

Q4-24 PRE-CLOSE INFORMATION NOTE

Montrouge, January 08, 2025

Before the opening of the quiet period preceding the publication of its financial results for the fourth quarter 2024, Crédit Agricole S.A. publishes this pre-close information note as a reminder of public information already disclosed before or during the course of this fourth quarter, as part of specific press release or otherwise.

1. BASE EFFECTS

Q4-2023

- **Corporate Center:** reversal of the home purchase savings plans provision for +€5m in revenues and +€4m in net income Group share.
- **LCL:** reversal of the home purchase savings plans provision for +€6m in revenues and +€4m in net income Group share.
- **CAPFM:** reorganization of mobility activities for +€4m on operating expenses, +€12m on goodwill and +€1m on tax, totalling +€17m in net income Group share.

FY-2023

- **Corporate Center:**
 - Reversal of the home purchase savings plans provision: +€236m in revenues and +€175m in net income Group share.
 - Reversal of provision for Cheque Image Exchange penalty: +€42m in revenues and +€42m in net income Group share.
- **LCL:**
 - Reversal of the home purchase savings plans provision: +€58m in revenues and +€41m in net income Group share.
 - Reversal of provision for Cheque Image Exchange penalty: +€21m in revenues and +€20m in net income Group share.
- **CAPFM:**
 - Reorganization of mobility activities for +€300m on revenues, -€14m on operating expenses, -€85m on the cost of risk, -€39m on the net income of equity-accounted entities; +€89m on gains from other assets, +€12m on goodwill and -€87m on tax, totalling +€176m in net income Group share.

2. DISCLOSED GUIDANCE

Since Q1-24 results publication, Crédit Agricole S.A. announced that 2024 underlying net income Group share would exceed €6 billion.

- **Tailwinds:**
 - Continued good business momentum (new customer capture, equipment rate, off-balance sheet deposits) resulting in a rise in fees and commissions and in insurance revenues.
 - Integration of recent acquisitions, sources of synergies (ISB, Degroof Petercam, Alpha Associates)
 - Continued growth of the mobility activities
 - CIB benefiting from its better positioning with customers.
 - Structural operating efficiency and a healthy balance sheet
- **Headwinds:**
 - Continued pressure on margins for French retail banking and consumer finance activities.
 - Net Interest Income ceiling reached for CA Italia

At Q1-24 results publication, Crédit Agricole S.A. announced the integration of Degroof Petercam would bring an additional net income Group share of +€150/200m in 2028 for Indosuez Wealth Management.

At Q4-22 results publication, Crédit Agricole S.A. announced the integration of ISB (ex-RBC Investor services in Europe) would bring an additional net income (before minority shareholders) of +€100m in 2026 for CACEIS.

3. REVENUES

In previous publications, Crédit Agricole S.A. notably communicated the following elements:

