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ACTIVITY REPORT 2013

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**SUPPORTING
TRANSFORMING
ACHIEVING**

—

A LEADING BANKING GROUP

Crédit Agricole Group is the leading partner of the French economy and one of the largest banking groups in Europe. It is the leading retail bank in Europe as well as the first European asset manager, the first bancassurer in Europe and the global leader in aircraft financing.

Built on its strong cooperative and mutual roots, its 150,000 employees and the 31,000 directors of its Local and Regional Banks, Crédit Agricole Group is a responsible and responsive bank serving 49 million customers, 7.4 million mutual shareholders and 1.2 million shareholders.

Thanks to its universal customer-focused retail banking model – based on the cooperation between its retail banks and their related business lines – Crédit Agricole Group supports its customers' projects in France and around the world: insurance, real estate, payments, asset management, leasing and factoring, consumer finance, corporate and investment banking.

Crédit Agricole also stands out for its dynamic, innovative corporate social responsibility policy, for the benefit of the economy. This policy is based on a pragmatic approach which permeates across the Group and engages each employee. Its recent inclusion in the Vigeo-NYSE Euronext extra-financial indices is recognition of this commitment.

60

SETUPS IN ALMOST
60 COUNTRIES WORLDWIDE

49 M

CUSTOMERS

150,000

EMPLOYEES

€5.1 Bn

NET INCOME
GROUP SHARE

€76.3 Bn

SHAREHOLDERS' EQUITY

11.2%

COMMON EQUITY TIER 1
RATIO FULLY LOADED*

* in January 2014

ORGANISATION DU GROUPE

7.4 million mutual shareholders underpin Crédit Agricole's cooperative organisational structure. They own the capital of the **2,483 Local Banks** in the form of mutual shares and they designate their representatives each year. **31,000 directors** carry their expectations. The Local Banks own the majority of the Regional Banks' share capital.

The **39 Regional Banks** are cooperative Regional Banks that offer their customers a comprehensive range of products and services. The discussion body for the Regional Banks is the *Fédération Nationale du Crédit Agricole*, where the Group's main orientations are debated.

The Regional Banks together own, **via SAS Rue La Boétie**, the majority of the share capital of Crédit Agricole S.A. (56.2%). Crédit Agricole S.A. owns 25% of the Regional Banks (excl. the Regional Bank of Corsica). It coordinates in relation with its specialist subsidiaries the various business lines' strategies in France and abroad.

THE UNIVERSAL CUSTOMER-FOCUSED BANK

RETAIL BANKS

SPECIALISED BUSINESS LINES



OTHER SPECIALISED SUBSIDIARIES:
Crédit Agricole Capital Investissement & Finance
(Idia, Sodica), Uni-éditions



**LEADING FINANCIAL PARTNER
OF THE FRENCH ECONOMY**



**NO. 1 BANCASSURER
IN EUROPE**



**NO. 1 EUROPEAN
ASSET MANAGER**

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Messages

from the Chairman and the Chief Executive Officer

2013 saw Crédit Agricole Group successfully refocus its model on customer-focused universal banking to serve financing the economy. This was reflected in the publication of a net income, group share, of 2,505 million euros for Crédit Agricole S.A. and 5,136 million euros for Crédit Agricole group.

As announced, Crédit Agricole CIB withdrew from brokerage to focus on the activities in which it excels. This involved finalising the disposal of CA Cheuvreux to Kepler Capital Markets in May and the sale of CLSA to CITICS in July. Our stake in Newedge will also be sold in the near future.

Crédit Agricole CIB maintained good business volumes in 2013, by winning significant structured finance mandates which put it among the top rankings, and by concluding some substantial investment banking deals. During the year, Crédit Agricole CIB also

made new commitments in Corporate Social Responsibility (CSR), notably by helping to define new standards for green bonds.

In our new medium-term plan published on 20 March, we confirmed the vocation of the Corporate and Investment Bank within the Group. Its distribution-origination model, which is already bearing fruit, enables it to focus on supporting its clients, which are major corporates and financial institutions, in order to arrange the most suitable financing solutions. Crédit Agricole CIB has put its expertise at the service of the Group, and will continue to do so, from its European base, while maintaining a very low risk profile.

My thanks go to all the teams, who remained mobilised throughout this year of change. I know that I can count on their commitment to carry through our new strategy.

[[
CRÉDIT AGRICOLE CIB
HAS OFFERED ITS
EXPERTISE TO THE GROUP
AND WILL CONTINUE
TO DO SO.
]]



Jean-Paul Chifflet
Chairman of the Board
of Crédit Agricole CIB



JEAN-PAUL CHIFFLET
Chairman of the Board of Directors
of Crédit Agricole CIB



JEAN-YVES HOCHER
Chief Executive Officer
of Crédit Agricole CIB

2013 was a satisfactory year for Crédit Agricole CIB. We are in line with our budget forecasts. Our net result Group share reflects the good performance of market activities and the recovery of financing activities. We must now extract the full potential of our new environment after several years dedicated to reducing our consumption of scarce resources and refocusing the perimeter of our activities, and begin 2014 with a certain optimism concerning our capacity to resume our development.

Group Crédit Agricole's new medium term plan announced in March defines development goals for Crédit Agricole CIB through to 2016 with a target ROE of 12%. Above all, this new project is an in-depth transformation project thanks to very determined development of our activities, as well as

initiatives to reduce expenses. Revenue growth objectives represent 3% per annum until 2016. To reach them we will need to strengthen our origination and distribution capabilities by capitalising on our leading positions in structured finance, and by developing our market activities in a profitable way. We will also focus our efforts on improving our operational efficiency in order to reach a 53% operating ratio. Finally, as a response to new regulatory constraints we will continue to follow very closely the management of our scarce resources.

With this project, our ambition is to complete Crédit Agricole CIB's transformation and to create a profitable corporate and investment bank based in Europe and present in the main financial centres, in order to serve the Group and its clients, whether they are borrowers or investors.

“
WE MUST
NOW TAKE FULL
ADVANTAGE
OF OUR NEW
ENVIRONMENT.”
”

Jean-Yves Hocher
Chief Executive Officer of Crédit Agricole CIB

WHO ARE WE

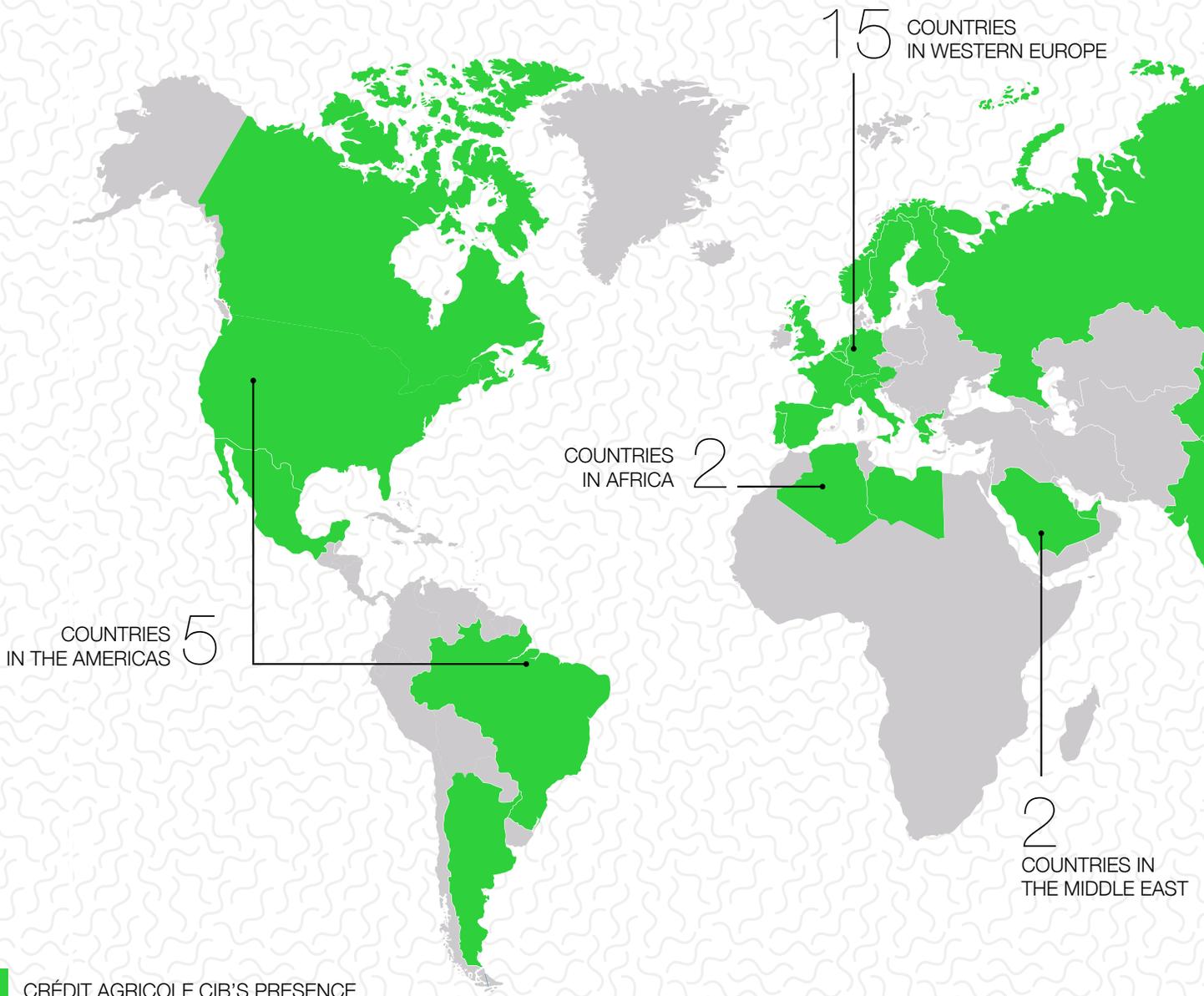
WE




We are the Corporate and Investment Bank of the
Crédit Agricole group, and we offer our borrower
and investor clients our expertise all over the world
in debt business lines, for classic or structured
financings, and in market or advisory activities.



Crédit Agricole CIB
 is **anchored in Europe**
 and active in the main world
 financial centres



AMERICAS
 Argentine
 Brazil
 Canada
 Mexico
 United States

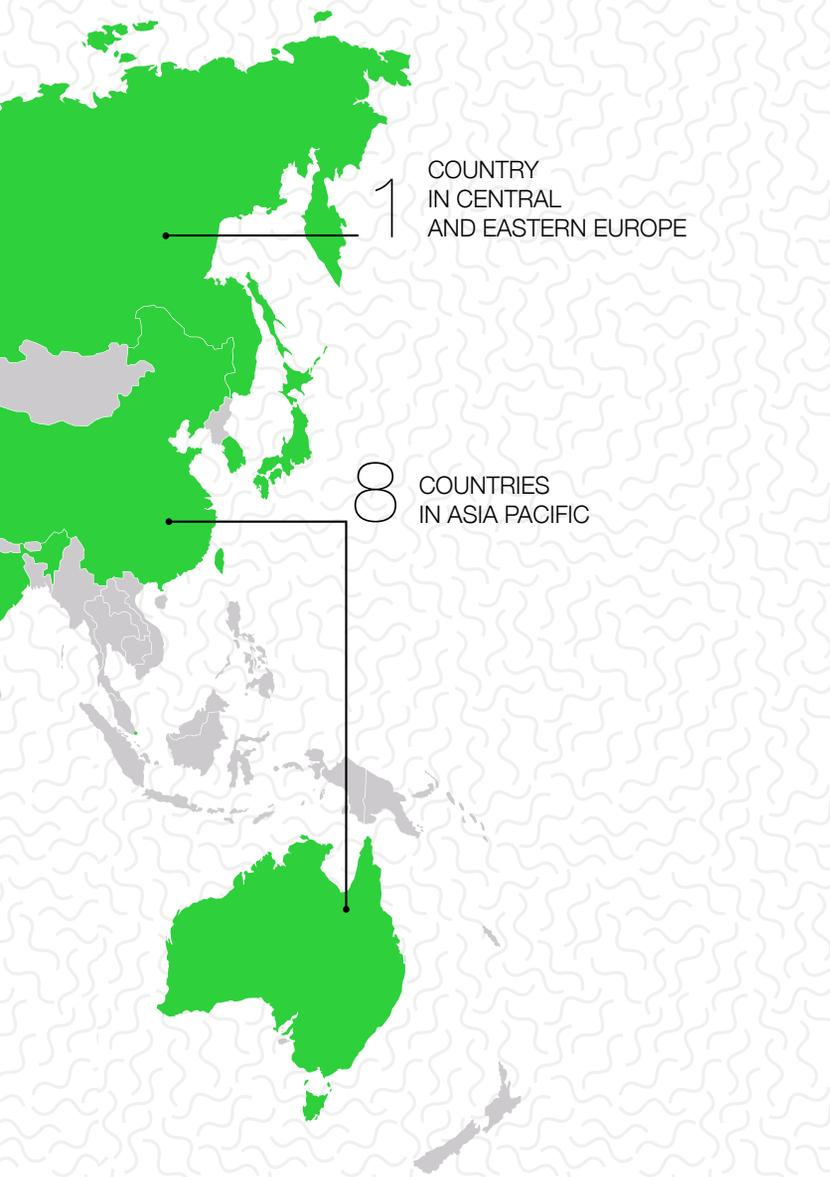
AFRICA
 Algeria
 Libya

ASIA PACIFIC
 Australia
 China
 Hong Kong
 India

Japan
 Singapore
 South Korea
 Taiwan

**CENTRAL
 AND EASTERN
 EUROPE**
 Russia

**WESTERN
 EUROPE**
 Austria
 Belgium
 Finland



Key figures

1,200
corporate clients

500
financial institutions

33
locations

7,260
members of staff in the world
(excluding private banking)

3,712
million euros in Net Banking Income

2013 overview

ACTIVITY AND ORGANISATION

To meet regulatory requirements in terms of liquidity, risk weighted assets and capital, Crédit Agricole CIB completed in 2013 its adaptation plan and becomes a Corporate and Investment Bank specialised in debt activities to serve its borrower and investor clients. With its distribution-origination model the bank is now focused on the business lines in which it excels, and on its core clients (1,200 large corporates and 500 financial institutions), with its 33 establishments. An agreement for the sale to Société Générale of its stake in the broker Newedge was signed on November 7th 2013 and brings an end to the series of equity broker disposals. Indeed, in May 2013 Crédit Agricole Cheuvreux was sold to Kepler to form Kepler Cheuvreux in which

Crédit Agricole CIB keeps a 15% stake, and in July 2013 CLSA was sold to the Chinese Group CITICS.

