STRONG ACTIVITY, SOLID RESULTS

GROUP CA AND CREDIT AGRICOLE S.A. STATED AND UNDERLYING DATA Q1-2021

Very good results, strong commercial activity compared to a pre-crisis Q1-20

	CRÉDIT AGRICOLE GROUP		CRÉDIT AGRICOLE S.A.	
	Stated	Underlying	Stated	Underlying
Revenues	**€9,049 m** +8.2% Q1/Q1	**€9,082 m** +8.4% Q1/Q1	**€5,493 m** +5.6% Q1/Q1	**€5,508 m** +7.2% Q1/Q1
Costs excluding SRF	**- €5,505 m** -0.8% Q1/Q1	**- €5,501 m** +0.4% Q1/Q1	**- €3,197 m** -1.8% Q1/Q1	**- €3,193 m** -0.0% Q1/Q1
SRF	**- €467 m** +2.8% Q1/Q1	**- €652 m** +43.4% Q1/Q1	**- €380 m** +5.6% Q1/Q1	**- €510 m** +41.7% Q1/Q1
Gross operating income	**€3,078 m** +30.2% Q1/Q1	**€2,930 m** +19.8% Q1/Q1	**€1,916 m** +20.8% Q1/Q1	**€1,805 m** +14.0% Q1/Q1
Cost of risk	**-€537 m** -42.3% Q1/Q1	**-€537 m** -42.3% Q1/Q1	**- €384 m** -38.2% Q1/Q1	**-€384 m** -38.2% Q1/Q1
Net income Group share	**€1,754 m** +93.2% Q1/Q1	**€1,599 m** +63.0% Q1/Q1	**€1,045 m** +63.9% Q1/Q1	**€932 m** +43.1% Q1/Q1
C/I ratio (excl. SRF)	**60.8%** -5.5 pp Q1/Q1	**60.6%** -4.8 pp Q1/Q1	**58.2%** -4.4 pp Q1/Q1	**58.0%** -4.2 pp Q1/Q1

Crédit Agricole S.A. UNDERLYING DATA Q1 2021

Net income Group share up sharply: +43.1% Q1/Q1 to €932 m;
Gross operating income excluding SRF: +19.1% Q1/Q1 to €2,314 m;
Cost/ income ratio (excl. SRF): 58.0% (-4.2 pp Q1/Q1)
Cost of risk down to -€384 m, after a significant increase in provisioning in 2020

Strong solvency

	CRÉDIT AGRICOLE GROUP		CRÉDIT AGRICOLE S.A.	
Phased-in CET1	**17.3%**	+0.1 pp Mar/Dec	**12.7%**	-0.4 pp Mar/Dec
	+8.4 pp above SREP requirements		+4.8 pp above SREP requirements	
	€19.7 bn in loan loss reserves at end-March 21		**NPL ratio stable at 3.2%, coverage ratio up 72%** **Unwinding of 15% of switch**	

Mobilisation of the Group to protect, boost and transform the economy

CRÉDIT AGRICOLE GROUP	CRÉDIT AGRICOLE S.A.
SGL: €35.2 bn in France and Italy **Moratoria: €0.7 bn in France and <€0.5 bn in Italy**	**CAA #1 insurer contributing to the *Prêts Participatifs Relance* (recovery participating loans): €2.25 bn**
+5.0% RB loans outstanding excl. SGL **Increase in RB home and corporate loan market share**	**+3.4% LCL loans outstanding excl. SGL** **+11% renewable energy outstanding in 2020**
1st renewable energy private financer and institutional investor in France	**1st bank to launch an ESG platform**

HIGHLIGHTS Ongoing development initiatives in Europe

- → **Crédit Agricole Italia will strengthen its market share in Northern Italy with the success of the public offer for CreVal (91.2% acceptance for a price of €12.27 per share paid by CAI)**
- → **Amundi in exclusive negotiations with Société Générale to acquire Lyxor, to reach a 14% market share of the growing European ETF market.**

Dominique Lefebvre,
Chairman of SAS Rue La Boétie and Chairman of the Crédit Agricole S.A. Board of Directors

"All Group employees are fully committed to protect the economy during the crisis and support the recovery. And we are fulfilling our commitments regarding societal transformation. 1st bank to commit to fully exit thermal coal by 2040, we are also the 1st bank to launch an ESG reporting platform, notably to assess the mix of our energy exposures."

Philippe Brassac,
Chief Executive Officer of Crédit Agricole S.A.

"Our first-quarter performance is the result of the outstanding commitments of our teams to support customers. The Group is delivering on its development model, fundamentally focused on organic growth, supported by wide cooperation between our business lines and possible targeted external operations. In a context of economic upturn and renewed international competition, the Group is determined to support recovery."

Crédit Agricole Group

Mobilisation of the Group to protect the economy, support the recovery, and help drive societal change

Group commitment to protect the economy during the crisis

Thanks to its capital position and resilient model, since the beginning of the public health crisis, the Group has been fully committed to supporting its customers through the crisis and protecting the most vulnerable customers.

Since the introduction of **State-Guaranteed Loans** (SGLs) on 25 March 2020, the Group has processed 220,000 applications from SMEs and small businesses and corporates in France, for a total of €32.3 billion,[1] i.e. close to 27% of all SGLs requested in France. With an acceptance rate exceeding 97%, the Group supports its customers in all its regions through its various retail banks (three quarters of SGL applications are handled by the Regional Banks[2]). The Group's total net exposure to SGLs stands at €3.1 billion in France (LCL, Regional Banks and CACIB[3]), with only a small proportion of SGLs currently classified as Stage 3 (2.0%[4] at end March 2021). For the past two quarters there has been a slowdown in SGL growth in France (+2.5% in SGLs outstanding versus 15 January 2021). In Italy on the other hand, where CA Italia has granted €2.8 billion in SGLs to 40,000 customers, the pace remains brisk (+16.7% versus December 2020).

At the same time, the Group continues to support the economy by implementing **payment holidays** on loans, notably for corporate, SME and small business customers, whose activities have been impacted by the economic consequences of the pandemic. After a high of 552,000 payment holidays granted, for €4.2 billion in maturities extended in June 2020, as at 9 April 2021, a total of 93,000 payment holidays were still active at the Regional Banks and LCL, representing approximately €0.7 billion in deferred maturities (of which 68% for SME and small business and corporate customers and 32% for households, with 87% at the Regional Banks and 13% at LCL[5]). This corresponds to total remaining capital due of €10.1 billion in France. In Italy, 42,000 payment holidays are still active, accounting for less than €0.5 billion in deferred maturities[6]. Less than 2%[7] of Regional Banks and LCL moratoria are within stage 3. Payments have resumed on more than 98% of expired payment holidays of Regional Bank and LCL customers[8]. The situation is similar at CACF, where payments have resumed on 98% of Retail and Corporate customers' payment holidays.

Fully committed to a fair transition, i.e. one that promotes social cohesion, the Group continues to deploy social inclusion measures and take steps to protect vulnerable customers. It is supported in this effort by special mechanisms set up by each of the business lines: "Points Passerelle" at the Regional Banks, "LCL Parenthèse", and "Customer Support Agencies" at CACF. Thus, a total of 11,000 vulnerable customers have received support through the Points Passerelle, for example, with 2,300 personal microcredit granted in 2020. CAA has supported 170 local projects as part of its inclusion programme, taking its contribution to almost €2.5 million in 2020. Lastly, the Grameen Foundation, which is active in 39 countries and supports 75 microfinance institutions and 12 social impact businesses, had outstandings of €81.2 million in 2020.

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[1] *Amounts of SGLs requested (RBs, LCL and CACIB) at 09/04/2021, 97.3% acceptance rate.*

[2] *Breakdown by number of customer applications. Breakdown by amounts: 62% for the Regional Banks, 30% for LCL and 8% for CACIB.*

[3] *As at February 2021*

[4] *Scope: LCL, Regional Banks, CA Italia and CACIB*

[5] *In deferred maturities.*

[6] *CA Italia's unexpired moratoria represent €5.8 bn remaining capital due, while CA Italia's expired moratoria represent €4.1 bn remaining capital due, of which the non-performing portion is 0.9%*

[7] *As at March 2021, based on EBA compliant moratoria and remaining capital due*

[8] *Represents the share of loans that have been deferred, the deferral of which has expired and payments have resumed. Scope of corporate, professional and agricultural customers in the Regional Banks. Including LCL.*

The Group is determined to boost the recovery, in a context of economic upturn and renewed international competition

The Group is actively contributing to the economic recovery, most notably through its pledge to distribute *Prêts Participatifs Relance* (*Recovery Participating Loans*) to customers in all regions. These loans, which are distributed by banks, including those in the Crédit Agricole networks, are equivalent to quasi-equity capital and will help promote job creation and investment by allowing companies to finance their expansion as they come out of the pandemic. The Crédit Agricole Group has embarked on a major review of its customer base to identify companies with potential that would be eligible for a *Recovery Participating Loan*. According to initial estimates, almost 45,000 SME and mid-cap customers of the Regional Banks and 8,500 customers of LCL are eligible. They are currently being contacted proactively by their corporate account managers. Webinars and an information campaign are also being conducted to raise awareness. The *Recovery Participating Loans* are part of a range of solutions that Crédit Agricole has been offering its customers since the onset of the pandemic. In addition to the moratoria and state-guaranteed loans granted since March 2020, the Group is further supporting the recovery by leveraging its complementary areas of expertise.

Amundi, Crédit Agricole CIB, IDIA Capital Investissement and the regional capital investment companies of the 39 Regional Banks are particularly involved in these capital injections. Crédit Agricole Assurances is providing €2.25 billion in financing for the *Recovery Participating Loans* in an initial €11-billion round of financing, while Amundi is involved in managing the vehicle that will carry these loans. The general mechanism set up by the French government is expected to raise €20 billion from French and international institutional investors (€14 billion for the state-supported equity loans, known by the French acronym "PPSE", and €6 billion for state-supported subordinated debt, known by the acronym "OSSE").

Crédit Agricole Group's strong momentum also attests to how committed its employees are to supporting the economic recovery. The payments business is up significantly (number of mobile payment contracts at the Regional Banks: +54% in Q1-2021). Outstandings other than SGLs rose sharply (+4.7%, of which +5.0% for the Regional Banks and +3.4% for LCL), while the Regional Banks have continued to increase their market share in home loans (+0.33 percentage points Dec/Dec) and corporate loans (+0.37 percentage point Dec/Dec).

The Group is fulfilling its commitments to societal transformation

As part of the human and societal pillars of the Group Project, the Group supports the societal transitions that its customers have requested and are experiencing. For example, the Group has gone from CSR to general impact management. In June 2019 it came out with an innovative climate strategy featuring strong governance, the full integration of energy transition issues in customer relationships, and a gradual reallocation of financing and investment portfolios.

Internally, the Group relies on what is recognised as an ambitious Human Resources policy. The Group is the the number one employer in France,[9] and 30% of its new hires in 2020 are under the age of 30. The Group has taken steps to increase the number of women in its executive management, and in 2020 the percentage of women on an executive committee at the level of Crédit Agricole S.A. and Group entity decision-making bodies was respectively 25% and 24%[10]. With more than half of employees working abroad, making the talent pools more international is a major challenge for the Group. The succession plans for 2022 include a target of 20% foreign candidates, a criterion that has also been incorporated into the indicators we use to guide our Human-centric Project.

[9] *Source: Challenge, March 2021*
[10] *Target being 30% in 2022*

The Group's innovative climate strategy depends first and foremost on a dedicated governance structure made up of three umbrella committees: a Group societal project committee, which oversees the implementation of the Group's societal commitments and ensures they are consistent with its ESG strategy, a scientific committee composed of 12 independent experts renowned in their field, and an operational committee, which monitors climate strategy. The two latter committees support the work of the Group societal project committee.

Crédit Agricole places utmost importance on transparency. In 2019, the Group pledged to report regularly on the exposure of its financing and investment portfolios to thermal coal, and outsourced the certification of its climate strategy implementation to an independent third party. This year, for the first time, the mix of energy-related financing and investment assets managed by Amundi, LCL, CAA and CACIB was provided in the 2020 Universal Registration Document[11].

Crédit Agricole also broke new ground in 2020 by setting up a non-financial reporting platform to cover the Group's entire reporting scope. The only one of its kind, the platform collects external and internal non-financial data to calculate the main societal impact indexes for all Group entities. It also generates a unique climate transition rating for listed companies using public data.

The Group has fully integrated the climate transition into its customer relationships, and from the first quarter has used the climate transition rating to measure and support the transformation efforts of 8,000 listed companies at CACIB and Amundi. The tool will next be adapted for the Group's SMEs and mid-caps. New investment solutions have also been introduced for customers, such as LCL's range of climate impact investing products ("LCL Placements Impact Climat") and Amundi's green energy fund, which is the first climate transition fund eligible for life insurance policies investing directly in green infrastructure. Amundi's assets under management linked to climate transition and green growth initiatives increased by 80% in 2020 to €22 billion. At the start of the year, Amundi launched the first "fair transition" fixed income fund.

Lastly, Crédit Agricole's climate strategy involves reallocating financing and investment portfolios for the benefit of climate transition. Crédit Agricole is now France's number one private financier and institutional investor in renewable energy.[12] As noted in the Crédit Agricole S.A. 2020 Universal Registration Document, renewable energy financing loans for large corporates increased by +11% in 2020. Asset under management invested in renewable energy were also up for the year (+22%). CAA invested €1.4 billion in renewable energy. Crédit Agricole is the first bank which committed to exit from thermal coal by 2040 (and exit coal in the European Union and OCDE by 2030). Large corporates financing loans and assets under management dedicated to coal fell by -28% and -34% respectively in 2020. The Group continues to support SMEs in less favoured areas as well as the public health sector, and helps maintain social ties through a reference framework set up for Crédit Agricole S.A. social bonds. Moreover, in 2020, CACIB arranged €12.2 billion in social bonds (10% market share).

