

Cariparma Crédit Agricole Group

A sound banking Group in the Italian landscape

Covered Bond Programme Update

September 2016

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5	Italian Housing Market
6	Cariparma Crédit Agricole Group Residential Mortgage Loan Business
7	Cariparma OBG Programme
8	Appendices
9	Contact list



Cariparma Crédit Agricole Group Highlights

- Cariparma Crédit Agricole Group (GCRP) is 76.5% controlled by Crédit Agricole S.A., alongside Regional Banks, which own 10% (via Sacam International)
- The Group operates in prosperous northern Italy; over 1.7mn customers in Italy at end-2015
- 7th player in the Italian banking sector by on and off-balance sheet assets at end-2015
- 8th largest retail bank in Italy by number of retail branches, with 834 branches at end-2015
- Customer loans: €38bn at June 2016
- Net Income Group share: €220.7mn in 2015 (+37.8% YoY) and €123m at H1-16 (-12.8% YoY)
- Ambitious 2016-2019 Medium-Term Plan announced on 9 March, 2016
- Cariparma is rated A3/Stable/P-2 by Moody's, the highest rating assigned among Italian banks

Covered Bond Activity

- 2013: Cariparma OBG Programme of €8bn created
- 2013: Retained issue of €2.7bn
- 2014: Inaugural market issue of €1bn
- 2015: Market issue of €1bn
- The covered bonds issued by Cariparma are rated Aa2 by Moody's



**Cariparma Crédit
Agricole Group
Funding Strategy**

- Cariparma is funded mostly by customers, through deposits and senior unsecured bond issues placed via retail branches; the average maturity of these issues is 3.5 years

- The covered bond market has offered Cariparma
 - ➔ Access to longer term maturities
 - ➔ Diversification, in terms of funding tool and broad market investor base

- The issuance of covered bonds
 - ➔ Provides for a countercyclical, long-term refinancing option as part of the Group's funding mix
 - ➔ Allows for the optimisation and stabilisation of long-term funding costs
 - ➔ Is in line with Crédit Agricole S.A.'s strategy of limiting cross-border funding flows

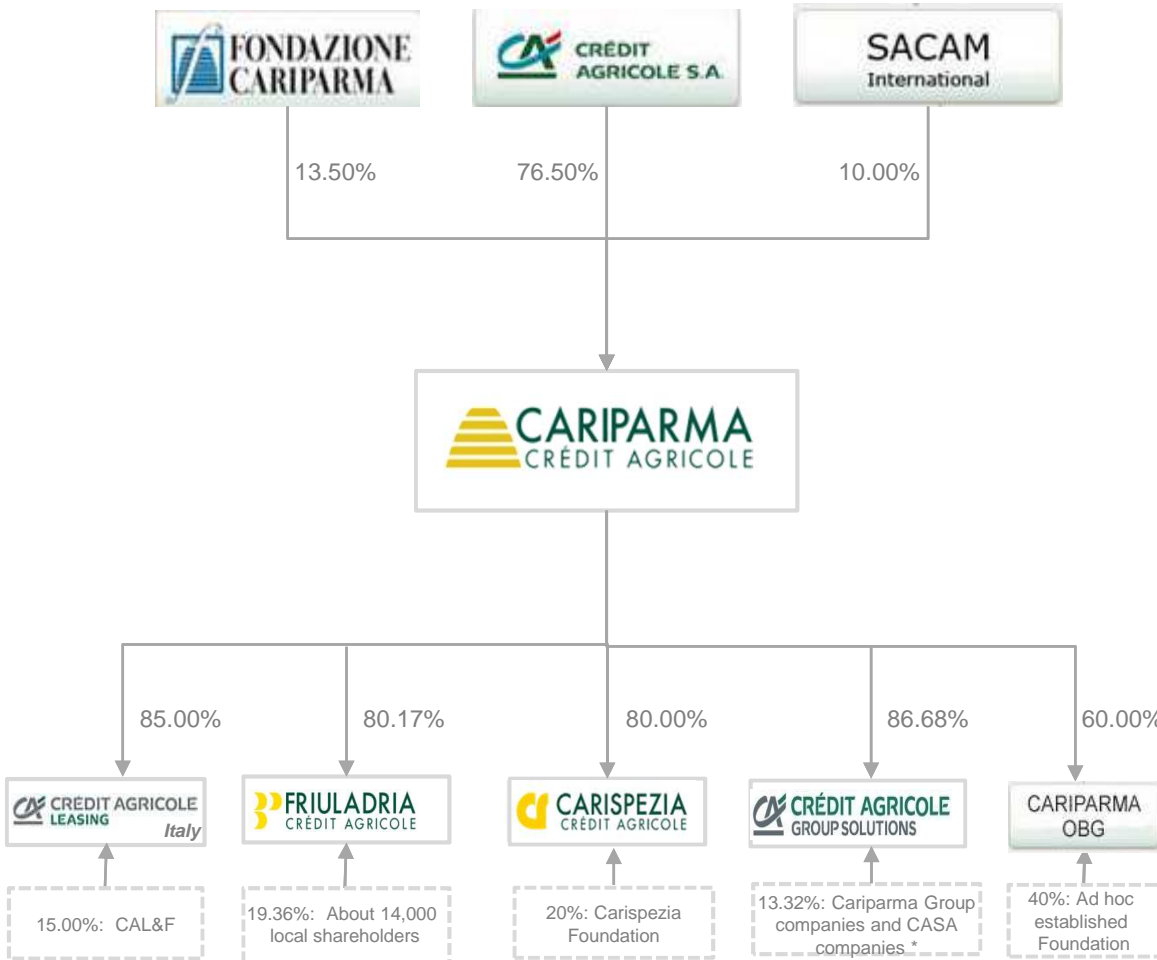
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2 Cariparma Crédit Agricole Group

Organisation & History



- 2006**
 - Significant development of Crédit Agricole Group's International retail banking business line with the announced acquisitions of Cariparma, FriulAdria and 202 Banca Intesa branches in Italy
- 2008**
 - Creation of Calit; acquisition from Intesa of a leasing portfolio originated by Cariparma
- 2009**
 - Cariparma takes control of Crédit Agricole Leasing Italy from CAL&F
- 2011**
 - Acquisition of 96 branches and Carispezia from Intesa Sanpaolo S.p.A.
- 2013**
 - Creation of Cariparma OBG
- 2015**
 - Creation of Crédit Agricole Group Solutions: Group Services Company (IT, real estate, back-office)



* Crédit Agricole Group Solutions shareholders: Cariparma (86.68%), Friuladria (8.75%), Carispezia (2,50%), Crédit Agricole Leasing Italia (1.19%), Agos (0,75%), Eurofactor (0,06%), Amundi SGR (0,06%), Amundi RE Italia SGR (0,01%)

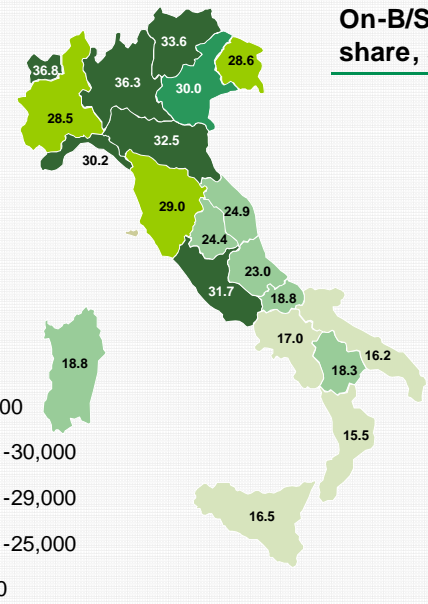


- Over 1.7 million customers at end-2015*

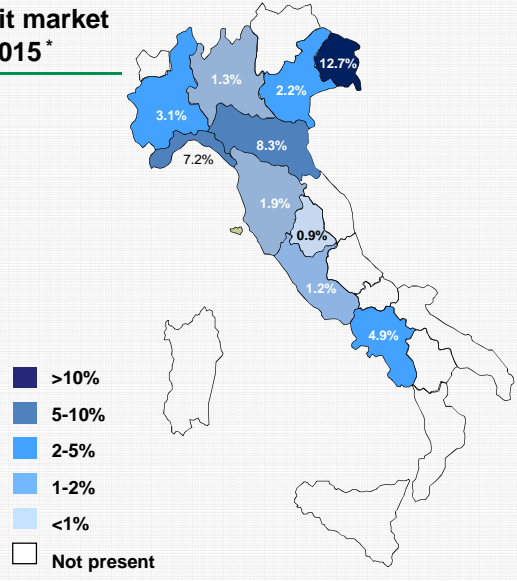
Exposure to individual customers, specifically the **high net worth** segment, above the Italian banking sector average
- Total assets: €51.4bn in 2015 (-1.6% YoY),
- €38bn (+4%YoY) in on-balance sheet deposits and debt securities issued at June 2016**
 - Market share: 2.32%*** at national level
- €64bn (+7%YoY) in off-balance sheet savings at June 2016**
- €38bn (+2%YoY) in customer loans outstanding at June 2016**
 - Market share: 2.40%*** at national level
- Employees: 8,197 at end-2015*

- 7th largest retail banking group in Italy by on and off-balance sheet assets*
- 8th largest retail bank in Italy with 834 branches (889 point of sales including Private, Enterprise and Corporate Centers)*
- Operating in the **prosperous regions of Northern Italy** which have a higher GDP per capita and a lower unemployment rate than the French average

GDP per capita by region, in €K in 2014



On-B/S deposit market share, 31/12/2015*



Source: Italian statistics, 2014

* Includes deposits and bank bonds (based on Bank of Italy data)

* Source: 2015 Annual Report and Financial Statements
 ** Source: June 2016 Consolidated Financial Report
 *** Source: Bank of Italy. Publicly disclosed data as at December 2015

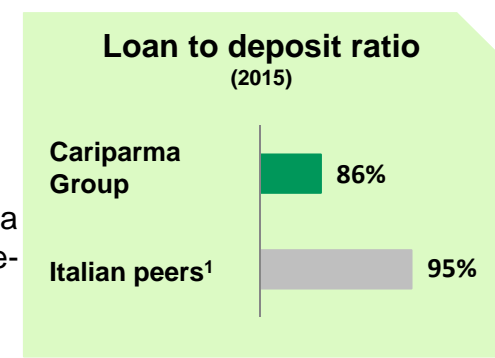
2 Cariparma Crédit Agricole Group

2014-2016 Medium-Term Plan achievements underpin new 2016-2019 Plan



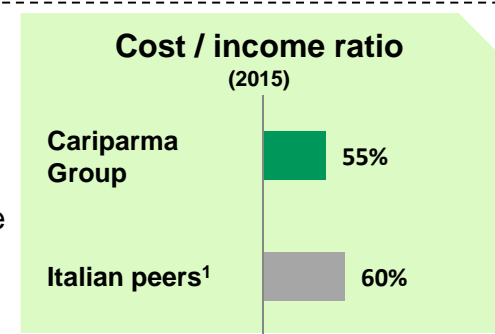
Balanced growth with an acceleration in off-balance sheet savings

