CRÉDIT AGRICOLE S.A.

Montrouge, 8 November 2016

Third quarter and first nine months 2016 results

Strong growth of net profit and strengthened financial solidity

Contribution to growth from all business lines

Crédit Agricole Group*	
Results & financial solidity	▪ Good commercial momentum throughout the Group: branch networks, business lines, large customers ▪ Q3 net income Group share: €1.4bn stated, €1.8bn underlying[1], +4% Q3/Q3; 9M underlying[1] €4.7bn ▪ Regional Banks: high net income Group share at €0.78bn in Q3; 9M: €2.4bn ▪ Financial solidity further strengthened to record level: fully-loaded CET1 ratio[2] 14.4%

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

Crédit Agricole S.A.	
Activity & revenues	▪ Good commercial momentum in all business lines ▪ Underlying revenues[1]:+12% Q3/Q3 ▪ Strong growth in Large Customers (revenues +38% Q3/Q3) and initial recurring benefits of Eureka
Results	▪ Group simplification (Eureka) completed: €1.25bn positive impact on net income Group share ▪ Q3 net income Group share stated: €1.86bn; underlying[1] €1.02bn, +27% Q3/Q3 ▪ Tight cost control: down -2% Q3/Q3 ▪ Firm grip on risk in all business lines: cost of credit risk 41bp
Financial solidity	▪ Financial solidity confirmed and further strengthened: fully-loaded CET1 ratio[2] of 12.0% ▪ Buffer of 475bp above the distribution restriction trigger applicable as of 1/1/2017[3]
Dividend	▪ Attractive dividend policy, based on strong capital base and good visibility of future earnings capacity ▪ Intention to recommend a dividend of €0.60[4] based on FY-2016 net income; from 2017 onwards, 50% payout rate and intention not to lower dividend relative to 2016

[1] See Appendix, page 24 of this press release for details of specific items for the third quarter and first nine months of 2016 and comparable data for 2015.
[2] Including unaudited Q3-16 net income.
[3] 465bp using the phased-in CET1 ratio, subject to confirmation by the ECB of the pre-notification of SREP requirements for 2017
[4] Dividend of 0.60€ per share entirely deducted from the CET1 capital as of 30/09/2016.

Crédit Agricole Group

The Group's third quarter results reflect strong business momentum in Retail Banking's branch networks, the specialised subsidiaries and the Large Customers business line. Profitability remains high thanks to tight cost control and a firm grip on the cost of risk, which remains at a low level. Underlying net income Group share[1] for the first nine months of 2016 amounted to €4.7 billion. In the 12 months to 30 September 2016, the Group has generated more than €6 billion in net income, increasing the fully-loaded Common Equity Tier 1 ratio to 14.4%, among the best in the sector and well above the regulatory requirements.

At the publication of its 2015 results on 17 February 2016, the Group announced a plan to simplify its structure. The plan, named Eureka, involved the sale by Crédit Agricole S.A. of its 25% non-voting interest in each Regional Bank, held since its IPO in 2001 in the form of CCIs/CCAs, to SACAM Mutualisation, a company wholly-owned by the Regional Banks.

The operation was completed in the third quarter and settlement and delivery took place on 3 August 2016. The price initially set, based on the balance sheets of the Crédit Agricole Regional Banks at 31 December 2015, was adjusted to take account of changes in their IFRS restated consolidated equity between 31 December 2015 and 30 June 2016, such that the final sale price of the CCIs and CCAs transferred by Crédit Agricole S.A. to SACAM Mutualisation was 18.542 billion euros.

SACAM Mutualisation financed the operation through a capital increase taken up by the Regional Banks, which in turn was financed by a loan of 11 billion euros from Crédit Agricole S.A. The Switch 1 guarantee granted to Crédit Agricole S.A. by the Regional Banks was unwound, leading to the repayment of a 5 billion euros security deposit. The remainder of the amount was financed from own funds.

The accounting impacts of this operation were cancelled out or offset at Crédit Agricole Group level, but were significant in the financial statements of both Crédit Agricole S.A. and the Regional Banks.

Crédit Agricole Group's net income Group share for **the third quarter of 2016** came to 1,394 million euros versus 1,751 million euros in the third quarter of 2015. Excluding specific items[1] of -447 million euros this quarter versus -17 million euros in the third quarter of 2015, **underlying net income Group share came to 1,841 million euros, up +4.1%** compared with the same quarter of last year.

Interest rates in the euro zone continued to fall during the quarter, putting further pressure on the interest margin on intermediation activities, particularly in Retail banking in France and Italy, triggering a new wave of loan renegotiations, especially at LCL in France. However, good commercial momentum in all business lines helped offset this pressure on revenues at Group level, with underlying[1] revenues ultimately increasing by +3.2% year-on-year in the third quarter.

This good performance was supported by tight control over costs, which were virtually unchanged compared with the third quarter of 2015 (down 0.4% underlying), and moderate growth of +10.1% in the cost of risk, mainly concentrated in the Regional Banks. However, the cost of risk relative to loan outstandings[2] remained low at 31 basis points. In addition, the Group strengthened its legal risk provisions by 50 million euros this quarter.

The Regional Banks continued to enjoy buoyant business momentum with balanced growth in lending and deposits (up +3.7% and +3.6% respectively year-on-year at end-September 2016). Lending was driven by home loans (up +5.7%) and consumer finance (up +8.4%), while deposits were driven by demand deposits (up +11.7%) and home purchase savings plans (up +7.3%). The Regional Banks also achieved strong momentum in personal and property insurance. This good business momentum of Regional Banks makes a significant contribution to growth in Crédit Agricole S.A.'s business lines, many of whose products they distribute.

The Regional Banks' revenues were affected this quarter by the impact of the Group's transaction to simplify its structure. Excluding this impact and excluding home purchase savings provisions, revenues were down -2.9% due to

[1] See Appendix, page 24 of this press release for details of specific items for the third quarter and first nine months of 2016 and comparable data for 2015.
[2] Relative to consolidated outstandings, calculated on an average annualised basis over four rolling quarters.

the impact of low interest rates on the interest margin. Growth in operating expenses was contained to +1.0% and the cost of risk relative to outstandings[1] remained low at 19 basis points. In all, **the Regional Banks' contribution to Crédit Agricole Group's net income came to 777 million euros in the third quarter and 2,383 million euros in the first nine months.**

During the quarter, Crédit Agricole Group further improved its financial solidity, with a fully-loaded Common Equity Tier 1 ratio[2] of 14.4% at end-September 2016, an increase of +100 basis points compared with end-September 2015 and +20 basis points compared with end-June 2016. This ratio includes a buffer of 665 basis points, representing approximately 35 billion euros, above the distribution restriction trigger applicable as of 1 January 2017[2].

The estimated TLAC ratio was 19.7% at 30 September 2016, excluding eligible senior debt. The Group therefore already complies with the minimum requirement for 2019 set at 19.5%, even though this requirement includes eligible senior debt.

The phased-in leverage ratio stood at 5.5%[3].

The Group's liquidity position is strong. The Group's cash balance sheet, at 1,072 billion euros at 30 September 2016, shows a surplus of long term funding sources over long term applications of funds of 104 billion euros, stable compared to end-June 2016, and in line with the Group's target. Liquidity reserves including valuation gains and haircuts related to the securities portfolio amounted to 246 billion euros at 30 September 2016. They covered gross short-term debt more than three times over.

During the first nine months of 2016, the main Crédit Agricole Group issuers raised 28.6 billion euros equivalent of senior and subordinated debt in the market and the branch networks.

[1] Relative to consolidated outstandings, calculated on an average annualised basis over four rolling quarters.
[2] 645 basis points using the phased-in CET1 ratio, buffer of 795 basis points upon the distribution restriction trigger applicable as at 1 January 2017 using the global phased-in ratio of 19,2% at end-September; subject to confirmation by the ECB of the pre-notification of SREP requirements for 2017.
[3] As defined in the Delegated Act. Assumption of non-exemption of exposures related to the centralisation of CDC deposits, according to our understanding of information obtained from the ECB.

Crédit Agricole S.A.

Crédit Agricole S.A.'s Board of Directors, chaired by Dominique Lefebvre, met on 7 November 2016 to examine the financial statements for the third quarter and first nine months of 2016.

In the third quarter of 2016, net income Group share came to 1,864 million euros, including a gain of 1,254 million euros, net of tax and transaction costs, generated by the transaction to simplify the Group's structure. It also includes a charge of -187 million euros after tax related to an adjustment to LCL's funding cost, as well as other more minor specific items. In all, specific items[1] added 845 million euros to net income Group share in the third quarter. Excluding specific items, **underlying net income Group share came to 1,019 million euros, an increase of +26.9% compared with the third quarter of 2015.**

These excellent results were driven by strong commercial momentum in all Crédit Agricole S.A. Group's business lines and distribution networks, as well as the Regional Banks which distribute their products. This momentum was supported by tight control over costs, which were down year-on-year, and a continued low cost of risk.

In recognition of its investment in business digitalisation, Crédit Agricole Group was again in 2016 among the Top 3 most advanced companies in France in terms of digital development and digital services (source : La Factory).

Activity was buoyant in all business lines:

- The retail banking networks, particularly in France and Italy, delivered strong growth in lending and deposits; at LCL, home loans grew by +3.2% over one year, lending to professionals and enterprises by +7.4% and demand deposits by +13.1%; retail banking in Italy performed equally well, with home loans up +4.7%, lending to large corporates up +20.4% and off-balance sheet customer assets up +9.8%;
- Specialised financial services continued to grow, with new consumer lending up +15.3% year-on-year in the third quarter;
- In Asset management, assets under management grew by +10.8% over one year to 1,054 billion euros, mainly due to strong inflows of +22.3 billion euros in the third quarter of 2016;
- The Insurance business wrote 175,000 new property & casualty policies during the quarter and in-force life business increased by +4.2% over one year to 267 billion euros at end-September 2016;
- Lastly, Large Customers delivered strong business growth in fixed-income, forex and credit activities in a favourable post-Brexit market environment, as well as in structured finance; CACIB ranks world No. 4 bookrunner in euro bond issues[1] with a market share of 6.2% at end-September, an increase of +0.8 percentage points compared with end-September 2015.

