

Montrouge, 8 November 2017

Results for the third quarter and first nine months 2017

Q3 & 9M-17: excellent performances

Credit Agricole Group*

Stated net income Group share

Q3: €1,907m

+36.8% Q3/Q3

9M: €5,614m

+35.1% 9M/9M

Stated revenues

Q3: €7,885m

+11.1% Q3/Q3

9M: €24,062m

+6.8% 9M/9M

Fully-loaded CET1 ratio

14.9%

540bp above the P2R¹

- Continued **organic growth in all business lines**
- **Major refocusing on core businesses:** disposal of BSF, consolidation of Pioneer, announced acquisitions of three savings banks in Italy and of Banca Leonardo
- **9M stated NIGS² already greater than FY-16 stated NIGS**
- **Q3 underlying³ NIGS: €1,759m, -4.5% Q3/Q3 (9M underlying³: €5,430m, +15.3% 9M/9M)**
- Cost of credit risk down to 18bp⁴

* Crédit Agricole S.A. and 100% of the Regional Banks

Crédit Agricole S.A.

Stated net income Group share

Q3: €1,066m

-42.8% Q3/Q3 (Q3-16 included the Eureka capital gain, €1.27bn))

9M: €3,262m

+0.4% 9M/9M

Stated revenues

Q3: €4,575m

+22.4% Q3/Q3

9M: €13,983m

+13.9% 9M/9M

Fully-loaded CET1 ratio

12.0%

+30bp /30.06.17 pro forma for Pioneer (MTP target of 11%)

- **9M-17 stated NIGS** at same level as 9M-16 which included Eureka gain for €1.27bn, improvement of business lines' profitability
- **Q3 underlying³ NIGS: €966m, -5.2% Q3/Q3 (9M³: €3,048m, +36.6% 9M/9M), earnings per share³: €0.31**
- **Underlying³ revenues +3.5% Q3/Q3 (9M³: +7.9%),** positive impact of Pioneer consolidation partly offset by an adverse Q3-16 base for comparison in capital markets
- **Underlying³ costs still well under control: +6.8% Q3/Q3** excl. SRF and **+2.0%** on a constant scope⁵, continued investment in new activities, particularly in insurance
- **Positive impact of refocusing operations:** non-cash portion of NIGS⁶ down from 32% in 2015 to 6% in 2018⁷
- **Cost of credit risk 31bp⁴ down -10bp Q3/Q3,** unallocated provision for legal risk of €75m

¹ Pro forma P2R for 2019 as notified by the ECB in 2016

² NIGS: net income Group share

³ In this press release, "underlying" refers to figures adjusted for the specific items described on p. 16 onwards

⁴ Average over last four rolling quarters, annualised

⁵ Aggregating contributions of Amundi and Pioneer Investments to underlying income and taking into account the amortisation of distribution contracts in 2016 and 2017

⁶ Portion of underlying NIGS due to contribution from equity-accounted companies, net of dividends received from them

⁷ Based on the consensus (compiled by the Group prior to publication of Q3-17 results), restated for the contribution of BSF

This press release comments on the results of Crédit Agricole S.A. and those of Crédit Agricole Group, which comprises the Crédit Agricole S.A. entities and the Crédit Agricole Regional Banks, which own 56.6% of Crédit Agricole S.A. Please see p. 14 (Crédit Agricole S.A.) and p. 15 (Crédit Agricole Group) of this press release for details of specific items, which are restated in the various indicators to calculate underlying results. A reconciliation between the stated income statement and the underlying income statement can be found on p. 19 onwards for Crédit Agricole Group and on p. 16 onwards for Crédit Agricole S.A.

Crédit Agricole Group

For the first nine months 2017, net income Group share for Crédit Agricole Group amounted to 5.6 billion euros, an increase of +35.1% versus the first nine months of 2016, which had been affected by significant negative specific items. This stated net income for the first nine months is already higher than the full year 2016 stated net income. Adjusted for specific items, underlying net income Group share was 5.4 billion euros, an increase of +15.3% versus the first nine months of 2016. These results reflect strong business momentum in the Group's various components – retail banks, specialised businesses and the Large customers business line – coupled with tight cost control enabling the Group to invest in new business activities, and particularly in insurance. The underlying cost/income ratio remained stable at 62.7%. These results include the first-time contribution of Pioneer Investments in the third quarter. During the third quarter, the Group continued to refocus on its core businesses, reducing its holding in Banque Saudi Fransi and signing an agreement to acquire three Italian savings banks and a majority holding in Banca Leonardo. The financial position remains very strong: at end-September, the fully-loaded Common Equity Tier 1 ratio was 14.9%, among the best in the sector and more than 5 percentage points above the regulatory minimum.

In line with the "Strategic Ambition 2020" medium-term plan (MTP), the Group's stable, diversified and profitable business model drives healthy organic growth in all its business lines, largely through synergies between the specialised business lines and the retail networks, and ensures a high level of operating efficiency while generating capacity to invest in business development.

The third quarter saw several major achievements under the "Strategic Ambition 2020" plan:

- First-time consolidation of Pioneer led to a sharp increase in Amundi's contribution to the Group's results. Amundi-Pioneer is now the ninth largest asset manager in the world and the largest in Europe, with top ranking positions in France, Italy, Austria and Germany;
- Insourcing by Crédit Agricole Assurances of new creditor insurance business for the Regional Banks began in September and will be completed in April 2018; CNP will continue to co-insure 50% of in-force business until extinction. The Insurance business line also continued to roll out its group insurance offering; the investments required for these new activities weighed on the business line's expenses this quarter;
- Refocusing on core businesses continued, with the disposal of 16.2% of the Group's 31.1% stake in Banque Saudi Fransi (BSF) in Saudi Arabia and deconsolidation of the residual 14.9% interest, generating a capital gain of 117 million euros;
- Cariparma signed an agreement with the fund Atlante II and the Italian Interbank Deposit Protection Fund in view of acquiring, for 130 million euros, 95% of three Italian savings banks, Cassa di Risparmio (CR) di Cesena, CR Rimini and CR San Miniato, which operate in regions bordering the Group's core territories in Italy; this transaction will increase the Group's distribution capacity in Italy by about 20% (430,000 customers, 220 branches); the transaction will be finalised after the savings banks have been recapitalised by 470 million euros and have been cleaned of 3 billion euros of non-performing loans;
- Lastly, on 31 October, Indosuez Wealth Management signed an agreement to acquire 67.67% of Banca Leonardo; this company provides wealth management services and has 5 billion euros in assets under management.

These two acquisitions, like Pioneer before them, are fully in keeping with the MTP objectives and will strengthen the Group's position in Italy, its second domestic market, which contributed 147 million euros to third-quarter net income Group share. They are subject to the usual regulatory authorisations. Their closing is expected in the fourth quarter 2017 (for the three savings banks) and in the first half 2018 (for Banca Leonardo). These acquisitions will have an impact of -12 basis points on Crédit Agricole Group's CET1 ratio.

In the third quarter 2017, Credit Agricole Group's stated net income Group share amounted to **1,907 million euros** versus 1,394 million euros in the third quarter 2016.

Specific items⁸ this quarter had a positive effect of **+149 million euros** on stated net income Group share, including the partial disposal of BSF (+117 million euros), and provisions for home purchase savings plans (+78 million euros, including +52 million euros for the Regional Banks). As a reminder, **in the third quarter 2016**, specific items had a negative impact of **-447 million euros**, including the LCL liability management operation (-197 million euros) and recurring volatile accounting items (including issuer spread for -182 million euros, DVA – debt valuation adjustment –, hedging of loan portfolios in the Large customers division and home purchase savings provision).

Excluding these specific items, **underlying net income Group share** was **1,759 million euros**, a **decrease of -4.5%** compared with the same quarter 2016.

Table 1. Consolidated results of Crédit Agricole Group in Q3-17 and Q3-16

€m	Q3-17 stated	Q3-16 stated	Q3/Q3 stated	Q3-17 underlying	Q3-16 underlying	Q3/Q3 underlying
Revenues	7,885	7,099	+11.1%	7,807	7,777	+0.4%
Operating expenses excl. SRF	(4,974)	(4,710)	+5.6%	(4,947)	(4,710)	+5.0%
SRF	-	-	-	-	-	-
Gross operating income	2,911	2,389	+21.9%	2,860	3,067	(6.8%)
Cost of credit risk	(317)	(597)	(46.8%)	(317)	(597)	(46.8%)
Cost of legal risk	(75)	(50)	+50.0%	(75)	(50)	+50.0%
Equity-accounted entities	240	138	+73.9%	123	138	(10.8%)
Net income on other assets	1	(47)	ns	6	(47)	n.m.
Change in value of goodwill	-	-	-	-	-	-
Income before tax	2,760	1,833	+50.6%	2,597	2,512	+3.4%
Tax	(743)	(348)	x 2.1	(719)	(577)	+24.5%
Net income from discontinued operations	(2)	(0)	ns	(2)	(0)	n.m.
Net income	2,015	1,485	+35.7%	1,876	1,934	(3.0%)
Non controlling interests	(108)	(91)	+18.4%	(117)	(93)	+25.7%
Net income Group share	1,907	1,394	+36.8%	1,759	1,841	(4.5%)
Cost income ratio excl. SRF (%)	63.1%	66.4%	-3.3 pp	63.4%	60.6%	+2.8 pp

The decrease was primarily due to an increase in the underlying effective tax rate to 29.1% versus 24.3% in the third quarter 2016, which had benefited from a reduced rate of tax on various transactions.

