



2012 Activity Report

# Reinventing real economy finance

# profile

The Crédit Agricole Group is the market leader in France in Universal Customer-Focused Banking and one of the largest banks in Europe.

As the leading financial partner of the French economy and a major European player, the Crédit Agricole Group supports its customers' projects in France and around the world across the full spectrum of retail banking businesses and related specialised businesses: insurance, asset management, leasing and factoring, consumer finance, corporate and investment banking.

Underpinned by firm cooperative and mutual foundations, 150,000 employees and the 29,000 directors of its Local and Regional Banks, the Crédit Agricole Group is a responsible and responsive bank serving 51 million customers, 6.9 million mutual shareholders and 1.2 million shareholders.

In its efforts to support the economy, Crédit Agricole also stands out through its dynamic and innovative social and environmental responsibility policy. The Group features in the top 3 of Novethic's rankings concerning corporate social responsibility and responsible reporting by Europe's 31 largest banks and insurance companies.

[www.credit-agricole.com](http://www.credit-agricole.com)

**51** million  
clients worldwide

**150,000**  
employees

**31** billion  
Revenues

**€10.6** billion  
Gross operating income

**€71** billion  
Shareholders' equity - Group share

**11.8** %\*  
Core Tier One Ratio  
\* pro forma post completion of Emporiki disposal

## The Group's organisation

**6.9 million mutual shareholders** underpin Crédit Agricole's cooperative organisational structure. They own the capital of the **2,512 Local Banks** in the form of mutual shares and they designate their representatives each year. **29,000 directors** carry their expectations.

The Local Banks own the majority of the Regional Banks' share capital. The **39 Regional Banks** are cooperative Regional Banks that offer their customers a comprehensive range of products and services. The discussion body for the Regional Banks is the *Fédération Nationale du Crédit Agricole*, where the Group's main orientations are decided.

**Crédit Agricole S.A. owns around 25% of share capital in the Regional Banks** (excl. the Regional Bank of Corsica). It coordinates, in relation with its specialist subsidiaries the various business lines' strategies in France and abroad.

### CRÉDIT AGRICOLE S.A.'S SHARE OWNERSHIP

**56.3%**

of share capital held by the 39 Regional Banks via holding company SAS Rue La Boétie.

**43.4%**

of share capital held by:

**01** Institutional investors: 27.9%

**02** Individual shareholders: 11.1%

**03** Employees via employee mutual funds: 4.4%

**0.3%**

treasury shares

## A Universal Customer-Focused Bank

The Credit Agricole Group consists of **Crédit Agricole S.A. along with all of the Regional and Local Banks**, and together they are developing the Universal Customer-Focused Banking model. This model relies on synergies realised between retail banks and associated specialised business lines.

### Savings management

MARKET-LEADING POSITIONS IN FRANCE AND EUROPE

- No. 1 in bancassurance in France
- No. 2 in asset management in Europe
- A key player in private banking in Europe

### Specialised business lines

- No. 1 in factoring in France
- A leader in lease financing in France
- A key player in consumer finance

### Retail Banking

THE MARKET LEADER IN FRANCE AND A KEY PLAYER IN EUROPE, WITH ALMOST 11,300 BRANCHES SERVICING 32 MILLION CUSTOMERS

#### 39 CRÉDIT AGRICOLE REGIONAL BANKS

Cooperative companies and fully-pledged banks with strong local roots, the Crédit Agricole Regional Banks offer a full range of banking and financial products and services to individual customers, farmers, professionals, businesses, and public authorities.

#### LCL

LCL is a retail banking network with a strong presence in urban areas across France, with four main business lines: retail banking for individual customers, retail banking for professionals, private banking and corporate banking.

#### INTERNATIONAL RETAIL BANKING

Crédit Agricole is implementing its Universal Customer-Focused Banking model internationally and mainly in Europe, in its key mediterranean countries of operation.

### Corporate and investment banking

AN INTERNATIONAL NETWORK IN THE MAIN COUNTRIES OF EUROPE, THE AMERICAS AND ASIA

- Financing activities
- Investment banking
- Debt optimisation and distribution
- Capital markets

### Other specialised subsidiaries

- Crédit Agricole Immobilier
- Crédit Agricole Capital Investissement & Finance
- Uni-éditions
- Crédit Agricole Cards & Payments

# WORKING FOR THE CRÉDIT AGRICOLE GROUP AND ITS CLIENTS EVERYDAY

The activities involved in corporate finance and investment banking are used by the entire Crédit Agricole group, and play a concrete role in its corporate project and client relations. Every day, Crédit Agricole CIB works alongside the Group's business lines, offering its expertise, proximity and services in corporate finance and investment banking.

“  
**OUR PRIORITY IS TO HELP THE REGIONAL BANKS GROW THEIR ACTIVITY WITH MEDIUM-SIZED REGIONALLY-LOCATED COMPANIES**  
”

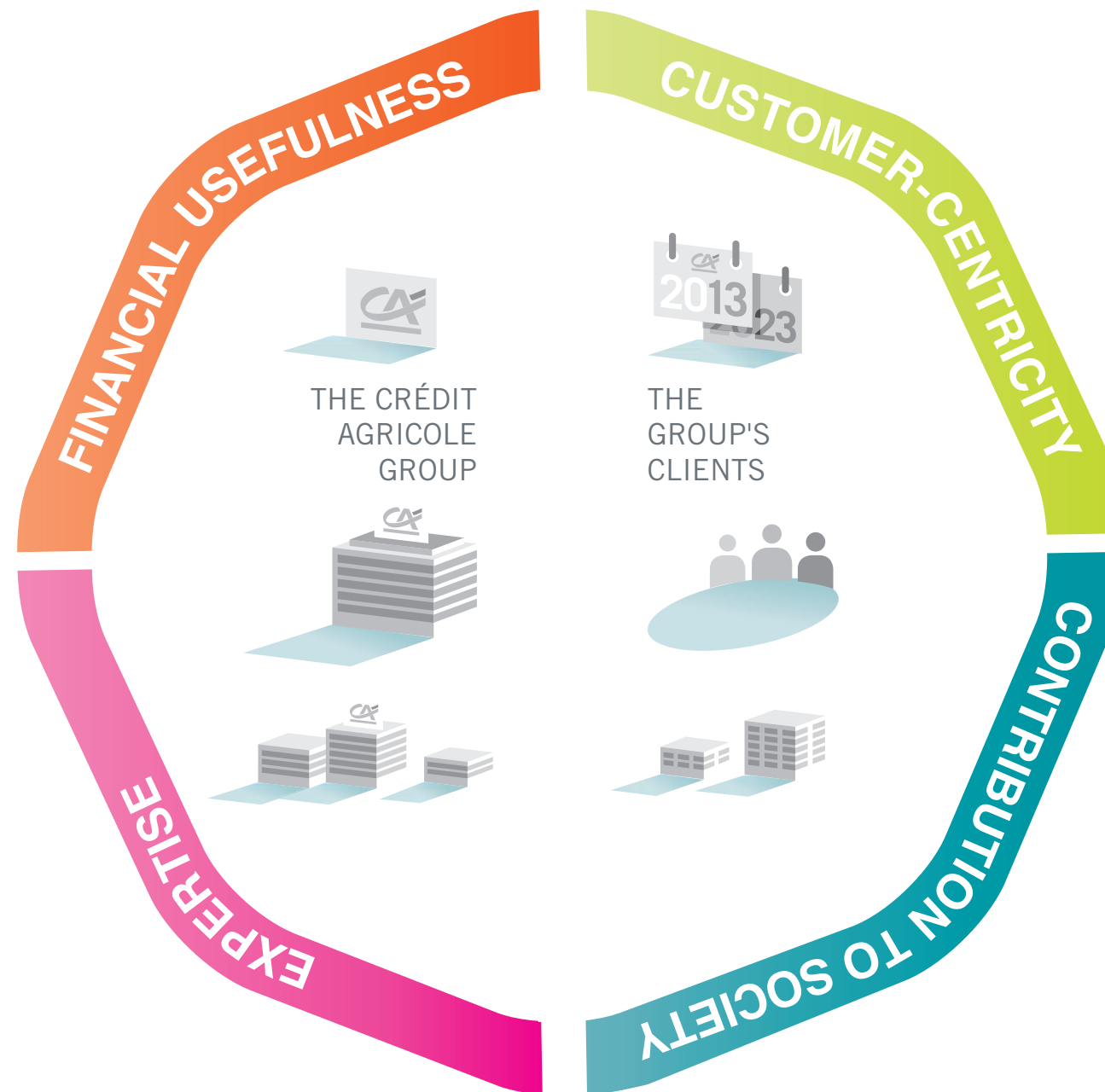
**Jean-Yves Hocher**  
Chief Executive Officer of Crédit Agricole CIB

## OUR LIQUIDITY MANAGEMENT

- 5 liquidity centres worldwide
- 21 trading rooms linked up to major international investors
- Innovative solutions to raise cash

## OUR TECHNICAL EXPERTISE

- Innovative financing for medium-sized companies
- Market solutions helping to economise the Group's capital
- Employee shareholders
- Socially responsible bond issuance
- International assistance for clients of the regional banks



## OUR DEEP INSIGHT INTO CORPORATES AND FINANCIAL INSTITUTIONS

- In close contact with major clients
- Proximity of the French Regions Division with the regional banks
- Capacity to negotiate partnerships with investors

## OUR STRONG CSR COMMITMENTS

- A team dedicated to social and environmental finance
- Specific sector policies
- The Equator principles
- Employees committed to solidarity causes

# CRÉDIT AGRICOLE CIB SUPPORTING THE REAL ECONOMY

Crédit Agricole CIB is the Corporate and Investment Banking arm of the Crédit Agricole group, the world's sixth-largest bank in total assets and Europe's fourth-largest bank by Tier one equity (*The Banker*, July 2012).

Crédit Agricole CIB offers its clients a large range of products and services. The Corporate and Investment Bank is structured around five major divisions:

- Client Coverage & International Network,
- Global Investment Banking,
- Structured Finance,
- Fixed Income Markets,
- Debt Optimisation and Distribution.

1,100  
corporate  
clients

500  
financial  
institutions

More than  
30  
locations  
worldwide

4,387  
million euros  
2012 Net  
Banking Income  
for strategic activities

9,439  
employees  
worldwide

Sources: *Crédit Agricole CIB*

## 2012 ACTIVITY REPORT

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### Yearbook

Discover our most  
successful  
achievements  
in recent months,  
p.12 & 13

“  
**HAVING  
 REFOCUSED ON  
 OUR STRENGTHS,  
 WE ARE  
 REASSERTING  
 OUR ROLE IN  
 SERVICE OF THE  
 REAL ECONOMY**  
 ”



**Jean-Yves Hoher**  
 Chief Executive Officer  
 of Crédit Agricole CIB

**Jean-Paul Chifflet**  
 Chairman of the Board of Directors  
 of Crédit Agricole CIB

## VIEW POINTS OF THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

**Under particularly difficult conditions, Crédit Agricole S.A. introduced structural measures in 2012 to adapt to the new economic and regulatory environment. While the 2012 "net income group share" was -€6,471 million, this figure should not overshadow the solidity of our banking model, namely that of a universal customer-focused bank. Our customer-focused banking activity and the related business lines are among the strongest in Europe.**

In corporate and investment banking, we overhauled Crédit Agricole CIB's economic model, centring it around large non-speculative clients with a much smaller risk profile. We did this while maintaining a strong commercial activity. In 2012, Crédit Agricole CIB also reached, often exceeding, all of the targets that had been

set as part of the adaptation plan launched at the end of 2011.

This work included the discontinuation of certain non-priority activities, such as brokerage. The CA Cheuvreux and Kepler Capital Markets merger and the sale of CLSA by Crédit Agricole CIB to CITICS were both finalised. All of this was undertaken to ensure that Crédit Agricole CIB's expertise can continue to serve the Group and that it can continue to work alongside its clients assisting them with their financing projects.

I am aware that 2012 was a demanding, if not difficult, year for Crédit Agricole CIB's employees. I would like to acknowledge all of their efforts and thank them for their commitment.

**At the end of 2012 we made a loss of €880 million. Although this figure reflects the impact of the financial crisis and the cost of restructuring on our accounts, it should not overshadow the strong sales trend shown by Crédit Agricole CIB throughout the year.**

For Crédit Agricole CIB, 2012 was a satisfactory year for at least three reasons. Firstly, we successfully completed our deleveraging plan, significantly reducing our risk-weighted assets and our liquidity consumption. Crédit Agricole CIB also succeeded in refocusing on its businesses of excellence, on its portfolio of strategic clients, i.e. large corporates and financial institutions, and on a closer-knit geographical network. Finally, it was satisfactory because market activity levels were good in 2012. At the same time, our new

distribution-origination model began to show its relevance.

Crédit Agricole CIB was able to maintain its rankings in its businesses of excellence: in project financing it is ranked third in the world among lead managers in the Europe, Middle-East and Africa (EMEA) region, in euro bond issuance it is ranked fourth in the world, in euro bond issuance by financial institutions it is ranked second in the world, and in loan syndication it is ranked the third largest bookrunner in the EMEA region (*source: Thomson Reuters*).

I believe in our capacity to build Crédit Agricole CIB's future and to continue our development. In 2013, we plan to strengthen our efforts and, thanks to our commercial commitments and rigorous management, to accompany our clients in their projects and fully play our role within the Group.

