

Montrouge, 15 May 2019

First Quarter 2019 Results

Good performance in all business divisions

Crédit Agricole S.A.

- **Underlying¹ net income²: €796m, +1.0% Q1/Q1, +8.2% for the business divisions** (excl. Corporate centre-CC)
- Stated net income²: €763m, -10.9% Q1/Q1, stated revenues: €4,855m, -1.1% Q1/Q1
- **Underlying¹ EPS: €0.23 (-0.9% Q1/Q1),**
- **Underlying¹ revenues: +0.1% Q1/Q1 and +1.0% for the business lines: sustained level of CIB activities** (+3.3%) and **Retail banking in France** (+1.3%)
- **Confirmed control of underlying costs¹:** stable excluding the SRF³, demonstrating the good operating efficiency of the businesses; **stable underlying cost/income ratio** (63.3%), **excluding the SRF³** but including the negative impact of other IFRIC21 charges affecting only Q1
- **Sharp increase in the SRF³: +13.9% Q1/Q1 to €332m, underlying¹ net income excl. SRF: +3.5% Q1/Q1**
- Marked decrease in the **cost of risk**: -28.4% Q1/Q1, still low: 21bp⁴ in Q1-19, -7bp Q1/Q1
- **CET1 ratio: 11.5%**, still above the target of 11%

Crédit Agricole Group*

- Stated net income²: €1,350m, -5.5% Q1/Q1, stated revenues: €8,196m, -0.7% Q1/Q1
- **Underlying¹ net income²: €1,435m, +6.1% Q1/Q1, +9.9% for the business lines** (excl. CC)
- **Tight control of underlying costs² excl. SRF³: -1.1% Q1/Q1**, positive jaws effect of 2 pts
- **Increase in the SRF³: +17.4% Q1/Q1 to €422m, underlying¹ net income² excl. SRF³: +8.1% Q1/Q1**
- **Regional Banks (IFRS):** higher underlying¹ revenues driven by the strength of fees and the positive revaluation of the securities portfolio, stable underlying costs excl. SRF³ and a sharp drop in the cost of risk

* *Crédit Agricole S.A. and Regional Banks at 100%.*

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 56.3% of Crédit Agricole S.A. Please see p. 13 (Crédit Agricole S.A.) and p. 14 (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 published income statement and the underlying income statement can be found from p. 15 onwards for Crédit Agricole S.A. and from p. 17 onwards for Crédit Agricole Group

¹ In this press release, "underlying" refers to intermediary balances adjusted for the specific items described on p. 13 onwards

² Net income Group share

³ Contribution to the Single Resolution Fund (SRF)

⁴ Average loan loss reserves over the last four rolling quarters. Since this quarter, loans outstanding included in credit risk indicators are only loans to customers, before impairment

Crédit Agricole S.A.

Good performance in all business lines

- Increase in underlying net income, up +1.0% Q1/Q1, all business divisions excl. CC⁵ up +8.2%
- Favourable market environment and profitable growth in CIB: risk-weighted assets (RWA) +2.5% March/Dec., revenue/RWA ratio in Financing: +5bp Q1/Q1
- Excellent Retail banking business performance in France: underlying net income up +17.7%, positive jaw effect of +4.5 percentage points, falling cost of risk: -12.4%
- Increase in the contribution to the SRF: +10.5%/-€30m to -€308m in net income

Continued improvement in business performance and cross-selling

- High level of net inflows in life insurance driven by euro-denominated policies, continued strong growth of premium income and higher equipment rates in property & casualty insurance
- Growth in loans outstanding in all retail banking networks
- Higher levels of origination in Specialised Financial Services, in particular with respect to automotive partnership consumer finance

Good cost control

- Stable expenses excl. SRF: +0.1% Q1/Q1, cost/income ratio excl. SRF was stable at 63.3%

Cost of risk still at a very low level

- -28.4% Q1/Q1, cost of risk relative to outstandings at 21bp (-7bp Q1/Q1)
- Improvement in the NPL ratio: 3.3% (-0.9 pp March/March) and NPL coverage ratio: 73.6% (+1.2 pp)

Financial strength confirmed: CET1 stable March/Dec.

- CET1 ratio: 11.5%, still well above target of 11%
- Year-on-year increase in risk-weighted assets (+4.5%), in particular this quarter for CIB, which benefited from favourable market conditions

Crédit Agricole S.A.'s Board of Directors, chaired by Dominique Lefebvre, met on 14 May 2019 to examine the financial statements for the first quarter of 2019.

Stated net income in first quarter 2019 reached 763 million euros, compared to 856 million euros in first quarter 2018, down -10.9%. This drop is entirely due to the **specific items**⁶ of both periods being compared.

First quarter 2019 specific items had a net negative effect of **-33 million euros** on net income. They included only the volatile accounting items this quarter, namely changes in the home purchase saving plan provisions of -13 million euros impacting net income (-21 million euros before tax and non-controlling interests), DVA (Debt Valuation Adjustment) in the amount of -6 million euros and the coverage of loan portfolios in the amount of -14 million euros. In **first quarter 2018**, specific items had a **+68 million euros** impact on net income, primarily due to an adjustment to negative goodwill recognised on the acquisition of the three Italian banks for +66 million euros (+86 million euros before taxes and non-controlling interests), the costs of integrating Pioneer in the amount of -4 million euros (-9 million euros in operating expenses) and recurring volatile accounting items in the amount of +6 million euros.

Excluding these specific items, **underlying net income** for first quarter 2019 came to **796 million euros**, an **increase of +1.0% compared with first quarter 2018**. This slight increase had the following mixed effects:

⁵ Corporate centre

⁶ See p. 13 for details of specific items for Crédit Agricole S.A. and p. 15 for a reconciliation of stated and underlying income.

- **good performance by the business lines:** their contribution to net income, excluding Corporate Centre, was up +8.2% between the two periods;
- a **one-time decline reported by Corporate Centre:** its contribution to underlying net income was negative, standing at -287 million euros versus -213 million euros in the first quarter of 2018 (i.e. -74 million euros) attributable to volatile accounting items not classified as specific items.

Underlying revenues and costs excl. SRF were stable between both periods (+0.1% each). The **decline** in **gross operating income** (-2.7%/-41 million euros) was entirely due to the **sharp rise** (+13.9% compared to first quarter 2018) **of the contribution to the Single Resolution Fund**, namely +41 million euros. This decline was more than offset by the **continued decline in the cost of credit risk** (to 225 million euros, i.e. -28.4%/-89 million euros compared to first quarter 2018) and, at 21 basis points, it is still low compared to loans outstanding. Underlying net income therefore rose by +1.0%. If it were not for the SRF, this increase would have been +3.5%.