[11] *In the Non-Financial Performance Statement*

[12] *Internal source: 2020 data*

Group activity

Despite ongoing restrictions during the quarter, the Group's business rose sharply thanks to the soundness and efficiency of its Universal Customer-focused Banking model. Gross customer capture was very strong: +469,000 customers in first quarter 2021, of whom 430,000 were in France and 39,000 in Italy. The increase over one year was also significant, with +1,565,000 new customers, of whom 1,438,000 were in France and 127,000 in Italy. The Group's customer base continued to expand in first quarter 2021 (+76,000 customers). Relationship intensity is also very good. 59.4% of Regional Bank customers[13] have at least four financial product universes.[14]

Against this backdrop, the Group's business lines delivered a strong performance:

- **Crédit Agricole Assurances net inflows rose sharply (x2.2 between the first quarter 2020 and the first quarter 2021 to €1.7 billion) with continued growth in Unit-Linked inflow levels (+15.2% between the first quarter 2020 and the first quarter 2021 to €2.0 billion). Business in property and casualty insurance was also dynamic this quarter (new business: +19.0% between the first quarter 2020 and the first quarter 2021). In asset management, Amundi reported strong net inflows on medium- and long-term assets during the quarter (+€9.8 billion, excluding joint ventures).**
- **In Corporate and Investment banking, CACIB delivered an excellent performance in commercial banking. Revenues increased by +10.7% between the first quarter 2020 and the first quarter 2021, largely due to continued success in syndicated loans (no. 2 in France[15] and no. 4 in EMEA[16]). Activity is also buoyant in structured finance, with an increase in revenues by +8.8% between the first quarter 2020 and the first quarter 2021, and CACIB is no. 3 in Global Project Finance[17]. Lastly, revenues increased in Capital markets, on the FICC activity, by +13.5% between the first quarter 2020 and the first quarter 2021.**
- **CACF's commercial production recorded strong momentum, with an increase by +4.2%[18] between the first quarter 2020 and the first quarter 2021. It was particularly buoyant in March, which was close to the 2019 peak. Against this backdrop, assets under management were relatively unchanged year-on-year.**
- **In Retail banking, loans outstanding increased in France and Italy (+8.5% and +5.2% respectively between the first quarter 2020 and the first quarter 2021). Loans outstanding excluding SGLs were also up sharply, by +4.7% in France this quarter. Similarly, customer assets grew significantly in France and Italy this quarter, by +10.2% and +10.7% respectively.**

Group results

In the first quarter of 2021, Crédit Agricole Group's stated **net income Group share** came to **€1,754 million** versus €908 million in the first quarter of 2020, a significant rise of +93.2%. The **specific items** recorded this quarter generated a **positive net impact of €154 million on net income Group share**.

13 Individual customers aged 18 or over, rate almost unchanged year-on-year
14 Universe: deposit accounts, savings, loans, fire, insurance and cards
15 Source: Thomson Financial Q1 2021
16 Source Refinitiv Q1 2021
17 Source : refinitiv (Global Project Finance Loans Bookrunners)
18 Excluding CACF NL

The **specific items** recorded this quarter include recurring volatile accounting items in revenues, such as the DVA (Debt Valuation Adjustment, i.e. gains and losses on financial instruments related to changes in the Group's issuer spread) amounting to +€6 million in net income Group share, hedges on the Large customers loan book for -€5 million in net income Group share and provisions for home purchase savings plans in the amount of -€25 million in net income Group share. In addition to these recurring items were a refund of the overpayment of contributions to the single resolution fund (SRF) for financial years 2016 to 2020 amounting to €185 million, Kas Bank/Santander Securities Services integration costs for -€2 million in net income Group share and losses on wealth management activities in Miami and Brazil undergoing disposal in the amount of -€5 million within the Wealth management sub-division. In first quarter 2020, specific items had a **net negative impact of -€73 million on net income Group share**. These included recurring accounting volatility items in revenues, such as the Debt Valuation Adjustment (DVA) amounting to -€14 million, the hedge on the Large customers loan book for +€83 million, the changes in the provisions for home purchase savings schemes in the amount of -€78 million, the Kas Bank and Santander Securities Services integration/acquisition costs by CACEIS for -€2 million and the impact of COVID-19-related solidarity donations for -€62 millions in operating expenses.

Excluding these specific items, **Crédit Agricole Group's underlying net income Group share**[19] amounted to **€1,599 million**, a year-on-year increase of +63.0%. For its part, underlying gross operating income recorded a sharp increase of +19.8% from first quarter 2020 to stand at €2,930 million in first quarter 2021, despite being impacted by the €652-million SRF contribution, which was +43.5% higher than the contribution in first quarter 2020 and +16.0% higher than the annual 2020 contribution.[20]

Credit Agricole Group - Stated and underlying results, Q1-21 and Q1-20

€m	Q1-21 stated	Specific items	Q1-21 underlying	Q1-20 stated	Specific items	Q1-20 underlying	∆ Q1/Q1 stated	∆ Q1/Q1 underlying
Revenues	**9,049**	**(33)**	**9,082**	**8,366**	**(12)**	**8,378**	+8.2%	+8.4%
Operating expenses excl. SRF	(5,505)	(4)	(5,501)	(5,548)	(70)	(5,478)	(0.8%)	+0.4%
SRF	(467)	185	(652)	(454)	-	(454)	+2.8%	+43.4%
Gross operating income	**3,078**	**148**	**2,930**	**2,363**	**(82)**	**2,445**	**+30.2%**	**+19.8%**
Cost of risk	(537)	-	(537)	(930)	-	(930)	(42.3%)	(42.3%)
Cost of legal risk	-	-	-	-	-	-	n.m.	n.m.
Equity-accounted entities	94	-	94	91	-	91	+3.6%	+3.6%
Net income on other assets	13	-	13	5	-	5	x 2.4	x 2.4
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.
Income before tax	**2,648**	**148**	**2,500**	**1,530**	**(82)**	**1,612**	**+73.1%**	**+55.1%**
Tax	(720)	11	(731)	(481)	7	(487)	+49.8%	+50.0%
Net income from discont'd or held-for-sale ope.	(6)	(5)	(1)	(0)	-	(0)	x 14.6	x 2.2
Net income	**1,921**	**153**	**1,768**	**1,048**	**(75)**	**1,124**	**+83.3%**	**+57.3%**
Non controlling interests	(168)	1	(169)	(140)	2	(142)	+19.4%	+18.4%
Net income Group Share	**1,754**	**154**	**1,599**	**908**	**(73)**	**981**	**+93.2%**	**+63.0%**
Cost/Income ratio excl. SRF (%)	**60.8%**		**60.6%**	**66.3%**		**65.4%**	**-5.5 pp**	**-4.8 pp**

19 Underlying, excluding specific items. See Appendixes for more details on specific items.

20 An additional amount was recorded for the SRF contribution in the second quarter 2020 of €107 million.

In first quarter 2021, **underlying revenues** were up +8.4% versus first quarter 2020 to €9,082 million thanks to sustained activity across all businesses, despite the pandemic. In some businesses, activity returned to pre-crisis levels. The Asset gathering and Large customers business lines posted strong revenue growth of +18.6% (+€249 million) and +11.9% (+€177 million) respectively, due not only to brisk business but also the recovery in the markets. In French retail banking, the Regional Banks recorded a sharp rise in revenues of +9.9%, or +€320 million, from first quarter 2020, mainly due to the impact of market revaluations on securities portfolios, while LCL recorded a more modest increase of +1.9% in revenues this quarter. Specialised financial services showed resilience during the quarter, with underlying revenues falling by just -0.5%: revenues for CACF fell by -3.1% in first quarter 2021 but held steady on a like-for-like basis (+0.1%[21]) due to the stability of consolidated outstandings over the past year, despite a return to robust production levels in first quarter 2021; CAL&F posted strong revenue growth of +10.0%, having benefited from an excellent level of leasing activity in Poland and France. CA Italia recorded a sharp rise in revenues this quarter (+9.8%), thanks to a high level of fee and commission income from managed savings and insurance. Conversely, International retail banking, excluding Italy, posted a decline in revenues of -11.5% (-€29 million) due to the cut in reference interest rates in Egypt, Poland and Ukraine in the second quarter of 2020. However, a recovery has been in progress since the third quarter of 2020.

Underlying operating expenses excluding the Single Resolution Fund (SRF) stood at €5,501 million in first quarter 2021, **relatively unchanged** (+0.4%) year-on-year. Retail banking and Specialised financial services recorded declines of -0.3% (-€11 million) and -4.9% (-€17 million) respectively. Expenses for the CACF division fell by -6.6% on a like-for-like basis, or -1.6% excluding the scope effect of reclassifying CACF NL under IFRS 5 as an asset held for sale. Expenses in the Large Customers business line showed a moderate increase of +3.3% over the period (+€29 million), in line with increased provisions for variable compensation in CIB and development projects at CACEIS. In Asset gathering, expenses rose by +2.1% (+€16 million), largely as a result of the scope effect related to the integration of Sabadell AM and the establishment of Amundi BOC and Fund Channel (+€12 million).

Overall, the Group posted a **positive jaws effect of +8.0 percentage points** and a decline in the **underlying cost/income ratio excluding SRF** of -4.8 percentage points, taking it to 60.6% in first quarter 2021. The contribution to the Single Resolution Fund was €652 million this quarter, up +43.4% compared to first quarter 2020. Note that the €185 million refund of an overpayment for financial years 2016-2020 was accounted for this quarter and classified as specific items. Taking this refund into account, the SRF contribution increased by +28% between 2020 and 2021 (from €509 million to €652 million).

Underlying gross operating income was therefore up +19.8% year-on-year to €2,930 million.

The **cost of credit risk** fell sharply to €537 million (including €147 million in stage 1 and 2 cost of risk and €371 million in stage 3 cost of risk) versus €930 million in first quarter 2020, and €919 million in fourth quarter 2020, i.e. a decline of -42.3% from first quarter 2020, and -41.6% from fourth quarter 2020. Of the factors comprising this change, only the provisioning for proven risks (stage 3) was up between fourth quarter 2020 and first quarter 2021. It rose by +11%. The decrease in the cost of risk was particularly marked this quarter for the Regional Banks (divided by 1.9 compared to first quarter 2021 and divided by 2.7 compared to fourth quarter 2020), financing activities (-38.2% compared to first quarter 2020 and -30.0% compared to fourth quarter 2020) and CA Consumer Finance (-30.4% compared to first quarter 2020 and -11.0% compared to fourth quarter 2020). It was more moderate for LCL (-17.9% compared to first quarter 2020 and -7.5% compared to fourth quarter 2020) and CA Italia (-13.6% compared to first quarter 2020 and -36.8% compared to fourth quarter 2020). Asset quality was good: the NPL ratio showed little change from end December 2020, standing at 2.3% at end March

[21] Excluding CA Consumer Finance NL, classified under IFRS 5 from the third quarter 2020

2021, while the coverage ratio[22], which was high at 84.4%, gained strength during the quarter (+0.5 percentage points compared to end December 2020). The diversified loan book is mainly geared towards home loans (47% of gross outstandings at Group level) and corporates (32% of gross outstandings at Group level). Loan loss reserves amounted to €19.7 billion at end March 2021, of which 35% was for performing loans (Stages 1 and 2). Loan loss reserves increased by +€0.1 billion compared to end December 2020. Starting in first quarter 2020, the context and uncertainties related to the global economic conditions were taken into account and the expected effect of public measures were incorporated to anticipate future risks. Provisioning levels were established to reflect the sharp deterioration in the environment, taking into account **several weighted economic scenarios** and applying flat-rate adjustments for the retail banking portfolios and corporates portfolios and specific additions for some target sectors, namely tourism, automotive, aerospace, retail textile, and energy. Several weighted economic scenarios were used to define provisioning for performing loans. These are unchanged from those presented in the 2020 URD, and include a more favourable scenario (French GDP at +7.1% in 2021 and +2.7% in 2022) and a less favourable scenario (French GDP at +3.0% in 2021 and +4.8% in 2022).

The cost of credit risk relative to outstandings[23] over a rolling four-quarter period was 33 basis points. It stood at 22 basis points on a quarterly annualised basis[24]. Stages 1 and 2 cost of risk amounted to -€147 million, versus -€398 million in first quarter 2020 and -€651 million in fourth quarter 2020. Stage 3 cost of risk stood at -€371 million (versus -€516 million in first quarter 2020 and -€334 million in fourth quarter 2020).

Underlying pre-tax income stood at €2,500 million, a year-on-year increase of +55.1%. In addition to the changes explained above, underlying pre-tax income included the contribution from equity-accounted entities in the amount of €94 million (up +3.6%) and net income on other assets, which stood at +€13 million this quarter versus +€5 million in first quarter 2020. This contribution includes mainly for the Regional Banks the sale of Bankoa, with an impact of +€10 million. The underlying **tax charge was up +50.0%** over the period. The underlying tax rate stood at 30.4%, down slightly from 32.1% in first quarter 2020. In fact, the tax rate is never representative on a quarterly basis. Underlying net income before non-controlling interests was up +57.3% to €1,768 million. Non-controlling interests rose by +18.4%, mainly due to a change in Insurance in the recognition methods used for subordinated debt (RT1) coupons, with no impact on net earnings per share. Lastly, underlying net income Group share was €1,599 million, significantly higher than in first quarter 2020 (+63.0%).

Regional Banks

Despite the pandemic, **business at the Regional Banks** was buoyant in first quarter 2021. Indeed, the Regional Banks added +338,000 gross new customers to their customer base during the quarter, a year-on-year increase of +14% and close to the pre-crisis, first quarter 2019 level. Customer relationship intensity also remained strong and at end March 2021, 59.4% of customers[25] are equipped by at at least four banking service universes.[26] The Group continued to develop its multi-channel model and recorded a year-on-year increase in online signatures of +80%.