**Jean-Paul Chifflet**  
 Chairman of the Board of Directors of Crédit Agricole CIB

**Jean-Yves Hoher**  
 Chief Executive Officer of Crédit Agricole CIB

# CORPORATE GOVERNANCE

## EXECUTIVE COMMITTEE

Members of the Executive Management Committee  
Corporate governance as of April 22, 2013



**Francis Canterini**  
Deputy General  
Manager

**Thierry Simon**  
Client Coverage  
& International Network

**Jean-François Balaj**  
Debt Optimisation  
& Distribution

**Paul de Leusse**  
Finance

**Jacques Prost**  
Structured Finance

**Catherine Duvaud**  
Compliance

**Jean-Yves Hoher**  
Chief Executive Officer

**Pierre Cambefort**  
Deputy Chief  
Executive Officer



**Daniel Puyo**  
Risk  
& Permanent Control

**Bertrand Hugonet**  
Corporate Secretary  
& Communications

**Ivana Bonnet**  
Human Resources

**Thomas Gadenne**  
Capital Markets

**Alix Caudrillier**  
Investment Banking

**Régis Monfront**  
Deputy Chief  
Executive Officer

**Pierre Dulon**  
Information  
Technology

**Frédéric Coudreau**  
Operations

## CORPORATE GOVERNANCE

# THE MANAGEMENT COMMITTEE AND THE EXTENDED EXECUTIVE COMMITTEE

■ *Members of the Extended Executive Committee*  
Corporate governance as of April 22, 2013

### Executive Management

Jean-Yves Hocher ■  
Pierre Cambefort ■  
Régis Monfront ■  
Francis Canterini ■

### Finance

Paul de Leusse ■  
Adrien Cassanet  
Philippe Crénin  
Luc Giraud  
Olivier de Koning  
Paul Milleliri  
Michel Robert

### Risks & Permanent Control

Daniel Puyo ■  
Patricia Bogard  
Boualem Boukaiba  
Guillaume Faÿ  
Gilles Gantois  
Jean-Claude Gelhaar  
Eric de Lambilly  
James Webb

### Information Technology

Pierre Dulon ■  
Pierre-Yves Bollard  
David Litot  
Gilles Henri Roux  
Philippe Sersot

### Operations

Frédéric Coudreau ■  
Pascal de Mentque  
Valérie Sauvage  
Serge Moutot

### Solutions for Process Improvement

Romain Jérôme  
Isabelle Monier-Vinard

### Human Resources

Ivana Bonnet ■  
Bernard Calvet  
Jean-Paul Kaouza

### Legal

Bruno Fontaine  
Femke Blancquaert  
David Sheldon

### Group Internal Audit

Jean-Pierre Trémenbert  
Cécile Bennehard

### Compliance

Catherine Duvaud ■  
Thierry Brault  
Olivier Godin

### Corporate Secretary & Communications

Bertrand Hugonet ■  
Anne Robert

### International Support

Eric Lechaudel

### Capital Markets

Thomas Gadenne ■  
Eric Chèvre  
Laurent Cote  
Vincent Fleury  
Tim Hall  
Arnaud d'Intignano  
Vincent Leclercq  
Philippe Rakotovo  
James Siracusa ■  
Thomas Spitz  
Frédéric Truchot  
Graham Williams

### Debt Optimisation & Distribution

Jean-François Balay ■  
Gary Herzog  
Atul Sodhi

### Structured Finance

Jacques Prost ■  
José Abramovici  
Olivier Audemard  
Alexandra Boleslawski  
Laurent Chenain  
Olivier Desjardins  
Thibaud Escoffier  
Pierre Glauser  
J.-F. Grandchamp des Raux  
Jamie Mabilat  
François Martin  
François Pasquier  
Jacques de Villaines  
Nicolas Vix

### Investment Banking

Alix Caudrillier ■  
Jean-Michel Berling  
Charles-Hubert de Chaudenay  
Stéphane Ducroizet  
Pierre Marlier  
Hatem Masmoudi  
Bertrand Peyrelongue  
Bernard Vignoles

### Distressed Assets

Julian Harris ■  
Emmanuel Bapt  
Christine Morisseau  
Bernard Unger

### Sourcing & Procurement

Hervé Molmy

### Client Coverage & International Network

Thierry Simon ■  
Emmanuel Bouvier d'Yvoire  
Thierry Hauret  
Gérald Massenet  
Stéphane Publie  
Antoine Sirgi  
Renée Talamona

### Senior Regional Officer Americas

Jean-François Deroche ■

### Senior Regional Officer Asia Pacific

Marc-André Poirier ■

### Senior Regional Officer Europe, Middle-East and Africa (EMEA) & Senior Country Officer UK

Arnaud Chupin ■

### Senior Country Officer Germany

Sylvia Seignette

### Senior Country Officer Italy

Philippe Pellegrin

### Senior Country Officer Japan

Michel Roy

### Senior Country Officer Russia

Erik Koebe

### Senior Country Officer Spain

Juan Fabregas

### Crédit Agricole Private Banking

Christophe Gancel

### Saudi Fransi Bank

Patrice Couvègnes

# BOARD OF DIRECTORS



# A NEW MODEL FOR A NEW ENVIRONMENT

In one year, Crédit Agricole CIB has accomplished a complete transformation of its economic model. New regulations and financial constraints prompted the Bank to overhaul its entire strategy and organisation. Jean-Yves Hocher, Pierre Cambefort, Régis Monfront and Francis Canterini take a look back over the last year and share their view of the Bank's new line of activity.

**SINCE THE END OF 2011, CRÉDIT AGRICOLE CIB HAS TRANSFORMED ITS ECONOMIC MODEL AND ROLLED OUT AN ADAPTATION PLAN FOR ITS BUSINESS LINES. BROADLY SPEAKING, WHAT FOR YOU WERE THE MAIN FEATURES OF 2012?**

**Jean-Yves Hocher:** There were several major aspects this year. We succeeded, despite a very unstable environment, in completely transforming our strategic model to reduce our consumption of risk-weighted assets and liquidity. We sold market and credit portfolios under good conditions to reduce our consumption of risk-weighted assets and liquidity. At the same time, we maintained stable revenue on our strategic activities with a selection of clients to whom we are looking to propose all of the Bank's products. Despite a very difficult environment for bank financing and investment in Europe, we successfully completed a major transformation of Crédit Agricole CIB.

**Francis Canterini:** This scale of change involved significant constraints that we had to navigate at several levels. The financial division was able to manage the reduction in liquidity and risk-weighted assets. Given the new regulatory constraints, several support functions were mobilised. As regards the employment aspect of the adaptation plan, the human resources division oversaw the definition and successful deployment of a headcount reduction plan, which will concern 1,550 people in France and abroad between now and the end of 2013. We shifted the Bank to a low-risk profile with, as in 2012, satisfactory operating results.

**Régis Monfront:** This transformation started out as a shared observation: the corporate finance and investment banking model, as we had previously known it, could no longer function in the current Basel III environment. We therefore decided in December 2011 to adopt what we refer to



**Jean-Yves Hocher**  
Chief Executive Officer of Crédit Agricole CIB  
(since 1 December 2010)

Deputy Chief Executive Officer of Crédit Agricole S.A. and in this regard also Head of the Private Banking activities. Born in 1955, Mr. Hocher is a graduate of the Institut National Agronomique Paris Grignon and of the École Nationale du Génie Rural, des Eaux et Forêts. He oversees all the support functions.

as a distribution-origination model, which is based on asset distribution via the bond market, secondary sales and partnerships with institutional investors upstream of financing. It is a model that allows us to maintain our capacity to provide financing for our clients while at the same time keeping as few assets



**Francis Canterini**  
Deputy General Manager of Crédit Agricole CIB  
(member of the Executive Management since 1 December 2010)  
Born in 1947, Mr. Canterini holds a master's degree and a post-graduate diploma in economics. He oversees all of the support functions.

as possible on our balance sheet. 2012 brought proof that this model works.

**Pierre Cambefort:** In concrete terms, the idea is to start thinking about distribution when we are working on our clients' financial structuring. This involves looking for partners who wish to participate in financing alongside us, or taking the fixed-income path. Our teams worked together to understand our clients' needs and offer them appropriate solutions. We were particularly innovative in finding a way for

medium-sized companies, which do not have direct access to the markets, to finance their growth. We also helped public authorities with their socially responsible bond issues. Thanks to the expertise of Crédit Agricole CIB, we offer innovative financing solutions to the Group's clients to accompany their development.

**HOW DID CRÉDIT AGRICOLE CIB SUCCEED IN MAINTAINING ITS ACTIVITY AMID GREATER CONSTRAINTS, FINANCIAL CRISIS AND NEW REGULATIONS?**

**Régis Monfront:** We dealt with this essentially in two ways. Firstly, we discontinued the equity derivative and commodity activities, which meant we could off-load risk-weighted assets. Then, by rapidly implementing our distribution-origination model and particularly by signing several partnerships with investors, we were able to generate major transactions for our clients. I think that the rapidity with which our project was executed was a decisive factor in mobilising our teams.

“  
**OUR ROLE IS TO PROTECT THE INTERESTS OF BOTH BORROWER CLIENTS AND INVESTOR CLIENTS**  
”

**25%**  
reduction in liquidity consumption

**€4.4**  
billion in net banking income from ongoing activities in 2012\*

**€1.8**  
billion in gross operating income from ongoing activities in 2012\*

**€1.2**  
billion in net income, Group share from ongoing activities in 2012\*

\* Excluding private banking and restated for revaluation of own debt issues, loan hedges, adjustment plan impacts, recording of CA Cheuvreux and CL Securities Asia (CLSA) under IFRS 5, and change in value of goodwill.



VIEW POINTS OF THE EXECUTIVE MANAGEMENT

# A NEW MODEL FOR A NEW ENVIRONMENT

**Jean-Yves Hocher:** Within the framework of the Group's strategies, we defined our project for Crédit Agricole CIB: a corporate and investment bank, with a reduced risk profile, servicing its clients and the Group. We took immediate decisions, such as the sale of market risk portfolios, we had to make tough choices, and we took the time to explain our strategic vision. We are satisfied that our teams successfully rolled-out this vision in 2012.

**WHAT ARE YOUR PRIORITIES FOR 2013? HOW DO YOU SEE THE FUTURE?**

**Pierre Cambefort:** We must work differently and strengthen our collective approach. With the roll-out of our model, employees attitudes and behaviours have changed. We must now add an "investor" vision to our client one. This will involve understanding investor expectations in detail in order to coordinate financing distribution upstream, at the origination level. We will of course draw on the Crédit Agricole group and produce innovative solutions for its clients and entities.

**Régis Monfront:** Our aim in 2013 is to ensure a fluid distribution-origination process. This means bringing what we achieved in 2012 to industrial level in order to roll out a more ambitious sales activity. I know that we have the means to do this: we are very well positioned on the euro bond markets, in loan syndication, and in financing activities. In 2013, we plan to boost sales efficiency through our euro and dollar bond platform.

**Francis Canterini:** Our model has changed profoundly. To reach our profitability targets, we must work on reducing costs while maintaining the quality of our client services and of our regulatory controls. In the medium term, we are looking to reduce our fixed cost base by around 15%, notably by accelerating the sale of discontinuing portfolios, potentially granting them to external service providers, by outsourcing certain functions, by reducing current expenditure and by developing cross-departmental projects. A lot hinges on this.



**Pierre Cambefort**  
Deputy Chief Executive Officer of Crédit Agricole CIB (since 1 September 2010)  
Born in 1964, Mr. Cambefort is a graduate of Stanford University (Master of Science) and of the École Supérieure de Physique et Chimie. He oversees international coverage, investment banking and financing.



**Régis Monfront**  
Deputy Chief Executive Officer of Crédit Agricole CIB (since 15 December 2011)  
Born in 1957, Mr. Monfront is a graduate of the HEC (French grande école for management and business studies) and holds a law degree from the Université de Sceaux. He oversees capital markets activities, discontinuing activities, debt optimisation and distribution..

**Jean-Yves Hocher:** Our challenge in the years ahead is to match the risk-weighted assets (RWA) of our ongoing activities, which stand at 33% of total Crédit Agricole S.A.'s assets, with our contribution to Crédit Agricole S.A.'s recurring revenues, which stood at 24% at end-2012, without it weighing on our revenue. In 2013, we aim to consolidate what we have already achieved with our new model by broadening

our relationship with our priority clients and with investors who are ready to work with us in financing these clients. Finally, one aspect is very important for us: optimising our work with Crédit Agricole S.A. and its regional banks in order to help them expand their activity with regionally-located medium-sized companies.

“  
**OUR AIM IS TO ENSURE A FLUID ORIGINATION PROCESS, NOTABLY BY ENCOURAGING OUR BORROWER CLIENTS TO LOOK INCREASINGLY TO THE GLOBAL DEBT MARKETS**  
”

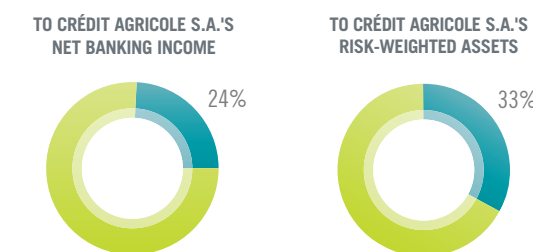
**EFFICIENT ACTION ON RARE RESOURCES**

Crédit Agricole CIB showed great agility in 2012, which enabled it to adapt its consumption of rare resources and its business scope to the new regulatory environment and establish its distribution-origination activity model.

Its measures concerning rare resources helped to reduce liquidity consumption by more than 25% and its RWA by more than 20% – based on CRD 4 – in relation to the middle of 2011, thanks to targeted disposals. In addition to these exceptional factors, there was the impact of the sale of CA Cheuvreux, and the impairment of goodwill on Newedge and the corporate and investment bank.

Facing these necessary adjustments, the strategic activities generated a net income, Group share similar to that of 2011, despite lower consumption of rare resources and a difficult economic environment. The rapid roll-out of the new distribution-origination model helped to reduce the final proportion of commitments and the development of the fixed-income activities, with an equivalent reduction in financing carried on the Bank's balance sheet.

**CONTRIBUTION OF CRÉDIT AGRICOLE CIB'S STRATEGIC ACTIVITIES**



Source: Crédit Agricole CIB

# BEING USEFUL EVERY DAY, WORLDWIDE

**APRIL, FRANCE**



p.14

**THE MARGUERITE FUND** invests again in the construction of a solar photovoltaic project with EDF Energies Nouvelles

**JUNE, EUROZONE**



p.16

**THE EUROPEAN FINANCIAL STABILITY FUND** issued €6 billion to provide aid to the Eurozone

**JULY, MEXICO**



p.22

**PETROLEOS MEXICANOS** successfully completes a pioneering bond issue

**AUGUST, FRANCE**



p.26

**BONDUELLE** inaugurates the European private bond placement market

**SEPTEMBER, CHINA**



p.30

**XCMG**, the world's fifth largest manufacturer of construction machinery, with long-term resources for growth

**SEPTEMBER, USA**



p.34

**WILLIS LEASE** launches the largest aviation ABS offering placed in the market since 2008, and the first aviation ABS in 2012

**OCTOBER, FRANCE**



p.36

**ALSTOM** completed a capital increase among institutional investors in a few hours

**OCTOBER, FRANCE**



p.42

**AIR LIQUIDE** financed its homecare activity with a socially responsible bond issue, a first in Europe

**NOVEMBER, AFRICA**



p.46

**THE AFRICAN DEVELOPMENT BANK** sources in Japan financing to support the education sector on the continent

**DECEMBER, FRANCE**



p.48

**ICADE** diversified its resources with a €200 million real-estate financing arrangement underwritten by Allianz France

**JANUARY 2013, AUSTRALIA**



p.54

**INPEX AND TOTAL** are writing the future of the energy sector, investing USD 34 billion in the Ichthys LNG project

See all of our achievements and follow our news on: [www.ca-cib.com](http://www.ca-cib.com) or flash this code



## OUR GLOBAL PRESENCE

**Americas**

- > Argentina
- > Brazil
- > Canada
- > Mexico
- > United States

**Africa**

- > Algeria

**Western Europe**

- > Austria
- > Belgium
- > Finland
- > France
- > Germany
- > Greece
- > Italy
- > Luxemburg
- > Monaco
- > Netherlands
- > Norway
- > Portugal
- > Spain
- > Sweden
- > Switzerland
- > United Kingdom

**Eastern and Central Europe**

- > Russia

**Middle-East**

- > Lebanon
- > Libya
- > Saudi Arabia
- > United Arab Emirates

**Asia Pacific**

- > Australia
- > China
- > Hong Kong
- > India
- > Japan
- > Korea
- > Singapore
- > Taiwan

## YEARBOOK

APRIL 2012, FRANCE

### THE MARGUERITE FUND INVESTS AGAIN IN THE CONSTRUCTION OF A SOLAR PHOTOVOLTAIC PROJECT WITH EDF ENERGIES NOUVELLES

**William Pierson**  
Managing Director,  
Marguerite Adviser S.A.



“

*Renewables is one of our core sectors and we consider that this project is a new opportunity to invest in a utility-scale solar photovoltaic plant in France. The transaction was closed with non-recourse project finance debt raised in a challenging market, and closed in a very short period of time.”*

**Alexandra Boleslawski**  
Global Head of Power,  
Utilities and Mines,  
Crédit Agricole CIB



*“Crédit Agricole CIB is pleased to be assisting the Marguerite Fund with this emblematic project. The Bank's participation bears witness on the one hand to the expertise of its dedicated team and on the other hand to its unwavering commitment to sustainable development.*

”



## YEARBOOK

JUNE 2012, EUROZONE

### THE EUROPEAN FINANCIAL STABILITY FUND ISSUED €6 BILLION TO PROVIDE AID TO THE EUROZONE



**Christophe Frankel**  
Finance Director,  
European Financial  
Stability Fund

*Since its creation in 2010, EFSF has borrowed from investors to provide financial aid to eurozone member states that request it. This benchmark issue, the largest from a supranational issuer in 2012, is notable for its efficiency and the diversity of investors, Asian and European notably.*



**Henri Koppers**  
Senior Banker,  
Crédit Agricole CIB

*"This is the third time that EFSF has designated Crédit Agricole CIB as joint bookrunner, and it is one of the largest issues ever conducted by EFSF. This new mandate reflects the excellent relations that have been developed between the Bank and EFSF over the last two years."*

## OVERVIEW OF ACTIVITY IN 2012

# A SUCCESSFUL TRANSFORMATION

Crédit Agricole CIB succeeded in completely transforming its strategic model to adapt to a difficult environment and restrictive regulations. The objectives that were set as part of the adaptation plan have been exceeded and the various commercial successes confirm the efficiency and relevance of this new model.



