

Paris, February, 24, 2011

**PRESS RELEASE****CIC****Continuation of the bank's commercial strategy**

The bank continued its commercial strategy in 2010 with the firm objective of financing the economy and being of service to its customers. The results reflect this strategy.

**Results for the year ended December 31, 2010**

<b><u>Financial results</u></b>	<b>2010</b>	<b>2010/2009</b>
- Net banking income	€4,637m	Stable
- Net additions to/reversals from provisions for loan losses	-€441m	- 49%
- Net income	€1,144m	+ 37%
Return on equity	13.2%	11.6% in 2009
Earnings per share	€29.94	€21.92 in 2009
<b><u>Strengthened solvency</u></b>		
Tier one ratio	10.8%	10.2% in 2009

**Retail banking activity**

Support for our clientele of private individuals, professionals, associations and businesses

- 88,166 new customers
- total loan outstandings up by 5% (housing loans up 7.6%, investment loans up 8.8%)

The results for the year ended December 31, 2010 were approved by the Executive Board on February 23, 2011 and presented to the Supervisory Board of Crédit Industriel et Commercial (CIC) on February 24, 2011.

The year was marked by continued growth in customer numbers and in the banking network, a reduction in net additions to/reversals from provisions for loan losses, and growth in total loan outstandings, loan production, customer deposits, and the insurance and services activities (remote banking, CCTV and mobile telephony). In this context, net income reached €1,144 million.

## Operating results

The commitment of all members of staff enabled the bank to best serve its clientele of private individuals, professionals, associations and businesses in 2010, and CIC is now the banker to one in every three businesses.

The bank's total loan outstandings increased by 5.6% to €127 billion, customer deposits grew by 18.7% to €91 billion, and managed capital rose 4.9% to €220 billion.

CIC's retail banking activity continued to improve the quality of its network which, with 44 new points of sale, now counts 2,117 branches.

Over the past year, this development in retail banking has resulted in particular in:

- an 88,166 increase in customer numbers (including 11,159 professionals and 474 businesses) to a total of 4,369,747 (up 2%);
- total loan outstandings in the banking network rising by 5% to €96 billion, including growth in housing loans and investment loans of 7.6% and 8.8%, respectively;
- customer deposits with the banking network rising by 19% to €67 billion as a result of a sharp increase in term deposits;
- growth in the property and casualty insurance activity, with the portfolio rising by 6.9% to count 2,717,076 policies;
- and further progress being made in services activities (remote banking up 8.1% to 1,438,736 contracts, telephony up 41.7% to 232,526 contracts, burglary protection up 11% to 54,927 contracts, and VSE up 0.7% to 95,984 contracts).

Loan outstandings in the corporate banking activity totalled €12.8 billion, and in the private banking activity €6.1 billion.

## Financial results

Net banking income was stable at €4,637 million for the year ended December 31, 2010, compared with €4,687 million in 2009.

Net additions to/reversals from provisions for loan losses totalled €441 million for the year, compared with €861 million in 2009. As a result, net additions to/reversals from provisions for loan losses, as a proportion of total loan outstandings, fell from 0.7% to 0.34% and the impaired debt coverage ratio was 59.3% at December 31, 2010.

CIC's net income reached €1,144 million for the year, compared with €838 million in 2009.

At December 31, 2010, the European capital adequacy ratio (tier one) was 10.8%, compared with 10.2% in 2009. Tier one regulatory capital stood at €10.8 billion.

CIC is a subsidiary of BFCM and has long-term ratings of A+ from Standard & Poor's, Aa3 from Moody's and AA- from Fitch.

The Executive Board will propose to the Annual General Meeting of Shareholders, to be held on May 19, 2011, a net dividend of €8.80 per share, as against €4.35 in respect of 2009.

### **Retail banking**

Net banking income from retail banking increased by 8% to €3,280 million for the year, compared to €3,028 million in 2009.

Overheads increased by 2% to €2,175 million.

Net additions to/reversals from provisions for loan losses fell to €267 million, from €470 million in 2009.