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[22] Provisioning rate calculated with outstandings in Stage 3 as denominator, and the sum of the provisions recorded in Stages 1, 2 and 3 as numerator

[23] The cost of risk relative to outstandings (in basis points) on a four quarter rolling basis is calculated on the cost of risk of the past four quarters divided by the average outstandings at the start of each of the four quarters

[24] The cost of risk relative to outstandings (in basis points) on an annualised basis is calculated on the cost of risk of the quarter multiplied by four and divided by the outstandings at the start of the quarter

[25] Individual customers aged 18 or over

[26] 5 banking service universes: deposit accounts, savings, loans, insurance and cards

Loan production, excluding State guaranteed loans in first quarter 2021 was particularly robust, with +3,4% growth compared to first quarter 2020 and +10,6% growth compared to first quarter 2019. **Loans outstanding** amounted to €570.8 billion at end March 2021 (€553.8 billion excluding SGLs), up +8.2% from end March 2020 (and +5.0% excluding SGLs). **Home loans** rose sharply (+6.7%) to €345.2 billion, as did **loans granted to specialised markets**[27] (+14.2%; +2.4% excluding SGLs). **On-balance sheet customers savings** stood at €527.2 billion at end March 2021, up +12.1% from end March 2020 and up +1.8% from end December 2020. This was due to strong momentum in demand deposits, which came in at €212.4 billion, i.e. an increase of +23.3% year-on-year and +2.4% in first quarter 2021. **Off-balance sheet customer savings** stood at €277.6 billion at end-March 2021, up +6.7% year-on-year. They benefited in particular from +3.1% growth in life insurance assets (€203.3 billion at end March 2021) thanks to positive market valuations and a very good level of gross inflows (back to the level of first quarter 2019, which was already very high). This was particularly the case for unit-linked policies, which accounted for 35.4% of gross inflows in first quarter 2021, or 1.9 times those of first quarter 2019[28]. Outstandings related to securities and UCITS increased by +20.1% and +14.3% respectively year-on-year, having benefited from the recovery in the markets compared to end March 2020.

In first quarter 2021, underlying **revenues** of the Regional Banks amounted to €3,554 million, a year-on-year increase of +9.9%. This was due to positive market effects and favourable refinancing conditions; the overall level of **fee and commission income** was down this quarter (-3.1%) as a result of the drop in fees and commission income related to payment incidents. **Operating expenses excluding SRF** stood at €2,267 million and were well-controlled during the period (+0.6% compared to first quarter 2020) primarily because of the increase in staff costs. The contribution to the SRF stood at €141 million, an increase by 50.3% compared to the first quarter 2020. This resulted in a year-on-year increase in **underlying gross operating income** of +29.2%. **Cost of risk** amounted to -€153 million, down sharply (-50.1%) compared to the first quarter 2020 which included significant provisions on performing loans (Stages 1 & 2) related to the pandemic (€176 million). In first quarter 2021, the cost of risk on Stages 1 & 2 totalled €57 million. The cost of risk relative to outstandings came in at 16 basis points over a rolling four-quarter period and 11 basis points on an annualised quarter basis. The NPL ratio stood at 1.7% (stable vs. end December 2020) and loan loss reserves at €10.0 billion (stable vs. end-December 2020). This translated into a high coverage ratio of 101.2% at end March 2021 (+0.4 percentage point compared to end December 2020), in slight increase as compared to December 2020 (100.9%). The contribution of the Regional Banks to the Group's **underlying net income Groupe share** came to €655 million, a twofold increase from first quarter 2020. Under French standards, without taking into account the positive impacts of market revaluations, net income increased more moderately year-on-year by +18.0%.

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

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[27] *Specialised markets: corporates, SMEs and small businesses, farmers and local authorities.*
[28] *Scope Predica*

Crédit Agricole S.A.

Robust performance in a Q1-2021 still marked by restrictions

- **Strong net MLT inflows in asset management** (+€9.8 billion) and **net insurance inflows** (+€1.7 billion, driven by unit-linked products (+€2 billion)
- **Leadership positions confirmed in corporate and investment banking**: syndicated loans (no. 2 in France, no. 4 in EMEA), project financing (no. 3 in Global Project Finance), bonds (no. 1 in France in corporate bonds) and diversified capital markets activities
- **Good momentum of loan production at CA Consumer Finance (+4.2% Q1/Q1)**
- **Sharp increase in LCL's loan outstandings** (+9.6% Q1/Q1, +3.4% excluding SGLs) and customer assets (+10.1% Q1/Q1)

Net income Group share up sharply by +43.1% from Q1-20

- **Q1/Q1 revenues up thanks to strong momentum across all businesses; five years of steady revenue generation**
- **Expenses excluding SRF stable** (underlying SRF in Q1 up by €150 million, but SRF reduced by €130 million after a refund of an overpayment in financial years 2016-2020).
- **Increase in underlying gross operating income excluding SRF +19.1% Q1/Q1**
- **Improved operating efficiency** (underlying ratio excluding SRF at 58%, -4.2 pp Q1/Q1);

Robust solvency

- **Very comfortable capital position:** CASA CET1 ratio 12.7%, 4.8 pp above SREP requirements, down -0.4 pp, of which -0.2 pp related to the unwinding of an additional 15% of the Switch mechanism on 1 March 2021 and -14 bp to the dividend provision based on a 50% distribution policy.

Two value-creating development initiatives in Europe:

Amundi announced on 7 April 2021 that it had entered into exclusive negotiations with Société Générale to acquire Lyxor for a cash consideration of €755 million excluding excess capital[29]. The transaction would make Amundi the European leader in ETF management, with combined AuM of €142 billion and a 14% market share in Europe. The businesses acquired from Lyxor represent €124 billion in assets. Lyxor is one of the major players in the ETF market (€77 billion in AuM,[30] third largest player in Europe with a 7.4% market share[31]) and has developed recognised expertise in active management (€47 billion), most notably through its leading alternative platform[32]. Given the high synergy potential, this transaction, which is compliant with Amundi's financial discipline, would be highly value accretive, with a return on investment of more than 10% in year three after completion based on run-rate cost synergies alone[33]. The transaction's estimated impact on Crédit Agricole S.A.'s CET1 ratio is limited to around -15 basis points at closing, which is expected in first quarter 2022.

CA Italia announced on 23 April 2021 the success of its voluntary public tender offer for all shares of Credito Valtellinese (CreVal). CA Italia acquired 91.2% of CreVal shares for a consideration of €785 million, or €12.27 per share, thus strengthening its position as Italy's six largest bank by total customer assets (Assets under Management and Assets under Conservation)[34] and doubling its market share in Lombardy (from 3% to more than 6%[35]). The transaction will be highly value accretive, with a return on investment above 10% by year three, based on run-rate and refinancing cost synergies alone. The transaction will have a limited impact on the CET1

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[29] €825 million with excess capital

[30] As of 31 December 2020

[31] Source: Amundi; Lyxor; ETFGI, as of end December 2020

[32] Investment platforms for liquid alternative assets (especially UCITS funds) for private banks and asset managers

[33] ROI above 13% including revenue synergies

[34] Source: company data for the first nine months of 2020 or latest publicly available information and internal estimates. Note: sample includes Crédit Agricole Italia, Credito Valtellinese, Intesa Sanpaolo (pro forma for the transfer of the going concern to BPER), UniCredit (Commercial Bank for AuM+AuC and customers), Banco BPM, Banca Monte dei Paschi di Siena, ICCREA, BPER (pro forma for the acquisition of the going concern), BNL, Credem, Banca Popolare di Sondrio, and Carige

[35] Company data (Crédit Agricole Italia figures as at 9M 2020 and Credito Valtellinese figures as at FY 2019).

ratio, of round -20 basis points for Credit Agricole S.A.[36] Crédit Agricole Italia plans to delist CreVal, and to conclude the merger in 2022[37].

Crédit Agricole S.A.'s Board of Directors, chaired by Dominique Lefebvre, met on 06 May 2021 to examine the financial statements for the first quarter of 2021.

Activity

The Crédit Agricole S.A. businesses recorded a very good level of activity in the first quarter 2021, which is still affected by restrictions:

- Crédit Agricole Assurances net inflows rose sharply (x2.2 in the first quarter 2021 compared to the first quarter 2020 to €1.7 billion) with continued growth in UL inflow levels (+15.2% this quarter at €2 billion). The share of unit linked products in gross inflows remained high at 40.7%, unchanged from a year ago. Business in property and casualty insurance was also buoyant this quarter. New business was up +19.0% in first quarter 2021 versus first quarter 2020, while equipment[38] continued its upward trajectory: 25.9% for LCL (+0.7 percentage point compared to first quarter 2020) and 17.7% for CA Italia (+2.0 percentage points). In asset management, Amundi reported strong net inflows on medium and long-term assets during the quarter (+€9.8 billion, excluding joint ventures), while assets under management were up year-on-year (+14.9% to €1,755 billion at end March 2021, including the consolidation of Sabadell AM[39]).
- In Corporate and Investment banking, CACIB recorded strong Commercial Banking activity. Revenues were up by +10.7% in first quarter 2021 compared to first quarter 2021 and by +16.7% excluding the foreign exchange impact, thanks notably to the continuing good performances in syndicated loans (#2 in France and #4 in EMEA[40]). Activity was also strong in structured financing, with growth in revenues of +8.8% compared to first quarter 2020, or +12.6% excluding the foreign exchange impact, coming from most product lines (#3 Global Project Finance). The capital markets activity also put in a very good performance, with +13.5% growth in FICC revenues in the quarter, making first quarter 2021 the best first quarter since 2016, driven by non-linear products, the primary bond market and securitisation. The Group kept hold of its good positions (#1 All French Corporate bonds) and maintained a cautious risk profile (VaR at €6 million as of 31 March)
- CACF's commercial production recorded strong momentum (+4.2%[41] in first quarter 2021 compared to first quarter 2020), notably in March, which was close to the 2019 peak. Against this backdrop, assets under management were relatively unchanged year-on-year.
- Retail banking recorded growth in outstanding loans. Growth of +9.6% for LCL compared to first quarter 2020, driven by SME and small business customers, with +11.4% growth, and +5.2% for CA Italia, which showed strong momentum across all segments. Outstanding loans excluding the State-guaranteed loans also grew strongly (+3.4% for LCL). Likewise, there was a significant increase in customer assets: +10.1% for LCL, buoyed by demand deposits by individual customers (+14% March/March) and SMEs and small businesses/corporates (+49% March/March), and +10.7% for CA Italia.

[36] Before detailed analysis of the PPA
[37] Creval's results will be consolidated into those of Crédit Agricole S.A. from second quarter 2021
[38] Car, home, health, legal, all mobile phones or personal accident insurance
[39] Sabadell AM has been integrated into Amundi's scope of consolidation since 1 July 2020, with AUM of €20.7 bn
[40] Source: Thomson Financial Q1 2021
[41] Excluding CACF NL

Results

Crédit Agricole S.A. - Stated and underlying results, Q1-21 and Q1-20

€m	Q1-21 stated	Specific items	Q1-21 underlying	Q1-20 stated	Specific items	Q1-20 underlying	∆ Q1/Q1 stated	∆ Q1/Q1 underlying
Revenues	**5,493**	**(15)**	**5,508**	**5,200**	**63**	**5,137**	**+5.6%**	**+7.2%**
Operating expenses excl.SRF	(3,197)	(4)	(3,193)	(3,254)	(60)	(3,194)	(1.8%)	(0.0%)
SRF	(380)	130	(510)	(360)	-	(360)	+5.6%	+41.7%
Gross operating income	**1,916**	**111**	**1,805**	**1,586**	**3**	**1,583**	**+20.8%**	**+14.0%**
Cost of risk	(384)	-	(384)	(621)	-	(621)	(38.2%)	(38.2%)
Cost of legal risk	-	-	-	-	-	-	n.m.	n.m.
Equity-accounted entities	87	-	87	90	-	90	(3.5%)	(3.5%)
Net income on other assets	3	-	3	5	-	5	(35.9%)	(35.9%)
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.
Income before tax	**1,622**	**111**	**1,511**	**1,060**	**3**	**1,057**	**+53.0%**	**+42.9%**
Tax	(378)	5	(384)	(261)	(17)	(243)	+45.0%	+57.5%
Net income from discont'd or held-for-sale ope.	(6)	(5)	(1)	(0)	-	(0)	n.m.	n.m.
Net income	**1,238**	**112**	**1,126**	**799**	**(15)**	**813**	**+55.0%**	**+38.5%**
Non controlling interests	(193)	1	(194)	(161)	1	(162)	+19.6%	+19.9%
Net income Group Share	**1,045**	**113**	**932**	**638**	**(14)**	**652**	**+63.9%**	**+43.1%**
Earnings per share (€)	**0.32**	**0.04**	**0.28**	**0.17**	**(0.00)**	**0.17**	**+91.6%**	**+63.6%**
Cost/Income ratio excl.SRF (%)	**58.2%**		**58.0%**	**62.6%**		**62.2%**	**-4.4 pp**	**-4.2 pp**

In the first quarter of 2021, Crédit Agricole S.A.'s **stated net income Group share** amounted to **€1,045 million** versus €638 million in the first quarter of 2020. The quarter was impacted by recurring accounting volatility items at the revenues level, namely DVA (Debt Valuation Adjustment, i.e. gains and losses on financial instruments related to changes in the Group's issuer spread) for +€6 million on net income Group share, the hedge on the Large customers loan book in the amount of -€5 million on net income Group share, and the variation in the provision for home purchase savings plans for -€11 million on net income Group share. In addition to these recurring items, the following items had an impact: the refund of the overpayment of SRF contributions over financial years 2016 to 2020 for +€130 million[42], the integration costs of Kas Bank/Santander Securities Services for -€2 million on net income Group share and the losses on wealth management activities in Miami and Brazil under discontinued or held-for-sale activities for -€5 million in the Wealth Management business line. In first quarter 2020, specific items had a net negative impact of -€14 million on net income Group share, including the impact of DVA of -€14 million, the hedge on the Large customers loan book for +€81 million, and of the change in the provision for home purchase saving of -€27 million on revenues, the costs of the integration/acquisition of Kas Bank and S3 by CACEIS for -€2 million, as well as the impact of solidarity donations relating to Covid-19 of -€52 million on operating expenses.

Excluding these specific items, **underlying net income Group share**[43] records at **€932 million**, a +43.1% increase on first quarter 2020, thanks notably to excellent growth in activity though compared to a pre-crisis first quarter in 2020.

In the first quarter 2021, **underlying revenues** stood at €5,508 million, up +7.2% compared to first quarter 2020. The revenues of the Asset gathering division (up +20.0% compared to first quarter 2020) benefited from the record level of performance fee and commission income in asset management and a positive market effect. Revenues in the Large customers division (+12.1%) rose on the back of a good performance by all business lines

[42] After integrating these restatements, SRF expenses would have increased by 26% between 2020 and 2021 (from 407 to €510m)

[43] Underlying, excluding specific items. See Appendixes for more details on specific items.

and the complementary mix of the product lines in corporate and investment banking. Regarding Specialised financial services, revenues were stable (-0.5%), reflecting the resilience of consumer finance thanks to dynamic commercial production at the end of the quarter, and an increase in activity for CALF. Retail banking revenues were +2.5% higher than in first quarter 2020, thanks to strong production momentum at CA Italia, and the net interest margin at LCL benefitting from favourable refinancing conditions, despite the decrease in the revenues of international retail banking, due to the drop in local reference interest rates put in place in second quarter 2020, but which have been rising since third quarter 2020.

