



Toute une banque pour vous

**CRÉDIT AGRICOLE –
INSURANCE WORKSHOP**
CAA HEAD OFFICE, PARIS, 6 DECEMBER 2017

DISCLAIMER

- This presentation 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 developed 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 in calculating market value and asset depreciation.
- Readers must take all these risk factors and uncertainties into consideration before making their own judgement.
- The figures presented for the nine-month period ending 30 September 2017 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.
- Note: the scopes of consolidation of groups Crédit Agricole S.A. and Crédit Agricole have not changed materially since the registration with the French market watchdog AMF of the 2016 Registration Document of Crédit Agricole S.A. on 21 March 2017 under the registration number D.17-0197 and the A.01 update of this 2016 Registration document including all regulatory information about Crédit Agricole Group.
- The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding
- The profit and loss tables included in this document show minority interests (« non-controlling interests » in the financial statements) signed negatively, so that the line « net income Group share » is the result of the algebraic summing of lines « net income » and « minority interests ».

NOTE

The Crédit Agricole

Group scope of consolidation comprises: the Regional Banks, the Local Banks, Crédit Agricole S.A. and their subsidiaries. This is the scope of consolidation that has been privileged by the competent authorities to assess the Group's situation, notably in the 2016 Stress test exercise.

Crédit Agricole S.A. is the listed entity. It notably owns the subsidiaries of its business lines (French retail banking, International retail banking, Asset gathering, Specialised financial services and Large Customers).



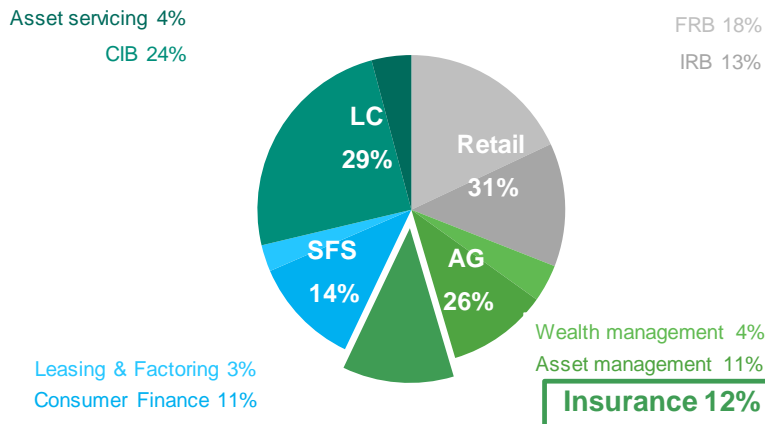
INTRODUCTION

JÉRÔME GRIVET
DEPUTY GENERAL MANAGER & GROUP CFO,
CRÉDIT AGRICOLE S.A.

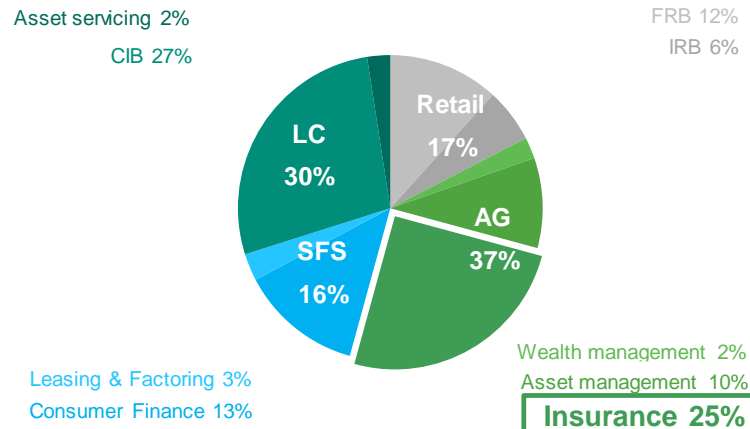
INTRODUCTION - THE INSURANCE BUSINESS IN CRÉDIT AGRICOLE SCOPE

The No.1 business in terms of contribution to net profit

Underlying revenues 9M-17 by business line
(excluding Corporate Centre) (%)



Underlying NIGS 9M-17 by business line
(excluding Corporate Centre) (%)



- 25% of underlying net income Group share (excl. corporate centre) in 9M-17
- 17.5% annualised RONE⁽¹⁾

⁽¹⁾ Capital allocation method: 80% of Solvency 2 capital requirements, reduced by 9.5% of RWAs transferred by the Switch 2 guarantee to the Regional Banks

AG: Asset gathering, including Insurance; RB: Retail banking, SFS: Specialised financial services; LC: Large customers; CC: Corporate centre

INTRODUCTION - THE INSURANCE BUSINESS IN CRÉDIT AGRICOLE SCOPE

Insurance contribution to Crédit Agricole S.A. P&L

Strong and recurring contribution to Crédit Agricole S.A.'s performance

€m	9M-17 stated	9M-17 underlying, excl. CC	o/w Insurance	
			€m	% of CASA
Revenues	13,983	14,361	1,614	11%
Operating expenses excl.SRF	(8,935)	(8,215)	(547)	7%
Gross operating income	5,047	6,146	1,067	17%
Cost of risk	(1,087)	(1,094)	-	0%
Equity-accounted entities	678	383	(0)	0%
Income before tax	4,630	5,433	1,067	20%
Tax	(1,030)	(1,421)	(177)	12%
Net inc. from discount'd or held-for-sale op.	43	43	30	69%
Net income	3,643	4,056	920	23%
Non controlling interests	(381)	(401)	(3)	1%
Net income Group Share	3,262	3,655	917	25%
Cost/Income ratio excl.SRF (%)	63.9%	57.2%	33.9%	4

Accounting key points

1 Specific treatment of equity-accounted stakes

- Booked in revenues only
- Allocation to policyholders via participation reserves
- Net impact in revenues: net of tax and net of profit-sharing provision

2 No cost of risk

3 Low tax rate due to technicalities

- Equity-accounted investments, whose contribution has already been taxed
- Capital gains at reduced tax rates

4 Very low cost/income ratio: 33.9% in 9M-17 (29.7% in FY-2016)

INTRODUCTION - THE INSURANCE BUSINESS IN CRÉDIT AGRICOLE SCOPE

Insurance contribution to Crédit Agricole S.A. balance sheet

23% of the Balance Sheet of Crédit Agricole S.A. coming from Insurance

Assets	€m	o/w Insurance		Liabilities	€m	o/w Insurance	
		€m	%			€m	%
Cash and Central banks	28 202	21	0%	Central banks	3 857	0	0%
Financial assets at fair value through profit or loss	348 207	97 638	28%	Financial liabilities at fair value through profit or loss	261 898	5 749	2%
Available for sale financial assets	315 916	218 437	69%	Due to banks	112 328	15 265	14%
Due from banks	382 838	2 670	1%	Customer accounts	521 828	1 854	0%
Loans and advances to customers	346 254	3 461	1%	Debt securities in issue	159 280	0	0%
Financial assets held to maturity	14 354	11 098	77%	Accruals and sundry liabilities	60 462	16 381	27%
Accrued income and sundry assets	56 556	12 423	22%	Liabilities associated with non-current assets held for sale	374	372	100%
Non-current assets held for sale	591	569	96%	Insurance Company technical reserves	306 658	306 658	100%
Investments in equity affiliates	7 100	1 927	27%	Contingency reserves and subordinated debt	33 610	4 853	14%
Fixed assets & goodwill	24 214	7 234	30%	Equity	63 937	4 346	7%
Total assets	1 524 232	355 478	23%	Total liabilities	1 524 232	355 478	23%

Accounting key points

- 23% of Crédit Agricole S.A.'s total assets
- Lion's share of CASA's investment portfolio: €327bn
 - 28% of CASA's Financial assets at fair value through profit or loss
 - 69% of the AFS portfolio
 - 77% of the HTM portfolio
- Accounting of U/L contracts in Financial assets at fair value through profit or loss
- Technical reserves: €307bn

Accounting consolidation: full integration method ≠ Prudential consolidation: equity method

INTRODUCTION - THE INSURANCE BUSINESS IN CRÉDIT AGRICOLE SCOPE

Capital requirements at 30 June 2017

From CAA insurance Solvency 2 capital to CRD4 capital consumption, net of Switch 2 guarantee, at 30 June 2017

Solvency 2 ratio:
178%



- High Solvency 2 ratio: 178% at end-June 2017, within the target range of 160%-200%
- Large equity base: €12.7bn
- Capital consumption mitigated by EU legislation (Danish compromise) and Switch 2 (guarantee from the Regional banks)

INTRODUCTION - THE INSURANCE BUSINESS IN CRÉDIT AGRICOLE SCOPE

AFS unrealised gains in reserves

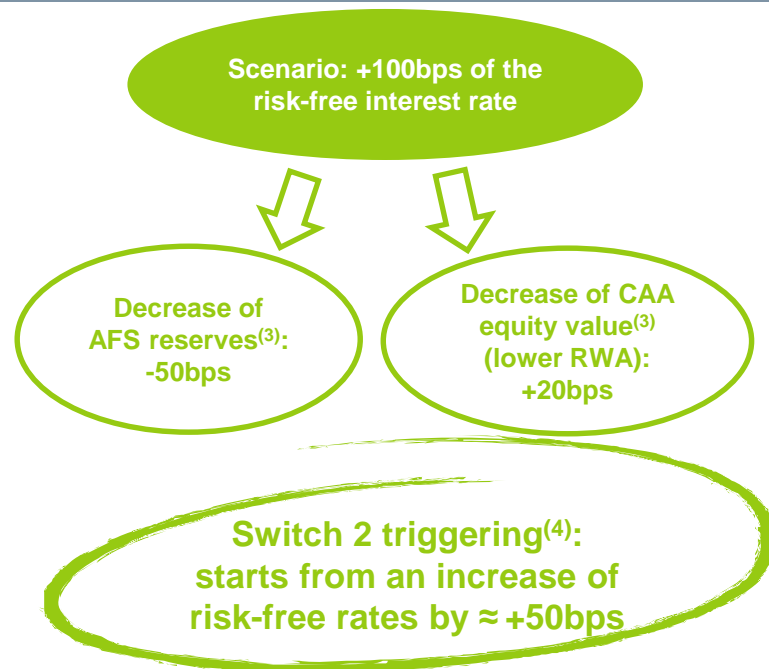
Details of AFS reserves at end-September 2017

- **AFS unrealised gains reserves: €3,472m**
 - in net equity, after tax and net of attribution to policyholders
- **Mixed balanced between banking and insurance**
 - 33% coming from banking entities
 - 67% coming from insurance companies
- **Breakdown by investment type**
 - 70% invested in bonds (83% for the insurance portfolio)
 - 30% invested in equities (17% for insurance portfolio)

**Contribution to
CET1 ratio: ≈ 90bps⁽¹⁾**

⁽¹⁾ CET1 ratio sensitivity to the AFS reserve at end-September 2017, after deduction of impact of insurance reserves on risk-weighted assets

Sensitivity analysis (insurance portfolio only⁽²⁾)



⁽²⁾ A large part of the banking book AFS portfolio is hedged

⁽³⁾ Based on 31 December 2016 data

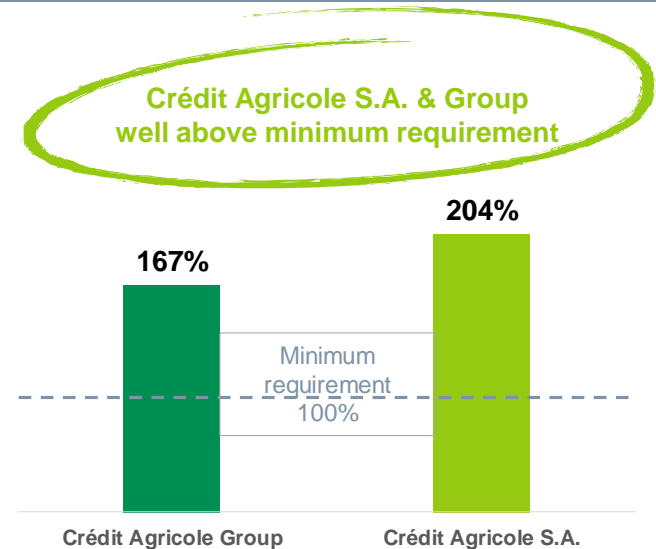
⁽⁴⁾ Based on CAA net profit in H1-17, excluding cost of Switch 2 (-€96m), but net of AT1 costs (-43m€)

INTRODUCTION - THE INSURANCE BUSINESS IN CRÉDIT AGRICOLE SCOPE

Financial conglomerate regulation

- **Crédit Agricole S.A. and Crédit Agricole Group recognised as financial conglomerates, under the Financial Conglomerate Directive**
 - Both insurance and banking activities treated according to their respective solvency requirements (hence, in relation to their specific risks)
 - Both insurance and banking activities must be properly capitalised: “the building blocks approach”
- **Diversification benefits allowed at the banking level thanks to the Financial conglomerate status**
 - The excess capital can be positioned at the highest level of consolidation
- **Under this Directive, requirement of a fully integrated evaluation of all risks of the Group, through very strict monitoring**

Financial conglomerate ratios at end-June 2017






Under this status, stakes in insurance subsidiaries are consolidated through the equity method in the prudential scope

INTRODUCTION - THE INSURANCE BUSINESS IN CRÉDIT AGRICOLE SCOPE

MTP ambition : ambitious commercial and financial targets

▶ COMMERCIAL TARGETS

Savings Retirement 	<p>+10% growth in AuM (€285bn in 2019)</p> <p>+5pp growth in share of unit-linked contracts in AuM</p>
Death & disability/ creditor group insurance 	<p>+~35% growth in death & disability, creditor and group insurance premium income (€4bn in 2019)</p>
Property & casualty 	<p>+~27% growth in property & casualty premium income (€4.3bn in 2019)</p>

▶ FINANCIAL TARGETS

	2015	2015 pro forma ²	2019
Contribution to the Group's revenues ¹ (€bn)	5.6	5.3	> 6.0
NIGS (€bn)	1.2	1.0	~ 1.3
Cost / income ratio	26.7%	30.2%	<30%
Combined ratio	95.8%	95.8%	< 96%

Scope: Property & casualty, personal accident and health (excluding small business and farming group plans)

⁽¹⁾ Market shares in number of policies, 2015 market shares : 6.2% in car and 9% in home

⁽²⁾ Share of French small businesses with at least 1 product in Crédit Agricole Group's entire insurance range 3. Share of French farmers with at least 2 products in Crédit Agricole Group's property & casualty insurance range 4. Under IFRS.