Underlying pre-tax income increased by **+3.4% versus the third quarter 2016**, thanks to a sharp decrease in loan loss provisions (-46.8%) in a climate of improving credit risk in all business lines, with the Regional Banks and Large customers business line even recording collective provision reversals.

The decrease in cost of credit risk more than offset a non-allocated 75 million euro provision for legal risk (50 million euros in the third quarter 2016) as well as the decrease in operating income caused by an unfavourable base for comparison in terms of revenues coupled with continued investment in business development in line with the MTP in terms of operating costs.

Underlying revenues were **virtually stable, up +0.4%** year-on-year to 7,807 million euros, as the positive impact of the Pioneer consolidation was largely offset by an adverse base for comparison due to a particularly high contribution from capital markets business in the third quarter 2016 stemming from increased market activity following the UK referendum on the European Union.

Underlying operating expenses increased by **+5.0%** year-on-year in the third quarter 2017, driven by the consolidation of Pioneer coupled with investment in MTP projects, mainly in Insurance.

⁸ See p. 15 for details of specific items for Crédit Agricole Group and p. 21 for a reconciliation of stated and underlying results.

The **underlying cost/income ratio** increased by +2.8 percentage points to **63.4%**.

In the first nine months 2017, **underlying net income Group share⁹** increased by **+15.3%** year-on-year thanks to a strong performance in the first half (underlying net income Group share up +27% versus the first half of 2016) and the developments described above. Underlying revenues were up +2.5%, underlying operating expenses excluding SRF up +2.7% and cost of credit risk down -40.0%, excluding the 115 million euros unallocated legal provision charge recognised in the first and third quarters of 2017 (40 million euros and 75 million euros respectively) versus 100 million euros in the second and third quarters 2016 (50 million euros each).

Table 2. Consolidated results of Crédit Agricole Group in 9M-17 and 9M-16

€m	9M-17 stated	9M-16 stated	9M/9M stated	9M-17 underlying	9M-16 underlying	9M/9M underlying
Revenues	24,062	22,524	+6.8%	24,080	23,491	+2.5%
Operating expenses excl. SRF	(15,167)	(14,757)	+2.8%	(15,108)	(14,716)	+2.7%
SRF	(285)	(282)	+1.2%	(285)	(282)	+1.2%
Gross operating income	8,610	7,485	+15.0%	8,686	8,493	+2.3%
Cost of credit risk	(1,113)	(1,855)	(40.0%)	(1,113)	(1,855)	(40.0%)
Cost of legal risk	(115)	(100)	+15.0%	(115)	(100)	+15.0%
Equity-accounted entities	683	388	+76.2%	459	388	+18.4%
Net income on other assets	(0)	(19)	(98.4%)	5	(19)	n.m.
Change in value of goodwill	-	-	-	-	-	-
Income before tax	8,065	5,899	+36.7%	7,922	6,907	+14.7%
Tax	(2,185)	(1,491)	+46.6%	(2,208)	(1,939)	+13.9%
Net income from discontinued operations	43	11	n.m	43	11	n.m
Net income	5,923	4,420	+34.0%	5,757	4,980	+15.6%
Non controlling interests	(310)	(265)	+16.7%	(327)	(269)	+21.5%
Net income Group share	5,614	4,154	+35.1%	5,430	4,710	+15.3%
Cost income ratio excl. SRF (%)	63.0%	65.5%	-2.5 pp	62.7%	62.6%	+0.1 pp

In the third quarter 2017, the **Regional Banks** enjoyed sustained business momentum. The loan book increased by +6.0% year-on-year at end-September, including +8.0% for home loans (+0.7 of a percentage point market gain over the year to end-June, latest available data) and +8.2% for consumer finance (including +14.3% for the loan book managed by CACF, which now represents 58% of total consumer finance loans booked in the balance sheet of the Regional Banks). Customer savings increased by +4.6% year-on-year, driven by demand deposits (+17.3%). Life insurance assets under management increased by only +1.5%, but the proportion of unit-linked inflows rose by +7.4 percentage points year-on-year to 24.4% in the third quarter 2017. Lastly, the number of property and personal insurance contracts increased by +6.0% compared to end-September 2016, of which +8.7% in comprehensive household.

This commercial performance made a significant contribution to growth in Credit Agricole S.A.'s business lines, whose products are distributed by the Regional Banks as the Group's leading distribution channel and leading retail bank in France.

The Regional Banks' contribution to Credit Agricole Group's underlying net income Group share was **774 million euros**, virtually unchanged either year-on-year (-0.4%) or quarter-on-quarter (-0.9%). As in the second quarter, their contribution was supported by a sharp decrease in cost of risk (-66.2% year-on-year in the third quarter, while the second quarter 2017 recorded a net reversal), offsetting the -9.2% decrease in gross

⁹ See p. 15 for details of specific items for Crédit Agricole Group and p. 19 for a reconciliation of stated and underlying results.

operating income caused by lower underlying revenues (-2.0%) coupled with higher costs (+2.8%). Also, this quarter, the negative impact on revenues of the operation to simplify the Group's structure (Eureka) was much lower than in the first half (only one additional month of interest expense on the loan funding the transaction, which was implemented on 3 August 2016). The increase in operating costs was due to IT investment – regulatory requirements and digital transformation – and the branch refurbishment programme scheduled in the MTP.

In the first nine months, the Regional Banks contributed **2,310 million euros**, a decrease of -3.3% due mainly to the costs and loss of revenue related to the Eureka operation, which did not impact results before their implementation date on 3 August 2016.

The performance of the other Credit Agricole Group business lines is described in detail in the section of this press release on Credit Agricole S.A.

In the quarter, Crédit Agricole Group's financial solidity remained robust, with a **fully-loaded CET1 ratio of 14.9%**, down -0.1 percentage point relative to end-June 2017 solely due to the consolidation of Pioneer as of 3 July (-43 basis points). Excluding Pioneer, therefore, the ratio improved by +0.3 percentage point. It provides a substantial buffer (540 basis points) above the distribution restriction trigger applicable to Credit Agricole Group as of 1 January 2019, set at 9.5% by the ECB.

The TLAC ratio was 20.6% at 30 September 2017, excluding eligible senior preferred debt, versus 20.8% at end-June 2017 and 20.3% at end-December 2016. This level already respects the 2019 minimum requirement of 19.5% without taking into account senior preferred debt, whereas the regulatory calculation of this ratio allows for the inclusion of eligible senior preferred debt (up to 2.5%). At end-October 2017, the Group had issued 6.2 billion euros equivalent of senior non-preferred debt since the beginning of the year.

The phased-in leverage ratio came to 5.5%, a decrease of -30 basis points compared with end-June 2017.

Credit Agricole Group's liquidity position is robust. Its banking cash balance sheet, at 1,121 billion euros at 30 September 2017, showed a surplus of stable funding sources over stable assets of 121 billion euros, up +4 billion euros compared with end-June 2017 and +17 billion euros compared with end-September 2016. The surplus exceeded the MTP target of over 100 billion euros. The surplus of stable funds finances the HQLA securities portfolio generated by the LCR requirement for customer and customer-related activities. Liquidity reserves, at market value and after haircuts, amounted to 254 billion euros. Short-term debt net of Central Bank deposits (28 billion euros) was covered more than 4 times by HQLA securities (119 billion euros).

Crédit Agricole Group issuers raised 28.4 billion euros equivalent of medium- and long-term debt in the first nine months 2017, 53% of which was raised by Crédit Agricole S.A. (15.2 billion euros equivalent), versus just over 33 billion euros for the whole of 2016. Besides, debt securities amounting to 2.6 billion euros were also collected by the Group's retail networks (Regional Banks, LCL and CA Italia) during the first nine months 2017.

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Dominique Lefebvre, Chairman of SAS Rue La Boétie and Chairman of Credit Agricole S.A.'s Board of Directors, commented: *"In the third quarter, Crédit Agricole Group continued to demonstrate its ability to maintain a high level of profitability and strong business momentum while at the same time investing in its future development, in line with the Strategic Ambition 2020 plan objectives"*.

Crédit Agricole S.A.