Income before tax totalled €955 million, against €507 million in 2009.

### **Corporate banking**

Net banking income increased by 4% to €405 million.

Net additions to/reversals from provisions for loan losses fell from €155 million in 2009 to €32 million in 2010.

Income before tax increased by 79% to €296 million.

### **Capital markets**

Following an exceptionally good year in 2009, net banking income fell from €945 million to €555 million in 2010.

Net additions to/reversals from provisions for loan losses amounted to €139 million, down from €222 million in 2009.

Income before tax came in at €252 million, compared with €550 million the previous year.

### **Private banking**

Net banking income increased from €397 million in 2009 to €404 million in 2010, and income before tax declined from €94 million to €70 million.

### **Private equity**

Net banking income increased to €191 million in 2010 from €49 million in 2009, with income before tax rising to €156 million from €21 million.

Total investments amounted to €1.4 billion, including investments made in 2010 of €236 million. CIC has a presence in close to 500 businesses through a portfolio of 519 investments totalling €1.6 billion.

The bank's entities active in private equity (CIC Finance, CIC Investissement, CIC Banque de Vizille and IPO) were merged into CM-CIC Capital Finance on January 1, 2011.

## **Outlook**

CIC Group will pursue:

- the commercial development of its branch network,
- the enrichment of its range of products and services in all its markets,
- its aim of providing the best service to its customers - private individuals, associations, professionals and businesses,
- its support for economic activity matched as closely as possible to its customers' needs.

### **Contacts :**

- Bruno Brouchiquan : 01 45 96 92 20 – [brouchbr@cmcic.fr](mailto:brouchbr@cmcic.fr)
- Marc Vannini : 01 45 96 92 22 – [vanninma@cmcic.fr](mailto:vanninma@cmcic.fr)



## Key figures

(in millions of euros)	December 31, 2010	December 31, 2009
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### Business

Total assets	242 036	235 597
Customer loans including finance leases	127 462	120 719
Customer deposits	91 326	76 933
Assets under management and in custody (1)	220 162	209 951
Number of property and casualty insurance policies	2 717 076	2 541 125

### Equity capital

Attributable to equity holders of the parent	9 568	8 613
Non-controlling interests	311	383
Total	9 879	8 996

Employees, year end	20 611	21 045
Number of branches (2)	2 117	2 164
Number of customers (3)	4 369 747	4 281 581
Private individuals	3 635 585	3 559 254
Businesses and professionals	734 162	722 327

## Results

Income statement	December 31, 2010	December 31, 2009
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Net banking income	4 637	4 687
Overheads	(2 826)	(2 771)
Operating income before provisions	1 811	1 916
Net additions to/reversals from provisions for loan losses	(441)	(861)
Operating income after provisions	1 370	1 055
Net gain/(loss) on disposals of other assets	5	12
Share of income/(loss) of affiliates	116	84
Income before tax	1 491	1 151
Corporate income tax	(347)	(313)
Net income	1 144	838
Non-controlling interests	(29)	(37)
Net income attributable to equity holders of the parent	1 115	801
Earnings per share (in euros)	29,94	21,92

(1) Month-end outstandings, including securities issued

(2) 44 branches opened and 91 closed, including 70 as a result of reorganisation of a part of the network

(3) Calculation rules refined in 2010, and 2009 figures restated (4,283,739 before restatement).

Paris, February, 24, 2011

## PRESS RELEASE

### CM5-CIC Group

**The mutual banking group reaffirms its financial solidity while moving ahead with its expansion**

Results for the year ended December 31, 2010

**Net income: €2,341m**

<u>Financial results</u>	2010	2010/2009
- Net banking income	€10,889m	+ 3.5%
- Operating income before provisions	€4,533m	+ 4.9%
- Net additions to/reversals from provisions for loan losses	- €1,305m	-38.2%
- Net income	€2,341m	+ 60.4%

### Strengthened solvency

Tier one ratio	10.8%	10.0% in 2009
Shareholders' equity and super-subordinated loans	€25.5bn	(+ €2.1bn)

### Commercial activity

**Nearly 25% of net banking income is generated outside France**

**Support for its clientele of private individuals, professionals, associations and businesses**

- 284,336 new customers (excluding Spain)
- €229.3 billion in loan outstandings (+4.7%)

In 2010, the CM5-CIC Group, whose core business is retail banking, continued to focus on improving quality and extending its network which, with 82 new points of sale, now numbers 4 017 banks and branches.