### OUR COMMITMENTS HAVE BEEN MET

At the end of 2011, Crédit Agricole group announced an adaptation plan that included objectives to reduce liquidity consumption for several of the Group's subsidiaries. For Crédit Agricole CIB, the target reduction in financing needs was set at between €15 billion and €18 billion. To achieve this, three key measures were decided: a reduction in consumption of liquidity on the balance sheet and of risk-weighted assets, a discontinuation of certain activities and the closure of certain locations, and finally a reduction in the cost base.

#### LIQUIDITY ON THE BALANCE SHEET HAS BEEN REDUCED

The main measure to lighten the balance sheet involved selling portfolios. Almost all of the portfolio of US residential CDOs booked in the trading book and US RMBS were sold throughout 2012. The sale of market risks on the credit correlation portfolio to investment fund Blue Mountain was finalised in February 2012. This transaction helped to reduce our risk-weighted assets by €14 billion.

#### OUR SCOPE OF ACTIVITY HAS BEEN REFOCUSSED

In 2012, Crédit Agricole CIB disengaged from its equity derivative and commodity activities, which are now managed as discontinuing portfolios. Two brokerage subsidiaries are in the process of being sold. The sale of CLSA (valued at over €1.25 billion) to CITIC Securities, a Chinese investment bank listed in Shanghai and Hong Kong, is to be finalised during 2013. The sale of CA Cheuvreux to Kepler Capital Markets, a first-rate independent European

financial services group specialised in intermediation and advisory services, is also to be finalised shortly. Crédit Agricole CIB's international network has also refocused on around thirty countries, which account for 85% of global GDP, after moving out of sixteen countries.

#### OUR COST BASE HAS BEEN REDUCED

A plan to reduce operating costs has been implemented. It includes the voluntary departure of 426 employees in France and 795 employees abroad. Measures to improve the operating efficiency of processes have been taken in the business lines and support functions. In 2013, further work to reduce costs and increase efficiency will be carried out.

### GOOD PERFORMANCE IN OUR STRATEGIC ACTIVITIES

2012 saw a strong sales trend, in particular for the capital markets and financing businesses, which succeeded in defending their positions despite a significant fall in liquidity consumption. The impact of deleveraging was therefore well absorbed by the sales activity, excluding exceptional items.

#### CAPITAL MARKETS ACTIVITY PERFORMED WELL

In 2012, the capital markets activity was driven by the strong performance of the fixed-income activities, for which the net banking income doubled between the fourth quarter of 2011 and the fourth quarter of 2012. Moreover, interest rate derivatives benefited from strong activity particularly in the fourth quarter with net banking income up by 87% between the fourth quarter of 2011 and the fourth quarter of 2012.

#### FINANCING ACTIVITIES ARE RESILIENT

Financing activities were particularly concerned by deleveraging, but they skilfully adapted to the new strategic model in 2012 by refocusing on activities that consume less capital. In this way they maintained most of their competitive positions.

#### OUR KNOW-HOW IS WIDELY RECOGNIZED

Our teams received several awards for their sales performance in 2012: *Project Finance International* rewarded Crédit Agricole CIB in the category "Global adviser of the year". *Global Transportation Finance* gave us two awards: "Airport house of the year" and "Rail house of the year". This is the second year in a row that Crédit Agricole CIB has been nominated as the second Most improved bank in covered bonds and best bank for research from *Euroweek/The Cover*. Finally, in January 2013, Crédit Agricole CIB was awarded "European telecoms deal of the year" for the refinancing of ONO by *Project Finance* as part of the "Deals of the year 2012" awards.

#### FINANCING REQUIREMENTS

(in billions of euros)



#### RISK-WEIGHTED ASSETS

(in billions of euros)



### AWARDS AND RANKINGS IN 2012

**Rail house of the year**  
2<sup>nd</sup> year in a row  
*Global Transport Finance*

**1<sup>st</sup>**  
bookrunner in France for syndication  
*Thomson Reuters*

**4<sup>th</sup>**  
bookrunner in global convertible offering in France  
*Thomson Reuters*

**3<sup>rd</sup>**  
in project finance in EMEA  
*Thomson Reuters*

**4<sup>th</sup>**  
bookrunner worldwide in euro bonds  
*Thomson Reuters*

**2<sup>nd</sup>**  
in ABCP securitisation in Europe  
*CP Ware and Banque de France*

# A SUCCESSFUL TRANSFORMATION

## A NEW ECONOMIC MODEL TO BUILD THE FUTURE

Simultaneous to the work to lighten its balance sheet, Crédit Agricole CIB adopted a new distribution-origination economic model with the aim of continuing to help large priority clients with our enhanced origination capacity and by drawing on the recognized expertise of the Crédit Agricole CIB teams.

### A NEW ECONOMIC MODEL HAS BEEN DEFINED

In this new distribution-origination model, a large proportion of credit is carried by investors: insurance companies, portfolio managers and pension funds, as well as banks with surplus liquidity. Crédit Agricole CIB will work to reconcile the needs of these investors looking for new asset classes and the needs of clients looking to finance their development. The Bank will keep around 20% of lending, demonstrating the quality of the assets being distributed, and will act as arranger (i.e. loan initiator) and loan manager.

### PARTNERSHIPS HAVE BEEN ESTABLISHED

During 2012, several partnerships were established with institutional investors: Crédit Agricole Assurances for the first private bond placement on the European market by an unrated medium-sized French company, i.e. Bonduelle, AXA to jointly finance Neopost, and Allianz France to provide property financing for Icade. In total, around thirty partnerships have been initiated with institutional investors in France and internationally.

### A NEW ORGANISATION HAS BEEN ADOPTED

A debt optimisation and distribution business line has been created. Reporting to the general management, it will have a twin role: to identify distribution channels and placement opportunities, and to increase assets rotation. In addition, the follow-up of sales to financial institutions has been strengthened with the creation of Financial Institutions Coverage, as part of the capital markets activity.

“  
**CRÉDIT AGRICOLE CIB HAS REFOCUSSED ON ABOUT THIRTY COUNTRIES TOTALLING 85% OF GLOBAL GDP**  
 ”

## ONE AMBITION: REINVENTING REAL ECONOMY FINANCE

Our identity and our ambitions are profoundly linked to those of the Crédit Agricole group. Our vision for our banking business is simple and structural: to be of use to our clients, to accompany the Group in its areas of excellence and to act on our values each day by respecting the environment, our clients and our employees.

### USING OUR INNOVATIVE CAPACITY TO SERVE THE REAL ECONOMY

In 2012, despite the regulatory constraints imposed on banks, Crédit Agricole CIB fully played its role as financier of the real economy. Along with other Group entities, we proposed innovative bond market financing solutions to local authorities. We offered French unrated medium-sized companies innovative solutions, such as private placements similar to the US market. We are proud to have been lead bookrunner for Bonduelle's inaugural bond issue.

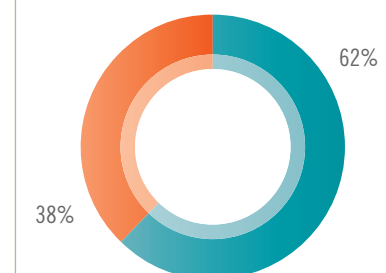
### ASSISTING THE GROUP IN ITS AREAS OF EXCELLENCE

Within ten years, the Group aims to become a benchmark among banks in order to fulfil four challenges for the future: the environmental economics, healthcare and Ageing, agriculture and agrifood, and finally Housing. In 2012, Crédit Agricole CIB helped to boost the Group's positions in these areas with a number of transactions such as private bond placements for Fromageries Bel, a bond issue for Sanofi and Caisse de Refinancement de l'Habitat, and the financing of an eco-campus for France Télécom Orange.

### BRINGING OUR VALUES TO LIFE ON A DAILY BASIS

We operate on the basis of the principles of usefulness, proximity and expertise for the benefit of our clients and the development of our territories. Our ambition is to help our clients develop through the expertise and innovative capacity of our teams. We also want to strengthen our identity as a corporate and investment bank, a pioneer in the area of sustainable development. For this reason, Crédit Agricole CIB adopted a Corporate Social Responsibility plan in 2012 as part of the FReD initiative launched by Crédit Agricole S.A.. Sector policies were defined to limit operations in certain oil and gas, shale gas, coal-fired thermal energy, hydroelectricity and nuclear energy sectors. We made strong commitments to our employees to boost the gender balance at governance level. In our areas of expertise, we bring the values of the Crédit Agricole group to life, acting on them daily.

BREAKDOWN OF 2012 NET BANKING INCOME BY BUSINESS LINE



- Financing activities
- Capital markets & investment banking activities

AWARDS AND RANKINGS IN 2012

Best Uridashi house  
*Capital Market Daily*

Global advisor of the year in project finance  
*Project Finance International*

Best bank in covered bonds & best research  
*Euroweek / The Cover*

Environmental bond issue of the year for Ile-de-France  
*Environmental Finance*

European telecoms deal of the year for the refinancing of ONO  
*Project Finance*

Deal of the year in Latin America  
 Securitisation team Guaranteed ExIm issue for LATAM  
*Global Transport Finance*



**TRADE FINANCE  
DEAL OF THE YEAR**  
*Latin Finance Magazine*



**YEARBOOK**  
JULY 2012, **MEXICO**

**PETROLEOS MEXICANOS  
SUCCESSFULLY  
COMPLETES  
A PIONEERING BOND ISSUE**

**Rodolfo Campos Villegas**  
Treasurer,  
Petroleos Mexicanos



*When Crédit Agricole CIB came to us with the idea of adapting the Ex-Im guaranteed bond issue structure used for funding the aircraft industry, it made sense to us. We were really satisfied with the results of the first issues and expect to use this structure to continue covering part of our financing needs in the future."*

**Octavio Lievano**  
Senior Banker  
& Deputy SCO,  
Crédit Agricole CIB



*"This issue was the very first ExIm-guaranteed non-aeronautical sector issuance worldwide. This is an excellent example of how Crédit Agricole CIB is able to draw on the combined skills and expertise of several teams and products."*



# A YEAR OF A MORE SUBTLE FORCE

The markets are prudently optimistic as regards the current year. Two key factors underlie this more confident stance.

## GROWTH IS RESUMING IN THE UNITED STATES, WITH CONTROLLED GROWTH IN CHINA...

Firstly, there is the sentiment that a positive economic trend is taking shape, in the US notably. Data for residential property and automotive sales show a recovery in activity, while energy prices (gas in particular) are becoming more competitive in relation to those applied in many rival countries. This will boost growth and more than offset the negative effect of inevitable budgetary tightening; particularly in an environment of ongoing accommodative monetary policy.

Bearing this in mind, how can we not heed the positive message being sent by the equity markets?

The S&P 500 index has just broken through the historical highs reached in 2000 and then in 2007. Is this not a convincing sign of a recovery? China, for its part, is sending out a more reassuring message: fears of a hard landing have waned and both the business sphere and economic policy authorities seem satisfied with the current growth rate, which is slower but is also

perceived as being more stable and sustainable (annual rate no longer of 10%(1), but around 6-7%). Given this American and Chinese state of affairs, why should we favour a worst-case scenario for Europe? Would it not be better to wager on an improvement, albeit a very gradual one, driven by exports to the rest of the world?

## INVESTORS REASSURED BY CENTRAL BANK MEASURES

In addition to this, investors seem happy that extreme risks, those which are difficult to apprehend and which have drastic consequences, have been reduced considerably by resolute central bank policies (US, UK, ECB, and more recently the Bank of Japan). This means that the capital markets and banking systems should be able to operate correctly; which should give private and public sectors enough time to carry out their necessary balance sheet adjustments.

It is obviously very tempting to mix these two signs: extreme risks are under control and the messages from both the real economy and the markets are familiar ones:



**Hervé Gouletquer**  
Global Head of Markets research

are we not in the first stages of a classic recovery, following the usual cyclical trends? If so, investors and more generally entrepreneurs, will find their points of reference, justifying more aggressive strategies.

## PERSISTENT IMBALANCES WARRANT PRUDENCE

At this level, prudence is called for. Academically speaking, the easing of extreme risks does not mean that the global economic and financial system has returned to a normal distribution of risks, where the economic cycle is the beginning and the end of investment strategies. There are still too many economic and financial imbalances to be reduced and too many political uncertainties to be

dealt with. With regard to imbalances, first and foremost are the persistent levels of excessive debt, in both the public and private sector, in the US and in Europe. Across the Atlantic, private debt reduction is progressing well; the state (lato sensu) however has barely begun. In Europe, in both cases there is still a long way to go before normalisation is reached. The conclusion for growth is clear: the work that remains to be done will weigh on growth for another few years.

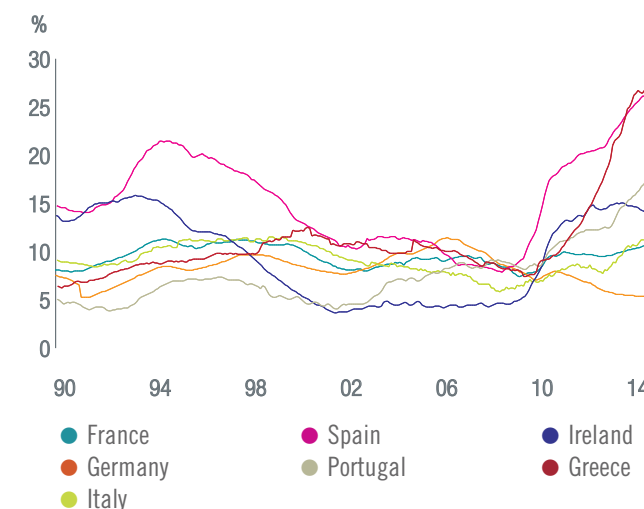
Where uncertainties are concerned, a key factor is the power being wielded by voters. Going by recent elections in European countries in difficulty, either the intensity of the sovereign debt crisis is very strong and citizens are voting for pro-European and pro-reform parties, or it is weak and voters are demonstrating their discontent and favouring an anti-system, anti-European route. Does this mean that the crisis is part of the solution? Clearly, the road to

economic and financial normalisation is a long one and undoubtedly full of pitfalls. Investors must look far ahead and watch their next step. The current year will not buck any trend, and while we must believe an improvement is in sight, we must also be prepared for difficult times. A strategic approach is called for: flexibility and low breakeven levels will be on the cards for some time to come!

