




Our strengths combined
| 2003 annual report



CRÉDIT AGRICOLE S.A.



Our strengths combined
| 2003 business review



CRÉDIT AGRICOLE S.A.

The Crédit Agricole group	>
Combining power with proximity, unity with decentralisation	
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AMF

Only the French language version of the shelf-registration document has been submitted to the AMF. It is therefore the only version that is binding in law. Crédit Agricole S.A.'s shelf-registration document comprises this document, together with the '2003 financial statements and legal and administrative information'. In accordance with COB regulation 98-01, this shelf-registration document was registered with the AMF on 4 May 2004 under number R.04-073. It may not be used in support of a financial transaction unless it is accompanied by a transaction note also approved by the AMF. This shelf-registration document has been drafted by the issuer and is the responsibility of its signatories. It was registered following a review of the relevance and consistency of the information provided on the company's financial position. However, this registration does not imply that the accounting and financial items shown have been verified.

The Crédit Agricole group

Combining power with proximity, unity with decentralisation

A bank with mutual roots

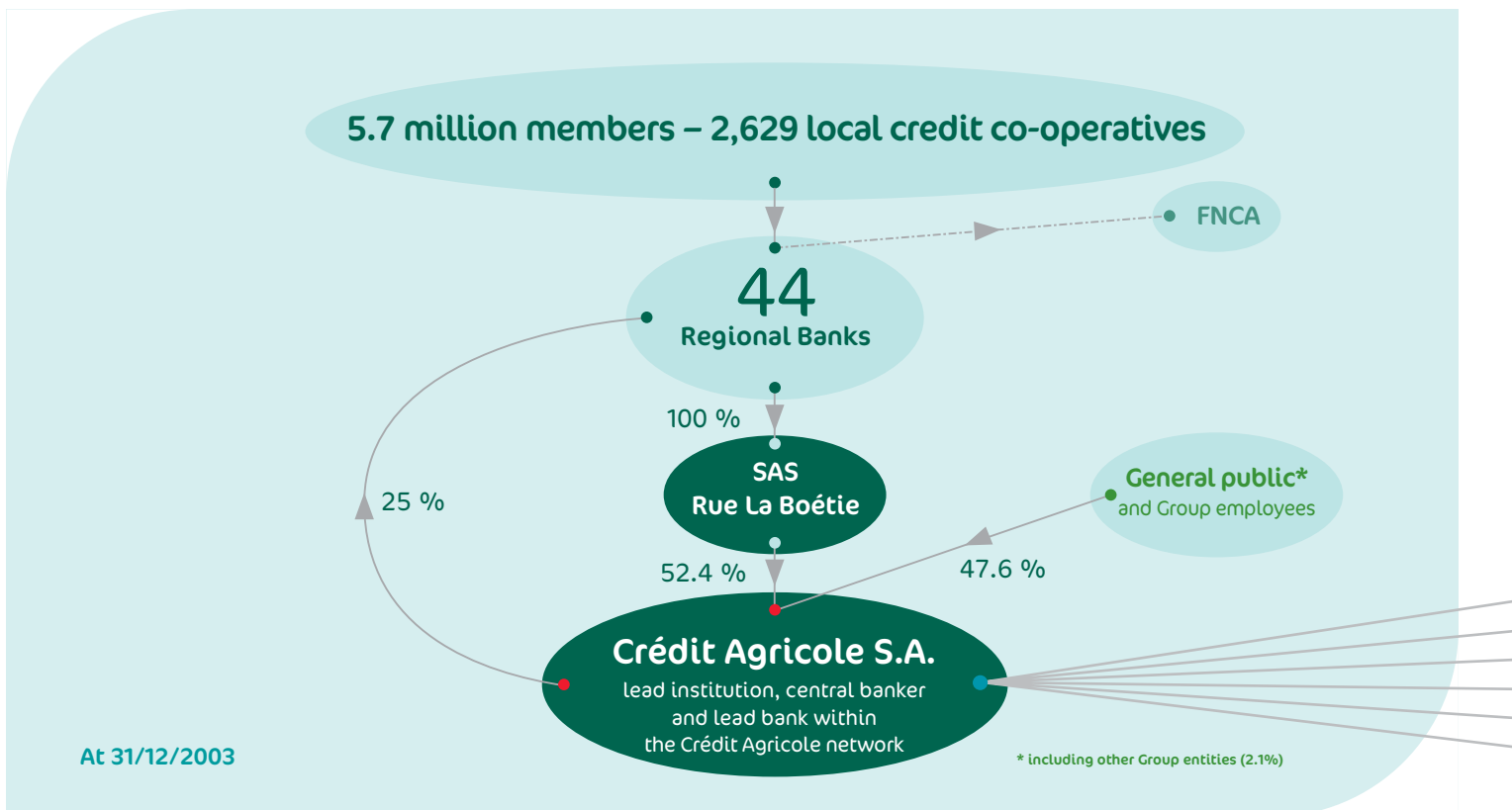
Crédit Agricole is France's largest bank, and is one of the largest in the world in terms of capital. It has a unified yet decentralised organisation, handling financial, commercial and legal issues in a cohesive manner, while encouraging decentralised responsibility.

Crédit Agricole's 2,629 local credit co-operatives (Caisses Locales) form the bedrock of the Group's mutual organisation. With 5.7 million members and 35,000 directors, they play a key part in maintaining a strong local presence and close relationships between the Group and its customers. The local credit co-operatives hold the bulk of the capital of the Regional Banks, which are co-operative entities and fully-fledged banks. The Regional Banks, via SAS Rue La Boétie, hold a majority stake in Crédit Agricole S.A.'s capital.

The Fédération Nationale du Crédit Agricole (FNCA) acts as a consultative and representative body, and as a means of expression for the Regional Banks.

As a result of Crédit Agricole's desire to embrace the market while strengthening its mutual identity, Crédit Agricole S.A. was floated on the stock market in December 2001. Crédit Agricole S.A. represents all Group business lines and entities, and has three main roles within the Group, i.e. lead institution, central banker and the entity responsible for ensuring consistent commercial development. Crédit Agricole S.A. owns 25% of the Regional Banks' capital and 94.8%* of Crédit Lyonnais, along with all Group interests in foreign banks and operating subsidiaries specialising in particular business lines.

* The Regional Banks, via SACAM Développement, own a further 5.1% stake in Crédit Lyonnais.



€ 63.6 billion – 2003 shareholders' equity (including preferred shares, fund for general banking risks and subordinated debt)

€ 875 billion
2003 total asset

44 Regional Banks



A major universal retail bank

After its successful offer for Crédit Lyonnais in 2003 and the combination of the two groups, Crédit Agricole has strengthened its positions in all business lines. The strong market positions built up by the Regional Banks and the excellent fit between the two networks, in terms of both geographical location and customer profile, are enabling Crédit Agricole to extend its lead in the French retail banking market.

With 7,260 branches, the Regional Banks control France's largest banking network, serving 16.1 million individual, professional and small business customers. The network combines a dynamic commercial approach with strong local relationship and high-quality service, and represents a major competitive advantage.

Crédit Lyonnais, meanwhile, has a well-known and well-liked brand, along with a high-quality network of 1,850 branches.

Overall, therefore, the Group serves over 21 million customers through more than 9,100 branches.

In addition, the Group's leading positions in consumer finance and other specialised financial services – life and non-life insurance, asset management and private banking – form the basis of a new universal retail banking model, with the emphasis on service quality.

A leading european bank, with operations worldwide

Crédit Agricole has a targeted strategy of expansion outside France. Today, the Group operates in 66 countries, and has built a genuinely pan-European business out of its principal subsidiaries and a network of strategic alliances and partnerships with major European banks.

Calyon, which is to be formed in May 2004 from the combination of Crédit Agricole Indosuez and the corresponding Crédit Lyonnais activities, brings together the Group's corporate and investment banking businesses. In most of its business lines, Calyon is one of Europe's leading players, and offers a wide range of products and services to companies both in France and abroad.

- French retail banking – Crédit Agricole Regional Banks
- French retail banking – Crédit Lyonnais
- Specialised financial services (consumer finance, leasing, factoring)
- Asset management, insurance and private banking
- Corporate and investment banking
- International retail banking

10.5% 2003 international solvency ratio
(Tier 1: 7.6%)

Operations in **66** countries

A powerful Group:

leader in France with a European dimension

Crédit Agricole S.A. is the foremost high street bank in France, thanks to the leading positions acquired over many years by the Regional Banks. A successful outcome to its friendly offer for Crédit Lyonnais has further strengthened this supremacy, supported by the very solid positions of its asset management, insurance and specialised financial services subsidiaries

Foremost high street bank in France:

With over 21 million customers and 9,100 branches managed by the Regional Banks of Crédit Agricole and the network of Crédit Lyonnais, Crédit Agricole has over 24% of the personal banking market in France.

Leader in asset gathering:

Number one in France by assets under management, with a total of € 380 billion managed by the asset management, insurance and private banking divisions.
Number two in life insurance.

Leader in specialised financial services:

French number one in consumer finance and factoring, and number two in equipment leasing.

Front-ranking European player in corporate and investment banking:

Aircraft and shipping finance: among the world leaders.

Project finance: world number one.

Equity brokerage: European number one in French equities and number two in Asia.

The new Group, drawing on its powerful financial base, is built on a pillar of common values that will drive its future growth: a winning spirit, an experienced workforce and a strongly-anchored local presence.

Long-term credit rating:

Moody's	Aa2
Standard & Poor's	AA-
FitchRatings	AA

€31.7 billion at 12 March 2004

Market capitalisation:

Crédit Agricole S.A. employs over **63,000** people

Message from the Chairman and the Chief Executive Officer

2003 was a year of exceptional growth for the Crédit Agricole group, with three major successes: our friendly bid for Crédit Lyonnais, the acquisition of Finaref and strong growth in all our business activities.

External growth on an unprecedented scale

Our friendly bid for Crédit Lyonnais, which ran throughout the first half of the year, reached an undeniably successful conclusion in June 2003. Since then, the integration process has moved ahead quickly.

This is no ordinary merger or business combination. It is of a size and scale unprecedented in Europe, involving a very large number of merger operations. Its main aim is to combine businesses that are common to both groups.

Throughout the second half of 2003, some 2,000 staff worked on this project, from defining the target structures to planning the mergers (the largest of which are due for completion by June 2004). These staff were divided into 250 working groups and sub-groups. The entire planning phase has now been completed. Following a series of consultations and negotiations with employee representatives, the Group has moved ahead with its legal reorganisation. At the same time, all major decisions regarding information systems have been made and Crédit Agricole has adopted a relocation policy that aims to group employees together by business line. The implementation phase for this project began in early 2004.

Meanwhile the integration of Finaref – acquired in February 2003 – has been completed under excellent conditions. The Group is now the leading consumer finance player in France and has significantly strengthened its position in Europe.

Exceptionally good operating performances

All the Group's business segments delivered highly satisfactory results in 2003. This performance illustrates Crédit Agricole S.A.'s ability to handle an integration of unprecedented scale while continuing to strengthen its business operations and results.

In this respect, the Group delivered a very strong operating performance. Gross operating income was up 29.5% to € 3,832 million, driven by a 9.1% increase in net banking income, while operating expenses remained under control (up 2.2%). Pre-tax income rose by 38.6% to € 3,518 million.

All the Group's business lines contributed to these highly positive trends:

- the Crédit Agricole Regional Banks and the Crédit Lyonnais network demonstrated a strong commercial impetus;
- the consumer credit business continued to grow rapidly;
- net new inflows grew firmly in asset gathering;

Jean Laurent – Chief Executive Officer



René Carron – Chairman



- the corporate and investment banking business saw a strong rise in operating income;
- the contribution from international retail banking recovered sharply.

2003 results also reflect the initial impact of integration-related costs, which amounted to € 513 million before tax.

These excellent results were accompanied by a strengthening of the Group's financial structure. The international solvency ratio stood at 8.9% and the Tier 1 ratio at 7.9%.

Continued reorganisation

During the year, Crédit Agricole S.A. also reorganised its financial relations with the Regional Banks, to provide them with greater management flexibility and responsibility.

We have entered 2004 – which will be a real year of transition – with two key objectives. The first is to consolidate on our excellent earnings dynamics, the second to bring our integration project to a successful conclusion by continuing with the necessary reorganisation and rationalisation.

We can draw powerful comfort in this respect from the results achieved in 2003. They bear out the merits of our business model, which we have chosen: a solid retail banking platform, with the Regional Banks of Crédit Agricole and the retail bank of Crédit Lyonnais, supported by subsidiaries specialising in financial services and asset gathering, together with a subsidiary devoted to providing specialist advice, services and complex financing solutions to large corporate and institutional clients.

This business model remains true to the mutualist values that have underpinned Crédit Agricole's success throughout the years: proximity and responsibility. It also incorporates the undertakings we have made to our employees, who have given their full and unqualified commitment to this ambitious venture. It is also based on the support given by our shareholders, who support our long-lasting and profitable growth project.

Jean Laurent



René Carron



A powerful Group

2003: an ambitious project becomes reality

Since 4 August 2003, the Crédit Agricole group has owned more than 99% of Crédit Lyonnais, following the successful outcome of a friendly takeover bid first announced on 16 December 2002. This venture, which is the result of a project nurtured since 1999 and of three years of partnership, has given rise to the foremost high street bank in France, with a strong European dimension, effective and competitive in all its businesses. Crédit Agricole and Crédit Lyonnais share a long tradition in universal banking, a solid and profitable business which today forms the backbone of the new group and the foundations for its future growth.

The new Group's business lines

The new Group is a front-rank player in the French banking market, with a very strong position in retail banking and related activities.

Retail banking

The Crédit Lyonnais branch network further strengthens the Crédit Agricole group's already foremost position in the French retail banking market. This new combination, which is both highly effective and competitive, provides an excellent fit in terms of geographical location and customer type. Together, they have an impressive business franchise, with 9,100 branches serving more than 21 million individual and professional customers.

Specialised financial services

The new Group has some first-rate positions in consumer finance, where it is number one in France with a customer base of 25 million people, and in factoring. It is number two in France in equipment leasing.

Asset gathering

With € 380 billion in assets under management and a strong reputation for quality, the new Group is French number one in mutual funds, leading French bancassurer

and number two in life insurance, with almost 15% of the market. It also has a much strengthened position in European private banking.

Corporate and investment banking

In early May 2004, the Group will create a new corporate and investment banking subsidiary called Calyon to house the business of Crédit Agricole Indosuez and the corporate and investment banking activities of Crédit Lyonnais. Calyon will be among the leading European players in this business, providing broader and more effective coverage of the large corporate market.

International retail banking

The new Group has a strong presence in the Southern European countries, particularly Italy and Portugal, through substantial shareholdings in leading domestic banking groups. It also has a number of subsidiaries in the Middle East and Africa.

The leading principles: a decentralised European Group

Through its own operations and its partnerships, the new Group has a strong across-the-board European presence, from consumer finance and factoring through to corporate & investment banking and private banking.

True to Crédit Agricole's founding principle, the new Group will remain a decentralised organisation, a tried and tested formula which has more than proved its worth over the years. Decentralised decision-making in customer relationships and in the management of the Regional Banks and of the subsidiaries encourages a more dynamic commercial approach and greater accountability in each business unit.

Structuring the new Group

The foundations of the new Group were laid in 2003, as soon as the offer for Crédit Lyonnais closed. The integration process involves three key stages: appointing key managers, defining target structures and implementing action plans.

Key managers: 500 managers already appointed in the Autumn

The 16 Executive Committee members were appointed in mid-June. In late July, some 100 senior managers were appointed across all business segments, and work groups were launched to steer the integration process. By Autumn 2003, over 400 more key appointments had been made.

At the same time, 250 work groups comprising 2,000 people began work on defining the objectives, resources and time frame required for integration. Their mission was to define clearly and precisely for each business segment or support function a target organisation and an action plan for achieving it, taking account of timing commitments and announced synergy targets.

Organisational structure: decision to combine units with the same business activities

Under the Group's target structure, it was decided to integrate Crédit Lyonnais' activities on a business line by business line basis, and to ensure that the new Group's legal structure reflects the business segments that will underpin its future growth and development.

The process of merging its specialised subsidiaries in the same business activities, such as Sofinco and Finalion in consumer finance, Lixxbail and Ucabail in lease finance, CA-AM and CLAM in asset management, and Predica and UAF in life insurance, should be completed in the first few months of 2004. In addition, Crédit Lyonnais' corporate and investment banking activities will be transferred to Crédit Agricole Indosuez in late April 2004, to create Calyon. Lastly, Crédit Lyonnais will refocus its activities on retail banking.

Resources: ambitious projects

The Group drew up a blueprint for its operational premises in Autumn 2003, with the aim of rationalising its geographical locations. This decision was taken rapidly, partly to improve business performance but also to create a more cohesive group. The first people to relocate in the first half of 2004 will be the asset management, insurance, specialised financial services and central support teams. The Group is also rationalising its information systems. Each business segment has determined the information systems structure most suitable for its activities, guided by the target synergies. Twenty major IT projects covering all business segments were launched in February 2004.

A profitable and financially robust Group

The new Group's plans for growth are based on an in-depth analysis of ways and means to improve profitability and consolidate its financial structure. Three tools will be used to control operating costs: reducing the cost of technical platforms, careful staff management and rationalisation of organisation structures.

These measures, linked with targeted growth in revenues and optimum capital allocation should enable Crédit Agricole S.A. to raise RoE to 15% by 2006, excluding goodwill amortisation and synergy-related costs, once all target synergies have been achieved (€ 760 million to be reached in 2006).

The new Group has a robust financial structure. With € 47 billion in capital, it ranks among the leading European banks, and has an international solvency ratio of 8.9% and a Tier One ratio of 7.9%.

Timetable

16 December 2002: Crédit Agricole files a mixed cash-and-share offer for Crédit Lyonnais

23 December 2002: Offer declared admissible by Conseil des Marchés Financiers (CMF)

13 March 2003: Banking supervisory authorities (CECEI) approve the offer, subject to certain conditions

27 March 2003: CMF gives official approval announcing the opening of the offer; a trade union lodges a complaint against the CECEI's conditional approval of the tie-up

28 March 2003: Offer opens

16 May 2003: The Conseil d'État upholds the CECEI's approval but overrules its conditions

26 May 2003: Offer closes

6 June 2003: Outcome of the offer: 97.45% of the shares tendered to the offer

19 June 2003: Settlement and delivery of the shares

21 July 2003: Buyout offer for the remaining Crédit Lyonnais shares opens

1 August 2003: Buyout offer for the remaining Crédit Lyonnais shares closes

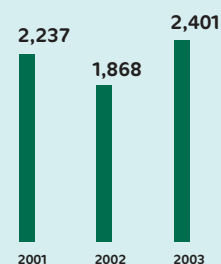
4 August 2003: Compulsory buyout of all remaining Crédit Lyonnais not tendered to the offer, at a price of € 56 per share

2003 pro forma key figures

Strong earnings growth

in millions of euros	2001	2002	2003
Net banking income	12,608	11,659	12,721
Gross operating income	3,488	2,959	3,832
Risk-related cost	(1,049)	(770)	(1,121)
Pre-tax income	3,177	2,539	3,518
Net income-Group share	1,609	1,246	1,140

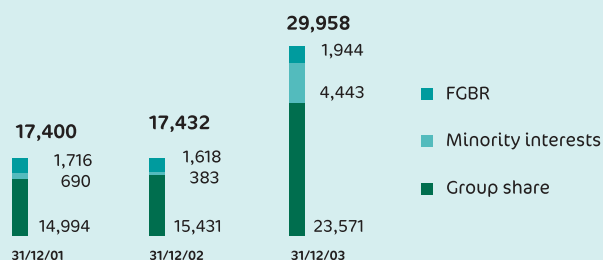
Net income-Group share (before goodwill amortisation and integration-related costs)



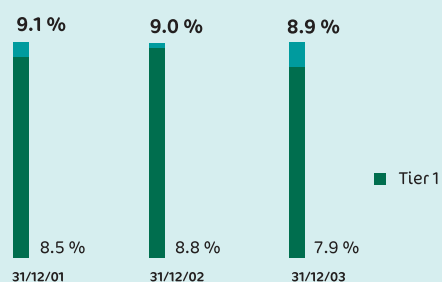
A solid financial structure

Shareholders' equity up 1.7x in 2 years

(in millions of euros) - from published accounts



International solvency ratio



Business operations

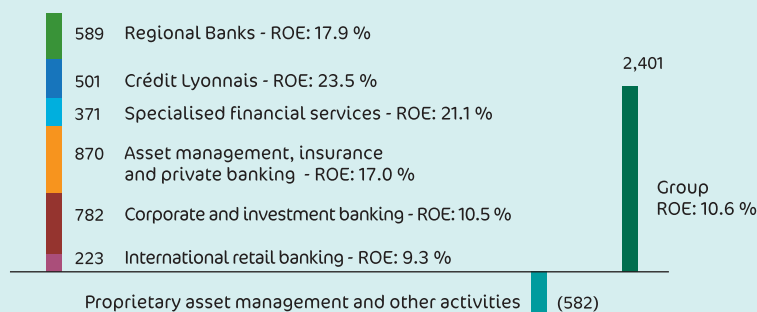
in billions of euros

	31/12/2001	31/12/2002	31/12/2003
Total assets	705.3	756.5	786.0
Gross customer loans	175.0	171.1	167.5
Customer deposits	358.1	374.7	388.3
Assets under management (asset management, private banking and insurance)	343.1	343.5	379.8

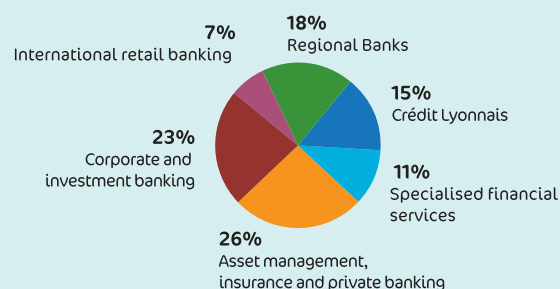
Strong profitability of business lines

Contribution to 2003 net income

Before goodwill amortisation and integration-related costs
(in millions of euros)



Retail banking accounts for 77% of total business segment net income



As a % of business lines net income (excluding Proprietary asset management and other activities), before goodwill amortisation and integration-related costs.

Ratings

Short-term rating

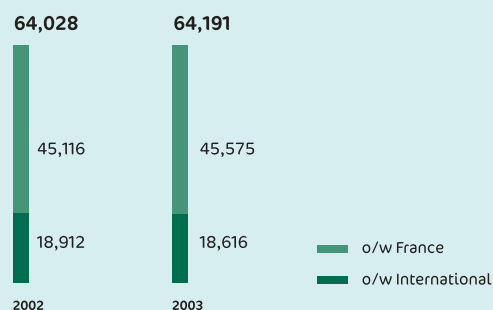
Moody's	P 1
Standard & Poor's	A1+
FitchRatings	F1+

Long-term rating

Moody's	Aa2
Standard & Poor's	AA-
FitchRatings	AA

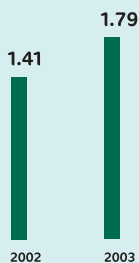
Headcount (average during the period)

In full-time equivalents



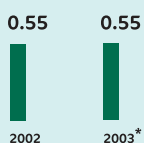
Earnings per share

Before goodwill amortisation and integration-related costs
In euros. Average number of shares outstanding during the period



Net dividend

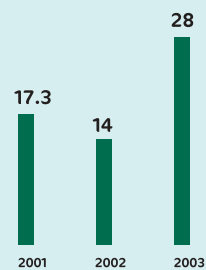
(excluding tax credit, in euros)



* Subject to approval at the Annual General Meeting of 19 May 2004

Market capitalisation up 2x in 1 year

In billions of euros, at 31 December



Presentation of the Board of Directors (at 15 March 2004)

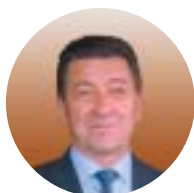
At 15 March 2004, the Board of Directors comprised 18 Directors and 1 non-voting Director, including:

- 4 outside Directors
- 10 Chairmen or Chief Executives of the Regional Banks
- 1 Regional Bank Chairman representing SAS Rue La Boétie
- 1 representative of the farmers' unions
- 1 Regional Bank employee
- 2 representatives of Crédit Agricole S.A. group employees

Directors are elected for three years. They may not serve for more than four consecutive terms and must be aged under 65. One third of the Directors retire by rotation every year, with the exception of employee-elected directors.

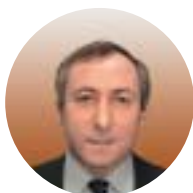
The Board of Directors of Crédit Agricole S.A. met 15 times during 2003. Average attendance was 84% and 92% excluding extraordinary meetings.

Members elected by the shareholders



René Carron Chairman

Re-elected on 22 May 2002
Appointed Chairman on 2 December 2002
Chairman, Caisse régionale des Savoie
Deputy Chairman, FNCA



Jean-Marie Sander Deputy Chairman

Appointed Deputy Chairman on 21 May 2003
Representative of SAS Rue La Boétie
Chairman, Caisse régionale Alsace-Vosges
Chairman, FNCA and SAS Rue La Boétie



Yves Couturier Deputy Chairman

Elected on 29 November 2001 and
appointed Deputy Chairman on 19 November 2003
Chief Executive Officer,
Caisse régionale du Sud Rhône Alpes
General Secretary, FNCA
Deputy Chairman, SAS Rue La Boétie



Noël Dupuy Deputy Chairman

Elected and appointed Deputy Chairman on 21 May 2003
Chairman, Caisse régionale de la Touraine
et du Poitou
Deputy Chairman, FNCA



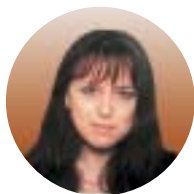
Pierre Bru

Re-elected le 22 May 2001
Chairman,
Caisse régionale Quercy-Rouergue



Xavier Fontanet

Re-elected on 22 May 2002
Chairman and Chief Executive Officer,
Essilor International



Carole Giraud-Vallentin

Re-elected on 21 May 2003
Regional Bank employee



Roger Gobin

Re-elected on 21 May 2003
Chairman, Caisse régionale Atlantique Vendée



Pierre Kerfriden

Re-elected on 22 May 2001
Chief Executive Officer,
Caisse régionale du Finistère



Jean Le Brun

Re-elected on 22 May 2001
Chairman, Caisse régionale Normand



Bernard Mary

Re-elected on 21 May 2003
Chief Executive Officer, Caisse régionale du Nord Est



Gérard Mestrallet

Re-elected on 22 May 2002
Chairman and Chief Executive Officer, Suez



Jean-Pierre Pargade

Re-elected on 25 May 2003
Chairman, Caisse régionale d'Aquitaine



Corrado Passera

Re-elected on 22 May 2002
Chief Executive Officer, Banca Intesa



Jean-Claude Pichon

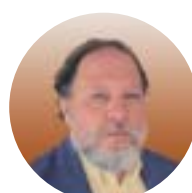
Re-elected on 22 May 2002
Chief Executive Officer, Caisse régionale du Midi

Directors elected by the employees



Henri Corbel

Re-elected in June 2003
Head of property administration, Unipar



Michel Guerneur

Elected in June 2003
Leasing assistant, Ucabail

Director representing the farmers' unions



Jean-Michel Lemétayer

Elected in November 2001
Chairman, FNSEA



Henri Moulard

Elected on 21 May 2003
Chairman, Truffle Venture (Invest in Europe)

Non-voting Director

Works Council representative



Daniel Coussens

Appointed in February 2004

Statutory Auditors

**Barbier Frinault et Autres, Ernst & Young
Cabinet Alain Lainé**

FNCA: Fédération Nationale du Crédit Agricole
Caisse régionale: Regional Bank

Corporate governance within the Crédit Agricole group

Since the outset, Crédit Agricole has always moved with the times through its deep involvement in the local economic fabric, at the service of all its customers. For over a century, therefore, the Group's growth and development has been driven by this goal of serving its customers, while respecting its mutualist identity and organisation. In this way, Crédit Agricole has become a leading economic agent in France and a major universal bank which now ranks among the leaders in Europe. More recently, its alliance with Crédit Lyonnais, which is now nearing completion, has consolidated the Crédit Agricole group's positions in all its business activities, not just the already exceptional positions acquired by the Regional Banks in their markets, but also the positions acquired by the Group through organic or acquisition-led growth in other businesses such as insurance, asset management, consumer finance and corporate and investment banking.

Over time, Crédit Agricole has developed a system of corporate governance to underpin the quality of its service, and which reflects the values that have supported its development and success: corporate values – service spirit, proximity and drive for continuous progress – and mutualist values – responsibility and solidarity.

For many years, and well before corporate governance became a high profile issue, Crédit Agricole has strived to create an organisational structure which effectively combines the strengths of decentralisation with the strengths of unity. Very early on, the Group introduced a set of practices designed to ensure a proper balance of power through clear segregation and precise identification of responsibilities at all levels, local, regional and national.

This aim for balance and effectiveness is reflected – in the Regional Banks as well as in the Crédit Agricole S.A. group – in the separation of the guidance, decision-making and control function, which is the Chairman's responsibility, from the executive and management function, which is the Chief Executive Officer's responsibility.

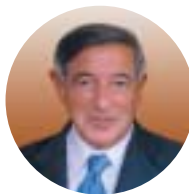
Crédit Agricole S.A.'s initial public offering on the stock market in late 2001 placed new corporate governance requirements on the Group. In opening up its capital to the public, Crédit Agricole S.A. immediately opened up its Board to outside Directors, and introduced a system based on a high degree of transparency.

Aware that there is no ideal universal corporate governance model, and driven by a desire to continuously strengthen and improve the quality of its own system, the Board of Directors of Crédit Agricole S.A., under the guidance of its Chairman, pays constant and careful attention to corporate governance matters. A specific review has been undertaken at Group level on this issue.

A detailed presentation of the Group's corporate governance system can be found in the Chairman's report on corporate governance and internal control on pages 50 to 59 of the section entitled '2003 financial statements and legal and administrative information'.

Management - 15 March 2004

Management board



Jean Laurent

Appointed in May 1999
Chief Executive Officer



Edouard Esparbès

Appointed in January 2004
Deputy Chief Executive Officer, Crédit Agricole S.A.
Chief Executive Officer, Crédit Agricole Indosuez



Georges Pauget

Appointed in June 2003
Deputy Chief Executive Officer, Crédit Agricole S.A.
Chief Executive Officer, Crédit Lyonnais

Executive Committee

In addition to the members of the Management Board, the Executive Committee includes the following: Jacques Baudouin, Aline Bec, Jérôme Brunel, Thierry Coste, Patrice Durand, Ariberto Fassati, Gilles Guitton, Jean-Frédéric de Leusse, Gilles de Margerie, Bernard Michel, Alain Papiasse, Yves Perrier, Patrick Valroff.



Gilles Guitton

Head of General Secretariat



Jean-Frédéric de Leusse

Head of International Retail
Banking and Investment Capital



Gilles de Margerie

Group Chief Financial Officer



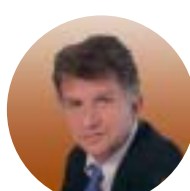
Bernard Michel

Deputy Head of Operations and Logistics



Alain Papiasse

Deputy Chief Executive Officer,
Crédit Agricole Indosuez



Yves Perrier

Group Chief Risk Management Officer,
Senior General Manager,
Crédit Agricole Indosuez



Patrick Valroff

Head of Specialised Financial Services,
Chairman and Chief Executive Officer, Sofinco



Secretary to the Executive Committee
Jérôme Grivet

Head of Strategy and Development



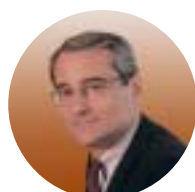
Jacques Baudouin

Deputy Chief Executive Officer, Crédit Lyonnais



Aline Bec

Head of Bank Operations Information Systems



Jérôme Brunel

Head of Group Human Resources



Thierry Coste

Head of Asset Management



Patrice Durand

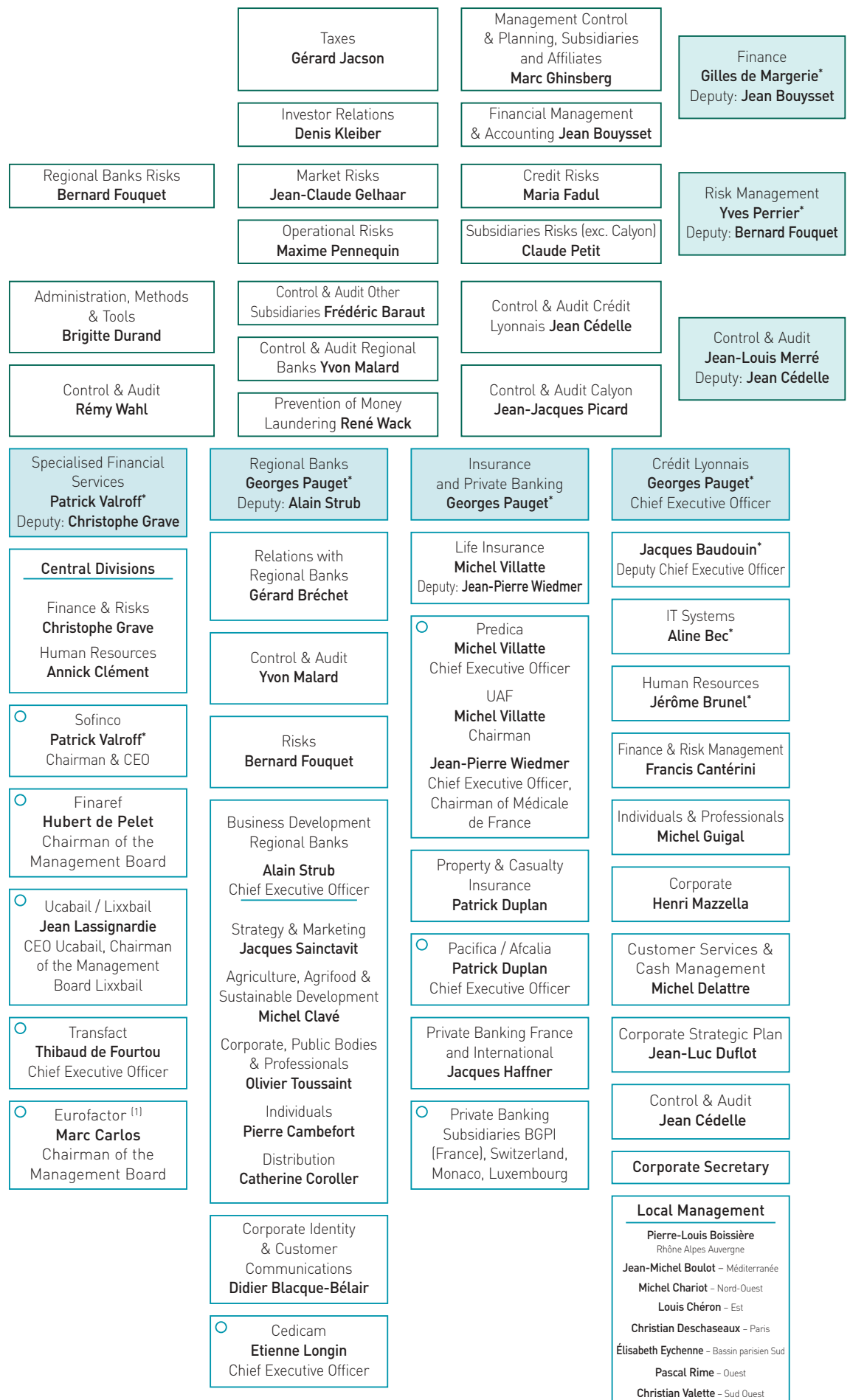
Head of Operations and Logistics



Ariberto Fassati

Deputy Chief Executive Officer,
Crédit Agricole Indosuez

Crédit Agricole S.A. group Management (at 30 April 2004)



* Member of Crédit Agricole S.A. Executive Committee

□ Crédit Agricole S.A. Central Division

○ Subsidiary, directly or indirectly owned by Crédit Agricole S.A.

⁽¹⁾ 50%-owned by Crédit Agricole S.A.

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René Carron

Chief Executive Officer
Jean Laurent*

Deputy Chief Executive Officer
Georges Pauget*

Deputy Chief Executive Officer
Edouard Esparbès*

Special Advisors to the Chairman and the Chief Executive Officer
Jean-Paul Betbèze
Jean-François Verny

Asset Management, Securities & Institutional Financial Services
Thierry Coste*

○ Asset Management Cr dit Agricole AM Cr dit Lyonnais AM
Thierry Coste*
Chairman & CEO
Business Development & Marketing
Paul-Henri de La Porte du Theil
Deputy Chief Executive Officer
Management
Pascal Voisin
Senior General Manager
Corporate Secretary
Jean-Yves Colin
Senior General Manager
Operations
Jean-Pierre Michalowski

○ CPR AM
Pierre Simonet
Chief Executive Officer

○ BFT
Christian Homolle
Chief Executive Officer

Securities & Institutional Financial Services
Fran ois Arsac
Deputy: **Jean-Michel Cornudet**

○ CA-IS Bank
Guillaume Fromont
Deputy Chief Executive Officer

○ CA-IS Corporate Trust
Sylvie Achin
Chief Executive Officer

○ CA-IS Fastnet
Jean-Pierre Michalowski
Chief Executive Officer

SITS
Xavier Barrois

Corporate Secretary
Gilles Guitton*

Human Resources
J r me Brunel*
Deputy:
Jean-Pierre Lorenzi

Operations & Logistics
Patrice Durand*
Deputy: **Bernard Michel***

Legal Affairs
Jean-Michel Daunizeau

Economic & Banking Studies
Pascal Blanqu 

Jobs & Careers Management
Jean Bernicot

HR Policies
Olivier Belorgey

Bank Operations Information Systems
Aline Bec*

Information Systems & Networks
Alain Brodelle

Strategy & Development
J r me Grivet

Compliance Officer
Alain Seug 

Labour-management Relations
J r me Nanty

Training
Henri Balbaud

Real Estate, Logistics & Procurement
Olivier Lambert

Security
Robert Zeitouni

Central Secretary
Jean-Luc Pothet

Communications
Gilles Guitton

IT Systems
Philippe M heut

○ Unifica
Jean-Renaud Le Milon

Corporate & Investment Banking (Calyon)
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Chief Executive Officer

International Retail Banking & Private Equity
Jean-Fr d ric de Leusse*

Ariberto Fassati*
First Deputy Chief Executive Officer

Alain Papiasse*
Deputy Chief Executive Officer

Yves Perrier*
Senior General Manager

Business Development Retail Banking
Pascal Acquaviva

Capital Markets
Thierry Sciard

Customer Relations
Pascal Poupelle

Risk Management
Bernard Carayon
Deputy:
Bernard Darmayan

International Business Development
Michel Le Masson

International
Bernard Mignucci
Europe: **Michel Le Masson**
Americas:
Jean-Marc Moriani
Asia: **Gilles Allein**
Africa & Middle East:
G rard Delaforge

Investment Banking
David Villeneuve

Structured Finance
Marc Tabouis

Equity Brokerage
Fran ois Simon

Finance
Andrew Watson
Deputy: **Luc Auberger**

○ Union d' tudes et d'Investissements
Jean-Fr d ric de Leusse*
Chairman & CEO

Operations
Fran ois Marion

Jean-Marie Soubrier
Deputy Chief Executive Officer

Human Resources
Fr d ric Goux

IT Systems
Aline Bec*

○ Unipar / Sofipar
Herv  Delachaume
Chief Executive Officer

Corporate Secretary
Jean-Paul Le Roy

Distressed Assets
Julian Harris
Deputy:
Jean-Pierre Jacquier

○ Idia Participations
Jean-Jacques Vaury
Chief Executive Officer

Cr dit Lyonnais Private Equity
St phane Monmousseau
Chairman of the Management Board

Six business lines

French retail banking – Regional Banks⁽¹⁾

Contribution to net income*:
€ 630 million

Banking services for individual customers, farmers, professionals, small businesses and local authorities, with a very strong regional presence.

The Regional Banks provide a full range of banking and financial products and services, including deposits, distribution of equities, bonds, mutual funds and life insurance, and lending (particularly mortgage loans and consumer finance), together with a range of payment systems and non-life insurance products.

These services are available throughout the local branch network and through various electronic systems (interactive voice server, Internet, interactive television and mobile phone).

- 16 million customers
- 7,260 branches
- Market leader in:
 - bank savings (20.7%) and personal, professional and small business lending (16.7%)
 - farming sector: 85%
 - professional and small business banking: 26%

(1) Accounted for by the equity method (25%) in Crédit Agricole S.A.'s financial statements

French retail banking – Crédit Lyonnais

Net banking income: € 3.3 billion

Personal, professional and small business banking, with a strong focus on urban areas and a segmented customer approach.

Crédit Lyonnais offers a full range of banking products and services, together with asset management, insurance and wealth management services.

These services are available through multiple distribution channels, including branches, ATMs, telephone, mobile phone, Internet and Minitel.

Middle market customers have their own dedicated network of commercial advisers, together with a corporate finance advisory service specifically geared to their needs.

- 6 million customers
- 1,850 branches, including 50% in towns with over 200,000 inhabitants

Specialised financial services

Net banking income: € 2.2 billion

Consumer finance: number one in France

- Total consumer finance outstanding: € 28.1 billion

Sofinco : A specialist in consumer finance, distributed through retail outlets (cars, household equipment), a direct network of around one hundred branches, Regional Banks and Crédit Lyonnais branches and partnerships with major retailers. Operations in eight European countries.

- 9.5 million customers in France

Finaref : A specialist in remote provision of financial products, consumer finance and non-life insurance products, distributed through partnerships with mail order retail companies and leading retail groups.

- 6.5 million private label cards

Lease finance: French number two with Ucabail/Lixxbail

- Total lease finance outstanding: € 12.5 billion

Factoring: number one in France via Eurofactor and Transfact

- Factored receivables: € 25.7 billion

Asset management, insurance and private banking

Net banking income: € 2.6 billion

Asset management: leader in mutual funds in France

The Group's asset management subsidiaries, mainly CA-AM and CLAM, offers mutual funds for retail, corporate and institutional investors, and discretionary management services for corporate and institutional investors.

- **Assets under management:**
€ 286 billion

Insurance: third largest insurer in France

Life insurance: French number two with Predica/UAF offering investment and protection products to customers of the Regional Banks of Crédit Agricole and Crédit Lyonnais network.

- **Assets under management:**
€ 123.5 billion

Non-life insurance: Pacifica offers a very broad range of casualty and property insurance products, which are sold through the Regional Banks.

- **2003 premium income:** € 775.7 million

Private banking

- **Assets under management:**
€ 87.7 billion.

Calyon: corporate and investment banking

Net banking income: € 4.8 billion

Calyon operates in over 60 countries. For all product lines combined, it ranks among the top three players in France and the top ten in Europe.

Financing activities:

Calyon is a major player in France and ranks among the top ten in Europe for loan syndication, project finance and acquisition finance. It is also a world leader in aircraft and shipping finance.

Investment banking:

Calyon has a prominent position in France and is one of the top ten European players in primary bond markets, securitisation, derivatives (equity, fixed income and credit), and public securities transactions. In brokerage, Cheuvreux is a major player in France and ranks among the top ten in Europe, while Crédit Lyonnais Securities Asia is number two in Asia.

International retail banking

Net banking income from consolidated subsidiaries: € 359 million

Contribution from companies accounted for by the equity method:
€ 209 million

Crédit Agricole S.A.'s international retail banking operations are based principally in Europe and, to a lesser extent, in Africa/Middle-East and Latin America.

In Europe, Crédit Agricole S.A. has forged partnerships with first-class banks in the key southern European countries: Italy (Banca Intesa), Portugal (Banco Espírito Santo) and Greece (Commercial Bank of Greece).



Leading French banking network

7,260 branches

16 million
customers

+190,000 new individual
accounts in 2003



Robust growth dynamics confirmed

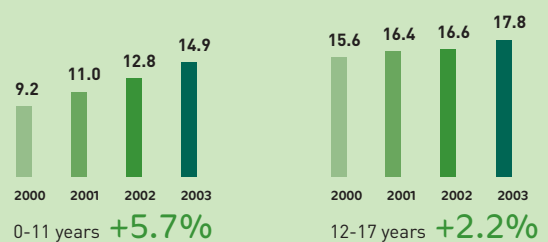
12.5 million cards

23.8 % market share
in mortgage lending

The Regional Banks take top place in almost all the retail banking segments in France. They are market leader in personal banking with 16 million customers. This position was strengthened in 2003 by a successful marketing drive, which attracted more than 190,000 new personal accounts during the year. In the business segment, the Group counts almost one third (31%) of all French middle market companies among its customer base.

The retail banking business delivered strong growth in 2003 despite a sluggish economy. All business segments performed well – individual customers, farmers, professionals, small businesses, local authorities and middle market companies. The Regional Banks continued to broaden their product and service offering as part of their close collaboration with Crédit Agricole S.A. and its subsidiaries.

Trends in penetration of the “young” market (%)



Individual customers

Further strengthening of market shares

In 2003, Crédit Agricole achieved some excellent commercial results, driven by a commercial strategy designed to consolidate its leading position in the market.

An ambitious commercial strategy

The Regional Banks' two-pronged commercial strategy focuses on capturing new customers in buoyant segments and on selling more products per customer.

Focus on young people and high-net-worth clients

Young customers are a highly strategic segment for the Group, as they provide a natural 'breeding ground' for renewal and development of the business franchise. Crédit Agricole already has a strong presence in the under-25 bracket, with market share of 20.6%, a rise of 4.5 percentage points in four years. In 2003, the number of customers in this segment broke through the 4 million barrier.

Crédit Agricole has been particularly successful in the youngest segment of the market (0-11 years). Its 'Tiwi' passbook account, launched in 2000, has proved highly popular. By the end of 2003, over 1,100,000 accounts had been opened, representing volume growth of 23% and value growth of 36% over the year.

Crédit Agricole also strengthened its presence in the 12-25 age bracket, chiefly through its 'Mozaïc' range of daily banking products. At the end of 2003, it had 1.7 million

Mozaïc cards in issue for 12-18 year olds and 1.1 million Mozaïc passbook accounts for 18-25 year olds.

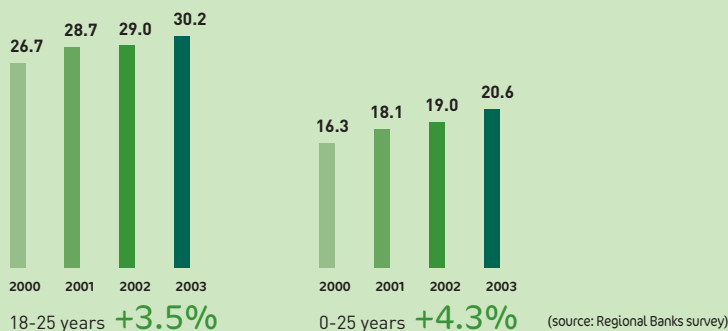
A more aggressive approach towards the student segment led to strong growth in some specific offerings first launched in 2002 (loans for the new academic year and Mozaïc insurance) and, in some regions, to partnerships with the SMER, Group's student mutual insurance system.

With its well-perceived offering and attractive non-banking benefits, Mozaïc is confirmed as the premier brand for young people (an Actudes survey in April 2002 revealed a 72% spontaneous recall rate).

As part of its targeted growth strategy, Crédit Agricole has also stepped up its drive in the high-net-worth segment. Drawing on a solid customer base and an effective network of private wealth advisers, the Regional Banks are seeking to improve their image and their expertise in this valuable target market. A new private banking structure was created in December 2003, combining Banque de Gestion Privée Indosuez (BGPI) and Crédit Agricole Indosuez Cheuvreux Gestion (CAIGP). The new unit will play a key role both in assembling high net worth packages from across the spectrum of Group products, and in developing this valuable target market, drawing on support from the Regional Banks.

Selling more products per customer

As the leading high street bank in France, Crédit Agricole offers a full range of classic banking and insurance products.



Its policy is to encourage every new current account customer to subscribe to 'Compte Service', a package combining all essential daily banking services, such as overdraft facilities, payment cards and online banking, in a single contract. This helps strengthen customer loyalty and encourages customers to bank their regular income with Crédit Agricole. The policy enjoyed a success rate of more than two in three during 2003.

At the end of 2003, the group had sold more than 7.7 million 'Compte Service' packages, representing a penetration rate of over two thirds of all current accounts, a rise of 450,000 over one year.

In bank cards, Crédit Agricole has maintained its leading position with 12.5 million cards in issue, including 11 million payment cards, a segment in which it has 24.8% market share, more than twice that of its nearest rival. In 2003, the conversion of domestic cash and payment cards to international cards continued apace.

In insurance, Crédit Agricole delivered an excellent performance in both life and non-life insurance. 2003 was a record year in life insurance, with the sale of over 350,000 whole life policies, bringing the total up to nearly 2 million. The number of personal accident and health policies totalled more than 650,000.

Legal protection insurance also proved highly popular, with over 550,000 policies taken out in 2003. Lastly, motor and household policies continued to grow in a fiercely competitive market, with more than 2.3 million policies managed, a rise of 120,000 over the year.

Buoyant commercial activity in 2003

Loan outstandings recorded a buoyant growth in 2003, pushing market share up to 16.6%, a rise of 0.5% over one year. In mortgage lending, Crédit Agricole is still far and away the

leading bank in France, with 23.8% market share. New lending was brisk during the year, rising by 23.8% to € 23.4 billion. Loans outstanding rose by 10.1% to € 103.7 billion. Aware of the strong potential among first-time buyers, Crédit Agricole has developed solutions tailored specifically to their needs, including flexible mortgage management and a longer average loan term.

Consumer finance: 11% market share

In 2003, the consumer finance book rose by 3.9% to € 14.1 billion. To meet consumer needs, Crédit Agricole has restructured and enriched its offering, with a range of products designed for each type of financing requirement (personal finance, cars, home improvements, etc.). In October 2003, the Group launched a massive campaign in car loans, offering a new package combining financing with insurance from Pacifica. Over the year, car loans outstanding rose by 12.4% in an automobile market broadly in decline.

Buoyant growth in customer assets: up € 23 billion in 2003

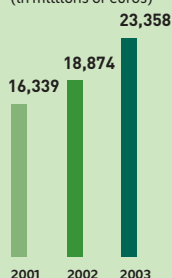
In 2003, households showed a strong preference for liquidity, security and protection. Despite the recovery in the stock market since mid-2003, personal customers still broadly preferred to invest their money in passbook accounts and life insurance.

In terms of intermediated savings, passbook accounts enjoyed the strongest growth, rising by almost € 6 billion. Home purchase savings were up by € 4.4 billion, while long-term investments such as PEP (Popular Savings Plans), were less attractive, falling by € 1.4 billion to € 24.1 billion.

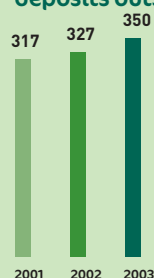
Among other customer investments, life insurance recorded the strongest growth with new inflows totalling € 10.7 billion, principally in conventional business. Predica's total



New mortgage lending (in millions of euros)



On and off-balance sheet consumer deposits outstanding (in billions of euros)



Aggregate outstandings
(excl. securities) from
the Regional Banks network

Crédit Agricole's magazine publishing business

Crédit Agricole S.A.'s subsidiary Uni-Éditions publishes three of France's biggest-selling consumer magazines: **Dossier familial**, **Détente Jardin** and **Maison Créative**.

Dossier familial is France's number one monthly magazine, selling more than 1.3 million copies in December 2003.

Détente Jardin ranks second in its category, and sells 240,000 copies per issue.

Maison Créative ranks fourth in the home/decoration category, with average sales of 210,000.

Subscriptions for all three titles are sold throughout the Crédit Agricole network, and **Détente Jardin** and **Maison Créative** are also sold through newsagents.

in-force business amounted to € 92 billion at the end of 2003, ranking it second in the French life insurance market and still in top place among the captive insurers.

In mutual funds, business recovered sharply in 2003, with a 12.7% outstanding growth after a decline of 3.7% in 2002.

Stock market trading began to recover during 2003, with 3,560,000 orders placed, a rise of 12% on the previous year.

Local authority banking Innovation and strong growth

Crédit Agricole has a strong presence in the local authority market. During 2003, the local public sector remained in good financial health and made increasing use of bank finance, principally due to the gradual devolvement of responsibility from central government.

New lending amounted to € 3.3 billion, a rise of 22% on the previous year, consolidating Crédit Agricole's position as third largest player in this market, with a total loan book of € 19.7 billion. Its market share has risen from 14.6% in June 2002 to 15.5% one year later (source: Banque de France).

This performance reflects the commercial efforts made by the Regional Banks coupled with the expertise of the Group's subsidiaries – Crédit Agricole Indosuez, BFT and Ucabail-FIP. This winning combination led to some prime financing deals such as the new teaching hospital in Strasbourg, the Valenciennes tramway, the Le Mans waste-processing plant and the public transport systems in Grenoble.

Crédit Agricole continues to diversify and innovate in this market. Insurance products for small local authorities and vehicle fleet management services were tested during 2003, alongside existing services such as equipping schools with Internet access and introducing secure electronic exchange.

In public-private partnerships, Crédit Agricole launched an innovative offering in financing the construction of local police stations.



Farming, professional and small business banking

An outstanding position

Crédit Agricole had a very satisfactory year in these markets, where it has traditionally been the leading bank.

Crédit Agricole is restructuring its commercial approach to these markets, with the aim of better meeting customer needs and protecting its leading position. It is developing a structure based on branch and staff specialisation, a global approach to personal and business needs, and the creation of specialised branches and/or centres of expertise for the farming industry.

Farming: an historical market for Crédit Agricole

In its historical market, Crédit Agricole consolidated on its position as leading "banker and insurer".

Crédit Agricole is by far and away the leading bank in the farming industry, with market share of 73% in financing, 80% in interest subsidised loans, and over 60% in savings. It is also the foremost banker to the food processing industry, with market share of 31.1%, and 57.6% in food-processing or marketing co-operatives alone (end June 2003 data).

2003: Significant rise in the extension of new loans

2003 was an exceptional year for investment financing. Despite difficulties caused by the summer drought, new medium- and long-term lending reached a record high of € 5.6 billion, a rise of 5.6% on 2002. Of this total, interest-subsidised loans accounted for € 800 million, down 15% on 2002 due to government delays in implementing the new scheme.

Crédit Agricole provided strong support for those farmers worst hit by the drought. During the summer itself, the Regional Banks offered reduced rate working capital finance, while Crédit Agricole S.A. earmarked € 150 million for consolidating medium-term loans at reduced rates.

Lastly, Crédit Agricole is the leading bank in equipment financing, notably through its agreements with 163 manufacturers.

New services

Apart from its classic banking activities, Crédit Agricole is making a real breakthrough in insurance products tailored to the needs of the farming industry.

Pacifica's farm insurance product, launched at the end of 2002, is now distributed by 37 Regional Banks. The benefits are already beginning to flow through, with 3% market share and more than 100,000 policies in force. In private insurance, Crédit Agricole has a 52% market share with 115,000 Prediagri policies. During the year, the network also promoted Predica's long-term care insurance offering, which meets a real need given today's ageing population in a geographically dispersed rural environment.

Pleinchamp.com – Crédit Agricole's special website – has become THE site for farmers and their business partners. Now used by three in every four web-enabled farms, the site recorded over 100,000 visitors in December 2003. Its offering has been broadened to include a series of pay services (local weather, market reports, etc.) and a section for secure purchases of phyto-health products.

First banker to the food processing industry with market share of 31.1%.



Professionals and small businesses: Crédit Agricole's second biggest retail banking market

In this segment, which comprises sole traders, the professions, associations and businesses with less than € 1.5 million in sales, Crédit Agricole is the leader in market share for both business needs (26%) and private needs (28%).

A high-growth market

This market accounts for a significant share of the Regional Banks' activity:

- second largest segment after personal banking, with 750,000 customers;
- almost 30% of total demand for mortgage loans;
- a significant proportion of high-net-worth customers.

These segments therefore play an important strategic role in developing commercial banking activities. Due to their strong local ties and both personal and professional requirements, they are at the crossover between retail and business banking, in both banking and insurance products. A solid presence in these markets therefore partially drives the Group's activities in other markets, such as personal, commercial and local authority banking.

A record year in 2003

Despite a sluggish economy in 2003, the professional and small business segment remained buoyant, led by sustained consumer spending.

New lending in this market rose by 6% compared with 2002, to €3.5 billion. This growth was driven by all segments of the market, but more particularly by the professions, with a rise of 15% to €1 billion, followed by independent retailers (6%) and a return to growth among the trades (1.9%).

Crédit Agricole ranks top among the banks in personal pension plans, with over 10,000 contracts in force. This creates an excellent opportunity for providing these customers with the financial services they will need later on in life.

In parallel to its traditional financing activities, Crédit Agricole drew the benefit of targeted campaigns towards certain customer groups, introduced for the most part in 2002. Partnership agreements were signed with notaries, accountants, healthcare professionals (electronic transmission of health insurance claims and payment by bank card), and over forty independent retailer groups. Apart from these partnerships, Crédit Agricole also has a relationship with over 270 retailer symbol groups or franchise networks.

Aware of the economic importance of business creation, Crédit Agricole takes part in 'young talent' competitions, in addition to the action taken by the Regional Banks to support local business creation in partnership with local players (e.g. Chambers of Commerce).



Middle-market banking: consolidating relationships based on proximity and quality of services

In a difficult economic environment, the Regional Banks delivered a sound performance, consolidating on their flagship position in commercial banking.

Thus, at the end of June 2003, Crédit Agricole:

- is number one in market share (31%) and main banker relationship (16%), according to a survey of companies with 10 to 1,000 employees;
- is number one in lending (12.7%) and deposits (16%);
- improves share in employee savings (6.5%) and pension savings (3.5%).

Crédit Agricole's business customers have clearly expressed their satisfaction with the quality of service offered in medium- and long-term financing. In a survey conducted by Ipsos Novaction in December 2003 among 300 businesses with 10 to 500 employees, Crédit Agricole ranked top (26% of all respondents) for speed in granting loans and 93% of its customers said they were broadly satisfied with all services offered.

In this highly competitive market, priority was given to consolidating relationships with existing customers by strengthening the classic banking offering and developing employee savings products. In addition, an investment banking service combining corporate finance and wealth management services, tailored specifically to the needs of middle-market customers, is gradually being rolled out across the Regional Banks.

A positive year, despite the sluggish environment

After a poor first half, the Regional Banks enjoyed an upturn from the third quarter as the economy gradually began to improve.

Financing: 10% rise in new lending

At end December 2003, new medium and long-term lending amounted to € 6.1 billion, a rise of 10% on the previous year, driven by strong growth in major financing deals shared with CAI, which accounted for 15% of all new lending in the Regional Banks.

Loans outstanding amounted to € 36.3 billion, a rise of 5.9% over the year as a whole in a market down 3.2% at the year-end. Business lending accounts for 16% of the Regional Banks' total loans outstanding.

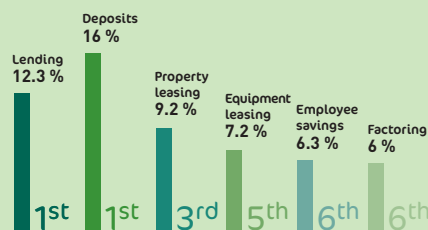
Specialised financial services delivered satisfactory growth. After a sharp decline in 2002, lease finance rose by 4.9%, driven by demand for equipment financing. This growth was principally the result of a closer working relationship between Ucabail and the Regional Banks, with Ucabail providing the network with a sales aid tool and syndicating transactions.

The factoring business with Transfact grew by 8.7%, led by growth in business with major clients.

To support the middle-market investment banking service, Crédit Agricole has created a new company called Sodica, to develop corporate finance deals of between € 4.5 million and € 120 million.



Crédit Agricole's market shares in middle-market banking



Source: BDF, CSA-TMO, BNPP Lease, ASSFI, ASF (December 2002)

Deposits and investments

Intermediated deposits were up 13.3% to € 13.7 billion at year-end.

Investments in mutual funds enjoyed strong growth of 15%, in line with trends of the past two years.

Employee savings: strong growth

Employee savings rose by 30% and pension savings by 31% over the year. During 2003, almost 5,900 new employee savings contracts were signed, including over 900 company contracts. Growth in pension savings was driven by business with large corporate customers.

Domestic and international cash management

Cash management is a prime component of the banking relationship and was a key priority in 2003. The number of cash pooling agreements rose by 75% over the year, with the Regional Banks selling 213 agreements to their middle-market customers.

In 2001, Crédit Agricole developed a digital certification system called 'CA Certificat' for secure Internet payments. This service has enjoyed strong growth. Over one year, the number of customers equipped with one or more certificates rose from 2,100 to 3,400. This excellent performance was due in part to the Regional Banks' strong involvement in selling this product and in part to the wider scope of use for digital certificates (Urssaf social security returns, vehicle registration documents, etc.).

On an international level, Crédit Agricole has established a network of commercial representatives in some sixty countries in order to offer its business customers continuity of service and effective support in their operations abroad. These dedicated teams draw on the Group's local operations and on partnerships with the major local commercial banks.

Crédit Agricole remote banking: 240 million contacts in 2003.

Crédit Agricole's remote banking services enable customers to interact with their bank via a range of alternative channels in addition to their branch: Internet, interactive voice server, contact centre, mobile telephony, Minitel teletext service and interactive TV.

Remote banking recorded very strong growth in the number of contacts, which rose by 36% in 2003 to 240 million, i.e. one million contacts per business day.

One customer in four used remote banking services either to effect transactions or look up account balances in 2003.

Internet banking posted the strongest growth, accounting for two thirds of all contacts, followed by mobile telephony (wap and i-mode), including SMS. These technologies are also high-potential distribution channels for the future.





Strong commercial momentum winning customers and

1,850 branches

6 million customers



gaining their loyalty

8.6 %
rise in loans outstanding

Mortgage lending
up 14.6 %

No.1 in gold cards

The Crédit Lyonnais retail network in France provides banking services for personal customers, professionals and middle market customers.

2003 was an important year for Crédit Lyonnais, with the introduction of its new segmented commercial approach to personal banking and further strong growth in its business franchise.

New distribution channels continue to develop and offer an increasingly broad array of services, reflecting the bank's continuous endeavours to meet customer demand.

Personal, professional and small business banking highlights:

- 6 million personal customers
- 4.2 million personal accounts
- 312,000 professional and small business accounts
- Loan book^(*): € 37.1 billion
- Customer assets^(*): € 101.9 billion, including deposits^(*): € 47.4 billion

^(*) at year-end

Personal banking: successful introduction of segmented commercial approach

Strong commercial momentum

Branch opening plan continues

In 2001, the bank launched a plan to develop the branch network by opening 150 new branches in growing markets by the end of 2004, with the aim of maximising the effectiveness of its distribution capability. During 2003, the plan entered its active phase, with 75 new branches opened or under construction by the year end. The new branches are accompanied wherever possible by automated banking facilities.

New commercial approach: initial results highly promising

71 of the 77 regional divisions have already adopted the new approach, which aims to adapt the bank's commercial capability to the expectations and economic value of its various customer segments. The last six divisions will convert during 2004.

Broadly speaking, high net worth and private banking customers have welcomed the new organisation structure, as it provides them with a single account manager to handle all aspects of their banking relationship. This has improved commercial relations with this customer segment, leading to growth in the number of contacts and in the number of products sold per customer. In addition, the creation of portfolio management centres for private banking clients has helped the advisers develop their professional expertise.

During 2003, Crédit Lyonnais also set up eight wealth management centres devoted to its most valued high-net-worth clients, with a new team of advisers and wealth managers now being established in order to combine expertise with proximity. This new structure has improved commercial relations with

these highly valued customers and provides an effective means of winning new business in this extremely demanding segment of the market.

Growth in the business franchise: winning new customers and gaining their loyalty

In 2003, the branch network enjoyed further growth in its business franchise, with net new accounts totalling approximately 36,000, representing almost 30,000 new customers.

Growth was driven by strong commercial momentum throughout the branch network, supported by some forceful campaigns, such as the 'Give our bank a try' operation, and by stepping up sponsoring and partnership campaigns. In support of its drive to win new customers, Crédit Lyonnais continued to promote its *Avantage* loyalty scheme, which had 1,923,000 members at the end of 2003, representing almost one customer in every three.

Strong development in various distribution channels

For several years now, Crédit Lyonnais has been offering an increasingly broad range of services through multiple channels (branches, cash points, ATMs, telephone, Internet, Minitel, etc.).

More recent innovations, such as the ATM recharge service for prepaid mobile phones and the new ATMs currently being installed, offer customers and non-customers even more flexibility, illustrating the bank's continuous aim of providing what the consumer wants.

Internet traffic more than doubled during 2003, rising from 17 million to 34 million pages viewed. The number of customers



using online banking services has risen sharply across all age brackets.

In order to handle customer requests more effectively, Cr dit Lyonnais has established a number of dedicated call centres to deal with all customer contacts, regardless of distribution channel, for better tracking of requests for information, meetings and product sales, in liaison with the 'bricks and mortar' branch network.

Customers relationship: a high satisfaction rate

The overall quality of the branch relationship is extremely high, with a customer satisfaction rate of almost 90%. The rate rises to 93% for the quality of relationship with personal advisors, and almost 92% of customers said they intended to extend their relationship with the bank.

(source: MV2 Conseil).

Call centres

Cr dit Lyonnais continued to roll out its call centre programme during 2003, with the aim of freeing up branch staff to focus on face-to-face customer contact.

By the end of 2003, five centres employing a total of 300 telephone advisers managed 35% of the network's customers, handling 456,000 calls in the month of December 2003 alone. Apart from improving customer service and freeing up branch staff, these new centres make a direct contribution to net banking income through sales of products and services and by obtaining targeted meetings for the branch advisers. Over 20,000 commercial proposals were made in this way in December.

Strong growth momentum

Further increase in sight and savings deposits

As in 2002, deposits were up sharply. Retail sight deposits rose by 17% year-on-year, driven principally by passbook accounts, which were up 36%. Contractual savings accounts, which were adversely impacted by reform of the Home Purchase Savings Scheme, were up by only 1.6%, while time deposits fell by 17% year-on-year.

Life insurance and securities

Amid volatile market conditions, new life insurance business came principally from conventional policies in euros. Restructuring of the life insurance product range was completed in 2003, notably with the creation of *Lionvie Vert  quateur*, a multi-fund investment contract, and *Lionvie Jaune Saison*, an income fund which won *Gestion de Fortune* magazine's top award for innovation in 2003.

Investments in mutual funds came principally from capital guaranteed products, with the Drakkar, Talisman and Practis series (structured funds which were revamped in 2003) bringing in   960 million against   860 million in 2002 for the same type of funds.

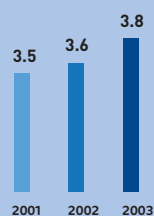
Towards the end of the year, there was a strong upturn in equity-based investment.

Private banking

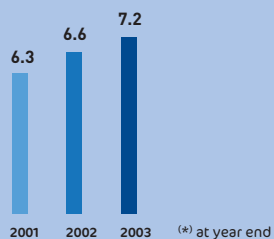
In a difficult economic and stock market environment, the number of discretionary management mandates continued to grow, particularly in the second half of the year following the successful launch of the new 4G mandate, which brought in almost   600 million in just three months. 4G has a minimum investment level of   15,000 and offers 90% capital protection.

The number of private banking customers rose sharply, reaching 138,700 at the end of November 2003.

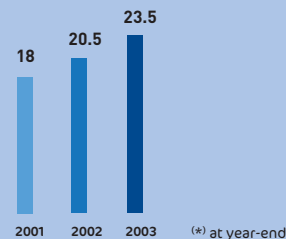
Life insurance, new business (  billions)



Personal customers Short-term loans(*) (  billions)



Mortgage loans(*) (  billions)



Sustained growth in lending

Consumer finance origination rose by almost 9.4% in 2003, driven by a sustained commercial campaign and a renewed product range through the partnership with Sofinco.

Personal loans recorded the highest growth with the total loan book up by almost 12%.

Market share in short-term lending rose from 4.8% to 5% year-on-year at end June 2003.

Mortgage lending was sustained with 14.6% growth in the loan book.

This excellent performance led to a significant market share gain, rising from 5.9% to 6.1% year-on-year at end-September 2003, amid a persistently competitive environment.

Strong growth in casualty & property insurance

Sales of casualty & property insurance products were buoyant, with 160,000 new policies written during the year. There were some excellent performances in personal accident insurance with 60,000 new policies, and in newer products such as funeral expenses plans and long-term care insurance (sold since May 2003), with over 30,000 new policies written in these high-growth markets.

Other non-life products held steady at 2002 levels. Total policies in force at the year end (comprehensive household, motor, health and personal accident) amounted to almost 440,000, a rise of 25.3% over 2002, driven by new products.

Online banking: enriched and innovative services for an ever increasing number of users.

All transactional sites for personal customers are now accessed through the new, more user-friendly www.clparticuliers.com portal. All customers, whether subscribers or not, can find information about their accounts and create a personal page to obtain the exact information they want.

Online distribution of retail products and services grew substantially during the year, with a 40% increase in demand.

e.creditlyonnais, Crédit Lyonnais' e-bank which has been in operation for just over three years, completes its range of alternative distribution channels. The number of subscribers to e.creditlyonnais more than doubled in 2003, having already doubled the previous year.

Internet is still the fastest-growing distribution channel, with growth of over 35% in the number of personal, professional and small business users, and 66% growth in the number of log-ins.

The SMS alert service, Crédit Lyonnais Avertis, continued to grow in 2003, with a twofold rise in the number of users to 160,000.

No. 1 in gold cards

Crédit Lyonnais kept its leading position in gold cards, with Visa Premier, which now has more than 350,000 holders.

Crédit Lyonnais has also become the leading bank in secure Internet payments with its e-credit card, which has already attracted over 45,000 holders, almost double the previous year's level.



Online distribution of retail products and services continued to grow in 2003, with a 40% increase in demand.

Professional and small business banking

A satisfying year in 2003

Against a less buoyant economic backdrop and a persistently tough competitive environment, Crédit Lyonnais continued to improve its commercial and financial performance in this business segment.

Through sustained efforts to win and retain new customers, 36,000 new accounts were opened during the year, bringing the total to 312,000. These efforts form part of the bank's policy of refocusing on the more buoyant segments and consolidating on its strong market share with the professions. A focus was also placed on strengthening relationships with the various representative bodies in the professional world.

All businesses with revenues of less than € 5 million have now been completely transferred to this segment, accompanied by a reorganisation of available products and services (employee savings, insurance, cash management, etc.). Small businesses represent 2% of relationships in this segment, 6.6% of deposits and 3.4% of loans.

Meanwhile, Crédit Lyonnais has continued to broaden its offering in electronic payments and pension savings in order to meet increasing customer demand.

Crédit Lyonnais has also consolidated on its strategy of becoming single or main banker to its professional and small business clients, by assigning each customer a single adviser responsible for co-ordinating the relationship in terms of both personal and business needs. This policy has resulted in a 7% increase in customer assets.

Controlled growth in lending

The lending business was marked during 2003 by further strong pressure on rates. In a more uncertain economic climate, Crédit Lyonnais continued its actively selective policy in the professional and small business segment, with a view to improving risk quality and preserving margins.

The development of financing packages geared specifically to this segment has not only accelerated the turnaround time for simple and relatively small loans, but also the time taken to propose appropriate solutions in more complex cases.

Growth in lending continued apace, with the number of new facilities granted rising by almost 4% and total loans outstanding by 7%, at satisfactory risk/reward conditions.

Retail deposits (€ billions)

Sight*

2001	15.7
2002	16.4
2003	17.3

Savings*

2001	28.4
2002	29.1
2003	30.1

* at year-end

**36,000 new accounts
for professional clients.**

Middle-market banking

The commercial network's key priorities during the year were to expand its commercial banking business and develop a corporate finance activity in the middle-market segment.

Initial results have been encouraging despite the difficult economic environment. In this context, substantial effort has been invested in maintaining the bank's market share while taking a prudent approach to risk and provisioning.

Sustained activity in Corporate Finance

By strengthening its dedicated corporate finance unit for middle-market customers, this business boosted its volumes significantly in 2003.

Activity was exceptionally brisk during the year across all business lines, including debt restructuring, loan syndication, MBOs, LBOs and mergers & acquisitions. This strong progress was driven by the commercial network's vastly strengthened capability in corporate finance, coupled with an increase in the size and complexity of high value added deals. Over one hundred and fifty deals were completed during the year, representing € 900 million in new business.

Commercial banking

Growth in customer assets

Customer assets rose by a satisfactory 4.6%, driven as in 2002 by investments in mutual funds tailored specifically to this market segment, which were up 13.8% on the previous year to € 3.8 billion. This trend was due to a marked preference for equities rather than fixed-income investments, as investors sought improved liquidity.

Lending steady despite the sluggish climate

Medium and long-term lending and leasing activities were flat due to weak fixed investment. Eurofactor enjoyed a brisk upturn in its factoring business during the second half, which helped maintain business volumes over the year in a broadly flat market.

During the year, the commercial network introduced a new credit scoring system for middle market lending, which has contributed to an improvement in decision turnaround times and already meets future Basle II requirements.

Payments and services

Payment volumes remained stable due to sustained action on the part of the network, coupled with brisk activity in international transactions. A new account lookup facility was successfully launched on CLentreprises.com. Almost 2,500,000 electronic transactions were made by the 15,000 customers who subscribed to the e-banking service.

International services: improved capability

A team specialising in advice on investing and operating abroad, particularly in China and Eastern Europe, has been established to support the bank's middle market customers. Through a new partnership with Euler-Sfac, a subsidiary of the world's leading credit insurance group Euler-Hermes, the bank can now offer broader protection for its customers' trade receivables in France and abroad.

A brake on growth in employee savings

2003 was a relatively slack year for employee savings pending the French government's decisions on pension reform. Net inflows in 2003 amounted to € 120 million. The Group has maintained its position as a leading player in this market through continuous progress in its technical resources and information systems.





A powerful source of business Sustained growth boosted

No.1 in France
in consumer finance

No.1 in factoring



development by the consolidation of Finaref

No.2 in equipment
leasing

Consumer finance outstandings
up 44 %

6.5 million
private label cards

Specialised financial services encompasses consumer finance (Sofinco, Finaref, Finalion and their international subsidiaries), lease-finance (Ucabail, Lixxbail, Slibail Murs – Slibail Immobilier and EFL) and factoring (Transfact, Eurofactor and its international subsidiaries).

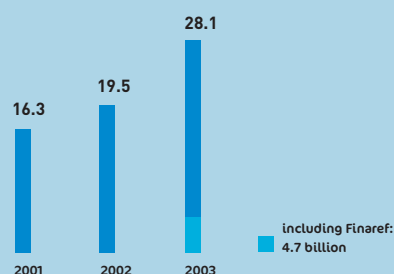
The new division plays a dual function. First, it is responsible for managing, directing and controlling the various specialised financial services companies. Its second role is to examine and develop potential synergies between the three business lines, in order to make cost savings, share skills and improve their effectiveness and competitiveness in the market.

The most significant event of 2003 was the launch of the integration process by business line between the various subsidiaries of Crédit Agricole and Crédit Lyonnais:

- Sofinco and Finalion in consumer finance,
- Ucabail, Lixxbail and Slibail in lease-finance.

Consumer finance: outstandings managed

(in billions of euros)



Consumer finance

Sharp organic and external growth

Consumer finance now plays a more important role within the Group since the integration of Finaref and the strengthening of Sofinco's partnerships in France and abroad. In 2003, outstandings managed (excluding those managed by the retail banking networks) rose by 9% to € 21.4 billion.

Sofinco: a year of further developments

Sofinco had a highly satisfactory year in 2003, with robust commercial activity particularly in its international subsidiaries. It also won a number of major partnership contracts both in France and abroad, and enriched its product offering.

Strong growth driven by international business

Activity was sustained in 2003, with particularly strong growth in international business. Total outstandings managed rose by 21% to € 21.6 billion, with international business accounting for more than a quarter of this total, a rise of 26% on the previous year.

New financing increased by 10.7% to € 13 billion. In France, loans outstanding distributed through the Regional Banks increased by 12% and those directly extended by Sofinco by 8%. Sofinco now manages Crédit Lyonnais' entire consumer credit book, which totalled € 3.9 billion at the end of 2002, double the previous year's figure.

International origination rose by 28% to € 4.2 billion, driven by the development of new partnerships by Sofinco's Southern European subsidiaries.

Lastly, the boom in online financing continued into 2003, totalling € 229 million for personal customers (against € 105 million in 2002) and about € 6.2 million for customers through partnerships.

Partnerships: strengthened in all fields

During the year, new partnerships were forged in all business activities, in France and abroad.

In France, Sofinco won the contract for the Samaritaine department store's private label card, by incorporating a range of Finaref insurance products as part of the Group's cross-selling policy. A partnership was also forged with a TV shopping programme, which attracts over 60,000 customers a year. Viaxel, Sofinco's car finance business, signed an agreement with Piaggio, Europe's biggest motorcycle manufacturer in terms of registration volumes. Lastly, the partnership agreement with Cora (the Hypermarket company) was renewed for four years.

Sofinco and its European subsidiaries continued to develop their international business activities.

In Italy, Sofinco strengthened its ties with Agos Itafinco, increasing its holding to 51%, while Banca Intesa now owns 49%. Agos Itafinco manages Banca Intesa's revolving and instalment credit business. It had an excellent year in 2003, with new business up 34% compared with the previous year. It now ranks second among Italy's independent specialised finance companies. Agos Itafinco also signed a major partnership agreement with FNAC for its financing business.



In Portugal, Sofinco acquired a further 45% of Credibom, a subsidiary of Banco Espírito Santo (BES), raising its total interest to 85%. BES owns the remaining 15%. Credibom is Portugal's leading consumer finance company.

In Spain, Sofinco and its Spanish subsidiary Finconsum signed a partnership agreement with ACER, a Taiwanese computer manufacturer. The agreement has been extended to France and Greece.

In Greece, Sofinco and the Commercial Bank of Greece have created a 50/50 joint venture in consumer finance, Emporiki Credicom. The new company has been in operation since the end of November 2003.

Product development: continued enrichment of the offering

Alongside these new partnerships and international expansion, Sofinco has continued to improve and enrich its product offering.

Viaxel has launched an online calculator and application form for motorcycle loans, which enables it to make the customer an immediate offer.

Sofinco has developed a car finance package for personal customers, which combines a loan with a choice of insurance options and breakdown cover. The insurance is provided by Pacifica. This turnkey bancassurance product is sold through nine Regional Banks.

A new debt collection procedure was launched in May to improve financial performance and reduce the cost of risk.

Finalion: an excellent year in 2003

Finalion, Crédit Lyonnais' consumer finance subsidiary, had a very good year in 2003. New business was up 10% to € 618 million, bringing total outstandings to € 1.2 billion at the end of the year.

Growth was driven principally by the renegotiation of partnership agreements with major players in the household equipment market, consolidation of Finalion's position as leader in financing leisure vehicles and increased synergies with the Crédit Lyonnais branch network.

European presence in consumer finance



The acquisition of Finaref has made **Crédit Agricole one of the leading French and European players in consumer finance.**

In February 2003, **Crédit Agricole S.A. acquired 61% of Finaref, a specialist in private label cards, from the Pinault-Printemps-Redoute group, followed by a further 14.5% in December 2003. It acquired a final stake of 14.5% in March 2004 and the PPR group retains the remaining 10%. This acquisition supports and completes the Regional Banks' and Sofinco's own consumer finance business. It strengthens Crédit Agricole S.A.'s position in both consumer credit and private label cards, a segment in which Finaref is a top-ranking player in France, with 6.5 million cards and managed outstandings of € 4.7 billion.**

Finaref Sustained business growth

Business was brisk in 2003, with 752,000 new credit accounts opened, a 13% rise on the previous year. New credit was up 6.5% to € 2.9 billion, driven by 9% growth in international business. Total managed credit amounted to € 4.7 billion, up 2% on the previous year, with card holders broadly preferring cash payment to credit.

The insurance business delivered an excellent performance. Finaref sold 755,000 new policies in France, a rise of 27%, while total managed premium income rose by 16% over the year to € 170 million.

During the year, Finaref continued to expand its business franchise, signing a new commercial partnership with Club Méditerranée, which led to the launch of the Club Med card in November.

2003 also saw strong growth in online business, which generated over 10,000 new accounts during the year. Rewarded for the quality of its performance and audience, www.finaref.fr was the only finance company ranked by Interop Label among France's top ten financial websites.

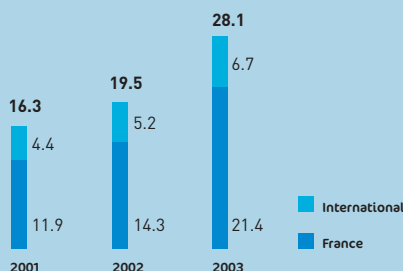
The product range was enhanced with new personal loans and the extension of the universal payment function to revolving credit accounts. By the end of the year, there were over 10,000 Visa cards in issue.

In insurance, the initial benefits of intra-Group synergies have begun to flow through. In France, Finaref has been insuring some of Sofinco's instalment loans since September, notably under the Apple brand. Two agreements signed in 2003 with Creditplus AG and Agos Itafinco, Sofinco's consumer finance subsidiaries in Germany and Italy, will facilitate the distribution of Finaref insurance products. Similar discussions are underway in Spain and Poland.

In savings, Finaref announced its proposed buyout of ABN Amro's 49% holding in Banque Finaref-ABN Amro in July. The buyout became effective in early August after approval from the CECEI, the French regulatory authority. Finaref now owns 100% of its banking subsidiary and will discontinue its business in 2004.

Geographical breakdown of outstandings

(in billions of euros)



Lease-finance

Strong resilience in all areas

Lukas, the Polish number one

Crédit Agricole S.A. has virtually full control over the Lukas companies, the Polish number one in consumer finance. Lukas had an excellent year, with new financing up 12%. Drawing on its first-class brand image (top place according to the 2003 Newsweek Banks survey), Lukas continued to develop its retail banking services during the year, opening 80,000 new accounts (representing 20% new customers) and launching new savings & investment and financing products (life insurance, mutual funds, mortgage loans). Lastly, in 2004, Lukas has embarked on a huge project to upgrade all its information systems.

Amid a sluggish economic climate, with weak fixed investment, the group's lease-finance subsidiaries succeeded in maintaining satisfactory business volumes.

Ucabil: buoyant commercial activity

Ucabil had a good year, particularly in property leasing, where it has regained the number one spot.

New business rose by 8.3% to € 1,870 million, while total outstandings remained steady at € 6.2 billion, including € 5.9 billion in France, a slight rise of 1% over the period.

Equipment leasing origination rose by 10.1% to € 735 million, reflecting the incorporation of this business within the Regional Banks' offering. Ucabil is the fourth biggest player in this market, with total outstandings of € 1.6 billion at the end of 2003.

In property leasing, in a market down by around 10%, Ucabil managed to hold its volumes steady in 2003, especially in its core segment of middle-market corporate customers. Ucabil Immobilier is one of the leading operators in the market, with total outstandings of € 2.5 billion, up 5.7% compared with 2002.

In 2003, the Public Sector division recorded a strong 26.5% rise in new business, to € 330 million. Total outstandings amounted to € 1.5 billion at the year end. This division is a major provider of financing for public infrastructure and sustainable development projects, and has drawn on synergies with the Regional Banks to syndicate high-value deals.



Computer leasing performed well during the year, with new business up 9% to € 176 million. New vehicle leasing rose by 9.6% to € 62 million, mainly for companies related to the farming and pharmaceuticals industries.

Lixxbail: controlled growth in new lending

The merger between Loxxia and Slibail was finalised during 2003 to create the Lixxbail group. Meanwhile, Lixxbail delivered 3.7% growth in new business, to € 1.6 billion. Total outstandings amounted to € 3.4 billion at the year-end.

In Lixxbail's traditional markets, transport held up well with 2% growth in new business. This sector accounted for 35% of total origination. The computer equipment and construction sectors both delivered strong growth at 20% and 26% respectively.

In banking partnerships, business provided through Crédit Lyonnais achieved satisfactory growth at 9%. With CCF, the implementation of an Extranet in several group subsidiaries should help revitalise new business, which was almost flat in 2003.

Lastly, partnerships with local manufacturers and distributors delivered 9% growth in new business, due to the numerous new agreements forged during the year. Business with direct clients grew by 8%, driven by sustained telemarketing campaigns.

Slibail Murs – Slibail immobilier

In a market down by about 15%, the property leasing business maintained its 8% market share with € 368 million in new business, accompanied by an improvement in margins. Total outstandings grew by just over 2%, to € 2.25 billion.

EFL: sustained commercial dynamics

Crédit Agricole S.A. controls virtually the whole of EFL, Poland's leading vehicle leasing company.

Business and results were good, driven by an aggressive commercial approach in a more competitive market. With 25% growth in new business, EFL has maintained its place as leader in the Polish leasing market, and more particularly in vehicle leasing. During the year, EFL launched new products and signed two new partnerships with a car manufacturer and a local bank.



Lease-finance:

- **4.9 % growth in new business**
- **total outstandings: € 12.5 billion**

Factoring

Rapid international expansion

During 2003, the Group's two factoring subsidiaries, Eurofactor and Transfact, both delivered a robust performance.

Eurofactor: stronger international capability

Factored receivables amounted to € 21.1 billion against € 21.5 billion in 2002. During the year, Eurofactor focused on strengthening its European operations.

In France, business was down 8.2%, partly due to a generally weak market amid a difficult economic climate, and partly to a deliberately more selective risk policy.

By contrast, international business was up 12% due to a good performance in all European countries where Eurofactor operates. Its weighting to international business therefore rose significantly in 2003. Factored receivables in the international network now account for 35% of the Group's consolidated total, a rise of more than 10%, with all Group companies contributing.

Eurofactor's two main subsidiaries, in Germany and the United Kingdom, achieved business growth of 8.1% and 4.4% respectively.

Eurofactor ranks fifth in Germany and fourth in Belgium. Eurofactor UK has opened a new branch in Wales in an extremely buoyant market. Portugal and Spain were among the highest growth subsidiaries, with factored receivables up 35%.

In 2003, Eurofactor won several Import and Export awards from International Factors Group (a group of 55 correspondents in 37 countries):

- **Top Export factor in France, which is awarded to the factor recording the highest growth in export business with members of the International Factors Group.**
- **Top Import factor in the United Kingdom and second Import factor in Germany for their quality of service (based on scores awarded by IFG members).**

Significant events of the year were:

- Enrichment of the customer offering with the development of Eurofactor-online, a web-based factoring service. This new service has met with growing success: one in every two factoring deals is now completed online and total factored receivables amount to over € 4 billion. New functionalities have also been added to the web offering, including account lookup and interactivity.
- Optimisation of the chasing, collection and recovery process, by improving the organisational structure and upgrading information systems.
- Launch of a new factoring product called 'Rechargement de Balance', an automatic revolving facility.



Factored receivables reached € 25.7 billion in 2003.

Transfact: market share gains in a difficult market

Transfact delivered another good performance, gaining further market share in a difficult French factoring market for the second year running.

After a difficult start in the first half, business took off sharply in the second, with growth of 23% compared with the second half of 2002. Full-year factored receivables amounted to over € 4.6 billion, a rise of 8.5% on 2002. This growth was achieved with unchanged prices and a decrease in the cost of risk.

The large corporate market produced excellent results, driven by Crédit Agricole Indosuez and the Crédit Agricole de Paris et d'Île-de-France.

Transfact's international business doubled in 2003, due to its unique offering in the market, which has been extended to new countries.

In 2003, Transfact focused on improving its operating processes, strengthening its customer relations and customer satisfaction monitoring, and reinforcing its ties with the Regional Banks and Crédit Agricole Indosuez. New projects were launched in Transfact's three markets, Professionals and Small Businesses, Middle-Market Corporates and Large Corporates, to meet these objectives.

Lastly, Transfact pursued its policy of innovation by launching 'Edrane' which offers web-based business information and market development services. Meanwhile, 'Immedians', its online financing solution which is unique in the market, continued to make further ground among the Regional Banks' professional and small business customers. Similarly, 'Batica', the Crédit Agricole group's internal financial and legal database, was upgraded and made more widely available.

9.1% growth in international factored receivables





Complementary expertise Front-ranking positions

€ 380 billion in assets
under management

Assets under management
up 10.6 %



further strengthened

Life insurance premium income

up 10.6 %

Casualty & property insurance premium income

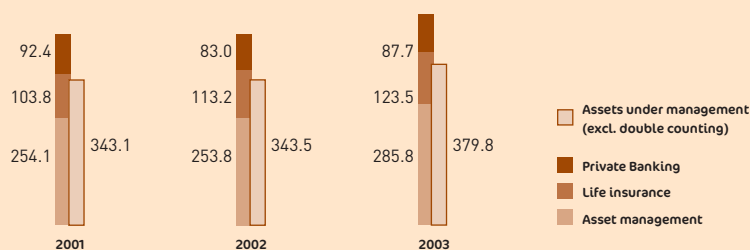
up 32 %

This division achieved strong growth in 2003. All subsidiaries had an excellent year, driven by buoyant new inflows and a positive market effect. This performance was supported by a strong commercial drive on the part of the retail banking networks, the division's own excellent commercial performance and a recovery in the equity markets.

2003 was also devoted to preparations for the 2004 mergers between the key subsidiaries in asset management (CA-AM and CLAM) and life insurance (Predica and UAF). These mergers will strengthen Crédit Agricole's positions yet further, making it French leader in mutual funds and third largest insurance group in France, while consolidating its place as number two in life insurance.

Growth in assets under management

(excluding double counting, in billions of euros)



Asset management

French leader in mutual funds

Crédit Agricole Asset Management (CA-AM) and Crédit Lyonnais Asset Management (CLAM), the Group's two main asset management subsidiaries, will be fully integrated by the end of June 2004. The new unit will have almost € 273.1 billion in assets under management, with a leading position in the French mutual funds market. CA-AM has strong expertise in bond funds while CLAM has an excellent reputation in equity and money market funds. The good geographical and business fit between their branch banking networks should lead to additional opportunities for the new unit's broadened product range.

In a contrasting environment, total assets managed by the Crédit Agricole S.A. group's subsidiaries, CA-AM, CLAM, CPR-AM and BFT, rose by € 32 billion to € 285.8 billion at the end of 2003.

Assets managed by the two main subsidiaries, CA-AM and CLAM rose by 13% to € 273.1 billion, under the combined impact of new inflows (€ 18.3 billion) and a positive market effect (€ 13.5 billion). This performance was underpinned by a strong commercial drive in all units.

Fitch-AMR, the rating agency, has placed Asset Manager rating of both CA-AM (aa+) and CLAM (aa) on credit watch pending their merger.

Crédit Agricole Asset Management: a new year of growth

Assets managed by CA-AM and its consolidated subsidiaries amounted to € 200.1 billion at 31 December 2003, an increase of 13.2% over the year. Growth was driven by buoyant new business volumes (€ 14.6 billion), particularly in structured funds and bond funds, and a positive market effect (€ 8.8 billion).

New product launches

CA-AM has developed several new products aimed at retail customers, including Step PEA, Preditop 5, Energetic PEA, Nutrio, Regener, CAAM Actions Cliquet, CAAM Stratégie Alternative, Opportunité Novembre 2003, and Atout Vert Horizon. This latter fund is eligible for tax-efficient personal equity plans and is designed to encourage retail investors to make a timely return to the equity markets, after their desertion during the crisis.

CA-AM has also enriched its international bond fund series with two new funds for institutional investors, CA-AM Dynarbitrage VaR 4 and CA-AM Dynarbitrage VaR 8. These funds are designed for a longer investment horizon to support its dynamic short-term range. CA-AM has also launched CA-AM Trésorerie Corporate, a new money market fund. For international institutional investors, CA-AM has launched Greenway Market Neutral and Golden Shot Fund.



Employee savings: strong growth

On 1 July 2003, in response to the new regulations issued by the *Conseil des Marchés Financiers*, Crédit Agricole Épargne Salariale (CAES) was merged into CA-AM, which is now the fund manager for the Group's entire employee savings business. A new company, Crédit Agricole-Épargne Longue des Salariés (CA-ELS), was created to handle custody, administration, marketing and promotion of the business.

Assets under management rose by 31.1% in 2003 to € 6.3 billion, driven principally by growth in offerings linked with the 2001 Employee Savings Act, which extended the field to professionals, farmers and small businesses. The Regional Banks signed up more than 5,800 contracts for these customers in 2003, bringing the total up to almost 12,600 since their launch at the end of 2001. In addition, seven new inter-company plans were signed in 2003, including one covering the profession of public notaries.

Crédit Agricole's socially responsible employee savings offering has been awarded the *Comité Intersyndical de l'Épargne Salariale* (CIES) label. There are two funds in this range, Uni SR and Uni Solidaire, which were launched in the summer of 2003.

Further international expansion

CA-AM continues to expand internationally. At the end of 2003, assets managed for international clients totalled € 20.3 billion, or 10.7% of total assets.

In Europe, CA-AM focuses principally on Italy, Spain and Northern Europe. In 2003, its Italian subsidiary, created in partnership with Crédit Agricole Indosuez, signed a € 740 million management mandate for an Italian insurance company. In Spain, assets managed for institutional and

private banking clients have more than doubled. In Northern Europe, CA-AM has representative offices in Brussels and Stockholm. Lastly, in Greece, following Crédit Agricole's acquisition of a holding in Commercial Bank of Greece, CA-AM now owns 20% of CBG's two asset management subsidiaries.

In Asia, CA-AM works in partnership with leading local players that have strong positions in their domestic retail markets. In Japan, CA-AM signed a partnership agreement with the Resona group in 2002. In 2003, CA-AM Japan became the top asset management company in the country by retail assets invested in structured or guaranteed funds (27.3% market share at the year end). In Korea, Nonghyup-Ca, a joint venture with NACF, the country's leading retail bank, has exceeded initial expectations. In Hong Kong, CA-AM HK was named 'asset manager of the year' by local magazine *Benchmark* (Lipper).

Socially responsible investment: launch of a dedicated team

During the first half, CA-AM established a five-strong specialist team in socially responsible investment (SRI). Its first task was to devise a specific management process by creating a screening system fed by internal research and external research by two SRI rating agencies. This process has led to a complete overhaul of the mass consumer range and the creation of the SRI employee savings offering, which has been awarded the CIES label.

Continued buoyant growth in alternative investment and multi-manager funds

Crédit Agricole Alternative Investment Products Group (CA-AIPG) is CA-AM's alternative investment arm. It is a pioneer in this area, having created Green Way Limited,

Awards received by CA-AM

- For the second year running, *Investir* magazine's silver award for five-year mutual fund performance in the retail banks category.
- Ranked second in the asset manager league tables compiled by Amadéis.
- Four awards for performance from the *Figaro* and the *Journal des Finances* in November.
- *Le Revenu* magazine's gold award for three-year performance in the international bond category.



one of the first alternative investment funds, over ten years ago. In 2003, CA-AIPG enriched its offering by launching increasingly specialised funds of funds aimed at private banking clients and French and international institutional investors. At the year end, CA-AIPG launched Green Way Multistratégies, a broadly diversified fund aimed at French investors. Total assets managed by CA-AIPG amounted to € 4.9 billion at the year end, a rise of almost 50% over the year. With offices in Paris, London and Chicago, CA-AIPG is one of the leading European fund of alternative funds managers.

In multi-manager funds, CA-AM has been developing a European presence since it first entered this market in 2001, with a dedicated team of eight people specialising in selecting and creating funds of funds. Assets managed at the year end amounted to almost € 1 billion. During the year, CA-AM rationalised its offering and simplified the range of products designed for the Regional Banks.

Crédit Lyonnais Asset Management (CLAM): growth and new commercial developments

Assets managed by Crédit Lyonnais Asset Management and its consolidated subsidiaries grew by 13.1% to € 73 billion in 2003. Growth was driven by strong new business inflows during the year (€ 3.7 billion), particularly in the corporate and institutional segment, coupled with a positive market effect (€ 4.7 billion).