A new management team is in place since August 2013 with the appointments, beside Jean-Yves Hocher CEO, of Régis Monfront, Deputy CEO in charge of structured finance, coverage, commercial banking, the international network and investment banking activities; Jacques Prost, Deputy CEO in charge of Market activities, the Debt Optimisation and Distribution division, and the department of distressed assets; and Paul de Leusse Deputy CEO who supervises support functions.

In the medium term Crédit Agricole CIB's ambition is to increase its revenues and optimise its resources in order to increase its ROE to 12%. To strengthen its relations with its clients, a sector-based coverage of corporates was set up for 17 economic sectors. Furthermore, the role of Senior Country Officers was strengthened, with them taking in charge the relationship with the bank's large clients, thus enabling large and significant international transactions.

12%

target ROE
(Return on Equity)

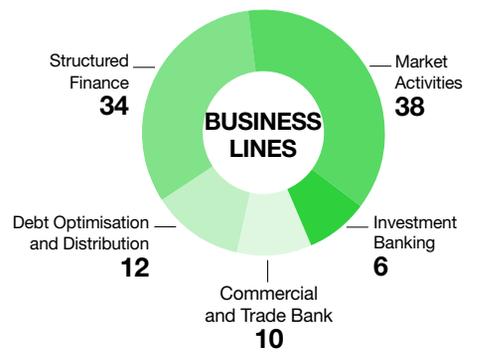
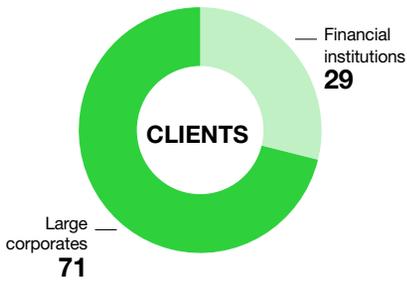
2013 ACHIEVEMENTS

In 2013 all the Bank's business lines performed well, allowing us to conclude exceptional mandates both in France and abroad. These very significant achievements (acquisition of Sprint by Softbank, acquisition of Smithfield by the Shuanghui group,

Arcelor Mittal capital increase, capital increase for Alcatel Lucent combined with the issuance of a high yield bond, to mention only the most significant transactions) illustrate the quality of the relationships Crédit Agricole CIB has forged with its large clients all over the world. In France

innovative transactions were concluded in 2013 for medium size companies, clients of the Regional banks, thanks to Crédit Agricole Group's expertise: the first bond placement for Fromageries Bel, Orphéa's convertible bond issue, the second privately placed bond for Ubisoft and Tarkett's IPO.

NBI BREAKDOWN (%)



Established in London since 1870, Crédit Agricole CIB has developed durable relations with British corporates and financial institutions.



In Asia Cr dit Agricole CIB is present in 8 countries (China, India, Japan, South Korea, Hong Kong, Singapore, Taiwan and Australia) and has more than 1200 members of staff

Within the **Financing Bank**, Structured Finance maintained its global leading positions in spite of a deteriorated environment in Europe and an energy market going through deep change. In 2013 many mandates were obtained and several were honoured with awards, in particular in the Aircraft, Rail and Project finance sectors. In cooperation with Market activities, several innovative infrastructure bond transactions (project bonds) were set up in euros and in dollars, allowing Cr dit Agricole CIB to be ranked 2nd global lead arranger for project bonds in euros for the year 2013 (*Project Finance International*).

The **commercial bank** was able to finalise its transfer offering in line with SEPA international standards, and JP Morgan singled out its back office teams for the third consecutive year for the quality of its payment instructions.

The **Debt Optimisation and Distribution** business line grew strongly which allowed it to improve its rankings in syndication: 9th worldwide outside of the United States in 2013 compared with 13th in 2012 (*Dealogic*) and 3rd in Western Europe in 2013 (*Thomson Reuters*).

OUR AWARDS



In 2013 **Market activities'** commercial performance was good with corporate and financial institution clients, thanks in particular to a better alignment of commercial functions and the construction of distribution platforms for products in euros and dollars. Debt activities performed well in particular in flow products for financial institutions (senior debts and covered bonds) thus obtaining the "best syndicate bank" award and "best covered bond research" for the 3rd consecutive year (*Euroweek, The Cover Covered Bond Awards, September 2013*). Many innovative transactions were concluded in the area of green bonds where Crédit Agricole CIB has a leading position for public issuers (EDF, IFC), and in the area of European private placements with a first transaction for an un-listed and un-rated agricultural cooperative (Agrial).

2013 was for the **Investment banking** a year during which the Equity Capital Markets (ECM) business grew, making it the only French bank to be a bookrunner in every French IPO of more than 50 million

euros. Thanks to its sector expertise, Crédit Agricole CIB advises its large clients in the retail sector, in the luxury and spirits sector and in the energy sector, in particular renewable energy. Crédit Agricole CIB also comforted its leading position for setting up employee savings plans.

In terms of corporate and social responsibilities Crédit Agricole CIB made new commitments in 2013, both towards its clients and its staff. New sector policies in transport will complete those announced in 2012. Crédit Agricole CIB was involved in defining the new green bonds principles with Bank of America Merrill Lynch, Citi and JPMorgan Chase. Finally, the launch of Solidaires by Crédit Agricole CIB encourages voluntary work by members of staff for charities active.

Net result
group
share
in 2013
in million
euros

1,012

Strategic CIB



Aircraft
Finance
House
of the year

(Global Transport Finance)



Best bond
syndication

(Euroweek / the Cover Covered
Bond Awards)



Best covered
bonds
research

(Euroweek / the Cover Covered
Bond Awards)



Second
investment
bank
in France

(Dealogic)



Bank of
the year
in project
finance
for Europe

(PFI Awards 2013)



Best
Uridashi
House

(Capital Markets Daily Awards)

Mixed economic *outlook*

**Isabelle Job-Bazille,
Credit Agricole group's
Economic Research Director,
outlines the main trends
for the world economy
and the mixed prospects
for a business recovery.**

ARE WE FINALLY RETURNING TO A DURABLE GROWTH?

In Europe we have endeavoured at all costs to stabilise our economies in order to restore a climate of trust, and following this to restore growth. Unfortunately this choice dragged the Eurozone in a harmful spiral with a 'dividing effect', as all countries were compressing internal demand at the same time with widespread and ill-judged austerity programmes. A timid business recovery appeared only at the end of 2013.

HOW DO YOU EXPLAIN THAT THE RECOVERY IS MUCH STRONGER IN THE US?

In Europe, as we just mentioned, we dealt with all the adjustments at the same time: reducing public deficits, restoring competitiveness by reducing labour costs, deleveraging private and banking balance sheets, leading to depressing effects on economic activity.

As often, the United States were more pragmatic and maintained a high level of public activism to preserve growth at all costs. They chose to make the adjustments in different phases, encouraging private deleveraging to begin with while maintaining a very supportive policy mix. Monetary

authorities intervened massively in the markets to buy real estate based securities in order to restoring the value of these assets. This avoided a generalised bankruptcy spiral as real estate is used as security for household debt. The Federal reserve (Fed) also bought government debt (it now owns 10% of public debt). The last phase of this policy, Quantitative Easing, consisted in injecting liquidity to the tune of 85 billion dollars a month until December 2013! The United States also maintained for longer a supportive fiscal policy, which was removed painlessly when growth resumed.

CAN THE HARDENING OF US MONETARY POLICY BREAK THIS RECOVERY?

The normalisation process is going to be very gradual... For the moment policy makers are only very slowly reducing the rate of tapering. The Fed will steer market anticipations very gently to exit these exceptional policies very softly, which means without an untimely interest rate rise. But certainly markets are now used to this "hyper" liquidity and the phasing-out will be tricky.

WHAT ARE THE MAIN RISKS TODAY?

The scheduled termination of the Fed's quantitative easing policy led to capital flight from emerging countries. India, Turkey, Indonesia, Brazil and South Africa, the countries most vulnerable to this instability, all have significant external deficits increasingly financed by speculative capital looking for yields. Receding capital revealed the fragile foundations of a growth based on increasing financial imbalances. The countries concerned should be able to adjust without damaging economic activity too much. Nevertheless, movements of panic

Private sector debt* in
the United States as a
percentage of GDP

156

*Household and non-financial companies debt,
3rd quarter 2013 (The Federal Reserve, Bureau
of Economic Analysis)

cannot be excluded with ill-controlled contagion effects that could derail the recovery in emerging countries and consequently in developed countries.

Globally, the world economic environment is improving, but the recovery will not be a traditional one, and will remain constrained by structural breaks linked to a slow and unfinished deleveraging process. In the United States the growth model remains too focused on the consumer whose willingness to spend is vulnerable to the pendulum of finance and the wealth effect that goes

with it. In Europe a recovery of investment is required. Employment and consumption will remain the weak links of the recovery, which will therefore remain fragile.

HAS THE SITUATION OF EUROPEAN BANKS STABILISED?

Pressured by regulatory authorities, banks made great efforts to increase their financial strength. The Asset Quality Review (AQR), which will be carried out in 2014 is an effort to increase the transparency and standardisation of financial data to durably anchor confidence. The European Banking

Authority (EBA) will then test their resilience to shocks. This appraisal of the situation and the resilience tests should be sufficiently harsh to be credible, without generating too high recapitalisation requirements, which should reassure the markets. To believe on the other hand that credit will play an accelerating role would be a mistake. It is a lever that needs to be used cautiously in a world that is already overloaded with debt.

Written on March 18, 2014.



ISABELLE JOB-BAZILLE,
Economic Research Director,
Crédit Agricole group

“
EUROPE DEALT
WITH ALL THE
ADJUSTMENTS
SIMULTANEOUSLY.
”



JACQUES PROST

Deputy Chief Executive Officer

Graduated from Sciences Po Paris and has a DESS in financial markets, was appointed on August 26th 2013 and supervises market activities, debt optimisation and distribution activities and the management of distressed assets.

RÉGIS MONFRONT

Deputy Chief Executive Officer

Graduated from HEC and has a bachelor's degree in Law, supervises structured finance and investment banking. He is also in charge of the Coverage of large clients and of the international network.

PAUL DE LEUSSE

Deputy Chief Executive Officer

Graduated from École Polytechnique and civil engineer of the Ponts et Chaussées. Was appointed on August 26th 2013 and supervises support and steering functions.

JEAN-YVES HOCHER

Chief Executive Officer

Graduated from AgroParisTech and ENGREF, he supervises General Audit, Compliance and the General secretary. He is also deputy CEO of Crédit Agricole S.A. and in this capacity supervises Private Banking activities.