*Written on April 5, 2013*

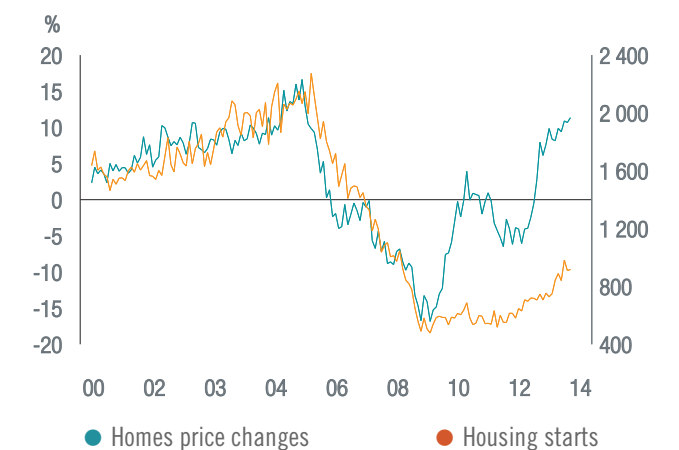
(1) After a long period of annual growth of close to 10%, it may seem paradoxical to say that only a slower rate would now be sustainable. In fact, given the level of growth that China has now reached, only a slower rate, albeit still a rapid one, is sustainable.

## UNEMPLOYMENT ON THE RISE IN THE EUROZONE AND ON TOP OF THIS A SIGNIFICANT DIVERGENCE BETWEEN THE MEMBER COUNTRIES



Source: UE and Crédit Agricole CIB

## A PROMISING IMPROVEMENT IN THE US RESIDENTIAL PROPERTY MARKET



Source: US Dpt of Commerce and Crédit Agricole CIB





**YEARBOOK**  
AUGUST 2012, **FRANCE**

**BONDUELLE**  
**INAUGURATES**  
**THE EUROPEAN**  
**PRIVATE BOND**  
**PLACEMENT MARKET**



*The Bonduelle group has increased the disintermediation of its debt, and is looking to work with solid, loyal and creative financial partners. Crédit Agricole mobilised all of its expertise, business lines and entities, providing innovative and secure solutions for our financial structure.”*



**Grégory Sanson**  
CFO Bonduelle Group



**Xavier Dierickx**  
Business Centre Manager,  
Crédit Agricole Nord de France



**Ewa Bartmann**  
Senior Banker, Crédit Agricole CIB



*“With this first €145 million private placement for an unrated company, Crédit Agricole CIB demonstrated its capacity to finance the economy in an innovative manner, alongside Crédit Agricole Nord de France, in addition to tradition bank financing.*

# PROXIMITY ACROSS THE BOARD

Crédit Agricole CIB's newly dimensioned network, as part of the adaptation plan, had its first full year of operation in 2012. This meant a more focused global presence that benefited the Bank in the middle of a liquidity crisis, as related by Thierry Simon, Arnaud Chupin, Jean-François Deroche and Marc-André Poirier.

## WHAT WERE CRÉDIT AGRICOLE CIB'S INTERNATIONAL OBJECTIVES IN 2012?

**Thierry Simon:**  
We showed our clients our capacity to accompany them with their international projects. Through our network, we maintain close ties with our clients, wherever they are resident, in France, Europe, Asia and the United States, and wherever they are looking to develop. As an example, we are able to help Lafarge establish its new international sourcing centre in China. We are more efficient when we work directly within a country, without necessarily having to operate via Paris: a banker who is responsible for an overall client relationship in Shanghai or Brazil will work with bankers in the countries that are strategic for that client. It is the same for our products: when we sell our fixed income services, whether they involve euros, dollars or renminbi, we operate directly at the origination level in each zone. This is the advantage of our new organisation.



**Thierry Simon**  
Global Head of Client Coverage & International Network

**Arnaud Chupin:**  
On the subject of being close to the client, it is important to know their sector and their industry very well. This knowledge provides the foundation for a successful relationship, and facilitates good strategic dialogue. The client knows he is working with people who understand the sector and its particular positioning.

**Thierry Simon:**  
This is the type of close relationship that we are seeking to establish with around 650 prime clients, so that we become their banking partner in all of their international projects.

**Marc-André Poirier:**  
This means our teams must work cohesively together. As an illustration, when we develop a relationship with a large international group, it is not just a question of our senior banker working with the CFO stationed at the company's head office. The entire Bank is mobilised around the client, creating several points of contact within the business lines and in the different countries.

### HOW DID 2012 PAN OUT WITHIN EACH REGION?

**Marc-André Poirier:**  
Our big challenge in 2012 was the liquidity constraint. Asia, a region of high growth and wealth accumulation, brought us this liquidity. Our aim is to establish contact between



**Jean-François Deroche**  
Senior Regional Officer Americas

Asian investors and our financial institutions and large corporate clients. Note also that more than 70% of our revenue in Asia comes from clients who are Asian and operate in Europe or the US, or who are European or US and operate in Asia. We have been able to transcend borders and promote business flows between regions. We plan to secure the success of our new economic model by always finding the most efficient solutions for our investor and borrower clients.



**Arnaud Chupin**  
Senior Regional Officer Europe, Middle-East and Africa (EMEA)

**Arnaud Chupin:**  
In EMEA, we have had to deal with a major crisis: the eurozone crisis which hit us directly. We are, in fact, a European bank which needs access to all markets to accompany our clients. Consequently, we swiftly established a strategic response which involved concentrating on our main clients, our prime clients, because we know them best and trust in their capacity to withstand the crisis. We therefore favoured clients who operate in the real economy. Secondly, we sought financing solutions that go beyond the banking world. We facilitated our clients' access to the bond



**Marc-André Poirier**  
Senior Regional Officer Asia Pacific

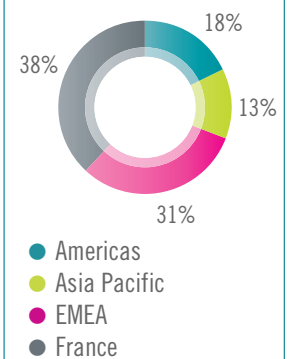
markets. While they were aware of our experience in euro-denominated issues, we were also able to demonstrate our expertise in dollar-denominated transactions.

**Jean-François Deroche:**  
In the US, one of our objectives was to facilitate access for non-American borrowers to the dollar-denominated fixed income market. This platform has seen strong growth in the last three years: in 2012, 20 to 25% of our issues were for non-American issuers, essentially European or South American players and a few Asian players. We also received an award for one of our off-balance sheet

transactions: the ABS (asset-backed securities) refinancing of the Oaxaca wind farm project directly on the capital markets. A transaction that we replicated for a pipeline project.

“  
GOOD KNOWLEDGE OF THE CLIENT CREATES CLOSE TIES AND FACILITATES GOOD STRATEGIC DIALOGUE  
”

### CLIENT BREAKDOWN BY GEOGRAPHICAL LOCATION



**650**  
prime clients identified



**YEARBOOK**  
SEPTEMBER 2012, CHINA

**XCMG, THE WORLD'S FIFTH LARGEST MANUFACTURER OF CONSTRUCTION MACHINERY, WITH LONG-TERM RESOURCES FOR GROWTH**

**Jiang Long WU**  
Vice President  
and CFO,  
XCMG



“

*XCMG Xuzhou Construction Machinery Group continues to expand, recently acquiring a major world player. A strategic acquisition that justified significant financing arrangements, with Crédit Agricole CIB as sole bookrunner of a 18 international and Chinese banks' syndicate.”*

**Didier HONG**  
Senior Banker,  
Shanghai Branch Manager,  
Crédit Agricole CIB



*“XCMG's first operation on the syndicated credit market was a success. A loan of €160 million sparked considerable market interest, obtaining a final subscription rate of around 250%.”*

”

## THE NEW DISTRIBUTION-ORIGINATION MODEL

# PARTNERSHIPS AND DIVERSIFICATION: A CHANGE OF APPROACH

The new distribution-origination model that was applied in 2012 is based on a transversal approach between the different business lines. Jean-François Balaÿ, Jacques Prost and Thomas Gadenne, explain how it works.

### HOW DO YOU SEE THE NEW ORIGINATION AND DISTRIBUTION MODEL CHANGING THE WAY YOU OPERATE?

#### Jacques Prost:

Remember firstly that the financing, capital markets and syndication activities had already been cooperating on various levels. Now, however, we have more direct and systematic links between our activities. Our loan distribution activity was broadened to include new asset classes and a larger base of investors, including insurance companies, asset managers, pension funds and banks with surplus liquidity, notably in Asia.

#### Jean-François Balaÿ:

With this in mind, the new transversal debt optimisation and distribution business line was created, which reports to Crédit Agricole CIB's executive management. The teams are organised into three global activities: origination and structuring, primary and secondary distribution, and trading and optimisation of the financing portfolio.

Jean-François Balaÿ  
Head of Debt Optimisation & Distribution



#### Jacques Prost:

In reality, the new model is tightening the links between the structured financing, capital markets and debt optimisation and distribution businesses. Our aim is that all new originated transactions satisfy the expectations of our borrower clients and investor clients. To achieve this, we bring our teams on board at a very early stage to find the most suitable bond or securitisation solution, or to repackage loans for sale to institutional investors.

#### Thomas Gadenne:

This new organisation has proved its worth this year. We plan to continue broadening our investor base, notably with

insurance companies which are looking to diversify their investments as a result of the constraints associated with the new Solvency II directive.

### FROM THIS PERSPECTIVE, WHAT ARE CRÉDIT AGRICOLE CIB'S STRENGTHS IN RELATION TO ITS COMPETITORS?

#### Jacques Prost:

With this new model, we made a decision to capitalise on our recognised expertise in structured financing, which is a part of our DNA. Our advantage here is our human-size and our closely-knit teams, which were quick to apply the



Thomas Gadenne  
Head of Capital Markets

  
**Syndication**  
**1<sup>ST</sup> BOOKRUNNER IN FRANCE**  
 &  
**3<sup>RD</sup> BOOKRUNNER IN EMEA**  
*Thomson Reuters*

Jacques Prost  
Head of Structured Finance



model without significantly transforming our organisation.

#### Jean-François Balaÿ:

What we are seeing is a change in approach rather than a change of organisation. The most important factor is that the client's approach and the way that we structure and work have changed. Dedicated operating teams were set up for each solution identified to broaden our product range and our distribution channels. In this way our organisation has adapted. And in this way our new model is being deployed.

#### Thomas Gadenne:

We are still a medium-sized bank, with a human-sized organisation,

but we are also a leading player in structured financing and fixed income products, with committed teams working for us. We are using our excellent relationships with financial institutional clients to introduce new asset classes and new types of transactions that we can work on.

### WHAT IS THE OUTLOOK FOR THE MONTHS AHEAD?

#### Thomas Gadenne:

I think it is encouraging because market volumes are still fairly strong and have even intensified in certain sectors. We saw significant volume declines in the first half of 2012 because of the liquidity crisis, but this is now in the past.

“  
**OUR STRENGTH LIES IN OUR HUMAN SIZE, OUR CAPACITY TO DEAL WITH ALL SUBJECTS, TO REGULARLY DISCUSS THE PROGRESS OF THE MARKET AND OUR ANTICIPATIONS**  
 ”

**NEW BUSINESS MODEL: THREE SIGNIFICANT DEALS**

**First private bond placement on the European market**

for the Bonduelle Group with Crédit Agricole Assurances

**First joint financing**

for Neopost with Axa

**Real estate financing**

for Icade with Allianz France



**ENGINE DEAL  
OF THE YEAR**  
*Global Transport  
Finance*



**ENGINE DEAL  
OF THE YEAR**  
*Airfinance Journal / Euromoney*



**AMERICAS DEAL  
OF THE YEAR**  
*Airline Economics*

## YEARBOOK

SEPTEMBER 2012, USA

**WILLIS LEASE  
LAUNCHES THE LARGEST  
AVIATION ABS\* OFFERING  
PLACED IN THE MARKET  
SINCE 2008, AND THE  
FIRST AVIATION ABS  
IN 2012**

**Charles F. Willis**  
Chairman & CEO  
Willis Lease Finance  
Corporation



*Accessing capital markets is strategic and important to our business. The closing of WEST II provides us with long-term, low-cost, fixed-rate financing to support and grow our leasing business for many years. The transaction provides Willis with capital to expand our business while improving our cash flow and capital structure."*

**Leo Burell**  
Managing Director,  
Head of Operating Assets  
Securitization,  
Crédit Agricole CIB



*"We were delighted that Willis chose Crédit Agricole Securities to complete this important mandate which was well received by the market."*



\* Asset-backed securities



**YEARBOOK**  
OCTOBER 2012, **FRANCE**

**ALSTOM COMPLETED  
A CAPITAL INCREASE  
AMONG INSTITUTIONAL  
INVESTORS IN A FEW  
HOURS**



Nicolas Tissot  
CFO Alstom

“

*For this capital increase, we looked to institutional investors via an accelerated private placement, without pre-emptive subscription rights. In a few hours, the transaction was largely oversubscribed, illustrating the level of investors' confidence. The size of the transaction was therefore extended from €300 million to €350 million.”*



Gilles d'Halloy  
Senior Banker,  
Crédit Agricole CIB

*“This is the second transaction of this type conducted in France. The first one took place in 2009, and was also led by Crédit Agricole CIB. It is particularly suited to issuers looking to strengthen their shareholders' equity in a volatile market environment. The fact that it was executed in one day limited the level of risk exposure.*

”

## FOCUS ON INFRASTRUCTURE, RAIL, REAL ESTATE STIMULATING THE ECONOMY

Crédit Agricole CIB's infrastructure division won several major deals worldwide in 2012 and received awards for the quality of its mandates. Jean-François Grandchamp des Raux, Jamie Mabilat and Matthew Norman fill us in on a year that brought an abundance of successful transactions.

### WHAT IS THE ACTIVITY SCOPE OF CRÉDIT AGRICOLE CIB'S INFRASTRUCTURE DIVISION?

**Jean-François Grandchamp des Raux:** The infrastructure division covers four sectors: transport, i.e. roadways, railways, airports, ports; construction, which includes hospitals, prisons, schools and other administrative buildings as part of public-private partnerships; the environment, which includes water and waste treatment; and finally water and gas distribution and transmission networks.

### HOW DO YOU ACCOMPANY CRÉDIT AGRICOLE CIB'S CLIENTS?

**Jean-François Grandchamp des Raux:** We provide structured asset financing and structured financing advisory services. We also offer advice in mergers and acquisitions and finance.

**Jamie Mabilat:** With the strong support of our colleagues in Debt Capital Markets, we also often finance projects via the bond market, which presently accounts for a growing share of activity in our sector. As an illustration, for Gatwick Airport in London, Crédit Agricole CIB had financed Global Infrastructure Partners' acquisition of the asset in 2008/2009 through a bank loan, and



**Jean-François Grandchamp des Raux**  
Structured Finance,  
Global Head of Energy & Infrastructure

then contributed to its refinancing via successive bond tranches in 2011 and 2012. We also contributed to a bond issue by APRR in France in 2012.