Table 1. Crédit Agricole S.A. - Stated and underlying results, Q1-19 and Q1-18

En m€	Q1-19 stated	Q1-18 stated	Var Q1/Q1 stated	Q1-19 underlying	Q1-18 underlying	Var Q1/Q1 underlying
Revenues	4,855	4,909	(1.1%)	4,903	4,900	+0.1%
Operating expenses excl.SRF	(3,104)	(3,110)	(0.2%)	(3,104)	(3,100)	+0.1%
SRF	(332)	(291)	+13.9%	(332)	(291)	+13.9%
Gross operating income	1,419	1,508	(5.9%)	1,467	1,508	(2.7%)
Cost of risk	(225)	(314)	(28.4%)	(225)	(314)	(28.4%)
Cost of legal risk	-	-	n.m.	-	-	n.m.
Equity-accounted entities	85	93	(8.1%)	85	93	(8.1%)
Net income on other assets	23	18	+23.8%	23	18	+23.8%
Change in value of goodwill	-	86	(100.0%)	-	-	n.m.
Income before tax	1,302	1,391	(6.4%)	1,350	1,305	+3.4%
Tax	(394)	(362)	+8.9%	(409)	(362)	+12.8%
Net income from discount'd or held-for-sale ope.	(0)	(1)	n.m.	(0)	(1)	n.m.
Net income	908	1,028	(11.7%)	941	942	(0.1%)
Non controlling interests	(145)	(172)	(15.7%)	(146)	(154)	(5.6%)
Net income Group Share	763	856	(10.9%)	796	788	+1.0%
Earnings per share (€)	0.22	0.25	(14.7%)	0.23	0.23	(0.9%)
Cost/Income ratio excl.SRF (%)	63.9%	63.3%	+0.6 pp	63.3%	63.3%	+0.0 pp

At 796 million euros, first quarter 2019 underlying net income Group share incorporates expenses related to IFRIC21, which are not recorded on a straight-line basis for the year, and therefore had an impact of -403 million euros on net income, of which -308 million euros related to the contribution to the SRF. Not restated as specific items, these expenses rose sharply (+27 million euros/+7.2% in net income Group share) between first quarter 2018 and first quarter 2019.

The only scope effect this quarter related to the contribution by Banca Leonardo, a subsidiary of Indosuez Wealth Management, included in the consolidated financial perimeter within the Asset Gathering and Insurance business line in the second quarter of 2018. It had no material impact on net income.

Underlying earnings per share came to 0.23 euro, reflecting a **slight decrease** (-0.9%) relative to first quarter 2018, in line with the change in attributable net income (after deduction of AT1 coupons that are directly charged to net income in the financial statements but deducted for the calculation of earnings per share, see p. 19).

The Crédit Agricole S.A.'s business lines and the Crédit Agricole Group retail networks, in particular the Regional Banks, which distribute the products and services of Crédit Agricole SA's business lines, enjoyed **very strong activity levels** again this quarter, in lending, customer savings and personal & property insurance and, by doing so, participated in the deployment of cross-selling specific to the customer-focused universal banking model, at the heart of the "Strategic Ambition 2020" plan:

- **Property & casualty insurance** reached 13.6 million policies in its portfolio, i.e. +5.3% year-on-year and the customer equipment rate⁷ continues to climb: 36.6% for the customers of the Regional Banks, a +1.6pp year-on-year increase, and 24.1% for LCL, i.e. +1.3pp, while premium income in first quarter of 2019 rose +8.6% compared to the first quarter of 2018; net inflows in **Life Insurance** were strong this quarter: +2.8 billion euros in the first quarter of 2019, including +1.2 billion euros in unit-linked policies; these accounted for 25% of total gross inflows in the first quarter of 2019 and 21.8% of Savings/Retirement assets under management at the end of March 2019, a +0.3 point year-on-year increase; of particular note this quarter was the promising start to the partnership between Crédit Agricole Assurances and Credit Valtellinese (Creval) in Italy, with 143 million euros in total gross life insurance inflows, including 31% unit-linked policies;
- **Asset management (Amundi)** recorded this quarter positive net inflows on medium-long term assets of +8.4 billion euros⁸, distributed between Retail, at +2.4 billion euros and the Institutional investor segment at +6.0 billion euros⁸, as well as substantial outflows in treasury products (-9 billion euros); overall, the quarter posted negative net inflows of -6.9 billion euros, largely offset by a positive market and foreign exchange effect of +58.3 billion euros, bringing assets under management to 1,476 billion euros, an increase of +1.7% compared to the end of March 2018 and +3.6% compared to the end of December 2018;
- **Retail banking** is still showing strong commercial momentum with high rates of lending growth, in particular in France for LCL (+9.1% compared to the end of March 2018) driven by small businesses and professionals (+11.8%) and home loans (+8.3%). This is also the case for Italy for Crédit Agricole Italia (+1.8% increase excluding disposal of doubtful loans in 2018) with again, sharp growth in home loans (+18% in the number of home loans between first quarter 2018 and first quarter 2019 and +14% in origination), substantially higher than the market (-7.9%⁹); as to customer savings, they saw positive growth year-on-year for LCL (+5.2%) driven by on-balance sheet deposits, in particular demand deposits (+11.6%), while for CA Italia, they were down (-1.8%, of which -5.5% for on-balance sheet deposits) due to the continuation of measures implemented in the third quarter of 2018 to reduce volatile and expensive resources; net customer acquisition is still robust at LCL (+18,900 new individual and professional customers in first quarter 2019) and the equipment rate continues to grow at a steady pace (+8.3% in multi-risk home-owners insurance, car insurance and health insurance policies); meanwhile CA Italia is continuing the work of integrating the three banks acquired in late 2017, whose business performance is improving across all segments (for instance, the number of home loans granted more than doubled between first quarter 2018 and first quarter 2019);
- **Specialised financial services** saw its managed loans increase +7.1% compared to the end of March 2018 in Consumer finance, driven by solid origination activity in this business line (+8.4% March/March), notably with its automotive partnerships (+20.5%), a +2.7% increase in finance leases, thanks to good business momentum internationally (+9.9%) and a +2.9% increase in factored turnover, also driven by good business momentum internationally (+4.7%);
- lastly, the **Large customers division** grew this quarter in an environment that was more favourable than that seen in the first or fourth quarter of 2018, marked by increased activity in the market, particularly in debt issuances, which benefited the Capital Markets in credit/fixed income/forex; CACIB is positioned as No. 2 worldwide in euro-denominated bond issues¹⁰; on the other hand, Investment banking (equity capital markets origination and advisory) suffered due to a lacklustre market; **Financing** continued to

⁷ Car, multi-risk home, health, legal and everyday accident insurance

⁸ Excluding the end of a mandate insourced by an Italian customer in the amount of -6.3 billion euros

⁹ Source: Crif

¹⁰ All international investment grade issues in € - worldwide - bookrunner (Source: Refinitiv 31/03/2019)

show strong growth and CACIB, applying its Distribute to Originate model, recorded an average primary distribution rate of 42% in the 12-month period ending in March 2019 (+15 percentage points compared to 2013, the year in which it ramped up this policy); finally, **Asset Servicing (CACEIS)** saw its assets under custody increase by +6.6% and its assets under administration rise by +0.6% compared to the end of March 2018.