The executive committee

Ivana
BONNET
Human
Resources

Paul
de LEUSSE
Deputy Chief
Executive Officer

Jean-Yves
HOCHER
Chief Executive
Officer

Hélène
COMBE-GUILLEMET
Investment Banking

Thierry
SIMON
Client Coverage and
International Network

Jacques
de VILLAINES
Structured
Finance

Bertrand
HUGONET
Corporate
Secretary and
Communications

Régis
MONFRONT
Deputy Chief
Executive Officer

Thomas
GADENNE
Market Activities

Frédéric
COUDREAU
Operations

Jacques
PROST
Deputy Chief
Executive Officer

Catherine
DUVAUD
Compliance

Daniel
PUYO
Risks and
Permanent
Control

Frédéric
MERON
Finance

Jean-François
BALAY
Debt Optimisation
and Distribution

Pierre
DULON
Information
Technology



The management committee and the extended executive committee

on February 13th 2014

GENERAL MANAGEMENT

Jean-Yves Hocher
Paul de Leusse
Régis Monfront
Jacques Prost

CLIENT COVERAGE & INTERNATIONAL NETWORK

Thierry Simon
Jérôme Bernard
Emmanuel Bouvier d'Yvoire
Guillaume Lefèbvre
Thierry Hauret
Gérald Massenet
Stéphane Publie
Antoine Sirgi

SENIOR REGIONAL OFFICER AMERICAS

Jean-François Deroche

SENIOR REGIONAL OFFICER ASIA-PACIFIC

Marc-André Poirier

SENIOR REGIONAL OFFICER EUROPE MIDDLE EAST AFRICA & UNITED KINGDOM

Arnaud Chupin

SENIOR COUNTRY OFFICER GERMANY

Frank Schönherr

SENIOR COUNTRY OFFICER ITALY

Philippe Pellegrin

SENIOR COUNTRY OFFICER JAPAN

Michel Roy

SENIOR COUNTRY OFFICER SPAIN

Juan Fabregas

SENIOR COUNTRY OFFICER RUSSIA

Erik Koebe

BANK SAUDI FRANSI

Patrice Couvègnes

CORPORATE SECRETARY & COMMUNICATIONS

Bertrand Hugonet
Anne Robert

INTERNATIONAL SUPPORT

Eric Lechaudel

DEBT OPTIMISATION & DISTRIBUTION

Jean-François Balaÿ
Christophe Cretot
Xavier Fessart
Gary Herzog
Atul Sodhi

ORGANISATION & TRANSFORMATION

Romain Jérôme
Isabelle Monier-Vinard

DISTRESSED ASSETS

Julian Harris
Emmanuel Bapt
Christine Morisseau
Bernard Unger

FINANCE

Frédéric Méron
Philippe Crénin
Luc Giraud
Olivier de Koning
Paul Milleliri
Philippe Morin
Michel Robert

COMPLIANCE

Catherine Duvaud
Thierry Brault
Olivier Godin

INVESTMENT BANKING

Hélène Combe-Guillemet
Jean-Michel Berling
Stéphane Ducrozet
Pierre Marlier
Hatem Masmoudi
Bertrand Peyrelongue
Bernard Vignoles

INFORMATION TECHNOLOGY

Pierre Dulon
Pierre-Yves Bollard
David Litot
Gilles-Henri Roux
Philippe Sersot

MARKET ACTIVITIES

Thomas Gadenne
Eric Chèvre
Laurent Cote
Franck Dargent
Vincent Fleury
Pierre Gay
Tim Hall
Arnaud d'Intignano
Vincent Leclercq
Philippe Rakotovao
James Siracusa
Thomas Spitz
Frédéric Truchot

OPERATIONS

Frédéric Coudreau
Pascal de Mentque
Valérie Sauvage
Serge Moutot

SOURCING & PROCUREMENT

Hervé Molmy

INTERNAL AUDIT

Jean-Pierre Trémenbert
Cécile Bennehard

HUMAN RESOURCES

Ivana Bonnet
Bernard Calvet
Jean-Paul Kaouza

LEGAL

Bruno Fontaine
Femke Blancquaert
David Sheldon

RISKS & PERMANENT CONTROL

Daniel Puyo
Patricia Bogard
Boualem Boukaiba
Guillaume Faÿ
Gilles Gantois
Jean-Claude Gelhaar
Eric de Lambilly
James Webb

STRUCTURED FINANCE

Jacques de Villaines
José Abramovici
Olivier Audemard
Alexandra Boleslawski
C.-H. de Chaudenay
Laurent Chenain
Thibaud Escoffier
Pierre Glauser
J.-F. Grandchamp des Raux
Jean-Luc Kleis
Jamie Mabilat
François Martin
François Pasquier
Nicolas Vix

CRÉDIT AGRICOLE PRIVATE BANK

Christophe Gancel

 Members of the
Extended Executive
Committee

—

The board of directors

on February 13th 2014

—



JEAN-PAUL CHIFFLET
Chairman



EDMOND ALPHANDÉRY
Director



PHILIPPE BRASSAC
Director



FRANK E. DANGEARD
Director



MARC DESCHAMPS
Director



JEAN-FRÉDÉRIC DREYFUS
Director



DENIS GASQUET
Director



FRANÇOIS IMBAULT
Director



MARC KYRIACOU
Director



DIDIER MARTIN
Director



MICHEL MATHIEU
Director



NATHALIE PALLADITCHEFF
Director



JEAN-PIERRE PAVIET
Director



JEAN PHILIPPE
Director



JEAN-LOUIS ROVEYAZ
Director



FRANÇOIS THIBAULT
Director



JEAN-PIERRE VAUZANGES
Director



FRANÇOIS VEVERKA
Director



We have historical expertise and we are among the very best banks worldwide in project, aviation and ship finance, in credit syndication and in bond issues in euros. We are proud to be the world leader in social and environmental finance.

WHAT WE DO



Introducing IFC to European investors

2013 stands out as a year in which Green Bond issues took off, confirming investors' appetite for these issues. Among the most remarkable issues was IFC's (International Finance Corporation), a member of the World Bank group, which was assisted by Crédit Agricole CIB's teams.

IFC: A MAJOR PLAYER IN DEVELOPMENT AID

IFC is the world's largest institution dedicated to development aid. Its initiatives in more than 100 emerging countries help to create jobs and to preserve the environment. In 2013, IFC invested 2.5 billion dollars in projects linked to renewable energies and energy efficiency. In 2015 it intends to increase this amount to 3 billion dollars a year.

To finance these projects in emerging countries, IFC regularly issues bonds. In

February 2013, a first 1 billion dollar green bond, the largest ever, was a great success with US investors. In November 2013, for its second green bond of the year, IFC was determined to widen its investor base and diversify the distribution of this product in Europe. It therefore approached Crédit Agricole CIB, the only European bank with an expertise in financial structuring for its clients' Corporate and Social Responsibility policies, and mandated it as joint bookrunner for this one billion dollar green bond.

A GREAT SUCCESS WITH INVESTORS

The issue was a great success with investors, in particular European investors with which Crédit Agricole placed 37% of the overall amount. Socially responsible investors responded well and subscribed 74% of the total amount. Green bonds are innovative tools allowing them to follow their investments in terms of the expected environmental and social benefits of the projects financed. This is a new area of development for responsible investment focused on the investment's goal and not only on the issuer's ESG (Environmental, Social & Governance) qualifications.



**The World
Bank**

Since 2008 the World Bank has raised more than 4.5 billion dollars through 60 green bond issues. IFC issued 3.4 billion dollars, of which two significant transactions of one billion dollars each in 2013.

WHAT IS A GREEN BOND?

A green bond is a bond issued in the market to finance projects that generate environmental or social benefits.

billion dollar
green bond



HENRI KUPPERS
Global head of the Sovereign sector,
Crédit Agricole CIB

“Crédit Agricole CIB brings its know-how in terms of structuring, its knowledge of investors and its distribution capabilities, allowing IFC to consolidate its leading position in the development of this new kind of issue.”



EVELYN HARTWICK
Director of socially responsible
bond programmes, IFC

“When we decided to reach European investors we naturally went to Crédit Agricole CIB, which also has a team advising in the area of social and environmental finance.”



BENJAMIN POWELL
Head of Funding, IFC Treasury

“IFC’s objective is to support the growth of the Green Bond market, by issuing benchmark-sized bonds that showcase strong demand from investors globally.”

Inventing new ways to finance the energy transition with **EDF** thanks to its first green bond

While development banks still represent nearly two thirds of green bond issuers, corporates and local authorities are increasingly interested in this market which attracts more and more investors determined to include environmental, social and governance criteria in their investments.

1.4
billion euro
green bond issue

AN INNOVATIVE FINANCIAL INSTRUMENT THAT SERVES EDF'S STRATEGY

EDF is actively engaged in the development of renewable energies and has become the leading European producer in terms of installed capacity. Its strategy is to increase to 25% in 2020 the share of renewable energies in its installed capacity (20% in 2013), in order to support the change in energy markets in a responsible way.

To finance the projects of its subsidiary EDF Energies Nouvelles specialised in renewable energies, EDF issued a 1.4 billion euro green bond in November 2013 (7.5 years maturity with a 2.25% annual coupon). It is the first green bond ever issued by a large corporation. It is also the largest green bond ever issued in the world, all issuers taken into account. Commitments concerning the use of funds were defined, putting this issue at the top of market standards.

The funds will be exclusively allocated to renewable energy projects in line with the environmental and social criteria approved by the extra financial rating agency Vigeo. Furthermore, to be completely transparent, the projects selected will be published and the Deloitte consultancy firm will certify the use of funds.

STRONG INVESTOR APPETITE

This very large issue was a great success with investors, in particular with the increasing number of investors that include social, environmental and governance criteria in their investment choices.

For EDF the goal was to diversify its investor base, to highlight the importance of renewable energies in its current mix and in its industrial strategy and to support the development of the new green bond market. Crédit Agricole CIB was one of the three lead managers of this issue and actively supported EDF to structure the transaction and place it with investors. At the end of 2013, 192 million euros had already been allocated to three wind farm projects in France, Canada and the United States, and to a bio-methane project in the United States*.

The success of this issue can be explained by the quality of the structuring, which brings together in a single transaction all the best market practices, thus defining a new standard. With this green bond EDF and its banking partners demonstrate that it is possible to invent new ways of financing the energy transition.

* (Annexes to the presentation of EDF's results for 2013 - 13 February 2013).



A green bond requires the mobilisation of many skills, in particular in terms of coverage, sustainable banking and bond origination.



Green Bond Principles

Four banks (Bank of America Merrill Lynch, Citi, Crédit Agricole CIB and JPMorgan Chase) have defined green bond principles that were made public in January 2014. Their goal is to provide advice to issuers and to define a green bond framework for the use of funds, for the project evaluation and selection process, for the follow-up of funds raised and for reporting purposes.

“ THIS IS A MAJOR STEP TOWARDS GREATER CONSISTENCY, WHICH SHOULD ENCOURAGE ENVIRONMENTAL AND SOCIAL INVESTMENTS. ”

TANGUY CLAQUIN
Head of social and environmental
finance advisory

Focusing our energies and our network for a major acquisition by Shuanghui

The acquisition of Smithfield by Shuanghui is one of the major transactions of 2013 and was honoured with many awards. How did Crédit Agricole CIB teams respond to the external growth project of its client?

SHUANGHUI/WH GROUP'S INTERNATIONAL GROWTH

Shuanghui was created in 1958 in Luohe in the Henan province. In the 1980s the company grew strongly in the domestic Chinese market and then abroad. It has now become the first producer of Chinese pork with 60,000 staff working throughout

the world and 13 factories that produce more than 2.7 million tons of meat a year. In September 2013, Shuanghui announced the acquisition of Smithfield Foods Inc., the largest producer of pork in the US, for 7.1 billion dollars. In this transaction, the largest acquisition of an American company by a Chinese one, Crédit Agricole CIB acted as mandated joint bookrunner and joint lead arranger for the 4 billion dollar syndicated loan in favour of Shuanghui. Eight banks, two Chinese Banks and six international banks, underwrote the syndication which was a great success.

In January 2014, Shuanghui changed its name and became WH Group, standing for Wanzhou Holdings. Wanzhou is composed of two ideograms that mean eternity and continents. A fitting symbol of its international ambition!

7.1 billion dollars for the acquisition of Smithfield Foods Inc.

THE PROSPECTS FOR THE AGRO-FOOD SECTOR

The agro-food sector will go through deep changes in the coming years. Challenges linked in particular to climate change, technological innovation and bio-fuels will encourage certain players to cooperate more within the value chain, while others will group their expertise, rationalise their portfolio of holdings and their organisation. In this environment many M&A cross border transactions like WH Group/Smithfield are possible.



“
THE SUPPORT OF
CRÉDIT AGRICOLE CIB
AND OF ITS NETWORK
WAS CRUCIAL
FOR US.
”

**ZHIJUN YANG,
WH GROUP'S CEO**

“This strategic combination with Smithfield Foods allows us to create a leading global pork enterprise. It marks a new chapter for both of our fine organizations as we formally begin a partnership that will benefit our customers, employees, producers and partners. Together we look forward to utilizing our individual strengths, including WH Group’s extensive distribution network in China and Smithfield’s leading production and safety protocols, to provide high-quality products to consumers worldwide. We appreciated very much the great support extended by Crédit Agricole CIB, thanks to its international network, in this milestone financing transaction of our group. This financing paved the way for our group to establish good relationships with a number of international banks including Crédit Agricole CIB. It is our wish to build our relationship with Crédit Agricole CIB as a long-term business partner.”