**Matthew Norman:** One of the Crédit Agricole Group's strengths today is its close ties with key infrastructure players. In construction, for example, we consider ourselves the privileged partners of our largest clients in financing their various activities. The infrastructure teams offer a range of debt market advisory and structuring services. We work very closely with infrastructure investment funds, such as Goldman Sachs Infrastructure Partners, Global Infrastructure Partners and Antin, who turn to us first for most of their financing needs. It is important to stress that European players (Vinci, Bouygues, Skanska, Hochtief, Strabag, ACS,

etc. but also funds, often based in London and Paris) are very active in our segment and also represent a large share of our international activity.

### WHAT WERE YOUR MOST SYMBOLIC ACHIEVEMENTS IN 2012?

**Jean-François Grandchamp des Raux:** There was Open Grid Europe, the European gas network project, which is symbolic for the Bank because we received two awards for this €2.7 billion deal, "M&A deal of the year" from *PFI Thomson Reuters* and "Oil & Gas deal of the year" from *Project Finance Magazine*. We also contributed to the refinancing of the Mac Pisto project, which is an oil product storage and distribution network between Le Havre and Paris.



**Jamie Mabilat**  
Structured Finance,  
Global Head of Infrastructure

**Matthew Norman**  
Structured Finance,  
Head of Infrastructure  
for EMEA



**Jamie Mabilat:** With the adaptation plan and our new strategic model, our advisory activity has seen significant changes, successful changes borne out by the fact that we were named 2012 "Global advisor of the year" by *Project Finance International*. We also have around a dozen active infrastructure advisory mandates at present. I think it is important to stress here that we owe this success to our first-rate teams in New York, Sydney, Europe, Latin America and Asia.

### AND THE OUTLOOK?

**Jean-François Grandchamp des Raux:** I see us focusing on five main areas in 2013. We will accompany our international clients in their development and in

financing their infrastructure. We must retain our leadership positions and the top five ranking that we have held for several years in the infrastructure segment. We will continue to work on distribution and will speed up capital rotation by creating partnerships with institutional investors or through infrastructure debt funds. As Jamie mentioned, we will grow our advisory activity by drawing on our international footing. Finally, it is crucial that we position ourselves so that we can take advantage of the strong growth in bond issuance.

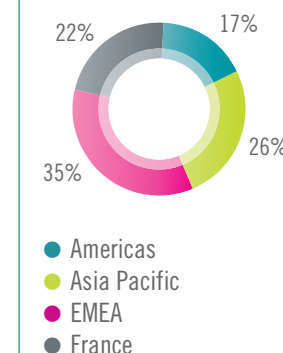
### Jamie Mabilat:

Crédit Agricole CIB's strategy is to develop partnerships. Infrastructure are central to this strategy because our products participate in the long-term financing of the real economy and consequently they are ideal for institutional investors pension funds, insurance companies. This is partly why we succeeded in maintaining a strong level of activity and in signing major contracts in 2012. We are also seeing real growth in Debt Capital Markets activity. Traditionally, once our projects are finished they are well placed for the bond markets (US, Canada, Europe, Australia and Asia), and we have a

“  
**ONE OF CRÉDIT AGRICOLE GROUP'S STRENGTHS TODAY IS ITS CLOSE TIES WITH KEY INFRASTRUCTURE PLAYERS**  
”

very active pipeline of bookrunner mandates in this segment, with several major mandates to be completed in 2013. In terms of the deal flow, we expect this to rebound, with volumes recovering in relation to 2012.

### THE INFRASTRUCTURE DIVISION'S ACTIVITY



**12**  
active  
infrastructure  
advisory mandates  
in 2012



## FOCUS ON INFRASTRUCTURE, RAIL, REAL ESTATE STIMULATING THE ECONOMY

Leader in the financing of the rail and real-estate sectors, Crédit Agricole CIB maintains its leading position by forging close relationships with its clients, and through its deep sectorial knowledge and innovative skills. Laurent Chenain and Olivier Desfontaines further explain.

### WHAT DO YOUR RESPECTIVE ACTIVITIES INVOLVE?

#### Olivier Desfontaines:

In the rail sector, we have reached an historical turning point with the on-going deregulation in Europe. Our mission consists in accompanying our clients, public or private operators, lessors and investors in this changing market, whether they look for an acquisition, a financing of rolling stock, or an investment in the asset class. Geographically, our operations are located close to our clients in Paris, New York, Frankfurt and Milan.

#### Laurent Chenain:

The Bank operates nine real-estate entities: in France obviously, where around 50% of our net banking income is generated, but also in Europe (London, Milan, Madrid), the US, Asia (Hong Kong, Singapore, Tokyo) and Australia. Thanks to our 110 real-estate professionals, we have been assisting clients for decades, financing the best of their real estate and hotel assets in countries where we have local teams in place. The Bank's other business lines also benefit from the close relations we maintain with our clients and our knowledge of each market segment of the countries in which we operate.

#### Olivier Desfontaines:

The sovereign debt crisis led to a sharp reduction in governments' ability to provide public financing for investment in the rail sector. Fleet renewal requirements are massive and a significant level of employment for the French and European rail industry is at stake. As an illustration, the average age of freight locomotives and railcars in Europe is 30 years, compared to a 35 years useful life! In France alone, where recent investments were made in the high-speed train (TGV), another €2 billion of investments are needed as part of the "Trains d'Equilibre du Territoire" agreement to replace the Téo and Intercité trains. In addition, further investments would be needed in the regions for the TER trains. In this context, and given the reduced amount of public financing available, private financing sources need to bridge the gap. This is good news for new investors, notably insurance companies, who are interested in this kind of euro-denominated asset.

### HOW DOES CRÉDIT AGRICOLE CIB STAND OUT FROM THE COMPETITION?

#### Olivier Desfontaines:

Firstly we have built an experienced team of specialists, some of whom have worked in the rail industry prior to joining the Bank. Also, through our sector-based approach, we have been able to develop very close relations with our clients, and can propose "one-stop-shop" solutions using expertise from the Bank's other business lines: transportation dedicated M&A team, specialists in rail financing and in the debt capital markets. The Bank has been able to capitalize on its long experience in asset financing, most notably in the aerospace and shipping sectors, to become a leader in the rail sector both in Europe and the US.

#### Laurent Chenain:

Knowing the sector means, for example, being able to talk to an American client investing in France about rental investment trends in La Défense. We have been very familiar with this market for a long time, offering both asset-liability and debt financing, both mortgaged and unguaranteed. We have genuine expertise in financing structures and



**Laurent Chenain**  
Structured Finance,  
Asset Finance Group,  
Global Head of Real Estate



**Olivier Desfontaines**  
Structured Finance,  
Asset Finance Group,  
Head of Rail for Europe



### WHAT IS THE OUTLOOK?

#### Laurent Chenain:

Firstly, there are two real estate markets, the investment market and the rental market. In investment, as I was saying, property assets are perceived as a safe haven investment and many clients want to invest in them. For this reason, there is substantial liquidity available. In geographical terms, in Asia, particularly Hong Kong and Singapore, there has been a slight correction in rental company stocks, which shows that prices were fairly high. We are seeing a recovery in Japan, strong trends in Australia and a recovery in the US. In the UK and France, the investment market remains strong, but there has been a correction of rental company stocks, as a result of which we are prudent in our choice of assets and of the financing structures we recommend. We remain very prudent regarding Southern Europe.

#### Olivier Desfontaines:

In the rail market, we make a distinction between passenger transportation, which shows a steady increase, and freight, which is more cyclical. In the US, rail freight transport has shown an upturn, particularly in certain segments linked to the development of shale gas. In Europe, the rail

innovation. Although many insurance companies and pension funds have traditionally been keen investors in real estate, the Solvency II regulations impose substantial capital requirements. Since the assets that we finance are perceived to be less risky than equities and sovereign debt, investors are happy to team up with us as partners to our financing arrangements. They trust us because we foster good client relations and because of our expertise - we are among the leaders in the geographical areas in which we operate. In this way, we gradually become the "natural" intermediaries between our clients and new non-banking partners who are economically and financially interested in participating in these financing arrangements alongside us.

“  
**WE HAVE GENUINE EXPERTISE  
IN FINANCING STRUCTURES  
AND INNOVATION**  
”

9  
real estate  
locations  
worldwide

€2.4  
billion  
New real estate  
financing in 2012





**YEARBOOK**  
OCTOBER 2012, **FRANCE**

**AIR LIQUIDE FINANCED  
ITS HOMECARE ACTIVITY  
WITH A SOCIALLY  
RESPONSIBLE BOND  
ISSUE, A FIRST  
IN EUROPE**

**Fabienne Lecorvaisier**  
Vice President,  
Finance and  
Operations Control



“

*To finance our homecare activity, which has a high social impact, we decided to issue a bond aimed at socially responsible investors. Our objective was to mobilise SRI investors who were not yet in the habit of investing in thematic bonds. Crédit Agricole CIB was able to advise us in this transaction.”*

**Claire Mahou**  
Senior banker,  
Crédit Agricole CIB



*“For this first SRI transaction by a company in Europe, and as the leading bank for socially responsible investors, Crédit Agricole CIB aimed to succeed. We provided Air Liquide with an original solution to broaden and diversify its investor base.*

”

## FOCUS ON BOND ISSUANCE

# ACCOMPANYING OUR CLIENTS ON AN EXPANDING MARKET

Corporate financing is being completely transformed and disintermediation is accelerating. Below, Philippe Rakotovao and Hugues Delafon describe the activity's exemplary experience on a bond market that is central to the Bank's strategy.

### WHAT DOES CRÉDIT AGRICOLE CIB'S BOND ACTIVITY INVOLVE?

#### Philippe Rakotovao:

The bond activity is central to the Bank because its purpose is to bring two client categories together: clients that borrow capital to invest and institutional investors. There are different types of borrower clients. Firstly, governments and similar entities such as public agencies and supranational enterprises. Then financial institutions, which also demand high levels of capital. Finally, commercial and industrial companies. In this third category, a distinction is made between large businesses that enjoy all the benefits of large borrowers (rating, reputation) and smaller businesses which are gaining increased access to the capital markets.

#### Hugues Delafon:

Although we have been operating on the bond market for several years, we are naturally moving with the trend that has emerged since the start of the crisis: on the one hand, Basel III is forcing bankers to redistribute or reduce the lending they were already conducting directly with businesses; and on the other, businesses are looking to diversify their financing and to speed up disintermediation by going



directly to the capital markets.

#### Philippe Rakotovao:

One of Crédit Agricole CIB's biggest challenges is to accompany this new means of financing the economy in Europe. While bank borrowing was the main source of financing for businesses in the past, they now are increasingly moving towards the capital markets, and the world of institutional investors.

#### Hugues Delafon:

It is already happening. And within this trend, several levels of disintermediation cohabit. Large corporations have already been completely "disintermediated". Today, most of the CAC 40 issuers raise almost 100% of their long-term debt on the capital markets. However, smaller companies do not have the same freedom of access to these markets. Their financing needs are

not big enough for these markets, and bank debt remains and will remain a significant part of their liability structure. For example, Bonduelle's total debt amounts to less than €800 million, a relatively low amount for the bond market. Bonduelle's debt therefore is 45% financed via the capital markets in the form of private placements and 55% via banks. And Bonduelle is very comfortable with this ratio.



**Philippe Rakotovao**  
Global Markets,  
Head of Corporate  
& Investor clients division

### WHO ARE THE INVESTORS?

#### Philippe Rakotovao:

This is the very subject underlying our strategy! Our investors come in many shapes and sizes. They are not just domestic in origin but operate from anywhere. They include asset managers (mutual funds, investment funds, etc.), banks which manage their liquidity through the bond market, and finally hedge funds and speculative funds, which play a major role on the government bond market and are gradually starting to move toward the corporate bond market. The challenge for a bank like Crédit Agricole CIB is to gain access to the different types of savings the world has to offer and bring diverse



**Hugues Delafon**  
Global Markets,  
Debt Capital Markets  
Origination

### WHAT ARE CRÉDIT AGRICOLE CIB'S ADVANTAGES IN THIS CONTEXT?

#### Philippe Rakotovao:

Our main attribute is our large international network through which we are present on all continents. It gives us good proximity to our issuer and investor clients. Also, our organisation is tightly integrated: we have one management structure, with a continuous link

interests together to be able to distribute the debt of our clients correctly and at the best price.

running from transaction origination to distribution via execution and trading. This is a key attribute that has made Crédit Agricole CIB the world's fourth largest player on the euro bond market. An exceptional performance! Another factor that sets us apart is the fact that we are a major player on the dollar bond market, handling more than sixty dollar-denominated issues each year.

#### Hugues Delafon:

We are also one of the largest players on the new market for euro-denominated private placements, a key market that will underpin growth on the bond market. Another specific feature is that we have maintained our roots in France. Our global platform is available to all of our French clients, including investors, because France has very large investors looking to invest around the world, and borrowers looking to borrow in dollars, yens, renminbi, etc.

“  
**THE CHALLENGE FOR A BANK LIKE CRÉDIT AGRICOLE CIB IS TO HAVE ACCESS TO ALL THE DIFFERENT SOURCES OF SAVINGS IN THE WORLD**  
”

### HOW DO THESE INVESTMENTS OPERATE ABROAD?

#### Philippe Rakotovao:

Many of our business clients operate internationally and have growing investment needs in high-growth areas such as China, Brazil, Russia, etc. These needs can be financed through dollar or euro borrowings, and then converted into local currency. Our business clients can also raise money directly in the local currency. The current trend is for large emerging markets to develop their own capital markets so that international businesses, which are our clients, can raise money directly on these markets, which can but grow significantly. Our challenge is to accompany them precisely on those markets.