CLAM drew the full benefit of market recovery in 2003 after rationalising its structure and taking strong cost control measures in 2002. CLAM also made further progress in its quality approach, obtaining global ISO 9001 version 2000

certification for all processes encompassing CLAM Finance, fund administration, reporting and Crédit Lyonnais Épargne Entreprise (CLEE).

Launch of 12 guaranteed funds

Twelve new guaranteed funds were launched for retail investors, all of which come in personal equity plan (PEA) eligible and non-eligible versions. Two new funds were added to the Talisman series of short-term guaranteed funds aimed at high-net-worth clients (Talisman 04.05 and Talisman PEA 04.05).

Eight guaranteed funds, in PEA eligible and non-eligible versions, were added to the Drakkar series, which replaces Beau Fixe.

Two new funds were added to the Practis series designed for experienced investors (Practis 2005 and Practis PEA 2005). These funds combine growth and security, offering both capital protection and the opportunity to share in equity market performance over a short-term investment horizon.

Enrichment of private banking offer

Crédit Lyonnais has developed 4G, a new generation of discretionary management products geared to investors with a 'balanced growth' profile. By combining security with the opportunity to share in market performance, these products offer a high quality service to a broader and younger target audience. The 4G offering helped the branch network consolidate its commercial positions, bringing in € 485 million during 2003, including half in new money.



Awards received by CLAM

- Investir magazine's gold trophy for the best five-year performance by equity and bond mutual funds, and silver trophy for equity and bond investment funds (retail banks category)
- Mieux Vivre Votre Argent gold award for best one-year performance (banks with a network of over 100 branches; source: Europerformance).
- Le Revenu magazine's silver trophy for best three-year international bond fund performance and bronze trophy for best overall three-year performance.

Launch of five sector funds

Five funds, combining geographical and sector considerations, were launched for private banking and institutional clients, based on the observation that the markets take a global view of some business sectors (oil, pharmaceuticals, telephony, etc.). Sector investment requires the expertise of equity analysts and fund managers specialised by region. The five funds cover all the sectors comprising the MSCI World index, grouped by theme: Finance, Food/Health, Consumer Cyclicals, TMT and Natural Resources/Industry.

Alternative investment and quantitative management

Stysteia Capital Management, a 78%-owned subsidiary of CLAM, has developed a comprehensive offering in alternative investment. Its key funds, which are denominated in euros and dollars to meet demand from investors based in the USA and Asia as well as Europe, delivered an annualised performance of around 10%.

ABF Capital Management, now a wholly-owned subsidiary of CLAM, is a quantitative management specialist. It manages 60 funds invested principally in the equity markets, with a very tight risk management policy. CLAM and ABF Capital Management have combined their commercial teams to offer clients a broader range of products based on two brands with different, complementary management styles.

Employee savings

Crédit Lyonnais Épargne Entreprise, a wholly-owned subsidiary of CLAM Finance, is a finance company authorised by the Conseil des Marchés Financiers for custody and administration activities. It continued to expand during 2003. CLAM manages employee savings plans for over 3,700 French and international companies, representing 870,000 employees. Assets under management amounted to approximately € 4.5 billion at the year-end.

In 2003, CLAM won a contract from the *Fédération des Entreprises du Commerce et de la Distribution* (FCD) to establish and manage an inter-company employee savings plan and retirement plan for the retail distribution trade. It has also developed an offering geared specifically to the professions (ES-PL) following a tender invitation launched by the *Union Nationale des Professions Libérales*. This contract was won jointly with Interépargne.

Socially responsible investment: creation of I.DE.A.M.

CLAM has created a socially responsible investment and sustainable development subsidiary called Integral Development Asset Management (I.DE.A.M.), in which it owns 80% of the capital alongside the management team. I.DE.A.M. has its own resources, a team of specialist SRI fund managers, and a sales team responsible for developing institutional and corporate sales in France and abroad. It manages approximately € 700 million in assets.

Global custody and financial services

Crédit Agricole Investor Services houses the Group's European global custody, fund administration and issuer services business. It performed extremely well in 2003, driven by an active growth strategy and strong commercial momentum. Funds under custody (€ 470 billion) and funds under administration (€ 342 billion) grew by 10%.

The merger in 2004 between Crédit Agricole Investor Services and Crédit Lyonnais' corresponding activities (€ 133 billion under custody and € 72 billion under administration) will consolidate the Group's position among the European leaders.

Assets under management: € 285.8 billion, +12.6 %

of which: France +11.1 %

International +30.5 %



Insurance: number 3 in the French market

Crédit Agricole's Insurance division ranks number three on premium income in the overall French insurance market. Its goals are to strengthen its presence in life insurance and make further market share gains in non-life business

Life insurance: number two in France

The legal merger between Predica and UAF, which will be completed during 2004, strengthens Crédit Agricole's position in the French insurance market. It is the leading bancassurer in France and number two in life insurance, with 15% of the market in terms of in-force business.

Amid a background of market rebound, the life division achieved some excellent commercial results, slightly outperforming the market as a whole. In-force business rose by 9.9% and premium income by 10%, to € 15.1 billion. In terms of investments, the division's strategy is to maximise yield within the framework of its long-standing prudent investment policy.

Predica: excellent commercial dynamics

New inflows rose by 9.9% and the number of in-force policies broke through the 1 million mark. In-force business was up 10.3%.

Among Predica's main products, Confluence achieved excellent results, with a 22% increase in premium income and almost 360,000 new policies sold, a rise of 55% compared with 2002. Confluence is the top-selling life investment plan in France. The unit-linked range also performed well, with a 10% rise in the number of policies to 642,000, chiefly due to the success of the 'Opportunités' funds. In the premium policy range, new business rose by 81% to € 1.5 billion, driven principally by Floriane, a life investment plan launched in 2002. New business in this product rose fourfold to € 955 million.

Predica is a leading market player in whole life insurance, with 2.8 million policies in force. Its 'Valeur Prévoyance' death and disability range enjoyed strong growth, with over 355,000 new policies written during the year, bringing the total to over 1.9 million at the year end.

Predica was also very active in the long-term care market, writing 44,000 new policies during the year, representing a rise of 44% on the previous year and bringing the total number of in-force policies to 117,350 at the year end.

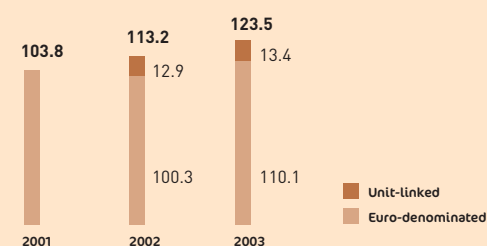
UAF: developing alternative networks

New inflows rose by 10.2% and in-force business by 8.3%. New business in investment policies from the Crédit Lyonnais branch network, the main distribution channel for UAF products, rose by 5%. With the expanded Lionvie range, Crédit Lyonnais now has a range of products to suit all the needs of its target customer groups. Meanwhile, diversification through alternative networks continued apace. La Médicale de France's salaried 'life' sales force, which sells products to healthcare professionals, delivered



In-force business by insurance line

(in billions of euros)



27% growth in new business, while UAF Patrimoine, which is sold through a network of independent financial advisers, grew by 70%. During the year, the branch network sold 38,800 funeral expense plans, which were launched at the end of 2002, for a total of € 20 million in new business.

La Médicale de France's non-life business grew by 13.5%. The market has now stabilised after the regulatory changes concerning medical public liability, and the company continues to apply a prudent and strict underwriting policy.

Diversified distribution channels

The Group offers a comprehensive range of investment and protection products to meet the varied needs of individuals, high net worth clients, farmers, professionals and businesses. Its products are distributed to personal customers through the Group's banking networks – the Regional Banks and Crédit Lyonnais – to wealth management clients through BGP Indosuez, and through two alternative networks – La Médicale de France for healthcare professionals, and UAF Patrimoine, a network of independent financial advisers.

International expansion

The Life division operates in Portugal, Lebanon, Greece and Luxembourg. It will extend its geographical reach in line with the Crédit Agricole group's international expansion strategy, either through partnerships with local banks or directly through the Group's own international operations.

Casualty & property insurance: continued rapid growth

The casualty & property division comprises Pacifica and the casualty & property business acquired through Finaref, notably its consumer credit insurance activities.

Pacifica had an exceptional year, with 921,400 new policies written (including 75,500 in the farming sector), led by a strong commercial drive on the part of the Regional Banks. Total policies in-force rose by 14.1% in 2003 to over 3,640,000 at the year end, while premium income was up 14.9% to € 676 million.

Personal accident, legal protection and health insurance all continued to progress at a strong pace. Over the year, personal accident policies rose by 25% to 558,000, legal protection policies by 30% to 559,000 and health policies by 25% to 122,000.

Farm insurance, which is distributed by most of the Regional Banks, also continued to grow rapidly, with over 75,500 new policies written during the year. Total policies in-force at the year end amounted to 114,000. The loss ratio remained satisfactory in 2003, despite the flooding in Southern France last winter.

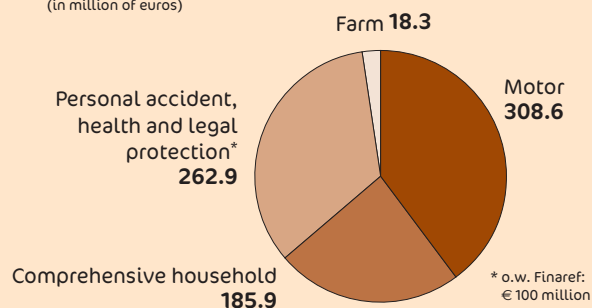
Farm insurance solutions

Crédit Agricole's new insurance offering geared to the specific needs of the farming industry has proved extremely successful. It is now distributed by 37 Regional Banks, and the in-force portfolio at the end of 2003 totalled over 114,000 policies. A survey among policyholders revealed a satisfaction rate of 88% for claims administration. Pacifica will continue to develop its farm insurance offering in 2004.



Premium income

(in million of euros)



Private banking

Reorganisation and commercial expansion

2003 was an eventful year for Crédit Agricole's private banking business. Its French and international operations have been radically restructured, in order to strengthen their commercial capability and accelerate growth.

Establishing a high-end customer network in France

In 2003, Crédit Agricole stepped up efforts in its French private clients business by establishing a high-end customer network. The move was aimed at boosting commercial development through greater co-operation between the Group's areas of expertise, i.e. the Regional Banks, specialised subsidiaries in the field of investment products and services, and the new private banking platform comprising Banque de Gestion Privée Indosuez (BGPI) and its asset management arm Gestion Privée Indosuez (GPI).

This platform's role is to assist the Regional Banks in devising their customer strategies, to ensure that their commercial policy is consistent with that of the specialised subsidiaries, and to provide expertise in wealth engineering and management under mandate.

This approach means that the Regional Banks can now offer customers wealth management solutions tailored to their personal circumstances. At the same time, BGPI is maintaining efforts to develop its direct customer base, consisting of business leaders, senior managers, wealthy families and associations.

Assets under management are over € 11 billion.

Strengthening positions abroad

The merger with Crédit Lyonnais has strengthened Crédit Agricole's network of private banks in the world's main international financial centres. It has made Crédit Agricole a leading player in private banking, with more than € 43 billion of assets under management, excluding institutional clients.

In 2003, international private banking (IPB) maintained commercial developments aimed at winning new customers, supporting its existing customers and designing innovative products. As a result, subsidiaries were able to achieve positive net inflows, particularly in Latin America and the Middle East, and bolster their market positions. With alternative asset management products designed by group specialists and capital protection products, Crédit Agricole was able to respond to customer needs at a time of significant market uncertainty.

IPB also carried out targeted expansion in 2003. This included the merger between IntesaBci Bank (Suisse) S.A. and Crédit Agricole Indosuez (Suisse) S.A., which took place ahead of schedule in September 2003, and Crédit Foncier de Monaco's move to strengthen its customer base in Latin America by acquiring Banco Sudameris Monaco's private banking activities and staff.

Meanwhile, IPB maintained its streamlining efforts. In Luxembourg, the new private bank Crédit Agricole Indosuez Luxembourg – spun off from CAI's local subsidiary – started operating in March 2003. In Singapore, Crédit Lyonnais (Suisse) S.A. obtained a licence to open a branch, which will serve private banking customers currently using Crédit Lyonnais S.A.'s branches in Hong Kong and Singapore.

International private banking has a network of subsidiaries operating in nine international financial centres, i.e. Switzerland, Luxembourg, Monaco, Paris, Italy, Spain, Singapore, the Bahamas and Miami, USA.

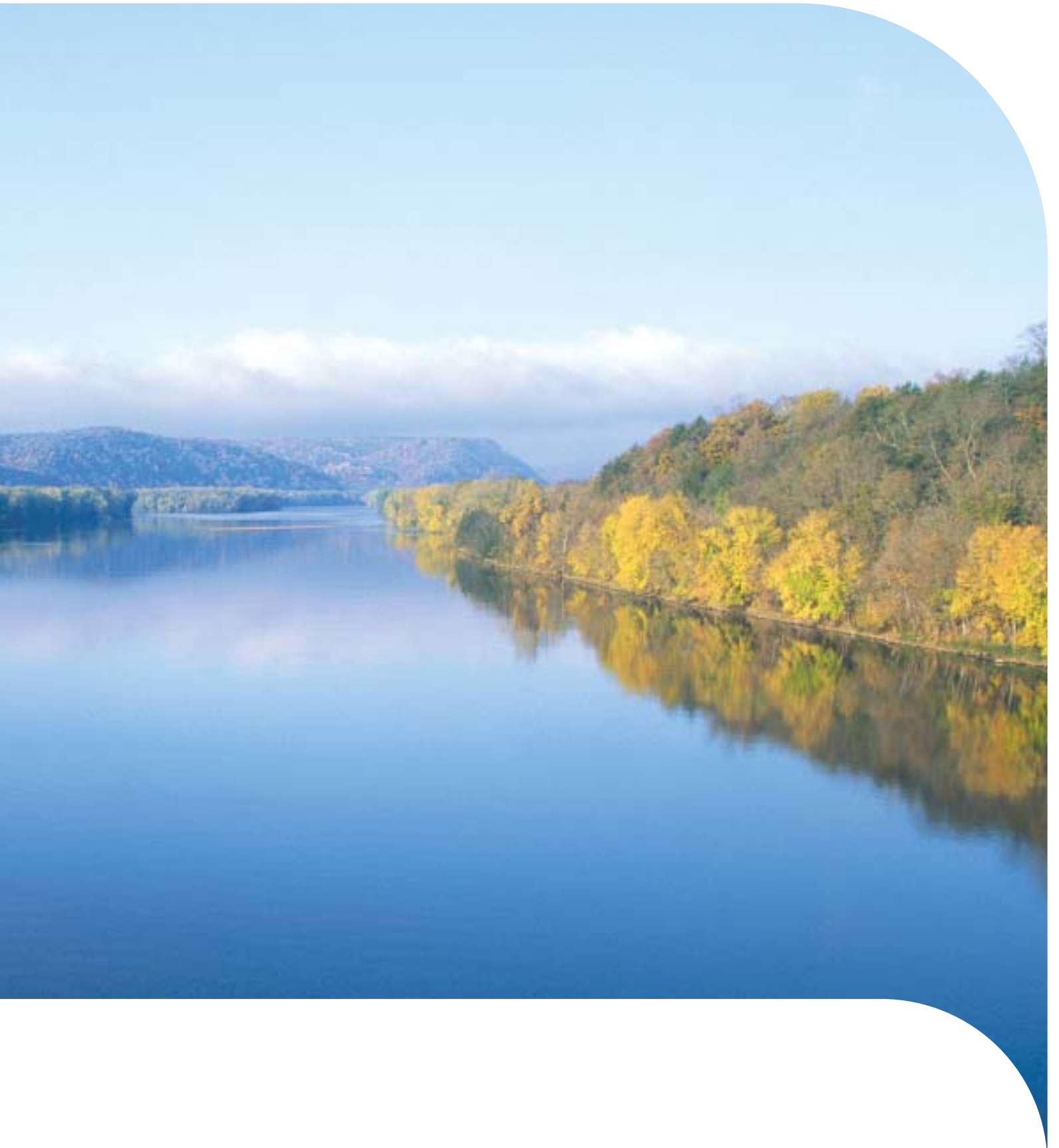




Calyon: a powerful player with powerful ambitions

A presence in **60** countries worldwide

No.1 worldwide
in project finance



No.1 European broker
for French securities through Cheuvreux

No.2 equity broker
in Asia through CLSA

Calyon is the Crédit Agricole group's new corporate and investment banking subsidiary, resulting from the combination of Crédit Agricole Indosuez and Crédit Lyonnais' corporate and investment banking business. With operations in over sixty countries, Calyon draws on the expertise and numerous leading positions of its two constituent parts.

Backed by the Crédit Agricole group's strong credit rating and robust financial position, Calyon is a powerful player in the financial markets and among the leading European players in corporate and investment banking by revenues.

Although its core customer base is historically French, Calyon is also seeking to expand rapidly in the European market. It takes a targeted approach to the rest of the world, according to local market potential and customer needs.

Its fifty banking advisers draw on experts in financing, mergers & acquisitions and primary equity markets to provide innovative solutions geared to the needs of large corporate and institutional clients. Capitalising on its presence in the world's key financial centres – Paris, London, New York, Tokyo, Singapore and Hong Kong – Calyon can now offer its major clients improved capability and more extensive geographical reach in the world financial markets.

Calyon also provides investment banking services for middle market customers, through a dedicated network and an offering designed to complement the services available through the Regional Banks and Crédit Lyonnais retail network.

France

- **No. 1 mandated arranger by volume with € 14 billion of loans syndicated**
- **No. 2 arranger and bookrunner by volume;**
- **No. 1 arranger and bookrunner by number of deals;**

World

- **No. 8 arranger and bookrunner by volume in Europe/Middle-East/Africa, with 120 deals totalling € 25.4 billion of loans;**
- **No. 9 mandated arranger by volume in Europe/Middle-East/Africa.**

(source: Loan Pricing Corporation)

Financing activities

Loan syndication

The syndication teams were extremely active during 2003, especially in the French market where Calyon is the number one arranger. It also has some solid positions in the international markets.

Calyon is among the top ten players in the Europe/Middle-East/Africa (EMEA) market. It is particularly active in Europe, a region which enjoyed further strong growth of 17% in 2003.

Both of Calyon's constituent parts performed well in 2003. In the EMEA market, Crédit Agricole Indosuez's volumes as mandated arranger amounted to € 92 billion in 2003, almost 2.5 times the 2002 level of € 38 billion.

Prime deals in 2003:

• Vodafone	€ 10.4 billion
• EDF	€ 6 billion
• France Télécom	€ 5 billion
• Nokia	€ 2 billion
• Telia	€ 1.2 billion
• Yukos	€ 1 billion
• Zodiac	€ 850 million

Calyon also played a leading role in several refinancing deals for major French groups such as Vivendi Universal (€ 2.5 billion) and Alstom (€ 1.5 billion).



Structured finance

This business line has a team of almost 1,000 professionals throughout the world, covering the following activities: project finance, aircraft and ship finance, acquisition finance, structured commodities finance, international trade finance and property finance.

Project finance: Calyon world no. 1

Calyon won numerous mandates as lead arranger for major deals, ranking it world number one in 2003, principally due to the strong geographical and business fit between its two constituent parts.

Calyon was named Asia-Pacific Bank of the Year 2003 by *Project Finance International*, with awards for several projects:

- CNOOC Shell Nanhai: petrochemicals deal of the year
- Paiton Energy: oil & gas deal of the year.

In Asia, three large-scale mandated arranger deals won awards: the Pusan Newport terminal in South Korea, the Phu My 3 power station in Vietnam and the Blue Sky equipment financing deal for Pertamina's lead-free gasoline production facilities in Indonesia.

Aircraft finance

In a difficult aviation market, Calyon consolidated on its global capability in arrangement, lending, structured deals and advisory services, drawing on its multi-product expertise and excellent geographical coverage. At the end of 2003, its total portfolio amounted to € 8 billion, representing finance for 467 aircraft, almost all new or very recent.

Calyon won *Jane's Transport Finance* magazine's Aircraft Capital Markets Award 2003 for its € 435 million asset-backed bond issue for Air France in July 2003.

Calyon won several mandates for Japanese Operating Leases in 2003, including one Airbus A320 and one Airbus A321 for debis AirFinance, and two Airbus A340s for Iberia.

There was also an increase in securitisation transactions during the year, including:

- structuring and placing the securitisation of a portfolio of aircraft for Air France (€ 435 million);
- securitisation of Northwest Airlines' and American Airline's head offices;
- synthetic securitisation of a portfolio of 25 aircraft for PK Airfinance (GECAS group).

Ship finance

All segments of the shipping market performed well during 2003, both in new construction and the secondary market. Growth was driven principally by Chinese demand.

The ship financing business was very buoyant in all units:

- 199 ships were financed during the year, including 43 new vessels;
- 92 deals were signed, including 81 as arranger or sole lender.

All in all, the ship finance teams arranged deals worth over \$ 2 billion.



Project finance:

- **World no. 1 with 36 deals totalling \$ 3.8 billion**
- **No. 2 in Europe/Middle-East/Africa, with 17 deals totalling \$ 2.5 billion**
- **No. 4 in the Americas, with 11 deals totalling \$ 923 million**

(Project Finance International, mandated arranger league tables)

Acquisition finance

In 2003, there were fewer large-scale LBOs but plenty of mid-sized deals. Calyon continued to expand in this market, principally in Europe and Australia.

Calyon is no. 1 mandated arranger for LBOs in France (source: LPC)

Structured commodities finance

Calyon confirmed its increasing strength in this area, obtaining nine mandates for a total of \$ 1.2 billion. The biggest deals were in the energy sector in Iran and Egypt.

International trade finance

In 2003, Calyon arranged and placed deals worth € 1.5 billion throughout the world, confirming its place in the Club of top three banks for Coface credit and its leading role in Italy and the UK.

Property finance

Calyon is a front-runner in France and the international markets, strengthening its position in Italy, the UK and the USA during 2003.

Prime deals included:

- € 240 million in acquisition finance for 14 Carrefour supermarkets in Spain, Italy and Greece, for a consortium comprising Predica and Generali;
- several structured leasing deals for Airbus-EADS and PPR, totalling € 106 million.

Investment banking

Capital markets : a major player

With a growing presence in Europe and other targeted markets, this business segment employed 4,000 professionals worldwide and covers trading and sales in the following markets: treasury, fixed-income, foreign exchange and commodities, credit, equity derivatives, futures brokerage, execution and clearing.

Calyon has strengthened its position with clients through a more extensive capability in complex solutions:

- alternative risk management
- risk advisory services for emerging and G7 countries
- a broadened alternative investment offering
- development of a real e-business solutions offering:

Calyon has invested in two multi-dealer platforms: FxAll, which now accounts for 15% of foreign exchange volumes handled by the business line, and BondVision, which takes a 15% market share in euro bonds.

Primary bond markets

In 2003, Calyon's bond origination business grew sharply, with 120 deals against 94 in 2002, totalling € 29 billion.

There were some major successes in all client segments:

- large corporates: LVMH, Saint-Gobain, PPR
- financial institutions: Crédit Agricole S.A., CADES
- sovereigns and local authorities: Portugal, Spain.



Securitisation and credit derivatives

Calyon offers an integrated approach to its clients' needs, encompassing issuance, placing and credit risk transfer. It is one of Europe's leading players in securitisation. Securitisation rankings:

- No. 1 in France and no. 7 in Europe for private multi-seller ABCP conduits (Standard & Poors & Fitch, September 2003).
- Best residential mortgage-backed securitisation deal (RMBS) of 2003 in Europe, for the 'IntesaBci Sec 2' deal (International Securitisation Report).
- World no. 6 in synthetic collateralised debt obligations (CDO) in 2003, by volume of risk transferred in public deals (source: CreditFlux magazine).

Fixed-income and foreign exchange

Calyon ranked among the top primary dealers in French government bonds in 2003. It is also a primary dealer in nine other European countries: Germany, Austria, Belgium, Spain, Finland, Ireland, Italy, Netherlands and Portugal.

Calyon received a number of awards in Risk Magazine's industry surveys:

- **Top Dealer in Overnight Index Swaps in euros**
(Inter-Dealer Survey, Sept. 2003),
- **Top Dealer in Forward Rate Agreements in euros**
(Inter-Dealer Survey, Sept. 2003),
- **No. 5 in exotic fixed-income derivatives in euros**
(Corporate Panel, June 2003),
- **No. 2 bank in structured fixed-income products in Asia excluding Japan**
(Source: Asia Risk Magazine, End User Survey, June 2003),
- **No. 3 bank in HKD interest-rate options**
(Source: Asia Risk Magazine, End Use Survey, June 2003).

Calyon is also among the top ten players in Euro Medium Term Notes (EMTN), ranking third in structured EMTNs in the first half of 2003, and fifth in inflation-linked EMTNs as of September 2003 (Source: Capital Markets Daily).

Equity derivatives

In a very uncertain market, Calyon continued with its strategy introduced in 2002 of scaling back its business in standard products and focusing more on complex products taken up by investors, as well as emerging country underlyings (China, India and Brazil). Activity remained buoyant, driven by growth in high value-added technical products for corporate and institutional clients.

Futures

Carr Futures, now renamed Calyon Financials, operates in the world's major financial centres and maintained its position as one of the top-ranking Futures brokers in the institutional market:

- no. 7 broker/clearer
- no. 2 foreign broker/clearer in the USA in terms of client outstandings (source: CFTC September 2003).

In 2003, Carr Futures opened a Japanese-speaking office in Chicago to deal with its Japanese clientele and extended its specialist brokerage services to cover alternative investment and commodities (Commodity Trading Advisor – CTA).

Equity brokerage: an ambitious strategy

In equity brokerage, Calyon aims to pursue its ambitious strategy, despite a tough environment.

Cheuvreux, Calyon's dedicated equity brokerage subsidiary, employs 800 people in a decentralised structure covering research, sales and order execution.

In 2003, in a slack market, Cheuvreux delivered a good performance, particularly in institutional brokerage, thereby gaining market share. This bears out its strategy of multi-local operations and independent research capability.



Chevreux, a front-runner in European brokerage:

- **Leading European broker in French equities**
(Reuters Institutional Investor and Extel)
- **No. 2 in France by market share of orders executed**
- **Among the top 5 brokers in local equities in Germany, Switzerland, Scandinavia and Benelux**
- **Top European broker in mid caps according to Agefi and no. 2 according to Extel**
- **Third best European country research house**
(Institutional Investor)

In Asia, Crédit Lyonnais' subsidiary, CL Securities Asia, performed well and gained market share in 2003. CLSA took part in several IPOs on the Hong Kong market, including Chinese companies Port Design in luxury goods and Lee & Man, a cardboard manufacturer. CLSA held its tenth investors' meeting in September 2003, attracting over 1,500 institutional investors and more than 400 corporate investment managers in some thirty countries in the Asia-Pacific region.

CLSA consolidated on its no. 2 position among Asian brokers (Asiamoney Broker Poll 2003).

CLSA is a leader in many sectors:

- **top in strategic analysis (Chris Wood), economic analysis (Dr. Jim Walker), quantitative and technical analysis (Chris Roberts);**
- **top in hedge funds for best hedge fund ideas, research and sales (Sheldon Lee);**
- **top independent broker for the second year running;**
- **in country rankings, CLSA is top broker in India and no. 2 in China, Hong Kong, Indonesia, Malaysia, Singapore and Taiwan.**

In February 2004, Calyon sold Crédit Lyonnais Securities Europe as part of its strategy of focusing on brokerage in the major financial centres, with the aim of adapting to a much more competitive market.

Investment banking: strong positions in M&A and primary equities in a difficult market

This business line has a team of about 350 professionals in France, Europe (Italy, Spain, UK) and the USA, covering the following activities:

- Mergers & acquisitions in France and international, in various business sectors and the mid cap market;
- Equity and equity derivatives origination for corporate clients in France and international.

2003 rankings:

- Mergers & acquisitions: no. 5 advisory bank in the French market (Thomson Financial, Dealogic and Agefi)
- Primary issues: no. 3 advisory bank for equity and similar issues in France in 2003 (Agefi)

Mergers & acquisitions

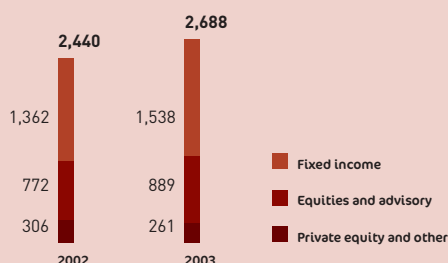
The French government continued to plan its privatisation programme during 2003. Calyon has been mandated either by the government or the company for almost all major privatisation deals scheduled for 2004 and 2005, including EDF, GDF, ADP, Snecma, Thalès, and the 51% of SNET still held by Charbonnages de France.

Calyon won advisory mandates in several major refinancing deals in both the industrial sector (Vivendi Universal, Suez and Rhodia) and the property investment sector (Société Foncière Lyonnaise's bid for Sophia).

It was also mandated for a number of rights issues, including two large deals for France Télécom and Alstom.

Investment banking net banking income

(in millions of euros)



Prime M&A advisory deals in 2003 included:

- Caisse des Dépôts et Consignations for the reorganisation of Eulia (€ 16.7 billion);
- Vivendi Universal for the acquisition of British Telecom's holding in Cegetel (€ 4 billion);
- the Moroccan government for the privatisation of Régie des Tabacs du Maroc, the state-owned tobacco company (€ 1.6 billion).

Calyon remained active in the French advisory market, both for major corporates and for the Group's diversified client base (Générale de Santé, Rhodia, Socpresse, Safic Alcan, Vendôme Rome, Flo, etc.).

Primary equity markets

In France, Calyon (in partnership with Lazard Capital Markets during the first half of the year) lead managed several major deals, including the largest international deal of the year, France Télécom's € 15.8 billion rights issue, for which it was global coordinator. Calyon was also bookrunner for Crédit Agricole S.A.'s € 2 billion rights issue and Alstom's € 1.3 billion issue.

Calyon also took part in exchangeable or convertible bond issues for Artémis into Bouygues, Cap Gemini and Essilor.

In Asia, Calyon participated in several IPOs on the Hong Kong market, including Port Design, a Chinese luxury goods company, and Lee Man, China's second largest cardboard manufacturer.

In equity derivatives, Calyon is the leader in structuring leveraged employee savings plans, with four major deals during the year including three with an international slant: AGF, Crédit Agricole S.A. (the third largest leveraged deal to date), Schneider Electric and Technip.

Private equity

The private equity business is conducted through specialist subsidiaries of Crédit Agricole S.A. and Crédit Lyonnais.

Crédit Agricole S.A.

Crédit Agricole's private equity arm helps businesses raise expansion capital and finance their LBO plans. It has a € 1.8 billion private equity portfolio, managed through several specialist units: UI for major corporates, IDIA Participations for middle-market corporates, Unipar for the agrifoods sector, and Sodica for middle-market mergers & acquisitions.

UI and IDIA Participations

UI and IDIA Participations provide private equity for the manufacturing, consumer goods, services, agrifoods, healthcare and cosmetics sectors, and also co-invest alongside the Regional Banks.

In 2003, new investment amounted to € 136 million against € 162 million in 2002.

Major deals included:

Large corporates:

- LBO for Fraikin, French leader in truck rental;
- Minority holding in Eutelsat, European operator of the world's fourth largest satellite fleet
- Holding in the third LBO for Loxam, a construction equipment rental company



Middle-market corporates:

- Holding in a nursing home operator;
- Participation in the merger of three regional building materials merchants;
- Take-private LBO for a manufacturer of made-to-measure doors and windows.

During 2003, the UI group made divestments totalling € 254 million (against € 222 million in 2002). The key divestments were Loxaco, holding company of Loxam, at the time of its third LBO, partial divestment of Elior, a foodservice company, initial public offering of Neopost, a franking machine manufacturer, and divestment of Oberthur Card Systems.

In the middle market, the key divestments were Ligne de l'Est, Desbordes, Segafredo and Financière de la Chapelle, the holding company for Celio.

Unipar

Unipar specialises in private equity for middle-market agricultural and agrifoods companies, and agricultural co-operatives. It has special expertise in viticulture/viticulture and agrifoods, and it also manages the Crédit Agricole group's land and forestry investments.

Sodica

During 2003, Sodica continued to develop its business in middle-market mergers & acquisitions, obtaining mandates in agrifoods, manufacturing and services. It won a total of 30 new mandates and completed 12 deals totalling € 114 million.

Crédit Lyonnais

Crédit Lyonnais Private Equity (CLPE) manages or advises on a private equity portfolio of € 700 million invested in venture capital, expansion capital and LBOs for middle-market customers and in secondary market deals, principally in France.

In 2003, all segments combined, CLPE invested almost € 80 million through some ten investment vehicles, on behalf of approximately 14,500 shareholders.

A new innovation investment fund raised approximately € 25 million by the end of 2003, through the Crédit Lyonnais network. CLPE is a leading market player in venture capital, with a portfolio of € 200 million.

Among the prime deals completed in 2003 were the acquisition of a stake in UK company Biovex, a developer of anti-cancer vaccines, a 25% holding in Loisirs & Création, a chain of arts and crafts stores, and a 19% holding in IRH Environnement, an environmental consultancy firm.

Outside France, business is growing in Asia with CL Securities Asia Private Equity, which manages \$ 185 million through two funds, invested principally in the consumer goods industry.

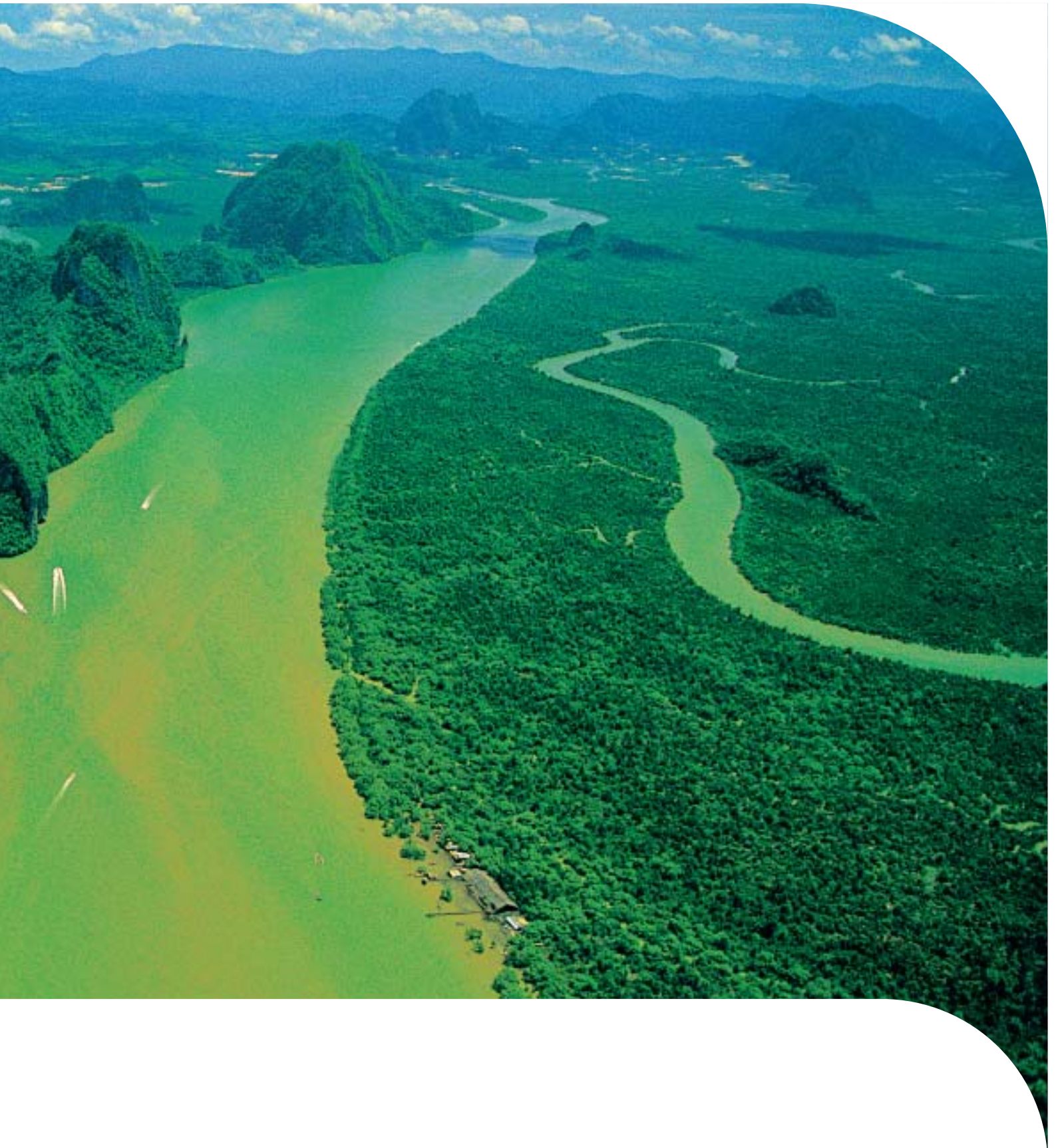




A buoyant business, delivering results in 2003

A **16.1%** stake in Banca Intesa,
the leading Italian bank

A **22.5%** stake in Banco Espírito Santo,
Portugal's third largest bank



Crédit Agricole S.A. has operations in Europe and, to a lesser extent, in Africa and the Middle-East, and Latin America.

Crédit Agricole S.A. has shareholdings in some first-class domestic banking groups in the major Southern European countries, with which it has forged partnerships and created subsidiaries in specialised financial services, such as consumer finance and life insurance. These investments brought some highly satisfactory results in 2003.

Crédit Agricole S.A. also has a presence in Northern and Central Europe through its consumer finance subsidiaries.

International retail banking

A substantial recovery in contribution

Europe

In Italy, Crédit Agricole S.A. has a 16.1% shareholding in Banca Intesa, the leading Italian bank with a market share of 13% in lending and 14% in deposits at end-2003. Its strategy of refocusing on the Italian market, introduced at the end of 2002, led to a recovery in results in 2003 and a positive contribution of € 115 million to Crédit Agricole S.A.'s results (against a loss of € 55 million in 2002).

In Portugal, Crédit Agricole S.A. has a 22.5% shareholding in Banco Espírito Santo (BES), the country's third largest banking group. Earnings were up by 12.6% in 2003 to € 250 million.

In Greece, Crédit Agricole S.A. has forged two commercial partnerships with Commercial Bank of Greece, the country's fourth largest bank in which it has a 9% shareholding. Emporiki Life is a 50%-owned subsidiary of Predica, and Emporiki Credicom is a 50%-owned subsidiary of Sofinco.

Africa/Middle-East

Banque Saudi Fransi

Banque Saudi Fransi (BSF) is 31.1%-owned by Crédit Agricole Indosuez. In 2003, BSF delivered further strong growth in business and results in a buoyant economic environment supported by high oil prices. Loans grew by 27% and deposits by 18%. Its market share in Saudi Arabia is 11% in loans, 7% in non interest-bearing deposits and 14% in interest-bearing deposits.

Crédit Lyonnais network

In 2003, in a difficult environment hit by overliquidity in the banking system and a general downward trend in interest rates, the Crédit Lyonnais' network focused principally on financing, cash management and advisory services for subsidiaries of international groups and major regional and local companies, in association with the Group's various business lines.

During 2003, Crédit Lyonnais signed a co-operation agreement with Western Union for its payment activities in the sub-Saharan countries where it operates. As a result of this partnership, several new Western Union dedicated branches were opened in Cameroon, Senegal and Madagascar, and the existing branch network in the Congo was expanded. Six African subsidiaries in the Cameroon, Congo, Senegal, Gabon, Ivory Coast and Madagascar have jointly launched a full Visa card offering, to meet the needs of their four retail customer segments. This multi-bank, multi-currency solution has led to cost sharing and to the construction of an international electronic payment platform based in France.

Latin America

Crédit Agricole S.A. continued to streamline its operations in this crisis-hit region:

- withdrawal from Argentina is progressing in line with the plan introduced in 2002;
- in Uruguay, Crédit Agricole S.A. has taken the control of Banco Acac with 91.1% interest. To restore its profitability, this subsidiary has reduced staff numbers, closed branches in the provinces and refocused on the capital Montevideo, through the acquisition of certain assets and liabilities from Banco Sudameris.





A proactive approach, true to Crédit

Ever since its origins, Crédit Agricole has accompanied the major transformations which have taken place in the French economy and society. It has always taken a long-term view of business development, striving to maintain its strong local involvement. In its drive for progress and expansion, Crédit Agricole has remained true to the core values, both corporate and mutualist, which have underpinned its success through the ages.

With this heritage, Crédit Agricole naturally subscribes to the principle of sustainable development, which is defined as development that meets the needs of the present without compromising the ability of future generations to meet their own needs. This principle is gradually becoming an integral part of the strategies and policies pursued by the various business units of our decentralised and evolving Group.

Agricole's values

Combining the drive for progress with respect for people and their communities

Crédit Agricole's core values

Crédit Agricole successfully combines the corporate values of service, progress and efficiency with the mutualist values of responsibility, solidarity and proximity. These core values reflect a culture fostered through the Group's agricultural origins, regional roots, democratic co-operative method of operation and experience as a large company. They underpin the commitment of the Group's members, directors and employees to a common purpose, which is to serve their communities.

A proactive approach

True to these values, the Group decided to formalise its commitment in 2003, first and foremost by strengthening its sustainable development function. In line with Crédit Agricole's decentralised organisation, this function plays an internal co-ordination and steering role and is responsible for communications with external sustainable development organisations (international institutions, NGOs, government agencies, etc.). It operates on a network basis, with a contact in each Crédit Agricole S.A. business unit and, through the Fédération Nationale du Crédit Agricole (FNCA), in each Regional Bank. The FNCA is responsible for managing and co-ordinating mutualist policies on a national level. The network comprises almost 80 people.

To give weight to its commitment, Crédit Agricole S.A. conducted a number of internal awareness campaigns in 2003 and took part in events such as the Sustainable Development Week organised by the French Secretary of State for Sustainable Development in June 2003. It has also made some strong commitments to international organisations.

Global Compact

In March 2003, Crédit Agricole S.A. signed the 'Global Compact' charter launched in 2000 by Kofi Annan, the United Nations Secretary General. This international initiative brings companies together with UN agencies, labour and civil society organisations to support nine principles in the areas of human rights, labour and the environment. Today, more than one thousand companies are engaged in the 'Global Compact'.

Equator Principles

In 2003, Crédit Lyonnais was the first French bank to adopt the Equator Principles, established by the World Bank and the International Finance Corporation (IFC), alongside nine other major financial institutions heavily involved in project finance. Equator banks will only provide direct loans to projects where the borrower is able to and undertakes to comply with sound environmental and social policies and processes. This condition applies to all deals in excess of \$ 50 million. In early April 2004, Calyon's Executive Committee agreed to continue supporting this initiative.



Solidarity and commitment to society

The Regional Banks, through their origins and fidelity to the mutualist values of responsibility, solidarity and proximity, are deeply committed to the development of their region. Each year, they take part in financing several hundred projects in areas such as the economy, society, the environment, and national heritage. The entire Group is involved in this approach.

Regional Banks: commitment to the local community

The Regional Banks have deep roots in their local economy and society, which gives them a strong sense of involvement in the economic, social and cultural life of their community. They are actively committed to local and regional development, not only by helping their customers' businesses to flourish but also by helping them through times of hardship.

The Regional Banks have full responsibility for their banking policy and their local initiatives. Each year, they devote a percentage of their resources to providing support for several hundred local development and community projects, notably through a strong commitment and involvement on the part of their directors. Regardless of their size or purpose (economic development, welfare, cultural, environmental, heritage, etc.), these projects seek to promote regional development or benefit the local community. This commitment to uphold the mutualist ideal in action illustrates the Regional Banks' sense of corporate and social responsibility.

Support for local development projects

Local development projects are mostly selected by the Local Banks and overseen by their directors. Several mechanisms have been developed to make their involvement more effective. Examples include the Centre France Regional Bank's € 8 million mutualist fund, the development funds made available by the Quercy-Rouergue Regional Bank to its Local Banks (which have supported 700 projects in four years), and the prizes for local community initiatives awarded by several Regional Banks (Nord de France, Oise, Finistère, Charente-Maritime Deux-Sèvres, Touraine et Poitou, Morbihan, Côtes-d'Armor and Loire Haute-Loire).

Support for people suffering hardship or social precarity

Several Regional Banks have created specific structures for customers or indeed non-customers experiencing hardship. Examples include the Centre-Est Regional Bank's 'Banque de l'Imprévu' for customers in temporary difficulties, the Nord-Est Regional Bank's 'Points Passerelle', assistance and advice bureaux open to customers and non-customers experiencing severe hardship, which are gradually being introduced by other Regional Banks (Cantal, Ille-et-Vilaine), and partnerships with charitable organisations helping people barred from access to the mainstream banking system to find work or create businesses and pay off their debts (Association pour le Droit à l'Initiative Économique, France Active, and France Initiative Réseau).



Support for business start-ups

Several Regional Banks offer special financing arrangements for business start-ups unable to secure backing through the mainstream banking system. Examples include 'Tremplin' interest-free unsecured loans (Savoie Regional Bank which has financed 230 projects in four years), the 'Banque Solidaire Nord Pas-de-Calais', founded in partnership with Crédit Coopératif to provide loans for young people wanting to start up in business (Nord de France Regional Bank), and the 'Imagine' fund which notably provides subsidised zero-interest loans for business start ups (Normand Regional Bank).

The Regional and Local Banks devoted € 18 million to local development and community initiatives in 2003.

Solidarity with the national bodies

For over the past twenty years, the Regional Banks have been involved in patronage activities at national level, by seeking financing from the FNCA and Crédit Agricole S.A. for projects which they feel deserve broader support.

Economic and social solidarity

The Regional Banks can call on Crédit Agricole Solidarité et Développement, an internal Group association, to support economic and social solidarity projects and initiatives to encourage social integration. Master agreements for back-to-work and business start-up programmes were signed in 2003 between Crédit Agricole Solidarité et Développement, the FNCA and three major associations working for social

integration through this type of programme: France Active, the ADIE and France Initiatives Réseau (a network for local initiatives). These agreements provide the Regional Banks with a working framework for forging operational partnerships through a grass roots approach.

In terms of social integration, the Regional Banks and Crédit Agricole Solidarité et Développement may provide support for the prevention of drug abuse, the integration of adolescents who have failed educationally or young people in difficult neighbourhoods, and the fight against illiteracy. For example, the Touraine-Poitou Regional Bank called upon Crédit Agricole Solidarité et Développement for an initiative which it has supported for several years now: taking primary school children from difficult neighbourhoods to visit Crédit Agricole branches, in association with the town of Tours, to familiarise them with the banking and money system.

'Pacte Solidarité Logement' is a shared return fund created by Crédit Agricole to support associations and organisations providing housing for the most needy families and people in France. Investors keep half of the income generated by their investment, while the other half goes towards funding housing projects. Crédit Agricole has created a foundation, the 'Fondation Solidarité Mutualiste', which collects donations from Pacte Solidarité Logement, selects the projects and grants subsidies. The foundation has been placed under the aegis of the 'Fondation de France' to ensure that projects chosen are ethical and serious.

In 2003, the Group devoted € 748,000 to solidarity initiatives financed by Crédit Agricole Solidarité et Développement and the solidarity funds.



Crédit Agricole S.A., meanwhile, has for many years provided support for healthcare and welfare institutions, among them the Institut Garches (rehabilitation of the disabled), the Institut Pasteur (genetic research), the 'Le Rire Médecin' association, which organises clowns to visit children in hospital, and the France Active venture capital fund which helps find work for the long-term unemployed.

Solidarity with the Southern countries

Crédit Agricole is also involved in community projects in the Southern countries. For over twenty years now, the Regional Banks, via Crédit Agricole Solidarité et Développement, have been providing aid for rural populations in Southern countries, and other parts of the world such as the former Soviet republics and the Eastern European countries.

Meanwhile, 'Pacte Vert Tiers Monde', another shared return fund, was created to enable Crédit Agricole customers to contribute to associations working for rural populations in Southern countries. Like 'Pacte Solidarité Logement', the investor keeps half the income from the investment while the other half goes towards development projects.

The focus is on the development chain and sustained action covering a relatively broad field. Savings and credit development programmes are a key priority, as are training and business organisation (providing improved technical and economic advice for farmers, strengthening the institutional and financial structure of various industries). Many projects also target basic needs such as water supply, healthcare and education, establishing small holdings and crop farming, and improving the nutritional and hygiene quality of local agricultural produce.

Three Regional Banks – Nord-Est, Centre Loire and La Réunion – have provided support for the Madagascar Credit and Savings Banks by helping them create their own central organisation with a donation of €280,000. The directors and employees of these three Regional Banks sponsor their Madagascar counterparts on a voluntary basis and are highly involved in setting up the network.

In 2003, Crédit Agricole S.A.'s Paris offices introduced a 'fair coffee' policy in their vending machines and cafeterias. The coffee has been awarded the Max Havelaar label, an association which ensures compliance with fair trade criteria between producers, importers and distributors. This initiative also helps raise awareness of the issue of sustainable development among the bank's Paris employees.

Furthermore, Crédit Lyonnais has for several years been involved in brain research and also supports the French Child Protection Centre (*Centre Français de protection de l'enfance*) through its *Avantages* loyalty scheme.

In Africa, the Group's subsidiaries are also involved in community actions. For example, BNI CL Madagascar, a leader in this area, has taken part in the renovation of healthcare centres and launched a 'young entrepreneurs' trophy'. Its staff have also participated in a reforestation campaign in Antananarivo.



An active patron of the arts

The Crédit Agricole group is an active patron of the arts through foundations and organisations.

Crédit Agricole 'Pays de France' Foundation

This foundation was created in 1979 to promote national heritage conservation programmes and projects to revive traditional crafts. It is a nationally-recognised charity with the backing of the Regional Banks, the FNCA and Crédit Agricole S.A. It has donated to nearly 700 projects since its origins.

Major projects sponsored in 2003 include the restoration of the Manoir de La Possonnière, Ronsard's birthplace in Couture-sur-Loir, the purchase of two rare mechanical globes for the Musée du Temps in Besançon, renovation of the Foch and Dutilleul Squares in Lille, and refurbishment of the Serre de La Madone gardens in Menton.

Arts and culture

Through its cultural partnerships, Crédit Agricole aims to be a corporate citizen, playing an active role in the life of its community and respecting cultural values. Crédit Agricole Indosuez (CAI) will therefore maintain its sponsorship agreements with the Musée Guimet (French national museum of Asian arts) and, more recently, the Théâtre du Châtelet. In 2003, CAI received an award from the French Ministry of Culture for its patronage activities.

Having supported the Musée Guimet since 1990, CAI has played an active part – mainly via donations – in restoring the museum's major works and adding to its collections. In 2003, its support enabled the museum to acquire a pair of Japanese screens from the XVIIth century. Each year, CAI also sponsors a major exhibition and finances the maintenance of the Japanese gardens surrounding the museum's Buddhist temple.

CAI has partnered the Théâtre du Châtelet since January 2000, financing a new production each year and providing funds for the Theatre's educational programme for young people. Through this partnership, the Crédit Agricole group pursues its commitment to cultural life in the provinces by supporting the Festival des Régions.

In early 2002, Crédit Lyonnais entered into a five-year partnership with the Louvre Museum to develop its website. Visitors to the site can take a virtual tour of the Museum's rooms and works of art, and take advantage of other services such as ticket purchasing.

During 2003, Crédit Lyonnais Asset Management continued to support the Dina Vierny-Musée Maillol Foundation.

Economic history

Ever since its foundation, Crédit Lyonnais has built up a mine of information on economic history, which is available to French and foreign researchers free of charge, through a specialised historical archives department. Some one hundred university researchers visit the archives each year. Database search engines and virtual exhibitions are also available on the www.creditlyonnais.com website.

The bank also finances the annual Crédit Lyonnais 'Histoire d'Entreprise' prize, which is awarded to the author of an independent and innovative work on corporate history. The total prize money is € 15,000.



'Les Troyens' - Théâtre du Châtelet



Manoir de la Possonnière



Human resources and relations

The integration between Crédit Agricole and Crédit Lyonnais gave rise to new priorities in human resources management in 2003. Apart from its implications in terms of size, the integration process has radically changed the objectives of the new Group's human resources policy. The immediate challenges are to ensure successful integration that is sustainable over the long-term, and to develop policies that foster a sense of common purpose while respecting the values of both groups.

In the short term, developing the right HR policies during the first phase of integration is crucial to its success. The first priority is to institute a common social dialogue within the new Crédit Agricole S.A. group, ensure consultation with the staff representative bodies of each business unit, appoint key managers and combine the various teams. The second priority is to develop the new Group's HR policy by enriching it with the Crédit Lyonnais group's best practices. Both these projects are vital to provide the new Group with the means to achieve its ambitions.

Like the overall Group structure, the Group's HR policy is decentralised within the framework of a strong Group business line.

Managing integration

A key success factor in the integration between Crédit Agricole S.A. and Crédit Lyonnais lies in synergies, which will partly be achieved through staff reductions. These reductions will be made in line with the two commitments made at the beginning of the integration process: no forced redundancies in France and priority on internal mobility.

As part of the integration process, many work groups were created to draw up an inventory of the existing situation, co-ordinate and harmonise practices and make recommendations for the Group's human resources policy.

Achieving synergies

Cost synergies from integration will be achieved through careful management of staff and age pyramids, and through rationalising organisational structures. In France, total headcount will be reduced by 2,760 FTEs* by the end of 2005. This involves 1,400 FTEs in corporate and investment banking, 475 in the central support functions, 390 in consumer finance and leasing, 300 in asset management, 100 in cash management and payments, 50 in information systems and 45 in insurance. Apart from natural departures (retirement, resignation, etc.), the Group will introduce a series of negotiated measures, such as early retirement, long-term sabbaticals, and part-time working.

* Full-time equivalents, based on contractual working hours



Social dialogue

In September 2003, the six trade union organisations represented within Crédit Agricole S.A. and Crédit Lyonnais signed an agreement to establish a Joint Consultation Committee to deal with social dialogue on integration-related matters. It has no other jurisdiction and does not replace the role or prerogatives of the legally elected works councils.

Social dialogue is therefore organised at two complementary levels: a level common to all Crédit Agricole S.A. business units, through the Joint Consultation Committee, and at the level of those business units affected by integration.

Negotiations have begun at Group level on two key issues: employment policy, and business transfers and geographical mobility, the objective being to establish support measures for internal and external mobility in order to achieve target synergies. A heads of agreement on business transfers and geographical mobility was ratified on 9 February 2004.

Negotiations on employment policy concern the Group's 'integrated' scope. Meanwhile, the various works councils have been consulted on the target organisation structure for Crédit Agricole S.A., paving the way for consultations at business line and subsidiary level.

Lastly, in addition to this social dialogue, an Integration Forum has been launched on the Group's Intranet sites, to answer employees' questions.

A powerful mobility programme

A powerful internal mobility programme open to all business units will be implemented gradually. Sharing resources in this way not only opens up a broader vision of

internal transfer opportunities but also ensures solidarity between business lines and fair treatment for all employees. In this respect, major investment will be made in a 'Mobility Unit', which will support employees affected by integration and provide financial assistance for anyone wishing to follow up an internal or external mobility opportunity.

The Mobility Unit, which is separate from other existing internal mobility tools and policies, will be run by Human Resources managers assisted by an outside specialist consultancy. It will be operational throughout the integration process, i.e. until the end of 2005. Among the measures available are an online labour exchange, listing all existing and upcoming job vacancies in the Group. Career paths, which show the more usual moves between key business segments, will help employees identify the areas most accessible to them. Lastly, career orientation guidance will be available for those employees who are still undecided about their future after initial discussions with the mobility advisers.

Other financial and non-financial support measures will be available for employees willing to leave the Crédit Agricole S.A. group, including personalised support, help in developing a personal career project, and training.

For those employees affected by internal business transfers, various support measures will be proposed to the trade unions' agreement. Some of these measures concern the rules applicable to the employment contracts of employees concerned, while others will provide compensation for the additional cost involved in moving offices or financial support for those wishing to move closer to their new workplace.



A decentralised human resources policy within a strong business line

The HR structure respects the Group's founding principle of decentralisation. HR managers have full responsibility for organisation, employee relations, individual career management and training in their business segment, within guidelines set out at Group level. Each subsidiary therefore has sufficient autonomy to adapt its human resources policy to the specific needs of its business activities, for maximum effectiveness.

Group Human Resources is responsible for overall co-ordination of the HR business line. Its key duties are:

- ensuring a common purpose and social cohesion
- organising exchange of practices
- setting out the Group's strategic guidelines in terms of HR policy
- career management for senior executives
- setting out and co-ordinating employment policy, with a strong focus on promoting mobility between subsidiaries
- co-ordinating pay policies
- providing a centre of expertise for the subsidiaries
- overseeing the HR business line's operational and business performance, particularly by developing shared services (e.g. information systems, possibility of a sharing a payroll function between Crédit Lyonnais, Crédit Agricole S.A. and Calyon).

Career management

At Group level, Group Human Resources is responsible for career management and short and medium-term succession planning for all key managers in the central support functions and subsidiaries. This involves a total of about 1,200 people. Its tasks include career management and mobility, co-ordination of pay policies and succession planning.

Common principles govern personal career management for all other Group employees. For example, a group-wide annual appraisal system is designed to analyse skills and performance, the results of which are used to assess the job performance of all employees and to create a reference base for mobility management. Similarly, all subsidiaries will be required to introduce a system of periodical interviews with the career managers and to establish a mobility committee, which is crucial for managing transfers between business units and segments.

Training: skills development

Organisation and objectives

A Group Training department was organised in 2003 to meet the challenges facing the new enlarged Group. Like Group Human Resources, its objective is to help improve profitability and develop social cohesion within a framework of rapid and radical change (integration of business units, changes in business activity, adapting skills, etc.). Against this background, training not only guarantees improved performance but also meets employees' expectations.

The Group Training department must not only meet immediate needs but also plan for the future in terms of retaining the best employees, and managing the age pyramid and mobility.



It has set out a programme comprising four key areas:

- targeted training for specific groups of employees, such as young people, employees with management potential and managers;
- general, cross-functional training in topics of group-wide interest, such as office systems, languages and personal development;
- business training run by the business segments and subsidiaries in response to specific needs, such as asset management, insurance or leasing;
- academic training leading to qualifications, as part of the personal career management policy.

Management training

In this specific area, the 'Perspective' programme introduced by Crédit Agricole is a key pillar of the Group's training and people development policy. Each year, some thirty high-potential managers from all Group units follow the course, which aims to:

- develop a common reference base for management practices and behaviour, which overarches the diversity between business lines and environments;
- give participants a general vision and help them progress in strategic understanding of their business and the Group;
- encourage mutual knowledge and cross-functional relationships.

Most subsidiaries also have their own management training programmes to meet the specific needs of their business activities.

In 2003, 28,247 people received training, representing almost 63% of the active permanent workforce.

A tradition of social dialogue

Alongside social dialogue at Group level through the Central Works Council, which held three meetings in 2003, each company has its own employee relations mechanism for local social dialogue at a more grass roots level.

Apart from integration-related events, the staff representative bodies are involved in all developments in their respective business segments, as part of their responsibilities.

Negotiations led to the signing of 80 company-wide agreements in various Crédit Agricole S.A. group business units in 2003, including within Crédit Agricole S.A. itself, an agreement on the employment of disabled workers, an agreement on salaries and an amendment to the agreement on employee profit-sharing agreement relative to the central organisation's results, and on incentive payments for collective performance. In 2003, Crédit Lyonnais signed an agreement on jobs and skills planning and forecasting, an agreement on equality between the sexes, including monitoring specific indicators to support actions already taken in terms of recruitment, training, pay and career development.

Pay policy

The average gross annual salary for active employees in France was approximately € 39,600 in 2003.

The average monthly base salary for non-managers at 31 December 2003 was € 2,088 for men and € 1,923 for women.

For managers, the average monthly base salary was € 4,452 for men and € 3,579 for women. The difference is principally due to the lower proportion of women in senior management and executive positions.

2003 training in France

Area	No. of hours	% share
Knowledge of the Group	16,877	1.5
Management	50,793	4.6
Business-specific training	855,894	77.3
IT, office systems, new technology	105,798	9.6
Languages	56,308	5.1
Other	20,859	1.9
Total	1,106,528	100

(94% of business scope in France)

Individual salaries

Individual salary comprises a fixed component and a variable component. The fixed component remunerates the employee's skills and responsibility level. The variable component is performance-related and is designed to incentivise individual performance. In this respect, it is a key component of the Group's pay policy.

An in-depth review has been conducted to reconcile harmonisation of salaries, which is essential for Group cohesion, with the need to take account of the specific nature of certain business activities.

Collective incentive schemes

Almost all Crédit Agricole S.A. group business units have a profit-sharing agreement and an incentive scheme, which give employees the opportunity to share in the results and growth of their business units. Along with several subsidiaries, Crédit Agricole S.A. has established a two-tier collective incentive scheme: the first tier remunerates employees on the basis of a common Group measurement and the second on measurements specific to their business activities.

	Number of beneficiaries	Average amount
Profit-sharing	13,368	3,470
Incentive scheme	45,273	1,343
Employee savings plan top-up	24,715	771

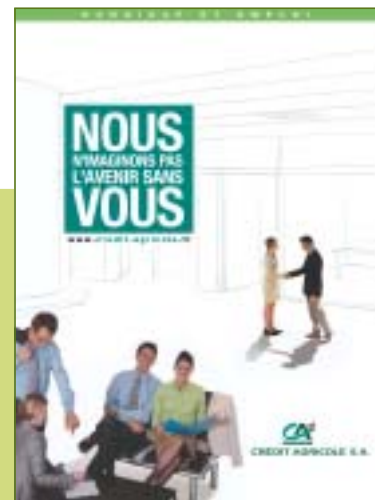
(93.4% of business scope in France)
Amount paid in 2003 in respect of 2002

Support for disabled employees in France

At 31 December 2003, the Crédit Agricole S.A. group employed 1,694 disabled people, representing almost 3.8% of the active permanent workforce.

In 2003, the Group reaffirmed its commitment to integrating disabled people by extending the three-year Disabled Workers agreement signed with the trade unions in 2000 to cover 2004 and 2005. It provides for concrete measures to encourage the employment of disabled people in both the ordinary and protected workplace, including recruitment, work placements and apprenticeships. Substantial resources have been invested in supporting disabled workers and in staff awareness campaigns. Support measures for parents of disabled children were also introduced in 2003.

In addition, Crédit Lyonnais and the AGEFIPH (a national association that manages funds for the vocational integration of disabled people) signed a new agreement for 2003 and 2004, covering recruitment, ongoing employment and awareness. Events of note during the year were the launch of a new Intranet site, publication of a brochure and a poster campaign. In 2004, the 'Vocational Integration of the Disabled' team will uphold the provisions of the agreement by supporting the employees concerned through the changes arising from integration with Crédit Agricole S.A.



Employee share ownership

During 2003, a new share issue was made for employees of the Crédit Agricole group. It opened in June 2003, immediately after the successful outcome of the friendly bid for Crédit Lyonnais, with the aim of involving all employees in a common goal, the success of the new Group.

The offer was open to 130,000 employees in 14 countries and attracted over 50,000 applications for a sum of about € 345 million. Two options were available: a 'Classic' offer with a discount and a 'Multiple' offer through a leveraged fund. This structure was designed by the teams of both groups, which have acknowledged expertise in this area. After the issue, in Autumn 2003, employee share ownership amounted to 4.95% through the employee share ownership plan.

World headcount

At 31 December 2003, the Crédit Agricole S.A. group employed a total of 63,140 people (permanent and contract staff) throughout the world, including 80.6% in Western Europe, 6% in Africa and 4.5% in Central and Eastern Europe. These figures include employees of all fully- or proportionally-consolidated companies.

Breakdown of headcount by segment

Segment	Headcount (FTEs*)
French retail banking, payments	25,489
Corporate and investment banking	12,943
Specialised financial services	9,382
International retail banking	4,868
Asset management	3,822
Central support functions, proprietary asset management and other activities	2,599
Operations and logistics	2,004
International private banking	1,126
Insurance	907
Total	63,140

* Full-time equivalents

Three segments employ three quarters of all staff. French retail banking accounts for 40% of total headcount, corporate and investment banking for 20%, and specialised financial services for 15%.

Crédit Agricole S.A. employees in France

The figures given in this report are as of at 31 December 2003 and concern fully and proportionally consolidated companies in France.

The total number of permanent employees, either active or on extended leave of absence^(*), and contract staff amounted to 50,700 at 31 December 2003.

(*) Employees whose employment contract was suspended as of 31 December 2003 (long-term illness, early retirement, unpaid leave, parental leave, training, etc.).

Contract staff represent 2.2% of the active workforce.

Active permanent staff	45,012
Permanent staff on extended leave of absence	4,565
Contract staff	1,123
Total	50,700

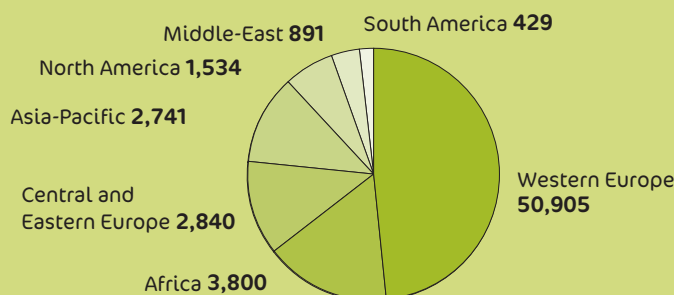
Structure of active permanent workforce in France

Men	43.6 %	Women	56.4 %
Management	39 %	Non-management	61 %

(97% of business scope in France)

The average age is 43 and the average length of service is 19 years. Employees under the age of 30 accounted for 14% of the total, those from 30-50 for 52% and those over 50 for 34%.

Geographical breakdown of headcount



For Crédit Lyonnais, the proportion of employees aged over 50 is relatively high compared with the banking sector as a whole*. Several specific policies have been introduced, including staffing and skills planning and forecasting, and "career orientation interviews" half-way to two-thirds of the way through the employee's working life in order to explore possibilities for the future.

(*): In 2003, almost 40% of Crédit Lyonnais employees were aged over 50.

Employment management in France

Recruitment

Total new permanent employees amounted to 1,870, including 77% in direct new recruits and 23% through the conversion of contract staff to permanent employees. Among the direct new recruits, managers accounted for 35%.

	Management	Non-management
Permanent employees	496	941
Conversion of contract to permanent	39	394
Total new permanent employees	535	1,335

(95% of business scope in France)

In preparation for the integration of Crédit Lyonnais, it was decided to freeze all new recruitment at the beginning of the year, with the exception of commercial staff for Crédit Lyonnais' retail banking network. During the year, therefore, Crédit Lyonnais continued to recruit personal customer account managers and customer advisers. This policy will also continue in 2004 with the aim of supporting growth in the business franchise and helping renew resources against the backdrop of an increasing number of departures under the early retirement plan.

Departures

Total departures of permanent staff amounted to 3,702, first and foremost due to retirement or early retirement (2,142 or 58% of the total), followed by resignation (822 or 22%).

Departures – (permanent staff)

	Management	Non-management
Resignation	321	501
Redundancy and dismissal	330	159
Retirement/early retirement	592	1,550
Death	27	85
Other reasons	46	91
Total departures	1,316	2,386

(95% of business scope in France)

Retirement and early retirement

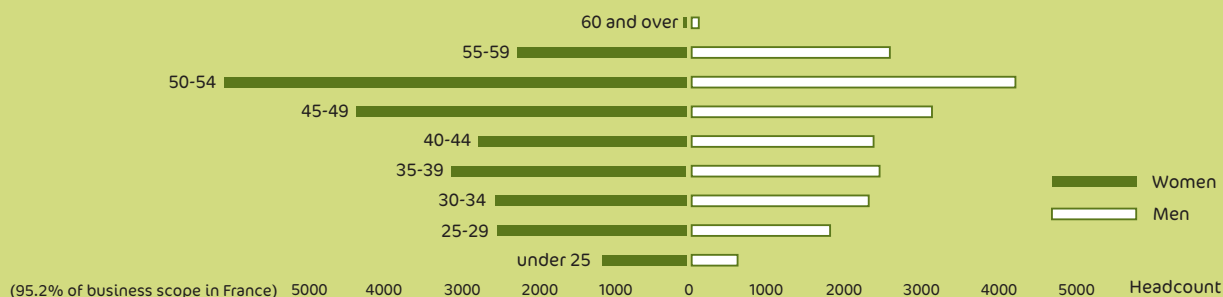
Crédit Lyonnais has an early retirement agreement valid until 31 March 2006, covering employees aged 56 or 57 who meet certain conditions with respect to number of years' contributions and length of service in the company. Crédit Agricole S.A.'s early retirement agreement covers employees aged over 55.

Retirement and early retirement

	Management	Non-management	Total
Women	152	1,042	1,194
Men	440	508	948
Total	592	1,550	2,142

(95% of business scope in France)

Breakdown of active permanent employees by age - Crédit Agricole S.A. group



Contractual working time

Breakdown of active permanent employees by contractual working time

Three quarters of all employees have their contractual working time expressed in hours. These arrangements apply to 35% of managers.

Breakdown of active permanent employees at 31 December 2003 by contractual working time

	Management	%	Non-management	%	Total	%
Working time expressed in hours	5,570	35	25,811	100	31,381	75
Working time expressed in days	10,568	65	0	0	10,568	25
Total	16,138	100	25,811	100	41,949	100

(93.5% of business scope in France)

Number of part-time permanent staff

The Group has 4,533 part-time employees, 93% of whom are women, management and non-management staff combined.

Number of part-time permanent staff

Percentage of normal working hours	Management		Non-management		Total
	Men	Women	Men	Women	
Under 50%	1	5	29	181	216
50-79%	31	134	142	1,368	1,675
80% and over	61	728	52	1,801	2,642
Total	93	867	223	3,350	4,533

(94% of business scope in France)

Working conditions

Absenteeism

Number of working days absence by reason	Management	Non-management	Total	%
Sickness	68,609	320,974	389,583	65.7
Accidents at or travelling to and from the workplace	1,985	14,878	16,863	2.8
Maternity/paternity leave	42,848	62,076	104,924	17.7
Authorised leave (family events, breastfeeding, removals)	23,912	35,137	59,049	10
Other reasons	10,221	12,353	22,574	3.8
Total	147,575	445,418	592,993	100

(87.5% of business scope in France)

Social security contributions

Employer's social security contributions for 2003 represented 54.3% of the total payroll, reflecting the efforts made by Crédit Agricole S.A. (parent company) in terms of employee benefits and supplementary pensions.

Customer and supplier relations

A strict compliance system

Crédit Agricole S.A., its subsidiaries and the Regional Banks each have their own compliance department, employing a total of about 200 people.

In the Crédit Agricole S.A. Group, the compliance officers have an operational reporting line to the head of their business unit and a functional reporting line to the Group Compliance Officer, who is responsible for the compliance business line at Crédit Agricole S.A. and for co-ordinating the Regional Banks' compliance functions. He reports directly to Crédit Agricole S.A.'s General Secretary, and also heads up a Compliance Management Committee, created in early 2004.

The investment services and asset management subsidiaries have a more highly developed compliance function to meet the requirements of the supervisory authorities (the *Autorité des Marchés Financiers* in France).

Early in the second half of 2003, a Compliance Charter was drawn up covering all Directors and employees of the Crédit Agricole group. It was approved by Crédit Agricole S.A.'s Board of Directors on 17 July 2003.

In addition, as soon as the offer for Crédit Lyonnais closed, measures were taken to strengthen supervision of conflicts of interest and disclosure rules to adapt them to the new enlarged Group. During the final quarter, work began on drawing up a strengthened compliance plan, as required by the French Banking Commission and the US Federal Reserve Board. This plan will be implemented gradually during 2004.

Prevention of money laundering and terrorism financing

In line with the Group's decentralised structure, prevention of money laundering is the direct responsibility of each business unit, which implements its own policies in terms of 'know your customer' and constant vigilance as part of its internal control system. Each Regional Bank has designated a person responsible for relations with Tracfin. The Group has a central system through its Financial Security business line, which is part of Group Internal Audit and Control, to ensure that all subsidiaries and branches abroad have the necessary recommendations to protect against the risk of money laundering. Lastly, Group Internal Audit and Control carries out audits on money laundering prevention measures in all business units.

The system has been gradually strengthened since 2000, culminating in the creation of the Financial Security business line in July 2003, with a broader base of skills and reporting to the Head of Internal Control at Crédit Agricole S.A. The strengthened system incorporates the latest legislative and regulatory requirements and recommendations made by the supervisory authorities. For example, specific provisions have been made for cheque verification and vigilance has been stepped up with regard to countries on the Financial Action Task Force (FATF) blacklist.



Specific measures have been taken to prevent the financing of terrorist activities and to freeze assets on accounts held by persons suspected of having terrorist connections, in line with European and French legislation. In this respect, the Financial Security business line has issued instructions and recommendations to the Group business units concerned (Crédit Agricole S.A. departments and subsidiaries, Regional Banks). The overall system is supported by supervisory tools and staff awareness and training campaigns in all business units concerned. The Group has also strengthened its co-ordination in this respect.

Socially responsible investment

Crédit Agricole Asset Management and Crédit Lyonnais Asset Management were both pioneers in socially responsible investment (SRI), sharing the same belief in this approach.

In 2003, CA-AM strengthened its SRI capability and now has a five-strong dedicated management team which draws on all CA-AM's investment expertise. To ensure an independent and objective approach, the management team is supported by a steering committee comprising outside sustainable development specialists. Access to external specialist research through a partnership with the two rating agencies, Eiris and Vigeo, is a further guarantee of independence.

CA-AM has also developed its commitment policy, which is a policy practised by portfolio managers to enhance the value of their investments by encouraging the companies concerned to improve their corporate governance systems, environmental risk management, or their image through more ethical practices. As part of this policy, CA-AM has joined the Pharmaceutical Shareowners Group, takes part in the Carbon Disclosure Project and is a member of market associations involved in socially responsible investment.

CLAM also reinforced its involvement in SRI in 2003, with the creation of I.DE.A.M which offers a range of SRI funds. Its management philosophy is based on stock screening according to sustainable development criteria, supported by disciplined processes which can be tailored to the demands of different customer groups, such as French and international institutional investors, corporate investors or retail investors.

Quality approach

Several Group companies have embarked on a quality approach. Crédit Lyonnais Asset Management actively pursued its policy of improving the quality of its procedures and services during 2003. Sofinco also made some serious commitments as part of its ISO 9001 certification obtained in 2002.

CLAM quality certificates

CLAM has a global ISO 9001 version 2000 certificate plus four local certificates, including a renewal for CLAM Finance, fund administration and CL Epargne Entreprise, plus a new certificate for reporting. It is the first time that such a broad scope of activities (250 people) has obtained certification in the asset management world.

CLAM's Customer Service department has an ISO 9001 version 2000 certificate covering all its services: contractual documentation (drafting investment agreements, management mandates, etc. for direct customers), authorisations and powers for people placing stock market orders, stock market orders for direct clients, management mandate fees and fee sharing with distributors, information availability, and management of client requests.



CLAM Immobilier

CLAM Immobilier, a subsidiary of CLAM specialising in property management services, was the first company in its sector to obtain an ISO 9001 version 2000 certificate covering all its services: relations with the partners of property investment trusts, management of the property estate, accounting, etc.

Sofinco: customer processing

Sofinco's mass consumer business obtained ISO 9001 version 2000 certification in 2002. Sofinco has made three key commitments in this respect: a quality approach at all levels of the company, introduction of a single consumer relations department working in association with the industry's ombudsman, and, lastly, friendly and personalised handling of payment incidents. The quality approach focuses both on products offered to customers and on the company's organisation and management.

Sub-contracting and purchasing

Crédit Agricole S.A. companies outsource services which have no direct relationship with their core businesses (e.g. catering, cleaning, security), and certain other services either requiring highly specialised skills which are not available in-house (e.g. information systems development and maintenance, electronic payments security) or which can be provided outside the Group at cheaper cost for equal or better quality.

Good sub-contracting practices have been drawn up for the Group as a whole, to ensure optimum recourse to these services as required and to maintain proper control. Outside France, each business unit is responsible for its own sub-contracting practices, which must comply with all local legislation and the provisions of International Labour Organisation (ILO) agreements.

Rules of conduct have been drawn up to govern employees' relations with external suppliers of equipment, works and services. These rules principally concern the avoidance of conflicts of interest where the employee has a personal interest or decision-making role in the supplier company, gifts and invitations, and confidentiality of information received.



Environment

Diversified types of actions for a sharp involvement

Crédit Agricole became involved in environmental protection issues very early on, through the role it plays in financing agriculture.

A commercial offering focusing on the environment

During 2003, Crédit Agricole developed an 'environment loan' aimed at companies, local authorities, farmers and professionals, regardless of their business sector and size. The loans are designed to finance investment projects with an environmental focus and are structured to meet needs at all stages of the project in one single agreement. For several years now, the Group's lease finance business has also offered special loans to finance renewable energy facilities, such as windmills, co-generation plants and waste processing plants.

Supporting environmentally-friendly agriculture

In 2001, Crédit Agricole, in partnership with FARRE (Forum for integrated, environmentally-friendly agriculture), organised a competition to reward and promote environmentally-friendly agricultural initiatives. During 2003, Crédit Agricole undertook to renew the competition in 2004, reflecting its strong support for those working towards economically viable and ecologically responsible agriculture. From 2004, Crédit Agricole will further support the development of integrated agriculture by financing a proportion of the fees incurred in obtaining certification.

Forestry protection

Crédit Agricole owns 7,000 hectares of forest land in France, which it operates in accordance with a sustainable management charter. The timber from its forests therefore carries the European PEFC label, an assurance for users and consumers of its sustainable management origins.

Internal approach

As a provider of financial products, the Crédit Agricole S.A. Group is by nature less affected by environmental issues than industrial companies. The Group has embarked on a plan to reduce its consumption of commodities. For example in 2003, it launched a programme to recover used batteries and photocopier/printer cartridges in some of its Paris region offices. Other measures will be introduced in 2004, such as paper collection and recycling. From 2004, the Group will also begin to monitor and control its consumption of certain commodities, and more particularly energy.



Crédit Agricole S.A. and its shareholders

Movements in share capital

The alliance with Crédit Lyonnais, which resulted in a public offer for the entire share capital of Crédit Lyonnais on 16 December 2002, has radically modified Crédit Agricole S.A.'s share capital and ownership structure.

The share capital was increased three times in 2003:

- In June, 353,285,738 new shares were allotted to the holders of Crédit Lyonnais shares tendered to the mixed cash-and-share offer made by Crédit Agricole S.A. for Crédit Lyonnais;
- In October, 25,233,264 new shares were allotted to employees of the Crédit Agricole Group;
- In November, 122,793,536 new shares were allotted pursuant to a rights issue.

After these operations, the share capital of Crédit Agricole S.A. was € 4,420,567,311, divided into 1,473,522,437 shares.

To the company's knowledge, the ownership of the share capital and voting rights at 31 December 2003 was as follows:

Shareholder	Number of shares	% of share capital	% of voting rights
SAS Rue la Boétie	771,841,801	52.38	52.41
SNC Crédit Agricole Transactions	14,771,187	1.00	1.00
Treasury shares	15,681,762	1.07	-
o/w			
- held on own account	745,968		-
- held to cover stock options and repurchase commitments	14,935,794		1.01
Employee share ownership plan	73,011,167	4.95	4.96
AGF	45,124,000	3.06	3.06
Institutional investors	376,560,712	25.56	25.57
Retail shareholders	157,031,614	10.66	10.67
Unidentified	19,500,194	1.32	1.32
Total	1,473,522,437	100%	100%

To the company's knowledge, no other shareholder owns 5% or more of the share capital or voting rights either directly, indirectly or in concert.

There are no shareholders' agreements.

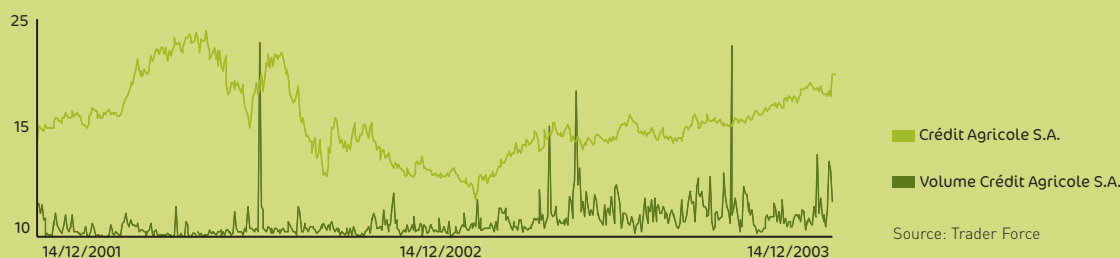
Share price performance since 14 December 2001

Comparison with the DJ Euro Stoxx Bank and CAC 40 (indexes recalculated on the basis of Crédit Agricole S.A.'s IPO price)



Trends in share price and trading volumes

since flotation on 14 December 2001



Share price performance

Background

Crédit Agricole S.A. shares made their stock market debut on 14 December 2001, at a price of € 16.60. On the first day of trading, they gained 4.7% to close at € 17.39, with 42 million shares traded. The shares ended the year at € 17.79.

2002 was a particularly bad year for the economy and the financial markets. Against this background, Crédit Agricole S.A. shares had a very satisfactory first half, outperforming the CAC 40 index and making strong gains in March 2002. During the financial markets crisis in the second half, the shares followed the general downward trend but proved relatively resilient to the difficult conditions. They ended the year at € 14.38, shedding only 18.7% compared with 33.7% for the CAC 40. The shares joined the CAC 40 on 6 August, less than eight months after their initial public offering, triggering brisk trading on 5 August, with 26.7 million shares changing hands. On 16 December 2002, Crédit Agricole S.A. made an offer for Crédit Lyonnais.

2003 was a better year for the markets generally. Crédit Agricole S.A. shares gained 31.6%, ending the year at € 18.93. This was the ninth best performance among CAC 40 stocks and compares with a gain of 16.1% for the CAC 40, which closed at 3557.9 on 31 December 2003. This performance is all the more creditable in that it was achieved during an eventful period for the Group, which could have put pressure on the share price: new share issues following the offer for Crédit Lyonnais and the CAC 40's move to free-float weightings which slightly reduced Crédit Agricole S.A.'s weighting in the index. During the year, the number of shares increased by 51% and market capitalisation doubled, rising from € 14 billion on 31 December 2002 to € 28 billion one year later.

Since the beginning of 2004, the shares have continued to gain, closing at € 21.50 on 12 March 2004.

Share data

	31/12/2003	31/12/2002
Number of shares in issue	1,473,522,437	972,209,899
Market capitalisation (€ billion)	27.89	13.98
EPS (€)	1.79 ⁽¹⁾	1.41 ⁽²⁾
BVPS (€)	15.45	15.12
P/BV	1.22	0.95
P/E	11.61	10.35
Year's high and low (€)		
High	18.95	24.70
Low	12.65	14.24
Close	18.93	14.38

(1) Pro forma net income-Group share before goodwill amortisation and integration-related costs divided by the weighted average number of shares in issue.

(2) Net income-Group share before goodwill amortisation divided by the weighted average number of shares in issue.

Trading in Crédit Agricole S.A. shares

A total of 835.6 million shares were traded during 2003 for a value of € 13.87 billion. Monthly trading volumes ranged from 26.1 million to 104.3 million shares.

Trading in Crédit Agricole S.A. shares (in €)

2003	High	Date	Low	Date	Average closing price	Average daily trading volume
Q1	15.68	16/01/2003	12.65	11/03/2003	14.34	1,588,549
Q2	18.12	03/06/2003	14.43	01/04/2003	16.64	3,489,000
Q3	18.70	15/08/2003	16.21	01/07/2003	17.29	3,677,675
Q4	18.95	19/12/2003	16.73	02/10/2003	18.10	4,320,106

Dividends

Crédit Agricole S.A. paid a dividend per share of €0.55 for 2001 and 2002. For 2003, the dividend will be maintained at € 0.55 euro (€ 0.825 including a 50% tax credit), subject to approval at the Annual General Meeting of 19 May 2004. The total payout will therefore amount to € 810 million.

Amount (€)	2003	2002	2001
Net dividend per share	0.55	0.55	0.55
Total payout	0.825	0.825	0.825

Total shareholder return

The table below shows total shareholder return for retail investors in Crédit Agricole S.A. shares. The calculation is based on the share price at the time of investment (initial public offering on 14 December 2001 or beginning of the period in other cases), with gross dividends (inclusive of tax credit) reinvested. It also assumes that investors took up the rights issue at the end of October 2003 on the basis of one new share at a price of € 16.07 for every eleven shares held. All figures are before tax.

By way of example, a shareholder who invested in Crédit Agricole S.A. shares at the time of the IPO and reinvested all dividends received would have achieved an average annualised return of 10.76% at the end of 2003.

Holding period	Cumulative gross return	Average annualised return
1 year (2003)	32.15%	32.15%
2 years (2002-2003)	16.19%	7.79%
Since 14 December 2001 *	23.21%	10.76%

* IPO at € 16.60

Treasury shares

The table below summarises movements in treasury shares held by Crédit Agricole S.A.

At 31 December 2003, all treasury shares purchased under the share buyback programme were allocated to cover stock option commitments.

At the time of the rights issue in November 2003, Crédit Agricole S.A. sold 2,310,599 rights at an average selling price of € 0.1725.

In early January 2004, Crédit Agricole S.A. bought 13,371,163 treasury shares at an average purchase price of € 18.14.

Retail shareholders

Communications with retail shareholders: a close relationship

Crédit Agricole S.A. now has almost 1.8 million retail shareholders representing about 25% of the free float, giving it the largest retail investor base among CAC 40 companies.

Crédit Agricole S.A. aims to establish a close relationship with its retail shareholders, based on high-quality, regular information geared to their specific needs. With this in mind, immediately upon its flotation on the stock market the Group launched a website (www.credit-agricole-sa.fr) and a freephone number (0 800 000 777) dedicated to its retail shareholders. In 2003, the freephone number took an average of 12,000 calls a month, 1,000 of which gave rise to a discussion with a member of the Retail Shareholder Relations team.

Treasury shares

The table below summarises movements in treasury shares held by Crédit Agricole S.A.

	Quantity	Net book value		Trading fees	Percentage of share capital
		Per share	Total		
Opening balance	745,968	14.42	10,758,929.16		0.077%
Purchased during the year	1,566,470	16.9	26,473,343	30,510	
Closing balance	2,310,599	14.59	33,711,639.41		0.157%

In 2002, to strengthen relations with its retail investors, Crédit Agricole S.A. created a Shareholders' Club, which is open to holders of more than 50 bearer shares or 1 share in the case of registered and employee shareholders. The Club has proved a huge success, with almost 90,000 holders of bearer shares joining upon its creation. Including registered shareholders and new shareholders joining since the offer for Crédit Lyonnais, the Club now has 130,000 members.

The Club aims to be both informative and educational, for example by helping members learn more about the company, its organisation and businesses, familiarising them with the workings of the stock market and providing information about the state of the economy.

Communication channels include a summary of the annual report, a Letter to Shareholders issued three or four times a year, and the Shareholders' Guide, which is updated once a year. Club members are also invited to investor meetings in Paris and the provinces, which include stock market training sessions organised in association with IFCAM, the Crédit Agricole group's business school, presentations on the state of the economy given by Crédit Agricole S.A.'s economists, presentations on more specific topics such as estate inheritance, given by the Group's specialists in the field, and finally, visits to the Group's premises, particularly its dealing rooms.

Four meetings were held in 2003 in Bordeaux, Marseille, Nantes and Paris, giving almost 5,000 shareholders the opportunity to talk to senior managers of Crédit Agricole S.A.

Lastly, Crédit Agricole S.A. has created a retail shareholders' Consultative Committee, which held its first meeting in September 2003. It comprises 13 shareholders from across France who are representative of Crédit Agricole S.A.'s retail investor base. Two of these shareholders were members of a similar Committee which previously existed within Crédit Lyonnais. The Committee aims to help improve communications between the company and its retail shareholders by contributing to a better understanding of their expectations and to ongoing improvements in communication channels.



2nd prize for retail shareholder relations

Crédit Agricole S.A. won the second prize for retail shareholder relations awarded by the magazine 'La Vie Financière'. These awards are designed to assess the effectiveness of communications between listed companies and their retail shareholders, based on criteria such as speed, reliability and user friendliness.

Institutional investors

During 2003, the Institutional Investor Relations team provided substantial support for the Group's various business projects, first and foremost its friendly bid for Crédit Lyonnais.

Meanwhile, it continued to promote awareness of Crédit Agricole S.A. shares and the Group within the international institutional investor community. Many roadshows were organised, particularly in the United Kingdom, United States and continental Europe, run either by the Group's management or the Institutional Investor Relations team. These roadshows have helped establish a broad base of international investors. The team also made presentations to Asian investors in Singapore and Hong Kong, and investors in Canada.

In January 2003, presentations were made in Europe and Asia at the time of the Group's first preferred share issue. In June 2003, a roadshow was arranged in the United Kingdom for the placement of a £ 750 million issue of perpetual subordinated notes, the biggest in the market at the time.

Lastly, in August, Crédit Agricole S.A. and Crédit Lyonnais combined their Institutional Investor Relations teams, the first in the new Group to do so. The reorganisation has given a new impetus to this activity amid a background of increased market demand following strong growth in the Crédit Agricole S.A. group's market capitalisation.

2004 Financial Calendar

10 March	Publication of 2003 annual results
14 May	Publication of 2004 first-quarter results
19 May	Annual General Meeting of shareholders
8 September	Publication of 2004 half-year results
17 November	Publication of 2004 nine-month results

Contacts

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Members of the Consultative Committee

Front row:

Francisco Cruz
Pierre Laguillon
Anne-Marie Martin
Martine Fouache
René Carron, Chairman
Evelyne Guilhem
Bernard Leseur
Didier Lignon
Christophe Féral

Back row:

Jean-Claude Bonetti
Jean Beaujouan
Roger Chinaud
Michel Maréchal
Alexandre Essayan
Yves Chevillotte,
Deputy Chief Executive Officer*

* Yves Chevillotte opted to retire in November 2003.

Summary chart of subsidiaries and affiliates

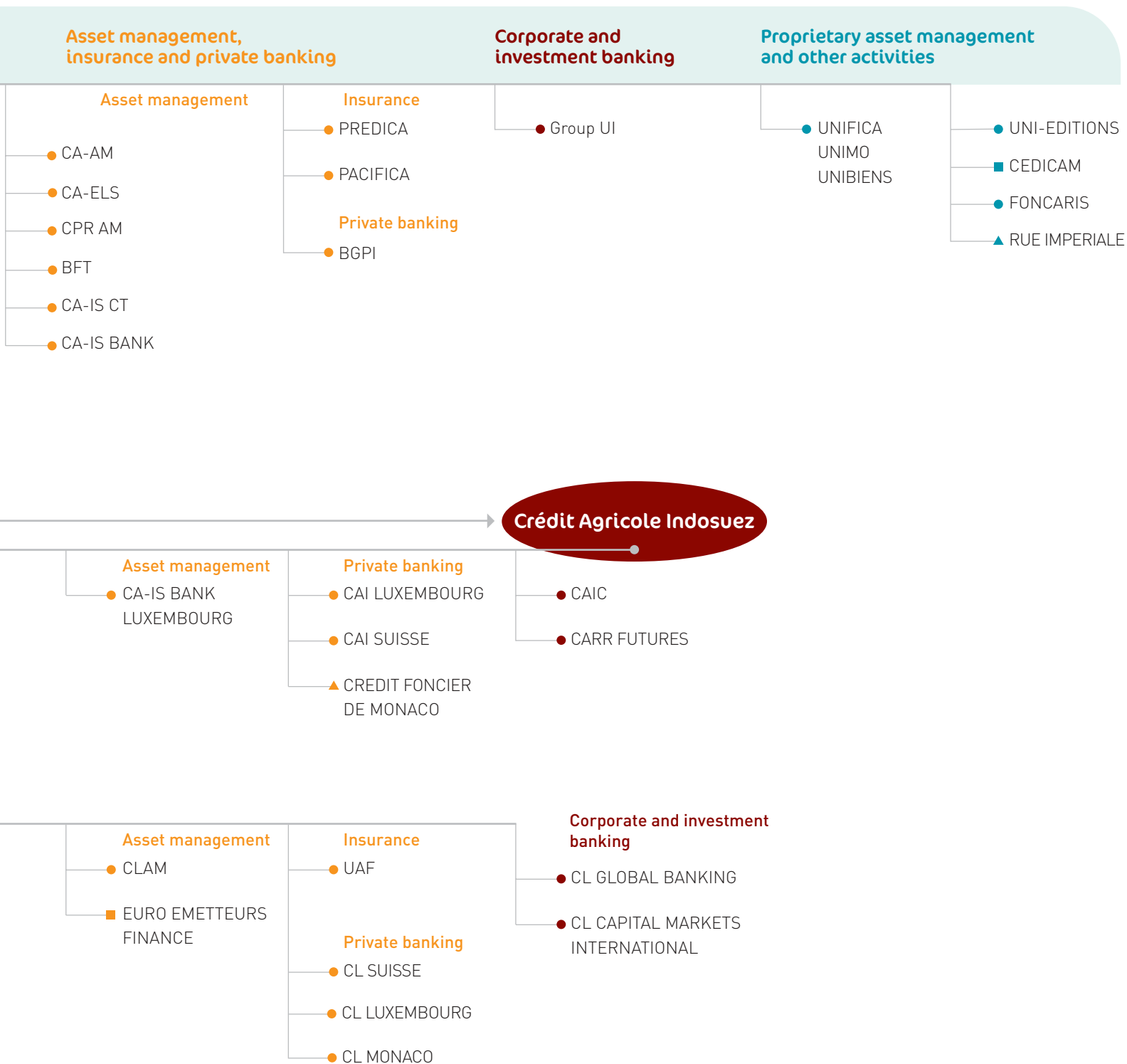
at 31/12/2003

Crédit Agricole S.A.



Percentage interest:

- Over 90%
- Between 50% and 90%
- ▲ Under 50%



The summarised financial statements presented below refer to the Crédit Agricole group, that is all the Local Banks, Regional Banks, Crédit Agricole S.A. and their subsidiaries.