INTRODUCTION - THE INSURANCE BUSINESS IN CRÉDIT AGRICOLE SCOPE

Conclusion

- **A leading insurer in France, No.1 bancassurer in Europe**, created from scratch by the Regional banks
- **No.1 business line** in terms of net profit contribution, **low capital-consuming growth**
- **Stabilising role** in Crédit Agricole SA's profitability
- **Bespoke business model**, supporting **client satisfaction, growth** and **profitability**
- Business model becoming **more diversified, less sensitive to interest rate evolutions**
- Translation of the insurance P&L in the banking P&L format is clumsy, hence this workshop

APPENDIX

INTRODUCTION - THE INSURANCE BUSINESS IN CRÉDIT AGRICOLE SCOPE

Reminder on Switch guarantee

Principle

- ⇒ Switch2 guarantee transfers to the Regional Banks the prudential requirement linked to Crédit Agricole S.A.'s stakes in CA Assurances (CAA)
- ⇒ The guarantee cover a **fixed equity-accounted value of €9.34bn** (value at 1 January 2014), secured by a **guarantee deposit of €3.1bn**
- ⇒ The risk transferred is the patrimonial risk linked to the **halfyearly** change of the **global equity-accounted value** of CA Assurances

The way it works

- ⇒ Reduction of capital requirements of Crédit Agricole S.A. for the guaranteed amount: **€34bn in RWAs**, non-deduction from the CET1 numerator of **€220m due to the Expected Loss (EL)**
- ⇒ If the equity-accounted value declines, the Regional Banks bear the loss of value up to their **maximum commitment of €9.34bn**, subject to a **clawback provision**

Cash deposit

- ⇒ The guarantees include an **€3.1bn cash deposit** constituted by the Regional Banks and booked in Crédit Agricole S.A. balance sheet
- ⇒ The cash deposit is sized to reflect the regulatory capital saving achieved by Crédit Agricole S.A.
- ⇒ If guarantees are activated, the corresponding compensation is claimed by Crédit Agricole S.A. out of the cash deposit, which is then partially replenished by the Regional Banks so as to correspond to the remaining guaranteed amount
- ⇒ The cash deposit is remunerated at 9.3% before tax, ie c. €300m (c. €200m after tax)

Benefits

- ⇒ **Better allocation of capital** within Crédit Agricole Group
- ⇒ Strengthened solvency ratios for Crédit Agricole S.A., with **no impact for Crédit Agricole Group**

INTRODUCTION - THE INSURANCE BUSINESS IN CRÉDIT AGRICOLE SCOPE

Triggering of the Switch guarantees in Q2-15, clawback in Q3-15

Switch trigger

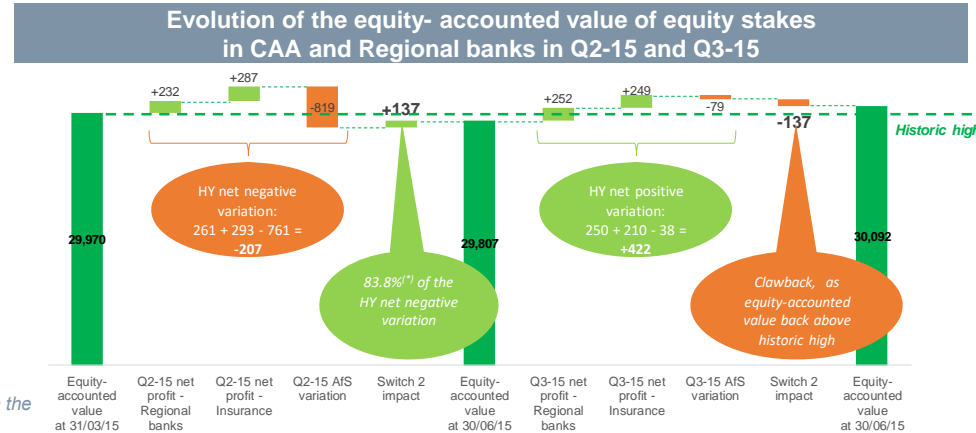
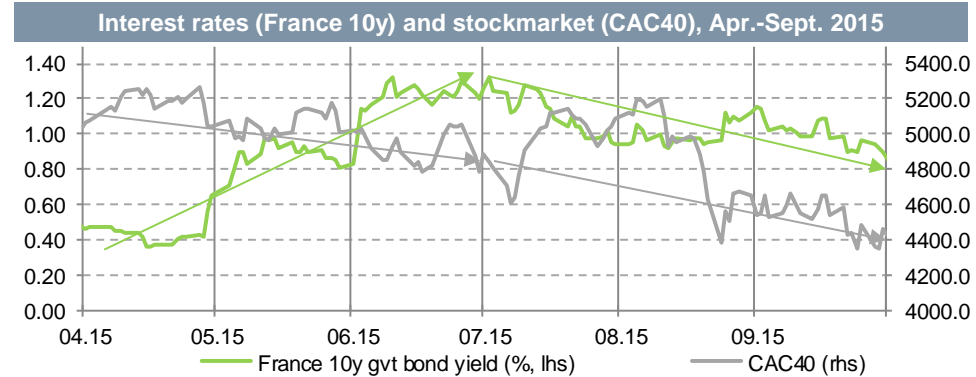
- Switch guarantees cover the regulatory requirement associated with Crédit Agricole S.A.'s equity interests.
- Before 2016: Switch1&2 was covering the equity interests in CAA **and** the Regional banks (25%) in a given **quarter** (halfyear as from 2016)
- The equity-accounted value covered was €23.9bn

Triggering of Switch guarantees in Q2-15 due to:

- The fall in AFS reserves, essentially for CAA, against a sudden, steep rise in sovereign interest rates and a decline in equity prices: -€761m
- Not entirely offset by the positive results of the Regional Banks and CAA: +€554m

Clawback in Q3-15 due to:

- Equity-accounted value of equity interests now back above the historic high (value at 31/03/15) thanks to net profit contributions from CAA and Regional banks



* Calculation based on the global sum of regulatory values of Crédit Agricole S.A.'s equity interests in the Regional Banks and in Crédit Agricole Assurances



FRÉDÉRIC THOMAS

CEO, CRÉDIT AGRICOLE ASSURANCES

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OVERVIEW

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THE BANCASSURANCE MODEL

3

GLOBAL STRATEGIC AMBITIONS

OVERVIEW

Crédit Agricole Assurances: No.1 bancassurer in France and in Europe

Leading bancassurer

#1

in France¹



#1

in Europe¹

Leading insurer

#1

in France²



#8

in Europe²

A leading position in all markets



Savings and Retirement

#2

Life insurance in France²

15%

market share in France⁴



Death & Disability / Creditor /
Group insurance

#1

Individual Death & Disability
in France³

18%

market share in Death in
France⁴

#2

Creditor insurance
in France¹

17%

market share
in Funerals in France⁴



Property & Casualty

#6

Property & Casualty
in France²

7%

market share
in Car insurance in France

#4

Household insurance
in France⁴

10%

market share
in Home insurance in France

¹ Source: Argus de l'assurance, spécial bancassurance April, 2017, based on premiums at end-2016; ² Source: Argus de l'assurance, December 16th, 2016 based on premiums at end-2015;

³ Source: Argus de l'assurance May 26th 2017; ⁴ Source: Argus de l'assurance October 20th, 2017; ⁴ Source FFA 2016.

OVERVIEW

A full-fledged insurer, diversified across 3 businesses in France and abroad

€30.8bn
in premium income
in 2016¹



Savings & Retirement

€24.0bn



Death & disability
Creditor
Group insurance

€3.2bn



Property & Casualty

€3.6bn



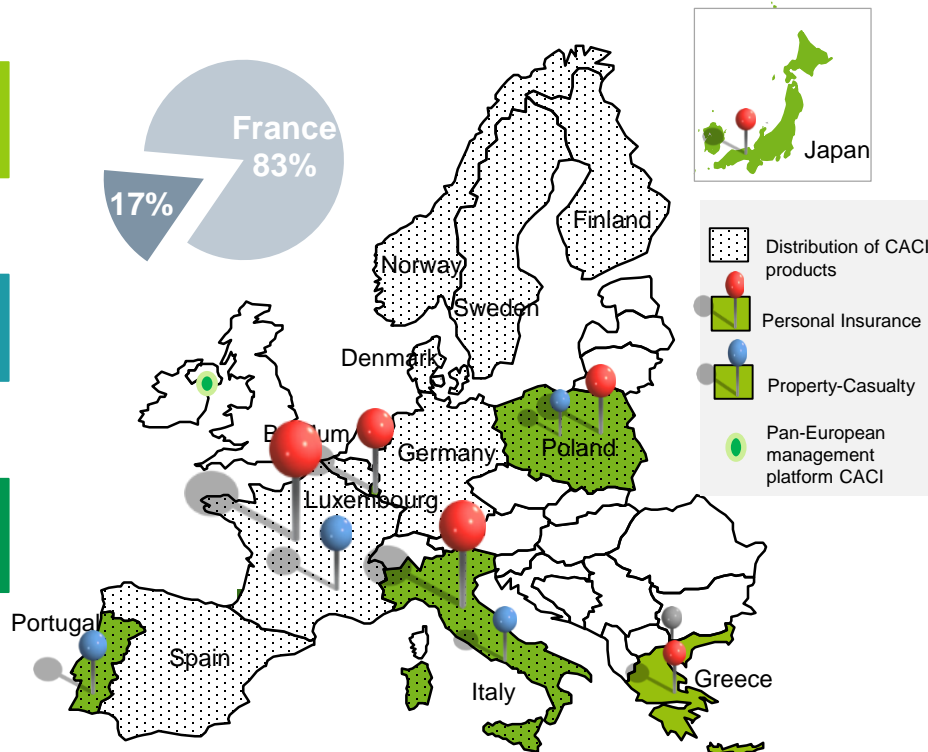
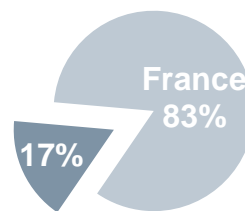
4,200 employees



10 countries



10 400 bancassurance
distribution branches²



¹ Under IFRS

² Crédit Agricole group's networks in France, Italy and Poland

OVERVIEW

A full-fledged insurer, diversified across 3 distribution models in France and abroad

Three distribution models

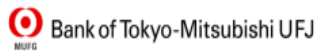
92%¹ Bancassurance model: distribution of personal insurance, property & casualty and creditors insurance in CA's banking networks



6%¹ Group partnerships: internal financial partners together with complementary channels (internet, independent wealth management advisors, network dedicated to health professionals)



2%¹ External partnerships: e.g. partnerships with local banks in Japan



¹ As a percentage of premium income

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OVERVIEW

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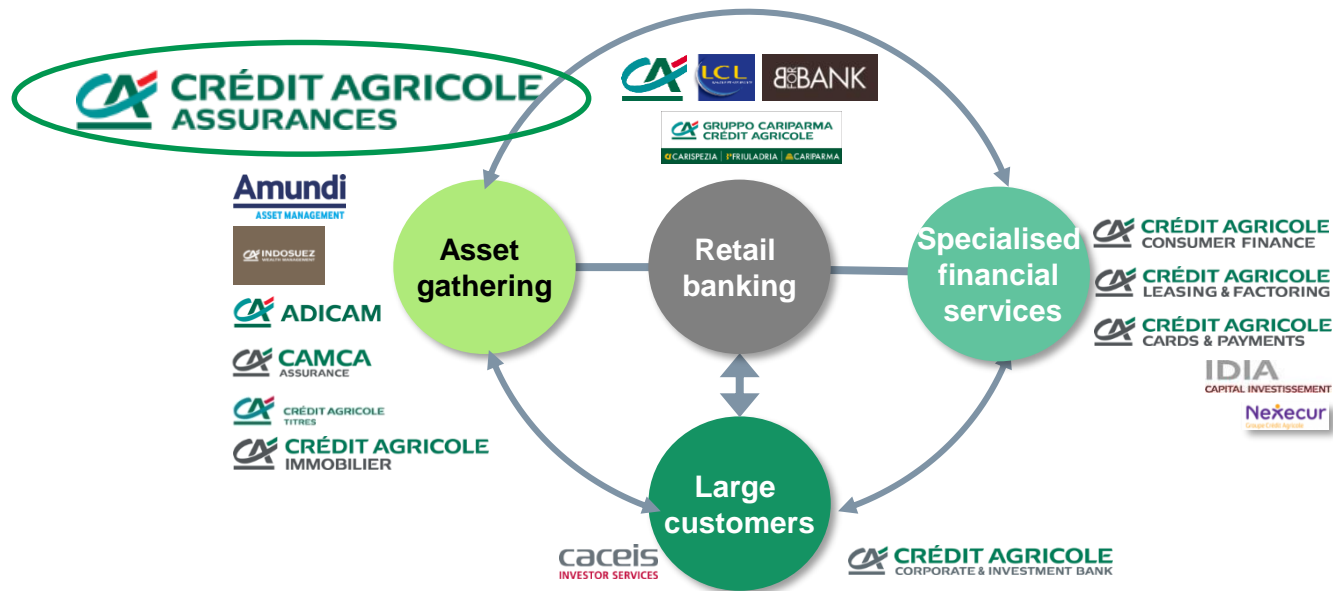
THE BANCASSURANCE MODEL

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GLOBAL STRATEGIC AMBITIONS

THE BANCASSURANCE MODEL

A customer-focused universal banking model



- **Crédit Agricole Assurances: the insurance arm of Crédit Agricole Group**
 - France's leading retail banking Group and one of the largest in the world based on shareholders' equity
- **Customer-focused universal banking model**
 - Covering the **whole spectrum of needs** in banking, financial and insurance products and services for all clients
 - Offering a wide range of **cross-selling opportunities**

THE BANCASSURANCE MODEL

Efficient model, consistent and complementary to banking solutions

Key Success Factors

- Brand strength
- Distribution and sales power
- Combined knowledge of banking & insurance markets
- Multiple contacts and backings' occasions
- An industrial production capacity
- Strong integration & standardisation of processes
- Claims management decentralization
- High quality of service
- Full range of all savings and insurance products supporting global customer relationship

Enhancement of the customer-focused universal banking model

- Additional source of sustainable revenue
- Enriches the customer relationship and brand image
- Protection solutions for CA's customers
- Empowers the role of advisor
- Simple, transparent and competitive product range complementary to banking solutions
- A multi-channel retail bank

An efficient model...

Cost/ income ratio
(2016)

29.7%

Combined ratio
(2016)³

95.9%

...generating value for customers

LIFE INSURANCE



Satisfaction rate¹ (2016)

96%

NON-LIFE INSURANCE



Satisfaction rate² (2016)

95%



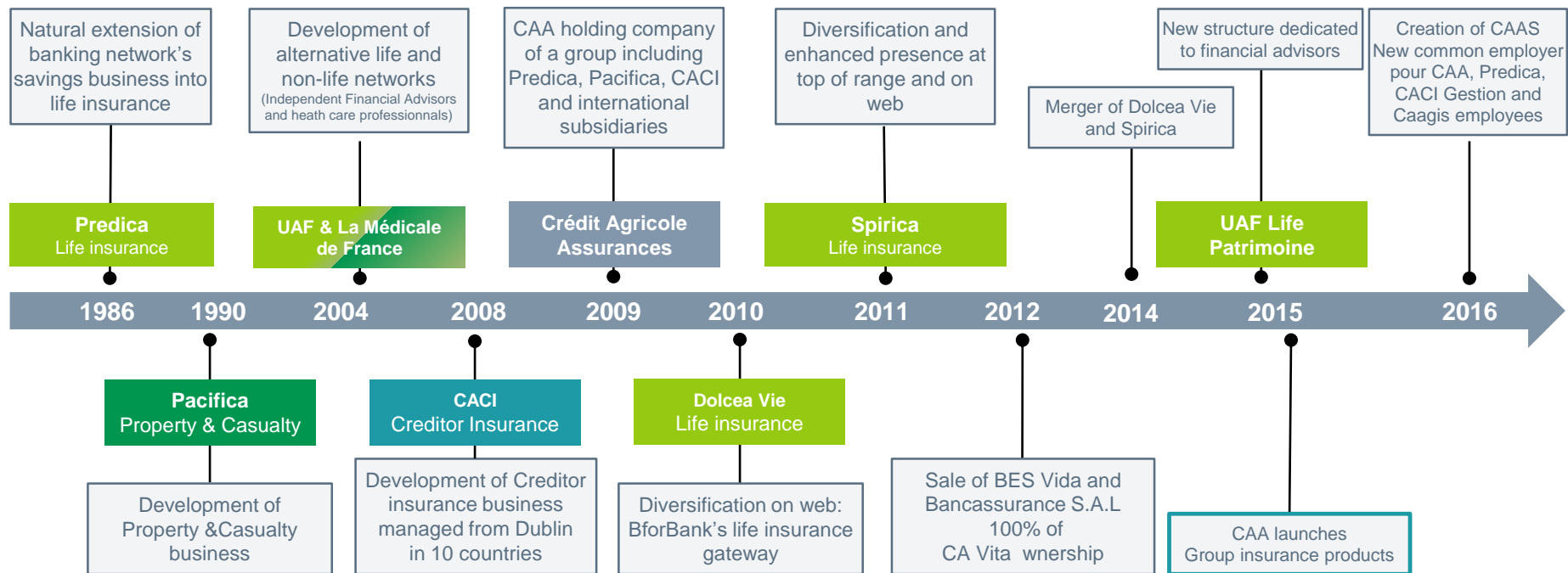
Net promoter score² (2015)

41

¹ after 5 benefits on CA and LCL cutomers ²After claims on CA and LCL customers; ³ Pacifica scope at end-2016

THE BANCASSURANCE MODEL

In 30 years, CAA Group has built from scratch a complete, diversified and international insurer, fully integrated into the banking system



Over time CAA has demonstrated its ability to adapt and anticipate market trends in order to better serve its customers

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THE BANCASSURANCE MODEL

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GLOBAL STRATEGIC AMBITIONS

GLOBAL STRATEGIC AMBITIONS

Achievements of the 3 business lines

Achievements

1



Savings / retirement

Become the #1 life insurer in France and a major player in group pension plans

- **Savings** : roll out of our advisory approach
 - **New saving solutions offered to our clients to help them diversifying their savings**
- **Retirement** :
 - **Cross-selling: Implementation with Amundi of a unique and global approach to meet large companies needs** to provide retirement benefits to their employees
 - Launch of a **shared web-based customer portal** in 2017 as well as a **new customer-relation solution**
 - Launch of new projects for young retirees

