



October 27, 2011

## **PRESS RELEASE**

### **EBA tests on the capital and term funding needs for European banks:**

#### **Preliminary results for the French banks.**

The EBA has designed a capital package which, while recognizing the significant steps already taken to strengthen banks' capital positions in the EU, aims at addressing uncertainty about residual credit risk. 70 banks that were included in the July 2011 European stress test have been required to further strengthen their Core Tier 1 ratio in order to reach a level of 9% by the end of June 2012, including a buffer reflecting market prices of all EEA sovereign debt exposures as of end September 2011. A methodological note has been published on the EBA website ([www.eba.europa.eu](http://www.eba.europa.eu)).

For the four French banks – BNPParibas, Group BPCE, Group Crédit Agricole and Société Générale - which represent 80% of the French banking sector - the total capital shortfall identified is 8,8 billion euros. This is a preliminary and indicative figure which is subject to change on the basis of end September positions – capital positions, sovereign debt exposures and market values at September 30th - and we expect to disclose the final capital shortfall in the course of November. It is this latest figure that will form the basis for any plans required to increase levels of capitalisation in the period to June 2012.

The detail on a bank by bank basis is provided hereunder.

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Press contact: +33 1 42 92 44 30

+33 1 42 92 39 00

## Capital need estimates in the EBA exercise

Situation as of 30 June 2011	Core Tier 1 Ratio after CRD3 (1)	Core Tier 1 Ratio, after CRD3 (1) and buffer related to EEA sovereign exposures (2)	Shortfall to 9% after buffer related to EEA sovereign exposures (2)	<i>of which buffer related to EEA sovereign exposures (2)</i>
<b>BNPP</b>	<b>9,04%</b>	<b>8,66%</b>	<b>2,1 billion euros</b>	<b>2,4 billion euros</b>
<b>BPCE GROUP</b>	<b>8,42%</b>	<b>8,17%</b>	<b>3,4 billion euros</b>	<b>1 billion euros</b>
<b>CREDIT AGRICOLE GROUP</b>	<b>9,27%</b>	<b>9,26%</b>	<b>0</b>	<b>0</b>
<b>SOCIETE GENERALE</b>	<b>8,10%</b>	<b>8,13%</b>	<b>3,3 billion euros (3)</b>	<b>0,1 billion euros</b>

- (1) The calculation includes an estimate of the impact of CRD3 (to be applied as of end 2011) on the core Tier 1 as of 30 June 2011. Therefore, it is different from the regulatory Tier 1 ratio at the same date.
- (2) Buffer calculated as per the methodological note published on the EBA website ([www.eba.europa.eu](http://www.eba.europa.eu)), based on mark to market estimates as of end September 2011.
- (3) The calculation includes share capital increase to SG Group employees, booked as of July 13, 2011: 216 million euros.