Summarised consolidated balance sheet (published figures)

Assets

(in millions of euros)

	31/12/2003
Cash, money market and interbank items	177,418
Customer-related items	370,895
Lease financing	13,263
Securities	93,089
Insurance companies' investments	127,509
Reinsurers' share in technical reserves	416
Fixed assets	17,866
Goodwill	9,983
Other assets and sundry accounts	64,799
Total assets	875,238

Liabilities

(in millions of euros)

	31/12/2003
Money market and interbank items	126,873
Customers-related items	366,960
Debts represented by a security	101,332
Insurance companies' technical reserves	123,491
Other liabilities and sundry accounts	85,016
Provisions and subordinated debt	24,348
Fund for general banking risks	4,559
Minority interests	4,049
Shareholders' equity	38,610
Total liabilities and shareholders' equity	875,238

Pro forma summarised consolidated income statement

(in millions of euros)

	31/12/2003 Pro forma	31/12/2002 Pro forma	31/12/2001 Pro forma
Net banking income	23,886	22,060	22,556
Operating expenses, depreciation and amortisation	(15,592)	(15,277)	(15,470)
Gross operating income	8,294	6,783	7,086
Risk-related costs	(2,007)	(1,359)	(2,031)
Operating income	6,287	5,424	5,055
Share in net income of affiliated companies	219	6	286
Net income (loss) on fixed assets	(101)	(144)	122
Pre-tax ordinary income	6,405	5,286	5,463
Integration-related costs	(513)	-	-
Net exceptional items	(151)	(286)	(117)
Corporate income tax	(1,963)	(1,540)	(1,545)
Goodwill amortisation	(926)	(654)	(653)
Net allocation to the fund for general banking risks	207	(171)	(1,615)
Net income before minority interests	3,059	2,635	1,533
Minority interests	302	130	210
Net income-Group share	2,757	2,505	1,323

Crédit Agricole Regional Banks

At 1 April 2004

ALPES PROVENCE

25, chemin des Trois Cyprès
13700 Aix-en-Provence
Tel.: 33 (0) 4.42.52.77.50
Chairman: Marc Pouzet
Chief Executive: Dominique Millour

BRIE

24, avenue du Maréchal Foch
77100 Meaux
Tel.: 33 (0) 1.60.25.91.23
Chairman: Bruno Clergeot
Chief Executive: Nicolas Renaudin

CENTRE OUEST

29, boulevard de Vanteaux
87000 Limoges
Tel.: 33 (0) 5.55.05.75.50
Chairman: Bernard Pigé
Chief Executive: Jacques Debet

ALSACE VOSGES

1, place de la Gare
67000 Strasbourg
Tel.: 33 (0) 3.88.25.42.42
Chairman: Jean-Marie Sander
Chief Executive: Bernard Lolliot

CALVADOS

15, esplanade Brillaud de Laujardière
14000 Caen
Tel.: 33 (0) 2.31.55.61.11
Chairman: Gérard Durocher
Chief Executive: Marc Deschamps

CHAMPAGNE-BOURGOGNE

269, faubourg Croncels
10000 Troyes
Tel.: 33 (0) 3.25.71.40.00
Chairman: Michel Michaut
Chief Executive: Jean-Michel Ozoux

ANJOU MAINE

40, rue Prémartine
72000 Le Mans
Tel.: 33 (0) 2.43.76.33.33
Chairman: Jean-Paul Dutertre
Chief Executive: Bruno de Laage

CENTRE-EST

1, rue Pierre de Truchis de Lays
69400 Champagne-au-Mont-d'Or
Tel.: 33 (0) 4.72.52.80.00
Chairman: Claude Henry
Chief Executive: Jean-Paul Chifflet

CHARENTE-MARITIME

DEUX-SÈVRES
12, boulevard Guillet-Maillet
17100 Saintes
Tel.: 33 (0) 5.46.98.50.17
Chairman: Michel Roullin
Chief Executive: Jean-Yves Hocher

AQUITAINE

304, boulevard du Président Wilson
33000 Bordeaux
Tel.: 33 (0) 5.56.90.40.40
Chairman: Jean-Pierre Pargade
Chief Executive: Christian Duillet

CENTRE FRANCE

3, avenue de la Libération
63000 Clermont-Ferrand
Tel.: 33 (0) 4.73.30.57.00
Chairman: Maurice Baquier
Chief Executive: Pierre Bastide

CHARENTE-PÉRIGORD

Rue d'Epagnac
16800 Soyaux
Tel.: 33 (0) 5.45.20.45.20
Président : François Jaubert
Chief Executive: François Macé

ATLANTIQUE VENDÉE

La Garde - Route de Paris
44000 Nantes
Tel.: 33 (0) 2.40.30.55.55
Chairman: Roger Gobin
Chief Executive: Bernard Merlet

CENTRE LOIRE

8, allée des Collèges
18000 Bourges
Tel.: 33 (0) 2.38.60.20.00
Chairman: François Thibault
Chief Executive: Guy Chateau

CORSE

1, avenue Napoléon III
20000 Ajaccio
Tel.: 33 (0) 4.95.29.33.33
Chief Executive: Francis Lamarque

CÔTES-D'ARMOR

La Croix Tual
22440 Ploufragan
Tel.: 33 (0) 2.96.01.32.10
Chairman: Jean-Pierre Morvan
Chief Executive:
Jean-Philippe Neuville

FINISTÈRE

7, route du Loch
29000 Quimper
Tel.: 33 (0) 2.98.76.01.11
Chairman: Jean Le Vourch
Chief Executive: Pierre Kerfriden

FRANCHE-COMTÉ

11, avenue Elisée Cusenier
25000 Besançon
Tel.: 33 (0) 3.81.84.81.84
Chairman: Jean-Louis Delorme
Chief Executive: Pierre Derajinski

GARD

408, chemin du Mas de Cheylon
30000 Nîmes
Tel.: 33 (0) 4.66.29.33.00
Chairman: Dominique Chardon
Chief Executive: Michel Mathieu

GUADELOUPE

Petit Pérou
97139 Abymes
Tel.: 33 (0) 5.90.90.65.65
Chairman: Christian Fléreau
Chief Executive: Denis Mauss

ILLE-ET-VILAINE

45, boulevard de la Liberté
35000 Rennes
Tel.: 33 (0) 2.99.03.35.35
Chairman: Alain David
Chief Executive: Jean Kerouedan

LOIRE HAUTE-LOIRE

94, rue Bergson
42000 Saint-Etienne
Tel.: 33 (0) 4.77.79.55.00
Chairman: Marcel Eymaron
Chief Executive:
Gérard Ouvrier-Buffer

LORRAINE

56-58, avenue André Malraux
57000 Metz
Tel.: 33 (0) 3.83.93.66.11
Chairman: Jacques Chaise
Chief Executive: Eric Pradel

MARTINIQUE

Rue Case Nègre - Place d'Armes
97232 Lamentin
Tel.: 33 (0) 5.96.66.59.39
Chairman: Guy Ranlin
Chief Executive: Pascal Durieux

MIDI

Avenue de Montpelliéret - Maurin
34970 Lattes
Tel.: 33 (0) 4.67.17.80.00
Chairman: Alain Maurel
Chief Executive:
Jean-Claude Pichon

MORBIHAN

Avenue de Kéranguen
56000 Vannes
Tel.: 33 (0) 2.97.01.77.77
Chairman: Alexis Guéhenneux
Chief Executive: Gilles Auvray

NORD DE FRANCE

10, avenue Foch
59000 Lille
Tel.: 33 (0) 3.20.63.70.00
Chairman: Marc Bué
Chief Executive: Alain Diéval

NORD EST

25, rue Libergier
51100 Reims
Tel.: 33 (0) 3.26.83.30.00
Chairman: Luc Demazure
Chief Executive: Bernard Mary

NORMAND

Avenue de Paris
50000 Saint-Lô
Tel.: 33 (0) 2.33.06.61.61
Chairman: Jean Le Brun
Chief Executive: Marc Deschamps

NORMANDIE-SEINE

Chemin de la Bretèque
76230 Bois Guillaume
Tel.: 33 (0) 2.27.76.60.30
Chairman: Philippe Lepicard
Chief Executive: Michel Rallet

OISE

18, rue d'Allonne
60000 Beauvais
Tel.: 33 (0) 3.44.12.60.60
Chairman: Denis Dubois
Chief Executive: Patrick Clavelou

PARIS ET ILE-DE-FRANCE

26, quai de la Rapée
75012 Paris
Tel.: 33 (0) 1.44.73.22.22
Chairman: François Imbault
Chief Executive: Pascal Célérier

PROVENCE CÔTE D'AZUR

Les Négadis - avenue Paul Arène
83300 Draguignan
Tel.: 33 (0) 4.93.14.85.00
Chairman: François Béraudo
Chief Executive: Philippe Brassac

PYRÉNÉES GASCOGNE

11, boulevard
du Président Kennedy
65000 Tarbes
Tel.: 33 (0) 5.59.12.77.77
Chairman: Jean-Claude Rigaud
Chief Executive: Jean Philippe

QUERCY ROUERQUE

53, rue Gustave Larroumet
46000 Cahors
Tel.: 33 (0) 5.65.89.10.00
Chairman: Pierre Bru
Chief Executive: Bernard Lepot

FÉDÉRATION NATIONALE DU CRÉDIT AGRICOLE

48, rue La Boétie - 75008 Paris
Tel.: 33 (0) 1 49 53 43 23
Chairman: Jean-Marie Sander
General Secretary: Yves Couturier
Chief Executive: Jean-Yves Rossi

RÉUNION

Parc Jean de Cambiaire
Cité des Lauriers
97400 Saint-Denis
Tel.: 33 (0) 2.62.40.81.81
Chairman: Christian de la Giroday
Chief Executive: Fernand Lemaire

SAVOIE (des)

P.A.E Les Glaisins
4, avenue du Pré Félin
74000 Annecy-le-Vieux
Tel. 33 (0) 4.50.64.71.71
Chairman: René Carron
Chief Executive: Patrick Gallet

SOMME

500, rue Saint-Fuscien
80000 Amiens
Tel.: 33 (0) 3.22.53.33.33
Chairman: Francis Damay
Chief Executive: Serge Camine

SUD ALLIANCE

219, avenue François Verdier
81000 Albi
Tel.: 33 (0) 5.63.68.41.41
Chairman: Jacques Médale
Chief Executive: Bernard Lepot

SUD MEDITERRANÉE

30, rue Pierre Bretonneau
66000 Perpignan
Tel.: 33 (0) 4.68.55.66.66
Chairman: Jules Labadie
Chief Executive: Joël Fradin

SUD RHÔNE ALPES

15-17, rue Paul Claudel
38000 Grenoble
Tel.: 33 (0) 4.76.86.70.70
Chairman: Marius Revol
Chief Executive: Yves Couturier

TOULOUSE ET MIDI TOULOUSAIN

6-7, place Jeanne d'Arc
31000 Toulouse
Tel.: 33 (0) 5.61.26.91.11
Chairman: Gérard Cazals
Chief Executive: Jean-Roger Drouet

TOURAIN ET POITOU

18, rue Salvador Allende
86000 Poitiers
Tel.: 33 (0) 5.49.42.33.33
Chairman: Noël Dupuy
Chief Executive: Christophe Noël

VAL DE FRANCE

1, rue Daniel Boutet
28000 Chartres
Tel.: 33 (0) 2.37.27.30.30
Chairman: Dominique Lefèbvre
Chief Executive: Yves Nanquette



Our strengths combined

| 2003 financial statements
and legal and administrative
information



CRÉDIT AGRICOLE S.A.

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AMF

Only the French language version of the shelf-registration document has been submitted to the AMF. It is therefore the only version that is binding in law. Crédit Agricole S.A.'s shelf-registration document comprises this document, together with the '2003 business review'. In accordance with COB regulation 98-01, this shelf-registration document was registered with the AMF on 4 May 2004 under number R.04-073. It may not be used in support of a financial transaction unless it is accompanied by a transaction note also approved by the AMF. This shelf-registration document has been drafted by the issuer and is the responsibility of its signatories. It was registered following a review of the relevance and consistency of the information provided on the company's financial position. However, this registration does not imply that the accounting and financial items shown have been verified.

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Economic and financial background

2003: a year of two halves

2003 eventually saw a pick-up in growth on both sides of the Atlantic. However, the US was still the only real growth engine for the global economy. The highlights of 2003 were a rebound in the equity markets, a contraction in corporate spreads, an upturn in long rates towards the year-end, and the euro's continued rise against the US dollar.

United States: recovery underway

The US staged a recovery in 2003, with growth outpacing 3%. Household spending was the key driver behind this trend, fuelled by factors such as tax give-aways, remortgaging (in the first half) and car-buying incentives, despite a tough job market. Public-sector expenditure also boosted economic growth, notably through a massive increase in military spending. The corporate sector saw a recovery in profits, driven by faster demand growth, controlled costs (particularly wages) and continually favourable financing terms. Software and hardware spending (i.e. productivity investments) rose sharply in the second half, while infrastructure spending continued to be hit by a persistently weak demand outlook, which did nothing to encourage capacity investments. Lastly, the ongoing decline in the dollar and an upswing in US export demand reduced the trade deficit compared to previous years. During the first half, persistent deflationary fears pushed down long rates, which reached a low of 3.2% in June. However, in the second half, these fears faded and growth picked up, triggering a sharp rebound in the summer and causing the yield curve to steepen. In the foreign exchange markets, the dollar dropped more sharply in the second half (down by an average of 20% against the euro and 7.5% against the yen), partly due to the burden of financing the US current account deficit.

Europe: saved by exports

The second half of 2003 also saw the start of a partial recovery in the euro zone. In the first half, a downturn in domestic demand and a poor export performance plunged three of the top five EU states (Germany, Italy and the Netherlands) into a technical recession. In the second half, exports fuelled a recovery, with faster growth in EU export demand more than offsetting the negative impact of a stronger euro. At the same time, overall investment appeared to stabilise, while consumer spending flagged (due to a weak job market), but did not cave in as deflation provided a temporary boost to purchasing power. However, persistently high oil prices, rising tobacco prices in several countries, and an ongoing hike in food prices kept a lid

on this trend, with inflation reaching an average of 2.1% in 2003. In the first quarter, the ECB responded to this persistent economic slump by cutting its rate by 50 basis points to 2.0%, where it held steady for the rest of the year, amid a fragile economic recovery. European long rates generally kept pace with the US trend, bottoming out at 3.5% in June and ending the year at 4.2%. In terms of public finances, the eurozone fiscal deficit continued to deteriorate (estimated at over 3% for 2003).

France: a rough ride

2003 marked the end of the 'French exception' in terms of growth. Until then, the French economy had stood up well to the global recession. Still, the economic growth achieved by France managed to curb any damage. This growth was driven by consumer spending, against the backdrop of a resilient job market. However, French businesses were hit by increasingly precarious financial conditions in a generally sluggish climate. Consequently, they had to step up their adjustments at the start of the year, particularly through job cuts. Consumer spending, the ultimate growth driver, suffered as a result. Only residential property investment (an alternative to financial investments) held up well, stimulated by very low interest rates. Like the rest of the eurozone, the second half was saved by a pick-up in exports and a sudden upswing in consumer spending. Overall growth amounted to just 0.2% in 2003, compared to 1.2% in 2002. 2003 was also a year of two halves as regards households' financial behaviour. The slump in the financial markets at the beginning of the year heightened risk aversion once again. This was reflected by a marked preference for liquid savings (passbook accounts), as in 2002, while life insurance continued to draw in the bulk of savings. However, after the interest rate cut on 1 August and the equity market rebound, long-term investments (equities and mutual funds) started to perk up slightly in the second half.

Crédit Agricole S.A. group financial review

Consolidation changes

The scope of consolidation as at 31 December 2003 comprised 330 subsidiaries and holdings (compared to 310 at 31 December 2002).

The main change in 2003 was the addition of Crédit Lyonnais to the Crédit Agricole S.A. Group. This followed the success of the takeover bid for Crédit Lyonnais (public cash and exchange offer in June, followed by a public buyout offer and subsequent compulsory buyout procedure in July). As a result of these offers, Crédit Agricole S.A. owns a 94.82% stake in Crédit Lyonnais, which is consolidated directly by the

Group in the 2003 financial statements.

The following companies were also added to the Crédit Agricole S.A. Group's scope of consolidation:

- Finaref Group (20 subsidiaries), which has been fully consolidated since Crédit Agricole S.A. acquired a 75.5% stake in the company (61% in February 2003 and 14.5% in December 2003).
- IntesaBci Bank (Suisse), acquired in early 2003 and merged with Crédit Agricole Indosuez Suisse S.A. in September.
- S.A. Crédit Agricole Belgique, which has been accounted for by the equity method since Crédit Agricole S.A. and the Regional Banks of Crédit Agricole Nord de France and Nord-Est jointly acquired a 50% stake in the company in the third quarter of 2003.

In addition, Sofinco raised its interest in Credibom (consumer credit company based in Portugal) to 85% by acquiring an additional 45% stake from Banco Espirito Santo. Credibom was previously accounted for by the equity method, but has been fully consolidated since September 2003.

Other changes in the scope of consolidation had no material impact on the 2003 financial statements.

Changes in accounting principles and methods

The main changes in accounting methods with respect to the previous year are as follows:

- Since 1 January 2003, Crédit Agricole S.A. has applied the benchmark treatment for bond issue expenses as set out in paragraph 300 of regulation 99-07 of the Comité de la Réglementation Comptable (CRC – French accounting regulations committee) dated 24 November 1999, which requires their deferral over the life of the securities issued (see Note 2.1.5 to the published financial statements).
- As of 1 January 2003, Crédit Agricole S.A. has applied CRC regulation 2002-03 of 12 December 2002 on the accounting treatment of credit risk by companies governed by the Comité de la Réglementation Bancaire and Financière (CRBF – French banking and financial regulations committee), along with the various statements and opinions issued by the CNC's *Comité d'Urgence* (urgent issues task force) (see Note 2.1.1 to the published financial statements).
- In addition, Crédit Agricole S.A. has decided not to opt for early application of CRC Regulation 2002-10 of 12 December 2002 on asset depreciation and impairment. However, under the transitional measures provided for in this regulation, which are set out in detail in regulation CRC 2003-7, the Group applies component accounting for all its tangible fixed assets. However, the Group's insur-

ance subsidiaries have opted to take provisions for major repairs during the transitional period, pending harmonisation of the position in this respect (see Note 2.1.11 to the published financial statements).

These changes in accounting methods and their impact on the financial statements are described in Note 2.1 to the financial statements ('Accounting policies and consolidation methods – Accounting rules applicable to both parent company and consolidated accounts').

Preparation of financial statements following the Crédit Lyonnais acquisition

Increase in Crédit Lyonnais stake held by Crédit Agricole S.A.

- 10.3% as at 31 December 2001,
- 17.8% as at 31 December 2002 and up to 19 June 2003 (closing date of the Combined Public Cash and Exchange Offer for Crédit Lyonnais),
- 92.55% from 19 June to 16 July 2003 (launch of the public buyout offer),
- 94.82% from 4 August 2003 (closing date of the compulsory buyout procedure).

Consolidation of Crédit Lyonnais in the 2003 published financial statements

Due to the very short time period (12 days) between the date when Crédit Agricole acquired control of Crédit Lyonnais (19 June 2003) and the end of the first half of the financial year, Crédit Lyonnais' earnings were accounted for by the equity method during the first half of 2003 at 24.96% (Crédit Agricole S.A.'s weighted average ownership interest over the period). The balance sheet was fully consolidated as at 30 June 2003. During the entire second half of 2003, Crédit Lyonnais was fully consolidated at 94.82% (as a result of the compulsory buyout procedure, which increased the Group's stake in Crédit Lyonnais).

Preparation of pro forma financial statements

Due to the significant changes to the scope of consolidation following the Crédit Lyonnais acquisition, pro forma financial statements have been prepared for the past three years, so that the results of the new Group (including Crédit Lyonnais) can be compared over this period.

The pro forma financial statements have been drawn up to reflect assets, liabilities and results as if Crédit Agricole S.A. had acquired 92.55% of Crédit Lyonnais on 1 January 2001. Consequently, Crédit Lyonnais is fully and retroactively consolidated at 92.55% in the pro forma financial statements for 2001, 2002 and the first half of 2003.

These pro forma financial statements do not take into account any other consolidation changes in 2003, such as the Finaref acquisition (for technical reasons arising from the material changes in the Finaref group's equity interests and scope of consolidation during 2002). The scope of consolidation includes the subsidiaries and equity interests consolidated by Crédit Agricole S.A. and Crédit Lyonnais S.A. at each year-end. In addition, 2001 pro forma results are based on the published **2001 pro forma results** as at 31 December 2002, which reflect the full-year impact of the Group's reorganisation prior to Crédit Agricole S.A.'s flotation.

As a general rule, the accounting principles and methods used to prepare the pro forma consolidated financial statements are identical to those used to prepare the published consolidated financial statements at each year-end. Any changes in accounting principles are applied in the pro forma financial statements on the same dates as in the published financial statements.

See the notes to the pro forma financial statements: 'Rules governing the preparation of pro forma consolidated financial statements for the Crédit Agricole S.A. group'.

The following table shows how Crédit Agricole S.A.'s pro forma income statement has been derived from the individual income statements for Crédit Lyonnais and Crédit Agricole S.A.

Preparation of Crédit Agricole S.A. pro forma income statement based on Crédit Agricole S.A. and Crédit Lyonnais individual income statements

(In millions of euros)

Income statement for the year ended 31 December 2003	CA S.A. consolidated results	Impact of Crédit Lyonnais incl. integration-related costs ^(a)	CA S.A. consolidated results excluding Crédit Lyonnais	Crédit Lyonnais contribution to consolidated results	Impact of Crédit Lyonnais' consolidation, including integration-related costs	Pro forma results for Crédit Agricole S.A. group
Net banking income	9,351	(3,320)	6,031	7,136	(446) ^(b)	12,721
Operating expenses	(6,496)	2,404	(4,092)	(4,799)	2 ^(c)	(8,889)
Gross operating income	2,855	(916)	1,939	2,337	(444)	3,832
Risk-related costs	(839)	239	(600)	(521)		(1,121)
Income from equity affiliates	986	(136)	850	6		856
Net income on fixed assets	(17)	(3)	(20)	(29)		(49)
Pre-tax ordinary income	2,985	(816)	2,169	1,793	(444)	3,518
CA-CL integration-related costs	(513)	513	0		(513) ^(d)	(513)
Extraordinary items	9	(35)	(26)	5		(21)
Corporate income tax	(567)	97	(470)	(562)	310 ^(e)	(722)
Net allocation to FGBR	131	0	131			131
Net income before goodwill amortisation	2,045	(241)	1,804	1,236	(647)	2,393
Goodwill amortisation	(759)	195	(564)	(45)	(291) ^(f)	(900)
Net income	1,286	(46)	1,240	1,191	(938)	1,493
Minority interests	260	(66)	194	90	69 ^(g)	353
Net income-Group share	1,026	20	1,046	1,101	(1,007)	1,140

(a) Step 1: we strip out the impact of Crédit Lyonnais (including integration-related costs) on Crédit Agricole S.A.'s consolidated results to produce a consolidated income statement for Crédit Agricole S.A. excluding Crédit Lyonnais.

Step 2: we then add back the impact of acquiring and consolidating Crédit Lyonnais.

(b) Calculation of overall financing cost as of 1 January 2003.

(c) Cancellation of Crédit Lyonnais depreciation charges for fixed assets eliminated from Crédit Agricole S.A.'s consolidation.

(d) Inclusion of integration-related costs.

(e) Tax impact of financing costs and integration-related costs.

(f) Inclusion of goodwill amortisation charge calculated for Crédit Lyonnais acquisition.

(g) Minority interests and cost of preference shares.

The following review of Crédit Agricole S.A.'s consolidated income statements is based on these pro forma figures. However, our analysis of the Group's consolidated balance sheet is based on published data.

Crédit Agricole S.A. consolidated income statements

Summary pro forma consolidated income statement

(in millions of euros)	31/12/2001 pro forma	31/12/2002 pro forma	31/12/2003 pro forma	2003/2002 % change pro forma
Net banking income	12,608	11,659	12,721	+9.1%
Operating expenses	(9,120)	(8,700)	(8,889)	+2.2%
Gross operating income	3,488	2,959	3,832	+29.5%
Risk-related costs	(1,049)	(770)	(1,121)	+45.6%
Income from equity affiliates	707	474	856	+80.6%
Net income on fixed assets	31	(124)	(49)	-60.5%
Pre-tax ordinary income	3,177	2,539	3,518	+38.6%
CA-CL integration-related costs	-	-	(513)	-
Extraordinary items	332	(166)	(21)	-87.3%
Corporate income tax	(975)	(428)	(722)	+68.7%
Net allocation to FGBR	(44)	98	131	+33.7%
Goodwill amortisation	(628)	(622)	(900)	+44.7%
Net income	1,862	1,421	1,493	+5.1%
Minority interests	253	175	353	x2
Net income-Group share	1,609	1,246	1,140	-8.5%
Net income-Group share before CA-CL integration-related costs	1,609	1,246	1,501	+20.5%
Net income-Group share before goodwill amortisation and CA-CL integration-related costs	2,237	1,868	2,401	+28.5%

The two key highlights of 2003 were:

- The **Finaref acquisition**, which was completed in accordance with the agreements signed in December 2002. Finaref became part of the Crédit Agricole S.A. group in February, following the purchase of a 61% stake in the company from the retail group Pinault-Printemps-Redoute (PPR). A second phase of this acquisition occurred in December 2003 when the Group increased its holding in Finaref by 14.5%. This deal has strengthened Crédit Agricole S.A.'s position in consumer credit and private-branded payment cards. Finaref's integration process within the Group was completed very rapidly. Crédit Agricole S.A. acquired a further 14.5% stake in the first quarter of 2004, raising its total stake to 90%, while PPR will hold onto its 10% interest.
- The **Crédit Lyonnais acquisition**, following the success of the public offers launched by Crédit Agricole S.A. The tie-up process was launched in early September 2003 with a view to planning the integration of the two banks' business lines and subsidiaries. The implementation phase for this project has already begun and the bulk of the integration process should be completed in 2004.

Crédit Agricole S.A.'s net income-Group share came to €1.026 billion in 2003. Before goodwill amortisation and integration-related costs for the Crédit Agricole S.A.-Crédit Lyonnais tie-up, net income-Group share was €2.146 billion, up 59%.

In the pro forma financial statements, net income-Group share amounted to €1.140 billion. Before goodwill amortisation and net integration-related costs for the Crédit Agricole S.A.-Crédit Lyonnais tie-up, pro forma net income-Group share was €2.401 billion, rising by 28.5%.

Unless otherwise stated, the following review of Crédit Agricole S.A.'s consolidated results is based on **pro forma data**.

Gross operating income (GOI) totalled €3.8 billion, up 29.5% compared to 2002. This growth partly reflects the additions to the scope of consolidation (mainly Finaref, which contributed €287 million). Excluding these consolidation changes, GOI rose by 19.8%, driven by the Group's organic growth (+€849 million). However, currencies had a negative effect of €76 million (mainly due to the euro's appreciation against the key currencies), while the impact of the stock market slump on equity portfolios depressed GOI by €187 million.

This overall GOI performance was based on:

- A 9.1% rise in **net banking income** to € 12.7 billion, or a 5.8% increase excluding changes to the scope of consolidation (mainly Finaref, which had a € 586 million impact) and at constant exchange rates (currencies had a negative impact of € 202 million). This growth reflects: i) a significant increase in revenues from the corporate and investment banking business; ii) robust performances in insurance and asset management (strong mutual fund inflows); iii) sharp growth in the consumer credit business; and iv) a strong commercial drive in the Crédit Lyonnais retail banking network.

Conversely, net banking income in 'Proprietary asset management and other activities' was hit by: i) the impact of the stock market slump on equity portfolios (€187 million decline); ii) a lower contribution from fixed-income portfolios; and iii) financing costs for the acquisitions made by Crédit Agricole S.A. (Finaref and, above all, Crédit Lyonnais).

- Controlled **operating expenses**, which posted a moderate increase of 2.2% to € 8.9 billion, but were actually down 1.3% excluding changes to the scope of consolidation (mainly Finaref). The main factors behind this improvement were exchange rates (€ 126 million impact) and reduced personnel expenses, principally due to the halt in recruitment by Crédit Agricole S.A. and Crédit Lyonnais since the beginning of the year. These operating expenses also reflect the initial synergy gains from the tie-up between Crédit Agricole S.A. and Crédit Lyonnais (around € 40 million in 2003).

As a result, the **cost/income ratio** improved sharply by 4.7 percentage points from 74.6% in 2002 to 69.9% in 2003.

Risk-related costs amounted to € 1.121 billion, rising by € 351 million compared to 2002. The integration of Finaref had a € 128 million negative impact on net provisions. Furthermore, various provisions were written back in 2002 (over € 100 million for the sale of the Group's equity interest in Bradesco in Brazil), offsetting the losses booked against 'Net income on fixed assets'. The Group also stepped up its provisions for risk exposure in the Crédit Lyonnais network, particularly in the SME segment.

Doubtful loans totalled € 9.5 billion, amounting to 5.7% of gross customer loans outstanding, compared to 5.6% in 2002. Coverage of these loans by provisions stood at 63.1%. Moreover, general provisions and the Fund for General Banking Risks (FGBR) came to a total of € 2.6 billion at end-2003 versus € 2.7 billion in the 2002 pro forma financial statements. These provisions break down as follows: i) € 1.4 billion in provisions under liabilities to cover sector risks and other loan loss provisions (€ 242 million in general US provisions, € 274 million in provisions for large European

corporates, and € 112 million for retail banking and specialised financial services); ii) € 753 million in country-risk provisions; iii) € 882 million for the FGBR (home purchase savings schemes); and iv) € 1.1 billion for other FGBR items (including € 615 million for the Fund for Liquidity and Solvency Banking Risks).

The **contribution from equity affiliates** rose from € 474 million in 2002 to € 856 million in 2003. This steep increase was due to: i) a 35.8% rise in the contribution from the Regional Banks, from € 464 million in 2002 to € 630 million in 2003 (including the positive effect of dividend payments from the Regional Banks, which had their first full-year impact); and ii) an improved contribution from Banca Intesa (earnings up € 170 million in 2003 versus 2002).

The **net loss on fixed assets** was € 49 million in 2003, compared to a loss of € 124 million in 2002. The Group realised lower net capital losses and reduced its provisions for investments in unconsolidated subsidiaries and affiliates.

Pre-tax ordinary income amounted to € 3.5 billion, up 38.6% year-on-year, or 31.2% excluding Finaref's addition to the scope of consolidation.

The **Fund for General Banking Risks** recorded a net allocation of € 131 million, mainly due to the home purchase savings provision, resulting from the gap between the market rates anticipated four years ago (for savings accounts) and six years ago (for savings schemes), and current funding rates for home purchase loans.

After factoring in € 21 million of extraordinary charges and € 722 million in corporate income tax, **net income - Group share**, before goodwill amortisation and integration-related costs for the Crédit Agricole S.A.-Crédit Lyonnais tie-up, came to € 2.401 billion, up 28.5%.

ROE (Return on Equity - i.e. the ratio of consolidated net income before goodwill amortisation and integration-related costs, to average shareholders' equity after appropriation of income for the year) amounted to 10.6% in 2003. ROE based on capital allocated to the Group's business lines stood at 14.8%.

Gross integration-related costs for the Crédit Agricole S.A.-Crédit Lyonnais tie-up (either incurred in 2003 or estimated as provisions) totalled € 513 million (or € 361 million after tax) in the 2003 income statement. In addition, € 532 million in expenses were borne by Crédit Lyonnais and added to goodwill. These combined expenses covered: i) the cost of implementing synergies (€ 906 million), e.g. support measures for job mobility, streamlining of premises and IS costs; and ii) other integration-related expenses (mainly advisory bank fees).

Goodwill amortisation increased by € 278 million (or 44.7%) due to additional investments made in 2003 (mainly Finaref, including Ellos, but also IntesaBCI Bank (Suisse), EFL, Lukas Bank and Credibom) and a fair value adjustment to the Group's holding in Rue Impériale.

Review of results by business line

Overview of the Group's business lines

The income statements of the new Crédit Agricole S.A. Group are broken down by business line, according to the **naming conventions** introduced in December 2002 when Crédit Agricole S.A. unveiled its tie-up project with Crédit Lyonnais. These names also appear in the COB document (*Note d'information*) relating to the public offer and dated 25 March 2003.

Crédit Agricole S.A.'s activities are now organised into six business lines, compared to four previously:

- French retail banking – Regional Banks
- French retail banking – Crédit Lyonnais network
- Specialised financial services
- Asset management, insurance and private banking
- Corporate and investment banking
- International retail banking

The Group also has a 'Proprietary asset management and other activities' business line.

In addition to the Crédit Lyonnais network, which is a separate business in its own right, the Group has also set up a new business line encompassing its specialised financial services.

French retail banking – Regional Banks

This business line comprises the Regional Banks and their subsidiaries. Crédit Agricole S.A. owns a 25% stake in these Regional Banks, which are accounted for by the equity method.

French retail banking – Crédit Lyonnais network

This business line covers the activities of the Crédit Lyonnais network in France (individual customers, professionals and SMEs), together with Crédit Lyonnais' private banking operations in France.

Specialised financial services

This business line covers activities that offer banking products and services to individual customers, professionals, businesses and local authorities in France and internationally, namely:

- consumer credit through Sofinco, Finaref and Finalion in France, and through subsidiaries or partnerships outside France (e.g. Lukas and Agos Itafinco);
- specialised financing to businesses, such as factoring (Transfact and Eurofactor) and leasing (mainly Ucabail, Lixxbail, Slibail and EFL).

Asset management, insurance and private banking

This business line encompasses:

- asset management (mutual funds and managed accounts), chiefly through Crédit Agricole Asset Management, Crédit Lyonnais Asset Management, CPR AM, BFT, CA-ELS and Crédit Lyonnais Epargne Entreprise;
- subsidiaries providing financial and securities services to institutional customers (CA Investor Services Corporate Trust, CA Investor Services Bank, CA Investor Services Fastnet, Crédit Agricole S.A. custody services and CAI financial services);
- life, accident and health insurance (Predica and UAF);
- property and casualty insurance (Pacifica, Finaref and Médicale de France); private banking, mainly through Banque de Gestion Privée Indosuez (BGPI), subsidiaries of Crédit Agricole Indosuez (e.g. CAI Suisse S.A., CA Indosuez Luxembourg S.A. and Crédit Foncier de Monaco) and foreign subsidiaries of Crédit Lyonnais (e.g. Crédit Lyonnais Suisse S.A.).

Corporate and investment banking

This business line mainly covers the corporate and investment banking operations of Crédit Agricole Indosuez and Crédit Lyonnais. It divides into two broad categories. Firstly, capital markets and investment banking, comprising primary and secondary equity activities, brokerage and equity derivatives (CAI Cheuvreux, Crédit Lyonnais Corporate & Investment Banking), foreign exchange and debt market instruments trading (money and bond markets, derivatives and structured products), mergers and acquisitions, and the private equity activities run by the UI Group (UI, IDIA Participations and Sofipar) and Crédit Lyonnais.

Secondly, the financing business, comprising asset financing and banking activities carried out by CAI and Crédit Lyonnais Corporate & Investment Banking; the structured financing activities managed by CAL FP; and CAI's 'work-out' business.

International retail banking

This business line encompasses:

- foreign subsidiaries (both fully-consolidated and equity-accounted) whose main business is retail banking outside France. Most are located in Europe (Banca Intesa Spa in Italy, Banco Espirito Santo in Portugal, Bankoia in Spain and Crédit Agricole Belge in Belgium), the Middle East (e.g. Banque Saudi Fransi and Banque Libano-Française SAL) and Africa (e.g. Crédit du Maroc, Union Gabonaise de Banque and Crédit Lyonnais Cameroun);

- the earnings of Crédit Agricole S.A.'s unconsolidated banking affiliates engaged in this business (e.g. Commercial Bank of Greece).

The Group's foreign consumer credit and leasing subsidiaries (part of Sofinco and Ucabail, Lukas and EFL in Poland, etc), which were previously consolidated under this business line, have been reassigned to the specialised financial services business line from 2003 (and retroactively).

Proprietary asset management and other activities

This business segment mainly covers Crédit Agricole S.A.'s role as the Group's central body, asset and liability management (in particular Crédit Agricole S.A.'s margin on interest-rate risk matching) and debt management relating to acquisitions of subsidiaries and equity interests.

It also comprises the earnings of various other Crédit Agricole S.A. group companies (including Uni-Editions, logistics units and the real estate companies that manage premises used by more than one business line), together with dividends or other revenues and expenses of Crédit Agricole S.A. relating to equity investments and other unconsolidated subsidiaries and affiliates (apart from international retail banking). Finally, net income on financial and other non-current assets (net allowances/provisions, mainly on the equity investment portfolio, and capital gains or losses on disposals of equity investments) are allocated to this item, together with general provisions not allocated to any specific activity within a given business line.

This business line also comprises the net impact of tax consolidation between Crédit Agricole S.A. and Crédit Lyonnais.

Rules for allocating capital

The Crédit Agricole S.A. group allocated capital in accordance with the relevant prudential rules applicable to banks and insurance companies.

Depending on the business, allocated capital amounts to 6% of weighted exposure (as defined for the international solvency ratio), 50% of the market value of securities held, 100% of the book value capital, or 100% of the solvency margin (see the allocation method for each business line below). The resulting capital requirement is then increased by 50% of the book value of companies accounted for by the equity method and the Group's unconsolidated affiliates. However, to calculate the capital allocated to the Regional Banks (French retail banking business), these rules are applied to 25% of their risk-weighted assets, for the sake of transparency.

Any surplus or shortfall of book shareholders' equity relative to capital allocated by business line (including 'Proprietary asset management and other activities') is subject to differential remuneration (or rebilling) equal to the remuneration of equity less its risk-free replacement income.

Allocation of capital by business line

The method used to allocated capital by business line until 2002 has undergone a few changes (in accordance with the presentation of the Crédit Agricole S.A.-Crédit Lyonnais tie-up project on 16 December 2002).

Allocated capital amounts to:

- 6% of risk-weighted assets for the French retail banking business, i.e. the Crédit Lyonnais network and the Regional Banks (25% of the latter's exposure covered).
- 6% of risk-weighted assets for specialised financial services.
- 6% of risk-weighted assets (in financing and capital market activities) for the corporate and investment banking business and 50% of the market value of securities held by the entities involved in equity investing activities.
- For asset management and private banking, allocated capital represents the higher of: (a) the capital adequacy requirement based on 6% of weighted exposure, and (b) three months of operating expenses.
- For the insurance business, allocated capital reflects the statutory requirements specific to this activity (i.e. 100% of the solvency margin).
- For international retail banking, the capital requirement amounts to 6% of risk-weighted assets plus 50% of the value of companies accounted for by the equity method and equity investments in financial institutions outside France.
- For proprietary asset management and other activities, 6% of risk-weighted assets (in financing and capital market activities) and 50% of the market value of securities held by entities involved in equity investing activities. For other non-banking entities (e.g. closed real estate companies and logistics ventures), allocated capital is based on book value capital.

Risk-weighted assets applied for capital allocation purposes

The risk-weighted assets shown below have been recalculated for 2002 to reflect the impact of Crédit Lyonnais and the new calculation method adopted in 2003.

(in billions of euros)	31/12/02	31/12/03
French retail banking	80.1	83.5
Regional Banks	46.8	48.5
Crédit Lyonnais network	33.3	35.0
Specialised financial services	22.7	28.1
Asset management, insurance and private banking	11.1	12.0
Corporate and investment banking	140.0	133.0
International retail banking	2.7	4.3^(*)

(*) 2003 figures include the risk-weighted assets of CAI's international retail banking subsidiaries.

Allocated capital by business line

2002 allocated capital has been readjusted to reflect the impact of Crédit Lyonnais and the new calculation method adopted in 2003.

Allocated capital is calculated before net income and goodwill amortisation.

(in billions of euros)	31/12/02	31/12/03
French retail banking	5.0	5.1
Regional Banks	2.9	3.0
Crédit Lyonnais network	2.1	2.1
Specialised financial services	1.4	1.7
Asset management, insurance and private banking	4.7	5.1
Corporate and investment banking	8.4	8.0
Investment banking	3.0	3.0
Financing activities	5.4	5.0
International retail banking	2.3	2.6

(as a % of total)	31/12/02	31/12/03
French retail banking	22.9%	22.7%
Specialised financial services	6.4%	7.6%
Asset management, insurance and private banking	21.6%	22.7%
Corporate and investment banking	38.5%	35.5%
International retail banking	10.6%	11.5%
Capital allocated to business lines	100%	100%

For each business line, ROE is calculated by dividing the corresponding net income (before goodwill amortisation and integration-related costs for the Crédit Agricole S.A.-Crédit Lyonnais tie-up and after rebilling any equity surplus/deficit) by the amount of capital allocated to the business line as at the year-end.

Review of results by business line

Crédit Agricole S.A.'s consolidated results are reviewed below by business line, according to the conventions described earlier (see 'Overview of the Group's business lines' and 'Rules for allocating capital' above). Following the integration of Crédit Lyonnais, the scope of each business line has undergone various changes. As a result, the 2002 results for these business lines have been retroactively adjusted for the sake of comparability.

All business lines achieved excellent business levels and maintained tight control over their operating expenses, as reflected by the improvement in cost/income ratios and profitability.

Pro forma contribution of each business line to net income before goodwill amortisation and integration-related costs

(in millions of euros)	31/12/02	31/12/03
French retail banking – Regional Banks	464	589
French retail banking – Crédit Lyonnais network	528	501
Specialised financial services	192	371
Corporate and investment banking	503	782
Asset management, insurance and private banking	688	870
International retail banking	(57)	223
Proprietary asset management and other activities	(275)	(582)
Total net income (before goodwill amortisation and integration-related costs)	2,043	2,754

1 • French retail banking – Regional Banks

Net income from the French retail banking business (Regional Banks) rose by a further 26.9% to € 589 million, contributing 22% of the Group's pro forma net income. This sharp increase was driven by the Regional Banks' continued growth momentum and a steady improvement in key operating metrics.

Note that Crédit Agricole S.A.'s earnings include only 25% of the Regional Banks' results. These Regional Banks are accounted for by the equity method, which means that their impact on consolidated figures is visible solely in 'Income from equity affiliates'.

French retail banking – Regional Banks

(in millions of euros)	2002	2003	% change 2003/2002
Income from equity affiliates	464	630	+35.8%
Pre-tax ordinary income	464	630	+35.8%
Corporate income tax	-	(41)*	nm
Net income before goodwill amortisation	464	589	+26.9%
ROE (as a % of allocated capital)		17.9 %	

* Dividends from CCI and CCA are not eligible for parent company/subsidiary tax rules.

The 43 equity-accounted Regional Banks recorded strong growth in business volumes, which increased net banking income by 7% to € 11 billion.

On- and off-balance sheet customer deposits outstanding (excluding securities and bonds) were up 7.0% in 2003 (versus 3.2% the previous year), rising by € 23 billion to € 350.2 billion.

Households continued to opt for short-term investments due to the turmoil on the financial markets in recent years. In this environment, life insurance continued to be the most popular investment choice for French households. Predica and BGPI life insurance products distributed by the Regional Banks posted a 10.4% increase to € 89.1 billion.

Bank deposits also recorded a sharper increase of 4.9% in 2003, compared to 1.7% in 2002. This growth was driven by liquid and short-term savings. Despite their lower rate of interest since 1 August 2003, home purchase savings schemes held up well (+5.8%) while passbook accounts (CSL, LEP and CODEVI) saw a 13.8% increase, attracting 100% of new deposits. Sight deposits saw a further increase of 5.3% to € 60.7 billion. Meanwhile, unattractively low interest rates depressed volumes in term accounts and certificates by a further 15.7% and outstandings on 'PEP' popular savings plans continued to decline, but at a slower pace (down 5.4% in 2003 versus 10.7% in 2002) as contracts reached maturity.

After the interest rate cut in mid-2003 and the equity market rebound, the asset management business enjoyed renewed growth in the second half of the year. Amounts outstanding in mutual funds distributed by the Regional Banks were up 12.7% to € 37.8 billion in 2003 (after a 3.7% decline in 2002). **Lending** was particularly buoyant in 2003. New medium- and long-term lending reached a new record of € 42.1 billion, rising by 17.2% compared to 2002. Growth in all market segments accelerated in the second half of 2003 (up 30% compared to the first half).

The Regional Banks had € 223.3 billion of gross loans outstanding at end-2003, giving a year-on-year increase of 7.1% and outperforming the market (up 4.8% according to the Banque de France). All lending categories recorded growth, with demand from local authorities rising particularly sharply and demand from households remaining strong. Mortgage loans saw a robust increase, driven by low interest rates and a more investor-friendly regulatory environment (notably the Robien tax incentives).

Regional Banks: loans outstanding

(gross outstandings)	31 Dec 2003 (in billions of euros)	% change 2003/2002
Home purchase	103.7	+10.1%
Farming sector	27.2	+1.6%
Businesses and professionals	54.9	+3.5%
Consumer credit	14.1	+3.9%
Local government	19.7	+13.4%
Other	3.7	+7.3%
Total loans outstanding	223.3	+7.1%

The Regional Banks continued to increase their **penetration rate** for products and services to customers, reaching 7.42 products placed per demand account at end-2003 versus 7.40 at end-2002, mainly driven by successful cross-selling to holders of deposit accounts and insurance policies.

Fee income from customers was up 7.4% to € 3.7 billion, accounting for 36.5% of net banking income from customer accounts. This growth was mainly driven by commissions and fees on insurance (up 9.8%), services, other banking transactions (up 9%), accounts management and payment instruments (up 6.3%).

The Regional Banks managed to contain their operating expenses (up 1.8%), as reflected by a further strong improvement in their **cost/income ratio** from 62.7% in 2002 to 59.7% in 2003.

As a result, **gross operating income** for the Regional Banks grew sharply by 15%.

Risk-related costs for the Regional Banks increased to € 851 million but remained under control. Net provisions increased by € 315 million and were strongly impacted by amounts reallocated from the Fund for General Banking Risks (FGBR) as the Group prepared to implement IFRS standards (reversals from the FGBR and net allocations to risk-related costs). As a result, the FGBR shows a net reversal of € 82 million compared to a net allocation of € 271 million in 2002.

Due to these factors, the cost of credit risk (including general loan provisions) increased slightly to 31 basis points in 2003, compared to 28 basis points in 2002. Doubtful loans as a percentage of total loans outstanding decreased to 3.9% versus 4.1% in 2002, while coverage of these loans by provisions edged up to 68.9%.

As a result, the aggregate net income of the 43 Regional Banks, equity-accounted at 25%, showed a 14.6% increase on 2002 to € 2.5 billion. The Regional Banks' **overall contribution to Crédit Agricole S.A.**'s consolidated net income rose from € 464 million in 2002 to € 630 million in 2003, up 35.8% (or 26.9% after tax on dividends received from the Regional Banks). This contribution includes the positive impact of the first full-year dividend payments received by Crédit Agricole S.A. (around € 80 million). ROE for this business line was 17.9%.

2 • French retail banking – Crédit lyonnais

French retail banking • Crédit Lyonnais network

(in millions of euros)	2002	2003	% change 2003/2002
Net banking income	3,198	3,312	+3.6%
Operating expenses and depreciation	(2,354)	(2,409)	+2.3%
Gross operating income	844	903	+7.0%
Risk-related costs	(71)	(157)	x2.2
Pre-tax ordinary income	773	746	-3.5%
Extraordinary items and tax	(245)	(245)	-
Net income before goodwill amortisation	528	501	-5.1%
ROE (as a % of allocated capital)		23.5%	

The **Crédit Lyonnais network** also enjoyed robust growth in 2003, particularly in the individual and professional customer segments.

Net banking income totalled €3.3 billion, up 3.6% year-on-year (or 4.5% in the individual and professional segments alone). This growth was driven by strong commercial impetus and a customer win-back strategy that started to pay off (322,000 deposit accounts opened by individual customers during the year).

Loans outstanding totalled €44.8 billion at end-December 2003, rising by 8.6% year-on-year. This growth was mainly fuelled by the increase in mortgage lending (+14.6%) and consumer credit (+9.4%). However, the deliberate policy of reducing loan exposure to SMEs led to a 5.3% decline in loans outstanding in this customer segment.

Deposit taking increased by 3.6% to €48.9 billion, bolstered by the success of passbook accounts (+19%) and home finance savings schemes (+4%), as well as a resilient performance by sight deposits (up 4% overall), especially in the individual and professional segments alone (up 5.4%). Conversely, 'PEP' popular savings plans and term accounts/certificates registered a sharp decline (down 17% and 17.1% respectively), exacerbated by low interest rates.

Due to a poor stock market performance up to the second quarter of 2003, **securities and mutual fund investments** were up just 2.7% versus 2002 (after a 15% decline the previous year), reaching €31.9 billion. The **life insurance** business put in a strong performance (up 9.6% to €27.3 billion). Overall, on- and off-balance sheet customer funds outstanding were up 4.8% year-on-year to €108.1 billion.

Net banking income was boosted by fee income, which grew by 3.9%. The increase in commitment and set-up fees (up 9.6%) and commissions on account management and services (up 4.9%) offset the impact of adverse stock market conditions on brokerage fees, which rose by just 2.8%. As a result, fee income made a slightly higher contribution to

overall net banking income in 2003 (46.3%), after a strong 47.7% increase in the fourth quarter, driven by an upturn in brokerage fees.

The net interest margin increased by 3.3% overall and 3.5% in the individual and professional segments alone.

Operating expenses for the Crédit Lyonnais network rose by 2.3% to €2.4 billion. Excluding provisions for employee incentives and profit sharing, this increase amounted to just 1.4%, mainly due to one-off costs (branch openings and renovations, expansion of multi-channel platforms, etc.). As a result, **gross operating income** improved to €903 million, showing a 7.0% increase on 2002, while the cost/income ratio fell from 73.6% in 2002 to 72.7% in 2003.

Risk-related costs for the Crédit Lyonnais network grew sharply in the first half, mainly due to a small number of specific SME exposures, but moved back towards normal levels in the second half. Over the full year, the ratio of risk-related costs to risk-weighted assets amounted to 45 basis points.

Overall, **net income before goodwill amortisation** was down 5.1% to €501 million, giving an ROE of 23.5%.

3 • Specialised financial services

The Specialised financial services business expanded in 2003, owing to the addition of Finaref, which has been fully consolidated since 1 January 2003. Furthermore, Credibom, which was previously accounted for by the equity method at 40%, has been fully consolidated since the third quarter of 2003. As a result, the key income statement aggregates have been recalculated on a comparable consolidation basis, i.e. excluding the impact of these two companies (as indicated in the following table *).

This business line generated €371 million in net income before goodwill amortisation and integration-related costs, up 93.2% from 2002, or 26% on a comparable consolidation basis.

Specialised financial services

(In millions of euros)	2002	2003	% change 2003/2002	% change 2003/2002 on a comparable consolidation basis *
Net banking income	1,447	2,208	+52.6%	+10.6%
Operating expenses and depreciation	(919)	(1,264)	+37.5%	+7.4%
Gross operating income	528	944	+78.8%	+16.3%
Risk-related costs	(214)	(356)	+66.4%	+7.5 %
Income from equity affiliates	4	4	-	-
Pre-tax ordinary income	318	592	+86.2%	+21.4%
Extraordinary items (before integration-related costs), tax and FGBR	(126)	(221)	+75.4%	+14.3%
Net income before goodwill amortisation and integration-related costs	192	371	+93.2%	+26.0%
ROE (as a % of allocated capital)		21.1%		

The **Specialised financial services** business grew sharply in 2003, driven by the performance of its subsidiaries and partnerships, both in France and abroad.

In particular, **consumer credit activities** (handled by Sofinco, Finaref, Finalion and Lukas) continued to post rapid growth in a buoyant market. Net banking income from these activities rose by 70% in 2003, or 12.7% on a comparable consolidation basis. Their contribution to this business segment's net income continued to increase, exceeding 85% in 2003 versus 80% in 2002.

Gross outstandings came to over €28 billion at end-2003. This represents a very significant year-on-year increase of 44.0% or €8.6 billion, driven by the integration of Finaref (+€4.6 billion), the build-up in the Sofinco/Crédit Lyonnais partnership (+€1.9 billion over the year) and organic growth (+€2 billion or 10.5%). Finaref, which became part of the Crédit Agricole S.A. Group in February 2003, continued to win new customers, reflected by a 6.5% rise in new lending to €2.9 billion and a 2% increase in consumer credit outstandings to €4.7 billion at end-2003.

In France, outstandings reached €21.4 billion, up 49.6% year-on-year (or 18.7% excluding Finaref). In addition to the robust increase in outstandings managed by Sofinco and Finalion (up 8.1% to €8.8 billion), alliances with the Regional Banks and the Sofinco/Crédit Lyonnais partnership have taken off rapidly: Sofinco manages €2.2 billion on behalf of the Regional Banks (+11.9%) and €3.9 billion for Crédit Lyonnais (+99.7%).

Foreign subsidiaries also continued to generate rapid growth, with outstandings of €6.7 billion, up 28.7% year-on-year (or 23% excluding Finaref). The fastest growth came from Finconsum (in Spain) and Credit-Plus (in Germany), but the Italian subsidiary Agos Itafinco accounted for three-quarters of overall international growth on the strength of its outstandings. The foreign subsidiaries now generate 41% of income in the consumer credit business (excluding Finaref) versus under 30% a year earlier.

The increase in operating expenses and risk-related costs remained under control (+€27 million on a comparable consolidation basis).

Lease finance outstandings were up 0.3% to €12.5 billion. Despite adverse economic conditions, marked by a slow-down in business spending (down 1.8% in volume terms), new lending increased by 4.9% year-on-year.

Ucabail generated €1.769 billion of new business in France, a year-on-year increase of 9.3%, mainly due to major financing deals for public infrastructures and sustainable development projects (e.g. wind farms), coupled with a take-off in equipment finance leases (through greater cooperation with the Regional Banks) and IT equipment leasing.

In equipment leasing for professionals and businesses, Lixxbail increased its new business by 9.2% to €1.558 billion. However, property leasing (Ucabail and CBIF) posted an 8% drop in new business in a sharply declining market.

In Poland, EFL sustained a strong performance, with new business up 25%.

Overall, net banking income from the leasing business was up 6.4% compared to 2002.

The **factoring business** was hit by a tough economic climate, particularly in France, and did not seem to benefit from the pick-up at the end of the year. Net banking income from this business edged up 1%. Revenues (factored receivables) for both Group companies, Eurofactor and Transfact, declined very slightly by 0.9% compared with 2002, reaching €25.7 billion, despite the sharp growth recorded by this business outside France. International revenues rose by 9.1%, accounting for 30% of overall revenues. Overall factoring outstandings fell to €4.8 billion, versus €5.2 billion in 2002, overshadowing an increase of more than 3% in international outstandings.

Overall net banking income from specialised financial services totalled €2.208 billion in 2003, a rise of 52.6% on 2002, or 10.6% on a comparable consolidation basis (i.e. excluding Finaref and Credibom). Owing to a slower rise in **operating expenses** (up 37.5%, or 7.4% on a comparable consolidation basis), the **cost/income ratio** improved significantly from 63.5% in 2002 to 57.2% in 2003.

As a result, **gross operating income** in the specialised financial services business line increased by 78.8% (or 16.3% on a comparable basis) to €944 million.

Risk-related costs for this business line totalled €356 million, including €126 million as a result of its expansion. On a comparable consolidation basis, risk-related costs increased by 7.5%, i.e. slightly slower than business volumes.

Pre-tax ordinary income came to €592 million, up 86.2% year-on-year and 21.4% on a comparable consolidation basis.

Net income before goodwill amortisation and integration-related costs amounted to €371 million, up 93.2% compared to 2002, or 26% on a comparable consolidation basis. **ROE** (i.e. the return on equity, as a percentage of allocated capital) stood at 21.1% in 2003.

4 • Asset management, insurance and private banking

Despite a mixed environment, Asset management, insurance and private banking recorded a sharp increase in their overall business volumes and income contribution. Assets under management in this business segment totalled nearly €380 billion, excluding double counting (i.e. exactly €379.8 billion compared to €343.5 billion at end-2002). This represents an increase of €36.4 billion or 10.6% in 2003. This robust performance stems from a strong commercial drive in the various business units, the revitalisation of the Group's networks and the equity market recovery in 2003. Net income before goodwill amortisation and integration-related costs came in at €870 million, up 26.5% compared to 2002 (or 21.7% excluding the integration of Finaref's insurance activities).

Asset management, insurance and private banking

(in millions of euros)	2002	2003	% change 2003/2002
Net banking income	2,377	2,635	+10.9%
Operating expenses and depreciation	(1,386)	(1,343)	-3.1%
Gross operating income	991	1,292	+30.4%
Risk-related costs	(15)	1	nm
Income from equity affiliates	4	7	+75.0%
Net income on fixed assets	16	0	-100.0%
Pre-tax ordinary income	996	1,300	+30.5%
Extraordinary items (excluding integration-related costs), tax and FGBR	(308)	(430)	+39.6%
Net income before goodwill amortisation and integration-related costs	688	870	+26.5%
ROE (as a % of allocated capital)		17.0%	

This business line benefited from an excellent performance in insurance activities and rapid growth in asset management, boosted by the integration of Finaref's life insurance business and the IntesaBci (Suisse) private banking business in 2003.

In asset management, Crédit Agricole S.A.'s total assets under management (by Crédit Agricole Asset Management, Crédit Lyonnais AM, CPR AM and BFT) rose by €32 billion to €285.8 billion in 2003 (up 12.6% year-on-year and 13% on a comparable consolidation basis). After an adverse first quarter, new inflows reached €18 billion in 2003, supported by the recovery in the financial markets from mid-March. However, most of these new inflows were generated by bonds in the institutional segment and structured products. After a three-year slump, the markets had a positive impact again from the second quarter of 2003: +€15 billion over the full year versus -€18.3 billion in 2002 (the CAC 40 gained 16% in 2003). As a result, the portfolio is more evenly balanced, with equities accounting for 28.7% of assets under management at end-2003, compared to 27.4% at end-2002, but 30% at end-2001.

The increase in assets under management was also driven by new inflows achieved internationally. As a result of efforts to bolster foreign operations in 2003, assets under management outside France rose by 30.5% (or 39% excluding CPR A2M in the US, which was closed down in early 2003), compared to an 11.1% increase in France.

Buoyed by improved market conditions in 2003, the Group's asset management results increased sharply: net banking income was up 9.3% and operating expenses were down 1.4%, generating a 35.5% increase in gross operating income and 33.9% rise in net income before goodwill amortisation.

After three years of tough financial conditions, the Group's **private banking** units strengthened their commercial positions in 2003. Private wealth under management by the Crédit Lyonnais network, BGPI, CAI Suisse and the other private banking units amounted to € 87.7 billion, up 5.6% year-on-year (+€ 4.7 billion). € 1.9 billion of this increase stemmed from net additions to the scope of consolidation, i.e. the integration of assets under management by IntesaBci Bank (Suisse), which merged with CAI Suisse SA in September 2003, and Banco Sudaméris' underlying business in Monaco, which more than offset the impact of closing down CAI's units in London and Gibraltar. In addition, net new inflows totalled € 1.4 billion, while price and performance effects had a positive impact of € 1.4 billion due to the equity market recovery, despite unfavourable foreign exchange effects between the US dollar, Swiss franc and euro.

However, average stock market levels continued to depress private banking revenues and net banking income declined 2.4% in 2003. At the same time, operating expenses were down 8.2% compared to 2002, due to the cost-cutting programme introduced two years earlier, which helped boost gross operating income by 47.2%.

The **life insurance subsidiaries** delivered robust business volumes in a market supported by a catch-up effect, renewed consumer confidence, funds transferred out of discontinued 'PEP' popular savings plans, and lower interest rates on passbook accounts. Total premium income (for Predica, UAF and Finaref) rose by 10.6% year-on-year to € 15.2 billion (including € 55 million for Finaref), outperforming the market growth rate (9% according to FFSA). Assets under management were up 9.1% year-on-year to € 123.5 billion. Customers continued to opt for conventional (non-unit-linked) policies offering greater protection (+9.8%). However, higher-risk unit-linked policies still achieved 4.4% growth in 2003 (including a 19.8% increase for Predica policies alone) after rising by just 0.5% in 2002. These policies benefited from the upside momentum of their underlying securities owing to the stock market rebound.

The **property & casualty insurance** business continued to enjoy rapid growth and also benefited from the integration of Finaref (€ 100 million in premium income and € 132 million in outstandings in 2003). Due to the strong performance by the Regional Banks, 2003 was an outstanding year for **Pacifica** in terms of new business. Its premium income was up 14.9% year-on-year to € 676 million, in a market that grew by 7.5% (according to FFSA). In particular, 'Life's Accidents', health and legal protection insurance recorded sharp growth, with premium income up 18.4%. Other products posted steady growth in new business (motor insurance up 9.6% and comprehensive household up 13.7%).

Farming policies continued to gain ground (3.3-fold increase), with new products launched in early 2003. At end-2003, Pacifica's overall portfolio comprised 3,641,386 policies versus 3,190,824 at end-December 2002, increasing by 14.1% year-on-year.

Meanwhile, the overall claims ratio remained satisfactory, despite the floods that occurred in the south of France towards the year-end. The claims ratio (for all products combined and excluding administration fees) improved by over one percentage point to 69.3% in 2003 versus 70.4% in 2002. The combined ratio (including administrative fees and excluding reinsurance) remained high at 96.7%.

The insurance businesses saw an improvement in their underwriting income and their contribution to the Group's overall results: net banking income was up 20.4%, gross operating income up 267% and net income up 18.9% (or, if we exclude Finaref, up 14.5%, 20.6% and 11.8% respectively). Overall **net banking income** in the Asset management, insurance and private banking business line came to € 2.6 billion in 2003, up 10.9% year-on-year (or 8.7% excluding Finaref), driven by a sharp increase in insurance and asset management revenues.

Operating expenses were down 3.1% to € 1.3 billion. **Gross operating income** surged by 30.4% to € 1.3 billion in 2003 (up 26.4% excluding Finaref), while the cost/income ratio improved by over seven percentage points to 51%.

Net income before goodwill amortisation and integration-related costs came to € 870 million, up 26.5% on 2002 (or 21.7% excluding Finaref). **ROE** (i.e. the return on equity, as a percentage of allocated capital) stood at 17.0% in 2003.

5 • Corporate and investment banking

The Corporate and investment banking business delivered a sharply improved performance, due in particular to strong business levels in capital markets and investment banking activities, as well as asset financing. The business continued to refocus on specific geographic regions, which depressed commercial banking revenues. Operating expenses in this business segment declined, reflecting the impact of measures introduced over the past few years.

Corporate and investment banking

(In millions of euros)	2002	2003	% change 2003/2002
Net banking income	4,546	4,763	+4.8%
Operating expenses and depreciation	(3,287)	(3,117)	-5.2%
Gross operating income	1,259	1,646	+30.7%
Risk-related costs	(544)	(561)	+3.1%
Net income on fixed assets	16	25	+56.3%
Pre-tax ordinary income	731	1,110	+51.8%
Extraordinary items (excluding integration-related costs), tax and FGFR	(228)	(328)	+43.9%
Net income before goodwill amortisation and integration-related costs	503	782	+55.5%
ROE (as a % of allocated capital)		10.5 %	

Gross operating income in the Corporate and investment banking business rose by 30.7% to € 1.6 billion in 2003. This growth resulted from a 4.8% rise in **net banking income** to € 4.8 billion and a significant 5.2% drop in **operating expenses** to € 3.1 billion. This generated a sharp improvement of nearly seven percentage points in the cost/income ratio, which came down to 65.4%. Currencies had a significant impact: at constant exchange rates, net banking income increased by 12.4%, operating expenses by 0.7% and gross operating income by 43%.

Due to a very prudent provisioning policy, **risk-related costs** increased by € 17 million (3.1%) compared with 2002, reaching € 561 million.

After tax and before goodwill amortisation and integration-related costs (€ 313 million), **net income** in the corporate and investment banking business totalled € 782 million, up 55.5% compared to 2002.

As a result, the profitability indicators for this business segment showed a substantial improvement, with **ROE** standing at 10.5% in 2003.

Revenues in the corporate and investment banking business reflected contrasting trends in each business area.

Capital markets and investment banking

(In millions of euros)	2002	2003	% change 2003/2002
Net banking income	2,440	2,688	+10.2%
Operating expenses	(2,000)	(1,946)	-2.7%
Gross operating income	440	742	+68.6%
Risk-related costs	16	17	+6.3%
Net income on fixed assets	16	8	-50.0%
Pre-tax ordinary income	472	767	+62.5%
Extraordinary items (excluding integration-related costs), tax and FGFR	(132)	(221)	+67.4%
Net income before goodwill amortisation and integration-related costs	340	546	+60.6%

Gross operating income from capital markets and investment banking activities rose very sharply by 68.6%, mainly due to strong growth in foreign exchange and debt market operations (12.9% increase in fixed-income revenues). In particular, revenues from complex and structured products, credit derivatives, trading activities and equity derivatives increased substantially. Primary market business was robust from the second quarter, with some major convertible bond deals. Conversely, brokerage revenues were still hit by adverse conditions throughout most of the year.

In the private equity business, **UI Group** (Union d'Études and d'Investissements), Crédit Agricole S.A.'s investment arm, invested € 136 million in 2003 (versus € 162 million in 2002) in LBO transactions, minority buyouts and venture capital. Its disposals amounted to € 254 million versus € 222 million in 2002. The earnings contribution from these activities (+€ 69 million) was mostly concentrated in the fourth quarter.

Overall net banking income from capital markets and investment banking activities was up 10.2% compared to 2002. Operating expenses were down 2.7% year-on-year as a result of efforts to adjust the cost structure and reduce overheads.

Risk-related costs increased by a further € 17 million. Net income before goodwill amortisation and integration-related costs rose steeply by 60.6% to € 546 million.

Financing activities

(in millions of euros)	2002	2003	% change 2003/2002
Net banking income	2,106	2,075	-1.5%
Operating expenses	(1,287)	(1,171)	-9.0%
Gross operating income	819	904	+10.4%
Risk-related costs	(560)	(578)	+3.2%
Net income on fixed assets	0	17	nm
Pre-tax ordinary income	259	343	+32.4%
Extraordinary items (excluding integration-related costs), tax and FGFR	(96)	(107)	+11.5%
Net income before goodwill amortisation	163	236	+44.8%

The **financing** business held up well, especially in Europe. Net banking income declined by 1.5%, due to the ongoing geographical reallocation of commercial banking assets and the harsh impact of exchange rates on commercial banking revenues in the US and Asia (due to the euro's rise against the key currencies). This decline overshadowed an increase in revenues, mainly from fee income, commercial banking in Europe, project and acquisition finance, and export and real estate finance, both at CAI and Crédit Lyonnais Corporate & Investment Banking.

In addition to the impact of a weaker dollar, the Group's strategy of rebalancing its business portfolio (downsizing in Asia and the US) and maintaining tight control over its operating expenses generated a very strong and steady decrease in operating expenses (down 9.0%). As a result, gross operating income rose by 10.4% versus 2002 to €904 million.

Risk-related costs remained under control. The €18 million rise compared with 2002 stems from a very sharp increase in general provisions against European corporates. Net income before goodwill amortisation and integration-related costs came to €236 million, up 44.8% year-on-year.

6 • International retail banking

The income contribution from the International retail banking business improved in 2003. Before goodwill amortisation, net income totalled €223 million, as opposed to a €57 million loss in 2002.

International retail banking

(in millions of euros)	2002	2003	% change 2003/2002
Net banking income	411	359	-12.7%
Operating expenses and depreciation	(308)	(279)	-9.4%
Gross operating income	103	80	-22.3%
Risk-related costs	(126)	(52)	-58.7%
Income from equity affiliates	41	209	x5.1
Net income on fixed assets	(33)	0	nm
Pre-tax ordinary income	(15)	237	nm
Extraordinary items and tax	(42)	(14)	nm
Net income before goodwill amortisation	(57)	223	nm
ROE (as a % of allocated capital)		9.3 %	

In 2003, the International retail banking business was bolstered by the positive impact of the recovery plan implemented by **Banca Intesa** (as announced on 9 September 2002). The bank managed to meet, and in some cases exceed, its targets. As a result, Banca Intesa's contribution to net income before goodwill amortisation increased by €170 million year-on-year (€115 million in 2003 versus a loss of €55 million in 2002).

In addition, the Group's withdrawal from Argentina had dragged down 2002 income by €106 million (impact of exchange rates and provisions for withdrawal expenses). These withdrawal operations did not have a significant impact in 2003. Gross operating income for this business line was hit by the impact of exchange rate fluctuations on its foreign subsidiaries' results.

7 • Proprietary asset management and other activities

Income from 'Proprietary asset management and other activities' was impacted by the equity slump in 2003, together with the cost of financing acquisitions and integration-related costs for the Crédit Agricole S.A.-Crédit Lyonnais tie-up (€151 million). This business segment recorded a net loss of €582 million in 2003 before integration-related costs, compared to a loss of €275 million in 2002.

Proprietary asset management and other activities

(in millions of euros)	2002	2003	% change 2003/2002
Net banking income	(320)	(556)	+73.8%
Operating expenses	(446)	(477)	+7.0%
Gross operating income	(766)	(1,033)	+34.9%
Risk-related costs	200	4	-98.0%
Income from equity affiliates	(39)	6	nm
Net income on fixed assets	(123)	(74)	-39.8%
Pre-tax ordinary income	(728)	(1,097)	+50.7%
Extraordinary items (excluding integration-related costs), tax and FGFR	453	515	+13.7%
Net income before goodwill amortisation and integration-related costs	(275)	(582)	x2.1

Acquisition financing costs (e.g. issues of redeemable subordinated notes and perpetual subordinated notes, and short-term shareholders' advances) depressed net banking income by around €1 billion in 2003 versus €890 million in 2002. When preparing the pro forma financial statements, the financing costs for Crédit Lyonnais are calculated retroactively to 1 January 2001. Refinancing costs for the Group's investments break down as follows: €440 million for Crédit Lyonnais, €360 million for CCI and CCA (Regional Banks), €100 million for Finaref, and €100 million for other investments.

Income from this business segment also reflects the adverse impact of the stock market slump on its proprietary equity book. In 2003, net banking income was affected by a €187 million provision against the equity portfolio, including €152 million booked in the first half of 2003. This factor depressed net banking income by €84 million compared to 2002, when capital gains realised on equities in the first half (€64 million) partially offset the provisions booked against the equity portfolio.

As in 2002, a multi-criteria approach was adopted to establish fair value for equity portfolio securities, i.e. average price over the past three months, expected price movements over the next six months, and discounted future dividend streams. For securities available for sale and non-strategic equity investments, valuation allowances were calculated on the basis of market prices at the year-end.

As a result of these factors, **net banking income** in this business segment dropped by € 236 million compared to 2002, due to the combined impact of the equity slump, a reduced contribution from fixed-income portfolios, and increased financing costs for the acquisitions made by Crédit Agricole S.A. (Finaref).

In addition, **goodwill amortisation** increased sharply by 68.8%. Due to the fair value adjustment to the Group's holding in Rue Impériale (as mentioned in the review of the parent company financial statements), an exceptional goodwill write-down of € 203 million was booked in the consolidated financial statements. The after-tax impact of this write-down was € 154 million.

Summary consolidated balance sheet (published figures)

Assets (in millions of euros)	31/12/2001	31/12/2002	31/12/2003	% of total	% change 2003/2002
Cash, money market and interbank items	92,874	107,799	172,246	21.9%	+59.8%
Crédit Agricole internal transactions	141,630	149,901	157,648	20.1%	+5.2%
Customer-related items	69,765	62,541	148,420	18.9%	+137.3%
Lease financing	6,485	6,663	13,033	1.7%	+95.6%
Securities	58,629	48,014	77,992	9.9%	+62.4%
Insurance companies' investments	79,390	84,905	127,288	16.2%	+49.9%
Reinsurers' share in technical reserves	101	144	389	0.0%	+170.1%
Investments, bank premises and equipment	16,102	17,311	21,829	2.8%	+26.1%
Goodwill	1,895	1,652	9,658	1.2%	x 5.8
Other assets and sundry accounts	28,196	26,788	57,482	7.3%	x 2.1
Total assets	495,067	505,718	785,985	100%	+55.4%

Liabilities and shareholders' equity (in millions of euros)	31/12/2001	31/12/2002	31/12/2003	% of total	% change 2003/2002
Money market and interbank items	70,305	70,477	125,127	15.9%	+77.5%
Crédit Agricole internal transactions	24,053	18,943	13,502	1.7%	-28.7%
Customer-related items	200,681	205,087	297,765	37.9%	+45.2%
Debts represented by a security	57,562	58,257	90,505	11.5%	+55.4%
Insurance companies' technical reserves	77,687	84,154	123,069	15.7%	+46.2%
Other liabilities and sundry accounts	34,542	39,232	81,858	10.4%	+108.7%
Reserves and subordinated debt	12,837	12,136	24,201	3.1%	+99.4%
Fund for General Banking Risks (FGBR)	1,716	1,618	1,944	0.2%	+20.1%
Minority interests	690	383	4,443	0.6%	nm
Consolidated shareholders' equity (excl. FGBR)	14,994	15,431	23,571	3.0%	+52.8%
Total liabilities and shareholders' equity	495,067	505,718	785,985	100%	+55.4%

Crédit Agricole S.A. consolidated balance sheet

In 2003, the consolidation of Crédit Lyonnais by Crédit Agricole S.A. had a very significant impact on the Group's balance sheet.

As at 31 December 2003, the Group's total assets amounted to €786 billion versus €505.7 billion at 31 December 2002. Most of this increase stems from the consolidation of Crédit Lyonnais (€263.4 billion) and Finaref (€6 billion).

After adjusting for these additions to the scope of consolidation, total assets rose by €10.9 billion in 2003, up 2.2% from end-December 2002. This growth was held back by the depreciation of the key currencies against the euro in 2003 (USD down 20.4%, GBP down 8.4%, JPY down 8.6% and CHF down 7.3%). At constant exchange rates and on a comparable consolidation basis, total assets would have increased by around 5%.

Customer transactions

Customer loans outstanding (including lease finance operations), net of provisions, totalled €161.5 billion at end-2003. This represents a year-on-year increase of €92.2 billion, owing to the consolidation of Crédit Lyonnais' customer loans outstanding (€96 billion) and those of Finaref (€4 billion). Excluding this factor, customer loans outstanding were down €7.8 billion due to : i) currency effects (depreciation of the key currencies against the euro), particularly in the international corporate finance business; ii) a reduction in loans to Japanese government counterparties (down €4 billion) and pledged securities (down €2.7 billion); and iii) the ongoing refocusing of corporate banking operations, particularly in the US.

Crédit Agricole internal transactions, which comprise time accounts and advances to the Regional Banks, increased by €7.7 billion (5.2%) in 2003 to €157.6 billion. The components of this item reflect the financial mechanisms between Crédit Agricole S.A. and the Regional Banks. Its increase mirrors the robust growth in the Regional Banks' net inflows and lending volumes.

On the liabilities side, **customer deposits** totalled €297.8 billion, up €92.7 billion year-on-year, mainly due to the consolidation of €84.2 billion in customer assets from Crédit Lyonnais (the impact of Finaref was minimal at €105 million). Excluding this factor, customer deposits were up €8.4 billion (4.1%) year-on-year, due to a significant improvement in savings collected by Regional Banks (up 4.7% year-on-year). When centralised in Crédit Agricole S.A.'s balance sheet, these savings funds amounted to €170 billion.

Debts represented by a security

Debts represented by a security grew by €32.2 billion to €90.5 billion in 2003, as a result of consolidating Crédit Lyonnais (€32.3 billion) and Finaref (€2.1 billion). On a comparable consolidation basis, the Group reduced its reliance on the capital and money markets, issuing €2.1 billion in interbank market instruments and €469 million in bonds. Its negotiable debt instruments increased by €538 million (1.8%).

Securities

Investments in bonds and variable-income securities (i.e. in trading, available-for-sale and held-to-maturity securities, and in the equity portfolio) totalled €78 billion. The increase since 31 December 2002 stems solely from Crédit Lyonnais (€30.3 billion). In addition, insurance companies' investments amounted to €127.3 billion, rising by €42.4 billion, including €31.7 billion from the consolidation of Crédit Lyonnais, and €10.6 billion (+12.4%) from the expansion of the Group's insurance business.

The insurance companies' technical reserves, on the liabilities side, totalled €123.1 billion (including €30.1 billion from Crédit Lyonnais). Excluding this factor, these technical reserves were up €8.8 billion (9.5%) year-on-year.

Capital funds

Crédit Agricole S.A. consolidated shareholders' equity (including net income for the year) amounted to €23.6 billion at 31 December 2003.

After dividends paid out for the 2002 financial year (€729 million), the €8.9 billion increase in consolidated shareholders' equity since the 2002 year-end was mainly due to the three share issues by Crédit Agricole S.A. in connection with the Crédit Lyonnais acquisition (+€1.5 billion in share capital and +€6.3 billion in issue premiums), together with the net income for the year. However, due to the dollar's depreciation against the euro, foreign exchange translation adjustments cut shareholders' equity by €213 million.

Total capital funds (shareholders' equity + Fund for General Banking Risks + subordinated debt) rose by €21.5 billion to €48.6 billion in 2003. Besides the increase in shareholders' equity, this growth mainly stems from: i) the consolidation of Crédit Lyonnais (€3.2 billion of subordinated debt, €750 million of preference shares and €0.5 billion in FGBR); ii) the subordinated notes issued by Crédit Agricole S.A. to finance its acquisitions (€6 billion); and iii) preference share issues (€2.2 billion).

After deducting minority interests (€4.4 billion), which increased significantly due to the enlarged scope of

consolidation (Finaref fully consolidated at 75.5% and Crédit Lyonnais at 94.82%) and the preference share issues, consolidated capital funds totalled € 44.2 billion.

At the same time, **long-term assets** (i.e. subsidiaries and affiliates not fully consolidated and other fixed assets) increased by € 4.5 billion to € 21.8 billion.

The consolidation of Crédit Lyonnais increased fixed assets by € 5.4 billion, including the recognition of € 3.5 billion in business goodwill for the Crédit Lyonnais network in the Group's consolidated financial statements.

Equity investments fell by € 900 million, from € 15.9 billion at 31 December 2002 to € 15 billion at 31 December 2003, based on two opposing factors : i) the increased value of stakes held in equity-accounted companies (mainly the Regional Banks); and ii) the consolidation of Crédit Lyonnais (the unconsolidated stake in Crédit Lyonnais recorded in 2002 was eliminated from the 2003 balance sheet, while the equity interests held by Crédit Lyonnais were added to the 2003 balance sheet).

Goodwill amortisation rose from €1.7 billion at end-December 2002 to € 9.7 billion at end- December 2003. This sharp increase was due to additional investments made during the year: Crédit Lyonnais (€ 6.8 billion), Finaref including Ellos (€ 1.7 billion), IntesaBci Bank (Suisse), Credibom, Lukas Bank and EFL.

Prudential ratios

Capital adequacy

In 1988, the Basle Committee on Banking Regulations and Supervisory Practices (the 'Basle Committee'), comprising representatives of the central banks and supervisory authorities from the 'Group of ten countries' (Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, Sweden, the UK and the US) and from Luxembourg, recommended the adoption of a set of standards for risk-weighting and minimum regulatory capital requirements. Under these recommendations, international credit institutions must maintain capital equal to at least 8% of their total credit risks, 4% of which must be Tier 1 capital. In 1989, the Council of the European Community adopted two regulatory directives that set the framework of capital adequacy with respect to credit risks within the European Community.

Two significant amendments have since been made to the standards previously announced: first, at the European level, by the 'European Capital Adequacy Directive', and second, at the international level, by the Basle Committee's adoption of revised BIS (Bank for International Settlements) standards.

International Solvency Ratio (ISR)

General features

In 1996, the Basle Committee significantly amended the BIS standards to provide a specific capital cushion for market risks in addition to banks' credit risks. This amendment defines market risks as : i) the risks pertaining to interest-rate related instruments and equities in a bank's trading book; and ii) foreign exchange risks and commodity risks held on the bank's books. As amended in 1996 and refined in September 1997 by the Basle Committee, the revised BIS standards continue to require a capital ratio with respect to credit risks. In addition, they require a credit institution to quantify its market risks in credit risk equivalent amounts and to maintain a capital ratio equal to 8% of its combined credit and market risks. The French Banking Commission regularly issues opinions on the application and calculation of the International Solvency Ratio. In accordance with regulations, since its flotation on 14 December 2001, the Crédit Agricole S.A. Group has calculated its International Solvency Ratio on a half-yearly basis, like the Crédit Agricole Group before it.

Crédit Agricole S.A. Group International Solvency Ratio

In accordance with BIS recommendations, the total International Solvency Ratio for the Crédit Agricole S.A. Group was calculated for the first time on 31 December 2001. This calculation is shown in the table below, which details the risks measured in credit risk equivalents (after counterparty weighting) and the regulatory capital levels calculated in accordance with BIS recommendations at the dates indicated.

Crédit Agricole S.A. group International Solvency Ratio (ISR)

(in millions of euros) 31/12/01 31/12/02 31/12/03

Risks

Credit risk	94,020	86,787	189,976
Market risk	15,091	14,405	22,531
Interest rate risk	10,395	9,966	15,352
Equity risk	3,643	3,149	3,077
Exchange rate risk	943	1,184	1,444
Commodity risk	109	105	101
Risk calculated by internal model			2,556
Total weighted risks (denominator)	109,111	101,192	212,507
Available capital			
Tier 1	14,770	15,126	16,883
Tier 2	9,375	8,708	15,043
Tier 3	611	210	1,118
Deductions	14,885	14,938	14,007
Total available capital	9,871	9,106	19,037
Tier 1 solvency ratio	8.5%	8.8%	7.9%
Total solvency ratio	9.1%	9.0%	8.9%

Crédit Agricole S.A. Group's International Solvency Ratio has held steady over the past few years and now stands at 8.9%. The aggregate Tier 1 ratio decreased by 0.9 percentage points to 7.9% on 31 December 2003, versus 8.8% on 31 December 2002. Changes in the various components of this ratio are analysed below.

Tier 1 capital, net of €13.7 billion in deductions (mainly for intangible fixed assets and goodwill on initial consolidation), amounted to €16.9 billion, up €1.8 billion from 31 December 2002. This increase is due to the changes described above in the section 'Capital funds'.

Tier 2 capital rose by €6.3 billion to €15 billion, owing to:

- The issuance of €3.1 billion in perpetual subordinated notes.
- The consolidation of Crédit Lyonnais' Tier 2 capital: €490 million in perpetual subordinated notes and equity investments, €2 billion in redeemable subordinated notes (after the reduction of the total by €548 million in excess of the eligible amount) and €559 million in general provisions. Deductions for equity investments totalled €14 billion, falling by €900 million as a result of fully consolidating Crédit Lyonnais.

Tier 3 capital amounted to €1.1 billion, due to the consolidation of Crédit Lyonnais' Tier 3 capital and the redeemable subordinated notes issued by Crédit Agricole S.A.

Risk-adjusted assets totalled €212.5 billion at 31 December 2003, following the consolidation of Crédit Lyonnais (€108.9 billion) and Finaref (€4.2 billion). The largest movements stemmed from CAI (€2 billion decrease), Crédit Agricole S.A. parent company (€1.2 billion decrease) and the international consumer credit business (€1.5 billion increase).

Planned reform of BIS standards

In 1998, the Basle Committee began consultations aimed at reforming its recommendations for international solvency ratios in the banking industry. As a result of these reforms, the existing agreement will be replaced by a new agreement based on a more qualitative approach to the measurement of risk exposure.

In the latest version of its proposal, the Basle Committee suggests that credit risk should be assessed according to one of the two following methods: i) a 'standardised' approach, based on a risk-weighting matrix which depends on the external ratings of counterparties and distinguishes between governments, banks, public bodies and businesses; and ii) an 'alternative' method, based on banks' internal scoring methods, which must take into consideration the likelihood of default, risk exposure and loan recovery rates. In addition, the new ratio would cover banks' operational risks, i.e. risks of malfunction and legal risks. The reform also stresses the role of internal capital adequacy control procedures and the requirement for banks to disclose their capital structure, capital allocation and risk exposure.

The third consultative paper, issued on 30 April 2003, was based on the results of the impact study carried out at end-December 2002. It confirmed the credit risk weight calibration included in the impact study at end-2002 and significantly reduced the disclosure requirements proposed in the working papers published in late 2002.

Based on the feedback received from the industry, a final consultation was held in the fourth quarter of 2003 with a view to:

- Confining the calculation of prudential capital requirements to unexpected loan losses, bearing in mind that expected losses on performing loans are covered by general or specific provisions. Any resulting shortfall in provisions would lead to a deduction from capital, taken 50% from Tier 1 capital and 50% from Tier 2 capital. Any excess provisions would be eligible for inclusion in Tier 2 capital, up to the current ceiling of 1.25% of risk-weighted assets, which is the minimum recommended by the industry.
- Simplifying the rules for calculating capital requirements for asset securitisation.
- Revising the treatment of revolving credit commitments and certain credit risk mitigation techniques.

The final document, which will take into consideration the latest comments received from the industry, is due to be published in summer 2004. The implementation of the New Basle Capital Accord is still scheduled for 31 December 2006.

By then, the Basle Committee should have resolved the uncertainties surrounding the impact of two major reforms on capital requirements. These reforms are due to be introduced in 2005:

- the directive on financial conglomerates adopted on 16 December 2002. Once this directive is implemented into national legislation, it should define the scope of application for the capital requirement calculation;
- the IAS/IFRS accounting reform, whose rules regarding the treatment of macro hedging and the calculation of provisions will make prudential capital levels far more volatile.

Against this background, Crédit Agricole is pressing ahead with efforts to upgrade its internal scoring system so that it can enhance the competitiveness and profitability of its risk management and capital allocation techniques.

Crédit Agricole S.A. parent company financial statements

At year-end 2003, Crédit Agricole S.A. (parent company) posted **net banking income** of € 758 million, down € 176 million (or 18.8%) compared with 2002.

Portfolio revenues fell sharply, mainly due to the proprietary equity book, whose net provisions increased by € 173 million in 2003.

Conversely, dividends from subsidiaries and affiliates rose by € 480 million between 2002 and 2003, from € 960 million to € 1.440 billion, mainly driven by:

- dividends from the Regional Banks (€ 162 million versus € 20 million in 2002), bearing in mind that the dividends received from the Regional Banks' Certificats Coopératifs d'Associés (non-voting shares) in 2002 were based on 2001 profits and were prorated to their period of ownership by Crédit Agricole S.A. (i.e. 15 days);
- the success of the takeover bid for Crédit Lyonnais (equity stake increased from 10% on 30 June 2002 to 92.55% on 30 June 2003), resulting in dividends of € 265 million versus € 27 million in 2002.

However, the cost of financing the shortfall in capital (including the Fund for General Banking Risks relating to home purchase savings schemes) as a result of investing in the Regional Banks, Finaref and, notably, Crédit Lyonnais, totalled € 830 million in 2003 versus € 520 million in 2002.

Lastly, the Savings/Advances margin improved significantly in the second half of 2003, coming close to its 2001 levels, after the decline in interest rates on savings products.

Operating expenses dropped by € 5 million (or 1.4%) to € 345 million in 2003, chiefly due to a 7.6% reduction in administrative expenses to € 159 million. Recurring personnel expenses, before employee incentives and profit-sharing, were up 0.7% year-on-year at end-December 2003.

Based on the respective trends in net banking income and operating expenses, **gross operating income** fell by 29.3% to € 413 million versus € 584 million in 2002.

Risk-related costs were up € 44 million, including € 30 million in prudential provisions against country risks and around € 20 million in provisions against two healthy corporate exposures. As regards internal risks on home purchase savings schemes, € 26 million in provisions were automatically reversed due to the decrease observed in the loss rate. The **net loss on fixed assets** came to € 226 million, which stems entirely from a fair value adjustment to the Group's holding in Rue Impériale. The 30.9% stake acquired in Rue Impériale de Lyon was initially a strategic investment, accompanied by business partnerships with Lazard. However, the nature of this investment is set to change significantly over the next few months if plans to merge Rue Impériale into Eurazeo are approved by both companies' extraordinary general meetings. (These plans were proposed by both Boards of Directors on 5 March 2004.) If the merger goes ahead, the investment will be refocused on private equity and will no longer be accompanied by partnerships, although business relationships with Eurazeo may be considered at a later stage. Crédit Agricole S.A.'s equity stake in the new entity will be diluted to 15%. In the light of these factors, Crédit Agricole S.A. decided to adjust the fair value of its holding, in line with its restated net asset value, and booked a € 243 million write-down against its Rue Impériale shares.

Integration-related costs for Crédit Lyonnais amounted to € 79 million. These covered expenses such as fees paid to organisational consulting firms and early retirement provisions. This expenditure aims to foster synergies, which should boost overall Group income by an estimated € 760 million in 2006.

Tax gains booked in the parent company financial statements totalled € 432 million at 31 December 2003, versus € 362 million in 2002. These gains are due to the Group's tax consolidation mechanism, which enables it to offset any tax losses against the taxes owed by its tax-consolidated subsidiaries.

The **Fund for General Banking Risks** stood at € 129 million, mainly as a result of: i) compliance measures for future IAS-IFRS standards (€ 17 million); and ii) interest rate risks on home purchase savings schemes, due to the gap between the expected market interest rate and the rate paid on home purchase savings funds used to finance these types of home loans.

2003 net income for Crédit Agricole S.A. (parent company) was down € 397 million (i.e. 39.4%) from € 1.008 billion in 2002 to € 611 million at 31 December 2003.

Five-year financial summary

	1999	2000	2001	2002	2003
Share capital at year-end	1,998,736,740	2,240,801,070	2,916,629,697	2,916,629,697	4,420,567,311
Number of shares issued	66,624,558	74,693,369	972,209,899	972,209,899	1,473,522,437
Results and transactions for the financial year (in millions of euros)					
Gross revenues ⁽¹⁾	25,116	24,101	24,293	9,424	13,825
Income before tax, employee profit-sharing, depreciation, amortisation and provisions	817	578	333	599	539
Employee profit-sharing	9	17	16	3	4
Corporate income tax	153	24	16	(362)	(433)
Income after tax, employee profit-sharing, depreciation, amortisation and provisions	553	512	1,045	1,008	611
Dividends paid	366	411	535	729 (4)	810
Per-share data (in euros)					
Income after tax and employee profit-sharing, but before depreciation, amortisation and provisions	9.827	7.196	0.311	0.985	0.657
Income after tax, employee profit-sharing, depreciation, amortisation and provisions	8.294	6.857	1.075	1.037	0.415
Dividend per share	5.50	5.50	0.55	0.55	0.55
Personnel					
Average number of employees ⁽³⁾	3,278	3,304	3,245	3,125	2,983
Wages and salaries paid (in millions of euros)	148	157	159	160	165
Employee benefits and social contributions (in millions of euros)	72	78	75	79	84

Following a decision by the combined annual general meeting of 29 November 2001, the nominal value of each share was reduced from €30 to €3 and the number of shares comprising the authorised share capital was multiplied by ten accordingly.

(1) 2002 and 2003 revenues include income from macro-hedging transactions, net of related charges.

Applying this principle to earlier years, revenues would have amounted to €15,954 million in 1999, €15,007 million in 2000 and €15,810 million in 2001.

(2) Net dividend proposed to the AGM of 19 May 2004.

(3) Refers to head office staff numbers.

(4) On the divided payment date, the number of shares outstanding was 1,325,495,637.

Directors' and officers' compensation and appointments

See the chapter entitled 'Legal and administrative information' on page 164 of this document, for information on the compensation, appointments and duties of the Group's directors and officers, as required by section L.225-102-1 of the French Commercial Code, under the French NRE (New Economic Regulations) Act of 15 May 2001, and the French Financial Security Act of 1 August 2003.

Recent changes in share capital

- Pursuant to the Board of Directors' decisions on 15 December 2002, and following approval by the Board of Directors on 10 June 2003, Crédit Agricole S.A. increased its share capital on 19 June 2003 by issuing 353,285,738 new shares intended for Crédit Lyonnais shareholders tendering their shares to the Combined Public Cash and Exchange Offer for Crédit Lyonnais.

The newly issued shares have the same characteristics as the existing shares.

- Pursuant to the Board of Directors' decisions on 21 May 2003 and 9 September 2003, under the authorisations granted by the Annual General Meeting of Crédit Agricole S.A. shareholders on 21 May 2003, the company increased its share capital by issuing new shares reserved for Crédit Agricole Group employees and for the company Crédit Agricole International Employees. 25,233,264 shares were subscribed for, including 1,157,463 new shares for Crédit Agricole International Employees. The new shares are subject to all statutory requirements, have the same characteristics as the existing shares, and carry the same dividend rights as of 1 January 2003.
- Pursuant to the decisions made by the Chairman of Crédit Agricole S.A.'s Board of Directors on 16 October 2003, acting under the authority delegated by the Board meeting of 9

September 2003, the company launched a € 1.973 billion capital increase by cash subscription, with pre-emptive subscription rights retained. The offer period ran from 27 October to 7 November 2003 and the issue price was set at € 16.07. As a result of this transaction, 122,793,536 new shares were issued and admitted for trading on the Premier Marché of Euronext Paris on 24 November 2003.

As a result of these capital increases, Crédit Agricole S.A.'s share capital increased from € 2,916,629,697 at end-December 2002 to € 4,420,567,311 at end-December 2003, based on 1,473,522,437 outstanding shares with a nominal value of € 3 per share.

Changes in Crédit Agricole S.A.'s share capital over the past four years

Date and type of transaction	Amount of share capital (in euros)	Number of shares outstanding
Share capital at 31 Dec 1999	1,998,736,740	66,624,558
6 Jun 2000		
Capital increase (Board meeting of 26 Apr 2000)	+162,059,730	+5,401,991
	2,160,796,470	72,026,549
28 Jun 2000		
Dividend reinvestment plan (General meeting of 25 May 2000)	+80,004,600	+2,666,820
Share capital at 31 Dec 2000	2,240,801,070	74,693,369
4 Jul 2001		
Dividend reinvestment plan (General meeting of 22 May 2001)	+77,665,530	+2,588,851
	2,318,466,600	77,282,220
29 Nov 2001		
Capital increase following transfer of Regional Banks' interests in transferred subsidiaries (transactions connected with Crédit Agricole S.A.'s flotation) (Board meeting of 31 Oct 2001 and CNCA combined general meeting of 29 Nov 2001)	+547,464,480	+18,248,816
	2,865,931,080	95,531,036
29 Nov 2001		
Ten-for-one share split (CNCA combined general meeting of 29 Nov 2001)	2,865,931,080	955,310,360
28 Dec 2001		
Share issue reserved for employees (General meeting of 29 Nov 2001)	+50,698,617	+16,899,539
Share capital at 31 Dec 2001	2,916,629,697	972,209,899
Share capital at 31 Dec 2002	2,916,629,697	972,209,899
19 Jun 2003		
New share issue (Board meeting of 10 Jun 2003)	+1,059,857,214	+353,285,738
	3,976,486,911	1,325,495,637
10 Oct 2003		
Share issue reserved for employees (Board meetings of 21 May and 9 Sep 2003)	+75,699,792	+25,233,264
	4,052,186,703	1,350,728,901
24 Nov 2003		
Share issue for cash (Board meeting of 9 Sep 2003)	+368,380,608	+122,793,536
Share capital at 31 Dec 2003	4,420,567,311	1,473,522,437

Recent developments and outlook

2004: heading towards moderate growth in Europe

US growth is set to remain robust in 2004. In the run-up to the presidential elections, fiscal policy should continue to stimulate consumer spending. Meanwhile, business investment will probably continue to pick up after several quarters of improving profits. However, foreign trade is still expected to make a negative contribution. The upturn in long rates is likely to persist (driven by an enhanced growth outlook, a flight from equities to bonds, fewer purchases of US Treasuries by Asian central banks, and the higher risk premium required on US assets), while the Fed is unlikely to put up short rates before the very end of the year.

In Europe, the export-driven recovery should gradually filter through to domestic demand. After a tentative rebound in business spending (mainly productivity investments), household demand should follow suit, buoyed by a more robust job market. The ECB is likely to keep its rates on hold until the very end of the year (due to a negative output gap, slowdown in inflation and fragile job market). Long rates should keep pace with US levels.

In France, as in the eurozone, growth will still fall short of its potential in 2004 (+1.5%). Amounts invested by households should hold steady overall. However, the trends that took shape at end-2003 are likely to continue, leading to a more even split between short-term and long-term savings. The stock market recovery, coupled with rising property prices and interest rates, should dampen the appeal of property investments, reducing household demand for credit. In the corporate sector, savings rates should stabilise after falling sharply in 2003, while lending should pick up slightly as economic activity gradually gathers speed and corporate spending rebounds.

Crédit Agricole S.A.-Crédit Lyonnais tie-up

In 2003, the Group planned the vast majority of its integration tasks. As a result, it will focus on implementing the tie-up project in 2004.

The various integration projects are progressing to schedule. The management structure is now up and running. A 16-member Executive Committee was appointed in mid-2003, followed by the senior management appointments. A general organisation chart was also drawn up for each business line and for the central support functions. Since then, some 250 work groups and sub-groups have embarked on the integration process. Their efforts have enabled the Group to

outline the organisational plans for most of its business lines. The target organisation for the Crédit Agricole S.A. Group, together with details of the integration process, have been submitted to the Joint Consultation Committee set up in September 2003 and are currently under review by the employee representative bodies of each entity involved in the tie-up. Around 350 projects have already been launched and mainly affect the following areas:

- Consumer credit: Finalion is due to be merged into Sofinco in March 2004.
- Corporate and investment banking: Crédit Lyonnais' activities in this area are being integrated with those of Crédit Agricole Indosuez. This move will be reflected by a partial asset transfer at the beginning of the second quarter of 2004, and the launch of a new brand name for Crédit Agricole S.A.'s corporate banking and investment arm, 'CALYON', in May 2004.
- Leasing: the three leasing subsidiaries – Ucabail, Lixxbail and Crédit Bail Immobilier France (CBIF) – will be merged in May 2004.
- Asset management: Crédit Agricole Asset Management (CAAM) and Crédit Lyonnais Asset Management (CLAM) will be combined in June 2004, together with the custody business (including institutional custody in France and issuer services).
- Life insurance: Predica and UAF will combine their businesses and teams in June 2004.
- Crédit Lyonnais' main offices in the Paris region: all these premises will be managed by Unifica.
- Internal communications and press relations: these activities will be combined within Crédit Agricole S.A.