Underlying revenues were stable compared to first quarter 2018, at 4,903 million euros (+0.1%). Excluding the Corporate Centre, which saw a sharp drop in revenue of -46 million euros related to an unfavourable base effect in some volatile accounting items not classified as specific items, all the business lines generated growth in underlying revenues of +1.0%. The **Large customers** division (+44 million euros/+3.3%) in particular posted excellent performance, notably in Financing (+6.8%) driven by major transactions in Commercial Banking (+8.5%) and brisk business in Structured Finance (+5.2%). Capital Markets also posted excellent business performance in Credit/Fixed Income/Forex. Underlying revenues of the **Retail banking in France** division rose +1.3% with a volume effect offsetting the pressure on interest margins with interest rates again following a downward trend, allowing for good growth in interest income year-on-year. The **Asset servicing** division also saw a substantial increase in revenues (+3.6%) driven by the growth of the business line and higher cash levels from customers. By contrast, the underlying revenues of the **Insurance** division were relatively stable (+0.2% compared to the first quarter of 2018) owing to the adoption of a cautious recognition of investment margin in Life at the start of the year, in an environment marked by a further decline in interest rates and a low tax rate this quarter on portfolio income. In **Asset management**, underlying revenues declined slightly by -0.9% due to a sharp drop in performance fees, which fell -32 million euros from the high level of first quarter 2018 (52 million euros), which strong management fees (+0.9%) were unable to offset. **Retail banking in Italy** also recorded a decline in its underlying revenues (-3.9%), with solid growth in interest income in spite of persistently negative interest rates but which did not compensate for lower fees and other revenues, impacted by developments on the financial markets since last year. Lastly, **Consumer finance** posted a decline in its revenues owing to a highly competitive environment which nevertheless was offset by the excellent performance turned in by its automotive partnerships, recognised as a contribution from equity-accounted entities.

The stability of revenues compared to the first quarter of 2018 goes hand-in-hand with that of **underlying operating expenses excluding SRF** (+0.1% in both cases). This is confirmation of good cost control in all business lines, offsetting natural inflation of +1.5%/2%. However, the +4 million euro increase in expenses between the two periods conceals differing trends at each division. As such, the Asset gathering division posted higher operating expenses excl. SRF (+18 million euros/+2.5%) owing to investments in development and the integration of Banca Leonardo into the scope of consolidation. The Large customers division also recorded higher costs (+37 million euros/+4.7%) linked to the development of its business this quarter. Offsetting this, the Retail banking and Specialised financial services business lines saw their costs fall significantly (respectively -23 million euros/-2.2% and -15 million euros/-4.2%), thanks to the continuation of structural cost savings plans. Lastly, the Corporate Centre (CC) benefited from continuing efforts to promote synergies between the support functions (decrease of -14 million euros).

The **underlying cost/income ratio excluding SRF** came out to **63.3%**, which is a good level for a first quarter, and which covers the bulk of the IFRIC21 expenses, which are not spread out over the full year, and is stable compared to the first quarter of 2018.

The **sharp increase in the contribution to the SRF** (+13.9%) nevertheless affects the growth in underlying gross operating income, which declined -2.7% compared to first quarter 2018. Including the SRF, **expenses related to IFRIC21** reached **489 million euros** in first quarter 2019, up +6.2% compared to first quarter 2018. It should be noted that the contribution to SRF was increased by 11 million euros in the second quarter 2018.

At 225 million euros, the cost of credit risk was down -22.4%/-89 million euros compared to first quarter 2018. This drop is mainly attributable to the Large customers division, in particular Corporate & Investment Banking, which recognised a provision reversal in the amount of +15 million euros this quarter versus an allocation of -65 million euros to provisions in the first quarter of 2018. The other business lines experienced more modest movements between the two quarters: Retail banks in France and in Italy recorded respective decreases of -12.6%/-6 million euros and -15.1%/-12 million euros.

The **cost of risk relative to outstandings**¹¹ represents **21 basis points**, versus 29 in first quarter 2018 and 23 in fourth quarter 2018. It is still low and shows no sign of short term deterioration, as credit quality metrics continue to improve: the non-performing loans ratio stood at 3.3% at the end of March 2019 (i.e. -0.9 percentage point compared to the end of March 2018) and the coverage ratio improved by +1.2 percentage point to 73.6% year-on-year.

Equity-accounted entities saw their contribution fall by -8.1%/-8 million euros to 85 million euros. The excellent performance turned in by the consumer finance partnerships with FCA Bank in Europe and GAC in China (+26.0%/+16 million euros) only partially offset the negative change (-23 million euros) booked by the Corporate Centre: -6 million euros in first quarter 2019 linked to the negative impact of the first time consolidation of the entity Crédit Agricole Group Infrastructure Platform (CA-GIP), versus +18 million euros in first quarter 2018 associated with a real estate capital gain.

Underlying pre-tax income before discontinued operations and non-controlling interests increased by +3.4% to 1,350 million euros. The underlying effective tax rate was 32.3% versus 29.9% in first quarter 2018, an increase that is primarily attributable to the increase in the SRF contribution, which is not tax deductible. 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 the tax credit from Additional Tier 1 debt instruments (interest payments are deducted directly from equity, for -141 million euros in the first quarter in the light of the new debt issued in early March, versus -131 million euros in first quarter 2018). The **underlying tax expense** therefore rose **+12.8%** to 409 million euros.

Net income attributable to **non-controlling interests fell -5.6%** to 146 million euros, primarily concentrated in the Corporate Centre due to the change in the method of consolidation of a subsidiary, which is now equity-accounted.

Consequently, **underlying net income** rose by **+1.0%** compared to first quarter 2018 to **796 million euros**, but would have increased by **+3.5% excluding the contribution to the SRF**.

At the end of March 2019, Crédit Agricole S.A.'s solvency remained very solid, with a **Common Equity Tier 1 (CET1) ratio of 11.5%**, stable compared to 31 December 2018; the main movements during the quarter offset one another: the good level of retained earnings (+9 basis points, including a dividend provision of 0.11 euro per share, namely 50% of stated earnings per share) and the positive change in the unrealised reserves of the securities portfolio (+23 basis points) were absorbed by the impact of the first time application of IFRS16 (-5 basis points) and by the organic growth of the business lines' risk-weighted assets (-29 basis points).

Risk-weighted assets totalled 321 billion euros at the end of March 2019, an increase of +4.5% compared to the end of December 2018. There were primarily concentrated in the Asset gathering division, with +6.3 billion euros, including +3.9 billion euros in Insurance, corresponding to the increase in equity at Crédit Agricole Assurances, due to the increase in unrealised capital gains and income for the quarter, and in the Large customers division (+3.9 billion euros).