- **Sustained growth in customer assets**, +11% since end 2013, including +34% in life insurance and mutual funds, bringing a significant contribution to intragroup synergies
- **Controlled growth in lending**: +2% over the same period
- **Positive trend in revenues**, +6% 2015 vs 2013, driven by a decrease in the cost of deposits and shift in mix towards fee-earning products
- **Excellent liquidity level**



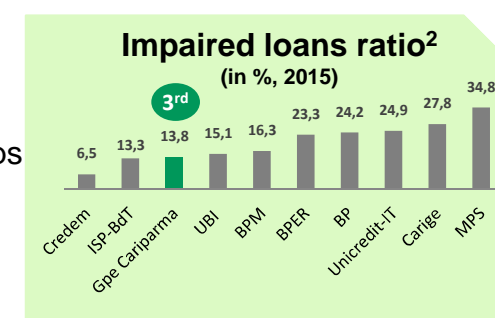
Modernisation of branch network and completion of the cost cutting plan initiated in 2012

- **More than 220 cashless branches**, generating a significant efficiency gain and a 5 points decrease in the cost/income ratio from 2013 to 2015 (excluding SRF)
- **Best-in-class operational efficiency** linked notably to the voluntary redundancy plan (>450 departures since 2014) and to investments in innovation



Cost of risk returning to normal

- **First results emerging from the implementation of new tools and processes** and from the strengthening of the loan-recovery process
- **Improvement in cost of risk**, down from more than 140 bps in 2013 to 117 bps in 2015.
- Among the best in the Italian market in terms of impaired loans ratio



1. Panel of 9 retail banks: Unicredit Commercial Italy, ISP Banca dei Territori, Credem, UBI, BPER, Carige, BPM, BP, MPS. Costs excluding SRF, deposit guarantee fund and Italian bail-out plan in 2015 Source: Banks' financial communications

2. Gross. Panel of 9 retail banks. Italy scope for Unicredit. Data at Sept-2015 for BMPS and Credem. Source: Banks' financial communications

2 Cariparma Crédit Agricole Group

Crédit Agricole Group has strong growth ambitions for Cariparma and Italian operations

Impressive Performances in Italy at end-2015

3.5 million customers	€123bn¹ of deposits and assets under management
12 000 employees	€57bn¹ of loans outstanding

€3.1bn¹ of revenues, ~18% of Crédit Agricole S.A.'s revenues	> €570m of synergies in revenues (vs 2016 target of €500m)
x 3 growth in NIGS Italy between 2013 and 2015	

All of the Group's business lines are in marching order to expand the business in Italy



Change in our retail banking brands in Italy scheduled for 2016 to strengthen the Group belonging and reflect our growth ambitions in Italy

Strong growth ambitions in Italy articulated in a new 2016-2019 Medium-Term Plan

Develop all the specialised businesses in synergy with the Cariparma Group

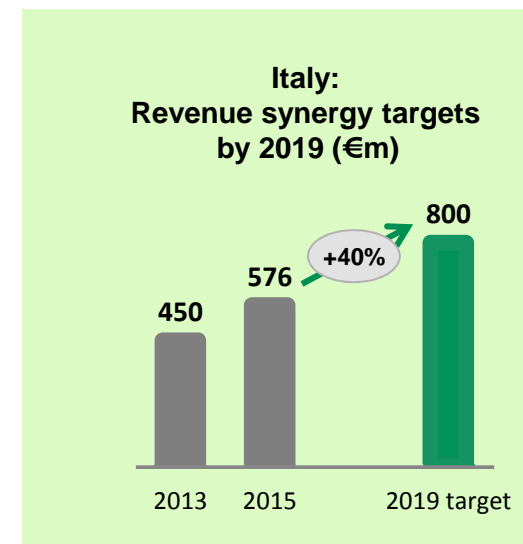
- Growth in off-balance sheet customer assets with Amundi and CAA
- Strong increase in consumer finance production with Agos
- Step-up cooperation with CACIB in the mid-corp segment

Expand distribution capacities in Italy through

- On-line platform providing all Group products
- Network of financial advisers specialised in savings management

Continue to pool resources to reduce costs

- Crédit Agricole Group Solutions set up
- Cross-border funding and cost reduced throughout domestic cash management



1. Aggregate data for the Group's business in Italy, FCA Bank's Italian business 50% integrated

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Cariparma's activities accelerated in Q2-16

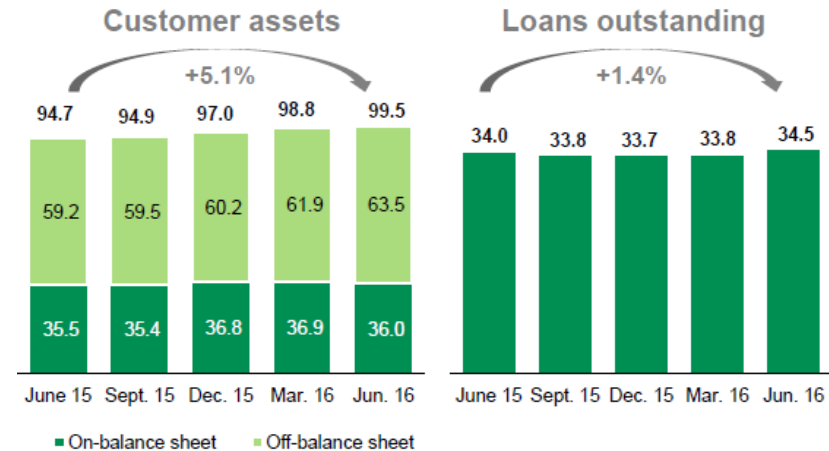
■ Good business momentum

- ➔ Loans outstanding up (+1.4%) driven by home loans: +4.0% June/June
- ➔ Further growth in customer assets
 - Deposits: +1.5% June/June
 - Strong growth in off-balance sheet savings: +7.3% June/June (+6.3% for life insurance and mutual funds) despite a slowdown in Q1-16 due to market conditions and high base of comparison in Q1-15

■ Q2-16 net income Group share: €43 m (+15.5% Q2/Q1)

- ➔ Revenues: +3.8% Q2/Q1 and -7.9% Q2/Q2
 - Net interest income down
 - Impact of falling interest rates and spreads
 - Tougher competition for best clients
 - Fee and commission income: -7%, mainly due to a high base of comparison (large off-balance sheet inflows in H1-15)
- ➔ Expenses under control: +0.4% Q2/Q2
 - Satisfactory cost/income ratio (57.2% ⁽¹⁾)
- ➔ Cost of risk down: €82m (-17% Q2/Q2)
 - Impaired loans ratio down slightly to 13.6%
 - Further improvement of the coverage ratio (including collective reserves) at 46.3% vs 45.6% at end-March 2016
 - Further reduction in new defaults: -11% Q2/Q2

Activity indicators (€bn)



Contribution to Crédit Agricole S.A. results (€m)

€m	Q2-16	Δ Q2/Q2	H1-16	Δ H1/H1
Revenues	413	(7.9%)	811	(6.4%)
Expenses excl. SRF	(236)	+0.4%	(461)	+0.4%
SRF	(2)	n.s.	(10)	n.s.
Gross operating income	175	(18.0%)	340	(15.1%)
Cost of risk	(82)	(17.0%)	(167)	(15.2%)
Net income	59	(19.9%)	110	(13.9%)
Net income Group share	43	(20.1%)	81	(13.5%)

Net income of Cariparma Group⁽²⁾: €70m in Q2-16 and €123m in H1-16
 NIGS of Crédit Agricole S.A. entities in Italy: €117m in Q2-16 and €237m in H1-16

(1) Except SRF

(2) Based on local scope of consolidation

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Cariparma Crédit Agricole Group Financial Highlights

Cariparma Crédit Agricole Group: key indicators at 30/06/2016



LOANS (€m)		FUNDING (€m)		CAPITAL AND LIQUIDITY RATIOS (€m)	
Loans to customers	37,597	Funding from customers & debt securities issued	38,293	CET1*	2,668
				Own funds	3,150
Loans to banks	1,830	Due to banks	3,296	RWA	23,694
		<i>o/w Crédit Agricole S.A.</i>	984	CET1 ratio*	11.3%
		Indirect funding from customers	63,527	Total capital ratio	13.3%
		<i>o/w asset management</i>	26,605	Liquidity Coverage Ratio (LCR)	104%
		<i>o/w assets under administration</i>	36,922		