**Best China Deal and
Best Cross Border
M&A Deal**
(FinanceAsia Achievement Awards 2013)



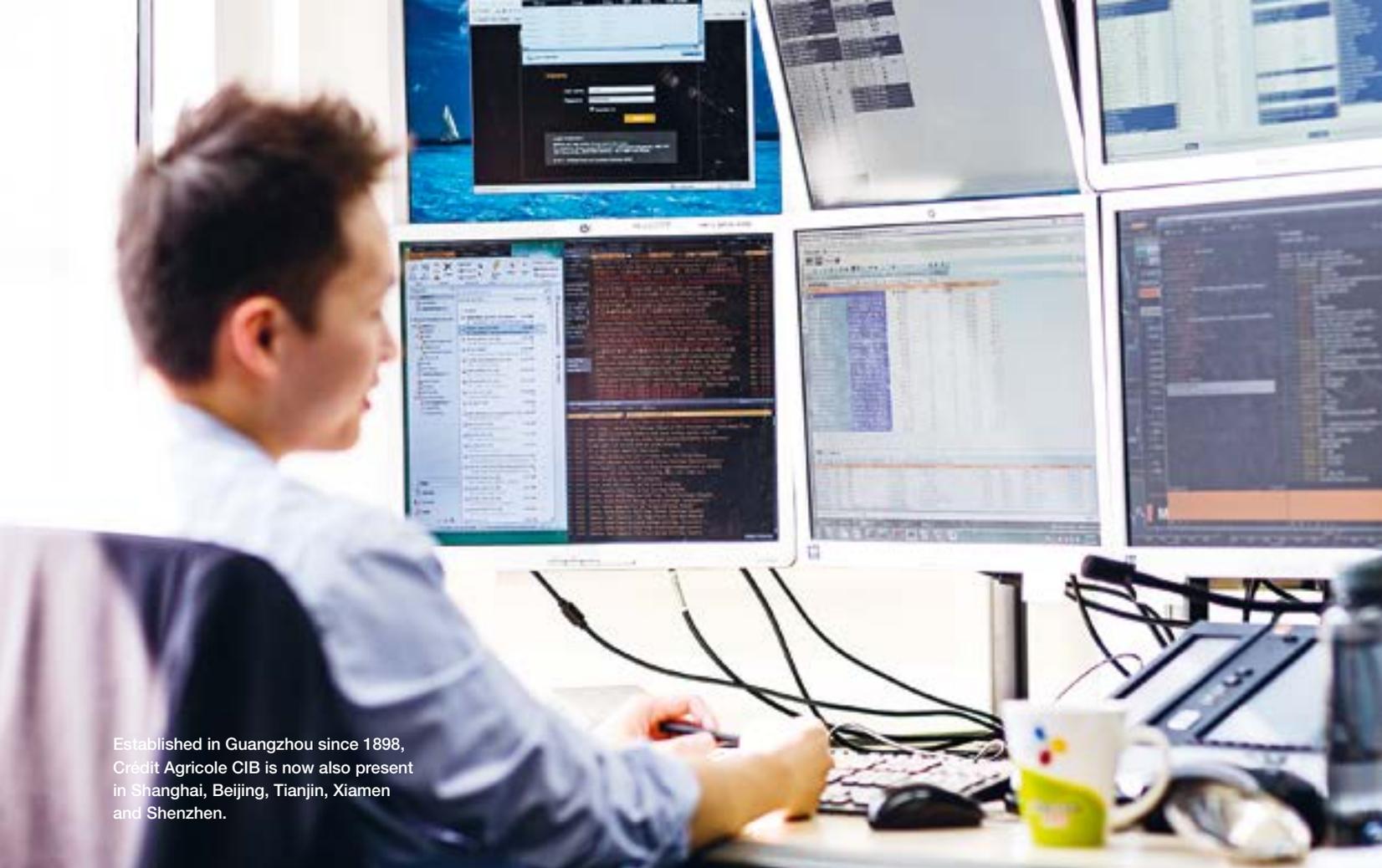
**Best Deal in
North China**
*(The Asset Triple A Country
Awards 2013 North Asia)*



**Highly
commended
Best cross-
border M&A**
*(The Asset Triple A Regional House
and Deal Awards 2013)*



**Best M&A
Deal**
*(Asiamoney/EuroWeek
Asia Awards 2013)*



Established in Guangzhou since 1898, Crédit Agricole CIB is now also present in Shanghai, Beijing, Tianjin, Xiamen and Shenzhen.

CRÉDIT AGRICOLE CIB'S STRATEGIC SUPPORT

"We made our first contacts with WH Group in the framework of our strategic review of the agro-food sector", explains Xavier Roux, Crédit Agricole CIB's Senior Country Officer in China. "At the time WH Group's leaders wanted to develop abroad. What were Crédit Agricole CIB's assets to accompany WH Group? Our global rankings in the Chinese market in terms of acquisition finance and syndication and our knowledge of the sector and its main players allowed us to advise the client very early on."

This transaction required very diverse expertise in Asia, the United States and in France in several different business lines: acquisition finance, syndication, capital markets, risks and legal. With this exceptional transaction Crédit Agricole CIB demonstrated its capacity to mobilise rapidly and efficiently complementary and international teams.

“
OUR KNOWLEDGE OF THE
AGRO-FOOD SECTOR IS AN
ASSET FOR OUR CLIENT.
”

XAVIER ROUX
Senior Country Officer,
Crédit Agricole CIB

Helping **ORPEA** transform the dependent care sector

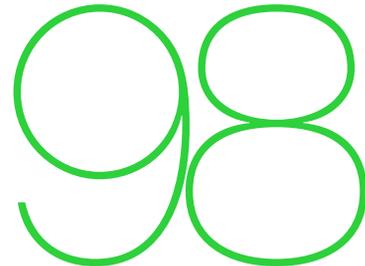
The strong and durable relationship built over many years between the Crédit Agricole group and Orpea, the European dependent care specialist, allowed Crédit Agricole CIB to accompany this client in the various key stages of its growth.

ORPEA is actively involved in the professionalization and consolidation of its sector which means it has to be able to access significant financings. Orpea is used to

market transactions and has always listened closely to the bank's innovative offers.

Crédit Agricole CIB and its Equity Capital Markets' expert team (primary equity market and convertible bonds) were mandated as joint bookrunner for its bond issue, which is convertible in ORPEA shares (ORNANE). This issue was a great success (it was oversubscribed four times). It initially represented 150 million euros and was increased to 198 million euros after over allocation. This symbolic transaction will allow ORPEA to pursue the strategy it launched in 2010 to dis-intermediate and improve its financial structure, which was intensified last year with several bond issues. Furthermore, it consolidates ORPEA's access to the European convertible bond market, which represents an abundant source of financing.

A



million euros
convertible
bond issue



Experts from primary equity markets, convertible bond markets and the legal department worked with the senior banker to guarantee the success of this transaction.

Partnering with **VINCI** over the medium term for the success of its strategic project

VINCI, a world player in the concessions and construction businesses, decided several years ago to accelerate its development in the airport sector and become a major player in this sector. This is how Crédit Agricole CIB supported its client in this transformation project.

The VINCI Group radically changed its strategy with the acquisition of ANA, the Portuguese airports concession company. This acquisition gives it a critical size internationally in the airport sector, a new growth driver compared with more mature activities such as car parks.

Until now, VINCI had in the airport sector a portfolio of 13 airports representing nearly 10 million passengers, with 10 regional airports in France, 3 airports in Cambodia and a stake in Aéroports de Paris.

The company had looked at several acquisition projects with Crédit Agricole CIB,

and at the end of 2012, when the Portuguese government decided to sell ANA, VINCI and Crédit Agricole CIB teams identified this acquisition as a major strategic opportunity. ANA operates 10 airports in Portugal: on the continent (Lisbon, Porto, Faro, Beja), in the Acores (Ponta Delgada, Horta, Flores and Santa Maria) and in Madeira (Funchal and Porto Santo). Overall, these airports welcomed more than 30 million passengers in 2012, of which 80% were international passengers, with traffic growing strongly (4% on average over the last 10 years). With a 15% market share in traffic with Latin America (and 25% with Brazil), the Portuguese company fully benefits from the dynamism of South American emerging economies.

At the end of December 2012 the Portuguese government selected VINCI. Crédit Agricole CIB acted as an adviser in this 3 billion euro acquisition. The expertise of Mergers & Acquisitions, Debt and Rating teams were mobilised. The acquisition contract for ANA's stock was signed in February 2013, and once the European Union approved ANA's privatisation, the acquisition was finalised by VINCI in September 2013.



ANA
ANA has a 50-year concession
for the 10 Portuguese airports



3
billion euros
for the acquisition of ANA



CHRISTINE MARCHAL
M&A Crédit Agricole CIB

“Crédit Agricole CIB enjoys a strong franchise in the airport sector. Supporting VINCI in an acquisition that allows it to become a major international airport operator is a very gratifying experience for all our teams.”



LOUIS-ROCH BURGARD
CEO of VINCI Concessions

“Crédit Agricole CIB has supported us for a long time. They are a long-term partner. Their teams have always been very serious and professional. It seemed natural that Crédit Agricole CIB should advise us in this complex transaction, which is also a transformative project for VINCI concessions.”



LAURENT FRIEDLI
Senior Banker for VINCI,
Crédit Agricole CIB

“Crédit Agricole CIB has demonstrated its capacity to offer one of the bank’s large clients a global advisory service in M&A, financing and rating for a strategic transaction. We are proud to have contributed, with our sector expertise and the coordination of the several business lines involved, to the success of this great external growth project.”

An innovative **project bond** to refinance a highway in Puerto Rico

The need for new infrastructure is increasing while public expenditure is decreasing because of states' efforts to reduce their debt. Simultaneously, some banks have significantly reduced their loans to public authorities and their direct involvement in project financing. New solutions to finance infrastructure are nevertheless arising thanks to the bond markets.

In spite of new constraints on banks' balance sheets, Crédit Agricole CIB has adapted and is able to continue to support its international clients in their development and in the financing of their infrastructure projects. The bank is relying on an innovative product: project bonds are bonds that finance large projects on the basis of their future revenues. In the case of the PR22 highway in Porto

Rico, Crédit Agricole CIB enabled its client to access the capital of American institutional investors via the bond markets.

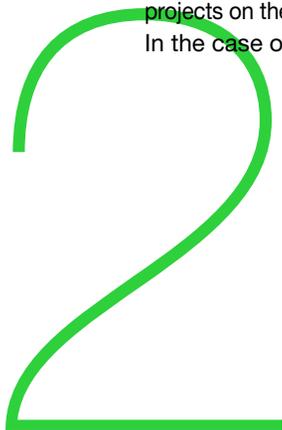
THE LARGEST INFRASTRUCTURE PRIVATISATION IN 2011

The PR22 and PR5 highways are central in the Puerto Rican toll road network. In 2011, the State of Puerto Rico granted the right to operate and manage its two toll highways to 'Autopistas Metropolitanas de Puerto Rico, LLC', a consortium formed by Abertis and Goldman Sachs Infrastructure Partners ("GSIP").

Crédit Agricole CIB had at the time acted as lead arranger for the financing of the privatisation of the PR22 and PR5 highways.

This transaction was at the time the largest privatisation of infrastructure carried out in North America in several years, and the largest private investment in infrastructure in the United States in 2011.

The privatisation was carried out through a 40-year concession agreement for the financing, the operation and the maintenance



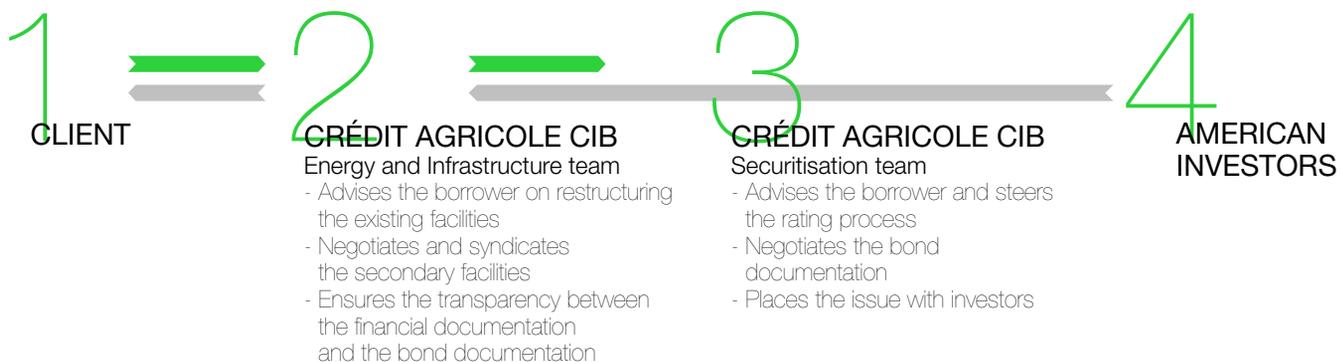
nd
European lead
arranger for project
bonds

(Euromoney PFI december 2013)



th
Global mandated
arranger for project
finance

(Thomson Reuters december 2013)



of the highways, concluded by the consortium with the Puerto Rico Highways and Transport Authority. An accelerated investment programme aimed at renovating these two highways and improving security was then launched over a three-year period.

insurance companies and asset managers. This transaction is significant in several ways: it is the first US private placement involving a toll highway with a traffic risk since 2006, and the first refinancing in the form of a project bond in Puerto Rico.

AN INNOVATIVE FINANCING IN THE FORM OF A PROJECT BOND

In August 2013, for the refinancing of the highways, Crédit Agricole CIB’s teams offered a complete solution to access long-term capital from institutional investors in the US market. Crédit Agricole CIB acted as a joint structuring agent and joint bookrunner for this innovative refinancing in the form of a 435 million dollar project bond.