The **phased-in leverage ratio** came to **4.4%**¹², an increase of +0.2 points compared to the end of December 2018. The intra-quarter average measure of phased-in leverage ratio¹³ reached 4.0% in the first quarter of 2019.

¹¹ Average loan loss reserves over the last four rolling quarters. Since this quarter, loans outstanding included in credit risk indicators are only loans to customers, before impairment

¹² Following the authorisation received from the ECB (with retroactive application back to 2016), the leverage ratio at 31/03/2019 (and pro forma 31/12/2018) takes account of the exclusion of the exposures related to the centralisation of regulated savings at Caisse des Dépôts et Consignations

¹³ Average end-of-month exposures for the first two months of the quarter

Crédit Agricole S.A.'s average LCR (Liquidity Coverage Ratio) over twelve months stood at 133.3%¹⁴ at end-March 2019, which is higher than the target level of around 110% set out in the Medium-Term Plan.

At the end of April 2019, Crédit Agricole S.A. had completed 53% of its medium-to long term market funding programme for the year. The bank had raised the equivalent of 9.0 billion euros, of which 5.3 billion euros equivalent of senior preferred debt and secured senior debt, and 2.2 billion euros equivalent of senior non-preferred debt and 1.5 billion euros equivalent of Tier 2 debt. The 2019 programme is set at 17 billion euros, including around 5 to 6 billion euros of TLAC eligible debt (Tier 2 debt or senior non-preferred debt). It should be noted that in February 2019 Crédit Agricole S.A. carried out an AT1 instrument issue for 1.25 billion US dollars (1.1 billion euros). This issue was not part of the annual funding programme.

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Philippe Brassac, Chief Executive Officer, commented on the first quarter 2019 results and activity of Crédit Agricole S.A. as follows: "In the first quarter of 2019, Crédit Agricole S.A.'s business lines were once again able to post excellent business and financial performance. Our universal banking model, balanced and diversified, based on building comprehensive and lasting relationships with each of our customers, delivers sturdiness, consistency and performance. Crédit Agricole S.A.'s solvency stays above our long-term target. These performances demonstrate once again the relevance of our strategy fully focused on organic growth, internal synergies and consolidation of business lines. These very good performances allows confidence our future medium-term plan that will be unveiled next June."

¹⁴ The ratio numerator and denominator stand at €177.6 billion and €133.2 billion, respectively, for Crédit Agricole S.A.

Crédit Agricole Group

In the first quarter of 2019, Crédit Agricole Group's results reveal a very good level of operational efficiency (positive jaws effect of +2 points) thanks to brisk activity in all Group entities and very good operating cost control. The cost of risk also declined substantially, reaching a very low level with no sign of short-term deterioration. Stated net income was down -5.5% compared to the first quarter of 2018 due to specific items, which were slightly negative this quarter but which had been positive in the first quarter of 2018. Excluding specific items, underlying net income stood at 1,435 million euros, up +6.1%. Excluding the contribution to the SRF, underlying net income was up +8.1%. The Regional Banks posted very good performance this quarter, with a contribution to net income up +13.4% for the period, thanks to excellent operational efficiency (positive jaws effect of +4.2 percentage points) and a sharply lower cost of risk (-46.1%). The Group's financial position was further strengthened this quarter, with the CET1 ratio up 0.3 point to 15.3% as of 31 March 2019.

First quarter 2019 is yet another demonstration of the relevance of the strategy put in place as part of the "Strategic Ambition 2020" Medium-Term Plan (MTP). All business lines were able to demonstrate the strength of the diversified universal banking model thanks to a high level of activity and continuing customer acquisition as part of an efficient operational framework.

Since the beginning of 2019, the Group has announced the following transactions:

- CACEIS plans to launch a friendly public bid for all of the capital of KAS Bank; CACEIS is confirming its pan-European ambition by strengthening its position in the Netherlands and its ability to serve the customers of insurance companies and pension funds; this acquisition will create value thanks to the strong potential for synergies; the completion of this takeover bid is expected to occur in the third quarter of 2019;
- Crédit Agricole S.A. and Santander have announced the merger of their custody and asset servicing operations; after this merger, Crédit Agricole S.A. and Santander would hold 69.5% and 30.5% respectively of this new entity that will keep the name CACEIS and combine the activities of CACEIS and Santander Securities Services ("S3") in Spain and Latin America (Brazil, Mexico and Colombia); this new entity would benefit from greater scale and a stronger competitive positioning; the enlarged group would be better placed to capture growth in high potential markets (Latin America and Asia) and new opportunities. This transaction is expected to be completed before then end of 2019;
- CACIB completed the disposal of a 4.9% stake in Banque Saudi Fransi (BSF) to a consortium headed by Ripplewood, thereby reducing its stake in Banque Saudi Fransi to 10% and, subject to the exercise of a warrant on 6% of the equity, to 4% by the end of the year; the impact of this agreement will be booked in the second quarter of 2019.

In the first quarter of 2019, Crédit Agricole Group's stated **net income** came to **1,350 million euros** versus 1,429 million euros in the first quarter of 2018, down -5.5%.

Specific items¹⁵ in the first quarter of 2019 had a negative effect of **-85 million euros** on stated net income. They cover only recurring volatile accounting items including variations in the provision for the home purchase savings plan for -65 million euros (-99 million euros before income tax and non-controlling interests), the DVA (Debt Valuation Adjustment) for -6 million euros and the loan portfolio coverage for -14 million euros. In the first quarter of 2018, they were positive at +76 million euros and primarily include an adjustment to negative goodwill recognised on the acquisition of the three Italian banks for +74 million euros, the integration costs of integrating Pioneer in the amount of -4 million euros and recurring volatile accounting items for a total amount of +7 million euros.

¹⁵ See p. 14 for details of specific items for Crédit Agricole Group and p. 17 for a reconciliation of stated and underlying income.

Excluding these specific items, **underlying net income** came out at **€1,435 million**, up **+6.1%** compared to first quarter 2018. **When we strip out the contribution to the SRF**, this increase reaches **+8.1%**.

