutory auditors engaged in the audit of fully consolidated Crédit Agricole CIB group subsidiaries

In `000€	Mazars & Guerard Amount (excluding VAT) 2009	2008	Mazars & Guerard % 2009	2008	Deloitte Amount (excluding VAT) 2009	2008	Deloitte % 2009	2008	KPMG Amount (excluding VAT) 2009	2008	KPMG % 2009	2008	Other Amount (excluding VAT) 2009	2008	Other % 2009	2008
Audit : Independent audit, certification, review of parent-company and consolidated financial statements																
	0	**22**	**100%**	100%	60	**-**		100%	88	**260**	**100%**	100%	403	**197**	**100%**	100%

(1) These figures indicate the annual cost of Statutory Auditors' fees.
(2) Including fully consolidated Crédit Agricole CIB subsidiaries audited by the College of Auditors.

STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

Year ended 31 December 2009

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

To the shareholders,

In our capacity as the Company's Statutory Auditors, we hereby submit our report on regulated agreements and undertakings.

Agreements and undertakings authorised during the year

In accordance with article L.225-40 of the French Commercial Code, we have been informed of the agreements and undertakings that have obtained prior approval from your Board of Directors.

We are not required to ascertain whether any other contractual agreements or commitments exist, but we are required to inform you, on the basis of the information provided to us, of the terms and conditions of those indicated to us. It is not our role to comment as to whether they are beneficial or appropriate. It is your responsibility, under the terms of Article R.225-31 of the French Commercial Code, to assess the benefits resulting from these agreements and commitments prior to their approval.

We have taken the steps we consider necessary with regard to the professional code of the Compagnie Nationale des Commissaires aux Comptes (France's national association of statutory auditors) relating to this assignment. These steps consisted of verifying that the information provided to us is consistent with the underlying documents from which it was taken.

⅄ With CLSA (BV) et Stichting CLSA Foundation

Directors concerned

Mrs. Alain Massiera and Jérôme Grivet, Deputy Chief Executive Officers.

Nature and purpose

On 2 March 2009, your Board of Directors authorised the proposed signature by your Company of a management agreement by CLSA (BV) with these two entities.

Terms and conditions

This management agreement dated 5 March 2009, which sets the goals for strengthening CLSA's governance by creating audit and compensation committees, *inter alia*, and models of cooperation with the Group, redefines and eliminates areas of exclusivity.

Agreements and undertakings approved in prior years which remained in force during the year

In accordance with the Code de Commerce, we were informed that the following agreements and undertakings, approved in prior years, remained effective in 2009.

With Crédit Agricole S.A.

Subscription for preference shares or deeply subordinated notes

Nature and purpose

Further to 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 Crédit Agricole CIB).
In view of the above transaction, it was deemed necessary to increase Calyon's shareholders' equity. Two issues of deeply subordinated notes, in US dollars, were carried out in 2004. Crédit Agricole bought $1,730 million of these notes.

Terms and conditions

No coupon is due by your company with respect to 2009.

With Crédit Lyonnais

- Sale of Banque Française Commerciale Antilles-Guyane (BFC-AG) by your company to Crédit Lyonnais

Nature and purpose

In order that BFC-AG be provided with adequate supervision for its retail banking activity, Calyon sold its stake in BFC-AG to Crédit Lyonnais, which became its sole core shareholder, on 1 July 2005.
The disposal agreement contains a clawback clause providing for a price adjustment in the event that the restructuring costs incurred between the date of disposal and the FY 2008 account closing date amount to less than €33 million.

Terms and conditions

A dispute over the application of the clawback clause in 2009 has arisen between your Company and Crédit Lyonnais. Pursuant to the agreement, your Company sent notice of this dispute to Crédit Lyonnais by letter dated 15 December 2009.

- Acquisition by your company of Crédit Lyonnais' stake in Union des Banques Arabes et Françaises (UBAF)

Nature and purpose

On 1 July 2005, your company signed an agreement with Crédit Lyonnais to acquire its holding in UBAF. Your company acquired the 43.93% shareholding in UBAF for €236 million. In addition, your company assumed Crédit Lyonnais' commitments with regard to MACO in return for Crédit Lyonnais' payment to your company of a sum covering any loss resulting from the possible liquidation of MACO, as estimated on the date the agreement was signed.
Your company undertook to repay to Crédit Lyonnais 80% of the difference between the loss actually borne and the sum paid to your company in the event that the loss borne by your company upon liquidation of MACO should prove smaller than the amount of the payment.

Terms and conditions

Your company paid €2,459,445 to Crédit Lyonnais with respect to 2009.