Underlying operating expenses excluding SRF (Single Resolution Fund) were stable (-0.0% compared to first quarter 2020) at €3,193 million in first quarter 2021. Within the Asset gathering business line, operating expenses excluding SRF increased by +2.1%, due to higher expenses in asset management because of a scope effect (Sabadell AM, creation of Amundi BOC WM and Fund Channel, €12 million impact) and a rise in variable compensation, offset by a marked drop in the Insurance sub-division, due to lower tax, and a decrease for Wealth management. In the Large customers business line, operating expenses excluding SRF were +3.3% higher compared to first quarter 2020, coming from a rise in provisions for variable compensation given the good level of activity, and a scope effect for Institutional financial services. The Specialised financial services business line recorded a -4.9% drop in expenses compared to first quarter 2020 (-0.8% excluding CA Consumer Finance NL), with a cost/income ratio excluding SRF of 52.0%, marking a 2.4 percentage point improvement on the year earlier period. Operating expenses excluding SRF were down -1.7% for Retail banking, with very good cost/income ratios excluding SRF for LCL and International retail banking, at 63.4% and 59.9%, respectively.

The IFRIC 21 impact was €680 million, and included expenses of €510 million for the SRF[44] for the 2021 year, representing an increase of +41.5% (or +€150 million) compared to first quarter 2020 and +16% for the year in 2021 vs. 2020[45]. The higher SRF expense mainly relates to the Large customers (+64.4% or +€128 million, compared to first quarter 2020) and Retail banking (+56.9% or +€29 million, compared to first quarter 2020) business lines. Note that the refund of an overpayment over financial years 2016-2020 was accounted for under specific items in the first quarter 2020. Taking account of these adjustments, the increase in the SRF works out at 26% between 2020 and 2021 (from €406 million to €510 million).

Underlying **gross operating income** was thus very strong in first quarter 2021. It was up by +14.0% at €1,805 million, despite the +41.5% increase in the SRF, thanks to growth in revenues (+7.2%, or +€370 million, compared to first quarter 2020), and good control of expenses excluding the SRF (-0.0%, or -€1 million). Crédit Agricole S.A. once again demonstrated its excellent agility at the operating level this quarter, with a cost/income ratio (excluding the SRF) of 58.0%, a +4.2 percentage point improvement from first quarter 2020. There was a positive jaws effect of 7.2 percentage points in the quarter. By business, gross operating income was higher compared to first quarter 2020 in the Asset gathering business line (+45.5%), French and International Retail Banking (+5.6%), Large customers (+5.6%), and Specialised financial services (+3.7%). Therefore, **underlying gross operating income** excluding the SRF was up by +19.1% compared to first quarter 2020.

[44] *The Single Resolution Fund (SRF) was created in 2014. It is a supranational fund financed by Eurozone member states, notably enabling the pooling of financial resources to be used for banking resolution. The Single Resolution Fund will be gradually built up by contributions from national resolution funds over a period of eight years from 2016, to reach a target of at least 1% of the covered deposits of all approved credit institutions of the participating Member States combined by 2023.*

[45] *Recorded in the first quater based on more exact information communicated by the SRB in March.*

As at 31 March 2021, risk indicators confirmed **the high quality of Crédit Agricole S.A.'s assets and risk coverage level**. The diversified loan book is mainly geared towards home loans (27% of gross outstandings) and corporates (45% of Crédit Agricole S.A. gross outstandings). The non-performing loan ratio was still low at 3.2% (stable compared to 31 December 2020), while the coverage ratio[46] was high at 72%, up +0.6 percentage points in the quarter. Loan loss reserves amounted to €9.7 billion for Crédit Agricole S.A., a +€0.1 billion increase from 31 December 2020. Of these loan loss reserves, 28% were for performing loan provisioning. Provisioning levels this quarter were based on **several weighted economic scenarios**, unchanged from the scenarios presented in the 2020 URD – with, for GDP in France, a more favourable scenario (+7.1% in 2021 and +2.7% in 2022), and a less favourable scenario (+3.0% in 2021 and +4.8% in 2022)[47], and included flat-rate adjustments for retail banking portfolios and for corporates and specific additions for some target sectors such as aerospace, hotels, tourism, restaurants.

The **cost of risk** dropped significantly (-38.2%/-€237 million compared to first quarter 2020, to -€384 million versus -€621 million in first quarter 2020 and -€500 million in fourth quarter 2020). 56% of the decline in the cost of risk compared to the year earlier period is explained by less provisioning of performing outstandings (Stages 1 and 2). The -€384 million expense in first quarter 2021 consisted of performing loan provisioning (Stages 1 & 2) for -€90 million (versus an allocation of -€223 million in first quarter 2020 and an allocation of -€193 million in fourth quarter 2020) and provisioning for proven risks (Stage 3) amounting to -€283 million (versus -€382 million in first quarter 2020 and -€291 million in fourth quarter 2020). In first quarter 2021, the cost of risk relative to outstandings over a rolling four-quarter period[48] was 56 basis points, and was 37 basis points on an annualised quarterly basis[49]. The decrease in the cost of risk was especially pronounced for financing activities and for CA Consumer Finance, and more moderate for LCL and CA Italia. Accordingly, LCL posted a cost of risk at -€83 million (-17.9% compared to first quarter 2020 and a moderate decrease of -7.5% since fourth quarter 2020), with a stabilisation of its ratio cost of risk relative to outstandings[48] at 27 basis points in first quarter 2021 (23 basis points on an annualised quarterly basis[49]); CA Italia recorded a cost of risk of -€71 million in first quarter 2021 (down -13.8% from first quarter 2020 and -36.8% compared to fourth quarter 2020), with a cost of risk/outstandings[48] of 89 basis points in first quarter 2021 (60 basis points on an annualised quarterly basis[49]); CA Consumer Finance's cost of risk decreased by -30.4% compared to first quarter 2021 to -€114 million, -11.0% lower than fourth quarter 2020, with the cost of risk relative to outstandings[48] at 167 basis points for first quarter 2021 (and 133 basis points on a quarterly annualised basis[49]). Lastly, for financing activities, the cost of risk for the quarter stood at -€85 million, versus an allocation of -€137 million in first quarter 2020, and -€121 million in fourth quarter 2020, i.e. down -38.2% and -30.0%, respectively. The cost of risk on outstandings[48] was 62 basis points for first quarter 2021 (versus 31 basis points on a quarterly annualised basis[49]).

The underlying contribution of **equity-accounted entities** was €87 million, down **-3.5%**. In first quarter 2021, BforBank was equity-accounted under the Corporate Centre division following its recapitalisation in which Crédit Agricole S.A. participated, bringing its stake to 50%. BforBank's contribution in the first quarter was negative at -€5 million.

[46] Provisioning rate calculated with outstandings in Stage 3 as denominator, and the sum of the provisions recorded in Stages 1, 2 and 3 as numerator

[47] A decrease of 10 points in the weight of the favourable scenario towards the less favourable scenario would lead to a change in "forward-looking central" ECL reserves of around 0.8% of total ECL reserves. However, such a change in the weight would not necessarily have a significant impact due to "forward looking local" adjustments, which could mitigate the effect.

[48] The cost of risk relative to outstandings (in basis points) on a four quarter rolling basis is calculated on the cost of risk of the past four quarters divided by the average outstandings at the start of each of the four quarters

[49] The cost of risk relative to outstandings (in basis points) on an annualised basis is calculated on the cost of risk of the quarter multiplied by four and divided by the outstandings at the start of the quarter

Net income on other assets stood at €3 million in first quarter 2021, vs. €5 million in first quarter 2020.

Underlying income[50] **before tax, discontinued operations and non-controlling interests was therefore up +42.9%,** at €1,511 million. The **underlying effective tax rate** stood at **26.9%**, up +1.8 percentage points on first quarter 2020. The underlying tax charge therefore increased by +57.5% to -€384 million. **Underlying net income before non-controlling interests was therefore up by +38.5%**.

Non-controlling interests stood at -€194 million in first quarter 2021, a +19.9% increase, notably due to a change in Insurance in the recognition methods used for subordinated debt (RT1) coupons, without impact on net earnings per share.

Underlying net income Group share was up by +43.1% compared to first quarter 2020 at **€932 million**.

Underlying earnings per share in first quarter 2021 reached **€0.28**, **increasing by 63.6%** as compared to that of the year earlier period.

50 *See Appendixes for more details on specific items.*

Analysis of the results of Crédit Agricole S.A.'s divisions and business lines Activity

Asset gathering

In Savings/Retirement, Crédit Agricole Assurances continued its commercial development and diversification both in France and abroad, and its revenues increased +23.9% compared to first quarter 2020, with growth of +18.7% in gross inflows in Italy, with the unit-linked (UL) portion representing 40.7% of total gross inflows. Net inflows in first quarter 2021 were therefore positive (+€1.7 billion), despite a slight outflow in euros (-€0.3 billion). Net UL inflows totalled €2.0 billion (+15.2% from first quarter 2020).

Assets (savings, retirement and death and disability) stood at €312.3 billion, up +4.6% from March 2020. Unit-linked contracts as a percentage of outstandings reached a historical high of 25.1%, +3.7 percentage points higher compared to March 2020.

In property and casualty insurance, business was strong in first quarter 2021, with growth of 6.4% in premium income compared to first quarter 2020. Growth was driven by traditional activities (home, legal protection, personal accident insurance, car) and was also boosted by launches of corporate offers (corporate property and casualty insurance and professional multi-risk) as well as the development of the Italian property and casualty subsidiary (premium income growth of +19% as compared to the first quarter 2020).

The number of property and casualty policies in the Crédit Agricole Assurances portfolio thereby rose to close to 14.8 million at end March 2021, up +4.2% vs. the year earlier period. The equipment rate for individual customers[51] continued to increase in the Regional Banks' network (42.1% at end March 2021, i.e. a +1.1 percentage point increase since March 2020) LCL's network (25.9% at end-March 2021, i.e. a +0.7 percentage point increase since March 2020), as well as at CA Italia (17.7% at end March 2021, i.e. a +2.0 percentage point increase since March 2020). The combined ratio remained under control at 96.1%, showing a slight year-on-year deterioration of -1.1 percentage points.

In **death & disability/creditor/group insurance**, premium income stood at €1.3 billion, an increase of +5.0%[52] this quarter compared to first quarter 2020, with a positive contribution from the three business lines.

Asset Management (Amundi) recorded strong growth in its activity this quarter, with strong momentum in net Retail inflows. We nevertheless note outflows in treasury products and in low-margin products in the JV in China. As a result, Amundi posted net MLT inflows excluding JVs of +€9.8 billion, driven by Retail excluding JVs (+€7.8 billion) and institutional and corporate investors (+€2.0 billion). The net outflow on treasury products was -€18.6 billion, mainly due to institutional and corporates, following very high inflow in the second half of 2020 (+€39.5 billion). The net outflows for the joint ventures totalled -€4.0 billion. Restated for the outflows related to low-margin products of the channel business in China (-€7.0 billion), the net inflows on MLT JVs were dynamic, notably in India. SBI FM's market share had reached close to 16% at end March 2021.

Assets under management were up +14.9% from March 2020 to €1,755 billion at end March 2021. Assets under management include Sabadell AM, which has been integrated into Amundi's consolidation scope since 1 July 2020, with AUM of €20.7 billion. The market/foreign exchange impact on assets under management was +€39.3 billion compared to December 2020.

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[51] *Equipment rate: percentage of individual banking customers holding at least one insurance product (Pacifica estimates). Scope: auto, home, health, life accidents, legal protection insurance and all mobile phones.*

[52] *Increases adjusted for a change in accounting method; excluding adjustment, growth was +6.6% in property and casualty insurance and +16.7% in death & disability/creditor/group insurance.*

Note also this quarter that Amundi entered into exclusive negotiations for the acquisition of Lyxor in order to accelerate its organic growth, notably in passive/ETF management (see supra)

In wealth management, assets under management increased by +7.3%, totalling €188 billion at end March 2021.

The Asset gathering (AG) business line posted underlying net income Group share of €512 million in first quarter 2021, up +43.7% from first quarter 2020, driven by growth in the contribution of all businesses. The business line contributed 45% of the underlying net income Group share of the Crédit Agricole S.A. core business lines (excluding the Corporate Centre division) in first quarter 2021 and 29% of underlying revenues excluding the Corporate Centre.

As at 31 March 2021, own funds allocated to the business line amounted to €11.0 billion, including €9.4 billion for Insurance, €1.1 billion for Asset management, and €0.5 billion for Wealth management. The business line's risk-weighted assets amounted to €47.4 billion, including €31.2 billion for Insurance, €11.2 billion for Asset management and €5.0 billion for Wealth management.

Insurance

Underlying revenues came in at €625 million in first quarter 2021, up +22.2% year-on-year thanks to growth in assets, the good momentum of the business and positive market effects. Insurance revenues also benefited over one month from the unwinding of an additional 15% of the Switch mechanism carried out on 1 March 2021. Underlying expenses were down -5.7% in first quarter 2021 compared to the year-earlier period. This change breaks down into a +3.1% rise in expenses for the businesses relating to investments to develop the activity, and a drop in the C3S corporate social contribution applied to the activity in 2020. Underlying gross operating income was therefore recorded up +48.5%, at €391 million in first quarter 2021. The underlying cost/income ratio in first quarter 2021 stood at 37.4%, an improvement of -11.1 percentage points compared to first quarter 2020. The tax charge increased by +48.9% to €77 million in relation to the rise in revenues. Underlying net income therefore worked out at €315 million, up +53.8% compared to first quarter 2020, and net income Group share recorded lower growth of +45.0%, due mainly to non-controlling interests following a change in the recognition methods used for subordinated RT1 debt coupons (€19 million in accrued interest, with no impact on earnings per share).

