



PRESS
RELEASE

Montrouge, December 12, 2019

UNCHANGED ECB CAPITAL REQUIREMENTS FOR 2020

The European Central Bank (ECB) has just notified Crédit Agricole Group and Crédit Agricole S.A. of their capital requirements following the completion of the Supervisory Review and Evaluation Process (SREP), confirming the current level of requirements in respect of Pillar 2 (P2R) i.e. 1.5% for Crédit Agricole Group and for Crédit Agricole S.A.

Crédit Agricole Group must comply with a CET1 ratio of at least 9.7% from 1 January 2020, including Pillar 1 and Pillar 2 capital requirements as well as the applicable combined buffer requirement (conservation buffer of 2.5%, buffer for systemically important institutions of 1% and countercyclical buffer estimated at 20 bps as of 1 January 2020). Crédit Agricole S.A. must comply with a CET1 ratio of at least 8.7% from 1 January 2020, including Pillar 1 and Pillar 2 capital requirements as well as the applicable combined buffer requirement (conservation buffer of 2.5% and countercyclical buffer estimated at 17 bps as of 1 January 2020).

The CET1 ratio of Crédit Agricole Group stood at 15.5% at end-September 2019 and would have amounted pro-forma to 15.7% at the same date taking into account the Conseil d'Etat decision on 8 November 2019 in relation to Emporiki(1). Crédit Agricole Group shows, as a result, one of the highest solvency levels amongst European peers, well above the minimum CET1 requirement of 9.7%.

As the central body of Crédit Agricole Group, Crédit Agricole S.A. fully benefits from the legal solidarity mechanism as well as internal flexibility on capital circulation within the Group. Crédit Agricole S.A.'s CET1 ratio stood at 11.7% at end-September 2019 and would have amounted pro-forma to 12% at the same date taking into account the Conseil d'Etat decision on 8 November 2019 in relation to Emporiki, a level well above the Medium Term Plan target of 11%.

In this context, Crédit Agricole S.A. confirms its intention to start the partial dismantling of the Switch guarantee mechanism in early 2020, if conditions allow so. Without any impact on Crédit Agricole Group CET1 ratio, this operation will lower Crédit Agricole S.A. CET1 ratio and improve its earning capacity.

(1) The Conseil d'Etat has recognised the deductibility of a charge incurred by Crédit Agricole S.A. in 2012 on the occasion of the disposal of the Greek bank Emporiki, which will translate in the fourth quarter results of 2019 into a provision write back amounting to EUR 1,038 million.