2



Death & disability / creditor / group insurance¹

Scale up the creditor insurance business

- **Creditor insurance**:
 - **Insourcing of the group insurance contracts for the Regional Banks** currently in progress :
 - ❖ signature of a memorandum of understanding with CNP Assurances and success of the first pilot with a Regional Bank
 - Integration of creditor insurance in digital channels for BforBank, LCL and Japan subsidiary
- **Individual death & disability**
 - Increase of the **penetration rate** among our customers **with new training sessions for bank advisors** and new **insurance products**
 - Group health/death & disability insurance: **support to the rapid growth** of this new line of business

3



Property & casualty²

Intensify the growth momentum in all customer segments

- **Individuals**
 - **High rate of growth thanks to a multi-equipment strategy** improving **new business gains** and **decreasing our termination rate**
 - **New online customer portal** for non-life products
- **Small business/farmers**
 - Development of **new insurance products and distribution tools** :
 - Launch of **new climate insurance contracts**
- **Cross-selling**
 - **Nexecur**, Crédit Agricole's specialised subsidiary in telesurveillance solutions becomes a **partner of CAA P&C line of business**

¹ Scope: Individual death & disability (excluding personal accident), creditor and group insurance (excluding retirement)

² Scope: Property & casualty, personal accident and health (excluding small business and farming group plans)

CONCLUSION

CAA's business remains **strong and robust in France and abroad** thanks to key fundamental profitable business lines:

- Savings & Retirement
- Death & Disability, Protection
- Property & Casualty

The group will continue to invest in order to support **the development of new activities**

In line with our Group's positioning and values as a universal retail bank, we have endeavored to create genuinely **close long-term relationships based on trust with our customers**

As such revenues will continue to grow



INTERNATIONAL

GUILLAUME ORECKIN
HEAD OF INTERNATIONAL BUSINESS,
CRÉDIT AGRICOLE ASSURANCES

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STRATEGIC AMBITIONS IN ITALY

OVERVIEW

Footprint of CAA's three strategic lines of businesses



Savings / retirement



Property & casualty



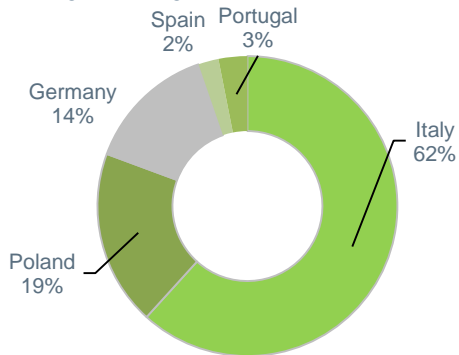
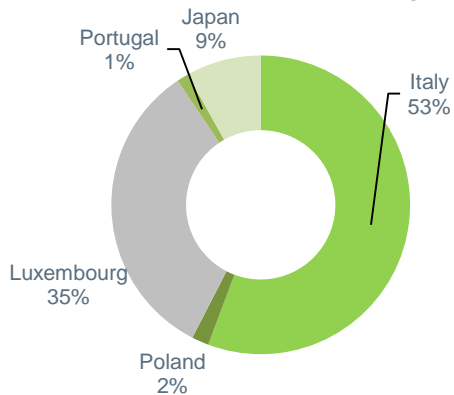
Protection / creditor insurance

International footprint
17% of CAA's FY-16 premium income

Savings / retirement, Property & casualty¹

Protection / Creditor insurance

FY-16 premium income by country

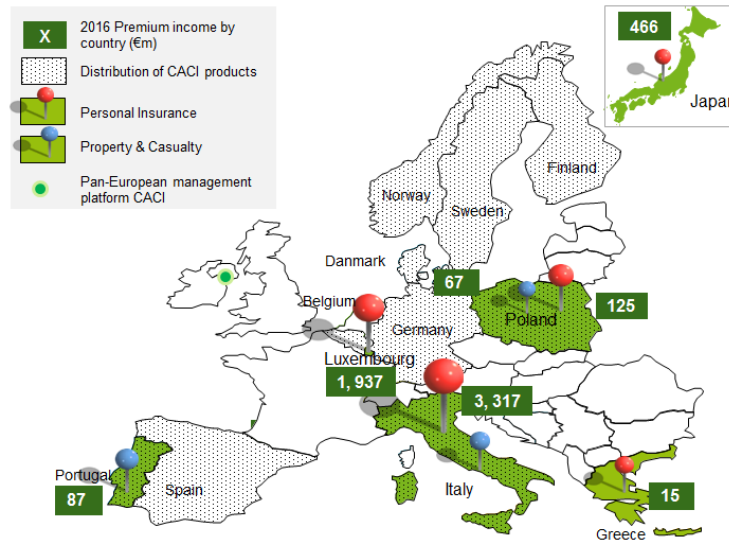


¹ CACI excluded

2016 IFRS premium income: €5.5bn

Pan-European management platform of CACI

FY-16 IFRS premium income: €0.5bn



FY-16 IFRS premium income: €6bn

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STRATEGIC AMBITIONS IN ITALY

BUSINESS MODEL

Various business models to support the Group international strategy

Country	Distributors	Distribution model
 <p>Italy</p>	 	Customer-focused universal banking model
 <p>Poland</p>		Customer-focused universal banking model
 <p>Luxembourg</p>	   	European wealth management hub
 <p>Japan</p>	     	Open architecture model in synergy with Amundi and CACIB
 <p>Portugal</p>	 	Bancassurance model

BUSINESS MODEL

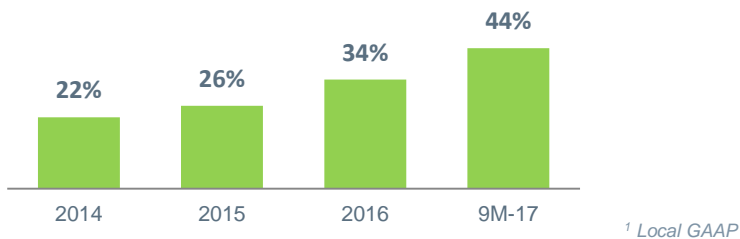
A broader diversification and a dynamic growth

2016 savings : net inflows of €2.7bn
47% of CAA's net savings inflows



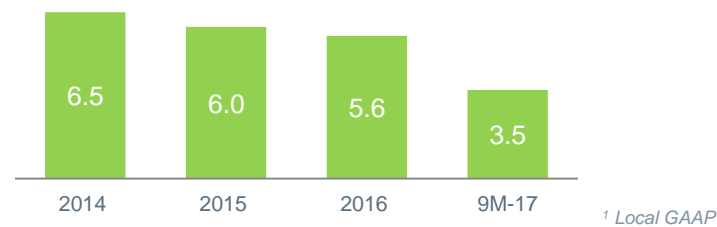
Savings

Share of unit-linked
% of premium income¹



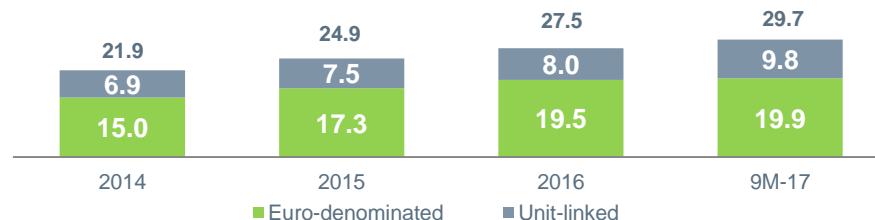
Savings

Total premium income¹ (€bn)



Savings

Total AUM (€bn)



BUSINESS MODEL

A broader diversification and a dynamic growth

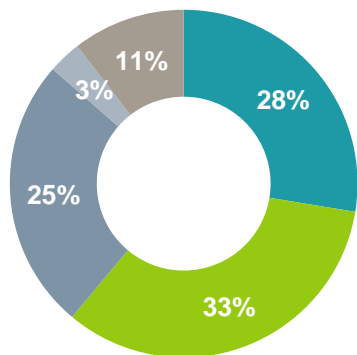
Protection, Property & Casualty Good potential for growth



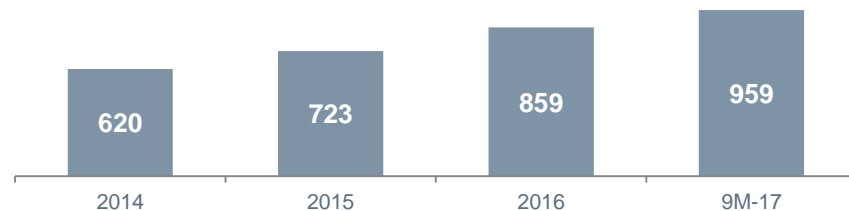
Protection, Property & Casualty⁽¹⁾
FY-16 premium income



Protection, Property & Casualty⁽¹⁾
Number of policies (k)



- Motor
- Household
- Health
- PPI/CPI
- Personal accident



FY-16 premium income: €140m

¹ CACI excluded

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STRATEGIC AMBITIONS IN ITALY

STRATEGIC AMBITIONS IN ITALY

Strengthen CAA's contribution to the Group's development in Italy



#6

Bancassurer in Italy

4%

Bancassurance market share

>€220m

Annual contribution to
Group's revenues¹

¹ incl. commissions

STRATEGIC AMBITIONS IN ITALY

Strengthen CAA's contribution to the Group's development in Italy

Take advantage of the larger customer base of retail banking in Italy

- Following the acquisition of CR Rimini, Cesena and San Miniato
- 20% potential growth by 2020

▪ Strong focus on developing the growth potential for Protection and P&C

- Develop direct distribution channels: call center & web
- Improve productivity of existing distribution networks (branches)

▪ Possible external growth to become a leader in bancassurance locally

- Build new partnerships with non-group distribution networks
- Strengthen CAA's market positions in Italy and reach critical size in P&C



SAVINGS / RETIREMENT

HENRI LE BIHAN

DEPUTY CEO, CRÉDIT AGRICOLE ASSURANCES

1

OVERVIEW

2

BUSINESS MODEL

3

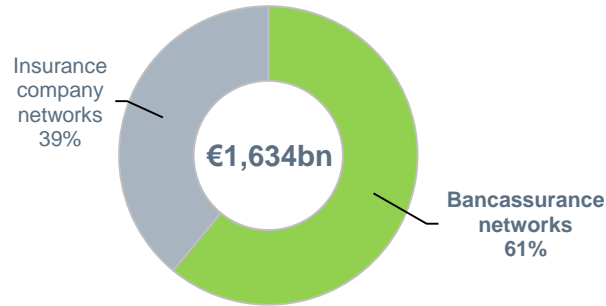
ACTION PLAN

OVERVIEW

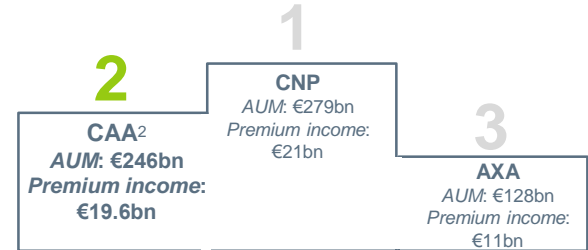
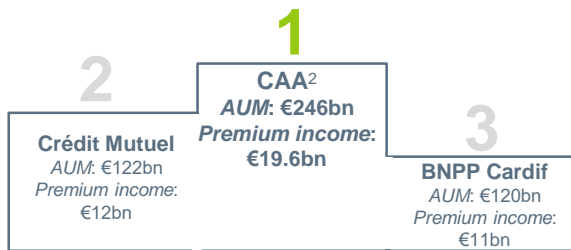
Crédit Agricole Assurances, a powerful player in a French market dominated by the bancassurance networks

2016 AUM by distribution channel
French market

#1
life bancassureur
in the French
market¹



#2
life insurer
in the French
market¹



¹ based on inflows and AUM according to FFA, 2016 key data - FFA scope, i.e. incl. individual death and creditor

² CAA : Predica, Spirica and Calie France branch Savings and Retirement business

OVERVIEW

A business model aimed at all market segments thanks to a large-scale multi-specialist processing capacity

Customer segments

- **Individual customers**
 - Mass market
 - Mass affluent
 - Private banking and wealth management
- **Small businesses**
- **Farmers**
- **Corporates and Institutionals**

Networks

- **Regional Banks**
 - 2016 market share¹: 10.8%
 - Contract ownership rate: 27.3%
- **LCL**
 - 2016 market share¹: 3.6%
 - Contract ownership rate: 28.1%
- **Non-group networks**
 - Number of partner distributors: 46

Insurance companies

- **Integrated bancassurance model**
 - **2016 AuM: €235bn**
 - Distribution networks: **CA Regional Banks, LCL, direct (Group contracts)**
- **Open architecture model**
 - **2016 AuM: €4.6bn**
 - Distribution networks: **independent wealth management advisors, non-group private banking networks**
- **Company dedicated to wealth management**
 - **2016 AuM: €6bn**
 - Distribution networks: **non-group private banking networks, Crédit Agricole Regional Banks and LCL wealth management customers**

PREDICA

Spirica

CA CRÉDIT AGRICOLE
LIFE INSURANCE
France branch

¹Ratio of savings & retirement AUM to FFA market scope AUM including individual death and creditor insurance

OVERVIEW

A wide range of products aimed at serving all the market segments

		Main types of products	Number of contracts (2016)	In-force (€bn, 2016)
Individual customers (Individual contracts)	Savings	■ Single Euro funds products <i>(closed funds)</i>	1.4 million contracts	59.4
		■ Combined Euro and UL funds products	4.9 million contracts	164.5
	Retirement	■ PERP	0.7 million contracts	4.2
		■ “Madelin” contracts ¹	0.2 million contracts	3.0
Corporates & Institutionals (Group contracts)	Retirement	■ Defined contributions Group contracts <i>(Article 83)</i>	Circa 2,400 contracts <i>(circa 50,000 affiliates)</i>	0.6
		■ Defined benefits Group contracts <i>(Article 39 including retirement indemnities)</i>	Circa 5,500 contracts	5.5

¹ Dedicated to professionals, self-employed individuals and farmers

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BUSINESS MODEL

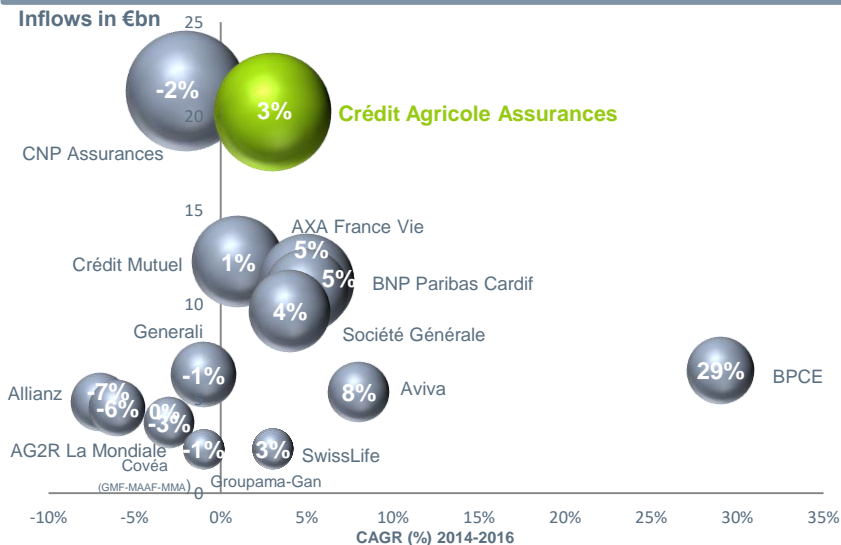
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ACTION PLAN

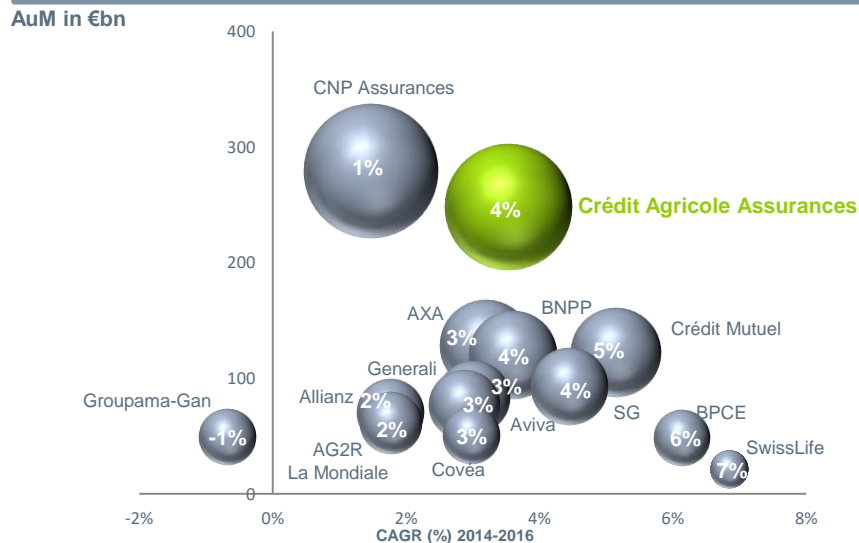
BUSINESS MODEL

Sustained growth in business since inception and proven resilience during times of financial crisis