The Integration Committee has validated the Group's information systems choices. 20 major implementation projects have already been launched.

This large-scale integration process represents a crucial step towards building the new Group. The quality of this process will determine the success of this project, which aims to create a leading universal retail bank that is sufficiently powerful and well-integrated to become a benchmark player in the European banking industry.

A dedicated unit has been set up to monitor the synergies generated by the tie-up. In December 2002, a top-down approach identified total full-year synergy gains of €760 million in 2006. In March 2004, this target was confirmed after a bottom-up analysis carried out in the second half of 2003, using information provided by the work groups and sub-groups.

Forecast timing of synergies

(in millions of euros)	2003	2004	2005	2006
Estimated in December 2002	215	574	738	760
Revised in March 2004*	40	275	620	760

* The difference versus 2002 is mainly due to the delay in closing the offer compared to the original timetable.

Detailed synergies by business line

(in millions of euros)	2003	2004 forecast	2006 target
Specialised financial services	1	4	43
Asset management, insurance and private banking	4	14	122
CAI/BFI	30	241	529
Central support functions	5	13	57
Retail banking			
• Cash management/ payment instruments	-	3	25
• Information systems		Under analysis	
Total	40	275	min. 760

Changes to Crédit Agricole Group's internal financial relations

Following a joint consultation process between Crédit Agricole S.A. and the Regional Banks, Crédit Agricole S.A.'s Board of Directors approved the introduction of new internal financial regulations for the Group on 17 December 2003. These regulations came into effect on 1 January 2004.

This new internal financial organisation will ensure that Crédit Agricole S.A. meets its target financial ratios and fully protects the interests of its minority shareholders.

Although the basic structure of the Group's internal financial relations remains unchanged, its financial requirements are now based on market conditions.

- 50% of savings collected will be held and managed by Crédit Agricole S.A. The margins on these funds, which are split between the Regional Banks and Crédit Agricole S.A., will be determined by using reinvestment models and applying market rates.
- 50% of eligible loans may be refinanced by advances from Crédit Agricole S.A. negotiated at market rates.

An independent assessment confirmed that this new system for managing Savings/Advances was in line with market practices and prices, both in terms of margin splitting and in its conception. Furthermore, the estimates produced do not reveal any significant impact on Crédit Agricole S.A.'s financial ratios and future NBI.

Progress of the changeover to IAS /IFRS accounting standards

On 7 June 2002, the European Union adopted regulation EC 1606/2002, which requires publicly traded companies to prepare their consolidated financial statements in accordance with IFRS (International Financial Reporting Standards) from 2005 onwards.

This was supplemented by regulation EC 1725/2003, dated 29 September 2003, endorsing certain international accounting standards (i.e. all those in effect on 14 September 2002), excluding IAS 32, IAS 39 and their related interpretations (SIC 5, 16, 17).

The Crédit Agricole S.A. Group is playing an active role in this process, which aims to establish a common financial reporting framework across Europe.

Project organisation

In response to these changes, Crédit Agricole S.A. has set up a specific project organisation to ensure that all the Group's consolidated entities make a smooth and consistent transition to the new financial reporting standards on 1 January 2005.

This project framework is supported by a project team from the Accounts and Consolidation Division, together with a work group organisation involving the Regional Banks and the Group's subsidiaries. These work groups are divided into specialist areas (seven areas identified) and draw on staff from all the Group's business lines. For more in-depth investigations, sub-groups may be set up on an ad hoc basis. Recommendations on accounting procedures are validated by a steering committee chaired by the Group's Finance Director.

In its capacity as the Group's central body and listed company, this organisation enables Crédit Agricole S.A. to centrally coordinate all the actions required from each entity involved, both in terms of accounting standards, as well as IS recommendations.

This project was launched at end-2002 with a two-day training course aimed at all accounting staff employed by the Group's entities.

The project was divided into three phases: analysis of accounting standards, detailed studies and implementation. The analysis phase identified the main differences compared to the French accounting standards applied by the Group and anticipated the changes required for the transition to IAS/IFRS. Although these changes are of an accounting nature (procedures, rules and regulations, standards, etc.), they may also entail adjustments to business and financial reporting tools, as well as changes to management and monitoring processes.

Key objective for 2004

Careful coordination is required to ensure that the Group achieves its objective of producing IFRS-compatible consolidated financial statements from 2005. The accounting changes identified in 2003 have been translated into a series of implementation tasks that will continue throughout 2004, particularly as and when the final versions of the new standards are released.

The Group has defined two follow-up procedures for its action plans:

• Project progress tracking

- gradually implement the target systems architecture (country-specific applications) and follow up IS developments (as both project manager and project owner)
- monitor progress centrally to ensure that all entities meet the targets set by Crédit Agricole S.A.
- conduct detailed analyses and additional impact studies
- track schedules and budgets.

• Communications:

- draft a set of accounting rules and standards applicable to the consolidated financial statements from 2005
- participate in industry discussions
- review the key accounting guidelines adopted by the Group, in conjunction with the statutory auditors, and assess their initial impact on the opening balance sheet
- provide a training programme and one-day briefings for all Group entities and business lines affected.

Main differences in accounting standards

The final versions of IAS 32 and IAS 39 (excluding macro hedging) were not released until late December 2003, and have not yet been adopted by the European Union. As a result, this report does not deal with differences in accounting standards for securities, loans or derivatives, although the Crédit Agricole Group is currently working on these financial instruments.

Based on the existing versions of these standards and the current stage of the project, our investigations have provided an initial indication of how each area will be affected.

Scope of consolidation

To identify the potential changes to the scope of consolidation as a result of converting to IFRS, we need to compare CRC regulation 99-07 (notably §10052 on special-purpose entities) with IAS 27.

Essentially, both standards define special-purpose entities (SPEs) in the same way. The difference lies in how control of the SPE is determined, and whether or not the risks incurred by the SPE's activities are carried by the parent company. The Crédit Agricole Group is currently investigating whether or not these changes will have an impact on its securitisation or asset management entities.

Dedicated mutual funds will no longer be exempt from consolidation after 31 December 2004 (following their exemption period under CRB regulation 99-07). As a result, the corresponding French regulations will converge with IAS 27 and will no longer lead to any consolidation differences between the two standards.

For its other businesses, and to meet its existing consolidation requirements under French standards, the Group conducts regular reviews to identify any entities whose consolidation has a material impact on its consolidated financial statements, based on a prior definition of 'material'. These reviews take into account the reporting requirements of the regulators, such as recommendations by the AMF (French Financial Markets Authorities). Based on work carried out so far, Crédit Agricole S.A. believes that IFRS will only lead to marginal changes in the scope of consolidation.

Business combinations

IAS 22 on business combinations is currently being rewritten by the IASB, and will be updated in two stages.

The main impact of this standard on the Crédit Agricole Group stems from the mergers between the Regional Banks. However, updated versions of this standard may not apply to tie-ups between mutual banks, which would allow the Group to continue accounting for these mergers on the basis of book value.

The Group will examine each shareholders' equity account to identify any negative goodwill not recognised under IAS and eliminate it from the opening balance sheet. Positive goodwill will continue to be included in consolidated assets.

For goodwill amortisation and depreciation, the general rule has been to replace existing amortisation methods by impairment tests.

Fixed assets

In terms of classifying fixed assets, the Crédit Agricole Group's financial statements for the year ended 31 December 2003 comply with the transitional arrangements set out in CRC regulation 2002-10. These arrangements, which require fixed assets to be broken down into components, are similar to the IAS standards for fixed assets (IAS 16 and IAS 40 relating to property). As a result, the change in accounting standards is likely to have a minimal impact.

Tangible assets, including investment properties, will continue to be stated at cost less depreciation and impairment provisions.

Intangible assets will also be stated at cost less depreciation and impairment provisions (in line with the benchmark treatment set out in IAS 38).

Employee benefits

At 31 December 2003, commitments relating to employee benefits (i.e. retirement benefits) were stated in full in the individual financial statements of all group entities. The Conseil National de la Comptabilité (CNC) issued recommendation 2003-R.01 to provide further rules on the recognition of retirement benefits, which are very similar to those defined by IAS 19 for consolidated financial statements. As a result, the main impact of applying IAS 19 from 2004 will be to harmonise the actuarial methods used to calculate employee benefits and various other benefits (such as healthcare cover).

Provisions for liabilities and charges, and FGFR (Funds for General Banking Risks)

To identify the relevant accounting differences, we need to compare CRC regulation 2000-06 with IAS 37 on provisions, contingent liabilities and contingent assets. Under IAS 37, certain provisions for liabilities and charges or general provisions may be excluded from the scope of application. Each Group entity is carrying out investigations to ensure that the substantiation and estimates of provisioned amounts comply with IAS 37.

However, in 2003, the Group reversed various general provisions and allocations to the FGFR that were not recognised under the new standards.

Financial statement presentation

No particular format for financial statements is specified under IFRS. Consequently, a working party has been set up under the aegis of the FBF (French Banking Federation) to draw up model financial statements that can be used by banks for the purpose of comparability.

Crédit Agricole S.A. will use the model balance sheet, income statement and statement of changes in shareholders' equity.

For the cash flow statement (IAS 7), an adapted version of the consolidation package and a specific financial summary table will be provided to meet this reporting requirement.

IAS 14 on segment reporting requires the definition of business segments (first level) and geographical areas (second level) for financial reporting. Subject to the studies currently in progress, Crédit Agricole S.A. Group's existing breakdown by business segment complies with the main requirements of this standard. The only change required by the Group is to extend its net income breakdown to its balance sheet.

Other recent developments

Crédit Agricole S.A. unveils the name of its new subsidiary: Calyon Corporate and Investment Bank (press release dated 13 January 2004)

Crédit Agricole S.A. has unveiled the new brand name for its Corporate and Investment Banking arm, Calyon, Corporate and Investment Bank.

The new brand will not be used until May 2004, once Crédit Lyonnais has completed its partial asset transfer and the regulatory authorities have given the go-ahead. At that time, Calyon will also become the business name of the new company.

The name Calyon resonates with originality while embodying the union of the two predecessor brands, Crédit Agricole Indosuez and Crédit Lyonnais. It fits into the Group's brand architecture while reflecting the specific features of the corporate and investment banking business.

Launching this single brand at this time is vital for the Group's image among its employees and customers. The name evidences the emergence of a corporate and investment banking arm with a shared culture: the new bank has all the existing strengths of Crédit Agricole Indosuez and Crédit Lyonnais, and is determined to grow its activities while striving constantly for commercial excellence, technical prowess and optimum profitability.

The aim of integrating the activities of Crédit Agricole Indosuez and Crédit Lyonnais' Corporate and Investment Banking arm (BFI) is to allow the new entity to take a step up in the corporate banking hierarchy. Calyon will seek to extend its coverage of medium-sized and large companies in France and the rest of Europe, making it possible to expand the range of products and services, and facilitate the development of existing areas of excellence: bond issuance, stockbroking, derivatives and project financing.

The new brand is a significant stage in the integration process. It follows on from the announcement of the Group's new organisational structure, the preparation of the new property master plan, and the creation of joint working groups. The partial transfer of assets from Crédit Lyonnais to Crédit Agricole Indosuez will take place in April 2004 and will be backdated to 1 January 2004. It will enable the Crédit Agricole group to achieve its goal of marshalling worldwide its corporate and investment banking activities in a single subsidiary: Calyon.

UBS to acquire Laing & Cruickshank Investment Management from Crédit Lyonnais (excerpt from press release dated 10 February 2004)

UBS and Crédit Lyonnais (now part of the Crédit Agricole Group) have reached an agreement whereby UBS will acquire Laing & Cruickshank Investment Management Limited, for a total consideration of approximately £ 160 million. Laing & Cruickshank is a leading provider of wealth management services to high net worth investors and charities in the United Kingdom.

Laing & Cruickshank has a total of 246 staff at its London head office and its regional offices in Birmingham, Bury St. Edmunds, Eastbourne, Jersey, Newcastle, Taunton and Worthing.

The transaction is expected to be completed in the second quarter of 2004, subject to regulatory approval.

Oddo et Cie to acquire Crédit Lyonnais' European equity brokerage activities (press release dated 20 February 2004)

Oddo has signed a contract with Crédit Lyonnais to acquire Crédit Lyonnais Securities Europe S.A. and Crédit Lyonnais Securities Midcaps S.A in Lyon. The agreement also covers the European equity sales team in New York, which will become part of Oddo Securities Corp. The contract, which is the result of exclusive talks with Crédit Lyonnais that began on 5 February, is subject to approval by the appropriate authorities.

The link-up between these entities and Oddo, which share a common view of the brokerage business, would offer the best strategic fit for the creation of a major independent brokerage firm.

Joint working groups will be set up as soon as possible in order to prepare for the link-up under optimum conditions, with the aim of establishing the new organisational structure by the summer.

Crédit Agricole S.A. to acquire the consumer finance division of F Group A/S in Denmark (press release dated 1 March 2004)

Crédit Agricole S.A. has entered into an agreement with F Group A/S, a leading electronic goods retailer in Denmark, to acquire its Danish consumer finance subsidiary for DKK 394 million (approx. € 53 million).

Under the terms of this agreement, Crédit Agricole S.A. will acquire 100% of the shares of Dan-Aktiv A/S and will also finance new loans to customers of F Group retail stores. This whole activity will then be managed by the Finaref organisation, a consumer finance subsidiary of the Crédit Agricole group. The transaction is expected to be completed in the coming months, once the conditions precedent have been met.

This disposal will enable F Group A/S to focus on its core electronic goods retail business. At the same time, it allows Crédit Agricole S.A. to pursue its expansion in the European consumer finance business and enables Finaref to strengthen its foothold in Nordic countries.

Finaref is already present in Sweden, Norway and Finland, where it has gained experience in partnering with retailers. Dan-Aktiv has a portfolio of 65,000 customers, partnering with more than 550 retailing organisations.

Merger of Rue Impériale into Eurazeo and transfer of UI and Idia's assets to Eurazeo (press release dated 8 March 2004)

Following on from the prior transactions aimed at simplifying Rue Impériale's organisational structures, Crédit Agricole S.A. gives its full approval for the planned merger of Rue Impériale into Eurazeo.

To coincide with the merger of Rue Impériale into Eurazeo, the two companies Union d'Études and d'Investissements (UI) and Idia Participations (both fully owned by Crédit Agricole S.A., either directly or indirectly) will transfer to Eurazeo their direct shareholdings in Fraikin Groupe, Bluebirds Participations (Eutelsat) and Veolia Environnement.

These asset transfers represent 12.6% of the share capital of Fraikin (the leading French long-term truck rental group), 6% of the share capital of Bluebirds Participation (which holds 23.6% of Eutelsat, the European communications satellite operator), and 0.6% of the share capital of Veolia Environnement. Crédit Agricole S.A. will remain a significant shareholder of Veolia Environnement following completion of this transaction. These asset transfers will enable Eurazeo to reinforce its own shareholdings in these three companies.

Crédit Agricole S.A. will consider new ideas for expanding its business relationships with Eurazeo.

As a result of the merger and asset transfers, Crédit Agricole S.A., which currently holds 23.62% of the share capital and 29% of the voting rights in Rue Impériale, will own 15.4% of this new entity's share capital and 20.1% of its voting rights. As a significant shareholder of the new entity, Crédit Agricole S.A. is confident that Eurazeo's management can enhance the value of the new entity, and wishes to continue its partnership with Rue Impériale's main shareholder group, led by Société Civile Haussmann-Percier:

- both parties have undertaken to maintain their current shareholdings until the date of Eurazeo's general meeting in spring 2010, which will approve the accounts for the 2009 financial year. However, Crédit Agricole S.A. can sell up to 50% of its holding in Eurazeo as from the date of the general meeting in spring 2008, which will approve the accounts for the 2007 financial year.
- Crédit Agricole S.A. will have two representatives on the combined entity's supervisory board.
- any proposed merger or de-merger of the new entity and any proposed transfer of Eurazeo's stake in Lazard LLC, beyond certain predefined economic conditions, will be subject to prior approval by both parties.

Before this transaction can go ahead, Rue Impériale's main shareholders will need to obtain the necessary approval from the relevant authorities.

Crédit Agricole S.A. (Belgique) – 50% owned by Crédit Agricole's Nord de France and Nord-Est Regional Banks and Crédit Agricole S.A. - acquires Europabank
(press release dated 2 April 2004)

Crédit Agricole S.A. (Belgique) today announces that it has reached an agreement with Dutch financial group Achmea to acquire Belgian bank Europabank.

In July 2003, Crédit Agricole's Nord de France and Nord-Est Regional Banks, together with Crédit Agricole S.A., acquired 50% of Crédit Agricole S.A. (Belgique)'s capital and voting rights, and a 66.7% economic interest in the unit.

The acquisition of Europabank strengthens these entities' presence in Belgium and will help them pursue their development in this country.

Social and environmental information at Crédit Agricole S.A.

Information about how the company deals with the social and environmental consequences of its activities, as required by the French NRE (new economic regulations) Act of 15 May 2001 (section L.225-102-1 of the French commercial code and decree 2002-221 of 20 February 2002), is contained in the Sustainable Development chapter on page 68 of the shelf-registration document.

Risk management within the Crédit Agricole S.A. group

Internal control

France's Financial Security Act (*Loi de Sécurité Financière or LSF*) of 1 August 2003 introduced new requirements for limited-liability companies and legal entities raising money from the public concerning the information they provide to shareholders and the market. Under this act, it is the task of the Chairman of the Board of Directors to inform the shareholders' meeting, in a report attached to the annual management report, of how the Board prepares and organises its work, and of which internal control procedures are followed by the company.

This new report by Crédit Agricole S.A.'s Chairman (duplicated below) contains information relating to the internal control procedures in force within the company.

Ethical compliance

Crédit Agricole S.A., its subsidiaries and the Regional Banks each have their own compliance department, employing a total of about 200 people (full-time equivalent).

In the Crédit Agricole S.A. Group, the compliance officers have an operational reporting line to the head of their business unit and a functional reporting line to the Group Compliance Officer, who is responsible for the compliance business line at Crédit Agricole S.A. and for co-ordinating the Regional Banks' compliance functions. He reports directly to Crédit Agricole S.A.'s General Secretary, and also heads up a Compliance Management Committee, created in early 2004.

Compliance officers have the following responsibilities:

- helping heads of business units to evaluate compliance and regulatory risks
- identifying measures that need to be taken to comply with codes of conduct set by regulations or by the Group
- drawing up guidelines with which Group entities and their staff must comply

- distributing these rules and instructions to staff, and organising training
- assisting heads of business units and staff in applying codes of conduct to specific situations
- ensuring compliance with rules, either directly or by delegating this task to specific staff as part of the Group's internal control system
- proposing sanctions for compliance failures.

The investment services and asset management subsidiaries have a more highly developed compliance function to meet the requirements of the supervisory authorities (the *Autorité des Marchés Financiers* in France).

Early in the second half of 2003, a Compliance Charter was drawn up covering all Directors and employees of the Crédit Agricole group. It was approved by Crédit Agricole S.A.'s Board of Directors on 17 July 2003.

In addition, as soon as the offer for Crédit Lyonnais closed, measures were taken to strengthen supervision of conflicts of interest and disclosure rules to adapt them to the new enlarged Group.

During the final quarter, work began on drawing up a strengthened compliance plan, as required by the French Banking Commission and the US Federal Reserve Board. This plan will be implemented gradually during 2004.

Asset and liability management

Structural financial risks

Financial risks are consolidated and managed by the Crédit Agricole S.A. group. These risks exist both at the level of Crédit Agricole S.A. parent company, by virtue of its role in organising financial relations with the Regional Banks, and at the level of its subsidiaries.

In order to optimise the management of its financial ratios, most financial risks are concentrated at the level of Crédit Agricole S.A. via a system of interest rate and liquidity matching.

Consequently, Crédit Agricole has a high level of financial cohesion, with limited dissemination of financial risks.

Crédit Agricole's Assets and Liabilities Committee is chaired by the Chief Executive Officer and reviews the following on a quarterly basis:

- Global interest rate management policy, setting risk limits for the Group and for the subsidiaries. It also guides business policy so as to match the duration and interest rate characteristics of the Group's deposits and lending effectively.
- Short- and medium-term funding policy in line with changes in liquidity risks.
- Changes in lending to subsidiaries.
- Structural and operational exchange rate positions and changes in those positions.

Global interest rate risk

Interest rate movements entail an interest rate risk for entities carrying a fixed or variable-rate receivable or debt. For balance sheet and off-balance sheet items, differences in duration and type of interest rate are identified in the form of maturity mismatch schedules.

The methods used to calculate these mismatches are analysed to ensure data are comparable and that they are aggregated at Group level.

The limits put in place at Group level and for each subsidiary set caps on these mismatches and hence on the resulting global interest rate risk.

The liabilities side of Crédit Agricole S.A.'s balance sheet records the deposits taken by all of the Regional Banks, with the exception of demand and time deposits. 50% of this amount is made available to the Regional Banks through 'mirror advances'. Crédit Agricole S.A. uses the remainder to fund 50% of the Regional Banks' medium and long-term lending (savings-advance mechanism). Crédit Agricole S.A. utilises balance sheet instruments such as bonds, and off-balance sheet instruments such as interest-rate swaps, to cover the resulting interest rate risks.

Due to the nature of their businesses, certain subsidiaries such as CAI, Sofinco, Ucabail, Lukas and EFL incur a global interest rate risk, which requires the setting of limits. Their positions are periodically consolidated at the Crédit Agricole S.A. level and are presented to the Assets and Liabilities Committee.

At 31 December 2003, the risk of loss for 2003 in the event of an adverse 1% movement in interest rates would have represented less than 1% of prudential capital.

At 31 December 2003, the cumulative, undiscounted risk of loss for the next ten years in the event of an adverse 1% movement in interest rates would represent less than 10% of prudential capital.

Liquidity risk

Like all credit institutions, Crédit Agricole S.A. and its subsidiaries are at risk of lacking sufficient funds to honour their commitments at the due date. This risk may materialise, for example, in the event of massive withdrawals from customer passbook accounts, or a crisis of confidence or general shortage of liquidity in the market. Liquidity risk is managed by:

- measuring this risk by analysing amortisation of the bank's funding and lending in light of contractual or modelled repayment schedules, in order to identify amounts payable across a range of maturity dates, which vary over time;
- matching the shortest-term resources to liquid assets.

Crédit Agricole S.A. manages global liquidity for the Crédit Agricole Group as a whole via the latter's internal financial organisation.

- 50% of the Regional Banks' medium and long-term lending is funded by advances from Crédit Agricole S.A., while Crédit Agricole S.A. centralises medium and long-term savings. The Regional Banks thus incur no liquidity risk on the portion of the savings-advance mechanism managed by Crédit Agricole S.A.
- Funding surpluses and shortfalls arising from the Regional Banks' money market transactions are transferred to the books of Crédit Agricole S.A., which manages the resulting liquidity risk.

Similarly, Crédit Agricole S.A. matches the Group subsidiaries' liquidity requirements. Crédit Agricole S.A.'s commitments to its subsidiaries in this respect are formalised in refinancing agreements.

This system allows Crédit Agricole S.A. to manage its liquidity risk and comply with the prudential rules on liquidity. The liquidity ratio corresponds to the ratio between cash and short-term assets on the one hand, and short-term liabilities on the other. This is calculated on a monthly basis, the minimum threshold being 100%. It includes prudential capital and is not consolidated. At 31 December 2003, Crédit Agricole S.A.'s liquidity ratio was 129% (versus 167% at 31 December 2002).

Moreover, Crédit Agricole S.A. has further covered its long-term funding requirements via its Euro Medium Term Notes (EMTN) programme, through which it has issued €2.8 billion, including €2.1 billion of bonds and €2.4 billion of Tier 1 paper. These issues form part of the programme to refinance the acquisitions of Crédit Lyonnais and Finaref.

Currency risk

Given the financial structure of the Crédit Agricole Group, the Regional Banks match their foreign currency assets and liabilities through Crédit Agricole S.A., thus immunising themselves from currency risk.

Crédit Agricole Indosuez takes operational foreign exchange positions in its currency trading activities. The limits on these positions are set and controlled by Crédit Agricole S.A.'s Risk Management Division. The capital requirement of CAI and Crédit Lyonnais' Financing and Investment Banking (BFI) unit with respect to their operational currency risk amounted to €116 million at 31 December 2003 (versus €93 million one year earlier for CAI alone).

The capital requirement at the Crédit Agricole S.A. Group's level totalled €116 million at 31 December 2003, compared with €94.7 million at 31 December 2002.

Overall, Crédit Agricole S.A. consolidates all currency positions generated by the various activities of the Crédit Agricole Group and manages the resulting net position.

Management of counterparty, market, operational and other risks

Introduction

The Group's risk management is handled by the Risk Management Division, which has been reorganised following the integration of Crédit Lyonnais. This department reports to the CEO, and its task is to control counterparty, market and operational risks.

- Counterparty risk arises when a customer is no longer able to honour its obligations to a Group entity.
- Market risks refer to a potential risk of loss on an interest rate, foreign exchange, equity or commodity position in the event of a sudden adverse change in market parameters.
- Operational risk is the risk of damage either resulting from the inadequacy or failure of organisation, procedures, people or information systems, or arising from external events.

Crédit Agricole S.A. is not directly exposed to counterparty risk on the operations of the Regional Banks. As credit institutions in their own right, the Regional Banks are fully responsible for transactions initiated by them. However, in its capacity as lead institution of the Crédit Agricole Group, Crédit Agricole S.A. guarantees the liquidity and solvency of its network, the Regional Banks chief among them. Crédit Agricole S.A. thus carries the risks of the Regional Banks indirectly. Accordingly, comparative figures for Crédit Agricole Group risk exposures are provided alongside those for Crédit Agricole S.A. and its subsidiaries presented in this section.

In the second half of 2003, an action plan was implemented to harmonise risk measurement methods, steering structures and information systems, and to unify the management of the Group's cross-discipline projects, and particularly the Basle II project. This plan will continue in 2004.

The Group's risk management organisation

The Group's risk management organisation has been adjusted following the merger with Crédit Lyonnais. The new organisation is based on the following entities:

- An integrated business line overseen by the Group Risk Management Department (GRMD)
- Committees that validate the strategies and methods applied within Crédit Agricole S.A.

The Group Risk Management Department (GRMD) has four main sections: three in charge of counterparty, market and

operating risk respectively and one in charge of supervising subsidiaries. Each subsidiary has a Risk Management Department with a similar structure. Each subsidiary or business line's Risk Management Officer reports to the Group Risk Management Officer and to the CEO of the subsidiary or business line concerned.

Regional Bank risks and Crédit Agricole S.A.'s duties as lead institution are monitored by a specific department reporting to the Deputy Chief Executive who supervises the Regional Banks segment.

The Group's risk policy is defined and monitored by two committees: the Group Risk Management Committee (GRMC) and the Standards and Methodology Committee (SMC).

The Group Risk Management Committee (GRMC) has the following tasks:

- setting the overall direction of the Group's risk management policy
- validating risk management strategies presented by each business line, particularly credit and market risk limits
- examining sensitive risks and provisions
- monitoring the progress of cross-discipline projects, particularly the Basle II project

The GRMC is chaired by the CEO, and meets once a month in the presence of the heads of each Business Line.

The SMC is chaired by the Group Risk Management Division, and has the following tasks:

- validating the main risk measurement methods
- making or validating decisions about information system architecture
- carrying out operational management of cross-discipline projects, particularly the Basle II project.

Risk monitoring procedures within Crédit Agricole S.A. and its subsidiaries

Each subsidiary or business line's risk management department is independent from the front office, and reports to the CEO of the subsidiary or business line concerned. The subsidiaries and business lines monitor and control counterparty, market and operating risks according to the principles of subsidiarity and delegation defined above. Each subsidiary and business line has the resources to manage its risks, and has set up the organisation, processes and tools that meet its requirements.

However, subsidiaries and business lines are under an obligation to give full disclosure to the Group Risk Management Department (GRMD) and to provide early warning of untoward developments. Accordingly, there are operational contracts between the GRMC and Crédit Agricole S.A.'s subsidiaries and business lines that set out each entity's

responsibilities in terms of risk prevention, management and monitoring, as well as their early warning and reporting duties. This control system will be extended to Crédit Lyonnais subsidiaries and business lines as they are merged with the Crédit Agricole S.A. subsidiaries operating in the same business line.

Each subsidiary and business line works with the GRMD to define its risk strategy, which is then validated by the GRMC. These risk strategies define the boundaries within which subsidiaries and business lines are authorised to develop their activities.

The Regional Banks' risk monitoring system

The Regional Banks are credit institutions in their own right, and their management teams assume full responsibility for their management.

Banking regulations concerning risk apply to each Regional Bank. The Regional Banks are therefore individually responsible for complying with solvency ratios along with rules concerning the division of risks and internal control.

However, in accordance with regulation 2001-03 of the French banking regulator (*Comité de la Réglementation Bancaire*), Crédit Agricole S.A. declares the major risks faced by the Crédit Agricole group on a consolidated basis.

Major credit risks borne by the Regional Banks must be presented to Foncaris, a credit institution that is a 100%-owned subsidiary of Crédit Agricole S.A. After examining these risks, Foncaris may decide to guarantee them, generally at 50%. Each Regional Bank determines, for a period of six years, the threshold beyond which its exposures are eligible for coverage by Foncaris. The upper limit of this threshold is equal to 20% of the Regional Bank's capital. Optionally, it may be set at 10% or 5% of this capital, or at an absolute nominal amount. In the latter eventuality, the minimum threshold allowed is €12 million. Since 1 July 2001, the Regional Banks have also had the possibility of opting for a mechanism designed to attenuate the impact of these thresholds on the guarantee provided by Foncaris. The Regional Banks pay a contribution to Foncaris in return for its guarantee. This contribution is calculated by applying a contribution coefficient – based on the quality of the counterparty (measured by its rating), guarantees provided, the duration of the loan, and the extent to which the risks are shared with other banks – to a base equal to the Regional Bank's outstandings plus a quarter of unused but confirmed limits. When Foncaris receives a guarantee application from a Regional Bank whose total exposure to a given counterparty or group of related counterparties meets the eligibility criterion, the case is transmitted to its application examiners for review. The latter then submit a report to a committee

with the power to decide on the case. In the event of default, the Regional Bank is indemnified for 50% of its residual loss, after application of sureties and after having exhausted all other avenues.

The Basle II project

The implementation of the Basle II project, which began in 2001 at Crédit Agricole and Crédit Lyonnais, continued in 2003. When the two institutions merged, work was progressing in line with the timetable set by the regulator for introducing the reform. Both institutions aimed to adopt risk evaluation methods initially using the 'foundation' method in corporate banking and Financing and Investment Banking, and the 'advanced' method in retail banking.

In corporate banking and Financing and Investment Banking, the two institutions have rating tools that are similar in principle, featuring quantitative and qualitative criteria and written procedures setting out the rating methodology, implementation rules and controls to be carried out. These methodologies and tools are implemented and used operationally by the various business lines. In addition, the two institutions have carried out work to implement back-testing tools and to collate the historical data required as the basis for Basle measurement parameters under the IRB (internal ratings based) approach. The two institutions also have group-level benchmarks. Control systems intended to ensure data quality and reliability have also been designed. These systems include an audit trail, control indicators, early-warning procedures and tools, procedures for reconciling accounting data with risks, procedures for managing and administrating data, and specific procedures for rating monitoring.

More specifically, Crédit Agricole S.A. and its subsidiaries embarked on the SIRIS (Risk Information System) project in 1999. This has entailed the harmonisation of all benchmarks and criteria relating to third parties, products and risk categories, as well as the harmonisation of data exchange standards, which has improved risk monitoring quality. In 2003, the Regional Banks started the joint development of a credit risk monitoring and management system (ARCADE) that produces harmonised aggregates and risk indicators. ARCADE is set to be implemented in all Regional Banks in early 2005. This system will automatically calculate the data required for regulatory credit reports, particularly those concerning the forthcoming Basle II solvency ratio, in all Regional Banks.

Crédit Lyonnais has introduced Basle II-compliant systems that enable it to consolidate its commitments in a uniform manner within its financing and investment banking business. The data, processing techniques and benchmarks

required for Basle calculations have been harmonised within the bank's various entities, and comply with centrally-defined principles.

In the retail banking business, the Crédit Agricole Group has developed an internal rating method along with national risk evaluation models for each rating class. A rating system (known as LUC) to set the parameters for the risk models and to carry out monthly calculations of regulatory data is currently being rolled out across the Regional Banks. The Crédit Agricole Group has also defined the principles of a data reporting system for back-testing purposes. Crédit Lyonnais has updated its scoring systems (IRPAR, IRPRO), which have been in place since 1990, and has started to adapt its information systems in order to complete the data required under Basle II and make them more reliable. Back-testing tools have been developed, and are now operational. As regards operating risks, the Crédit Agricole Group has drawn up Group benchmarks and has continued the gradual roll-out of the KRONOS system, which covers operating risk standards, organisation and systems. The system includes a methodological guide, an implementation procedure, office software, a tool for the unified evaluation of operating risks for management and analysis purposes (EUROPA), a tool to collect information on incidents and losses, and a capital calculation tool. In 1999, Crédit Lyonnais set up a specific organisation dedicated to managing operating risk, comprising a central team reporting to the group risk management department and a network of correspondents in the various entities. The system includes crisis management measures and business continuation plans, risk-mapping techniques for the various entities, the collection of data on losses and the calculation of regulatory capital.

In mid-2003, following the structural changes caused by the merger with Crédit Lyonnais, the organisation of the Basle II project was altered to include one special project structure for the Regional Banks and one for Crédit Agricole S.A. The two projects are autonomous, although care is being taken to ensure consistency on certain critical issues, particularly the consistency of internal ratings applied to customers shared by Crédit Agricole S.A. and the Regional Banks. To ensure this consistency, a Group co-ordination committee has been set up.

Within the Crédit Agricole S.A. group, there are two levels of organisation and management for this project.

- At the central Group level, Crédit Agricole S.A. sets common directions and standards. These common principles are submitted for approval to a steering committee reporting to the Group Risk Officer. This committee consists of the representatives of the main subsidiaries and business lines, and representatives of the finance and IT departments.

- At each subsidiary and business line, a Basle II officer nominated by the Risk Management Department is in charge of successfully implementing the project within his/her entity, in line with the strategy set for the Group.

Work has been organised into three main sub-projects: (i) Credit Risk – Methodology, (ii) Credit Risk – Information Systems and (iii) Operating Risks. In each sub-project, a cross-discipline co-ordinator representing the Group Risk Management Department (GRMD) assists the various business lines in their work and ensures that the methods developed and the tools and systems implemented are consistent with each other and comply with Group standards.

The Group Financial Division has been put in charge of the ALM Pillar II and Regulatory Reporting sub-projects.

As regards the Regional Banks, changes have been made to the pilot concerning their Benchmark Information Systems (BIS). The pilot lasted throughout 2003, and led to the development of internal rating models for the various asset classes, and of tools that 'encapsulate' these models. These tools were tested by several Regional Banks and are now being rolled out across all the Regional Banks. The steering committee, which brings together the Regional Banks' CEOs, has been strengthened, and now includes the BIS chairmen. In particular it monitors the progress of the roll-out, while technical committee meetings, bringing together the Crédit Agricole S.A. departments involved and the BIS CEOs, are held every month to ensure the very tight roll-out timetable is respected.

Counterparty risks

Definition and general principles

A counterparty risk occurs when a counterparty is unable to honour its obligations and when the book value of these obligations is positive. The counterparty may be a bank, an industrial or commercial enterprise, a government and its various entities, an investment fund, or a natural person.

The risk may be recognised in the balance sheet (in the form of a loan, debt security or deed of property), or off-balance sheet (e.g. a performance exchange contract, performance bond or unused confirmed commitment). This risk also comprises the settlement risk inherent in any transaction entailing an exchange of cash or physical goods outside a secure settlement system.

General principles

- The principle of a risk limit applies to all types of counterparty, whether business enterprises, banks, financial institutions, governmental or quasigovernmental entities. Furthermore, country-by-country ceilings apply to risk situations in respect of counterparties that are controlled or resident in non-G10 and non-EEA countries.
- Rules for dividing and limiting exposures are used, particularly to ensure that commitments on the principal counterparties of Crédit Agricole S.A. and its subsidiaries do not reach the regulatory threshold of 25% of consolidated capital.
- A structured loan application review procedure is used. All lending decisions are made either by a decision-making committee or by an officer appointed for that purpose with the formal approval of the risk management business line. Moreover, the risk measurement and monitoring system operates through a first-and second-level control system, together with a reporting procedure and regular communication of information to internal and external authorities.
- Exposures in breach of lending limits are monitored.
- Sensitive items are monitored individually, via early identification of problems, e.g. payment incidents or changes in the debtor's financial position, and tracked on a quarterly basis by special-purpose committees which develop suitable action plans to cover potential risks.
- Periodic portfolio reviews of each operating unit are carried out, to identify situations where the risk has deteriorated, update the counterparty's rating or revise the risk management strategy.
- Reports are drawn up on the major exposures of Crédit Agricole S.A. and its subsidiaries. Within the framework of the Group Risk Management Committee, the Group Risk Management Department draws up a quarterly review of Crédit Agricole S.A.'s commitments on the Group's top 100 non-bank customers, and of limits on the largest banks, and presents this review to the CEO.

When Crédit Lyonnais was integrated into the Group, these principles were adjusted to take account of the new situation.

- The decision-making authorities of the CAI and Crédit Lyonnais Financing and Investment Banking segment were merged, and a joint Counterparty Risk Committee was set up for risk-taking decisions. In this segment, a Strategy and Portfolio Committee also validates strategies for each business line and manages the resulting portfolios.
- In the leasing segment, the decision-making process was altered, and now requires consultation or a joint decision depending on the amount of the commitment made by all operating entities in this segment.

- The Group Risk Management Committee presented an analysis of the new Group's exposures, in terms of the amount and consumption of economic capital, in the weeks following the transaction. This analysis is being updated on a quarterly basis, and forms the basis of an active policy to reduce risk concentrations resulting from the merger.

Measurement methods

The Standards and Methodology Committee's task is to validate, harmonise and distribute risk measurement and management standards and methods. To this end, the Committee validates proposals to harmonise standards and methods, made necessary by the changes in structure arising from the Crédit Lyonnais acquisition. The harmonisation of methods used as part of the Basle II project is one of the Committee's priorities.

As regards counterparty risk, both Crédit Agricole and Crédit Lyonnais had previously set up an internal rating system. Within these two entities, ratings are proposed by the officer responsible for commercial relationships with the counterparty concerned, and are verified after due discussion by the risk management units and validated by the decision-making authority (committee or officer). In general, the rating takes into account financial and qualitative criteria. Detailed rating methods are currently being harmonised on a portfolio-by-portfolio basis.

The widespread roll-out of an internal rating system has enabled the Group to set up a counterparty risk management system based on Basle II-type indicators. In particular, in the Financing and Investment Banking businesses, measurements of the cost of risk, economic capital and risk-adjusted return are used during the decision-making process concerning the granting of loans, the definition of risk strategy and the setting of limits per sector, country and counterparty.

As regards measuring counterparty risk on capital market transactions, Crédit Agricole S.A. and its subsidiaries use an internal method of estimating the underlying risk of off-balance sheet instruments (such as swaps and derivatives). The risk basis is calculated by taking the sum of the positive market value of the instrument and applying an add-on coefficient to the nominal amount. This add-on represents the potential credit risk arising from the change in market value of derivative instruments during their residual lifespan. The add-on coefficient is calculated on the basis of the type and residual lifespan of the instrument, based on a statistical observation of movements in its underlying. Crédit Agricole S.A. and its subsidiaries use this method for the internal management of counterparty risk, and it differs from the regulatory approach used to meet the measurement

requirements of European and international solvency ratios. Crédit Lyonnais' Financing and Investment Banking businesses now monitor counterparty risk on capital market transactions using Crédit Agricole S.A.'s internal method. In order to reduce exposure to counterparty risk on derivative instruments, Crédit Agricole S.A.'s investment banking business – via Crédit Agricole Indosuez and Crédit Lyonnais/BFI – arrange collateralisation contracts with their counterparties.

Diversification of risks

Crédit Agricole S.A. and its subsidiaries seek to diversify their risks in order to limit their exposure to credit or counterparty risks, especially in the event of a crisis in a particular industry or country. They regularly monitor their total commitments (applying the methodologies described above, depending on type of exposure) by counterparty, transaction portfolio, economic sector and country. Portfolios are managed actively within the Financing and Investment Banking segment. Market instruments – such as credit derivatives, CLOs etc. – are used to reduce and diversify counterparty risks, enabling the Group to optimise its use of capital.

Monitoring major counterparty risks

The total consolidated commitments of Crédit Agricole S.A. and all its subsidiaries are monitored by counterparty and group of related counterparties. A group of related counterparties is a set of French or foreign legal entities that are connected, regardless of their status and economic activity, in such a way that the total exposure to this group can be measured on the basis of exposure to one or more of these entities. Commitments to a counterparty or group of counterparties include all loans granted by Crédit Agricole S.A. and its subsidiaries, but also corporate financing operations, bond portfolios, off-balance sheet commitments and counterparty risks relating to capital market transactions. Exposure limits for counterparties and groups of counterparties are recorded in each subsidiary or business line's internal information systems.

Each operating entity reports the amount of its commitments, with a breakdown by category of risk, to the Group Risk Management Department every quarter if the accumulated exposure to a single counterparty or group of related counterparties exceeds the lower of 10% of Tier 1 capital or €100 million and, regardless of the foregoing, reports its ten largest exposures. Exposures to major non-bank counterparties, i.e. those on which the aggregate limits of Crédit Agricole S.A. and its subsidiaries exceed €300 million, are the subject of specific reports given to the Group Risk Management Department, with a view to being monitored by the GRMC.

At 31 December 2003, total on-and off-balance sheet risks relating to these major counterparties at Crédit Agricole S.A. and its subsidiaries amounted to approximately €76 billion, concerning around 100 groups (based on management reports, including risks stated gross, before any guarantees on lending, securities and market transactions). Risk exposure to the ten largest groups totalled approximately €24.5 billion. At the Regional Banks, major counterparty risks are monitored mainly via the Foncaris subsidiary. At 31 December 2003, Foncaris guaranteed 50% of the Regional Banks' €6.6 billion of exposure to major counterparties. As a result, commitments at this date totalled €3.3 billion. Foncaris' exposure to its ten largest counterparties represented a third of its total commitments.

Monitoring country risks

Country risk is the risk that economic, financial, political or social conditions in a foreign country will affect the bank's financial interests. It does not differ in nature from 'elementary' risks (credit, market and operating risks). It constitutes a set of risks resulting from the bank's vulnerability to a specific political, macroeconomic and financial environment.

Tasks and organisation

The Group manages and controls its country risks according to the following principles.

- Activities exposed to country risk are defined and identified through the development and monitoring of analytical country risk management tools.
- Acceptable country risk exposure limits are determined through annual reviews of country strategies, depending on the portfolio's vulnerability to country risk. This degree of vulnerability is determined by the type and structure of transactions, the quality of counterparties and the term of commitments. These exposure limits may be reviewed more frequently if developments in a particular country make this necessary. These strategies and limits are validated by the Strategy and Portfolio Committee of the Financing and Investment Banking segment and the Group Risk Management Committee (GRMC).
- Country risk is evaluated on a regular basis through the issue and quarterly updating of ratings on each country to which the Group is exposed. These ratings are based on various criteria (economic, financial, political, crisis scenarios) developed according to the bank's own methodology. Specific events may cause ratings to be adjusted before the next quarterly review. A common rating system for the new Group has been in place since the third quarter of 2003.

- The Financing and Investment Banking segment's Country Risk Department validates transactions whose size, maturity and country risk exposure may potentially affect the quality of the portfolio.
 - Country risk exposure is monitored and controlled in both quantitative (amount and term of exposure) and qualitative (portfolio vulnerability) terms through specific and regular reports on all country risk exposures, which are given to the Group Risk Management Department.
 - General country risks are determined according to a process that factors in the likelihood of a crisis in a given country – reflected in its rating – and of a loss in the event of a crisis, calculated on the basis of portfolio vulnerability.
- In terms of risk policy, the Group aims to stabilise its exposure and favour transactions that are least vulnerable to country risk, as part of a dynamic portfolio analysis process. The quality of the portfolio continued to improve in 2003, due to a general easing of risk in emerging-market countries, and as a result of rating upgrades for certain large countries. Efforts to favour transactions that carry less exposure to country risk, either through their type or structure, also paid off.

Countries where there the economic or political situation or developments are potentially worrying are monitored closely in terms of both ratings and the management of the Group's exposure limits and exposures.

Developments in 2003

Exposure to emerging-market countries, mainly denominated in USD, increased by 13% in 2003. This exposure was fairly concentrated, since 31 countries accounted for 90% of the portfolio. However, portfolio quality was acceptable, with almost 60% in investment-grade countries. The portfolio was dominated by two geographical zones: Asia and the Middle East.

The portfolio was adjusted dynamically in order to take into account certain positive and negative expected developments.

Latin America

Country risk exposure in this region fell sharply due to a conservative and selective approach to transactions in 2003, although there were variations between individual countries.

- The Group continued to reduce exposure to Argentina, which totalled USD 262 million at the end of the year (excluding fully-provisioned doubtful debts).
- An effort was made to limit exposure to Venezuela, which totalled USD 155 million at end-2003.
- The Group maintained its increased monitoring of exposure to Brazil, which totalled USD 677 million at the end of the year.

Asia

Activity in this region was buoyant overall, and the bank continued to focus its activity on the highest-rated countries (South Korea, China and India). Exposure to the Philippines, where there are grounds for concern, was reduced by 16% to USD 366 million. The bank's exposure to this region increased by 7%.

Middle East and North Africa

Although the Group continued to monitor this region closely, the easing of geopolitical tension and the stabilisation of oil prices at a high level led to an increase in exposure. The bank remained highly vigilant on Lebanon and Egypt.

Central and Eastern Europe

The relative political and economic stability in the region – several of whose countries will enter the European Union in 2004 – meant that transactions continued to take place in acceptable country risk conditions. The improving situation in Russia led to an increase in exposure to this country, to USD 862 million, although this most of this exposure relates to transactions that have features to reduce country risk and relatively short maturities.

Country risk provisions

At end-2003, general country risk provisions totalled €753 million as opposed to €865 million in the pro forma 2002 accounts. The sharp fall in the dollar against the euro led to a negative currency effect of around €75 million.

The Group had overall Brady Bond exposure of USD 1,323 million, mainly concerning Brazil and Argentina. A discount of USD 194 million was recorded on these bonds at end-2003 in order to mark them to market.

Portfolio analysis

Net values featuring on the balance sheet of Crédit Agricole S.A. and subsidiaries

Net exposure ⁽¹⁾	31 December 2003		Pro forma 31 December 2002		Change
	€ m	% of total	€ m	% of total	
Lending to customers	148,420	58%	152,264	57%	-2.5%
of which Crédit Lyonnais	90,052	67%	89,724	69%	+0.4%
Lending to credit institutions	94,354	37%	100,656	38%	-6.3%
of which Crédit Lyonnais	38,698	29%	34,183	26%	+13.2%
Leasing	13,033	5%	12,642	5%	+3.1%
of which Crédit Lyonnais	5,968	4%	5,979	5%	-0.2%
Total Crédit Agricole S.A. and subsidiaries	255,807		265,562		-3.7%
of which Crédit Lyonnais ⁽²⁾	134,718		129,886		+3.7%

Source: data partly taken from management reports

(1) Values featuring on the balance sheet are net of provisions

(2) The scope of lending to customers (including leasing) and lending to credit institutions has been adjusted to ensure comparability between Crédit Lyonnais and Crédit Agricole S.A. As a result, the Crédit Lyonnais figures do not include uncategorised amounts or unleased fixed assets.

Net exposure fell by € 9.8 billion, or by 3.7% with respect to the pro forma end-2002 figure. This was mainly due to the fall in lending to customers (-2.5%) and in lending to credit institutions (-6.3%), resulting principally from movements in the euro/dollar exchange rate. Overall, net exposure in these three categories remained relatively stable.

Breakdown of gross outstandings at Crédit Agricole S.A. and subsidiaries by geographical zone

Gross outstandings ⁽¹⁾ (in millions of euros)	31 December 2003	% of total	Pro forma 31 December 2002	Change
France (including overseas departments and territories)	104,436	40%	106,626	-2%
of which Crédit Lyonnais	57,456	42%	57,372	+0.1%
Other European Economic Area (EEA) countries	46,827	18%	49,800	-6%
of which Crédit Lyonnais	9,059	7%	11,683	-22%
Rest of Europe	6,921	3%	7,280	-5%
of which Crédit Lyonnais	1,723	1%	1,324	+30%
North America	13,363	5%	22,036	-39%
of which Crédit Lyonnais	8,481	6%	12,326	-31%
Central and South America	5,342	2%	6,177	-14%
of which Crédit Lyonnais	1,563	1%	1,784	-12%
Africa and the Middle East	10,250	4%	9,652	+6%
of which Crédit Lyonnais	3,454	3%	2,954	+17%
Asia and Pacific (excluding Japan)	8,240	3%	9,966	-17%
of which Crédit Lyonnais	2,926	2%	3,184	-8%
Japan	5,237	2%	9,353	-44%
of which Crédit Lyonnais	1,205	1%	1,341	-10%
Sub total, categorised of which Crédit Lyonnais	200,616 85,867	77% 62%	220,890 91,968	- 9% -6.6%
International organisations and uncategorised ⁽²⁾	40,656	16%	30,958	+31%
of which Crédit Lyonnais	40,656	29.5%	30,958	+31%
Leasing, factoring and similar	19,189	7%	18,063	+6%
of which Crédit Lyonnais	11,027	8%	10,156	+9%
Receivables from subsidiaries	1,712	1%	2,310	-26%
of which Crédit Lyonnais	540	0.5%	646	-16%
Total of which Crédit Lyonnais	262,173 138,090		272,221 133,728	-3.7% +3.3%

Source: data partly taken from management reports

(1) Scope: gross on-balance sheet outstandings relating to Crédit Agricole S.A. and subsidiaries' transactions with customers and credit institutions, categorised by country of residence. The country of residence is the country in which the counterparty carries out its activity.

• Gross outstandings are restated for intra-group exposure.

• To ensure comparability, Crédit Lyonnais' gross outstandings are stated net of uncategorised amounts (€ 361 million) and unleased fixed assets (€ 136 million).

(2) Of which € 35,928 million represents securities received under repo agreements at Crédit Lyonnais net of intra-group items.

The breakdown of outstandings by country of residence shows that the balance has shifted to Western Europe, and that there is broad diversification in other, more risky zones. Gross outstandings categorised by geographical zone fell by 9% in 2003. This was mainly due to the decline in the dollar during the period. Other factors were as follows.

- In North America, the Group followed a policy of reducing outstandings in early 2003. This was accompanied by the fall in the dollar in the second half. At the same time, the Group implemented a strategy of reducing risk through hedging (securitisation, collateralisation, CLOs etc.), particularly in sensitive sectors affected by the economic environment such as energy, aerospace, hotels and telecoms.
- In Asia, the Group continued to reduce exposure despite the economic recovery in the second half.

- In Japan, the fall in outstanding loans to customers was offset by an increase in securities positions and in off-balance sheet commitments following changes in the instruments used to cover exposure. The strategy in Japan remained unchanged.

Most of the Crédit Agricole S.A. Group's outstandings are in Western Europe, which account for 58% of on-balance sheet outstandings. France accounts for 40% of the total, and more than half of this is the result of the integration of Crédit Lyonnais, particularly its French network comprising private individuals and professional customers. Outside France and the EEA, outstandings are well diversified, with no country accounting for more than 5% of the total.

Breakdown of gross outstandings at Crédit Agricole S.A. and subsidiaries by type of customer

Gross outstandings ⁽¹⁾ (in millions of euros)	31 December 2003	% of total	Pro forma 31 December 2002	Change
Central government, government agencies and local authorities	6,002	2%	7,021	-15%
of which Crédit Lyonnais	1,945	1%	1,937	+0.4%
Financial institutions	72,832	28%	90,429	-19%
of which Crédit Lyonnais	10,348	7%	12,454	-17%
Private individuals and professionals	57,912	22%	46,762	+24%
of which Crédit Lyonnais ⁽²⁾	36,714	27%	32,922	+11.5%
Farmers	46	-	31	+48%
of which Crédit Lyonnais	-	-	-	-
Companies and other economic agents (including insurance companies)	64,996	25%	78,311	-17%
of which Crédit Lyonnais	36,860	27%	44,655	-17.5%
Sub total, categorised	201,788	77%	222,554	-9%
of which Crédit Lyonnais	85,867	62%	91,968	-6.6%
Leasing and factoring	19,189	7%	18,063	+6%
of which Crédit Lyonnais	11,027	8%	10,156	+9%
Uncategorised amounts ⁽³⁾	41,196	16%	31,604	+30%
of which Crédit Lyonnais	41,196	16%	31,604	+30%
Total	262,173		272,221	-3.7%
of which Crédit Lyonnais	138,090		133,728	3.3%

Source: data partly taken from management reports.

(1) Scope: gross on-balance sheet outstandings relating to Crédit Agricole S.A. and subsidiaries' transactions with customers and credit institutions, categorised by type of customer.

• Gross outstandings are restated for intra-group exposure.

• To ensure comparability, Crédit Lyonnais' gross outstandings are stated net of uncategorised amounts (€ 361 million) and unleased fixed assets (€ 136 million). Pro forma 2002 outstandings do not include Finaref.

(2) Private individuals and professionals include Crédit Lyonnais' French network and Fination.

(3) Uncategorised amounts include receivables from subsidiaries and securities received under repo agreements from Crédit Lyonnais net of intra-group exposure.

The breakdown of Crédit Agricole S.A.'s overall outstandings by customer type shows a shift towards private individuals and professionals, which account for 22% of the total following the integration of the private individual and professional customers of Crédit Lyonnais' French network, as opposed to 9% excluding this integration.

As well as the integration of Crédit Lyonnais' French network, this change is also the result of the integration of Finaref (consumer credit subsidiary) and the policy of reducing exposure to companies in risky sectors and regions, as explained above.

Exposure to each of the three main customer categories – companies, private individuals/professionals and financial institutions – is similar, at below 30% (between 22% and 28%).

Breakdown of on-balance sheet gross outstandings by economic sector

Gross outstandings (in millions of euros)	Outstandings at 31 December 2003	% of total
Aerospace	5,010	7%
Food	3,560	5%
Insurance	955	1%
Automotive	2,285	3%
Other non-bank financial activities	2,682	4%
Other industries	1,906	3%
Other transport	1,671	2%
Wood, paper and packaging	858	1%
Construction	1,269	2%
Retail and consumer goods	7,335	10%
Miscellaneous	7,169	10%
Energy	9,528	13%
Property	4,560	6%
Heavy industry	4,017	5.5%
IT and technology	1,852	2%
Shipping	4,906	7%
Media and publishing	1,773	2%
Healthcare and pharmaceuticals	1,077	1%
Public sector – non-traded services	5,447	7.5%
Telecoms	3,097	4%
Tourism, hotels and restaurants	2,584	3%
Traded services (utilities)	628	1%
Total	74,169	

Source: risk exposure basis.

Scope: gross on-balance sheet outstanding loans to industrial and commercial companies (excluding interbank transactions) by Crédit Lyonnais and Crédit Agricole Indosuez's Financing and Investment Banking units.

A large portion of these outstandings continues to be concentrated in the energy industry – both in the upstream production and downstream trading segments – which accounts for 13% of gross on-balance sheet outstandings as defined above. However, the aggressive policy implemented in 2003 led to a sharp reduction in exposure to the energy industry, with Crédit Lyonnais' exposure falling 25.3% relative to end-2002. The policy also led to a more diversified customer base and a gradual shift in the portfolio, with the aim of optimising the portfolio on the basis of Basle II criteria:

- in geographical terms, with a sharp reduction in exposure to the USA and an increase in exposure to other parts of the world
- in sector terms, with exposure to the electricity and gas sectors reduced in favour of the oil and gas production and processing sectors, which are less risky and profitable.

The retail sector accounts for 10% of total outstandings, and includes major retailers. The application of concentration limits enables the Group to monitor risks closely on these customers.

Local authorities rank fourth, due to Crédit Agricole's close relations with them, accounting for 7.5% of total outstandings. All other sectors account for less than 7% of total outstandings each. The telecoms, aerospace and hotels sectors remain sensitive to the economic environment, and are monitored closely. Most of the finance provided to the aerospace industry is guaranteed by export credit agencies, and most net lending is secured against aircraft.

In the telecoms industry, the lending policy led to a general improvement in the quality of telecoms operator and cable operator customers. Operators' improved operating performance and financial positions increased their access to the financial markets.

The Group closely monitored its telecoms portfolio, and maintained a cautious, selective approach to new transactions, in order to maximise profitability and return on assets.

Breakdown of off-balance sheet gross outstandings by economic sector

Gross off-balance sheet outstandings (in millions of euros)	Outstandings at 31 December 2003	% of total
Aerospace	2,212	3%
Food	2,890	3.5%
Insurance	3,879	5%
Automotive	6,185	8%
Other non-bank financial activities	6,876	8%
Other industries	3,707	4.5%
Other transport	1,794	2%
Wood, paper and packaging	656	1%
Construction	3,299	4%
Retail and consumer goods	6,376	8%
Miscellaneous	3,481	4%
Energy	10,605	13%
Property	3,095	4%
Heavy industry	5,796	7%
IT and technology	3,314	4%
Shipping	1,237	1.5%
Media and publishing	1,924	2%
Healthcare and pharmaceuticals	2,326	3%
Public sector – non-traded services	4,165	5%
Telecoms	3,824	5%
Tourism, hotels and restaurants	1,275	1.5%
Traded services (utilities)	2,594	3%
Total	81,510	

Source: risk exposure basis

Scope: gross off-balance sheet outstanding loans to industrial and commercial companies (excluding interbank transactions) by Crédit Lyonnais and Crédit Agricole Indosuez's Financing and Investment Banking units.

These risks mainly concern technical guarantees (bid, performance, return of downpayment, etc.), documentary credits, undrawn portions of confirmed credit lines, back-up lines, stand-by letters of credit and securities pledged but not delivered.

Exposure (on- and off-balance sheet) to the top ten economic sectors totalled €99.5 billion at end-2003, equal to 64% of the total figure of €155.7 billion.

• Energy	13%
• Retail and consumer goods	9%
• Heavy industry	6%
• Public sector – local authorities	6%
• Other non-bank financial activities	6%
• Automotive	5%
• Property	5%
• Aerospace	5%
• Telecoms	4%
• Food	4%

Economic sectors outside the top ten account for no more than 4% of total exposure each. Overall, excluding the top two economic sectors, the Group's exposure is well diversified.

Risk provisioning and coverage

Loan loss risks are covered by two types of provisions:

- specific provisions intended to cover likely losses on doubtful debts
- general provisions intended to cover risks inherent in banking activities in certain regions or sectors, separate from specific risks. In particular, these provisions include country risk provisions and the general US provision.

Provisions are booked on all doubtful loans:

- either after a review of the counterparty's situation on a case-by-case basis, together with a review of guarantees given to the bank, and in the light of possible future scenarios for risks concerning professionals, companies and other major customers;
- or, in the case of private individuals, using a statistical method based on recovery rates and estimated loss rates, which are reviewed periodically.

These principles were also applied in the merger with Crédit Lyonnais. For the largest sensitive customers shared by the two banks, exposure management and provisioning policies were harmonised, and all proposals are now validated by the relevant decision-making authorities.

Doubtful debts (on-balance sheet interbank and customer loans) totalled €9.8 billion, including €5.3 billion non-performing debts. Doubtful debts include non-performing debts and debts on which the Group sees the potential for non-recovery. Doubtful debts equalled 3.7% of the Group's gross outstandings, and were 65%-covered by provisions. Within this latter ratio, provisions do not include general provisions, particularly in relation to North America. The coverage rate for uncategorised debts includes a provision of €303 million on restructured emerging-market debt.

The table below gives the following information for each geographical zone:

- doubtful debts – both performing and non-performing – as a proportion of total outstandings
- the provisioning rate of total doubtful debts and non-performing debts

Doubtful debts, including non-performing debts, and provisions at Crédit Agricole S.A. and subsidiaries by geographical zone

Outstandings at 31 December 2003 (in millions of euros)	Gross outstandings	Doubtful debts (1)	of which non-performing debts	Provisions on doubtful debts	of which provisions on non-performing debts	Provisioning rate of doubtful debts
Total outstandings categorised by geographical zone	200,616	8,228	4,328	5,089	2,919	62%
of which Crédit Lyonnais	85,867	4,507	2,119	2,695	1,447	
France	104,436	4,152	2,419	2,941	1,729	71%
of which Crédit Lyonnais	57,456	2,445	1,317	1,796	1,003	
Other European Economic Area (EEA) countries	46,827	900	378	502	285	56%
of which Crédit Lyonnais	9,059	425	104	212	104	
Rest of Europe	6,921	332	206	282	176	85%
of which Crédit Lyonnais	1,723	37	22	37	23	
North America	13,363	1,389	488	487	219	35%
of which Crédit Lyonnais	8,481	1,013	387	359	173	
Central and South America	5,342	451	119	310	78	69%
of which Crédit Lyonnais	1,563	199	76	109	42	
Africa and the Middle East	10,250	557	359	314	227	56%
of which Crédit Lyonnais	3,454	170	65	72	34	
Asia and Pacific (excluding Japan)	8,240	419	332	252	200	60%
of which Crédit Lyonnais	2,926	190	120	109	67	
Japan	5,237	28	27	1	-	4%
of which Crédit Lyonnais	1,205	27	27	-	-	
Uncategorised outstandings	61,556	1,584	923	1,277	715	81%
of which Crédit Lyonnais	52,223	797	558	675	365	
Leasing, factoring and similar	19,189	637	253	322	153	51%
of which Crédit Lyonnais	11,027	367	253	215	153	
Other uncategorised outstandings⁽²⁾	40,656	430	305	465⁽³⁾	212	108%
of which Crédit Lyonnais	40,656	430	305	465	212	
Receivables from subsidiaries	1,712	517	365	490	355	95%
of which Crédit Lyonnais	540	0	-	0	-	
Total outstandings	262,173	9,812	5,251	6,366	3,634	65%
of which Crédit Lyonnais	138,090	5,304	2,677	3,370	1,811	63%

Source: data partly taken from management reports

(1) New regulations relating to the accounting treatment of credit risk.

(2) Including securities received under repo agreements at Crédit Lyonnais.

(3) Including € 303 million of provisions on restructured emerging-market debt.
This provision brings the coverage rate above 100%.

The table on the following page gives a breakdown of doubtful debts, including performing doubtful debts, and their provisioning rates by type of customer.

Doubtful performing debts, non-performing debts and provisions by customer category at Crédit Agricole S.A. and subsidiaries

Outstandings at 31 December 2003
(in millions of euros)

	Gross outstandings	Doubtful debts (1)	of which non-performing debts	Provisions on doubtful debts	of which provisions on non-performing debts	Provisioning rate of doubtful debts
Total outstandings categorised by customer type	201,788	8,745	4,693	5,579	3,269	64%
of which Crédit Lyonnais	85,867	4,507	2,119	2,695	1,446	
Central government, government agencies and local government	6,002	84	64	49	47	58%
of which Crédit Lyonnais	1,945	16	1	0	-	
Financial institutions	72,832	452	196	376	154	83%
of which Crédit Lyonnais	10,348	108	58	57	19	
Private individuals and professionals	57,912	2,839	1,708	1,948	1,091	69%
of which Crédit Lyonnais ⁽²⁾	36,714	1045	539	653	281	
Farmers	46	17	11	6	3	35%
of which Crédit Lyonnais	0	0	-	0	-	
Companies and other economic agents (including insurance companies)	64,996	5,353	2,714	3,200	1,974	60%
of which Crédit Lyonnais	36,860	3,338	1,521	1,985	1,146	
Uncategorised outstandings	60,385	1,067	558	787	365	100%
of which Crédit Lyonnais	52,223	797	558	675	365	
Leasing and factoring	19,189	637	253	322	153	51%
of which Crédit Lyonnais	11,027	367	253	215	153	
Uncategorised amounts⁽²⁾	41,196	430	305	465⁽³⁾	212	108%⁽³⁾
of which Crédit Lyonnais	41,196	430	305	465	212	
TOTAL	262,173	9,812	5,251	6,366	3,634	65%
of which Crédit Lyonnais	138,090	5,304	2,677	3,370	1,811	63%

Source: data partly taken from management reports.

(1) New regulations relating to the accounting treatment of credit risk.

(2) Including securities received under repo agreements at Crédit Lyonnais.

(3) Including € 303 million of provisions on restructured emerging-market debt at end-December 2003. This provision brings the cover rate above 100%.

Market risks

The Crédit Agricole S.A. Group has a specific market risk management system, with its own independent organisation, monitoring and consolidation procedures, and risk identification and measurement methods.

Scope

The system covers all market risks arising from capital market activities. These activities mainly consist of arbitrage and directional positions taken by the trading departments of the Group's Crédit Agricole Indosuez and Crédit Lyonnais subsidiaries. The investment portfolios of the financial divisions are monitored separately. Market risk is defined as a risk of variation in a subsidiary's profit caused by movement in one or more financial factors, including interest rates, security prices, exchange rates, the specific yield premium on a bond issue, commodity and precious metals prices and inter-market correlations.

Organisation

Local and central organisation

In 2003, a new organisation was set up to replace the systems that previously existed within Crédit Agricole S.A. and Crédit Lyonnais. The Crédit Agricole S.A. Group now has two distinct but complementary levels of market risk management, i.e. a central co-ordination and collation level and a local business level.

- At the central level, the Group Risk Management Department is responsible for the general control of all the Crédit Agricole S.A. Group's market risks. Its core responsibility is to inform and give early warnings to the general management. Central control is carried out on the basis of reports sent by subsidiaries' risk monitoring units. The data is processed to produce summary information, including historical time series, aggregate figures and analyses. This information is given to the head of Group internal control, who presents it every six months to Crédit Agricole S.A.'s Board of Directors.

- At the local level, subsidiaries' Risk Management Departments act on behalf of the Group Risk Management Department. They are in charge of carrying out first-level control of market risks incurred in subsidiaries' activities. The Risk Management Departments of the Crédit Agricole Indosuez and Crédit Lyonnais subsidiaries rely on decentralised risk control teams, which are generally located outside France.

Decision-making and risk monitoring committees

Three committees are involved in the management of market risk.

The Group Risk Management Committee, chaired by Crédit Agricole S.A.'s CEO, examines the market situation and risks incurred on a quarterly basis. The Committee reviews the utilisation of limits, significant breaches of limits and incidents, and the analysis of net banking income with respect to risks. The Committee validates the overall limits placed on all entities' market risks when they present their risk strategy, and makes the main decisions as regard risk control.

The Market Risk Committee meets every two months, and is chaired by the Group Risk Officer. The Committee brings together those in charge of capital market activities at Crédit Agricole Indosuez and Crédit Lyonnais along with risk managers in charge of specific activities. The Committee reviews the central Group's capital market positions and results, and ensures that each entity complies with its assigned limits. It makes decisions on one-off requests to review limits.

The Standards and Methodology Committee meets every month, and is chaired by the Group Risk Officer. Its brief includes validating and disseminating standards and methods concerning the identification and measurement of market risks within the Crédit Agricole S.A. Group.

Market risk measurement and management methodology

The quantitative management of market risks is based on several indicators that are used to devise overall or specific risk limits. These indicators fall into three main categories, i.e. Value at Risk (VaR), stress scenarios and other indicators.

- The main category of market risk indicator is Value at Risk (VaR), which can be defined as the maximum theoretical loss in a portfolio in the event of adverse movements in market parameters over a given time frame and for a given level of confidence. The Crédit Agricole S.A. Group uses a confidence level of 99% and a time frame of 1 day, and uses either one year or five years of historical data depending on the activity. The usefulness of this method is validated through a 'back-testing' procedure, which involves the comparison between a daily result and the previous day's theoretical VaR.

Different methods (historical VaR, parametric VaR, Monte Carlo VaR) are used depending on the risk factors or activities concerned. Until activities and information systems are merged, the two main contributors to the Group's market risks (CAI and Crédit Lyonnais' BFI Financing and Investment Banking business) will continue using their own methods for a transitional period. Risk measurements will be harmonised as activities are transferred to a single information system during 2004.

Crédit Agricole Indosuez uses the following methods:

- parametric VaR on linear interest rate and foreign exchange products
- historical VaR on interest rate and foreign exchange options
- a specific VaR method for equities, bonds, credit derivatives and commodities

Crédit Lyonnais uses the following methods:

- historical VaR on various portfolios: foreign exchange options, bonds and interest rate derivatives, credit derivatives, equities and equity derivatives
- parametric VaR on linear interest rate and foreign exchange products
- Monte Carlo VaR on commodities and commodity derivatives

Crédit Lyonnais' VaR calculation system has been certified by France's Banking Commission for most of its capital market activities. The Crédit Agricole S.A. Group has approved a project to extend these principles to the new unit made up of Crédit Agricole Indosuez and Crédit Lyonnais.

- The second category of market risk indicators consists of stress scenarios. Stress scenarios complement VaR, which does not give an accurate model of how crises affect capital markets. Stress scenarios simulate extreme market conditions – such as plausible shocks, which are adjusted to reflect current economic circumstances – or crises observed in the past, such as the 1987 stock market crash, the Gulf War in 1990, the Mexican crisis in 1994, the Plaza Accords in 1985, the Asian crisis in 1997 and so forth. These hypothetical and historical scenarios complement each other and are defined for all the central Group's capital market activities. They have been produced on a daily basis since June 2003. The two sets of scenarios are fairly similar, although differences exist in the intensity of individual shocks and the calculation frequency. However, adding together the figures produced by each entity does not necessarily provide meaningful information. The two methods will be harmonised in 2004.

The third category consists of various market risk indicators – such as sensitivity, nominal amounts, outstandings and maturity – which are used to ensure consistency between the overall limits and operational limits applied by front office staff. These limits are also used to manage risks that are not correctly captured by VaR measurements. Various early warning procedures are in place. In particular, early warnings are triggered when a risk reaches 80% of its specific limit or when 80% of an overall loss limit or global VaR limit is reached. Subsidiaries' market risk control units must also inform the Group Risk Management Department as soon as possible when a major event concerning limit utilisation or market movements is identified.

The Crédit Agricole S.A. Group's market risk exposure

Value at Risk measurement

Each value stated below is a VaR measurement relating to a specific source of risk or business line, calculated according to the methods described above. Before the integration of Crédit Lyonnais, Crédit Agricole Indosuez and other subsidiaries comprising the central Group broke down their exposure by unit risk factor, the sum of which represented the central Group's overall risk. This approach does not reflect the benefit arising from risk factors offsetting each other, and gives an exaggerated, albeit highly prudent, picture of the market risk incurred. Crédit Lyonnais analyses market risks according to the business lines where they are incurred, and some business lines can simultaneously affect several sources of risk. The benefit arising from risk offsets between business lines and between sources of risk is captured by the Crédit Lyonnais measurement system.

Crédit Agricole Indosuez (analysis by source of risk)

(in millions of euros)	1 January – 31 December 2003			31 December 2003
	Minimum	Maximum	Average	
Interest rate risk	7.7	17.1	9.8	9.3
Issuer spread risk	10.5	17.8	13.5	13.6
Currency risk – firm positions	0.2	2.0	0.8	1.3
Currency option risk	0.7	2.5	1.8	2.2
Equity and equity derivative risk	5.7	13.1	10.1	13.1
Commodity risk	0.5	1.2	0.8	0.7

Crédit Lyonnais (analysis by business line or activity)

(in millions of euros)	1 January – 31 December 2003			31 December 2003
	Minimum	Maximum	Average	
Linear interest rate and currency portfolios	1.9	7.8	4.2	2.4
Bond and interest rate derivative portfolios	4.0	14.8	7.8	6.6
Credit market portfolios	2.0	14.8	5.8	3.4
Currency option portfolios	0.4	3.4	1.1	0.9
Equity portfolios	4.9	18.1	8.9	8.6
Commodity portfolios	0.7	2.1	1.2	1.4

Crédit Agricole S.A. Group (analysis by source of risk)

The table below is obtained by combining the two previous tables, along with residual market risks generated by other Crédit Agricole S.A. subsidiaries. The resulting line-by-line evaluation of market risks at 31 December 2003 overstates the Crédit Agricole S.A. Group's real exposure, due to risk offsets that are not yet taken into account and due to the aforementioned methodological differences. Applying the necessary adjustments, the Group's overall VaR, taking into account intra-entity risk correlations, totals € 44 million, including € 39 million for Crédit Agricole Indosuez and Crédit Lyonnais alone.

(In millions of euros)	1 January - 31 December 2003			31 December 2003
	Minimum	Maximum	Average	
Interest rate risk	17.5	32.3	22.1	18.9
Issuer spread risk	20.3	32.9	24.9	21.9
Currency risk – firm positions	0.5	2.7	1.4	1.6
Currency option risk	1.8	3.9	2.9	3.1
Equity and equity derivative risk	14.0	29.2	19.5	21.7
Commodity risk	1.6	2.3	1.9	2.1

Stress scenario measurement

Crédit Agricole Indosuez

As regards linear interest rate and currency positions, the scenario carrying the greatest risk at 31 December 2003 was the 1994 bond market crisis, with a maximum loss of €13.2 million. The 1994 bond market crisis was also the scenario carrying the greatest risk on a particular date during 2003, on 14 March. The maximum loss on this date was €36.23 million.

On equity positions, the scenario carrying the greatest risk at 31 December 2003 was the 'general risk' scenario, resulting in a maximum loss of €26.9 million, which was also the maximum loss seen at any time during 2003.

Crédit Lyonnais

At end-2003, the most significant stress scenario in all activities was the 'anticipation of economic recovery' scenario, resulting in a maximum loss of €3 million on 19 December 2003. The maximum hypothetical loss observed in 2003 was €44.7 million on 11 July 2003, based on the same stress scenario.

Operating risks

As part of the Basle II solvency ratio reforms, the Group is setting up a qualitative and quantitative risk management system to deal with all operating risks, mainly fraud, money laundering, the unsuitability of lack of compliance with procedures for distributing and processing products and services, information system failures and unexpected interruptions of activity.

The system complies with current best practice:

- at Crédit Agricole (piloted in 2002 at a Regional Bank and implemented in three other Regional Banks, Sofinco and CAI London in early 2003); and
- at Crédit Lyonnais (deployment of risk mapping and loss collection procedures completed in the vast majority of Crédit Lyonnais entities by early 2003).

The system's risk mapping procedures allows improved separation of risks. The action plans involve introducing new procedures from scratch in each business line.

As regards quantitative risk management, the system also involves the gradual roll-out of risk-related cost measurement across Crédit Agricole Group entities.

This roll-out of existing best practice is being accompanied by the creation of an operating risk team within the GRMD, whose responsibilities were defined in the autumn of 2003. This team will start operating within Crédit Agricole S.A. and its subsidiaries in 2004.

So far, risk mapping procedures have confirmed the extent of risks related to:

- new customers and the provision of payment methods
- internal and external fraud
- insufficient compliance with regulatory obligations and commercial best practice
- lending activities
- unexpected interruptions of activity

In these areas, the entities concerned have already launched action plans intended to:

- strengthen detection and prevention of fraudulent activity
- improve monitoring of regulatory compliance

- streamline control measures taken before and after granting loans to private individuals
- update the Activity Continuity Plans.

The roll-out of the system across the rest of the Group began in the autumn of 2003, involving 13 Regional Banks, Finaref, Predica and Ucabail. The process will continue in 2004 both within the Regional Banks and within the activities of Crédit Agricole S.A.'s main subsidiaries (Financing and Investment Banking, Specialised Financial Services, Asset Management, Insurance and Private Banking). The aim is to have the system accredited in 2007 as complying with the regulator's criteria for the Basle II advanced approach.

Other risks

Accounting is another potential source of financial and reputational risk. Within the Finance business line, accounting is organised as a functional business line, according to the principle of decentralising responsibility towards accounting centres reporting to operational management teams.

To ensure the quality of financial information, a process has been put in place for each consolidated entity and for the Group, comprising:

- an information system that includes an audit trail
- compatible accounting principles and charts applicable to all Group entities and for each business line
- a single manual for the preparation of consolidated financial statements
- book-keeping, security, custody and control procedures.

The accounting and regulatory system forms a whole, consisting of fully-compatible components, permitting upward and downward vertical audit trails. When any new model is deployed, the security of the information system and its operational continuity are monitored. At Crédit Agricole S.A., an annual survey is carried out to measure the security of the information system.

Accounting principles applicable to the Group are formulated by Crédit Agricole S.A. under the control of the Statutory Auditors, and then introduced group-wide. Teams responsible for defining these principles and then implementing them in the accounting manual and plans play an active role in the French and European accounting profession's research and standardisation bodies.

The accounting data control system involves a multi-stage process. At Crédit Agricole S.A., this process includes daily controls, monthly analyses, spot checks, reporting by decentralised accounting units and monitoring of indicators on a population of customer accounts identified as sensitive.

Procedures used to prepare the financial statements of consolidated companies satisfy the same criteria, and these accounts are verified centrally prior to consolidation in the

financial statements of the Crédit Agricole S.A. Group. In addition, the financial statements of the Regional Banks are subject to prior vetting by Crédit Agricole S.A. in its capacity as lead institution. The resulting consolidated financial statements are audited on the basis of supporting documents and verified to ensure consistency.

Accounting quality control procedures are further backed up by inspections carried out by the Control and Audit Department, the Statutory Auditors and the banking supervisors.

Legal risks

There are no exceptional events or litigation pending, at the time of registration of this document, that have had in the recent past, or are liable to have, a material impact on the financial position, business operations, results or assets of Crédit Agricole S.A. parent company and Group.

Litigation and exceptional events

The main legal and tax proceedings involving Crédit Agricole S.A. Group entities are itemised in:

- the Crédit Agricole S.A. shelf-registration document R.03-093 registered by the COB (Commission des Opérations de Bourse) on 23 May 2003 and the 'Notes d'opération' 03-584 and 03-585 that received the COB's visa on 17 June 2003
- the update of the shelf-registration document D.03-0396-A02 filed with the COB on 8 October 2003
- the Crédit Lyonnais shelf-registration document D.03-389 filed with the COB on 7 April 2003

On 28 April 2003 and 4 February 2004, Crédit Agricole S.A. (formerly Caisse Nationale de Crédit Agricole or CNCA) noted its two indictments for complicity in the fraudulent utilisation of public subsidies to farmers in Corsica in the early 1990s. At that time, CNCA frequently acted in conjunction with, or at the request of, government agencies in helping to deal with the difficulties facing agriculture in Corsica. Crédit Agricole S.A. wishes to point out that it too suffered considerable losses and is itself a plaintiff in this case. Crédit Agricole S.A. has contested the charge against CNCA, which is materially and legally groundless, and has applied for the case to be dropped.

As regards the procedure relating to the Executive Life affair, Crédit Lyonnais announced in a release on 3 September 2003 that it had reached an agreement in principle with the US Federal Court in Los Angeles with a view to settling the investigation into the former insurance company.

On 15 December 2003, Crédit Lyonnais, CDR and other parties signed an agreement with the US Attorney's Office in Los

Angeles under which, among other remedies, Crédit Lyonnais agreed to plead guilty to three accusations of giving false evidence to the Board of Governors of the Federal Reserve System and to pay a fine of USD 100 million.

Under this agreement, Crédit Lyonnais will serve a three-year probation period, which may be reduced after one year subject to the agreement of the Court. During this period, Crédit Lyonnais will have to comply with US federal, state and local law, along with a cease and desist order issued by the Board of Governors of the Federal Reserve System (see below).

Any violation of this probationary agreement could result in an additional criminal fine of up to USD 100 million. Subject to the agreement of the US District Court, Central District of California, this agreement will end the criminal investigation of the US Federal Department of Justice.

On 18 December 2003, Crédit Lyonnais agreed to the issue of a cease and desist order by the Board of Governors of the Federal Reserve System, to prevent any future violation of US law on bank holding companies (US Bank Holding Company Act), and to the payment of a civil fine, which will be reimbursed by CDR. Crédit Agricole S.A. is responsible for Crédit Lyonnais's compliance with the terms of this cease and desist order.

On 20 January 2004, the US District Court, Central District of California approved the agreement with the Los Angeles US Attorney's Office, which then came into force along with the Board of Governors' cease and desist order, and put an end to both the criminal investigation of the US Federal Department of Justice and the investigations of the Board of Governors of the Federal Reserve System.

The criminal fine was booked as a charge in Crédit Lyonnais' 2003 income statement.

There have been no notable developments in other procedures since these dates.

Binding agreements

Crédit Agricole S.A. is not bound to any patent, licence, nor to any industrial, commercial or financial supply contract.

Insurance and risk coverage

Further to initiatives taken in 2002, concerning the harmonisation of the policy of transferring property and personal risks to the insurance market and the introduction of a business-dependent approach to professional civil liability and fraud insurance, Crédit Agricole S.A. strengthened its coverage of operating risks following the acquisition of Crédit Lyonnais S.A.

On 18 June 2003, when settlement of the acquired Crédit Lyonnais shares took place, a corporate officer civil liability insurance policy was taken out with AXA, HCC and XL Winterthur. To take into account the company's greater scope and the merger phase, coverage was almost doubled with respect to 2002.

As regards insurance of operating equipment (property and IT equipment), two changes were made to the insurance programme. A Crédit Agricole S.A. captive reinsurance unit was used for high-frequency risks, and a specific insurance policy was taken out to cover third party recoveries concerning operating buildings in the Paris region, whose location potentially exposes them to significant risk in this area. This programme was placed with Ace and Chubb. Coverage limits are €370 million for operating equipment and €90 million for third-party recoveries. The captive unit's coverage is limited to €3 million.

To take into account the possibility of increased risks arising when operational mergers take place, and to avoid the risk of disputes with insurers as regards the responsibility for potential losses involving the professional responsibility of merged entities, a single professional civil liability policy was taken out on 1 December 2003, ahead of the schedule set by the terms of existing policies. The lead insurers of this programme are AXA and AIG.

Insurance programmes relating to civil operating liabilities and to the loss of banking business were placed with Zurich and GAN Eurocourtage respectively. The terms are the same for all entities, and the amount of the capital guarantee was increased.

Finally, as regards fraud and 'securities all risk' policies, work is underway to ensure harmonised implementation on 1 March 2004. The gradual involvement of Crédit Agricole S.A.'s captive reinsurance unit will enable the Group to provide a suitable response to the needs of medium-sized subsidiaries, following the policy of increasing retention levels in Crédit Agricole S.A.'s various insurance programmes.

Chairman's report

on corporate governance and internal control presented to the Annual General Meeting of Shareholders 19 May 2004 as required by the 'Financial Security' Act N°. 2003-706 of 1 August 2003 (art. L.225-37 of the 'Code de Commerce', Art. L.621-18-3 of the 'Code Monétaire et Financier')

2003 financial year

Dear Shareholders,

In addition to the management report, I am pleased to present my report on Crédit Agricole S.A.'s corporate governance and internal control systems.

This is the first time such a report has been prepared. Its presentation and contents may therefore evolve in the future to take account of changes in the General Regulations issued by the *Autorité des Marchés Financiers* (AMF) and of new industry and market standards.

The report was presented to Crédit Agricole S.A.'s Audit and Risks Committee on 2 March 2004 and to the Board of Directors on 9 March 2004.

The new Financial Security Act requires all listed companies to provide a report on their corporate governance and internal control systems. In order to ensure consistency of information throughout the Group, Crédit Agricole S.A. has extended its reporting duty to cover all the Regional Banks, as well as its own direct subsidiaries.

I • Corporate governance

1 • Board of Directors

General presentation

The composition of the Board of Directors of Crédit Agricole S.A. changed significantly upon the company's stock market flotation, notably to comply with the requirement for outside Directors. At 31 December 2003, the Board comprised 19 Directors and one non-voting Director, including:

16 Directors elected by the shareholders:

- 11 Chairmen or Chief Executives of the Regional Banks
- 1 Regional Bank Chairman representing SAS Rue La Boétie
- 3 outside Directors
- 1 Regional Bank employee.

1 Director appointed by joint decree of the Ministry of Finance and the Ministry of Agriculture, in accordance with the law of 18 January 1988 on the mutualisation of Caisse Nationale de Crédit Agricole, now Crédit Agricole S.A.

2 Directors elected by the employees of Crédit Agricole S.A.
1 independent non-voting Director appointed by the Board of Directors.

The Regional Bank representatives therefore take 66% of the seats on the Board (of a total 21, with 2 seats being vacant at 31 December 2003). This illustrates the desire of Crédit Agricole S.A.'s leading shareholder (SAS Rue La Boétie, which is owned by the Regional Banks and held 52.41% of the voting rights at 31 December 2003) to give the Regional Banks a broad representation to reflect the Crédit Agricole Group's decentralised structure.

Four seats are taken by outside Directors. One of these seats is currently vacant and in the course of being filled. Of the three outside Directors in office, one is defined as independent within the meaning of the Bouton report ('Towards better corporate governance practices among listed companies', September 2002), the recommendations of which concern companies with a broadly dispersed shareholder base and not companies with a single identified majority shareholder. The outside Directors play an extremely important role on the Board. Two are chairmen of the Board's special committees (Audit and Risks, Compensation). The Chairman of the Audit and Risks Committee became a non-voting Director at the annual general meeting of 21 May 2003, for reasons of age limitation. The Board decided to re-appoint him as Chairman of the Audit and Risks Committee, given his independent status and in order to ensure continuity. Furthermore, he is also Chairman of the Risk and Audit Committee of Crédit Lyonnais and a member of the Audit Committee of Crédit Agricole Indosuez. This structure provides a global view of the position of Crédit Agricole S.A.'s two principal subsidiaries. In accordance with the Group's practice of splitting the guidance, decision-making and control function from the executive function, the offices of Chairman and Chief Executive of Crédit Agricole S.A. have been separated. This structure was confirmed by the Board at its meeting of 18 March 2002, as permitted by the 'New Economic Regulations' Act of 15 May 2001.

Role and *modus operandi* of the Board

General information

The Board's Charter, established in 1988 upon the mutualisation of Caisse Nationale de Crédit Agricole, will be updated in 2004. A Director's Guide has been circulated within the Crédit Agricole Group, together with a Compliance Charter approved by the Board in July 2003. The Director's Guide will shortly be updated and accompanied by an appendix setting out the recommended code of conduct for Board members. In addition, the Directors are required to report half-yearly on their dealings in Crédit Agricole shares.

Approximately four days before each Board meeting, Directors receive an agenda together with the essential information required to deal with the agenda items.

Assessment of the Board's performance

The Board met fifteen times during 2003, including eight extraordinary sessions.

Ordinary sessions were principally devoted to:

- approving the budget for Crédit Agricole S.A. and the Group;
- approving the annual and half-yearly financial statements and reviewing the quarterly financial statements, after their review by the Audit and Risks Committee;
- reviewing documents concerning the Regional Banks (charter for Regional Bank mergers, international expansion, etc.);
- relations with the US Federal Reserve Board and tightening up the Group's corporate and investment banking activity's compliance programme with respect to all French and foreign regulations, at the request of the French Banking Commission and the US Federal Reserve Board;
- presenting the annual internal control report for 2002, after its review by the Audit and Risks Committee;
- measures concerning the farming industry (participation in bids for subsidised agricultural loans, provisions for farmers hit by the drought);
- monitoring the business operations of principal subsidiaries;
- reviewing trends in Crédit Agricole S.A.'s international shareholdings;
- reviewing property transactions carried out by the Crédit Agricole S.A. group.

Extraordinary sessions were principally devoted to:

- reviewing the report of the *Comité des Etablissements de Crédit et des Entreprises d'Investissement* (banking supervisory authority) on the proposed alliance between Crédit Agricole and Crédit Lyonnais, and analysing the implications of the CECEI's decision for the Group;
- fixing the terms of Crédit Agricole's offer for Crédit Lyonnais;
- organising the new Group's senior management structure, following a successful outcome to the offer;
- reforming financial relations between Crédit Agricole S.A. and the Regional Banks;
- establishing a Crédit Agricole S.A. stock option plan for the Group, within the framework of the authorities given at the annual general meetings of 22 May 2002 and 21 May 2003;
- reviewing the Executive Life case.

Board members showed a strong commitment to their duties. The attendance rate averaged 84% in 2003, with 92% for the originally scheduled ordinary sessions and 77% for extraordinary sessions.

The average age of Crédit Agricole S.A. Directors is 55. The Articles of Association provide for a maximum age limit of 65 and 67 for the Chairman.

'Related party' agreements and agreements subject to disclosure

Related party agreements

In 2003, the Board authorised a number of agreements governed by the provisions of Articles L. 225-38 et seq. of the *Code de Commerce*.

As required by law, the Directors concerned abstained from the vote and the agreements signed in 2003 were sent to the Statutory Auditors, who will present their report on this matter at the annual meeting of shareholders.

Agreements subject to disclosure

As required by law, a list of agreements subject to disclosure and their purpose was sent to the Board of Directors, who then advised the Statutory Auditors.

2 • Special Committees

Audit and Risks Committee

The Audit and Risks Committee was created in July 2002. At 31 December it comprised eight members, including seven Directors and one non-voting Director, as follows:

- Henri Moulard (non-voting Director, Chairman of the Committee)
- Yves Couturier
- Roger Gobin
- Pierre Kerfriden
- Bernard Mary
- Xavier Fontanet
- Jean-Claude Pichon
- Noël Dupuy

Yves Couturier resigned from the committee in December 2003, following his appointment as General Secretary of the Fédération Nationale du Crédit Agricole. Noël Dupuy and Jean-Claude Pichon will also resign from the committee in order to become members of a strategic committee to be established by the Board following its decision of 15 December 2003. Their replacements will be appointed shortly.

The *modus operandi* and duties of the committee are set out in a charter approved by the Board of Directors. Its key duties are to review Crédit Agricole S.A.'s parent company and consolidated financial statements, examine changes and amendments to the significant accounting policies used to draw up the financial statements, ensure that internal control systems and procedures are adequate for the

Group's business activities and risks, and express an opinion on proposals to appoint or re-appoint the Statutory Auditors. The committee's duties have been extended to cover monitoring the new strengthened compliance programme, which includes overseeing the quality of the Group's compliance procedures, and more particularly the corporate and investment banking activity's compliance with French and international regulations.

The Audit and Risks Committee met eight times in 2003, including two extraordinary sessions devoted to an in-depth review of the reform of internal financial relations within the Crédit Agricole Group. The attendance rate averaged 78%. The Committee's ordinary sessions were devoted to:

- reviewing the annual, half-yearly and quarterly financial statements prior to their presentation to the Board;
- reviewing the annual and half-yearly report on internal control;
- overseeing Crédit Agricole S.A.'s risk management structure and the Group's exposure to risk;
- reviewing the due diligence carried out by Group Control and Audit following Crédit Agricole S.A.'s acquisition of a controlling interest in Finaref;
- IAS standards and their application within the Crédit Agricole Group;
- reviewing the Statutory Auditors' work on the financial statements;
- establishing a strengthened compliance programme within the Crédit Agricole S.A. Group and corresponding amendments to the Committee's charter.

Compensation Committee

The Compensation Committee was created in July 2002. At 31 December 2003, it comprised the following four members:

- Gérard Mestrallet (Chairman of the Committee)
- Jean-Marie Sander
- Pierre Bru
- Jean-Pierre Pargade

The *modus operandi* and duties of the committee are set out in a charter approved by the Board of Directors. Its key duties are to make proposals principally concerning the fixed and variable compensation payable to the Chairman, the Chief Executive Officer and Deputy Chief Executive Officer(s), the total amount of Directors' fees to be proposed for approval at the annual general meeting of shareholders and its allocation among the members of the Board, and the terms and conditions relating to the grant of stock options under plans approved by the shareholders.

The Compensation Committee met five times in 2003. The attendance rate averaged 95%. The Committee's sessions were devoted to:

- remuneration of the Executive Directors, by reference to market practices;
- terms and conditions relating to the grant of Crédit Agricole S.A. stock options, proposals for individual allotment of stock options, conversion of stock option plans in certain subsidiaries to Crédit Agricole S.A. stock options;
- Directors' fees (total amount and allocation among Board members).

3 • Restrictions on the Chief Executive Officer's powers

The Chief Executive Officer has the fullest powers to act at all times and in all circumstances in the name of the Company and to represent the Bank with respect to third parties, within the limits of its corporate objects and subject to those powers expressly vested in the collective body of shareholders either by law or by the Board of Directors.

The Chief Executive Officer is required to obtain prior approval from the Board for all investment decisions and any proposed acquisition or divestment of shareholdings under the terms and conditions set out in the Board's Charter drawn up 1988 upon mutualisation de Crédit Agricole S.A. (formerly Caisse Nationale de Crédit Agricole). The Board's Charter is due to be updated during 2004.

II • Internal control

The Crédit Agricole Group's internal control system complies with all regulatory requirements and Basle Committee recommendations⁽¹⁾.

The internal control system is defined as all procedures and mechanisms designed to manage and control operations and risks of all kinds and to ensure that all transactions are carried out in a proper, secure and effective manner. However, all internal control systems have their limitations. Internal control procedures can be classified by their purpose:

- financial performance, through effective and adequate use of the Group's assets and resources, and protection against the risk of loss;
- timely provision of comprehensive, accurate information required to take decisions and manage risks;
- compliance with internal and external regulations;
- prevention and detection of fraud and error;
- accuracy and completeness of accounting records and timely production of reliable accounting and financial information.

(1) Framework for Internal Control Systems in Banking Organisations (Basle Committee, September 1998).

In accordance with the Group's principles, Crédit Agricole S.A.'s internal control system has a broad scope of application throughout the Group. It covers all French and international banking and investment subsidiaries but also the companies controlled by Crédit Agricole S.A. and other subsidiaries whose business could be a source of risk (insurance companies, equity investment subsidiaries, payment groupings, asset management and issuer services companies).

Each Group entity applies this principle to its own subsidiaries, thereby ensuring a consistent internal control system throughout the entire Group.

1 • General internal control environment

This definition and the resulting organisational principles are in line with the provisions of the *Code Monétaire et Financier*⁽²⁾, regulation no. 97-02 as amended issued by the *Comité de la Réglementation Bancaire et Financière*⁽³⁾ and Basle Committee recommendations on internal control.

These national and international external standards are supplemented by internal standards specific to Crédit Agricole:

- a body of permanent rules (both external regulations and internal rules) governing the entire Crédit Agricole Group, compliance with which is compulsory, and more particularly rules concerning accounting (Crédit Agricole chart of accounts) and financial management;
- a set of procedures governing Crédit Agricole S.A. parent company and, where applicable, its subsidiaries, concerning the company's organisation and operation, and its exposure to risk;
- Directive no. 98-07 of 23 December 1998 on internal control of the Crédit Agricole S.A. Group;
- Procedure no. 2001-09 of 28 February 2001 on the organisation of the Control and Audit function within the Group;
- Procedure no. 2001-21 of 13 December 2001 on the prevention of money laundering, and its Addendum no. 2002-38 of 23 December 2002.

These procedures are updated regularly as required, and more particularly to take account of regulatory developments and changes in the scope of internal control (e.g. integration of Crédit Lyonnais).

2. Organisation of the internal control system

To ensure that the internal control systems are effective and consistent throughout the Group, Crédit Agricole has established a set of common rules and recommendations based on certain underlying fundamental principles.