- Indemnity agreement by your company for Crédit Lyonnais

Nature and purpose

Crédit Lyonnais' corporate and investment banking division (BFI) was transferred to your company on 30 April 2004 with retroactive effect from 1 January 2004 for accounting and legal purposes, except for short-, medium- and long-term commercial loans, which were transferred later, with effect from 31 December 2004 at the latest.
To comply with the principle of retroactive effect from 1 January 2004, your company undertook to indemnify Crédit Lyonnais for counterparty risks relating to those loans from 1 January 2004.

Terms and conditions

The amount of the guarantee stood at €33,060,000 at 31 December 2009.
Remuneration for 2009 totalled €113,515.94.

With SNC Doumer

Loan granted by your company to SNC Doumer

Nature and purpose

The building at 9, quai du Président Paul Doumer, the registered office of your company, is owned by SNC Doumer. Your company has granted SNC Doumer a margin-free loan.

Terms and conditions

The principal on the loan amounted to €6,834,427.58 at 31 December 2009 and interest paid with respect to 2009 totalled €110,399.43.

With Crédit Agricole Capital Investissement et Finance (CACIF)

Sale of portfolio of private equity funds held by your Company

Nature and purpose

On 26 August 2008, your Board of Directors authorised the plan to sell to CACIF the portfolio of private equity funds held by your company, as part of the effort by the Crédit Agricole Group to centralise management of its private equity funds.

The transfer price was set on the basis of a portfolio valuation performed by an independent expert and is to be adjusted based on various parameters as defined by the Agreement signed on 26 November 2008.

Terms and conditions

During 2009, two funds offered by buy this portfolio in the place and stead of CACIF, in accordance with the provisions of the agreement dated 26 November 2008.

With M. Georges Pauget

Nature and purpose

The Annual General Meeting of Shareholders of Crédit Agricole S.A. on 19 May 2009 approved the commitments made by Crédit Agricole S.A. in respect of Mr Georges Pauget's retirement scheme.
At its meeting of 23 February 2010, your Board of Directors was informed of Mr Pauget's decision to step down as Chairman of the Board effective as of 23 February 2010. Mr Georges Pauget has requested that he be able to collect his pension benefits as from 1 April 2010.
This undertaking is not borne by your company.

Terms and conditions

The total annuity payment that he will receive from Crédit Agricole S.A. is estimated at €796,260.

Agreements and undertakings not previously authorised

We also present our report on agreements and undertakings subject to article L.225-42 of the Code de Commerce.

In accordance with article L. 823-12 of the Code de Commerce, we inform you that these agreements and undertakings did not receive prior authorisation from your Board of Directors.

On the basis of the information provided to us, our task is to report to you the main terms and conditions of these agreements and undertakings, as well as the circumstances under which the authorisation procedure was not followed.

With Mr Jean-Paul Chifflet, Chief Executive Officer of Crédit Agricole S.A., Chairman of the Board of Directors of your Company

Nature and purpose

At its meeting of 10 November 2009, the Board of Directors of Crédit Agricole S.A. appointed Mr Jean-Paul Chifflet as Chief Executive Officer of Crédit Agricole S.A. effective as of 1 March 2010.

At its meeting of 24 February 2010, the Board of Directors of Crédit Agricole S.A. approved Crédit Agricole S.A.'s undertakings vis-à-vis Mr Chifflet with respect to severance pay, his non-compete agreement and his pension benefits.

Terms and conditions

- Severance pay

In the event that Mr Jean-Paul Chifflet's term of office is terminated by Crédit Agricole S.A. and is due to a change in control or in strategy, Crédit Agricole S.A. shall be liable for severance pay, subject to meeting certain performance criteria.
The severance pay will be based on a sum corresponding to twice the total annual gross compensation received during the calendar year preceding the year in which the office was terminated. Any severance pay will fall on a straight line basis, with a one-fifth reduction for each full year as from 1 January 2010.

The performance-based criteria shall be the budget criteria tied to the performance of the Crédit Agricole S.A. Group, which factor in the organic growth of business activities as well as the cost of risk, that is:
- net banking income of the operational business lines (excluding Financial Management);
- operating income for the operational business lines (excluding Financial Management).

In the event that a severance payment is effectively made, Mr Chifflet shall not be entitled to receive his pension benefits before twelve months.
It is specified that such severance pay includes all other benefits, and more specifically, any benefit in connection with application of the non-compete clause.

- Non-compete clause

Upon termination of Mr Chifflet's term of office, regardless of the reason, Crédit Agricole S.A. may request that, as from that date, he refrain from directly or indirectly engaging in an activity on behalf of an entity that is a competitor of Crédit Agricole S.A., whether in the capacity of volunteer, employees, corporate officer or independent. This undertaking is confined to the banking sector and shall apply for a period of one year after the end of his term of office.