Premium income, CAGR 2014-2016



AuM, CAGR 2014-2016



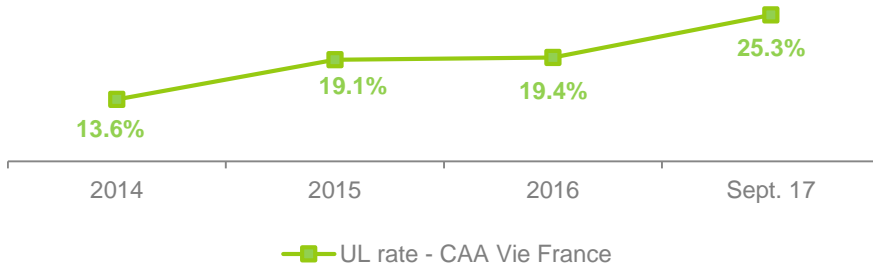
- At end-December 2016, CAA Vie France had an overall surrender rate of **3.9%** (4.1% at end Sept-2017), well below the market rate of **4.6%**

Source: FFA, 2016 key data FFA scope, i.e. including individual death and creditor insurance, except for CNP and CAA

BUSINESS MODEL

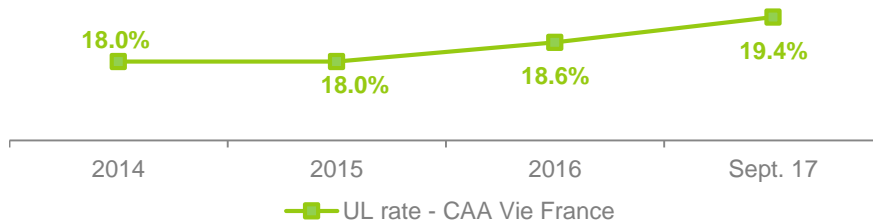
Quest for quality and diversification of inflows to offer customers superior returns and strengthen the insurance companies' balance sheets

Share of UL Premium income



- Faced with the decline in return on euro contracts, CAA Vie France is shifting its focus towards UL business in order to give customers access to higher upside performance in the longer-term

Proportion of UL in AUM



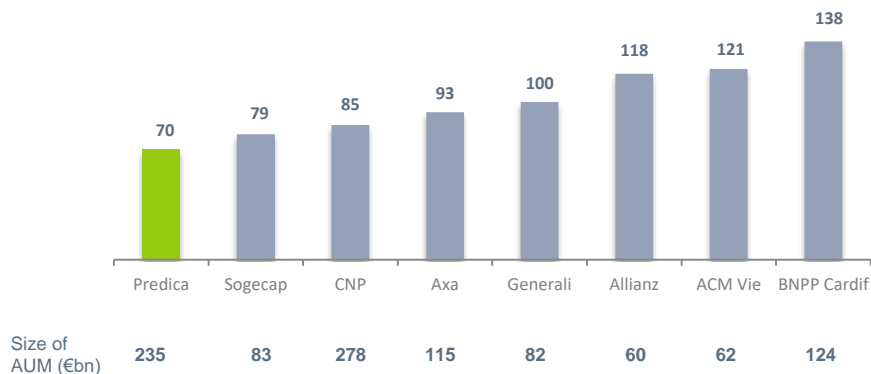
- For existing customers : increase the proportion of unit-linked contracts in AuM using mainly the "Fourgous" mechanism

Source: FFA, 2016 key data

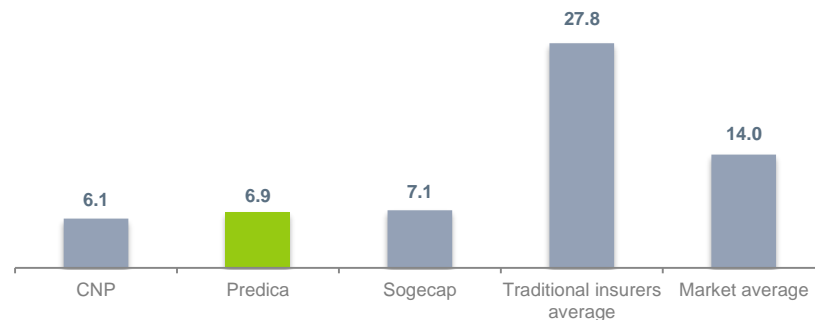
BUSINESS MODEL

Operating efficiency boosting profitability and investment capacity

Benchmark of acquisition and management costs in the market as a ratio of AUM (2015, bp)



Benchmark of IT costs per contract (2014, €)



Source: Boston Consulting Group study, 2015; McKinsey Life Insurance France Benchmark, 2015

BUSINESS MODEL

CAA Vie France's goal is to align the interests of its customers with those of its shareholders

Maintain a high customer satisfaction level¹
by providing support for their plans and projects
over the long-term

■ "Satisfied" customers

	2016
 BANQUE ET ASSURANCES	96%
	95%

Preserve earnings capacity
to serve investment and shareholder return

■ CAA Vie France Group revenues² (€bn)

	2016
Insurance revenues	1.7
+ Networks' commissions	0.8
= Total CA Group revenues	2.5

¹Source: customer satisfaction barometer, customer satisfaction rate excluding buying process, measured at the time of surrender, claim, termination, contract maturity and administrative actions

² Commissions included

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ACTION PLAN

2020 MTP ambition: become the no. 1 life insurer in France and a major player in group pension plans

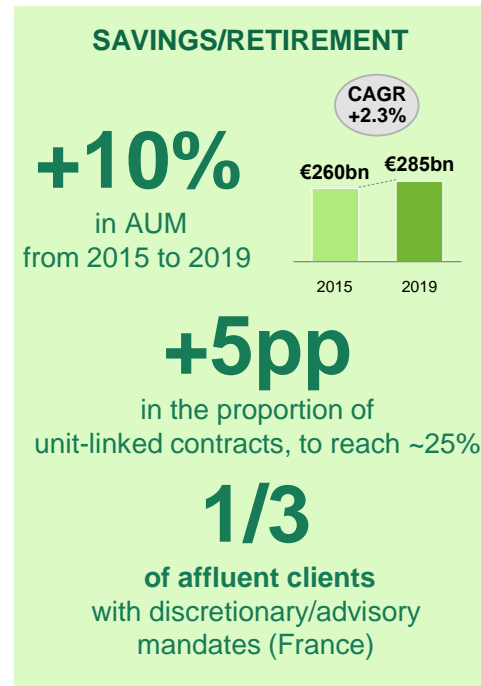
■ Savings: roll out our advisory approach

- Implement new saving management methods for better advice
- Increase the proportion of unit-linked contracts in our AuM for better return

■ Retirement: step up distribution of retirement solutions, both individual and group

- Accelerate growth in group retirement plans in synergies with Amundi
- Develop the retirement business with banking clients

■ 2017 achievements are ahead of our mid-term plan



Scope: world

ACTION PLAN

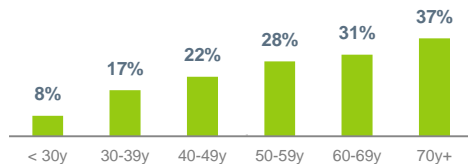
Two main priorities: increase insurance ownership and innovate

Further significant growth

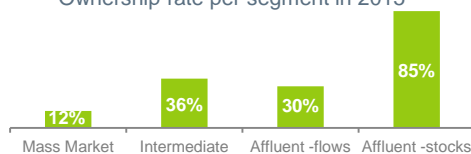
 4.9 million of CA customers have at least one life insurance contract with an average outstanding of €35,000

 1.5 million of LCL customers have at least one life insurance contract with an average outstanding of €38,000

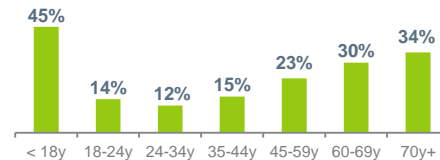
Ownership rate by age bracket in 2015



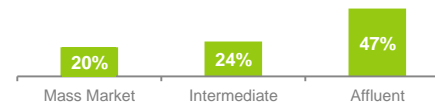
Ownership rate per segment in 2015



Ownership rate by age bracket in 2015



Ownership rate per segment in 2015



- Stronger action to be taken with regard to young customers and "mass market" and "intermediate" customers while continuing to support existing affluent customers

- Considerable further potential among affluent customers compared with the equipment rate of the Crédit Agricole's network

ACTION PLAN

Two main priorities: increase insurance ownership and innovate

Innovation in two areas : Products and Sales

PRODUCT INNOVATION

Innovative UL solutions:

- CA Obligimmo (UL bond fund indexed to an OPCVI property fund)
Private Equity UL fund
- CA Indicia Euro: Continuous offering of capital-protected equity-linked bonds (UL bonds)

ETF & straight securities UL fund

Bonus on UL payments and preferential profit participation

New insurance guarantees:
multi-asset (€, UL)

DISTRIBUTION INNOVATION

Creation of Premundi: cooperation between Predica and Amundi to serve the networks

Management mandates for mass market customers

Electronic contract signature in the branches

Introduction of a roboadvisor



CA/LCL networks



Specialised networks



DEATH & DISABILITY / CREDITOR / GROUP INSURANCE

HENRI LE BIHAN

DEPUTY CEO, CRÉDIT AGRICOLE ASSURANCES

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ACTION PLAN

OVERVIEW

A leading actor in the French market



Protection

Premium income: €3.2bn

CAA Group revenues¹: €1.8bn

in 2016



Death & Disability

- Death insurance
- Funeral insurance
- Long-term care insurance
- Income protection (incapacity-disability)

#1

individual Death & Disability in France²

18%

market share in Death insurance in France³



Creditor insurance

- Creditor protection insurance
- Guaranteed asset protection

#2

credit insurance in France

16%

market share in Credit insurance in France³



Group insurance

- Death & disability
- Health

New activity

launched in 2015

x10

anticipated growth of premium income in Health & Protection (2015-2017)

¹ Revenues + fees paid to the distributors

² Argus de l'assurance (26 May 2017)

³ Estimated on the basis of FFA's data

OVERVIEW – DEATH & DISABILITY



Strong performance in a dynamic market

Death & disability

€1,141m

premium income in 2016¹

+390,000

net increase of number of policies in 2016 (+6% Dec/Dec)²

4.1 million

number of policies at end-2016²

French market

€4.0bn

total premium income in 2016

Death insurance

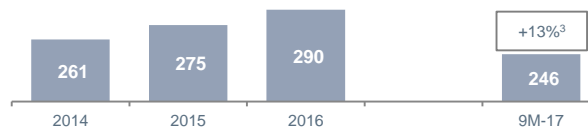
€458m

premium income in 2016 (+5% vs 2015)

3.2m

contracts in force at end-October 2017
(Regional Banks & LCL)²

Regional Banks & LCL's inflows
number of contracts ('000)



French market

+5%

increase in in-force contracts
June 17 / June 16

Funeral insurance

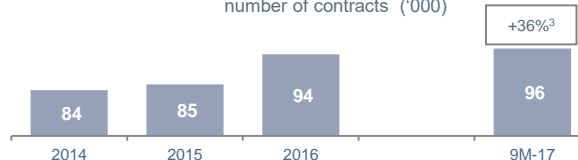
€284m

premium income in 2016 (+13% vs 2015)

0.7m

contracts in force at end-October 2017
(Regional Banks & LCL)²

Regional Banks & LCL's inflows
number of contracts ('000)



French market

+5%

increase in in-force contracts
June 17 / June 16

¹ Scope: French entities, ² Scope: Predica, ³ On an annualised basis

OVERVIEW – CREDITOR INSURANCE



A business which covers many product lines and many countries

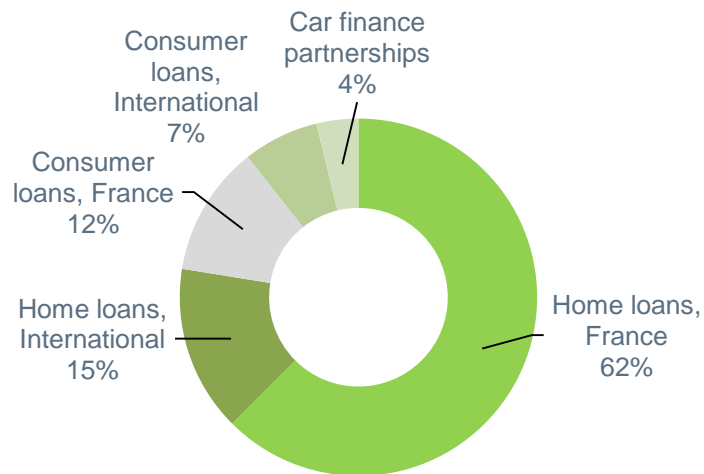
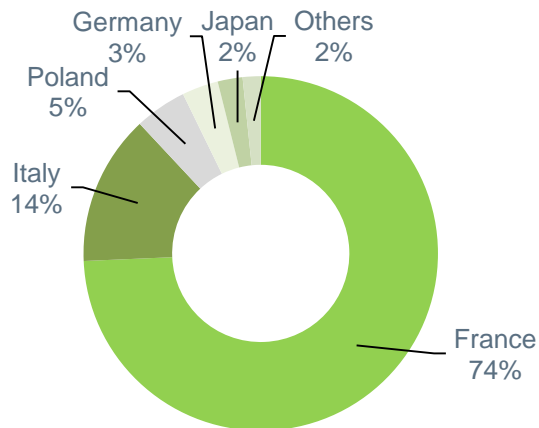
Creditor insurance ¹

€1,950m

premium income in 2016

+4.4%

vs. 2015



¹ Scope: France + International

OVERVIEW – GROUP INSURANCE



A growing and changing market offering new opportunities

Group insurance ¹

€141m

premium income at end-2016

320,000

policyholders covered at end-2016
net increase of 120,000 vs 2015

■ Opportunities

- Regulation barriers are decreasing; end of designations of traditional competitors
- Companies are looking for new services and innovations to monitor cost reductions
- Reduced coverage of the French social security

French market

Health

Protection

Premium income in 2016:

€17bn

€14bn

CAGR 2011-2016:

↑ +4.5%

↑ +2.5%

Expected CAGR until 2022:

↑ +5%

↑ +2%

¹ Scope: French entities

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BUSINESS MODEL – DEATH & DISABILITY



A high potential within the Group's customers base

An offer that perfectly meets the customers' needs

- 60% of French people are not covered by a group death policy
- Only 34% of French people are covered by an individual death policy
- Only 18% of the Group's customers are covered by a death policy¹

Distribution through the Group retail networks and general agents

- Retail banking network



- Equipment rate target for 2020: 20%

+700,000
customers

- Alternative distribution network



¹ Regional Banks and LCL scope, ² Predica's D&D business, ³ in France

BUSINESS MODEL – CREDITOR INSURANCE



A dynamic and innovative player

A core pillar of the Group's 2020 MTP

- Insourcing of the Regional Banks' contracts formerly managed by CNP finalised in the first half of 2018
- Simplified offer with flexible cover and prices according to customer, selling process integrated in multi-channel model

An open architecture model with 29 external partners in 6 countries

Breakdown by type of distributor

■ Retail banking network

- Regional Banks, LCL, BforBank (France),
- Crédit Agricole Italia (Italy), Crédit Agricole Bank Polska (Poland)

■ Financial services

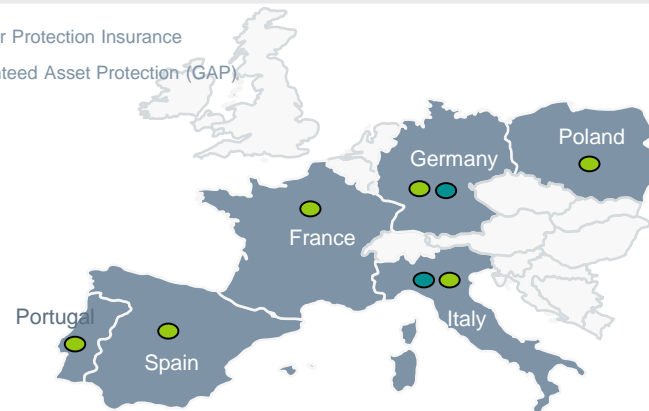
- Crédit Agricole Consumer Finance France (Sofinco, Viaxel), CreditPlus Bank (Germany), Agos (Italy), Credibom (Portugal), CA Leasing & Factoring (France)

■ Car finance partnership

- Pan-European partnership with FCA Bank (4 countries)

Breakdown by range of products

- Creditor Protection Insurance
- Guaranteed Asset Protection (GAP)