Reflecting this strong business momentum, **revenues excluding specific items[1] increased by +11.9% or +467 million euros year-on-year in the third quarter, to 4,411 million euros**, driven mainly by a sharp increase in Large Customers (up +23.6% or +406 million euros) and the initial positive recurring benefits of the transaction to simplify the Group's structure on Corporate Centre (up +211 million euros in the third quarter). Other divisions remained stable or were down slightly. Insurance revenues were affected by a low level of capital gains (down -4.2% or -23 million euros) while low interest rates put pressure on LCL's interest margin (revenues excluding funding cost adjustment charge and home purchase savings down -2.0% or -17 million euros) and on Retail banking in Italy (down -0.2%). Compared with the second quarter of 2016, underlying revenues increased by +1.7% or +74 million euros, driven by Large Customers (up +10.2% or +136 million euros) and LCL (up +2.5% or +21 million euros underlying), despite the seasonal effect in Asset gathering (down -5.0% or -58 million euros).

Operating expenses remained under control in all business lines, with a year-on-year decrease of -1.8% or -50 million euros in the third quarter, despite investment in Specialised financial services (up +3.7% or +12 million euros) and premises relocation costs for Large Customers (circa -20 million euros), which were more than offset by a decrease in costs at LCL (-29 million euros) and the Corporate Centre (-36 million euros) coupled with a provision reversal in Wealth Management (-25 million euros).

[1] See Appendix, page 24 of this press release for details of specific items for the third quarter and first nine months of 2016 and comparable data for 2015.

Cost of risk remained under control, standing at a low level of 444 million euros, up just +4.0% year-on-year adjusted for cancellation of the Switch 2 guarantee trigger[1]. Relative to outstandings, that represents 41 basis points[2], a decrease of -2 basis points year-on-year and stable quarter-on-quarter. Cost of risk has decreased for seven consecutive quarters in Retail banking in Italy (101 basis points), has stabilised in Consumer finance (134 basis points) and, while remaining low, has increased from a very low baseline in the third quarter of 2015 at both LCL (18 basis points) and the Large Customers division's Financing activities (32 basis points).

A 50 million euros additional legal risk provision was taken in the third quarter, an identical amount to the provision taken in the second quarter. Like the second-quarter provision, it has not been allocated to any specifically identified litigation.

At end-September 2016, Crédit Agricole S.A.'s capital ratios were further strengthened. The fully-loaded Common Equity Tier 1 stood at 12.0%, an increase of +170 basis points compared with end-September 2015 and +80 basis points compared with end-June 2016. The improvement was mainly due to the impact of the transaction to simplify the Group's structure (+72 basis points) coupled with the quarter's distributable net income. The ratio at end-September takes into account the adjustment over one quarter to the prudential deduction relative to the dividend payment, based on the intention to recommend to the AGM in May 2017 a dividend of 0.60 euro per share i.e. a negative impact of -7 basis points. Excluding the transaction to simplify the Group's structure, risk-weighted assets remained stable over the quarter.

This level of CET1 ratio enables a buffer above the distribution restriction trigger applicable as at 1 January 2017 of 475 basis points[3], representing 14 billion euros.

Crédit Agricole S.A.'s phased-in leverage ratio stood at 4.7%[4] at end-September 2016 as defined in the Delegated Act adopted by the European Commission, representing an improvement of +0.1 percentage points compared with end-June 2016.

Both Crédit Agricole S.A. and the Group had an LCR ratio of over 110% at end-September 2016.

At 30 September 2016, Crédit Agricole S.A. had completed 79% of its 2016 14 billion euros medium- and long-term market funding programme (senior and subordinated debt). It raised the equivalent of 9.6 billion euros in senior debt and 1.5 billion euros in subordinated debt. Crédit Agricole S.A. is awaiting the forthcoming adoption of the French law on senior non-preferred debt to optimise the cost of the balance sheet structure.

In the first nine months of 2016, net income Group share was 3,249 million euros. Other than the third-quarter specific items referred to above, this figure also includes the +327 million euros gain on the disposal of Visa shares recognised in the second quarter of 2016 and other more minor specific items in the first half. Excluding all specific items, **underlying net income Group share for the first nine months of 2016 amounted to 2,233 million euros, a year-on-year increase of +13.8%.**

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[1] Corresponding to a charge of 173 million euros in the third quarter of 2015, cancelling out a revenue of the same amount recognised in provisions in the second quarter of 2015.
[2] Relative to consolidated outstandings, calculated on an average annualised basis over four rolling quarters.
[3] 475 basis points using the phased-in CET1 ratio, buffer of 925 basis points upon the distribution restriction trigger applicable as at 1 January 2017 using the global phased-in ratio of 19,2% at end-September; subject to confirmation by the ECB of the pre-notification of SREP requirements for 2017.
[4] As defined in the Delegated Act. Assumption of exemption of intra-group operations for Crédit Agricole S.A. (110bps impact) and of non-exemption of exposures related to the centralisation of CDC deposits, according to our understanding of information obtained from the ECB.

Social and environmental responsibility

On the occasion of the COP22 climate talks, Crédit Agricole Group reasserts its commitment to a leadership role in green finance. Concrete achievements demonstrate the progress the Group has made since its formal announcement during the COP21 conference that it would support energy transition toward a low-carbon economy. In the first nine months of the year, the Group was slightly ahead of announced targets, including:

- 22.5 billion euros in arrangements supporting energy transition – close to 38% of the 60 billion euros targeted over three years,
- 858 million euros cash invested in Green Bonds out of the 2 billion euros planned by Crédit Agricole S.A. and Crédit Agricole CIB,
- A +12% increase in renewable energies financing over the past year (403 million euros versus 359 million euros in 2015),
- 150 million euros in financing raised by Amundi via its asset management joint ventures with EDF and Agricultural Bank of China out of the 5 billion euros planned by 2020

In keeping with the commitments made in May 2015 to no longer provide financing for coal mines, Crédit Agricole decided in late October 2016 to extend its policy to the non-financing of power plants or extensions to power plants running on coal, no matter the country in which they are located. This decision also applies to businesses whose primary activity is focused on such projects.

In other aspects of its business, the Group recently conducted its second CSR survey of 3,200 internal and external respondents (general public, customers, employees and opinion leaders). The results strengthened the case for the measures it has already taken to protect customers' personal data, promote a culture of high ethical standards within the Group and enhance effectiveness for customers. These were the three main areas in which stakeholders suggested the Group needs to take action. These themes were incorporated as action areas in the Group's "Strategic Ambition 2020" medium-term plan.

Financial calendar

15 February 2017	Publication of fourth quarter and full-year 2016 results
11 May 2017	Publication of 2017 first quarter results
24 May 2017	Annual General Meeting in Tours
3 August 2017	Publication of second quarter and first half 2017 results
8 November 2017	Publication of 2017 third quarter results

Applicable standards and comparability

The figures presented for the six-month period ended 30 June 2016 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.

Throughout the document, data on 2015 results is presented pro forma: transfer of CACEIS from Asset Gathering to Large Customers, transfer of Insurance Switch from the Corporate centre to Insurance and reclassification of the contribution of the Regional Banks under IFRS5. Within Crédit Agricole S.A., "Retail banking" now covers only LCL and International retail banking.

(in millions of euros)	Q3-16	Q3-16 underlying	Change Q3/Q3 underlying	9M-16	9M-16 underlying	Change 9M/9M underlying
Revenues	3,738	4,411	+11.9%	12,275	12,944	+2.4%
Operating expenses	(2,688)	(2,688)	(1.8%)	(8,713)	(8,672)	(0.1%)
Gross operating income	1,050	1,723	+42.9%	3,562	4,272	+7.7%
Cost of credit risk	(444)	(444)	+4%	(1,293)	(1,293)	(2.6%)
Cost of legal risk	(50)	(50)	nm	(100)	(100)	nm
Operating income	556	1,229	+57.7%	2,169	2,879	+9.1%
Share of net income of equity-accounted entities	149	149	(50.3%)	393	393	(6%)
Net income on other assets	(49)	(49)	nm	(46)	(46)	nm
Change in value of goodwill	-	-	-	-	-	-
Income before tax	656	1,329	+23.1%	2,516	3,226	+5.5%
Tax	33	(196)	+16.1%	(234)	(678)	(6%)
Net income from discontinued or held for sale operations	1,272	0	nm	1,283	11	nm
Net income	1,961	1,133	+25.1%	3,565	2,559	+10.5%
Non-controlling interests	97	114	+10.8%	316	326	(7.9%)
Net income Group share	1,864	1,019	+26.9%	3,249	2,233	+13.8%

In the third quarter of 2016, revenues totalled 3,738 million euros, including a charge of -300 million euros related to a funding cost adjustment in French Retail banking (LCL) and various costs related to the Eureka operation totalling -23 million euros. Excluding these specific items[1] and the usual accounting restatements (revaluation of debt, DVA running and loan hedges) totalling -350 million euros, underlying revenues amounted to 4,411 million euros, an increase of +11.9% or +467 million euros compared with the third quarter of 2015.
This growth was driven by an excellent performance from Large Customers (revenues up +36% or +406 million euros) and the initial recurring impacts of the transaction to simplify the Group's structure, which added +211 million euros to Corporate Centre revenues in the third quarter. Revenues in other divisions remained quasi stable, with excellent commercial momentum offsetting the pressure on margins in intermediation activities caused by low interest rates and the lower level of capital gains in the Insurance business.

Operating expenses were down -1.8% to 2,688 million euros. As they did not include any specific items[1] either this quarter or in the third quarter of 2015, the change was therefore the same on an underlying basis, reflecting strict cost discipline.

The cost of risk includes a legal risk provision of 50 million euros, as in the second quarter of 2016. Excluding this provision, the cost of credit risk amounted to 444 million euros. In the third quarter of 2015, the cost of risk included a 173 million euros charge corresponding to the cancellation of the Switch Insurance guarantee triggered in the second quarter of 2015. The cost of credit risk in the third quarter of 2016 increased by +4.0% compared with the third quarter

[1] See Appendix, page 24 of this press release for details of specific items for the third quarter and first nine months of 2016 and comparable data for 2015.

of 2015 restated for this charge. The cost of risk relative to outstandings[1] stood at 41 basis points compared with 43 basis points one year earlier, remaining low in all business lines.