The final order book was composed of large US institutional investors, mainly

PROJECT BONDS

Project bonds are bonds financing large projects in the energy or infrastructure sectors, based on their future revenues and without any recourse to the sponsors. New liquidity constraints for Banks naturally led to the development of these project bonds. Public authorities also support these transactions; the European Investment Bank in particular has set up a project bond initiative. Its goal is to stimulate the financing of large infrastructure projects in the capital markets.

Helping to **create** the world's third largest **mobile network** operator

After supporting Softbank in financing the acquisition of Sprint, Crédit Agricole CIB led Sprint's bond issue, the second largest high yield issue ever carried out.

Softbank was created in 1981 and grew very rapidly in the mobile network sector these last ten years. The company is the second largest mobile network operator in Japan and one of the leaders in the digital economy. With the acquisition of Sprint, number 3 in the US mobile network sector (with 16% market share), it tripled the number of its customers. This is a decisive step in Softbank's international development, and it is now the third largest mobile operator worldwide in terms of revenues after China mobile and Verizon.

In Japan, thanks to a long-lasting relationship, Crédit Agricole CIB was able to offer Softbank its expertise in the telecommunications sector and mobilise its teams in Europe, Asia and in the United States to

play a crucial role in this exceptional transaction. The bank acted as joint bookrunner for the 3.3 billion dollar bond issue and for the 20 billion dollar syndicated loan. It is the largest acquisition ever carried out in the United States for a Japanese company in the telecommunications sector.

In the United States, even before the acquisition was finalised, reassured by the fact that Softbank had become Sprint's main shareholder, Crédit Agricole CIB played an important role as a joint bookrunner in a 3 billion dollar revolving loan. In a very short time, and thanks to the mobilisation of its various teams in the US, Crédit Agricole CIB was able to obtain a joint bookrunner mandate for a 6.5 billion dollar bond issue in favour of a company that wasn't one of its clients just six months earlier.



The telecoms sector

This sector is currently going through a consolidation phase all over the world. This stems in particular from the challenges operators must face in terms of investments, technological change and increased competition from operators and from new Internet players. The capital markets are very active in this sector, facilitating this consolidation.



Best transaction of the year in Japan

(Asset Asian Awards 2013 – Triple A)

CRÉDIT AGRICOLE CIB
MOBILISED ITS
TELECOMS EXPERTISE
IN EUROPE, ASIA AND
THE UNITED STATES.



HIROYUKI UENO,
Senior banker for Softbank,
Crédit Agricole CIB

“The quality of our relationship with Softbank and Sprint and Crédit Agricole CIB’s teamwork on a global scale made this transaction a world reference for Crédit Agricole CIB in the telecoms sector.”



**CHARLES-HUBERT
DE CHAUDENAY**
Global head of the Telecoms,
Medias, and Technology sectors,
Crédit Agricole CIB

“Crédit Agricole CIB’s success with its clients Softbank and Sprint confirms the interest and importance of our commercial organisation which combines client proximity with sector expertise.”



YOSHIMITSU GOTO
Member of General Management,
General Manager Finance
Softbank

“Our offices are very close in Tokyo, we have had a very close relationship with Crédit Agricole CIB’s teams for many years. This collaboration is now bearing fruit.”





For us, corporate and social responsibility is an everyday commitment toward our staff, the environment and our clients. An example: to better welcome their hearing-impaired colleagues, since 2011 certain members of staff have learnt sign language. On this photograph, they tell us about gender equality, research, mobility, art, the environment, handicaps and solidarity.

WHAT ARE OUR COMMITMENTS

An approach focused on **employees**

Members of staff are at the centre of Crédit Agricole CIB's commitments. The bank has launched initiatives to support their volunteering, strengthen gender equality, encourage mobility and develop managerial training programmes.

Crédit Agricole CIB has taken strong commitments in terms of social and civic responsibility by organising several initiatives that revolve around solidarity.

Each year the Crédit Agricole S.A. group organises a week to encourage the hiring of people with disabilities. The bank also supports its staff's solidarity initiatives, such as taking part in the French Financial Community's Telethon, skill based volunteering or charitable organisations. The Financial Community's Telethon, born 20 years ago, brings together all the players of the world of finance who want to raise funds for the AFM-Telethon association. In 2012 Crédit Agricole CIB was the leader of this initiative, grouping approximately

twenty companies. In December 2013, 700 members of staff from the Group took part once again in the race – among which 300 competitors from Crédit Agricole CIB – and generated 40,000 euros in donations.

SOLIDAIRES BY CRÉDIT AGRICOLE CIB

Created by Crédit Agricole S.A., Crédit Agricole CIB launched the "Solidaires by Crédit Agricole CIB" programme in 2013 to support the commitment of its staff towards charitable organisations. This programme offers financial support to the projects of organisations in which a member of staff is actively involved. The organisations selected can be involved in the fields of solidarity, the environment, education, research or health, whether in France or abroad. The member of staff's request must be related to a specific and well-defined project that has not yet been carried out. The projects are chosen after a call for projects and then selected by a jury. For its first edition in 2013, 28 projects were selected in France and 15 in the United Kingdom.

43

"Solidaires" projects
supported financially

NATHALIE SAREL
Executive Director, Market activities

"I presented a project to Solidaires by Crédit Agricole CIB in favour of the "Club House" charitable organisation, a place where people with psychiatric disorders (bipolarity, burn out, deep depression) live and are reintegrated socially and professionally. This project promotes the creation of dance and theatre workshops, which encourage public speech and thus recreate social links. This very enriching experience from a personal viewpoint strengthened my conviction that one can act very close to home and have a strong impact. Furthermore, the discussions concerning our respective projects were a wonderful opportunity to meet new people."

CYRIL LEGUAY
Associate, Global Operations

"Within the Versailles Handball Club association I submitted a project to support the Hand'ensemble programme. This programme brings together young people with a mental handicap to play handball for a day. To compensate for the lack of venues to welcome these youngsters we opened a sports section and we can now organise a Hand'Ensemble day during the season thanks to the Solidaires programme. In this way I feel useful and can modestly contribute to the integration of adolescents and young adults."



Crédit Agricole CIB New York staff get together to repaint public schools during the "New York Cares Day Fall".



[[
 FOR A TEMPORARY PERIOD, AND FOR
 EQUIVALENT QUALIFICATIONS, I WOULD
 LIKE TO FAVOUR THE APPOINTMENT
 OF WOMEN AND STRENGTHEN OUR
 TALENT SPOTTING WORK. THESE SIMPLE
 MEASURES MUST SET AN EXAMPLE
 AND ENCOURAGE WOMEN TO POSITION
 THEMSELVES MORE OPENLY.
 MANAGEMENT NEEDS DIVERSITY
 INCLUDING AT THE TOP LEVELS
 OF THE COMPANY.]]

JEAN-YVES HOCHER
Chief Executive Officer

Human resources policies emphasise employee recognition, in particular by encouraging responsible management and by developing individual career management. The Bank is also very attentive to equality and is launching initiatives in favour of non-discrimination.

GENDER EQUALITY

Strengthening gender equality is one of Crédit Agricole CIB's strong commitments. In July 2013 the bank signed a corporate agreement promoting professional equality between men and women. Quantitative targets were set for the end of 2015 and an action plan with several parts was presented.

The pool of high potential individuals is regularly reviewed with managers in order to include more women and to prepare their rise to executive positions. A cycle of conferences open to all and sponsored by Jean-Yves Hocher was set up in 2013 to increase the awareness of the challenges of gender equality. Specific training sessions are also planned in 2014.

VALÉRIE SAUVAGE
Head of the Capital Markets Operations department, within Global Operations

"Reaching an executive position is also being able to project one's values, one's energy and to help people change. It isn't about getting the position for its power, but to be there when it's happening, to help staff improve. I was lucky to be spotted and challenged by managers who trusted me. Today I would like to help my teams succeed and work for the general interest."

MOBILITY

Increasing internal mobility is an important challenge, both for the professional development of staff and for the Crédit Agricole group.

The HR mobility department was created in September 2013 in order to run, with the individual career management teams, classic mobility, GEPC and dynamic mobility schemes. Its main mission is to steer mobility, taking into account business lines' evolution and members of staff's need for change.

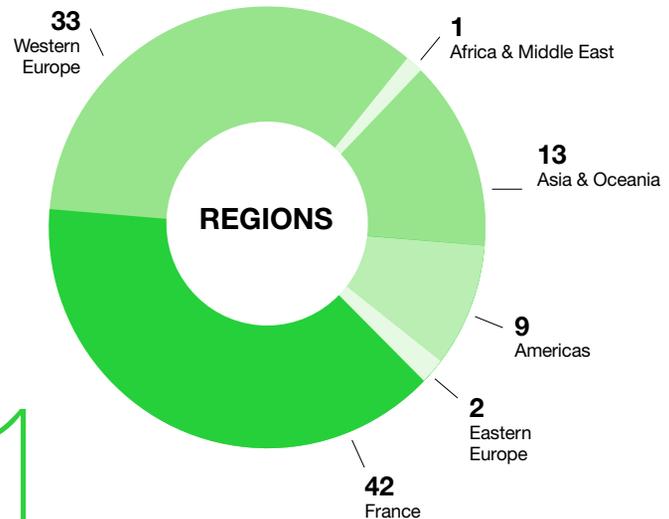
CÉLINE CHEAM Procurement & Expenses Settlement Manager

"After more than three years in Paris, the opportunity to join the teams in Hong Kong and to work on regional projects presented itself. This transfer offers the opportunity to work on important subjects such as procurement strategy or setting up optimised procedures in a multicultural environment."

611

members of staff
changed jobs
in 2013

STAFF BREAKDOWN (%)



SUPPORTING MANAGERS

For two years Crédit Agricole CIB has invested in the development of managerial training programmes. The Management Academy, a training programme dedicated to all managers in France and abroad, was created. Since it was launched more than 1000 members of staff followed at least one training session. After Asia, the United States and France, the Management Academy was generalised in Europe and received in London in 2013 the approval of the Chartered Management Institute (CMI). Training programmes dedicated to managing change were included in the programme to give managers the tools to support their teams in a context of change. The internationalisation of management is also a priority objective.

Simultaneously, special care is given to the individual career management. The annual appraisal's role was strengthened, and overall a culture of feedback is spreading

through the Bank. A Cross Feedback global campaign was conducted in 2013 within 11 departments, generating 450 individual reports. The 360° questionnaire which was set up as an aid in the evaluation of members of the extended executive committee in 2012, was extended to the 140 members of the management circles.

Staff mobility is encouraged, in particular within the framework of the triennial agreement signed in 2013 that defines the application of the GEPC scheme ("Gestion Prévisionnelle de l'Emploi et des Compétences" or "jobs and skills management planning").

These initiatives are fully part of the framework defined by the strategic plan and respond to the need to increase transversal work and cooperation between teams, themes on which HR teams will continue to work in 2014.

92

nationalities represented

1,078

managers trained
by the Management Academy

Initiatives to protect the environment

**For several years
Crédit Agricole CIB has taken
significant initiatives to measure
and reduce the environmental
and social risks linked to
its financing activities, often
contributing to define standards
in this area.**

FROM THE EQUATOR PRINCIPLES TO SECTOR POLICIES

The Equator Principles are today the foundation of the CSR management system of many financial institutions in the world – whether small or large – and define a common language that is irreplaceable. Initially however there was an important restriction to their application. They had indeed been defined for a specific type of financings: project finance, in which the repayment depends solely on the revenues generated by the project. To extend the social and environmental criteria to other types of financings and investments, Crédit Agricole CIB has defined and published sector policies.

2013 THE YEAR OF TRANSPORT POLICIES

Such an approach, however, requires preliminary and sometimes complex studies.

As an example, Crédit Agricole CIB carried out a mapping of greenhouse gas emissions linked to the economic activities it finances in order to determine the priority sectors for the bank in terms of the climate change.

This work carried out using a methodology that calculates induced greenhouse gas emissions, was developed by the University of Paris Dauphine, and revealed that two macro-industrial sectors, energy and transport, generate more than 80% of emissions induced by the bank. This is why, after dealing with the energy sector, the bank decided in 2013 to develop policies for transport, however uncontroversial this sector is overall. These policies complete the commitments taken by Crédit Agricole CIB in terms of fighting global warming, preserving biodiversity and respecting human rights.

RENEWABLE ENERGIES

Crédit Agricole CIB is a major player in project finance and particularly in the sector of renewable energies. Indeed, as early as 1997, the bank was involved in renewable energy projects with the financing of the first wind farms, and then in 2008 with a solar energy project in Spain. Since then, Crédit Agricole CIB's expertise in these financings has become internationally recognised. These last few years, projects were financed in the United States and in Latin America. To date, the Bank has financed

10
A
year commitment
to the Equator
Principles
(2003-2013)



The cooperation between front office teams and experts is essential to give a concrete existence to the Equator Principles.

289 wind farms and 30 solar farms. In 2013 renewable energies represented 75% of the activity of electric power projects financed. A few projects financed in 2013 are worth mentioning: the Copper Mountain Solar 2 project in California, the Panhandle Wind project in Texas, and in France the solar power project in Crucey and the second tranche of Massangis in France.