Table 2. Crédit Agricole Group - Stated and underlying results, Q1-19 and Q1-18

En m€	Q1-19 stated	Q1-18 stated	Var Q1/Q1 stated	Q1-19 underlying	Q1-18 underlying	Var Q1/Q1 underlying
Revenues	8,196	8,258	(0.7%)	8,323	8,249	+0.9%
Operating expenses excl.SRF	(5,277)	(5,343)	(1.2%)	(5,277)	(5,333)	(1.1%)
SRF	(422)	(359)	+17.4%	(422)	(359)	+17.4%
Gross operating income	2,497	2,556	(2.3%)	2,623	2,556	+2.6%
Cost of risk	(281)	(421)	(33.2%)	(281)	(421)	(33.2%)
Cost of legal risk	-	-	n.m.	-	-	n.m.
Equity-accounted entities	95	99	(3.6%)	95	99	(3.6%)
Net income on other assets	10	20	(48.5%)	10	20	(48.5%)
Change in value of goodwill	-	86	(100.0%)	-	-	n.m.
Income before tax	2,321	2,340	(0.8%)	2,448	2,254	+8.6%
Tax	(848)	(767)	+10.6%	(889)	(767)	+16.0%
Net income from discount'd or held-for-sale ope.	(0)	(1)	(99.5%)	(0)	(1)	(99.5%)
Net income	1,473	1,572	(6.3%)	1,558	1,486	+4.8%
Non controlling interests	(123)	(143)	(14.2%)	(123)	(134)	(8.1%)
Net income Group Share	1,350	1,429	(5.5%)	1,435	1,352	+6.1%
Cost/Income ratio excl.SRF (%)	64.4%	64.7%	-0.3 pp	63.4%	64.7%	-1.3 pp

Underlying revenues were up **+0.9%** compared to first quarter 2018. This growth stands at +2.1% on the scope of the business lines (excluding Corporate Centre). The increase is primarily attributable to the excellent performance turned in by the Retail banks, in particular in France (+3.4%) and the Large customers division (+3.3%).

Underlying operating expenses excluding the contribution to the SRF fell by **-1.1%** compared to the first quarter of 2018, thanks to expenses kept under control at the Retail banks and in Specialised financial services. The **underlying cost/income ratio excluding SRF** came out to **63.4%** for the first quarter of 2019, an improvement of 1.3 points versus the first quarter of 2018. The **contribution to the SRF rose +17.4%** compared to the first quarter of 2018. This softened the positive trend in gross operating income, which rose +2.6% between the two quarters, versus +4.5% excluding the contribution to the SRF.

The **cost of risk also declined substantially by -33.2%** compared to the same period last year. The cost of risk relative to outstandings¹⁶ held steady at 17 basis points in the first quarter of 2019 and is still at a very low level. The impaired loan ratio stood at 2.6% at end-March 2019 (-0.4 point compared to end-March 2018) and the coverage ratio at 84.4% (+0.6 point).

The **contribution from equity-accounted entities** felt slightly by -3.6%/-4 million euros compared to the first quarter of 2018.

In the first quarter of 2019, **net income on other assets** came out to 10 million euros and included impacts on Corporate Centre linked to the first time consolidation of Crédit Agricole-GIP (Crédit Agricole Group Infrastructure Platform). In the first quarter of 2018, this line item stood at 20 million euros and primarily included a real estate capital gain, also in Corporate Centre.

¹⁶ Average loan loss reserves over the last four rolling quarters. Since this quarter, loans outstanding included in credit risk indicators are only loans to customers, before impairment

As a result, **underlying income before tax** increased by +8.6% compared to the first quarter of 2018 and stands at 2,448 million euros for the first quarter of 2019. The underlying **corporate income tax expense rose by +16.0%** relative to the same quarter last year. At 37.8%, the underlying effective tax rate is +2.2 percentage points higher than in the first quarter of 2018, mainly attributable to the rise in the contribution to the SRF, which is non-deductible.

In the first quarter of 2019, the **Regional Banks** were still continuing a dynamic customer acquisition trend, recording a net +35,500 new individual customer relationships¹⁷ and 15,000 EKO accounts were opened since the beginning of 2019. This commercial performance made a significant contribution to growth in Crédit Agricole S.A.'s business lines, whose products are distributed by the Regional Banks, as the Group's leading distribution channel and the leading retail bank in France. As a result, the equipment rate of customers continues to increase: the inventory of premium cards rose +10.8% between March 2018 and March 2019 and the stock of property and personal insurance policies increased by +4.5%.

Outstanding loans grew +6.7% compared to 31 March 2018. This growth was driven by all segments and in particular +7.4% for home loans and +16.2% for consumer loans.

Customer savings rose +4.2% year-on-year, driven by on-balance sheet deposits (+5.8%) and, in particular, demand deposits (+10.4%) and passbook accounts (notably Livret A, +10.5%). Off-balance sheet savings rose more modestly by +1.6% year-on-year, driven by life insurance assets (+3.6%). The share of unit-linked policies in gross inflows came to 17.6% in the first quarter of 2019, stable compared to the first quarter of 2018.

The contribution of the Regional Banks to Crédit Agricole Group's **underlying net income** came to **€665 million, up +13.4%** compared to the first quarter of 2018. At 3,490 million euros, underlying revenues rose +3.9% with a good performance in terms of fees (+3.2%, of which +8.2% in commissions on insurance products) and the favourable impact of market conditions on the revaluation of the investment portfolio of the Regional Banks. **Underlying costs, excluding the SRF**, held steady at 2,192 million euros in the first quarter of 2019 (-0.3% compared to the first quarter of 2018). **The underlying cost/income ratio excluding the SRF stood at 62.8%, a 2.7 percentage point improvement** year-on-year. At the same time, the cost of the contribution to the SRF markedly increased to -90 million euros (versus -68 million euros in the first quarter of 2018). At -56 million euros (-46.1%), the **cost of risk continues** to decrease sharply compared to the first quarter of 2018. The cost of risk relative to outstandings¹⁶ came out at **12 basis points**, the non-performing loans ratio stood at 2.0% at the end of March 2019 (i.e. -0.2 percentage point compared to the end of March 2018) and the coverage ratio at 98.2% year-on-year (-2 points).

Income before tax increased by **+16.4%** to 1,155 million euros. The **tax expense** increased by **+20.8%** compared to the first quarter of 2018, with an underlying effective tax rate of 42.6% (versus 41.0%) because the non-deductible nature of the expense related to the SRF, which has climbed.

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

Crédit Agricole Group's financial strength remains robust: the **Common Equity Tier 1 (CET1) ratio stood at 15.3%** on 31 March 2019, rising by 0.3 percentage point compared to 31 December 2018 over the first quarter of 2019. This was primarily attributable to the contribution of retained earnings (+19 basis points) and by favourable market conditions, which led to an increase in unrealised reserves (+12 basis points). These two effects largely offset the negative impact stemming from the first time application of IFRS16. RWA saw a measured rise of +1.1% between the end of December 2018 and the end of March 2019, ending at 548 billion euros: an update to the credit risk models of the Regional Banks offset the increases recorded in the Asset gathering and Large customers divisions. This ratio provides a substantial buffer of 5.8 percentage points above the SREP requirement applicable to the Crédit Agricole Group as of 1 January 2019, set at 9.5% in

¹⁷ Data excluding BforBank.

February 2019 by the ECB (including the countercyclical buffer). The Group has a very substantial buffer of 31 billion euros compared to the Maximum Distributable Amount (MDA).