Impaired loans[2] amounted to 15.9 billion euros and represented 3.6% of gross outstanding customer and interbank loans, down by -0.1 percentage point compared to end-September 2015. The coverage ratio of impaired loans by individual provisions was 51.9%; including collective provisions, the coverage ratio was 67.7%

Share of net income from equity-accounted entities amounted to 149 million euros in the third quarter, including 59 million euros in the Large Customers business line, and in particular Banque Saudi Fransi (quasi stable contribution), 55 million euros in Specialised financial services and in particular the car finance partnerships (contribution up +29%), and 27 million euros in the Corporate Centre and, primarily Eurazeo (the contribution of which was boosted in the third quarter of 2015 by an exceptional gain). The fall in contribution from equity-accounted entities compared with the third quarter of 2015 was entirely due to the Eurazeo gain in 2015.
Please note that no contribution from the Regional Banks has been recorded due to their reclassification under IFRS 5 as part of the transaction to simplify the Group's structure. The financial statements for the third quarter of 2015 have been restated to take account of this reclassification.

In all, Crédit Agricole S.A.'s net income Group share came to 1,864 million euros in the third quarter of 2016. Excluding the specific items[3] referred to above, **underlying net income Group share was 1,019 million euros**, a **year-on-year increase of** +26.9% on a comparable basis.

In the first nine months of 2016, net income Group share was 3,249 million euros. It includes the gain on Visa Europe shares sold in the second quarter (+327 million euros), the non-recurring impacts of the transaction to simplify the Group's structure (+1,254 million euros) and LCL's funding cost adjustment (-187 million euros). After adjustment for all the specific items listed in Appendix, **underlying net income Group share increased by +13.8% to 2,233 million euros**.

The specific P&L items taken into account to reconcile stated and underlying amounts and changes for the third quarter and first nine months of 2016, as well as comparable data for 2015, are detailed in Appendix of this press release, on page 24.

Solvency

At end-September 2016, Crédit Agricole S.A.'s solvency was further strengthened. The **fully-loaded Common Equity Tier 1 stood at 12.0%**, an increase of +170 basis points compared with end-September 2015 and +80 basis points compared with end-June 2016. The improvement in the third quarter was mainly due to the impact of the Group simplification transaction (+72 basis points) coupled with the quarter's distributable net income, i.e. +21 basis points, and the variation of comprehensive income reserves, i.e. +12 basis points, offset to some extent by the adjustment over one quarter to the prudential deduction for the dividend payment, on the intention to pay out 0.60 euro per share (-36 basis points). Excluding the transaction to simplify the Group's structure, risk-weighted assets remained stable over the quarter.

The phased-in global ratio stood at 20.0% at 30 September 2016, up +120 basis points compared with end-June 2016.

[1] Relative to consolidated outstandings, calculated on an average annualised basis over four rolling quarters.
[2] Excluding Crédit Agricole internal transactions, accrued interest and finance leases.
[3] See Appendix, page 24 of this press release for details of specific items for the third quarter and first nine months of 2016 and comparable data for 2015.

Crédit Agricole S.A.'s phased-in leverage ratio[1] stood at 4.7% at end-September 2016 as defined in the Delegated Act adopted by the European Commission.

Liquidity

Crédit Agricole Group's cash balance sheet totalled 1,072 billion euros at end-September 2016, compared with 1,066 billion euros in the previous quarter and 1,038 billion euros at end-September 2015.

The surplus of long term funding sources over long-term applications of funds was 104 billion euros at 30 September 2016, stable compared to 30 June 2016 (104 billion euros) and to 30 September 2015 (106 billion euros).

At 30 September 2016, liquidity reserves including valuation gains and haircuts related to the securities portfolio amounted to 246 billion euros, representing three times short-term debt, versus 277% at 30 June 2016 and 225% at 30 September 2015. The LCR ratio of Crédit Agricole Group and of Crédit Agricole S.A. continued to exceed 110% at end-September 2016.

During the first nine months of 2016, the main Crédit Agricole Group issuers raised 28.6 billion euros of senior and subordinated debt in the market and the branch networks. Crédit Agricole S.A. itself raised the equivalent of 9.6 billion euros of senior debt and 1.5 billion euros of subordinated debt, of which a US dollar denominated Additional Tier 1 issue of 1.15 billion euros equivalent, which was completed at the beginning of 2016. At 30 September 2016, Crédit Agricole S.A. had completed 79% of its medium-to long term market funding programme (senior and subordinated) of 14 billion euros. Crédit Agricole S.A. is awaiting the forthcoming adoption of the French Law on senior non-preferred debt, to optimise the cost of its balance sheet structure.

[1] As defined in the Delegated Act. Assumption of exemption of intra-group operations for Crédit Agricole S.A. (110bps impact) and of non-exemption of exposures related to the centralisation of CDC deposits, according to our understanding of information obtained from the ECB

1. Retail Banking In France (LCL)

(in millions of euros)	Q3-16 underlying[1]	Change Q3/Q3 underlying[1]	9M-16 underlying[1]	Change 9M/9M underlying[1]
Revenues	870	(2.4%)	2,554	(7.4%)
Network reorganisation cost	(600)	(5.4%)	(1,895)	(2.1%)
Gross operating income	270	+5.1%	659	(19.7%)
Cost of risk	(55)	x2.9	(130)	+56.6%
Income before tax	215	(9.7%)	529	(28.2%)
Tax	(50)	(38.7%)	(161)	(39.6%)
Net income	165	+5.6%	368	(21.8%)
Non-controlling interest	8	+9.1%	18	(23.3%)
Net income Group Share	157	+5.4%	350	(21.7%)

The third quarter of 2016 was in line with previous quarter trends, with continued good commercial momentum coupled with year-on-year growth in net income excluding the charge related to the adjustment of the funding cost of loans.

The loan book grew by +4.2% between September 2015 and September 2016, driven by a hefty rise of +7.4% in lending to professionals and entreprises. Home loans grew by +3.2% over the same period. On-balance sheet deposits increased by +8.6% year-on-year, fuelled by a +13.1% growth in demand deposits.

Insurance products continued to perform well in the third quarter of 2016, especially in property & casualty (home, motor and health), with growth of +14% compared with the third quarter of 2015.

The quarter also saw a high level of home loan renegotiations (4.4 billion euros), although they did not exceed the peak seen in the second and third quarters of 2015 (4.7 and 4.6 billion euros respectively). Early redemption volumes were also up during the quarter, to 1.4 billion euros.

During the third quarter, LCL made an adjustment of the funding cost of its loans in order to adapt to the impact of low interest rates on the interest margin. This operation, which will generate positive effects as of the fourth quarter of 2016, had a negative impact of -187 million euros on net income Group share and -300 million euros on revenues in the third quarter.

Excluding this factor, LCL's third-quarter revenues amounted to 870 million euros, down -2.4% compared with the third quarter of 2015. Excluding the home purchase savings provision reversal recorded in the third quarter of 2015, the year-on-year decrease was reduced to -2.0%.

Revenues rose by +2.5% compared with the second quarter of 2016. This quarter-on-quarter increase was thanks to the improvement in net interest margin (up +6.0% or +28 million euros compared with the second quarter of 2016), which included the non-recurring benefit of fees on early redemptions and renegotiations of home loans (respectively, 12 million euros and 19 million euros versus, respectively, 7 million euros and 7 million euros in the second quarter of 2016).

The decrease in operating expenses accelerated in the third quarter, with a sharp fall of -5.4% compared with the third quarter of 2015. Excluding expenses related to the transformation plan, the decrease was -4.7%.

[1] Restated for network reorganisation provision in Q2-16 and adjustment of funding cost in Q3-16.

The cost of risk was 55 million euros in the third quarter of 2016, stable compared with the third quarter of 2015, restated for the impact of the litigation reversal recorded in the third quarter of 2015.

All in all, LCL's underlying net income Group share for the third quarter of 2016 totalled 157 million euros excluding the adjustment of funding cost, a year-on-year increase of +5.4%.

For the first nine months of 2016, underlying net income Group share was 350 million euros excluding the adjustment of funding cost and provision for network optimisation. This represents a year-on-year decrease of -21.7%, mainly due to the negative impact on the net interest margin of the surge in home loan renegotiations and early repayments in 2015.

The specific P&L adjustments made to reconcile stated and underlying amounts and changes for the third quarter and first nine months of 2016 and comparable data for 2015 are detailed in Appendix.

2. International Retail Banking

Net income Group share for the business line was 79 million euros in the third quarter, a year-on-year increase of +14.2%.

(in millions of euros)	Q3-16	Change Q3/Q3	9M-16	Change 9M/9M
Revenues	631	(0.5%)	1,893	(4.0%)
Operating expenses	(361)	+1.8%	(1,105)	+0.2%
Gross operating income	270	(3.4%)	788	(9.4%)
Cost of risk	(108)	(25.5%)	(348)	(21.5%)
Net income on other assets	1	(72.0%)	1	(60.9%)
Income before tax	163	+18.6%	441	+2.9%
Tax	(52)	+30.5%	(143)	(0.2%)
Net income	111	+16.5%	298	+10.5%
Non-controlling interest	32	+22.3%	89	+7.6%
Net income Group Share	79	+14.2%	209	+11.8%

In Italy, Crédit Agricole S.A. announced at end-October a rebranding of its three retail banking networks (Cariparma, Friuladria and Carispezia) in order to strengthen the visibility and uniformity of the Group's footprint in Italy.

International retail banking in Italy (IRB Italy) delivered sustained business momentum and results in the third quarter. Customer assets stood at 99.2 billion euros at 30 September 2016, a sharp year-on-year increase of +6.3%. Growth in off-balance sheet assets was particularly strong: they increased by +9.8% over the period to 65.4 billion euros[1]. On-balance sheet deposits were stable over one year, amounting to almost 33.8 billion euros[1] at 30 September 2016.
Loans outstanding totalled 34.7 billion euros at 30 September 2016, an increase of +2.7% over one year, still driven by home loans which increased by +4.7% over one year compared with just +3.1% for the Italian market. Early repayment volumes declined in the third quarter of 2016 compared with the previous quarter. At the same time, loans to large corporates increased by +20.4% year-on-year while loans to SMEs and small businesses declined by -0.9% over the same period.

[1] Pro forma for reclassification in Q3-16 of financial clients deposits from on-balance sheet deposits to market funding.