In 2013, in the framework of its environmental and social risks management, Crédit Agricole CIB set up a client scoring. Its aim is to evaluate its clients' CSR performance according to three levels: advanced, compliant, sensitive.

“
**WE ADVISE
OURS CLIENTS
IN IMPLEMENTING
THEIR ENERGY
TRANSITION
STRATEGY.**

”
**SAMY ZOUAOUI
Head of the Equator Principles team**

Companies have a **responsibility** concerning the **challenges** of **climate change**

Roger Guesnerie, Professor of Economic theory and social organisation at the Collège de France, warns us on the consequences of climate change.

AS AN ECONOMIST HOW DO YOU VIEW THE CHALLENGES OF CLIMATE CHANGE: IS THERE A CONSENSUS TODAY ON THE IMPACT OF GLOBAL WARMING?

Roger Guesnerie: It is difficult to talk about a consensus. The impacts on the planet in terms of average temperature increase and geographical breakdown of impacts are uncertain. But this is no reason to adopt a wait and see attitude! If only because extreme scenarios with dire consequences

have a significant probability of happening. The report published by Nicholas Stern in 2006 revealed the extensive economic consequences of global warming: beyond a 2-degree increase, damage to trade is widespread: agricultural production, rarefaction of drinking water, rising sea levels... But the non-merchant damages are at least as worrying even if they are difficult to assess. Climate change might for instance trigger massive migrations, a potential source of long and severe conflicts.

WHAT DO YOU THINK OF CURRENT CLIMATE POLICIES?

They cannot be efficient if everybody does not fully follow the rules... This reminds me of the question the Bolsheviks asked in 1917: can a revolution take place in a single country? The quality of our climate is a collective good, to use the standard vocabulary of public economy, and its deterioration,

because of the accumulation of greenhouse gases, reflects a market failure, in a way the biggest market failure the world ever saw... Everybody contributes to climate change and everybody will pay the consequences. We must find a way for everybody to benefit from cooperation.

BUT WASN'T THE KYOTO PROTOCOL A BIG STEP FORWARD?

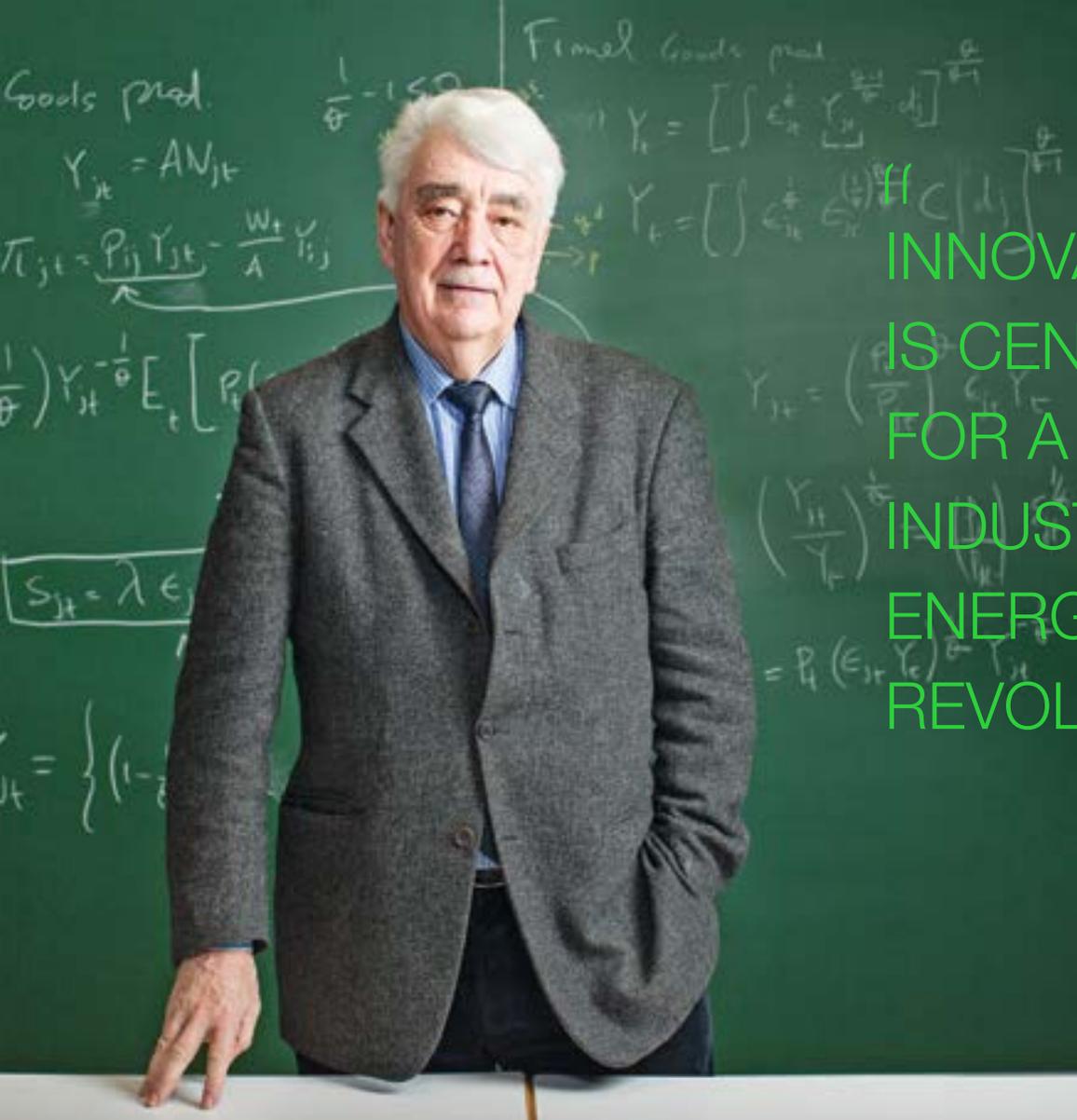
The Kyoto system was well designed to begin with. But it didn't work as well as expected because of the withdrawal of the United States. I think we must be aware that it is difficult to define a large international agreement without the United States being involved. Today the Carbon space created by the Kyoto protocol is too narrow; while developing countries do not have quantitative objectives.

HOW IS IT POSSIBLE TO FORMALISE AN INTERNATIONAL AGREEMENT?

The question is how to include everybody in the game. In the book I published with Nicholas Stern*, I launched the idea of attempting to forge an agreement on a shared very long-term goal: for instance a global per capita emissions objective for 2050. Is it possible? It would not be a very big constraint, but it would give a strong message, with a form of commitment from emerging countries. Having said that, India and China are beginning to take these problems very seriously without a binding agreement. This is good news! Today, China is a leader in renewable energies and has set ambitious targets in its five-year plans.

THE FINANCE AND SUSTAINABLE DEVELOPMENT CHAIR

Roger Guesnerie is a member of the scientific council of the Finance and Sustainable Development Chair created in 2006 by Crédit Agricole CIB in partnership with the Paris Dauphine University, EDF and the Ecole Polytechnique. Its goal is to contribute to the knowledge and methods required to evaluate, quantify and manage environmental risks. A research initiative was launched in 2013 to work specifically on the problem of quantifying carbon emissions induced by the financial sector.



INNOVATION IS CENTRAL FOR A NEW INDUSTRIAL ENERGY REVOLUTION.

Our hope is that large emerging countries will play a prominent role in the coming years, why not until a formal agreement is signed – something they have always refused to do because in their view the historic stock of greenhouse gas emissions was the responsibility of industrialised countries.

WHAT WOULD YOU SUGGEST?

The problem needs to be tackled simultaneously from a technical and political point of view. At the regional level, a country or group of countries, should we opt for a market of carbon credits or for a tax? Europe has chosen the carbon credit market solution because it was politically difficult to set up a harmonised carbon tax, as tax issues must be voted unanimously. Without a doubt, a price signal is required, in one

form or another, to influence the behaviour of economic players. The second lever that can be used complements the first one and involves encouraging innovation. Targeted and efficient forms of incentives must be defined in favour of non-carbon energies. Once again the two dimensions of these initiatives are linked: we must have both a pricing policy and an innovation policy.

WHAT ROLE CAN COMPANIES PLAY?

Companies obviously have a responsibility towards climate change. They have a role to play both as players in the quota market and as promoters of innovation. In this respect financing academic research is a positive initiative, which not only leads to greater thought being given to these issues and to sharing information widely, but also supports the research for innovative

solutions. Innovation is central: the best way to encourage states and economic players to change is probably the prospect of a new industrial energy revolution which would lead us to a carbon-sober economy, with all the opportunities it might create.

* 2 économistes face aux enjeux climatiques. Roger Guesnerie et Nicholas Stern, coll. "Savoirs et débats économiques", Editions Le Pommier, 2012.



Our commitments in terms of **Compliance**



Building trust through our commitments is one of Crédit Agricole CIB's permanent goals. To prevent and control non-compliance risks, Global Compliance ensures on a daily basis that our compliance mechanisms are efficient.

A GLOBAL COMPLIANCE MISSION

Global Compliance reports to the CEO and implements a policy to prevent non-compliance risks such as money laundering, terrorism financing, fraud, market abuse, conflicts of interest, and insufficient protection of client or staff's data and lack of advice.

Global Compliance intervenes in the product commercialisation process, from the conception to the distribution stage. It delivers notifications for new activities and new products and offers a framework for sales to clients or for the analysis of their needs.

It advises and assists staff by giving advice on transactions, it identifies conflicts of interest and trains on matters of compliance. Finally it supervises the organisation set up to fight money laundering and to comply with international sanctions (asset freezes, embargos).

Global Compliance runs this Crédit Agricole CIB activity by circulating Crédit Agricole Group's FIDES programme (a collection of compliance standards and training programmes) and by bringing the necessary support and tools.

THE COMPLIANCE MANAGEMENT COMMITTEE: A GROUP LEVEL GOVERNANCE BODY

The Compliance management committee meets in plenary session at least once a quarter in presence of the Crédit Agricole S.A.

FACTA, Foreign Account Tax Compliance Act, is an American law to fight against tax evasion of American citizens and residents.



The prevention of non-compliance risks requires the constant commitment of all members of staff.

Group Head of Compliance. It reviews the compliance organisation and takes the decisions required to prevent non-compliance risks and to set up corrective measures following dysfunctions brought to its attention.

AN ANALYSIS FORMALISED WITHIN INTERNAL PROCEDURES

When a risk is identified, an appropriate proposal to reduce non-compliance risks is approved. This analysis is formalised for the committees in charge of approving country or business line strategies, for credit committees and in KYC files.

MAIN INITIATIVES IN 2013

The main initiatives in 2013 were: the pursuit of anti money-laundering policy in line with the February 2012 GAFI (“Financial Action Group”) recommendations, the adaptation to regulatory changes (FATCA, short selling, contribution to market indices, market polls,

European regulation on private data protection, etc.) and the management of projects generated by the G20 (Dodd Frank act in the US and EMIR in Europe).

A mandatory quiz raised the awareness of staff to reputational, environmental and societal risks. Members of staff also followed a training programme (FIDES II) to improve the understanding of compliance’s key challenges and concepts.

The fight against fraud and corruption was strengthened, in particular with the systematic integration of the corruption risk in the mapping of operational risks.

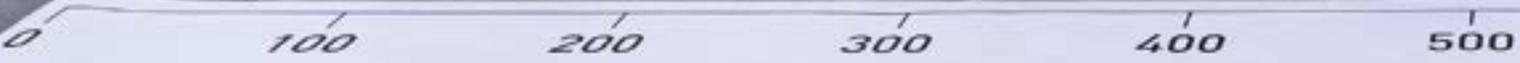
Finally, to improve the “know your customer” process, a manager was appointed in 2013 to harmonise the existing procedures and better integrate regulatory changes that impact client databases.



GAFI

The groupe d’action financière (GAFI) is an intergovernmental organisation created in 1989 to fight against money laundering, terrorism financing and any other threat to the integrity of the international financial system.

WHAT ARE OUR RESULTS





In 2013 Crédit Agricole CIB pursued its transformation to become a profitable medium sized corporate and investment bank with a low risk profile. We have been particularly focused on the management of our scarce resources. Our ambition in 2016 is to increase our return on equity to 12%.



Presentation of the **Crédit Agricole CIB** group's **financial statements**



CHANGES TO ACCOUNTING PRINCIPLES AND POLICIES

Pursuant to EC regulation n°1606/2002, the annual consolidated financial statements were prepared in accordance with IAS/IFRS standards and IFRIC interpretations used at 31 December 2013 as adopted by the European Union (the “carve-out” version) and using certain dispensations of IAS 39 as regards macro-hedge accounting.

The standards and interpretations are identical to those used and described in the Group financial statements at 31 December 2012.

They were completed by IFRS standards adopted by the European Union on 31 December 2013, and which became mandatory for the first time in 2013. The enforcement of these new standards had no significant impact on the period's results and net situation.