➔ **Our advantage:** a cross-fertilisation of experiences in terms of risk management, products design, distribution tools, legal knowledge

BUSINESS MODEL – GROUP INSURANCE



A large range of dedicated and tailored offers

Benefits from the largest French banking channel to deliver our products and services

- Target Credit Agricole's banking customers
- Capitalise on bank advisors' solid relationships with local companies
- Offer standard and compliant products for small companies and fully customisable guarantees and pricing for mid and large caps

Partnership with the Group retail network and Amundi

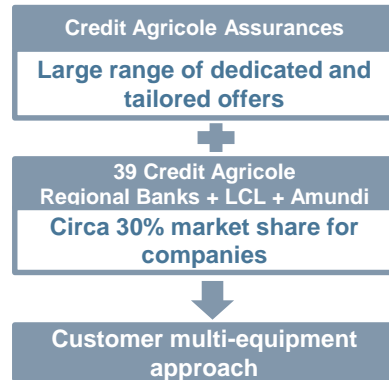
- Retail banking network



- Alternative distribution network



Offer



Sales

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ACTION PLAN

ACTION PLAN

2020 MTP Ambition: a business which is core to the medium-term plan Customer Project

■ Individual death & disability

- Increase the penetration rate among our customers from 17% to 20% in 2020 in France
- Maintain our market share¹ of 18% in France

■ Creditor insurance: increase the magnitude of this business

- Insource group insurance contracts for the Regional banks
- Adapt our products and sales processes to new regulation

■ Group health/death & disability insurance plans: strengthen our presence in this new market for the Group

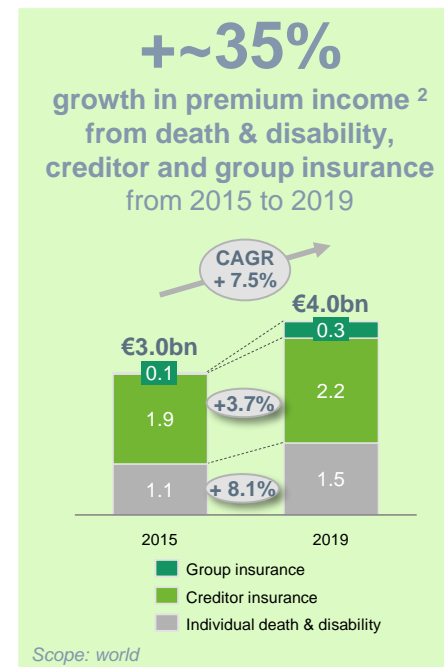
- Become the partner of choice for SBF 120 companies
- Sell multiple products to the small business customers of our banking networks

■ 2017 ahead of targets

Scope: Individual death & disability (excluding personal accident), creditor and group insurance (excluding retirement)

¹ Market share in terms of premium income in 2015 in all term life, funeral and long-term care insurance markets

² Under IFRS





PROPERTY / CASUALTY

THIERRY LANGRENEY
DEPUTY CEO, CRÉDIT AGRICOLE ASSURANCES

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EFFICIENT BUSINESS MODEL

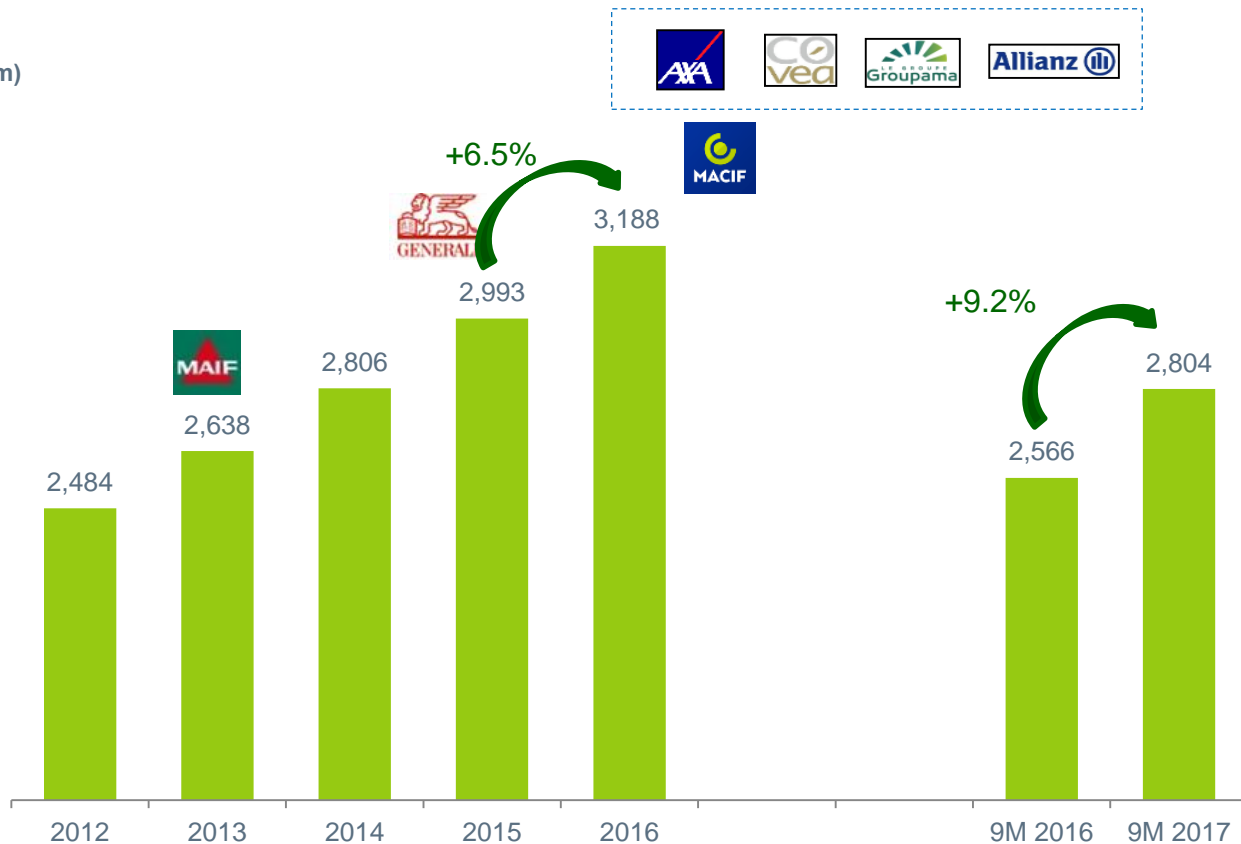
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STRATEGIC AMBITIONS

OVERVIEW

Pacifica has outperformed the French market in the past 25 years...

(€m)



+9%

9M-17 / 9M-16

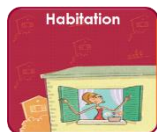
Premium income growth is accelerating in 2017

OVERVIEW

A comprehensive product range for individuals, farmers and professional customers

A comprehensive and competitive product range for individual customers

Tailored products for farmers and professional customers



HOME



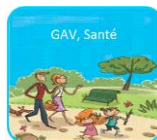
MOTOR



FARMERS & PROFESSIONAL PROPERTY



MOTOR



HEALTH
PERSONAL ACCIDENT



LEGAL PROTECTION



TAILORED PRODUCTS
e.g. Harvest Insurance



GROUP HEALTH

OVERVIEW

A leading non-life bancassurer integrated with the Regional banks & LCL

An efficient and powerful model with distribution and manufacturing

Strong Banking distribution

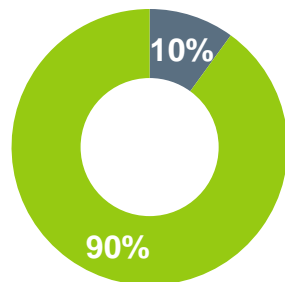
39 CA Regional banks:

- A network of 29,700 insurance advisors
- 513 specialised advisors for professionals and farmers
- Local presence of back & middle-office

LCL:

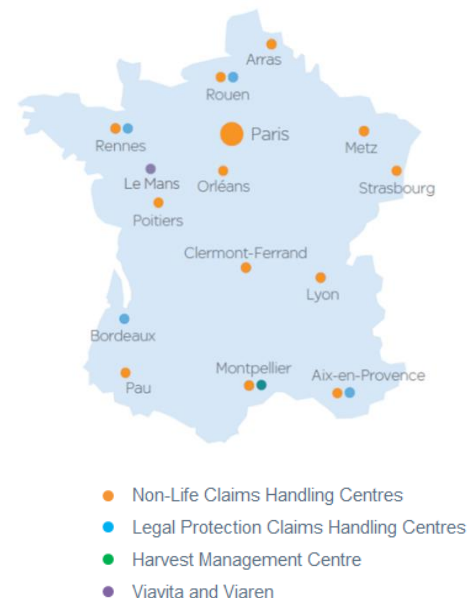
- A network of 7,200 insurance advisors

Professional & Farmer customers



Individual customers

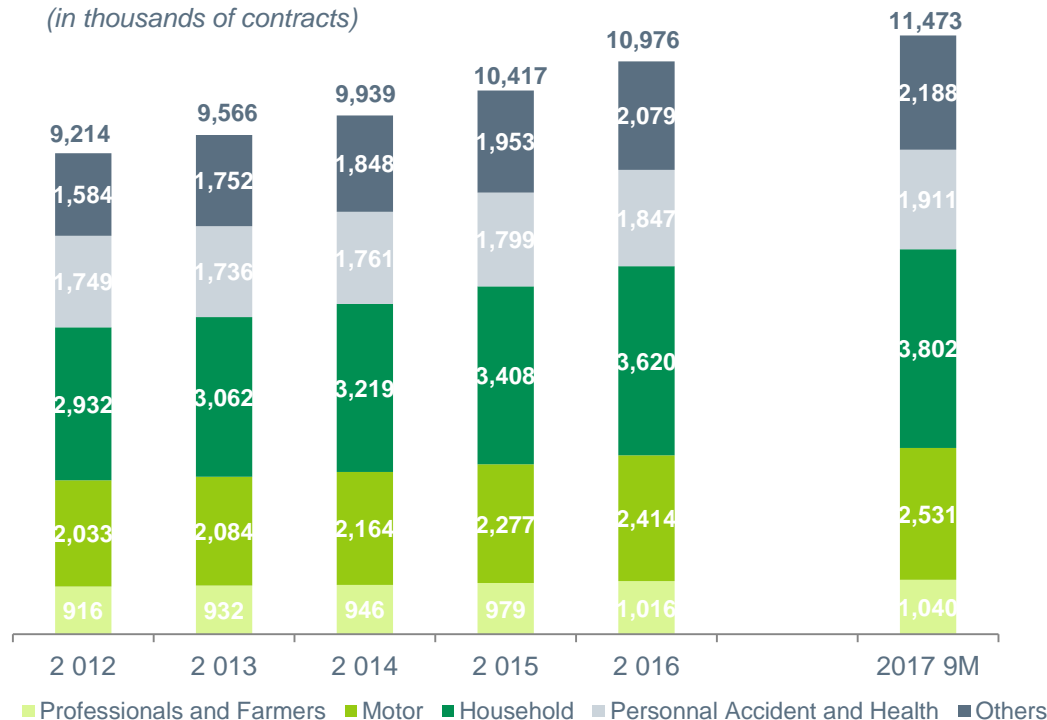
Geographic coverage



OVERVIEW

Portfolio¹ more than doubled in 10 years thanks to innovation in products and processes

(in thousands of contracts)



559,000
2016 net new contracts

497,000
9M-17 net new contracts

Growth further accelerating since 2016

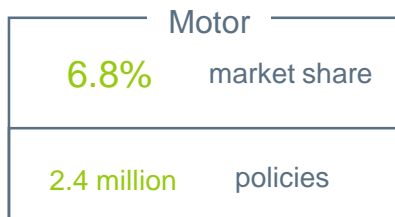
¹ Pacifica scope

OVERVIEW

Pacifica is the 1st non-life bancassuror in Europe and 6th non-life insurer in France

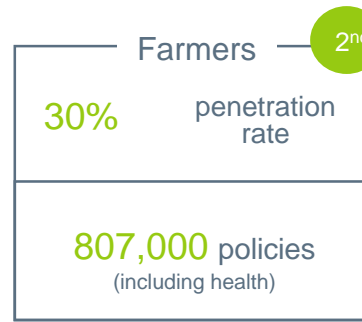
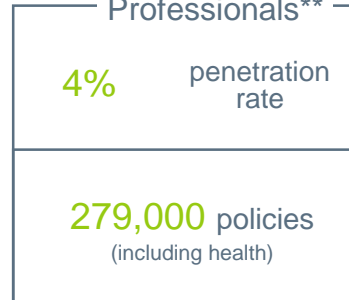
Strong market shares both in personal and professional lines

Individuals*



1st

Professionals**



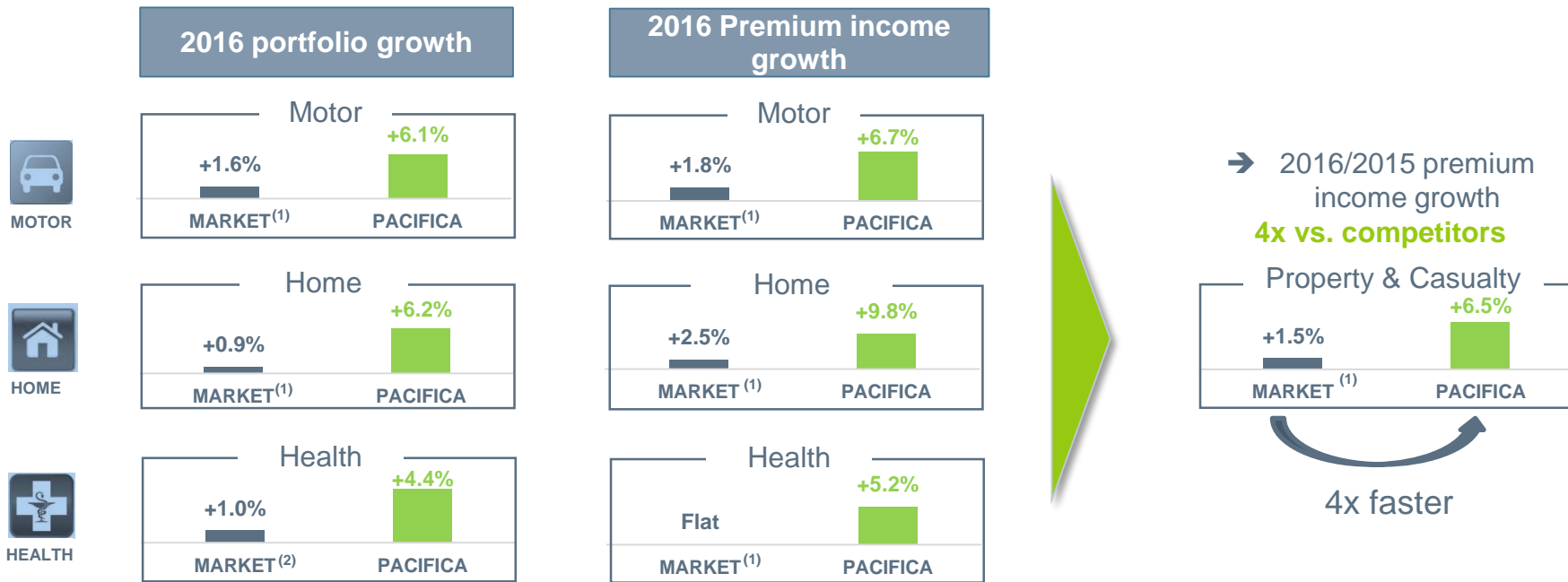
2nd

* Source : 2016 data - Motor and Household market share; Pacifica estimates; Health market share: FFA

** Source: 2016 data - Pacifica Estimates

OVERVIEW

Higher loyalty of clients and competitive products lead to consistently superior growth



⁽¹⁾ Source: FFA 2016 data; ⁽²⁾ Source: FFA 2015 data

OVERVIEW

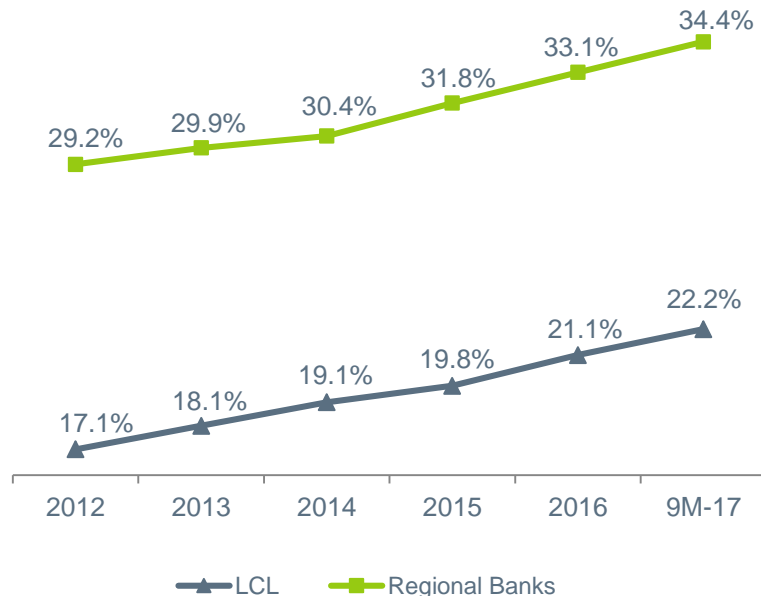
Both the level and the increase in the equipment rate show our future potential growth

