

SUPPLEMENT DATED 22 DECEMBER 2017
TO THE BASE PROSPECTUS APPROVED ON 8 AUGUST 2017 AS SUPPLEMENTED ON 1
DECEMBER 2017



CRÉDIT AGRICOLE CARIPARMA S.P.A.

(incorporated with limited liability as a “Società per Azioni” under the laws of the Republic of Italy and registered at the Companies’ Registry of Parma under registration number 02113530345)

Euro 8,000,000,000 Covered Bond (*Obbligazioni Bancarie Garantite*) Programme
unconditionally and irrevocably guaranteed as to payments
of interest and principal by

CRÉDIT AGRICOLE ITALIA OBG S.r.l.

(incorporated as a limited liability company in the Republic of Italy and registered at the Companies’ Registry of Milan under registration number 07893100961)

IN ACCORDANCE WITH ARTICLE 7, PARAGRAPH 7, OF THE LUXEMBOURG LAW (AS DEFINED BELOW), THE COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER ASSUMES NO UNDERTAKING AS TO THE ECONOMIC OR FINANCIAL OPPORTUNENESS OF THE TRANSACTION OR THE QUALITY AND SOLVENCY OF THE ISSUER.

This supplement (the “**Supplement**”) constitutes a Supplement to the base prospectus dated 8 August 2017 as supplemented on 1 December 2017 (the “**Base Prospectus**”) for the purposes of Article 16 of Directive 2003/71/EC (as subsequently amended, the “**Prospectus Directive**”) and Article 13, paragraph 1, of the Luxembourg Law on Prospectuses for Securities dated 10 July 2005 (the “**Luxembourg Law**”) and is prepared in connection with the Euro 8,000,000,000 Covered Bond (*Obbligazioni Bancarie Garantite*) Programme (the “**Programme**”) of Crédit Agricole Cariparma S.p.A. (the “**Issuer**” or “**Cariparma**”), unconditionally and irrevocably guaranteed as to payments of interest and principal by Crédit Agricole Italia OBG S.r.l. (the “**Guarantor**”).

This Supplement constitutes a supplement to, and should be read in conjunction with, the Base Prospectus.

Capitalized terms used in this Supplement and not otherwise defined herein, shall have the same meaning ascribed to them in the Base Prospectus.

This Supplement has been approved by the *Commission de Surveillance du Secteur Financier*, which is the Luxembourg competent authority for the purposes of the Prospectus Directive and Luxembourg Law, as a supplement issued in compliance with the Prospectus Directive and relevant implementing measures in Luxembourg for the purposes of (i) references to the Arranger and Dealer of the Programme, (ii) updating the section entitled “*Risk Factors*”, (iii) updating the section entitled “*The Issuer*” further to certain recent developments regarding the Issuer; and (iv) updating the section entitled “*The Sellers*”.

Arranger for the Programme
Crédit Agricole Corporate & Investment Bank, Milan branch

Dealer for the Programme
Crédit Agricole Corporate & Investment Bank

CONTENTS

	Page
Responsibility Statements	4
Notice	4
General	6
Risk Factors	7
The Issuer	9
The Sellers	10

RESPONSIBILITY STATEMENTS

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Supplement, with respect to those sections which already fall under the responsibility of each of them under the Base Prospectus and which are supplemented by means of this Supplement. To the best of the knowledge of the Issuer and the Guarantor (having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

NOTICE

Neither the Arranger nor the Dealer nor any person mentioned in the Base Prospectus, as supplemented by this Supplement, with exception of the Issuer and the Guarantor, is responsible for the information contained in the Base Prospectus, as supplemented by this Supplement, any document incorporated by reference in the Base Prospectus or this Supplement or any Final Terms and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents.

The Arranger and the Dealer have not verified the information contained in the Base Prospectus, as supplemented by this Supplement. None of the Dealer or the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in the Base Prospectus, as supplemented by this Supplement. Neither the Base Prospectus, as supplemented by this Supplement, nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Guarantor, the Arranger or the Dealer that any recipient of the Base Prospectus, this Supplement or any other financial statements should purchase the Covered Bonds. Each potential purchaser of Covered Bonds should determine for itself the relevance of the information contained in the Base Prospectus, as supplemented by this Supplement, and its purchase of Covered Bonds should be based upon such investigation as it deems necessary. None of the Dealer or the Arranger undertakes to review the financial condition or affairs of the Issuer, the Guarantor or the Crédit Agricole Italia Banking Group during the life of the arrangements contemplated by the Base Prospectus nor to advise any investor or potential investor in Covered Bonds of any information coming to the attention of any of the Dealer or the Arranger.