- **Insurance**
 - 9m-24 insurance revenues included 66% of savings/retirement and funeral insurance revenues, 17% of personal insurance and 11% of property & casualty (respectively 79%, 20% and 8% in 2023).
 - Life insurance revenues are, essentially, based on the amortization of the *Contractual Service Margin* (CSM) and of the *Risk Adjustment* (RA).
 - End of Sept. 24, CSM amounted to €24.9 bn and over the first 9 months 2024, CSM annualized allocation rate was slightly below 8% (8.5% in 2023).
 - Q4-23 revenues were impacted by high weather-related claims.
- **Amundi**
 - Still high level of risk aversion on asset management market, on the back of geopolitical uncertainty.
 - Despite the likely positive impact on management fees from higher market levels and higher AuM, fee margin pressure related to investors' preference for lower margin products (ie passive funds & fixed income & MMF) continues and creates a negative product mix effect on margins coming from flows.
- **Indosuez Wealth Management**
 - A scope effect will impact Q4-24 revenues as a result of the integration of Degroof Petercam since 4th June 24. Degroof Petercam revenues amounted to €140m in Q3-24.
 - Excess liquidity in Wealth Management makes the Net Interest Margin depending on ST interest rates.
- **Corporate and Investment Banking**
 - The first quarter of the year is generally the strongest quarter for CACIB. Thus, it should not be multiplied by four to estimate the level of the full year results.
 - CACIB continues to benefit from the strong positioning with regards to its customers, from its very resilient business model, and from its low dependency to the level of interest rates.
- **CACEIS**
 - CACEIS is an asset servicing business generating fees based both on assets under custody and under administration, and flow activities.
 - Excess liquidity of CACEIS due to customer deposits, generating Net Interest Margin revenues which depend on short term interest rates.
 - No more scope effect in Q4-24 due to ISB integration, in force since the beginning of Q3-23.
- **Crédit Agricole Personal Finance & Mobility (ex CACF)**
 - Production margins have stabilized since the beginning of the year.
 - No more scope effect in Q4-24 related to the reorganization of mobility activities.
- **LCL**
 - Good balance of revenues between fees & commissions and net interest income (c. 50 %/ 50%)
 - In Q3-24, the following elements were mentioned:
 - Acceleration in the home loan production in France as borrowers are recovering purchasing capacity (with rates decreasing, stabilisation of residential real estate prices and recent wage nominal increases) and dynamic production in corporate loans.
 - Potential acceleration of the improvement of the yield of the home loan book.
 - Stabilisation in the breakdown of customer deposits, in an environment that remains uncertain.
 - Potential reduction of the cost of certain categories of liabilities ahead of us:
 - Term-deposits: pricing is reduced.
 - Livret A/LDD (resp. €17.4 bn and €10.2 bn end of Sept. 24, before CDC centralization): rate expected to be reduced from 3% to 2.5% starting Feb. 25.
 - In Q3-24, NII included one-offs related to the revaluation of equity investments. Excluding these items, the NII evolution would have been slightly down compared to Q3-23.
- **CA Italia:** slight decrease of NII in Q3-24 in connection with the decrease in market rates.
- **Corporate Center**
 - Banco BPM initial 9.9% stake is accounted at fair value through P&L. Its impact on revenues depends on Banco BPM share price evolution, in addition to dividend payments.
 - Early December, Crédit Agricole entered into financial instruments relating to 5.2% of Banco BPM's share capital, also accounted through P&L.

4. COSTS

- **Scope effect**
 - Consolidation of Degroof Petercam since 4th June 24 (€-104 m in Q3-24 expenses)
- **Acquisition and integration costs**
 - Indosuez Wealth Management: 2024 acquisition and integration costs related to Degroof Petercam expected c.- €50m in 2024 (of which - €23m recorded under net income on other assets and - €14m under Operating expenses in 9m24)
 - CACEIS: integration costs related to ISB (ex-European activities of RBC investor services) expected c. - €80/-100m in 2024 (of which - €70m recorded in 9m24)
- **Other**
 - Since Q2-24, costs integrate the acceleration of investments in French retail.
 - In Q4-23, CA-Italia costs included -61m€ on DGS tax (Deposit Guarantee fund). This year, this impact (-58m€) has been taken in Q2-24 and no more impact is expected in 2024.

5. COST OF RISK

In Q3-24 results publication, Crédit Agricole S.A. highlighted the stability of its cost of risk (CoR).

- **Retail Banking:**
 - In France, home loans are protected by the French model at fixed rate, and a low unemployment rate compared to past decades.
 - Small SMEs and professionals (LCL) continue to show some signs of deterioration, but with an overall level which continues to be moderate. There is no wave of delinquencies and defaults and the increase in the CoR is concentrated in certain segments of activity: in retail distribution and for real estate professionals in connection with the low performance of the home development business.
- **Large Corporates (CACIB):**
 - Investment grade clients in the vast majority, diversified and balanced geographical mix.
 - Abnormally low level of CoR over the past quarters.
- **Consumer Finance:**
 - CoR /outstanding has stabilized since the beginning of the year.

6. OTHER ELEMENTS IMPACTING THE P&L

- **Corporate Tax:** as 2025 finance law was not adopted by 31 Dec 2024, there will be no exceptional corporate tax contribution accounted in 2024.