Strong results in both Q3 and the first nine months

- Stated net income Group share for the first nine months 2017 at the same level as 2016, even though the previous year included the Eureka gain, underlying net income Group share +37% 9M/9M
- Q3 underlying net income Group share close to one billion euros
- Q3: Continued good business momentum: cross selling and commercial initiatives
- Continued cost control while maintaining investment in future development

Continued refocusing: acquisitions in core businesses and asset disposals

- Partial disposal of the **BSF stake** – 16.2% – for €1.3bn
- Completion of the acquisition of **Pioneer Investments** for €3.5bn, first-time contribution to earnings
- Acquisition of a 95% stake in **three Italian banks** for €130m and a 67.67% stake in Banca Leonardo (expected to close in Q4 and in the first half 2018 respectively)
- **Positive impact of refocusing operations:** non-cash portion of NIGS¹⁰ down from 32% in 2015 to 6% in 2018¹¹

Further improvement in financial solidity

- Fully-loaded CET1 ratio of 12.0%, up +30bp since 30 June 2017 pro forma for the acquisition of Pioneer Investments, adjustment of the dividend provision to €0.52 over nine months (+€0.18 in Q3)
- **Ratings:** upgrade to positive outlook by S&P, ratings¹² upgrade by DBRS (long-term) and Scope Ratings (short-term)

Crédit Agricole S.A.'s Board of Directors, chaired by Dominique Lefebvre, met on 7 November 2017 to examine the financial statements for the third quarter and first nine months 2017.

In the third quarter 2017, stated net income Group share was 1,066 million euros versus 1,864 million euros in the third quarter 2016, which included the gain on the operation to simplify the Group's structure (Eureka) for 1,272 million euros. In the first nine months of the year, stated net income Group share was 3,262 million euros versus 3,249 million euros for the same period of 2016. The Group's organic growth over the year and, to a much lesser extent, the consolidation of Pioneer Investments, therefore compensated for the Eureka gain.

Specific items¹³ in the third quarter had an **impact of +100 million euros** on net income Group share, including the positive impact of the BSF partial disposal¹⁴ (+114 million euros in contribution from equity-accounted entities, excluding transaction costs). **In the third quarter 2016**, specific items had an impact of **+845 million euros**, mainly comprising the Eureka gain.

Excluding these specific items, **underlying net income Group share** for the third quarter 2017 came to **966 million euros**, a year-on-year **decrease of -5.2%**. The decrease stemmed mainly from the return to a more normal effective tax rate, which rose from 16.6% in the third quarter 2016 to 27.0% in the third quarter 2017. The resulting increase in the tax charge (+85.7% year-on-year) and the slight decrease in gross operating income (-2.0%) more than offset the decrease in credit risk provisions (-41% year-on-year). It should be noted that the Group decided to recognise a non-deductible provision to legal risk unallocated to any specific file of 75 million euros (50 million euros in the third quarter 2016) and continued its development investment, recorded under operating expenses, in line with the MTP.

¹⁰ Portion of underlying NIGS coming from contribution from equity-accounted companies and net of dividends received from them

¹¹ Based on the consensus (compiled by the Group prior to Q3 2017 results), restated for the contribution of BSF, excluding contribution from the three Italian banks and Banca Leonardo

¹² Unsolicited ratings

¹³ See p. 14 for details of specific items for Crédit Agricole S.A. and p. 16 for a reconciliation of stated and underlying results.

¹⁴ Sale of a 16.2% stake for 1.3 billion euros

Underlying earnings per share amounted to 0.31 euros, down -6.4% year-on-year, in line with the decrease in attributable net income Group share (after deduction of AT1 coupons, that are directly charged to the net equity Group share, but are deducted for the calculation of the earnings per share, see p. 22)

Table 3. Consolidated results of Crédit Agricole S.A. in Q3-17 and Q3-16

€m	Q3-17 stated	Q3-16 stated	Q3/Q3 stated	Q3-17 underlying	Q3-16 underlying	Q3/Q3 underlying
Revenues	4,575	3,739	+22.4%	4,564	4,412	+3.5%
Operating expenses excl. SRF	(2,902)	(2,693)	+7.8%	(2,875)	(2,693)	+6.8%
SRF	-	5	(100.0%)	-	5	(100.0%)
Gross operating income	1,672	1,051	+59.2%	1,689	1,724	(2.0%)
Cost of credit risk	(262)	(443)	(41.0%)	(262)	(443)	(41.0%)
Cost of legal risk	(75)	(50)	+50.0%	(75)	(50)	+50.0%
Equity-accounted entities	239	149	+60.0%	122	149	(18.3%)
Net income on other assets	(7)	(50)	(85.3%)	(2)	(50)	(95.4%)
Change in value of goodwill	-	-	n.m.	-	-	n.m.
Income before tax	1,567	657	x 2.4	1,472	1,330	+10.7%
Tax	(367)	33	n.m.	(364)	(196)	+85.7%
Net income from discontinued operations	(2)	1,272	n.m.	(2)	(0)	n.m.
Net income	1,198	1,962	(38.9%)	1,105	1,134	(2.5%)
Non controlling interests	(132)	(98)	+35.0%	(139)	(115)	+21.3%
Net income Group share	1,066	1,864	(42.8%)	966	1,019	(5.2%)
Earnings per share (€)	0.34	0.63	(46.0%)	0.31	0.33	(6.4%)
Cost income ratio excl. SRF (%)	63.4%	72.0%	-8.6 pp	63.0%	61.0%	+2.0 pp

Despite a slight increase, underlying net earnings remained high at close to one billion euros, which is the second best third-quarter performance since 2006, beaten only by the third quarter 2016, with which it is directly compared in this press release.

This performance was, like previous quarters, driven by **strong business momentum in all Crédit Agricole S.A.'s business lines and distribution networks, as well as the Regional Banks** which distribute the products of its specialised business lines. The macro-economic environment continued to improve in the Group's core European markets and the impacts of this improvement are amplified by cross selling driven by the Customer-focused universal banking model central to the "Strategic Ambition 2020" plan.

Business momentum therefore remained strong in all business lines during the third quarter:

- **In Insurance**, 158,000 new **property & casualty** contracts, net of terminations, were written during the quarter (+700,000 or +5.8% in force over one year). Now the fourth largest insurer in comprehensive household insurance, Crédit Agricole Assurances has moved up one place in the 2017 rankings. As a result, premium income in property & casualty increased by +7.1% year-on-year in the third quarter. **Life insurance** net inflows totalled +1.0 billion euros in the third quarter with a slight decrease in euro business inflows (-0.1 billion euros) but a further acceleration in unit-linked inflows (+1.1 billion euros, up +1.9 point): unit-linked accounts represented 30.1% of gross inflows (an increase of +8.1 percentage points year-on-year) and 21% of savings and retirement outstandings;
- **In Asset management (Amundi)**, assets under management stood at 1,400 billion euros driven by a scope effect following the consolidation of Pioneer Investments (+243 billion euros of assets under management at 3 July 2017) coupled with a positive market effect and, most importantly, strong net inflows of +31.2 billion euros over the quarter (+60.0 billion euros over nine months, including only one quarter's contribution from Pioneer Investments), driven by the Retail segment (+13.1 billion euros in the third quarter) and medium/long-term assets (+14.7 billion euros);
- **The Retail banks**, especially in France and Italy, delivered further strong growth in loans and customer assets compared with previous quarters. **At LCL**, home loans grew by +9.6% over one year, business loans by +11.3%, demand deposits by +16.0% and the number of property & casualty insurance contracts

increased by a net 16,000 (stock up +7.4% over one year). **Retail banking in Italy** continued to outperform the local market in home loans (+9.9%), while off-balance sheet customer assets grew by +9.4% over one year;

- **Specialised financial services** accelerated their development, with +7.1% growth in the managed loan book in consumer finance compared to end-September 2016 (+9.4 billion euros of new managed business), +3.6% of new leasing business, particularly abroad (+13.4%) and +7.4% growth in factored receivables compared to the third quarter 2016;
- **Large customers** continued to gain market share in capital markets activities, particularly in credit. CACIB's **Capital markets** business ranked No.4 worldwide¹⁵ on bonds issued by financial institutions in euros in the nine first months 2017; it was world leader in green financing (green bonds) all currencies combined¹⁶. In **Investment banking**, advisory business performed well, confirming its fourth place in M&A advisory in France¹⁷ with 30 deals. **Financing activities** ranked world No.4 in syndicated loans in the Europe, Middle East and Africa (EMEA) region¹⁸. Lastly, illustrating its Distribute to Originate risk distribution policy, CACIB's average primary syndication rate in the twelve months to September 2017 was 38%, +5 percentage points more than in the twelve months to end-September 2016 and +11 percentage points more than in 2013, when the policy was first introduced. In **Asset servicing (CACEIS)**, assets under custody increased by +7.3% and assets under administration by +12.3% compared with end-September 2016.