The distribution of the Base Prospectus, this Supplement any document incorporated by reference in the Base Prospectus or this Supplement and any Final Terms and the offering, sale and delivery of the Covered Bonds in certain jurisdictions may be restricted by law. Persons into whose possession the Base Prospectus, this Supplement or any Final Terms come are required by the Issuer and the Dealer to inform themselves about and to observe any such restrictions.

For a description of certain restrictions on offers, sales and deliveries of Covered Bonds and on the distribution of the Base Prospectus, this Supplement or any Final Terms and other offering material relating to the Covered Bonds, see section “*Selling Restrictions*” of the Base Prospectus, as supplemented by this Supplement.

Save as disclosed in this Supplement, there has been no other significant new factor and there are no material mistakes or inaccuracies relating to information included in the Base Prospectus which is capable of affecting the assessment of Covered Bonds issued under the Programme since the publication of the Base Prospectus. To the extent that there is any inconsistency between (i) any statement in or incorporated by reference into this Supplement and (ii) any statement in or incorporated by reference into the Base Prospectus, the statements in or incorporated by reference into

this Supplement will prevail.

Copies of this Supplement may be inspected during normal business hours at the registered office of each of the Listing Agent (being, as at the date of this Supplement, 5, Allée Scheffer L-2520 Luxembourg, Grand Duchy of Luxembourg) and of the Representative of the Covered Bondholders (being, as at the date of this Supplement, Via Alessandro Pestalozza n. 12/14, 20131 Milan, Italy).

Copies of this Supplement and all documents incorporated by reference in all supplements and in the Base Prospectus are available on the Luxembourg Stock Exchange's website (<https://www.bourse.lu>).

GENERAL

On the front page of the Base Prospectus, reference to the Arranger and Dealer of the Programme is deleted and replaced as follows:

*“Arranger for the Programme
Crédit Agricole Corporate & Investment Bank, Milan branch*

*Dealer for the Programme
Crédit Agricole Corporate & Investment Bank”.*

On the last page of the Base Prospectus, reference to the Arranger and Dealer of the Programme is deleted and replaced as follows:

**“ARRANGER
Crédit Agricole Corporate and Investment Bank, Milan Branch
Piazza Cavour, 2
20121 Milan
Italy**

**DEALER
Crédit Agricole Corporate and Investment Bank
12, place des Etats-Unis
CS 70052, 92547
Montrouge Cedex
France”.**

RISK FACTORS

On page 31 of the Base Prospectus, in the section entitled “*Risk Factors*”, the following paragraph is added:

“Risks relating to the acquisition of the Banks

*On 21 December 2017, the Issuer completed the acquisition (the “**Acquisition**”) of the of 95.3% stake of each of Cassa di Risparmio di Cesena S.p.A., Cassa di Risparmio di Rimini S.p.A. and Cassa di Risparmio di San Miniato S.p.A. (together the “**Banks**”) pursuant to the purchase agreement entered into on 29 September 2017, (the “**Framework Agreement**”) by and between the Issuer and the Fondo Interbancario di Tutela dei Depositi - Schema Volontario (“**Voluntary Scheme**”).*

However, at the completion of the Acquisition, the Banks feature a significantly reduced risk-profile and an improved capital position. Such improvement occurred through the de-recognition of the non-performing loan portfolio of the Banks and the recapitalization of the Banks by the Voluntary Scheme, in addition to the entrance of the Banks in an international banking group such as Crédit Agricole Italia Banking Group, with large presence in the neighbouring territories on which the Banks operate and same business model.

Furthermore, losses incurred by the Banks (or their businesses) in the current fiscal year and/or in the future, could result in a material adverse effect on the Issuer and/or the Group’s business, financial condition and results of operations. For this purpose, in the context of the Acquisition, as further a capital increase of the Issuer executed on 21 December 2017 for an aggregate amount of Euro 320 million.

Finally, third parties may start legal proceedings against the Banks based on, or connected with, the findings of the competent Supervisory Authorities and/or the related sanctions. Such third parties include clients, creditors and other contractual counterparties of the Banks as well as shareholders and underwriters of other financial instruments (e.g., shares or bonds) issued and placed by the Banks as part of their banking and financial services to customers. These third parties, including those which have already filed claims, may use the findings of the inspection carried out by the Supervisory Authorities and the activities of provisional administrative bodies to start legal proceedings against the Issuer or to further corroborate or support their existing claims or pending proceedings. The Issuer and the Banks have already performed provision in order to cover any potential losses arising from such proceedings.”