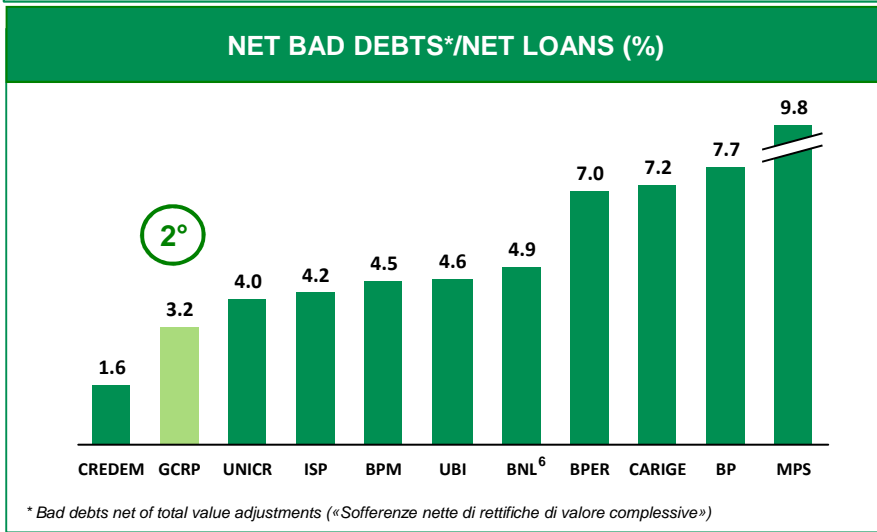
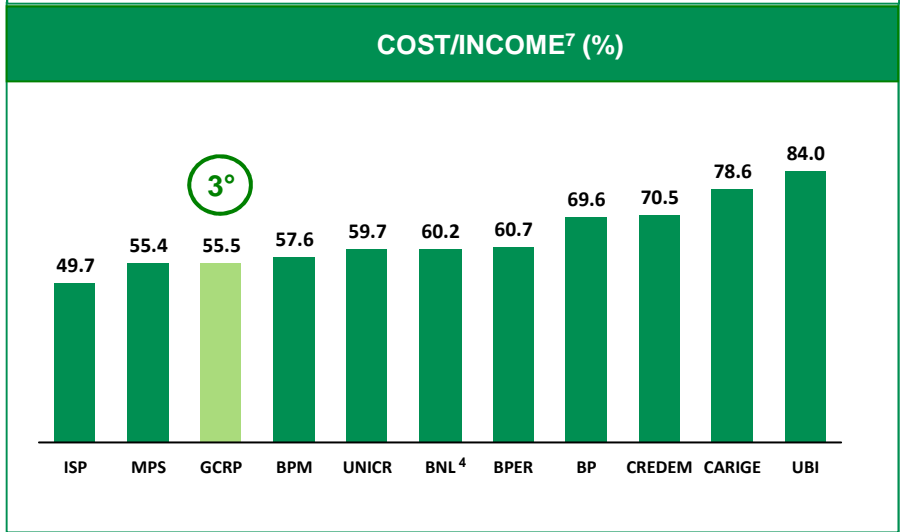
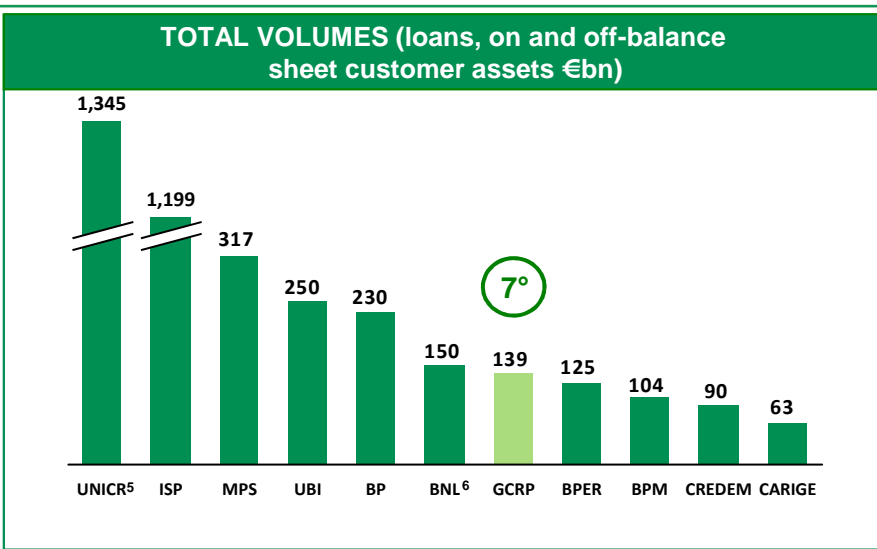
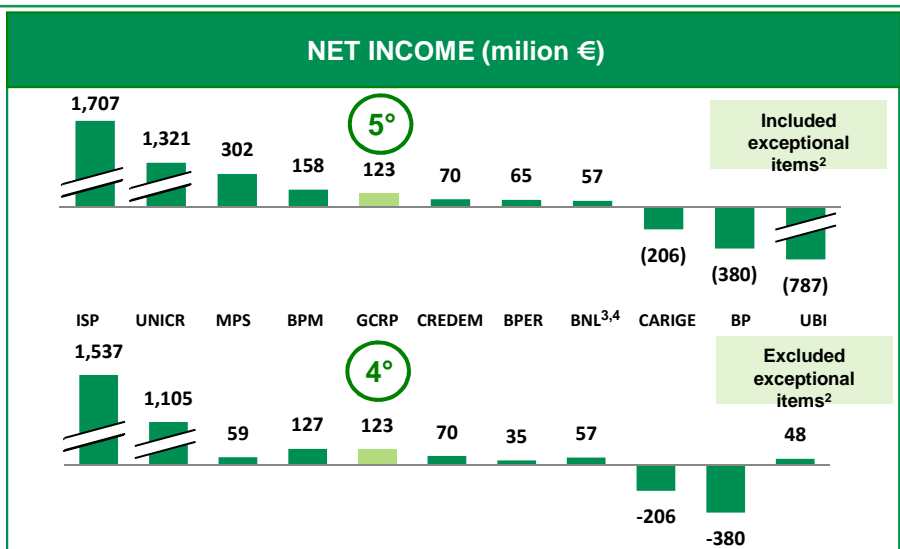
RATIOS		RATINGS		
Cost/Income (excl. Single Resolution Fund)	55.5%	Moody's	A3	Stable
Cost of credit (net)% loans (net)	92 bps	Covered bonds rating assigned by Moody's	Aa2	
Bad Debts (gross)% loans (gross)	7.1%**			
Bad Debts (gross) coverage ratio	57.3%**			
NPL (gross) % loans (gross) coverage ratio	12.9%**			
NPL (gross) coverage ratio	41.7%**			

* Phased-in

** Bad Debts should be understood as «Sofferenze», whilst Non-Performing Loans should be understood as «Crediti deteriorati» as defined by the Bank of Italy (Circ. 272/2008 Bank of Italy 8th update)

3 Cariparma Crédit Agricole Group Financial Highlights

Cariparma Crédit Agricole Group: ranking¹ at 30/06/2016

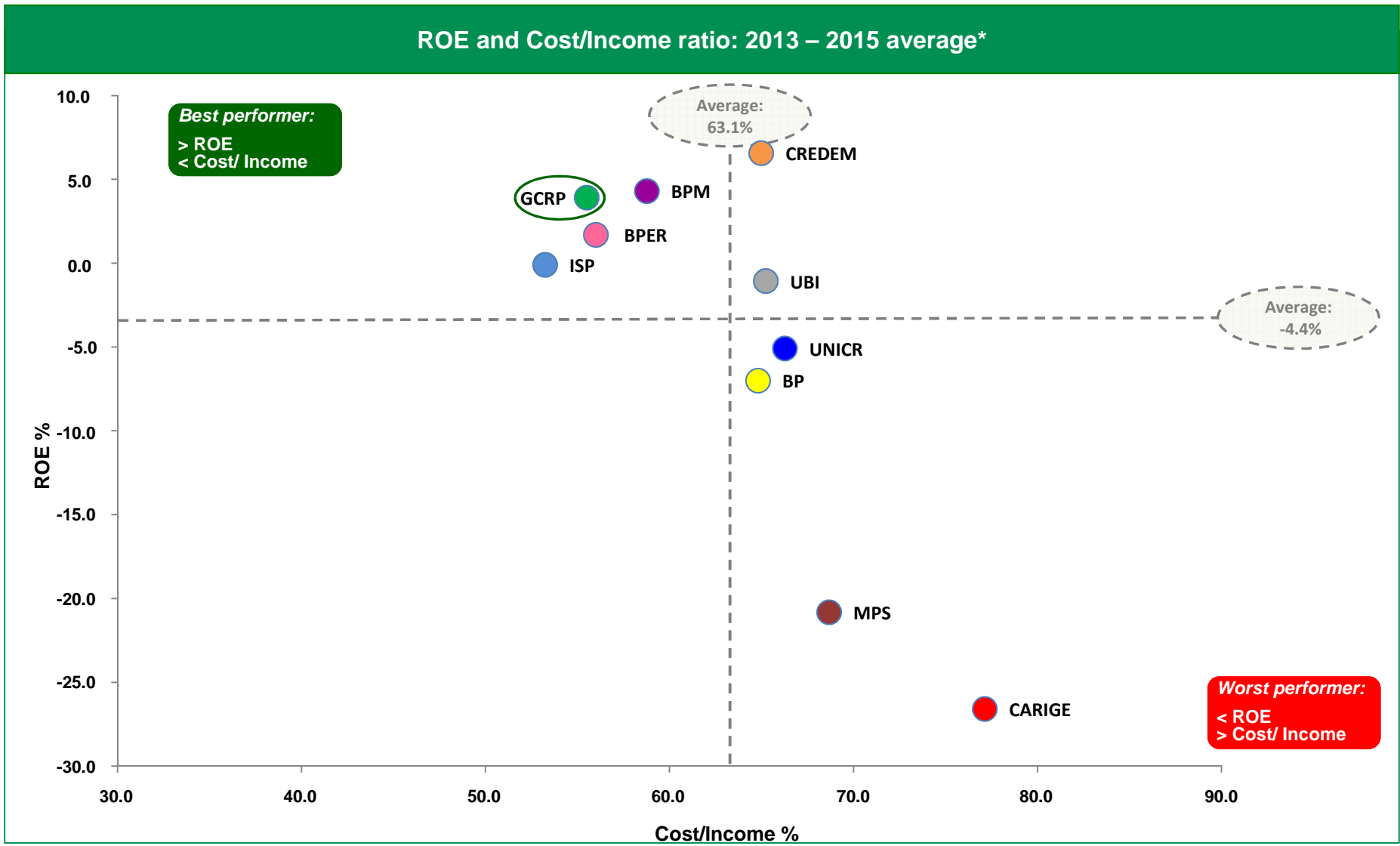


1 Source: H1-16 Italian banking groups' results disclosures
 2 ISP (profit from disposal of Visa Europe €170m); UNICR (profit from disposal of Visa Europe €216m); MPS (DTA €109m and tax benefit €134m); BPM (profit from disposal of Anima €10m and revaluation of SelmaBPM Leasing €21m); BPER (profit from disposal of Visa Europe stake €30.2m); UBI (exceptional expenses for business plan implementation €-835m)
 3 BNL: Income before tax

4 BNL commercial bank data
 5 UniCredit indirect funding at 31/12/2015
 6 BNL Group data at 31/12/2015
 7 Excluding SRF

3 Cariparma Crédit Agricole Group Financial Highlights

Cariparma Crédit Agricole Group: ROE & C/I Ratios better than Italian peer average