Thanks to the drive and dedication of all its employees, who remained attentive to the needs of its members and customers, and backed by their renewed confidence, the group was able to provide the best possible support to its clientele of private individuals, associations, professionals and businesses (the group is banker to one business in three).

## **Commercial activity of the group**

Thanks to the dynamism of its branch network, its proximity to customers and the quality of its products and services, the group was able to:

- achieve a net increase of 284,336 in the number of customers, bringing the total to 21,490,133;
- boost customer loan outstandings by €11.3 billion (+4.7%) to €229.3 billion, and total loan outstandings in the banking network by 5.6% to €186.5 billion, a performance driven by housing loans (up 8.1%) and investment loans (up 9.1%);
- increase savings under management and in custody by 7.1% to €29.6 billion, raising the total to €430.4 billion, with deposits up by 10.9% to €154.5 billion;
- grow the number of insurance policies in force by 805,000 (3.8%) to a total of 21.9 million.

Loan outstandings in the corporate banking activity totalled €15.4 billion, and in the private banking activity €6.1 billion.

Based on its technological expertise, the group has strengthened its position in the fields of e-money, payments processing and mobile telephony.

Thus a large number of new opportunities are opening up, responding to consumers' expectations and generating revenues.

## **Financial results**

Total net banking income increased by 3.5% to €10.889 billion for the year ended 31 December 2010, compared with €10.122 billion in 2009.

Net additions to/reversals from provisions for loan losses totalled €1.305 billion for 2010 compared with €1.987 billion in 2009 (down 38.2%).

As a result, net additions to/reversals from provisions for loan losses, as a proportion of total loan outstandings, fell to 0.52% and the impaired debt coverage ratio was 66.37% at December 31, 2010.

Net income came to €2.341 billion compared with €1.435 billion in 2009.

The European capital adequacy ratio (tier one) was 10.8% based on Basel I and 11.8% under the Basel II rules, while tier one regulatory capital stood at €19.4 billion at end-December 2010.

The group is rated A+ by Standard & Poor's, Aa3 by Moody's and AA- by Fitch.

### **Retail banking**

At December 31, 2010, net banking income from retail banking amounted to €8,401 million compared with €7,661 million in 2009.

Overheads were under control at €4,890 million (up 2.1%), while the operating ratio improved by three percentage points from 61.1% to 58.2%.

Net additions to/reversals from provisions for loan losses totalled €1,154 million (down 30.6%) and income before tax was €2,388 million compared with €1,464 million in 2009.

### **Insurance**

Insurance revenue was up 14.1% to €9.2 billion, with an 18.4% increase in life insurance. Net insurance income was €1,198 million for the year ended December 31, 2010 compared with €956 million in 2009, after paying €825 million by way of remuneration to the distribution networks (10.3% more than in 2009). Income before tax was €828 million, compared with €614 million.

### **Financing and capital markets**

Net banking income rose from €461 million in 2009 to €456 million at end-December 2010. Net additions to/reversals from provisions for loan losses rose from €158 million in 2009 to €35.3 million in 2010, while income before tax rose 56% to €341 million.

### **Capital markets**

Net banking income for the year ended December 31, 2010, was €618 million compared with €1,072 million in 2009, an exceptionally strong year.

Net additions to/reversals from provisions for loan losses amounted to a cost of €221 million in 2009, but a gain of €4 million in 2010.

Income before tax fell from €657 million to €440 million.

### **Private banking**

Net banking income rose from €397 million in 2009 to €404 million at December 31, 2010.

Profit before tax fell from €95 million in 2009 to €71 million in 2010.