- Pension

Mr Chifflet will make contributions to the pension, provident and mutual insurance plans in effect within Crédit Agricole S.A. Supplementary pension plans include a combination of a defined contribution plan and a defined benefit plan, which is a top-up type scheme. Benefits accruing under the top-up scheme are determined after deduction of the annuity built up under the defined contribution plan. Contributions to the defined contribution plan amount to 8% of gross salary, capped at eight times the Social Security ceiling, with the beneficiary contributing 3%. Benefits under the top-up defined benefit plan are equal, subject to the beneficiary's presence until the end of the term, for each year of service, to 1.2% of fixed compensation plus variable compensation (capped at 60% of fixed compensation). Upon liquidation, the total pension annuity arising from these schemes and from the mandatory pension schemes will be capped at twenty-three times the annual Social Security ceiling as of that date.

Because of the failure to declare them to your Board of Directors, the aforementioned agreements and undertakings did not receive the prior authorisation specified by article L .225-38 of the Code de Commerce.

Neuilly-sur-Seine, 22 March 2010

The Statutory Auditors

PRICEWATERHOUSECOOPERS AUDIT Catherine Pariset et Pierre Clavié	ERNST & YOUNG ET AUTRES Pierre Hurstel

PERSON RESPONSIBLE FOR THE SHELF-REGISTRATION DOCUMENT AND FOR AUDITING THE ACCOUNTS

Responsability 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 certify that, to my knowledge, the financial statements were prepared in accordance with applicable accounting principles and give a true and fair view of the assets, financial position and results of the company and all consolidated companies, and that the management report on page 51 gives a true and fair view of the business activities, results and financial position of the company and all consolidated companies, along with a description of the main risks and uncertainties 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 document and read the document as a whole.

The historical financial information presented in this document was covered by the statutory auditors in their reports:
- for the financial year ended 31st December 2008 with an observation about the report on Crédit Agricole CIB's consolidated accounts and the general report on Crédit Agricole CIB's annual accounts;
- for the financial year ended 31st December 2009, appearing on pages 202 to 203 and 240 to 241 of this shelf registration document, which contain an observation.

Courbevoie, 23 March 2010

The Chief Executive Officer of Crédit Agricole CIB
Patrick Valroff

Statutory auditors

Primary statutory auditors

Ernst & Young et Autres Member of the Ernst & Young network	PricewaterhouseCoopers Audit Member of the PricewaterhouseCoopers network
Member of the Versailles regional association of statutory auditors Company represented by: Pierre Hurstel	Member of the Versailles regional association of statutory auditors Company represented by: Catherine Pariset et Pierre Clavié
Head office: 41 Rue Ibry 92576 Neuilly Sur Seine	Head office: 63 Rue de Villiers 92200 Neuilly Sur Seine

Alternate statutory auditors

Picarle et Associés	M. Pierre Coll
Member of the Versailles regional association of statutory auditors Company represented by: Denis Picarle	Member of the Versailles regional association of statutory auditors
Head office: Faubourg de l'Arche – 11 allée de l'Arche 92400 Courbevoie	63 Rue de Villiers 92208 Neuilly Sur Seine Cedex

Mandates

Length of statutory auditors' mandates

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

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

Length of alternate auditors' mandates

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

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

Cross-reference table

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

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(1) In accordance with article 28 of EC regulation 809/2004 and article 212-11 of the AMF's general regulations, the following are incorporated for reference purposes: the consolidated financial statements for the period ended 31 December 2008, the statutory auditors' report on the consolidated financial statements for the period ended 31 December 2008 and the Group's management report as presented on pages 51 to 115, 127 to 201 of Crédit Agricole CIB's 2008 shelf-registration document registered by the AMF on 14 April 2009 under number D.09-0235 and available on the Crédit Agricole CIB website (www.ca-cib.com).

Regulated information within the meaning of by Article 221-1 of the AMF General Regulation contained in this registration document can be found on the pages shown in the correspondence table below	Page number
This registration document, which is published in the form of the 2008 annual report, includes all components of the 2009 annual financial report referred to in paragraph I of Article L. 451-1-2 of the Code Monétaire et Financier as well as in Article 222-3 of the AMF General Regulation:	
Parent company financial statements and Statutory Auditors' report	205
Consolidated financial statements and Statutory Auditors' report	127
Management report	51
Statement by person responsible	252
Pursuant to Articles 212-13 and 221-1 of the AMF General Regulation, this document also contains the following regulatory information:	
Chairman's report on corporate governance and internal control and Statutory Auditors' report thereon	18
Annual information document	245
Description of share buyback programmes	N/A

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