IRB Italy's revenues were stable year-on-year in the third quarter at 406 million euros, thanks mainly to a +5% increase in fee and commission income, fuelled by a rebound in off-balance sheet asset inflows. The net interest margin remained affected by the negative impact of low interest rates.

Operating expenses remained under control, up slightly by +0.7% year-on-year to 232 million euros in the third quarter, enabling IRB Italy to maintain a satisfactory cost/income ratio of 57.1%.

Cost of risk continued to fall significantly, amounting to 71 million euros in the third quarter of 2016, down almost -26% year-on-year. This progress was due to an improvement in the quality of IRB Italy's portfolio, with a further -29% decrease in new defaults in the third quarter compared to the third quarter 2015. Following the disposal of a 120 million euro *sofferenze* portfolio in the third quarter of 2016, the impaired loans ratio was 13.4% and the coverage ratio 45.6% including collective reserves.

IRB Italy's net income Group share therefore came to 48 million euros in the third quarter of 2016, up by almost +28%. The contribution to net income Group share of all Crédit Agricole S.A.'s business lines in Italy totalled 125 million euros in the third quarter and 362 million euros for the first nine months.

For the first nine months of the year, due to the combined effect of a -4.4% decrease in revenues and a +1.0% increase in expenses, IRB Italy's gross operating income was down by almost -11% year-on-year to 514 million euros. Cost of risk decreased by -18.7% year-on-year in the first nine months, limiting the decline in net income Group share to -1.6% year-on-year, to 129 million euros.

The Group's other international entities (Other IRB) also delivered strong business momentum and a sustained financial performance in the third quarter. However, when expressed in euros, these were impacted by negative currency effects, particularly due to a -13% and -17% depreciation respectively of the Egyptian and Ukrainian currencies in the year to 30 September 2016. Excluding the currency effect, on-balance sheet deposits increased by +5.5% over one year to 11.5 billion euros at end-September 2016, driven mainly by strong growth in Poland (up +8%), Ukraine (up +41%) and Egypt (up +10%), while Morocco remained stable. Again excluding the currency effect, total customer assets increased by +1.8% over one year, to 12.7 billion euros at 30 September 2016.
Loans outstanding amounted to 10.3 billion euros at 30 September 2016, a year-on-year increase of +3.3% excluding currency effects. The surplus of deposits over loans was 2 billion euros at 30 September 2016.

Revenues decreased by -1.0% year-on-year in the third quarter of 2016 to 225 million euros. Operating expenses increased by +3.9%, due for half to an increase in bank taxes in Poland, but also to inflation in Egypt. Gross operating income therefore decreased by -6.8% year-on-year to 96 million euros. Cost of risk decreased by -24.6% year-on-year to 37 million euros in the third quarter.
The contribution to net income Group share of Other IRB was 31 million euros, down -1.9% compared with the third quarter of 2015. Excluding the currency effect, net income Group share increased by +8%. More particularly:

- Egypt delivered strong growth in net income Group share in local currency, despite the US dollar shortage which restricted trade volumes locally;
- Poland enjoyed strong business momentum in both lending and deposits, but was penalised by further increases in non-deductible bank taxes;
- Ukraine posted a sustained level of profitability and a sharp increase in net income Group share excluding currency effect, driven by a significant increase in revenues coupled with a marked improvement in cost of risk;
- Crédit du Maroc's results were driven by strong growth in gross operating income and a decrease in cost of risk.

For the first nine months of 2016, the contribution to net income Group share of Other IRB amounted to 80 million euros, a sharp increase of +43.1% year-on-year, thanks to strict cost control (down -1.0% year-on-year) but above all an improvement in cost of risk (down -27.0% year-on-year). Revenues were penalised by adverse currency effects, down by -3.3% year-on-year to 676 million euros.

3. Asset gathering

This business line encompasses asset management, insurance and wealth management.

(in millions of euros)	Q3-16	Change Q3/Q3 underlying[1]	9M-16	Change 9M/9M underlying[1]
Revenues	1,107	(1.2%)	3,450	(0.5%)
Operating expenses	(477)	(4.5%)	(1,601)	(1.2%)
Gross operating income	630	+1.5%	1,849	+0.1%
Cost of risk	(2)	nm	(9)	nm
Operating income	628	+13.4%	1,839	+0.9%
Share of net income of equity-accounted entities	8	+35%	21	+12.4%
Net income on other assets	-	-	1	nm
Pre-tax income	636	+1.7%	1,862	(2.8%)
Tax	(149)	(34.8%)	(500)	(26.6%)
Net income	487	+22.6%	1,362	+10.2%
Non-controlling interests	40	+31.9%	121	+22.2%
Net income Group share	447	+21.9%	1,241	+9.1%

At 30 September 2016, assets under management were up +5.5% or 77 billion euros compared with 31 December 2015, to 1,473 billion euros, confirming the sustained business momentum already seen in the first six months of the year. Net inflows totalled +47 billion euros, including +39 billion euros for Amundi, +7 billion euros for life insurance and +1 billion euros for wealth management. Apart from this solid commercial performance, the business line also recorded a positive market and currency effect of +22 billion euros and a scope effect of +8 billion euros.

Underlying net income Group share for the business line increased by +9.1% year-on-year in the first nine months of 2016 (excluding the impact of the Switch trigger in Q2-15 and clawback in Q3-15) to reach 1,241 million euros, including 447 million euros in the third quarter of 2016.

In **Asset management**, Amundi's [2] assets under management stood at 1,054 billion euros (up +10.8% over one year and +7.0% vs 31 December 2015). This was achieved thanks to a strong level of inflows, positive market effects (+21.7 billion euros in the nine first months of 2016) and a change in scope (+8.6 billion euros of additional assets under management through the acquisition of KBI Global Investors finalised on 29 August).

In the first nine months of 2016, net inflows remained buoyant despite increased customer risk aversion, amounting to +39.1 billion euros, of which +25.8 billion euros in medium and long-term assets[3], from all asset classes in this category. The *Institutional* segment contributed +24.9 billion euros, of which +9.1 billion euros in medium and long-term assets. The *Retail* segment collected +14.2 billion euros of which +16.7 billion in medium and long-term assets, mainly through the joint ventures in Asia (+12.6 billion euros). The net inflows from French networks was slightly positive in medium and long-term assets, at +0.6 billion euros. **In the third quarter**, net inflows totalled +22.3 billion euros. Net inflows in medium and long-term assets remained at a high level (+8.6 billion euros), complemented by particularly strong net inflows of +13.8 billion euros in treasury products.

[1] After restatement of effects of triggering of Switch guarantee in Q2-2015.
[2] Amundi is a listed company and published its detailed results for the third quarter and first nine months of 2016 on 28 October last.
[3] Equities, bonds, multi-assets, structured, real assets and specialised assets.

In the third quarter of 2016, Amundi's net income Group share at 100% (including minorities) increased by +13.7% year-on-year to 134 million euros. In an environment of falling equity markets and strong volatility, these excellent results were driven by resilient revenues and strict cost control. Net income Group share, affected by the decrease in Crédit Agricole S.A's stake from 78.6% in the third quarter of 2015 to 74.2% in the third quarter of 2016, amounted to 99 million euros compared with 93 million euros in the third quarter of 2015, an increase of +6.9%. Revenues were up +5.1% year-on-year thanks to resilient management and performance fees, while operating expenses were up +3.0% compared to the third quarter 2015.

For the first nine months of 2016, net income Group share was 299 million euros versus 304 million euros in the same period of 2015. The decrease was mainly due to the decrease in percentage ownership: net income Group share at 100% was up +5.1% to 406 million euros. Revenues increased by +0.7% and operating expenses decreased by -0.6%. The cost/income ratio therefore improved by 0.7 percentage points to 53.1% compared with the first nine months of 2015, reflecting an excellent level of operating efficiency.

The Insurance business delivered premium income[1] of 6.9 billion euros in the third quarter of 2016.

The *savings/retirement* segment was down in the third quarter, penalised by a seasonal effect and the low interest rate environment. Premium income amounted to 5.4 billion euros versus 5.6 billion euros in the third quarter of 2015, a year-on-year decrease of -3.3% despite a good performance in the international markets. Assets managed amounted to 266.9 billion euros at end-September 2016, up +4.2% over one year. Funds in euros amounted to 215.9 billion euros, while unit-linked funds amounted to 51 billion euros or 19.1% of the total. However, unit-linked funds accounted for 24.3% of third-quarter inflows.

Property & casualty insurance enjoyed above-market growth in France. The farming and small business segment was up sharply by +19.9% versus the first nine months of 2015. The 12 million policy milestone was reached in June 2016 and a further 175,000 new policies were written in the third quarter. Property & casualty premium income rose by +7.4% year-on-year to 711 million euros in the third quarter of 2016. The combined ratio[2] was down slightly to 96% on the Pacifica scope.

In the *Death & disability/Health/Creditor* segment, premium income rose by +5.1% year-on-year in the third quarter of 2016, to 792 million euros.

In the third quarter of 2016, net income Group share for the Insurance business was 305 million euros, a year-on-year increase of +21.9% excluding the effect of the Switch guarantee trigger[3].

For the first nine months of 2016 net income Group share was 865 million euros, a year-on-year increase of +19.8% restated for the effect of the Switch guarantee trigger[3].

The Wealth management business maintained its assets under management in the third quarter, despite challenging market conditions. They amounted to 152.1 billion euros at end-September 2016 (up +3.6% versus end-September 2015). Net income Group share for the third quarter of 2016 was boosted by a reversal of provisions for pension benefits following a decrease in the conversion rate required by Swiss regulations, which offset a wait-and-see attitude of investors in the face of uncertainty in the financial markets and the initial effects of refocusing the business on countries adhering to the rules of the Automatic Exchange of Information (AEoI) agreement. It amounted to 43 million euros, an increase of +77% compared with the third quarter of 2015.

[1] Breakdown of IFRS premium income by new business line following transfer of individual health and personal accident from "Death & disability/health/creditor" to "Property & casualty insurance".
[2] (Claims+ operating expenses) / premium income.
[3] The Switch guarantee trigger had a favourable impact of 66 million euros on the Insurance business line's pro forma cost of risk in the second quarter of 2015.