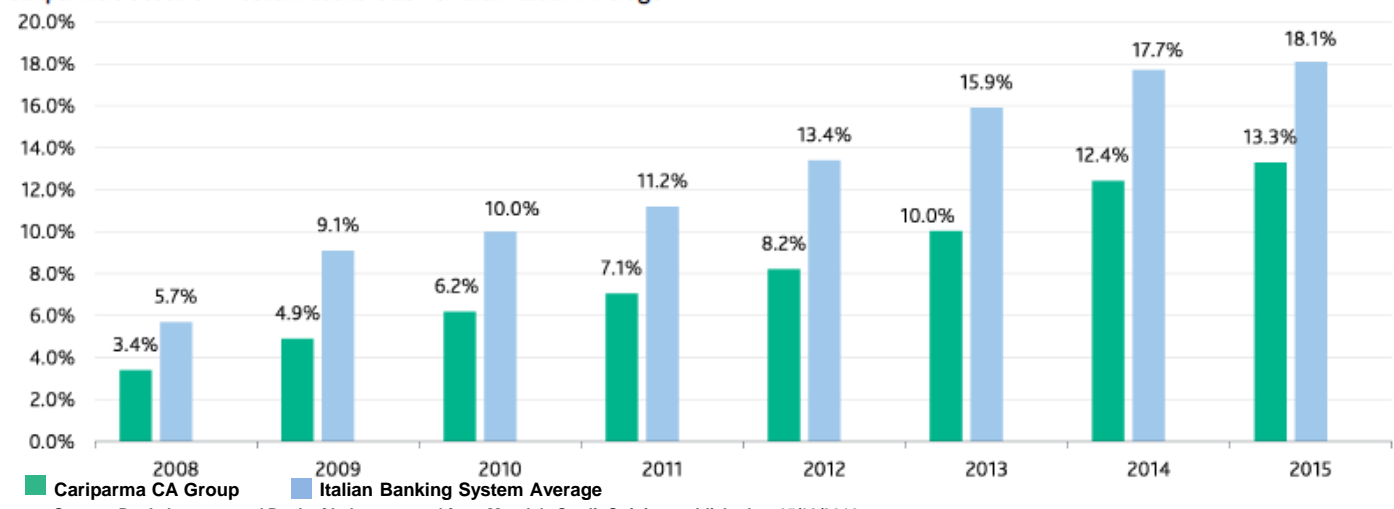
* Source: 2013, 2014 and 2015 Annual Reports; ROE ratio: equity excluding net income; Cost/Income excluding Single Resolution Fund (SRF) and Deposit Guarantee Schemes (DGS)

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Cariparma Crédit Agricole Group Financial Highlights

Cariparma Crédit Agricole Group's stock of problem loans lower than Italian average

Cariparma's Stock of Problem Loans* is Lower than Italian Average



Source: Banks' reports and Bank of Italy, extracted from Moody's Credit Opinion published on 05/08/2016

Italian Banks Have a High Proportion of Problem Loans*

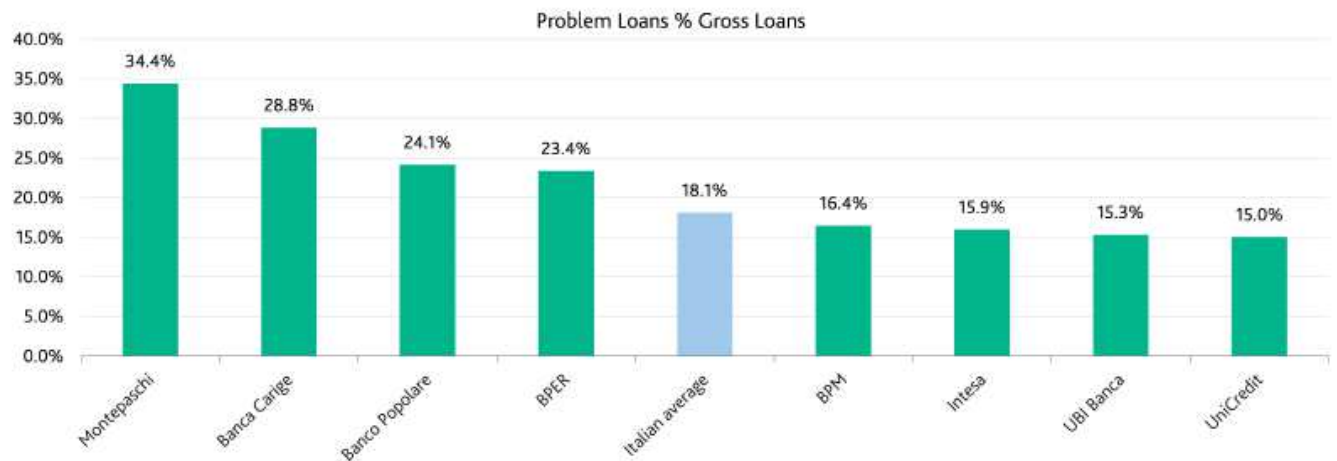


Chart above captures Italian banks that (i) are subject to ECB supervision and (ii) issue covered bonds that we rate.
 Source: Bank's reports and Bank of Italy's Financial Stability Report, data as of March 2016 except for Italian average, as of December 2015.
 Source: Moody's - Sector Comment - Covered Bonds Italy published on 05/08/2016

* Problem loans is the sum of three categories (from worst to best): (1) Bad loans (in Italian, "sofferenze": loans to insolvent borrowers); (2) Unlikely to pay (in Italian, "inadempienze probabili"); (3) Past Due (in Italian, "esposizioni scadute e/o sconfinanti deteriorate: past due by more than 90 days. For further details please refer to our Sector In-Depth entitled "Italian Banks Implement New Problem Loan Definition";

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Initiatives supported by

- An investment plan of almost €625m
- An operational efficiency programme to finance growth



▶ Accelerate growth in savings management

- **Create a network of 300 financial advisers** (employees of the bank) with a high expertise in advice and sales provided at the customer's home
- **Broaden Private Banking services** for mass-affluent customers

▶ Accelerate customer capture through home loans

- **Launch an *e-immobilier* website**
- **Increase market share in home loans**

▶ Attract digital customers

Launch a proprietary brand online platform providing a complete offer of products and services

- Meet the expectations of young customers
- Support growth in areas not served by the physical branch network
- Distribution of all Crédit Agricole Group products



▶ Transform our model to improve customer service

- Simplify processes and key services
- Implement a new customer relationship model
- Provide training programmes for advisers / change management

▶ Strengthen integration between the branch and digital channels

- Better integration of the various channels (including digital) through multi-channel advisers and a new CRM system
- Advice-oriented branches, 50% of cashless branches in 2019

▶ Stimulate online banking

- Launch an e-agency offering all the services of a traditional branch through online advisers
- Actively promote mobile apps and digitalisation of processes

TARGETS



- Continue to improve our net promoter score
- Increase multi-channel customers from 18% to 40%
- Increase mobile customers from 7% to 25%



- ▶ **Reinforce our brand affiliation with the Crédit Agricole Group**
 - A change in the Cariparma Group brand is scheduled to capitalise on the Crédit Agricole Group membership

- ▶ **Improve our presence in the mid-corp segment by leveraging CACIB's expertise**
 - Expand Cariparma's presence in the **mid-corp segment**
 - Work with CACIB on **selling capital markets products and origination/arrangement solutions** adapted to mid-corp needs

- ▶ **Confirm on our niche strategy in the Agri-business sector**
 - Adopt a **service and distribution model dedicated to Agri-business customers**
 - Develop **intermediated lending** through the Agilor platform¹

New brand
to be launched H2 2016

+€1.3bn

in mid-corp lending
in 2019

+ €1bn

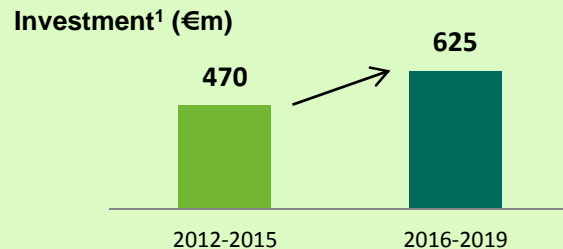
in Agri-business lending
in 2019

1. Agricultural machinery financing platform developed by CA Group



▶ An investment plan of almost €625m

Increase the proportion of investment in process optimisation, IT security and digital transformation



HR plan to attract new talents

- Acquire specialised skills in key growth areas
- Attract new young talents with the support of Crédit Agricole Group's HR programmes
- Increase employee's mobility between our two domestic markets, France and Italy

▶ New measures to improve operational efficiency

Branch network

- 50% of cashless branches by 2019
- Selective closure of ~40 branches, with new branches opened in strategic areas

Simplify processes and reduce costs

- Centralise back offices and rationalise the activities
- Optimisation process alongside digital transformation
- Transform IT operations and core banking by CA Group Solutions platform

Drastically streamline the loan approval and follow up processes

1. Investments on a cash-out basis



Strong ambitions built on strengthened operational efficiency and Bank's financials since 2013

▶ **COMMERCIAL TARGETS**

+2% p.a. on-balance sheet deposits	+ 5% p.a. loan book
+12% p.a. mutual fund and life insurance	+20% home loan production vs 2015
<p>2 million customers in 2019</p>	

▶ **FINANCIAL TARGETS**

<p>+ ~3% p.a. revenue growth from 2015 to 2019</p>	
~ 55% cost/income ratio in 2019	€625m of cumulative investments ¹ in 2016-2019
< 60 bps cost of risk	> 16% RoNE

1. Investments on a cash-out basis

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5 Italian Housing Market

Moving towards a phase of price stability and an increasing number of transactions

■ **After reaching the lowest point in 2013, residential transaction volumes began to recover, as well as the volume of the mortgage loans disbursed**

- ❑ Since the 2006 peak, the number of residential transactions has halved
- ❑ The number of residential transactions rose by +6.5% in 2015 vs. 2014 to 449,000 and by +9.4% Q4-15 vs. Q4-14 (source: Agenzia delle Entrate) thanks to an improved access to credit, lower interest rates and a favorable tax regime
- ❑ Mortgage loan volumes increased by +19.5% in 2015 vs 2014 (source Agenzia delle Entrate), the average amount disbursed totalled €119K, the average maturity was 22.5 years in Italy* vs 25 years in the EU area, and the average interest rate (on the first installment) fell by 0.65 percentage point to 2.75% on average in 2015
- ❑ Growth will continue in 2016-2018, the volume transactions threshold of 500,000 is expected to be exceeded (source: Nomisma)

■ **The fall in prices is slowing down**

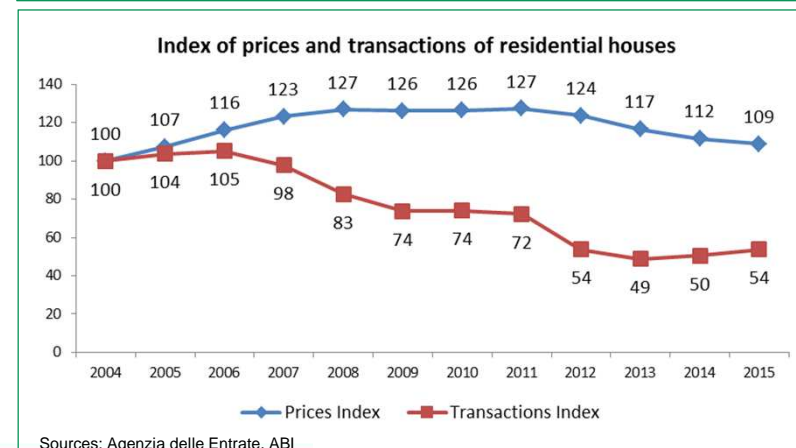
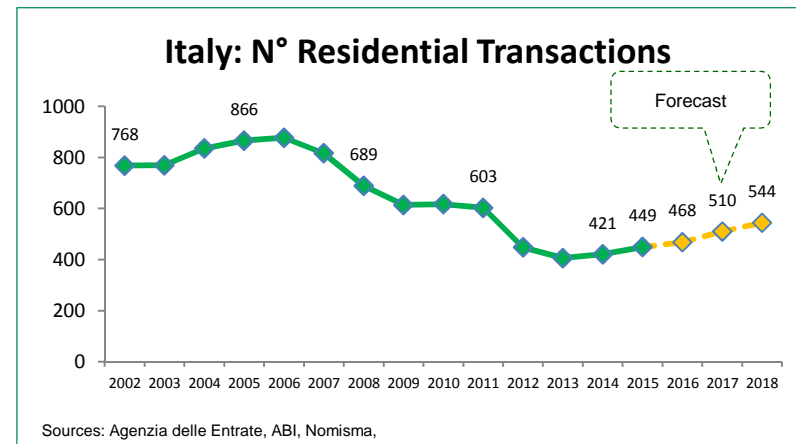
- ❑ The market is not characterised by excess supply. Public housing is limited
- ❑ The price adjustment has been slower than the adjustment in volumes from the 2008 peak
- ❑ The fall in prices in 2015 (-1.5%) is expected to slow down in 2016 (-0.8%); a turnaround is expected in 2017 with a slight growth (+1.1%) that will be consolidated in 2018 (+2.1%) (source: Nomisma)

* vs average maturity of 22 years for the loans originated by Cariparma in 2015

Forecast residential market.