Asset management

Underlying revenues totalled €753 million in first quarter 2021, up +26.7% on first quarter 2020. Net management revenues were up +15.1% on first quarter 2020 thanks to the market rebound. Net management fee and commission income increased by +5.1% and performance fee income reached a record level of €111 million. In addition, the first quarter 2021 benefited from a positive scope effect (Sabadell AM and Fund Channel for +€17 million in revenues). Underlying expenses excluding SRF came to €379 million, a 13.2% increase, which can be explained by the scope effect of Sabadell, Fund Channel and the creation of Amundi Bank of China WM of €12 million, as well as the rise in variable compensation linked to the growth in gross operating income. Underlying gross operating income was up a strong +44.4% and the underlying cost/income ratio excluding SRF stood at an excellent level of 50.3%, down 6 percentage points compared to first quarter 2020. The contribution of equity-accounted entities, notably including the contribution of Amundi's joint ventures in Asia, was +28.3% higher than in first quarter 2020, and came in at €18 million despite a negative scope impact due to the change to full consolidation of Fund Channel and reached €20 million. The underlying tax charge worked out at €96 million, a +40.4% increase. Lastly, underlying net income Group share was up by +54.4% to €196 million.

Wealth management

Underlying revenues, at €206 million, were down -3.9% compared to first quarter 2020; this change was notably due to the scope effect of the US entities reclassified under entities held for sale since fourth quarter 2020. Underlying costs excluding SRF dropped (-7.8%) to €171 million due to the savings plan and the scope effect. Accordingly, underlying gross operating income increased year-on-year by a strong +26.7%, to €33 million, and the underlying cost/income ratio excluding SRF improved significantly, down -3.5 percentage points to 86.3% in first quarter 2021. Cost of risk totalled €5 million. Lastly, underlying net income Group share was down by -21.2% to €20 million in first quarter 2021. Note that the recognition of €5 million in specific items this quarter had an impact on net income Group share. These losses are related to the contribution of the Miami and Brazil entities that are held for sale.

Large customers

The **Corporate and Investment banking** activity overall was strong in first quarter 2021 with good growth in **underlying revenues** (up +13.6% to €1,366 million) compared to first quarter 2020. **Capital markets and investment banking** (revenues up +17.4% at €708 million compared to first quarter 2020) presented very good results, buoyed by a more favourable interest rate environment than in first quarter 2020 for the CVA desk, and the good performances of the FICC activity. FICC revenues were up +13.5% for the quarter, the best first quarter since 2016. The activity benefited from the complementary mix of the product lines. Within FICC, non-linear activities, the primary bond market and securitisation took up the slack of the higher-performing linear activities last year. In a market undergoing normalisation, CACIB confirmed its **leading positions** on bond issues (No. 1 in All French Corporate bonds[53]). Regulatory **VaR remained at a low level**, in line with the **prudent risk management** model (€6.3 million at 31 March 2021 versus €9.2 million at 31 December 2020, average regulatory VaR: €12.3 million in first quarter 2021 vs €10.9 million in fourth quarter 2020). **Financing activities** reported strong growth in underlying revenues (+9.8%) in first quarter 2021 compared to first quarter 2020, totalling €659 million, buoyed for a large part by the good commercial banking activity (+10.7% to €347 million, +16.7% excluding the foreign exchange impact) thanks to the ongoing good performance in syndicated loans (No. 2 in France[54] and No. 4 in EMEA) with a volume of EMEA syndicated loans at €9 billion in first quarter 2021, up +51% compared to first quarter 2020) and resilient margins, as well as structured financing (+8.8% to €312 million, +12.6% excluding the foreign exchange impact) with good performances for most product lines (No. 3 in Global Project Finance[55]). The drawdown rate of revolving credit facilities (RCF) returned to pre-crisis levels, at 19% in March 2021, after a peak of 32% at end April 2020.

Lastly, **Asset Servicing** (CACEIS) recorded a good level of activity this quarter. **Assets under custody** recorded strong momentum, +17% higher compared to end March 2020, totalling €4.3 trillion at end March 2021. **Assets under administration** also recorded an increase, up +21% year-on-year to €2,221 billion at end March 2021. This growth is explained both by a volume effect and a market effect.

[53] Source: Dealogic Q1 2021, in EUR
[54] Source: Thomson Financial Q1 2021
[55] Source: refinitiv (Global Project Finance Loans Bookrunners)

In **first quarter 2021**, the **underlying revenues** of the Large customers business line amounted to €1,664 million, up +12.2% compared to first quarter 2020. Gross operating income was up +5.6%. The rise in gross operating income excluding SRF was even sharper, up +25.1% vs. first quarter 2020. This strong growth derived from dynamic and balanced momentum across all business lines, as well as control over expenses excluding SRF, generating a jaws effect of 8.8 percentage points. The business line recorded a cost of risk of -€67 million, i.e. down -57.8% compared to first quarter 2020, and down -39.2% on fourth quarter 2020, thanks to the stabilisation of Stage 1 and Stage 2 provisioning for the financing activities, after a year of high amounts of provisioning for performing loans (€354 million provisioned in 2020 for Stage 1 and Stage 2 outstandings in the financing activities) as well as the reduction in the cost of risk on Stage 3 for the financing activities (at -€14 million in first quarter 2021 vs. -€81 million in first quarter 2020), related to the disposal of non-performing exposures.

The business line contributed 24% to the **underlying net income Group share** of Crédit Agricole S.A.'s core business lines (excluding the Corporate Centre division) in first quarter 2021 and 30% to **underlying revenues** excluding the Corporate Centre.

At 31 March 2021, **own funds allocated** to the business line totalled €12.4 billion and its **risk weighted assets** amounted to €130.5 billion.

Corporate and investment banking

In **first quarter 2021**, the underlying **revenues** for Corporate and Investment banking were up by +13.6% compared to first quarter 2020, at €1,366 million, once again demonstrating the resilience of CACIB's business model and the complementary fit of its activities.

Underlying operating expenses excluding SRF were up +3.1% in the quarter vs. first quarter 2020, to -€689 million, related to the rise in provisions for variable compensation, given the good performances of the activities. The jaws effect nevertheless remained very positive, +10.5 percentage points vs. first quarter 2020, and the cost/income ratio (excl. SRF) remained at a very low level of 50.5%, a 5.1 percentage point improvement compared to first quarter 2020. SRF expenses were -€294 million, a +64.8% increase compared to first quarter 2021[56]. Gross operating income was up +7.7% at €383 million. Gross operating income excluding SRF recorded very strong growth (+26.8% compared to first quarter 2020). The cost of risk fell significantly by -54.3% vs. first quarter 2020. It was -€85 million for the financing activities and mainly consisted of cost of risk for Stage 1 and 2 outstandings (-€71 million). The cost of risk for Stage 3 was significantly lower than in first quarter 2020 (down from -€81 million in first quarter 2020 to -€14 million in first quarter 2021). This one-off decrease was due to the disposal of non-performing exposures in first quarter 2021. In all, underlying net income Group share was €255 million in first quarter 2021, up +37.6% compared to first quarter 2020.

Risk-weighted assets at end March 2021 were up by +€5.4 billion compared to end December 2020 and stood at €120.4 billion. This increase is mainly explained by the impact of the targeted review of internal models (TRIM) (+€2.9 billion), rating downgrades of some exposures (+€1.2 billion) and a foreign exchange impact (€1.8 billion).

[56] *An additional SRF contribution was recorded in second quarter 2020*

Asset servicing

In first quarter 2021, underlying revenues were up by +5.8% at €298 million. Underlying operating expenses excluding SRF increased by +3.9% to €220 million under the effect of investments, some of which related to new large customers. The SRF was -€34 million, representing a +60.5% increase compared to first quarter 2021. The underlying gross operating income excluding the SRF stands at €77 million, a +11.7% increase, whereas the underlying gross operating income including the SRF decreased by -9.8% standing at €43 million. The underlying cost/income ratio in first quarter 2021 stood at 74.0% excluding the SRF, an improvement of 1.4 percentage point compared to first quarter 2020. Underlying net income totalled €23 million, up by +0.2%. After the €11 million share of Santander's non-controlling interests, the business's contribution to underlying net income Group share was stable (-0.4% year-on-year) at €23 million. Underlying net income Group share excluding the SRF posted a good level of growth, at +21.6%.

Specialised Financial Services

The **Specialised financial services** activity is supported by dynamic production in all businesses. CA Consumer Finance's **loan production** in first quarter 2021 was down compared to a very high fourth quarter 2020 (-10.5%[57]), but almost returned to the level of the 2019 high in March 2021, reaching €9.8 billion (+4.2%[57] compared to first quarter 2021). The reason for this was strong performance in China (GAC Sofinco +40.6% in first quarter 2021 compared to first quarter 2020) and good activity in France (+5.9% in first quarter 2021 compared to first quarter 2020). The production margin on amortizable loans rose by +0.1 percentage point this quarter, driven by automobile joint ventures, after destocking at car dealerships at the end of 2020. **Assets under management were stable** year-on-year but up +€600 million (+0.6%) compared to fourth quarter 2020, this time due to restocking, and reached €91.4 billion. At CAL&F, **new leasing business was stable**, thanks in particular to strong performance in Poland, and reached €1.3 billion in first quarter 2021, the same level as first quarter 2020, with an unfavourable change compared to fourth quarter 2020 (-26.9%), when it was very high and still experiencing a positive impact from production that had been postponed from second quarter 2020 due to the second lockdown. **Gross consolidated loans were up** year-on-year (+4.2% at end March 2021 compared to March 2020), driven by France and internationally by Poland in particular. Factoring activity was very good in first quarter 2021, with **factored revenues up** by +6.3% compared to first quarter 2020 both in France and internationally, especially in Germany.

Thanks to resilient revenues and very good cost control, particularly at CA Consumer Finance, **Specialised financial services** results for first quarter 2021 showed strong growth. **Gross operating income** increased (+4.5%[57] compared to first quarter 2020), and the underlying **cost/income ratio** excluding SRF improved to 52.0% (-1.5 percentage points[576057] compared to first quarter 2020). The **cost of risk** decreased significantly compared to first quarter 2020 by -31.0%[57]. As a result, in first quarter 2021, the business line's **underlying net income, Group share**, reached €158 million, an increase of +40.6%[57] compared to first quarter 2020.

The business line contributed by 14% to the underlying net income Group share of the Crédit Agricole S.A. core businesses (excluding the Corporate Centre division) in first quarter 2021 and 12% to revenues.

[57] *Excl. CA Consumer Finance NL*

Consumer finance

In first quarter 2021, CA Consumer Finance's **underlying revenues** reached €502 million, stable (+0.1%[60]) compared to first quarter 2020, due to the stability of average consolidated outstandings[60]. **Gross operating income** increased compared to first quarter 2020 (+2.3%[60]) and the **underlying cost/income ratio excluding SRF** improved by +0.7 percentage points[60] to 51.4%. The **contribution of equity-accounted entities** was stable and reached €74 million in first quarter 2021 (+3.2% compared to first quarter 2020). The **cost of risk** fell sharply compared with the previous quarter and with first quarter 2020, down -11% and -28.1%[60] respectively. The **cost of risk relative to outstandings** (in basis points over a rolling four-quarter period)[58] was 167 basis points, and the annualised quarterly cost of risk on outstandings[59] was 133 basis points. The **NPL ratio** stood at 6.6%, down -0.3 percentage point compared to December 2020. All in all, **underlying net income Group share** totalled €134 million in first quarter 2021, up +34.3%[60] on first quarter 2020.

The CA Consumer Finance **business's contribution to net income Group share** for the first quarter was 12%.

Leasing & Factoring

In **first quarter 2021**, CAL&F's underlying **revenues** were €141 million, up +10.0% compared to first quarter 2020, thanks to strong leasing performance in Poland and France. The **underlying cost/income ratio excluding SRF** stood at 53.8% this quarter, an improvement of 4.6 percentage points compared to the first quarter of 2020. The **cost of risk** fell sharply compared with the previous quarter and with first quarter 2020, down -47.9% and -48.8% respectively. CAL&F's **underlying net income Group Share** was €24 million in first quarter 2021, a twofold increase compared to first quarter 2020.

Retail Banking

Crédit Agricole S.A.'s **Retail banking** business performed strongly even though the first quarter of 2021 was still marked by restrictions. The level of outstanding loans remained high at €144.0 billion for LCL (+9.6% year-on-year) and at €46.5 billion in Italy (+5.2% year-on-year). As at 31 March 2021, state-guaranteed loan outstandings stood at €8.2 billion for LCL and €2.9 billion for CA Italia. In the end, excluding state-guaranteed loans, outstanding loans were also up year-on-year for LCL (+3.4%), driven by small business loans (+11.4%), and CA Italia experienced strong performance in home loans, with outstanding loans increasing by +6.3% year-on-year, taking the bank's market share to 9.21%, up +7 percentage points year-on-year. In France, renegotiations on LCL home loans remained stable compared to fourth quarter 2020 at €0.2 billion in outstandings, below first quarter 2020 at €0.5 billion, and still well below the high point of €5.2 billion in fourth quarter 2016. Finally, for all International retail banks excluding Italy, loan growth reached +3.1% at end March 2021 compared to end March 2020 and +3.6% excluding exchange rate impact, driven in particular by Egypt (+6%[61]), Poland (+4%[61]) and Morocco (+1%[61]), with Ukraine nonetheless recording a decline (-7%[61]). On-balance sheet deposits at LCL were up year-on-year (+11.9% March/March) in line with the increase in precautionary household savings and deposits of a portion of the state-guaranteed loans that were granted to promote corporate liquidity. Against this backdrop, demand deposits showed a rise for both individual customers (+14% March/March) and SME, small business and corporate customers (+49% March/March). At CA Italia, on-balance sheet deposits were up year-on-year (+5.4% March/March), but down in the last quarter, reflecting the commercial actions taken to optimise resources. Off-balance sheet savings increased at LCL (+7.4% March/March), including +3.2% for life insurance. CA Italia's managed deposits also rose significantly year-on-year (+16.9% March/March), driven both by the acquisition of new customers and by the redirection of savings towards investment products, both of which reflect the significant

[58] Cost of risk for the last four quarters as a proportion of the average outstandings at the beginning of the period for the last four quarters
[59] Cost of risk for the quarter multiplied by four as a proportion of the outstanding amount at the beginning of the period for the quarter
[60] Excl. CA Consumer Finance NL
[61] Excluding foreign exchange impact.

mobilisation of networks. Lastly, overall, customer assets increased year-on-year by +12.4% for all International retail banking excluding Italy and +13.3% excluding the impact of exchange rates, driven by Ukraine (+21%[61]) and Poland (+15%[61]), Morocco (+9%[61]) and Egypt (+8%[61]). The result was a surplus of deposits over loans in International retail banking outside Italy of +€2.9 billion at 31 March 2021. The equipment rate in automotive, multi-risk household, healthcare, legal or accident insurance rose to 25.9% at LCL (+0.7 percentage point compared to end March 2020) and 17.7% at CA Italia (+2.0 percentage points compared to end March 2020).