On page 24 of the Base Prospectus, in the section entitled “*Risk Factors*”, sub-paragraph 18 of the paragraph entitled “*Changes in regulatory framework*” is deleted and replaced as follows:

“Moreover, it is worth mentioning the Basel Committee has embarked on a very significant RWA variability review. This includes the “Fundamental Review of the Trading Book”, revised standardised approaches (credit, market, operational risk), constraints to the use of internal models as well as the introduction of a capital floor. The regulator’s primary aim is to eliminate unwarranted levels of RWA variance. The new framework is in the process of being finalized. The new setup will have a significant impact on risk modelling. From a credit risk perspective, an impact is expected both on capital held against those exposures assessed via the standardized approach, and those evaluated via an internal ratings based approach (IRB). In addition, significant changes are expected in relation to operational risk modelling, as the Basel Committee is proposing the elimination of the internal

models some banks are currently utilising and the introduction of a more standardised approach. Following the finalisation of the Basel framework, the new rules will need to be transposed into European regulation. Implementation of these new rules on risk models will take effect from 1 January 2022.”

On page 24 of the Base Prospectus, in the section entitled “*Risk Factors*”, after sub-paragraph 18 of the paragraph entitled “*Changes in regulatory framework*”, the following paragraph is added:

“On 7 December 2017 the Basel Committee endorsed the outstanding Basel III post-crisis regulatory reforms. The reforms, which include revisions to the measurement of the leverage ratio and a leverage ratio buffer for global systemically important banks (G-SIBs), which will take the form of a Tier 1 capital buffer set at 50% of a G-SIB's risk-weighted capital buffer, will take effect from 1 January 2022 and will be phased in over five years.”

THE ISSUER

On page 167 of the Base Prospectus, in the section entitled “*The Issuer*”, in paragraph entitled “*Recent Developments*”, the following sub-paragraph is added as follows:

“Purchase of a majority stake in Cassa di Risparmio di Cesena S.p.A., Cassa di Risparmio di Rimini S.p.A. and Cassa di Risparmio di San Miniato S.p.A.

*On 21 December 2017, the Issuer completed the acquisition (the “**Acquisition**”) of the of 95.3% stake of each of Cassa di Risparmio di Cesena S.p.A., Cassa di Risparmio di Rimini S.p.A. and Cassa di Risparmio di San Miniato S.p.A. (together the “**Banks**”) pursuant to the purchase agreement entered into on 29 September 2017, (the “**Framework Agreement**”) by and between the Issuer and the Fondo Interbancario di Tutela dei Depositi - Schema Volontario (“**Voluntary Scheme**”).*”

On page 153 of the Base Prospectus, in the section entitled “*The Issuer*”, the first sentence of the sub-paragraph entitled “*The Issuer's dependence upon other entities within the Crédit Agricole Italia Banking Group of which it is part of*”, of the paragraph headed “*Organizational Structure*”, is deleted and replaced as follows:

“As at 21 December 2017, the Issuer was controlled by Crédit Agricole S.A., which holds 76.72% of the Issuer's share capital.”

On page 165 of the Base Prospectus, in the section entitled “*The Issuer*”, the sub-paragraph entitled “*Entities controlling the Issuer*”, of the paragraph headed “*Major Shareholders*”, is deleted and replaced as follows:

“As at 21 December 2017, the share capital of the Issuer was equal to Euro 934,837,845.00, and the Issuer was controlled by Crédit Agricole S.A., (which holds 76.72% of the Issuer's share capital). The remaining portion of the Issuer's share capital is held by Cariparma Foundation (13.50%) and by Sacam International S.A. (9.78%).”

THE SELLERS

On page 175 of the Base Prospectus, in the section entitled “*The Sellers*”, subparagraph headed “*Share capital and shareholders*” of the paragraph headed “*Crédit Agricole FriulAdria S.p.A.*” is deleted and replaced as follows:

“The company capital is made up of 24,137,857 ordinary shares (of a facial value of €5.00 Euro, for a total amount of 120,689,285 Euro), 80.93% owned by Crédit Agricole Cariparma and the other 19.07% owned by a minority of shareholders.”