	2016	2017	2018
Transactions	+5.3%	+8.9%	+6.8%
Prices	-0.8%	+1.1%	+2.1%

Sources: Nomisma, Crédit Agricole S.A.



5 Italian Housing Market

A sound mortgage loan market: not oversized and low sustainable indebtedness

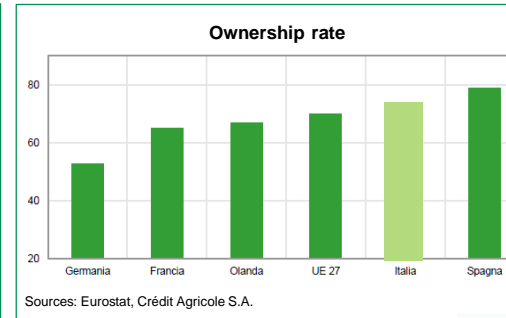
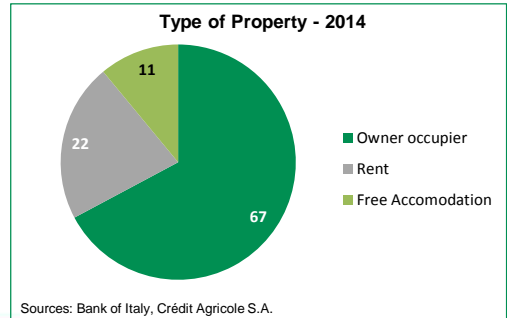
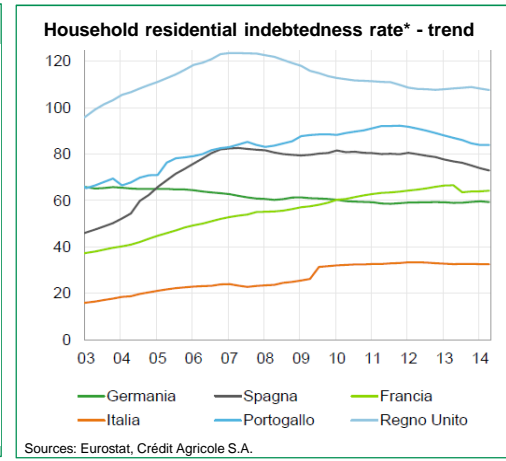
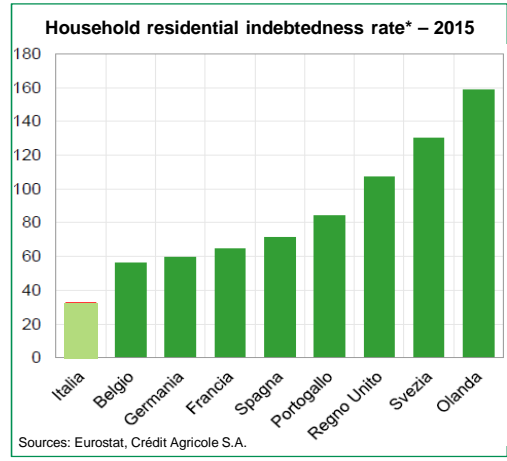
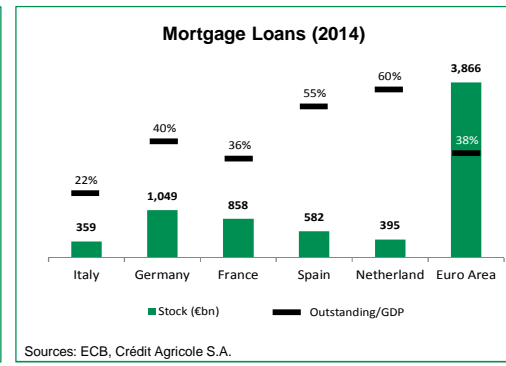
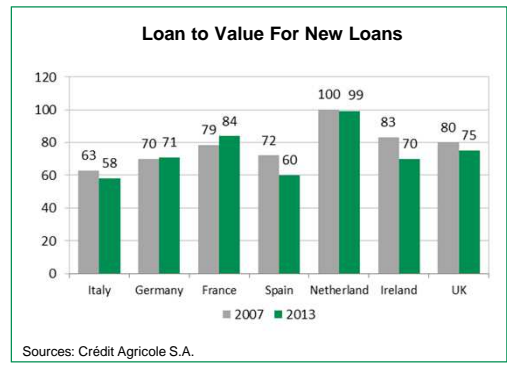


- The Italian mortgage loan market is small compared to that of other European countries, with levels of LTV for new loans stable despite the crisis
 - Italian residential mortgages loans / GDP ratio = 22.2% vs. 38.1% for Euro area (at December 2014)
 - Italy is the third economy in the Euro area but only the fifth mortgage loan market

- The Italian household indebtedness rate* is lower than that of international peers

- The high ownership rate (above the 70%) is among the highest in the EU and limits both sales volumes and mortgage loans' market growth

- Supporting factors
 - The Italian market is sustained by tax incentives regarding:
 - Property restructuring (tax-deductibility)
 - Buy-to-let (tax deductibility by law decree "Sblocca Italia")
 - Residential Real Estate Lease (introduced by the "Legge di Stabilità" 2016)
 - ECB monetary easing measures



* Household indebtedness rate: Housing debt/ disposable income

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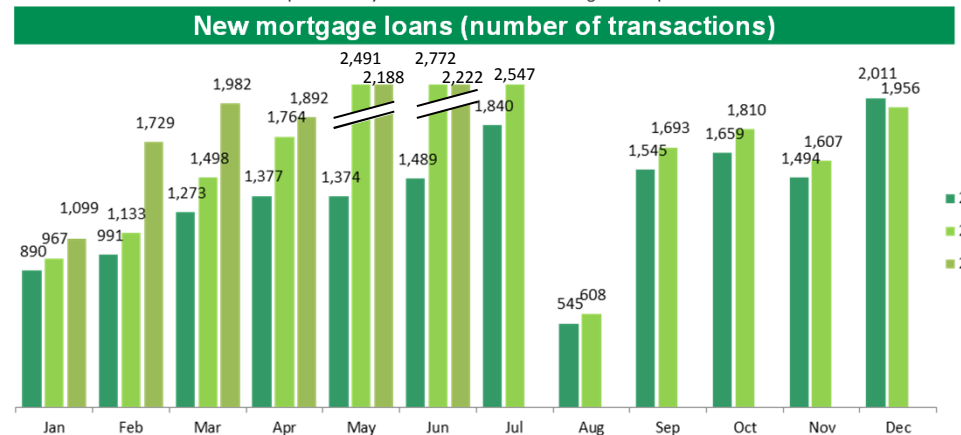
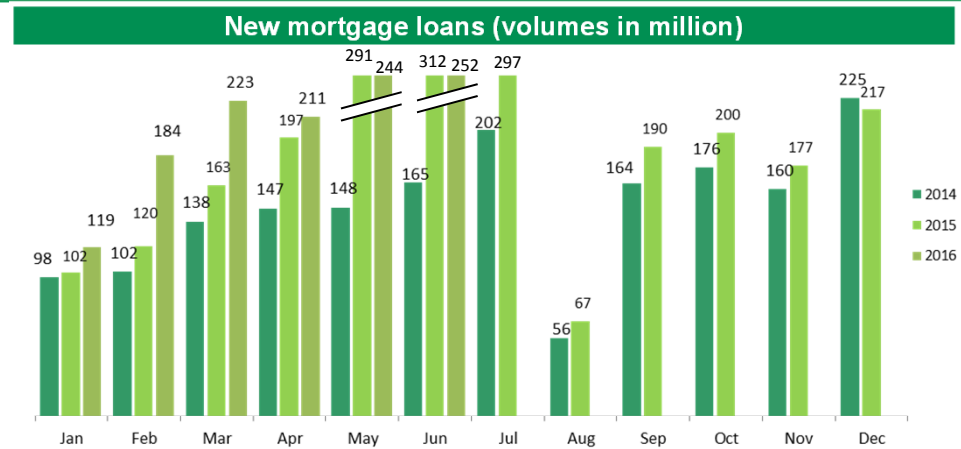
6 Cariparma Crédit Agricole Group Residential Mortgage Loan Business Highlights

■ Cariparma Crédit Agricole Group: a significant player in Italian residential financing:

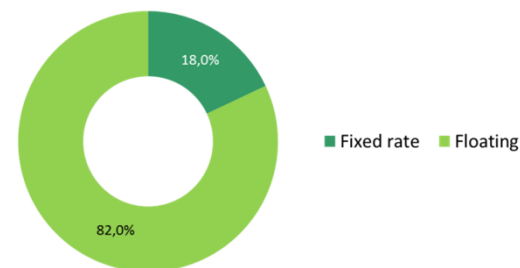
- €13.3bn of residential mortgage loans at June 2016
- 2016 residential mortgage loans production (six months): €1.2bn (in line vs 2015)
- Market share of ca. 4,2% of stock (Dec-2015) and ca. 5.2% of flow in 2015 in Italy (source: ABI)

■ Cariparma Crédit Agricole Group mortgage loans risk level:

- Mortgage deed registration: 1st level mortgage deed registered is 150% of the loan amount
- At 30 June 2016, 3.6% of non-performing loans (doubtful + substandard loans); 2.4% of “Sofferenze” (doubtful loans)
- Loan loss reserves represent 21.6% of non-performing loans at June 2016
- From 2016, introduction of Euribor floor at 0.00% on new mortgage loan contracts



H1-2016 new residential mortgage loans interest rate type



Underwriting

Origination process relies on the borrower's repayment capacity, which is assessed through a comprehensive risk analysis

- Direct / indirect financial promoters: 55% of the mortgage loans are originated directly by Cariparma's branches, while in 45% of cases, customers come from Indirect promoters. Mortgage loans originated by direct and indirect promoters are both analyzed and monitored under the same policies / limits.
- **At branch level:** the manager of the branch prepares the mortgage application and enters it into PEF (Pratica elettronica di Fido). Through PEF Cariparma (i) performs analysis on databases (CRIF, CERVED, DATABANK), (ii) checks compliance with credit policy, (iii) carries out the calculation of an acceptance rating, and (iv) defines the levels of decision-making autonomy for the approval.