€900  
billion  
issued  
in the  
euro bond  
market\*

4<sup>th</sup>  
bookrunner  
worldwide  
in eurobonds  
Thomson Reuters

\*Excluding government borrowing

**THE AFRICAN  
DEVELOPMENT BANK  
SOURCES IN JAPAN  
FINANCING TO SUPPORT  
THE EDUCATION SECTOR  
ON THE CONTINENT**



*AfDB plays an important role in the sustainable and equitable economic growth of the continent. To finance some of our projects related to the education sector, our institution has issued an 'Education Support Bond' to Japanese investors base, lead managed by Crédit Agricole CIB."*



**Sandeep Jain and Bakary Silue**  
African Development Bank



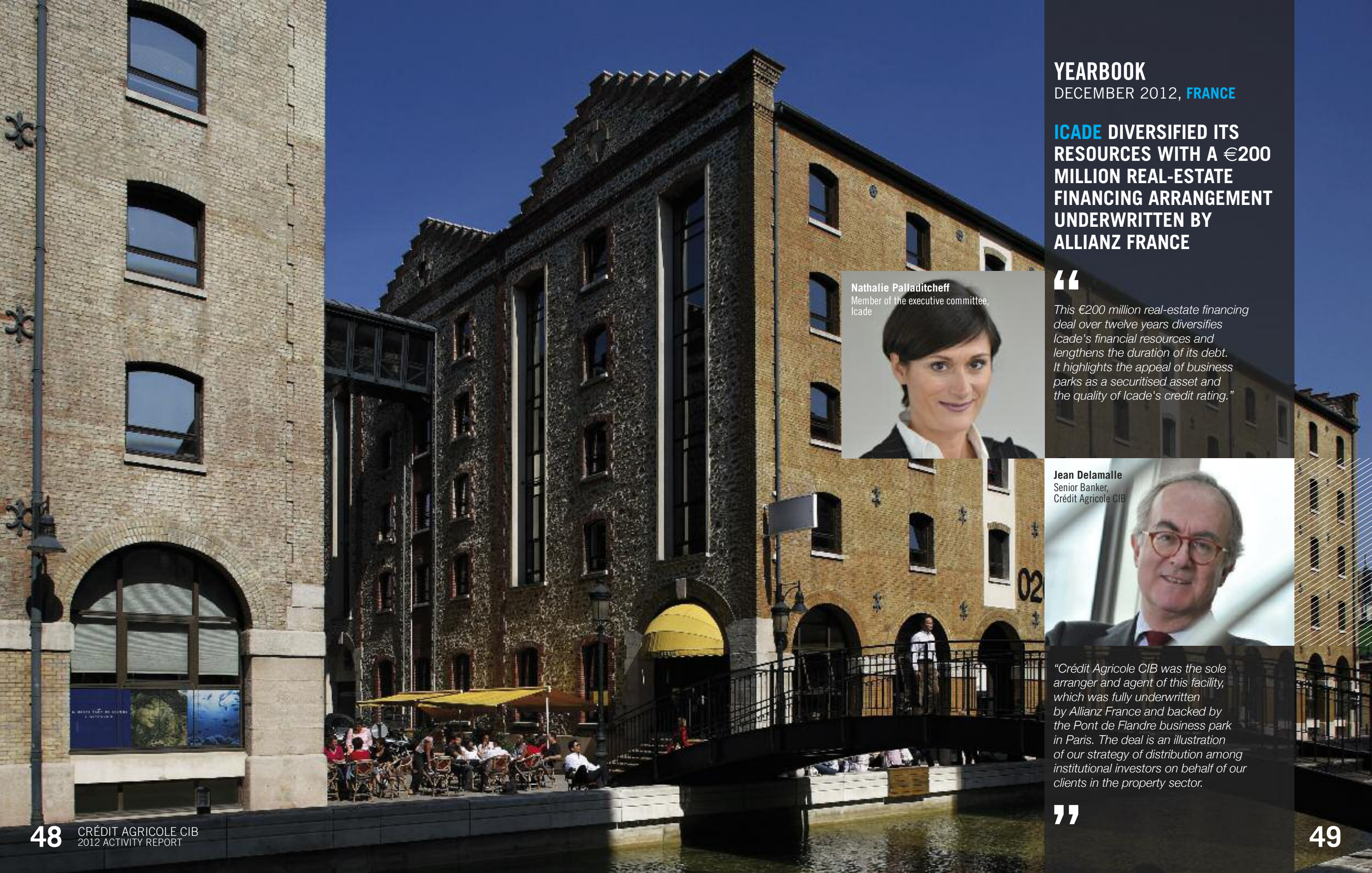
**Junya Fujisaki**  
Head of Syndication Japan,  
Crédit Agricole CIB



**Benjamin Lamberg**  
Head of Global  
Debt Markets for Asia,  
Crédit Agricole CIB

*"Our MTNs & Private Placements team has been looking for the best funding opportunity in the market available for our client. The Japanese investor base – very committed to socially responsible investment was the right place to tap. Our team is proud to have helped 'bridge continents' and support such noteworthy projects."*





## YEARBOOK

DECEMBER 2012, FRANCE

### ICADE DIVERSIFIED ITS RESOURCES WITH A €200 MILLION REAL-ESTATE FINANCING ARRANGEMENT UNDERWRITTEN BY ALLIANZ FRANCE

**Nathalie Palladitcheff**

Member of the executive committee,  
Icade



“

*This €200 million real-estate financing deal over twelve years diversifies Icade's financial resources and lengthens the duration of its debt. It highlights the appeal of business parks as a securitised asset and the quality of Icade's credit rating.”*

**Jean Delamalle**  
Senior Banker,  
Crédit Agricole CIB



*“Crédit Agricole CIB was the sole arranger and agent of this facility, which was fully underwritten by Allianz France and backed by the Pont de Flandre business park in Paris. The deal is an illustration of our strategy of distribution among institutional investors on behalf of our clients in the property sector.*

”

## HUMAN RESOURCES

# CENTRAL TO OUR TRANSFORMATION

The Human Resources division was in the front line during the implementation of the adaptation plan in 2012. Ivana Bonnet, Jean-Paul Kaouza, Bernard Calvet and Amandine Aury explain how the Bank accompanied our teams during this period of change to help Crédit Agricole CIB position itself in a new banking landscape.

### 2012 WAS A DIFFICULT YEAR FOR CRÉDIT AGRICOLE CIB, WHICH HAD TO ADAPT ITS ORGANISATION TO ITS NEW BUSINESS MODEL. WHAT WERE THE MAIN MEASURES TAKEN BY THE HUMAN RESOURCES DIVISION IN THIS REGARD?

**Jean-Paul Kaouza:** Firstly, the Human Resources division worked with the Bank's business lines to define the organisational changes that were necessary to implement our new strategic model. In this regard, we had to oversee a voluntary redundancy plan. In France, this involved 20% mobility within the Crédit Agricole group, 31% retirements and 49% external mobility, more than half of which involved the creation of new businesses. Internationally, 72% of the job cuts planned for 2012-2013 were achieved by 31 December 2012. We also organised training to help deal with psychosocial difficulties and professional stress, which saw the participation of nearly 300 employees over the year. During the roll-out of this plan, we signed an agreement with our labour partners to be able to communicate to the employees throughout the negotiations, which lasted a little over four months. In

this way, we were able to inform our employees of the progress made in the talks, our objectives and the means we used to achieve them. Our aim was to ease employee concerns about their future.

**Ivana Bonnet:** The quality of our dialogue with the social partners warrants emphasis. They accompanied us constructively throughout the process.

**Bernard Calvet:** All of the employees who opted to leave the company as part of the redundancy plan had their personal projects validated by Crédit Agricole CIB to prevent them being exposed to risk. A monitoring committee validated each case, for example where a new company was created we checked the business plan and a consultant helped the employee to build their future career plan.

**Jean-Paul Kaouza:** For each entity closed outside of France, Crédit Agricole CIB also implemented measures to assist the employees, regardless of their status. We were very vigilant regarding the economic assistance that was proposed.



**Jean-Paul Kaouza**  
Head of Corporate Social Responsibility & Unions

**Bernard Calvet:** The implementation of a restructuring plan requires input from the entire HR team. Individual managers and mobility advisory departments are in the front line because they must help the employees who opt for voluntary redundancy with their internal or external career plans. The legal unit provides a legal framework for these activities. And there is also the financial aspect: a sizeable restructuring plan generates significant costs that must be controlled; we remained in line with the estimates that were made. Finally, the training and talent management

“  
GIVING THE MANAGERS AND THE TEAMS THE MEANS TO ROLL OUT OUR NEW STRATEGIC MODEL  
”

**Ivana Bonnet**  
Head of Human Resources



departments provide mobility assistance.

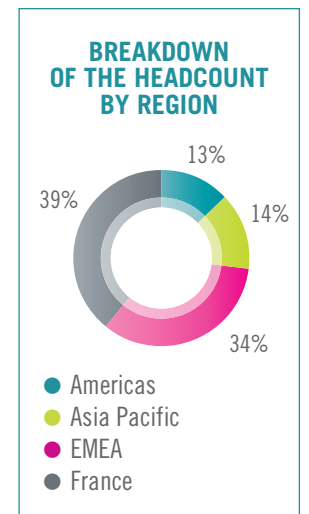
**Ivana Bonnet:** The management of this voluntary redundancy plan was a necessary task that had a marked impact in 2012. But the implementation of the adaptation plan also involved giving the managers and the teams the means to roll out our new strategic model. To prepare the future and the employees, we therefore focused on professional development, and more particularly on talented staff and training.

**Amandine Aury:** Against this backdrop, some of our services related to change management, in France and internationally. This year, we also launched the Management Academy, which is Crédit Agricole CIB's management training programme. Its objective? To develop managers' skills throughout the different stages of their career and establish a shared culture. In 2012, 730 managers worldwide participated in at least one management training course. Over the coming years, the content of this programme will be enhanced.

“  
PREPARING FOR THE FUTURE IS ESSENTIAL, REGARDLESS OF THE DIFFICULTIES OR CHANGES BEING EXPERIENCED  
”

### HOW DOES HR ADAPT SKILLS AND TALENT IN SUCH A PERIOD OF CHANGE?

**Ivana Bonnet:** In addition to training and mobility, we conduct performance management to develop the skills of our employees. Annual appraisals and target-setting for the year ahead provide an important opportunity to talk about these changes. Also, we are proud of our results since 95.5% of the employees were appraised this year. This also means that 95.5% of employees got a feedback from their manager on the quality of their work, and therefore had an opportunity to take stock of their progress. In fact, the appraisal is a moment when an employee can take stock of the past year and at the same time prepare for the future.



# CENTRAL TO OUR TRANSFORMATION



**Amandine Aury**  
Head of Talent Management Initiatives



**Bernard Calvet**  
Head of Support & Infrastructure



**Jean-Paul Kaouza:**  
We also conducted projection management of jobs and skills. This involves anticipating changes in each business line and providing appropriate training or assistance in accordance with the technological changes involved. Some businesses may disappear while others may be transformed or developed.

**Ivana Bonnet:**  
In preparing for the future, we are led by the Crédit Agricole group notably via its corporate social responsibility (CSR) policy, FReD, and the latter's three pillars which are disseminated through the General Management.

**Amandine Aury:**  
Respect is the FReD pillar concerned with social commitments for employees and is steered by the HR division. It includes several action plans to promote diversity, encourage participation in company activities and prevent stress. Certain of these action plans are very ambitious, such as gender balance for example, with strict targets to be reached by 2015.

**Ivana Bonnet:**  
Our target for Crédit Agricole CIB is to have an executive management that is 25% female by the end of 2015. Indeed, we are very ambitious, bearing in mind that this means we

must be able to draw from a pool of talent that is 40% female.

**WHAT ARE HR'S PRIORITIES FOR 2013?**

**Ivana Bonnet:**  
We will continue to prepare for the future. Firstly, by continuing with change management. This must become a reflex: our world is changing. And then by focusing on the employees who remain and with whom we are going to build our future. We must continue the work that we began in 2012 to detect talent within the Bank by identifying employees that show real potential for progress. We have a duty to accompany them so

“  
**CHANGE MANAGEMENT MUST BE A REFLEX: OUR WORLD IS CHANGING**  
”

that they can be appointed to strategic positions. This also concerns managers and experts working in the areas of development and career management. Crédit Agricole CIB needs experts and we must know how to retain them and foster their progress. This is something that we are very vigilant about. Our talent management policy is organised in collaboration with the General Management and draws on succession plans and career meetings over the last three years. Preparing for the future is essential regardless of the difficulties or changes being experienced.

**Eva Tong, Human Resources Manager, Asia**

"The modules of the pilot phase of the Management Academy which were successfully introduced in the main Asian countries (Hong Kong, Singapore, Taiwan and China) were highly appreciated by the participants. Through the Management Academy, managers get to develop their expertise and leadership skills so that they can promote a shared and durable managerial culture."

**Bharatti Crack, Human Resources Manager, Europe, Middle East and Africa (EMEA)**

"In London, 87% of the participants felt that the change management workshops gave them the necessary skills to perform their function. Communication on the notion of change was particularly appreciated."



*These figures concern the headcount worldwide*



**GLOBAL ADVISER  
OF THE YEAR**

*Project Finance  
International*

**Noboru Himata,**  
Executive Officer,  
General Manager,  
Finance Unit,  
Inpex



**Olivier Devouassoux,**  
Vice President,  
operating subsidiaries  
finance,  
Total



## YEARBOOK

JANUARY 2013, **AUSTRALIA**

### **INPEX AND TOTAL ARE WRITING THE FUTURE OF THE ENERGY SECTOR, INVESTING USD 34 BILLION IN THE ICHTHYS LNG PROJECT**

*"Our offshore liquefied natural gas project will be conducted with the greatest concern for the environment. It will benefit the local economy, in terms of both employment and education, and will introduce an alternative energy offering in Japan after Fukushima."*

**Andy Pheasant,**  
Managing Director,  
Structured Finance Advisory,  
Crédit Agricole CIB



**Yoichi Sawabe,**  
Senior Banker,  
Crédit Agricole CIB



*"Over three years, our structured finance advisory team and local offices worked very closely with the Inpex and Total teams in Paris, Tokyo and Perth to implement this milestone project financing, comprising of nine export credit agencies and twenty-three international banks."*

*"The US\$20 billion Ichthys LNG project financing is the largest international project financing ever realised."*

**Gilles d'Halloy,**  
Senior banker, Crédit Agricole CIB

# A GLOBAL AND COMMITTED APPROACH

In June 2012, Crédit Agricole CIB launched FReD, its corporate social responsibility (CSR) strategy. Éric Cochard, Alexandra Boleslawski and Tanguy Claquin, tell us about the work involved, particularly the implementation of sector-based policies for the energy sector and the development of social finance.

## TELL US ABOUT THE SECTOR-BASED POLICIES ADOPTED BY CRÉDIT AGRICOLE AS PART OF ITS CSR STRATEGY?

### Eric Cochard:

We defined environmental and social analysis criteria for the most sensitive sectors in which we operate. Before granting a loan to a client, the Bank looks closely at the different criteria to obtain its own analysis of the transaction. If the analysis is negative or if exclusion criteria are detected, then we do not participate in the transaction. For example, in the oil sector, we made a decision not to support operations that participate in oil off-shore drilling in the Arctic region or in open-pit bituminous sands projects.

### THIS YEAR BROUGHT THE FINALISED DEFINITION OF YOUR ENVIRONMENTAL AND SOCIAL POLICIES IN THE ENERGY SECTOR...

**Alexandra Boleslawski:** Indeed we finalised and published these policies. They will be applied world-wide to all of the Bank's activity, including consulting. They will be rolled-out in 2013 for implementation within all of our business lines and for all of our clients, with our sales team leading the way.



**Alexandra Boleslawski**  
Structured Finance,  
Global Head of Power, Utilities & Mining

### Eric Cochard:

All energy sectors are involved. We wanted to have a coherent approach: it makes no sense to have a policy for coal and not to have one for oil or nuclear energy. A lot of work therefore was completed in 2012 which has enhanced our credibility among our clients, among the public and among all of our partners.

**Alexandra Boleslawski:** We also wanted to define intelligent policies that take environmental and social constraints as well as technical and economic aspects into account in order to promote viable solutions. We are there to serve our clients! And I believe that, in the end, our policies allow us to maintain a good balance

between our clients' technical and economic constraints on the one hand, and environmental and social considerations on the other.

### Eric Cochard:

We are open to different possibilities. If there is a consensus within a sector that a particular technique is acceptable and another is outmoded, then we will go with the former rather than the latter.



**Tanguy Claquin**  
Client Coverage  
& International Network,  
Head of Social & Environmental  
Finance Advisory

“  
WE ARE NOT THERE TO GIVE LECTURES, BUT RATHER WE WORK CLOSELY WITH OUR CLIENTS TO UNDERSTAND THEIR CONSTRAINTS  
”

**Eric Cochard**  
Corporate Secretary, Head of Sustainable Development



### Alexandra Boleslawski:

Our clients understood that we were starting to apply sector-based environmental and social policies, just like some of our competitors. In all areas of activity, our clients have already incorporated the fact that banks are applying high environmental and social standards. And they understand that a failure to do so would reduce the banks' capacity to finance projects and, over and above the financing aspect, would damage their image in society. We have been very careful to set sound environmental and social governance standards without sacrificing profitability.