The **phased-in leverage ratio**¹⁸ came out to **5.7%** on 31 March 2019, rising +0.1 percentage point since the end of December 2018. The intra-quarter average measure of phased-in leverage ratio¹⁹ stood at 5.3% in the first quarter of 2019.

The **TLAC ratio** stood at **22.6% at 31 March 2019**, excluding eligible senior preferred debt. It increased substantially by 1.2 percentage point compared to 31 December 2018 using the same calculation and is 3.1 percentage points higher than the minimum requirement of 19.5% in 2019, excluding eligible senior preferred debt. The TLAC ratio target of 22% by 2019, excluding eligible senior preferred debt, has now been met.

Crédit Agricole Group's liquidity position is solid. Its banking cash balance sheet, at 1,256 billion euros at 31 March 2019, showed a **surplus of stable funding sources over stable assets of 121 billion euros**, up by +6 billion euros compared to end December 2018, and **exceeds the objective of the Medium-Term Plan by 100 billion euros**. The surplus of stable resources finances the HQLA (High Quality Liquid Assets) securities portfolio generated by the LCR (Liquidity Coverage Ratio) requirement for customer and customer-related activities. These securities (117 billion euros) covered more than 3 times the short-term net debt of Central Bank deposits.

The **liquidity reserves**, which include capital gains and haircuts on securities portfolios, **stood at 274 billion euros at 31 March 2019**. The Group's average LCR ratio over twelve months stood at 132.8%²⁰ at the end of March 2019, exceeding the Medium-Term Plan target of around 110%.

The **Group's main issuers raised 15.7 billion euros equivalent of medium-to-long term debt on the markets as of the end of April 2019**, 57% of which was issued by Crédit Agricole S.A. (9.0 billion euros equivalent). Furthermore, 1.4 billion euros were also placed in Crédit Agricole Group's retail networks (Regional Banks, LCL and CA Italia) and other external networks as well as borrowing from supranational organisations up to the end of April 2019.

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Dominique Lefebvre, Chairman of SAS Rue La Boétie and Chairman of Crédit Agricole S.A.'s Board of Directors, commented on the Group's first quarter 2019 results and activity as follows: "Our customer focused universal banking model serving all our customers throughout France continued to demonstrate its effectiveness in the first quarter of 2019. The activity and performance levels, notably for Retail Banks in France and the Large customers division, are proof of this. The Group has further strengthened its solid financial footing, reaching one of the highest levels in Europe and allowing it to better understand future challenges, not only economic or regulatory, but also societal and environmental."

¹⁸ Following the authorisation received from the ECB (with retroactive application back to 2016), the leverage ratio at 31/03/2019 (and pro forma 31/12/2018) takes account of the exclusion of the exposures related to the centralisation of regulated savings at Caisse des Dépôts et Consignations

¹⁹ Average end-of-month exposures for the first two months of the quarter

²⁰ The ratio numerator and denominator, which stand at €211.9 billion and €159.6 billion respectively

Corporate social and environmental responsibility

Energy transition

Crédit Agricole CIB is supporting a future of "electromobility" in Europe by granting a 20 million euro green loan to IONITY. Founded in 2017, IONITY is a joint venture of carmakers BMW Group, Daimler AG, Ford Motor Company and Volkswagen Group with Audi and Porsche. Its objective is to build a high-voltage recharging network along Europe's major motorways. The involvement of Crédit Agricole CIB upstream in the infrastructure project aims at overcoming one of the main concerns regarding electric vehicles: long-distance motorway driving.

In January 2019, CPR AM and CDP (formerly the Carbon Disclosure Project) launched the Climate Action fund, a thematic international equity fund that uses a multi-sectoral approach focused on the companies that best manage climate-related risks.

Five years after its creation, FEHI (Futures Energies Investissements Holding), jointly owned by Engie (50%) and Crédit Agricole Assurances (50%), tripled its initial portfolio, which today has grown to 1.5 gigawatts in solar and wind capacity. Crédit Agricole Assurances is the leading institutional investor in renewable energy in France today.

CSR Awards

Amundi Planet Emerging Green One claimed the "Green Bond Fund of the Year" prize awarded by Environmental Finance as well as the "Initiative of the Year for Innovative Thinking" prize. After winning the "Initiative Green Finance Collaboration of the Year" prize awarded by the Climate Bonds Initiative in March 2019, these two additional prizes raised Amundi's standing in world of green finance. Amundi Planet Emerging Green One Fund SICAV-SIF is the largest green bond fund (with 1.42 billion euros in assets under management when it launched), managed by the emerging markets platform based in London.

Crédit Agricole Assurances received the *Argus d'or* awarded by *Argus de l'Assurance* in the Corporate Citizenship category for its Stop Illetrism programme. The *Argus de l'Assurance* awards recognise the best innovation initiatives in the insurance industry.

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

Table 3. Crédit Agricole S.A. – Specific items, Q1-19 and Q1-18

€m	Q1-19		Q1-18	
	Gross impact*	Impact on NIGS	Gross impact*	Impact on NIGS
DVA (LC)	(8)	(6)	5	4
Loan portfolio hedges (LC)	(19)	(14)	4	3
Home Purchase Savings Plans (FRB)	(8)	(5)	-	-
Home Purchase Savings Plans (CC)	(13)	(8)	-	-
Total impact on revenues	(48)	(33)	9	6
Pioneer integration costs (AG)	-	-	(9)	(4)
Total impact on operating expenses	-	-	(9)	(4)
Change of value of goodwill (CC) ⁽²⁾	-	-	86	66
Total impact on change of value of goodwill	-	-	86	66
<i>Total impact of specific items</i>	<i>(48)</i>	<i>(33)</i>	<i>86</i>	<i>68</i>
<i>Asset gathering</i>	<i>-</i>	<i>-</i>	<i>(9)</i>	<i>(4)</i>
<i>French Retail banking</i>	<i>(8)</i>	<i>(5)</i>		-
<i>International Retail banking</i>	<i>-</i>	<i>-</i>		-
<i>Specialised financial services</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Large customers</i>	<i>(27)</i>	<i>(20)</i>	<i>9</i>	<i>6</i>
<i>Corporate centre</i>	<i>(13)</i>	<i>(8)</i>	<i>86</i>	<i>66</i>

* Impact before tax and before minority interests

⁽²⁾ Additional negative goodwill on the three Italian banks

Table 4. Crédit Agricole Group – Specific items, Q1-19 and Q1-18

€m	Q1-19		Q1-18	
	Gross impact *	Impact in NIGS	Gross impact*	Impact in NIGS
DVA (LC)	(8)	(6)	5	4
Loan portfolio hedges (LC)	(19)	(14)	4	3
Home Purchase Savings Plans (LCL)	(8)	(5)	-	-
Home Purchase Savings Plans (CC)	(13)	(8)	-	-
Home Purchase Savings Plans (RB)	(78)	(51)	-	-
Total impact on revenues	(126)	(85)	9	7
Pioneer integration costs (AG)	-	-	(9)	(4)
Integration costs 3 Italian banks (IRB)	-	-	-	-
Total impact on operating expenses	-	-	(9)	(4)
Change of value value goodwill (CC)	-	-	86	74
Total impact on change of value of goodwill			86	74
Total impact of specific items	(126)	(85)	86	76
<i>Asset gathering</i>	-	-	(9)	(4)
<i>French Retail banking</i>	(87)	(57)	-	-
<i>International Retail banking</i>	-	-	-	-
<i>Specialised financial services</i>	-	-	-	-
<i>Large customers</i>	(27)	(20)	9	7
<i>Corporate centre</i>	(13)	(8)	86	74