The specific P&L adjustments made to reconcile stated and underlying amounts and changes for the third quarter and first nine months of 2016 and comparable data for 2015 are detailed in Appendix.

4. Specialised financial services

Specialised financial services business line includes consumer credit (CA Consumer Finance – CACF) and leasing and factoring (CA Leasing & Factoring – CAL&F).

(in millions of euros)	Q3-16	Change Q3/Q3	9M-16	Change 9M/9M
Revenues	658	(0.6%)	1,964	(0.4%)
Operating expenses	(330)	+3.7%	(1,019)	+1.5%
Gross operating income	328	(4.5%)	945	(2.5%)
Cost of risk	(157)	+0.5%	(434)	(20.3%)
Income before tax	171	(8.8%)	511	+20.4%
Share of net income of equity-accounted entities	55	+23.7%	152	(15.0%)
Pre-tax income	0	nm	(2)	nm
Tax	226	(2.4%)	661	+18.8%
Net income from discontinued or held for sale operations	(48)	(19.9%)	(153)	+2.3%
Net income	178	+3.7%	508	+25.3%
Non-controlling interests	21	(26.9%)	68	(1.3%)
Net income Group share	157	+9.9%	440	+30.8%

Specialised financial services delivered net income Group share of 157 million euros in the third quarter of 2016 versus 143 million euros the previous year, an increase of +9.9%.

In line with previous quarters, CA Consumer Finance (CACF) performed well in the third quarter of 2016, with new lending of 9.3 billion euros. This represents a year-on-year increase of +15.3%, driven by all segments and more particularly by car finance partnerships (up +19.5% year-on-year) and the Group's branch networks (up +26.3%). The managed loan book therefore stood at 75 billion euros at end-September 2016, up +7% since end-September 2015 and a record since June 2013. The geographical breakdown remained unchanged from previous quarters, with 38% of outstandings in France, 32% in Italy and 30% in other countries.

In the third quarter of 2016, CACF's revenues amounted to 527 million euros, down slightly by -0.9% compared with the third quarter of 2015 but up +0.8% compared with the second quarter of 2016. Operating expenses increased by +5.5% year-on-year to 262 million euros, due to investments as per the medium-term strategic plan. Lastly, cost of risk remained virtually unchanged (down -0.2%) year-on-year in the third quarter of 2016. CACF's net income Group share was 124 million euros compared with 114 million euros in the third quarter of 2015, an increase of +9.3%.

For the first nine months of 2016, CACF's revenues decreased by -1.2% to 1,566 million euros compared with the first nine months of 2015, mainly due to the new rules applicable to credit insurance in case of early repayment of loans in Italy. Operating expenses were up slightly, by +2.3% to 802 million euros in the first nine months of 2016. Cost of risk was down significantly, mainly due to an improvement in quality of the customer portfolio. It amounted to

388 million euros in the third quarter, a year-on-year decrease of -22.0%. Cost of risk relative to outstandings stood at 134 basis points[1] in the first nine months of 2016, versus 201 basis points in the same period of 2015. Car finance partnerships contributed to CACF's profitability, with a +15.1% increase in their equity-accounted contribution (up +18.6%).

CACF's net income Group share therefore came to 347 million euros compared with 259 million euros in the same period of 2015, an increase of +34%.

CAL&F's leasing book continued to grow, reaching 15.3 billion euros at end-September 2016, an increase of +3.2% over one year. Factored receivables increased by 1.8% compared with the third quarter of 2015, to 16.2 billion euros. Growth was particularly strong in France, with a year-on-year increase of +5.2% to 10.5 billion euros at end-September 2016.

In the third quarter of 2016, CAL&F's revenues amounted to 131 million euros, up +0.8% year-on-year. Operating expenses were down -3.2% year-on-year to 67.4 million euros, while cost of risk increased by +6.7%. CAL&F's net income Group share therefore increased by +11.9% year-on-year in the third quarter of 2016, to 33 million euros.

In the first nine months of 2016, CAL&F's revenues amounted to 398 million euros, up +2.8% year-on-year due mainly to the increase in lease finance outstandings in France. Operating expenses were down slightly, contracting by -1.4% to 217 million euros. Cost of risk was 46 million euros compared with 48 million euros in the first nine months of 2015. In all, CAL&F's net income Group share for the first nine months of 2016 was 93 million euros, representing a year-on-year increase of +20.2%.

The specific P&L adjustments made to reconcile stated and underlying amounts and changes for the third quarter and first nine months of 2016 and comparable data for 2015 are detailed in Appendix.

5. Large customers

Net income Group share for the **Large Customers** business line was 458 million euros in the third quarter of 2016. Excluding loan hedges and the impact of DVA, underlying net income Group share was 502 million euros, a year-on-year increase of +78.6% driven by good performances in all capital markets and structured finance activities. It also included an additional legal risk provision of 50 million euros.

Net income Group share for the business line comprised a contribution of 206 million euros from Financing activities, 274 million euros from Capital markets and investment banking and 22 million euros from Asset servicing (versus, respectively, 247 million euros, 9 million euros and 25 million euros in the third quarter of 2015).

[1] Relative to consolidated outstandings, calculated on an average annualised basis over four rolling quarters.

Total Large Customers

(in millions of euros)	Q3-16 underlying[1]	Change Q3/Q3 underlying[1]	9M-16 underlying[1]	Change 9M/9M underlying[1]
Revenues	1,465	+38.3%	4,001	+3.5%
o/w Financing activities	*582*	*+15.9%*	*1,678*	*+2.3%*
o/w Capital markets and Investment banking	*700*	*+87.1%*	*1,754*	*+5.5%*
o/w Asset servicing	*183*	*(0.1%)*	*569*	*+0.9%*
Operating expenses	(738)	+3.4%	(2,401)	+4.1%
Gross operating income	727	+110.1%	1,600	+2.6%
Cost of credit risk	(116)	+48.7%	(354)	+83.4%
Cost of legal risk	(50)	nm	(100)	nm
Operating income	561	+109.3%	1,146	(16.2%)
Share of net income of equity-accounted entities	59	(0.5%)	182	x2.3
Net income on other assets	-	-	1	-
Income before tax	620	+89.6%	1,329	(8.1%)
Tax	(98)	x2.8	(282)	(29.9%)
Net gain/(loss) from held-for-sale operations	-	nm	11	nm
Net income	522	+79.4%	1,058	+1.5%
Non-controlling interests	20	+100%	37	+12.1%
Net income Group share	502	+78.6%	1,021	+1.2%

The third quarter of 2016 saw a marked rebound in business activity and markets after the Brexit shock at the end of June, which was accompanied by a fall in interest rates, a decrease in risk premiums and a drop of the pound sterling. Continued central bank support policies benefited the primary bond market, which represents a competitive source of alternative financing for companies. Against this backdrop and despite the usual August seasonal effect, commercial activity was good in all Corporate and investment banking activities.

In the third quarter of 2016 revenues for the Large Customers business line were 1,465 million euros (excluding effects of loan hedges and DVA), a sharp year-on-year increase of +38.3% on an underlying basis and +23.6% excluding xVA, thanks to strong commercial momentum in capital markets and structured finance activities.

Revenues from **capital markets activities** (***fixed income, credit, forex and treasury***) amounted to 644 million euros in the third quarter, up +42.5% excluding xVA compared with the third quarter of 2015 (when, by contrast, demand in the credit market was very weak). Fixed income, forex and credit enjoyed strong momentum in a favourable post-Brexit market environment VaR remained contained at 13.9 million euros on average over the quarter. CACIB ranks world No. 2 in sovereign, agency and supranational bond issues in euros[2] and in green bond issues[3]. It has also gained a place compared to the last quarter to become world No. 4 in euro bond issues[2].

[1] See Appendix, page 24 of this press release for details of specific items for the third quarter and first nine months of 2016 and comparable data for 2015.
[2] Source: Thomson Financial.
[3] Source: CACIB.

Investment banking, which ranks No. 2 in France in convertible bond issues[1] and No. 1 in Europe in ABCP securitisation[2], completed several major convertible bond deals during the quarter. Its revenues for the quarter were 56 million euros, a year-on-year increase of +35.5%.

Structured finance revenues rose sharply in most product lines, amounting to 304 million euros in the third quarter of 2016, a year-on-year increase of +20.8% despite challenging conditions in the shipping and oil & gas sectors. CACIB remains world No. 1 in aircraft financing[3].

Commercial banking revenues were up +11.4% year-on-year in the third quarter, to 278 million euros, driven by good origination volumes in Corporate Acquisition activities, although export and trade activities continued to suffer from the global slowdown in world trade. CACIB ranks third in syndicated loans in France[1].

Asset servicing revenues remained stable at 183 million euros in the third quarter of 2016.

Operating expenses for the Large Customers business line totalled 738 million euros in the third quarter of 2016 versus 713 million euros in the same period of 2015. This quarter included about 20 million euros of non-recurring expenses related to the transfer of CACIB's teams in Paris to the Group Campus. Excluding this event, operating expenses were stable. The cost/income ratio over the first nine months of 2016 was 56.3%[4].

Cost of risk was stable compared with the first and second quarters of 2016 despite an additional provision for the shipping sector (excluding the 50 million euros legal risk provision taken in both the second and third quarters of 2016). Cost of risk relative to outstandings for Financing activities was 32 basis points in the third quarter of 2016[5].

Share of income from equity-accounted entities amounted to 59 million euros, stable compared with the third quarter of 2015, reflecting a good performance by Banque Saudi Fransi.

In the first nine months of 2016, net income Group share for the Large Customers business line was 984 million euros and 1,021 million euros on an underlying basis (restated for loan hedges, the impact of DVA and the legal provision booked in Q2-15), broadly stable compared with the same period of 2015. The first nine months of 2016 included a contribution to the Single Resolution Fund (SRF) of 149 million euros and a legal risk provision of 100 million euros.

The specific P&L adjustments made to reconcile stated and underlying amounts and changes for the third quarter and first nine months of 2016 and comparable data for 2015 are detailed in Appendix.

[1] Source : Thomson Financial.
[2] Source: CPWare
[3] Source: Air Finance Database
[4] Calculated on the basis of underlying revenues and operating expenses excluding SRF.
[5] Relative to consolidated outstandings, calculated on an average annualised basis over four rolling quarters.