French retail banking

Underlying revenues were up +1.9% compared to first quarter 2020, to €905 million in first quarter 2021. This increase was driven by the net interest margin (+4%), supported by good refinancing conditions. Fee and commission income was stable (-0.1%), with the good performance of non-life insurance offsetting the decline in electronic payments activity, which was impacted by the sanitary crisis. Underlying expenses excluding SRF fell by -1.9% to €574 million in first quarter 2021 as investments continued, in particular with the digitalisation of customer journeys (dematerialisation of offers, online creditor insurance, electronic signature). Against this backdrop, the underlying cost/income ratio excluding SRF improved by +2.4 percentage points to 63.4%. Underlying gross operating income rose to €272 million, a +1.3% increase compared to first quarter 2020. Adjusted for SRF, underlying gross operating income rose sharply year-on-year (+9.1%). The cost of risk decreased compared to first quarter 2020 (-17.9% to -€83 million) and was stable compared to the last three quarters. All in all, underlying net income Group share was up +12.1% compared to first quarter 2020, to €116 million in first quarter 2021.

The NPL ratio remained low, standing at 1.5% (stable compared to fourth quarter 2020) and the coverage ratio remained high at 86.0% (-0.2 percentage points compared to fourth quarter 2020).

International retail banking

International retail banking revenues increased by +3.4%, thanks to the strong performance of commercial activity in Italy, to €693 million in first quarter 2021. Underlying expenses decreased by -1.5% to €415 million in first quarter 2021. As a result, underlying gross operating income increased significantly by +10.6% compared to first quarter 2020, at €258 million. Cost of risk fell -13.5% this quarter to €100 million. All in all, the underlying net income Group share of International retail banking was €79 million, up +42.2% compared to first quarter 2020.

Italy

CA Italia's revenues increased by +9.8% in first quarter 2021 compared to first quarter 2020, at €488 million. It includes a positive result in first quarter 2021 from the securities portfolio of +€24 million; excluding the portfolio result, revenues increased by +4.5% compared to first quarter 2020, thanks to the strong performance of fee and commission income received from managed savings and insurance activities. The net interest margin excluding portfolio activities was impacted by lower interest rates despite volume growth. Underlying costs excluding the contribution to SRF were very well controlled, remaining almost unchanged in first quarter 2021 compared to first quarter 2020 (+0.4% to €280 million). The underlying cost/income ratio excluding SRF improved considerably as a result by -5.4 percentage points compared to first quarter 2020, at 57.3%. The cost of risk fell by -13.6% in first quarter 2021 compared to first quarter 2020 to €71 million; in relation to outstandings, it stands at a controlled level of 60 basis points (annualised quarter) or 89 basis points on four rolling quarters, against a backdrop of a gradual ending of moratoria driven mainly by individuals. CA Italia has rolled out a series of targeted and individualised solutions for the customers affected. The NPL ratio stood at 6.2% at end March 2021, compared with 6.7% at end December 2020; the coverage ratio also improved to 61.5% at end March 2021, up +0.8 percentage points compared with end December 2020.

Crédit Agricole Group in Italy

The Group's income in Italy stood at €173 million for first quarter 2021, an improvement of +58% compared to first quarter 2020, due to the growth in operating income and the decrease in the cost of risk of the Group's subsidiaries in Italy.

International Retail Banking – excluding Italy

Underlying revenues were down -9.1% in first quarter 2021 compared to first quarter 2020 (to €206 million), due in particular to the net interest margin, which continued to be impacted by the fall in reference rates in Egypt, Poland, Ukraine and Morocco in second quarter 2020 but gradually recovered since third quarter 2020. Underlying costs were also down (-5.2% compared to first quarter 2020), but the underlying cost/income ratio (excluding SRF) of IRB excluding Italy deteriorated that quarter by 2.7 percentage points compared to first quarter 2020, standing at 66.0%. The underlying gross operating income therefore fell by -15.9%. However, the cost of risk decreased by -13.2% compared to first quarter 2020 to -€29 million. The NPL ratio remained low at 6.9% at end March 2021, up +0.4 percentage point compared to end December 2020, and the coverage ratio stands at 104%, down -5 percentage points compared to end December 2020. Lastly, underlying net income Group share stood at €19 million, i.e. a decrease of -13.0%.

By country:

- CA Poland[62]: net income was positive in first quarter 2021; the NPL ratio was 8.0% at end March 2021, up from end December 2020 due to the application of the new definition of default and the coverage ratio was 102% at end March 2021.
- CA Egypt[62]: gross operating income was stable this quarter compared to first quarter 2020; the NPL ratio remained low at 3.5% and the coverage ratio high at 154%.
- CA Ukraine[62]: gross operating income recorded a limited decline of -5.0% compared to first quarter 2020, impacted by expenses up by +2.9% related to network investments; the NPL ratio was still low at 1.5% and the coverage ratio high at 386%.
- Crédit du Maroc[62]: revenues recorded a contained decline this quarter (down -1.8% compared to first quarter 2020) in a still-difficult economic environment; the coverage ratio remained stable at 94% compared to end December 2020.

The entire Retail banking business line contributed 17% to the underlying net income Group share of Crédit Agricole S.A.'s core business lines (excluding the Corporate Centre division) in first quarter 2021 and 29% to underlying revenues excluding the Corporate Centre.

[62] *Excluding foreign exchange impact*

As of 31 March 2021, the capital allocated to the business line was €8.8 billion including €4.9 billion for French retail banking and €3.9 billion for International retail banking. Risk weighted assets totalled €92.2 billion including €51.2 billion for French retail banking and €40.9 billion for International retail banking.

Corporate Centre

The underlying net income Group share of the Corporate Centre amounted to -€210 million in the first quarter of 2021, down -16% year-on-year. An analysis of the negative contribution of the Corporate Centre looks at both the "structural" contribution (-€247 million) and other items (+€36 million).

The "structural" component is up +€45 million compared to first quarter 2020 and can be broken down into three types of activities:

- the activities and the role of the corporate centre of Crédit Agricole S.A. holding. This negative contribution reached -€260 million in first quarter 2021, up compared to first quarter of 2020 (+€33 million) due to the continued decrease in refinancing costs and temporary gains related to TLTRO III;
- the sub-divisions that are not part of the core business lines, such as CACIF (Private equity) and CA Immobilier and, since first quarter 2021, BforBank, equity-accounted as it is 50% owned by Crédit Agricole S.A. following its capital increase: their contribution of +€14 million in first quarter 2021 increased compared to first quarter 2020 (-€2 million), as a result of the revaluation of CACIF funds and significant M&A deals. BforBank's contribution was negative at -€6 million in this quarter;
- the Group's support functions: the first quarter of 2021 stands at -€1 million, down -€4 million from a year ago. Revenues remain stable (notably CAPS), but the contribution from equity affiliates is down.

"Other items" this quarter were down by -€75 million compared to first quarter 2020, which was marked by market volatility, generating a base effect for the impact of intra-group eliminations underwritten by Predica and Amundi.

As at 31 March 2021, risk weighted assets for this business line amounted to €26.8 billion.

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Financial strength

Crédit Agricole Group

As at 31 March 2021, the phased-in Common Equity Tier 1 (CET1) ratio was slightly up by +0.1 percentage points compared to the end December 2020, reaching 17.3%. Therefore, Crédit Agricole Group posted a substantial buffer of 8.4 percentage points between the level of its CET1 ratio and the 8.9% SREP requirement for Crédit Agricole Group, compared with 8.3 percentage points at 31 December 2020. Phased-in CET1 ratio restated for the stated result and dividend distribution reached 16.9%. The fully loaded ratio, in other words excluding the impact of the phasing-in of IFRS 9 incorporated in second quarter 2020 as part of the "Quick fix", was 17.0%. This quarter, the CET1 ratio benefited from the effect of stated earnings (+31 basis points) and was negatively impacted by the change in risk weighted assets (-17 basis points[63]), which increased in the Large customers business line (+€2.8 billion excluding foreign exchange impact) and in Retail banking (+€1.0 billion excluding foreign exchange impact, of which +€1.3 billion for the Regional Banks). Dividend and AT1 coupon distribution had a downward impact on the CET1 of the Crédit Agricole Group, amounting to -7 basis points. The "Methodology & regulatory effects" item contributed to the decline of the CET1 (-10 basis points, of which -9 basis points related to the targeted review of internal models or TRIM). Lastly, the "M&A, OCI and other" item impacted the ratio by +3 basis points, with a positive impact from the disposal of Bankoa (+4 basis points) and a negative impact from OCI reserves (-4 basis points linked to the rise in rates over the period). The stock of OCI reserves reached 18 basis points at 31 March 2021 (vs. 22 basis points at 31 December 2020). The phased-in leverage ratio stood at 5.9%, down -0.2 percentage point compared to end December 2020 (5.4% before exclusion of ECB exposures vs. 5.6% at end December 2020). The phased-in Tier 1 ratio stood at 18.3%, the phased-in overall ratio was 21.3%, and the phased-in average intra-quarter leverage ratio was 5.3% at 31 March 2021, before exclusion of the ECB exposures.

TLAC

The Financial Stability Board (FSB) has defined the calculation of a ratio aimed at estimating the adequacy of the bail-in and recapitalisation capacity of Global Systemically Important Banks (G-SIBs). This Total Loss Absorbing Capacity (TLAC) ratio provides resolution authorities with the means to assess whether G-SIBs have sufficient bail-in and recapitalisation capacity before and during resolution. It applies to Global Systemically Important Banks, and therefore to Crédit Agricole Group.

The elements that could absorb losses consist of equity, subordinated notes and debts to which the Resolution Authority can apply the bail-in.

The TLAC ratio requirement was transposed into European Union law *via* CRR2 and has been applicable since 27 June 2019. As from that date, Crédit Agricole Group must comply with the following requirements at all times:

- a TLAC ratio above 16% of risk weighted assets (RWA), plus – in accordance with EU directive CRD 5 – a combined capital buffer requirement (including, for the Crédit Agricole Group, a 2.5% capital conservation buffer, a 1% G-SIB buffer and the counter-cyclical buffer). Considering the combined capital buffer requirement, Crédit Agricole Group must adhere to a TLAC ratio of above 19.5% (plus the counter-cyclical buffer)
- a TLAC ratio of above 6% of the Leverage Ratio Exposure (LRE).

[63] *RWA change not including impact from OCI reserves on Equity-accounted value of insurance, exchange impact, methodology and regulatory effects and M&A effects*

As from 1 January 2022, the minimum TLAC requirements will increase to 18% of risk weighted assets – plus the combined buffer requirement at that date – and 6.75% of the leverage ratio exposure.

At 31 March 2021, **Crédit Agricole Group's TLAC ratio** stood at **25.7% of RWA and 8.3% of leverage ratio exposure, excluding eligible senior preferred debt** [64]. The TLAC ratio expressed as a percentage of risk-weighted assets increased by +20 basis points over the quarter: the increase in equity and eligible debt more than offset that of RWA. Expressed as a percentage of leverage exposure (LRE), the TLAC ratio decreases by 15 basis points compared to December 2020, in line with the strong increase in the size of the balance sheet. Without taking into account the neutralisation of Central Bank exposures, the TLAC ratio expressed in LRE would have reached 7.6% (against 7.7% at end December 2020). It exceeds the respective requirements of 19.5% of RWA (according to CRR 2/CRD 5, to which the countercyclical buffer of 0.03% as of 31 March 2021 must be added) and 6% of the leverage exposure.

Achievement of the TLAC ratio is supported by a **TLAC debt issuance programme of around €7 billion in the wholesale market in 2021.** At 31 March 2021, €2.7 billion equivalent had been issued in the market; the amount of the Crédit Agricole Group senior non-preferred debt taken into account in the computation of the TLAC ratio was €24.2 billion.

MREL

The MREL (Minimum Requirement for Own Funds and Eligible Liabilities) ratio is defined in the European "Bank Recovery and Resolution Directive" (BRRD). This Directive establishes a framework for the resolution of banks throughout the European Union, with the aim to provide resolution authorities with shared instruments and powers to pre-emptively tackle banking crises, preserve financial stability and reduce taxpayers' exposure to losses. Directive (EU) 2019/879 of 20 May 2019 known as "BRRD2" amended the BRRD and was transposed into French law by Order 2020-1636 of 21 December 2020.

The MREL ratio corresponds to an own funds and eligible liabilities buffer required to absorb losses in the event of resolution. The required minimum levels are set by decisions of resolution authorities and then communicated to each institution, then revised periodically.

In 2020, Crédit Agricole Group was notified of the revision of its total consolidated MREL requirement and of a new subordinated MREL requirement (from which senior debt are generally excluded in line with the TLAC standards). These two requirements were already met by the Group at the time of their notification. The two requirements were calibrated under BRRD and are applicable until the next notification, which will include the changes to the European regulatory framework (i.e. BRRD2).

Under BRRD, the MREL ratio is calculated as the amount of own funds and eligible liabilities expressed as a percentage of the institution's total liabilities and own funds, after certain prudential adjustments (TLOF[65]), or expressed as risk weighted assets (RWA). Regulatory capital, as well as subordinated notes, senior non-preferred debt instruments and certain senior preferred debt instruments with residual maturities of more than one year are eligible for the numerator of the MREL ratio.

Crédit Agricole Group's target is to reach a subordinated MREL ratio (excluding eligible senior preferred debt) of 24-25% of the RWAs by the end of 2022 and to maintain the subordinated MREL ratio above 8% of TLOF. This level would enable recourse to the Single Resolution Fund (subject to the decision of the resolution authority) before applying the bail-in to senior preferred debt, creating an additional layer of protection for investors in senior preferred debt.

[64] *As part of its annual resolvability assessment, Crédit Agricole Group has chosen to waive the possibility offered by Article 72b(3) of the Capital Requirements Regulation to use senior preferred debt for compliance with its TLAC requirements in 2021.*

[65] *TLOF – Total Liabilities and Own Funds, equivalent to the prudential balance sheet after netting of derivatives*

At 31 March 2021, **Crédit Agricole Group posted an estimated MREL ratio[66] of approximately 10% of the TLOF and 8.3% excluding eligible senior preferred debt.** Expressed as a percentage of risk weighted assets, Crédit Agricole Group's estimated MREL ratio was approximately **32%** at end March 2021. **It was 25.7% excluding eligible senior preferred debt.** The MTP target regarding subordinated MREL has been met since September 2020.