Loan application goes through a fully standardized process

- At the end of the process, PEF assigns to customers a synthetic assessment summarized by three categories (i) "positive", (ii) "to be reviewed" and (iii) "refused", which determines the different procedures and the decision makers.
- **Approval process:** crossing the outputs of PEF system with the amount to be approved. On average, no more than 30% of the requests are approved at branch level.
- **Property valuation:** the asset to be financed is always subject to a technical physical report.
- **Real estate appraisals:** Cariparma uses only independent appraisers for its underwriting appraisals.

Lending Criteria

- **Borrower's age and type:** maximum borrower's age at maturity < 80 years.
- **Loan Term:** maximum tenor of 30 years.
- **Debt to net income ratio (DTI):** installment / net income ratio can not exceed 30%, in a stress scenario this limit can be waived only in exceptional cases on the basis of documented verification.
- **Mortgage deed registration:** 1st level mortgage deed registered is 150% of the loan amount (110% for employees).
- **LTV:** maximum 80% of the value of the mortgaged property for the "first home" / 70% in the case of home loans brokered by brokerage company / up to 60% in case of restructuring, holiday homes and properties located abroad (with mortgage collateral in Italy).

Property risk

- Property must be insured against the risks of fire, lightning, explosion.
- Cariparma Crédit Agricole Group offers customers Crédit Agricole Home Protection Insurance, characterised by an annual premium with automatic renewal.
- The holders of the mortgage have the option to subscribe to further creditor protection.

Surveillance

- The value of the property is verified at least once a year, with possibility to use statistical methods to monitor the value and identify properties requiring a check.
- If statistical method shows a significant depreciation, a new appraisal is made.

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7 Cariparma OBG Programme

Structural features and structure overview

The Programme

- €8bn Covered Bond Programme: first issue in July 2013, with a €2.7bn retained issue (liquidity reserves)
- November 2014: €2.7bn retained issue partially cancelled (€1.5bn)
- December 2014: € 1.0bn market issue 7 years maturity
- September 2015: € 1.0bn market issue 7 years maturity
- Currently outstanding (June 2016): €1.2bn retained OBG; €2.0bn market OBG
- Current rating: Aa2 from Moody's

Cover pool

- Mortgage loans transferred to Cariparma OBG srl
- Self-originated mortgage loans by Cariparma, FriulAdria and Carispezia; there are also loans originated by branches purchased from Intesa SanPaolo
- Property located in Italy
- No arrears on the transfer date
- Current cover pool: 100% residential mortgage loans
- No ABS and commercial mortgage loans

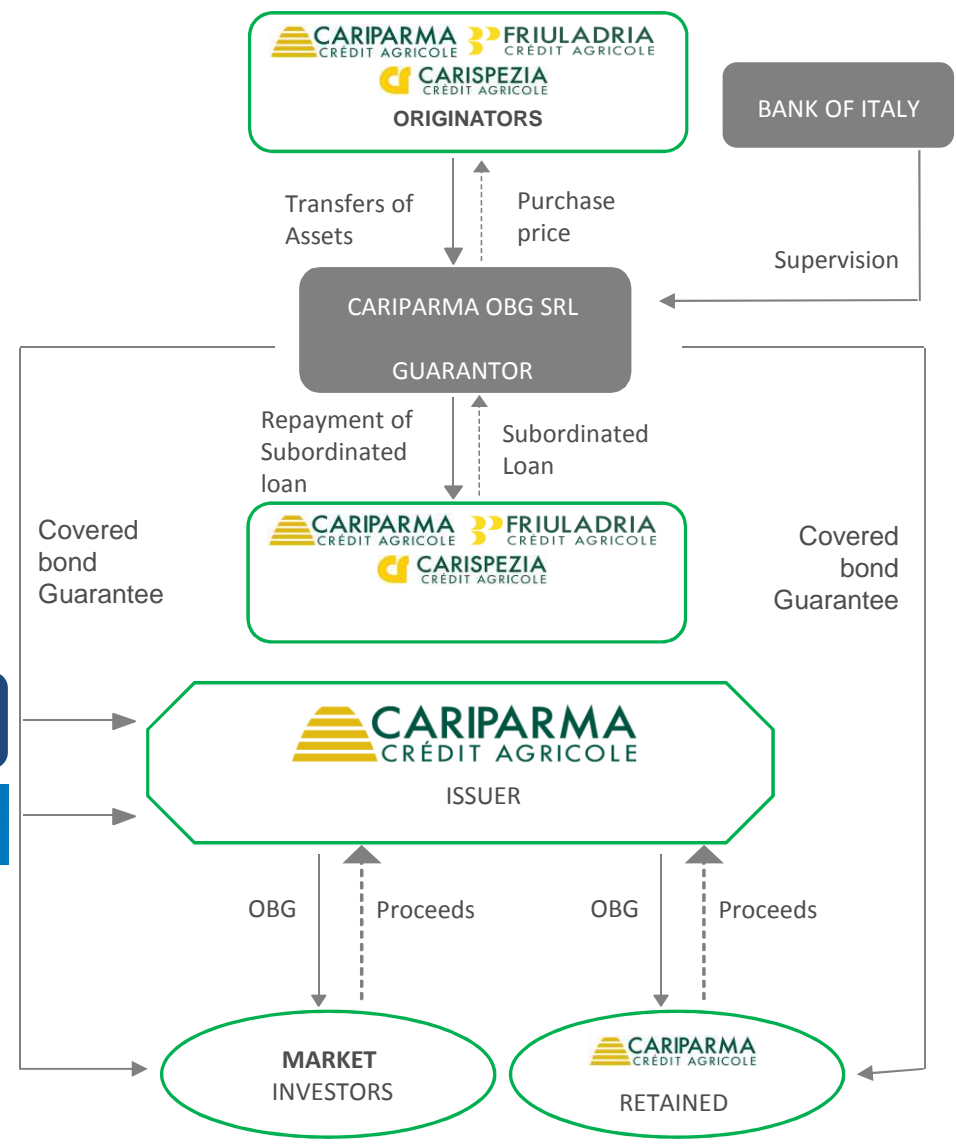


Over-collateralisation

- 7.5% committed over-collateralisation (OC)
- 87.39% at 30.06.16

Monitoring

- BDO Italia (ex Mazars): Asset Monitor reporting to Bank of Italy



7 Cariparma OBG Programme

Market risk monitoring



Interest rate exposure

- ❑ Cover pool is mostly floating rate
- ❑ Floating rate for €1.2bn retained OBG (Soft bullet floating rate Eur 1 y + 1.1%)
- ❑ Fixed rate for €2.0bn market OBG (Soft bullet fixed rate coupon 0.875%)

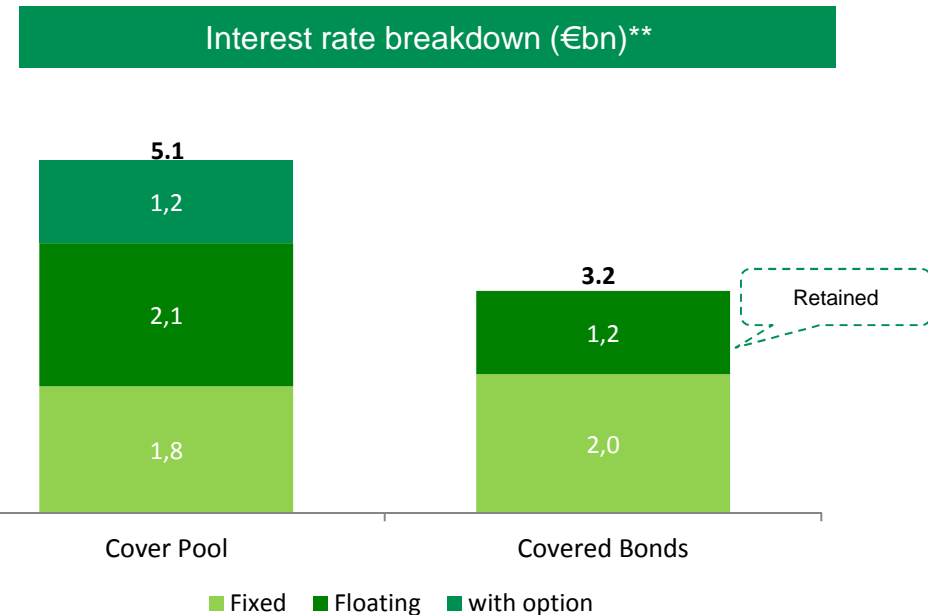
Asset and liabilities matching controls

Semi annual regulatory stress tests

- ❑ Nominal Value Test
- ❑ Net Present Value Test
- ❑ Interest Coverage Test
- ❑ Amortisation Test*

Additional internal controls

- ❑ Quarterly monitoring based on cash flow model to check timely payment of OBG with cash from cover pool including over-collateralisation



With option: Customers have the right to switch timely from fixed to floating rate (and vice-versa) at the market rate of the moment

*To be performed only post OBG Guarantor event of default

** Updated at 30st June 2016

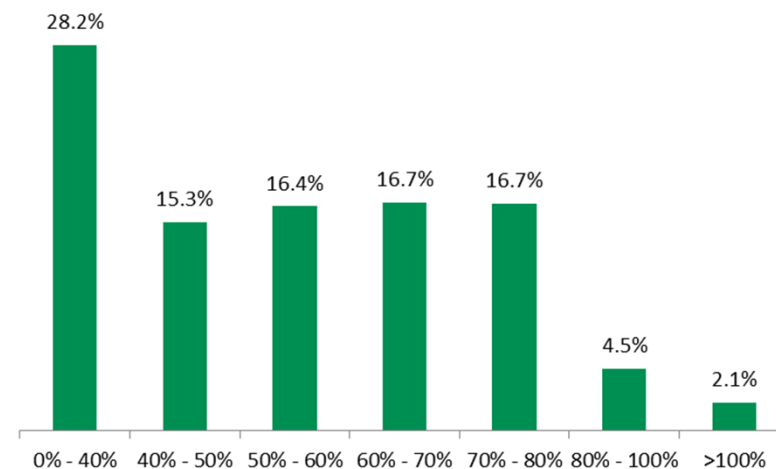
7 Cariparma OBG Programme

Cover Pool at 30/06/2016 (1/3)