(2) Article L.511-41.

(3) Relating to internal control in banking organisations in application of the article referred to above, approved by the Ministry of Finance decrees of 11 March 1997 and 24 July 2001.

Each Group entity (Regional Banks, Crédit Agricole S.A., banking or investment subsidiaries, and other subsidiaries) must apply these principles at its own local level.

Fundamental principles

The organisational principles and components of the Group's internal control system which are common to all Group entities are:

- reporting to the decision-making body (risk strategies, risk limits, internal control activity and results);
- direct involvement of the executive body in the organisation and operation of the internal control system;
- comprehensive coverage of all business operations and risks, and accountability of all persons involved;
- clear definition of tasks, effective segregation of the commitment and control functions, formal up-to-date authorised limits;
- formal, up-to-date standards and procedures, particularly for the accounting function.

These principles are supplemented by:

- measurement, supervision and control mechanisms for credit risk, market risk, operational risk (transaction processing, quality of financial and accounting information, information systems processes, regulatory and legal risks), and interest rate and liquidity risk;
- a control system, forming part of a dynamic and corrective process, structured as follows:
 - permanent first line controls, which are performed by the operating units themselves as an integral part of their business processes, and second line controls performed by units or people independent of the operating units or those responsible for first line controls;
 - periodical third line controls performed by Group Control and Audit and the Control and Audit departments of the Group's subsidiaries and the Regional Banks;
- specific mechanisms for information systems security and business continuity, prevention of money laundering, and compliance.

All these mechanisms help promote an internal control culture within the Group.

Oversight

A Group Internal Control Officer (ICO) was appointed on 1 October 1997 by decision of the Board of Directors of CNCA at its meeting of 26 September 1997. He is responsible for ensuring that individual and global internal control systems are consistent and effective throughout the Group and for overseeing compliance with the principles described above. He reports directly to the Chief Executive Officer and to the Board of Directors of Crédit Agricole S.A. to guarantee total

independence from the operating units. In line with the Group's organisational principles, the Group ICO is also head of Group Control and Audit.

Crédit Agricole S.A. and its subsidiaries

The Group ICO is responsible for overseeing the Group's internal control systems through a dedicated central department, supported by decentralised local units within each legal entity (those direct subsidiaries forming part of Crédit Agricole S.A.'s internal control scope), the ICO of each entity and their Internal Control Committees in the case of those entities forming part of the Control and Audit business line. These committees, which have enforceable decision-making powers, meet twice a year and comprise the head of the entity, the internal control officer, the Control and Audit manager if different, plus a representative of Group Control and Audit. One of their key responsibilities is a critical assessment of the internal control systems and internal audit work, monitoring audits and overseeing any corrective measures.

The Group ICO draws on the central support functions, business divisions and business lines involved in implementing internal control systems. Crédit Agricole S.A. therefore oversees the systems on a consolidated basis, based on:

- centralisation, consolidation and supervision of credit risks, market risks and operational risks by Group Risk Management (DRG);
- centralisation, consolidation and supervision of interest rate and liquidity risks by Group Finance (FIN);
- standardisation of accounting procedures and control over financial and accounting information by the Accounting and Consolidation department (DCC);
- standardisation of procedures, planning and control over consolidated budget data by the Budget, Management Control and Investments department (BCP);
- information systems security and business recovery plans by the Security department (DSE);
- control over compliance issues by the Compliance department (DDC) ;
- prevention of money laundering by the Financial Security business line;
- independent periodical control over the proper operation of all Crédit Agricole Group entities by Group Control and Audit.

These functions, departments and business lines are supported by special committees (Group Risks Committee, Standards and Methodology Committee, Treasury and ALM Committee, etc.) and on contacts in each entity within the internal control scope.

This central system constitutes the cornerstone of the overall internal control system for Crédit Agricole S.A. and its subsidiaries.

Within the Group, more than 800 full time equivalents (excluding the Regional Banks) are involved in managing the internal control system, in Control and Audit, Financial Security and Compliance.

Regional Banks

For the Regional Banks, application of the rules and procedures defined above is facilitated by the publication of national recommendations on internal control. These are updated each year by the Regional Banks' Executive Committee for Internal Control, which is made up of senior executives, the Regional Bank ICOs, and representatives of Crédit Agricole S.A. and Group Control and Audit.

In its capacity as central body, Crédit Agricole S.A. is closely involved in all matters relating to internal control. Through regular work sessions and information meetings, Group Control and Audit meets all Regional Bank ICOs and internal audit managers twice a year on average.

Role of the Board of Directors⁽⁴⁾

The Board of Directors of Crédit Agricole S.A. is informed of the organisation, activity and results of the internal control function and, through the Audit and Risks Committee, of the significant risks to which the company is exposed.

It is aware of the company's general organisation structure and approves its internal control system. As part of its oversight role, it receives an annual report on internal control, in accordance with banking regulations and Crédit Agricole S.A. procedures.

The Chairman of the Board receives regular reports summarising the conclusions of audits conducted by Group Control and Audit.

On 19 November 2003, the Chairman of the Audit and Risks Committee reported to the Board on the presentation to the Committee of the interim report on internal control and risk measurement and supervision for the first half of 2003. On the date of the annual general meeting, the annual report for 2003 will have been presented to the Audit and Risks Committee (27 April 2004) and duly sent to the French Banking Commission and the Statutory Auditors. It will also be presented to the Board of Directors.

(4) Information about the work of the Board of Directors and the Audit and Risks Committee can be found in Part I of this report.

Audit and Risks Committee⁽⁴⁾

The Group Internal Control Officer reports directly to the Board's Audit and Risks Committee. This reflects the Group's aim of strengthening its internal control structure at the highest level, through the Audit and Risks Committee's broad powers of communication and its management and oversight functions, notably in the area of internal control.

The Committee was established to create a comprehensive, consistent internal control structure at all levels of the Group (Crédit Agricole S.A., Regional Banks, subsidiaries), and to comply with good corporate governance practice.

A key aspect of its role is to verify the clarity of information provided, assess the appropriateness of accounting methods and the quality of internal control.

In this respect, the interim report on internal control and risk measurement and supervision for the first half of 2003 was presented to the Committee by the Group ICO at its meeting of 12 November 2003. The annual report will be presented by the Group ICO at the Committee's meeting of 27 April 2004.

The Chairman of the Audit and Risks Committee receives regular reports summarising the conclusions of audits conducted by Group Control and Audit.

Role of the Chief Executive Officer

The Chief Executive Officer defines the company's general organisational structure and oversees its implementation by competent qualified staff. He is directly and personally involved in the organisation and operation of the internal control system. His key responsibilities in this respect are as follows:

- defining roles and responsibilities and allocating adequate resources to the internal control function;
- ensuring that risk strategies and limits are compatible with the financial position (capital base, earnings) and strategic guidelines set by the Board of Directors;
- overseeing the implementation of risk identification and measurement systems which are appropriate for the company's activities and organisation, and ensuring that all essential information produced by these systems are reported to him on a regular basis.
- ensuring the adequacy and effectiveness of the internal control system through permanent monitoring;
- receiving information on any malfunctions identified by the internal control system and the proposed corrective measures.

(4) Information about the work of the Board of Directors and the Audit and Risks Committee can be found in Part I of this report.

In this respect, the Chief Executive Officer receives regular reports summarising the conclusions of audits conducted by Group Control and Audit.

3 • Specific internal control and risk management and supervision systems within Crédit Agricole S.A.

Internal control system for information systems security and business recovery plans

Within Group Operations and Logistics (DFL), the Security Department is responsible for information systems security, physical security and implementation of business recovery plans. This responsibility covers both Crédit Agricole S.A. and the Crédit Agricole S.A. Group, in accordance with the procedures concerning the organisation of security within Crédit Agricole S.A. and the Crédit Agricole S.A. Group issued in 2003.

All Crédit Agricole S.A. business units and all Group entities have a local officer in charge of information systems security, physical security and business recovery plans, together with a crisis management team.

They conduct regular tests to measure the effectiveness of business recovery plans and the quality of information systems security. Action plans are drawn up and monitored to ensure that appropriate corrective measures are taken.

Internal control system for the prevention of money laundering and terrorism financing

Each Group entity is directly responsible for the prevention of money laundering, applying 'know your customer' policies and exercising a duty of care within its own internal control scope. Each Regional Bank has designated a person responsible for relations with the Tracfin, the French government agency responsible for organised financial crime.

In addition to these local structures, the Group also has a central anti-money laundering system through its Financial Security business line, which is part of Group Control and Audit. This ensures that all subsidiaries and branches abroad have the necessary recommendations to protect adequately against the risk of money laundering.

Each operating unit is responsible for enforcing procedures while Group Control and Audit is responsible for ensuring their compliance with all legal and regulatory obligations.

Having tightened up the Regional Banks' systems in early 2000, the Crédit Agricole S.A. Group continued to reinforce its prevention procedures, notably by creating a dedicated anti-money laundering unit in December 2001, and a Financial Security business line in July 2003, with a broader

base of skills and reporting to the Group Internal Control Officer.

The new strengthened internal control framework incorporates the latest legislative and regulatory requirements and recommendations made by the supervisory authorities. For example, specific measures have been introduced to meet new obligations in terms of cheque processing and vigilance has been stepped up with regard to countries and territories on the Financial Action Task Force (FATF) black list.

Specific measures have also been taken to prevent the financing of terrorist activities and to freeze assets on accounts held by persons suspected of having terrorist connections, as required by European and French legislation. In this respect, Group Control and Audit has issued instructions and recommendations to the Group entities concerned (Crédit Agricole S.A. departments and subsidiaries, Regional Banks).

The overall system is supported by supervisory controls and staff awareness and training campaigns in all Group business units. The Group has also strengthened its co-ordination in this respect.

Compliance

Crédit Agricole S.A., its subsidiaries and the Regional Banks each have their own compliance department. Within the Crédit Agricole S.A. Group (excluding the Regional Banks), the compliance function employs about 180 full time equivalents.

The Group Compliance Officer is responsible for the compliance business line at Crédit Agricole S.A. and for co-ordinating the Regional Banks' compliance functions. He reports directly to Crédit Agricole S.A.'s General Secretary. His key duty is to draw up, circulate and enforce an internal code of conduct, particularly in terms of compliance with market regulations. The main objectives of the code are to protect the customer's interests, promote market integrity, ensure proper staff behaviour, and prevent conflicts of interest and information leakage.

In the Crédit Agricole S.A. group, the compliance officers have an operational reporting line to the head of their business unit and a functional reporting line to the Group Compliance Officer.

The compliance officers are responsible for:

- helping heads of business units to evaluate compliance and regulatory risks;
- identifying measures that need to be taken to comply with codes of conduct set by regulations or by the Group;
- drawing up guidelines with which Group entities and their staff must comply;
- distributing these rules and instructions to staff, and organising training;

- assisting heads of business units and staff in applying codes of conduct to specific situations;
- ensuring compliance with rules, either directly or by delegating this task to specific staff as part of the Group's internal control system;
- proposing sanctions for compliance failures.

The investment services and asset management subsidiaries have a more highly developed compliance function to meet the requirements of the supervisory authorities (the *Autorité des Marchés Financiers* in France).

Early in the second half of 2003, a Compliance Charter was drawn up covering all Directors and employees of the Crédit Agricole Group. It was approved by Crédit Agricole S.A.'s Board of Directors on 17 July 2003. In addition, as soon as the offer for Crédit Lyonnais closed, measures were taken to strengthen supervision of conflicts of interest and disclosure rules to adapt them to the new enlarged Group.

Lastly, following the French Banking Commission's decision of 24 July 2003, the US Federal Reserve Board's 'Order to Cease and Desist' and the 'Joint Order and Decision' of the French Banking Commission and US Federal Reserve Board, the Group is required to tighten up its corporate and investment banking activity's compliance programme with respect to French and international laws and regulations. Measures were taken and work began in the second half of 2003 to ensure gradual implementation of the programme during 2004, under the authority of the Secretary General of Crédit Agricole S.A., who heads up a Compliance Management Committee.

Internal control system for accounting and financial information

Accounting, information systems and control

The accounting function is decentralised to accounting centres which report to the operating divisions.

An Accounting Charter, drawn up in accordance with the recommendations and principles common to the Crédit Agricole group, was adopted on 20 June 2000. It sets out the division of responsibility for the accounting function between General Accounting (the Accounting and Consolidation department) and the accounting centres, together with the fundamental principles of accounting control.

A manual of accounting procedures describes the organisation, information systems, procedures and internal control system for the accounting function.

General Accounting is responsible for managing the chart of accounts and associated reference manuals, centralising entries made by the accounting centres, controlling the consistency and completeness of accounting entries, and the timely production of all individual financial statements,

the consolidation package and tax returns which come under its authority. Through its responsibility for producing accounting information, General Accounting, under the authority of the Head of Group Finance, contributes to the financial information provided to the general public by Crédit Agricole S.A. The Accounting and Consolidation department is also responsible for co-ordinating relations with the Statutory Auditors.

The accounting control system, which forms an integral part of the Group's internal control system, is the responsibility of the Accounting and Consolidation department, supported by a formal framework designed to:

- ensure that the accounting and regulatory information systems and associated reference manuals permit compliance with all relevant regulations, particularly with regard to the existence and continuity of an audit trail;
- exercise first line accounting control under the responsibility of the accounting centres themselves, and second line control over the accounting centres.

The subsidiaries and Regional Banks report monthly, quarterly, half-yearly and annually to Crédit Agricole S.A.'s accounting division, in accordance with Group reporting procedures issued by the Accounting and Consolidation department. The accounting division conducts specific controls over these reports for the purpose of:

- preparing French Banking Commission returns and management standards;
- producing consolidated financial statements for groups of subsidiaries or Regional Banks and financial statements for the Crédit Agricole S.A. group and the Crédit Agricole group;
- approving the financial statements of the Regional Banks in accordance with Article 643 of the *Code Rural Ancien* prior to their annual general meeting.

Preparation and processing of financial information

Crédit Agricole S.A.'s Financial Management department is responsible for information published in press releases and presentations to shareholders, financial analysts, institutional investors and the press. This information is also contained in documents subject to approval by the *Autorité des Marchés Financiers* (AMF).

Published financial information principally comprises accounting data and is therefore obtained directly from the accounting system. Published information may also come from management systems, such as management data obtained from the Risk databases managed by Group Risk Management and data supplied by the management control function of Crédit Agricole S.A. and its subsidiaries. In this case, it is first reconciled with the accounting information.

Furthermore, external sources of information may also be used (European Central Bank, Bank of France), particularly for calculating market shares. In accordance with AMF rules, these sources must be quoted in the published information.

Preparation and publication of financial information must meet three major criteria:

- consistency of figures and indicators over time, which implies ongoing use of the same sources, calculations methods and methodologies. Any change of method must be disclosed and prior year figures restated accordingly;
- overall consistency of information disclosed concerning the Group's different business activities, markets or entities. Figures must be consolidated to ensure consistency with accounting information published in the financial statements;
- harmonisation of published information. All Crédit Agricole S.A. subsidiaries must ensure that the information they publish is consistent with that concerning the Group.

Before publication, all financial information must be submitted to the Group Compliance Officer, who is responsible for verifying that it complies with the Group's internal rules. Draft information (presentations, management report, etc.) is presented and explained to the Board's Audit and Risks Committee.

All financial information is then reviewed by the Statutory Auditors, including management reports, shelf-registration documents and prospectuses (which must be certified), presentations to financial analysts, press releases, etc. The shelf-registration document, its updates, offering circulars and prospectuses prepared for new share or debt issues, which contain comprehensive financial information, are subject to approval or registration by the AMF.

Periodical controls

Group Control and Audit, which reports directly to the Chief Executive Officer of Crédit Agricole S.A., is the highest level of control within the Crédit Agricole group. It is responsible for audit assignments in all Group entities, including the Regional Banks, and all Crédit Agricole S.A. business units and subsidiaries, including those which have their own internal audit teams.

These periodical audits include a critical assessment of the internal control system implemented by the audited entities. This assessment seeks to ensure that the system provides reasonable and permanent assurance in terms of transaction security, risk control and compliance with external and internal rules.

It includes verifying that the audited entity complies with external and internal regulations, assessing the security and effectiveness of operational procedures, ensuring that the system for measuring and supervising all risks is adequate, conducting a valuation of assets and verifying the reliability of financial information.

A Control and Audit business line was created in January 2001 under the responsibility of Group Control and Audit. Its purpose is to reinforce central control, ensure and improve the effectiveness of controls by spreading best audit practices designed to guarantee the security and conformity of transactions carried out by the Group's various entities and to develop common areas of expertise. In addition, joint audit assignments are carried out regularly by Group Control and Audit and the subsidiary's internal audit department, to encourage exchange on best practices.

This system ensures the continuation of traditional onsite audits of accounting records by Crédit Agricole S.A.'s Control and Audit team in all Group entities, while placing a special emphasis on its topical and cross-functional investigations.

The Control and Audit business line will be strengthened and its scope broadened as part of the integration of Crédit Lyonnais with the Crédit Agricole S.A. group.

Audits carried out by Group Control and Audit, and all external audits (supervisory authorities, outside firms) are monitored through a formal system to ensure that all recommendations made are implemented through corrective and strictly prioritised action plans.

Risk measurement and supervision

Crédit Agricole S.A. has risk measurement, supervision and control systems covering all risks whether carried on or off balance sheet (counterparty risk, market risk, operational risk, structural financial risk, etc.), which are adapted to its business activities and organisation, and form an integral part of the internal control system. Information is reported periodically to the Management Committee, the Board of Directors and the Audit and Risks Committee, notably through the reports on internal control and risk measurement and supervision.

Details of the risk management systems are presented in a separate appendix to the management report.

The Board of Directors, of which I am Chairman, the Audit and Risks Committee, and the Chief Executive Officer, due to his own specific responsibilities, are provided with comprehensive information on internal control and exposure to risk, areas of potential progress and any corrective measures adopted. The internal control system and procedures are updated continuously to meet new developments in regulations, business activities and risks.

All this information is contained in the annual report on internal control and risk measurement and supervision, the annual management report and regular reporting on operations and control.

The Chairman of the Board of Directors
Crédit Agricole S.A.

René Carron

Statutory auditors' report

Prepared in accordance with the final paragraph of Article L.225-235 of the French Company Law (Code de Commerce) on the report of the President of the Board of Crédit Agricole S.A. regarding internal control procedures relating to the preparation and processing of accounting and financial information.

This is a free translation into English of a report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as statutory auditors of Crédit Agricole S.A. and in accordance with the final paragraph of Article L.225-235 of the French Company Law (*Code de Commerce*), we report to you on the report prepared by the President of your company in accordance with Article L.225-37 of the French Company Law (*Code de Commerce*) for the financial year ended 31 December 2003.

Under the responsibility of the Board of Directors, it is for management to determine and implement appropriate and effective internal control procedures. It is for the President to give an account, in his report, notably of the conditions in which the duties of board of the directors are prepared and organized and the internal control procedures in place within the company.

It is our responsibility to report to you our observations on the information and assertions set out in the President's report on the internal control procedures relating to the preparation and processing of financial and accounting information.

We performed our procedures in accordance with the professional guidelines applicable in France. These require us to perform procedures to assess the fairness of the information set out in the President's report on the internal control procedures relating to the preparation and processing of financial and accounting information. These procedures notably consisted of:

- obtaining an understanding of the objectives and general organization of internal control, as well as the internal control procedures relating to the preparation and processing of financial and accounting information, as set out in the President's report;
- obtaining an understanding of the work performed to produce the information given in the report.

On the basis of these procedures, we have no matters to report in connection with the information given on the internal control procedures relating to the preparation and processing of financial and accounting information, contained in the President of the board's report, prepared in accordance with the final paragraph of Article L. 225-37 of the French Company Law (*Code de Commerce*).

21 April 2004

The Statutory Auditors

CABINET ALAIN LAINÉ

Alain Lainé

BARBIER FRINAULT & AUTRES
ERNST & YOUNG

Valérie Meeus

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Consolidated pro forma balance sheets

for the years ended 31 December 2003, 2002 and 2001

Assets (In millions of euros)	Notes	31/12/2003 Pro forma	31/12/2002 Pro forma	31/12/2001 Pro forma
Cash, money market and interbank items		172,246	177,570	135,198
Cash, due from central banks and French postal system		12,370	13,999	7,997
Treasury bills and similar items	5, 5.1, 5.2 & 5.3	65,522	62,915	45,210
Due from banks	3, 4.1, 4.2 & 4.3	94,354	100,656	81,991
Credit Agricole internal transactions	3	157,648	149,901	141,630
Customer-related items	4, 4.1, 4.2 & 4.3	148,420	152,264	157,273
Lease financing	4, 4.1, 4.2 & 4.3	13,033	12,642	10,665
Securities		77,992	75,245	76,193
Bonds and other fixed-income securities	5, 5.1, 5.2 & 5.3	50,089	44,915	45,267
Shares and other variable-income securities	5 & 5.1	27,903	30,330	30,926
Insurance companies' investments	38.1	127,288	114,690	106,617
Reinsurers' share in technical reserves	38.3	389	192	130
Investments, bank premises and equipment		21,829	20,772	20,782
Investments in non-consolidated affiliates and other long-term securities	6, 6.1 & 9	2,747	2,724	3,099
Investments in equity affiliates	7	12,294	11,455	10,745
Intangible assets, bank premises and equipment	8 & 9	6,788	6,593	6,938
Goodwill	12	9,658	8,419	9,026
Other assets, sundry accounts and prepaid expenses		57,539	44,808	47,808
Other assets	10	42,560	31,044	28,314
Other assets related to insurance activities	38.2	989	754	568
Sundry accounts and prepaid expenses	10	13,990	13,010	18,926
Total assets		786,042	756,503	705,322

Liabilities and shareholders' equity (in millions of euros)	Notes	31/12/2003 Pro forma	31/12/2002 Pro forma	31/12/2001 Pro forma
Money market and interbank items		125,287	141,719	123,800
Due to central banks and current accounts with French postal system		290	117	116
Due to banks	13	124,997	141,602	123,684
Credit Agricole internal transactions	13	13,502	18,943	24,053
Customer-related items	14, 14.1 & 14.2	297,765	283,877	275,083
Special savings schemes		180,204	168,883	162,697
Other accounts		117,561	114,994	112,386
Debts represented by a security	15 & 15.1	90,505	90,801	83,032
Insurance companies' technical reserves	38.3	123,069	111,550	103,029
Other liabilities, sundry accounts and unearned income		81,858	65,261	52,120
Other liabilities	16	60,090	45,249	35,032
Other liabilities related to insurance activities	38.4	949	604	527
Sundry accounts and unearned income	16	20,819	19,408	16,561
Reserves and subordinated debt		24,201	19,599	20,285
General risks and liabilities reserves	17	5,487	5,177	6,142
Mutual security deposits		28	18	9
Subordinated debt	19	18,686	14,404	14,134
Fund for general banking risks	18	1,944	2,078	2,180
Minority interests		4,457	2,525	2,252
Shareholders' equity (excl. FGFR)		23,454	20,150	19,488
Share capital		4,418	3,963	3,942
Additional paid-in capital		12,822	10,978	10,978
Investment grants		128	121	112
Consolidated reserves and retained earnings		4,946	3,842	2,847
Net income for the year		1,140	1,246	1,609
Total liabilities and shareholders' equity		786,042	756,503	705,322

Consolidated pro forma statements of off-balance sheet items

for the years ended 31 December 2003, 2002 and 2001

(in millions of euros)	Notes	31/12/2003 Pro forma	31/12/2002 Pro forma	31/12/2001 Pro forma
Guarantees and commitments given		171,045	178,544	160,241
Financing commitments given	23	101,324	95,536	94,532
Banks and financial institutions		9,114	12,365	7,391
Crédit Agricole entities		1,807	1,065	1,337
Customers		90,403	82,106	85,804
Guarantees given	23	65,186	78,525	60,652
Banks and financial institutions		15,673	11,915	15,385
Crédit Agricole entities		2,993	3,098	27
Customers ⁽¹⁾		46,520	63,512	45,240
Guarantees given by insurance companies		955	881	833
Commitments on securities	23	3,580	3,602	4,224
Securities bought with repurchase option				6
Other commitments		3,580	3,602	4,218
Guarantees and commitments received		69,691	93,791	70,367
Financing commitments received	23	9,115	18,368	10,413
Banks and financial institutions		4,205	10,346	6,769
Crédit Agricole entities		3,779	4,342	3,025
Customers		1,131	3,680	619
Guarantees received	23	37,814	60,394	44,996
Banks and financial institutions		15,938	33,338	16,240
Crédit Agricole entities		5	6	7
Customers ⁽¹⁾		21,871	27,050	28,749
Guarantees received from insurance companies		17,267	9,654	9,385
Commitments on securities	23	5,495	5,375	5,573
Securities bought with repurchase option		15		
Other commitments		5,480	5,375	5,573

(1) At 31 December 2002, these commitments include the guarantee given by Crédit Agricole Indosuez and the counter-guarantee received from the Regional Banks within the framework of the public cash and exchange offer for the capital of Crédit Lyonnais issued on 16 December 2002

Off-balance sheet commitments – other information

Foreign exchange transactions and amounts payable in foreign currencies: Note 23.1

Securitisation transactions and special-purpose vehicles: Note 23.2

Financial futures transactions and other forward agreements: notes 24, 24.1 and 24.2

Pro forma consolidated income statement

for the years ended 31 December 2003, 2002 and 2001 (in millions of euros)

(in millions of euros)	Notes	31/12/2003 Pro forma	31/12/2002 Pro forma	31/12/2001 Pro forma
Interest receivable and similar income	25 & 26	25,860	35,055	43,886
Interest payable and similar expense	25 & 26	(21,729)	(31,599)	(41,084)
Income from variable-income securities	26	228	212	287
Net commission and fee income	27	2,071	2,094	2,537
Net income from financial transactions	29	3,605	3,309	4,165
Net gains (losses) on held for sale securities	30	88	382	807
Other net banking income		314	342	188
Gross margin on insurance activities	38.5	2,238	1,813	1,740
Net income from other activities		46	51	82
Net banking income		12,721	11,659	12,608
Operating expenses	31	(8,350)	(8,198)	(8,518)
Personnel costs	31.1 & 31.2	(4,971)	(4,859)	(5,036)
Other operating expenses	31.3 & 31.4	(3,379)	(3,339)	(3,482)
Depreciation and amortisation		(539)	(502)	(602)
Gross operating income		3,832	2,959	3,488
Risk-related costs	32	(1,121)	(770)	(1,049)
Net operating income		2,711	2,189	2,439
Share of net income (losses) of equity affiliates	35	856	474	707
Net income (loss) on fixed assets	33	(49)	(124)	31
Net ordinary income (before tax)		3,518	2,539	3,177
Integration-related costs	39	(513)		
Net extraordinary items	36	(21)	(166)	332
Corporate income tax	34	(722)	(428)	(975)
Amortisation of goodwill		(900)	(622)	(628)
Net allowance to the fund for general banking risks		131	98	(44)
Net income before minority interests		1,493	1,421	1,862
Minority interests		353	175	253
Net income - Group share		1,140	1,246	1 609
Net income - Group share per share (in euros)		0.851	0.942	1.214

The methods used to calculate basic earnings per share are based on Opinion 27 of the "L'Ordre des Experts Comptables" (French Order of Chartered Accountants). Basic earnings per share correspond to consolidated net income divided by the weighted average number of shares outstanding over the year.

Diluted consolidated earnings per share are identical

Pro forma balance sheets and income statements

at 31 December 2003, 2002 and 2001

Rules governing the preparation of pro forma consolidated financial statements for the Crédit Agricole S.A. group

The pro forma financial statements for 2001 have been prepared on a different basis from those presented at the time of the initial public offering of CNCA, now Crédit Agricole S.A. (see Note 2.3 to the financial statements for the Crédit Agricole S.A. Group at 31 December 2002).

1 • Scope of the pro forma consolidated financial statements

Crédit Agricole S.A. acquired 92.55% of Crédit Lyonnais on 19 June 2003. Crédit Lyonnais is therefore included in the Crédit Agricole S.A. Group's consolidated financial statements at 31 December 2003 using the methods described in Note 1.2.

The pro forma consolidated financial statements have been drawn up to reflect assets, liabilities and results as if Crédit Agricole S.A. had acquired 92.55% of Crédit Lyonnais on 1 January 2001.

The pro forma consolidated financial statements at 31 December 2001 also reflect assets, liabilities and results as if the restructuring operations connected with Crédit Agricole S.A.'s initial public offering had been completed on 31 December 1998.

As regards the acquisition of Finaref, there were a number of material changes in the Finaref group's equity interests and scope of consolidation during 2002. For technical reasons, therefore, Crédit Agricole S.A. is unable to prepare pro forma financial statements for the Finaref group.

2 • Accounting principles

As a general rule, the accounting principles and methods used to prepare the pro forma consolidated financial statements are identical to those used to prepare the published consolidated financial statements at each year end.

Any changes in accounting principles are applied in the pro forma financial statements on the same dates as in the published financial statements.

The scope of consolidation includes the subsidiaries and equity interests consolidated by Crédit Agricole S.A. and Crédit Lyonnais S.A. at each year-end.

The Crédit Lyonnais Group is fully consolidated.

Impact of the acquisition of Crédit Lyonnais:

In the pro forma consolidated financial statements, the carrying value of Crédit Lyonnais shares acquired by Crédit Agricole S.A. is identical to that recorded in the published consolidated financial statements. It includes acquisition-related expenses and the transfer value of the Crédit Lyonnais shares held by Banca Intesa.

Goodwill is calculated on a "notional" basis at 1 January 2001 by deducting the theoretical amortisation accrued since that date from the actual goodwill booked on 31 December 2003.

The instruments used to fund the acquisition are identical to those existing at 19 June 2003, for an amount equal to the difference between the acquisition value of Crédit Lyonnais shares and the value of Crédit Agricole S.A. shares issued in exchange on 19 June 2003.

They comprise €1.85 billion in hybrid equity instruments subscribed by the Regional Banks, €2.2 billion in perpetual subordinated notes, €0.43 billion in preferred shares, €2.2 billion in shareholders' advances and €4.2 billion in cash. The overall cost of funding is approximately 5%.

The new share issue made by Crédit Agricole S.A. on 19 June 2003 is also backdated to 1 January 2001.

Impact of the initial public offering

In the pro forma consolidated financial statements, the transfer to Crédit Agricole S.A. of the Regional Banks' interests in the seven specialised subsidiaries (BFT, Crédit Agricole Asset Management, Crédit Agricole Indosuez Cheuvreux, Pacifica, Predica, CA Bourse and Sofinco), and Crédit Agricole S.A.'s acquisition of an interest in each of the Regional Banks (with the exception of the Regional Bank of Corsica), are deemed to have taken place on 31 December 1998.

The purchase price of the shares in the specialised subsidiaries owned jointly by Crédit Agricole S.A. and the Regional Banks is equal to their shareholders' equity consolidated by the Crédit Agricole Group on that date.

The Regional Banks, their direct subsidiaries and the specialised subsidiaries are consolidated on the basis of the actual percentage held by Crédit Agricole S.A. at 31 December 2001.

Goodwill arising on the Regional Banks and their subsidiaries is recognised at 1 January 1999 and amortised from that date.

For the purpose of calculating the pro forma contribution to 2001 consolidated results, the individual company results for the Regional Banks do not include capital gains (net of costs and tax) generated by the sale of Crédit Agricole S.A. shares, nor the exceptional costs connected with the initial public offering.

The total cost to Crédit Agricole S.A. of acquiring its interests in the Regional Banks was € 6.57 billion. It was financed by € 3.5 billion of redeemable subordinated notes debt raised from the beginning of 2001, and a capital increase of € 0.22 billion raised from the employee share offering. The balance is deemed to have been funded by 10-year treasury swaps. The overall cost of funding amounts to 4.91%.

Note 3 • Due from banks: analysis by maturity date

(in millions of euros)	31/12/03 Pro forma				Total gross value	Accrued interest receivable	Total	31/12/02	31/12/01
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years				Pro forma	Pro forma
Banks									
Loans and advances									
• Demand	19,614				19,614	8	19,622	21,429	21,663
• Time	6,401	5,110	4,544	1,696	17,751	145	17,896	22,593	33,857
Pledged securities	954	607	98	49	1,708	8	1,716	2,190	2,350
Securities purchased under repurchased agreements	38,679	13,216	2,989	45	54,929	46	54,975	54,473	22,365
Subordinated debt	20	52	67	355	494	2	496	444	2,202
Total	65,668	18,985	7,698	2,145	94,496	209	94,705	101,129	82,437
Provisions							(351)	(473)	(446)
Net book value							94,354	100,656	81,991
Crédit Agricole internal transactions									
Current accounts	6,372				6,372	8	6,380	4,875	2,209
Time loans and advances	24,900	39,876	46,764	39,472	151,012	119	151,131	144,878	139,224
Subordinated debt	9	190		15	214		214	227	270
Total	31,281	40,066	46,764	39,487	157,598	127	157,725	149,980	141,703
Provisions							(77)	(79)	(73)
Net book value							157,648	149,901	141,630

Note 4 • Customer-related items and lease financing: analysis by maturity date

(in millions of euros)	31/12/03 Pro forma				Total gross value	Accrued interest receivable	Total	31/12/02	31/12/01
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years				Pro forma	Pro forma
Customer-related items									
Bills discounted	2,025	408	215	1	2,649	16	2,665	2,575	2,705
Other loans	33,326	18,750	45,118	31,654	128,848	1,181	130,029	135,866	139,656
Securities purchased under repurchased agreements	10,628	374			11,002	4	11,006	9,007	10,038
Current accounts in debit	10,353				10,353	117	10,470	10,660	11,648
Total	56,332	19,532	45,333	31,655	152,852	1,318	154,170	158,108	164,047
Provisions							(5,750)	(5,844)	(6,774)
Net book value							148,420	152,264	157,273
Lease financing									
Property finance leases	270	386	1,998	2,481	5,135	9	5,144	4,925	4,435
Equipment leases, rental contracts with purchase option and similar transactions	979	1,795	4,585	619	7,978	176	8,154	8,059	6,505
Total	1,249	2,181	6,583	3,100	13,113	185	13,298	12,984	10,940
Provisions							(265)	(342)	(275)
Net book value							13,033	12,642	10,665
Total							161,453	164,906	167,938
Performing loans outstanding, restructured with non-market interest rate, within the framework of over-indebtedness Commissions decisions							818		
Discount or reserve of these loans outstanding								99	

Note 4.1 • Due from banks; customers-related items; lease financing: accounts by geographical area ⁽¹⁾⁽³⁾

(in millions of euros)	31/12/03 Pro forma	31/12/02 Pro forma
France (including overseas departments and territories)	104,436	106,626
Other European Union countries	46,827	49,800
Rest of Europe	6,921	7,280
North America	13,363	22,036
Central and South America	5,342	6,177
Africa and Middle-East	10,250	9,652
Asia and Pacific (excluding Japan)	8,240	9,966
Japan	5,237	9,353
Other, aggregate ⁽²⁾	40,656	30,958
Leasing and factoring ⁽⁴⁾	19,189	18,063
Total gross value	260,461	269,911
Accrued interest	1,712	2,310
Provisions	(6,366)	(6,659)
Net book value	255,807	265,562

(1) Without reallocation where guarantees or credit insurance give rise to a geographical shift of risk.

(2) Including delivered securities bought under repo agreements from Crédit Lyonnais.

(3) Information not available at 31/12/2001.

(4) Including accrued interest in 2002 and 2001.

Note 4.2 • Due from banks; customers-related items; lease financing – doubtful accounts, bad accounts and provisions by geographical area ⁽¹⁾⁽⁵⁾

(in millions of euros)	31/12/03 Pro forma					31/12/02 Pro forma		
	Gross	o/w doubtful accounts ⁽²⁾	o/w bad accounts ⁽²⁾	Provisions for doubtful accounts ⁽²⁾	Provisions for bad accounts	Gross ⁽²⁾	Bad and doubtful accounts	Provisions
France								
(including overseas departments and territories)	46,979	605	1,101	418	726	49,254	1,026	699
Other European Economic Area countries	37,768	201	274	114	181	38,116	335	191
Rest of Europe	5,198	111	184	92	153	5,956	441	403
North America	4,882	275	101	82	46	9,710	366	133
Central and South America	3,779	209	43	165	36	4,393	327	225
Africa and Middle-East	6,796	93	294	49	193	6,698	484	238
Asia and Pacific (excluding Japan)	5,314	17	212	10	133	6,782	456	216
Japan	4,032	1		1		8,012		
Leasing and factoring ⁽³⁾	19,189	384	253	169	153	7,907	281	217
Other, aggregate ⁽⁴⁾	126,524	2,513	2,424	1,497	1,658	133,083	5,908	3,845
Total gross value	260,461	4,409	4,886	2,597	3,279	269,911	9,624	6,167
Accrued interest	1,712	152	365	135	355	2,310	509	492
Net book value	262,173	4,561	5,251	2,732	3,634	272,221	10,133	6,659

(1) Without reallocation where guarantees or credit insurance give rise to a geographical shift of risk.

(2) New regulation relating to the accounting treatment of credit risk applicable as of 01/01/2003.

(3) Including delivered securities bought under repurchase agreements from Crédit Lyonnais.

(4) Excluding Crédit Lyonnais Group but including accrued interest in 2002.

(5) Information not available at 31/12/2001.

Note 4.3 • Due from banks; customers-related items; lease financing: analysis by customer type⁽⁴⁾

(in millions of euros)	31/12/03 Pro forma					31/12/02 Pro forma		
	Gross	o/w doubtful accounts ⁽¹⁾	o/w bad accounts ⁽¹⁾	Provisions for doubtful accounts ⁽¹⁾	Provisions for bad accounts ⁽¹⁾	Gross	Bad and doubtful accounts	Provisions
Central and local governments	4,057	5	63	2	47	5,084	84	46
Financial institutions	62,483	206	138	184	135	77,975	567	474
Individual and small business customers	21,198	625	1,169	485	810	13,840	851	640
Farmers	46	6	11	3	3	31	16	6
Corporates (including insurance companies) and others customers	28,136	822	1,193	392	828	33,656	2,426	1,431
Leasing and factoring ⁽²⁾	19,189	384	253	169	153	7,907	281	217
Other, aggregate Crédit Lyonnais Group ⁽³⁾	127,064	2,513	2,424	1,497	1,658	133,728	5,908	3,845
Total	262,173	4,561	5,251	2,732	3,634	272,221	10,133	6,659

(1) New regulation relating to the accounting treatment of credit risk.

(2) Excluding Crédit Lyonnais Group at 31/12/2002.

(3) Including delivered securities bought under repo agreements from Crédit Lyonnais.

(4) Information not available at 31/12/2001.

Note 5 • Securities: analysis by type

(in millions of euros)	31/12/03 Pro forma				Total	31/12/02 Pro forma	31/12/01 Pro forma
	Trading securities	Available- for-sale securities	Portfolio securities	Held-to- maturity securities			
Treasury bills and similar securities	33,368	19,495		12,565	65,428	62,639	45,003
Accrued interest		90		284	374	351	334
Provisions		(224)		(56)	(280)	(75)	(127)
Net book value	33,368	19,361		12,793	65,522	62,915	45,210
Bonds and other fixed-income securities	24,434	12,162		13,359	49,955	44,729	45,214
Accrued interest		111		297	408	456	434
Provisions		(169)		(105)	(274)	(270)	(381)
Net book value	24,434	12,104		13,551	50,089	44,915	45,267
Shares and other variable-income securities⁽¹⁾	19,492	5,469	3,621		28,582	30,891	31,291
Accrued income	2	1	16		19	49	24
Provisions		(105)	(593)		(698)	(610)	(389)
Net book value	19,494	5,365	3,044		27,903	30,330	30,926
Total net book value	77,296	36,830	3,044	26,344	143,514	138,160	121,403
Estimated fair value	77,296	37,176	3,437	27,031	144,940	139,369	122,238

(1) At 31 December 2003, Crédit Agricole S.A. held 14,935,794 own shares classified as 'Shares and other variable-income securities - trading securities' for a total of € 254,153,000. They have a nominal value of € 3 and their stockmarket price at 31 December 2003 was € 18.93.

As part of the programme to acquire strategic shareholdings, certain securities already issued by the Group and matched against held-to-maturity securities have been reallocated to match these strategic investments. Accordingly, € 973m of held-to-maturity securities were reclassified as available-for-sale securities in December 2002 against € 212m in 2001.

€ 870 million of trading securities were reclassified as available-for-sale securities during the year, against € 402 million in 2002.

During 2003, € 31 million of available-for-sale securities were reclassified as held-to-maturity securities.

€ 489 million of held-to-maturity securities were sold before their maturity date during the year, against € 431 million in 2002 and € 1,077 m in 2001.

Premiums and discounts

(in millions of euros)

31/12/03
Pro forma

31/12/02
Pro forma

31/12/01
Pro forma

Trading securities (excluding Crédit Lyonnais)

Residual net premium		-	-
Residual net discount	51	704	308

Held-to-maturity securities⁽¹⁾

Residual net premium	38	-	8
Residual net discount		83	-

(1) Excluding Credit Lyonnais for 2002 and 2001.

Note 5.1 • Breakdown of listed and unlisted securities between fixed-income and variable-income securities

(in millions of euros)

31/12/03
Pro forma

31/12/02
Pro forma

31/12/01
Pro forma

	31/12/03 Pro forma				31/12/02 Pro forma				31/12/01 Pro forma			
	Bonds and other fixed-income securities	Treasury bills and similar securities	Shares and other variable-income securities	Total	Bonds and other fixed-income securities	Treasury bills and similar securities	Shares and other variable-income securities	Total	Bonds and other fixed-income securities	Treasury bills and similar securities	Shares and other variable-income securities	Total
Listed securities	29,081	24,565	11,095	64,741	27,717	24,268	13,545	65,530	30,460	19,722	16,780	66,962
Unlisted securities	4,015	11,385	3,810	19,210	3,696	6,437	3,256	13,389	5,788	5,138	5,722	16,648
Accrued income	295	279	13	587	313	252	15	580	345	263	15	623
Provisions	(129)	(5)	(485)	(619)	(162)	(2)	(366)	(530)	(245)	(2)	(237)	(484)
Net book value on Crédit Agricole S.A.'s consolidated balance sheet (excluding Crédit Lyonnais)	33,262	36,224	14,433	83,919	31,564	30,955	16,450	78,969	36,348	25,121	22,280	83,749
Listed securities	13,389	27,626	12,146	53,161	9,183	30,010	12,692	51,885	4,767	19,042	7,409	31,218
Unlisted securities	3,325	1,578	1,319	6,222	4,026	1,852	1,154	7,032	4,063	976	1,229	6,268
Accrued income	113	94	5	212	142	98	34	274	89	71	8	168
Net book value on Crédit Lyonnais' balance sheet	16,827	29,298	13,470	59,595	13,351	31,960	13,880	59,191	8,919	20,089	8,646	37,654
Net book value	50,089	65,522	27,903	143,514	44,915	62,915	30,330	138,160	45,267	45,210	30,926	121,403

Breakdown of mutual funds by type:

(in millions of euros)

31/12/03
Pro forma

31/12/02
Pro forma

31/12/01
Pro forma

	31/12/03 Pro forma		31/12/02 Pro forma		31/12/01 Pro forma	
	Book value	Cash-In value	Book value	Cash-In value	Book value	Cash-In value
Money market funds	1,118	1,166	1,168	1,307	1,527	1,604
Bond funds	919	1,390	527	538	326	348
Equity funds	560	571	493	428	1,052	1,142
Other funds	2,405	2,478	3,248	3,348	2,954	3,056
Total	5,002	5,605	5,436	5,621	5,859	6,150
o/w mutual funds under exclusive control	561	596	1,367	1,368	1,809	1,944

Breakdown of all mutual funds:

(in millions of euros)

31/12/03

31/12/02

31/12/01

	31/12/03		31/12/02		31/12/01	
	Pro forma	Book value	Pro forma	Book value	Pro forma	Book value
Capitalisation mutual funds		2,282		2,078		2,411
• France		2,183		1,931		2,306
• Rest of world		99		147		105
Other mutual funds		2,720		3,358		3,447
Total		5,002		5,436		5,858

Note 5.2 • Treasury bills, bonds and other fixed-income securities: analysis by maturity date

(in millions of euros)

	31/12/03 Pro forma				Total gross value	Accrued interest receivable	Total	31/12/02	31/12/01
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years				Pro forma	Pro forma
Bonds and other fixed-income securities	11,509	9,305	16,429	12,712	49,955	408	50,363	45,185	45,648
Treasury bills and similar securities	17,483	16,461	21,061	10,423	65,428	374	65,802	62,990	45,337
Provisions							(554)	(345)	(508)
Net book value							115,611	107,830	90,477

Includes trading securities for which the notion of remaining term to maturity is not relevant.

Note 5.3 • Treasury bills, bonds and other fixed-income securities: geographical analysis

(in millions of euros)

	31/12/03 Pro forma			31/12/02 Pro forma			31/12/01 Pro forma		
	Gross	Doubtful debts	Provisions	Gross	Doubtful debts	Provisions	Gross	Doubtful debts	Provisions
France (including overseas departments and territories)	24,383	28	50	22,687	17	56	26,335	12	69
Other European Union countries	21,539	3	6	20,801	5	7	16,289	9	12
Rest of Europe	706			607		3	649		
North America	4,022	4	40	4,878	3	39	5,133	6	31
Central and South America	2,190	24	19	2,693	30	17	2,386	22	26
Africa and Middle-East	1,190			1,453			1,315		3
Asia and Pacific (excluding Japan)	2,926	20	19	2,932	47	42	3,371	112	106
Japan	12,089			6,067			5,630		
Other, aggregate ⁽¹⁾	46,338	214	420	45,251	195	181	29,109	87	261
Total gross value	115,383	293	554	107,369	297	345	90,217	248	508
Accrued interest	782	9		806	13		768	23	
Net book value	116,165	302	554	108,175	310	345	90,985	271	508

(1) Contribution from Crédit Lyonnais.

Note 6 • Investments in non-consolidated subsidiaries and associated companies, other long-term securities

Non-consolidated investments with a gross book value in excess of €50 million.

	Gross book value (in millions of euros)			% interest		
	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Banco Bisel ⁽³⁾	131	131		N/A	N/A	
Bradesco			302			3.2
Commerzbank ⁽²⁾	33	33	90	0.6	0.6	0.6
Crédit Logement (titres A)	193	147	111	16.5	16.5	16.5
Crédit Logement B ⁽²⁾	181	134	98	16.1	16.1	16.1
Doumer Euterpe ⁽¹⁾			100			100.0
Emporiki Bank (Commercial Bank of Greece)	331	331	276	9.0	9.0	6.7
Gercasa			93			100.0
Resona Trust and Banking	86	86		5.0	5.0	
SEFA ⁽¹⁾	67	67	67	100.0	100.0	100.0
Veolia Environnement ⁽²⁾	77	77		0.8	0.8	
Wafabank	52	52	52	14.8	14.8	14.8
1301 Sixth Avenue ⁽²⁾	61	74	87	18.3	18.3	18.3
Short-term advances	443	441	474			
Other long-term securities	1,877	1,860	1,967			
Gross value⁽⁴⁾	3,532	3,433	3,717			
Provisions	(802)	(731)	(646)			
Accrued interest	17	22	28			
Net book value	2,747	2,724	3,099			

(1) Not consolidated pursuant to CRC Regulation 99-07 (below materiality threshold).

(2) Securities held by Crédit Lyonnais Group.

(3) Deconsolidated at 1 January 2002 and booked at its value on the date of deconsolidation. The investment has been provided for in full.

In addition, an impairment provision has also been made for the full value (€236 million) of securities in the individual financial statements. On 17 May 2002, the Central Bank of Argentina suspended Banco Bisel's banking licence and entrusted its banking activities to Banco Nación. As a result, Crédit Agricole S.A. no longer exercises significant influence over this entity.

(4) Of which banks: €1,227m at 31 December 2003 against €3,362m at 31 December 2002 and €1,990m at 31 December 2001.

Note 6.1 • Estimated value of non-consolidated investments

(in millions of euros)

	31/12/03 Pro forma		31/12/02 Pro forma		31/12/01 Pro forma	
	Net book value	Estimated value	Net book value	Estimated value	Net book value	Estimated value
Investments in non-consolidated subsidiaries and associated companies						
• Unlisted securities	1,552	1,674	1,507	1,604	1,735	1,737
• Listed securities	473	581	488	1,252	707	1,014
• Short-term advances	428	428	426	426	465	465
Sub-total	2,453	2,683	2,421	3,282	2,907	3,216
Other long-term securities						
• Unlisted securities	182	206	169	194	35	37
• Listed securities	93	109	112	72	128	129
• Short-term advances	2	2			1	1
Sub-total	277	317	281	266	164	167
Accrued income	17	17	22	22	28	28
Total	2,747	3,017	2,724	3,570	3,099	3,411

The estimated value of listed securities corresponds to their use value

Note 7 • Investments in equity affiliates

Investments with a book value in excess of €50 million:

Investments in equity affiliates (in millions of euros)	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Financial institutions	11,967	11,144	10,747
Al Bank AL Saudi AL Fransi	346	357	393
B.E.S.	433	415	271
Regional banks and subsidiaries	7,771	7,188	6,620
Banca Intesa Spa	3,375	3,143	3,160
Others	42	41	303
Non-financial companies	327	311	(2)
Partran – Tranquilidade – Tranquilidade Vida	(80)	(84)	(38)
Rue Impériale	339	335	330
Others	68	60	(294)
Net book value	12,294	11,455	10,745

Note 8 • Intangible and tangible fixed assets

(in millions of euros)

	31/12/03 Pro forma			31/12/02 Pro forma	31/12/01 Pro forma
	Cost	Accumulated depreciation and amortisation	Net	Net	Net
Tangible assets:					
• Property, plant & equipment	4,387	2,035	2,352	2,204	2,409
• Assets let to third parties	615	211	404	384	515
Intangible assets⁽¹⁾	4,992	963	4,029	4,004	4,004
Accrued interest ⁽²⁾	3		3	1	10
Total	9,997	3,209	6,788	6,593	6,938

(1) o/w €3,500 m of goodwill (related to the retail business in France) identified according to CRC 99-07 in the framework of the first consolidation of the Crédit Lyonnais group.

(2) Accrued rents on assets let to third parties

Note 9 • Other fixed assets: movement in net book value

(in millions of euros)

	31/12/01 Pro forma	31/12/02 Pro forma	Consolidation changes	Increases (acquisitions)	Decreases (redemptions and disposals)	Foreign exchange translation adjustments	Other movements	31/12/03 Pro forma
Investments in non-consolidated subsidiaries and associated companies								
Cost	3,065	2,679	228	1,339	(1,223)	(26)	(244)	2,753
Short-term advances	451	441	(1)	76	(75)	(1)	1	441
Provisions	(608)	(698)	(80)	(94)	137	11	(17)	(741)
Other long-term securities								
Cost	200	313		2	(197)	(1)	219	336
Short-term advances	1			2				2
Provisions	(38)	(33)		(14)	3		(17)	(61)
Accrued interest	28	22					(5)	17
Net book value	3,099	2,724	147	1,311	(1,355)	(17)	(63)	2,747
Intangible assets ⁽¹⁾	4,004	4,004	38	44	(130)	(10)	83	4,029
Property, plant & equipment	2,924	2,588	202	27	(223)	(55)	217	2,756
Accrued interest ⁽²⁾	10	1					2	3
Net book value	6,938	6,593	240	71	(353)	(65)	302	6,788

(1) o/w €3,500 m of goodwill (related to the retail business in France) identified according to CRC 99-07 in the framework of the first consolidation of the Crédit Lyonnais group.

(2) Accrued rents on assets let to third parties

Note 10 • Other assets, sundry accounts and prepaid expenses

(in millions of euros)	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Other assets⁽¹⁾	42,560	31,044	28,314
Financial options bought	21,575	12,222	9,181
Codevi bonds	2,456	2,784	2,717
Miscellaneous debtors	13,661	11,452	11,982
Settlement accounts	4,854	4,571	4,417
Due from shareholders – unpaid capital	14	15	17
Sundry accounts and prepaid expenses	13,990	13,010	18,926
Deferred tax	693	578	969
Items in course of transmission to other banks	1,415	1,037	4,016
Breakdown of Crédit Agricole sundry accounts and prepaid expenses			
• Items in course of transmission to other banks	1,555	791	1,548
• Accrued income	4,950	5,723	5,425
• Prepayments	1,256	1,028	1,034
• Unrealised gains and deferred losses on financial futures	505	376	636
• Unamortised bond issue and redemption premiums	222	228	374
• Miscellaneous	920	402	864
Crédit Lyonnais sundry accounts and prepaid expenses	2,474	2,847	4,060
Net book value	56,550	44,054	47,240

(1) Amounts are stated inclusive of associated accrued interest and net of provisions.

Note 11 • Provisions deducted from assets

(in millions of euros)	31/12/01 Pro forma	31/12/02 Pro forma	Consolidation changes	Charges	Write-back or utilisation	Foreign exchange translation adjustment	Other movements	31/12/03 Pro forma
Loans and advances to banks	519	552		29	(32)	(39)	(82)	428
Loans and advances to customers	6,774	5,844	868	1,770	(1,562)	(390)	(780)	5,750
Lease financing	275	342		116	(182)	(1)	(10)	265
Available-for-sale, portfolio and held-to-maturity securities	897	955	(9)	392	(291)	(53)	258	1,252
Investments in non-consolidated subsidiaries and associated companies, other long-term securities	646	731	79	108	(138)	(13)	35	802
Other	203	142	16	36	(30)	(4)	8	168
Total	9,314	8,566	954	2,451	(2,235)	(500)	(571)	8,665

Note 12 • Goodwill

Goodwill items exceeding €50 million.

(in millions of euros)

	31/12/03 Pro forma			31/12/02 Pro forma	31/12/01 Pro forma
	Gross	Amortisation	Net	Net	Net
Amortised over 1 to 5 years inclusive					
C.P.R. Online	84	(70)	14	31	61
Amortised over 5 to 10 years inclusive					
CAI (Suisse) SA	118	(26)	92	47	53
E.F.L.	239	(43)	196	149	101
Lukas	363	(99)	264	234	265
Sofinco	990	(576)	414	538	662
C.P.R. AM	126	(78)	48	56	65
Other CPR subsidiaries	23	(9)	14	16	23
Amortised over 10 to 15 years inclusive					
B.E.S.	62	(21)	41	47	52
Credibom	51	(2)	49		
Amortised over 15 to 20 years inclusive					
Banca Intesa Spa	51	(9)	42	45	47
Paris & Ile-de-France Regional Bank	77	(8)	69	73	76
Crédit Lyonnais Group	7,616	(998)	6,618	6,767	7,099
Ellos Group	189	(8)	181		
Finaref Group	1,512	(87)	1,425		
Rue Impériale	243	(235)	8	224	247
Other companies	311	(128)	183	192	275
Total	12,055	(2,397)	9,658	8,419	9,026

Note 13 • Due to banks: Analysis by maturity date

(in millions of euros)

	31/12/03 Pro forma				Total gross value	Accrued interest payable	Total	31/12/02 Pro forma	31/12/01 Pro forma
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years					
Due to banks									
Deposits									
• Demand	13,746				13,746	171	13,917	16,783	17,221
• Time	30,147	10,551	5,097	1,862	47,657	281	47,938	64,934	76,740
Pledged securities	127	152	1,886	2,756	4,921	154	5,075	5,778	6,451
Securities sold under repurchased agreements	28,182	26,785	3,068		58,035	32	58,067	54,107	23,272
Total	72,202	37,488	10,051	4,618	124,359	638			
Net book value							124,997	141,602	123,684
Crédit Agricole internal transactions									
Current accounts in credit	3,430				3,430	7	3,437	5,545	10,744
Demand and time deposits	2,173	2,465	4,523	690	9,851	214	10,065	13,398	13,309
Total	5,603	2,465	4,523	690	13,281	221			
Net book value							13,502	18,943	24,053

Note 14 • Customer accounts: analysis by maturity date

(in millions of euros)

	31/12/03 Pro forma				Total gross value	Accrued interest payable	Total	31/12/02	31/12/01
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years				Pro forma	Pro forma
Current accounts in credit	41,942				41,942	55	41,997	38,962	40,810
Government-regulated savings schemes:									
• Demand deposits	75,644				75,644	368	76,012	67,405	61,463
• Time deposits	14,476	11,583	67,057	10,626	103,742	450	104,192	101,478	101,234
Other debts to customers	39,533	4,748	6,876	2,091	53,248	729	53,977	58,018	62,237
Pledged securities	20,969	440	150		21,559	28	21,587	18,014	9,339
Total	192,564	16,771	74,083	12,717	296,135	1,630			
Net book value							297,765	283,877	275,083

Note 14.1 • Customer accounts: geographical analysis

(in millions of euros)

	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
France (including overseas departments and territories)	245,009	230,597	216,477
Other European Union countries	16,094	17,025	18,256
Rest of Europe	6,774	7,709	8,006
North America	9,322	7,739	6,878
Central and South America	1,935	1,365	3,985
Africa and The Middle-East	11,475	11,661	11,383
Asia and Pacific (excluding Japan)	4,802	5,672	6,878
Japan	2,354	2,109	3,220
Total	297,765	283,877	275,083

Note 14.2 • Customer accounts: analysis by customer type

(in millions of euros)

	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Individuals and small business customers	224,062	214,133	208,997
Corporates	73,703	69,744	66,086
Total	297,765	283,877	275,083

Note 15 • Debts represented by a security: analysis by maturity date

(in millions of euros)

	31/12/03 Pro forma				Total gross value	Accrued interest payable	Total	31/12/02	31/12/01
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years				Pro forma	Pro forma
Savings certificates	98	95	16	64	273	7	280	335	348
Interbank securities	1,379	940	2,352	1,100	5,771	416	6,187	8,124	6,500
Negotiable debt securities:									
• Issued in France	21,396	11,560	11,007	2,798	46,761		46,761	34,989	23,569
• Issued abroad	6,000	7,522	412		13,934		13,934	23,557	25,851
Bonds (see Note 15.1)	2,206	2,807	10,525	7,226	22,764	480	23,244	23,645	26,576
Other debt instruments	99				99		99	151	188
Total					89,602	903	90,505	90,801	83,032

Note 15.1 • Bonds (by currency of issue)

(In millions of euros)

	Analysis by maturity date at 31 December 2003 ⁽¹⁾			Outstanding at 31/12/03 Pro forma	Outstanding at 31/12/02 Pro forma	Outstanding at 31/12/01 Pro forma
	≤ 1 year	> 1 year to ≤ 5 years	> 5 years			
Euro	4,731	9,448	5,982	20,161	21,206	24,287
• Fixed rate	3,626	6,202	5,050	14,878	16,124	18,931
• Floating rate	1,105	3,246	932	5,283	5,082	5,356
US dollar	176	740	722	1,638	688	922
• Fixed rate	145	382	399	926	307	807
• Floating rate	31	358	323	712	381	115
Yen	4	73	495	572	1,075	557
• Fixed rate	4	73	495	572	120	32
• Floating rate				0	955	525
Other currencies	102	264	27	393	163	19
• Fixed rate	84	98	27	209	96	19
• Floating rate	18	166		184	67	0
Total – gross amounts	5,013	10,525	7,226	22,764	23,132	25,785
• Fixed rate	3,859	6,755	5,971	16,585	16,647	19,789
• Floating rate	1,154	3,770	1,255	6,179	6,485	5,996
Accrued interest				480	513	791
Net book value				23,244	23,645	26,576

(1) Before the impact of hedging contracts.

Note 16 • Sundry accounts and unearned income and other liabilities

(In millions of euros)

	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Other liabilities ⁽¹⁾	60,090	45,249	35,032
Liabilities relating to trading securities	18,394	15,950	9,137
Liabilities relating to stock lending transactions	6,115	5,637	5,408
Financial options sold	21,751	11,118	8,129
Miscellaneous creditors	2,170	10,410	9,379
Settlement accounts	11,604	2,078	2,948
Payments in process	46	47	19
Other	10	9	12
Sundry accounts and unearned income	20,819	19,408	16,561
Items in course of transmission to other banks			
Breakdown of Crédit Agricole sundry accounts and unearned income	980	1,236	874
Adjustment accounts	3,875	2,807	875
Deferred income	2,481	2,324	2,201
Accrued expenses	6,705	7,846	7,707
Unrealised losses and deferred gains on financial futures	283	267	250
Other	262	539	522
Crédit Lyonnais sundry accounts and unearned income	6,233	4,389	4,132
Net book value	80,909	64,657	51,593

(1) Amounts are stated inclusive of accrued interest.

Note 17 • General reserves for risks and expenses

(in millions of euros)	31/12/01 Pro forma	31/12/02 Pro forma	Consolidation changes	Charges	Write- backs	Amounts used	Foreign exchange translation adjustments	Other movements	31/12/03 Pro forma
Country risks	1,512	865		85	(89)		(75)	(33)	753
Financing commitment execution risks	389	306	1	102	(81)	(2)	(14)	(19)	293
Retirement and similar benefits	357	338	(48)	93	(37)	(28)	(4)	(2)	312
Financial futures	97	41		9	(13)		(1)	(3)	33
Other liabilities and charges ⁽¹⁾	3,787	3,627	458	1,227	(643)	(500)	(125)	52	4,096
Total	6,142	5,177	411	1,516	(863)	(530)	(219)	(5)	5,487

(1) Breakdown of other liabilities and charges

	31/12/01 Pro forma	31/12/02 Pro forma	31/12/03 Pro forma
• Synergy-related costs (see Note 39)	650	650	836
• estimated additional euro-related costs	7		
• sector risks and other credit risks	1,244	1,165	1,418
• negative net assets of unconsolidated interests	270	173	138
• early retirement benefits	95	78	88
• litigation	772	541	351
• risk of loss in connection with the internal financing mechanism for home purchase savings schemes	145	107	80
• fiscal risk	43	45	
• badwill	199	223	216

Note 18 • Fund for General Banking Risks

(in millions of euros)	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Home purchase savings ⁽²⁾	882	998	1,098
Liquidity and Solvency Banking Risks ⁽¹⁾	615	610	610
CODEVI (industrial development passbook accounts)		17	17
Other	447	453	455
Total	1,944	2,078	2,180

(1) Including €162 m in Home Purchase Savings FGFR identified within the Crédit Lyonnais Group as part of the harmonisation of accounting methods carried out upon first-time consolidation pursuant to the provisions of regulation 99-07.

(2) This guarantee fund was established at the time of Crédit Agricole S.A.'s initial public offering.

Note 19 • Subordinated debt: analysis by maturity date and issue currency

(in millions of euros)	31/12/03 Pro forma				Accrued interest payable	Total	31/12/02 Pro forma	31/12/01 Pro forma
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years				
Subordinated debt with fixed term	3	454	1,942	8,254	160	10,813	11,899	10,786
• Euro	3	437	1,714	8,068	159	10,381	11,308	9,645
• US Dollar		2	209	186		397	543	1,086
• Yen		15				15	25	27
• Other currencies			19		1	20	23	28
Perpetual subordinated debt⁽¹⁾				7,533	105	7,638	2,165	2,970
• Euro				7,517	105	7,622	1,942	2,090
• US Dollar				16		16	143	794
• Yen						0	80	86
• Other currencies						0	0	0
Participating securities and loans				235		235	269	288
Short-term shareholders' advances						0	0	0
Total – gross value	3	454	1,942	16,022	265	18,686	14,333	14,044
Accrued interest							71	90
Total						18,686	14,404	14,134

(1) T3CJ (hybrid capital issued by the Regional Banks) accounts for 24.46% of the euro line, i.e. € 1,839 million.

Note 20.1 • Preferred shares

Issuing entity	Issue date	Amount (in millions of USD)	Amount (in millions of euros)	31/12/03 Pro forma (in millions of euros)	31/12/02 Pro forma (in millions of euros)	31/12/01 Pro forma (in millions of euros)
CA Preferred Funding LLC	Jan-03	1,500		1,188	0	0
CA Preferred Funding LLC	Jul-03	550		435		
CA Preferred Funding LLC	Dec-03		550	550		
Credit Lyonnais capital 1 SCA	Dec-92		80			80
Credit Lyonnais capital SCA ⁽¹⁾	Jul-93	350			336	396
Credit Lyonnais Preferred capital 1 LLC	Apr-02		750	750	750	
Total		2,400	1,380	2,923	1,086	476

(1) In July 2003, Crédit Lyonnais made an early redemption of its 1993 USD 350 million preferred share issue via its Luxembourg subsidiary Crédit Lyonnais Capital SCA.

In 2003, the Crédit Agricole S.A. Group made three issues of preferred non-voting shares.

The first issue, for an amount of USD 1.5 billion, was made in January 2003 by Crédit Agricole Preferred Funding Trust I, a company exclusively controlled by Crédit Agricole Preferred Funding LLC, itself exclusively controlled by Group companies. These perpetual preferred shares offer holders a fixed, quarterly, non-cumulative dividend of 7% per annum, subject to compliance with the terms of the issue agreement. They may be redeemed by the issuer, barring events provided for in the issue agreement, on 30 January 2009 and quarterly thereafter.

The second issue, for an amount of USD 550 million, was made in July 2003 by Crédit Agricole Preferred Funding Trust II, a company exclusively controlled by Crédit Agricole Preferred Funding LLC, itself exclusively controlled by Group companies. These perpetual preferred shares offer holders a fixed, quarterly, non-cumulative dividend of 7% per annum, subject to compliance with the terms of the issue agreement. They may be redeemed by the issuer, barring events provided for in the issue agreement, on 30 July 2009 and quarterly thereafter.

The third issue, for an amount of € 550 million, was made in December 2003 by Crédit Agricole Preferred Funding Trust III, a company exclusively controlled by Crédit Agricole Preferred Funding LLC, itself exclusively controlled by Group companies. These perpetual preferred shares offer holders a fixed, quarterly, non-cumulative dividend of 6% per annum, subject to compliance with the terms of the issue agreement. They may be redeemed by the issuer, barring events provided for in the issue agreement, on 30 July 2009 and quarterly thereafter.

These preferred shares do not dilute Crédit Agricole S.A.'s ordinary shares. The capital raised is eligible for regulatory purposes. It is booked as a liability in the consolidated finan-

cial statements under the heading 'minority interests'. Dividends paid are booked to the income statement under the heading 'minority interests'.

Note 21 • Capital

(in millions of euros)	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Shareholders' equity excluding FGFR	27,911	22,675	21,740
Fund for General Banking Risks	1,944	2,078	2,180
Subordinated debt	18,686	14,404	14,134
Other capital	20,630	16,482	16,314
Total	48,541	39,157	38,054

Note 22 • Analysis of the consolidated balance sheet by currency

(in billions of euros)

	Assets			Liabilities and shareholders' equity		
	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Euro	461.6	424.4	400.6	452.8	420.8	390.4
Other EU currencies	3.2	4.7	7.0	9.2	13.6	14.5
US Dollar	32.7	41.2	52.5	53.6	57.0	71.1
Yen	20.0	20.7	19.5	3.4	3.0	5.6
Other currencies	15.1	14.7	15.4	12.5	11.3	13.4
Other, aggregate ⁽¹⁾	253.4	250.8	210.3	254.5	250.8	210.3
Total	786.0	756.5	705.3	786.0	756.5	705.3

(1) Contribution from Crédit Lyonnais.

Note 23 • Off-balance sheet commitments (excluding insurance companies)

(in millions of euros)

	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Commitments given (excluding insurance companies)	170,090	177,663	159,408
Financing commitments	101,324	95,536	94,532
Banks	10,921	13,430	8,728
Customers	90,403	82,106	85,804
• Confirmed credit lines	83,848	76,272	82,186
Confirmed documentary credits	2,505		
Other confirmed credit lines	81,343	76,272	
• Other	6,555	5,834	3,618
Guarantees	65,186	78,525	60,652
Banks	18,666	15,013	15,412
• Confirmed documentary credits ⁽²⁾	1,522	1,771	1,444
• Other	17,144	13,242	13,968
Customers	46,520	63,512	45,240
• Guarantees	12,834	6,510	4,830
Property guarantees	149		
Loan repayment guarantees	6,238	6,510	4,830
Guarantees	6,447		
• Other ⁽¹⁾	33,686	57,002	40,410
Commitments relating to securities	3,580	3,602	4,224
Commitments received (excluding insurance companies)	52,424	84,137	60,982
Financing commitments	9,115	18,368	10,413
Banks	7,984	14,688	9,794
Customers	1,131	3,680	619
Guarantees	37,814	60,394	44,996
Banks ⁽¹⁾	15,943	33,344	16,247
Customers	21,871	27,050	28,749
• Guarantees received from government bodies or similar	5,975	10,205	4,358
• Other	15,896	16,845	24,391
Commitments relating to securities	5,495	5,375	5,573

(1) These commitments include the guarantee given by Crédit Agricole Indosuez and the counter-indemnity received from the Regional Banks within the framework of the public cash-and-share offer for Crédit Lyonnais made on 16 December 2002.

(2) Excluding Crédit Lyonnais.

Note 23.1 • Foreign exchange transactions and borrowings

(In millions of euros)

	31/12/03 Pro forma		31/12/02 Pro forma		31/12/01 Pro forma	
	To be received	To be delivered	To be received	To be delivered	To be received	To be delivered
Spot	33,051	32,727	16,545	16,805	14,699	14,759
Foreign currencies	26,943	27,327	12,899	12,760	10,901	10,417
Euros	6,108	5,400	3,646	4,045	3,798	4,342
Forward	636,430	633,515	715,002	717,557	662,058	662,353
Foreign currencies	390,262	396,820	411,126	408,973	380,277	372,952
Euros	91,241	87,847	123,013	127,116	92,414	100,195
Other, aggregate ⁽¹⁾	154,927	148,848	180,863	181,468	189,367	189,206
Lending and borrowing in foreign currencies (excluding Crédit Lyonnais)	3,461	1,813	2,971	2,322	2,529	400
Total	672,942	668,055	734,518	736,684	679,286	677,512

(1) Contribution from Crédit Lyonnais.

Note 23.2 • Securitisation transactions and special-purpose vehicles

Securitisation transactions carried out on behalf of customers

Crédit Agricole Indosuez and Crédit Lyonnais have carried out a number of securitisation transactions on behalf of their customers:

a) Transactions carried out by Crédit Agricole Indosuez

- At 31 December 2003, a €1.4 billion portfolio was securitised in North America with the bank's assistance, through four non-consolidated SPVs (Indosuez Capital Funding IIA, Limited, Indosuez Capital Funding III, Limited, Porticoes Funding, L.P. and Indosuez Capital Funding VI, Limited) and one consolidated SPV (Serves), in which the bank held €2.1 million of subordinated shares net of provisions at that date;
- Crédit Agricole Indosuez manages a non-consolidated SPV, Hexagon Finance a.r.l., formed in 1998 for operations carried out in Europe on behalf of its customers. At 31 December 2003, Crédit Agricole Indosuez had issued a total of €185 million in letters of credit to guarantee the counterparty risk attaching to the assets securitised by its customers. Hexagon Finance a.r.l. finances these assets by issuing commercial paper in the money market. No provision was considered necessary at 31 December 2003. In addition, the bank had granted a total of €3.7 billion in cash lines at 31 December 2003 to the SPVs involved in these transactions.

b) Transactions carried out by Crédit Lyonnais

- At 31 December 2003, a €3.7 billion portfolio was securitised in Europe with the bank's assistance, through three non-consolidated SPVs (LMA, H2O and ESF). These SPVs finance themselves by issuing commercial paper in the French and euro money markets. In addition, the bank had granted a total of €3.2 billion in cash lines at 31 December 2003 to the SPVs involved in these transactions.
- Crédit Lyonnais manages a €2.6 billion portfolio in North America through two non-consolidated asset-backed commercial paper vehicles, Atlantic Asset Securitization Corp. and La Fayette Asset Securitization. At 31 December 2003, the bank and Crédit Agricole Indosuez had issued a total of €368 million in letters of credit (including €275 million granted by Crédit Agricole Indosuez to Atlantic) to guarantee a portion of the risk of default attaching to the assets securitised by their customers. In addition, the bank had granted a total of €3.5 billion in cash lines at 31 December 2003 to the SPVs involved in these transactions.
- The bank also manages a portfolio of loans in North America, which amounted to €259 million at 31 December 2003, held in a non-consolidated CLO (collateralised loan obligations) vehicle called LCM 1 LP. This vehicle issues floating or fixed rate notes in the market, redemption of which depends directly on the performance of the underlying loan portfolio. The bank holds 49.9% of the subordinated shares (€12 million) and 6% of the B shares issued to investors (€14 million).

Securitisation transactions on own account

Crédit Agricole Indosuez and Crédit Lyonnais carry out securitisation transactions on their own account:

a) Transactions carried out by Crédit Agricole Indosuez

Since 2000, Crédit Agricole Indosuez has carried out seven synthetic securitisation transactions (Chloe 1 to 5, Chloe 7 and Daphne 1) maturing between 31 July 2005 and 9 January 2009, as part of its strategy for managing the portfolio of Crédit Agricole Indosuez SA and its branch offices. The SPVs hold assets totalling €15.5 billion, principally loans to large European and American corporates. CAI has retained a first-loss risk (the most subordinated tranches of each transaction, which do not initially have investment-grade rating) averaging 3.32%.

As these are synthetic transactions, the loans concerned are kept on the bank's balance sheet or off-balance sheet items as applicable, while most of the credit enhancement is recorded off-balance sheet, under financial instruments (credit derivatives bought, see Note 24, Hedging transactions).

The bank has retained a total of €513 million in non-investment-grade risk, plus a residual share in the investment-grade tranches amounting to €344 million.

b) Transactions carried out by Crédit Lyonnais

At 31 December 2003, Crédit Lyonnais had carried out six securitisation transactions for its own account. Four of these transactions were made by way of asset sales, totalling €1.2 billion at 31 December 2003, with Crédit Lyonnais retaining a portion of the risk amounting to €53 million. These transactions involve equipment financing for pharmacists, mortgage loans granted to personal customers in the French branch network and loans granted to major US corporates.

The other two are synthetic transactions amounting to a total of €4.9 billion at 31 December 2003. Crédit Lyonnais has retained a first-loss risk of €4.3 million. The transactions involved a portfolio of loans to major US and European corporates.

Dedicated funds

Through its subsidiary Crédit Agricole Indosuez Cheuvreux, Crédit Agricole Indosuez owns 100% of Korea 21st Century TR, a consolidated South Korean fund with €86 million in funds under management at 31 December 2003. In addition, Crédit Agricole Indosuez owns shares in funds which are consolidated after their first year of existence where Crédit Agricole Indosuez owns more than 50%. The following table shows a breakdown at 31 December 2003:

Name of fund	Year of creation (approval)	CAI investment (in millions of euros)	Funds under management (in millions of euros)	Consolidated
Equalt Convertible Arbitrage	2000	60	88.2	Yes
Equalt Pair Trading	2000	23.6	47.0	Yes
Equalt Moyen Terme	1992	8.1	23.1	No (outstanding at end-June 2003)
Equalt Long Terme	2001	3.5	28.2	No (outstanding at end-June 2003)
Equalt Systematic Futures	2002	20	39.2	Yes
Equalt Core Macro	2001	28.7	36.3	Yes
Equalt Statistical Arbitrage	2002	59.4	96.0	Yes
Equalt Fixed Income Arbitrage	2002	117.5	342.7	Yes
Equalt Selection	2003	5	17.2	No (outstanding at end-June 2003)
Equalt Equity hedge	2003	25	25.0	No (outstanding at end-June 2003)
Liberty View Plus Funds	1998	138.6	310.2	No (outstanding at end-December 2003)
Liberty View Income Fund	2001	33.2	37.6	No (outstanding at end-December 2003)

Note 24 • Financial futures and options

(In millions of euros)

	31/12/03 Pro forma			31/12/02 Pro forma	31/12/01 Pro forma
	Hedging transactions	Other transactions	Total	Total	Total
Futures and forwards	170,294	4,160,596	4,330,890	3,615,999	3,190,719
Exchange traded⁽¹⁾	30,563	155,357	185,920	304,401	518,910
Interest rate futures	30,453	114,812	145,265	268,781	257,232
Currency futures	79	9,089	9,168	10,517	1,576
Equity and stock index instruments	31	31,456	31,487	25,103	260,102
Other			0	0	0
OTC⁽¹⁾	139,731	4,005,239	4,144,970	3,311,598	2,671,809
Interest rate swaps	135,913	3,165,399	3,301,312	2,650,572	2,277,267
Forward rate agreements	457	556,937	557,394	420,116	231,035
Equity and stock index instruments	1,098	38,313	39,411	42,301	26,841
Other	2,263	244,590	246,853	198,609	136,666
Options	30,113	1,144,749	1,174,862	832,861	544,888
Exchange traded	4,755	190,609	195,364	196,905	149,673
Interest rate options					
• Bought	329	6,744	7,073	11,092	20,029
• Sold	3,830	9,978	13,808	11,643	20,131
Equity and stock index options					
• Bought		75,656	75,656	65,795	42,770
• Sold	72	61,208	61,280	61,125	43,959
Currency options					
• Bought	265	18,346	18,611	23,598	10,900
• Sold	259	18,677	18,936	23,652	11,884
OTC	25,358	954,140	979,498	635,956	395,215
Swap options					
• Bought	49	71,095	71,144	30,922	12,238
• Sold	195	76,712	76,907	32,041	13,738
Interest rate options					
• Bought	1,367	218,923	220,290	178,527	148,311
• Sold	1,591	188,376	189,967	149,869	124,452
Equity and stock index options					
• Bought	901	12,278	13,179	10,918	10,841
• Sold	760	22,917	23,677	39,822	21,603
Currency options					
• Bought	624	164,520	165,144	92,605	26,792
• Sold	630	164,904	165,534	92,613	27,112
Other options					
• Bought		37	37	0	0
• Sold		38	38	0	0
Credit derivatives					
• Bought	19,179	27,013	46,192	4,769	10,062
• Sold	62	7,327	7,389	3,870	66
Total	200,407	5,305,345	5,505,752	4,448,860	3,735,607

(1) For futures and forwards, the amounts stated are the aggregate short and long positions in the case of interest rate swaps and swap options, and the aggregate bought and sold contracts in the case of other contracts.

Note 24.1 • Financial futures and options: analysis by maturity date

Notional amount (in millions of euros)	OTC				Exchange traded				31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
	≤ 1 year	> 1 year ≤ 5 years	> 5 years	Unallocated ⁽¹⁾	≤ 1 year	> 1 year ≤ 5 years	> 5 years	Unallocated ⁽¹⁾	Total	Total	Total
Interest rate instruments	16,870	1,025	0	148,250	1,487,461	1,221,752	520,383	1,187,419	4,583,160	3,753,565	3,104,430
Futures	13,812	1,025		130,428					145,265	268,780	257,232
Forward rate agreements					434,949	120,039	76	2,331	557,395	420,116	231,034
Interest rate swaps					966,022	933,011	455,397	946,883	3,301,313	2,650,572	2,277,265
Interest rate options					45,855	68,871	33,325		148,051	62,964	25,975
Caps, floors and collars					40,171	99,131	31,246		170,548	142,810	121,258
Other options	3,058			17,822	464	700	339	238,205	260,588	208,323	191,666
Foreign currency and gold	7,671	71	0	38,975	418,962	105,889	45,573	7,106	624,247	441,593	214,928
Currency futures	7,217			1,952	106,853	94,631	44,859	509	256,021	209,125	138,241
Currency options	454	71		37,023	312,109	11,258	714	6,597	368,226	232,468	76,687
Other financial instruments	47,628	1,996	0	118,799	13,104	47,109	6,357	63,352	298,345	253,702	416,249
Equity and stock index derivatives	47,628	1,996			12,197	21,751	3,660		87,232	225,019	405,971
Precious metal derivatives									0	20,044	147
Commodity derivatives									0	0	0
Credit derivatives					907	25,358	2,697	24,618	53,580		
Other ⁽¹⁾				118,799				38,734	157,533	8,639	10,131
Sub-total	72,169	3,092	0	306,024	1,919,527	1,374,750	572,313	1,257,877	5,505,752	4,448,860	3,735,607
Forward currency transactions					945,620	23,480	(2,931)	303,775	1,269,944	1,432,558	1,324,412
Total	72,169	3,092	0	306,024	2,865,147	1,398,230	569,382	1,561,652	6,775,696	5,881,418	5,060,019

(1) Contribution from Crédit Lyonnais.

Note 24.2 • Financial futures and options: counterparty risk

(in millions of euros)

	31/12/03 Pro forma		31/12/02 Pro forma		31/12/01 Pro forma	
	Marked-to-market value	Potential credit risk	Marked-to-market value	Potential credit risk	Marked-to-market value	Potential credit risk
OECD governments, central banks and similar institutions	335	270	462	225	343	183
OECD financial institutions and similar institutions	51,732	22,959	56,101	19,357	22,858	15,071
Other counterparties	3,273	1,915	4,062	2,292	3,054	2,060
Total by counterparty type (excluding Crédit Lyonnais)	55,340	25,144	60,625	21,874	26,255	17,314
By instrument:						
• interest rates, currency and commodities	50,839	23,581	51,195	20,016	23,939	15,777
• equity and index derivatives	4,501	1,563	9,430	1,858	2,316	1,537
Impact of netting agreements (excluding Crédit Lyonnais)	43,198	11,784	45,174	9,754	13,255	5,641
Credit Lyonnais group	6,749	8,925	9,705	7,164	8,038	5,291
Total after impact of netting agreements	18,891	22,285	25,156	19,284	21,038	16,964

Contracts between members of the network are not included since they carry no risk.

Note 25 • Net interest and similar income

(In millions of euros)	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Loans and advances to banks	6,120	12,459	12,189
Crédit Agricole internal transactions	6,300	6,461	15,055
Loans and advances to customers	9,112	10,051	12,392
Lease financing	1,246	2,919	900
Bonds and other fixed-income securities (see Note 26)	2,922	2,916	3,181
Other interest income	160	249	169
Interest and similar income receivable	25,860	35,055	43,886
Deposits by banks	(8,093)	(15,268)	(15,984)
Crédit Agricole internal transactions	(910)	(1,165)	(9,896)
Customer accounts	(8,201)	(8,667)	(10,038)
Lease financing	(420)	(2,130)	(230)
Bonds and other fixed-income securities	(3,750)	(4,055)	(4,914)
Other interest expense	(355)	(314)	(22)
Interest and similar expense payable	(21,729)	(31,599)	(41,084)
Net interest and similar income	4,131	3,456	2,802

Note 26 • Income from securities

(In millions of euros)	Fixed-income securities			Variable-income securities		
	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Investments in non-consolidated subsidiaries and associated companies, other long-term securities				90	113	157
Available-for-sale and portfolio securities	655	856	838	138	99	130
Codevi passbook accounts ⁽¹⁾	143	154	148			
Held-to-maturity securities	1,470	1,590	1,886			
Other securities transactions	654	316	309			
Total	2,922	2,916	3,181	228	212	287

(1) Contribution from Crédit Agricole S.A. group (excluding Crédit Lyonnais group).

Note 27 • Net fee and commission income

(In millions of euros)	31/12/03 Pro forma			31/12/02 Pro forma			31/12/01 Pro forma		
	Income	Expense	Net	Income	Expense	Net	Income	Expense	Net
Interbank transactions	148	(183)	(35)	227	(159)	68	152	(83)	69
Crédit Agricole internal transactions	71	(967)	(896)	68	(951)	(883)	62	(1,069)	(1,007)
Customer transactions	1,664	(297)	1,367	1,658	(340)	1,318	1,599	(175)	1,424
Securities transactions	427	(169)	258	387	(113)	274	381	(97)	284
Foreign exchange transactions	159	(36)	123	42	(9)	33	64	(8)	56
Financial future and forward instruments and options and other off-balance sheet transactions	136	(90)	46	147	(175)	(28)	176	(183)	(7)
Banking and financial services ⁽¹⁾	2,881	(1,673)	1,208	2,863	(1,551)	1,312	3,023	(1,305)	1,718
Total	5,486	(3,415)	2,071	5,392	(3,298)	2,094	5,457	(2,920)	2,537

(1) Including life insurance.

(490)

(469)

(439)

Note 28 has been merged with Note 27.

Note 29 • Trading profits/(losses)

(In millions of euros)	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Trading securities and derivatives	3,382	2,791	3,738
Transactions and derivatives	223	518	427
Total	3,605	3,309	4,165

Note 30 • Net gain/(loss) on securities transactions

(In millions of euros)	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Securities available for sale			
Impairment provisions	(48)	(111)	(128)
Write-back of provisions	113	101	195
Net change in provisions	65	(10)	67
Gains on disposals ⁽¹⁾	249	587	777
Losses on disposals	(145)	(247)	(365)
Net gain/(loss) on disposals	104	340	412
Net gain/(loss) on available-for-sale securities			
	169	330	479
Equity portfolio securities			
Impairment provisions	(274)	(273)	(141)
Write-back of provisions	143	86	56
Net change in provisions	(131)	(187)	(85)
Gains on disposals	158	297	520
Losses on disposals	(108)	(58)	(107)
Net gain/(loss) on disposals	50	239	413
Net gain/(loss) on portfolio securities			
	(81)	52	328
Total net gain/(loss) on securities transactions			
	88	382	807

(1) Including € 65 million in gains on the disposal of available-for-sale securities which were transferred from the held-to-maturity portfolio in 2002 (see Note 5).

Note 31 • Operating expenses

Note 31.1 • Staff costs

(in millions of euros)	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Salaries	(3,448)	(3,329)	(3,281)
Social security	(1,273)	(1,207)	(1,276)
Incentive schemes and profit-sharing	(167)	(250)	(398)
Payroll-related tax	(83)	(73)	(81)
Total	(4,971)	(4,859)	(5,036)

In 2003, remuneration paid to the Board of Directors and Management Committee of Crédit Agricole S.A. Group amounted to € 11 million.

Note 31.2 • Average number of employees

Staff category	31/12/03 Pro forma	31/12/02 Pro forma
Total	64,191	64,028
o/w: France	45,575	45,116
Outside France	18,616	18,912

Note 31.3 • Other operating expenses

(in millions of euros)	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Taxes other than on profit or payroll-related	(275)	(278)	(341)
External services and other costs	(3,104)	(3,061)	(3,141)
Total	(3,379)	(3,339)	(3,482)

Note 32 • Risk-related costs

(in millions of euros)	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Charge to provisions			
Doubtful debts	(2,091)	(2,002)	(2,435)
Other provisions	(443)	(411)	(1,048)
Write-back of provisions	1,472	1,709	2,445
Doubtful debts	1,149	954	1,288
Other provisions	323	755	1,157
Net change	(1,062)	(704)	(1,038)
Bad debts written off – not provided for	(186)	(213)	(191)
Recoveries on bad debts written off	127	147	180
Total	(1,121)	(770)	(1,049)

Note 33 • Net gain/(loss) on fixed asset disposals

(In millions of euros)

	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Long-term investments			
Charge to impairment provisions			
Held-to-maturity securities	(4)	(9)	(11)
Investments in unconsolidated interests and other long-term securities	(109)	(314)	(164)
Write-back of impairment provisions			
Held-to-maturity securities	2	1	9
Investments in unconsolidated interests and other long-term securities	136	311	264
Net change	25	(11)	98
Held-to-maturity securities	(2)	(8)	(2)
Investments in unconsolidated interests and other long-term securities	27	(3)	100
Gains on disposal			
Held-to-maturity securities	24	18	31
Investments in unconsolidated interests and other long-term securities	71	288	173
Losses on disposal			
Held-to-maturity securities	(36)	(3)	(24)
Investments in unconsolidated interests and other long-term securities	(144)	(428)	(271)
Net gain (loss) on disposal	(85)	(125)	(91)
Held-to-maturity securities	(12)	15	7
Investments in unconsolidated interests and other long-term securities	(73)	(140)	(98)
Net gain/(loss)	(60)	(136)	7
Tangible and intangible fixed assets			
Gains on disposal	41	34	58
Losses on disposal	(30)	(22)	(34)
Net gain/(loss) on disposal	11	12	24
Total	(49)	(124)	31

Note 34 • Corporate income tax

(In millions of euros)

	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Current tax	(694)	(314)	(812)
Deferred tax income/(charge)	(28)	(114)	(163)
Total	(722)	(428)	(975)

Effective tax rate

(In millions of euros and % tax rate)

At 31 December 2003

	Base	Tax rate	Tax
Profit before tax, goodwill amortisation and share in profit/(loss) of affiliates	2,259	35.43%	(800)
Impact of permanent timing differences		1.42%	(32)
Impact of different tax rates on foreign subsidiaries		- 2.88%	65
Impact of losses for the year, utilisation of tax loss carry-forwards and timing differences		- 0.13%	3
Impact of taxation at 19% rate		- 0.40%	9
Impact of other items		- 1.46%	33
Effective tax rate and charge		31.98%	(722)

Deferred tax assets not recognised as their recovery is deemed improbable: €32 million at 31 December 2003.

The 2003 tax charge breaks down as follows:

- on ordinary activities: tax charge of €730 million,
- on extraordinary items: tax credit of €8 million.

Note 35 • Share in net profit/(loss) of equity affiliates

(in millions of euros)	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Non-financial companies	22	(38)	(21)
Financial institutions	834	512	728
Total	856	474	707

Note 36 • Extraordinary items

(in millions of euros)	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Early retirement benefits	(16)	(5)	(2)
Capital gains		53	95
Insurance premiums and indemnities	6		
Euro		(18)	42
Information systems and restructuring	(28)	(106)	(112)
Litigation	8	5	(28)
Contribution to guarantee fund – deposits and securities		(1)	(9)
Fund for Liquidity and Solvency Banking Risks			152
Home purchase savings schemes decentralisation mechanism			(382)
Decrease in “internal loss rate”			760
Provision for Argentina risk			(98)
Other ⁽¹⁾	9	(94)	(86)
Total	(21)	(166)	332

(1) The 2002 figure includes the foreign exchange loss arising on deconsolidation of Banco Bixel.

Note 37 • Information relating to income from banking activities

Note 37.1 • Net banking income by business line and geographical region⁽¹⁾

(in millions of euros)	31/12/03 Pro forma						31/12/02 Pro forma	31/12/01 Pro forma	
	French retail banking	Specialised financial services	Asset management, insurance and private banking	Corporate and investment banking	International retail banking	Proprietary asset management and other activities	Total business lines	Total business lines	Total business lines
France (including overseas departments and territories)		1,357	1,395	1,163	36	(618)	3,333	3,189	3,576
Other European Economic Area countries		388	263	445	9	(11)	1,094	964	1,021
Rest of Europe		216	154	28			398	417	310
North America			23	244		105	372	299	323
Central and South America			13		9		22	37	584
Africa and the Middle-East				55	84		139	158	180
Asia and Pacific (excluding Japan)			5	170			175	194	250
Japan			6	46			52	71	70
Contribution from Crédit Lyonnais Group	3,312	247	776	2,612	221	(32)	7,136	6,330	6,294
Net banking income	3,312	2,208	2,635	4,763	359	(556)	12,721	11,659	12,608

(1) The above analysis was derived in part from management information systems.

Note 37.2 • Pro forma net income before goodwill amortisation at 31 December 2003 by business line ⁽¹⁾⁽³⁾

(in millions of euros)

	French retail banking	Specialised financial services	Asset management, insurance and private banking	Corporate and investment banking	International retail banking	Proprietary asset management and other activities	Total business lines
Net banking income	3,312	2,208	2,635	4,763	359	(556)	12,721
Operating expenses	(2,409)	(1,264)	(1,343)	(3,117)	(279)	(477)	(8,889)
Gross operating income	903	944	1,292	1,646	80	(1,033)	3,832
Risk-related costs	(157)	(356)	1	(561)	(52)	4	(1,121)
Net operating income	746	588	1,293	1,085	28	(1,029)	2,711
Share in net income/(loss) of equity affiliates ⁽²⁾	630	4	7		209	6	856
Net gain/(loss) on fixed asset disposals				25		(74)	(49)
Net ordinary income (before tax)	1,376	592	1,300	1,110	237	(1,097)	3,518
Integration-related costs		(8)	(41)	(313)		(151)	(513)
Extraordinary items	(24)	(1)	(3)	(30)	(2)	39	(21)
Tax	(262)	(219)	(408)	(228)	(12)	407	(722)
Net charge to/(write-back from)							
Fund for General Banking Risks		2	(5)	8		126	131
Net income before goodwill amortisation	1,090	366	843	547	223	(676)	2,393

(1) The above analysis was derived in part from management information systems.

(2) Details of the operations and contribution of the Regional Banks and their subsidiaries to French retail banking are provided in Note 37.2.1.

(3) The goodwill of Crédit Lyonnais will be allocated by business line by 31 December 2004; this is why the breakdown by business line cannot be provided down to the net income.

Note 37.2 • Pro forma net income before goodwill amortisation at 31 December 2002 by business line ⁽¹⁾

(in millions of euros)

	French retail banking	Specialised financial services	Asset management, insurance and private banking	Corporate and investment banking	International retail banking	Proprietary asset management and other activities	Total business lines
Net banking income	3,198	1,447	2,377	4,546	411	(320)	11,659
Operating expenses	(2,354)	(919)	(1,386)	(3,287)	(308)	(446)	(8,700)
Gross operating income	844	528	991	1,259	103	(766)	2,959
Risk-related costs	(71)	(214)	(15)	(544)	(126)	200	(770)
Net operating income	773	314	976	715	(23)	(566)	2,189
Share in net income/(loss) of equity affiliates ⁽²⁾	464	4	4	0	41	(39)	474
Net gain/(loss) on fixed asset disposals			16	16	(33)	(123)	(124)
Net ordinary income (before tax)	1,237	318	996	731	(15)	(728)	2,539
Extraordinary items	(18)	(17)	(11)	(27)	(51)	(42)	(166)
Tax	(227)	(106)	(295)	(206)	9	397	(428)
Net charge to/(write-back from)							
Fund for General Banking Risks	0	(3)	(2)	5	0	98	98
Net income before goodwill amortisation	992	192	688	503	(57)	(275)	2,043

(1) The above analysis was derived in part from management information systems.

(2) Details of the operations and contribution of the Regional Banks and their subsidiaries to French retail banking are provided in Note 37.2.1.

Note 37.2 • Pro forma net income before goodwill amortisation at 31 December 2001 by business line ⁽¹⁾

(in millions of euros)

	French retail banking	Specialised financial services	Asset management, insurance and private banking	Corporate and investment banking ⁽⁴⁾	International retail banking ⁽³⁾	Proprietary asset management and other activities	Total business lines
Net banking income	2,921	1,385	2,244	5,175	830	53	12,608
Operating expenses	(2,320)	(775)	(1,206)	(3,765)	(624)	(430)	(9,120)
Gross operating income	601	610	1,038	1,410	206	(377)	3,488
Risk-related costs	(114)	(181)	2	(662)	(244)	150	(1,049)
Net operating income	487	429	1,040	748	(38)	(227)	2,439
Share in net income/(loss) of equity affiliates ⁽²⁾	348	1	5	56	225	72	707
Net gain/(loss) on fixed asset disposals				39		(8)	31
Net ordinary income (before tax)	835	430	1,045	843	187	(163)	3,177
Extraordinary items	(13)	10	(1)	(13)	(140)	489	332
Tax	(142)	(139)	(313)	(207)	23	(197)	(975)
Net charge to/(write-back from) Fund for General Banking Risks			(8)			(36)	(44)
Net income before goodwill amortisation	680	301	723	623	70	93	2,490

(1) The above analysis was derived in part from management information systems.

(2) Details of the operations and contribution of the Regional Banks and their subsidiaries to French retail banking are provided in Note 37.2.1.

(3) Banco Bisel was removed on 31/12/2001.

(4) The business lines Asset management and International retail banking conducted by CAI cannot be isolated; thus they both are included in Corporate and Investment banking.