6. Corporate centre

(in millions of euros)	Q3-16	Change Q3/Q3	9M-16	Change 9M/9M
Revenues	(624)	+24.9%	(1,228)	(3.2%)
of which capital and liquidity management	*(309)*	*(38.8%)*	*(1,040)*	*(33.5%)*
o/w carrying cost to equity stakes net costs to subordinated debt	*(188)*	*(19.7%)*	*(762)*	*(14.7%)*
o/w Switch	*-*	*nm*	*(230)*	*nm*
o/w VISA Europe	*-*	*nm*	*355*	*nm*
o/w issuer spreads	*(281)*	*nm*	*(243)*	*nm*
o/w other	*(34)*	*nm*	*55*	*nm*
Revenues underlying[1]	*(320)*	*(24.4%)*	*(919)*	*(33.9%)*
Operating expenses	(182)	(16.2%)	(651)	(7.9%)
Gross operating income	(806)	+12.4%	(1,879)	(4.9%)
Cost of risk	(6)	(95.9%)	(18)	(58.4%)
Operating income	(812)	(4.8%)	(1,897)	(6.0%)
Share of net income of equity-accounted entities	27	(85.9%)	38	(79.8%)
Net income on other assets	(50)	nm	(47)	nm
Income before tax	(835)	+26.0%	(1,906)	+3.8%
Tax	303	(12.0%)	867	+1.3%
Net income from discontinued or held for sale operations	1,272	nm	1,272	nm
Net income	740	nm	233	nm
Non-controlling interests	(13)	nm	(5)	nm
Net income Group share	753	nm	238	nm
Net income Group share underlying[1]	(323)	+58.5%	(1,029)	(7.2%)

In the third quarter of 2016, Corporate Centre results reflected the impacts of the **transaction to simplify the Group's structure**, which included:

- Exceptional gain on the transfer of CCIs/CCAs to SACAM Mutualisation (+1,272 million euros in Q3-16 in net income from discontinued or held for sale operations, non-taxable, and other items for an amount of -23 million euros in revenues, i.e. -18 million euros in net income Group share);
- First interest income on the loan of 11 billion euros, at a rate of 2.15%, granted to the Regional Banks (+38 million euros in revenues) and;
- Elimination of the Switch 1 guarantee cost (+115 million euros in revenues).

[1] See Appendix, page 24 of this press release for details of specific items for the third quarter and first nine months of 2016 and comparable data for 2015.

Underlying revenues (adjusted for the specific items detailed in Appendix) amounted to -320 million euros, an improvement of +104 million euros compared with the third quarter of 2015. This improvement was driven by the positive recurring impacts of the transaction to simplify the Group's structure.

Operating expenses were 182 million euros, down by -16.2% compared to the third quarter of 2015.

The change in **equity-accounted entities** was affected by Eurazeo's exceptional contribution in the third quarter of 2015.

Corporate Centre net income Group share amounted to +753 million euros and -323 million euros excluding the specific items referred to above.

In the first nine months of 2016, Corporate Centre net income Group share was +238 million euros. Excluding specific items, the loss amounted to -1,029 million euros, -7.2% lower than the loss for the first nine months of 2015.

The specific P&L adjustments made to reconcile stated and underlying amounts and changes for the third quarter and first nine months of 2016 and comparable data for 2015 are detailed in Appendix.

Outstanding customer loans of Crédit Agricole Group amounted to close to 783 billion euros at 30 September 2016. Customer accounts on the balance sheet were almost 679 billion euros.

(in millions of euros)	Q3-16	Q3-16 underlying	Change Q3/Q3 underlying	9M-16	9M-16 underlying	Change 9M/9M underlying
Revenues	7,099	7,777	+3.2%	22,524	23,482	(0.3%)
Operating expenses	(4,710)	(4,710)	(0.4%)	(15,039)	(14,998)	+0.9%
Gross operating income	2,389	3,067	+9.1%	7,485	8,484	(2.2%)
Cost of credit risk	(597)	(597)	+10.1%	(1,855)	(1,855)	+0.9%
Cost of legal risk	(50)	(50)	nm	(100)	(100)	nm
Operating income	1,742	2,420	+6.7%	5,530	6,529	(4.6%)
Share of net income of equity-accounted entities	138	138	(53.8%)	388	388	(6.8%)
Net income on other assets	(47)	(47)	nm	(19)	(19)	nm
Change in value of goodwill	-	-	-	-	-	-
Income before tax	1,833	2,511	(2.2%)	5,899	6,898	(5%)
Tax	(348)	(577)	(18.8%)	(1,491)	(1,936)	(15.4%)
Net income from discontinued or held for sale operations	-	-	nm	11	11	nm
Net income	1,485	1,934	+4.4%	4,419	4,974	+0.5%
Non-controlling interests	91	93	+10.3%	265	269	(7.7%)
Net income Group share	1,394	1,841	+4.1%	4,154	4,705	+1%

In the third quarter of 2016, Crédit Agricole Group reported revenues of 7,099 million euros. Excluding specific items[1], in particular the funding cost adjustment charge at LCL (-300 million euros) and issuer spreads (-281 million euros), underlying revenues were 7,777 million euros, a year-on-year increase of +3.2%.

Operating expenses were down slightly in the third quarter of 2016, contracting by -0.4% to 4,710 million euros compared with 4,728 million euros in the third quarter of 2015.

The cost of credit risk remained low at 597 million euros, i.e. 31 basis points[2], an increase of +10.1% or 55 million euros, mainly due to the Regional Banks (up 39 million euros), whose cost of risk was particularly low in the third quarter of 2015.

In addition, the Group strengthened its legal risk provisions by 50 million euros this quarter.

Underlying net income Group share[1] came to 1,841 million euros, an increase of +4.1% compared with the third quarter of 2015.

[1] See Appendix, page 24 of this press release for details of specific items for the third quarter and first nine months of 2016 and comparable data for 2015.
[2] Relative to consolidated outstandings, calculated on an average annualised basis over four rolling quarters.

For the first nine months of 2016, revenues were 22,524 million euros. Excluding specific items, underlying revenues were 23,482 million euros, more or less stable (down -0.3%) compared with the first nine months of 2015. The Group's operating expenses were up slightly by +0.9% compared with the first nine months of 2015, while the cost of credit risk was also up +0.9% to 1,855 million euros. A legal risk provision of 50 million euros was taken in both the second and third quarters, making a total of 100 million euros in the first nine months.

Underlying net income Group share[1] came to 4,705 million euros, a slight increase of +1% compared with the first nine months of 2015.

The specific P&L adjustments made to reconcile stated and underlying amounts and changes for the third quarter and first nine months of 2016 and comparable data for 2015 are detailed in Appendix.

Regional Banks

(in millions of euros)	Q3-16	Change Q3/Q3 Underlying[1]	9M-16	Change 9M-16
Revenues	3,273	(7.7%)	10,356	(4.1%)
Operating expenses	(1,980)	+1.0%	(6,215)	+2.0%
Gross operating income	1,293	(18.5%)	4,141	(12.0%)
Cost of risk	(152)	+34.2%	(559)	+10.9%
Operating income	1,141	(22.5%)	3,582	(14.9%)
Share of net income of equity-accounted entities	-	nm	5	nm
Net income on other assets	2	nm	27	nm
Change in value of goodwill	-	nm	-	nm
Income before tax	1,143	(22.4%)	3,614	(13.9%)
Tax	(367)	(31.6%)	(1,231)	(20.7%)
Net income from discontinued or held for sale operations	-	nm	-	nm
Net income	776	(17.2%)	2,383	(9.9%)
Non-controlling interests	(1)	nm	-	+33.3%
Net income Group share	777	(17.2%)	2,383	(9.9%)

Business was brisk during the quarter, contributing to the development of Crédit Agricole S.A.'s business lines.

Customer assets rose by +3.6% year-on-year to 633.9 billion euros. Growth was driven by on-balance sheet deposits (up +5.1% over one year to almost 382 billion euros at end-September 2016), while off-balance sheet customer assets also rose by +1.4% to almost 252 billion euros. On-balance sheet deposits continued to be driven by demand deposits (up +11.7% year-on-year) and home purchase savings plans (up +7.3%). Meanwhile, off-balance sheet customer assets continued to be driven by life insurance, with outstandings up +3.2% year-on-year to almost 181 billion euros at end-September 2016.

[1] See Appendix, page 27 of this press release for details of specific items for the third quarter 2015.

Loans outstanding rose by +3.7% year-on-year, to 423.9 billion euros at end-September 2016. Growth continued to be driven by home loans and consumer finance (up +5.7% and +8.4% respectively, year-on-year). Loans to farmers and SMEs/small businesses both increased by +2.3%.

The Regional Banks also achieved strong momentum in personal and property insurance during the third quarter.

The Regional Banks' **revenues** were affected this quarter by the initial impacts of the transaction to simplify the Group's structure: (i) elimination of Switch 1 income following the unwinding of Switch 1 on 1 July 2016 (-115 million euros), (ii) cost of the 11 billion euros 2.15% loan granted by Crédit Agricole S.A. on 3 August 2016 (-38 million euros). Excluding these impacts and excluding provisions for home purchase savings plans[1], the Regional Banks' revenues amounted to 3,433 million euros in the third quarter of 2016, down -2.9% compared with the third quarter of 2015.

In all, the Regional Banks' **net income Group share was 777 million euros** in the third quarter of 2016, representing a year-on-year decrease of -17.2% excluding the impacts of the Switch clawback in the third quarter of 2015.

In the first nine months of 2016, the Regional Banks' net income Group share totalled 2,383 million euros, a year-on-year decrease of -9.9%.

The specific P&L adjustments made to reconcile stated and underlying amounts and changes for the third quarter and first nine months of 2016 and comparable data for 2015 are detailed in Appendix.

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Crédit Agricole S.A.'s financial information for the third quarter and first nine months of 2016 consists of this press release and the attached presentation. All regulated information, including the registration document, is available on the website www.credit-agricole.com/Finance- and Shareholders under "Financial reporting" and is published by Crédit Agricole S.A. pursuant to the provisions of article L. 451-1-2 of the Code Monétaire et Financier and articles 222-1 et seq. of the AMF General Regulation.

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[1] Charge of 1 million euros to provisions for home purchase savings plans in the third quarter of 2016 and reversal of 12 million euros in the third quarter of 2015.