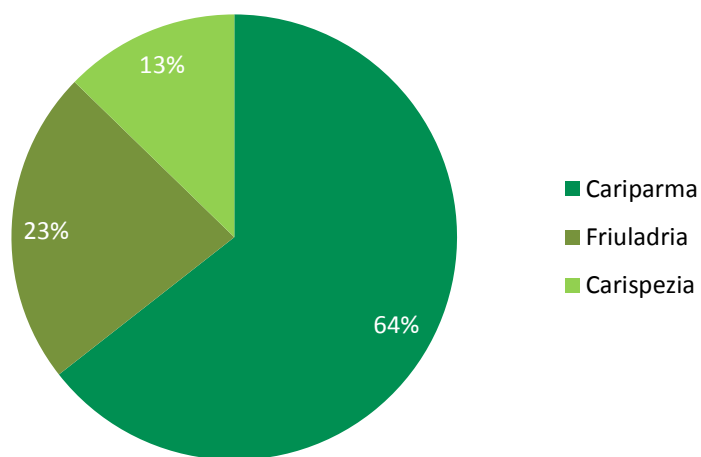


Total mortgage outstanding cover pool	5,079,321,755
Substitute Assets (Cash)	917,204,752
Number of loans	58,820
Average loan balance	86,354
WA Seasoning (month)	56
Remaining term (month)	227
WA Current Loan to Value (cLTV)	54.59
Interest rates of credit pool	35.9% fixed 23.5% with option 40.6% floating
Origination	100% Cariparma Crédit Agricole Group (details below)

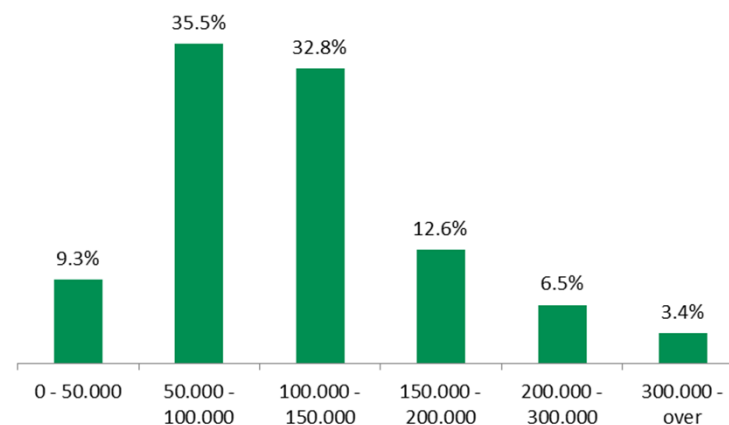
Breakdown by current LTV as % of outstanding amount



ORIGINATION BY BANKS (% of outstanding amount)



Breakdown by outstanding amount as % of outstanding amount

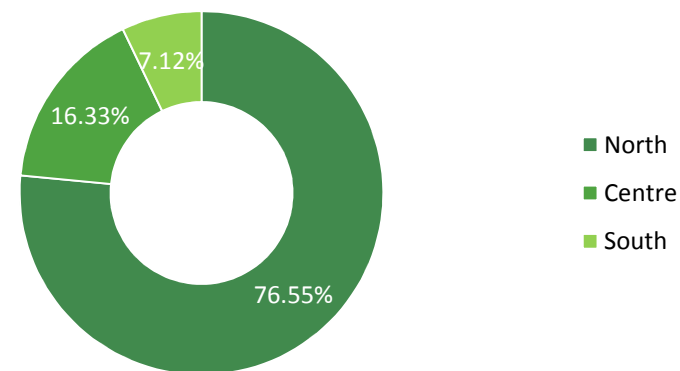
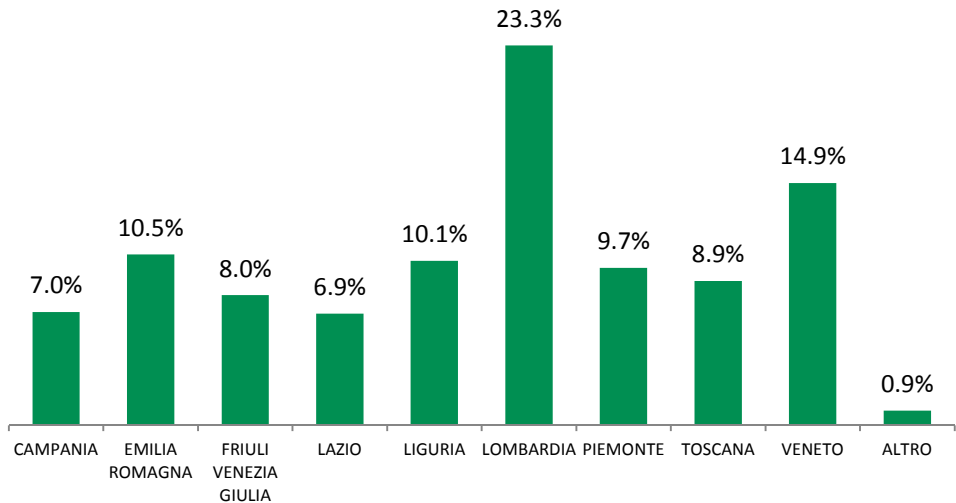


7 Cariparma OBG Programme

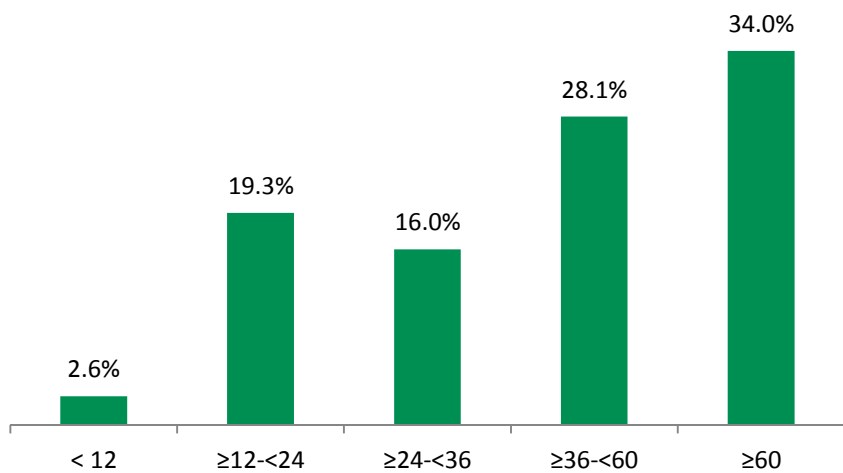
Cover Pool at 30/06/2016 (2/3)



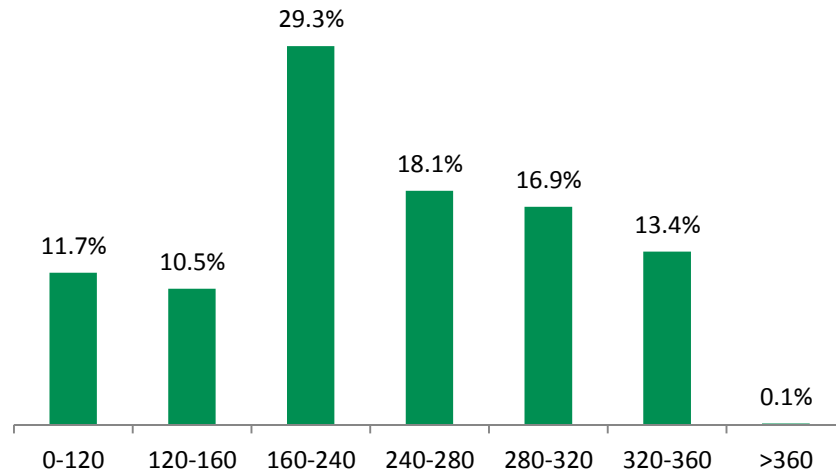
Breakdown by region as % of outstanding amount



Breakdown by seasoning (months) as % of outstanding amount



Breakdown by remaining (months) as % of outstanding amount

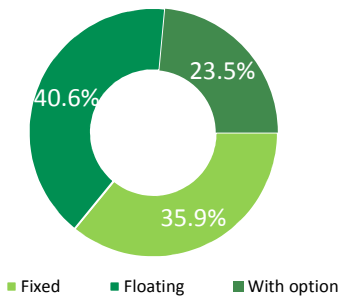


7 Cariparma OBG Programme

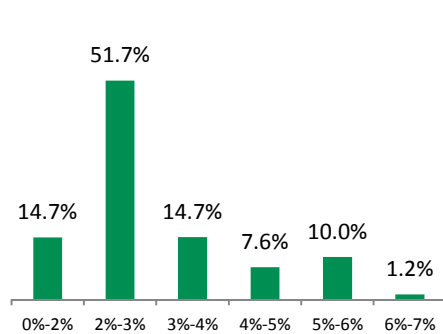
Cover Pool at 30/06/2016 (3/3)



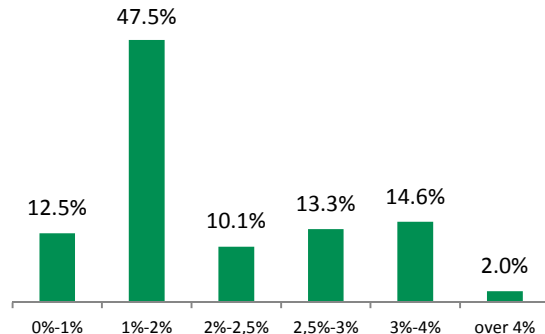
Interest type as % of outstanding amount



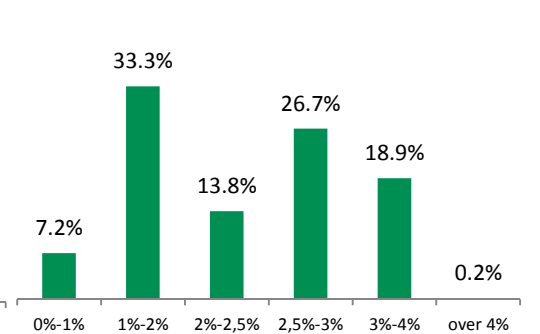
Breakdown fixed Interest as % of fixed rate outstanding amount