This excellent business momentum was not reflected in the **+3.5%** year-on-year growth in **underlying revenues (-0.8% on a constant scope¹⁹)** due to an adverse base for comparison, as the capital markets business had made a particularly high contribution in the third quarter 2016, mainly as a result of strong market activity following the UK's referendum on the European Union. Consequently, in 2016, the seasonal profile in the capital markets was the reverse of a typical year, with its contribution to revenues increasing gradually from the first to the third quarter 2016, whilst the opposite is more usual. The usual seasonal profile was restored in 2017 with revenues lower in the third quarter than the second and lower in the second quarter than the first. Consequently, capital markets revenues were down -28.3% year-on-year in the third quarter. However, capital markets revenues for the first nine months, which eliminates the differences in the quarterly profile between the two years, was up +3.8%, signalling a continued positive underlying trend in this business.

Consequently, Large customers suffered a -14.7% decrease in underlying revenue in the third quarter but an increase of +3.5% over nine months. Retail banking also saw a decrease in underlying revenues, at LCL (-3.4%) because of the fall in renegotiation fees and the impact of previous renegotiations on interest margin, and at International retail banking excluding Italy (-9.0%) because of Egypt's devaluation in November 2016 (rise of +28% excluding the forex effect). The Insurance business recorded good investment income, and decided to apply a modest recognition of investment margin in life insurance, allowing a further strengthening of reserves. Insurance revenues were therefore down by -4.8%, even though business volumes increased. The other business lines delivered good revenue growth in line with business volumes, in particular Asset management (+4.6% on a constant scope¹⁹), Specialised financial services (+2.8%) and, within the Large customers division, Asset servicing (+8.0%). Corporate centre's underlying revenue also improved by +197 million euros thanks to the decrease in funding costs and the full impact of the Eureka operation on the quarter (versus only two months of investment of the cash generated by the operation in the third quarter 2016, excluding the unwinding of Switch 1 which had already been effective over the entire quarter).

Underlying operating expenses increased by **+6.8%** year-on-year in the third quarter and by **+2.0% on a constant scope¹⁹**. The increase stems mainly from Insurance (+4.6%), International Retail Banking Italy (+4.7%) and, to a lesser extent, Specialised financial services (+2.3%) and Asset servicing (+3.4%), although these two latter businesses showed positive jaw effects. The growth in operating expenses reflects the scale-up of new

¹⁵ Bookrunner (source: Thomson Financial at 30/09/17)

¹⁶ Bookrunner all currencies combined (source: Thomson Financial at 30/09/17)

¹⁷ Market share (source: Thomson Financial at 30/09/17)

¹⁸ Mandated Bookrunner (source: Thomson Financial at 30/09/17)

¹⁹ Aggregate of the contributions to underlying net income of Amundi and Pioneer Investments and taking into account the amortisation of distribution contracts in 2017 and 2016

activities, such as the insourcing of creditor insurance and the development of group insurance in the insurance business, as well as development projects. Lastly, it should be noted that Wealth management recognised a reversal of pension provisions in the third quarter 2016 following a law in Switzerland reducing the conversion rate and, therefore, the employer's obligation (+26 million euros, +21 million euros on net income Group share). This reversal is not recurring in nature and accounts for almost one percentage point of the +2.0% growth in underlying operating expenses for Crédit Agricole S.A. on a constant scope¹⁹.

The **cost/income ratio excluding SRF** stood at 63.0%.

The **cost of credit risk fell to 262 million euros** from 443 million euros in the third quarter 2016 (-41.0% or +181 million euros year-on-year) and 351 million euros in the second quarter 2017 (-25.4% or +89 million euros). All businesses contributed to the decrease, except for Retail banking in Italy (+13.1% or -9 million euros compared to the third quarter 2016), which sold a portfolio of non-performing loans held by Calit, its leasing subsidiary, resulting in a loss of -18 million euros. The main contributors to the decrease were Large customers (from a cost of credit risk of -116 million euros in the third quarter 2016 to a net reversal of +21 million euros, an improvement of +137 million euros) due to reversals of collective provisions considered to be surplus to requirements, Specialised financial services (-18.4% or +29 million euros) in line with trends in previous quarters, and LCL (-18.4% or +10 million euros), despite a collective impairment charge of 25 million euros to cover potential defaults after Hurricane Irma in the Caribbean.

Cost of credit risk represented **31 basis points of outstandings**,²⁰ a decrease of -4 basis points quarter-on-quarter and **-10 basis points** year-on-year, and still below the Medium-term plan assumption of 50 basis points. Thanks to the reversals in the third quarter, Financing activities in the Large customers division delivered a cost of credit risk of 19 basis points over four rolling quarters, down -13 basis points year-on-year and -11 basis points quarter-on-quarter. The two main contributors to credit risk provisions - Consumer finance and Retail banking in Italy - which accounted for 74% of consolidated credit risk in the third quarter, recorded improvements of respectively -18 basis points to 116 and -12 basis points to 89. In Retail banking in Italy, new defaults were down -47%²¹ year-on-year in the third quarter and the impaired loans ratio fell decreased by -1 percentage point to 12.4%²¹ (versus 13.4% at end-September 2016 and 12.5% at end-June 2017), while the coverage ratio improved to 48%²¹ (versus 45.6% at end-September 2016 and 48.2% at end-June 2017). The three Italian banks to be consolidated within the next few months, after the disposal of 3 billion euros of non-performing loans, will have even better ratios than those of International Retail Banking Italy at present.

In this improving credit risk environment, the Group decided to add **75 million euros to provisions for legal risk unallocated to any specific file, recognised in the Large customers business line**. A similar provision of 50 million euros was recognised in the third quarter 2016, also in Large customers.

The underlying contribution from **equity-accounted entities** was down -18.3% to 122 million euros excluding the capital gain on BSF, mainly due to loss of the Eurazeo contribution following its disposal in the second quarter 2017, and the deconsolidation as of 20 September 2017 of the Group's interest in BSF following the partial disposal (decrease from 31.1% to 14.9%).

Underlying income before tax, discontinued operations and non-controlling interests increased by +10.7% to 1,472 million euros. The underlying effective tax rate was 27.0% versus 16.6% in the third quarter 2016, which had benefited from a reduced rate of tax on several transactions during the quarter. This rate is significantly lower than the standard corporate income tax rate in France due to the generation of earnings in countries with a lower tax rate and to the tax credit available on Additional Tier 1 debt instruments (interest payments are deducted directly from equity, for -92 million euros in the third quarter), representing an impact of more than two percentage points on the underlying effective tax rate. The **underlying tax charge** was therefore **up +85.7%** year-on-year in the third quarter, to 364 million euros.

Net income attributable to **non-controlling interests** was up significantly, by +21.3% to 139 million euros, due to the decrease in the Group's interest in Amundi to 68.5% as of the second quarter 2017 versus 74.1% in the same period of 2016 and up to and including the first quarter 2017, but also this quarter due to the consolidation of Pioneer

²⁰ Average loan loss reserves over last four rolling quarters, annualised

²¹ Excluding Calit, the leasing subsidiary which was part of Specialised financial services until end-2016

Investments, which contributed to the growth of almost 50% of Amundi's net income (at 100%). Excluding Amundi, non-controlling interests would have been down slightly.

Consequently, **underlying net income Group share** came to **966 million euros**, a decrease of **-5.2%** compared with the third quarter 2016.

For the first nine months 2017, stated net income Group share was **3,262 million euros** versus 3,249 million euros in the same period of 2016, virtually unchanged even though 2016 had benefited from the 1,272 million euro Eureka gain. Strong organic growth delivered by the businesses, and, to a lesser extent, the integration of Pioneer Investments, therefore offset the non-recurrence of this gain, with limited support from specific items,²² which had an impact of +214 million euros on net income Group share in the first nine months 2017. Additionally to the specific items of the third quarter mentioned above, the most significant specific item compared with the third quarter 2016 was the gain on disposal of the Group's interest in Eurazeo (+107 million euros) in the second quarter. In the first nine months of 2016, specific items had an impact of +1,018 million euros on net income Group share, including the Eureka gain referred to above.

Excluding these specific items, **underlying net income Group share** came to **3,048 million euros**, an increase of **+36.6%** compared with the first nine months of 2016.

Underlying earnings per share came to **0.96 euro**, an increase of **+36.9%** compared with the first nine months of 2016.