The insurance equipment rate growth for Regional Banks' individual customers has accelerated since 2015

The current insurance equipment rate for LCL individual customers is significantly lower than at Regional banks

- This comparison with the Regional Banks' equipment rate shows the remaining huge potential for our insurance products

Equipment Rate¹ – Bank Individual customers



¹Equipment rate: Proportion of individual banking customers holding at least one insurance contract (Pacifica estimates)

Insurance contract scope: Motor + Household + Health + Personal Accident + Legal Protection

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STRATEGIC AMBITIONS

EFFICIENT BUSINESS MODEL

Pacifica service allows banks to enhance their customer satisfaction and loyalty

95%

satisfaction rate
on claim servicing



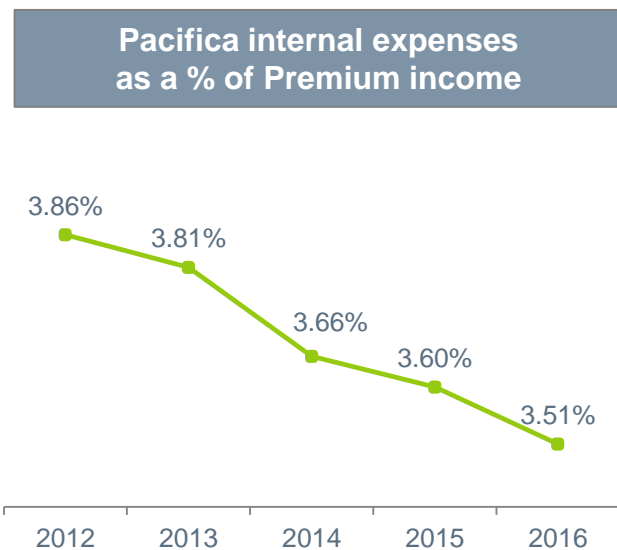
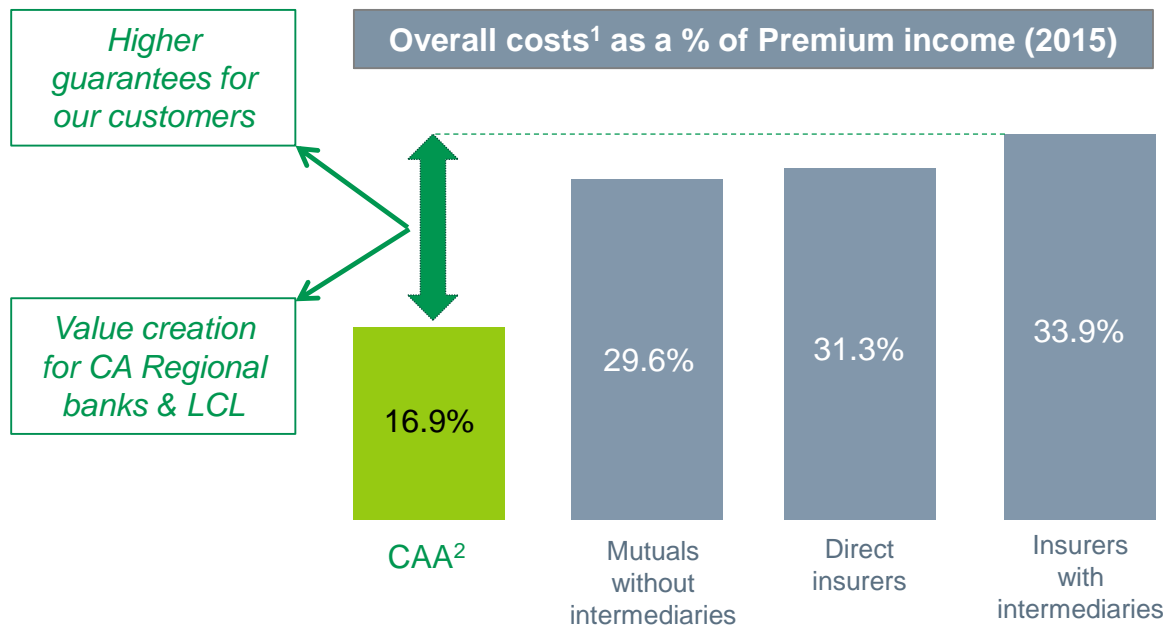
**SATISFACTION
INDEXES**

+41

Net Promoter Score
following a claim

EFFICIENT BUSINESS MODEL

Our distribution and administration costs are among the lowest in the market...



Our non-life bancassurance model is the most efficient

Constantly improving cost efficiency

¹ Costs for acquisition, claims handling & administration; ² Pacifica scope

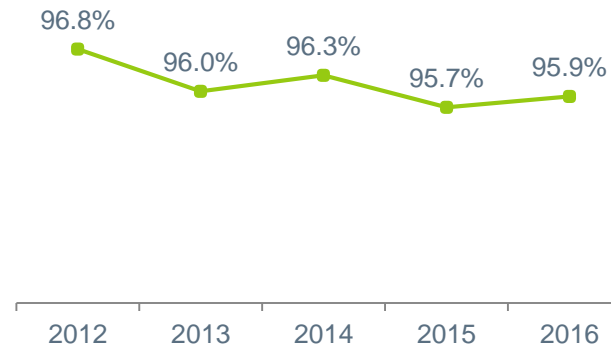
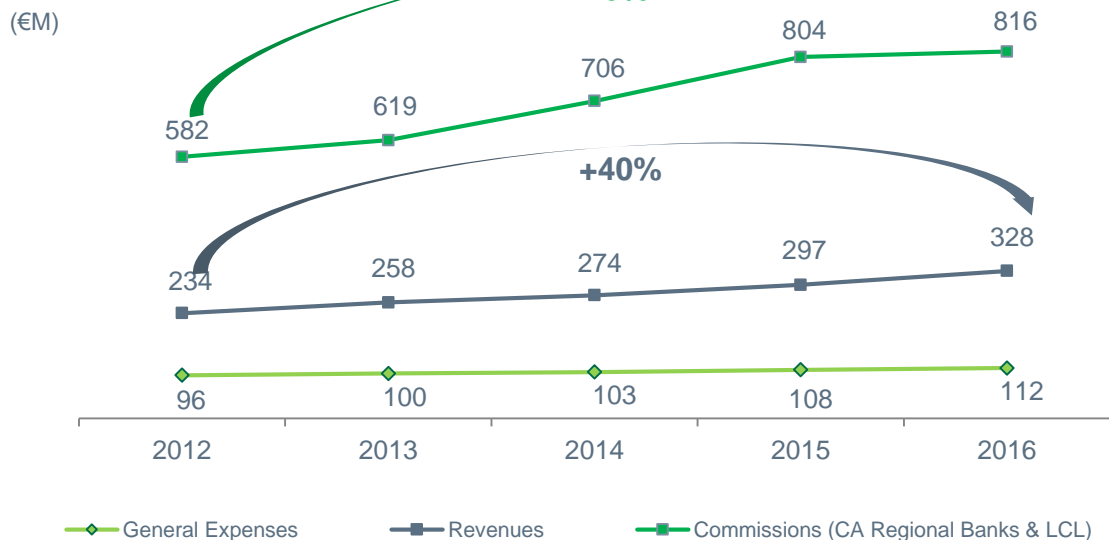
EFFICIENT BUSINESS MODEL

... while Group revenue growth originated from non life business is up

2012-2016 growth
Group revenues = +40%
Portfolio = +24%

2016 Group revenues = €1,144m

Net Combined Ratio



Pacifica's net combined ratio has remained under 97% since 2012

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STRATEGIC AMBITIONS

WORKSHOP ASSURANCES

2020 MTP ambition : P&C intensifies the growth momentum in all customer segments

Step up current business momentum:

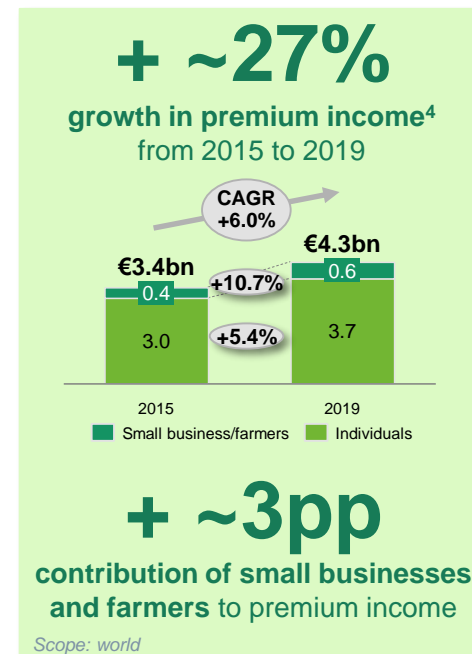
Individuals:

- **Target growth of 1.5 pt in market share in Car and Home¹** in France by selling insurance products to customers of the Group's retail banks

Small businesses and farmers:

- **In the small businesses segment, gain of 2 pts in penetration rate** in France by 2020² (from 5% to 7%)
- **Equip 4 French farmers out of 10** with farm insurance in 2020³ (vs 3 out of 10 in 2015)

2017 ahead of our Medium Term Plan



Scope: Property & casualty, personal accident and health (excluding small business and farming group plans)

1. Market shares in number of policies, 2015 market shares : 6.2% in car and 9% in home 2. Share of French small businesses with at least 1 product in Crédit Agricole Group's entire insurance range

3. Share of French farmers with at least 2 products in Crédit Agricole Group's property & casualty insurance range 4. Under IFRS

ACTION PLAN

Our key priorities for the coming 3 years

- **Boost our contribution to the Group proactive and innovative customer project**
 - Intensify the “multi-equipment” of individual customers
 - Contribute to the protection and “securisation” of our farmer customers
 - Enlarge the number of insurance advisors for professional customers
 - Promote our alarm telemonitoring offer
 - Prepare the diversification towards SMEs market
- **Invest in key areas such as quality of service, risk management and cost efficiency**
 - Artificial Intelligence & Big Data
 - Multi-channel distribution
 - Risk management
 - Operating efficiency
- **Strengthen our employee commitment and development**



FINANCE

CLÉMENT MICHAUD
CFO, CRÉDIT AGRICOLE ASSURANCES

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INSURANCE P&L

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ROBUST & EFFICIENT BUSINESS MODEL

5

SOLVENCY AND CAPITAL MANAGEMENT

6

DISCIPLINED RISK MANAGEMENT

7

FOLLOW-UP OF OUR MEDIUM TERM PLAN

8

SUMMARY

OVERVIEW

A full-fledged, diversified and efficient insurer

- ▶ Premium income: €30.8bn (2016)
- ▶ Assets under Management: €276bn¹ (9M-17)
Share of unit-linked: 21%
- ▶ Net income group share: €1.2bn² (2016) – €0.9 bn (9M-17)
- ▶ P&C combined ratio: 95,9%³ (2016)
- ▶ Annualised RONE⁴: 17.5% (9M-17)
- ▶ Solvency 2 ratio: 178% (6M-17)
- ▶ Standard & Poor's LT rating: **A- / Positive Outlook** (since 25 October 2017)

¹ Life insurance

² Contribution to CAsa's P&L after analytical transfer of Switch guarantee (impact of around €200m)

³ Ratio of (claims + operating expenses + commissions) to premium income, net of reinsurance, Pacifica scope

⁴ Capital allocation method: 80% of Solvency 2 capital requirements, reduced by 9.5% of RWAs transferred by Switch 2

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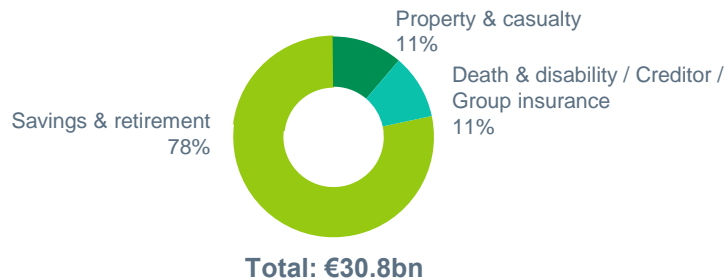
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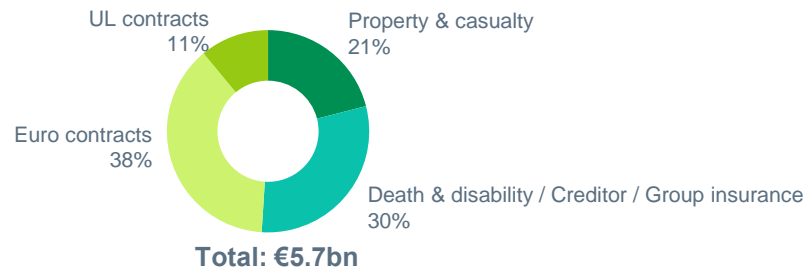
Diversified business mix and strong activity in all strategic business lines

Diversified business mix

2016 Premium income



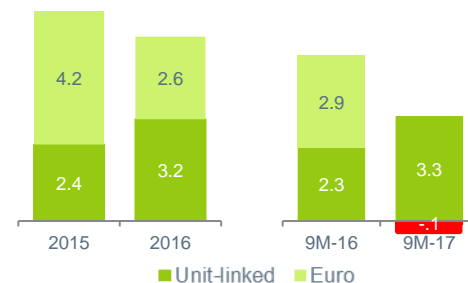
Contribution to Group revenues¹



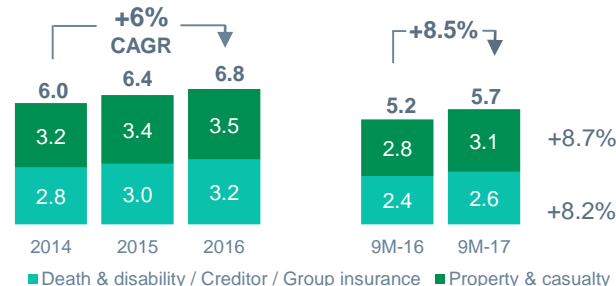
¹ Revenues + fees paid to the distributors in 2016

Increasing diversification of the business profile

Net inflows (€bn)



Protection - Gross premium income in €bn



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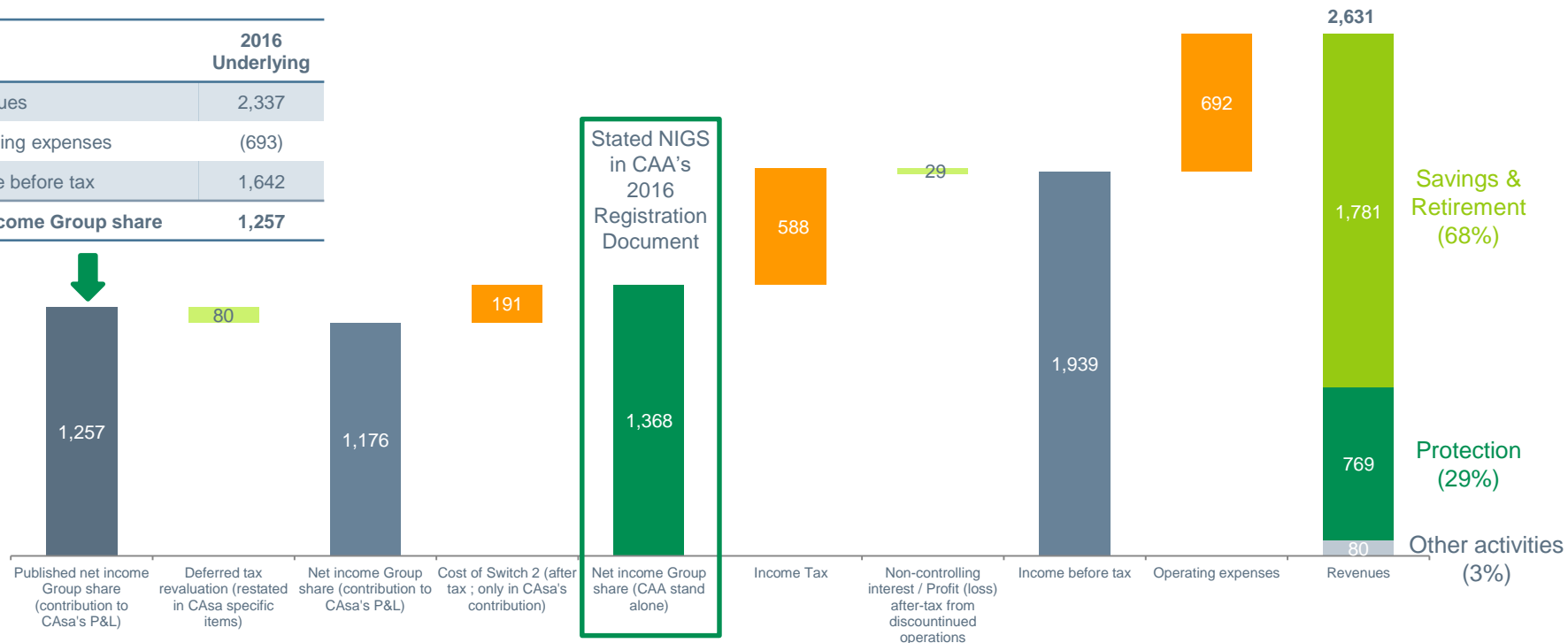
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INSURANCE P&L