Note 37.2.1 • French retail banking – Operations and contribution of Regional Banks and their subsidiaries

(in millions of euros)

	31/12/03 Pro forma	31/12/02 Pro forma	31/12/01 Pro forma
Net banking income	11,040	10,318	9,842
Operating expenses	(6,359)	(6,248)	(6,136)
Gross operating income	4,681	4,070	3,706
Risk-related costs	(851)	(535)	(674)
Net operating income	3,830	3,535	3,032
Net gain/(loss) on fixed asset disposals	(56)	(39)	1,753
Net ordinary income (before tax)	3,774	3,496	4,785
Extraordinary items	(134)	(130)	(539)
Tax	(1,269)	(960)	(1,138)
Charge to Fund for General Banking Risks	83	(265)	(1,150)
Aggregate reported net income of consolidated Regional Banks	2,454	2,141	1,958
Aggregate reported net income of consolidated Regional Banks' subsidiaries	46	44	31
Consolidation restatements and elimination	75	(136)	(97)
Consolidated net income of equity affiliates (100%)	2,575	2,049	1,892
Consolidated net income of equity affiliates (25%)	644	512	473
Consolidation restatements and elimination	(97)	(89)	(125)
Gain on increase in share of Regional Banks' retained earnings	2	41	
Gain on increase in share of Regional Banks' profit ⁽¹⁾	81		
Share in net profit/(loss) of equity affiliates	630	464	348

(1) Difference between dividends actually paid by the Regional Banks to Crédit Agricole S.A. and dividends calculated on the basis of Crédit Agricole S.A.'s percentage ownership of the Regional Banks.

Note 37.3 • Net profit by geographical region ⁽¹⁾

(in millions of euros)

	31/12/03 Pro forma													31/12/02 Pro forma	31/12/01 Pro forma
	Net banking income	Operating expenses	Gross operating income	Risk-related costs	Operating income	Share in net profit/(loss) of equity affiliates	Net gain on fixed asset disposals	Net ordinary income (before tax)	Integration related costs	Extraordinary items	Tax	Net charge to/(write-back from) Fund for General Banking Risks	Net income before goodwill amortisation	Net income before goodwill amortisation	Net income before goodwill amortisation
France (including overseas departments and territories)	8,491	(6,401)	2,090	(821)	1,269	646	(55)	1,860	(487)	24	(426)	132	1,103	1,710	1,728
Other European Economic Area countries	1,651	(968)	683	(57)	626	141	(5)	762	(6)	(16)	(128)	(1)	611	71	249
Rest of Europe	584	(345)	239	(52)	187	1	(1)	187	(12)	(2)	(58)		115	158	84
North America	978	(458)	520	(178)	342		7	349	(2)	(12)	(29)		306	(7)	(175)
Central and South America	22	(17)	5	(5)	0	5		5					5	(76)	(2)
Africa and the Middle-East	372	(229)	143	(42)	101	63	2	166		(10)	(33)		123	113	38
Asia and Pacific (excluding Japan)	514	(380)	134	35	169		3	172		(4)	(38)		130	61	154
Japan	109	(91)	18	(1)	17			17	(6)	(1)	(10)		0	13	(8)
Other, aggregate															422
Total	12,721	(8,889)	3,832	(1,121)	2,711	856	(49)	3,518	(513)	(21)	(722)	131	2,393	2,043	2,490

(1) The above analysis was derived in part from management information systems.

Note 38 • Insurance activities

As required by French law, the group applies the specific accounting policies and valuation methods applicable to insurance business as set out in the French Insurance Code.

Note 38.1 • Insurance companies' investments ⁽¹⁾

(in millions of euros)

	31/12/03 Pro forma			31/12/02 Pro forma		
	Gross book value	Net book value	Net fair value	Gross book value	Net book value	Net fair value
1. Property investments (incl. assets in progress)	3,115	3,100	3,442	2,757	2,747	2,903
2. Equities and other variable-income securities other than mutual funds	3,781	3,726	3,738	3,373	3,340	2,906
3. Mutual funds other than those in category 4 (below)	8,886	8,884	8,471	7,503	7,503	6,251
4. Mutual funds invested exclusively in fixed-income securities	8,275	8,275	9,696	9,049	9,049	10,379
5. Bonds and other fixed-income securities	88,282	88,944	94,299	79,622	80,855	85,287
6. Mortgage loans	4	4	4	6	6	6
7. Other loans and similar items	422	422	422	433	433	433
8. Deposits with ceding companies	2	2	2	3	3	3
9. Other deposits, cash collateral deposits and other investments	1,559	1,559	1,657	130	130	138
10. Assets backing unit-linked business	13,730	13,731	13,731	12,274	12,274	12,274
Total	128,056	128,647	135,462	115,150	116,340	120,580
Consolidation restatements		(1,359)			(1,650)	
Net book value		127,288			114,690	

(1) Information not available at 31/12/2001

Note 38.2 • Other insurance-related assets

(in millions of euros)

	31/12/03 Pro forma			31/12/02 Pro forma			31/12/01 Pro forma		
	Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total
Assets connected with direct insurance business	337	234	571	368	189	557	267	138	405
Assets connected with reinsurance business	207	163	370	2	152	154	1	122	123
Deferred acquisition costs	4	49	53	2	40	42	3	35	38
Technical reinsurance valuations			0			0			0
Unrealised foreign exchange gains			0	1		1	2	0	2
Other assets			0			0			0
Total	548	446	994	373	381	754	273	295	568
Consolidation restatements			(5)						
Net book value			989			754			568

Note 38.3 • Analysis of insurance companies' technical reserves

(in millions of euros)

	31/12/03 Pro forma			31/12/02 Pro forma			31/12/01 Pro forma		
	Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total
Unearned premiums reserve	2	326	328		279	279		242	242
Life reserve	104,062		104,062	94,855		94,855	86,085		86,085
Claims reserve	1,167	816	1,983	836	662	1,498	958	554	1,512
With-profits reserve	2,440	63	2,503	2,156	68	2,224	1,854	55	1,909
Equalisation reserves	23	8	31	11	6	17	22	5	27
Other technical reserves	45	415	460	1	401	402	2	311	313
Total excluding unit-linked technical reserves	107,739	1,628	109,367	97,859	1,416	99,275	88,921	1,167	90,088
Unit-linked technical reserves	13,702		13,702	12,275		12,275	12,941		12,941
Total technical reserves – gross	121,441	1,628	123,069	110,134	1,416	111,550	101,862	1,167	103,029
Reinsurers' share in technical reserves	(252)	(137)	(389)	(97)	(95)	(192)	(66)	(64)	(130)
Net technical reserves	121,189	1,491	122,680	110,037	1,321	111,358	101,796	1,103	102,899

Contracts written on the Group's behalf to match its employee liabilities represent less than 1% of total technical reserves.

Note 38.4 • Other insurance-related liabilities

(in millions of euros)

	31/12/03 Pro forma			31/12/02 Pro forma			31/12/01 Pro forma		
	Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total
Liabilities for cash deposits received from ceding companies against technical insurance commitments	2	2	4		1	1		1	1
Liabilities connected with direct insurance business	386	113	499	303	67	370	313	45	358
Liabilities connected with reinsurance business	244	201	445	14	219	233	4	163	167
Technical reinsurance valuations						0			0
Deferred reinsurance commission income						0			0
Unrealised foreign exchange gains	2		2	1		1	1		1
Total	634	316	950	318	287	605	318	209	527
Consolidation restatements			(1)			(1)			
Total			949			604			527

Note 38.5 • Breakdown of gross margin on insurance activities

(In millions of euros)

	31/12/03 Pro forma			31/12/02 Pro forma			31/12/01 Pro forma		
	Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total
Gross premiums	14,802	1,190	15,992	13,292	1,017	14,309	12,895	871	13,766
Less: reinsurance premiums	(157)	(78)	(235)	(17)	(65)	(82)	(16)	(46)	(62)
Net premiums	14,645	1,112	15,757	13,275	952	14,227	12,879	825	13,704
Investment income	5,907	82	5,989	6,261	77	6,338	5,447	113	5,560
Adjustments related to unit-linked business (capital gains)	3,015		3,015	57		57	85		85
Other technical income and gains			0			0			0
Underwriting and investment income	23,567	1,194	24,761	19,593	1,029	20,622	18,411	938	19,349
Claims	(6,582)	(567)	(7,149)	(6,673)	(511)	(7,184)	(5,981)	(450)	(6,431)
Less reinsurance	147	23	170	2	17	19	10	31	41
Net claims	(6,435)	(544)	(6,979)	(6,671)	(494)	(7,165)	(5,971)	(419)	(6,390)
Charges related to technical reserves	(7,921)	(142)	(8,063)	(4,820)	(178)	(4,998)	(5,619)	(139)	(5,758)
Less reinsurer's share in charges related to technical reserves	(2)	35	33	12	19	31	4	(4)	0
Net charges related to technical reserves	(7,923)	(107)	(8,030)	(4,808)	(159)	(4,967)	(5,615)	(143)	(5,758)
With-profits provision	(4,662)	(56)	(4,718)	(3,534)	(68)	(3,602)	(3,333)	(53)	(3,386)
Costs connected with investments	(553)	(13)	(566)	(995)	(13)	(1,008)	(692)	(11)	(703)
Adjustments related to unit-linked business (losses)	(2,198)		(2,198)	(2,060)		(2,060)	(1,487)		(1,487)
Other technical expense and losses			0			0			0
Underwriting and investment expense	(21,771)	(720)	(22,491)	(18,068)	(734)	(18,802)	(17,098)	(626)	(17,724)
Gross margin on insurance activities	1,796	474	2,270	1,525	295	1,820	1,313	312	1,625
Consolidation restatements			(32)			(7)			115
Gross margin on insurance activities			2,238			1,813			1,740

Crédit Agricole Group insurance companies own securities issued by other Group companies in their investment portfolios. These securities and related income are eliminated from the consolidated financial statements. In order to present a realistic economic view of insurance activities in the consolidated statement of income, the income (€51 million) from these securities has been written back to the gross margin on insurance activities, to reflect interest income.

Note 39 • Integration-related costs

(In millions of euros)

	31/12/03		
	Costs provided for in the year	Costs expensed in the year	Total
Costs charged to income	308	205	513
o/w:			
• Synergy-related costs	304	70	374
• Other integration-related costs	4	135	139
Synergy-related costs charged to shareholders' equity (identifiable liabilities)	532	0	532
Total synergy-related costs	836	70	906
o/w:			
Staff costs	611	15	626
Information systems costs	56	0	56
Property-related costs	101	1	102
Other	68	54	122
	836	70	906

The integration will lead to cost savings or 'synergies', by combining business operations, spreading investment costs, pooling resources, sharing fixed costs, etc.

To achieve these objectives, specific action has been or will be taken, the nature and cost of which is presented above.

Other integration-related costs include costs incurred by the merger which are not directly synergy-generating, such as fees charged by advisory banks borne by Crédit Lyonnais.

Statutory auditors' report

on the pro forma consolidated financial statements covering the period from 1 January 2003 to 31 December 2003

(Free translation of the French original)

To the Chairman of the Board of Directors of Crédit Agricole S.A.,

At your request, we have examined the pro forma consolidated financial statements covering the period from 1 January 2003 to 31 December 2003, as attached to this report. These pro forma consolidated financial statements were prepared for purposes of comparison following the acquisition of the Crédit Lyonnais group in the second quarter of 2003.

These pro forma consolidated financial statements of Crédit Agricole S.A. were prepared by the Board of Directors at its meeting of 9 March 2004 using the historical consolidated financial statements of Crédit Agricole S.A. at 31 December 2003, which were audited by us in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatements. Our audit enabled us to express an unqualified opinion on the historical consolidated financial statements of Crédit Agricole S.A., with an emphasis of matter paragraph that, without qualifying that opinion, draws attention to note 2.1 to those statements concerning:

- the change in accounting method resulting from the application of the preferred method of treatment of deferred expenses incurred in the issuance of debts represented by a security with effect from 1 January 2003,
- the change in accounting method resulting from application of CRC Regulation 2002-03 on accounting for credit risks by institutions regulated by the *Comité de la Réglementation Bancaire et Financière*,
- the change in accounting method resulting from application of CRC Regulation 2002-10 on depreciation and impairment of assets for banking and insurance activities. These pro forma consolidated financial statements of Crédit Agricole S.A. were also prepared using the consolidated financial statements of the Crédit Lyonnais group for the year ended 31 December 2003, which were audited by PriceWaterhouseCoopers Audit et Deloitte Touche Tohmatsu in accordance with the professional standards applicable in France. Those standards require that the auditors plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatements. Their audit enabled them to express an unqualified opinion but with an emphasis of matter paragraph that, without qualifying their opinion, draws attention to note 1 to the financial statements. That note describes the changes in accounting methods resulting from application of CRC Regulation 2002-03 on accounting for credit risk and CRC Regulation 2002-10 on depreciation and impairment of assets.

We conducted our examination of the pro forma financial information in accordance with professional standards applicable in France. These standards require that we review the methods for determining the assumptions on which the pro forma financial information was based, the preparation of the pro forma accounts and to perform such procedures as to enable us to assess whether these assumptions are consistent and are correctly reflected in the pro forma accounts and whether the accounting policies applied in preparing these accounts are in accordance with the accounting policies applied for the preparation of the latest consolidated financial statements of Crédit Agricole S.A.

The pro forma consolidated financial statements are intended to reflect the effect of a given transaction on the historical financial information, had this transaction or event occurred at a date earlier than the date at which such transaction or event occurred or is reasonably expected to occur. However, the pro forma financial information is not necessarily indicative of the results of operations or related effects on the financial position that would have been attained had the transaction or event occurred at a date earlier than the date at which it actually occurred or is reasonably expected to occur.

In our opinion, management's assumptions provide a reasonable basis for presenting the significant effects directly attributable to the above-mentioned event in the pro forma accounts, and the accounting policies applied for the preparation of such pro forma accounts are consistent with the accounting policies applied in the preparation of the historical consolidated financial statements.

21 April 2004

The Statutory Auditors

CABINET ALAIN LAINÉ

**BARBIER FRINAULT & AUTRES
ERNST & YOUNG**

Alain Lainé

Valérie Meeus

Consolidated financial statements

at 31 December 2003, 31 December 2002 and 31 December 2001

Consolidated balance sheets

Assets (in millions of euros)	Notes	31/12/2003	31/12/2002	31/12/2001
Cash, money market and interbank items		172,246	107,799	92,874
Cash, due from central banks and French postal system		12,370	9,706	3,660
Treasury bills and similar items	5, 5.1, 5.2 & 5.3	65,522	30,955	25,121
Due from banks	3, 4.1, 4.2 & 4.3	94,354	67,138	64,093
Crédit Agricole internal transactions	3	157,648	149,901	141,630
Customer-related Items	4, 4.1, 4.2 & 4.3	148,420	62,541	69,765
Lease financing	4, 4.1, 4.2 & 4.3	13,033	6,663	6,485
Securities		77,992	48,014	58,629
Bonds and other fixed-income securities	5, 5.1, 5.2 & 5.3	50,089	31,564	36,349
Shares and other variable-income securities	5 & 5.1	27,903	16,450	22,280
Insurance companies' investments	38.1	127,288	84,905	79,390
Reinsurers' share in technical reserves	38.3	389	144	101
Investments, bank premises and equipment		21,829	17,311	16,102
Investments in non-consolidated affiliates and other long-term securities	6, 6.1 & 9	2,747	4,520	3,592
Investments in equity affiliates	7	12,294	11,420	10,823
Intangible assets, bank premises and equipment	8 & 9	6,788	1,371	1,687
Goodwill	12	9,658	1,652	1,895
Other assets, sundry accounts and prepaid expenses		57,482	26,788	28,196
Other assets	10	42,503	16,979	16,755
Other assets related to insurance activities	38.2	989	641	532
Sundry accounts and prepaid expenses	10	13,990	9,168	10,909
Total assets		785,985	505,718	495,067

Liabilities and shareholders' equity (in millions of euros)	Notes	31/12/2003	31/12/2002	31/12/2001
Money market and interbank items		125,127	70,477	70,305
Due to central banks and current accounts with French postal system		290	13	21
Due to banks	13	124,837	70,464	70,284
Crédit Agricole internal transactions	13	13,502	18,943	24,053
Customer-related items		297,765	205,087	200,681
Special savings schemes	14, 14.1 & 14.2	180,204	143,701	138,221
Other accounts	14, 14.1 & 14.2	117,561	61,386	62,460
Debts represented by a security	15 & 15.1	90,505	58,257	57,562
Insurance companies' technical reserves	38.3	123,069	84,154	77,687
Other liabilities, sundry accounts and unearned income		81,858	39,232	34,542
Other liabilities	16	60,090	23,087	21,508
Other liabilities related to insurance activities	38.4	949	481	377
Sundry accounts and unearned income	16	20,819	15,664	12,657
Reserves and subordinated debt		24,201	12,136	12,837
General risks and liabilities reserves	17	5,487	2,391	3,263
Mutual security deposits		28	0	0
Subordinated debt	19	18,686	9,745	9,574
Fund for general banking risks	18	1,944	1,618	1,716
Minority interests	20	4,443	383	690
Shareholders' equity (excl. FGBR)	20	23,571	15,431	14,994
Share capital		4,418	2,904	2,911
Additional paid-in capital		12,822	6,516	6,516
Investment grants		128	121	112
Consolidated reserves and retained earnings		5,177	4,826	4,388
Net income for the year		1,026	1,064	1,067
Total liabilities and shareholders' equity		785,985	505,718	495,067

Consolidated statements of off-balance sheet items

(in millions of euros)	Notes	31/12/2003	31/12/2002	31/12/2001
Guarantees and commitments given		171,045	96,124	71,326
Financing commitments given	23	101,324	43,051	38,976
Banks and financial institutions		9,114	5,020	2,876
Crédit Agricole entities		1,807	1,065	1,337
Customers		90,403	36,966	34,763
Guarantees given	23	65,186	50,255	29,097
Banks and financial institutions		15,673	7,048	8,079
Crédit Agricole entities		2,993	3,098	27
Customers ⁽¹⁾		46,520	40,109	20,991
Guarantees given by insurance companies		955	881	832
Commitments on securities	23	3,580	1,937	2,421
Securities bought with repurchase option				6
Other commitments		3,580	1,937	2,415
Guarantees and commitments received		69,691	58,736	35,114
Financing commitments received	23	9,115	9,643	4,682
Banks and financial institutions		4,205	2,943	1,160
Crédit Agricole entities		3,779	4,342	3,025
Customers		1,131	2,358	497
Guarantees received	23	37,814	35,807	17,561
Banks and financial institutions		15,938	21,782	2,849
Crédit Agricole entities		5	6	7
Customers ⁽¹⁾		21,871	14,019	14,705
Guarantees received from insurance companies		17,267	9,654	9,385
Commitments on securities	23	5,495	3,632	3,486
Securities bought with repurchase option		15		
Other commitments		5,480	3,632	3,486

(1) At 31 December 2002, these commitments include the guarantee given by Crédit Agricole Indosuez and the counter-guarantee received from the Regional Banks within the framework of the public cash and exchange offer for the capital of Crédit Lyonnais issued on 16 December 2002

Off-balance sheet commitments – other information

Foreign exchange transactions and amounts payable in foreign currencies : Note 23.1.

Securitisation transactions and special-purpose vehicles : Note 23.2.

Financial futures transactions and other forward agreements : notes 24, 24.1 and 24.2.

Consolidated income statement

(In millions of euros)	Notes	31/12/2003	31/12/2002	31/12/2001
Interest receivable and similar income	25	22,043	23,798	24,151
Interest payable and similar expense	25	(18,669)	(22,248)	(22,826)
Income from variable-income securities	26	176	149	215
Net commission and fee income	27	1,033	11	396
Net income from financial transactions				
Net gains (losses) from trading transactions	29	2,402	1,586	2,444
Net gains (losses) on held for sale securities	30	56	410	812
Other net banking income		322	355	204
Gross margin on insurance activities	38.5	1,963	1,254	1,195
Net income from other activities		25	14	7
Net banking income		9,351	5,329	6,598
Operating expenses	31	(6,098)	(3,695)	(4,042)
Personnel costs	31.1 and 31.2	(3,544)	(2,054)	(2,278)
Other operating expenses	31.3 and 31.4	(2,554)	(1,641)	(1,764)
Depreciation and amortisation		(398)	(234)	(308)
Gross operating income		2,855	1,400	2,248
Risk-related costs	32	(839)	(207)	(366)
Net operating income		2,016	1,193	1,882
Share of net income (loss) of equity affiliates	35	986	476	305
Net income (loss) on fixed assets	33	(17)	(74)	34
Net ordinary income (before tax)		2,985	1,595	2,221
Integration-related costs	39	(513)		
Net extraordinary items	36	9	(134)	333
Corporate income tax	34	(567)	(212)	(861)
Amortisation of goodwill		(759)	(286)	(296)
Net allowance to the fund for general banking risks		131	98	(44)
Net income before minority interests		1,286	1,061	1,353
Minority interests		260	(3)	286
Net income - Group share		1,026	1,064	1,067
Net income - Group share per share (in euros)		0.865	1.099	1.375

The methods used to calculate basic earnings per share are based on Opinion 27 of the "Ordre des Experts Comptables" (French Order of Chartered Accountants) .

Basic earnings per share correspond to consolidated net income divided by the weighted average number of shares outstanding over the year.

Diluted consolidated earnings per share are identical.

Note 1 • Legal and financial background – Significant events in 2003

1.1 • Legal and financial background

Crédit Agricole S.A. is a French '*société anonyme*' (limited company) with share capital of 4,420,567 thousand euros divided into 1,473,522,437 registered shares of €3 nominal value following several capital increases in 2003.

The share capital of Crédit Agricole S.A. is held as follows:

- SAS Rue La Boétie: 52.38%
- SNC Crédit Agricole Transactions: 0.84%
- Float (including employees): 45.71%

In addition, Crédit Agricole S.A. holds 15,681,762 own shares representing 1.07% of the share capital, notably acquired under share buyback programmes for the purpose of hedging stock option plans (see Notes 1.2 and 20) or share buyback commitments.

SAS Rue La Boétie is wholly-owned by the Regional Banks, and SNC Crédit Agricole Transactions is held by the Regional Banks (90%) and Segespar (10%).

The Regional Banks (Caisses régionales de Crédit Agricole) are cooperative societies whose legal status and operations are governed by the provisions of the French Monetary and Financial Code. Their operations are co-ordinated by Crédit Agricole S.A., which grants them advances from the funds they take in its name.

Crédit Agricole S.A. also centralises their liquidity surpluses and acts as supervisory authority as required by the French Monetary and Financial Code. The specific features of this relationship are described in the paragraph below entitled 'Crédit Agricole Group internal financing mechanisms'.

The French Banking Act of 24 January 1984 integrated in the Monetary and Financial Code confirmed the role of Crédit Agricole S.A. as lead institution of Crédit Agricole. In that capacity, it represents the Regional Banks with respect to the Banque de France, the Comité des Établissements de Crédit and the Commission Bancaire, the French banking industry's regulatory bodies.

Crédit Agricole S.A. is responsible for maintaining the coherence of the network, ensuring its proper functioning, and for compliance with operating standards designed to guarantee its liquidity and solvency.

At the time of its initial public offering on 14 December 2001, Crédit Agricole S.A. acquired a 25% interest in the capital of each of the Regional Banks, with the exception of Regional Bank of Corsica, by subscribing to '*certificats coopératifs d'associés*' and buying back '*certificats coopératifs d'investissement*' (forms of nonvoting shares).

Crédit Agricole S.A. exercises administrative, technical and financial control over the organisation and management of the Regional Banks. It guarantees the liquidity and solvency

of both the Crédit Agricole network as a whole and of each of its affiliated credit institutions.

Accordingly, in 2001 Crédit Agricole S.A. established a fund for liquidity and solvency banking risks, in order to fulfil its duties as lead institution in the network. This fund is booked under the Fund for General Banking Risks (FGBR).

The consolidated financial statements presented hereafter describe the financial position and results of the consolidated group comprising Crédit Agricole S.A., its branches and subsidiaries.

1.2 • Significant events in 2003

Acquisition of Crédit Lyonnais

At the time of Crédit Lyonnais' privatisation in 1999, Crédit Agricole S.A. acquired a 10% shareholding and became the largest shareholder in the Crédit Lyonnais 'Core Shareholder Group'. This initial step eventually led the Crédit Agricole Group to make a mixed cash-and-share offer for the entire share capital of Crédit Lyonnais, on 16 December 2002.

As a result of the offer, and the subsequent compulsory buy-out which ran from 16 July 2003 to 4 August 2003, Crédit Agricole S.A. owned 94.82% of Crédit Lyonnais' share capital at 31 December 2003. The other shareholders are:

- SACAM Développement: 5.04%
- Employee savings plan: 0.14%

Crédit Lyonnais was fully consolidated from 1 July to 31 December 2003, in accordance with Regulations 99-07 and 2000-04 of the Comité de la Réglementation Comptable (CRC – French accounting regulations committee) on the consolidation of companies governed by the Comité de la Réglementation Bancaire et Financière (CRBF – French banking and financial regulations committee).

A mixed consolidation method was used to prepare the interim financial statements for the first half of 2003 for simplification. The share of earnings attributable to the first half was accounted for under the equity method, while the balance sheet and off-balance items were fully consolidated at 30 June 2003.

The first-time consolidation of Crédit Lyonnais by the Crédit Agricole S.A. group gave rise to an analysis of the assets, liabilities and off-balance sheet items acquired. As a result, the following adjustments were made:

- recognition of business goodwill in the sum of €3,5 billion representing Crédit Lyonnais' domestic retail banking activity;

- harmonisation of accounting methods, notably leading to an evaluation of Crédit Lyonnais' exposure to operational risk and risk relating to the home purchase savings schemes in accordance with the methods used by the Crédit Agricole Group, as a result of which a transfer of €458 million was made to the Fund for General Banking Risks;
- recognition of a provision in the sum of € 532 million to cover the cost of implementing synergies arising from the acquisition of Crédit Lyonnais;
- valuation of activities due to be divested at their market value.

Following these adjustments, goodwill amounted to €6,813 million and will be amortised over a period of 20 years. It may be re-estimated no later than 31 December 2004. As part of its mixed cash-and-share offer for Crédit Lyonnais, Crédit Agricole S.A. also offered a liquidity agreement to Crédit Lyonnais employees who held stock options and did not wish to exercise them as they were still in the tax lock-up period. Under this agreement, Crédit Agricole S.A. undertook to buy any Crédit Lyonnais shares issued upon exercise of the options on the same terms as the shares acquired under the original offer.

The number of Crédit Lyonnais shares that may be issued upon exercise of these options is 2,171,227.

Details of the financial impact arising from the acquisition of Crédit Lyonnais are given in Notes 8, 9, 12, 17, 18 and 39.

For comparability purposes, Crédit Agricole S.A. has also prepared pro forma consolidated financial statements which include Crédit Lyonnais in full for the entire comparative period.

Acquisition of Finaref

On 26 February 2003, Crédit Agricole S.A. acquired 61% of Finaref from PPR pursuant to the agreements signed on 20 December 2002. The acquisition price was € 1.54 billion. Under the initial agreements, Crédit Agricole S.A. was due to acquire an additional 29% stake in Finaref in the first half of 2004, but in the event acquired a further 14.5% on 1 December 2003 for the sum of € 371.5 million, taking its total interest to 75.5% at 31 December 2003. The remaining 14.5% will be acquired, as initially agreed, at the end of the first quarter of 2004.

At 31 December 2003, Finaref was fully consolidated in Crédit Agricole S.A.'s financial statements in accordance with the provisions of CRC Regulation 99-07. In this respect, the analysis of assets, liabilities and off-balance sheet items had no material impact.

Stock options

Under the authority granted at the Combined General Meeting of 22 May 2002, Crédit Agricole S.A.'s Board of Directors has established a stock option plan for executives and certain managers of Crédit Agricole S.A. and its subsidiaries. The number of shares which may potentially be granted under this plan is 4,214,500 at a price of € 14.65 each. Furthermore, Crédit Agricole S.A. decided to harmonise the various stock option plans existing within the Group by converting the stock option plans granted by certain of its subsidiaries (Crédit Agricole Indosuez, Crédit Agricole Asset Management and Crédit Lyonnais Asset Management) into Crédit Agricole S.A. options. Accordingly, pursuant to the authority granted at the Mixed General Meeting of 21 May 2003, Crédit Agricole S.A. granted options to acquire Crédit Agricole S.A. shares to the three subsidiaries referred to above, after a cash payment equal to the capital gains generated at 31 December 2003. The number of shares which may potentially be granted under this plan is 6,263,210 at a price of €18.09 each.

Crédit Lyonnais received 14,937,633 Crédit Agricole S.A. shares in exchange for its own shares tendered to the mixed cash-and-share offer. After buying back these shares from Crédit Lyonnais, the Board of Directors of Crédit Agricole S.A. decided to allocate them in their entirety to hedge the Group's existing and future stock option plans, within the limits of the authorities granted at the relevant shareholders' meetings, and its share buyback commitments under the liquidity agreement entered into at the time of the mixed cash-and-share offer.

Crédit Agricole Group internal financing mechanisms

Crédit Agricole Group has instituted a number of internal financing mechanisms specific to it.

1.1 • Regional Banks' current accounts

Each Regional Bank holds a current account with Crédit Agricole S.A. which records the movements of funds resulting from internal financial transactions within Crédit Agricole. This account may be in credit or debit, and is presented in the balance sheet under: 'Crédit Agricole internal transactions – Current accounts'.

1.2 • Time loans and advances

The Regional Banks collect savings funds (bonds, interest-bearing notes and related time accounts, home purchase saving accounts and plans, passbook accounts, 'PEP' popular savings plans, etc.) in the name of Crédit Agricole S.A. These funds are transferred to Crédit Agricole S.A. and included in its balance sheet.

They then serve to finance advances made to the Regional Banks to enable the latter to finance their medium and long-term lending. A series of four internal financial reforms have been implemented. These reforms have resulted in Crédit Agricole S.A. transferring back to the Regional Banks a specific percentage of the funds collected by them (first 15%, then 25%, 33% and, with effect since 31 December 2001, 50%), via 'mirror advances' with maturities and interest rates precisely matching those of the savings funds received. The Regional Banks are free to use these mirror advances at their discretion.

There are also two other types of advance:

- **Advances for subsidised loans** which serve to fund Government-subsidised loans. Under this mechanism, the French government pays Crédit Agricole S.A. a subsidy to bridge the gap between its cost of funds and the subsidised loan rate;

- **Advances for other lending**, which refinance 50% of non-subsidised loans. Crédit Agricole S.A. makes these advances to the Regional Banks against documentary proof of their commitments, on condition that prior consent has been obtained before the loan is made. These advances are repaid as and when the loans are reimbursed.

Crédit Agricole S.A. may also make additional financing available to the Regional Banks at market rates.

1.3 • Transfer of Regional Banks' liquidity surpluses

The Regional Banks may use their monetary deposits (sight and time deposits and negotiable certificates of deposit) to finance their lending. Liquidity surpluses must be transferred to Crédit Agricole S.A., where they are booked as current or time accounts, under 'Crédit Agricole internal transactions'.

1.4 • Investment of the Regional Banks' surplus capital with Crédit Agricole S.A.

Surplus capital may be invested with Crédit Agricole S.A. in the form of 3- to 7-year instruments, which must match the characteristics of interbank money market transactions in all respects.

1.5 • Foreign currency transactions

The Regional Banks conduct their foreign currency transactions through Crédit Agricole S.A., which represents them with respect to the Banque de France.

1.6 • Special savings schemes

Funds held on special savings accounts (passbook accounts, 'manual occupations passbook accounts', 'business passbook accounts', Codevi savings accounts, home purchase savings plans and accounts, 'popular savings plans', and 'youth passbook accounts') are collected by the Regional Banks on behalf of Crédit Agricole S.A. They are centralised by Crédit Agricole S.A. and booked in its balance sheet as 'Customer accounts'.

1.7 • Medium and long-term bonds issued by Crédit Agricole S.A.

These are placed mainly by the Regional Banks and booked by Crédit Agricole S.A. either as 'Debt represented by a security' or as 'Reserves and subordinated debt', depending on the type of security issued.

Note 2 • Accounting policies and consolidated methods

Note 2.1 • Accounting rules applicable to both parent company and consolidated accounts

Transactions are booked in compliance with the accounting principles applicable to banks. The consolidated financial statements of Crédit Agricole S.A. are prepared in accordance with the provisions of CRC Regulations 99-07 and 2000-04 on consolidated accounts of companies governed by the CRBF.

The main changes in accounting methods with respect to the previous year are as follows:

- As of 1 January 2003, Crédit Agricole S.A. has applied CRC Regulation 2002-03 of 12 December 2002 on the accounting treatment of credit risk by companies governed by the CRBF, along with the various statements and opinions issued by the CNC's *Comité d'Urgence* (urgent issues task force):
 - CNC statement of 21 November 2003 on the accounting treatment of loans restructured on off-market terms;
 - CNC *Comité d'Urgence* opinion 2003-G of 18 December 2003 on the transfer of doubtful debts to bad debts as set out in CRC regulation 2002-03.

In the case of loans restructured on off-market terms, Crédit Agricole S.A. has identified all significant discounts and ensured either that they have been properly recognised (in accordance with CRC Regulation 2002-03) or that they have been fully provided for (in accordance with the CNC statement of 21 November 2003). Concerning the benchmark treatment, that is, recognition of a discount, the impact of this change of method amounted to € 24 million and was charged directed to shareholders' equity. This rule principally concerns consumer finance loans restructured under the 'Neiertz Act'. Furthermore, discounts fully covered by provisions are not material. Finally, impairment provisions are booked where required for London Club loans which are classified as doubtful debts, principally to cover counterparty risk and discounts.

Also, loans extended within the framework of the "London Club" and recorded within the doubtful loans category, if necessary may be reserved, in order to cover their counterparty risk and an eventual impairment

- Crédit Agricole S.A. has decided not to opt for early application of CRC regulation 2002-10 of 12 December 2002 on asset depreciation and impairment. However, under the transitional measures provided for in this regulation, which are set out in detail in CRC Regulation 2003-7, the Group applies component accounting for all its tangible fixed assets. However, the Group's insurance subsidiaries have opted to take provisions for major repairs during the transitional period, pending harmonisation of the position in this respect.

The application of this regulation had no material impact during 2003.

- Since 1 January 2003, Crédit Agricole S.A. has applied the benchmark treatment for bond issue expenses as set out in paragraph 300 of regulation 99-07 of 24 November 1999, which requires their deferral over the life of the securities issued. The impact of this change in method amounts to € 119 million, and has been booked to shareholders' equity.
- Since 1 January 2003, the group's insurance subsidiaries have applied CRC Regulation 2002-09 of 12 December 2002 on the recognition of financial futures by companies governed by the insurance code. The first-time application of this regulation had no material impact on Crédit Agricole S.A.'s financial statements.

2.1.1 • Loans and financing commitments

Loans and advances to banks, Crédit Agricole Group entities and customers are governed by CRC Regulation 2002-03 of 12 December 2002 on the accounting treatment of credit risk by companies governed by the CRBF. They are broken down by original repayment term and by certain specific characteristics:

- demand or time loans for interbank items;
- current accounts and time loans and advances for Crédit Agricole internal transactions;
- discounted bills, other loans and current accounts for customer items. As required by the regulations, customer items include transactions with financial institutions other than banks.

Subordinated loans and repurchase agreements are included under the various categories of loans and advances according to counterparty type (banks, Crédit Agricole or customers).

Accrued interest is recognised in the balance sheet under the appropriate category of loans and advances and booked to profit and loss as interest and similar income.

Commitments booked as off-balance sheet items comprise irrevocable guarantees and undertakings to provide financing which have not given rise to a movement of funds.

Advances made by Crédit Agricole S.A. to the Regional Banks do not represent a direct risk for Crédit Agricole S.A. with respect to the corresponding primary loans made by the Regional Banks. They do, however, represent a potential indirect risk with respect to the financial strength of the Regional Banks. No provisions have been made for these advances.

The implementation of CRC Regulation 2002-03 on the accounting treatment of credit risk prompted Crédit Agricole S.A. to create new categories of loans and advances. They are now classified either as performing loans, doubtful debts or bad debts.

Performing loans

Performing loans are those that do not carry any identified credit risk. A credit risk is identified when it becomes probable that the borrower will be unable to repay all or part of the sums due in accordance with initial contract terms, notwithstanding the existence of any guarantees or collateral.

Bad and doubtful debts

Loans and advances of all kinds, even those which are guaranteed, are classified as bad or doubtful if they carry an identified credit risk arising from one of the following events:

- The loan or advance is at least three months in arrears (six months for mortgage loans and property leases and nine months for loans to local authorities, to take account of their specific characteristics). The only exceptions to this rule are where specific circumstances show that the arrears are due to factors unrelated to the borrower's financial position.
- The borrower's position is such that an identified risk exists regardless of whether the loan or advance is in arrears. This is particularly the case when the bank becomes aware, for example through an alert procedure, that a borrower is experiencing financial problems which could result in non-recovery.
- The bank and borrower are in legal proceedings, such as overindebtedness procedures, receivership, compulsory liquidation, personal bankruptcy or international arbitration procedures.

Loans may be moved from doubtful to performing if regular payments resume in accordance with the original schedule. When a loan is recorded as doubtful, all other loans or commitments relating to that borrower are also recorded in their entirety as doubtful debts. This rule does not apply to loans affected by occasional disputes which are unrelated to the borrower's insolvency, nor to credit risk which depends upon the solvency of a third party and not that of the borrower.

• Doubtful debts

All doubtful loans and advances which do not fall into the bad debt category are classified as doubtful debts.

• Bad debts

In cases where the borrower's solvency is such that after a reasonable period in the doubtful category, there is no prospect of the loan being moved back to the performing category, it is classified as a bad debt. Loans are classified as bad debts when they become accelerated as a result of certain events, or in the case of leasing contracts, upon cancellation. For loans and advances with an unspecified maturity, debts become payable when the bank terminates its relationship with the counterparty in accordance with the contract terms. Loans must be classified as bad debts no later than one year after being downgraded to doubtful debts, except in cases where they are covered by guarantees which are deemed to be adequate or where repayments have been made which indicate that the debts are not bad.

If, once a debt has been moved back to the performing category, a borrower fails to comply with the repayment schedule, the debt is immediately reclassified as a bad debt. Interest is suspended once a loan has been classified as a bad debt.

Crédit Agricole S.A. has defined restructured loans as loans to borrowers experiencing financial difficulties prompting the bank to alter the initial terms (maturity, interest rate etc.) to enable the borrower to comply with the repayment schedule. As a result, Crédit Agricole S.A. has decided to exclude the following from restructured loans:

- loans which have been renegotiated on a commercial basis with borrowers where there is no insolvency risk;
- loans whose theoretical repayment schedule has been altered by the exercise of an option or legal provision included in the initial contract (such as a repayment holiday or maturity extension).

Reserves for bad and doubtful debts

A reserve is taken as soon as a debt is classified as doubtful. Reserves are deducted from the amount of the loan outstanding, except for those against off-balance sheet commitments, which are recognised as a liability.

Sufficient reserves are taken to cover all projected losses arising from bad and doubtful debts. In accordance with CRC Regulation 2002-03 of 12 December 2002 on the accounting treatment of credit risk by companies governed by the CRBF, Crédit Agricole S.A. has opted to postpone of 1 January 2005 application of the discounted cash flow method described in paragraph 13 of the regulation when determining the reserve. Reserves are adjusted at the end of every quarter and updated on a permanent basis depending on the perceived change in risk. The market value of any collateral is measured on a prudent basis, depending on its nature.

In the case of a pool of consumer loans with similar characteristics, the reserve may be calculated on the basis of a statistical evaluation of the risk of non-recovery for each homogeneous group of assets, using actual historical loss data and actual or anticipated changes likely to alter the actual loss probability.

Other provisions for credit risk

Provisions for unallocated borrower risks, such as sector provisions (including country-risk reserves) and general loan provisions, are recorded as a liability under provisions for liabilities and charges. They are intended to cover precise risks where there is a statistical or historical probability of partial non-recovery of loans which are not classified as bad or doubtful debts.

2.1.2 • Subsidised loans

Under French government measures to support the agricultural sector through subsidised medium and long-term financing, the government pays Crédit Agricole S.A. the difference between its cost of funds and the subsidised lending rate.

Subsidies received on account from the government during the year and the balance between amounts received on account and the estimated amount of subsidies due for the year are booked to 'Interest and similar income'.

The subsidy system is periodically reviewed by the government. The current method of calculation has eliminated the timing difference that previously existed between the notional cost of funds used to calculate subsidies due and the actual cost recorded in the financial statements. The residual balance due under the old system was recognised in the balance sheet as an asset and written back gradually to income.

In addition, other banks have also been entitled to distribute government-subsidised farming loans since 1 January 1990. The competitive subsidy is equal to the difference between the winning bid rate and the borrower's lending rate, over the full life of the subsidised loan.

2.1.3 • Investments and securities

Crédit Agricole S.A. applies CRBF regulation 90-01 as amended by CRC regulation 2000-02 for:

- French and foreign securities
- Treasury bills
- Negotiable debt securities issued in France or abroad
- Negotiable promissory notes.

Securities are presented in the financial statements by asset class: treasury bills and other public sector securities, bonds and other fixed-income securities (negotiable debt securities and other money market instruments), and equity shares and other variable-income securities. In accordance with French banking regulations, they are classified into the following categories: trading securities, available-for-sale securities, held-to-maturity securities, portfolio securities, other long-term securities, and investments in non consolidated subsidiaries and associated companies.

As of 1 January 2003, Crédit Agricole S.A. has applied CRC Regulation 2002-03 on the measurement of credit risk and recognition of provisions against fixed-income securities.

2.1.3.1 • Trading securities

These are securities traded on a liquid market, which are bought with the intention of reselling them in the near future. They also include securities held for more than six months in connection with market-making activities or hedging and arbitrage transactions. Trading securities are carried at cost (including any accrued income). They are marked to market at each closure of accounts and any unrealised gains or losses are booked to profit and loss in the net income (loss) from trading transactions. When trading securities are reclassified as available-for-sale or

held-to-maturity securities, they are marked to market on the day of transfer.

2.1.3.2 • Available-for-sale securities

This category comprises securities which are bought with the intention of holding them for more than six months, except for fixed-income securities bought with the intention of holding them until maturity. The bulk of the group's available-for-sale securities comprise bonds denominated in euros and foreign currencies, and investments in mutual funds and investment funds.

• Bonds and other fixed-income securities

Interest on bonds is recognised on an accrual basis under 'Interest and similar income – bonds and other fixed-income securities'. Any premium or discount is amortised on a straight-line basis over their residual life, except for inter-bank securities which are amortised on an actuarial basis.

• Shares and other variable-income securities

On their acquisition date, equity shares are stated at cost, excluding purchase expenses. Dividend income is booked to the income statement under 'Income from shares and other variable-income securities'. Income from mutual funds and investment funds is booked to the same heading on a cash basis.

At the year-end, available-for-sale securities are valued on a line-by-line or homogeneous group of assets basis at the lower of cost or fair value (e.g. market value in the case of listed equities) and a provision for impairment taken where necessary. Unrealised capital gains are not recognised. The net impairment provision, together with realised gains or losses on disposal, are booked to profit and loss under 'Net gain/(loss) on securities transactions'. Disposals are deemed to be made on a first-in, first-out basis.

2.1.3.3 • Equity portfolio securities

As defined by CRC regulation 2000-02, equity portfolio securities comprise investments purchased with the intention of realising a medium-term capital gain, but with no intention of investing in the business on a long-term basis and taking an active part in its management. Equity portfolio securities must be purchased on a regular basis as part of a structured activity with the intention of achieving a recurring return, principally from capital gains on disposals.

In principle, equity portfolio securities are variable-income securities. They are valued on a line-by-line basis and stated at the lower of cost or fair value, determined by taking account of the issuer's general prospects and the forecast holding period. Listed securities are valued using a multi-criteria approach, including average share price for the past 3 months, estimated share price on a 6-month horizon and

discounted cash flow. Accordingly, changes in market prices do not necessarily affect their carrying value.

The net impairment provision, together with realised gains or losses on disposal, are booked to profit and loss under 'Net gain/(loss) from securities transactions'.

2.1.3.4 • Held-to-maturity securities

These are fixed-income securities bought with the intention of holding them over the long term, in principle until maturity.

On their acquisition date, they are booked at cost, excluding accrued interest, and matched by financing with the same interest rate and maturity date. When the interest rate or maturity date matching no longer satisfies the rules set by the Commission Bancaire, they are reclassified as available-for-sale securities.

The difference between cost and redemption price is amortised on a straight-line basis over the residual life of the security.

No provision for impairment is taken when the market value is lower than cost. However, in accordance with CRC regulation 2002-03 on the measurement of credit risk, a provision is taken if the issuer of the securities is considered to be at risk.

2.1.3.5 • Other long-term securities

Other long-term securities comprise shares and similar securities acquired with the intention of building an ongoing business relationship with the issuing company, but with no influence over its management due to the small percentage holding represented by its investment.

These securities are accounted for on a line-by-line basis and they are stated at the lower of cost or use value. Use value is the amount the company would be prepared to pay for the shares had it to purchase them for the intended purpose. Use value may be based on a variety of factors such as the profitability of the business and future earnings outlook, net assets, general state of the economy, or the average market price for its shares over the last few months.

The net impairment provision, together with realised gains or losses on disposal, is booked to profit and loss under 'Net gain/(loss) on fixed asset disposals'.

2.1.3.6 • Investments in non-consolidated affiliates and associated companies

This category comprises securities whose long-term ownership contributes to the group's business, principally by giving the group influence or control over the investee company's management decisions.

On their date of acquisition, they are stated at historical cost (purchase price excluding related expenses or use value of assets acquired for shares). At the year-end, they are valued at the lower of cost or use value and a provision for impairment is taken where applicable, based on a case-by-case analysis taking account of market price or net assets, any unrealised capital gains and the company's general prospects.

The net impairment provision, together with any realised gains or losses on disposal, is booked to profit and loss under 'Net gain/(loss) on fixed asset disposals'.

2.1.3.7 • Securities bought or sold under repurchase agreements

Delivered securities sold under repurchase agreements are retained on the balance sheet and the amount received from the purchaser is recognised in the balance sheet as a liability. Delivered securities bought under repurchase agreements are not carried on the balance sheet, although the amount paid to the vendor is recognised in the balance sheet as an asset.

These securities are accounted for in accordance with the rules governing the category to which they belong.

2.1.4 • Demand and time liabilities

Amounts due to banks, Crédit Agricole entities and customers are classified according to their initial term and/or the nature of the liability:

- demand or time deposits for bank items
- current accounts, time deposits and advances for Crédit Agricole internal transactions
- special savings accounts and other accounts for customer items (which include amounts due to financial institutions other than banks).

These accounts include repurchase transactions represented by securities classified by counterparty.

Accrued interest is recognised in the balance sheet under the appropriate category of accounts and deposits and booked to profit and loss as interest and similar expense.

2.1.5 • Debt represented by a security

Debt represented by a security in issue is presented according to type of security, i.e. interest-bearing notes, interbank and other negotiable debt securities, and bonds (other than subordinated notes, which are booked under 'Provisions and subordinated debt'). Accrued interest is recognised in the balance sheet and the corresponding sum booked to profit and loss as interest and similar expense. Bond issue premiums or discounts are deferred and amortised over the term of the bonds. The amortisation charge is booked to profit and loss under 'Interest and similar expense – bonds and other fixed-income securities'.

Since 1 January 2003, Crédit Agricole S.A. has applied the benchmark treatment for bond issue expenses as set out in paragraph 300 of regulation 99-07 of 24 November 1999, which requires their deferral over the life of the securities issued. The impact of this change in method has been booked to shareholders' equity.

Financial servicing commissions paid to the Regional Banks are booked to income statement as 'Commission and fee expense'.

2.1.6 • Reserves for liabilities and charges

Crédit Agricole S.A. applies the provisions of CRC regulation 2000-06 on liabilities for the treatment and valuation of reserves for liabilities and charges covered by the regulation. Reserves for liabilities and charges include reserves for risks connected with financing commitments, early retirement benefits, litigation and other miscellaneous items. They also include reserves for country risk, based on an analysis of the different types of transaction, the term and nature of commitments (e.g. loans and advances, securities and market products), and the country's credit rating.

All risks are reviewed on a quarterly basis.

In certain cases, Crédit Agricole S.A. has partially hedged its reserves against foreign currency exposure by purchasing foreign currencies in order to limit the effect of exchange rate fluctuations on reserve levels.

The reserve for risk of loss in connection with the internal financing mechanism for home purchase savings schemes is established during the savings phase of the scheme and is computed on the basis of the theoretical amount of the loan that may be granted at the end of each scheme. An 'internal rate of loss' is applied to this theoretical amount, representing the difference between the cost of funds, including set up and administrative fees, and the legal lending rate applicable to the loan (see Note 17).

Reserves are reversed upon theoretical recognition of the loss, i.e. four years after the reserve has been made in the case of home purchase savings accounts and six years in the case of home purchase savings schemes.

2.1.7 • Fund for General Banking Risks

Each Crédit Agricole entity establishes a Fund for General Banking Risks at the discretion of its managers, in order to provide against possible contingencies arising in the conduct of their banking business. The amounts set aside in the fund are adjusted through the income statement to reflect actual experience.

In view of the magnitude of the potential risk to future operations arising in connection with the home purchase savings scheme commitments, the Crédit Agricole S.A. group has established specific funds for general banking risks to cover its exposure. Following the internal financial reforms described in Note 1.2, Crédit Agricole S.A. no longer carries the risks associated with this activity for the portion of funds it returns to the Regional Banks.

The specific fund for general banking risks (see Note 18) is constituted during the saving phase and computed on the basis of the theoretical amount of the loan that may be granted at the end of each scheme.

A 'potential loss rate' is applied to this theoretical amount, representing the difference between the anticipated market rate and the cost of funds.

The 'potential loss rate' is calculated according to the type of funds collected and is re-estimated at each balance sheet date in the light of changes in the variables used in the calculation. Reserves are reversed according to the theoretical repayment schedule for the resulting loans (i.e. four years for home purchase savings accounts, and six years for home purchase savings plans).

The Fund for General Banking Risks also includes:

- a Fund for Liquidity and Solvency Banking Risks to enable Crédit Agricole S.A. to discharge its duties as Central Body of the Crédit Agricole network;
- a provision for operational risk designed to cover risks arising from shortcomings in the design, organisation and implementation of procedures for recording information in the accounting system and more generally in the information systems for all events related notably to transactions carried out by the Crédit Agricole Group's retail banking networks.

2.1.8 • Financial instruments

Trading and hedging transactions in interest rate, currency and equity instruments are treated in accordance with CRC regulations 88-02 and 92-04.

Commitments relating to these items are booked as off-balance sheet items at their nominal value. Gains and losses are booked according to the type of instrument and the purpose of the transaction:

Hedging transactions

Any gains or losses on hedging transactions are booked to profit and loss symmetrically with the income or expense arising on the hedged item. Income and expense arising on macro-hedges against overall interest rate risk are booked to profit and loss under 'Interest and similar income (expense) – Other interest income (expense)'. Unrealised gains and losses are not recognised.

Trading transactions

Financial instruments traded on organised or similar markets, or included in the trading securities portfolio (as defined by CRC regulation 92-04) are marked to market at the balance sheet date. Realised and unrealised gains and losses are booked to profit and loss according to the type of transaction either as 'Net trading gains/(losses) – Securities and derivatives,' or 'Net trading gains/(losses) – Foreign exchange'. Gains or losses on instruments traded on markets with limited liquidity and on isolated open positions are booked either at maturity or on an accrual basis according to the type of instrument. A provision is made at the year end to cover any unrealised losses.

2.1.9 • Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies, and currency futures bought or sold for hedging purposes recorded as off-balance sheet items, are translated at year-end exchange rates.

Capital funds allocated to branches, fixed assets in offices abroad, available-for-sale securities, held-to-maturity securities and investments in non-consolidated subsidiaries and associated companies denominated in foreign currencies bought against euros are translated at the rate prevailing on the transaction date.

Foreign exchange gains or losses are only booked to profit and loss in the case of available-for-sale securities. However, a provision may be made where the value of non-consolidated foreign investments is impaired due to long-term depreciation of foreign currencies.

Expense and income items are translated at the rate prevailing on the transaction date. Accrued expenses and income are translated at year-end rates.

At the balance sheet date, forward currency transactions are valued at the forward rate for the currency and maturity concerned. Gains or losses are booked to profit and loss under 'Net trading profits/(losses) – Foreign exchange'.

2.1.10 • Foreign branches

Branches maintain their own independent accounts in accordance with local rules and regulations. At each closing date, branch balance sheets and income statements are restated in accordance with French accounting rules, translated into euros, and consolidated with the accounts of their parent company after elimination of intra-group items. The following rules are applied in translating accounts to euros:

- balance sheet items other than capital funds are translated at the year-end rate;
- capital funds are translated at their historical rate;
- expense and income items are translated at the average rate for the period.

In the individual accounts, unrealised foreign exchange gains or losses are recognised in the balance sheet under 'Other assets (liabilities)'.

In the consolidated accounts, unrealised foreign exchange gains or losses are booked as 'translation adjustments' under shareholders' equity.

2.1.11 • Tangible fixed assets

Crédit Agricole S.A. has decided not to opt for early application of CRC regulation 2002-10 of 12 December 2002 on asset depreciation and impairment. However, as of 1 January 2003, it has applied component accounting for all tangible fixed assets, as provided for under the regulation's transitional measures, the details of which are set out in regulation CRC 2003-07 of 12 December 2003.

Crédit Agricole S.A. applied the CNC's *Comité d'Urgence* 2003-E interpretations of 9 July 2003 concerning first-time application of these transitional methods. The group opted for the method of reconstituting the historical cost of components, which consists not only of reconstituting their actual historical cost, but also the depreciation that should have been applied regardless of the asset's net book value. The Group's insurance subsidiaries have opted to take provisions for major repairs rather than apply component accounting, pending harmonisation of the position in this respect.

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and impairment provisions. Purchased software is stated at purchase price less accumulated depreciation and impairment provisions. Proprietary software is stated at cost less accumulated depreciation and impairment provisions.

Fixed assets are amortised over their estimated useful life. The following components and depreciation periods have been adopted by Crédit Agricole S.A. following the application of the transitional measures on component accounting for fixed assets. These depreciation periods are adjusted according to the type of asset and its location.

Component	Depreciation period
Land	Not depreciable
Structural works	30-80 years
Non-structural works	20-40 years
Plant and equipment	10-25 years
Fixtures and fittings	5-15 years
Computer equipment	4-7 years (accelerated or straight-line)
Specialist equipment	4-5 years (accelerated or straight-line)

Exceptional depreciation charges corresponding to tax-related depreciation and not to any real impairment in the value of the asset are cancelled in the consolidated financial statements.

2.1.12 • Revaluation of assets

The legal revaluation of assets in 1978 had no material impact on the financial statements of Crédit Agricole S.A. Other revaluations have not been restated and any surplus is recorded under revaluation reserves.

2.1.13 • Retirement and early retirement benefits

A reserve for retirement benefits is taken under 'Reserves for liabilities and charges' in a sum equal to the group's residual liabilities (i.e. not covered by contracts entered into with an insurance company) towards employees in service at the year-end governed by the Crédit Agricole S.A. collective agreement dated 1 July 1990.

The retirement benefit liability at 31 December 2003 takes account of the impact of the French Pensions Reform Act 2003-775 of 21 August 2003 (the 'Fillon Act'). Due to the late release of CNC *Comité d'Urgence* statement 2004-A of 21 January 2004 on the accounting treatment of changes to retirement benefits resulting from the application of the Fillon Act, and the fact that Crédit Agricole S.A. has decided not to opt for early application of CNC recommendation 2003-R-01 on the recognition and measurement of retirement and similar benefits, the impact of the Fillon Act has been entirely booked under extraordinary items in 2003 as the group takes the view that this represents a change in estimate. The impact is not material.

The reserve is computed on the basis of the vested rights of employees (based on the number of years service and reference salary), the probability of the employee being employed by the group on the entitlement date (based on life

expectancy and employee turnover) and the discount rate applied.

A reserve is also taken to cover the cost of early retirement commitments in the sum of the additional discounted cost of the 1 October 1993 Agreement extended on 28 June 1995, and of the 1 July 1997 Agreement extended on 25 November 1999. Under these agreements, Crédit Agricole S.A. group employees aged 54 and over may take early retirement.

2.1.14 • Pension schemes

French employers contribute to a variety of compulsory pension schemes. Scheme assets are managed by independent organisations and Crédit Agricole S.A. group companies have no liabilities in this respect other than their ongoing contributions.

Certain group companies are liable to pay supplementary pension benefits. A provision is made calculated on the basis of the company's actuarial liability and booked under 'Reserves for liabilities and charges'.

2.1.15 • Employee profit-sharing and incentive schemes

Costs relating to the statutory employee profit-sharing scheme are booked to profit and loss in the year the rights accrue to employees. An incentive scheme for employees was introduced on 28 June 1999. The costs of both schemes are booked to 'Staff costs'. A reserve is made in the consolidated financial statements for the tax credit resulting from the timing difference between recognition of these expenses for accounting purposes and for tax purposes (the following year).

2.1.16 • Extraordinary items

Extraordinary items comprise all income and expenses which do not form part of the Group's ordinary operations.

2.1.17 • Crédit Lyonnais integration-related costs

These costs include costs already incurred in 2003, together with provisions for projected future costs.

Provisions taken at the end of 2003 satisfy the recognition and measurement criteria set out by CRC regulation 2000-06 on liabilities and more particularly restructuring provisions.

A breakdown of costs incurred and provisions booked at the end of the financial year by major category (staff costs, property, IT and other) can be found under Note 39 of the notes to Crédit Agricole S.A.'s consolidated financial statements.

2.1.18 • Corporate income tax

Crédit Agricole S.A. elected for group tax relief in 1990. At 31 December 2003, the tax group comprised Crédit Agricole S.A. and 151 of its subsidiaries. Under the group tax relief agreement, each company in the tax group accounts for the tax charge which would have been payable in the absence of such an agreement in its individual financial statements.

In view of the new tax rules introduced on 31 December 2003, deferred taxes in respect of financial years 2003 and beyond take account of the additional 3% and 3.33% tax surcharges.

2.1.19 • Off-balance sheet items

As stated in Note 1 on Legal and financial background, Crédit Agricole S.A. acts as the Crédit Agricole Group's central body and as such is subject to the obligations provided for under the French Banking Act. Commitments made in that respect are recognised as off-balance sheet items, as are the commitments made by the Regional Banks pursuant to the agreement signed in 1988, under which they guarantee the solvency and liquidity of the lead institution.

The published statement of off-balance sheet commitments does not require disclosure of commitments in respect of financial futures or foreign exchange transactions, or details of commitments received in respect of treasury bills and similar securities or other securities deposited as collateral. However, these items are disclosed in a Note to the consolidated financial statements.

Note 2.2 • Accounting rules specific to the consolidated financial statements Application of regulations pertaining to consolidation principles

Crédit Agricole S.A. applies the provisions of CRC regulation 99-07 on the consolidation of business enterprises governed by the CRBF.

The following principles are applied, pursuant to this regulation:

- All subsidiaries engaged in banking and financial activities or related activities, over which Crédit Agricole S.A. exercises exclusive control, are fully consolidated. This includes insurance companies, 'sociétés de moyen' (pooled-resource ventures), and property development companies.
- The Regional Banks, in which Crédit Agricole S.A. holds a 25% interest, are accounted for by the equity method, as are the Regional Banks' own subsidiaries and associates.
- Deferred taxes are recognised on any identified timing differences arising on consolidation, except in certain specific cases, where strict application of this rule would not give a fair view of the assets and financial position of Crédit Agricole S.A.

The financial statements of consolidated companies are restated to comply with the accounting, valuation and presentation rules used by Crédit Agricole S.A. As required by CRC regulation 99-07, the accounting principles and valuation rules applicable to non-banking activities have been maintained in the consolidated financial statements of Crédit Agricole S.A. Insurance business, for example, is consolidated according to the methods and principles set out in the French Insurance Code, and in CRC regulation 2000-05 on the consolidation of insurance companies.

2.2.1 • Consolidation principles and methods

2.2.1.1 • Scope of consolidation

The consolidated financial statements include the accounts of Crédit Agricole S.A. and of all companies whose consolidation has a material impact on the group's overall consolidated financial statements.

In application of the general principles set out in CRC regulation 99-07, materiality is assessed in the light of several criteria including the size of the company's earnings or shareholders' equity in relation to the earnings or shareholders' equity of the consolidated group.

Materiality is deemed to exist when the following criteria are met:

- total assets exceed to € 10 million or 1% of the assets of the consolidated subsidiary that owns the investment;
- Crédit Agricole S.A. directly or indirectly holds more than 20% of the voting rights.

Investments in industrial companies held as part of a financing transaction are not consolidated. This notably applies to venture capital investments or investments held under structured financing transactions.

Investments in closed property companies (SCIs) which do not meet consolidation criteria, together with loans and advances made to them, are classified as long-term investments.

Investments in dedicated mutual funds are not consolidated, following Crédit Agricole S.A.'s decision to opt for dispensation as allowed under CRC regulation 99-07. Accordingly, no sums have been reinvested in mutual funds of this type in existence at 31 December 1999, and a commitment has been made to sell or close down these mutual funds no later than the end of 2004.

Similarly, in compliance with CRC regulation 2000-05 on the consolidation of insurance companies, Crédit Agricole S.A. does not consolidate mutual funds held under exclusive control of insurance companies, to the extent that they serve to back liabilities to policyholders.

The resulting scope of consolidation satisfies the criteria laid down in French banking regulations.

2.2.1.2 • Consolidation methods

- Companies under the group's exclusive control are fully-consolidated. Exclusive control is defined as the power to direct the company's financial and operational policies. Full consolidation consists of eliminating the book value of the shares held in the consolidating company's financial statements and aggregating all assets and liabilities carried by the consolidated companies, and determining and separately identifying the value of the minority interests in their net assets and earnings.
- Companies over which the Group exercises significant influence are accounted for by the equity method. Significant influence is defined as the power to influence but not control a company's financial and operational policies. The equity method consists of eliminating the book value of the shares held in the consolidating company's financial statements and accounting for its interest in the underlying net assets and results of the companies concerned.
- Companies over which the group exercises joint control are proportionally consolidated. Joint control is defined as sharing control over a company operated jointly by a limited number of partners or shareholders such that the company's financial and operational policies are the result of agreement among them. Proportional consolidation consists of eliminating the book value of the shares held in the consolidating company's financial statements and aggregating a proportion of the assets, liabilities and results of the company concerned representing the consolidating company's interest.

The specific accounting principles applicable to insurance business have been maintained in the consolidated financial statements, leading to the following rules of presentation:

Balance sheet items

- **'Insurance companies' investments'** comprise all investments booked as assets by consolidated insurance companies, together with any accrued interest, amortised discounts and premiums on securities, and accrued rental income;
- **'Other insurance-related assets'** comprise assets connected with direct insurance business, assets connected with reinsurance business, technical reinsurance valuations, deferred acquisition costs, and unrealised foreign exchange losses carried by consolidated insurance companies;

- **'Reinsurers' share in technical reserves'** comprises the share of technical reserves carried by consolidated insurance companies attributable to cedants and retrocessionnaires;
- **'Insurance companies' technical reserves'** comprise all gross technical reserves carried by consolidated insurance companies;
- **'Other insurance-related liabilities'** comprise cash deposits received from cedants and retrocessionnaires against technical insurance commitments, liabilities connected with direct insurance business, liabilities connected with reinsurance business, technical reinsurance valuations, deferred reinsurance commission income and unrealised foreign exchange gains carried by consolidated insurance companies.

Other balance sheet items carried by consolidated insurance companies are added to the relevant asset and liability categories in Crédit Agricole S.A. Group's balance sheet.

Off-balance sheet items

Off-balance sheet items comprise guarantees received and given by the consolidated insurance companies, with the exception of assets belonging to provident insurance institutions or held on behalf of third parties.

These commitments are recorded under 'Guarantees relating to insurance business' given or received.

Profit and loss items

Gross margin in insurance activities comprises the following items:

- earned premiums or subscriptions
- claims expense, net of amounts ceded and retroceded (including changes in provisions and policyholders' with-profits entitlement, excluding administrative expenses);
- net income from allocated investments.

Since 2002, new regulations on the consolidation of insurance companies require policy acquisition costs to be deferred over a period commensurate with unearned premium reserves. However, as these regulations have no material impact on either earnings or net assets, the group has not recognised any deferred acquisition costs.

For other expenses and income, banking rather than insurance classifications are used. As an exception to this rule, amortisation charges and movements in reserves against insurance companies' investments are maintained in the calculation of the gross margin in insurance activities.

2.2.2 • Consolidation adjustments and eliminations

The group makes all material adjustments required to ensure the application of consistent accounting policies in the consolidated financial statements.

Crédit Agricole internal transactions affecting the consolidated balance sheet, off-balance sheet items and profit and loss statement are eliminated. Capital gains or losses arising from intra-group asset transfers are eliminated. However, justifiable losses are recognised in the consolidated financial statements and capital gains on the disposal of assets at reference prices determined independently of the group are treated as revaluation surpluses. They are written back to profit and loss when the assets are sold to a non-group company. Special tax-allowable reserves are reclassified to reserve accounts and profit and loss, net of any deferred tax. Crédit Agricole S.A. maintains its Fund for General Banking Risks in the consolidated financial statements.

2.2.3 • Translation of subsidiaries' financial statements expressed in foreign currencies

Financial statements of subsidiaries expressed in foreign currencies are translated into euros as follows:

- balance sheet items other than components of shareholders' equity are translated at the year-end closing rate;
- components of shareholders' equity are translated at historical rates;
- expenses and income items are translated at the average rate for the period.

Any gains and losses arising as a result of differences between historical or average and year-end rates are booked to 'Foreign exchange translation adjustments' under 'Consolidated reserves and retained earnings'.

2.2.4 • Goodwill

Goodwill is the difference between the purchase price of a company and the fair value of the identifiable assets and liabilities acquired as at the date of the transaction. Goodwill is not recognised upon first-time consolidation of subsidiaries formed by the Group.

The amortisation period for goodwill recognised on Crédit Agricole S.A. subsidiaries depends on the activity and geographical location of the company acquired, and the expected return on investment at the time of acquisition. Amortisation periods used vary between five and twenty years. In the event of a significant fall in the value of the elements used to determine the depreciation plan, an exceptional depreciation charge is recorded. Negative goodwill is recorded under 'Reserves for liabilities and charges'.

2.2.5 • Deferred tax

2.2.5.1 • General principles

Deferred tax arises from timing differences between the recognition of income and expense items for financial reporting and tax purposes and from consolidation adjustments. The liability method of accounting for deferred taxes is used to determine the impact on the income statement. For reasons of prudence, the deferred tax asset arising on tax loss carryforwards is not recognised unless there is a strong probability of its recovery against future taxable income. Deferred tax takes account of the 3% and 3.33% surcharges applicable for 2003 and subsequent years and the probable date of tax payments. Where appropriate, the existence of a group tax relief agreement is taken into account when calculating the tax position of consolidated entities. This applies in particular to Crédit Agricole Indosuez and certain of its subsidiaries, and also to entities joining and leaving the tax group. The net deferred tax credit is booked to the balance sheet under 'Sundry accounts and unearned income and other liabilities'.

2.2.5.2 • Main constituent items

The main items constituting deferred tax are:

- deferred tax charges: unrealised gains on leasing transactions, special tax-allowable reserves, accrued income on available-for-sale securities, unrealised losses on mutual funds valued at market prices for tax purposes, and deferred profit and subsidies;
- deferred tax credits: depreciation, amortisation and provision expenses deductible in subsequent periods, the reserve for 'internal home purchase savings schemes risks' booked in the parent company financial statements, and unrealised gains on mutual funds.

2.2.5.3 • Dividend taxes

The deferred tax charge arising in connection with the distribution of intra-group dividends known at the closing date comes under the rules governing dividends paid to parent companies by their subsidiaries (as defined by applicable tax legislation). The amounts concerned are not material and therefore no deferred tax liability is recognised in this respect. However, deferred tax is recognised in respect of corporate income tax payable on the compulsory distribution of earnings of SICOMIs (industrial and commercial property leasing companies). No provision is made in the consolidated financial statements for any tax payable in the event of distribution of the retained earnings of subsidiaries and affiliated companies, as any undistributed earnings are deemed to be permanently invested.

The additional tax charge payable in the event of distribution of long-term capital gains reserves (which are taxed at a special long-term rate) is not provided for as it is not the group's policy to distribute these gains.

2.2.6 • Leasing transactions

Amounts outstanding, income and expenses arising from leasing transactions are presented separately in the financial statements and are accounted for using 'financial' accounting methods. Unrealised reserves, representing the excess of book depreciation over the true underlying financial amortisation of the capital invested, are written back to consolidated assets under 'Lease financing'. The net change in these reserves is booked to profit and loss, net of the related deferred tax effect.

Property held by consolidated entities under financial leases with purchase option is classified on the balance sheet under 'Intangible and tangible fixed assets'.

2.2.7 • Other items

2.2.7.1 • Preliminary expenses

Preliminary expenses (e.g. company setting-up costs) are expensed in the year incurred, including for tax purposes.

2.2.7.2 • Bond issue expenses

Since 1 January 2003, Crédit Agricole S.A. has applied the benchmark treatment for bond issue expenses as set out in paragraph 300 of CRC Regulation 99-07 of 24 November 1999, which requires their deferral over the life of the securities issued.

2.2.7.3 • Depreciation

Accelerated depreciation allowable for tax purposes is not restated if justifiable on economic grounds.

2.2.7.4 • Revaluation differences

Deferred tax is not recognised on revaluation differences arising on consolidation where there is no intention to sell the assets concerned.

Note 2.3 • Scope of consolidation

2.3.1 • Change in scope of consolidation

At 31 December 2003, the scope of consolidation encompassed 330 subsidiaries and associates, compared with 310 at 31 December 2002.

The main movements during the year were as follows:

I / Additions

Newly-formed companies

Nonghyup-CA (formerly NACF –
CA Investment Trust Management Co)

CA Preferred Funding LLC

CA Indosuez Luxembourg
(following the breakup of CAI Luxembourg)

CA Invest. Services Banque Luxembourg
(following the breakup of CAI Luxembourg)

CA Alternative Investment Products Group SGR
(C.A.A.I.P.G Sgr)

SNC Haussmann Anjou

Belgium CA SAS

GIE Attica

CAI Private Banking Italia Spa

New acquisitions or acquisitions of additional shares

Crédit Lyonnais Group

Finaref SA

Finaref Assurances

Argence Investissement SAS

Finaref Benelux

Finaref Risques Divers

Finaref Vie

Finaref Group AB

Finaref Sverige AB

Finaref Securities AB

Finaref AS (formerly Ellos Finans A/S)

Finaref OY (formerly Ellos Finans OY)

GEIE Argence Management

GEIE Argence Développement

Space Reinsurance Company Limited

Space Holding (Ireland) Limited

Space Lux

Finaref Life Limited

Finaref Insurance Limited

Banque Finaref (formerly Banque Finaref ABN AMRO)

Argence Gestion Assurances

S.A. Crédit Agricole (Belgium)

Vendôme Courtage

Application of materiality threshold

EFL Services

Korea 21st Century TR

CAI BP Holding

CAI Derivatives Products PLC

Equalt Convertible Arbitrage Fund (ECA)

Equalt Pair Trading Fund (EPT)

Equalt Statistical Arbitrage Fund (ESA)

Equalt Fixed Income Arbitrage Fund (EFIA)

Equalt Systematic Futures Fund (ESF)

Equalt Core Macro Fund (ECM)

II/Removals

Sale to non-group companies

Camnord Investissement

Application of materiality threshold or discontinuation of business

CA Asset Management US Advisory Services

PT Bank Crédit Agricole Indosuez

Crédit Agricole Indosuez Luxembourg (breakup of CA Indosuez Luxembourg and CA Invest. Services Banque Luxembourg)

Liberty View C. Management (LVCM)

Liberty View Alternative (LVAA)

IWICS Derivatives

Indian 21st Century Fund (Mauritius)

Bersol

CPR USA Inc (INCO)

Indosuez WI Carr Financial Products

CAL Maurice

Logitaine

Merger with or absorption by another Group company

Mergers

Ligérienne Mobilière de Placement
with Compagnie Française de l'Asie (CFA)

“Caisse régionale du Cantal et de Centre France”
Cantal Regional Bank with Centre France Regional Bank

CAIC Deutschland GmbH now a branch of CAI Cheuvreux

Bercy Investissements with Bercy Participations

CAL FP Frankfurt with CAL FP Bank

CAI Italia Holding Spa with CAI Private Banking Italia SpA

Absorptions

**Unicefi 33 by “Caisse régionale Aquitaine”
Aquitaine Regional Bank**

**CAI Cheuvreux Gestions by BGP Indosuez
and Gestion Privée Indosuez**

**CAICG Teneur de Comptes by BGP Indosuez
and Gestion Privée Indosuez**

III/Change of name

Old name	New name
IntesaBci	Banca Intesa S.p.a.
NACF - CA Investment Trust Management Co.	Nonghyup-CA
CAI Securities Inc.	CAIC North America Inc
Banque CPR	CPR BK
Schelcher Prince Finance (SPF)	CPR F
Ellos Finans A/S	Finaref AS
Ellos Finans OY	Finaref OY
Banque Finaref ABN AMRO	Banque Finaref
Crédit Agricole Epargne Salariale	CA - Epargne Longue des Salariés

IV/Change of consolidation method

Credibom has been fully consolidated since September 2003, following an increase in the number of shares owned by Sofinco.

Note 2.3.2 • Crédit Agricole S.A. Group: scope of consolidation

	(a)	Country	Consolidation method	Percentage of voting rights			Percentage of share capital		
				31/12/03	31/12/02	31/12/01	31/12/03	31/12/02	31/12/01
Banks and financial institutions									
Crédit Agricole SA		France	Parent	100.0	100.0	100.0	100.0	100.0	100.0
Agos Itafinco (formerly Agos)		Italy	Full	51.0	60.0	70.0	58.6	58.5	74.5
AL BK Saudi Al Fransi – BSF		Saudi Arabia	Equity	31.1	31.1	31.1	31.1	31.1	31.1
Alsolia		France	Equity	34.0	34.0	34.0	33.8	33.8	33.9
Altra Banque (formerly UI Banque)		France	Equity	34.0	34.0	34.0	34.0	34.0	34.0
Banca Intesa S.p.a.		Italy	Equity	17.1	16.7	16.8	16.1	15.8	15.2
Banco Acac		Uruguay	Full	91.1	85.0	64.4	91.1	85.0	49.6
Banco Bisel		Argentina	Full			69.9			69.9
Banco del Desarrollo		Chile	Equity	23.7	23.7	23.4	23.7	23.7	23.4
Bankoa		Spain	Equity	30.0	30.0	30.0	28.5	28.5	28.1
Banque Chalus		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Banque Finaref	In ⁽¹⁾	France	Full	100.0			75.5		
Banque Française de l'Orient		France	Full	100.0	100.0	100.0	100.0	99.3	99.3
Banque Libano-Française SAL		Lebanon	Full	51.0	51.0	51.0	50.9	50.9	51.0
BES (Banco Espirito Santo)		Portugal	Equity	8.8	8.8	8.8	22.5	22.5	22.3
BFC Antilles Guyane		France	Full	100.0	100.0	100.0	100.0	100.0	99.6
BFT (Banque Financement et Trésorerie)		France	Full	96.1	96.1	95.8	96.1	96.1	95.8
BFT Gestion		France	Full	100.0	100.0	100.0	96.1	96.1	95.8
BGP Indosuez		France	Full	100.0	99.9	99.9	100.0	99.9	99.9
C.A Alternative Investment Products Group Holding		France	Full	100.0	100.0		100.0	100.0	
C.A Alternative Investment Products Group Inc		United States	Full	100.0	100.0		100.0	100.0	
C.A Alternative Investment Products Group Ltd (formerly ISB)		Bermuda	Full	100.0	100.0	100.0	100.0	100.0	99.7
C.A Alternative Investment Products Group Sàs		France	Full	100.0	100.0		100.0	100.0	
C.A Alternative Investment Products Group Sgr	In	Italy	Full	100.0			100.0		
C.A Asset Management Espana Holding		Spain	Full	100.0	100.0		100.0	100.0	
C.A Asset Management Hong Kong Ltd		Hong-Kong	Full	100.0	100.0	100.0	100.0	100.0	99.7
C.A Asset Management Japan Ltd		Japan	Full	100.0	100.0	100.0	100.0	100.0	99.7
C.A Asset Management Ltd (formerly Premium)		United Kingdom	Full	100.0	100.0	100.0	100.0	100.0	99.7
C.A Asset Management Sgr Italie		Italy	Full	100.0	100.0	100.0	100.0	100.0	99.9
C.A Asset Management Singapore Ltd		Singapore	Full	100.0	100.0	100.0	100.0	100.0	99.7
C.A Asset Management U.S. Advisory Services (formerly IIS)	Out ^(c)	France	Full		100.0	100.0		100.0	99.7
C.A Investor Services Bank		France	Full	100.0	100.0		100.0	100.0	
C.A Investor Services Corporate Trust		France	Full	100.0	100.0		100.0	100.0	
C.A.A.M Securities Company Japan KK		Japan	Full	100.0	100.0		100.0	100.0	
CA – Epargne Longue des Salariés	In	France	Full	100.0			100.0		
CA Invest. Services Banque Luxembourg	In	Luxembourg	Full	100.0			100.0		
CAI Australia Ltd		Australia	Full	100.0	100.0	100.0	100.0	100.0	100.0
CAI Holding Italia Due SRL		Italy	Full	100.0	100.0		100.0	100.0	
CAI Luxembourg	In	Luxembourg	Full	100.0			100.0		
CAI Merchant Bank Asia Ltd		Singapore	Full	100.0	100.0	100.0	100.0	100.0	100.0
CAI Private Banking Italia Spa	In	Italy	Full	100.0			100.0		
CAICG Teneur de Comptes (CAICG TC)	Out ^(d)	France	Full		100.0			100.0	
Caisse Régionale Alpes Provence		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Alsace Vosges		France	Equity	25.0	25.0	24.9	25.0	25.0	24.9
Caisse Régionale Aquitaine		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Atlantique Vendée		France	Equity	25.1	25.1	25.0	25.1	25.1	25.0
Caisse Régionale Brie		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Calvados		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Cantal	Out ^(d)	France	Equity		25.0	25.0		25.0	25.0
Caisse Régionale Centre Est		France	Equity	25.0	25.1	25.0	25.0	25.1	25.0
Caisse Régionale Centre France		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Centre Loire		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Centre Ouest		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0

Crédit Agricole S.A. group: scope of consolidation	(a)	Country	Consolidation method 31/12/03	Percentage of voting rights			Percentage of share capital		
				31/12/03	31/12/02	31/12/01	31/12/03	31/12/02	31/12/01
Caisse Régionale Champagne Bourgogne		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Charente Maritime – Deux Sèvres		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Charente-Périgord		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Côte d'Or		France	Equity			25.0			25.0
Caisse Régionale Côtes d'Armor		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale de l'Anjou et du Maine		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale des Savoie		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Finistère		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Franche Comté		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Gard		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Guadeloupe		France	Equity	27.2	27.4	27.5	27.2	27.4	27.5
Caisse Régionale Ile-et-Vilaine		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Loire – Haute Loire		France	Equity	25.0	25.0	25.0	29.2	29.2	29.2
Caisse Régionale Lorraine		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Martinique		France	Equity	28.1	28.1	28.1	28.1	28.1	28.1
Caisse Régionale Midi		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Morbihan		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Nord		France	Equity			25.0			25.0
Caisse Régionale Nord de France		France	Equity	25.6	25.6	25.0	25.6	25.6	25.0
Caisse Régionale Nord-Est		France	Equity	23.6	25.5	24.4	23.6	25.5	24.4
Caisse Régionale Normand		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Normandie Seine		France	Equity	25.0	25.0	25.0	25.1	25.1	25.0
Caisse Régionale Oise		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Paris et Ile de France		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Provence – Côte d'Azur		France	Equity	25.0	25.0	24.6	25.0	25.0	24.6
Caisse Régionale Pyrénées Gascogne		France	Equity	25.0	25.0	24.7	25.0	25.0	24.7
Caisse Régionale Quercy Rouergue		France	Equity	25.0	25.0	23.9	25.0	25.0	23.9
Caisse Régionale Réunion		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Somme		France	Equity	25.5	25.0	25.0	25.1	25.0	25.0
Caisse Régionale Sud Alliance		France	Equity	25.0	25.0	25.1	25.0	25.0	25.1
Caisse Régionale Sud Méditerranée		France	Equity	25.8	25.5	25.2	25.8	25.5	25.2
Caisse Régionale Sud Rhône Alpes		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Toulouse and Midi Toulousain		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Touraine-Poitou		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Val de France		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caisse Régionale Vendée		France	Equity			25.0			25.0
Cal FP (Holding)		United Kingdom	Full	50.0	50.0	50.0	75.0	75.0	75.0
Cal FP Bank		United Kingdom	Full	100.0	100.0	100.0	75.0	75.0	75.0
Cal FP US		United States	Full	100.0	100.0	100.0	75.0	75.0	75.0
CL Développement de la Corse		France	Full	99.8	99.8	99.7	99.8	99.8	99.7
Cofam		France	Equity	25.0	25.0	25.0	29.2	29.2	29.2
Cogenec		Monaco	Full	100.0	100.0	100.0	100.0	100.0	100.0
Copagefi (Cie Parisienne de Gestion Financière)		France	Full			100.0			99.5
CPR (groupe)		France	Full			95.0			95.0
CPR AM (formerly CPR Production)		France	Full	100.0	100.0	100.0	100.0	100.0	98.5
CPR Billets		France	Full	100.0	100.0		100.0	100.0	
CPR BK		France	Full	100.0	100.0		100.0	100.0	
CPR F		France	Full	87.7	87.7		87.7	87.7	
CPR Online		France	Full	100.0	100.0		100.0	100.0	
Crealfi (formerly Menafinance)		France	Proportional	50.0	50.0	50.0	49.7	49.8	49.9
Credibom		Portugal	Full*	85.0	40.0	40.0	84.5	39.8	39.9
Credigen Bank		Hungary	Full	100.0	100.0	100.0	99.4	99.5	99.8
Crédit Agricole Asset Management		France	Full	100.0	100.0	100.0	100.0	100.0	99.7
Crédit Agricole Epargne Salariale	Out ^(c)	France	Full		100.0	99.9		99.9	99.6
Crédit Agricole Financement		Switzerland	Equity	45.0	45.0	45.0	40.0	40.0	40.0
Crédit Agricole Indosuez		France	Full	100.0	100.0	100.0	100.0	100.0	100.0

Crédit Agricole S.A. group: scope of consolidation	(a)	Country	Consolidation method 31/12/03	Percentage of voting rights			Percentage of share capital		
				31/12/03	31/12/02	31/12/01	31/12/03	31/12/02	31/12/01
Crédit Agricole Indosuez (Egypt) SAE		Egypt	Full	75.0	75.0	75.0	75.0	75.0	75.0
Crédit Agricole Indosuez (Suisse) SA		Switzerland	Full	100.0	100.0	100.0	100.0	100.0	100.0
Crédit Agricole Indosuez Luxembourg	Out ^(c)	Luxembourg	Full		100.0	100.0		100.0	100.0
Crédit Agricole Indosuez Mer Rouge		Djibouti	Full	100.0	100.0	100.0	100.0	100.0	100.0
Crédit Agricole Indosuez Turk As		Turkey	Full	100.0	100.0	100.0	100.0	100.0	100.0
Crédit Agricole S.A. Securities		Jersey	Full	99.9	99.9	99.9	99.9	99.9	99.9
Crédit Foncier de Monaco		Monaco	Full	77.1	77.1	77.1	75.9	75.9	75.9
Crédit Foncier de Monaco France		France	Full	100.0	100.0	100.0	87.3	87.3	87.3
Crédit Français International CFI		France	Full			100.0			95.8
Créditplus (formerly Beneficial Bank)		Germany	Full	100.0	100.0	100.0	99.4	99.5	99.8
E.P.E.M		United States	Full	100.0	100.0	100.0	100.0	100.0	99.7
EFL Services	In	Poland	Full	100.0			99.8		
Equalt Alternative Asset Management		France	Full	100.0	100.0		100.0	100.0	
Financière Lapérouse		France	Full	77.2	77.2	77.2	77.2	77.2	77.2
Finanziaria Indosuez International Ltd		Switzerland	Full	100.0	100.0	100.0	100.0	100.0	100.0
Finaref AS	In ⁽¹⁾	Norway	Full	100.0			75.5		
Finaref Benelux	In ⁽¹⁾	Belgium	Full	100.0			75.5		
Finaref Group AB	In ⁽¹⁾	Sweden	Full	75.5			75.5		
Finaref OY	In ⁽¹⁾	Finland	Full	100.0			75.5		
Finaref SA	In ⁽¹⁾	France	Full	75.5			75.5		
Finaref Securities AB	In ⁽¹⁾	Sweden	Full	100.0			75.5		
Finaref Sverige AB	In ⁽¹⁾	Sweden	Full	100.0			75.5		
Finconsum ESC SA		Spain	Equity	45.0	45.0	45.0	44.7	44.8	44.9
Foncaris		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Fransabank France		France	Equity	34.0	34.0	34.0	34.0	34.0	34.0
G.F.E.R (Groupement de Financement des Ent.Régionales)		France	Full	99.9	99.9	99.9	99.9	99.9	99.9
G.P.F (Groupement des Provinces de France)		France	Full	99.0	99.0	99.0	99.0	99.0	99.0
Gestion Privée Indosuez (G.P.I)		France	Full	100.0	100.0	100.0	100.0	99.9	100.0
GIE Attica	In	France	Equity	30.0			47.5		
Groupe Crédit Lyonnais	In	France	Full	94.8			94.8		
Lukas Bank		Poland	Full	99.9	96.6	95.0	99.9	75.5	78.5
Lukas SA		Poland	Full	100.0	100.0	86.1	99.9	76.8	80.7
Nepal Indosuez Bank		Nepal	Full			50.0			50.0
Nonghyup-CA	In	Korea	Proportional	40.0			40.0		
PT Bank Crédit Agricole Indosuez	Out ^(c)	Indonesia	Full		99.2	99.2		99.2	99.2
Radian		France	Full			100.0			99.6
Ribank		Netherlands	Full	100.0	100.0	100.0	99.4	99.5	99.8
S.A.Crédit Agricole (Belgique)	In	Belgium	Equity	10.0			21.4		
Sacam Consommation 1		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Sacam Consommation 2		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Sacam Consommation 3		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Sedef		France	Full	100.0	100.0	100.0	99.4	99.5	99.8
Segespar		France	Full	100.0	100.0	100.0	100.0	100.0	99.6
SFCV (Sté Française du Chèque de Voyage)		France	Equity			21.0			21.0
Sim Spa Selezione e Distribuzione		Italy	Full	100.0	100.0		100.0	100.0	
Sircam		France	Equity	25.0	25.0	25.0	29.2	29.2	29.2
Sofinco		France	Full	99.4	99.6	99.8	99.4	99.5	99.8
Sofipaca		France	Equity	28.3	28.3	29.3	27.5	27.5	28.1
Transfact		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Unicefi 33	Out ^(d)	France	Equity		25.0	25.0		25.0	25.0
Wafasalaf		Morocco	Equity	33.7	33.7	33.6	33.5	33.5	33.6
Stockbrokers									
Altura		Spain	Proportional	50.0	50.0	50.0	50.0	50.0	50.0
CAI Cheuvreux		France	Full	100.0	100.0	100.0	100.0	100.0	99.9
CAI Cheuvreux Espana SA (formerly ICSESA)		Spain	Full	100.0	100.0	100.0	100.0	100.0	99.9
CAIC (S) Pte Ltd		Singapore	Full	100.0	100.0		100.0	100.0	
CAIC Deutschland GmbH	Out ^(d)	Germany	Full		100.0	97.5		100.0	97.4

Crédit Agricole S.A. group: scope of consolidation	(a)	Country	Consolidation method 31/12/03	Percentage of voting rights			Percentage of share capital		
				31/12/03	31/12/02	31/12/01	31/12/03	31/12/02	31/12/01
CAIC Futures Ltd		Hong Kong	Full	100.0	100.0		100.0	100.0	
CAIC Hong-Kong Ltd		Hong Kong	Full	100.0	100.0		100.0	100.0	
CAIC International Ltd		United Kingdom	Full	100.0	100.0		100.0	100.0	
CAIC International UK		United Kingdom	Full	100.0	100.0	100.0	100.0	100.0	99.9
CAIC Italia Sim Spa		Italy	Full	100.0	100.0	100.0	100.0	100.0	99.9
CAIC Nordic AB		Sweden	Full	100.0	100.0	90.7	100.0	100.0	90.6
CAIC North America Inc		United States	Full	100.0	100.0	100.0	100.0	100.0	100.0
CAIC Securities Japan Ltd		Japan	Full	100.0	100.0		100.0	100.0	
CAIC Securities Ltd		Hong Kong	Full	100.0	100.0		100.0	100.0	
Carr Futures Chicago Inc		United States	Full	100.0	100.0	100.0	100.0	100.0	100.0
Carr Futures Singapore Pte		Singapore	Full	100.0	100.0	100.0	100.0	100.0	100.0
Carr Futures Snc		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Carr Global Advisors Inc		United States	Full			100.0			100.0
Carr Indosuez Asia		France	Full			100.0			100.0
Groupe Cholet Dupont		France	Equity	38.6	38.6	33.4	38.6	38.6	33.4
Insurance									
Argence Gestion Assurances	In ⁽¹⁾	France	Full	100.0			75.5		
Assurances du CA Nord-Pas de Calais		France	Equity	28.1	28.1	27.5	26.8	26.8	26.0
Eda		France	Full	100.0	100.0	100.0	99.4	99.5	99.8
Finaref Assurances	In ⁽¹⁾	France	Full	100.0			75.5		
Finaref Insurance Limited	In ⁽¹⁾	Eire	Full	100.0			75.5		
Finaref Life Limited	In ⁽¹⁾	Eire	Full	100.0			75.5		
Finaref Risques Divers	In ⁽¹⁾	France	Full	100.0			75.5		
Finaref Vie	In ⁽¹⁾	France	Full	100.0			75.5		
Pacifica		France	Full	100.0	100.0	100.0	100.0	100.0	90.0
Predica		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
SOPAR (formerly AMACAM)		France	Full	100.0	100.0	75.0	100.0	100.0	75.0
Space Reinsurance Company Limited	In ⁽¹⁾	Eire	Full	100.0			75.5		
Tranquilidade		Portugal	Equity	33.3	33.3	33.3	33.3	33.3	33.3
Tranquilidade Vida		Portugal	Equity	29.7	29.7	30.2	29.7	29.7	31.5
Vendome Courtage	In	France	Full	99.0			99.0		
Investment companies									
Argence Investissement SAS	In ⁽¹⁾	France	Full	100.0			75.5		
Belgium CA SAS	In	France	Equity	10.0			32.2		
Bercy Investissements	Out ^(d)	France	Equity		25.0	25.0		25.0	25.0
Bercy Participations		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Bespar		Portugal	Equity	32.6	32.6	32.1	32.6	32.6	32.1
BFC Holding		France	Full	99.6	99.6	99.6	99.3	99.3	99.3
CA Centre France Développement		France	Equity	25.0	25.0	25.0	20.8	20.8	20.8
CA Deurope BV		Netherlands	Full	100.0	71.3	87.8	100.0	71.3	87.8
CAI BP Holding	In	France	Full	100.0			100.0		
CAI Italia Holding Spa (formerly Finanziaria Indosuez Sim Spa)	Out ^(d)	Italy	Full		100.0	100.0		100.0	100.0
CAL FP Frankfurt	Out ^(d)	Germany	Full		100.0	100.0		75.0	75.0
CAL Maurice	Out ^(c)	Mauritius	Full		100.0	100.0		75.0	75.0
Calic		United Kingdom	Full	100.0	100.0	100.0	75.0	75.0	75.0
Camnord Investissement	Out ^(b)	France	Equity		25.6	25.0		14.3	14.8
Cofinop		France	Equity	23.6	25.5	24.4	23.6	25.5	24.4
Compagnie Financière Midi Toulousain		France	Equity			25.0			25.0
Compagnie Française de l'Asie (CFA)		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Crédit Agricole Bourse		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
DelFinances		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Doumer Finance SAS		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Fininvest		France	Full	98.3	98.3	98.3	98.3	98.2	98.3
Fletirec		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
I.P.F.O.		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Icauna Finance		France	Equity	25.0	25.0	25.0	24.4	24.4	24.4

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				31/12/03	31/12/02	31/12/01	31/12/03	31/12/02	31/12/01
Icauna SARL		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
ICF Holdings		United Kingdom	Full	100.0	100.0	100.0	100.0	100.0	100.0
Idia Participations		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Immarex		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Indosuez Air Finance SA		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Indosuez Holding UK Ltd		United Kingdom	Full	100.0	100.0	100.0	100.0	100.0	100.0
Indosuez North America Holding		United States	Full	100.0	100.0	100.0	100.0	100.0	100.0
Ligérienne Mobilière de Placement	Out ^(d)	France	Full		100.0	100.0		100.0	100.0
Mescas		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Nord Est Agro Partenaires		France	Equity	23.6	25.5		23.6	25.5	
Partran		Portugal	Equity	33.3	33.3	33.3	33.3	33.3	33.3
Prestimmo		France	Equity	25.0	25.1	25.0	25.0	25.1	25.0
Rue Impériale		France	Equity	29.0	17.0	20.5	23.6	23.6	30.9
Safec		Switzerland	Full	100.0	100.0	100.0	100.0	100.0	100.0
Sepi		France	Equity	25.0	25.1	25.0	25.0	25.1	25.0
Socadif		France	Equity	36.2	36.2	36.2	31.2	31.2	31.2
Space Holding (Ireland) Limited	In ⁽¹⁾	Eire	Full	100.0			75.5		
Space Lux	In ⁽¹⁾	Luxembourg	Full	100.0			75.5		
Transimmo		France	Equity	25.0	25.1	25.0	25.0	25.1	25.0
UI (Union d'Etudes et d'Investissements)		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Vauban Finance		France	Equity	33.3	33.3	32.3	31.0	31.1	30.8
Leasing companies									
Auxifip		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
CE Bail		France	Full			100.0			100.0
Climauto		France	Full	100.0	100.0	99.9	99.7	99.7	99.8
Ergifrance		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Etica		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Etica Bail		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Europejski Fundusz Leasingowy (E.F.L.)		Poland	Full	99.8	99.8	50.5	99.8	71.2	44.3
Filease		Hungary	Full			70.0			69.9
Financière Immobilière Indosuez		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Leicer		Spain	Full	100.0	100.0	100.0	100.0	100.0	100.0
Locam		France	Equity	25.0	25.0	25.0	29.2	29.2	29.2
Réunibail		France	Full	52.0	52.0	52.0	51.7	51.8	51.9
Réuniroute		France	Full	97.5	97.5	97.5	51.8	51.9	52.0
Sibail Location Informatique (SLOI)		France	Full	51.0	51.0		51.0	51.0	
Sibail Longue Durée (SLD)		France	Full	51.0	51.0		51.0	51.0	
Sofincar		France	Full	100.0	100.0	100.0	99.4	99.5	99.8
Sofinroute		France	Full	100.0	100.0	100.0	99.4	99.5	99.8
Ucabail		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Ucabail Immobilier		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Ucalase		France	Full	100.0	100.0	100.0	99.7	99.8	99.9
Unicomi		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Unifergie		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Unimat		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Tourist/Travel activities and property development									
SIS (Société Immobilière de La Seine)		France	Full	72.9	72.9	72.9	79.7	79.7	79.6
Unifica		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Unimo		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Others									
Alli Domes		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
AMT GIE		France	Equity	25.0	25.0	25.0	25.8	25.8	25.1
Ariane Crédit		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Bersol	Out ^(c)	France	Equity		25.0	25.0		25.0	25.0
Bois Sauvage Nederland		Netherlands	Full	100.0	100.0	100.0	99.4	99.5	99.8
Ca Investor Services Fund Adm. (formerly Fastnet France SA)		France	Full	77.6	77.6	61.6	77.6	77.6	61.4
CA Participations		France	Equity	25.0	25.1	25.0	25.0	25.1	25.0

Crédit Agricole S.A. group: scope of consolidation	(a)	Country	Consolidation method 31/12/03	Percentage of voting rights			Percentage of share capital		
				31/12/03	31/12/02	31/12/01	31/12/03	31/12/02	31/12/01
CA Preferred Funding LLC	In	United States	Full	100.0			6.2		
Caapimmo 1		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caapimmo 2		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caapimmo 3		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caapimmo 4		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caapimmo 5		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Caapimmo 6		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
CAI Cheuvreux Gestion	Out ^(d)	France	Full		100.0	100.0		100.0	99.9
CAI Conseil Sa		Luxembourg	Full	100.0	100.0	100.0	100.0	100.0	100.0
CAI Derivatives Products PLC	In	Eire	Full	100.0			100.0		
CAI Preferred Funding		United States	Full	100.0	100.0	100.0	100.0	100.0	100.0
CAI Preferred Funding II		United States	Full	100.0	100.0		100.0	100.0	
CAL Asia Pte Ltd		Singapore	Full	100.0	100.0	100.0	75.0	75.0	75.0
Cedicam		France	Full	50.0	50.0	50.0	62.5	62.5	62.4
Centre France Location Immobilière		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Chauray		France	Proportional	34.0	34.0		34.0	34.0	
Cirse		France	Equity			25.0			23.1
Cisa Sa		France	Full	100.0	100.0		100.0	100.0	
CPR Compensation (CPRC)		France	Full	100.0	100.0		100.0	100.0	
CPR Gestion (CPRG)		France	Full	100.0	100.0		100.0	100.0	
CPR Holding (CPRH)		France	Full	100.0	100.0		100.0	100.0	
CPR Investissement (INVT)		France	Full	100.0	100.0		100.0	100.0	
CPR Usa Inc (INCO)	Out ^(c)	United States	Full		100.0			100.0	
CPRA (FIGE)		France	Full	100.0	100.0		99.9	100.0	
CPRAAMI		France	Full	100.0	100.0		100.0	100.0	
CPRB (ETNB)		France	Full	100.0	100.0		99.9	100.0	
Creagrisere		France	Equity	25.0	25.0	25.0	22.8	22.8	22.8
Crédit Agricole Alternative Invest. Products Serv. Inc (formerly IIS)		United States	Full	100.0	100.0	100.0	100.0	100.0	99.7
Defitech		France	Equity	25.0	25.0	25.0	27.8	27.8	29.2
Defitech Dauphicom		France	Equity	25.0	25.0		27.8	27.8	
Defitech Routage et Communication		France	Equity	25.0	25.0	25.0	27.8	27.8	29.2
Equalt Convertible Arbitrage Fund	In	Eire	Full	100.0			77.1		
Equalt Core Macro Fund	In	Eire	Full	100.0			80.0		
Equalt Fixed Income Arbitrage Fund	In	Eire	Full	100.0			63.4		
Equalt Pair Trading Fund	In	Eire	Full	100.0			50.3		
Equalt Statistical Arbitrage Fund	In	Eire	Full	100.0			82.8		
Equalt Systematic Futures Fund	In	Eire	Full	100.0			52.4		
Europimmo		France	Equity	25.0	25.1	25.0	25.0	25.1	25.0
Fasnet Luxembourg		Luxembourg	Full	45.0	45.0	45.0	45.0	45.0	45.0
Finasic		France	Full	100.0	100.0	100.0	100.0	100.0	99.6
GEIE Argence Développement	In ^(f)	France	Full	100.0			75.5		
GEIE Argence Management	In ^(f)	France	Full	100.0			75.5		
Gestimocam		France	Equity	25.0	25.0	24.6	25.0	25.0	24.6
Glorious Smart Investments Co Ltd		Taiwan	Full	100.0	100.0		100.0	100.0	
Ical		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
IIF BV (Indosuez International Finance BV)		Netherlands	Full	100.0	100.0	100.0	100.0	100.0	100.0
Immotaïne		France	Equity			25.0			25.0
Indian 21st Century Fund (Mauritius)	Out ^(c)	Mauritius	Full		100.0			100.0	
Indosuez Holding SCA II		Luxembourg	Full	100.0	100.0	100.0	100.0	100.0	100.0
Indosuez Management Luxembourg II		Luxembourg	Full	100.0	100.0	100.0	100.0	100.0	100.0
Indosuez Wi Carr Financial Products	Out ^(c)	Hong Kong	Full		100.0			100.0	
Inforsud FM		France	Equity	25.0	25.0	24.5	23.3	23.3	22.8
Inforsud Gestion		France	Equity	25.0	25.0	24.4	22.1	22.1	21.5
IWICS (Derivatives)	Out ^(c)	Hong Kong	Full		100.0			100.0	
Korea 21st Century TR	In	Korea	Full	100.0			100.0		
Liberty View Alternative (LVAA)	Out ^(c)	United States	Full		100.0			100.0	
Liberty View C. Management (LVCM)	Out ^(c)	United States	Full		100.0			100.0	

Crédit Agricole S.A. group: scope of consolidation	(a)	Country	Consolidation method 31/12/03	Percentage of voting rights			Percentage of share capital		
				31/12/03	31/12/02	31/12/01	31/12/03	31/12/02	31/12/01
Logitaine	Out ^(c)	France	Equity		25.0	25.0		25.0	25.0
Madison SA		France	Equity	25.0	25.0	25.0	29.2	29.2	29.1
Mat Alli Domes		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Midi Toulousain Développement		France	Equity			25.0			25.0
Midi Toulousain Immobilier		France	Equity			25.0			25.0
Parfin		France	Full	99.9	100.0		99.9	100.0	
Partinvest		Luxembourg	Full	100.0	100.0		100.0	100.0	
Patrimocam		France	Equity	25.0	25.0	24.6	25.0	25.0	24.6
Patrimocam 2		France	Equity	25.0	25.0	24.6	25.0	24.9	24.6
Progica		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Réunifinance		France	Full	100.0	100.0	100.0	99.4	99.5	99.8
Routage Express Service		France	Equity	25.0	25.0	25.0	27.8	27.8	29.2
SARL Prospective Informatique		France	Equity	25.1	25.0	25.0	25.1	25.0	25.0
SCI Capimo		France	Equity	25.0	25.1	25.0	25.0	25.1	25.0
SCI Capucines		France	Equity	25.0	25.0	23.9	25.0	25.0	23.9
SCI du Vivarais		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
SCI Groupe Sofinco		France	Full	100.0	100.0	100.0	99.4	99.5	99.8
SCI Hautes Faventines		France	Equity	25.0	25.0	25.0	24.9	24.9	24.9
SCI La Baume		France	Full	100.0	100.0	100.0	100.0	99.9	99.9
SCI Les Fauvins		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
SCI Les Palmiers du Petit Pérou		France	Equity	27.2	27.4	27.5	27.2	27.4	27.5
SCI Max Hymans		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
SCI Pasteur 3		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
SCI Paysagère		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
SCI Qentyvel		France	Full	96.7	96.7	96.7	96.7	96.7	96.7
SCI Quercy		France	Equity			23.9			23.7
SCI Raspail		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Scica HL		France	Equity	25.0	25.0	25.0	28.8	28.8	28.8
Scicam 13		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Segespar Informatique Technique Services (SITS) (formerly IITS)		France	Full	100.0	100.0	99.0	98.9	98.9	98.7
Serves		United States	Full	100.0	100.0		100.0	100.0	
SNC Doumer		France	Full	99.9	99.9	99.9	99.9	99.9	99.9
SNC Haussmann Anjou	In	France	Full	100.0			100.0		
Soaring Eagle Investments Co Ltd		Taiwan	Full	100.0	100.0		100.0	100.0	
Sofinco Participations		France	Full	100.0	100.0	100.0	99.4	99.5	99.8
Sofinrec		France	Full	99.8	99.8	99.8	99.2	99.3	99.6
SPI SNC		France	Equity	25.0	25.0	25.0	25.0	25.0	25.0
Sté Immobilière de Picardie		France	Equity	25.1	25.0	25.0	25.1	25.0	25.0
Sté Immobilière Suisse		Switzerland	Full			100.0			100.0
Sté Picarde de Développement		France	Equity	25.1	25.0	25.0	25.1	25.0	25.0
Toulouse Location Immobilière		France	Equity			25.0			25.0
Ul Vavin 1		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Unibiens		France	Full	100.0	100.0	100.0	100.0	100.0	100.0
Uni-Edition		France	Equity	100.0	100.0	100.0	100.0	100.0	100.0
Uniger		France	Full	100.0	100.0		100.0	100.0	
Valris		France	Full	100.0	100.0	99.99	99.4	99.5	99.8

(a) Included in (In) or excluded from (Out) scope of consolidation.