APPENDIX – ALTERNATIVE PERFORMANCE MEASURES – SPECIFIC ITEMS

Crédit Agricole Group:

€m	Specific items of Q3-16		Specific items of Q3-15	
	Impact before tax	Impact on NIGS	Impact before tax	Impact on NIGS
DVA Running (LC)	(44)	(29)	14	9
DVA Running (Corporate centre)	-	-	(50)	(31)
Loan hedges (LC)	(25)	(16)	36	22
Issuer spreads (Corporate centre)	(281)	(182)	(26)	(17)
Eurêka (Corporate centre)	(28)	(23)	-	-
Adjustment of funding cost (LCL)	(300)	(197)	-	-
Total impact on revenues	**(678)**	**(447)**	**(26)**	**(17)**
Total impact of specific items		**(447)**		**(17)**

€m	Specific items 9M-16		Specific items 9M-15	
	Impact before tax	Impact on NIGS	Impact before tax	Impact on NIGS
DVA running (LC)	(35)	(23)	81	53
DVA running (Corporate centre)	-	-	(50)	(31)
Loan hedges (LC)	(24)	(16)	57	35
Issuer spreads (Corporate centre)	(243)	(154)	173	113
Liability management upfront payment (Corporate centre)	(683)	(448)	-	-
Capital gain on VISA EUROPE (Corporate centre)	355	337	-	-
Adjustment of funding cost (LCL)	(300)	(197)	-	-
Eurêka (Corporate centre)	(28)	(23)	-	-
Total impact on revenues	**(958)**	**(524)**	**261**	**170**
LCL network optimisation cost (Retail banking)	(41)	(27)	-	-
Total impact on operating expenses	**(41)**	**(27)**	**-**	**-**
Additional provision for legal risk (LC)	-	-	(350)	(350)
Total impact on cost of risk	**-**	**-**	**(350)**	**(350)**
Total impact of specific items		**(551)**		**(180)**

Crédit Agricole S.A.:

€m	Specific items of Q3-16		Specific items of Q3-15	
	Impact before tax	Impact on NIGS	Impact before tax	Impact on NIGS
DVA running (LC)	(44)	(28)	14	9
DVA Running (Corporate centre)	-	-	(50)	(31)
Loan hedges (LC)	(25)	(16)	36	22
Issuer spreads (Corporate centre)	(281)	(178)	(26)	(17)
Adjustment of funding cost (LCL)	(300)	(187)	-	-
Eurêka (Corporate centre)	(23)	(18)	-	-
Total impact on revenues	**(673)**	**(427)**	**(26)**	**(17)**
Switch (Corporate centre)	-	-	(107)	(66)
Switch (Asset Gathering)	-	-	(66)	(41)
Total impact on cost of risk	**-**	**-**	**(173)**	**(107)**
Eurêka (Corporate centre)	-	1,272	252	252
Total impact on Net income from discontinued or held-for-sale operations	**-**	**1,272**	**252**	**252**
Total impact of specific items		**845**		**128**

€m	Specific items 9M-16		Specific items 9M-15	
	Impact before tax	Impact on NIGS	Impact before tax	Impact on NIGS
DVA running (LC)	(36)	(23)	81	52
DVA Running (Corporate centre)	-	-	(50)	(31)
Loan hedges (LC)	(24)	(15)	57	35
Issuer spreads (Corporate centre)	(244)	(152)	173	111
Liability management upfront payment (corporate centre)	(683)	(448)	-	-
Adjustment of funding cost (LCL)	(300)	(187)	-	-
Capital gain on VISA EUROPE (Corporate centre)	355	327	-	-
Regional Banks' dividends (Corporate centre)	286	285	-	-
Eurêka (Corporate centre)	(23)	(18)	-	-
Total impact on revenues	**(669)**	**(231)**	**261**	**167**
LCL network optimisation cost (Retail banking)	(41)	(26)	-	-
Total impact on operating expenses	**(41)**	**(26)**	**-**	**-**
Additional provision for legal risk (LC)	-	-	(350)	(342)
Total impact on cost of risk	**-**	**-**	**(350)**	**(342)**
Eurêka (Corporate centre)	-	1,272	847	847
Total impact on Net income from discontinued or held-for-sale operations	**-**	**1,272**	**847**	**847**
Total impact of specific items		**1,016**		**672**

RECONCILIATION BETWEEN THE STATED AND THE UNDERLYING RESULTS OF LCL

€m	Q3-16	Specific items of Q3-16 [1]	Q3-16 underlying	Q3-15	Specific items of Q3-15	Q3-15 underlying	∆ Q3/Q3	∆ 9M/9M underlying
Revenues	**570**	**(300)**	**870**	**891**	**-**	**891**	**(36.1%)**	**(2.4%)**
Operating expenses	(600)	-	(600)	(634)	-	(634)	(5.5%)	(5.4%)
Gross operating income	**(30)**	**(300)**	**270**	**257**	**-**	**257**	**ns**	**+5.1%**
Cost of risk	(55)	-	(55)	(19)	-	(19)	x2,9	x2,9
Share of net income of equity-accounted entities	-	-	-	-	-	-	-	-
Net income on other assets	-	-	-	-	-	-	-	-
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	**(85)**	**(300)**	**215**	**238**	**-**	**238**	**ns**	**(9.7%)**
Tax	53	103	(50)	(82)	-	(82)	ns	(38.7%)
Net income from discontinued or held-for-sale operations	-	-	-	-	-	-	-	-
Net income	**(32)**	**(197)**	**165**	**156**	**-**	**156**	**ns**	**+5.6%**
Non-controlling interests	(2)	(10)	8	7	-	7	ns	+9.1%
Net income Group Share	**(30)**	**(187)**	**157**	**149**	**-**	**149**	**ns**	**+5.4%**

€m	9M-16	Specific items of 9M-16 [1]	9M-16 underlying	9M-15	Specific items of 9M-15	9M-15 underlying	∆ 9M/9M	∆ 9M/9M underlying
Revenues	**2,254**	**(300)**	**2,554**	**2,757**	**-**	**2,757**	**(18.2%)**	**(7.4%)**
Operating expenses	(1,936)	(41)	(1,895)	(1,936)	-	(1,936)	(0.0%)	(2.1%)
Gross operating income	**318**	**(341)**	**659**	**821**	**-**	**821**	**(61.2%)**	**(19.7%)**
Cost of risk	(130)	-	(130)	(83)	-	(83)	57.4%	57.4%
Share of net income of equity-accounted entities	-	-	-	-	-	-	-	-
Net income on other assets	-	-	-	(1)	-	(1)	nm	nm
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	**188**	**(341)**	**529**	**737**	**-**	**737**	**(74.5%)**	**(28.2%)**
Tax	(44)	117	(161)	(267)	-	(267)	(83.4%)	(39.6%)
Net income from discontinued or held-for-sale operations	-	-	-	-	-	-	-	-
Net income	**144**	**(224)**	**368**	**470**	**-**	**470**	**(69.4%)**	**(21.8%)**
Non-controlling interests	7	(11)	18	23	-	23	(68.7%)	(23.3%)
Net income Group Share	**137**	**(213)**	**350**	**447**	**-**	**447**	**(69.4%)**	**(21.7%)**

(1) network reorganisation in Q2-16 and adjustment of funding costs in Q3-16

RECONCILIATION BETWEEN THE STATED AND THE UNDERLYING RESULTS OF ASSET GATHERING

€m	Q3-16	Specific items of Q3-16	Q3-16 underlying	Q3-15	Specific items of Q3-15	Q3-15 underlying	∆ Q3/Q3	∆ Q3/Q3 underlying
Revenues	**1 107**	**-**	**1 107**	**1 121**	**-**	**1 121**	**(1,2%)**	**(1,2%)**
Operating expenses	(477)	-	(477)	(500)	-	(500)	(4,5%)	(4,5%)
Gross operating income	**630**	**-**	**630**	**621**	**-**	**621**	**+1,5%**	**+1,5%**
Cost of risk	(2)	-	(2)	(66)	(66)	-	nm	nm
Share of net income of equity-accounted entities	8	-	8	6	-	6	35,0%	35,0%
Net income on other assets	-	-	-	-	-	-	nm	nm
Change in value of goodwill	-	-	-	-	-	-	nm	nm
Income before tax	**636**	**-**	**636**	**561**	**(66)**	**627**	**+13,7%**	**+1,7%**
Tax	(149)	-	(149)	(203)	25	(228)	(26,7%)	(34,8%)
Net income from discontinued or held-for-sale operations	0	-	0	-	-	-	nm	nm
Net income	**487**	**-**	**487**	**358**	**(41)**	**399**	**+36,7%**	**+22,6%**
Non-controlling interests	40	-	40	31	-	31	+31,9%	+31,9%
Net income Group Share	**447**	**-**	**447**	**327**	**(41)**	**368**	**+37,1%**	**+21,9%**

€m	9M-16	Specific items of 9M-16	9M-16 underlying	9M-15	Specific items of 9M-15	9M-15 underlying	∆ 9M/9M	∆ 9M/9M underlying
Revenues	**3 450**	**-**	**3 450**	**3 468**	**-**	**3 468**	**(0,5%)**	**(0,5%)**
Operating expenses	(1 601)	-	(1 601)	(1 621)	-	(1 621)	(1,2%)	(1,2%)
Gross operating income	**1 849**	**-**	**1 849**	**1 847**	**-**	**1 847**	**+0,1%**	**+0,1%**
Cost of risk	(9)	-	(9)	(22)	-	(22)	nm	nm
Share of net income of equity-accounted entities	21	-	21	18	-	18	12,4%	12,4%
Net income on other assets	1	-	1	7	-	7	nm	nm
Change in value of goodwill	-	-	-	-	-	-	nm	nm
Income before tax	**1 862**	**-**	**1 862**	**1 850**	**-**	**1 850**	**+0,6%**	**(2,8%)**
Tax	(500)	-	(500)	(655)	-	(655)	(23,7%)	(26,6%)
Net income from discontinued or held-for-sale operations	0	-	0	1	-	1	nm	nm
Net income	**1 362**	**-**	**1 362**	**1 196**	**-**	**1 196**	**+13,9%**	**+10,2%**
Non-controlling interests	121	-	121	99	-	99	+22,2%	+22,2%
Net income Group Share	**1 241**	**-**	**1 241**	**1 097**	**-**	**1 097**	**+13,2%**	**+9,1%**