### THESE POLICIES VARY ALL THE SAME DEPENDING ON THE SITUATION...

**Alexandra Boleslawski:** We took the local environment into account: we set more ambitious targets in wealthy countries where the best technology is available, and more flexible criteria in countries where insisting on technological improvements beyond a certain level would be too costly and would weigh on the economic viability of the projects. For example, if an emerging country has a lot of coal resources and needs to increase its electricity generation capacities, we will not ask it to implement a solution involving costly alternative imports: this would increase the cost price

“  
OUR POLICIES ALLOW US TO MAINTAIN A GOOD BALANCE BETWEEN THE TECHNICAL AND ECONOMIC CONSTRAINTS OF OUR CLIENTS AND SOCIAL AND ENVIRONMENTAL CONSIDERATIONS  
”

per kWh, while solutions exist to exploit local resources and improve the country's carbon efficiency per kWh.

### Eric Cochard:

Financing a technology that is not the most efficient in the world but which improves the local environmental and social situation can be a good thing. We cannot ignore local constraints and the legitimate needs of emerging countries to develop.



80%  
of the CO<sub>2</sub> emissions related to our financing come from the energy and transport sectors



# A GLOBAL AND COMMITTED APPROACH



Crédit Agricole CIB supports the Finance and Sustainable Development Chair partnered by the Paris Dauphine University and the Ecole Polytechnique. Under this programme, Crédit Agricole CIB measures the carbon footprint of industrial sectors worldwide.

It has finalised a methodology for quantifying the emissions (carbon footprint) caused by the Bank's clients. This involves breaking down the world's carbon emissions according to industrial sector and geographical area, and compare them to the loans and investment granted by Crédit Agricole CIB.

The work revealed that two industrial macro-sectors, energy and transport, accounted for more than 80% of these emissions. Sector-based policies were developed in 2012 for the energy sector. 2013 will see the development of similar policies for the transport sector, in which Crédit Agricole CIB is a key player in the provision of financing.

**Alexandra Boleslawski:**  
In some countries, projects that are not highly thermal-efficient can still represent an improvement in relation to the existing situation, and can contribute to the country's development. For this reason, we arrived at the notion of the "best technology available", with varying standard levels depending on the resources of the concerned country.

**Eric Cochard:**  
The important factor is that we worked hard to obtain an advanced analysis process which ensures that we are using the best available technology in each given context.

## CRÉDIT AGRICOLE CIB ALSO OPERATES IN THE DEVELOPMENT OF SOCIAL AND ENVIRONMENTAL FINANCE. WHAT IS YOUR STRATEGY HERE?

**Tanguy Claquin:**  
We help the Bank's clients, and businesses and investors with projects that have a significant social and environmental component and which may require financial advice or funding. This activity is one of the objectives of the Demeter (the environmental pillar of FReD) initiative.

**Eric Cochard:**  
Alexandra and myself were speaking about sector-based policies that help to reduce the environmental and social risks related to our activity. Tanguy, for example, will meet with a large business client to help it deal with the financial aspect of a social or environmental matter based on his expertise in this area. In fact, he uses investment techniques to help resolve our client's social and environmental issues.

**Tanguy Claquin:**  
We help our clients with projects that play an important role in their CSR approach. This may involve impact investments or social entrepreneurship projects. As an example, we helped Danone to establish a fund that invests in reforestation projects managed by rural communities in developing countries. This is an exemplary way for fund investors to acquire carbon credits. We also helped Lafarge to establish a micro-finance housing project. Market transactions may also be involved, such as socially responsible or sustainability bonds, which involve customised transactions for socially responsible investors. All of these examples require specific expertise, which we have developed.

**Eric Cochard:**  
The fact that we develop sector policies means that we can go to our clients and say "We will help you with your social and environmental targets because we ourselves have our own targets for exemplary behaviour." It's a win-win situation.

**Tanguy Claquin:**  
We are forerunners on this market, and in 2012 we established a concrete and permanent CSR activity within Crédit Agricole CIB. I think this offering is of great benefit to us where our clients are concerned as it corresponds to the image, the roots and the values of the Crédit Agricole group.

“  
**WE HELP OUR CLIENTS RAISE FUNDS ON THE BOND MARKETS TO FINANCE PROJECTS WITH A HIGH SOCIO-ENVIRONMENTAL IMPACT. WE ARE FORERUNNERS ON THIS MARKET**  
”

## WE HAVE DEDICATED TEAMS THAT ANALYSE THE MARKETS AND DEVELOP INNOVATIVE FINANCIAL CSR SOLUTIONS:

consultancy and funding for initiatives with a high social and environmental content, the valuation and management of environmental and social impacts, methodologies for quantifying emissions caused by clients' activities, finding socially responsible investments, expertise in public-private partnerships to revitalize regions. Aware of the responsibilities attached to its role in financing the economy, Crédit Agricole CIB curtails intervention in certain activities that pose an environmental or social risk (e.g. arms, energy) by introducing analysis criteria and conditions for participation into its risk policies.

## FReD CONNECTS OUR TEAMS IN THE ACHIEVEMENT OF SOCIAL AND ENVIRONMENTAL OBJECTIVES

FReD is the acronym for "Fides, Respect and Demeter", Crédit Agricole Group's strategy for enhancing CSR. It is applicable to all of the Group's entities, and comprises three pillars:

**ECONOMIC**  
Fides, which itself is an acronym for Fraud, client Interests, Deontology, market Equilibrium and financial Security, is the Latin term for "trust", and incorporates the notion of economic improvements for customers.

**SOCIAL**  
Respect (Recognition of employees, Equality, Safety in the workplace, Participation, Equitable remuneration, Coherence, and Territory of operations) incorporates the notion of respect for employees.

**ENVIRONMENTAL**  
Demeter, taken from the name of the Greek goddess of agriculture, is an acronym for the following environmental protection activities: Dialogue on environmental objectives, Externalities, Markets, Ecosystems, Transport, Energy, Resources.



# 2012 FINANCIAL REPORT

# 2012 FINANCIAL REPORT

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# PRESENTATION OF THE CRÉDIT AGRICOLE CIB GROUP'S FINANCIAL STATEMENTS



## CHANGES TO ACCOUNTING PRINCIPLES AND POLICIES

Pursuant to EC regulation n°1606/2002, the annual consolidated financial statements were prepared in accordance with IAS/IFRS standards and IFRIC interpretations used at 31 December 2012 as adopted by the European Union (the “carve-out” version) and using certain dispensations of IAS 39 as regards macro-hedge accounting.

The standards and interpretations are identical to those used and described in the Group financial statements at 31 December 2011.

They were completed by IFRS norms measures adopted by the European Union on 31 December 2012, and which became mandatory for the first time in 2012. The enforcement of these new measures had no significant impact on the period's results and net situation.

## CHANGES IN THE SCOPE OF CONSOLIDATION

Changes in the scope of consolidation between 1 January 2012 and 31 December 2012 are described below:

### ENTRIES IN 2012

The following new created companies were added to the scope of consolidation:

- Crédit Agricole Indosuez Private Banking,
- Crédit Agricole Indosuez Gestion,
- SCI La Baume.

### DISPOSALS IN 2012

The following companies went out of the scope of consolidation because:

#### their activity became not significant:

- Immofi CACIB,
- Cardinalimmo,
- Aylesbury BV,
- Crédit Agricole CIB UK IH,
- Indosuez Finance LTD

#### of liquidation:

- Crédit Agricole Private Banking Levante,
- Crédit Agricole Private Banking Norte,
- Aguadana SL.

#### of disposal:

- Crédit Agricole Yatirim Bankasi Turk AS,
- INCA Sarl,
- LDF 65 (SPV),
- Lyane BV,
- PJSC Crédit Agricole CIB Ukraine.

The following companies went out of the scope of consolidation because they were dissolved without being liquidated and their holding was universally transmitted in 2012:

- Banque de Financement et de Trésorerie,
- SAFEC.

### DECONSOLIDATED BRANCHES CURRENTLY CLOSING IN RELATION WITH THE ADJUSTMENT PLAN:

- Crédit Agricole Manila Offshore,
- Crédit Agricole CIB South Africa,
- Credit Agricole CIB S.A Prague,
- Credit Agricole CIB Hungarian,
- Crédit Agricole CIB Shangai,
- Credit Agricole Slovakia,
- Credit Agricole CIB Labuan,
- Credit Agricole Yemen.

# BUSINESS REVIEW AND CONSOLIDATED INCOME STATEMENT

## CONDENSED CONSOLIDATED STATEMENT OF INCOME

The information presented below for 2011 were established proforma taking into account the new organization of the bank as of July 2012 (see page 11 of the shelf-registration document) and IFRS 5 treatment of CA Cheuvreux and CLSA.

### 2012

€ million	Ongoing Activities restated <sup>(1)</sup>	Financial management <sup>(2)</sup>	Discontinuing operations	Impacts of the adjustment plan	Total CIB	Private Banking	Other activities	CACIB	Change <sup>(3)</sup> 2012/ 2011
Net banking income	4,359	(856)	162	(477)	3,188	712	161	4,061	-1%
Operating expenses	(2,536)		(294)		(2,830)	(508)	(1)	(3,339)	7%
Gross operating income	1,823	(856)	(132)	(477)	358	204	160	722	-9%
Cost of risk	(283)		(25)	(151)	(459)	(8)		(467)	-14%
Income from equity affiliates	164				164			164	22%
Gain/(losses) on other assets	37		2		39		5	44	x18,5
Goodwill				(483)	(483)			(483)	ns
Pre-tax income	1,741	(856)	(155)	(1,111)	(381)	196	165	(20)	-4%
Corporate Income tax	(461)	309	54	226	128	(37)	(68)	23	-13%
Net income from discontinued or held-for-sale operations				(381)	(381)			(381)	ns
Net income	1,280	(547)	(101)	(1,266)	(634)	159	97	(378)	0%
Minority interests	17		(18)		(1)	12		11	13%
Net income, Group Share	1,263	(547)	(83)	(1,266)	(633)	147	97	(389)	0%

(1) Excluding the impact of the revaluation of debt issues, of loan hedges, the impacts of the adjustment plan, the IFRS 5 treatment of CA Cheuvreux and CL Securities Asia (CLSA), and the changes in the value of goodwill.

(2) Financial Management: revaluation of debt issues and loan hedges.

(3) Ongoing Activities restated for Financial Management.

### 2011

€ million	Ongoing Activities restated <sup>(1)</sup>	Financial management <sup>(2)</sup>	Discontinuing operations	Impacts of the adjustment plan	Total CIB	Private Banking	Other activities	CACIB
Net banking income	4,387	711	(100)	(261)	4,737	572		5,309
Operating expenses	(2,380)		(381)	(273)	(3,034)	(428)		(3,462)
Gross operating income	2,007	711	(481)	(534)	1,703	144		1,847
Cost of risk	(330)		(171)	(4)	(505)	(2)		(507)
Income from equity affiliates	134				134			134
Gain/(losses) on other assets	2				2			2
Goodwill	(1)			(294)	(295)			(295)
Pre-tax income	1,812	711	(652)	(832)	1,039	142		1,181
Corporate Income tax	(530)	(250)	203	195	(382)	(25)	(2)	(409)
Net income from discontinued or held-for-sale operations				(92)	(92)			(92)
Net income	1,282	461	(449)	(729)	565	117	(2)	680
Minority interests	15		(25)		(10)	8		(2)
Net income, Group Share	1,267	461	(424)	(729)	575	109	(2)	682

(1) Excluding the impact of the revaluation of debt issues, of loan hedges, the impacts of the adjustment plan, the IFRS 5 treatment of CA Cheuvreux and CL Securities Asia (CLSA), and the changes in the value of goodwill.

(2) Financial Management: revaluation of debt issues and loan hedges.

(3) Ongoing Activities restated for Financial Management.

In a still marked by the financial crisis environment, 2012 for Crédit Agricole CIB is a strategic shift with the realization of the first effects of the adjustment plan announced on 14 December 2011 and the effective implementation of the model Distribution Origination focused on distribution and service to the Group's major customers.

Operating results are satisfactory, at a level comparable to 2011 despite the effects of the adjustment plan, showing good resilience and relevance of the new model.

Significant non-recurring and non-economic changes have a negative impact on the results of -€1.8 billion and are mainly related on the one hand to the consequences of the restructuring plan and on the other hand to the expansion of credit spread on the revaluation of own debt.

Excluding brokerage activities, market activities recorded a strong performance in comparison with a difficult year 2011.

The financing banking saw its revenues fall as a direct result of liquidity constraints within the framework of the adjustment plan.

At constant exchange rates, operating costs begin to decline steadily over the year but support the negative effects of fiscal and social measures in the summer of 2012 (doubling of the systemic tax, tax increase on wages) and certain other non recurring items.

The cost of risk of strategic activities is steadily decreasing illustrating the quality of the portfolio and the strategy of cautious risk management of the Group.

Crédit Agricole CIB registers thus a loss in 2012 of -€389 million related to very significant non recurring items.

# CONSOLIDATED BALANCE SHEET OF CRÉDIT AGRICOLE CIB

## ASSETS

€ billion	31.12.2012	31.12.2011
Cash due from central banks	37.5	21.9
Financial assets at fair value (excluding repos)	499.5	424.0
Derivative financial instruments held for hedging	1.8	1.6
Available-for-sale financial assets	30.1	14.3
Loans and receivables to credit institutions (excluding repos)	40.0	44.1
Loans and advances to customers (excluding repos)	108.0	118.3
Repos	124.1	123.4
Accruals, prepayments and sundry assets	57.4	74.6
Non-current assets held for sale	3.9	
Investments in equity affiliates	1.4	1.3
Non-current assets	0.6	0.9
Goodwill	1.0	1.6
<b>Total</b>	<b>905.3</b>	<b>826.0</b>

## LIABILITIES AND SHAREHOLDERS' EQUITY

€ billion	31.12.2012	31.12.2011
Due to Central banks	1.1	0.1
Financial liabilities at fair value (excluding repos)	518.4	430.7
Derivative financial instruments held for hedging	1.1	1.6
Due to credit institutions (excluding repos)	43.9	74.3
Customer accounts (excluding repos)	109.3	99.4
Repos	117.7	106.8
Debt securities in issue	31.1	25.0
Accruals, deferred income and sundry liabilities	56.1	62.4
Liabilities associated with non-current assets held for sale	3.6	
Reserves	1.4	1.4
Subordinated debt	6.0	8.2
Minority interests	0.5	0.6
Shareholders' equity, Group share (excluding net income for the year)	15.5	14.8
Net income, Group Share	(0.4)	0.7
<b>Total</b>	<b>905.3</b>	<b>826.0</b>

At 31 December 2012, Crédit Agricole CIB had total assets of €905 billion, a rise of €79 billion compared to 31 December 2011. USD variation dragged total assets down by - €5 billion and JPY -€5 billion. The main changes were in the following items:

### INTERBANK OPERATIONS

Crédit Agricole CIB has access to all the major global liquidity centres and is particularly active in the largest markets (Paris, New York, London, Hong Kong and Tokyo), allowing it to optimise assets allocation and interbank resources within the Group.

### FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS

Financial assets and liabilities at fair value through profit and loss (excluding repos) rise respectively by €75 and €88 billion over the period. Financial assets consist mainly of the positive fair value of derivative financial instruments and the portfolio of securities held for trading. Financial liabilities consist mainly of the negative fair value of derivatives, negotiable debt instruments held for trading and securities sold short.

The rise in these items arose mainly from the higher mark-to-market value of derivatives (+€78 billion on assets and €81 billion on liabilities), mostly on interest-rate derivatives.

### SECURITIES PURCHASED OR SOLD UNDER

Repo activities are mainly in Paris, which accounted for 44% of securities purchased and 51% of securities sold under repo agreements. The increase in securities on the asset and liabilities sides on 2012 mostly resulted from the increase in treasury trading activities of the Treasury department.

### ACCRUALS, PREPAYMENTS, SUNDRY ASSETS AND LIABILITIES

Accrued income and expenses and other assets and liabilities mainly comprise deferred securities and guarantee deposits for market and brokerage transactions. The respective decreases of €17 billion and €6 billion in assets and liabilities over the period can be explained mainly by changes in accounting methods; actually the repurchase agreements of the trading portfolio are now recognized off balance sheet between the transaction date and the settlement date; they were before recognized in balance sheet, in counterparty of the accruals account, on the assets or liabilities side, depending on the way of the repurchase operations is recognized.

### DEBT SECURITIES IN ISSUE

Apart from traditional refinancing via interbank borrowings, Crédit Agricole CIB raises liquidity via issuing paper in the main financial markets (particularly in the USA via its US branch and its Crédit Agricole CIB Global Partners Inc. subsidiary, in the UK via its London branch or in France).

The increase of €6 billion of debt securities in issue is explained by the increase in CDS' issuances mainly from U.S. entities explained by an increased confidence towards French banks.

### SHAREHOLDERS' EQUITY GROUP SHARE

Shareholders' equity Group share (excluding net income) for the period was €15.5 billion at year-end, a rise of €0.7 billion compared with 31 December 2011.

# CRÉDIT AGRICOLE CIB (S.A.)

## CONDENSED BALANCE SHEET

Assets € billion	31.12.2012	31.12.2011
Interbank and similar items	153.9	135.7
Customer items	149.2	136.5
Securities portfolio	32.0	40.2
Accruals, prepayments and sundry assets	527.8	437.7
Non-current assets	7.7	9.0
<b>Total assets</b>	<b>870.6</b>	<b>759.1</b>

At 31 December 2012, Crédit Agricole CIB's total assets were €871 billion, an increase of €112 billion compared to the 31 December 2011 figure.

### INTERBANK TRANSACTIONS

Interbank transaction assets rose by €18.2 billion (+13.4%) with mainly changes of +€14.5 billion of deposits to Central banks, +€22 billion on treasury bills and of -€18.7 billion on receivables with financial institutions (of which -€11.8 billion in repurchase agreements and -€9.5 billion in treasury investments with Crédit Agricole S.A.).

On the contrary, interbank liabilities fell by €32.3 billion of which a change of -€1 billion in repurchase agreements and -€32 billion on borrowings (including -€9 with the Bank of France and -€15 billion in cash raised with Crédit Agricole S.A.).

### CUSTOMER TRANSACTIONS

Assets rose by €12.7 billion (+9.3%), and liabilities increased by €35.3 billion (+27.7%).

The rise in assets from customer transactions has mainly come from repurchase transactions with a rise of +€24.5 billion and from the decrease of customer accounts and loans for -€12.6 billion.

As regards liabilities, repurchase agreements are also increasing by +€20 billion as well as customer accounts and borrowings by +€16.8 billion.

Liabilities and shareholders' Equity € billion	31.12.2012	31.12.2011
Interbank and similar items	85.8	118.1
Customer accounts	162.7	127.4
Debt securities in issue	47.5	48.0
Accruals, prepayments and sundry liabilities	554.4	443.6
Impairment and subordinated debt	9.2	12.1
Fund for general banking risks	0.1	0.1
Shareholders' equity (excl. FRBG)	10.9	9.8
<b>Total liabilities and shareholders' equity</b>	<b>870.6</b>	<b>759.1</b>

### SECURITIES TRANSACTIONS AND DEBT SECURITIES IN ISSUE

Security transactions and debt securities are down respectively by €8.2 billion (-20.3%) and €0.5 billion (-1.1%).

The fall in assets is mainly due to a decrease of the bonds held in trading portfolio of €3.4 billion, and by a sharp decrease of the equity trading portfolio by €4.8 billion.

### ACCRUALS, PREPAYMENTS, SUNDRY ASSETS AND LIABILITIES

Accruals mainly registered derivatives financial instruments at fair value. These amounts are reported in financial assets and liabilities measured at fair value in the consolidated financial statements.

Accruals and prepayments respectively rise by €90.1 billion in assets (+20.5%) and €110.8 billion in liabilities (+25%), mainly on interest rates swaps.

Other assets and other liabilities mostly include premiums on conditional derivative financial instruments, miscellaneous debtors and creditors and trading securities' sales and purchases transactions awaiting settlement.

### CRÉDIT AGRICOLE CIB S.A. SUPPLIER PAYMENT TIMES

Crédit Agricole CIB pays its suppliers within 27 days (median payment time).

Crédit Agricole CIB has outstanding payables of €10.9 million at 31 December 2012 compared with €14 million at 31 December 2011.

# CRÉDIT AGRICOLE CIB (S.A.)

## CONDENSED INCOME STATEMENT

€ million	2012	2011
Net banking income	3,477	3,470
Operating expenses	(2,276)	(2,456)
<b>Gross operating income</b>	<b>1,201</b>	<b>1,014</b>
Cost of risk	(198)	(486)
<b>Net operating income</b>	<b>1,003</b>	<b>528</b>
Net gain/(loss) on disposal of non-current assets	(510)	(531)
<b>Pre-tax income</b>	<b>493</b>	<b>(3)</b>
Corporate Income tax	636	703
<b>Net income/(loss)</b>	<b>1,129</b>	<b>696</b>

In a still difficult environment marked by the financial crisis, operating results are comparable to 2011. Net banking income for the year 2012 of Crédit Agricole CIB (S.A.) amounts to +€3.5 billion, stable compared to 31 December 2011.

The year 2012 saw the realization of the first effects of the adjustment plan announced on 14 December 2011 and the implementation of its business model "Distribution-Origination", centered on the distribution and service to the Group's major customers.

In a difficult market environment, Structured finance registers decreasing revenues but nevertheless manages to maintain competitive positions while the Capital market banking saw its revenues increase. The negative contribution of discontinuing activities is still decreasing compared with 2011.

General operating expenses are decreasing by €180 million (-7.3%).

Given these elements, gross operating income amounts to +€1.2 billion in 2012.

The cost of risk amounts to -€0.2 billion in 2012 (compared with -0.5 billion in 2011). The cost of risk of ongoing activities is steadily decreasing reflecting the quality of the portfolio and the strategy of prudent risk management of Crédit Agricole CIB.

The item "corporate income tax" is positive in 2012 at +€0.6 billion due to the purchase by Crédit Agricole S.A. of previous carry forward tax deficits according to the tax consolidation group (impact of +€1 billion versus €0.8 billion in 2011).

Crédit Agricole CIB is part of the Crédit Agricole S.A. tax consolidation group. The tax consolidation agreement between Crédit Agricole S.A. and Crédit Agricole CIB enables Crédit Agricole CIB to sell its tax deficits.

Crédit Agricole CIB (SA) generated a net income +€1,129 billion in 2012 compared with +€696 million in 2011. Crédit Agricole CIB France accounted for +€639 million of this profit, while its branches accounted for +€490 million.

# FIVE-YEAR FINANCIAL SUMMARY

Items	2008	2009	2010	2011	2012
Share capital at year-end (€)	3,714,724,584	6,055,504,839	6,055,504,839	6,775,271,784	7,254,575,271
Number of shares issued	137,582,392	224,277,957	224,277,957	250,935,992	268,687,973
<b>Total result of realized transaction (in € million)</b>					
Gross revenue (excl. Tax)	13,311	10,030	7,306	8,780	8,232
Profit before tax, depreciation, amortization and reserves	(2,936)	1,519	111	921	637
Corporate income tax	135	(28)	(1,179)	(703)	(640)
Profit after tax, depreciation, amortization and reserves	(4,154)	720	1,388	697	1,129
Amounts of dividends paid			955	647	
<b>Earning per share (€)</b>					
Profit after tax but before depreciation, amortization and reserves	<sup>(1)</sup> (22.32)	<sup>(2)</sup> 6.90	<sup>(3)</sup> 5.75	<sup>(4)</sup> 6.47	<sup>(5)</sup> 4.76
Profit after tax, depreciation, amortization and reserves	<sup>(1)</sup> (30.19)	<sup>(2)</sup> 3.21	<sup>(3)</sup> 6.19	<sup>(4)</sup> 2.78	<sup>(5)</sup> 4.20
Dividend per share	0.00	0.00	4.26	2.58	0.00
<b>Staff</b>					
Number of employees	<sup>(6)</sup> 7,695	<sup>(6)</sup> 7,415	<sup>(6)</sup> 7,455	<sup>(6)</sup> 7,633	<sup>(6)</sup> 6,964
Wages and salaries paid during the financial year (in € million)	855	827	888	941	953
Employee benefits and social contributions (in € million)	339	295	304	334	300
Payroll taxes (in € million)	34	33	33	30	39

The calculation of gross revenue has been made consistent with the standards practiced by the Crédit Agricole S.A. Group.

1) Calculation based on number of shares issue excluding treasury stock at end-2008, i.e. 137,582,392.

2) Calculation based on number of shares issue excluding treasury stock at end-2009, i.e. 224,277,957

3) Calculation based on number of shares issue excluding treasury stock at end-2010, i.e. 224,277,957

4) Calculation based on number of shares issue excluding treasury stock at end-2011, i.e. 250,935,992.

5) Calculation based on number of shares issue excluding treasury stock at end-2012, i.e. 268,687,973.

6) Average headcount.

# RECENT CHANGES IN SHARE CAPITAL

The table below shows changes in Crédit Agricole CIB's share capital over the last five years.

Date and type of transaction	Amount of share capital (€)	Number of shares
<b>Share capital at 31 December 2008</b>	<b>3,714,724,584</b>	<b>137,582,392</b>
28.01.2009		
Capital increase (share issuance)	2,340,780,255	86,695,565
26.08.2009		
Capital increase (issuance premiums and increase in the par value of existing shares)	2,357,161,328	
Capital decrease (appropriation of 2008 retained earnings and decrease of the par value of existing shares)	-2,357,161,328	
<b>Share capital at 31 December 2009</b>	<b>6,055,504,839</b>	<b>224,277,957</b>
<b>Share capital at 31 December 2010</b>	<b>6,055,504,839</b>	<b>224,277,957</b>
21.06.2011		
Capital increase (dividend paid in shares)	719,766,945	26,658,035
<b>Share capital at 31 December 2011</b>	<b>6,775,271,784</b>	<b>250,935,992</b>
21.06.2012		
Capital increase (dividend paid in shares)	479,303,487	17,751,981
<b>Share capital at 31 December 2012</b>	<b>7,254,575,271</b>	<b>268,687,973</b>

## AUTHORISATIONS TO EFFECT CAPITAL INCREASES

Information required by article L.225-100 of the Code de commerce:

Crédit Agricole CIB has no authorization validated, granted by the Shareholders' meeting to the Board of Directors, to proceed to capital increases.



# RISKS FACTORS AND PILLAR III

## RATIOS AT 31 DECEMBER 2012

The table below sets out the CRD solvency ratio and details the risks faced by the Crédit Agricole CIB Group measured on a credit-risk equivalent basis (after counterparty weighting), along with the level of regulatory capital, calculated in accordance with the regulation.

€ billion	31.12.2012	31.12.2011
<b>Tier I capital [A]</b>	<b>17.9</b>	<b>18.5</b>
Capital and reserves, Group share	14.3	14.9
Minority interests	0.1	0.1
Capital included in core capital with the agreement of French Prudential Supervisory Authority	0.0	0.0
Hybrid securities	5.1	5.2
Deductions of intangible assets	(1.2)	(1.8)
Other deductions	(0.4)	
<b>Tier II capital [B]</b>	<b>1.2</b>	<b>3.3</b>
<b>Tier III capital</b>	<b>0.0</b>	<b>0.0</b>
<b>Deductions from Tier I capital and Tier II capital</b>	<b>(2.4)</b>	<b>(3.7)</b>
Deductions from Tier I capital [C]	(1.2)	(1.8)
Deductions from Tier II capital [D]	(1.2)	(1.8)
Deductions of Insurance companies equity	0.0	0.0
<b>Total available capital</b>	<b>16.7</b>	<b>18.1</b>
Tier 1 [A - C]	16.7	16.6
Including Core Tier 1	13.3	13.3
Tier 2 [B - D]	0.0	1.5
Tier 3	0.0	0.0
Credit risks	87.1	100.6
Market risks	10.9	31.0
Operational risks	13.9	13.3
Total risk-weighted asset pre-floor	111.9	144.8
Total Basel I risks	165.1	185.3
<b>Core Tier One ratio</b>	<b>11.9%</b>	<b>9.2%</b>
<b>Tier 1 Ratio</b>	<b>14.9%</b>	<b>11.5%</b>
<b>Overall solvency ratio</b>	<b>14.9%</b>	<b>12.5%</b>

At 31 December 2012, the Crédit Agricole CIB Group's Basel II overall solvency ratio is 14.9%, including 11.9% for the Core Tier 1 ratio.

Changes in the various components of this ratio are analysed below: Tier I capital stands for €16.7 billion at 31 December 2012.

The €0.1 billion increase in 2012 was due to several factors:

- 2012 net income (- €0.6 billion);
- the decrease of deduction related to intangible assets and goodwill (+ €0.6 billion);
- the rise in other deductions that are linked to the return risk on the correlation book (- €0.4 billion);
- the reduction of deduction on Tier 1: +€0.6 billion;
- the currency effect: -€0.2 billion.

The supplementary capital decreased by €1.5 billion because of the reduction of deductions affecting both Tier 1 and Tier 2 (+€0.6 billion) and also due to the repayment of a subordinated emission combined with a prudential depreciation on securities in capital Tier 2 (-€2.1 billion).

Basel II risk-weighted assets totaled €111.9 billion at 31 December 2012, a 23% decrease relative to the €144.8 billion figure at end-2011.

The €32.9 billion (€32 billion excluding currency effect) decrease broke down as follows:

- credit risks declined by €13.5 billion over the period (a decrease of €13 billion excluding the currency effect): financing activities suffer a significant decrease, as market counterparty risks, due to the actions following the expected implementation of CRD IV;
- market risks dwindled by €20.1 billion in equivalent risk-weighted assets due to the market risks transfer from the correlation book to the Blue Mountain Alpine funds (Marylebone operation);
- operational risk amounted to €13.9 billion, a rise of €0.6 billion compared with late 2011;

**Crédit Agricole CIB would like to thank its clients in particular for their participation in this activity report**

Marguerite Fund, European Financial Stability Fund, Petroleos Mexicanos, Bonduelle Group, Xuzhou Construction Machinery Group, Willis Lease Finance Corporation, Alstom, Air Liquide Group, African Development Bank, Icade, Inpex, Total.

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9 quai du Président Paul Doumer  
92920 Paris La Défense Cedex  
France  
+33 (0)1 41 89 00 00

[www.ca-cib.com](http://www.ca-cib.com)