Press release

Paris, 3 October 2012

EBA final report on European banks' capital requirements:

French banks meet the 9% target on 30 June 2012

The European Banking Authority has conducted an exercise to highlight possible capital shortfalls in order to address concerns over sovereign debt exposures, the terms of which were approved by the European Council on 26 October 2011.

71 institutions, chosen from among those already included in the July 2011 stress test, were submitted to the exercise which aimed at building a capital buffer for demonstrating banks' ability to withstand various shocks while maintaining an adequate level of capital.

Banks were required to meet a "Core Tier 1" target ratio of 9% by the end of June 2012, including an impact reflecting the market values of European sovereign debt exposures as of 30 September 2011. A methodological note has been published on the EBA website (www.eba.europa.eu).

The final report published today by the EBA confirms that French banks largely exceed the 9% target on 30 June 2012.

For the four French banks involved in the exercise - BNP PARIBAS, BPCE, CREDIT AGRICOLE and SOCIETE GENERALE - which represent over 80% of the French banking sector – the total capital shortfall amounted to EUR 7.3 billion at the end of September 2011. At the end of June 2012, the four banks displayed a capital surplus of EUR 23.3 billion above the 9% "Core Tier 1" target ratio.

In order to prepare for the transition of the European banking system towards the new CRD IV regulatory regime, which implements the Basel 3 framework in Europe, the EBA will issue a new Recommendation after CRD IV is finalized. This new EBA Recommendation will require banks to maintain an absolute amount of CT1 capital corresponding to the level of 9% Core Tier One ratio at the end of June 2012.

The detailed situation of individual banks is presented in appendix.

About the ACP:
The ACP is an independent administrative authority backed by the Banque de France. It is responsible for authorising and supervising banks and insurers with a view to upholding their customers' interests and maintaining the stability of the financial system.
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Appendix

Capital requirements resulting from the EBA coordinated exercise

	Situation as at 30 September 2011			Situation as at 30 June 2012	
	Core Tier 1 ratio (1)	*Capital shortfall relative to the 9% objective (EUR billion) (2)*	*Of which buffer on sovereign exposures (EUR billion)*	*Core Tier 1 ratio (2)*	*Capital surplus relative to the 9% objective (EUR billion) (2)*
BNP PARIBAS	8.8 %	1.5	2.5	**10.9%**	8.8
GROUPE BPCE	8.1 %	3.7	1.0	**10.0%**	3.1
GROUPE CREDIT AGRICOLE	9.2 %	-	-	**10.7%**	8.4
SOCIETE GENERALE	8.4 %	2.1	-	**9.9%**	3.0

(1) The calculation includes the estimated impact of CRD3 and the buffer on sovereign exposures in accordance with the methodological note published by the EBA (www.eba.europa.eu) by reference to market values at 30 September 2011

(2) After the buffer on sovereign exposures

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