Table 4. Consolidated results of Crédit Agricole S.A. in 9M 2017 and 9M 2016

€m	9M-17 stated	9M-16 stated	9M/9M stated	9M-17 underlying	9M-16 underlying	9M/9M underlying
Revenues	13,983	12,275	+13.9%	13,962	12,943	+7.9%
Operating expenses excl. SRF	(8,693)	(8,474)	+2.6%	(8,635)	(8,433)	+2.4%
SRF	(242)	(240)	+1.1%	(242)	(240)	+1.1%
Gross operating income	5,047	3,562	+41.7%	5,086	4,270	+19.1%
Cost of credit risk	(972)	(1,292)	(24.8%)	(972)	(1,292)	(24.8%)
Cost of legal risk	(115)	(100)	+15.0%	(115)	(100)	+15.0%
Equity-accounted entities	678	393	+72.4%	454	393	+15.4%
Net income on other assets	(8)	(46)	(83.4%)	(3)	(46)	(94.1%)
Change in value of goodwill	-	-	n.m.	-	-	n.m.
Income before tax	4,630	2,516	+84.0%	4,449	3,225	+38.0%
Tax	(1,030)	(234)	x 4.4	(1,046)	(678)	+54.2%
Net income from discontinued operations	43	1,283	n.m.	43	11	n.m.
Net income	3,643	3,566	+2.2%	3,447	2,558	+34.7%
Non controlling interests	(381)	(316)	+20.6%	(399)	(326)	+22.2%
Net income Group share	3,262	3,249	+0.4%	3,048	2,232	+36.6%
Earnings per share (€)	1.03	1.07	(3.7%)	0.96	0.70	+36.9%
Cost income ratio excl. SRF (%)	62.2%	69.0%	-6.9 pp	61.8%	65.2%	-3.3 pp

The nine-month period cancels out 2016's atypical seasonal profile and the adverse base for comparison in the third quarter. The key income indicators have therefore returned to their underlying trend: strong growth in revenues, good control over operating expenses and decrease of the cost of credit risk, mitigated by a higher level of legal provisions (115 million euros versus 100 million euros in the first nine months of 2016) and an increase in the effective tax rate from 23.9% in the first nine months 2016 to 26.2% in the first nine months 2017. As in the third quarter, the tax credit on Additional Tier 1 coupons decreased the effective tax rate by more than 2 points.

Underlying revenues were 13,962 million euros, a year-on-year increase of +7.9% or +6.2% on a constant scope. All divisions contributed to the growth and in particular Asset gathering, following the consolidation of Pioneer

²² See p. 14 for details of specific items for Crédit Agricole S.A. and p. 16 for a reconciliation of stated and underlying results.

Investments and organic growth in asset and wealth management, and the Corporate centre, thanks to the Eureka impact and a decrease in funding costs. In the first nine months of the year, Large customers delivered +3.5% year-on-year growth in underlying revenues.

Underlying operating expenses were up slightly to 8,635 million euros, an increase of +2.4% excluding the SRF contribution, which itself was up by +1.1% (242 million euros versus 244 million euros in the first nine months of 2016). On a constant scope, operating expenses excluding SRF increased by only +0.8%, reflecting excellent cost control. All business contributed to this cost control. The most substantial jaws effect²³ came from LCL (+5.2 percentage points excluding SRF), Specialised financial services (+2.9 percentage points excluding SRF), and Large customers (+2.1 percentage points excluding SRF), particularly Asset financing (+5.0 percentage points excluding SRF). The **underlying cost/income ratio excluding SRF** improved by 3.3 percentage points to 61.8% compared with the first nine months of 2016.

Lastly, **cost of credit risk excluding unallocated legal provisions** fell by -24.8% to 972 million euros versus 1,292 million euros in the first nine months of 2016 (or +320 million euros). As in the third quarter, the main contributors to the improvement were Large customers (-53.0% or +188 million euros) and Specialised financial services (-22.1% or +96 million euros). At LCL, cost of credit risk increased by +14.4% (-19 million euros), mainly due to non-recurring reversals in the first quarter 2016 which lowered the base for comparison, and the provisions in the third quarter 2017 related to Hurricane Irma, but the cost of risk nonetheless remains very low in this business line.

At end-September 2017, Crédit Agricole S.A.'s capital ratios improved yet further, with a **fully-loaded CET1 ratio of 12.0%**, down -40 basis points versus June 30 2017 but **up +30 basis points since 30 June 2017 pro forma for the acquisition of Pioneer Investments**. This pro forma increase was due to the partial disposal of the interest in BSF and deconsolidation of the remaining stake (+17 basis points), net income allocated to retained earnings net of the dividend provision and Additional Tier 1 interest payments (+11 basis points), quasi-stability of AFS unrealised gains (+1 basis point), and finally the neutral effect of risk-weighted assets and other various items. Risk-weighted assets totalled 293 billion euros at end-September 2017 versus 301 billion euros at end-December 2016, a decrease of -2.7% partially due to the forex effect. The acquisitions announced but not yet finalised (three Italian savings banks and Banca Leonardo) will have an impact of approximately -15 basis points.

It should be noted that at end-September 2017, capital ratios including the fully-loaded CET1 were calculated based on a **dividend assumption** of 50% of stated net earnings per share, i.e. **0.52 euro per share**, which corresponds to **0.18 euro for the third quarter 2017** (0.15 euro assumed for the calculation at end-March and 0.34 euro at end-June).

The phased-in **leverage ratio** was **4.4%** at end-September 2017 as defined in the Delegated Act adopted by the European Commission.

Crédit Agricole S.A.'s average **LCR ratio** over twelve months stood at 137% at end-June 2017, above the Medium-Term Plan target of over 110%.

At end-October 2017, Credit Agricole S.A. had completed **104% of its medium- to long-term market funding programme of 16 billion euros for the year**: 16.6 billion euros equivalent were raised on the markets, of which 10.4 billion euros equivalent of senior preferred debt (unsecured) and secured senior debt and 6.2 billion euros equivalent of senior non-preferred debt.

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Philippe Brassac, Chief Executive Officer, commented: *"In the first nine months of the year, Crédit Agricole S.A. has succeeded in equalling last year's performance in terms of stated net income, despite the Eureka gain of more than one billion euros recognised in the first nine months of 2016. This result alone, which was achieved despite continued investment in development under the MTP, confirms the Group's profitability and its ability to deliver growth in all its business lines."*

²³ Difference between growth in revenues and growth in operating expenses

Corporate social responsibility

This quarter, Crédit Agricole S.A. achieved some excellent extra-financial ratings:

- Crédit Agricole S.A. is now among the top European banks in the MSCI²⁴ worldwide index. ESG Ratings after its rating was raised from BBB to A. This upward notch was achieved due to progress made in data security and protection, and more particularly the publication of a Personal Data Charter and a Group Ethics Charter, the creation of a Group Security Committee and implementation of a programme to strengthen security, and efforts to embed environmental risk in the credit analysis process.
- The Anglo-Dutch extra-financial rating agency Sustainalytics raised Crédit Agricole S.A.'s rating from 76 to 80, making it the best-rated bank. The upgrade was due to progress in the range of products to promote the energy transition (energy saving loans, green bonds, low carbon funds, etc.).

In addition, Crédit Agricole is the first bank to obtain ISO 37001 certification for its anti-bribery and corruption system. Delivered by Euro Compliance²⁵, this ISO 37001 certification is recognition of the Group's determination and the quality of its anti-corruption and bribery programme. It confirms that corruption and bribery risks are properly identified and analysed and that the programme applied by Crédit Agricole is designed to mitigate these various risks by drawing on best international practices. It covers all Crédit Agricole Group's business lines and is in addition to the BS 10500 certification delivered by SGS in July 2016.

The Group reported on progress at end-June 2017 in the strong commitments made at the time of the COP 21:

- 49 billion euros in arrangements supporting the energy transition out of the 60 billion euros announced over three years (2016-2018);
- more than 1.7 billion euros of cash invested in green bonds out of the 2 billion euros planned by Credit Agricole S.A. and Credit Agricole CIB by end-2017;
- 21% increase in renewable energy financing in France in 2016 (514 million euros versus 425 million euros in 2015), compared with a commitment of a 100% increase by 2018;
- 150 million euros of financing made available by Amundi through its joint venture with EDF, Amundi Transition Energétique (ATE), out of the 5 billion euros planned by 2020 through ATE and another specialist fund management company, a joint venture between Amundi and Agricultural Bank of China.