CHANGES IN THE SCOPE OF CONSOLIDATION

Changes in the scope of consolidation between 1 January 2013 and 31 December 2013 are described below:

Entries in 2013

The following companies were added to the scope of consolidation:

- CLSA Financial Products Ltd (after the disposal of CLSA)
- Crédit Agricole Securities Taiwan (after the disposal of CLSA)
- Crédit Agricole Luxembourg (Belgium branch)

Disposals in 2013

The following companies went out of the scope of consolidation because:

- their activity became not significant:
 - LSF Italian Finance Company SRL
 - CLINFIM
 - SNC Doumer
- of liquidation:
 - Crédit Agricole CIB Merchant Bank Asia Ltd
 - Crédit Agricole CIB Preferred Funding LLC and Crédit Agricole CIB Preferred Funding II LLC
 - European NPL SA
 - Sagrantino BV
 - Crédit Agricole CIB (Bangkok branch)
 - Crédit Agricole CIB S.A. Oddzial w Polsce (Poland branch)
 - Crédit Agricole CIB Merchant Bank Asia Ltd (Singapore branch)
- of disposal:
 - Entities of Cheuvreux group
 - Entities of CLSA group
- of merger:
 - Crédit Agricole Van Moer Courtens absorbed by CA Luxembourg

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 at 31 December 2009	6,055,504,839	224,277,957
Share capital at 31 December 2010	6,055,504,839	224,277,957
21 June 2011		
Capital increase (dividend paid in shares)	719,766,945	26,658,035
SHARE CAPITAL AT 31 DECEMBER 2011	6,775,271,784	250,935,992
21 June 2012		
Capital increase (dividend paid in shares)	479,303,487	17,751,981
SHARE CAPITAL AT 31 DECEMBER 2012	7,254,575,271	268,687,973
SHARE CAPITAL AT 31 DECEMBER 2013	7,254,575,271	268,687,973

AUTHORISATIONS TO PROCEED TO CAPITAL INCREASES

Information required by article L.225-100 of the French Commercial Code (Code de commerce):

Crédit Agricole CIB has no authorization validated, granted by the Shareholders' meeting to the Board of Directors, to proceed to capital increases.

Business review and **consolidated income** statement

CONDENSED CONSOLIDATED STATEMENT OF INCOME

The information presented below for 2013 and 2012 take into account the IFRS 5 treatment of CA Cheuvreux, CLSA and Newedge.

2013

€ MILLION	ONGOING ACTIVITIES	CPM AND CVA/DVA ⁽¹⁾	DISCONTINUING ACTIVITIES	TOTAL CIB	PRIVATE BANKING	CORPORATE CENTER ⁽²⁾	CRÉDIT AGRICOLE CIB	CHANGE ⁽³⁾ 2013/2012
Net Banking Income	3,712	(255)	132	3,589	711	(529)	3,771	-6%
Operating expenses	(2,076)		(173)	(2,249)	(547)	(1)	(2,797)	-4%
Gross operating income	1,636	(255)	(41)	1,340	164	(530)	974	-9%
Cost of risk	(493)		(16)	(509)	(20)		(529)	77%
Income from equity affiliates	115			115			115	-29%
Net gains or losses on other assets	17			17	2		19	-35%
Pre-tax income	1,275	(255)	(57)	963	146	(530)	579	-26%
Tax	(407)	94	16	(297)	(27)	171	(153)	-8%
Net income from discontinued or held-for-sale operations	156			156			156	x7
Net income	1,024	(161)	(41)	822	119	(359)	582	-21%
Non-controlling interests	12		(1)	11	11		22	-29%
NET INCOME - GROUP SHARE	1,012	(161)	(40)	811	108	(359)	560	-21%

⁽¹⁾ CPM and CVA/DVA: loan hedges, impact of the change of accounting estimate CVA/DVA and DVA running impact for respectively -€21 m, -€132 m and -€102 m in NBI

⁽²⁾ Including revaluation of debt issues for -€529 m in NBI.

⁽³⁾ Change on Ongoing activities

2012

€ MILLION	ONGOING ACTIVITIES	CPM ⁽¹⁾	DISCONTINUING ACTIVITIES	ADJUSTMENT PLAN	TOTAL CIB	PRIVATE BANKING	CORPORATE CENTER ⁽²⁾	CRÉDIT AGRICOLE CIB
Net Banking Income	3,964	77	162	(477)	3,726	712	(772)	3,666
Operating expenses	(2,160)		(294)		(2,454)	(508)	(1)	(2,963)
Gross operating income	1,804	77	(132)	(477)	1,272	204	(773)	703
Cost of risk	(279)		(25)	(151)	(455)	(8)		(463)
Income from equity affiliates	163				163			163
Net gains or losses on other assets	26		2		28		5	33
Goodwill				(115)	(115)			(115)
Pre-tax income	1,714	77	(155)	(743)	893	196	(768)	321
Tax	(441)	(28)	54	226	(189)	(37)	253	27
Net income from discontinued or held- for-sale operations	23			(749)	(726)			(726)
Net income	1,296	49	(101)	(1,266)	(22)	159	(515)	(378)
Non-controlling interests	17		(18)		(1)	12		11
NET INCOME - GROUP SHARE	1,279	49	(83)	(1,266)	(21)	147	(515)	(389)

⁽¹⁾ CPM: loan hedges

⁽²⁾ Including revaluation of debt issues for -933 m€ in NBI

Having met and exceeded the goals set under the adjustment plan announced in late 2011, 2013 illustrates for Crédit Agricole CIB the realization of its strategy with the deployment of its Distribute to Originate model centered on distribution and service to major customers of the Group. Crédit Agricole CIB is thus emerging as a resized Corporate and Investment Bank, specialized in debt and advisory to serve a portfolio of strategic customers. In a still uncertain economic and financial environment (pressure on Spain and Italy in the first quarter, statements of the U.S. Federal Reserve on the gradual tapering of its quantitative easing monetary policy, slowing growth in China and emerging markets, signs of economic recovery in the United States, political and social tensions in Europe...), Crédit Agricole CIB displays satisfactory operational results, demonstrating the strength of its core

businesses and the relevance of its “Debt House” model.

The financing activities posted a robust NBI (-1.4% at constant exchange rate), with competitive positions held in structured finance and a bouncing business activity for commercial banking with significant operations at the end of the year.

In a challenging environment, the capital markets and investment banking saw its NBI fall by 8% at constant exchange rate, affected by the overall drop of fixed income activities.

Operating expenses continued to decline (-4%), reflecting the consequences of the several savings plans.

The cost of risk of strategic activities is increasing, illustrating a prudent risk management policy and incorporating a provision for litigation of -€80 million recorded in the third quarter.

The income from equity affiliates is down -29%, mainly because of the results of the BSF which are affected by an increased collective provisions level requested by the local regulator.

The net income from discontinued or held for sale operations records notably the disposal operations of the brokers including mainly a capital gain of €330 million with the sale of CLSA finalized in July 2013 and a capital loss -€162 million regarding the ongoing disposal of Newedge.

Crédit Agricole CIB recorded on 2013 a Net income Group share of €560 million (€404 million excluding the brokers disposal operations).

So, after a strong resizing in response to the crisis that hit the sector, Crédit Agricole CIB continued its transformation with a year 2013 marked by a return to growth.

Consolidated balance sheet of Crédit Agricole CIB

ASSETS

€ BILLION	31.12.2013	31.12.2012
Cash due from central banks	56.2	37.5
Financial assets at fair value (excluding repos) ⁽¹⁾	219.6	279.7
Derivative financial instruments held for hedging	1.4	1.8
Available-for-sale financial assets	27.8	30.1
Loans and receivables to credit institutions (excluding repos)	18.3	40.0
Loans and advances to customers (excluding repos)	100.9	108.0
Repos	113.1	124.1
Accruals, prepayments and sundry assets ⁽¹⁾	41.1	51.5
Non-current assets held for sale	24.5	3.9
Investments in equity affiliates	1.4	1.4
Non-current assets	0.6	0.6
Goodwill	1.0	1.0
TOTAL	605.9	679.6

⁽¹⁾ This information takes netting effects into account: net balance between an asset and a liability on derivatives in the same currency with the clearing house "LCH Clearnet LTD Swapclear". The netting reduces the size of the consolidated balance sheet but has no impact on the consolidated income statement or consolidated net assets. The impact of netting amounts to €158,691 million at 31 December 2013 and €225,690 million at 31 December 2012. The balance sheet as of 31 December 2012 has hence been restated.

At 31 December 2013, Crédit Agricole CIB had total assets of €606 billion, a decrease of €74 billion compared to 31 December 2012. USD variation dragged total assets down by - €11 billion and JPY -€6 billion. The main changes concerned the following items:

INTERBANK OPERATIONS

Crédit Agricole CIB has access to all the major global liquidity centres and is particularly active in the largest markets (Paris, New York, London and Tokyo), allowing it to optimise assets allocation and interbank resources within the Group.

FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS

Financial assets and liabilities at fair value through profit and loss (excluding repos) decrease respectively by €60 and €61 billion over the period. 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 decrease in these items arose mainly from the lower mark-to-market value of derivatives (-€59 billion on assets and -€57 billion on liabilities), mostly on interest-rate derivatives.

SECURITIES PURCHASED OR SOLD UNDER REPURCHASE AGREEMENTS

Repo activities are mainly in Paris, which accounted for 63% of securities purchased and 69% of securities sold under repurchase agreements. The decrease in securities on the asset and liabilities sides on 2013 mostly resulted from the decrease in treasury trading activities in the United States.

ACCRUALS, PREPAYMENTS, SUNDRY ASSETS AND LIABILITIES

Accrued income and expenses and other assets and liabilities mainly comprise deferred securities and guarantee deposits for market and brokerage transactions. The respective decreases of €10 billion and

LIABILITIES AND SHAREHOLDERS' EQUITY

€ BILLION	31.12.2013	31.12.2012
Due to Central banks	2.0	1.1
Financial liabilities at fair value (excluding repos) ⁽¹⁾	235.3	296.1
Derivative financial instruments held for hedging	0.8	1.1
Due to credit institutions (excluding repos)	39.5	43.9
Customer accounts (excluding repos)	112.8	109.3
Repos	108.0	117.7
Debt securities in issue	25.8	31.1
Accruals, deferred income and sundry liabilities ⁽¹⁾	35.5	52.7
Liabilities associated with non-current assets held for sale	24.2	3.6
Reserves	1.4	1.4
Subordinated debt	5.2	6.0
Minority interests	0.1	0.5
Shareholders' equity, Group share (excluding net income for the year)	14.7	15.5
Net income, Group Share	0.6	(0.4)
TOTAL	605.9	679.6

⁽¹⁾ This information takes netting effects into account: net balance between an asset and a liability on derivatives in the same currency with the clearing house "LCH Clearnet LTD Swapclear". The netting reduces the size of the consolidated balance sheet but has no impact on the consolidated income statement or consolidated net assets. The impact of netting amounts to €158,691 million at 31 December 2013 and €225,690 million at 31 December 2012. The balance sheet as of 31 December 2012 has hence been restated.

€17 billion in assets and liabilities over the period can be explained mainly by lower security deposits and the IFRS5 treatment of Newedge in 2013.

NON-CURRENT ASSETS HELD-FOR-SALE AND ASSOCIATED LIABILITIES

Non-current assets held-for-sale and associated liabilities increase by €21 billion both for assets and liabilities following the IFRS5 treatment of Newedge in 2013.

DEBT SECURITIES IN ISSUE

Apart from traditional refinancing via inter-bank borrowings, Crédit Agricole CIB raises liquidity via issuing paper in the main financial markets (particularly in the USA via its US

branch and its Crédit Agricole CIB Global Partners Inc. subsidiary, in the UK via its London branch or in France). The decrease of €5 billion of debt securities in issue is explained by the decrease in CDS' issuances mainly from France explained by levels which went back to the early 2011 ones, before the impacts of the liquidity constraints.

SHAREHOLDERS' EQUITY GROUP SHARE

Shareholders' equity Group share (excluding net income for the period) was €14.7 billion at year-end, down -€0.8 billion compared with 31 December 2012. The change is notably related to the repayment of €0.4 billion of the preferred shares classified as minority interests (Preferred Funding).

Crédit Agricole CIB (S.A.)

condensed balance sheet

ASSETS

€ BILLION	31.12.2013	31.12.2012
Interbank and similar transactions	170.3	153.9
Customer transactions	135.4	149.2
Securities transactions	28.7	32.0
Accruals, prepayments, and sundry assets	272.0 ⁽¹⁾	527.8
Non-current assets	6.9	7.7
TOTAL ASSETS	613.3	870.6

LIABILITIES AND SHAREHOLDERS' EQUITY

€ BILLION	31.12.2013	31.12.2012
Interbank and similar transactions	101.6	85.8
Customer accounts	151.8	162.7
Debt securities in issue	40.9	47.5
Accruals, prepayments and sundry liabilities	299.7 ⁽¹⁾	554.4
Impairment and subordinated debt	7.7	9.2
Fund for general banking risks	0.1	0.1
Shareholders' equity (excl. FRBG)	11.5	10.9
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	613.3	870.6

⁽¹⁾ This information takes netting effects into account: net balance between an asset and a liability on derivatives in the same currency with the clearinghouse "LCH Clearnet LTD Swapclear". The netting reduces the size of the consolidated balance sheet but has no impact on the consolidated income statement. The impact of netting amounts to €158,691 million at 31 December 2013.