Under BRRD 2, given the possibility of downward adjustment, at the discretion of the resolution authority, to calibrate the MREL requirement at the subordinated level for the Crédit Agricole Group, the highest expected subordination requirement is the TLAC. The current TLAC ratio is 6.2 percentage points above the requirement at 31 March 2021 and 4.2 percentage points[67] above the expected requirement of 21.5% (+ counter-cyclical buffer) as of 1 January 2022.

Maximum Distributable Amount (MDA) trigger

The transposition of Basel regulations into European law (CRD) introduced a restriction mechanism for distribution that applies to dividends, AT1 instruments and variable compensation. The Maximum Distributable Amount (MDA, the maximum sum a bank is allowed to allocate to distributions) principle aims to place limitations on distributions in the event the latter were to result in non-compliance with combined buffer requirements.

The distance to the MDA trigger is the lowest of the respective distances to the SREP requirements in CET1 capital, Tier 1 capital and total capital.

At 31 March 2021, **Crédit Agricole Group** posted a buffer of **765 basis points above the MDA trigger, i.e. €43 billion in CET1 capital**.

At 31 March 2021, **Crédit Agricole S.A.** posted a buffer of **481 basis points above the MDA trigger, i.e. €17 billion in CET1 capital**.

Crédit Agricole S.A.

At end March 2021, Crédit Agricole S.A.'s solvency remained at a high level, with a phased-in **Common Equity Tier 1 (CET1) ratio of 12.7% (**i.e. including the impact of the IFRS 9 phasing-in incorporated in second quarter 2020 as part of the "quick fix"), down -0.4 percentage point compared to end December 2020, of which -0.2 percentage point due to the unwinding of a further 15% of the SWITCH mechanism, **or 4.8 percentage points above the SREP.** Restated for stated earnings and distribution of dividends**,** the phased-in CET1 ratio was 12.5%. The fully loaded ratio is 12.5%. The CET1 ratio benefited this quarter from the effect of the stated result, generating a positive impact of +31 basis points. The distribution of dividends and AT1 coupons contributed to the decrease in CET1 by -17 basis points (of which -14 basis points related to the dividend reserve based on a 50% pay-out policy, €0.16 at end March 2021). Risk weighted assets had a downward impact on CET1 of -20 basis points[68], and the methodology and regulatory effects impacted the CET1 by -12 basis points (of which -11 basis points related to the TRIM – targeted review of internal models). This ratio includes a negative impact of -4 basis points on the "M&A, OCIE and other" item linked in particular to the effect of OCI reserves (-9 basis points in connection with the increase of rates over the period). The stock of OCI reserves reached 38 basis points at 31 March 2021 (vs. 48 basis points at 31 December 2020). Lastly, the dismantling of a further 15% of the SWITCH mechanism impacts the ratio by -20 basis points. Finally, Crédit Agricole S.A. had a substantial buffer of 4.8 percentage points between the level of its CET1 ratio and the 7.9% SREP requirement, compared with 5.2 percentage points at 31 December 2020. The phased-in leverage ratio was 4.6% at end March 2021, down -0.3

[66] *Computation made in accordance with the BRRD applicable to the requirements in force. MREL eligible liabilities issued externally by all Group entities are included.*

[67] *On the basis of the countercyclical buffer applicable on 31 March 2021*

[68] *RWA change not including impact from OCI reserves on Equity-accounted value of insurance, exchange impact, methodology and regulatory effects, M&A effects and impact from undwinding of 15% of the SWITCH mechanism*

percentage points compared to end December 2020 (4.0% before neutralisation of ECB exposures, vs. 4.2% at end December 2020). The phased-in average intra-quarter leverage ratio was 3.9% before the neutralisation of ECB exposures, the phased-in Tier 1 ratio was 14.5% and the phased-in overall ratio was 19.0% this quarter.

Risk weighted assets amounted to €348 billion at end March 2021, up compared to end December 2020 (+3.7%). The businesses' contribution was positive in the amount of +€6.1 billion, (of which +€1.9 billion in foreign exchange impact) due to an increase in the contribution of businesses within the Large customers business line (+€2.7 billion excluding foreign exchange impact). Risk weighted assets in Retail banking also increased (+€0.4 billion excluding foreign exchange impact). The equity-accounted value of insurance had a downward impact of -€1.2 billion on the risk weighted assets in connection with the effect of the increase in rates of OCI reserves. The "Methodology & regulatory effects & M&A" item had an upward impact on risk weighted assets amounting to +€2.4 billion, the increase is mainly related to the targeted review of internal models (TRIM: +€2.9 billion). Finally, the unwinding of an additional 15% of the SWITCH mechanism impacted RWA for an amount of +€5.1 billion.

Liquidity and Funding

Liquidity is measured at Crédit Agricole Group level.

In order to provide simple, relevant and auditable information on the Group's liquidity position, the banking cash balance sheet's stable resources surplus is calculated quarterly.

The banking cash balance sheet is derived from Crédit Agricole Group's IFRS financial statements. It is based on the definition of a mapping table between the Group's IFRS financial statements and the sections of the cash balance sheet as they appear in the next table and whose definition is commonly accepted in the marketplace. It relates to the banking scope, with insurance activities being managed in accordance with their own specific prudential constraints.

Further to the breakdown of the IFRS financial statements in the sections of the cash balance sheet, netting calculations are carried out. They relate to certain assets and liabilities that have a symmetrical impact in terms of liquidity risk. Deferred taxes, fair value impacts, collective impairments, short-selling transactions and other assets and liabilities were netted for a total of €62 billion at end March 2021. Similarly, €120 billion in repos/reverse repos were eliminated insofar as these outstandings reflect the activity of the securities desk carrying out securities borrowing and lending operations that offset each other. Other nettings calculated in order to build the cash balance sheet – for an amount totalling €159 billion at end-March 2021 – relate to derivatives, margin calls, adjustment/settlement/liaison accounts and to non-liquid securities held by Corporate and Investment banking and are included in the "Customer-related trading assets" section.

Note that deposits centralised with Caisse des Dépôts et Consignations are not netted in order to build the cash balance sheet; the amount of centralised deposits (€67 billion at end March 2021) is booked to assets under "Customer-related trading assets" and to liabilities under "Customer-related funds".

In a final stage, other restatements reassign outstandings that accounting standards allocate to one section, when they are economically related to another. As such, senior issues placed through the banking networks as well as financing by the European Investment Bank, the Caisse des Dépôts et Consignations and other refinancing transactions of the same type backed by customer loans, which accounting standards would classify as "Medium long-term market funds", are reclassified as "Customer-related funds".

Note that for Central Bank refinancing transactions, outstandings related to the T-LTRO (Targeted Longer-Term Refinancing Operations) are included in “Long-term market funds”. Indeed, the T-LTRO 3 operations do not allow for early redemption at the ECB’s discretion; given their contractual maturity, they are deemed equivalent to long term secured refinancing, identical in liquidity risk terms to a secured issue.

Medium/long-term repos are also included in “Long term market funds”.

Finally, the CIB’s counterparties that are banks with which we have a commercial relationship are considered as customers in the construction of the cash balance sheet.

Standing at €1,549 billion at 31 March 2021, the Group's banking cash balance sheet shows a **surplus of stable funding resources over stable application of funds of €279 billion**, up €14 billion compared to end December 2020 and up €147 billion compared to end March 2020.

In line with initiatives already undertaken during the past quarters in connection with the COVID-19 crisis, the Group once again took part, in March 2021, in the T-LTRO 3 medium-to-long-term refinancing transactions of the European Central Bank for €19 billion[69], helping to raise its level of stable resources. Total T-LTRO 3 outstandings for the Crédit Agricole Group amounts to €152 billion[70] at 31 March 2021. *Note that the subsidy applicable to the refinancing rate for these operations is accrued over the drawdown period and that the additional subsidy for the period June 2020 to June 2021 is accrued over one year, as the Group already meets the lending trigger.*

In addition, the Group recorded a net increase in customer activity during the quarter. Funds collected increased by €17 billion, while loans and trading assets to customers increased by €22 billion.

The surplus of 279 billion euros, known as “stable resources position”, allows the Group to cover the LCR deficit generated by long term assets and stable liabilities (customer, tangible and intangible assets, long-term funds, own funds). Internal management excludes the temporary surplus of stable resources provided by the increase in T-LTRO 3 oustandings in order to secure the Medium-Term Plan target of more than €100 billion, irrespective of the future repayment strategy.

The ratio of stable resources over long term applications of funds was 124.3%, up +0.8 percentage point compared to the previous quarter.

Furthermore, given the excess liquidity, the Group remained in a short-term lending position at 31 March 2021 (central bank deposits exceeding the amount of short-term debt).

Medium-to-long-term market resources were €338 billion at 31 March 2021, up +€17 billion compared to end December 2020, and up €110 billion compared to end March 2020.

They included senior secured debt of €212 billion, senior preferred debt of €80 billion, senior non-preferred debt of €25 billion and Tier 2 securities amounting to €21 billion.

The increase in senior secured debt is explained by the Group taking part in the T-LTRO 3 transactions of the European Central Bank.

At 31 March 2021, the Group’s liquidity reserves, at market value and after haircuts, amounted to €461 billion, up +€23 billion from end December 2020 and up +€123 billion from end March 2020. They covered short-term debt more than four times over (excluding the replacements with Central Banks).

[69] Excluding FCA Bank
[70] Excluding FCA Bank

The high level of central bank deposits was the result of the replacement of significant excess liquidity: they amounted to €218 billion at 31 March 2021, up +€32 billion compared to end December 2020 and up +€84 billion compared to end March 2020.

Crédit Agricole Group also continued its efforts to maintain immediately available reserves (after recourse to ECB financing). Eligible central bank assets after haircut amounted to €101 billion, down -€1 billion compared to end December 2020 and up +€25 billion compared to end March 2020.

Credit Institutions are subject to a threshold for the LCR ratio, set at 100% on 1 January 2018.

At the end of March 2021, the numerator of the LCR ratio (including the portfolio of HQLA securities, cash and central bank deposits, excluding mandatory reserves), calculated as an average over 12 months, stood respectively at €342.8 billion for the Crédit Agricole Group and €311.0 billion for Crédit Agricole S.A.

The denominator of the ratio (representing net cash outflows), calculated as an average over 12 months, stood respectively at €217.3 billion for Crédit Agricole Group and at €202.2 billion for Crédit Agricole S.A.

The average LCR ratios over 12 months for the Crédit Agricole Group and Crédit Agricole S.A. were 157.7% and 153.8%, respectively, at end March 2021. They exceeded the Medium-Term Plan target of around 110%.

The end of period LCR ratios at 31 March 2021 were respectively 185.9% for Crédit Agricole Group and 162.4% for Crédit Agricole S.A.

In the context of the COVID-19 health crisis, the increase in the level of LCR ratios of Crédit Agricole Group and Crédit Agricole S.A. was in line with the recourse of the Group to T-LTRO 3 drawings from the central bank.

The Group continues to follow a prudent policy as regards medium-to-long-term refinancing, with a very diversified access to markets in terms of investor base and products**.**

At end March 2021, the Group's main issuers raised the equivalent of €8.9 billion[71] **in medium-to-long-term debt on the markets**, 33% of which was issued by Crédit Agricole S.A. To be noted that:

- Crédit Agricole Italia issued its first 12-year "Green" Covered Bond for €500 million.
- Crédit Agricole next bank (Switzerland) completed a second 10-year covered bond issue for CHF 200 million (settlement in April);

In addition, €1.0 billion was also borrowed from national and supranational organisations or placed in the Group's retail banking networks (Regional Banks, LCL, CA Italia) and other external retail networks at 2021.

At end April, Crédit Agricole completed 44% of its medium-long term financing programme of €9 billion on the markets for the year 2021 (including €7 billion in non-preferred senior debt or Tier 2 debt)**.**

The bank raised the equivalent of €4.0 billion[72], including €2.2 billion in senior non-preferred debt and €1.5 billion in Tier 2 debt, as well as €0.2 billion in senior preferred debt. The funding is diversified with various formats and currencies (EUR, USD, AUD, CNY, CHF).

[71] Gross amount before buy-back and amortisation
[72] Gross amount before buy-back and amortisation

In addition, Crédit Agricole S.A. announced the exercise of the redemption option of the AT1 6.5% €1 billion issuance (ISIN code: XS1055037177) for the 23 June 2021.