²⁴ Morgan Stanley Capital International

²⁵ Euro compliance is a certification and training organisation specialising in anti-bribery and corruption

Appendix 1 – Specific items, Crédit Agricole S.A. and Crédit Agricole Group

Table 5. Crédit Agricole S.A. – Specific items, Q3-17 and Q3-16, and 9M-17 and 9M-16

€m	Q3-17		Q3-16		9M-17		9M-16	
	Gross impact	Impact NIGS	Gross impact	Impact NIGS	Gross impact	Impact NIGS	Gross impact	Impact NIGS
Issuer spreads (CC)	(16)	(14)	(281)	(178)	(121)	(69)	(243)	(151)
DVA (LC)	(0)	(0)	(44)	(28)	(61)	(39)	(35)	(22)
Loan portfolio hedges (LC)	(13)	(9)	(25)	(16)	(53)	(34)	(24)	(15)
Home Purchase Savings Plans (FRB)	8	5	-	-	63	39	-	-
Home Purchase Savings Plans (CC)	32	21	-	-	154	101	-	-
Eureka transaction (CC)	-	-	(23)	(18)	-	-	(23)	(18)
Liability Management (FRB)	-	-	(300)	(187)	-	-	(300)	(187)
Liability management upfront payments (CC)	-	-	-	-	39	26	(683)	(448)
Capital gain on VISA EUROPE (CC)	-	-	-	-	-	-	355	327
Regional Banks' dividends (CC)	-	-	-	-	-	-	286	285
Total impact on revenues	10	3	(673)	(427)	20	23	(667)	(229)
LCL network optimisation cost (FRB)	-	-	-	-	-	-	(41)	(26)
Pioneer integration costs (AG)	(27)	(14)	-	-	(59)	(28)	-	-
Total impact on operating expenses	(27)	(14)	-	-	(59)	(28)	(41)	(26)
Eurazeo sale (CC)	-	-	-	-	107	107	-	-
Disposal of BSF (LC)	117	114	-	-	117	114	-	-
Total impact on equity affiliates	117	114	-	-	224	221	-	-
CA Italy acquisition costs (IRB)	(5)	(3)	-	-	(5)	(3)	-	-
Total impact on Net income on other assets	(5)	(3)	-	-	(5)	(3)	-	-
Eureka transaction (CC)	-	-	-	1,272	-	-	-	1,272
Total impact on Net income from discounted or held-for-sale operations	-	-	-	1,272	-	-	-	1,272
Total impact of specific items	95	100	(673)	845	181	214	(708)	1,018
<i>Asset gathering</i>	(27)	(14)	-	-	(59)	(28)	-	-
<i>Retail banking</i>	3	2	(300)	(187)	58	36	(341)	(213)
<i>Specialised financial services</i>	-	-	-	-	-	-	-	-
<i>Large customers</i>	103	106	(69)	(44)	3	41	(59)	(37)
<i>Corporate centre</i>	16	6	(304)	1,077	179	165	(308)	1,267

* Impact before tax (except for the line "impact on tax") and before non-controlling interests

Table 6. Crédit Agricole Group – Specific items, Q3-17 and Q3-16, and 9M-17 and 9M-16

€m	Q3-17		Q3-16		9M-17		9M-16	
	Gross impact	Impact on NIGS	Gross impact	Impact on NIGS	Gross impact	Impact on NIGS	Gross impact	Impact on NIGS
Issuer spreads (Corporate centre)	(28)	(23)	(281)	(182)	(145)	(91)	(243)	(154)
DVA (LC)	(0)	(0)	(44)	(29)	(61)	(40)	(35)	(23)
Loan portfolio hedges (LC)	(13)	(9)	(25)	(16)	(53)	(35)	(24)	(16)
HPSP provisions (FRB/LCL)	8	5	-	-	63	41	-	-
HPSP provisions (FRB/RBs)	80	52	(1)	(0)	205	134	(9)	(6)
HPSP provisions (Corporate centre)	32	21	-	-	154	101	-	-
VISA EUROPE capital gain	-	-	-	-	-	-	355	337
Adjustment of liability costs (FRB/RBs)	-	-	-	-	(218)	(148)	-	-
Liability Management (CC)	-	-	-	-	39	26	(683)	(448)
Eureka transaction (Corporate centre)	-	-	(28)	(23)	-	-	(28)	(23)
Liability Management (LCL)	-	-	(300)	(197)	-	-	(300)	(197)
Total impact on revenues	78	46	(679)	(447)	(17)	(11)	(967)	(529)
LCL network optimisation cost (FRB/LCL)	-	-	-	-	-	-	(41)	(27)
Pioneer integration costs (AG)	(27)	(11)	-	-	(59)	(26)	-	-
Total impact on expenses	(27)	(11)	-	-	(59)	(26)	(41)	(27)
Disposal of Eurazeo (Corporate centre)	-	-	-	-	107	107	-	-
Disposal of BSF (LC)	117	117	-	-	117	117	-	-
Total impact on equity affiliates	117	117	-	-	224	224	-	-
CA Italy acquisition costs (IRB)	(5)	(3)	-	-	(5)	(3)	-	-
Total impact on Net income on other assets	(5)	(3)	-	-	(5)	(3)	-	-
Total impact of specific items	163	149	(679)	(447)	143	184	(1,008)	(556)
<i>Asset gathering</i>	(27)	(11)	-	-	(59)	(26)	-	-
<i>Retail banking</i>	82	55	(301)	(197)	44	24	(350)	(230)
<i>Specialised financial services</i>	-	-	-	-	-	-	-	-
<i>Large customers</i>	103	108	(69)	(45)	3	42	(59)	(38)
<i>Corporate centre</i>	4	(3)	(309)	(205)	155	143	(599)	(288)

* Impact before tax (except for the line "impact on tax") and before non-controlling interests

Appendix 2 – Crédit Agricole S.A.: Stated and underlying income statement

Table 7. Crédit Agricole S.A. – Reconciliation between stated and underlying results, Q3-17 and Q3-16

€m	Q3-17 stated	Specific items	Q3-17 underlying	Q3-16 stated	Specific items	Q3-16 underlying	Q3/Q3 underlying
Revenues	4,575	10	4,564	3,739	(673)	4,412	+3.5%
Operating expenses excl. SRF	(2,902)	(27)	(2,875)	(2,693)	-	(2,693)	+6.8%
SRF	-	-	-	5	-	5	(100.0%)
Gross operating income	1,672	(17)	1,689	1,051	(673)	1,724	(2.0%)
Cost of credit risk	(262)	-	(262)	(443)	-	(443)	(41.0%)
Cost of legal risk	(75)	-	(75)	(50)	-	(50)	+50.0%
Equity-accounted entities	239	117	122	149	-	149	(18.3%)
Net income on other assets	(7)	(5)	(2)	(50)	-	(50)	(95.4%)
Income before tax	1,567	95	1,472	657	(673)	1,330	+10.7%
Tax	(367)	(2)	(364)	33	229	(196)	+85.7%
Net income from discontinued or held-for-sale operations	(2)	-	(2)	1,272	1,272	(0)	n.m
Net income	1,198	93	1,105	1,962	828	1,134	(2.5%)
Non controlling interests	(132)	7	(139)	(98)	17	(115)	+21.3%
Net income Group share	1,066	100	966	1,864	845	1,019	(5.2%)
Earnings per share (€)	0.34	0.03	0.31	0.63	0.30	0.33	(6.4%)
Cost income ratio excl. SRF (%)	63.4%		63.0%	72.0%		61.0%	+2.0 pp

Table 8. Crédit Agricole S.A. – Reconciliation between stated and underlying results, 9M-17 and 9M-16

€m	9M-17 stated	Specific items	9M-17 underlying	9M-16 stated	Specific items	9M-16 underlying	9M/9M underlying
Revenues	13,983	20	13,962	12,275	(667)	12,943	+7.9%
Operating expenses excl. SRF	(8,693)	(59)	(8,635)	(8,474)	(41)	(8,433)	+2.4%
SRF	(242)	-	(242)	(240)	-	(240)	+1.1%
Gross operating income	5,047	(38)	5,086	3,562	(708)	4,270	+19.1%
Cost of credit risk	(972)	-	(972)	(1,292)	-	(1,292)	(24.8%)
Cost of legal risk	(115)	-	(115)	(100)	-	(100)	+15.0%
Equity-accounted entities	678	224	454	393	-	393	+15.4%
Net income on other assets	(8)	(5)	(3)	(46)	-	(46)	(94.1%)
Income before tax	4,630	181	4,449	2,516	(708)	3,225	+38.0%
Tax	(1,030)	16	(1,046)	(234)	444	(678)	+54.2%
Net income from discontinued or held-for-sale operations	43	-	43	1,283	1,272	11	n.m
Net income	3,643	196	3,447	3,566	1,007	2,558	+34.7%
Non controlling interests	(381)	18	(399)	(316)	10	(326)	+22.2%
Net income Group share	3,262	214	3,048	3,249	1,018	2,232	+36.6%
Earnings per share (€)	1.03	0.07	0.96	1.07	0.37	0.70	+36.9%
Cost income ratio excl. SRF (%)	62.2%		61.8%	69.0%		65.2%	-3.3 pp

Appendix 3 – Crédit Agricole S.A.: Income statement by business line

Table 9. Crédit Agricole S.A. – Income statement by business line, Q3-17 and Q3-16