### **Private equity**

Net banking income increased to €191 million in 2010 from €49 million in 2009, with income before tax rising to €155 million from €21 million.

Total investments amounted to €1.4 billion, including investments made in 2010 of €236 million. The group has a presence in close to 500 businesses through a portfolio of 519 investments totalling €1.6 billion.

The group's entities active in private equity (CIC Finance, CIC Investissement, CIC Banque de Vizille and IPO) were merged into CM-CIC Capital Finance on January 1, 2011.

## **Outlook: always ready to help our customers and members**

The group continues to strengthen its branch network in France and neighbouring countries, particularly Spain with the launch of a network with Banco Popular, broadening its activities and scope of operation.

The rationalisation of technical and financial tools continues.

With over €25.5 billion in equity and super-subordinated debt, up by €2.1 billion, the CM5-CIC group faces the future with confidence and determination (it became CM10-CIC on January 1, 2011 when the Crédit Mutuel Loire Atlantique Centre Ouest, Centre, Normandie, Dauphiné-Vivarais and Méditerranée Fédérations joined Caisse Fédérale du Crédit Mutuel).



It plays an active part in financing the local, regional and national economies. In these difficult times, based on its firm anchoring in local life and the dedication of its executives and employees, the group continues to apply its clearly differentiated mutual approach to the service of all its members and customers, both domestically and internationally.

*CM5 comprises the Crédit Mutuel Centre Est Europe (Strasbourg), Sud Est (Lyon), Ile-de-France, Savoie-Mont Blanc (Annecy) and Midi-Atlantique (Toulouse) Fédérations*

*Audit procedures for the consolidated financial statements have been completed. The auditors' report will be issued once complementary procedures required for the publication of the annual financial report have been completed.*

*NB: unless otherwise stated, percentage changes are calculated on a comparable scope and period basis. For insurance activities, the percentage changes are based on gross figures.*

#### Contacts

- Bruno Brouchiquan : 01 45 96 92 20 – brouchbr@cmcic.fr
- Marc Vannini : 01 45 96 92 22 – vanninma@cmcic.fr



## CM5-CIC\*

## Key figures\*\*

(in millions of euros)	December 31, 2010	December 31, 2010
<b>Business</b>		
Total assets	434 262	434 298
Customer loans <sup>1</sup>	229 304	218 017
Assets under management and in custody <sup>2</sup>	430 390	400 832
- of which customer deposits <sup>2</sup>	154 477	138 602
- of which insurance savings	61 345	56 662
<b>Equity capital</b>		
Equity capital & super-subordinated loans	25 527	23 468
<b>Employees, year end <sup>3</sup></b>		
Employees, year end <sup>3</sup>	57 991	55 908
Number of points of sale	4 017	3 935
Number of customers	21 490 133	21 078 880

## Income Statement

Consolidated Income Statement	December 31, 2010	December 31, 2010
Net banking income	10 889	10 122
Overheads	(6 356)	(5 949)
Operating income before provisions	4 533	4 174
Net additions to/reversals from provisions for loan losses	(1 305)	(1 987)
Operating income before provisions	3 228	2 187
Net gains/losses on other assets and share of income of associates	(3)	(83)
Income before tax	3 225	2 103
Corporate income tax	(884)	(668)
Net income	2 341	1 435
Net income attributable to equity holders of the parent	1 961	1 194

\* Consolidated figures of the Caisses de Crédit Mutuel Centre Est Europe, Sud-Est, Ile-de-France, Savoie-Mont Blanc and Midi Atlantique, their common Caisse Fédérale, the Banque Fédérative du Crédit Mutuel and its principal subsidiaries: ACM, BECM, IT, etc., including CIC, TargoBank (formerly Citibank Deutschland), Cofidis and CIC Iberbanco (formerly Banco Popular France), BPE CM-CIC Espagne.

\*\* Provisional figures not validated by the boards, in the process of being audited.

(1) including finance leases.

(2) SFEF (Société de Financement de l'Économie Française) issues are not counted as customer deposit.

(3) Employees of entities controlled by the Group.