

Q1-25 PRE-CLOSE INFORMATION NOTE

Montrouge, April 02, 2025

Before the opening of the quiet period preceding the publication of its financial results for the first quarter of 2025, 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 first quarter, as part of specific press release or otherwise.

1. BASE EFFECTS

Q1-2024

- **CACEIS:** ISB integration costs for -€20m in operating expenses (-€10m in net income Group share)
- **CAIWM:** Degroof Petercam acquisition costs for -€8m in net income on other assets (-€6m net income Group share)
- **CA Ukraine:** provision for risk Ukraine for -€20m in cost of risk (-€20m net income Group share)
- **Corporate Center:** revaluation of BBPM shares for +€208m in revenues (+€202m net income Group share)

2. DISCLOSED GUIDANCE

At Q4-24 results publication, Crédit Agricole S.A shared the following for 2025:

- Net results expected to be in line with 2024 (on a structural basis)
- ROTE targeted > 12%
- Cost/income ratio targeted < 58%

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**
 - 2024 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). Moreover, operating variances may affect quarterly revenues.
 - CSM amounted to €25.2 bn at end Dec. 2024 and CSM annualized allocation rate for 2024 was 7.7%. (vs. 8.5% à fin 2023)
 - In P/C
 - In terms of climate events, 2024 had a more normalized level of claims vs 2023 which had a higher claims charge, especially in Q4-23 (Ciaran/Domingos storms and the floods in Nord Pas de Calais)
 - The combined ratio was 94.4, down -2.7 points year-on-year reflecting a decline in claims (undiscounted ratio: 96.4%, -4.3 pp year-on-year).
- **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.
 - Victory's closing on April 1st: in Q1-25, Amundi US remains 100% integrated in Amundi's accounts. Starting Q2-25, Victory capital will be equity-accounted, starting at 21.2% and expected to reach 26.1% in the following months.
- **Indosuez Wealth Management**
 - A scope effect will impact Q1-25 revenues as a result of the integration of Degroof Petercam since 4th June 24. Degroof Petercam revenues amounted to €158m in Q4-24.

- 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.
 - 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, is generating Net Interest Margin revenues which depend on short term interest rates.
- **Crédit Agricole Personal Finance & Mobility (ex CACF)**
 - The positive effect of the increase in production margins for new loans is translating into a slight improvement of the margins on the outstandings.
 - Non-recurring items for ~+30 m€ in Q4-24
- **LCL**
 - Good balance of revenues between fees & commissions and net interest income (c. 50 %/ 50%)
 - Slight increase of the NII expected in 2025, based on the following elements mentioned in Q4-24:
 - Continuation of the decrease of the weighted average cost of the customer liabilities, notably:
 - Livret A/ LDD (resp. €17.5bn and €10.1bn end of Dec. 24, before CDC centralization): rate 2.4% (down from 3% previously) from 1st February 2025 to 31 July 2025
 - Continued reduction of the cost of the market refinancing
 - Progressive repricing of the loan book with the acceleration of the production of new home loans (stabilisation of the customer rate)
 - Still positive contribution of macro hedging, but gradually decreasing.
 - Stabilisation of the deposit mix in France
- **CA Italia:** stabilisation of NII in 2024 despite 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.
 - In Q4-24, sharp increase in the level of revenues partially driven by a valuation of Banco BPM (+€271m) and interim dividend (+€60m) related to our participation in the capital of Banco BPM.
 - Since early December 2024, Crédit Agricole SA has entered into financial instruments relating to 9.9% of Banco BPM's share capital, also accounted through P&L therefore likely to impact Q1 revenues.
 - On April 1st, ECB authorizes Crédit Agricole SA to increase Banco BPM stake to 19.9% and Crédit Agricole SA intends to exercise its right to physical delivery of all Banco BPM shares underlying the position of derivatives¹. The additional 9.9% stake in Banco BPM resulting from this operation will be accounted for at fair value through OCI.