(b) Investment sold, outside the group.

(c) No longer consolidated as not material or closure.

(d) Merged with another consolidated entity.

(*) Change of consolidation method.

(†) Entity belonging to the Finaref group.

Note 3 • Due from banks: analysis by maturity date

(in millions of euros)	31/12/03				Total gross value	Accrued interest	Total	31/12/02	31/12/01
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years					
Banks									
Loans and advances									
• Demand	19,614				19,614	8	19,622	14,259	19,130
• Time	6,401	5,110	4,544	1,696	17,751	145	17,896	18,574	28,338
Pledged securities	954	607	98	49	1,708	8	1,716	0	7
Securities purchased under repurchased agreements	38,679	13,216	2,989	45	54,929	46	54,975	34,389	14,842
Subordinated debt	20	52	67	355	494	2	496	122	1,915
Total	65,668	18,985	7,698	2,145	94,496	209	94,705	67,344	64,232
Provisions							(351)	(206)	(139)
Net book value							94,354	67,138	64,093
Crédit Agricole internal transactions									
Current accounts	6,372				6,372	8	6,380	4,875	2,209
Time loans and advances	24,900	39,876	46,764	39,472	151,012	119	151,131	144,878	139,224
Subordinated debt	9	190		15	214		214	226	270
Total	31,281	40,066	46,764	39,487	157,598	127	157,725	149,979	141,703
Provisions							(77)	(78)	(73)
Net book value							157,648	149,901	141,630

Note 4 • Customer-related items and lease financing: analysis by maturity date

(in millions of euros)	31/12/03				Total gross value	Accrued interest	Total	31/12/02	31/12/01
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years					
Customer-related items									
Bills discounted	2,025	408	215	1	2,649	16	2,665	1,255	1,084
Other loans	33,326	18,750	45,118	31,654	128,848	1,181	130,029	54,817	60,380
Securities purchased under repurchased agreements	10,628	374			11,002	4	11,006	4,713	6,917
Current accounts in debit	10,353				10,353	117	10,470	4,164	4,244
Total	56,332	19,532	45,333	31,655	152,852	1,318	154,170	64,949	72,625
Provisions							(5,750)	(2,408)	(2,860)
Net book value							148,420	62,541	69,765
Lease financing									
Property finance leases	270	386	1,998	2,481	5,135	9	5,144	2,665	2,401
Equipment leases, rental contracts with purchase option and similar transactions	979	1,795	4,585	619	7,978	176	8,154	4,198	4,273
Total	1,249	2,181	6,583	3,100	13,113	185	13,298	6,863	6,674
Provisions							(265)	(200)	(189)
Net book value							13,033	6,663	6,485
Total							161,453	69,204	76,250
Performing loans outstanding, restructured with non-market interest rate, within the framework of over-indebtedness Commission's decisions							818		
Discount or reserve of these loans outstanding								99	

Note 4.1 • Due from banks; customers-related items; lease financing: accounts by geographical area ⁽¹⁾

(in millions of euros)	31/12/03	31/12/02	31/12/01
France (including overseas departments and territories)	104,436	49,918	46,954
Other European Union countries	46,827	38,116	38,049
Rest of Europe	6,921	5,956	6,140
North America	13,363	9,710	9,635
Central and South America	5,342	4,393	7,835
Africa and Middle-East	10,250	6,698	6,823
Asia and Pacific (excluding Japan)	8,240	6,782	7,484
Japan	5,237	8,012	11,177
Other, aggregate ⁽²⁾	40,656		
Leasing and factoring ⁽³⁾	19,189	7,907	7,595
Total gross value	260,461	137,492	141,693
Accrued interest	1,712	1,664	1,838
Provisions	(6,366)	(2,814)	(3,188)
Net book value	255,807	136,342	140,343

(1) Without reallocation, where guarantees or credit insurance give rise to a geographical shift of risk.

(2) Including delivered securities bought under repo agreements from Crédit Lyonnais.

(3) Including accrued interest in 2002 and 2001.

Note 4.2 • Due from banks; customers-related items; lease financing: bad and doubtful accounts and provisions by geographical area ⁽¹⁾

(in millions of euros)	31/12/03					31/12/02			31/12/01		
	Gross	o/w doubtful accounts ⁽²⁾	o/w bad accounts ⁽²⁾	Provisions for doubtful accounts ⁽²⁾	Provisions for bad accounts ⁽²⁾	Gross	Bad and doubtful accounts	Provisions	Gross	Bad and doubtful accounts	Provisions
France (including Overseas departments and territories)	46,979	605	1,101	418	726	49,918	1,026	699	46,954	908	581
Other Union Area countries	37,768	201	274	114	181	38,116	335	191	38,049	260	143
Rest of Europe	5,198	111	184	92	153	5,956	441	403	6,140	705	557
North America	4,882	275	101	82	46	9,710	366	133	9,635	515	251
Central and South America	3,779	209	43	165	36	4,393	327	225	7,835	565	334
Africa and Middle-East	6,796	93	294	49	193	6,698	484	238	6,823	553	317
Asia and Pacific (excluding Japan)	5,314	17	212	10	133	6,782	456	216	7,484	501	261
Japan	4,032	1		1		8,012			11,177	8	
Leasing and factoring ⁽³⁾	19,189	384	253	169	153	7,907	281	217	7,595	238	199
Other, aggregate ⁽⁴⁾	126,524	2,513	2,424	1,497	1,658						
Total gross value	260,461	4,409	4,886	2,597	3,279	137,492	3,716	2,322	141,693	4,253	2,643
Accrued interest	1,712	152	365	135	355	1,664	509	492	1,838	555	545
Net book value	262,173	4,561	5,251	2,732	3,634	139,156	4,225	2,814	143,53	4,808	3,188

(1) Without reallocation where guarantees or credit insurance give rise to a geographical shift of risk.

(2) New regulation relating to the accounting treatment of credit risk applicable as of 01/01/2003.

(3) Including accrued interest in 2002 and 2001.

(4) Including delivered securities bought under repurchase agreements from Crédit Lyonnais.

Note 4.3 • Due from banks; customers-related items; lease financing: analysis by customer type

(in millions of euros)	31/12/03					31/12/02			31/12/01		
	Gross	o/w doubtful accounts ⁽¹⁾	o/w bad accounts ⁽¹⁾	Provisions for doubtful accounts ⁽¹⁾	Provisions for bad accounts ⁽¹⁾	Gross	Bad and doubtful accounts	Provisions	Gross	Bad and doubtful accounts	Provisions
Central and local governments	4,057	5	63	2	47	5,084	84	46	11,426	88	31
Financial institutions	62,483	206	138	184	135	77,974	567	474	73,043	692	581
Individual and small business customers	21,198	625	1,169	485	810	13,840	851	640	13,577	1,140	752
Farmers	46	6	11	3	3	31	16	6	706	53	48
Corporates (including insurance companies) and other customers	28,136	822	1,193	392	828	34,320	2,426	1,431	37,184	2,597	1,577
Leasing and factoring	19,189	384	253	169	153	7,907	281	217	7,595	238	199
Crédit Lyonnais Group aggregate ⁽²⁾	127,064	2,513	2,424	1,497	1,658						
Total	262,173	4,561	5,251	2,732	3,634	139,156	4,225	2,814	143,531	4,808	3,188

(1) New regulation relating to the accounting treatment of credit risk.

(2) Including delivered securities bought under repo agreements from Crédit Lyonnais.

Note 5 • Securities: analysis by type

(in millions of euros)	31/12/03					31/12/02	31/12/01
	Trading securities	Available-for-sale securities	Portfolio securities	Held-to-maturity securities	Total		
Treasury bills and similar securities	33,368	19,495		12,565	65,428	30,705	24,860
Accrued interest		90		284	374	252	263
Provisions		(224)		(56)	(280)	(2)	(2)
Net book value	33,368	19,361		12,793	65,522	30,955	25,121
Bonds and other fixed-income securities	24,434	12,162		13,359	49,955	31,413	36,248
Accrued interest		111		297	408	313	346
Provisions		(169)		(105)	(274)	(162)	(245)
Net book value	24,434	12,104		13,551	50,089	31,564	36,349
Shares and other variable-income securities⁽¹⁾	19,492	5,469	3,621		28,582	16,801	22,502
Accrued income	2	1	16		19	15	15
Provisions		(105)	(593)		(698)	(366)	(237)
Net book value	19,494	5,365	3,044		27,903	16,450	22,280
Total net book value	77,296	36,830	3,044	26,344	143,514	78,969	83,750
Estimated fair value	77,296	37,176	3,437	27,031	144,940	80,184	85,473

(1) At 31 December 2003, Crédit Agricole S.A. held 14,935,794 own shares classified as 'Shares and other variable-income securities - trading securities' for a total of € 254,153,000. They have a nominal value of € 3 and their stockmarket price at 31 December 2003 was €18.93.

As part of the programme to acquire strategic shareholdings, certain securities already issued by the group and matched against held-to-maturity securities have been reallocated to match these strategic investments. Accordingly, €973m of held-to-maturity securities were reclassified as available-for-sale securities in December 2002 against €212m in 2001.

€870 million of trading securities were reclassified as available-for-sale securities during the year, against €402 million in 2002.

€489 million of held-to-maturity securities were sold before their maturity date during the year, against €157 million in 2002 and €35 m in 2001.

Premiums and discounts

(In millions of euros)	31/12/03	31/12/02	31/12/01
Trading securities (excluding Crédit Lyonnais)			
Residual net premium	-	-	-
Residual net discount	51	704	308
Held-to-maturity securities⁽²⁾			
Residual net premium	38	-	8
Residual net discount	-	83	-

(2) Excluding Crédit Lyonnais for 2002 and 2001.

Note 5.1 • Breakdown of listed and unlisted securities between fixed-income and variable-income securities

(In millions of euros)	31/12/03				31/12/02				31/12/01			
	Bonds and other fixed-income securities	Treasury bills and similar securities	Shares and other variable income securities	Total	Bonds and other fixed-income securities	Treasury bills and similar securities	Shares and other variable income securities	Total	Bonds and other fixed-income securities	Treasury bills and similar securities	Shares and other variable income securities	Total
Listed securities	29,081	24,565	11,095	64,741	27,717	24,268	13,545	65,530	30,460	19,722	16,780	66,962
Unlisted securities	4,015	11,385	3,810	19,210	3,696	6,437	3,256	13,389	5,788	5,138	5,722	16,648
Accrued income	295	279	13	587	313	252	15	580	346	263	15	624
Provisions	(129)	(5)	(485)	(619)	(162)	(2)	(366)	(530)	(245)	(2)	(237)	(484)
Net book value on Crédit Agricole S.A.'s consolidated balance sheet (excluding Crédit Lyonnais)	33,262	36,224	14,433	83,919	31,564	30,955	16,450	78,969	36,349	25,121	22,280	83,750
Listed securities	13,389	27,626	12,146	53,161								
Unlisted securities	3,325	1,578	1,319	6,222								
Accrued income	113	94	5	212								
Net book value on Crédit Lyonnais' balance sheet	16,827	29,298	13,470	59,595								
Net book value	50,089	65,522	27,903	143,514	31,564	30,955	16,450	78,969	36,349	25,121	22,280	83,750

Breakdown of mutual funds by type:

(In millions of euros)	31/12/03		31/12/02		31/12/01	
	Book Value	Cash-in value	Book value	Cash-in value	Book value	Cash-in value
Money market funds	1,118	1,166	1,168	1,307	1,527	1,604
Bond funds	919	1,390	510	520	300	322
Equity funds	560	571	196	194	986	1,079
Other funds	2,405	2,478	2,930	2,965	2,494	2,587
Total	5,002	5,605	4,804	4,986	5,307	5,592
o/w mutual funds under exclusive control	561	596	1,367	1,368	1,809	1,944

Breakdown of all mutual funds:

(In millions of euros)	31/12/03	31/12/02	31/12/01
	Book value	Book value	Book value
Capitalisation mutual funds	2,282	2,062	2,376
• France	2,183	1,918	2,276
• Rest of world	99	144	100
Other mutual funds	2,720	2,742	2,931
Total	5,002	4,804	5,307

Note 5.2 • Treasury bills, bonds and other fixed-income securities: analysis by maturity date

(in millions of euros)

	31/12/03				Total gross value	Accrued interest receivable	Total	31/12/02	31/12/01
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years					
Bonds and other fixed-income securities	11,509	9,305	16,429	12,712	49,955	408	50,363	31,726	36,594
Treasury bills and similar securities	17,483	16,461	21,061	10,423	65,428	374	65,802	30,957	25,123
Provisions							(554)	(164)	(247)
Net book value							115,611	62,519	61,470

Includes trading securities for which the notion of remaining term to maturity, is not relevant.

Note 5.3 • Treasury bills, bonds and other fixed-income securities: geographical analysis

	31/12/03			31/12/02			31/12/01		
	Gross	Doubtful debts	Provisions	Gross	Doubtful debts	Provisions	Gross	Doubtful debts	Provisions
France (including overseas departments and territories)	24,383	28	50	22,687	17	56	26,335	12	69
Other European Union countries	21,539	3	6	20,801	5	7	16,289	9	12
Rest of Europe	706			607		3	649		
North America	4,022	4	40	4,878	3	39	5,133	6	31
Central and South America	2,190	24	19	2,693	30	17	2,386	22	26
Africa and Middle-East	1,190			1,453			1,315		3
Asia and Pacific (excluding Japan)	2,926	20	19	2,932	47	42	3,371	112	106
Japan	12,089			6,067			5,630		
Other, aggregate ⁽¹⁾	46,338	214	420						
Total gross value	115,383	293	554	62,118	102	164	61,108	161	247
Accrued interest	782	9		565	13		609	23	
Net book value	116,165	302	554	62,683	115	164	61,717	184	247

(1) Contribution from Crédit Lyonnais.

Note 6 • Investments in non-consolidated subsidiaries and associated companies, other long-term securities

Non-consolidated investments with a gross book value in excess of € 50 million

	Gross book value (in millions of euros)			% interest		
	31/12/03	31/12/02	31/12/01	31/12/03	31/12/02	31/12/01
Banco Bisel ⁽²⁾	131	131		N/A	N/A	
Bradesco			302			3.2
Crédit Logement (A shares)	193	147	111	16.5	16.5	16.5
Crédit Logement (B shares)	181			16.1		
Crédit Lyonnais		2,426	1,037		17.8	10.3
Doumer Euterpe ⁽¹⁾			100			100.0
Emporiki Bank (Commercial Bank of Greece)	331	331	276	9.0	9.0	6.7
Gercasa			93			100.0
Resona Trust and Banking	86	86		5.0	5.0	
SEFA ⁽¹⁾	67	67	67	100.0	100.0	100.0
Veolia Environnement	77			0.8		
Wafabank	52	52	52	14.8	14.8	14.8
1301 Sixth Avenue	61			18.3		
Short-term advances	443	438	474			
Other long-term securities	1,910	1,396	1,490			
Gross value⁽³⁾	3,532	5,074	4,002			
Provisions	(802)	(575)	(437)			
Accrued interest	17	21	27			
Net book value	2,747	4,520	3,592			

(1) Not consolidated pursuant to CRC Regulation 99-07 (below materiality threshold).

(2) Deconsolidated at 1 January 2002 and booked at its value on the date of deconsolidation. The investment has been provided for in full. In addition, an impairment provision has also been made for the full value (€ 236 million) of securities in the individual financial statements. On 17 May 2002, the Central Bank of Argentina suspended Banco Bisel's banking licence and entrusted its banking activities to Banco Nacion. As a result, Crédit Agricole SA no longer exercises significant influence over this entity.

(3) Of which banks: € 1,227 million at 31 December 2003 against € 3,362 million at 31 December 2002 and € 1,990 million at 31 December 2001.

Note 6.1 • Estimated value of investments in non-consolidated subsidiaries and associated companies, other long-term securities

(In millions of euros)

	31/12/03		31/12/02		31/12/01	
	Net book value	Estimated value	Net book value	Estimated value	Net book value	Estimated value
Investments in non-consolidated subsidiaries and associated companies						
• Unlisted securities	1,552	1,674	1,113	1,209	1,359	1,360
• Listed securities	473	581	2,823	3,587	1,714	2,019
• Short-term advances	428	428	426	426	465	465
Sub-total	2,453	2,683	4,362	5,222	3,538	3,844
Other long-term securities						
• Unlisted securities	182	206	125	151	18	20
• Listed securities	93	109	12	12	8	9
• Short-term advances	2	2			1	
Sub-total	277	317	137	163	27	29
Accrued income	17	17	21	21	27	27
Total	2,747	3,017	4,520	5,406	3,592	3,900

See Notes 2.1.3.5 and 2.1.3.6 for definition of estimated value.

Note 7 • Investments in equity affiliates

Investments with a book value in excess of € 50 million:

(In millions of euros)

	31/12/03	31/12/02	31/12/01
Financial institutions	11,967	11,141	10,498
Al Bank Al Saudi Al Fransi	346	357	393
B.E.S.	433	415	271
Regional banks and subsidiaries	7,771	7,188	6,620
Banca Intesa Spa	3,375	3,143	3,160
Others	42	38	54
Non-financial companies	327	279	325
Partran – Tranquilidade – Tranquilidade Vida	(80)	(84)	(38)
Rue Impériale	339	335	330
Others	68	28	33
Net book value	12,294	11,420	10,823

Note 8 • Intangible and tangible fixed assets

(In millions of euros)

	31/12/03			31/12/02	31/12/01
	Cost	Accumulated depreciation and amortisation	Net	Net	Net
Tangible assets					
• Property, plant & equipment	4,387	2,035	2,352	972	1,118
• Assets let to third parties	615	211	404	274	426
Intangible assets⁽¹⁾	4,992	963	4,029	125	133
Accrued interest ⁽²⁾	3		3	0	10
Total	9,997	3,209	6,788	1,371	1,687

(1) o/w € 3,500 million of goodwill (related to the retail business in France) identified according to CRC Regulation 99-07 in the framework of the first consolidation of the Crédit Lyonnais group.

(2) Accrued rents on assets let to third parties.

Note 9 • Other fixed assets: movement in net book value

(in millions of euros)	31/12/01	31/12/02	Consolidation changes	Increases (acquisitions)	Decreases (redemptions and disposals)	Foreign exchange translation adjustments	Other movements	31/12/03
Investments in non-consolidated subsidiaries and associated companies								
Cost	3,484	4,477	(1,476)	1,190	(1,181)	(14)	(243)	2,753
Short-term advances	472	437	3	76	(75)	(1)	1	441
Provisions	(418)	(552)	(219)	(91)	130	6	(15)	(741)
Other long-term securities								
Cost	45	160	150	2	(7)	0	31	336
Short-term advances	1	0		2				2
Provisions	(19)	(23)	(34)	8	2		(14)	(61)
Accrued interest	27	21					(4)	17
Net book value	3,592	4,520	(1,576)	1,187	(1,131)	(9)	(244)	2,747
Intangible assets ⁽¹⁾	133	125	3,901	77	(115)	(7)	48	4,029
Property, plant & equipment	1,544	1,246	1,600	(11)	(190)	(41)	152	2,756
Accrued interest ⁽²⁾	10	0					3	3
Net book value	1,687	1,371	5,501	66	(305)	(48)	203	6,788

(1) o/w € 3,500 million of goodwill (related to the retail business in France) identified according to CRC Regulation 99-07 in the framework of the first consolidation of the Crédit Lyonnais group.

(2) Accrued rents on assets let to third parties.

Note 10 • Other assets, sundry accounts and prepaid expenses

(in millions of euros)	31/12/03	31/12/02	31/12/01
Other assets⁽¹⁾	42,503	16,979	16,755
Financial options bought	21,575	6,330	4,937
Codevi bonds	2,456	2,784	2,717
Miscellaneous debtors	13,604	6,010	6,878
Settlement accounts	4,854	1,853	2,221
Due from shareholders – unpaid capital	14	2	2
Sundry accounts and prepaid expenses	13,990	9,168	10,909
Deferred tax	693	201	262
Items in course of transmission to other banks	1,415	419	844
Breakdown of Crédit Agricole sundry accounts and prepaid expenses			
• Items in course of transmission to other banks	1,555	791	1,548
• Accrued income	4,950	5,723	5,425
• Prepayments	1,256	1,028	1,034
• Unrealised gains and deferred losses on financial futures	505	376	636
• Unamortised bond issue and redemption premiums	222	228	374
• Miscellaneous	920	402	786
Crédit Lyonnais sundry accounts and prepaid expenses	2,474		
Net book value	56,493	26,147	27,664

(1) Amounts are stated inclusive of associated accrued interest and net of provisions.

Note 11 • Provisions deducted from assets

(In millions of euros)	31/12/01	31/12/02	Consolidation changes	Charge	Write-back or utilisation	Foreign exchange translation adjustments	Other movements	31/12/03
Loans and advances to banks	212	284	242	18	(18)	(30)	(68)	428
Loans and advances to customers	2,860	2,408	4,140	1,363	(1,401)	(279)	(481)	5,750
Lease financing	189	200	158	79	(167)	(1)	(4)	265
Available-for-sale, portfolio and held-to-maturity securities	484	530	358	376	(249)	(39)	276	1,252
Investments in non-consolidated subsidiaries and associated companies, other long-term securities	437	575	253	83	(132)	(7)	30	802
Other	82	38	116	32	(23)	(3)	8	168
Total	4,264	4,035	5,267	1,951	(1,990)	(359)	(239)	8,665

Note 12 • Goodwill

Goodwill items exceeding €50 million.

(In millions of euros)	31/12/03			31/12/02	31/12/01
	Gross	Amortisation	Net	Net	Net
Amortised over 1 to 5 years inclusive					
CPR Online	84	(70)	14	31	61
Amortised over 5 to 10 years inclusive					
CAI (Suisse) S.A.	118	(26)	92	47	53
EFL	239	(43)	196	149	101
Lukas	363	(99)	264	234	265
Sofinco	990	(576)	414	538	662
CPR AM	126	(78)	48	56	65
Other CPR subsidiaries	23	(9)	14	16	23
Amortised over 10 to 15 years inclusive					
BES	62	(21)	41	47	52
Credibom	51	(2)	49		
Amortised over 15 to 20 years inclusive					
Banca Intesa SpA	51	(9)	42	45	47
Paris Ile-de-France Regional Bank	77	(8)	69	73	76
Crédit Lyonnais Group	6,813	(195)	6,618		
Ellos Group	189	(8)	181		
Finaref Group	1,512	(87)	1,425		
Rue Impériale	243	(235)	8	224	247
Other companies	311	(128)	183	192	243
Total	11,252	(1,594)	9,658	1,652	1,895

Note 13 • Deposits by banks: analysis by maturity date

(in millions of euros)	31/12/03					Total gross value	Accrued interest payable	Total	31/12/02	31/12/01
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years						
Due to banks										
Deposits										
• Demand	13,746				13,746	11	13,757	12,278	12,238	
• Time	30,147	10,551	5,097	1,862	47,657	281	47,938	35,815	43,264	
Pledged securities	127	152	1,886	2,756	4,921	154	5,075	5,044	5,199	
Securities fold under repurchased agreements	28,182	26,785	3,068		58,035	32	58,067	17,327	9,583	
Total	72,202	37,488	10,051	4,618	124,359	478				
Net book value							124,837	70,464	70,284	
Crédit Agricole internal transactions										
Current accounts in credit	3,430				3,430	7	3,437	5,545	10,744	
Demand and time deposits	2,173	2,465	4,523	690	9,851	214	10,065	13,398	13,309	
Total	5,603	2,465	4,523	690	13,281	221				
Net book value							13,502	18,943	24,053	

Note 14 • Customer accounts: analysis by maturity date

(in millions of euros)	31/12/03					Total gross value	Accrued interest payable	Total	31/12/02	31/12/01
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years						
Current accounts in credit	41,942				41,942	55	41,997	11,098	12,362	
Government-regulated savings schemes										
• Demand deposits	75,644				75,644	368	76,012	55,723	50,577	
• Time deposits	14,476	11,583	67,057	10,626	103,742	450	104,192	87,978	87,645	
Other debts to customer	39,533	4,748	6,876	2,091	53,248	729	53,977	35,644	41,945	
Pledged securities	20,969	440	150		21,559	28	21,587	14,644	8,152	
Total	192,564	16,771	74,083	12,717	296,135	1,630				
Net book value							297,765	205,087	200,681	

Note 14.1 • Customer accounts: geographical analysis

(in millions of euros)	31/12/03	31/12/02	31/12/01
France (including overseas departments and territories)	245,009	170,174	158,445
Other European Union countries	16,094	13,510	14,742
Rest of Europe	6,774	3,931	4,471
North America	9,322	2,785	4,279
Central and South America	1,935	1,365	3,985
Africa and the Middle-East	11,475	8,957	8,742
Asia and Pacific (excluding Japan)	4,802	3,910	5,034
Japan	2,354	455	983
Total	297,765	205,087	200,681

Note 14.2 • Customer accounts: analysis by customer type

(in millions of euros)	31/12/03	31/12/02	31/12/01
Individuals and small business customers	224,062	163,574	160,324
Corporates	73,703	41,513	40,357
Total	297,765	205,087	200,681

Note 15 • Debts represented by a security: analysis by maturity date

(In millions of euros)

	31/12/03				Total gross value	Accrued interest payable	Total	31/12/02	31/12/01
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years					
Savings certificates	98	95	16	64	273	7	280	88	77
Interbank securities	1,379	940	2,352	1,100	5,771	416	6,187	6,186	4,772
Negotiable debt securities:									
• Issued in France	21,396	11,560	11,007	2,798	46,761		46,761	17,142	10,786
• Issued abroad	6,000	7,522	412		13,934		13,934	12,608	18,400
Bonds (see Note 15.1)	2,206	2,807	10,525	7,226	22,764	480	23,244	22,115	23,339
Other debt instruments	99				99		99	118	188
Total					89,602	903	90,505	58,257	57,562

Note 15.1 • Bonds (by currency of issue)

(In millions of euros)

	Analysis by maturity date at 31 December 2003 ⁽¹⁾			Outstanding at 31/12/03	Outstanding at 31/12/02	Outstanding at 31/12/01
	≤ 1 year	> 1 year to ≤ 5 years	> 5 years			
Euro	4,731	9,448	5,982	20,161	19,771	21,674
• Fixed rate	3,626	6,202	5,050	14,878	14,689	16,318
• Floating rate	1,105	3,246	932	5,283	5,082	5,356
US dollar	176	740	722	1,638	688	439
• Fixed rate	145	382	399	926	307	324
• Floating rate	31	358	323	712	381	115
Yen	4	73	495	572	1,056	537
• Fixed rate	4	73	495	572	101	12
• Floating rate				0	955	525
Other currencies	102	264	27	393	149	0
• Fixed rate	84	98	27	209	82	0
• Floating rate	18	166		184	67	0
Total – gross value	5,013	10,525	7,226	22,764	21,664	22,650
• Fixed rate	3,859	6,755	5,971	16,585	15,179	16,654
• Floating rate	1,154	3,770	1,255	6,179	6,485	5,996
Accrued interest				480	451	689
Net book value				23,244	22,115	23,339

(1) Before the impact of hedging contracts.

Note 16 • Sundry accounts and unearned income and other liabilities

(in millions of euros)	31/12/03	31/12/02	31/12/01
Other liabilities⁽¹⁾	60,090	23,087	21,508
Liabilities relating to trading securities	18,394	6,662	5,272
Liabilities relating to stock lending transactions	6,115	4,025	3,742
Financial options sold	21,751	4,560	3,808
Miscellaneous creditors	2,170	6,722	6,373
Settlement accounts	11,604	1,062	2,281
Payments in process	46	47	19
Other	10	9	13
Sundry accounts and unearned income	20,819	15,664	12,657
Items in course of transmission to other banks	980	1,882	874
Breakdown of Crédit Agricole sundry accounts and unearned income			
Adjustment accounts	3,875	2,807	875
Deferred income	2,481	2,324	2,201
Accrued expenses	6,705	7,846	7,706
Unrealised losses and deferred gains on financial futures	283	267	251
Other	262	538	750
Crédit Lyonnais sundry accounts and unearned income	6,233		
Total	80,909	38,751	34,165

(1) Amounts are stated inclusive of accrued interest.

Note 17 • General reserves for risks and expenses

(in millions of euros)	31/12/01	31/12/02	Consolidation changes	Charge	Write-backs	Amounts used	Foreign exchange translation adjustments	Other movements	31/12/03
Country risks	599	371	495	85	(90)	(75)	(33)		753
Financing commitment execution risks	206	131	206	67	(48)	(2)	(7)	(54)	293
Retirement and similar benefits	170	148	180	50	(34)	(27)	(2)	(3)	312
Financial futures	96	41		9	(13)		(1)	(3)	33
Other liabilities and charges ⁽¹⁾	2,192	1,700	2,305	1,070	(502)	(482)	(73)	78	4,096
Total	3,263	2,391	3,186	1,281	(687)	(511)	(158)	(15)	5,487

(1) Breakdown of other liabilities and charges

	31/12/01	31/12/02	31/12/03
• Synergy-related costs (See Note 39)			836
• Estimated additional euro-related costs	7		
• Sector risks and other credit risks	553	446	1,418
• Negative net assets of unconsolidated interests	265	147	138
• Early retirement benefits	95	78	88
• Litigation	638	408	351
• Risk of loss in connection with the internal financing mechanism for home purchase savings schemes	145	107	80
• Badwill	199	223	216

Note 18 • Fund for General Banking Risks

(in millions of euros)	31/12/03	31/12/02	31/12/01
Home purchase savings ⁽²⁾	882	836	936
Liquidity and Solvency Banking Risks ⁽¹⁾	615	610	610
CODEVI (industrial development passbook accounts)		17	17
Others	447	155	153
Total	1,944	1,618	1,716

(1) Including € 162 million in Home Purchase Savings FGBR identified within the Crédit Lyonnais group as part of the harmonisation of accounting methods carried out upon first-time consolidation pursuant to the provisions of CRC Regulation 99-07.

(2) This guarantee fund was established at the time of Crédit Agricole S. A.'s initial public offering.

Note 19 • Subordinated debt: analysis by maturity date and issue currency

(In millions of euros)

	31/12/03				Accrued interest payable	Total	31/12/02	31/12/01
	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years				
Fixed-term subordinated debt	3	454	1,942	8,254	160	10,813	8,187	8,063
• Euro	3	437	1,714	8,068	159	10,381	7,880	7,742
• US Dollar		2	209	186		397	275	285
• Yen		15				15	9	10
• Other currencies			19		1	20	23	26
Perpetual subordinated debt⁽¹⁾				7,533	105	7,638	1,556	1,503
• Euro				7,517	105	7,622	1,453	1,400
• US Dollar				16		16	23	17
• Yen						0	80	86
Participating securities and loans				235		235	2	8
Short-term shareholders' advances						0	0	0
Total – gross value	3	454	1,942	16,022	265	18,686	9,745	9,574
Total						18,686	9,745	9,574

(1) T3CJ (hybrid capital issued by the Regional Banks) accounts for 24.46% of the euro line, i.e. € 1,839 million.

Note 20 • Changes in shareholder's equity excluding FGBR

(In millions of euros)

	Shareholder's equity excluding FGBR (group share)					Minority interests	Total shareholders equity excluding FGBR
	Share capital	Share, premium reserves and retained earnings	Investment grants	Foreign exchange translation adjustments	Total		
At 31 December 2000	2,241	9,241	84	179	11,745	3,200	14,945
Dividends paid in 2001		(411)			(411)	(225)	(636)
Changes in share capital	676				676		676
Elimination of treasury stock ⁽¹⁾	(6)	(28)			(34)		(34)
Net change in share premiums arising from new share issues and shares contributed ⁽²⁾		2,221			2,221		2,221
Change in investment grants			28		28		28
Foreign exchange translation adjustments				32	32	(37)	(5)
Change in revaluation reserves		(4)			(4)		(4)
Net income for 2001		1,067			1,067	286	1,353
Change in method of accounting for Fund for General Banking Risks relating to home purchase savings schemes ⁽³⁾		(328)			(328)		(328)
Other changes ⁽⁴⁾		2			2	(2,534)	(2,532)
At 31 December 2001	2,911	11,760	112	211	14,994	690	15,684
Dividends paid in 2002		(535)			(535)	(35)	(570)
Dividends received by Regional Banks and subsidiaries in 2002 ⁽⁵⁾		91			91		91
Changes in share capital					0		0
Elimination of treasury stock ⁽⁶⁾	(7)	(35)			(42)		(42)
Change in investment grants			9		9		9
Foreign exchange translation adjustments				(161)	(161)	(26)	(187)
Change in revaluation reserves		5			5	1	6
Net income for 2002		1,064			1,064	(3)	1,061
Impact of application of CRC Regulation 2000-06		4			4		4
Other changes		2			2	(244)	(242)
At 31 December 2002	2,904	12,356	121	50	15,431	383	15,814

(1) This sum comprises 2,009,482 Crédit Agricole S.A. shares, held by the company or other Group companies, which do not satisfy the regulatory criteria for recognition in the consolidated balance sheet (see CRC Regulation 2000-02).

(2) Including € 2,304 million in connection with Crédit Agricole S.A.'s purchase of the Regional Banks' shareholdings in the seven specialised subsidiaries in exchange for shares.

(3) Following an enquiry by the COB, Crédit Agricole S.A. no longer recognises deferred tax on the provision for home purchase savings schemes. The impact of this change was charged to opening consolidated reserves.

(4) The sharp reduction in minority interests stems from the Regional Banks' transfer to Crédit Agricole SA of their shareholdings in the seven specialised subsidiaries. At the end of 2001 Crédit Agricole S.A. owned virtually the entire share capital in these subsidiaries.

(5) Including € 89 million of dividends received by the Regional Banks.

(6) This sum comprises 4,334,482 Crédit Agricole S.A. shares, held by the company or other Group companies, which do not satisfy the regulatory criteria for recognition in the consolidated balance sheet (see CRC Regulation 2000-02).

(in millions of euros)

Shareholder's equity excluding FGBR (group share)

	Share capital	Share premium, reserves and retained earnings	Investment grants	Foreign exchange translation adjustments	Total	Minority interest	Total shareholders equity excluding FGBR
At 31 December 2002	2,904	12,356	121	50	15,431	383	15,814
Dividends paid in 2003		(729)			(729)	(10)	(739)
Dividends received by Regional Banks and subsidiaries in 2003 ⁽¹⁾		103			103		103
Changes in share capital	1,504				1,504		1,504
Net change in share premiums		6,306			6,306		6,306
Elimination of treasury stock ⁽²⁾	10	53			63		63
Change in investment grants			7		7		7
Foreign exchange translation adjustments				(213)	(213)	(291)	(504)
Change in revaluation reserves		(7)			(7)		(7)
Net income at 31 December 2003		1,026			1,026	260	1,286
Change of method ⁽³⁾		95			95		95
Additions to the scope of consolidation ⁽⁴⁾					0	4,120	4,120
Buyout of minority interests ⁽⁵⁾					0	(18)	(18)
Other changes		(15)			(15)	(1)	(16)
At 31 December 2003	4,418	19,188	128	(163)	23,571	4,443	28,014

(1) Including € 97 million in dividends received by the Regional Banks.

(2) The 4,334,482 Crédit Agricole S.A. shares held by Predica since 2002 have been sold outside the Group. At 31 December 2003, 745,968 treasury shares held by Crédit Agricole S.A. were eliminated in the sum of € 13,392 million. Until 30 June 2003, they were classified as trading securities – shares and other variable income securities.

(3) Including € 119 million in deferred bond issue expenses and € (24) million in discounts on performing loans restructured on off-market terms (see Note 2).

(4) Most of these additions consist of minority interests arising on consolidation of Finaref (75.5%) and Credit Lyonnais (94.8%).

CA Preferred Funding also issued € 2,428 million of preferred shares.

(5) Minority interests in CA Deveurope BV, Lukas Sa, Lukas Bank, EFL and Credibom.

Breakdown of changes in share capital by origin (in millions of euros)

31/12/03

31/12/02

31/12/01

Payment of dividends in shares	-	-	77
Rights issues for cash	445	-	51
Rights issues by asset contribution	1,059	-	548
Total	1,504	0	676

Breakdown of change in share premiums by origin (in millions of euros)

31/12/03

31/12/02

31/12/01

Payment of dividends in shares	-	-	331
Rights issues for cash	1,860	-	134
Rights issues by asset contribution	4,446	-	1,756
Total	6,306	0	2,221

Capital increases in 2003:**Capital increase following the mixed cash-and-share offer for Crédit Lyonnais made in June 2003:**

On 19 June 2003, Crédit Agricole S.A. issued 353,285,738 new shares for allotment to Crédit Lyonnais shareholders who tendered their shares to the mixed cash-and-share offer for Crédit Lyonnais. As a result, Crédit Agricole S.A.'s share capital increased from € 2,916,629,697 to € 3,976,486,911.

Capital increase following the employee share offering made in October 2003:

Crédit Agricole S.A. made a share offering to Group employees both in France and abroad. The reservation period ran from 23 June 2003 to 2 September 2003. Settlement and delivery of the shares took place on 10 October 2003. A total of 51,082 Crédit Agricole Group employees took part in the offering, which raised € 345.4 million.

As a result, Crédit Agricole S.A.'s share capital increased from € 3,976,486,911 to € 4,052,186,703.

Capital increase following a rights issue made in November 2003:

Crédit Agricole S.A. issued 122,793,536 new shares in the market, raising its share capital to €4,420,567,311 (divided into 1,473 522 437 €3 nominal value shares). The subscription period ran from 27 October 2003 to 7 November 2003. Settlement and delivery of the shares took place on 24 November 2003.

Following these successive capital increases, Crédit Agricole S.A.'s share capital amounted to €4,420,567,311 at 31 December 2003, divided into 1,473,522,437 €3 nominal value shares.

Note 20.1 • Preferred shares

Issuing entity	Issue date	Amount (in millions of USD)	Amount (in millions of euros)	31/12/03 (in millions of euros)	31/12/02 (in millions of euros)	31/12/01 (in millions of euros)
CA Preferred Funding LLC	Jan-03	1,500		1,188	0	0
CA Preferred Funding LLC	Jul-03	550		435		
CA Preferred Funding LLC	Dec-03		550	550		
Crédit Lyonnais Capital SCA ⁽¹⁾	Jul-93	350				
Crédit Lyonnais Preferred Capital 1 LLC	Apr-02		750	750		
Total		2,400	1,300	2,923	0	0

(1) In July 2003, Crédit Lyonnais made an early redemption of its 1993 USD 350 million preferred share issue via its Luxembourg subsidiary Crédit Lyonnais Capital SCA.

In 2003, the Crédit Agricole S.A. Group made three issues of preferred non-voting shares.

The first issue, for an amount of USD 1.5 billion, was made in January 2003 by Crédit Agricole Preferred Funding Trust I, a company exclusively controlled by Crédit Agricole Preferred Funding LLC, itself exclusively controlled by Group companies. These perpetual preferred shares offer holders a fixed, quarterly, non-cumulative dividend of 7% per annum, subject to compliance with the terms of the issue agreement. They may be redeemed by the issuer, barring events provided for in the issue agreement, on 30 January 2009 and quarterly thereafter.

The second issue, for an amount of USD 550 million, was made in July 2003 by Crédit Agricole Preferred Funding Trust II, a company exclusively controlled by Crédit Agricole Preferred Funding LLC, itself exclusively controlled by Group companies. These perpetual preferred shares offer holders a fixed, quarterly, non-cumulative dividend of 7% per annum, subject to compliance with the terms of the issue agreement. They may be redeemed by the issuer, barring events provided for in the issue agreement, on 30 July 2009 and quarterly thereafter.

The third issue, for an amount of €550 million, was made in December 2003 by Crédit Agricole Preferred Funding Trust III, a company exclusively controlled by Crédit Agricole Preferred Funding LLC, itself exclusively controlled by Group companies. These perpetual preferred shares offer holders a fixed, quarterly, non-cumulative dividend of 6% per annum, subject to compliance with the terms of the issue agreement. They may be redeemed by the issuer, barring events

provided for in the issue agreement, on 30 July 2009 and quarterly thereafter.

These preferred shares do not dilute Crédit Agricole S.A.'s ordinary shares. The capital raised is eligible for regulatory purposes. It is booked as a liability in the consolidated financial statements under the heading 'minority interests'. Dividends paid are booked to the income statement under the heading 'minority interests'.

Note 21 • Capital

(in millions of euros)	31/12/03	31/12/02	31/12/01
Shareholders' equity excluding FGFR	28,014	15,814	15,684
Fund for General Banking Risks	1,944	1,618	1,716
Subordinated debt	18,686	9,745	9,574
Other capital	20,630	11,363	11,290
Total	48,644	27,177	26,974

Note 22 • Analysis of the consolidated balance sheet by currency

(in billions of euros)

	Assets			Liabilities and shareholders' equity		
	31/12/03	31/12/02	31/12/01	31/12/03	31/12/02	31/12/01
Euro	461.5	424.4	400.6	452.7	420.8	390.4
Other EU currencies	3.2	4.7	7.0	9.2	13.6	14.5
US Dollar	32.7	41.2	52.5	53.6	57.0	71.1
Yen	20.0	20.7	19.5	3.4	3.0	5.6
Other currencies	15.1	14.7	15.4	12.5	11.3	13.4
Other, aggregate ⁽¹⁾	253.4			254.5		
Total	785.9	505.7	495.0	785.9	505.7	495.0

(1) Contribution from Crédit Lyonnais.

Note 23 • Off-balance sheet commitments (excluding insurance companies)

(in millions of euros)

	31/12/03	31/12/02	31/12/01
Commitments given (excluding insurance companies)	170,090	95,243	70,494
Financing commitments	101,324	43,051	38,976
Banks	10,921	6,085	4,213
Customers	90,403	36,966	34,763
• Confirmed credit lines	83,848	36,270	33,957
• Confirmed documentary credits	2,505		
• Other confirmed credit lines	81,343	36,270	
• Other	6,555	696	806
Guarantees	65,186	50,255	29,097
Banks	18,666	10,146	8,106
• Confirmed documentary credits ⁽²⁾	1,522	774	771
• Other	17,144	9,372	7,335
Customers	46,520	40,109	20,991
• Guarantees	12,834	6,511	4,830
• Property guarantees	149		
• Loan repayment guarantees	6,238	6,511	4,830
• Guarantees	6,447		
• Other ⁽¹⁾	33,686	33,598	16,161
Commitments relating to securities	3,580	1,937	2,421
Commitments received (excluding insurance companies)	52,424	49,082	25,729
Financing commitments	9,115	9,643	4,682
Banks	7,984	7,285	4,185
Customers	1,131	2,358	497
Guarantees	37,814	35,807	17,561
Banks ⁽¹⁾	15,943	21,788	2,856
Customers	21,871	14,019	14,705
• Guarantees received from government bodies or similar	5,975	8,862	2,844
• Other	15,896	5,157	11,861
Commitments relating to securities	5,495	3,632	3,486

(1) These commitments include the guarantee given by Crédit Agricole Indosuez and the counter-indemnity received from the Regional Banks within the framework of the public cash-and-share offer for Crédit Lyonnais made on 16 December 2002.

(2) Excluding Crédit Lyonnais.

Note 23.1 • Foreign exchange transactions and borrowings

(In millions of euros)

	31/12/2003		31/12/2002		31/12/2001	
	To be received	To be delivered	To be received	To be delivered	To be received	To be delivered
Spot	33,051	32,727	16,545	16,805	14,699	14,759
Foreign currencies	26,943	27,327	12,899	12,760	10,901	10,417
Euros	6,108	5,400	3,646	4,045	3,798	4,342
Forward	636,430	633,515	534,139	536,089	472,691	473,147
Foreign currencies	390,262	396,820	411,126	408,973	380,277	372,952
Euros	91,241	87,847	123,013	127,116	92,414	100,195
Unallocated ⁽¹⁾	154,927	148,848				
Lending and borrowing in foreign currencies (excluding Crédit Lyonnais)	3,461	1,813	2,971	2,322	2,529	400
Total	672,942	668,055	553,655	555,216	489,919	488,306

(1) Contribution from Crédit Lyonnais.

Note 23.2 • Securitisation transactions and special-purpose vehicles

Securitisation transactions carried out on behalf of customers

Crédit Agricole Indosuez and Crédit Lyonnais have carried out a number of securitisation transactions on behalf of their customers:

a) Transactions carried out by Crédit Agricole Indosuez

- At 31 December 2003, a €1.4 billion portfolio was securitised in North America with the bank's assistance, through four non-consolidated SPVs (Indosuez Capital Funding IIA, Limited, Indosuez Capital Funding III, Limited, Porticoes Funding, L.P. and Indosuez Capital Funding VI, Limited) and one consolidated SPV (Serves), in which the bank held €2.1 million of subordinated shares net of provisions at that date;

- Crédit Agricole Indosuez manages a non-consolidated SPV, Hexagon Finance a.r.l., formed in 1998 for operations carried out in Europe on behalf of its customers. At 31 December 2003, Crédit Agricole Indosuez had issued a total of €185 million in letters of credit to guarantee the counterparty risk attaching to the assets securitised by its customers. Hexagon Finance a.r.l. finances these assets by issuing commercial paper in the money market. No provision was considered necessary at 31 December 2003.

In addition, the bank had granted a total of €3.7 billion in cash lines at 31 December 2003 to the SPVs involved in these transactions.

b) Transactions carried out by Crédit Lyonnais

- At 31 December 2003, a €3.7 billion portfolio was securitised in Europe with the bank's assistance, through three non-consolidated SPVs (LMA, H20 and ESF). These SPVs finance themselves by issuing commercial paper in the French and euro money markets. In addition, the bank had granted a total of €3.2 billion in cash lines at 31 December 2003 to the SPVs involved in these transactions.

- Crédit Lyonnais manages a €2.6 billion portfolio in North America through two non-consolidated asset-backed commercial paper vehicles, Atlantic Asset Securitization Corp. and La Fayette Asset Securitization. At 31 December 2003, the bank and Crédit Agricole Indosuez had issued a total of €368 million in letters of credit (including €275 million granted by Crédit Agricole Indosuez to Atlantic) to guarantee a portion of the risk of default attaching to the assets securitised by their customers. In addition, the bank had granted a total of €3.5 billion in cash lines at 31 December 2003 to the SPVs involved in these transactions.

- The bank also manages a portfolio of loans in North America, which amounted to €259 million at 31 December 2003, held in a nonconsolidated CLO (collateralised loan obligations) vehicle called LCM 1 LP. This vehicle issues floating or fixed rate notes in the market, redemption of which depends directly on the performance of the underlying loan portfolio. The bank holds 49.9% of the subordinated shares (€12 million) and 6% of the B shares issued to investors (€14 million).

Securitisation transactions on own account

Crédit Agricole Indosuez and Crédit Lyonnais carry out securitisation transactions on their own account:

a) Transactions carried out by Crédit Agricole Indosuez

Since 2000, Crédit Agricole Indosuez has carried out seven synthetic securitisation transactions (Chloe 1 to 5, Chloe 7 and Daphne 1) maturing between 31 July 2005 and 9 January 2009, as part of its strategy for managing the portfolio of Crédit Agricole Indosuez SA and its branch offices.

The SPVs hold assets totalling €15.5 billion, principally loans to large European and American corporates. CAI has retained a first-loss risk (the most subordinated tranches of each transaction, which do not initially have investment-grade rating) averaging 3.32%.

As these are synthetic transactions, the loans concerned are kept on the bank's balance sheet or off-balance sheet items as applicable, while most of the credit enhancement is recorded off-balance sheet, under financial instruments (credit derivatives bought, see Note 24, Hedging transactions).

The bank has retained a total of €513 million in non-investment-grade risk, plus a residual share in the investment-grade tranches amounting to €344 million.

b) transactions carried out by Crédit Lyonnais

At 31 December 2003, Crédit Lyonnais had carried out six securitisation transactions for its own account.

Four of these transactions were made by way of asset sales, totalling €1.2 billion at 31 December 2003, with Crédit Lyonnais retaining a portion of the risk amounting to €53 million. These transactions involve equipment financing for pharmacists, mortgage loans granted to personal customers in the French branch network and loans granted to major US corporates.

The other two are synthetic transactions amounting to a total of €4.9 billion at 31 December 2003. Crédit Lyonnais has retained a first-loss risk of €4.3 million. The transactions involved a portfolio of loans to major US and European corporates.

Dedicated funds

Through its subsidiary Crédit Agricole Indosuez Cheuvreux, Crédit Agricole Indosuez owns 100% of Korea 21st Century TR, a non-consolidated South Korean fund with €86 million in funds under management at 31 December 2003

In addition, Crédit Agricole Indosuez owns shares in funds which are consolidated after their first year of existence where Crédit Agricole Indosuez owns more than 50%. The following table shows a breakdown at 31 December 2003:

Name of fund	Year of creation (approval)	CAI investment (in millions of euros)	Funds under management (in millions of euros)	Consolidated
Equalt Convertible Arbitrage	2000	60	88.2	Yes
Equalt Pair Trading	2000	23.6	47.0	Yes
Equalt Moyen Terme	1992	8.1	23.1	No (outstanding at end-June 2003)
Equalt Long Terme	2001	3.5	28.2	No (outstanding at end-June 2003)
Equalt Systematic Futures	2002	20	39.2	Yes
Equalt Core Macro	2001	28.7	36.3	Yes
Equalt Statistical Arbitrage	2002	59.4	96.0	Yes
Equalt Fixed Income Arbitrage	2002	117.5	342.7	Yes
Equalt Selection	2003	5	17.2	No (outstanding at end-June 2003)
Equalt Equity Hedge	2003	25	25.0	No (outstanding at end-June 2003)
Liberty View Plus Funds	1998	138.6	310.2	No (outstanding at end-December 2003)
Liberty View Income Fund	2001	33.2	37.6	No (outstanding at end-December 2003)

Note 24 • Financial futures and options

(In millions of euros)

	31/12/2003			31/12/2002	31/12/2001
	Hedging transactions	Other transactions	Total	Total	Total
Futures and forwards	170,294	4,160,596	4,330,890	2,649,078	2,228,934
Exchange traded⁽¹⁾	30,563	155,357	185,920	190,780	388,300
Interest rate futures	30,453	114,812	145,265	174,177	169,014
Currency futures	79	9,089	9,168	9,762	157
Equity and stock index instruments	31	31,456	31,487	6,841	219,129
Other			0	0	0
OTC⁽¹⁾	139,731	4,005,239	4,144,970	2,458,298	1,840,634
Interest rate swaps	135,913	3,165,399	3,301,312	1,843,093	1,482,540
Forward rate agreements	457	556,937	557,394	407,861	212,987
Equity and stock index instruments	1,098	38,313	39,411	9,026	8,461
Other	2,263	244,590	246,853	198,318	136,646
Options	30,113	1,144,749	1,174,862	458,473	264,237
Exchange traded	4,755	190,609	195,364	15,584	25,779
Interest rate options					
• Bought	329	6,744	7,073	38	9,100
• Sold	3,830	9,978	13,808	983	8,151
Equity and stock index options					
• Bought		75,656	75,656	8,011	3,390
• Sold	72	61,208	61,280	5,284	4,607
Currency options					
• Bought	265	18,346	18,611	640	342
• Sold	259	18,677	18,936	628	189
OTC	25,358	954,140	979,498	442,889	238,458
Swap options					
• Bought	49	71,095	71,144	30,923	12,237
• Sold	195	76,712	76,907	32,041	13,737
Interest rate options					
• Bought	1,367	218,923	220,290	76,041	67,244
• Sold	1,591	188,376	189,967	69,783	62,039
Equity and stock index options					
• Bought	901	12,278	13,179	8,262	7,448
• Sold	760	22,917	23,677	37,775	18,435
Currency options					
• Bought	624	164,520	165,144	89,780	23,517
• Sold	630	164,904	165,534	89,645	23,331
Other options					
• Bought		37	37	0	69
• Sold		38	38	0	270
Credit derivatives					
• Bought	19,179	27,013	46,192	4,769	10,062
• Sold	62	7,327	7,389	3,870	69
Total	200,407	5,305,345	5,505,752	3,107,551	2,493,171

(1) For futures and forwards, the amounts stated are the aggregate short and long positions in the case of interest rate swaps and swap options, and the aggregate bought and sold contracts in the case of other contracts.

Note 24.1 • Financial futures and options: analysis by maturity date

Notional amount (in millions of euros)	OTC				Exchange traded				31/12/03	31/12/02	31/12/01
	≤1 year	> 1 year to ≤ 5 years	> 5 years	Unallocated ⁽¹⁾	≤1 year	> 1 year to ≤ 5 years	> 5 years	Unallocated ⁽¹⁾	Total	Total	Total
Interest rate instruments	16,870	1,025	0	148,250	1,487,461	1,221,752	520,383	1,187,419	4,583,160	2,634,941	2,037,048
Futures	13,812	1,025		130,428					145,265	174,177	169,014
Forward rate agreements					434,949	120,039	76	2,331	557,395	407,861	212,985
Interest rate swaps					966,022	933,011	455,397	946,883	3,301,313	1,843,093	1,482,539
Interest rate options					45,855	68,871	33,325		148,051	62,964	25,975
Caps, floors and collars					40,171	99,131	31,246		170,548	142,810	121,258
Other options	3,058			17,822	464	700	339	238,205	260,588	4,036	25,277
Foreign currency and gold	7,671	71	0	38,975	418,962	105,889	45,573	7,106	624,247	388,773	184,181
Currency futures	7,217			1,952	106,853	94,631	44,859	509	256,021	208,080	136,802
Currency options	454	71		37,023	312,109	11,258	714	6,597	368,226	180,693	47,379
Other financial instruments	47,628	1,996	0	118,799	13,104	47,109	6,357	63,352	298,345	83,837	271,942
Equity and stock index derivatives	47,628	1,996			12,197	21,751	3,660		87,232	55,154	261,664
Precious metal derivatives									0	20,044	147
Commodity derivatives									0	0	0
Credit derivatives					907	25,358	2,697	24,618	53,580	8,639	10,131
Other ⁽¹⁾				118,799				38,734	157,533		
	72,169	3,092	0	306,024	1,919,527	1,374,750	572,313	1,257,877	5,505,752	3,107,551	2,493,171
Forward currency transactions					945,620	23,480	(2,931)	303,775	1,269,944	1,070,228	945,838
Total	72,169	3,092	0	306,024	2,865,147	1,398,230	569,382	1,561,652	6,775,696	4,177,779	3,439,009

(1) Contribution from Crédit Lyonnais.

Note 24.2 • Financial futures and options: counterparty risk

(in millions of euros)

	31/12/03		31/12/02		31/12/01	
	Marked-to-market value	Potential credit risk	Marked-to-market value	Potential credit risk	Marked-to-market value	Potential credit risk
OECD governments, central banks and similar institutions	335	270	462	225	343	183
OECD financial institutions and similar institutions	51,732	22,959	56,101	19,357	22,858	15,071
Other counterparties	3,273	1,915	4,062	2,292	3,054	2,060
Total by counterparty type	55,340	25,144	60,625	21,874	26,255	17,314
By instrument						
• interest rates, currency and commodities	50,839	23,581	51,195	20,016	23,939	15,777
• equity and index derivatives	4,501	1,563	9,430	1,858	2,316	1,537
Impact of netting agreements (excluding Crédit Lyonnais)	43,198	11,784	45,174	9,754	13,255	5,641
Crédit Lyonnais group	6,749	8,925				
Total after impact of netting agreements	18,891	22,285	15,451	12,120	13,000	11,673

Contracts between members of the network are not included since they carry no risk.

Note 25 • Net interest and similar income

(In millions of euros)	31/12/03	31/12/02	31/12/01
Loans and advances to banks	5,135	9,666	8,201
Crédit Agricole internal transactions	6,300	6,461	6,795
Loans and advances to customers	6,816	4,509	5,909
Lease financing	1,022	747	647
Bonds and other fixed-income securities (see Note 26)	2,682	2,371	2,551
Other interest income	88	44	48
Interest and similar income receivable	22,043	23,798	24,151
Deposits by banks	(6,339)	(10,985)	(9,863)
Crédit Agricole internal transactions	(910)	(1,165)	(1,634)
Customer accounts	(7,365)	(6,565)	(7,457)
Lease financing	(3,309)	(294)	(229)
Bonds and other fixed-income securities	(391)	(2,982)	(3,622)
Other interest expense	(355)	(257)	(21)
Interest and similar expense payable	(18,669)	(22,248)	(22,826)
Net interest and similar income	3,374	1,550	1,325

Note 26 • Income from securities

(In millions of euros)	Fixed-income securities			Variable-income securities		
	31/12/03	31/12/02	31/12/01	31/12/03	31/12/02	31/12/01
Investments in non-consolidated subsidiaries and associated companies, other long-term securities				68	108	150
Available-for-sale and portfolio securities	597	680	669	108	41	65
Codevi passbook accounts	143	154	149			
Held-to-maturity securities	1,291	1,231	1,427			
Other securities transactions	651	306	306			
Total	2,682	2,371	2,551	176	149	215

Note 27 • Net fee and commission income

(In millions of euros)	31/12/03			31/12/02			31/12/01		
	Income	Expense	Net	Income	Expense	Net	Income	Expense	Net
Interbank transactions	121	(160)	(39)	144	(87)	57	116	(48)	68
Crédit Agricole internal transactions	71	(967)	(896)	69	(951)	(882)	63	(1,070)	(1,007)
Customer transactions	1,113	(239)	874	583	(152)	431	645	(123)	522
Securities transactions	393	(162)	231	335	(96)	239	337	(68)	269
Foreign exchange transactions	154	(50)	104	31	(7)	24	47	(3)	44
Financial future and forward instruments and options and other off-balance sheet transactions	121	(47)	74	96	(86)	10	72	(49)	23
Banking and financial services ⁽¹⁾	2,278	(1,593)	685	1,527	(1,395)	132	1,653	(1,176)	477
Total	4,251	(3,218)	1,033	2,785	(2,774)	11	2,933	(2,537)	396
(1) Including life insurance.			(490)			(469)			(439)

The **Note 28** has been merged with Note 27.

Note 29 • Trading profits/(losses)

(In millions of euros)	31/12/03	31/12/02	31/12/01
Trading securities and derivatives	2,620	1,056	2,114
Transactions and derivatives	(218)	530	330
Total	2,402	1,586	2,444

Note 30 • Net gain/(loss) on securities transactions

(In millions of euros)	31/12/03	31/12/02	31/12/01
Available-for-sale securities			
Impairment provisions	(46)	(81)	(114)
Write-back of provisions	93	71	94
Net change in provisions	47	(10)	(20)
Gains on disposals ⁽¹⁾	232	544	751
Losses on disposals	(139)	(217)	(286)
Net gain/(loss) on disposals	93	327	465
Net gain/(loss) on available-for-sale securities	140	317	445
Portfolio securities			
Impairment provisions	(240)	(127)	(67)
Write-back of provisions	86	49	34
Net change in provisions	(154)	(78)	(33)
Gains on disposals	110	188	408
Losses on disposals	(40)	(17)	(8)
Net gain/(loss) on disposals	70	171	400
Net gain/(loss) on portfolio securities	(84)	93	367
Total net gain/(loss) on securities transactions	56	410	812

(1) Including €65 million in gains on the disposal of available-for-sale securities which were transferred from the held-to-maturity portfolio in 2002 (see Note 5).

Note 31 • Operating expenses

Note 31.1 • Staff costs

(In millions of euros)	31/12/03	31/12/02	31/12/01
Salaries	(2,473)	(1,486)	(1,636)
Social security	(892)	(450)	(490)
Incentive schemes and profit-sharing	(96)	(46)	(71)
Payroll-related tax	(83)	(72)	(81)
Total	(3,544)	(2,054)	(2,278)

In 2003, remuneration paid to the Board of Directors and Management Committee of Crédit Agricole S.A. Group amounted to €11 million.

Note 31.2 • Average number of employees

	31/12/03	31/12/02	31/12/01
Total⁽¹⁾	64,191	22,878	28,753
o/w : France	45,575	12,550	12,633
Outside France	18,616	10,328	16,120

(1) The increase in the number of employees is principally due to the first-time consolidation of Finaref and Ellos (1,459 employees) and of Crédit Lyonnais Group for 40,260 employees (o/w in France 32.010).

Note 31.3 • Other operating expenses

(In millions of euros)	31/12/03	31/12/02	31/12/01
Taxes other than on profit or payroll-related	(216)	(143)	(202)
External services and other costs	(2,338)	(1,498)	(1,562)
Total	(2,554)	(1,641)	(1,764)

Note 32 • Risk-related costs

(In millions of euros)	31/12/03	31/12/02	31/12/01
Charge to provisions	(2,000)	(1,222)	(1,964)
Doubtful debts	(1,588)	(854)	(1,059)
Other provisions	(412)	(368)	(905)
Write-back of provisions	1,192	1,016	1,576
Doubtful debts	904	320	492
Other provisions	288	696	1,084
Net change	(808)	(206)	(388)
Bad debts written off – not provided for	(135)	(70)	(85)
Recoveries on bad debts written off	104	69	107
Total	(839)	(207)	(366)

Note 33 • Net gain/(loss) on fixed asset disposals

(In millions of euros)

	31/12/03	31/12/02	31/12/01
Long-term investments			
Charge to impairment provisions			
Held-to-maturity securities	(4)	(9)	(10)
Investments in unconsolidated interests and other long-term securities	(82)	(241)	(120)
Write-back of impairment provisions			
Held-to-maturity securities	2	1	9
Investments in unconsolidated interests and other long-term securities	135	282	241
Net change	51	33	120
Held-to-maturity securities	(2)	(8)	(1)
Investments in unconsolidated interests and other long-term securities	53	41	121
Gains on disposal			
Held-to-maturity securities	7	16	2
Investments in unconsolidated interests and other long-term securities	70	234	168
Losses on disposal			
Held-to-maturity securities	(12)	(3)	(9)
Investments in unconsolidated interests and other long-term securities	(142)	(352)	(266)
Net gain (loss) on disposal	(77)	(105)	(105)
Held-to-maturity securities	(5)	13	(7)
Investments in unconsolidated interests and other long-term securities	(72)	(118)	(98)
Net gain/(loss)	(26)	(72)	15
Tangible and intangible fixed assets			
Gains on disposal	34	3	43
Losses on disposal	(25)	(5)	(24)
Net gain/(loss) on disposal	9	(2)	19
Total	(17)	(74)	34

Note 34 • Corporate income tax

(In millions of euros)

	31/12/03	31/12/02	31/12/01
Current tax	(531)	(168)	(591)
Deferred tax income/(charge)	(36)	(44)	(270)
Total	(567)	(212)	(861)

Effective tax rate

(In millions of euros and % tax rate)

At 31 December 2003

	Base	Tax rate	Tax
Profit before tax, goodwill amortisation and share in profit/(loss) of equity affiliates	1,626	35.43%	(576)
Impact of permanent timing differences		6.21%	(101)
Impact of different tax rates on foreign subsidiaries		- 3.75%	61
Impact of losses for the year, utilisation of tax loss carry-forwards and timing differences		- 0.74%	12
Impact of taxation at 19% rate		- 0.55%	9
Impact of other items		- 1.72%	28
Effective tax rate and charge		34.88%	(567)

Deferred tax assets are not recognised as their recovery is deemed improbable: €32 million at 31 December 2003.

The 2003 tax charge breaks down as follows:

- on ordinary activities: tax charge of credit €564 million
- on extraordinary items: tax credit of €3 million

Note 35 • Share in net profit/(loss) of equity affiliates

(in millions of euros)	31/12/03	31/12/02	31/12/01
Non-financial companies	20	(36)	(1)
Financial institutions	966	512	306
Total	986	476	305

Note 36 • Extraordinary items

(in millions of euros)	31/12/03	31/12/02	31/12/01
Early retirement benefits	(16)	(5)	(2)
Insurance premiums and indemnities	6		
Euro		3	42
Information systems and restructuring	(28)	(72)	(12)
Litigation	8	5	(28)
Contribution to guarantee fund – deposits and securities		(1)	(9)
Fund for Liquidity and Solvency Banking Risks			152
Home purchase savings schemes decentralisation mechanism (see Note 1.2)			(382)
Decrease in ‘internal loss rate’ (see Note 2.1.6)			760
Provision for Argentina risk			(98)
Other ⁽¹⁾⁽²⁾	39	(64)	(90)
Total	9	(134)	333

(1) The 2002 figure includes the foreign exchange loss arising on deconsolidation of Banco Bisel.

(2) Including contribution from Crédit Lyonnais group: € 35 million.

Note 37 • Information relating to income from banking activities

Note 37.1 • Net banking income by business line and geographical region⁽¹⁾

(in millions of euros)	31/12/03							31/12/02	31/12/01
	French retail banking	Specialised financial services	Asset management, insurance and private banking	Corporate and investment banking	International retail banking	Proprietary asset management and other activities	Total business lines	Total business lines	Total business lines
France (including overseas departments and territories)	0	1,357	1,395	1,163	36	(458)	3,493	3,189	3,860
Other European Union countries	0	388	263	445	9	(11)	1,094	964	1,021
Rest of Europe	0	216	154	28	0	0	398	417	310
North America	0	0	23	244	0	105	372	299	323
Central and South America	0	0	13	0	9	0	22	37	584
Africa and the Middle-East	0	0	0	55	84	0	139	158	180
Asia and Pacific (excluding Japan)	0	0	5	170	0	0	175	194	250
Japan	0	0	6	46	0	0	52	71	70
Contribution from Crédit Lyonnais									
Group	1,724	130	434	1,248	111	(41)	3,606		
Net banking income	1,724	2,091	2,293	3,399	249	(405)	9,351	5,329	6,598

(1) The above analysis was derived in part from management information systems.

Note 37.2 • Net income before goodwill amortisation at 31 December 2003 by business line⁽¹⁾⁽³⁾

(in millions of euros)

	French retail banking	Specialised financial services	Asset management, insurance and private banking	Corporate and investment banking	International retail banking	Proprietary asset management and other activities	Total business lines
Net banking income	1,724	2,091	2,293	3,399	249	(405)	9,351
Operating expenses	(1,214)	(1,185)	(1,155)	(2,309)	(198)	(435)	(6,496)
Gross operating income	510	906	1,138	1,090	51	(840)	2,855
Risk-related costs	(61)	(329)	(9)	(417)	(39)	16	(839)
Net operating income	449	577	1,129	673	12	(824)	2,016
Share in net income/(loss) of equity affiliates ⁽²⁾	682	4	29	74	209	(12)	986
Net gain/(loss) on fixed asset disposals			25		(42)	(17)	
Net ordinary income (before tax)	1,131	581	1,158	772	221	(878)	2,985
Integration-related costs		(8)	(41)	(313)		(151)	(513)
Extraordinary items	(17)	1	(3)	(25)	(1)	54	9
Tax	(175)	(216)	(358)	(109)	(7)	298	(567)
Net charge to/(write-back from) Fund for General Banking Risks		2	(5)	8		126	131
Net income before goodwill amortisation	939	360	751	333	213	(551)	2,045

(1) The above analysis was derived in part from management information systems.

(2) Details of the operations and contribution of the Regional Banks and their subsidiaries to French retail banking are provided in Note 37.2.1 (€ 630 million), Credit Lyonnais group: € 52 million).

(3) The goodwill of Crédit Lyonnais will be allocated by business line by 31 December 2004; this is why the breakdown by business line cannot be provided down to the net income.

Note 37.2 • Net income before goodwill amortisation at 31 December 2002 by business line⁽¹⁾⁽³⁾

(in millions of euros)

	French retail banking	Asset management, insurance and private banking	Corporate and investment banking	International retail banking	Proprietary asset management and other activities	Total business lines
Net banking income	791	1,520	2,422	503	93	5,329
Operating expenses	(466)	(839)	(1,858)	(353)	(413)	(3,929)
Gross operating income	325	681	564	150	(320)	1,400
Risk-related costs	(103)	(11)	(171)	(133)	211	(207)
Net operating income	222	670	393	17	(109)	1,193
Share in net income/(loss) of equity affiliates ⁽²⁾	464	3	52	(17)	(26)	476
Net gain/(loss) on fixed asset disposals			32	(33)	(73)	(74)
Net ordinary income (before tax)	686	673	477	(33)	(208)	1,595
Extraordinary items	2	(6)	(28)	(55)	(47)	(134)
Tax	(84)	(199)	(117)	(5)	193	(212)
Net charge to/(write-back from) Fund for General Banking Risks	(1)	(2)	5	(4)	100	98
Net income before goodwill amortisation	603	466	337	(97)	38	1,347

(1) The above analysis was derived in part from management information systems.

(2) Details of the operations and contribution of the Regional Banks and their subsidiaries to French retail banking are provided in Note 37.2.1.

(3) Banking logistics operations are recorded under 'Proprietary asset management and other activities', whereas in previous years they were allocated to each of the business lines concerned.

Note 37.2 • Net ordinary income (before tax) at 31 December 2001 by business line⁽¹⁾

(in millions of euros)

	French retail banking	Asset management, insurance and private banking	Corporate and investment banking	International retail banking	Own investments and other activities	Total business lines
Net banking income	813	1,532	2,712	884	657	6,598
Operating expenses	(495)	(802)	(2,013)	(647)	(393)	(4,350)
Gross operating income	318	730	699	237	264	2,248
Risk-related costs	(100)	(1)	(161)	(272)	168	(366)
Net operating income	218	729	538	(35)	432	1,882
Share in net income/(loss) of equity affiliates	16	2	56	229	2	305
Net gain/(loss) on fixed asset disposals					34	34
Net ordinary income (before tax)	234	731	594	194	468	2,221

(1) The above analysis was derived in part from management information systems.

Note 37.2.1 • French retail banking – Operations and contribution of Regional Banks and their subsidiaries

(in millions of euros)

	31/12/03	31/12/02
Net banking income	11,040	10,318
Operating expenses	(6,359)	(6,248)
Gross operating income	4,681	4,070
Risk-related costs	(851)	(535)
Net operating income	3,830	3,535
Net gain/(loss) on fixed asset disposals	(56)	(39)
Net ordinary income (before tax)	3,774	3,496
Extraordinary items	(134)	(130)
Tax	(1,269)	(960)
Charge to Fund for General Banking Risks	83	(265)
Aggregate reported net income of consolidated Regional Banks	2,454	2,141
Aggregate reported net income of consolidated Regional Banks' subsidiaries	46	44
Consolidation restatements and eliminations	75	(136)
Consolidated net income of equity affiliates (100%)	2,575	2,049
Consolidated net income of equity affiliates (25%)	644	512
Consolidation restatements and eliminations	(97)	(89)
Gain on increase in share of Regional Banks' retained earnings	2	41
Gain on increase in share of Regional Banks' profit ⁽¹⁾	81	
Share in net profit/(loss) of affiliates	630	464

(1) Difference between dividends actually paid by the Regional Banks to Crédit Agricole S.A. and dividends calculated on the basis of Crédit Agricole S.A.'s percentage ownership of the Regional Banks.

Note 37.3 • Net profit before goodwill amortisation by geographical region⁽¹⁾

(in millions of euros)	31/12/03												31/12/02		31/12/01
	Net banking income	Operating expenses	Gross operating income	Risk-related costs	Operating income	Share in net profit/(Loss) of equity affiliates	Net gain on fixed asset disposals	Net ordinary income (before tax)	Integration-related costs	Extraordinary items	Tax	Net charge to/(write-back from) Fund for General Banking Risks	Net income before goodwill amortisation	Net income before goodwill amortisation	Net income before minorities
France (including overseas departments and territories)	6,096	(4,543)	1,553	(596)	957	780	(23)	1,714	(487)	53	(345)	132	1,067	1,202	1,823
Other European Economic Area countries	1,365	(838)	527	(57)	470	137	(5)	602	(6)	(11)	(100)	(1)	484	(3)	442
Rest of Europe	488	(284)	204	(53)	151	1	(1)	151	(12)	(2)	(48)	0	89	90	103
North America	672	(327)	345	(108)	237	0	7	244	(2)	(11)	(23)	0	208	11	(165)
Central and South America	255	(167)	88	(25)	63	5	2	70	0	(2)	(23)	0	45	(76)	(63)
Africa and the Middle-East	374	(260)	114	1	115	63	0	178	0	(11)	(25)	0	142	84	82
Asia and Pacific (excluding Japan)	83	(65)	18	0	18	0	3	21	(6)	1	(3)	0	13	21	(24)
Japan	18	(12)	6	(1)	5	0	0	5	0	(8)	0	0	(3)	18	23
Total	9,351	(6,496)	2,855	(839)	2,016	986	(17)	2,985	(513)	9	(567)	131	2,044	1,347	2,221

(1) The above analysis was derived in part from management information systems

Note 38 • Insurance activities

As required by French law, the group applies the specific accounting policies and valuation methods applicable to insurance business as set out in the French Insurance Code.

Note 38.1 • Insurance companies' investments

(in millions of euros)	31/12/03			31/12/02			31/12/01		
	Gross book value	Net book value	Net fair value	Gross book value	Net book value	Net fair value	Gross book value	Net book value	Net fair value
1. Property investments (incl. assets in progress)	3,115	3,100	3,442	2,400	2,390	2,546	2,076	2,066	2,154
2. Equities and other variable-income securities other than mutual funds	3,781	3,726	3,738	3,128	3,102	2,623	2,717	2,716	3,342
3. Mutual funds other than those in category 4 (below)	8,886	8,884	8,471	5,773	5,773	4,872	4,182	4,182	4,551
4. Mutual funds invested exclusively in fixed-income securities	8,275	8,275	9,696	8,036	8,036	9,367	6,425	6,425	7,605
5. Bonds and other fixed-income securities	88,282	88,944	94,299	61,475	60,811	65,390	58,796	58,164	60,947
6. Mortgage loans	4	4	4	6	6	6	6	6	6
7. Other loans and similar items	422	422	422	169	169	169	131	131	131
8. Deposits with ceding companies	2	2	2						
9. Other deposits, cash collateral deposits and other investments	1,559	1,559	1,657	130	130	138	596	593	608
10. Assets backing unit-linked busines	13,730	13,731	13,731	6,138	6,138	6,138	6,762	6,762	6,762
Total	128,056	128,647	135,462	87,255	86,555	91,249	81,691	81,045	86,106
Consolidation restatements		(1,359)			(1,650)			(1,655)	
Net book value		127,288			84,905			79,390	

Note 38.2 • Other insurance-related assets

(in millions of euros)

	31/12/03			31/12/02			31/12/01		
	Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total
Assets connected with direct insurance business	337	234	571	311	155	466	263	124	387
Assets connected with reinsurance business	207	163	370	1	148	149	0	121	121
Deferred acquisition costs	4	49	53		25	25		22	22
Technical reinsurance valuations			0			0			0
Unrealised foreign exchange gains			0	1		1	2	0	2
Other assets			0			0			0
Total	548	446	994	313	328	641	265	267	532
Consolidation restatements			(5)						
Net book value			989			641			532

Note 38.3 • Analysis of insurance companies' technical reserves

(in millions of euros)

	31/12/03			31/12/02			31/12/01		
	Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total
Unearned premiums reserve	2	326	328		239	239		204	204
Life reserve	104,062		104,062	74,274		74,274	67,845		67,845
Claims reserve	1,167	816	1,983	814	417	1,231	818	336	1,154
With-profits reserve	2,440	63	2,503	1,814	62	1,876	1,326	49	1,375
Equalisation reserves	23	8	31	11	6	17	22	4	26
Other technical reserves	45	415	460	1	377	378	2	311	313
Total excluding unit-linked technical reserves	107,739	1,628	109,367	76,914	1,101	78,015	70,013	904	70,917
Unit-linked technical reserves	13,702		13,702	6,139		6,139	6,770		6,770
Total technical reserves – gross	121,441	1,628	123,069	83,053	1,101	84,154	76,783	904	77,687
Reinsurers' share in technical reserves	(252)	(137)	(389)	(84)	(60)	(144)	(65)	(36)	(101)
Net technical reserves	121,189	1,491	122,680	82,969	1,041	84,010	76,718	868	77,586

Contracts written on the Group's behalf to match its employee liabilities represent less than 1% of total technical reserves.

Note 38.4 • Other insurance-related liabilities

(in millions of euros)

	31/12/03			31/12/02			31/12/01		
	Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total
Liabilities for cash deposits received from ceding companies against technical insurance commitments	2	2	4						
Liabilities connected with direct insurance business	386	113	499	212	52	264	184	33	217
Liabilities connected with reinsurance business	244	201	445	11	206	217	4	155	159
Technical reinsurance valuations						0			0
Deferred reinsurance commission income					0			0	
Unrealised foreign exchange gains	2		2	1		1	1		1
Total	634	316	950	224	258	482	189	188	377
Consolidation restatements			(1)			(1)			
Total			949			481			377

Note 38.5 • Breakdown of gross margin on insurance activities

(In millions of euros)

	31/12/03			31/12/2002			31/12/2001		
	Life	Non-Life	Total	Life	Non-Life	Total	Life	Non-life	Total
Gross premiums	12,739	1,073	13,812	9,501	801	10,302	9,276	677	9,953
Less: reinsurance premiums	(152)	(70)	(222)	(12)	(49)	(61)	(11)	(34)	(45)
Net premiums	12,587	1,003	13,590	9,489	752	10,241	9,265	643	9,908
Investment income	5,283	74	5,357	4,839	57	4,896	4,217	48	4,265
Adjustments related to unit-linked business (capital gains)	1,817		1,817	7		7	11		11
Other technical income and gains			0			0			0
Underwriting and investment income	19,687	1,077	20,764	14,335	809	15,144	13,493	691	14,184
Claims	(5,626)	(518)	(6,144)	(4,736)	(422)	(5,158)	(4,254)	(366)	(4,620)
Less reinsurance	146	23	169		12	12	6	22	28
Net claims	(5,480)	(495)	(5,975)	(4,736)	(410)	(5,146)	(4,248)	(344)	(4,592)
Charges related to technical reserves	(6,601)	(124)	(6,725)	(2,812)	(133)	(2,945)	(3,579)	(118)	(3,697)
Less reinsurer's share in charges related to technical reserves	(37)	22	(15)	11	7	18	4	(10)	(6)
Net charges related to technical reserves	(6,638)	(102)	(6,740)	(2,801)	(126)	(2,927)	(3,575)	(128)	(3,703)
With-profits provision	(4,662)	(56)	(4,718)	(3,421)	(62)	(3,483)	(3,284)	(50)	(3,334)
Costs connected with investments	(406)	(8)	(414)	(833)	(9)	(842)	(547)	(9)	(556)
Adjustments related to unit-linked business (losses)	(922)		(922)	(1,485)		(1,485)	(919)		(919)
Other technical expense and losses			0			0			0
Underwriting and investment expense	(18,108)	(661)	(18,769)	(13,276)	(607)	(13,883)	(12,573)	(531)	(13,104)
Gross margin on insurance activities	1,579	416	1,995	1,059	202	1,261	920	160	1,080
Consolidation restatements			(32)			(7)			115
Gross margin on insurance activities			1,963			1,254			1,195

Crédit Agricole Group insurance companies own securities issued by other Group companies in their investment portfolios. These securities and related income are eliminated from the consolidated financial statements. In order to present a realistic economic view of insurance activities in the consolidated statement of income, the income (€51 million) from these securities has been written back to the gross margin on insurance activities, to reflect interest income.

Note 39 • Integration-related costs

(In millions of euros)

	31/12/03		
	Costs provided for in the year	Costs expensed in the year	Total
Costs charged to income	308	205	513
o/w:			
• Synergy-related costs	304	70	374
• Other integration-related costs	4	135	139
Synergy-related costs charged to shareholders' equity (identifiable liabilities)	532	0	532
Total synergy-related costs	836	70	906
o/w:			
Staff costs	611	15	626
Information systems costs	56	0	56
Property-related costs	101	1	102
Other	68	54	122
	836	70	906

The integration will lead to cost savings or 'synergies', by combining business operations, spreading investment costs, pooling resources, sharing fixed costs, etc.

To achieve these objectives, specific action has been or will be taken, the nature and cost of which is presented above.

Other integration-related costs include costs incurred by the merger which are not directly synergy-generating, such as fees charged by advisory banks borne by Crédit Lyonnais.

Statutory auditors' report

on the consolidated financial statements

Year ended 31 December 2003

This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. The statutory auditors' report includes information specifically required by French law in all audit reports, whether qualified or not, and this is presented below the opinion on the consolidated financial statements. This information includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' general meeting, we have audited the accompanying consolidated financial statements of Crédit Agricole S.A. for the year ended 31 December 2003.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with the professional standards applied in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and results of the consolidated group of companies as of 31 December 2003, in accordance with the accounting rules and principles applicable in France.

Without qualifying our opinion expressed above, we draw attention to the matters discussed in note 2.1 to the financial statements concerning:

- the change in accounting method resulting from application of the preferred method of treatment of deferred expenses incurred in the issuance of debts represented by a security with effect from 1 January 2003
- the change in accounting method resulting from application of CRC Regulation 2002-03 on accounting for credit risks by institutions regulated by the *Comité de la Réglementation Bancaire et Financière*,
- the change in accounting method resulting from application of CRC Regulation 2002-10 on depreciation and impairment of assets for banking and insurance activities.

II. Justification of our assessments

In accordance with the requirements of Article L. 225-235 of the French Company Law (*Code de Commerce*) relating to the justification of our assessments, introduced by the Financial Security Act of 1 August 2003 and which came into effect for the first time this year, we bring to your attention the following matters:

- As indicated in note 2.1 to the financial statements, the Group establishes provisions to cover the credit risks inherent in its activities. We reviewed the processes that the management uses to identify and evaluate these risks and determine the necessary amount of provisions.

- As indicated in note 2.1 to the financial statements, the Group uses internal valuation models to value financial instruments that are not traded on organised markets. We reviewed the validation procedures used to determine the parameters of these models and factor in the risks associated with such instruments.
- As indicated in note 1.2 to the financial statements, as part of the first-time consolidation of the Crédit Lyonnais group, the Group conducted a preliminary review of the asset, liability and off-balance-sheet items of the Crédit Lyonnais group that led it to harmonise the accounting methods used, book a provision for costs related to the business combination, and recognise an intangible asset representing the value of Crédit Lyonnais's retail banking business in France. The residual amount after recognition of these items was booked as goodwill and is amortised over 20 years. We reviewed the assumptions used to value these assets and liabilities and verified that the valuations are based on documented methods.

As a customary part of the process of drawing up the financial statements, the Group made a number of significant accounting estimates, notably on the valuation of non-consolidated participating interests, the recoverability of deferred tax assets, and the valuation of goodwill and pension obligations appearing on the balance sheet. We reviewed the assumptions used and verified that these accounting estimates are based on documented methods that conform to the principles set forth in notes 2.1 and 2.2 to the financial statements. Our assessment of the reasonable nature of these estimates was made on these bases.

The assessments were made in the context of our audit of the consolidated financial statements taken as a whole and therefore contributed to the formation of the unqualified opinion expressed in the first part of our report.

III. Specific verification

In accordance with professional standards applicable in France, we have also verified the information given in the Group management report. We have no matters to report regarding its fair presentation and conformity with the consolidated financial statements

21 April 2004

The Statutory Auditors

CABINET ALAIN LAINÉ

**BARBIER FRINAULT & AUTRES
ERNST & YOUNG**

Alain Lainé

Valérie Meeus

Addendum to shelf-registration document

Valuation methods for company liabilities

Valuations have been conducted by external actuaries. The methods and criteria used are consistent with CNC recommendation 2003-R-01. Crédit Agricole S.A. and Crédit Lyonnais S.A. have harmonised the criteria used to calculate liabilities, notably the discount rate. The Group will continue its efforts to achieve complete harmonisation in 2004.

TYPE OF LIABILITY PROVISIONED	Entity		
	Crédit Agricole S.A.	Crédit Lyonnais	CAI
	LUMP-SUM RETIREMENT BENEFITS (VESTED BENEFITS AT END-2003)		
Valuation criteria applied:			
Method	Projected credits*	Projected credits*	Projected credits*
Annual increase	4.00%	3.62% for executives; 2.21% for technicians	Growth curve per job category: 3 to 4% for executives; 2.50% for non-executives
Turnover rate	Under 30 years: 5.40% 30-34 years: 4.00% ; 35-39 years: 3.00% ; 40-49 years: 2.00% ; 50 years and over: 0.50%	Curve ranging from 23% at 20 years to 0% at 60 years	Curve ranging from 13% at 20 years to 0% at 56 years
Discount rate	5.25%	5.25%	4.60%
Social security rate	56%, excluding retirement at 65+ (pursuant to Fillon Act)	56%, excluding retirement at 65+ (pursuant to Fillon Act)	56%, excluding retirement at 65+ (pursuant to Fillon Act)

* Vested benefits at 31 December 2003, discounted to reflect usage over time.

Parent company financial statements

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Crédit Agricole S.A. balance sheets

for the years ended 31 December 2003, 2002 and 2001

Assets

(in millions of euros)

	31/12/03	31/12/02	31/12/01
Cash, money market and interbank items	36,637	47,328	56,727
Cash, due from central banks and French postal system	211	3,826	633
Treasury bills and similar items	5,467	5,751	5,566
Due from banks	30,959	37,751	50,528
Crédit Agricole internal transactions	157,718	149,978	141,697
Customer-related items	1,660	2,038	2,888
Other loans	1,476	1,483	2,519
Customer current account receivables	184	555	369
Securities	12,388	12,449	14,702
Bonds and other fixed-income securities	8,350	7,097	8,094
Shares and other variable-income securities	4,038	5,352	6,608
Investments, bank premises and equipment	43,234	23,788	22,006
Investments and other long-term equity investments	11,388	13,971	12,646
Investments in subsidiary and affiliated companies	31,645	9,610	9,136
Intangible assets, bank premises and equipment	201	207	224
Treasury shares	38	11	-
Other assets, sundry accounts and prepaid expenses	15,160	14,929	14,918
Other assets	6,768	6,531	5,772
Sundry accounts and prepaid expenses	8,392	8,398	9,146
Total assets	266,835	250,521	252,938

Crédit Agricole S.A. statements of off-balance sheet commitments

for the years ended 31 December 2003, 2002 and 2001

(in millions of euros)

	31/12/03	31/12/02	31/12/01
Guarantees and commitments given	19,516	22,109	36,398
Financing commitments given	6,880	7,249	9,658
Commitments to banks and credit institutions	4,801	5,545	7,869
Commitments to Crédit Agricole entities	1,808	1,065	1,537
Commitments to customers	271	639	252
Guarantees given	12,636	14,860	26,649
Guarantees to banks and credit institutions	8,460	10,424	22,191
Guarantees to Crédit Agricole entities	3,759	4,014	4,409
Guarantees to customers	417	422	49
Commitments on securities	-	-	91

Liabilities and shareholders' equity

(in millions of euros)

	31/12/03	31/12/02	31/12/01
Money market and interbank items	18,768	20,163	24,658
Due to central banks and current accounts with French postal system	-	-	5
Due to banks	18,768	20,163	24,653
Crédit Agricole internal transactions	13,518	18,951	24,056
Customer-related items	160,539	151,865	147,489
Special savings schemes	151,907	142,346	136,033
Other accounts	8,632	9,519	11,456
Debts represented by a security	21,256	22,994	22,466
Miscellaneous sundry accounts and liabilities	14,198	13,677	13,562
Other liabilities	2,836	2,484	2,856
Sundry accounts and unearned income	11,362	11,193	10,706
Reserves and subordinated debt	17,173	9,163	7,373
General reserves for expenses and losses	1,186	1,311	1,731
Subordinated debt	15,987	7,852	5,642
Fund for General Banking Risks	1,335	1,463	1,563
Shareholders' equity excluding FGBR	20,048	12,245	11,771
Share capital	4,421	2,917	2,917
Additional paid-in capital	12,260	5,954	5,954
Reserves	2,599	2,361	1,851
Retained earnings	153	-	-
Regulated reserves and investment grants	4	5	4
Net income for the year	611	1,008	1,045
Total liabilities	266,835	250,521	252,938

(in millions of euros)

	31/12/03	31/12/02	31/12/01
Guarantees and commitments received	4,293	4,632	3,439
Financing commitments received	4,158	4,433	3,137
Commitments from banks and credit institutions	379	91	112
Commitments from Crédit Agricole entities	3,779	4,342	3,025
Guarantees received	135	195	297
Guarantees from banks and credit institutions	115	172	243
Guarantees from Crédit Agricole entities	5	6	6
Guarantees from other organisations	15	17	48
Securities transactions	-	4	5

Crédit Agricole S.A. statements of income

for the years ended 31 December 2003, 2002 and 2001

(in millions of euros)

	31/12/03	31/12/02	31/12/01
Net interest income	374	657	821
Income from variable-income securities	1,440	960	689
Net commission and fee income	(890)	(868)	(918)
Net income from financial transactions	(109)	185	514
Other net banking income	(57)	-	4
Net banking income	758	934	1,110
Operating expenses	(345)	(350)	(333)
Personnel costs	(165)	(155)	(158)
Other operating expenses	(159)	(172)	(152)
Depreciation and amortisation	(21)	(23)	(23)
Gross operating income	413	584	777
Risk-related costs	(44)	173	(28)
Net operating income	369	757	749
Net income (loss) on fixed assets	(226)	(202)	(218)
Pre-tax ordinary income	143	555	531
CA/CL integration-related costs	(79)	0	0
Net extraordinary items	(14)	(8)	567
Corporate income tax	432	362	(16)
Net allocation to the Fund for General Banking Risks and regulated reserves	129	99	(37)
Net income	611	1,008	1,045

Extracts from Note 2 – Accounting Policies and Consolidation Methods

The main changes in accounting methods with respect to the previous year are as follows:

As of 1 January 2003, Crédit Agricole S.A. has applied CRC Regulation 2002-03 of 12 December 2002 on the accounting treatment of credit risk by companies governed by the CRBF, along with the various statements and opinions issued by the CNC's Comité d'Urgence (urgent issues task force):

- CNC statement of 21 November 2003 on the accounting treatment of loans restructured on off-market terms;
- CNC Comité d'Urgence opinion 2003-G of 18 December 2003 on the transfer of doubtful debts to bad debts as set out in CRC Regulation 2002-03.