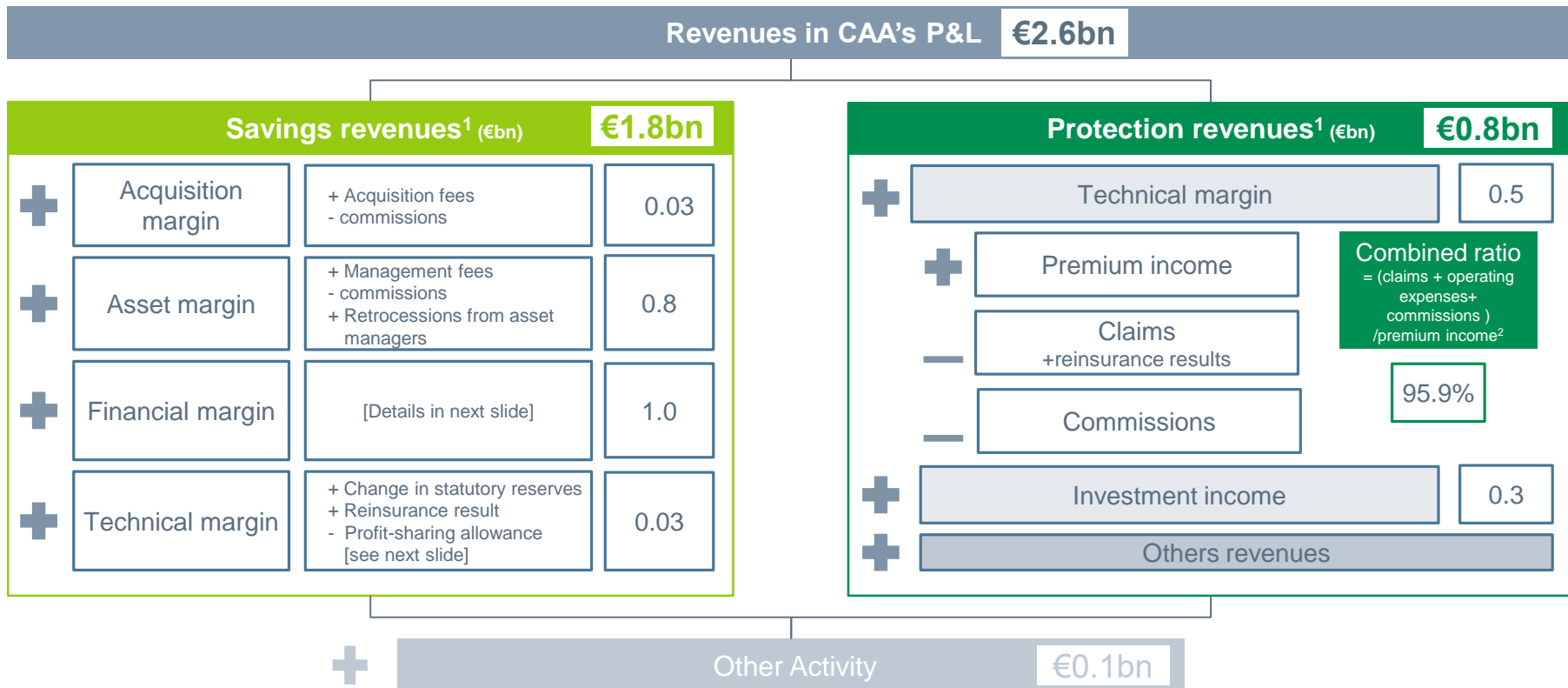
Reconciliation between CASA P&L and CAA P&L

€m	2016 Underlying
Revenues	2,337
Operating expenses	(693)
Income before tax	1,642
Net income Group share	1,257



INSURANCE P&L

Simplified breakdown of the revenues 2016

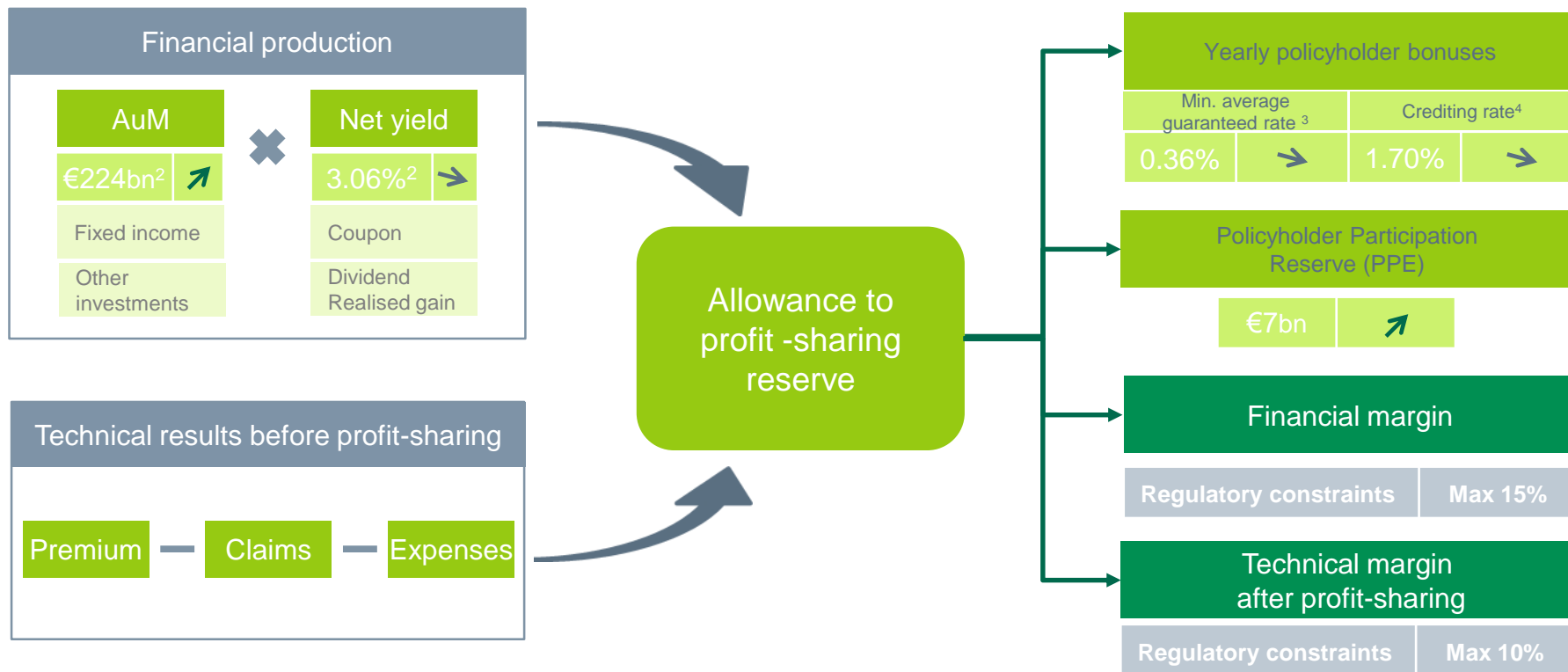


¹ including IFRS adjustments

² net of reinsurance

INSURANCE P&L

Illustrative mechanism¹ of the profit-sharing of Euro funds in France



¹ illustration with 2016 figures; ² Predica Scope; ³ Group Minimum average guaranteed rate ; ⁴ Floriane products, one of the saving products of the group

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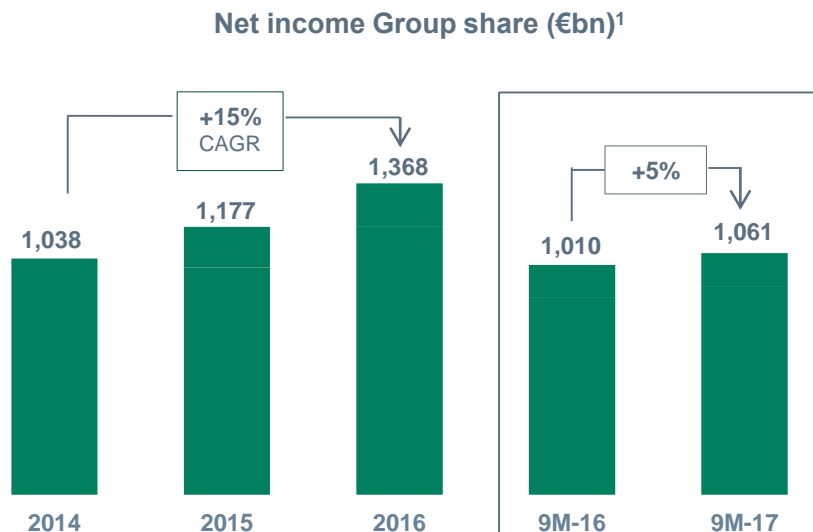
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ROBUST & EFFICIENT BUSINESS MODEL

Strong and recurring profitability



29.7%
Cost / income ratio²

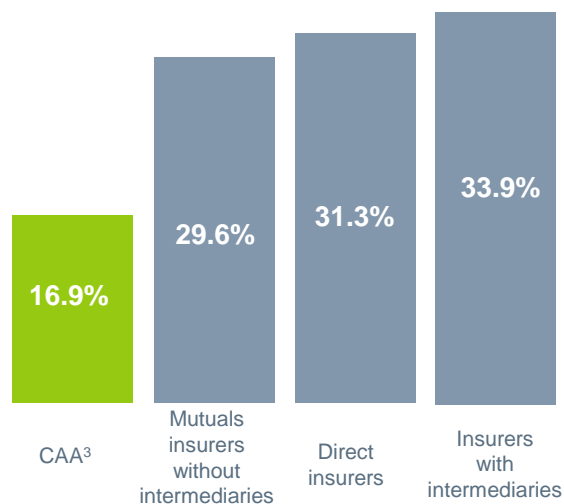
	9M-17	Δ 9M/9M
Revenues (€bn)	1.8	-4%
Savings	1.2	-9%
Protection	0.6	18%
<ul style="list-style-type: none"> ▪ AuM: €276bn (+3%) ▪ Net yield: 3.24%³ (-6bp) ▪ PPE: €9.1bn (+29%) 	<ul style="list-style-type: none"> ▪ Premium income: €5.7bn (+8.5%) ▪ Combined ratio: 96.6% (+60bp) 	
Operating expenses (€bn)	-0.5	3%
Income before tax (€bn)	1.3	-6%
Tax (€bn)	0.3	-30%
Net income Group share (€bn)	1.1	+5%

¹ Contribution to CAsa's P&L without analytical transfer of Switch guarantee ² 2016 Group operating expenses / Group net insurance revenues; ³ Predica Scope

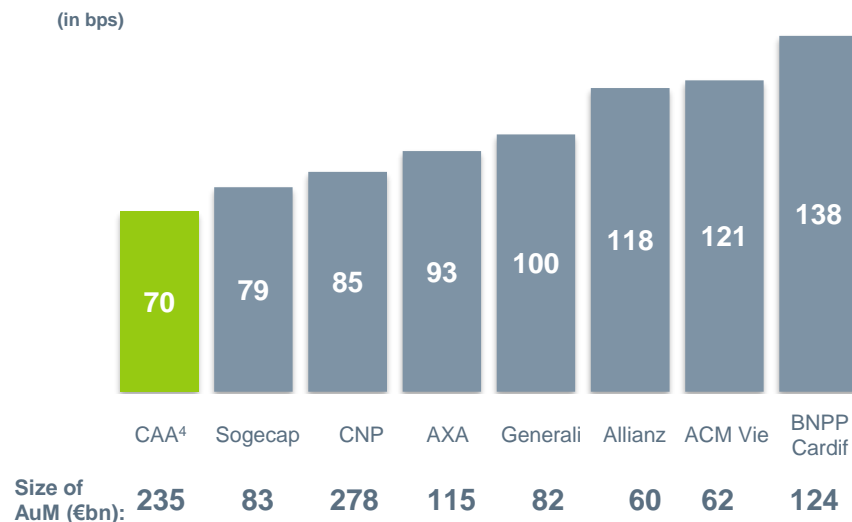
ROBUST & EFFICIENT BUSINESS MODEL

Proven operating efficiency

P&C: Benchmark of costs¹
(2015, as a % of premium income)



Life business line: Benchmark of costs²
(2015, as a ratio of AuM, in bps)



¹ Costs for acquisition, claims handling & administration

² Acquisition and management costs, source : Boston Consulting Group study, 2015; McKinsey Life Insurance France Benchmark, 2015

³ Pacifica scope; ⁴ Predica scope

ROBUST & EFFICIENT BUSINESS MODEL

A potential for dynamic growth



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FINANCE

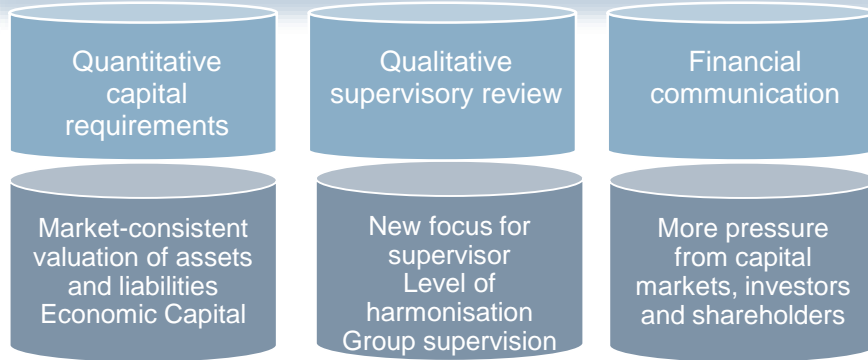
MARIE-ISABELLE MARCELLESI
HEAD OF CORPORATE FINANCE & FINANCIAL
COMMUNICATION, CRÉDIT AGRICOLE ASSURANCES

SOLVENCY AND CAPITAL MANAGEMENT

Solvency 2 basic principles

Unified framework for the European insurance industry with dynamic risk-based approach

Three-pillar approach



- European single market approach based on economic principles
- Set of capital requirement's calculation via the standard formula's perspective approach or via an internal model
- Technical valuations, governance and reporting standards

Pillar 1

■ Balance sheet at fair value under Solvency 2

- All assets are assessed at market value
- Liabilities (commitments toward to policyholders) are assessed at fair value

■ Capital requirements' calculation

- Calibration using the Value at Risk (VaR) of the basic own funds to a confidence level of 99.5% over a one-year period
- This calibration objective is applied to each individual risk module and sub-module

Pillar 2



- Own Risk and Solvency Assessment (ORSA) report

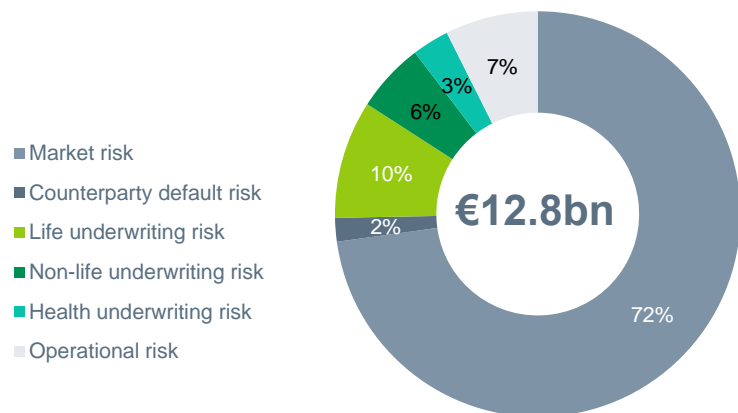
Pillar 3

- Solvency and Financial Condition Report (SFCR)
- Regular Supervisory Report (RSR)
- Quantitative Reporting Template (QRT)