7. CAPITAL

- **Overall Basel IV impact neutral for CASA**, split in several steps between 2024, 2025 and 2026.
- **Q4-2024**
 - Strengthening of the capital requirements for leasing activities (Basel IV): -13 bps
 - End of Crédit Agricole S.A.'s share repurchase program offsetting the dilutive effect of the 2024 capital increase reserved for employees: - 5 bps.
 - Positive impact related to the seasonal CAA interim dividend upstreamed to Crédit Agricole S.A.
 - Non-significant impact from M&A operations this quarter
- **2025**
 - Remaining -5 bps related to the end of the phasing out of IFRS 9
 - Bulk of Basel IV impacts: c. +15 / +16bps, including TRIM (as estimated in Q2-24)
 - M&A operations:
 - o Few additional bps related to Amundi US / Victory capital transaction.
 - o Slightly negative impact from the acquisition of 50% of GAC Leasing by CAPFM
 - o Non-significant impact for Merca Leasing acquisition by CAL&F
 - o Acquisition by Crédit Agricole S.A of 30.5% Santander's stake in CACEIS (subject to regulatory approval): c. -30 bps
- **2026**
 - FRTB (Basel IV): negative impact estimated around -6 / -7 bps (as estimated in Q2-24)

8. FINANCIAL AGENDA

- 15 January 2025 Beginning of the quiet period (equity only)
- 5 February 2025 Publication of the 2024 fourth quarter and full year results

9. LIST OF FINANCIAL PRESS RELEASES DISCLOSED IN Q4-24

- **31/12/2024:** Reduction of resources to the liquidity contract with Kepler Cheuvreux <https://www.credit-agricole.com/en/pdfPreview/205250>
- **19/12/2024:** Crédit Agricole S.A. has signed an agreement for the acquisition of Santander's 30.5% stake in CACEIS, its asset services provider, aiming to bring its ownership to 100% <https://www.credit-agricole.com/en/pdfPreview/205218>
- **16/12/2024 :** Crédit Agricole Group: disclosure on global systemically important banks' (G-SIBs) indicators <https://www.credit-agricole.com/en/pdfPreview/205165>
- **11/12/2024:** Capital: notification of the level of Pillar 2 additional requirement <https://www.credit-agricole.com/en/pdfPreview/205133>
- **06/12/2024:** Crédit Agricole entered into financial instruments relating to 5.2% of Banco BPM's share capital <https://www.credit-agricole.com/en/finance/financial-press-releases/credit-agricole-ha-sottoscritto-contratti-derivati-riguardanti-il-5-2-del-capitale-sociale-di-banco-bpm>
- **27/11/2024 :** Group Credit Agricole designated as Global Systematically Important Banks (G-SIBs) - bucket 2 <https://www.credit-agricole.com/en/pdfPreview/204921>
- **07/11/2024:** End of Crédit Agricole S.A.'s share repurchase program <https://www.credit-agricole.com/en/pdfPreview/204654>
- **06/11/2024:** Crédit Agricole Immobilier announces the closing of the acquisition of Nexity Property Management and becomes the leader of Property Management in France <https://www.credit-agricole.com/en/pdfPreview/204617>
- **06/11/2024:** Results for the 3rd quarter and first nine months 2024 <https://www.credit-agricole.com/en/pdfPreview/204613>

Disclaimer

Information, statements and opinions contained in this document are reminders of already publicly disclosed information and might contain explicit or implicit forward-looking statements which, if any: (i) rely on a number of assumptions, expectations, projections and provisional data concerning future events, (ii) are subject to a number of uncertainties and other factors, (iii) are generally beyond the control of Crédit Agricole S.A (or any other entities of Crédit Agricole Group) that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements and (iv) shall not be considered as reliable indicators of future performance or results of Crédit Agricole SA, any other entities of Crédit Agricole Group, and more generally Crédit Agricole Group taken as a whole.

No representation or warranty expressed or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, statements or opinions contained herein. None of Crédit Agricole S.A, any Credit Agricole Group entities, or any of their respective advisers, or representatives, or any other person, shall have any liability whatsoever (in negligence or otherwise) for any loss arising from any use of this document or its contents or otherwise arising in connection with this document.

Furthermore, the information, statements and opinions contained herein do not constitute, in any case whatsoever, a public offer under any applicable legislation, or otherwise an offer to sell or solicitation of an offer to purchase or subscribe for securities or financial instruments or any advice or recommendation with respect to such securities or other financial instruments, and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. Any recipient is therefore responsible for his own independent investigations and assessments regarding the risks, benefits, adequacy, and suitability of any operation carried out after the date of this document. This document is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation.

Crédit Agricole S.A. undertakes no obligation to publicly update this document, whether as a result of new information, future events, or otherwise.