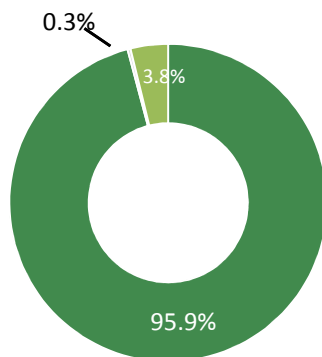
Breakdown "with option", margin on Euribor 3M as % of with option outstanding amount



Breakdown floating rate margin on Euribor 3M as % of floating rate outstanding amount



Payment type as % of outstanding amount



■ Direct Debit ■ Cash ■ Standing Order (RID)

Cover pool mortgage loan performance

At 30/06/16:

- Loans in Arrears > 90dd: 0.21% of total Cover Pool (vs. 0.24% at 31.12.15)
- Total Loans in Arrears: 3.7% of total Cover Pool (vs. 3.2% at 31.12.15)
- No Bad Debts* in the Cover Pool: they are bought back on a monthly basis

* No Bad Debts should be understood as no "Sofferenze", as defined by the Bank of Italy (Circ. 272/2008 Bank of Italy 8th update)

7 Cariparma OBG Programme

Summary



Issuer	Cariparma
Originator	Cariparma / BP Friuladria / Carispezia
Guarantor	Cariparma OBG S.r.l.
Arranger	CA-CIB
Representative of CB holders	Zenith
Asset Monitor	BDO Italia (ex Mazars)
Rating	Aa2 from Moody's
TPI LEEWAY (Moody's)	2 Notches
Listing	Luxembourg Stock Exchange
Programme Amount	€8bn
Cover Pool	Italian residential mortgages only
Governing Law	Italian Law
Maturity	Soft bullet with 12 month extension period
LCR	LCR compliant, Level 1 asset
Compliant with UCITS 52 (4) CRR	Yes Yes
Covered Bond Label	Yes
Risk Weighting (Standard Approach)	10%
Outstanding OBG*	Series 1: €1.2bn retained Series 2: €1.0bn Series 3: €1.0bn

* As at June, 2016



Name of the instrument	Obbligazioni Bancarie Garantite (OBG)
Legislation	Law 80 14/5/2005 amending art 7-bis of Law 130/1999; Ministry Finance & Economy regulation 310 dated 14/12/2006 and Bank of Italy instructions issued 17/5/2006
Asset Ring-fencing	Cover assets are segregated by law after the transfer to a separate entity
Integration Assets	Substitute Assets (deposits < 1yr) up to 15% of cover assets
Main eligibility criteria for assignment	EEA and Switzerland, LTV 80% for residential mortgage loans (60% for commercial mortgage loans)
Inclusion of hedge positions	Hedge positions are part of structural enhancements intended to protect bondholders
Mandatory Tests	The Nominal Value (NV) of the Cover Pool must be at least equal to the NV of the outstanding OBG The NPV of the cover pool must be at least equal to the NPV of the outstanding OBG Interest deriving from the Cover Pool must be sufficient to cover interest due under the OBG Loans in arrears for more than 90 days must be excluded from mandatory tests
1st claim on the Cover Pool in the event of insolvency of the Issuer	In case of issuer's default, OBG holders benefit from a priority claim on the assets included in the Cover Pool for all payments due under the covered bond.
Bankruptcy remoteness	In case of issuer's insolvency, the OBG are not accelerated.
Dual Recourse	Dual recourse both on the issuer and on the Cover Pool. In case of issuer's default and if the cover pool is insufficient for all payments due under OBG, OBG bondholders have a claim against the issuer ranking pari passu with the issuer's unsecured creditors
Over-collateralisation	Minimum over-collateralisation required to comply with the mandatory coverage tests.
Controls	Supervision by Bank of Italy Ongoing controls by the asset monitor (including controls of mandatory tests)
Compliant with UCITS 52 (4)	Yes

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8 Appendices

1. Crédit Agricole Group's expanding presence in Italy, its second home market





June 2016 - €M	Contribution to Crédit Agricole S.A. results	Crédit Agricole Leasing Italia and interco. results	Cariparma Crédit Agricole Group Local Scope
Net interest income	454	17	472
Net Commission Income	340	(1)	339
Other Income	17	(11)	48
Revenues	811	5	859
Staff Expenses	(299)	(2)	(301)
Administrative Expenses	(141)	(3)	(142)
Depreciation and Amortisation	(31)	12	(44)
Operating expenses	(471)	7	(487)
Gross operating income	340	13	372
Cost of risk	(167)	(11)	(178)
Income before tax	173	2	194
Tax	(62)	2	(66)
Net income	110	4	128
Net income Cariparma Crédit Agricole Group share	105	4	123
Net income Crédit Agricole Group share	81		

**Mortgage Loan Eligibility Criteria (at the transfer date)**

Receivables deriving from Mortgage loan contracts :

- 1) which are Residential Mortgage Loans having a weighted-risk below 35% (standard approach) and LTV at transfer time below 80%;
- 2) governed by Italian law;
- 3) no installments due and unpaid for more than 30 days;
- 4) seasoning: borrower has paid at least the 1st installment in respect of the Loan;
- 5) pre-amortisation period fully elapsed ;
- 6) denominated in Euro;
- 7) which do not allow limitations on transfer;
- 8) debtor is a person resident in Italy and belongs to the economic category of consumer families;
- 9) secured by first level mortgage deed registration;
- 10) current principal balance exceeds €2,000;
- 11) underlying property is located in Italy;
- 12) excluding mortgage loans in relation to which the payment of the installments (including the principal component and the interest component) (i) shall be subject to a suspension still in progress, or (ii) has been subject to suspension and, despite the suspension being over, accrued interest during the period of suspension has not yet been fully paid;
- 13) excluding mortgage loans to debtors classified as doubtful;
- 14) excluding ABS and commercial mortgage loans.



Italian Mortgage Covered Bond Programmes

PROGRAMME NAME	PRIMARY ASSET TYPE	COVERED	ISSUER	CB Anchor	CR	TPI ^A	TPI LEEWAY
		BOND RATING ^A	RATING		Assessment		
Banca Carige 2 - Mortgage Covered Bond Programme	Mortgage	Baa2	n/a	CR Assessment + 1	B3(cr)	Probable-High	0
Banca Carige S.p.A. - Covered Bonds Programme	Mortgage	Ba1	n/a	CR Assessment + 1	B3(cr)	Probable	0
Banca Monte dei Paschi di Siena S.p.A. (MPS - RL) - Covered Bond Programme	Mortgage	A2	B3	CR Assessment + 1	B2(cr)	Very High	0
Banca Popolare dell'Emilia Romagna - Covered Bond	Mortgage	A1	n/d	CR Assessment + 1	n/d	Probable	n/d
Banca Popolare di Milano - 2nd Mortgage - Covered Bonds Programme	Mortgage	A2	Ba3	CR Assessment + 1	Ba2(cr)	Probable	0
Banca Popolare di Milano S.c.a.r.l. - Covered Bond Programme	Mortgage	A2	Ba3	CR Assessment + 1	Ba2(cr)	Probable	0
Banco Popolare - Italian - Covered Bond Programme	Mortgage	A2	Ba3	CR Assessment + 1	Ba2(cr)	Probable	0
Banco Popolare Societa' Cooperativa - Mortgage Covered Bond Programme 2	Mortgage	A3	Ba3	CR Assessment + 1	Ba2(cr)	Probable	0 - 1
Cassa Di Risparmio Di Parma E Piacenza S.p.A. - Mortgage Covered Bonds Programme	Mortgage	Aa2	A3	CR Assessment + 1	Baa1(cr)	Probable	2
Credito Emiliano S.p.A. - Covered Bond Programme	Mortgage	Aa2	n/a	CR Assessment + 1	Baa1(cr)	Probable	2
Deutsche Bank S.p.A. - Mortgage Covered Bond Programme	Mortgage	Aa2	n/d	CR Assessment + 1	n/d	Probable	n/d
Intesa Sanpaolo - Mortgage- Covered Bond Programme	Mortgage	Aa2	Baa1	CR Assessment + 1	Baa1(cr)	Probable	2
Intesa Sanpaolo - Public Sector Covered Bonds	Public Sector	A1	Baa1	CR Assessment + 1	Baa1(cr)	Probable	3
UBI Banca S.c.p.a - Covered Bond Programme	Mortgage	Aa2	Baa2	CR Assessment + 1	Baa1(cr)	Probable	2
UniCredit S.p.A. Obbligazioni Garantite - Covered Bond Programme	Mortgage	Aa2	Baa1	CR Assessment + 1	Baa1(cr)	Probable	2
Banca Popolare dell'Emilia Romagna - Mortgage Covered Bond Programme 2 (CPT)	Mortgage	A1	n/a	CR Assessment + 1	n/d	High	n/d

Source: Moody's - Sector Comment – Covered Bonds Italy dated 10 August 2016



The Italian banking system is challenged by a high level of non-performing loans concentrated within certain banks

Specific regulatory measures:

- **DTAs (August 2015)** - Tax deductibility of loan losses has gone from 5 years* to 1 year, in order to allow for the complete write-off of current stock of deferred tax assets



- **Fondo Interbancario di Tutela dei Depositi (November 2015)** – on voluntary basis, can initiate interventions in support of participating banks in special administration or failing or likely to fail, in accordance with the specific conditions provided for in the regulations (Tercas)
- **Single Resolution Fund (November 2015)** - part of the Single Resolution Mechanism (SRM - CR Ferrara, Banca Etruria, Banca Marche, CariChieti)
- **Garanzia Cartolarizzazione Sofferenze (GaCS – January 2016)** - **guarantee for senior tranches of securitised NPLs**, guarantee will be issued upon request of banks, which in turn have to pay a regular commission to the Treasury. Price of the guarantee will reflect the market price in order to ensure the state aid-free nature of the scheme.

The State will guarantee only senior tranches of the asset-backed security which have received a rating equal to or higher than Investment Grade by a rating agency qualified by the ECB

- **Atlante Fund (April 2016)** – supporting the recapitalisation of Italian banks and transactions for the sale of NPLs through the purchase of *junior* tranches
- **Bureaucracy simplification and streamlining procedures for accelerating the timing for credit recovery (June 2016)**
 - New on-line civil court proceedings to decrease the average time for a civil court decisions to 367 days
 - Creation of special tribunals for business disputes, with 80% managed within 1 year
 - «Marciano Pact»: the non-payment by a business owner extended beyond 9 months from the due date of at least three monthly installments provides for the out-of-court assignment of real property used to collateralise financing to the creditor
- **Atlante Fund 2 (August 2016)** – provides support for the sale of NPLs by Italian banks through the purchase of *mezzanine* and *junior* tranches

* 18 years before 2013

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