Since 1 January 2003, Crédit Agricole S.A. has applied the benchmark consolidation method for bond issue expenses, which requires their deferral over the life of the securities issued. The impact of this change in method amounts to €118 million, and has been booked to shareholders' equity.

Changes in shareholders' equity

(in millions of euros)

	Share capital	Additional paid-in capital, reserves and retained earnings	Regulated reserves and investment grants	Total shareholders' equity
At 31 December 2000	2,241	6,557	3	8,801
Dividends paid in respect of 2000		(409)		(409)
Change in share capital ⁽¹⁾	676			676
Change in share issue premiums ⁽²⁾		1,657		1,657
Net income for 2001		1,045		1,045
Other changes			1	1
At 31 December 2001	2,917	8,850	4	11,771
Dividends paid in respect of 2001		(535)		(535)
Change in share capital ⁽¹⁾				
Change in share issue premiums ⁽²⁾				
Net income for 2002		1,008		1,008
Other changes			1	1
At 31 December 2002	2,917	9,323	5	12,245
Dividends paid in respect of 2002		(729)		(729)
Change in share capital ⁽¹⁾	1,504			1,504
Change in share issue premiums ⁽²⁾		6,306		6,306
Allocation of 2000 net income				0
Net income for 2003		611		611
Other changes ⁽³⁾		112	(1)	111
At 31 December 2003	4,421	15,623	4	20,048

(1) Breakdown of changes in share capital by origin

	31/12/01	31/12/02	31/12/03
Payment of dividends in shares	77	-	-
Capital increase for cash	51	-	445
Capital increase by asset contribution	548	-	1,059

(2) Breakdown of changes in share premiums by origin

	31/12/01	31/12/02	31/12/03
Payment of dividends in shares	331	-	-
Capital increase for cash	134	-	1,860
Capital increase by asset contribution	1,192	-	4,446

(3) Other changes during 2003: € 118 million arising on the transfer to retained earnings of the impact of the change in method of accounting for bond issue expenses.

Investments in subsidiaries and affiliates

Name and address	Currency	(in millions of local currency units)			(in millions of euros)		(in millions of euros)					
		Share capital	Retained earnings and other reserves	% ownership	Book value of investments		Loans and advances outstanding granted by CA S.A.	Guarantees and endorsements given by CA S.A.	Revenues for the year to 31/12/03	Net income for the year to 31/12/03	Dividends received by CA S.A. during the year	
		31/12/03	31/12/03	31/12/03	Gross	Net						
INVESTMENTS WHOSE BOOK VALUE EXCEEDS 1% OF CRÉDIT AGRICOLE S.A.'S SHARE CAPITAL												
1° Banking subsidiaries (more than 50% owned)						24,391	24,078					
Banco Bisel	Bartolome Mire 602 2000 Rosario Santa Fe (Argentina)	Pesos	N.A.	N.A.	100.0	237	-	-	-	N.A.	N.A.	-
CA Preferred Funding LLC	C/O Crédit Agricole Indosuez 666 Third Avenue NY 10017 (USA)	USD	2,932	-	67.0	108	108	-	-	105	99	-
CL de Développement de la Corse	Avenue Napoléon III 20193 Ajaccio (France)	Euros	99	-	99.8	99	23	-	-	-	-	-
Crédit Lyonnais	18, Rue de la République 69000 Lyon (France)	Euros	1,833	6,546	94.8	17,896	17,896	139	-	7,145	591	265
Finaref SA	6, Rue Emile Moreau 59100 Roubaix (France)	Euros	14	327	75.5	1,715	1,715	262	93	879	104	-
Foncaris	91/93, Boulevard Pasteur 75015 Paris (France)	Euros	225	106	100.0	320	320	-	-	51	31	28
Idia Participations	100, Boulevard du Montparnasse 75014 Paris (France)	Euros	144	100	78.2	185	185	-	-	14	9	2
Crédit Agricole Indosuez	9, quai Paul Doumer 92400 Courbevoie (France)	Euros	1,137	3,193	93.5	2,805	2,805	2,258	2	2,645	552	233
Finaref Group AB	Box 932 501 10 Boras (Sweden)	SeK	N.S.	16	75.5	204	204	-	-	51	18	-
Lukas SA	pL Orlat LWOWSKI CH 1, 53 605 Wroclaw (Poland)	Zlotis	1	174	19.3	90	90	-	19	36	2	-
Segespar	90 Boulevard Pasteur Immeuble Cotentin 75015 Paris Cedex (France)	Euros	8	824	94.0	589	589	74	-	81	103	49
Ucabail	128-130, Boulevard Raspail 75288 Paris Cedex 06 (France)	Euros	55	217	100.0	143	143	4,508	16	181	23	20
2° Banking affiliates (10-50% owned)						9,829	9,778					
Banca Intesa SpA	Piazza Paolo Ferrari 10, 20121 Milano (Italy)	Euros	3,561	10,318	16.1	3,089	3,038	-	-	15,121	1,214	79
Crédit Logement	50, Boulevard Sébastopol 75003 Paris (France)	Euros	844	53	16.5	193	193	-	68	N.C.	44	7
CR Alpes Provence	25 chemin des trois Cyprès 13037 Aix en Provence Cedex 2 (France)	Euros	161	642	25.0	210	210	4,280	-	574	70	5
CR Alsace Vosges	1, place de la Gare BP 440 67008 Strasbourg Cedex (France)	Euros	112	485	25.0	131	131	3,418	-	356	54	4
CR Anjou et Maine	40, rue Prémartine 72000 Le Mans (France)	Euros	283	926	25.0	234	234	5,183	-	632	74	5
CR Aquitaine	304, boulevard du Président Wilson 33076 Bordeaux Cedex (France)	Euros	111	1,350	25.0	310	310	5,001	-	682	176	9
CR Atlantique Vendée	Route de Paris 44949 Nantes (France)	Euros	152	786	25.1	196	196	5,318	1	633	70	5
CR Brie	24, avenue du Maréchal Foch 77101 Meaux (France)	Euros	77	403	25.0	107	107	2,828	-	340	42	4
CR Calvados	15, esplanade Brillaud de Laujardière 14050 Caen Cedex (France)	Euros	67	177	25.0	53	53	1,500	-	193	23	2
CR Centre France	3, avenue de la Libération 63045 Clermont Ferrand Cedex 9 (France)	Euros	139	1,295	25.0	318	318	5,402	-	768	140	9

Name and address	Currency	(in millions of local currency units)			(in millions of euros)		(in millions of euros)					
		Share capital	Retained earnings and other reserves	% ownership	Book value of investments		Loans and advances outstanding granted by CA S.A.	Guarantees and endorsements given by CA S.A.	Revenues for the year to 31/12/03	Net income for the year to 31/12/03	Dividends received by CA S.A. during the year	
		31/12/03	31/12/03	31/12/03	Gross	Net						
CR Centre Loire	8, allée des collèges 18920 Bourges cedex	Euros	177	746	25.0	182	182	4,691	-	571	75	4
CR Centre Ouest	29, boulevard de Vanteaux BP 509 87044 Limoges cedex	Euros	54	377	25.0	89	89	2,201	-	260	34	2
CR Centre Est	1, rue Pierre de Truchis de Lays 69541 Champagne au Mont d'Or	Euros	153	1,350	25.0	323	323	6,756	-	917	108	6
CR Champagne Bourgogne	269, faubourg Croucels 10000 Troyes	Euros	247	479	25.0	114	114	4,077	-	508	48	4
CR Charente Périgord	rue d'Épagnac BP21 16800 Soyaux	Euros	163	252	25.0	77	77	2,351	-	310	37	2
CR Charente-Maritime - Deux Sèvres	12, boulevard Guillet-Maillet 17100 Saintes	Euros	103	530	25.0	130	130	3,754	-	445	49	3
CR Côte d'Armor	La Croix Tual 22440 Ploufragan	Euros	96	428	25.0	118	118	2,804	-	330	72	3
CR des Savoie	PAE Les Glaisins 4, av. du Pré Félin 74985 Annecy cedex 09	Euros	200	442	25.0	152	152	6,059	2	602	77	4
CR Finistère	7, route du Loch 29555 Quimper cedex 9	Euros	135	511	25.0	135	135	3,432	-	426	43	3
CR Franche-Comté	11, avenue Élisée Cusenier 25084 Besançon cedex 9	Euros	138	367	25.0	109	109	3,176	-	371	47	3
CR Gard	408, chemin du Mas de Cheylon 30000 Nîmes	Euros	88	248	25.0	77	77	1,921	-	287	39	2
CR Ile-et-Vilaine	19, rue du Pré Perché BP 2025X 35040 Rennes cedex	Euros	110	465	25.0	121	121	3,440	-	352	43	3
CR Loire Haute-Loire	94, rue Bergson 42000 Saint-Étienne	Euros	134	576	25.0	131	131	2,775	-	546	59	3
CR Lorraine	56-58, avenue André Malraux 57000 Metz	Euros	53	428	25.0	115	115	3,271	-	393	59	3
CR Midi	Avenue du Montpelleret- Maurin 34977 Lattes cedex	Euros	104	642	25.0	162	162	3,695	-	510	68	4
CR Morbihan	Avenue de Kéranguen 56956 Vannes cedex 9	Euros	77	340	25.0	92	92	2,908	-	354	37	2
CR Nord-Est	25, rue Libergier 51100 Reims	Euros	172	1,012	23.6	252	252	5,490	-	709	83	5
CR Normand	Avenue de Paris 50000 Saint-Lô	Euros	84	630	25.0	152	152	3,387	-	402	61	4
CR Normandie Seine	Cité de l'agriculture BP 800 76230 Bois-Cuillaume cedex	Euros	82	607	25.0	162	162	3,687	1	470	55	3
CR Oise	18, rue d'Allonne 60000 Beauvais	Euros	111	440	25.0	178	178	2,176	-	278	39	3
CR Paris et Île-de-France	26, quai de la Râpée 75012 Paris	Euros	58	1,488	25.0	488	488	8,173	-	1,222	240	13
CR Nord de France	10, avenue Foch 59800 Lille	Euros	149	1,310	25.6	378	378	6,454	-	841	128	10
CR Provence Côte d'Azur	Avenue Paul Arène les Négadis 83002 Draguignan	Euros	74	682	25.0	166	166	3,880	-	580	64	4
CR Pyrénées Gascogne	11, boulevard du Président Kennedy BP 329 65003 Tarbes cedex	Euros	79	521	25.0	139	139	3,744	-	499	55	3
CR Quercy Rouergue	53, rue Gustave Larroumet BP 29 46021 Cahors cedex	Euros	69	383	25.0	101	101	2,611	-	311	49	3
CR Réunion	Parc Jean de Cambiaire 97462 Saint-Denis cedex	Euros	47	277	25.0	73	73	1,329	-	198	24	2
CR Somme	500, rue Saint Fuscien 80095 Amiens cedex 3	Euros	105	296	25.0	106	106	1,938	-	232	24	2
CR Sud Alliance	219, avenue François Verdier 81000 Albi cedex	Euros	72	293	25.0	80	80	2,104	-	262	35	2

Name and adress	Currency	(in millions of local currency units)			(in millions of euros)		(in millions of euros)					
		Share capital	Retained earnings and other reserves	% ownership	Book value of investments		Loans and advances outstanding granted by CA S.A.	Guarantees and endorsements given by CA S.A.	Revenues for the year to 31/12/03	Net income for the year to 31/12/03	Dividends received by CA S.A during the year	
		31/12/03	31/12/03	31/12/03	Gross	Net						
CR Sud Méditerranée	30, rue Pierre Bretonneau 66000 Perpignan	Euros	25	273	25.8	66	66	1,716	-	227	31	2
CR Sud Rhône-Alpes	15-17, rue Paul Claudel BP 67 38041 Grenoble cedex 09	Euros	101	560	25.0	138	138	4,354	-	513	60	3
CR Toulouse et Midi Toulousain	6-7, place Jeanne d'Arc 31000 Toulouse	Euros	133	396	25.0	110	110	2,569	-	330	36	2
CR Touraine et Poitou	18, rue Salvador Allende 86000 Poitiers	Euros	143	581	25.0	168	168	3,222	-	416	63	4
CR Val de France	1, rue Daniel Boutet 28000 Chartres	Euros	71	440	25.0	104	104	2,573	1	326	33	2
3° Other subsidiaries (over 50% owned)						6,032	5,899					
CA Bourse	91/93, boulevard Pasteur 75015 Paris	Euros	44	310	99.5	262	262	-	-	3	130	2
CA Deurope BV	C/o Corporate Services-Olympic Plaza Fred. Roeskestraat 123, 1076 EE - Amsterdam (Netherlands)	Euros	6	580	100.0	594	594	-	-	-	(2)	-
DelFinances	91/93, boulevard Pasteur 75015 Paris	Euros	151	26	100.0	171	171	-	-	15	2	10
Financière Lapérouse	46, rue de Bassano 75008 Paris	Euros	592	11	77.2	457	457	-	-	36	23	22
Fire CA	91/93, boulevard Pasteur 75015 Paris	Euros	152	-	51.0	78	57	-	-	-	(1)	-
Pacifica	91/93, boulevard Pasteur 75015 Paris	Euros	112	6	60.0	72	72	-	-	224	17	7
Predica	50-56, rue de la Procession 75015 Paris	Euros	370	1,773	100.0	1,842	1,842	-	6,098	1,211	328	285
Sacam (Sacam I, 2, 3, Sofinco)	91/93, boulevard Pasteur 75015 Paris	Euros	1,579	535	100.0	1,519	1,519	4,024	-	1,046	148	90
Sefa	91/93, boulevard Pasteur 75015 Paris	Euros	67	1	100.0	67	67	-	-	-	3	-
Sopar	91/93, boulevard Pasteur 75015 Paris	Euros	43	13	100.0	75	75	-	-	5	5	3
U.I.	100, boulevard du Montparnasse 75014 Paris	Euros	408	213	100.0	724	724	-	-	102	70	71
Unifica	91/93, boulevard Pasteur 75015 Paris	Euros	40	12	100.0	171	59	-	-	11	6	5
4° Other affiliates (10-50% owned)						930	669					
Bespar	rua São Bernardo 62, 1200 Lisbonne (Portugal)	Euros	683	270	22.9	272	255	-	-	36	29	6
Rue Impériale	49, rue de la République 69002 Lyon	Euros	25	1,262	29.0	591	348	-	-	N.C.	5	4
SCI Société Immobilière de La Seine	91/93, boulevard Pasteur 75015 Paris	Euros	129	0	45.5	67	66	-	-	-	3	-
OTHER INVESTMENTS (BOOK VALUE LESS THAN 1% OF THE SHARE CAPITAL OF CRÉDIT AGRICOLE S.A.)						1,084	947					
Banking subsidiaries						346	308					
Banking affiliates						467	456					
Other subsidiaries						164	96					
Other affiliates						107	88					
Total investments in subsidiaries and affiliates and other long-term investments						42,266	41,371					
Advances and accrued income						1,673	1,662					
Net book value						43,939	43,033					

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General information

Company information

Registered name and registered office

The company's registered name is **Crédit Agricole S.A.** Prior to the extraordinary general meeting of shareholders held on 29 November 2001, its registered name was Caisse Nationale de Crédit Agricole (acronym CNCA). Its registered office is at 91-93, boulevard Pasteur, 75015 Paris, France. Company documents and information may be consulted at the registered office.

Registration number

The company is registered at the Paris Trade and Companies Registry under registration number 784 608 416. APE Code: 651 D.

Financial year

The company's financial year begins on 1 January and ends on 31 December each year.

Date of incorporation and term

The company is the result of the transformation of Caisse Nationale de Crédit Agricole (CNCA) from a French public industrial and commercial establishment to a '*société anonyme*' (public limited company), pursuant to law no. 88-50 of 18 January 1988 on the mutualisation of Caisse Nationale de Crédit Agricole.

Its term ends on 31 December 2086, unless extended or wound up before that date by extraordinary resolution of the shareholders.

Legal form and governing legislation

(Article 1 of the Articles of Association)

Crédit Agricole S.A. is a *société anonyme* with a Board of Directors, governed by ordinary company law and more specifically Book II of the *Code de Commerce*. It is also subject to the provisions of the *Code Monétaire et Financier*, and more specifically Articles L.512-47 et seq., the unrepealed provisions of old Book V of the *Code Rural* and law no. 88-50 of 18 January 1988 on the mutualisation of Caisse Nationale de Crédit Agricole.

Crédit Agricole S.A. became an authorised bank in the mutual and co-operative banks category on 17 November 1984, and as such is subject to oversight by the banking supervisory authorities, and more particularly the *Commission Bancaire*.

Since its listing on the *Premier Marché* of Euronext Paris, Crédit Agricole S.A. has also been subject to the prevailing stock market regulations, particularly with respect to public disclosure obligations.

Corporate object

(Article 3 of the Articles of Association)

Crédit Agricole S.A.'s corporate object is to facilitate and promote the activity and development of the Regional Banks and the Crédit Agricole Group. In furtherance of this object:

1. Crédit Agricole S.A. operates as a central financial institution and ensures that the Group acts as a single financial unit in its dealings with third parties, with a view to optimising the financial management of its funds and re-distributing the financial resources it collects. In this respect:
 - It collects and manages the excess deposits and savings of the Regional Banks, as well as savings collected by them on its behalf.
 - It grants facilities to the Regional Banks to help fund their medium and long-term loans, and ensures that maturity mismatching risks are covered on behalf of the company, its subsidiaries and the Regional Banks.
 - It implements the mechanisms for guaranteeing transactions by the Regional Banks.
 - It negotiates and enters into domestic and international agreements which may affect the credit of the Group.
 - It signs all national agreements with the government.
2. Crédit Agricole S.A. conducts any and all banking, financial, lending, equity investment, investment and related services within the meaning of the *Code Monétaire et Financier*, guarantee, arbitrage, brokerage and commission transactions, whether for its own account or for the account of others, without prejudice to the remit of the Regional Banks.
3. In accordance with the provisions of the *Code Monétaire et Financier*, as the central body of the Crédit Agricole Group, Crédit Agricole S.A. ensures the cohesion of the Group network, the proper operation of its constituent credit institutions and their compliance with the applicable laws and regulations by exercising administrative, technical and financial control over them. It guarantees the liquidity and solvency of the entire network and all affiliated institutions.

More generally, Crédit Agricole S.A. conducts all types of commercial, financial, industrial, securities or property transactions, and provides all types of service directly or indirectly connected with or which may facilitate the achievement of its corporate object.

Computation of profits, appropriation and statutory distribution

(Article 29 of the Articles of Association)

A minimum of 5% of the net profit for the year, less any prior year losses, is transferred to the legal reserve until such time as it has reached one tenth of the Company's share capital.

The balance, plus any retained earnings, comprises the sum available for distribution, which may be used as follows by resolution of the shareholders at the annual general meeting:

- allocation to one or more ordinary or extraordinary optional reserves, with or without a special purpose;
- distribution to the shareholders as a dividend in proportion to the number of shares they hold.

The shareholders may decide to offer payment of all or part of a dividend or interim dividend either in cash or in shares.

Shareholders' meetings

Notice of meeting (Article 21 of the Articles of Association)

Shareholders' meetings are called and transact business in accordance with the law. They take place at the company's registered office or at any other place stipulated in the notice of meeting.

Attendance at meetings

(Article 23 of the Articles of Association)

All shareholders, regardless of the number of shares they own, have the right to attend general meetings and to vote, either in person, by proxy, by mail or by electronic means, provided that:

- holders of registered shares are duly registered on the company's register of shareholders;
- holders of bearer shares have filed a certificate from an authorised intermediary at the place indicated in the notice of meeting, confirming that their shares have been blocked on account from the filing date until the day after the date of the meeting.

These formalities must be completed not less than five days before the date of the meeting. The Board of Directors may reduce this period to the benefit of all shareholders.

Shareholders who are unable to attend a meeting in person may choose one of the following options:

- appoint another shareholder or their spouse as proxy;
- vote by mail or electronic means;
- send the company a blank form of proxy, as provided for by law.

Shareholders who are not resident in France may have their shares registered with and be represented at meetings by a duly authorised intermediary acting as nominee on their behalf, provided that the intermediary advises the company or the company's custodian of its capacity as nominee at the time the nominee account is opened, in accordance with the provisions of the law.

The Board of Directors may decide, for each meeting, to allow shareholders to take part in meetings by means of videoconferencing and to vote by means of telecommunication, provided this option is stipulated in both the announcement and notice of meeting. The Chairman shall fix the terms and conditions governing electronic participation and voting, and shall ensure that the procedures and technology used permit the identification of the shareholders concerned and guarantee the integrity of the vote expressed.

Quorum – voting – voting rights

(Article 25 of the Articles of Association)

The quorum for ordinary and extraordinary general meetings of shareholders is calculated on the basis of the total number of shares comprising the share capital, and in the case of special class meetings, on the basis of the total number of shares in the relevant class, less those shares not entitled to vote pursuant to the provisions of the law.

In the case of mail or electronic votes, only those ballots received by the company prior to the meeting within the time periods and under the conditions set forth by law will count towards the quorum. Blank proxy votes will be counted by the Chairman as votes in favour of the resolutions presented or approved by the Board of Directors, and as votes against all other resolutions.

Save in the special circumstances provided for by law, each shareholder has a number of votes equal to the number of shares held for which all capital calls have been met.

At all annual, ordinary and extraordinary general meetings and all special class meetings, the voting rights attached to shares having a beneficial owner may only be exercised by that beneficial owner.

The company has the right to request all intermediaries registered as nominee for shareholders who are not resident in France to provide a full list of those shareholders they represent and whose votes they will exercise at a meeting. Votes or proxies exercised by nominees which have not disclosed that they are acting in that capacity in accordance with the law or these Articles of Association, or which have not disclosed the identity of the shareholders they represent, will be disqualified.

Rights and obligations attached to the shares (Article 9 of the Articles of Association)

Each share gives the holder a right of ownership in the company's profits and net assets, in proportion to the percentage of share capital it represents. Shareholders are liable up to a maximum of the nominal value of the shares they own.

Each time more than one share is required to exercise a particular right, in the event of a share exchange, consolidation or allotment, or as a result of an increase or reduction in share capital, whether or not motivated by losses, or in the event of a merger or other transaction involving the share capital, shareholders who own only one share or who do not own the minimum number required may at their own initiative group their shares together for the purpose of exercising said right, or buy or sell the requisite number of shares or fractional rights.

Form of shares and registration

(Article 7 of the Articles of Association)

Shares may be in either registered or bearer form at the holder's option, subject to the provisions of the law. They are registered on a securities account under the terms and conditions provided for by law and are transferred by means of transfer between accounts.

Executive Officers' and Directors' compensation and outside directorships

Executive Officers' and Directors' compensation

Board of Directors

The total amount of Directors' fees approved by the shareholders in respect of 2003 was € 536,500. This sum was allocated to the Directors, with the exception of the Chairman, on the basis of the number of meetings actually attended, as follows:

- a total of € 87,800 was allocated among the Deputy Chairmen;
- € 376,600 was allocated among the other Directors, with the exception of the Chairman (on the basis of € 3,100 per meeting attended) and the non-voting Directors (on the basis of € 2,500 per meeting attended);
- The chairmen of the Audit and Risks Committee and the Compensation Committee received an additional €3,400 per meeting attended.

Sums paid to each Director in respect of 2003 were as follows:

Jean-Marie Sander (Deputy Chairman from 10 June 2003)	€ 28,600
Pierre Bastide (Deputy Chairman until 19 November 2003)	€ 32,400
Yves Couturier (Deputy Chairman from 19 November 2003)	€ 21,700
Noël Dupuy (Deputy Chairman from 18 July 2003)	€ 26,800
François Béraudo (until 20 May 2003)	€ 3,100
Pierre Bru	€ 21,700
Xavier Fontanet	€ 18,600
Carole Giraud Vallentin*	€ 21,700
Roger Gobin	€ 21,700
Pierre Kerfriden	€ 21,700
Jean Le Brun	€ 21,700
Jean-Michel Lemétayer	€ 21,700
Bernard Mary	€ 21,700
Gérard Mestrallet	€ 29,100
Henri Moulard (non-voting Director from 21 May 2003)	€ 43,700
Jean-Pierre Pargade	€ 21,700
Corrado Passera	€ 15,500
Jean Peyrelevade (from 21 May 2003 to 2 October 2003)	€ 6,200
Jean-Claude Pichon	€ 21,700
Jacqueline Beaupoil* (until 10 June 2003)	€ 12,400
Henri Corbel*	€ 21,700
Michel Guermeur* (from 18 July 2003)	€ 9,300

* These Directors have advised the company that a portion of their Directors' fees received in 2003 has been paid over to a third party organisation.

The Board of Directors fixed the Chairman's gross annual compensation for 2003 at € 254,015.

General Management

Compensation paid to the Chief Executive Officer and Deputy Chief Executive Officers is determined by the Board of Directors at the proposal of the Compensation Committee. It comprises a fixed component determined by reference to market practices and a performance-related variable component. These executives also receive additional retirement benefits paid by the company.

Total sums paid were as follows:

Fixed compensation for 2003

Jean Laurent received € 500,000 in gross annual salary, Yves Chevillotte received € 310,000, and Georges Pauget, who was appointed Deputy Chief Executive Officer on 10 June 2003, received € 250,000.

Performance-related compensation for 2003

The performance-related component is based on targets and criteria set by the Board of Directors, at the proposal of the Compensation Committee. For 2003, 25% of the performance-related component was based on the Group's performance indicators (principally earnings per share and the performance of Crédit Agricole S.A. shares relative to the market) and 75% was based on qualitative criteria used to assess overall progress in the integration process between Crédit Agricole and Crédit Lyonnais. On this basis:

- Jean Laurent received € 550,000 in 2004 in respect of 2003 performance;
- Yves Chevillotte, who stepped down as Deputy Chief Executive on 29 January 2004, received € 520,000 in 2004 in respect of 2003 performance, including an exceptional bonus and a departure allowance based on his contribution to the integration process;
- Georges Pauget received € 250,000 in 2004 in respect of 2003 performance.

The Chairman, Chief Executive Officer and Deputy Chief Executive Officers have a company car with chauffeur and a company residence.

Directorships

General Management

Jean Laurent

- Chief Executive Officer, Crédit Agricole S.A.
- Chairman, Crédit Agricole Indosuez
- Chairman, Crédit Lyonnais
- Deputy Chairman and Director, Banca Intesa and Banco Espírito Santo
- Chairman, Institut Europlace de Finance

Edouard Esparbès

- Deputy Chief Executive Officer, Crédit Agricole S.A.
- Chief Executive Officer, Crédit Agricole Indosuez
- Manager, Crédit Agricole Titres (SNC)
- Deputy Chairman, Euro Securities Partners
- Director, CAI Cheuvreux and Crédit Lyonnais
- Director, Europay France and Eurocard Holding

Georges Pauget

- Deputy Chief Executive Officer, Crédit Agricole S.A.
- Chief Executive Officer, Crédit Lyonnais
- Chairman, GIE Cedicam and Union des Assurances Fédérales
- Director and Deputy Chairman, Predica and Pacifica
- Director, Bankoia and Banque de Gestion Privée Indosuez

Board of Directors of Crédit Agricole S.A. (at 15 March 2004)

	First elected	Term of office ends	Main office within the company	Main office outside the company Other directorships
René Carron				
Date of birth: 13/06/42 No. of shares held: 4,400	20/05/1999	2005	Chairman	Chairman, CRCAM* des Savoie Deputy Chairman, FNCA Chairman, Caisse locale de Yenne Director, Banca Intesa and Rue Impériale Member of the Conseil Économique et Social (Finance section)
Jean-Marie Sander				
Date of birth: 23/12/49 No. of shares held: 13,078	20/05/1999	2006	Deputy Chairman (representative of SAS Rue La Boétie) Member of the Compensation Committee	Chairman, CRCAM d'Alsace-Vosges Chairman, FNCA Chairman, SAS Rue la Boétie Representative of SACAM Développement on the Board of Crédit Lyonnais Director, Predica Chairman, Alsace Chamber of Agriculture and Alsace Conseil Économique et Social
Yves Couturier⁽¹⁾				
Date of birth: 24/07/46 No. of shares held: 5,974	29/11/2001	2004	Deputy Chairman	Chief Executive Officer, CRCAM Sud Rhône-Alpes Deputy Chairman, SAS Rue La Boétie Company Secretary, FNCA Chairman, SACAM Développement. Director, Predica, Crédit Lyonnais and Crédit Agricole Indosuez
Noël Dupuy				
Date of birth: 06/07/47 No. of shares held: 844	21/05/2003	2006	Deputy Chairman Member of the Audit and Risks Committee	Chairman, CRCAM de la Touraine et du Poitou Deputy Chairman, FNCA Chairman, Caisse Locale de la Vallée de l'Indre Director, Rue Impériale Director, Crédit Lyonnais Director, CA Titres et Predica
Pierre Bru⁽¹⁾				
Date of birth: 10/03/50 No. of shares held: 2,690	25/05/2000	2004	Director Member of the Compensation Committee	Chairman, CRCAM de Quercy Rouergue Chairman, Sodagri Chairman and Chief Executive, Inforsud Gestion Director, Crédit Agricole Indosuez, Mérico/Deltaprint and Chabrilac
Xavier Fontanet				
Date of birth: 09/09/48 No. of shares held: 3,000	29/11/2001	2005	Director Member of the Audit and Risks Committee	Chairman and Chief Executive, Essilor International Director, Bénéteau, L'Oréal, Essilor of America Inc (USA), Transitions Optical Inc (USA), Essilor Laboratoires of America Holding Co Inc (USA), EOA Holding Co Inc (USA), Shanghai Essilor Optical Company Ltd (China), Transitions Optical Ltd (Ireland), Transitions Optical Holding B.V. (Netherlands), and Nikon- Essilor Co Ltd (Japan) IMS - Entreprendre pour la Cité
Carole Giraud Vallentin				
Date of birth: 15/11/65 No. of shares held: 10	29/11/2001	2006	Director representing the employee shareholders	Analyst, Systems and Technology Development Department, CRCAM Sud Rhône-Alpes

* CRCAM: Caisse régionale de Crédit Agricole Mutuel (Regional Bank).

	First elected	Term of office ends	Main office within the company	Main office outside the company Other directorships
Roger Gobin				
Date of birth: 07/04/45 No. of shares held: 1,402	25/05/2000	2006	Director Member of the Audit and Risks Committee	Chairman, CRCAM Atlantique-Vendée Director, Caisse Locale de Pornic Chairman, Fireca Director, Pacifica, Ucabail and Crédit Agricole Indosuez
Pierre Kerfriden⁽¹⁾				
Date of birth: 21/09/46 No. of shares held: 521	17/12/1999	2004	Director Member of the Audit and Risks Committee	Chief Executive Officer, CRCAM du Finistère Director, Crédit Lyonnais, Union d'Études et d'Investissement (U.I.) S.A., and Uni-Expansion Ouest S.C.R. Manager, Gicab Equipement (SARL)
Jean Le Brun⁽¹⁾				
Date of birth: 28/02/40 No. of shares held: 111	27/05/1998	2004	Director	Chairman, CRCAM Normand Director, SAFER Basse-Normandie, Manche, Orne, and Calvados
Jean-Michel Lemétayer				
Date of birth: 02/06/51 No. of shares held: 2,013	Nov 2001	2004	Director	Chairman, FNSEA Member of the Conseil Économique et Social
Bernard Mary				
Date of birth: 17/11/47 No. of shares held: 4,930	29/11/2001	2006	Director Member of the Audit and Risks Committee	Chief Executive Officer, CRCAM Nord-Est Director, Crédit Agricole Indosuez Cheuvreux, CA-ELS, Sofipar, and Crédit Agricole Belge
Gérard Mestrallet				
Date of birth: 01/04/49 No. of shares held: 50	29/11/2001	2005	Director Chairman of the Compensation Committee	Chairman and Chief Executive, Suez (SA) Chairman, Suez-Tractebel (SA) (Belgium), and Hisusa (SA) (Spain) Deputy Chairman, Sociedad General de Aguas de Barcelona (SA) (Spain) Director, Compagnie de Saint-Gobain (SA), Pargesa Holding S.A. (Switzerland), and Electrabel (SA) (Belgium) Member of the Supervisory Board, AXA (SA), and Taittinger (SA)
Jean-Pierre Pargade				
Date of birth: 28/07/46 No. of shares held: 3,673	23/05/1996	2006	Director Member of the Compensation Committee	Chairman, CRCAM Aquitaine Chairman, Caisse locale de Samadet Director, Crédit Agricole Asset Management and Segespar Chairman, Foncaris Manager, Agri-Informatique Services
Corrado Passera				
Date of birth: 30/12/54 No. of shares held: 10	22/05/2002	2005	Director	Chief Executive Officer, Banca Intesa Director, Olimpia S.P.A. et RCS MediaGroup Director and member of the Executive Committee, Italian Banking Association (ABI)

	First elected	Term of office ends	Main office within the company	Main office outside the company Other directorships
Jean-Claude Pichon				
Date of birth: 10/09/46 No. of shares held: 2,860	25/05/2000	2005	Director Member of the Audit and Risks Committee	Chief Executive Officer, CRCAM du Midi Chairman, Predica Director, Predi-Retraites and Pacifica Deputy Chairman of the Executive Board, Sofilaro Chairman, Sofilaro Participations Non-voting Director, Europay-France Director, APIS CA
Henri Corbel				
Date of birth: 24/02/51 No. of shares held: 932	June 2000	2006	Director representing the employees	Head of Property Administration, Unipar Chairman of the Supervisory Board, "Actions" employee share ownership plan
Michel Guerneur				
Date of birth: 08/08/51 No. of shares held: 1	June 2003	2006	Director representing the employees	Leasing assistant, Ucabail
Henri Moulard				
Date of birth: 02/05/38 No. of shares held: 10	22/05/2002	2006	Non-voting Director Chairman of the Audit and Risks Committee	Chairman, Truffle Venture (Invest in Europe) Chairman, HM et Associés (SAS) Non-voting Director, Crédit Agricole Indosuez and Crédit Lyonnais Non-voting Director, GFI Informatique Director, ELF-Aquitaine (SA), Wafabank, Unibail (SA), Burelle SA, BCM (Banque Commerciale du Maroc)

(1) Standing for re-election at the annual general meeting of 19 May 2004.

Information concerning the share capital

Share capital (Article 6 of the Articles of Association)

The share capital is € 4,420,567,311 divided into 1,473,322,437 fully paid shares each with a nominal value of € 3. The share capital may only be increased or reduced by extraordinary resolution of the shareholders at the proposal of the Board of Directors.

Form of shares (Article 7 of the Articles of Association)

Shares may be in either registered or bearer form at the holder's option, subject to the provisions of the law. They are registered on a securities account on the terms and conditions provided for by law and are transferred by means of transfer between accounts.

Purchase by the company of its own shares

(Ordinary resolution passed by the shareholders at the annual general meeting of 21 May 2003)

Thirteenth resolution: Grant of authority to the Board of Directors to trade in the company's own shares.

Having heard the Board of Directors' management report

and voting under the quorum and majority conditions required to transact ordinary business, the shareholders hereby authorise the Board of Directors to trade in the company's own shares in accordance with the provisions of Articles L.225-209 *et seq.* of the *Code de Commerce*.

This authority, which replaces the authority granted at the ordinary general meeting of 29 November 2001, is valid until renewed at a future ordinary general meeting and, in any event, for a maximum period of eighteen months with effect from the date of this meeting.

Shares purchases made by the Board of Directors pursuant to this authority may under no circumstances result in the company holding more than ten per cent (10%) of its share capital.

Under the share buyback programme established by the company, shares may be purchased, sold or otherwise transferred on one or more occasions and by all and any means, including on the market, over the counter or by way of derivatives traded on regulated markets or over the counter (such as call and put options or any combination thereof) as provided for by the appropriate market authorities and at such times as the Board of Directors or its duly authorised representative deems appropriate. The entirety of the

share buyback programme may be completed through block purchases.

The number of shares purchased may not exceed 10% of the total number of shares comprising the company's share capital on the date of purchase, and the maximum number of shares held after said purchases may not exceed 10% of the share capital.

The total cost of all such share purchases made during the term of this authority may not exceed € 2 billion. The purchase price may not be more than € 30 per share and the selling price may not be less than € 3 per share. However, the shares may be allotted for no consideration under bonus issues in accordance with the provisions of the law.

This authority is designed to allow the company to trade in its own shares either on or off market for any purpose permitted by law, and more particularly to:

1. stabilise the share price by purchasing and/or selling shares in the market against market trends;
2. buy and/or sell the company's shares to take advantage of prevailing market conditions;
3. conduct investment services activities as defined in Articles L321-1 et seq. of the *Code Monétaire et Financier*;
4. grant stock options to some or all employees and/or Executive Officers and Directors of the company and companies or groups affiliated to it now or in the future, as defined in Article L. 225-180 of the *Code de Commerce*;
5. allot shares in the company to the employees referred to above as part of an employee profit-sharing or share ownership plan;
6. hold, sell or otherwise transfer the shares by any means permitted by law, including without limitation exchanging or using them to pay for acquisitions or to cover liquidity undertakings made by the company, or pursuant to the issue of securities giving a right to the share capital, or as part of the company's asset or financial management policy;
7. cancel the shares, subject to adoption of the twentieth resolution.

The Board of Directors may purchase, sell or otherwise transfer shares in the company pursuant to this authority at any time during the term of the share buyback programme. This authority may also be used, as provided for by law and in particular the provisions of Regulation 2002-04 of the *Commission des Opérations de Bourse* (COB), during a public cash or share offer made by or for the company.

The company is required to report monthly to the *Conseil des Marchés Financiers* (CMF) on all dealings in its own shares, and more generally to accomplish all requisite formalities and filings.

The shareholders grant full powers to the Board of Directors to implement this authority and to determine the method of so doing, including without limitation placing stock market orders, signing deeds, entering into agreements, accomplishing formalities and filings, and more generally doing all things necessary.

As required by Article L.225-211 of the *Code de Commerce*, the Board of Directors is required to provide shareholders with the following information concerning its use of the share buyback programme authorised at the annual general meeting of 21 May 2003, for the period from 1 January 2003 to 31 December 2003. Shares bought during 2003 have been allocated to cover stock option and share repurchase commitments.

Number of shares registered in the company's name at 31/12/2002	745,968
Number of shares purchased during 2003	1,566,470
Average purchase price	€ 16.9
Cost of shares purchased	€ 26,473,343
Trading expenses	€ 30,510
Shares lent during 2003 ⁽¹⁾	1,839
Number of shares registered in the company's name at 31/12/2003	2,310,599
Net book value per share	€ 14.59
Total net book value	€ 33,711,639.41
Percentage of share capital held by the company	0.157%

⁽¹⁾For a nil value as this is not strictly a divestment but a transfer of hybrid securities made at the time of the June 2003 issue of complex hybrid capital securities (T3CJ), thereby constituting an exception to the rules governing the sale of treasury shares.

N.B. As part of the rights issue made in November 2003, the company sold 2,310,599 rights at an average selling price of € 0.1725.

Disclosure requirements

(Article 8-A of the Articles of Association)

Any natural or legal person, acting alone or in concert, who directly or indirectly comes to hold a number of shares representing 0.5% of the share capital or voting rights must advise the company, by recorded delivery mail at its registered office no later than five days after registration of the shares which resulted in the threshold being exceeded, of the total number of shares and voting rights owned, together with the total number of securities which may eventually be converted into shares and any voting rights attached thereto. Disclosure must be renewed on the same terms each time the number of shares held increases or decreases by a fraction equal to or more than 0.5% of the share capital or voting rights.

Failure to do so shall result in the shares that should have been disclosed being disqualified for voting purposes at general meetings, if so requested at a meeting by one or more shareholders separately or together owning at least 2% of the share capital.

These provisions supplement the statutory disclosure requirements.

Ownership of share capital and voting rights

Ownership structure at 31 December 2003:

Shareholder	Number of shares	% of share capital	% of voting rights
SAS Rue La Boétie *	771,841,801	52.38	52.41
SNC Crédit Agricole Transactions**	14,771,187	1.00	1.00
Treasury shares held to cover stock option and share repurchase commitments ***	15,681,762	1.07	1.01
Float (including employees****)	671,227,687	45.55	45.58
Total	1,473,522,437	100	100

* SAS Rue La Boétie is wholly-owned by the Regional Banks.

** Excluding stock lending transactions.

*** Including 14,935,794 shares held as part of the share buyback programme to cover stock option and share repurchase commitments.

**** Including 73,011,167 shares held by the employees through dedicated company investment funds within the Group's employee share ownership plans, at 31 December 2003.

Changes in ownership over the past three years:

	31/12/2001	31/12/2002	31/12/2003
Regional Banks*	70.2%	70.2%	52.4%
Float (inc. employees**)	29.8%	26.5 %	45.6%
Others	-	3.3%	2.0%

* Through SAS Rue La Boétie.

** Following transactions connected with the liquidity mechanism in 2001 and 2002 and since the initial public offering, shares held directly by employees of the Crédit Agricole group are no longer identifiable as such.

The percentage of share capital held by the regional banks through SAS Rue La Boétie fell from 70.2% at end 2002 to 51.74% at 30 June 2003 following the new share issue made by Crédit Agricole S.A. in June 2003 for exchange against Crédit Lyonnais shares tendered to the mixed cash-and-share offer made by Crédit Agricole S.A. for Crédit Lyonnais. The Regional Banks held 52.4% of the share capital at 31 December 2003, after share purchases and the rights issue for cash made by Crédit Agricole S.A. from 27 October to 7 November 2003.

Other information concerning the share capital

There are no shareholders' agreements. Crédit Agricole S.A. has not issued any securities giving rights to the share capital other than those described in the paragraph entitled 'Recent changes in share capital' on page 23 of the shelf-registration document, or any securities giving rights to the potential share capital or shares carrying double voting rights. Nor has it pledged any of its shares as collateral. To the best of Crédit Agricole S.A.'s knowledge, no shareholder other than SAS Rue La Boétie holds more than 5% of its capital or voting rights, either directly or indirectly, alone or in concert.

Dividend policy

Dividend policy is determined by the Board of Directors of Crédit Agricole S.A. This policy may *inter alia* take account of company earnings and financial condition, as well as the dividend policy practices of leading French and international companies in the sector. Crédit Agricole S.A. gives no guarantee as to the amount of the dividend which will be paid in any given year.

Market in Crédit Agricole shares

Crédit Agricole S.A. shares are listed on the *Premier Marché* of Euronext Paris, code Euroclear France 4507.

Market in Crédit Agricole S.A. debt securities

Debt securities traded on a regulated market at 31 December 2003

At 31 December 2003, 73 series of bonds and notes issued by Crédit Agricole S.A. were traded on the Paris Euronext *Premier Marché*, representing a total outstanding of € 20.4 billion, including 16 redeemable subordinated Note series totalling €5.9 billion, 5 perpetual subordinated Note series totalling €2.1 billion and 52 bond series totalling € 12.4 billion.

Other issues:

- ten series of Euro Medium Term Notes (EMTN) issued by Crédit Agricole S.A. traded on the Luxembourg Bourse, total € 3.3 billion;
- ten series of USD EMTNs, total € 4.1 billion;
- one series of 5-year JPY EMTNs, issued in May 2002, total JPY 6.5 billion;
- one series of 5-year PLN EMTNs, issued in May 2002, total PLN 200 million;
- one series of GBP perpetual subordinated notes, total GBP 750 million issued in June 2003 and GBP 300 million in September 2003.

Euro-denominated lines

- one series of 8-year EMTNs issued in September 1999, total € 15 million;
- one series of 7-year floating-rate EMTNs issued in July 2000, total € 1.1 billion;
- one series of 3-year floating-rate EMTNs issued in June 2001, total € 700 million;
- one series of 10-year EMTNs issued in September 2001, total € 35 million;
- one series of 11-year floating-rate redeemable subordinated notes issued in October 2001, total € 350 million;
- one series of 2-year floating-rate EMTNs issued in April 2002, total € 100 million;
- one series of 10-year floating-rate EMTNs issued in September 2002, total € 15 million.
- one series of 3-year EMTNs issued in June 2002, total € 14 million;
- one series of 2-year redeemable subordinated notes issued in July 2003, total € 400 million;
- one series of 30-year redeemable subordinated notes issued in December 2003, total € 576 million.

USD-denominated lines

- one series of 5-year EMTNs issued in June 1999, total USD 500 million;
- one series of 10-year redeemable subordinated notes issued in November 2001, total USD 150 million,
- one series of 5-year EMTNs issued in February 2002, total USD 200 million;
- one series of 2-year EMTNs issued in April 2002, total USD 100 million;
- one series of 4-year EMTNs issued in July 2002, total USD 1 billion;
- one series of 5-year floating-rate EMTNs issued in November 2002, total USD 20 million;
- one series of 3-year EMTNs issued in November 2002, total USD 25 million.

- one series of 30-year redeemable subordinated notes issued in January 2003, total USD 1.5 billion;
- one series of 10-year floating-rate EMTNs issued in July 2003, total USD 50 million;
- one series of 30-year redeemable subordinated notes issued in August 2003, total USD 568 million.

PLN-denominated lines

- one series of 5-year EMTNs issued in May 2002, total PLN 200 million.

JPY-denominated lines

- one series of 5-year EMTNs issued in May 2002, total JPY 6.5 billion.

GBP-denominated lines

- one series of perpetual subordinated notes, total GBP 750 million issued in June 2003 and GBP 300 million in September 2003.

Employee profit-sharing and incentive schemes

As part of its human resources policy, Crédit Agricole S.A. has established a series of schemes providing its employees with a stake in its expansion and profits. The Union Économique et Sociale (UES) Crédit Agricole S.A. (which notably comprises Crédit Agricole S.A., Crédit Agricole Asset Management, Ucabail, Cedicam and certain other entities) operates a compulsory profit-sharing scheme, contributions to which are calculated according to the standard method provided for by law. Half of the amount available is distributed to eligible employees on the basis of the number of years worked in the Group, the remainder being based on the gross annual salary of each employee.

UES Crédit Agricole S.A. also operates a staff incentive scheme covering financial years 2002, 20003 and 2004, designed to give employees a stake in both the overall performance of Crédit Agricole S.A. and the specific performance of their own business line. Under this scheme, employees received a total of € 11.1 million in incentive payments for 2003. The following incentive payments were made in prior years:

- 2002: € 2,082,000
- 2001: € 20,641,000
- 2000: € 5,358,000
- 1999: € 11,534,000
- 1998: nil, there being no incentive plan in place at the time.

Crédit Agricole S.A. has operated an employee share ownership plan since 1988, which enables employees to invest in a broad range of company investment funds managed by its specialised subsidiary Crédit Agricole Épargne Salariale. Following its mutualisation in 1988, Crédit Agricole S.A. offered employees the opportunity to purchase Crédit Agricole S.A. shares either directly or through an employee share ownership plan and a company investment fund invested entirely in Crédit Agricole shares. Since that time, new employee share offerings have been made regularly and have been well received by employees. At 31 December 2003, present and past employees of the Crédit Agricole group held approximately 4.95% of the share capital of Crédit Agricole S.A., through eight company investment funds.

Stock option plans

Two stock option plans have been established by the Board of Directors, pursuant to the authorities granted by extraordinary resolution of the shareholders passed at their annual general meetings of 22 May 2002 and 21 May 2003. The table below shows the key terms of the two plans.

Date of plan	April 2003	December 2003
Date of AGM authorising the plan	22 May 2002	21 May 2003
Date of Board meeting fixing the terms of the plan	11 March 2003	17 December 2003
Number of shares that may be bought or subscribed	4,231,847	6,257,460
of which by Executive Directors	0	0
Number of beneficiaries	428	288
Number of options allotted to the top ten beneficiaries	436,786	2,354,599
Options exercisable from	15 April 2007	17 December 2007
Expiry date	15 April 2010	17 December 2010
Strike price	€ 14.59	€ 18.09

Under the authority granted by the shareholders at their annual general meeting of 22 May 2002, Crédit Agricole S.A.'s Board of Directors established a stock option plan for executives and certain managers of Crédit Agricole S.A. and its subsidiaries. The number of shares which may potentially be granted under this plan is 4,231,847 at a price of € 14.59 each.

Furthermore, Crédit Agricole S.A. decided to harmonise the various stock option plans existing within the Group by converting the plans granted by certain of its subsidiaries (Crédit Agricole Indosuez, Crédit Agricole Asset Management and Crédit Lyonnais Asset Management) into Crédit Agricole S.A. options. Accordingly, pursuant to the authority granted at the annual general meeting of 21 May 2003, Crédit Agricole S.A. granted the beneficiaries of those three subsidiaries options to subscribe for Crédit Agricole S.A. shares, after a cash payment equal to the capital gains

generated at 31 December 2003. The number of shares which may potentially be granted under this plan is 6,257,460 at a price of €18.09 each.

Statutory Auditors' Special Report

On Related Party Agreements

Year ended 31 December 2003

(Free translation of the French original)

To the Shareholders,

In our capacity as statutory auditors of your company, we are required to report on certain contractual agreements with certain related parties.

We are not required to ascertain whether any contractual agreements exist but to inform you, on the basis of the information provided to us, of the terms and conditions of agreements indicated to us. It is not our role to comment as to whether they are beneficial or appropriate. It is your responsibility, under the terms of Article 92 of the 23 March 1967 Decree, to evaluate the benefits resulting from these agreements prior to their approval.

We hereby inform you that we have not been advised of any agreements concluded during the year ended 31 December 2003, which would be covered by Article L. 225-38 of French Company Law (*Code de Commerce*).

Furthermore, in accordance with the 23 March 1967 Decree, we have been advised that the following agreements, approved in prior years, remained effective in the year ended 31 December 2003.

1. With the Crédit Agricole Regional Banks

At the time of Crédit Agricole S.A.'s initial public offering, the Board of Directors authorised the Chairman and the Chief Executive Officer, as its meeting of 31 October 2001, to sign the 'Protocol Agreement' on Caisse Nationale de Crédit Agricole's behalf, together with its appendices and all associated undertakings. The provisions of the 'Protocol Agreement' required the establishment of a Fund for Liquidity and Solvency Banking Risks to enable the company to operate the internal solidarity mechanism within the Crédit Agricole group and discharge its duties as central body, by providing assistance to Regional Banks in difficulty. The agreement relating to the Fund remains in force for a period of five years from the date of the company's stock market flotation.

A total of € 609.8 million was allocated to the Fund. Crédit Agricole S.A. contributed 75% and the Regional Banks together contributed € 152.4 million on the same quota basis as for the Deposit Guarantee Fund set up under article L.312-4 of the *Code Monétaire et Financier*.

No drawing was made on the Fund in 2003 in favour of a Regional Bank having a director in common with the company. In accordance with the terms of the 'Protocol Agreement', an additional sum of € 4.9 million was allocated to the Fund in 2003.

2. With Crédit Agricole Indosuez (CAI)

At the time of the transfer of Unicredit in 1997 and the partial asset transfer made by Caisse Nationale de Crédit Agricole (CNCA) to Crédit Agricole Indosuez (CAI), some of the loans transferred were guaranteed by CNCA.

At its meeting of 28 November 2001, the Board of Directors approved the new terms for application of the initial agreements between CNCA and CAI regarding the management CNCA's 'work-out' portfolio. This gave rise to the formation of a financial holding company in which CAI holds 99.9% and Crédit Agricole S.A. holds 0.1%. The purpose of this financial holding company is to manage the portfolio hitherto guaranteed by CNCA and the residual 'work out' portfolio of international loans previously carried on the balance sheet of CNCA and placed with CAI under a management mandate. As part of this transaction, CNCA cancelled its guarantee and made a participating loan of € 147 million to the financial holding company. During 2003, the financial holding company conducted its operations in accordance with its purpose, and the amount of the participating loan was reduced to € 57.2 million after booking a charge of € 51.6 million representing fully provisioned losses.

3. With Agos Itafinco

At its meeting on 27 November 2002, the Board authorised the company to sell a 19% holding in Agos Itafinco to IntesaBci (now Banca Intesa), which was completed on 31 December 2002, and to transfer or sell its remaining 11% equity interest in Agos Itafinco to Sofinco.

On 4 April 2003, the company sold 12,123 Agos Itafinco shares, representing 11% of the share capital, to Sofinco for the sum of € 48,098,214.26, generating a capital gain of € 38,885,586.18.

We conducted our work in accordance with French professional standards. These standards require that we perform the necessary procedures to verify that the information provided to us is consistent with the documentation from which it has been extracted.

21 April 2004

Statutory Auditors

CABINET ALAIN LAINÉ

**BARBIER FRINAULT & AUTRES
ERNST & YOUNG**

Alain Lainé

Valérie Meeus

Combined General Meeting of 19 May 2004

Agenda

Ordinary General Meeting

- Reports of the Board of Directors and the Auditors,
- Approval of the annual accounts as at 31 December 2003 and discharge of the directors for their actions undertaken during the previous financial year,
- Approval of the expenses governed by Article 39-4 of the General Tax Code,
- Approval of the consolidated accounts as at 31 December 2003,
- Appropriation of income and determination and appropriation of dividend,
- Approval of the agreements governed by Articles L.225-38 *et seq* of the *Code de Commerce*,
- Appointment of directors,
- Renewal of terms of office of directors,
- Appointment of statutory and alternate statutory Auditors,
- Authorisation to be given to the Board of Directors to issue bonds and other debt securities,
- Directors' fees,
- Authorisation to be given to the Board of Directors to trade in the company's shares.

Extraordinary General Meeting

- Reports of the Board of Directors and Auditors' special reports,
- Authorisation to be given to the Board of Directors to issue securities that grant present or future rights to shares that have been or will be issued in connection with a capital increase (with the pre-emptive subscription right retained),
- Authorisation to be given to the Board of Directors to issue securities that grant present or future rights to shares that have been or will be issued in connection with a capital increase (with the pre-emptive subscription right waived),
- Authorisation to be given to the Board of Directors to increase share capital by incorporating reserves, profits, share premiums or other items,

- Authorisation to be given to the Board of Directors to effect capital increases reserved for employees participating in a company savings scheme,
- Authorisation to be given to the Board of Directors to reduce share capital by retiring shares,
- Formalities, authorisations.

Proposed resolutions At the Ordinary General Meeting

First resolution

(Approval of parent company's accounts)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and after having familiarised itself with the Board of Director's management report and the Auditors' general report, approves the Board's report and the annual accounts for the financial year ended 31 December 2003, as presented.

It approves the transactions recorded in the said accounts or summarised in the said reports, as well as management acts undertaken by the Board during the financial year just ended.

In accordance with Article 223 quater of the French General Tax Code (*Code général des impôts*), the general meeting approves the total amount of the costs and expenses governed by Article 39-4 of the French General Tax Code, which total € 37,229.87. Consequently, it discharges the members of the Board of Directors for their management acts and the performance of their duties during the financial year ended 31 December 2003.

Second resolution

(Approval of consolidated accounts)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, after having familiarised itself with the reports of the Board of Directors and the Auditors relating to the consolidated accounts, approves the Board's report and the consolidated accounts for the financial year ended 31 December 2003, as presented.

It approves the transactions recorded in those accounts or summarised in the said reports.

Third resolution

(Appropriation of income and determination of dividend)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, notes that the net income for financial year 2003 totals € 611,124,134.64. Accordingly, the general meeting resolves to appropriate the income for financial year 2003 plus retained earnings totalling € 152,675,986.00, that is, a total amount of € 763,800,120.64, as follows:

1. to the legal reserve, 5% of net income for the financial year, that is € 30,556,206.73,
2. the balance, plus a withdrawal from the optional reserve of € 77,193,426.44, that is a total amount of € 810,437,340.35 to payment of a net dividend of € 0.55 per share with a tax credit of € 0.275, for total income of € 0.825 per share.

The dividend will be paid in cash as from 28 May 2004. If, when the dividends are paid, Crédit Agricole S.A. should hold various treasury shares, the amount corresponding to dividends unpaid as a result of those shareholdings will be noted in the accounts as "retained earnings".

In accordance with the provisions of Article 243 bis of the French General Tax Code, the dividends and the corresponding tax credit for the three previous financial years are set out below.

Year	Dividend	Tax credit (**)	Total
2000	€ 5.50	€ 2.75	€ 8.25
2001	(*) € 0.55	(*) € 0.275	(*) € 0.825
2002	(*) € 0.55	(*) € 0.275	(*) € 0.825

(*) By a decision of the 29 November 2001 combined general meeting, the nominal value of the shares was reduced from € 30 to € 3 and the number of shares making up the company's share capital multiplied by ten.

(**) The rate of the tax credit referred to is 50 %. In certain cases, that rate may differ.

Fourth resolution (Approval of the agreements governed by Articles L.225-38 et seq of the French Commercial Code)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and after having familiarised itself with the special Auditors' report on the agreements governed by Articles L.225-38 et seq of the Commercial Code, approves the transactions addressed in the said report and discharges the directors in this regard.

Fifth resolution (Appointment of director)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, resolves to replace Mr Pierre Bastide who resigned from his duties on 1 March 2004 with the appointment of Mr Alain Dieval as a director for the remaining period of Mr Bastide's term expiring at the close of the ordinary general meeting called to approve the accounts for the financial year ending 31 December 2004.

Sixth resolution (Appointment of director)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, resolves to replace Mr Jean Peyrelevade who resigned from his duties on 2 October 2003, with the appointment of Mr Daniel Lebègue as director for the remaining period of Mr Peyrelevade's term expiring at the close of the ordinary general meeting called to approve the accounts for the financial year ending 31 December 2004.

Seventh resolution (Appointment of director)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, resolves to replace Mr Jean-Marie Sander who resigned from his duties on 10 June 2003, with the appointment of Mr Michel Michaut as director for the remaining period of Mr Sander's term expiring at the close of the ordinary general meeting called to approve the accounts for the financial year ending 31 December 2004.

Eighth resolution (Renewal of director's term)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, notes that Mr Pierre Bru's term as director expires today and renews the said term for a period of three years expiring at the close of the ordinary general meeting called to approve the accounts for the financial year ending 31 December 2006.

Ninth resolution (Renewal of director's term)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, notes that Mr Yves Couturier's term as director expires today and renews the said term for a period of three years expiring at the close of the ordinary general meeting called to approve the accounts for the financial year ending 31 December 2006.

Tenth resolution (Renewal of director's term)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, notes that Mr Pierre Kerfriden's term as director expires today and renews the said term for a period of three years expiring at the close of the ordinary general meeting called to approve the accounts for the financial year ending 31 December 2006.

Eleventh resolution (Renewal of director's term)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, notes that Mr Jean Le Brun's term as director expires today and renews the said term for a period of three years expiring at the close of the ordinary general meeting called to approve the accounts for the financial year ending 31 December 2006.

Twelfth resolution (Appointment of statutory and alternate statutory Auditors)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings,

- notes the resignation at the end of this ordinary general meeting of:
 - Cabinet Alain Lainé, statutory Auditors, and

- Cabinet Mazars et Guerard, alternate statutory Auditors whose terms end;
- appoints, in their place, the following Auditors:
 - PricewaterhouseCoopers Audit as statutory Auditors (registered office: 32 rue Guersant, 75017 Paris), and
 - Pierre Coll as alternate statutory Auditor (address: 34 place des Corolles, 92908 Paris La Défense Cedex);
 for the remaining period of the two previously mentioned auditors' terms expiring at the close of the ordinary general meeting called to approve the accounts for the financial year ending 31 December 2005.

Thirteenth resolution (Authorisation to be given to the Board of Directors to issue bonds and other debt securities)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and in accordance with Articles L.225-100, L.228-40 and L.228-41 of the Commercial Code, authorises the Board of Directors to issue, at one or more times in France or abroad, by public offering or by private placement, bonds or other debt securities conferring in the same issue a debt interest in the company, including subordinated or senior perpetual or fixed term bonds bearing interest at a fixed or variable rate or zero-coupon bonds, and with or without warrants with rights to the distribution or purchase of or subscription for bonds or other debt securities. In particular, the bonds may be subordinated fixed or perpetual bonds or may have the characteristics of bonds indexed to any type of index or security or complex bond as understood by the authorities regulating the stock exchange (e.g. by virtue of their terms of redemption or return or other rights such as indexation, or rights to options); as regards the issue of subordinated bonds, the Board of Directors will determine their rank in accordance with the provisions of Article L.228-97 of the Commercial Code. This authorisation is made for a maximum nominal amount of €20 billion, in euros, foreign currency or currency units developed by reference to the euro and/or to one or more foreign currencies, with or without mortgage or other security, in such proportions, in such forms, at such times and subject to such terms and conditions of issue, redemption and repayment, it being specified that this maximum nominal amount applies to all bonds or other debt securities issued directly or following the exercise of warrants, but does not include any bond discount or discounts, and that negotiable debt securities, within the meaning of Articles L.213-1 to L.213-4 of the French Monetary and Financial Code (*Code monétaire et financier*) do not fall within this authorisation. For issues in foreign currency, the amount of the aforementioned authorisation deemed to be used will be calculated using the exchange rate for the said currency as of the date of the issue in question.

The general meeting grants full authority to the Board of Directors, with the right to further delegate as provided for by law, to issue, at one or more times, the said loans and specifies that the Board will not be subject to any restrictions regarding the procedures governing the issue of debt securities, to secure them, if necessary, with any security interest in personal or real property belonging to the company and, in general, to take any steps necessary to ensure the successful completion of the said issue(s).

In accordance with the law, this authorisation is valid for a term of five years from the date of this decision.

This authorisation supersedes and thus cancels the authorisation granted in the eleventh resolution approved at the general meeting held on 21 May 2003. However, all issues approved by the Board of Directors as of the date of this general meeting shall be duly completed and properly allocated to the authorisation granted at the 21 May 2003 general meeting.

Fourteenth resolution (Directors' fees)

Pursuant to Article L.225-45 of the Commercial Code, the general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, sets the total annual amount of fees to be allocated to directors at €670,000 in light of their duties.

Fifteenth resolution (Authorisation to be given to the Board of Directors to trade in the company's shares)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and after having familiarised itself with the report of the Board of Directors and the information memorandum issued by the Financial Markets Authority (Autorité des Marchés Financiers), authorises the Board of Directors to trade in the company's shares in accordance with the provisions of Articles L.225-209 et seq of the Commercial Code.

This authorisation, which replaces that granted at the ordinary general meeting held on 21 May 2003, is granted to the Board of Directors until renewed at a future ordinary general meeting and, in any event, is granted for a maximum period of eighteen months from the date of this general meeting.

The purchases of the company's shares effected by the Board of Directors pursuant to this authorisation may not, under any circumstances, result in the company holding more than ten percent (10%) of its share capital.

Under the share repurchase programme implemented by the company, the company's shares may be purchased, sold or transferred, at one or more times, by any means, i.e. on the exchange, over the counter or through derivatives traded on regulated markets or over the counter (such as purchase and sale options or any combination thereof) as provided for

by the appropriate market authorities and at such times as the Board of Directors or the person acting pursuant to a delegation from the Board of Directors shall determine. The portion of the share repurchase programme completed through block purchases may cover the entire programme.

The number of shares purchased may not exceed 10% of the total number of shares making up the company's share capital as of the date on which the said purchases occur and the maximum number of shares held after the said purchases may not exceed 10% of share capital.

The total amount that the company may use to repurchase its shares during this period is €2 billion. The shares may not be purchased for more than €30 and may not be sold for less than €3. That said, these shares may be distributed at no cost as provided for by law.

This authorisation is designed to allow the company to execute market or over-the-counter share transactions for any purpose authorised by applicable laws or regulations currently in force. In particular, the company may use this authorisation:

1. to stabilise the market price of the company's shares by buying and/or selling its shares on the exchange against market trends;
2. to buy and/or sell the company's shares based on market trends;
3. to manage investments as defined in Articles L 321-1 et seq of the French Monetary and Financial Code;
4. to grant share options to some or all company employees and/or to some or all of its officers and directors who act as executives of the company or the companies or groupings affiliated with it as defined by Article L.225-180 of the Commercial Code;
5. to distribute shares in the company to the employees listed in the previous paragraph to allow them to participate in employee profit-sharing and savings schemes;
6. to hold the shares in the company that have been purchased, sell them or, in general, transfer them in any legal manner whatsoever, in particular by conducting exchanges or payments using the said shares, *inter alia*, in connection with acquisitions of other companies, pursuant to liquidity undertakings issued by the company, following the issue of equity securities or in connection with the implementation by the company of an asset or financial management policy; and
7. to retire such shares, subject, in this case to the approval of the 20th resolution.

The purchase, sale and/or transfer of shares in the company by the Board of Directors pursuant to this authorisation may be undertaken at any time during the life of the share repurchase programme.

The company may also use this resolution and implement its repurchase programme in accordance with laws and regulations, in particular the provisions of Regulation 2002-04 of the COB (stock exchange operations commission), during a public cash or exchange offer made by the company or involving the company's securities.

Each month, the company must inform the Financial Markets Authority (*Autorité des Marchés Financiers*) of the purchases, sales and transfers effected and, generally, complete all necessary formalities and make all necessary filings.

The general meeting grants all authority to the Board of Directors to implement this authorisation and to determine relevant procedures, and in particular, to submit any stock exchange orders, sign any instruments, conclude any agreements, make any filings, complete any formalities and, generally, do whatever is necessary.

At the Extraordinary General Meeting:

Sixteenth resolution (Authorisation to be given to the Board of Directors to issue securities that grant present or future rights to shares that have been or will be issued in connection with a capital increase (with the pre-emptive subscription right retained))

The general meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings, after having familiarised itself with the report of the Board of Directors and the special Auditors' report, and in accordance with the provisions of Article L.225-129 III § 3 of the Commercial Code:

1. delegates to the Board of Directors, with the authority to further delegate as provided for by law, the authority necessary to issue equity and/or other securities, including separate warrants issued for valuable consideration or at no cost, that grant present or future rights to a portion of the company's share capital at any time or on a specified date, by subscription for, conversion into, exchange of, redemption, presentation of a certificate or in any other manner, at one or more times, in such proportions and at such times as it determines, in euros, foreign currency or any monetary units developed by reference to a basket of foreign currencies, in France or abroad, with or without a premium, with the pre-emptive subscription right retained, which may be subscribed for in cash or by setting off claims, excluding, however, the issue of held-to-maturity securities pursuant to Article L.228-30 of the Commercial Code, preference shares pursuant to Article L.228-11 of the Commercial Code, and any securities granting rights to receive such securities;
2. decides that the nominal amount of the capital increases to be completed immediately or in the future pursuant to this delegation may not exceed €1 billion or the equivalent

thereof, in light of the adjustments that must be made in accordance with the legal requirements to preserve the rights of holders of securities granting rights to a portion of the company's share capital;

3. further decides that the maximum nominal amount of debt securities granting rights to share capital that may be issued pursuant to this delegation shall not exceed €5 billion or the equivalent thereof in foreign currency, which shall be separate and distinct from the value of debt securities that do not grant rights to share capital whose issue is authorised under the 13th resolution of this general meeting;
4. decides that shareholders may exercise their pre-emptive rights rateably to subscribe for a minimum number of shares, as provided for by law, and that the Board may further grant shareholders a pre-emptive right rateably to subscribe for more securities than the said minimum in proportion to the subscription rights that they hold, up to the number they request. If the exercised irrevocable (and revocable, if any) subscription rights do not take up an entire securities issue, the Board may, at its election, limit the issue to the subscriptions received, if the legal requirements have been satisfied, and allocate the securities not subscribed for as it deems appropriate and/or offer them to the general public;
5. expressly waives the shareholders' pre-emptive subscription right to shares to be issued by converting bonds or exercising warrants and acknowledges that, by operation of law, this decision constitutes the shareholders' waiver of their pre-emptive subscription right to securities to which the said securities grant a right in favour of the holders of the securities issued pursuant to this delegation;
6. grants full authority to the Board of Directors, with the right to further delegate as provided for by law:
 - to determine the form and characteristics of securities to be issued, as well as issue dates, deadlines and procedures;
 - to determine the issue price, amounts and effective date (including a retroactive date) of securities to be issued;
 - to determine the payment method for shares and/or securities that have been or will be issued;
 - to determine, as required, the procedures according to which the company has the right to purchase or exchange securities that have been or will be issued on stock exchanges at any time or during specific periods;
 - to determine, as required, the procedures to preserve the rights of holders of securities granting rights to the company's share capital, and to suspend the exercise of the rights attached to the said securities for a maximum of three months;

- based solely on its decision and as it deems appropriate, to allocate issue-related costs, duties and fees to the corresponding share premiums and deduct from the said premiums amounts necessary to increase the legal reserve to one tenth of the new share capital after each issue;
 - to list securities to be issued on a regulated exchange, as required; and
 - generally, to take any steps, sign any agreements and complete any formalities to ensure the success of the issues, formally record the resulting capital increases and amend the memorandum and articles of association as required.
7. decides that this delegation, which replaces that granted at the extraordinary general meeting held on 21 May 2003 and cancels the portion thereof that has not been used to date, is valid for a term of twenty-six months as from this general meeting.

Seventeenth resolution (Authorisation to be given to the Board of Directors to issue securities that grant present or future rights to shares that have been or will be issued in connection with a capital increase (with the pre-emptive subscription right waived))

The general meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings, after having familiarised itself with the report of the Board of Directors and the special Auditors' report, and in accordance with the provisions of Article L.225-129 III §3 of the Commercial Code:

1. delegates to the Board of Directors, with the right to further delegate as provided for by law, the authority necessary to issue equity and/or other securities, including separate warrants issued for valuable consideration or at no cost, that grant present or future rights to a portion of the company's share capital at any time or on a specified date, by subscription for, conversion into, exchange of, redemption, presentation of a certificate or in any other manner, at one or more times, in such proportions and at such times as it determines, in euros, foreign currency or any monetary units developed by reference to a basket of foreign currencies, in France or abroad, with or without a premium, which may be subscribed for in cash or by setting off claims, excluding, however, the issue of held-to-maturity securities pursuant to Article L.228-30 of the Commercial Code, voting or non-voting preference shares pursuant to Article L.228-11 of the Commercial Code, and any securities granting rights to a portion of the share capital;

2. decides that:

- the nominal amount of the capital increases to be completed immediately or in the future pursuant to this delegation may not exceed €1 billion or the equivalent thereof, in light of the adjustments that must be made in accordance with the legal requirements to preserve the rights of holders of securities granting rights to a portion of the company's share capital;
- further, the maximum nominal amount of debt securities that may be issued pursuant to this delegation shall be € 5 billion or the equivalent thereof in foreign currency;
- all such issues must be covered by the unused portion of the ceilings set out in the 16th resolution; all issues completed pursuant to this resolution shall be counted against the corresponding ceiling(s).

3. decides to waive the shareholders' pre-emptive subscription right to the securities to be issued; the Board of Directors may grant the shareholders a right to subscribe rateably for a minimum number of shares, or, if appropriate, for excess shares covering all or part of the issue, subject to such term and conditions as it stipulates; this priority subscription right shall not result in the issue of negotiable rights;

4. decides that, if the shareholders and general public have not subscribed for all of a securities issue, the Board of Directors may take either or both of the following actions, in the order that it desires:

- limit the issue to the amount of subscriptions, provided that the legal conditions are satisfied;
- distribute all or some of the shares not subscribed for as it deems fit;

5. expressly waives the shareholders' pre-emptive subscription right to shares to be issued by converting bonds or exercising warrants and acknowledges that, by operation of law, this decision constitutes the shareholders' waiver of their pre-emptive right to securities to which the said securities grant a right in favour of the holders of securities issued pursuant to this delegation;

6. decides that, in the event of a present or future issue of shares for cash, the amount received or to be received by the company for each share issued pursuant to this delegation must be at least equal to the minimum issue price provided for by law, after adjustment, if necessary, of this price to take the different effective date into consideration; the amounts paid in subscribing for warrants will be included in this calculation;

7. decides that the Board of Directors may, within the limits of the overall capital increase referred to in point 2 above, increase share capital by issuing shares in exchange for the in-kind contribution of securities tendered pursuant to an exchange offer or combined offer (with the first as the primary offer and the second as an alternative) made by the company for the securities of another publicly traded company, subject to the terms, conditions and reservations set forth in Article L.225-148 of the Commercial Code, and, for that purpose, shall have full authority (i) to develop the list of securities to be tendered in the exchange, (ii) to determine issue terms and conditions, exchange ratio and, if applicable, any cash payment for partial shares, and (iii) to establish issuing procedures;

8. grants full authority to the Board of Directors, with the right to further delegate as provided for by law:

- to determine the form and characteristics of securities to be issued, as well as issue dates, deadlines and procedures;
- to determine the issue price, amounts and effective date (including a retroactive date) of securities to be issued;
- to determine the payment method for shares and/or securities that have been or will be issued;
- to determine, as required, the procedures according to which the company has the right to purchase or exchange securities that have been or will be issued on stock exchanges at any time or during specific periods;
- to determine, as required, the procedures to preserve the rights of holders of securities granting rights to the company's share capital, and to suspend the exercise of rights attached to the said securities for a maximum of three months;
- based solely on its decision and as it deems appropriate, to allocate issue-related costs, duties and fees to the corresponding share premiums and deduct from the said premiums amounts necessary to increase the legal reserve to one tenth of the new share capital after each issue;
- if appropriate, to list securities to be issued on a regulated exchange; and
- generally, to take any steps, sign any agreements and complete any formalities to ensure the success of the issues, formally record the resulting capital increases and amend the memorandum and articles of association as required;

9. decides that this delegation, which replaces that granted at the extraordinary general meeting of 21 May 2003, and cancels that portion that has not been used to date, is valid for a term of twenty-six months as from this general meeting.

Eighteenth resolution (Authorisation to be given to the Board of Directors to increase share capital by incorporating reserves, profits, share premiums or other items)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, after having familiarised itself with the report of the Board of Directors, and in accordance with the provisions of Article L.225-129-II of the Commercial Code:

1. delegates to the Board of Directors full authority to increase share capital at one or more times, in such proportions and at such times as the Board may deem appropriate, by incorporating share premiums, reserves, profits or other items that may, in accordance with the law or pursuant to the memorandum and articles of association, be incorporated in the form of a no-cost share distribution or an increase in the nominal value of current shares, or both;
2. decides that the nominal amount of the capital increases that may be effected pursuant to this delegation may not exceed €3 billion, which ceiling is separate and distinct from the aggregate limit provided for in the 16th and 17th resolutions put to the general meeting;
3. if this delegation is used, grants the Board of Directors full authority as provided for by law, with the right to further delegate as provided for by law:
 - to determine the amount and the type of monies to be incorporated in the share capital, determine the number of new shares to be issued or the amount by which the nominal value of current shares will be increased, establish the date (including a retroactive date) as of when the new shares shall be eligible for dividend payments or as of when the increase in nominal value will be effective;
 - in the event of a no-cost share distribution, to decide, as an exception to the provisions of Article L.225-149 of the Commercial Code, that the rights to any fractional shares shall not be negotiable and any such shares will be sold; the proceeds from the sale shall be allocated to rights holders no later than 30 days after the date on which the whole number of shares allocated is registered to their account;
 - to make any adjustments required by law or regulation;
 - to formally record each capital increase and amend the memorandum and articles of association accordingly; and
 - to take any measures required and sign any agreement necessary to ensure that the transactions undertaken are successfully completed and, in general, take all actions and complete all formalities necessary to finalise the capital increase(s) that may be undertaken pursuant to this delegation; and

4. decides that this delegation, which replaces that granted at the combined ordinary and extraordinary general meeting held on 21 May 2003, and cancels that portion that has not been used to date, is valid for a term of twenty-six months as from this general meeting.

Nineteenth resolution (Authorisation to be given to the Board of Directors to effect capital increases reserved for employees participating in a company savings scheme)

The general meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings and after having familiarised itself with the report of the Board of Directors and the special Auditors' report:

1. in accordance with the provisions of Articles L.225-129 and L.225-138 IV of the Commercial Code and Articles L.443-1 et seq of the French Labour Code, authorises the Board of Directors to issue, at one or more times and based on its sole decision, shares reserved for employees of the Crédit Agricole group, which consists of the company, companies included in the company's consolidated accounts, Crédit Agricole Regional Banks and their subsidiaries, and companies controlled by the company and/or the Regional Banks pursuant to Article L.444-3 of the French Labour Code, once such employees elect to participate in one of the Crédit Agricole group's company savings schemes and/or one of the voluntary employee savings schemes of one of the companies in the Crédit Agricole group;
2. decides to waive the shareholders' pre-emptive subscription right to shares that may be issued pursuant to this authorisation and to waive any right to shares that may be distributed at no cost based on this resolution in favour of the aforementioned employees;
3. sets the maximum nominal amount of the capital increase that may be completed pursuant to this authorisation at €150 million;
4. decides that the subscription price for Crédit Agricole S.A. shares may not exceed the average of the prices quoted on the Euronext Paris S.A. Premier Marché during the twenty trading days prior to the date on which the Board of Directors or the Chairman of the Board sets the start date for the subscription period, nor be more than 20% less than the said average, or more than 30% less when the term of the freeze provided for by the plan pursuant to Article L.443-6 of the French Labour Code is greater than or equal to 10 years. The Board of Directors may, upon implementation of this delegation, reduce the amount of the discount on a case-by-case basis in order to comply with statutory and regulatory requirements, including tax-related, accounting or other parent company requirements in any country where Crédit Agricole group companies or groups taking part in the capital increase are located;

5. authorises the Board of Directors, pursuant to the provisions of Article L.443-5 § 4 of the French Labour Code, to distribute shares, at no cost to subscribers, to be issued or that have already been issued or any other securities to be issued or that have already been issued that grant rights to share capital;
6. decides that this delegation, which replaces that granted by the 17th and 19th resolutions of the combined ordinary and extraordinary general meeting held on 21 May 2003 and cancels that portion that has not been used to date, is valid for a period of five years as of the date of this general meeting.

The general meeting grants full authority to the Board of Directors with the right to further delegate that authority as provided for by law, to determine the terms, conditions and procedures for effecting the capital increase(s) approved pursuant to this resolution, in particular:

1. to establish criteria that companies consolidated within the Crédit Agricole group must meet for their employees to take advantage of the capital increases covered by the aforementioned authorisation;
2. to determine criteria that beneficiaries of the newly issued shares must meet, in particular to determine whether the shares may be subscribed for directly by employees participating in a company savings scheme or a voluntary employee savings scheme or through a company investment fund or other structures or entities permitted to do so under applicable law and regulations;
3. to determine the terms, conditions and procedures for the issues to be effected pursuant to this resolution, and in particular, to determine the number of shares to be issued and the issue price for each issue;
4. to set the dates when the subscription period will begin and end and the effective date of shares issued, as well as dates, deadlines and other conditions and procedures for the issue(s);
5. in the event of a no-cost distribution of shares or other securities granting an interest in share capital, to elect either to replace the said distribution in whole or in part at the maximum discount rates provided for above for calculating the issue price, or allocate the equivalent value of the said shares and securities to the employer contribution, or a combination of the two;
6. to formally record completion of the capital increase(s), or have it (them) formally recorded, up to the value of the shares that have actually been subscribed for individually or through a company investment fund or other structures or entities permitted to do so under applicable law and regulations;

7. to allocate expenses of the share capital increase(s) to the corresponding share premiums and deduct from the said premiums amounts necessary to increase the legal reserve to one tenth of the new share capital after each increase;
8. to amend the memorandum and articles of association accordingly; and
9. generally to take any actions and decisions required to ensure that the capital increase(s) is (are) successfully completed and sign all documents and agreements and complete all formalities necessary and appropriate to finalise the aforementioned capital increase(s).

Twentieth resolution (Authorisation to be given to the Board of Directors to reduce share capital by retiring shares)

The general meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings, after having familiarised itself with the report of the Board of Directors and the special Auditors' report, authorises the Board of Directors, in accordance with Article L.225-209 of the Commercial Code:

1. to retire, at one or more times, at its sole initiative, all or part of the shares acquired by the company pursuant to the authorisation for the company to repurchase its own shares in the 15th resolution or subsequent authorisations, subject to a limit of 10% of share capital per twenty-four month period as of this general meeting; and
2. to correspondingly reduce the share capital by allocating the difference between the repurchase value of the retired shares and the nominal value to share premiums and available reserves, as it deems fit.

This authorisation, which replaces that granted at the combined ordinary and extraordinary general meeting held on 21 May 2003, and which cancels the said authorisation, is granted to the Board of Directors for a period of twenty-four months from the date hereof, with the right to further delegate, to sign all instruments, complete all formalities or issue any statements in order to retire the shares, finalise the reduction(s) of capital, formally record the completion thereof, amend the memorandum and articles of association accordingly and generally take all necessary action.

Twenty first resolution (Formalities and authorisations)

The general meeting hereby grants full authority to the bearer of an original, copy or extract of the minutes of this combined ordinary and extraordinary general meeting to complete any legal filing or publication formalities relating to or arising as a result of the decisions taken in the aforementioned resolutions and/or any additional resolutions.

Persons responsible for the shelf-registration document and audit

Person responsible for the shelf-registration document

Jean Laurent, Chief Executive Officer, Crédit Agricole S.A.

Statement by the person responsible for the shelf-registration document

"To the best of my knowledge, the information provided in this document is true and accurate, contains all the facts required for investors to make an informed assessment of the company's assets, operations, financial condition, earnings and outlook, and contains no omissions liable to impair their significance".

Jean Laurent

Chief Executive Officer

Person responsible for information

Patrice Vincent

Head of Financial Analysis and Information

Financial Management Department, Crédit Agricole S.A.

Tel.: +33 (0)1.43.23.56.68

Statutory auditors

Appointed for a term of six years at the annual general meeting of 31 May 1994 and re-appointed for a further six years at the annual general meeting of 25 May 2000.

Statutory auditors

**Barbier Frinault et Autres
Ernst & Young**

Cabinet Alain Lainé

Represented by Valérie Meeus
41, rue Ybry,
92576 Neuilly sur Seine Cedex

Represented by Alain Lainé
2, rue du Colonel Moll,
75017 Paris

First appointed:
1982 (auditors)
1985 (statutory auditors)

First appointed:
1994 (statutory auditors)

Alternates

Alain Grosmann

Cabinet Mazars et Guérard

41, rue Ybry,
92576 Neuilly sur Seine Cedex

125, rue de Montreuil
75011 Paris

Statutory auditors' fees⁽¹⁾

College of auditors of Crédit Agricole S.A.⁽²⁾

(In thousands of euros)	Ernst & Young	%	Cabinet Alain Lainé	%
Audit				
· Independent audit, certification, review of parent company and consolidated financial statements ⁽³⁾	8,141		716	
· Ancillary assignments	4,704		37	
Sub-total	12,845	87.4	753	96.0
Other services				
· legal, tax, personnel-related issues	277		31	
· Information technologies	178		-	
· Internal audit	43		-	
· Others ⁽⁴⁾	1,350		-	
Sub-total	1,848	12.6	31	4.0
Total	14,693	100	784	100

Other statutory auditors engaged in the audit of fully-consolidated Crédit Agricole S.A. Group subsidiaries

(In thousands of euros)	Price-waterhouse-Coopers	%	Mazars & Guérard	%	KPMG	%	Deloitte Touche Tohmatsu	%	Others	%
Audit										
· Independent audit, certification, review of parent company and consolidated financial statements ⁽³⁾	6,807	55	886	81	1,686	94	4,676	69	2,146	67
· Ancillary assignments	5,599	45	205	19	115	6	2,097	31	1,051	33
Total	12,406	100	1,091	100	1,801	100	6,773	100	3,197	100

(1) These figures comprise the annual cost of statutory auditors' fees, including those of the Crédit Lyonnais Group.

(2) Including certain fully-consolidated Crédit Agricole S.A. subsidiaries audited by the college of auditors.

(3) Including services of independent experts or affiliated experts provided at the request of the statutory auditors in the performance of their audit assignment.

(4) Including €1 million of fees in respect of a foreign subsidiary of Crédit Agricole Indosuez, not audited by the college of auditors, prior to adoption of the French Financial Security Act.

Statutory auditors' statement

on the AMF shelf-registration document (document de référence)

This is a free translation into English of the statutory auditors' report on the registration document issued in the French language and is provided solely for the convenience of English speaking readers. The statutory auditors' reports on financial statements and consolidated financial statements, referred to in this report, include information specifically required by French law in all audit reports, whether qualified or not, and this is presented after the Opinion on the financial statements. This information includes explanatory paragraphs discussing the auditors' assessment of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the annual and consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the annual and consolidated financial statements.

This report should be read in conjunction with, and construed in accordance with French law and professional auditing standard applicable in France.

To the Shareholders,

In our capacity as statutory auditors of Crédit Agricole S.A. and in compliance with the Regulation n°98-01 of the *Commission des Opérations de Bourse*, we have verified, in accordance with French professional standards, the information in respect of the financial position and historic financial statements included in the accompanying shelf-registration document (*Document de Référence*).

This registration document is the responsibility of Mr. Jean Laurent, Chief Executive Officer of Crédit Agricole S.A. Our responsibility is to issue an opinion on the fairness of the information contained therein with respect to the financial position and financial statements.

We conducted our review in accordance with French professional standards. This review consisted in assessing the fairness of the information on the financial position and financial statements and to verify their consistency with the audited accounts. We also reviewed other financial information contained in the shelf-registration document in order to identify any significant inconsistency with information in respect of the financial position and financial statements and to bring to your attention any obvious misstatements we noted based on our general understanding of the company gained through our audit. This document does not contain prospective information on properly prepared individual components.

Crédit Agricole S.A. (parent company) financial statements

We have audited the financial statements as approved by the Board of Directors for the financial years ended 31 December 2001, 2002 and 2003 in accordance with the professional standards applicable in France, and issued an unqualified opinion on them.

- Our audit report on the annual financial statements for the year ended 31 December 2001 contains an emphasis of matter paragraph which, without qualifying our opinion, draws the attention to notes 2.6, 2.7, 17, 18 and 34 to those statements, which describe the changes made in response to a request from the *Commission des Opérations de Bourse* for documentary evidence concerning the methods used to establish the home-purchase savings reserve and the impact of those methods on the financial statements at 31 December 2001.
- Our audit report on the annual financial statements for the year ended 31 December 2003 contains an emphasis of matter paragraph which, without qualifying our opinion, draws the attention to note 2 to those statements concerning:
 - the change in accounting method of deferred expenses incurred in the issuance of debts represented by a security with effect from 1 January 2003
 - the changes in accounting methods resulting from application of CRC Regulation 2002-03 on accounting for credit risks by institutions regulated by the *Comité de la Réglementation Bancaire et Financière* and CRC Regulation 2002-10 on depreciation and impairment of assets.

As required by the provisions of Article L. 225-235 of the French Company Law (*Code de Commerce*) regarding the justification of our assessments, introduced as part of the Financial Security Act of 1 August 2003 and applicable for the first time to this financial year, we have provided, in our general report on the parent company financial statements, the justification for the following assessments:

- As indicated in note 2 to the financial statements, the company establishes provisions to cover the credit risks inherent in its activities. We reviewed the processes that management uses to identify and evaluate these risks and determine the necessary amount of provisions.
- As indicated in note 2 to the financial statements, the company uses internal valuation models to value financial instruments that are not traded on organised markets. We reviewed the validation procedures used to determine the parameters of these models and reflect the risks associated with such instruments.
- As a customary part of the process of preparing the financial statements, the Group made a number of significant accounting estimates, notably regarding the valuation of participating interests and the valuation of pension obligations appearing on the balance sheet. We reviewed the assumptions used and verified that these accounting estimates are based on documented methods that conform to the principles set forth in note 2 to the financial statements.

- In connection with the link-up between Crédit Lyonnais S.A. and Crédit Agricole S.A., Crédit Agricole S.A. established provisions at year-end 2003 for costs related to the business combination. We reviewed the processes that management uses to identify these costs and to ensure that the items covered by provisions satisfy the accounting and valuation criteria laid down in CRC Regulation 2000-06 on liabilities.

Our assessment of the reasonable nature of these estimates was made on these bases.

Our assessments of these items were made as part of our audit of the financial statements taken as a whole and therefore contributed to the unqualified opinion expressed in the first part of our report.

Crédit Agricole S.A. consolidated financial statements

We have audited the consolidated financial statements as approved by the Board of Directors for the financial years ended 31 December 2001, 2002 and 2003 in accordance with the professional standards applicable in France, and we issued an unqualified opinion on them.

- Our audit report dated 10 April 2002 on the annual financial statements for the year ended 31 December 2001 contains an emphasis of matter paragraph which, without qualifying our opinion, draws shareholders' attention to notes 1.2, 2.1.6, 2.1.7, 2.2, 17, 18, 20 and 36 to the financial statements, which describe the changes introduced notably in response to a request from the *Commission des Opérations de Bourse* for documentary evidence concerning the methods used to constitute the home purchase savings reserve and their impact on the financial statements at 31 December 2001.
- Our audit report on the annual financial statements for the year ended 31 December 2003 contains an emphasis of matter paragraph which, without qualifying our opinion, draws attention to note 2.1 to those statements, which describes:
 - the change in accounting method resulting from application of the preferred method of treatment of deferred expenses incurred in the issuance of debts represented by a security with effect from 1 January 2003,
 - the change in accounting method resulting from application of CRC Regulation 2002-03 on accounting for credit risks by institutions regulated by the *Comité de la Réglementation Bancaire et Financière*,
 - the change in accounting method resulting from application of CRC Regulation 2002-10 on depreciation and impairment of assets for banking and insurance activities.

As required by the provisions of Article L. 225-235 of the French Company Law (*Code de Commerce*) regarding the justification of our assessments, introduced as part of the Financial Security Act of 1 August 2003 and applicable for the first time to this financial year, we have provided, in our general report on the consolidated financial statements, the justification for the following assessments:

- As indicated in note 2.1 to the financial statements, the Group establishes provisions to cover the credit risks inherent in its activities. We reviewed the processes that management uses to identify and evaluate these risks and determine the necessary amount of provisions.
- As indicated in note 2.1 to the financial statements, the Group uses internal valuation models to value financial instruments that are not traded on organised markets. We reviewed the validation procedures used to determine the parameters of these models and reflect the risks associated with such instruments.
- As indicated in note 1.2 to the financial statements, as part of the consolidation of the Crédit Lyonnais group, the Group conducted a preliminary review of the asset, liability and off-balance-sheet items of the Crédit Lyonnais group that led it to harmonise the accounting methods used, book a provision for costs related to the business combination, and recognise an intangible asset representing the value of Crédit Lyonnais's retail banking business in France. The residual amount after recognition of these items was booked as goodwill and is amortised over 20 years. We reviewed the assumptions used to value these assets and liabilities and verified that the valuations rest on documented methods.
- As a customary part of the process of preparing the financial statements, the Group made a number of significant accounting estimates, notably on the valuation of non-consolidated participating interests, the recoverability of deferred tax assets, and the valuation of goodwill and pension obligations appearing on the balance sheet. We reviewed the assumptions used and verified that these accounting estimates are based on documented methods that conform to the principles set forth in notes 2.1 and 2.2 to the financial statements.

Our assessment of the reasonable nature of these estimates was made on these bases.

Our assessments of these items were made as part of our audit of the parent company and consolidated financial statements taken as a whole and therefore contributed to the forming of the unqualified opinion expressed in the first part of our report.

Crédit Agricole S.A. pro forma consolidated financial statements

We examined the pro forma consolidated financial statements for the years from 1 January 2001 to 31 December 2001, 1 January 2002 to 31 December 2002 and 1 January 2003 to 31 December 2003, as approved by the Board of Directors and presented in this shelf-registration document, in accordance with the professional standards applicable in France.

For purposes of comparison, the pro forma statements for the period from 1 January 2001 to 31 December 2001 reflect the effects of the acquisition of the Crédit Lyonnais group during the second quarter of 2003 as well as the effects of all the transactions related to the initial public offering of Crédit Agricole S.A. made on 14 December 2001.

For purposes of comparison, the pro forma statements for the periods from 1 January 2002 to 31 December 2002 and 1 January 2003 to 31 December 2003 reflect the effects of all the transactions related to the acquisition of the Crédit Lyonnais group during the second quarter of 2003.

Having examined these pro forma statements and issued reports thereon, we concluded that the conventions adopted constitute a reasonable basis for presenting:

- the effects at 31 December 2001 of the acquisition of the Crédit Lyonnais group during the second quarter of 2003 as well as the effects of all the transactions related to the initial public offering of Crédit Agricole S.A.,
- the effects at 31 December 2002 and 2003 of the Crédit Lyonnais group acquisition during the second quarter of 2003.

These effects were appropriately quantified and the accounting methods used are consistent with those followed in preparing the consolidated financial statements of Crédit Agricole S.A.

Attention is drawn to the fact that Crédit Agricole S.A.'s pro forma consolidated income for the year from January 1 to 31 December 2001 includes the full-year income of its specialised subsidiaries at the ownership percentage resulting from the Regional Banks' transfers, as well as the full-year income from ordinary activities of the Regional Banks accounted for by the equity method. Income from ordinary activities is determined by eliminating all exceptional items relating to the stock market flotation, as determined on the basis of the declarations of the Regional Banks. These exceptional items concern mainly the capital gains realised on the sale of Crédit Agricole S.A. shares on the stock market and the extraordinary provisions established on that occasion.

On the basis of our procedures, we have nothing to report with respect to the fairness of the information on the financial position and financial statements contained in the shelf-registration document (*Document de Référence*).

4 May 2004

Statutory Auditors

CABINET ALAIN LAINÉ

**BARBIER FRINAULT & AUTRES
ERNST & YOUNG**

Alain Lainé

Valérie Meeus

Cross-reference table

This annual report has been registered as the shelf-registration document with the French Autorité des Marchés Financiers (AMF). To facilitate consultation, the following table indicates page references of the main items of disclosure required by AMF regulations and application instructions.

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Crédit Agricole S.A.

A French limited company with a share capital of € 4,420,567,311

Paris Trade and Company Registry No. 784 608 416

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