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

Crédit Agricole Group - Specific items, Q1-21 et Q1-20

€m	Q1-21 Gross impact*	Q1-21 Impact on Net income	Q1-20 Gross impact*	Q1-20 Impact on Net income
DVA (LC)	8	6	(19)	(14)
Loan portfolio hedges (LC)	(7)	(5)	123	83
Home Purchase Savings Plans (LCL)	(12)	(9)	(11)	(8)
Home Purchase Savings Plans (CC)	(4)	(3)	(29)	(20)
Home Purchase Savings Plans (RB)	(18)	(13)	(75)	(51)
Total impact on revenues	**(33)**	**(23)**	**(12)**	**(9)**
Covid-19 donation (AG)	-	-	(38)	(38)
Covid-19 donation (IRB)	-	-	(8)	(4)
Covid-19 donation (CC)	-	-	(10)	(10)
Covid-19 donation (RB)	-	-	(10)	(10)
S3 / Kas Bank integration costs (LC)	(4)	(2)	(4)	(2)
Total impact on operating expenses	**(4)**	**(2)**	**(70)**	**(64)**
Restatement SRF2016-2020 (RB)	55	55	-	-
Restatement SRF2016-2020 (CC)	130	130	-	-
Total impact on SRF	**185**	**185**	**-**	**-**
Ongoing sale project (WM)	(5)	(5)	-	-
Total impact on Net income from discounted or held-for-sale operations	**(5)**	**(5)**	**-**	**-**
Total impact of specific items	**143**	**154**	**(82)**	**(73)**
Asset gathering	**(5)**	**(5)**	**(38)**	**(38)**
French Retail banking	**24**	**33**	**(96)**	**(68)**
International Retail banking	**-**	**-**	**(8)**	**(4)**
Specialised financial services	**-**	**-**	**-**	**-**
Large customers	**(3)**	**(1)**	**100**	**67**
Corporate centre	**126**	**127**	**(39)**	**(30)**

** Impact before tax and before minority interests*

Crédit Agricole S.A. - Specific items, Q1-21 and Q1-20

€m	Q1-21		Q1-20	
	Gross impact*	Impact on Net income	Gross impact*	Impact on Net income
DVA (LC)	8	6	(19)	(14)
Loan portfolio hedges (LC)	(7)	(5)	123	81
Home Purchase Savings Plans (FRB)	(12)	(8)	(11)	(7)
Home Purchase Savings Plans (CC)	(4)	(3)	(29)	(20)
Total impact on revenues	**(15)**	**(10)**	**63**	**40**
Covid-19 donation (AG)	-	-	(38)	(38)
Covid-19 donation (IRB)	-	-	(8)	(4)
Covid-19 donation (CC)	-	-	(10)	(10)
S3 / Kas Bank integration costs (LC)	(4)	(2)	(4)	(2)
Total impact on operating expenses	**(4)**	**(2)**	**(60)**	**(54)**
Restatement SRF2016-2020	130	130	-	-
Total impact on SRF	**130**	**130**	**-**	**-**
Ongoing sale project (WM)	(5)	(5)	-	-
Total impact on Net income from discounted or held-for-sale operations	**(5)**	**(5)**	**-**	**-**
Total impact of specific items	***106***	***113***	***3***	***(14)***
Asset gathering	***(5)***	***(5)***	***(38)***	***(38)***
French Retail banking	***(12)***	***(8)***	***(11)***	***(7)***
International Retail banking	***-***	***-***	***(8)***	***(4)***
Specialised financial services	***-***	***-***	***-***	***-***
Large customers	***(3)***	***(1)***	***100***	***66***
Corporate centre	***126***	***127***	***(39)***	***(30)***

** Impact before tax and before minority interests*

Appendix 2 – Credit Agricole Group: results by business lines

Crédit Agricole Group: Contribution by business line - Q1-2021 & Q1-2020

	Q1-21 (stated)							
€m	RB	LCL	IRB	AG	SFS	LC	CC	Total
Revenues	**3,536**	**893**	**711**	**1,582**	**644**	**1,664**	**20**	**9,049**
Operating expenses excl. SRF	(2,267)	(574)	(428)	(783)	(334)	(913)	(204)	(5,505)
SRF	(87)	(59)	(20)	(7)	(24)	(328)	58	(467)
Gross operating income	**1,183**	**260**	**262**	**792**	**285**	**422**	**(127)**	**3,078**
Cost of risk	(153)	(83)	(99)	(7)	(127)	(67)	1	(537)
Cost of legal risk	-	-	-	-	-	-	-	-
Equity-accounted entities	0	-	-	18	74	2	-	94
Net income on other assets	10	0	2	1	(0)	0	(0)	13
Income before tax	**1,040**	**178**	**165**	**804**	**232**	**357**	**(126)**	**2,648**
Tax	(342)	(65)	(51)	(179)	(50)	(66)	32	(720)
Net income from discont'd or held-for-sale ope.	-	-	(1)	(5)	-	-	-	(6)
Net income	**697**	**113**	**113**	**620**	**182**	**291**	**(94)**	**1,921**
Non controlling interests	(0)	(0)	(23)	(109)	(24)	(10)	(2)	(168)
Net income Group Share	**697**	**113**	**91**	**510**	**158**	**281**	**(96)**	**1,754**

	Q1-20 (stated)							
€m	RB	LCL	AG	IRB	SFS	LC	CC	Total
Revenues	**3,160**	**877**	**1,334**	**696**	**647**	**1,589**	**64**	**8,366**
Operating expenses excl. SRF	(2,263)	(585)	(806)	(450)	(352)	(884)	(208)	(5,548)
SRF	(94)	(35)	(7)	(16)	(20)	(200)	(83)	(454)
Gross operating income	**803**	**258**	**521**	**230**	**275**	**505**	**(228)**	**2,363**
Cost of risk	(307)	(101)	(19)	(117)	(190)	(160)	(37)	(930)
Cost of legal risk	-	-	-	-	-	-	-	-
Equity-accounted entities	3	-	14	-	72	2	-	91
Net income on other assets	0	0	4	1	0	(0)	0	5
Income before tax	**499**	**157**	**519**	**114**	**157**	**347**	**(264)**	**1,530**
Tax	(238)	(56)	(126)	(38)	(29)	(56)	63	(481)
Net income from discont'd or held-for-sale ope.	-	-	-	(0)	-	-	-	(0)
Net income	**261**	**101**	**393**	**76**	**128**	**290**	**(202)**	**1,048**
Non controlling interests	(1)	(0)	(62)	(17)	(19)	(10)	(30)	(140)
Net income Group Share	**260**	**100**	**331**	**59**	**109**	**280**	**(232)**	**908**

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

Crédit Agricole S.A.: Contribution by business line - Q1-21 & Q1-20

	Q1-21 (stated)						
€m	AG	FRB (LCL)	IRB	SFS	LC	CC	Total
Revenues	**1,584**	**893**	**693**	**644**	**1,665**	**14**	**5,493**
Operating expenses excl. SRF	(783)	(574)	(415)	(334)	(913)	(176)	(3,197)
SRF	(7)	(59)	(20)	(24)	(328)	58	(380)
Gross operating income	**793**	**260**	**258**	**285**	**423**	**(104)**	**1,916**
Cost of risk	(7)	(83)	(100)	(127)	(67)	1	(384)
Equity-accounted entities	18	-	-	74	2	(7)	87
Net income on other assets	1	0	2	(0)	0	(0)	3
Change in value of goodwill	-	-	-	-	-	-	-
Income before tax	**805**	**178**	**160**	**232**	**358**	**(110)**	**1,622**
Tax	(179)	(65)	(50)	(50)	(66)	31	(378)
Net income from discontinued or held-for-sale operations	(5)	-	(1)	-	-	-	(6)
Net income	**621**	**113**	**109**	**182**	**292**	**(79)**	**1,238**
Non controlling interests	(114)	(5)	(30)	(24)	(16)	(4)	(193)
Net income Group Share	**507**	**108**	**79**	**158**	**276**	**(83)**	**1,045**

	Q1-20 (stated)						
€m	AG	FRB (LCL)	IRB	SFS	LC	CC	Total
Revenues	**1,320**	**877**	**670**	**647**	**1,587**	**99**	**5,200**
Operating expenses excl. SRF	(806)	(585)	(430)	(352)	(884)	(198)	(3,254)
SRF	(7)	(35)	(16)	(20)	(200)	(83)	(360)
Gross operating income	**507**	**258**	**225**	**275**	**503**	**(182)**	**1,586**
Cost of risk	(19)	(101)	(115)	(190)	(160)	(36)	(621)
Equity-accounted entities	14	-	-	72	2	3	90
Net income on other assets	4	0	1	0	(0)	0	5
Change in value of goodwill	-	-	-	-	-	-	-
Income before tax	**505**	**157**	**111**	**157**	**345**	**(216)**	**1,060**
Tax	(122)	(56)	(37)	(29)	(56)	39	(261)
Net income from discontinued or held-for-sale operations	-	-	(0)	-	-	-	(0)
Net income	**383**	**101**	**74**	**128**	**289**	**(176)**	**799**
Non controlling interests	(65)	(5)	(22)	(19)	(16)	(34)	(161)
Net income Group Share	**318**	**96**	**52**	**109**	**273**	**(210)**	**638**

Appendix 4 – Methods used to calculate earnings per share, net asset value per share

Crédit Agricole S.A. – Methods used to calculate earnings per share, net asset value per share

(€m)		Q1-21	Q1-20	∆ Q1/Q1
Net income Group share - stated		1,045	638	+63.9%
- Interests on AT1, including issuance costs, before tax		(114)	(157)	(27.4%)
NIGS attributable to ordinary shares - stated	[A]	931	481	+93.8%
Average number shares in issue, excluding treasury shares (m)	[B]	2,915.7	2,883.1	+1.1%
Net earnings per share - stated	**[A]/[B]**	**0.32 €**	**0.17 €**	**+91.6%**
Underlying net income Group share (NIGS)		932	652	+43.1%
Underlying NIGS attributable to ordinary shares	[C]	818	495	+65.5%
Net earnings per share - underlying	**[C]/[B]**	**0.28 €**	**0.17 €**	**+63.6%**

(€m)		31/03/2021	31/12/2020
Shareholder's equity Group share		65,709	65,217
- AT1 issuances		(5,882)	(5,888)
- Unrealised gains and losses on OCI - Group share		(2,482)	(3,083)
- Payout assumption on annual results*		(914)	(914)
Net book value (NBV), not revaluated, attributable to ordin. sh.	**[D]**	**56,431**	**55,333**
- Goodwill & intangibles** - Group share		(17,476)	(17,488)
Tangible NBV (TNBV), not revaluated attrib. to ordinary sh.	**[E]**	**38,955**	**37,844**
Total shares in issue, excluding treasury shares (period end, m)	[F]	2,916.0	2,915.6
NBV per share , after deduction of dividend to pay (€)	[D]/[F]	19.4 €	19.0 €
+ Dividend to pay (€)	[H]	0.31 €	0.31 €[73]
NBV per share , before deduction of dividend to pay (€)		19.7 €	19.3 €
TNBV per share, after deduction of dividend to pay (€)	[G]=[E]/[F]	13.4 €	13.0 €
TNBV per sh., before deduct. of divid. to pay (€)	[G]+[H]	13.7 €	13.3 €

** dividend proposed to the Board meeting to be paid*
*** including goodwill in the equity-accounted entities*

[73] *0,31€ correspond to the cash distribution.*

Alternative Performance Indicators

NBV Net Book Value not revaluated

The Net Book Value not revaluated corresponds to the shareholders' equity Group share from which the amount of the AT1 issues, the unrealised gains and/or losses on OCI Group share and the pay out assumption on annual results have been deducted.

NBV per share Net Book Value per share/ - NTBV per share Net Tangible Book Value per share

One of the methods for calculating the value of a share. This represents the Net Book Value divided by the number of shares in issue at end of period, excluding treasury shares.

Net Tangible Book Value per share represents the Net Book Value after deduction of intangible assets and goodwill, divided by the number of shares in issue at end of period, excluding treasury shares.

EPS Earnings Per Share

This is the net income Group share, from which the AT1 coupon has been deducted, divided by the average number of shares in issue excluding treasury shares. It indicates the portion of profit attributable to each share (not the portion of earnings paid out to each shareholder, which is the dividend). It may decrease, assuming the net income Group share remains unchanged, if the number of shares increases.

Cost/income ratio

The cost/income ratio is calculated by dividing operating expenses by revenues, indicating the proportion of revenues needed to cover operating expenses.

Cost of risk/outstandings

Calculated by dividing the cost of credit risk (over four quarters on a rolling basis) by outstandings (over an average of the past four quarters, beginning of the period). It can also be calculated by dividing the annualised cost of credit risk for the quarter by outstandings at the beginning of the quarter. Similarly, the cost of risk for the period can be annualised and divided by the average outstandings at the beginning of the period. Since the first quarter of 2019, the outstandings taken into account are the customer outstandings, before allocations to provisions. The calculation method for the indicator is specified each time the indicator is used.

Doubtful loan

Defaulting loan. The debtor is considered to be in default when at least one of the following conditions has been met:

- a payment generally more than ninety days past due, unless specific circumstances point to the fact that the delay is due to reasons independant of the debtor's financial situation;
- the entity believes that the debtor is unlikely to settle its credit obligations unless it avails itself of certain measures such as enforcement of collateral secutirty right.

Impaired loan

Loan which has been provisioned due to a risk of non-repayment.

Impaired (or non-performing) loan coverage ratio

This ratio divides the outstanding provisions by the impaired gross customer outstandings.

Impaired (or non-performing) loan ratio

This ratio divides the gross customer outstandings depreciated on an individual basis, before provisions, by the total gross customer outstandings.

Net income Group share *NIGS*

Net income/(loss) for the financial year (after corporate income tax). Equal to net income less the share attributable to non-controlling interests in fully consolidated subsidiaries.

Underlying NIGS (Net Income Group Share)

The underlying net income Group share represents the stated net income Group share from which specific items have been deducted (i.e. non-recurring or exceptional items).

NIGS attributable to ordinary share

The net income Group share attributable to ordinary shares represents the net income Group share from which the AT1 coupon has been deducted, including issuing costs before tax.

RoTE Return on Tangible Equity

The RoTE (Return on Tangible Equity) measures the return on tangible capital by dividing the NIGS by the group's NBV net of intangibles and goodwill.

Disclaimer

The financial information on Crédit Agricole S.A. and Crédit Agricole Group for first quarter 2021 comprises this presentation and the attached appendices and press release which are available on the website: https://www.credit-agricole.com/en/finance/finance/financial-publications.

This presentation may include prospective information on the Group, supplied as information on trends. This data does not represent forecasts within the meaning of EU Delegated Act 2019/980 of 14 March 2019 (chapter 1, article 1, d).

This information was developed from scenarios based on a number of economic assumptions for a given competitive and regulatory environment. Therefore, these assumptions are by nature subject to random factors that could cause actual results to differ from projections. Likewise, the financial statements are based on estimates, particularly in calculating market value and asset impairment.

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

Applicable standards and comparability

The figures presented for the three-month period ending 31 March 2021 have been prepared in accordance with IFRS as adopted in the European Union and applicable at that date, and with prudential regulations currently in force. This financial information does not constitute a set of financial statements for an interim period as defined by IAS 34 "Interim Financial Reporting" and has not been audited.

Note: The scopes of consolidation of the Crédit Agricole S.A. and Crédit Agricole Groups have not changed materially since the Crédit Agricole S.A. 2020 Universal Registration Document and its A.01 update (including all regulatory information about the Crédit Agricole Group) were filed with the AMF (the French Financial Markets Authority).

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

On 30 June 2020, once all necessary regulatory approvals were secured, Amundi acquired the entire share capital of Sabadell Asset Management.

Financial Agenda

12 May 2021	Closed session annual General Meeting
5 August 2021	Publication of the 2021 second quarter and the first half year results
10 November 2021	Publication of the 2021 third quarter and first 9 months results

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