Q3-17							
€m	AG	FRB (LCL)	IRB	SFS	LC	CC	Total
Revenues	1,302	848	619	675	1,236	(106)	4,575
Operating expenses excl. SRF	(680)	(595)	(364)	(337)	(741)	(184)	(2,902)
SRF	-	-	-	-	-	-	-
Gross operating income	622	253	255	338	495	(291)	1,672
Cost of credit risk	0	(45)	(113)	(128)	21	3	(262)
Cost of legal risk	-	-	-	-	(75)	-	(75)
Equity-accounted entities	9	-	-	68	163	(1)	239
Net income on other assets	(0)	(0)	(8)	(1)	2	(1)	(7)
Income before tax	631	208	134	277	607	(289)	1,567
Tax	(113)	(59)	(42)	(60)	(197)	103	(367)
Net income from discontinued or held-for-sale operations	(1)	-	0	(2)	-	-	(2)
Net income	518	149	92	215	410	(186)	1,198
Non controlling interests	(63)	(7)	(28)	(24)	(13)	3	(132)
Net income Group share	455	142	64	191	397	(183)	1,066
Q3-16							
€m	AG	FRB (LCL)	IRB	SFS	LC	CC	Total
Revenues	1,107	570	631	658	1,396	(624)	3,738
Operating expenses excl. SRF	(477)	(600)	(361)	(330)	(738)	(187)	(2,693)
SRF	-	-	-	-	-	5	5
Gross operating income	630	(30)	270	328	658	(806)	1,050
Cost of credit risk	(2)	(55)	(108)	(157)	(116)	(6)	(444)
Cost of legal risk	-	-	-	-	(50)	-	(50)
Equity-accounted entities	8	-	-	55	59	27	149
Net income on other assets	-	-	1	-	-	(50)	(49)
Income before tax	636	(85)	163	226	551	(835)	656
Tax	(149)	53	(52)	(48)	(74)	303	33
Net income from discontinued or held-for-sale operations	-	-	-	-	-	1,272	1,272
Net income	487	(32)	111	178	477	740	1,961
Non controlling interests	(40)	2	(32)	(21)	(19)	13	(97)
Net income Group share	447	(30)	79	157	458	753	1,864

AG: Asset gathering and Insurance; RB: Retail banking (FRB French retail banking, IRB International retail banking); SFS: Specialised financial services; LC: Large customers; CC: Corporate centre

Table 10. Crédit Agricole S.A. – Income statement by business line, 9M-17 and 9M-16

9M-17							
€m	AG	FRB (LCL)	IRB	SFS	LC	CC	Total
Revenues	3,703	2,664	1,864	2,050	4,027	(326)	13,983
Operating expenses excl. SRF	(1,876)	(1,814)	(1,098)	(1,021)	(2,283)	(601)	(8,693)
SRF	(2)	(15)	(10)	(14)	(139)	(61)	(242)
Gross operating income	1,825	835	756	1,015	1,605	(988)	5,047
Cost of credit risk	(1)	(149)	(325)	(338)	(166)	7	(972)
Cost of legal risk	-	-	-	-	(115)	-	(115)
Equity-accounted entities	24	-	-	183	292	178	678
Net income on other assets	(0)	0	(7)	(1)	2	(1)	(8)
Income before tax	1,848	686	424	859	1,618	(805)	4,630
Tax	(405)	(194)	(133)	(205)	(447)	353	(1,030)
Net income from discontinued or held-for-sale operations	30	-	0	13	-	-	43
Net income	1,473	492	291	667	1,171	(452)	3,643
Non controlling interests	(155)	(24)	(85)	(88)	(39)	9	(381)
Net income Group share	1,318	468	206	580	1,132	(443)	3,262

9M-16							
€m	AG	FRB (LCL)	IRB	SFS	LC	CC	Total
Revenues	3,450	2,254	1,893	1,964	3,942	(1,228)	12,275
Operating expenses excl. SRF	(1,599)	(1,917)	(1,095)	(1,006)	(2,253)	(604)	(8,473)
SRF	(2)	(19)	(10)	(13)	(149)	(47)	(240)
Gross operating income	1,849	318	788	945	1,541	(1,879)	3,562
Cost of credit risk	(9)	(130)	(348)	(434)	(354)	(18)	(1,293)
Cost of legal risk	-	-	-	-	(100)	-	(100)
Equity-accounted entities	21	-	-	152	182	38	393
Net income on other assets	1	-	1	(2)	1	(47)	(46)
Income before tax	1,862	188	441	661	1,270	(1,906)	2,516
Tax	(500)	(44)	(143)	(153)	(261)	867	(234)
Net income from discontinued or held-for-sale operations	-	-	-	-	11	1,272	1,283
Net income	1,362	144	298	508	1,020	233	3,565
Non controlling interests	(121)	(7)	(89)	(68)	(36)	5	(316)
Net income Group share	1,241	137	209	440	984	238	3,249

AG: Asset gathering and Insurance; RB: Retail banking (FRB French retail banking, IRB International retail banking); SFS: Specialised financial services; LC: Large customers; CC: Corporate centre

Appendix 4 – Crédit Agricole Group: Stated and underlying income statement

Table 11. Crédit Agricole Group – Reconciliation between stated and underlying results, Q3-17 and Q3-16

€m	Q3-17 stated	Specific items	Q3-17 underlying	Q3-16 stated	Specific items	Q3-16 underlying	Q3/Q3 underlying
Revenues	7,885	78	7,807	7,099	(679)	7,777	+0.4%
Operating expenses excl. SRF	(4,974)	(27)	(4,947)	(4,710)	-	(4,710)	+5.0%
SRF	-	-	-	-	-	-	-
Gross operating income	2,911	51	2,860	2,389	(679)	3,067	(6.8%)
Cost of credit risk	(317)	-	(317)	(597)	-	(597)	(46.8%)
Cost of legal risk	(75)	-	(75)	(50)	-	(50)	+50.0%
Equity-accounted entities	240	117	123	138	-	138	(10.8%)
Net income on other assets	1	(5)	6	(47)	-	(47)	n.m.
Income before tax	2,760	163	2,597	1,833	(679)	2,512	+3.4%
Tax	(743)	(24)	(719)	(348)	229	(577)	+24.5%
Net income from discontinued operations	(2)	-	(2)	(0)	-	(0)	n.m.
Net income	2,015	139	1,876	1,485	(450)	1,934	(3.0%)
Non controlling interests	(108)	10	(117)	(91)	2	(93)	+25.7%
Net income Group share	1,907	149	1,759	1,394	(447)	1,841	(4.5%)
Cost income ratio excl. SRF (%)	63.1%		63.4%	66.4%		60.6%	+2.8pp

Table 12. Crédit Agricole Group– Reconciliation between stated and underlying results, 9M-17 and 9M-16

€m	9M-17 stated	Specific items	9M-17 underlying	9M-16 stated	Specific items	9M-16 underlying	9M/9M underlying
Revenues	24,062	(17)	24,080	22,524	(967)	23,491	+2.5%
Operating expenses excl. SRF	(15,167)	(59)	(15,108)	(14,757)	(41)	(14,716)	+2.7%
SRF	(285)	-	(285)	(282)	-	(282)	+1.2%
Gross operating income	8,610	(76)	8,686	7,485	(1,008)	8,493	+2.3%
Cost of credit risk	(1,113)	-	(1,113)	(1,855)	-	(1,855)	(40.0%)
Cost of legal risk	(115)	-	(115)	(100)	-	(100)	+15.0%
Equity-accounted entities	683	224	459	388	-	388	+18.4%
Net income on other assets	(0)	(5)	5	(19)	-	(19)	n.m.
Income before tax	8,065	143	7,922	5,899	(1,008)	6,907	+14.7%
Tax	(2,185)	23	(2,208)	(1,491)	448	(1,939)	+13.9%
Net income from discontinued operations	43	-	43	11	-	11	n.m.
Net income	5,923	166	5,757	4,420	(560)	4,980	+15.6%
Non controlling interests	(310)	18	(327)	(265)	4	(269)	+21.5%
Net income Group share	5,614	184	5,430	4,154	(556)	4,710	+15.3%
Cost income ratio excl. SRF (%)	63.0%		62.7%	65.5%		62.6%	+0.1pp

Appendix 5 – Crédit Agricole Group: Income statement by business line

Table 13. Crédit Agricole Group – Income statement by business line, Q3-17 and Q3-16

Q3-17								
€m	RBs	LCL	IRB	AG	SFS	LC	CC	Total
Revenues	3,289	848	645	1,302	675	1,235	(109)	7,885
Operating expenses excl. SRF	(2,035)	(595)	(386)	(680)	(337)	(741)	(199)	(4,974)
SRF	-	-	-	-	-	-	-	-
Gross operating income	1,254	253	258	622	338	494	(308)	2,911
Cost of credit risk	(51)	(45)	(113)	0	(128)	21	(2)	(317)
Cost of legal risk	-	-	-	-	-	(75)	-	(75)
Equity-accounted entities	(0)	-	-	9	68	163	(0)	240
Net income on other assets	4	(0)	(3)	(0)	(1)	2	(1)	1
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	1,207	208	142	631	277	605	(311)	2,760
Tax	(381)	(59)	(43)	(113)	(60)	(196)	108	(743)
Net income from discontinued operations	-	-	0	(1)	(2)	-	-	(2)
Net income	826	149	100	518	215	409	(202)	2,015
Non controlling interests	(0)	(0)	(22)	(60)	(24)	(5)	3	(108)
Net income Group share	826	149	78	458	191	405	(199)	1,907