* Impact before tax and before minority interests

⁽²⁾ Additional negative goodwill on the three Italian banks

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

Table 5. Crédit Agricole S.A. – From stated to underlying results, Q1-19 and Q1-18

€m	Q1-19 stated	Specific items	Q1-19 underlying	Q1-18 stated	Specific items	Q1-18 underlying	Var Q1/Q1 stated	Var. Q1/Q1 underlying
Revenues	4,855	(48)	4,903	4,909	9	4,900	(1.1%)	+0.1%
Operating expenses excl.SRF	(3,104)	-	(3,104)	(3,110)	(9)	(3,100)	(0.2%)	+0.1%
SRF	(332)	-	(332)	(291)	-	(291)	+13.9%	+13.9%
Gross operating income	1,419	(48)	1,467	1,508	0	1,508	(5.9%)	(2.7%)
Cost of risk	(225)	-	(225)	(314)	-	(314)	(28.4%)	(28.4%)
Cost of legal risk	-	-	-	-	-	-	n.m.	n.m.
Equity-accounted entities	85	-	85	93	-	93	(8.1%)	(8.1%)
Net income on other assets	23	-	23	18	-	18	+23.8%	+23.8%
Change in value of goodwill	-	-	-	86	86	-	(100.0%)	n.m.
Income before tax	1,302	(48)	1,350	1,391	86	1,305	(6.4%)	+3.4%
Tax	(394)	14	(409)	(362)	(0)	(362)	+8.9%	+12.8%
Net income from discount'd or held-for-sale ope.	(0)	-	(0)	(1)	-	(1)	n.m.	n.m.
Net income	908	(34)	941	1,028	86	942	(11.7%)	(0.1%)
Non controlling interests	(145)	1	(146)	(172)	(18)	(154)	(15.7%)	(5.6%)
Net income Group Share	763	(33)	796	856	68	788	(10.9%)	+1.0%
Earnings per share (€)	0.22	(0.01)	0.23	0.25	0.02	0.23	(14.7%)	(0.9%)
Cost/Income ratio excl. SRF (%)	63.9%		63.3%	63.3%		63.3%	+0.6 pp	+0.0 pp
Net income Group Share excl. SRF	1,070	275	1,103	1,134	346	1,066	(5.6%)	+3.5%

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

Table 6. Crédit Agricole S.A. – Results by business lines, Q1-19 and Q1-18

	Q1-19 (stated)						
€m	AG	FRB (LCL)	IRB	SFS	LC	CC	Total
Revenues	1,469	861	677	681	1,339	(171)	4,855
Operating expenses excl. SRF	(753)	(593)	(420)	(342)	(819)	(177)	(3,104)
SRF	(5)	(30)	(15)	(18)	(186)	(78)	(332)
Gross operating income	711	238	241	320	334	(425)	1,419
Cost of risk	4	(44)	(89)	(107)	10	2	(225)
Cost of legal risk	-	-	-	-	-	-	-
Equity-accounted entities	13	-	-	78	(0)	(6)	85
Net income on other assets	0	1	0	0	3	19	23
Change in value of goodwill	-	-	-	-	-	-	-
Income before tax	728	194	153	291	346	(410)	1,302
Tax	(199)	(69)	(44)	(64)	(129)	111	(394)
Net income from discontinued or held-for-sale operations	(0)	-	-	-	-	-	(0)
Net income	530	125	109	227	217	(299)	908
Non controlling interests	(77)	(6)	(29)	(33)	(4)	4	(145)
Net income Group Share	453	119	79	194	212	(295)	763

AG: Asset gathering and Insurance; RB: Retail Banking (FRB: France, IRB: International); SFS: Specialised financial services; LC: Large customers; CC: Corporate Centre

	Q1-18 (stated)						
€m	AG	FRB (LCL)	IRB	SFS	LC	CC	Total
Revenues	1,467	858	677	688	1,331	(112)	4,909
Operating expenses excl. SRF	(744)	(613)	(423)	(357)	(782)	(190)	(3,110)
SRF	(3)	(26)	(17)	(17)	(168)	(61)	(291)
Gross operating income	720	219	237	314	381	(363)	1,508
Cost of risk	(5)	(51)	(93)	(99)	(64)	(2)	(314)
Cost of legal risk	-	-	-	-	-	-	-
Equity-accounted entities	12	-	-	62	1	18	93
Net income on other assets	0	2	(0)	0	(0)	17	18
Change in value of goodwill	-	-	-	-	-	86	86
Income before tax	727	170	144	277	318	(245)	1,391
Tax	(210)	(59)	(47)	(64)	(108)	126	(362)
Net income from discontinued or held-for-sale operations	(0)	(0)	-	-	-	-	(1)
Net income	517	111	97	212	210	(119)	1,028
Non controlling interests	(74)	(5)	(27)	(34)	(4)	(28)	(172)
Net income Group Share	443	106	70	179	206	(147)	856

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

Table 7. Crédit Agricole Group – From stated to underlying results, Q1-19 and Q1-18

€m	Q1-19 stated	Specific items	Q1-19 underlying	Q1-18 stated	Specific items	Q1-18 underlying	Δ Q1/Q1 stated	Var Q1/Q1 underlying
Revenues	8,196	(126)	8,323	8,258	9	8,249	(0.7%)	+0.9%
Operating expenses excl. SRF	(5,277)	-	(5,277)	(5,343)	(9)	(5,333)	(1.2%)	(1.1%)
SRF	(422)	-	(422)	(359)	-	(359)	+17.4%	+17.4%
Gross operating income	2,497	(126)	2,623	2,556	0	2,556	(2.3%)	+2.6%
Cost of risk	(281)	-	(281)	(421)	-	(421)	(33.2%)	(33.2%)
Cost of legal risk	-	-	-	-	-	-	n.m.	n.m.
Equity-accounted entities	95	-	95	99	-	99	(3.6%)	(3.6%)
Net income on other assets	10	-	10	20	-	20	(48.5%)	(48.5%)
Change in value of goodwill	-	-	-	86	86	-	(100.0%)	n.m.
Income before tax	2,321	(126)	2,448	2,340	86	2,254	(0.8%)	+8.6%
Tax	(848)	41	(889)	(767)	(0)	(767)	+10.6%	+16.0%
Net income from discount'd or held-for-sale ope.	(0)	-	(0)	(1)	-	(1)	(99.5%)	(99.5%)
Net income	1,473	(85)	1,558	1,572	86	1,486	(6.3%)	+4.8%
Non controlling interests	(123)	-	(123)	(143)	(10)	(134)	(14.2%)	(8.1%)
Net income Group Share	1,350	(85)	1,435	1,429	76	1,352	(5.5%)	+6.1%
Cost/Income ratio excl. SRF (%)	64.4%		63.4%	64.7%		64.7%	-0.3 pp	-1.3 pp
Net income Group Share excl. SRF	1,754	(85)	1,839	1,777	76	1,701	(1.3%)	+8.1%