At 31 December 2013, Crédit Agricole CIB's total assets were €613.3 billion, a decrease of €31.6 billion compared to the 31 December 2012 proforma figure.

CHANGES IN ACCOUNTING PRINCIPLES AND METHODS

Offsetting applies when both parties agree to offset receivables and debts contractually. Offsetting is optional between receivables and associated debts and is an exception to the general principle of non-offsetting. Since 31 December 2013, the interest rate derivatives instruments treated by Crédit Agricole CIB with LCH Clearnet LTD

SwapClear are offset in the balance sheet. This change in accounting method for these instruments reduces the size of balance sheet but has no impact on the income statement or net assets. It follows a detailed analysis of operating rules of this clearing house. In order to give the best financial reporting, a pro forma information of the concerned accounting items was produced for the year 2012 in order to make the balance sheet at 31 December 2013 comparable. This offsetting had no impact on the income statement. The effect of the compensation amounted to €158,691 million at 31 December 2013 and would have had

an impact of €225,690 million at 31 December 2012.

INTERBANK TRANSACTIONS

Interbank transaction assets rose by €16.4 billion (+10.7%) with mainly changes of +€18.7 billion of deposits to Central banks, -€2.7 billion on treasury bills in investment portfolio.

Interbank liabilities rise by €15.8 billion (+18.4%) of which a change of +€20 billion in repurchase agreements and -€6 billion on term borrowings.

CUSTOMER TRANSACTIONS AND ACCOUNTS

Assets fell by €13.8 billion (-9.2%), and liabilities fell by €10.9 billion (-6.7%).

The decline in assets from customer transactions has mainly come from repurchase transactions with a decrease of -€10.6 billion and from the decrease of customer accounts and loans for -€3.1 billion.

As regards liabilities, repurchase agreements are also decreasing by -€17.1 billion as well as customer accounts and borrowings by -€6.2 billion.

SECURITIES TRANSACTIONS AND DEBT SECURITIES IN ISSUE

Securities transactions and debt securities in issue are down respectively by -€3.3 billion (-10.3%) and -€6.6 billion (-13.9%). The fall in assets is mainly due to a decrease of the bonds held in investment portfolio of -€2.9 billion, and by a decrease of the equity trading portfolio by -€934 million.

As regards liabilities, the decrease is due to a decrease in CDS' issuances in France. The level of 2013 corresponds to the one of early 2011, before the impact of liquidity constraints.

ACCRUALS, PREPAYMENTS, SUNDRY ASSETS AND LIABILITIES

Accruals mainly registered derivatives financial instruments at fair value. These amounts are reported in "Financial assets and liabilities measured at fair value" in the consolidated financial statements.

Accruals and prepayments respectively decrease by €30.1 billion in assets (-9.96%) and €29 billion in liabilities (-8.82%), mainly on interest rates swaps.

The aggregates "Other assets" and "Other liabilities" mostly include premiums on conditional derivative financial instruments, miscellaneous debtors and creditors and trading securities' sales and purchases transactions awaiting settlement.

Crédit Agricole CIB S.A. supplier payment times

Crédit Agricole CIB pays its suppliers within 28 days (median payment time).

Crédit Agricole CIB has outstanding payables of €8.6 million at 31 December 2013 compared with €10.9 million at 31 December 2012.

Crédit Agricole CIB (S.A.)

Condensed income statement

€ MILLION	31.12.2013	31.12.2012
Net banking income	3,248	3,477
Operating expenses	(1,989)	(2,276)
Gross operating income	1,259	1,201
Cost of risk	(463)	(198)
Net operating income	796	1,003
Net gain/(loss) on fixed assets	(314)	(510)
Pre-tax income	482	493
Corporate income tax	40	636
NET INCOME/(LOSS)	522	1,129

In a still uncertain economic and financial environment, Crédit Agricole CIB (S.A.) displays satisfactory operating results. Net banking income for the year 2013 amounted to +€3.2 billion, stable compared to 31 December 2012.

Having met and exceeded the goals set under the adjustment plan announced in late 2011, 2013 illustrates for Crédit Agricole CIB the realization of its strategy with the deployment of its Distribute to Originate model centered on distribution and service to major customers of the Group. Credit Agricole CIB is thus emerging as a resized Corporate and Investment Bank, specialized in debt and advisory to serve a portfolio of strategic customers.

Financing activities maintained their competitive position in structured finance and commercial banking realized significant deals at the end of the year.

Capital markets and Investment banking, affected by the general withdrawal of fixed income activities, saw its revenues decline. Operating expenses, net of provisions, are decreasing of €225 million (-10.3%), reflecting the consequences of the several savings plans.

Given these elements, gross operating income is stable and amounted to +€1.3 billion in 2013. The cost of risk amounted to -€0.5 billion in 2013 (versus -€0.2 billion in 2012). The cost of risk of ongoing activities is up showing a prudent risk management policy.

The aggregate "Corporate income tax" takes into account the repurchase by Crédit Agricole S.A. of previous carry forward tax deficits according to the tax consolidation group (effect of +€0.2 billion, versus +€1 billion in 2012).

Crédit Agricole CIB is part of the Crédit Agricole S.A. tax consolidation group. The tax consolidation agreement between Crédit Agricole S.A. and Crédit Agricole CIB enables Crédit Agricole CIB to sell its tax deficits.

The net result of Crédit Agricole CIB (S.A.) in 2013 amounted to +€552 million versus +€1,129 in 2012. Crédit Agricole CIB France and the branches contribute to this result, respectively for -€69 million and +€591 million.

Five-year financial summary

ITEMS	2009	2010	2011	2012	2013
Share capital at year-end (€)	6,055,504,839,	6,055,504,839	6,775,271,784	7,254,575,271	7,254,575,271
Number of shares issued	224,277,957	224,277,957	250,935,992	268,687,973	268,687,973
Total results of realized transactions (in € million)					
Gross revenue (excl. Tax)	10,030	7,306	8,780	8,232	6,581
Profit before tax, amortization and reserves	1,519	111	921	637	272
Corporate income tax	(28)	(1,179)	(703)	(640)	(34)
Profit after tax, amortization and reserves	720	1,388	697	1,129	522
Amount of dividends paid		955	647		1,000
Earning per share (€)					
Profit after tax, before amortization and reserves	⁽¹⁾ 6.90	⁽²⁾ 5.75	⁽³⁾ 6.47	⁽⁴⁾ 4.76	⁽⁵⁾ 1.14
Profit after tax, amortization and reserves	⁽¹⁾ 3.21	⁽²⁾ 6.19	⁽³⁾ 2.78	⁽⁴⁾ 4.20	⁽⁵⁾ 1.94
Dividend per share	0.00	4.26	2.58	0.00	3.72
Staff					
Number of employees	⁽⁶⁾ 7,415	⁽⁶⁾ 7,455	⁽⁶⁾ 7,633	⁽⁶⁾ 6,964	⁽⁶⁾ 6,230
Wages and salaries paid during the financial year (in € million)	827	888	941	953	880
Employee benefits and social contributions (in € million)	295	304	334	300	271
Payroll taxes (in € million)	33	33	30	39	31

⁽¹⁾ Calculation based on number of shares issue excluding treasury stock at end-2009, i.e 224,277,957 shares.

⁽²⁾ Calculation based on number of shares issue excluding treasury stock at end-2010, i.e 224,277,957 shares.

⁽³⁾ Calculation based on number of shares issue excluding treasury stock at end-2011, i.e 250,935,992 shares.

⁽⁴⁾ Calculation based on number of shares issue excluding treasury stock at end-2012, i.e 268,687,973 shares.

⁽⁵⁾ Calculation based on number of shares issue excluding treasury stock at end-2013, i.e 268,687,973 shares.

⁽⁶⁾ Average headcount.

Regulatory ratios

at 31 December 2013

The table below shows the European CRD solvency ratio and details Crédit Agricole CIB group's risks measured on a credit risk-equivalent basis (after weighting depending on the counterparty); along with the level of regulatory capital, calculated in accordance with the regulation.

€ BILLION	31.12.2013	31.12.2012
Tier 1 Capital (A)	17.3	17.9
Equity capital and reserves Group share	14.1	14.3
Non-controlling interests	0.1	0.1
Tier 1 capital as agreed by the French Prudential and Resolution Supervisory Authority	0.0	0.0
Hybrid securities	4.5	5.1
Deduction of intangible assets	(1.1)	(1.2)
Other deductions	(0.2)	(0.4)
Tier 2 Capital (B)	1.1	1.2
Tier 3 Capital	0.0	0.0
Deductions from Tier 1 and 2 Capital	(1.8)	(2.4)
Deductions from Tier 1 capital (C)	(0.9)	(1.2)
Deductions from Tier 2 capital (D)	(0.9)	(1.2)
Deductions of Insurance Companies' Capital	0.0	0.0
Total Net Available Capital	16.7	16.7
Tier 1 (A+C)	16.4	16.7
o/w Core Tier 1	13.1	13.3
Tier 2 (B+D)	0.2	0.0
Tier 3	0.0	0.0
Credit risk	85.9	87.1
Market risk	8.3	10.9
Operational Risk	16.3	13.9
Total pre-floor risk weighted assets	110.5	111.9
Total Basel 1 risk	162.8	165.1
Core Tier 1 solvency ratio	11.8%	11.9%
Tier 1 solvency ratio	14.9%	14.9%
Total solvency ratio	15.1%	14.9%

At 31 December 2013, Crédit Agricole CIB's Basel 2 overall solvency ratio was 15.1%. Changes in the various components of this ratio are analysed below:

Tier 1 capital amounted to €16.4 billion at 31 December 2013. This decrease over the year (-€0.3 billion) is due to several factors:

- net result at 31 December 2013 (+€0.6 billion);
- a dividend payment (-€1 billion), exceeding the consolidated result by €0.4 billion
- release of the hybrid capital of the preferred shares issued by Preferred Funding entities (-€0.4 billion);
- the positive impact of the issuer spread's filtering (+€ 0.3 billion);
- the decrease of securitisations' positions deductible from capital sold in anticipation of the CRD4 (+€0.3 billion);
- the decrease of deductions related to the return risk on the correlation book (+€0.2 billion);
- a negative foreign exchange effect of -€0.3 billion.

Tier 2 capital increased by +€0.2 billion as a consequence of Tier 1 and Tier 2 deductions' cut (+€0.3 billion), together with a negative foreign exchange effect of -€0.1 billion.

Basel 2 risk weighted assets amounted to €110.5 billion at 31 December 2013, down -1% compared to end-December 2012 assets calculated under Basel 2.

The decrease in risk weighted assets of -€1.4 billion over the period (almost stable excluding foreign exchange effect) is analysed as below:

- credit risk decreased by -€1 billion over the year (+€0.4 billion excluding the foreign exchange effect): Financing bank's outstandings and counterparty risks were relatively stable in 2013 as a result of measures taken under 2011 Crédit Agricole CIB Adjustment;
- market risk recorded a reduction of -€2.8 billion, mainly due to measures conducted on the IRC during 2013 following an extension of the calculation scope at end-2012, and to the improvement of market conditions;
- operational risk stood at €16.3 billion, up +€2.4 billion compared to end-2012, due to the review of certain compliance scenarii's severities, given the penalties recently imposed to some foreign banks, and to the counter-intuitive impact of the sales of CLSA and Cheuvreux, which entailed diversification in the calculation approaches.

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2013 REFERENCE DOCUMENT



HIGHLIGHTS



ACTIVITY REPORT
Version for the visually impaired



WE WOULD LIKE TO THANK
ALL THE PEOPLE WHO, BY THEIR
CONTRIBUTION, HELPED TO MAKE THIS ACTIVITY
REPORT, AND THE MEMBERS OF STAFF
WHO TOOK PART IN THE PHOTO REPORTING



For our 2013 activity report we asked the photographer Jean-Robert Dantou to put forward Crédit Agricole CIB's teams and the values of solidarity, responsibility and commitment that are so essential to the Crédit Agricole Group.

Jean-Robert Dantou thinks of his photographs as a stage in which he creates a set typical of the company and asks members of staff to enact their everyday job for the shot.

In these pictures, specially made for our activity report, he shows in a deliberately offbeat way the enthusiasm and pleasure that Crédit Agricole CIB staff take in working together every day.

Jean-Robert Dantou trained both as a photographer and a sociologist. Today he shares his time between institutional orders and documentary work in which he explores various contemporary issues: the working world, disability and dependency, memory and migration. His work is regularly shown in France and abroad. He is represented by Picturetank.

PHOTOGRAPHY CREDITS: Augustin Detienne/CAPA Pictures, Crédit Agricole S.A./CAPA Pictures/Béatrice de Géa, Crédit Agricole S.A./CAPA Pictures/Patrick Wack, Crédit Agricole S.A./CAPA Pictures/Pierre Olivier, Fico, Jean-Robert Dantou/Picturetank, Koki Saito/CAPA Pictures, Matthew Rakola/CAPA Pictures, Stéphane Remael/La Company, Thomas Padilla.

Conception / réalisation | 

This annual report is printed by an "Imprim Vert" labelled printer, on paper produced using wood fibres from forests that are certified and managed in a sustainable way according to environmental, economic and social standards.





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