4. COSTS

- **Scope effect**
 - Consolidation of Degroof Petercam since 4th June 2024 (€-120m in Q4-24 expenses)
- **Acquisition and integration costs**
 - Indosuez Wealth Management: 2025 acquisition and integration costs related to Degroof Petercam expected c.-€70/80m (-€48.6m in acquisition and integration costs in 2024)
- **Other**
 - Since mid-2024, costs integrate the acceleration of investments in French retail.

¹ Once it receives the last needed authorization from Bank of Italy.

5. COST OF RISK

In Q4-24 results publication, Crédit Agricole S.A. highlighted an apparent increase in the level of the cost of risk driven essentially by the provisioning of performing loans (models revision at CAPFM and CACIB, and migration of certain counterparts from S3 to S2 categories i.e., from doubtful loan to performing loans).

Overall, the nonperforming loan ratios, both on the Group and on CASA were slightly down in Q4-24 as compared to Q3-24, and the coverage ratios continue to improve.

- **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.
 - Low level of CoR over the past quarters.
- **Consumer Finance:**
 - Apparent increase in Q4-24 driven by two specific items: provisions of €50m (model revision) and €30m in legal provisions (o/w UK car loans).
 - Excluding legal provisions, CoR/outstandings remains stable in 2024 vs 2023.

6. OTHER ELEMENTS IMPACTING THE P&L

- **Corporate Tax:**
 - The exceptional contribution due in 2025 is based on both 2024 and 2025 exercises. Q1-25 will see the full recognition of the 2024 component, as well as ¼ of the estimated 2025 component, which in Q1-25 will be based on the 2024 component.
 - In Q4-24 results publication, Crédit Agricole S.A. highlighted that the additional charges for corporate tax should be more or less in line with what the Group paid in 2017 (between €200m and €300m), when the same type of mechanism took place.

7. CAPITAL

- **Q1-2025**
 - 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: slightly negative impact from the acquisition of 50% of GAC Leasing by CAPFM, of Merca Leasing by CAL&F and of the increased position in derivatives relating to Banco BPM's shares.
- **Later in 2025**
 - Few additional positive bps related to Amundi US / Victory capital transaction, including both the capital gain induced by the operation itself and the impact linked to the crossing of the exemption threshold related to the prudential treatment of significant equity investments in the financial sector.
 - Estimated impact of c. -20 bps related to the 19.8% holding in Banco BPM's share capital, resulting both from the increased stake in Banco BPM and from the impact linked to the crossing of the exemption threshold related to the prudential treatment of significant equity investments in the financial sector.
 - Acquisition by Crédit Agricole S.A of 30.5% Santander's stake in CACEIS (subject to regulatory approval): c. -30 bps

8. FINANCIAL AGENDA

- 9th April 2025 Beginning of the quiet period (equity only)
- 30th April 2025 Publication of the 2025 first quarter results

9. LIST OF FINANCIAL PRESS RELEASES DISCLOSED IN Q1-25

- **02/04/2025:** The European Central Bank authorizes Credit Agricole S.A. to increase Banco BPM stake to 19.9%: <https://www.credit-agricole.com/en/pdfPreview/206218>
- **01/04/2025:** Crédit Agricole S.A. announces redemption of EUR 1,500,000,000 Senior Non-Preferred Fixed to Floating Rate Notes issued on April 22, 2020 <https://www.credit-agricole.com/en/pdfPreview/206198>
- **24/03/2025:** Availability of Crédit Agricole S.A.'s 2024 Universal Registration Document and Annual Financial Report <https://www.credit-agricole.com/en/pdfPreview/206103>
- **20/03/2025:** Share buyback programme as part of a free share allocation plan <https://www.credit-agricole.com/en/pdfPreview/205331>
- **05/02/2025:** Fourth quarter and full year 2024 results <https://www.credit-agricole.com/en/pdfPreview/205575>
- **27/01/2025:** Crédit Agricole Personal Finance & Mobility finalizes the GAC Leasing equity project to support the growth of GAC Group's electric vehicle sales in China <https://www.credit-agricole.com/en/pdfPreview/205482>
- **13/01/2025:** Crédit Agricole S.A. announces the reduction of its share capital through the cancellation of treasury shares purchased under a share repurchase program <https://www.credit-agricole.com/en/pdfPreview/205331>

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