Q3-16								
€m	RBs	LCL	IRB	AG	SFS	LC	CC	Total
Revenues	3,273	570	659	1,108	658	1,396	(565)	7,099
Operating expenses excl. SRF	(1,980)	(600)	(377)	(477)	(330)	(738)	(208)	(4,710)
SRF	-	-	-	-	-	-	-	-
Gross operating income	1,293	(30)	282	631	328	658	(773)	2,389
Cost of credit risk	(152)	(55)	(110)	(2)	(157)	(116)	(5)	(597)
Cost of legal risk	-	-	-	-	-	(50)	-	(50)
Equity-accounted entities	-	-	-	8	55	59	16	138
Net income on other assets	2	-	1	-	-	-	(50)	(47)
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	1,143	(85)	173	637	226	551	(812)	1,833
Tax	(367)	53	(54)	(149)	(48)	(74)	291	(348)
Net income from discontinued operations	-	-	-	-	-	-	-	(0)
Net income	776	(32)	119	488	178	477	(521)	1,485
Non controlling interests	1	-	(27)	(37)	(21)	(9)	2	(91)
Net income Group share	777	(32)	92	451	157	468	(519)	1,394

AG: Asset gathering and Insurance; RB: Retail banking (FRB French retail banking, IRB International retail banking); SFS: Specialised financial services; LC: Large customers; CC: Corporate centre

Table 14. Crédit Agricole Group – Income statement by business line, 9M-17 and 9M-16

9M-17								
€m	RBs	LCL	IRB	AG	SFS	LC	CC	Total
Revenues	9,936	2,664	1,947	3,695	2,050	4,026	(255)	24,062
Operating expenses excl. SRF	(6,334)	(1,814)	(1,154)	(1,876)	(1,021)	(2,283)	(684)	(15,167)
SRF	(43)	(15)	(10)	(2)	(14)	(140)	(61)	(285)
Gross operating income	3,558	835	782	1,816	1,015	1,603	(1,000)	8,610
Cost of credit risk	(132)	(149)	(328)	(1)	(338)	(166)	2	(1,113)
Cost of legal risk	-	-	-	-	-	(115)	-	(115)
Equity-accounted entities	4	-	-	24	183	292	179	683
Net income on other assets	4	0	(3)	(0)	(1)	2	(2)	(0)
Income before tax	3,434	686	451	1,840	859	1,617	(820)	8,065
Tax	(1,137)	(193)	(139)	(405)	(205)	(446)	339	(2,185)
Net income from discontinued operations	-	-	0	30	13	-	-	43
Net income	2,297	493	312	1,465	667	1,170	(481)	5,923
Non controlling interests	(1)	(0)	(68)	(146)	(88)	(15)	7	(310)
Net income Group share	2,297	492	245	1,319	580	1,155	(474)	5,614

9M-16								
€m	RBs	LCL	IRB	AG	SFS	LC	CC	Total
Revenues	10,356	2,254	1,971	3,447	1,964	3,946	(1,413)	22,524
Operating expenses excl. SRF	(6,177)	(1,917)	(1,143)	(1,600)	(1,006)	(2,253)	(662)	(14,757)
SRF	(38)	(19)	(10)	(2)	(13)	(149)	(52)	(282)
Gross operating income	4,141	319	817	1,846	945	1,545	(2,127)	7,485
Cost of credit risk	(559)	(130)	(351)	(9)	(434)	(354)	(18)	(1,855)
Cost of legal risk	-	-	-	-	-	(100)	-	(100)
Equity-accounted entities	5	-	-	21	152	182	28	388
Net income on other assets	28	0	1	1	(2)	1	(47)	(19)
Income before tax	3,614	188	467	1,859	661	1,274	(2,164)	5,899
Tax	(1,231)	(44)	(149)	(500)	(153)	(262)	848	(1,491)
Net income from discontinued operations	-	-	-	0	-	11	-	11
Net income	2,384	144	317	1,359	508	1,022	(1,316)	4,420
Non controlling interests	(0)	(0)	(72)	(113)	(68)	(15)	4	(265)
Net income Group share	2,383	144	245	1,246	440	1,007	(1,312)	4,154

AG: Asset gathering and Insurance; RB: Retail banking (FRB French retail banking, IRB International retail banking); SFS: Specialised financial services; LC: Large customers; CC: Corporate centre

Appendix 6 – Calculation methods of data per share

Table 15. Crédit Agricole S.A. – Calculation of earnings per share, net asset value and tangible net asset value per share

(€m)		Q3-17	Q3-16	9M-17	9M-16
Net income Group share		1,066	1,864	3,262	3,249
- Interests on AT1, before tax, including issuance costs		(92)	(97)	(329)	(338)
Net income Group share attributable to ordinary shares	[A]	974	1,767	2,933	2,911
Average number shares in issue, excluding treasury shares (in millions)	[B]	2,844.0	2,803.7	2,843.4	2,709.4
Net earnings per share	[A]/[B]	€0.34	€0.63	€1.03	€1.07
Underlying net income Group share		966	1,019	3,048	2,232
Underlying net income Group share attributable to ordinary shares	[C]	874	922	2,719	1,894
Underlying net earnings per share	[C]/[B]	€0.31	€0.33	€0.96	€0.70

(€m)		30/09/2017	31/12/2016
Shareholder's equity Group share		57,974	58,277
- AT1 issuances		(5,011)	(5,011)
- Unrealised gains and losses on AFS - Group share		(3,385)	(3,779)
- Payout assumption on annual results*			(1,716)
Net not revaluated asset attributable to ordinary shares	[D]	49,578	47,771
- Goodwill & intangibles** - Group share		(17,872)	(15,479)
Net tangible not revaluated asset attributable to ordinary shares	[E]	31,706	32,292
Total shares in issue, excluding treasury shares (period end)	[F]	2,844.3	2,843.3
Net asset value per share, after deduction of dividend to pay (€)	[D]/[F]	€17.4	€16.8
+ Dividend to pay for the year (€)	[H]		€0.60
Net asset value per share, dividend to pay included (€)		€17.4	€17.4
Net tangible asset value per share, after deduction of dividend to pay (€)	[G] = [E]/[F]	€11.1	€11.4
Net tangible asset value per share, dividend to pay included (€)	[G]+[H]	€11.1	€12.0

* dividend proposed to the Board meeting to be paid

** including goodwill in the equity-accounted entities

NB: Increase in goodwill related to the integration of Pioneer investments (goodwill from Pioneer: €2,522m)

Disclaimer

The financial information for the third quarter and first nine months 2017 for Crédit Agricole S.A. and the Crédit Agricole Group comprises this press release and the attached quarterly financial report and presentation, available at <https://www.credit-agricole.com/en/finance/finance/financial-publications>.

This press release may include prospective information on the Group, supplied as information on trends. This data does not represent forecasts within the meaning of European Regulation 809/2004 of 29 April 2004 (chapter 1, article 2, §10).

This information was compiled from scenarios based on a number of economic assumptions for a given competitive and regulatory environment. Therefore, these assumptions are by nature subject to random factors that could cause actual results to differ from projections.

Likewise, the financial statements are based on estimates, particularly for the calculation of market values and asset impairments.

Readers must take all of these risk factors and uncertainties into consideration before making their own judgement.

The figures presented for the nine-month period ended 30 September have been prepared in accordance with IFRS as adopted in the European Union and applicable at that date, and with prudential regulations currently in force. This financial information does not constitute a set of financial statements for an interim period as defined by IAS 34 "Interim Financial Reporting" and has not been audited.

N.B. The scope of consolidation of Crédit Agricole S.A. group and Crédit Agricole Group has not changed materially since the filing with the AMF of Crédit Agricole S.A.'s 2016 Registration Document on 21 March 2017 under number D.17-0197 and update A.01 of the 2016 Registration Document containing the regulated information for Crédit Agricole Group.

The sum of the values contained in the tables and analyses may differ slightly from the totals due to rounding effects.

Unlike publications for previous quarters, the income statements contained in this press release show non-controlling interests with a minus sign such that the line item "net income Group share" is the mathematical addition of the line item "net income" and the line item "non-controlling interests".

On 1 January 2017, Calit was transferred from Specialised financial services (Crédit Agricole Leasing & Factoring) to Retail banking in Italy. Historical data have not been restated on a pro forma basis.

Since July 1, 2017, Pioneer Investments is included in the scope of consolidation of Crédit Agricole Group as a subsidiary of Amundi. Historical data have not been restated on a proforma basis.

The Pioneer Investments integration costs in the first and second quarters of 2017 have been reclassified in specific items, unlike the treatment initially adopted for those quarters. Underlying net income Group share for those two quarters has been adjusted accordingly.

Financial calendar

- 14 February 2018 Publication of fourth quarter and full-year 2017 results
- 15 May 2018 Publication of 2018 first quarter results
- 16 May 2018 Annual Shareholders' Meeting in Paris
- 3 August 2018 Publication of second quarter and first half 2018 results
- 7 November 2018 Publication of 2018 third quarter results

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