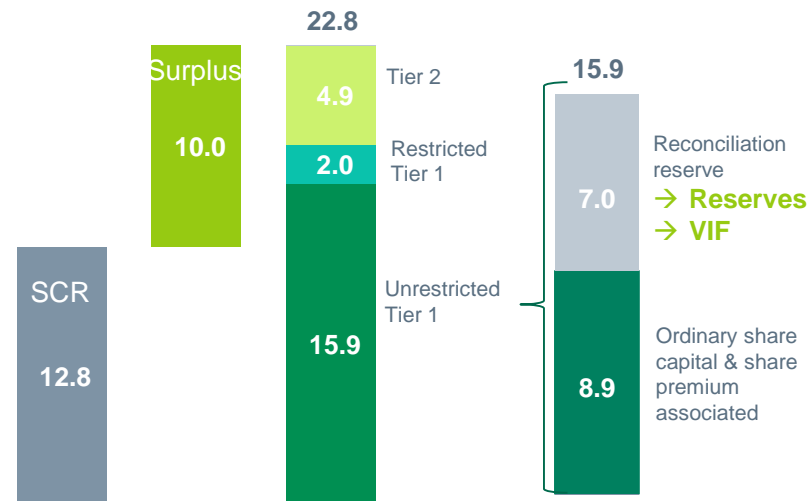
SOLVENCY AND CAPITAL MANAGEMENT

CAA Solvency Capital requirement (SCR) and Capital structure at H1-17

Breakdown of the Solvency Capital Requirement¹



Eligible own funds (€bn)



- Use of the Standard formula
- No transitional measures applied

- Unrestricted and restricted T1 cover 140% of SCR
- Tier 2 cover 38% of the SCR

¹ Solvency Capital Requirements (SCR) breakdown presented before diversification and after loss absorbing capacity by technical provisions and including operational risk

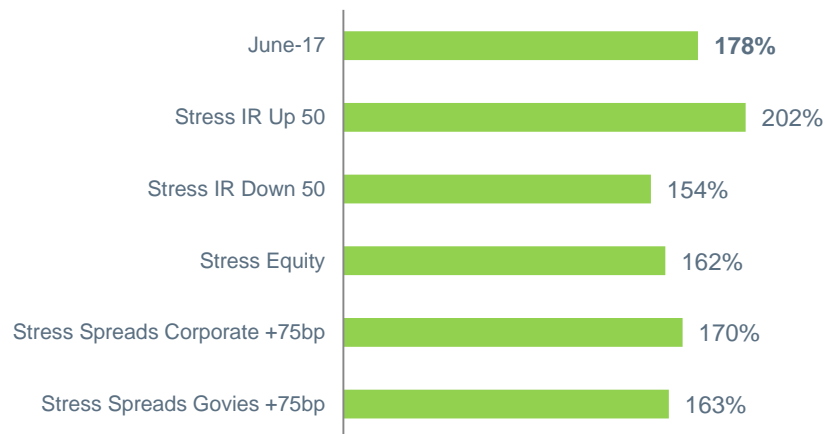
SOLVENCY AND CAPITAL MANAGEMENT

A healthy solvency ratio under Solvency 2

Group coverage rate

178%
Solvency 2 ratio
at 30 June 17

Key sensitivities



■ A healthy solvency ratio thanks to disciplined capital management

- Reduction of the investment portfolio risk
- Protection against an interest rate increase: policy of reserve constitution, high level of unrealised gains

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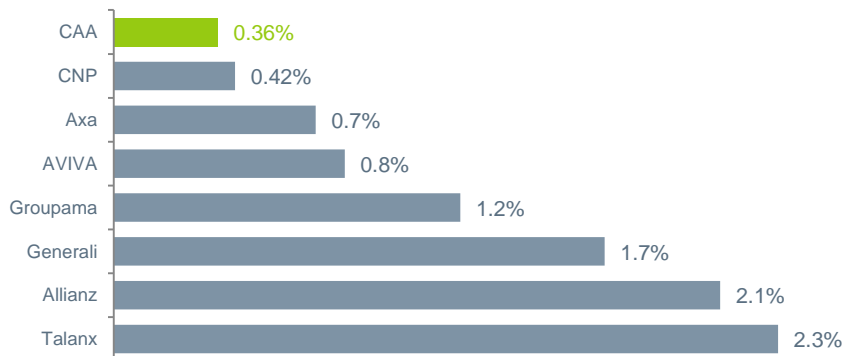
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DISCIPLINED RISK MANAGEMENT

Low structural exposure of CAA to minimum guaranteed rates

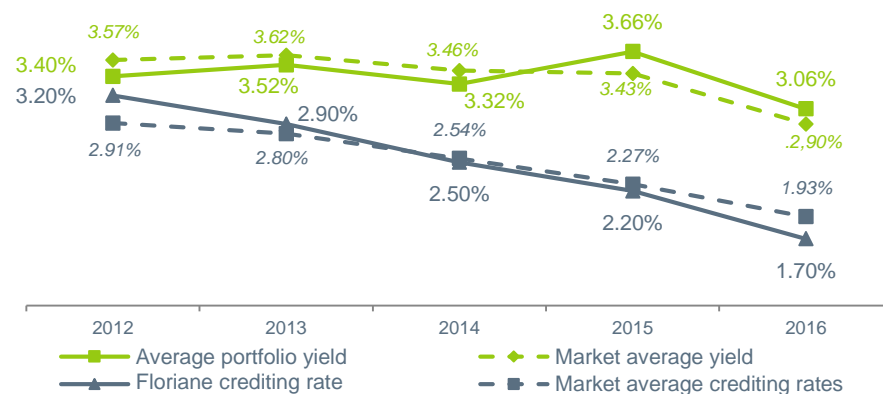
Minimum average guaranteed rate 2016



Source: Investors presentations, annual reports

- A low average guaranteed rate of **0.36%** at end-2016
- **No minimum guaranteed rate** (beyond one year) in life insurance **since 2000**

Return of assets and policyholders yields²



- **Average investment portfolio return of 3.20%¹ at 9M-17, materially above the average guaranteed rate**
- Ability to adjust the profit-sharing rate to reflect a decrease in the average investment return over time

¹ Scope: CAA Group

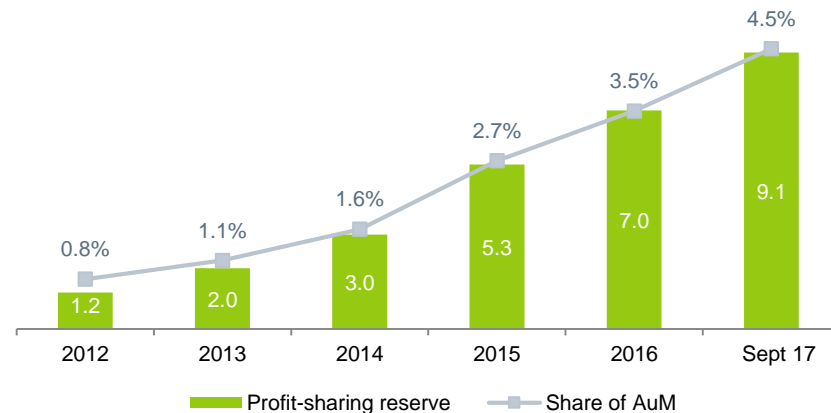
² Scope = Predica

DISCIPLINED RISK MANAGEMENT

Ability to adjust to the upward shift of the yield curve

- **Strong customer loyalty** (Surrender rate of 3.9% at end-2016).
- **Dynamic management of the investment portfolio**
- **Flexibility offered by a high level of unrealized gains (€26.8bn at end-2016)**
- Ability to **regulate euro-denominated products'** inflows and to **assist the Group's clients in the diversification of their savings**
- Ability to enhance the development of products less sensitive to the low interest rates environment such as protection, health, group insurance and creditor products

Evolution of profit-sharing reserve (€bn)

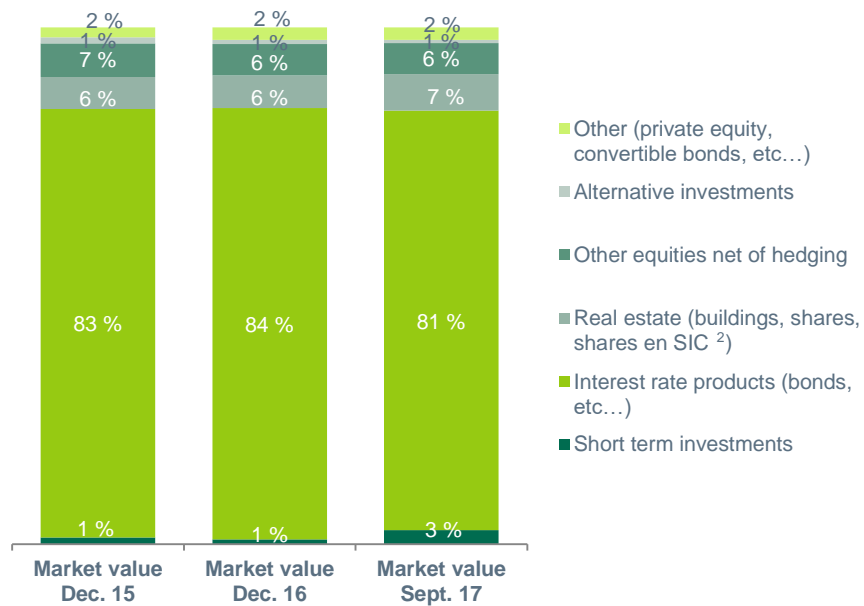


- **Ability to increase the yield paid to policyholders in case of rate increases:**
 - Deliberate policy of reserves constitution to the policyholder participation reserve (“PPE”) to reach €9.1bn in 9M-2017 (4.5% of euro contracts in AuM)
 - The main part of the bond portfolio is covered by caps

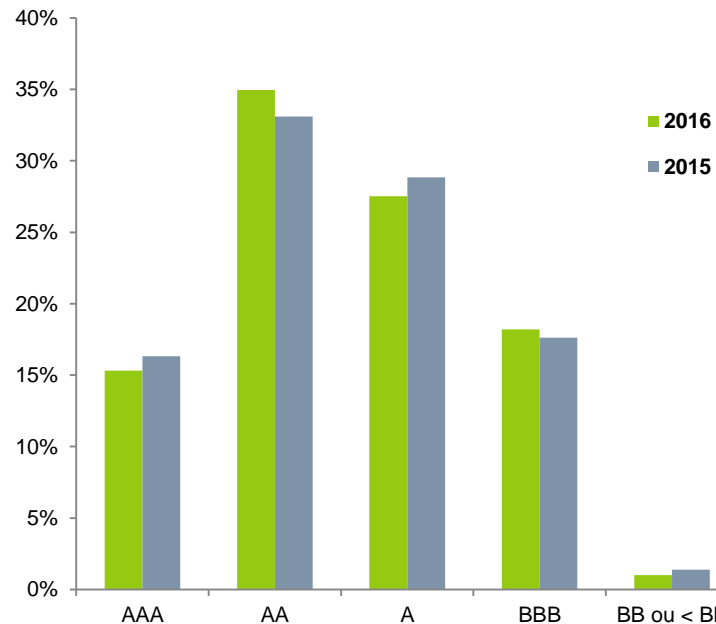
DISCIPLINED RISK MANAGEMENT

A prudent and diversified assets allocation

Breakdown of investments by asset class
(excl. Unit-linked accounts)¹



Bond portfolio by rating at end-2016



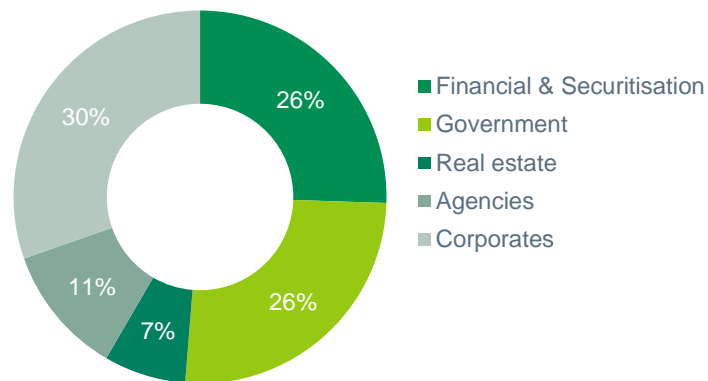
¹ Scope: life insurance companies of CAA

² Société civile immobilière: non-trading real estate investment company

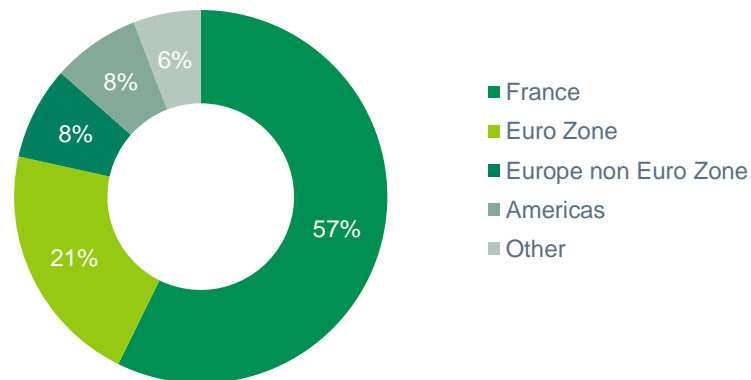
DISCIPLINED RISK MANAGEMENT

Diversification of issuers and geographical areas

Breakdown of investments by economic sector at end-2016¹



Breakdown of investments by geographical area at end-2016¹



¹ Scope: CAA Group AuM excluding GNB Seguros and CA Assicurazioni in net book value

DISCIPLINED RISK MANAGEMENT

Implication of the application into force of IFRS 9

Application of IFRS 9 on 1 January 2018 with the overlay approach

CONTEXT

For insurance activities, IASB introduces the Overlay Approach in order to mitigate the effects of the misalignment between the application dates of IFRS 9 (1 January 2018) and IFRS 17 (1 January 2021)

PRINCIPLE

Application of IFRS 9 with recognition of a reclassification between P&L and OCI aiming at neutralizing the additional volatility generated by the application of IFRS 9

FINANCIAL IMPACTS

Additional volatility in P&L generated by IFRS 9 transferred to OCI for designated financial assets

FINANCIAL INFORMATION

Significantly improved information about financial instruments that results from IFRS 9, in particular information on credit risk, that will enable improved analysis by users of financial statements

Adopting IFRS 9 with the Overlay Approach enables Credit Agricole Group to have a consistent accounting treatment for financial instruments related to both its banking and insurance activities, while taking into account the distinctive features of its insurance business

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FOLLOW-UP OF OUR MEDIUM TERM PLAN

Achievements at end-2016

	2015	2015 pro forma ²	2016 pro forma ²		2019 Targets
Contribution to Group's revenues ¹ (€bn)	5.6	5.3	5.4	✓	> 6.0 CAGR > +2.5%
NIGS (€bn)	1.2	1.0	1.2	✓	~1.3 CAGR > +5%
Cost / income ratio (%)	26.7%	30.2%	29.7%	✓	< 30%
Combined ratio (%)	95.8%	95.8%	95.9%	✓	< 96%

¹ Revenues + fees paid to distributors

² Pro forma : analytical transfer of Switch 2 guarantee to Insurance activity

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- ▶ **Recurring profitability:** €1.2bn¹ in 2016
- ▶ **Increasing diversification of the business profile**
- ▶ **Strong regulatory solvency position:** 178% at end-June 2017
- ▶ **Strong Balance-sheet:**
 - Unrealised gains of €26.8bn in 2016
 - Profit sharing reserve (PPE) of €9.1bn at 9M-17
- ▶ **Standard & Poor's rating:** A- / Positive outlook

¹ pro-forma: with analytical transfer of Switch 2 guarantee to Insurance activity



CONCLUSION

YVES PERRIER

DEPUTY GENERAL MANAGER,
HEAD OF THE ASSET GATHERING & INSURANCE DIVISION

CONCLUSION

Yves Perrier, Head of the Asset gathering & Insurance division

- The Asset gathering & insurance division encompasses strong business lines, accounting for close to 40% Crédit Agricole S.A. net income
- They are a key component of the client approach in the customer-focused universal banking model, in particular in the new advisory model for savings management
- All business lines are enjoying fast organic growth
- They offer very promising cross-selling opportunities, between themselves and with the other business lines, in Retail banking, Specialised financial services or Large customers