RECONCILIATION BETWEEN THE STATED AND THE UNDERLYING RESULTS OF LARGE CUSTOMERS

€m	Q3-16	Impact of loan hedges	Impact of DVA running	Q3-16 underlying	Q3-15	Impact of loan hedges	Impact of DVA running	Q3-15 underlying	ΔQ3/Q3	ΔQ3/Q3 underlying
Revenues	**1,396**	**(25)**	**(44)**	**1,465**	**1,109**	**36**	**14**	**1,059**	**+25.9%**	**+38.3%**
Operating expenses	(738)	-	-	(738)	(713)	-	-	(713)	+3.4%	+3.4%
Gross operating income	**658**	**(25)**	**(44)**	**727**	**396**	**36**	**14**	**346**	**+66.5%**	**+110.1%**
Cost of credit risk	(116)	-	-	(116)	(78)	-	-	(78)	+48.7%	+48.7%
Cost of legal risk	(50)	-	-	(50)	-	-	-	-	nm	nm
Operating income	**492**	**(25)**	**(44)**	**561**	**318**	**36**	**14**	**268**	**+55.3%**	**+109.3%**
Share of net income of equity-accounted entites	59	-	-	59	59	-	-	59	(0.5%)	(0.5%)
Net income on other assets	-	-	-	-	-	-	-	-	nm	nm
Tax	(74)	9	15	(98)	(53)	(13)	(5)	(35)	+39.2%	x2,8
Change in value of held-for-sale operations	-	-	-	-	(1)	-	-	(1)	nm	nm
Net income	**477**	**(16)**	**(29)**	**522**	**323**	**23**	**9**	**291**	**+47.8%**	**+79.4%**
Non-controlling interests	19	-	(1)	20	11	1	-	10	+73.1%	+100.0%
Net income Group share	**458**	**(16)**	**(28)**	**502**	**312**	**22**	**9**	**281**	**+46.9%**	**+78.6%**

€m	9M-16	Impact of loan hedges	Impact of DVA running	9M-16 underlying	9M-15	Impact of loan hedges	Impact of DVA running	Additional provision OFAC	9M-15 underlying	Δ9M/9M	Δ9M/9M underlying
Revenues	**3,942**	**(24)**	**(35)**	**4,001**	**4,004**	**57**	**81**	**-**	**3,866**	**(1.5%)**	**+3.5%**
Operating expenses	(2,401)	-	-	(2,401)	(2,306)	-	-	-	(2,306)	+4.1%	+4.1%
Gross operating income	**1,541**	**(24)**	**(35)**	**1,600**	**1,698**	**57**	**81**	**-**	**1,560**	**(9.2%)**	**+2.6%**
Cost of credit risk	(354)	-	-	(354)	(193)	-	-	-	(193)	+83.4%	+83.4%
Cost of legal risk	(100)	-	-	(100)	(350)	-	-	(350)	-	nm	nm
Operating income	**1,087**	**(24)**	**(35)**	**1,146**	**1,155**	**57**	**81**	**(350)**	**1,367**	**(5.8%)**	**(16.2%)**
Share of net income of equity-accounted entites	182	-	-	182	78	-	-	-	78	x 2.3	x 2.3
Net income on other assets	1	-	-	1	1	-	-	-	1	nm	nm
Tax	(261)	9	12	(282)	(451)	(21)	(28)	-	(402)	(42.1%)	(29.9%)
Change in value of held-for-sale operations	11	-	-	11	(2)	-	-	-	(2)	nm	nm
Net income	**1,020**	**(15)**	**(23)**	**1,058**	**781**	**36**	**53**	**(350)**	**1,042**	**+30.6%**	**+1.5%**
Non-controlling interests	36	-	(1)	37	27	1	1	(8)	33	+31.4%	+12.1%
Net income Group share	**984**	**(15)**	**(22)**	**1,021**	**754**	**35**	**52**	**(342)**	**1,009**	**+30.6%**	**+1.2%**

RECONCILIATION BETWEEN THE STATED AND THE UNDERLYING RESULTS OF CORPORATE CENTRE

€m	Q3-16	Specific items	Q3-16 underlying	Q3-15	Specific items	Q3-15 underlying	Δ Q3/Q3	Δ Q3/Q3 underlying
Revenues	**(624)**	**(304)**	**(320)**	**(500)**	**(76)**	**(424)**	**+24.9%**	**(24.4%)**
Operating expenses	(182)	-	(182)	(218)	-	(218)	(16.2%)	(16.2%)
Gross operating income	**(806)**	**(304)**	**(502)**	**(718)**	**(76)**	**(642)**	**+12.4%**	**(21.6%)**
Cost of risk	(6)	-	(6)	(135)	(107)	(28)	(95.9%)	(80.4%)
Equity-accounted entities	27	-	27	190	-	190	(85.9%)	(85.9%)
Net income on other assets	(50)	-	(50)	(1)	-	(1)	nm	nm
Income before tax	**(835)**	**(304)**	**(531)**	**(664)**	**(183)**	**(481)**	**+26.0%**	**+10.8%**
Tax	303	102	201	345	68	277	(12.0%)	(27.3%)
Net income from discontinued or held-for-sale operations	1,272	1,272	-	-	-	-	nm	nm
Net income	**740**	**1,070**	**(330)**	**(319)**	**(115)**	**(204)**	**nm**	**+62.2%**
Non-controlling interests	(13)	(6)	(7)	1	-	1	nm	nm
Net income Group Share	**753**	**1,076**	**(323)**	**(320)**	**(115)**	**(205)**	**nm**	**+58.5%**

€m	9M-16	Specific items	9M-16 underlying	9M-15	Specific items	9M-15 underlying	Δ 9M/9M	Δ 9M/9M underlying
Revenues	**(1,228)**	**(309)**	**(919)**	**(1,269)**	**123**	**(1,392)**	**(3.2%)**	**(33.9%)**
Operating expenses	(651)	-	(651)	(707)	-	(707)	(7.9%)	(7.9%)
Gross operating income	**(1,879)**	**(309)**	**(1,570)**	**(1,976)**	**123**	**(2,099)**	**(4.9%)**	**(25.1%)**
Cost of risk	(18)	-	(18)	(42)	-	(42)	(58.4%)	(58.4%)
Equity-accounted entities	38	-	38	189	-	189	(79.8%)	(79.8%)
Net income on other assets	(47)	-	(47)	(7)	-	(7)	nm	nm
Income before tax	**(1,906)**	**(309)**	**(1,597)**	**(1,836)**	**123**	**(1,959)**	**+3.8%**	**(18.4%)**
Tax	867	306	561	856	(40)	896	+1.3%	(37.4%)
Net income from discontinued or held-for-sale operations	1,272	1,272	-	-	-	-	nm	nm
Net income	**233**	**1,269**	**(1,036)**	**(980)**	**83**	**(1,063)**	**nm**	**(2.4%)**
Non-controlling interests	(5)	2	(7)	50	2	48	nm	nm
Net income Group Share	**238**	**1,267**	**(1,029)**	**(1,030)**	**81**	**(1,111)**	**nm**	**(7.2%)**

RECONCILIATION BETWEEN THE STATED AND THE UNDERLYING RESULTS OF REGIONAL BANKS

€m	Q3-16	Specific items	Q3-16 underlying	Q3-15	Specific items[1]	Q3-15 underlying	∆ Q3/Q3	∆ Q3/Q3 underlying
Revenues	**3,273**	**-**	**3,273**	**3,548**	**-**	**3,548**	**(7.7%)**	**(7.7%)**
Operating expenses	(1,980)	-	(1,980)	(1,961)	-	(1,961)	+1.0%	+1.0%
Gross operating incor	**1,293**	**-**	**1,293**	**1,587**	**-**	**1,587**	**(18.5%)**	**(18.5%)**
Cost of risk	(152)	-	(152)	60	173	(113)	-349.8%	34.2%
Equity-accounted entities	-	-	-	(1)	-	(1)	nm	nm
Net income on other asse	2	-	2	1	-	1	nm	nm
Income before tax	**1,143**	**-**	**1,143**	**1,647**	**173**	**1,474**	**(30.6%)**	**(22.4%)**
Tax	(367)	-	(367)	(602)	(66)	(536)	(39.1%)	(31.6%)
Net income from disconti	-	-	-	-	-	-	nm	nm
Net income	**776**	**-**	**776**	**1,045**	**107**	**938**	**(25.6%)**	**(17.2%)**
Non-controlling interests	(1)	-	(1)	-	-	-	nm	nm
Net income Group Sha	**777**	**-**	**777**	**1,045**	**107**	**938**	**(25.6%)**	**(17.2%)**

€m	9M-16	Specific items	9M-16 underlying	9M-15	Specific items	9M-15 underlying	∆ 9M/9M	∆ 9M/9M underlying
Revenues	**10,356**	**-**	**10,356**	**10,794**	**-**	**10,794**	**(4.1%)**	**(4.1%)**
Operating expenses	(6,215)	-	(6,215)	(6,090)	-	(6,090)	+2.0%	+2.0%
Gross operating incor	**4,141**	**-**	**4,141**	**4,704**	**-**	**4,704**	**(12.0%)**	**(12.0%)**
Cost of risk	(559)	-	(559)	(504)	-	(504)	10.9%	10.9%
Equity-accounted entities	5	-	5	(1)	-	(1)	nm	nm
Net income on other asse	27	-	27	(1)	-	(1)	nm	nm
Income before tax	**3,614**	**-**	**3,614**	**4,198**	**-**	**4,198**	**(13.9%)**	**(13.9%)**
Tax	(1,231)	-	(1,231)	(1,552)	-	(1,552)	(20.7%)	(20.7%)
Net income from disconti	-	-	-	-	-	-	nm	nm
Net income	**2,383**	**-**	**2,383**	**2,646**	**-**	**2,646**	**(9.9%)**	**(9.9%)**
Non-controlling interests	-	-	-	-	-	-	+33.3%	+33.3%
Net income Group Sha	**2,383**	**-**	**2,383**	**2,646**	**-**	**2,646**	**(9.9%)**	**(9.9%)**

(1) Clawback of the Switch guarantees for +€173m in cost of risk in Q3-15