Appendix 5 – Crédit Agricole Group: Results by business line

Table 8. Crédit Agricole Group – Results by business line, Q1-19 and Q1-18

	Q1-19 (stated)							
€m	RB	LCL	IRB	AG	SFS	LC	CC	Total
Revenues	3,411	861	702	1,461	681	1,338	(257)	8,196
Operating expenses excl. SRF	(2,192)	(593)	(439)	(753)	(342)	(819)	(139)	(5,277)
SRF	(90)	(30)	(15)	(5)	(18)	(186)	(78)	(422)
Gross operating income	1,129	238	248	703	320	333	(474)	2,497
Cost of risk	(56)	(44)	(88)	4	(107)	10	1	(281)
Cost of legal risk	-	-	-	-	-	-	-	-
Equity-accounted entities	4	-	-	13	78	(0)	-	95
Net income on other assets	(0)	1	0	0	0	3	7	10
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	1,077	194	160	720	291	345	(466)	2,321
Tax	(463)	(69)	(46)	(197)	(64)	(129)	119	(848)
Net income from discount'd or held-for-sale ope.	-	-	-	(0)	-	-	-	(0)
Net income	614	125	114	523	227	216	(346)	1,473
Non controlling interests	(0)	(0)	(24)	(73)	(33)	0	7	(123)
Net income Group Share	614	125	90	450	194	216	(339)	1,350

AG: Asset gathering and Insurance; RB: Retail Banking (FRB: France, IRB: International); SFS: Specialised financial services; LC: Large customers; CC: Corporate Centre

	Q1-18 (stated)							
€m	RB	LCL	AG	IRB	SFS	LC	CC	Total
Revenues	3,358	858	1,463	703	688	1,331	(143)	8,258
Operating expenses excl. SRF	(2,200)	(613)	(744)	(442)	(357)	(782)	(205)	(5,343)
SRF	(68)	(26)	(3)	(17)	(17)	(168)	(61)	(359)
Gross operating income	1,090	219	716	245	314	381	(409)	2,556
Cost of risk	(104)	(51)	(5)	(95)	(99)	(64)	(2)	(421)
Cost of legal risk	-	-	-	-	-	-	-	-
Equity-accounted entities	5	-	12	-	62	1	19	99
Net income on other assets	2	2	0	(0)	0	(0)	17	20
Change in value of goodwill	-	-	-	-	-	-	86	86
Income before tax	993	170	723	149	277	317	(290)	2,340
Tax	(405)	(59)	(209)	(48)	(64)	(108)	127	(767)
Net income from discount'd or held-for-sale ope.	-	(0)	(0)	-	-	-	-	(1)
Net income	588	111	513	102	212	209	(163)	1,572
Non controlling interests	(1)	0	(70)	(23)	(34)	1	(17)	(143)
Net income Group Share	587	111	443	79	179	210	(180)	1,429

Appendix 6 – Method used to calculate earnings per share, net assets per share

Table 9. Crédit Agricole S.A. – data per share, net book value per share

(€m)		Q1-19	Q1-18	Var Q1/Q1
Net income Group share - stated		763	856	(-10.9%)
- Interests on AT1, including issuance costs, before tax		(141)	(131)	+7.2%
NIGS attributable to ordinary shares - stated	[A]	622	724	(-14.1%)
Average number shares in issue, excluding treasury shares (m)	[B]	2,863.3	2,843.8	+0.7%
Net earnings per share - stated	[A]/[B]	0.22 €	0.25 €	(-14.7%)
Underlying net income Group share (NIGS)		796	788	+1.0%
Underlying NIGS attributable to ordinary shares	[C]	655	656	(-0.2%)
Net earnings per share - underlying	[C]/[B]	0.23 €	0.23 €	(-0.9%)

(€m)		31/03/2019	31/12/2018	31/03/2018
Shareholder's equity Group share		61,800	58,811	57,173
- AT1 issuances		(6,109)	(5,011)	(4,999)
- Unrealised gains and losses on OCI - Group share		(2,757)	(1,696)	(2,368)
- Payout assumption on annual results*		(1,976)	(1,975)	(1,802)
Net book value (NBV), not revaluated, attributable to ordin. sh.	[D]	50,958	50,129	48,004
- Goodwill & intangibles** - Group share		(17,784)	(17,843)	(17,730)
Tangible NBV (TNBV), not revaluated attrib. to ordinary sh.	[E]	33,174	32,286	30,274
Total shares in issue, excluding treasury shares (period end, m)	[F]	2,863.7	2,862.1	2,843.3
NBV per share , after deduction of dividend to pay (€)	[D]/[F]	17.8 €	17.5 €	16.9 €
+ Dividend to pay (€)	[H]	0.69 €	0.69 €	0.63 €
NBV per share , before deduction of dividend to pay (€)		18.5 €	18.2 €	17.5 €
TNBV per share, after deduction of dividend to pay (€)	[G]=[E]/[F]	11.6 €	11.3 €	10.6 €
TNBV per sh., before deduct. of divid. to pay (€)	[G]+[H]	12.3 €	12.0 €	11.3 €

* dividend proposed to the Board meeting to be paid

** including goodwill in the equity-accounted entities

Disclaimer

The financial information for the first quarter of 2019 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 report 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 impairment.

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

Applicable standards and comparability

The figures presented for the three-month period ending 31 March 2019 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 Crédit Agricole S.A. and Crédit Agricole Group have not changed materially since the Crédit Agricole S.A. 2018 Registration Document and its A.01 update (including all regulatory information about Crédit Agricole Group) were filed with the AMF (French Securities Regulator).

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

Since 3 May 2018, Banca Leonardo has been included in the scope of consolidation of Crédit Agricole Group as a subsidiary of Indosuez Wealth Management. Historical data have not been restated on a proforma basis.

Financial calendar

- 21 May 2019 Shareholders' meeting in Metz
- 24 May 2019 Ex dividend date
- 28 May 2019 Dividend payment date
- 6 June 2019 New MTP presentation in Montrouge
- 2 August 2019 Publication of second quarter and first-half 2019 results
- 8 November 2019 Publication of third-quarter 2019 results

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