

This press release does not constitute an offer to purchase any securities. The offer described hereinafter may only be opened after the clearance of the French financial markets authority (Autorité des marchés financiers)

**PRESS RELEASE RELATING TO THE FILING OF A DRAFT OFFER DOCUMENT
RELATING TO THE SIMPLIFIED CASH OFFER FOR THE SHARES OF**



INITIATED BY

BANQUE FÉDÉRATIVE
Crédit Mutuel

AND

MUTUELLES INVESTISSEMENT

PRESENTED BY



PRICE OF THE OFFER

390 euros for each CIC share

DURATION OF THE OFFER

10 trading days

The timetable of the offer will be determined by the French financial market authority (*Autorités des marchés financiers*) (the “AMF”) in accordance with its general regulation



This press release has been established and released by BFCM and Mutuelles Investissement in accordance with the provisions of article 231-16 of the general regulation of the AMF.

This document is an unofficial English-language translation of the press release relating to the filing of the draft offer document.

This draft offer and the draft offer document remain subject to review by the AMF.

IMPORTANT NOTICE

In the event that, upon closing of the Offer, the number of securities not tendered into the Offer by minority shareholders represents not more than 5% of the share capital or voting rights of CIC, BFCM and Mutuelles Investissement have the intention to request the AMF, within three (3) months from the closing of this Offer, in accordance with articles L. 433-4 III of the French monetary code and 237-14 *et*

seq. of the general regulation of the AMF, the implementation of a mandatory squeeze-out (*retrait obligatoire*) in order to receive all the CIC shares that have not been tendered into the simplified cash offer in exchange for an indemnity corresponding to the price of the offer, it being specified that this procedure will result in the delisting of the CIC shares from Euronext Paris.

The draft offer document is available on the websites of BFCM (www.bfcm.creditmutuel.fr) and of the AMF (www.amf-france.org) and may be obtained free of charge upon request to:

**Banque Fédérative
du Crédit Mutuel**
34, rue du Wacken
67000 Strasbourg
France

Mutuelles Investissement
34, rue du Wacken
67000 Strasbourg
France

BNP Paribas
4 rue d'Antin
75002 Paris
France

In accordance with article 231-28 of the general regulation of the AMF, information relating in particular to the legal, financial and accounting aspects of the Co-Initiators will be made available to the public in the same manner as mentioned above no later than the day preceding the opening of the offer.

PRESENTATION OF THE OFFER

1.1 Presentation of the Offer and description of the Co-Initiators

Pursuant to Section III of Book II and more specifically articles 233-1 et seq. of the general regulation of the AMF, Banque Fédérative du Crédit Mutuel, a French *société anonyme* having its registered office at 34, rue du Wacken, 67000 Strasbourg, registered with the Register of Commerce and Companies of Strasbourg under number B 355 801 929 (“**BFCM**”), and Mutuelles Investissement, a *société par actions simplifiée* having its registered office at 34, rue du Wacken, 67000 Strasbourg, registered with the Register of Commerce and Companies of Strasbourg under number TI 799 620 430 (hereafter “**Mutuelles Investissement**” and, together with BFCM, the “**Co-Initiators**”) irrevocably offer to shareholders of Crédit Industriel et Commercial, a French *société anonyme* with a share capital of 608,439,888 euros, having its registered office at 6, avenue de Provence, 75009 Paris, registered with the Register of Commerce and Companies of Paris under number 542 016 381 (“**CIC**” or the “**Company**”), which shares are traded on the regulated market of Euronext Paris (« **Euronext Paris** ») under ISIN code FR0005025004, to acquire all of their CIC shares, at a price of 390 euros per share¹ in accordance with the terms and conditions described below (the « **Offer** »).

As of the date of this press release, BFCM and Assurances du Crédit Mutuel Vie, a mutual insurance company with fixed contributions having its registered office at 34, rue du Wacken, 67906 Strasbourg and governed by the French insurance code, respectively hold 90% and 10% of the share capital and voting rights of Mutuelles Investissement.

The Offer is made for all existing shares of the Company which are not held, directly or indirectly, alone or in concert, by the Co-Initiators (the « **Shares** »), representing, to the knowledge of the Co-Initiators, a maximum number of 2,609,622 existing shares representing 6.86% of the share capital and theoretical voting rights of the Company based on a total number of 38,027,493 shares (as calculated in accordance with the provisions of article 233-11 of the general regulation of the AMF).

To the knowledge of the Co-Initiators, there is no other capital stock, nor any other financial instrument or right which could give access to the share capital or voting rights of the Company other than the shares of the Company.

In accordance with article 231-13 of the general regulation of the AMF, BNP Paribas, acting as presenting bank, has filed with the AMF on June 8th, 2017 the draft Offer and the draft offer document on behalf of the Co-Initiators. BNP Paribas guarantees the content and the irrevocable nature of the undertakings made by the Co-Initiators in the context of the Offer.

The Offer will be completed through the simplified procedure in accordance with articles 233-1 *et seq.* of the general regulation of the AMF.

The duration of the Offer will be of ten (10) trading days. The attention of the shareholders of the Company is drawn to the fact that the Offer will not be reopened after publication of the definitive results of the Offer due to the fact the Offer will be completed through the simplified procedure.

¹ In the context of the Offer, the shares will be delivered with all rights attached to the 2017 dividend. Payment with respect to the 2016 dividend was made on June 2nd, 2017.

1.2 Background and reasons of the Offer

1.2.1 *Background of the Offer*

As an historical shareholder since the privatization of the Company in 1998, BFCM holds, as of the date of this press release, directly 27,657,888 shares of the Company, representing 72.73% of the shares and theoretical voting rights of the Company, and indirectly, through its wholly owned subsidiary Ventadour Investissement, 7,759,983 shares of the Company, representing 20.41% of the shares and theoretical voting rights of the Company.

This interest has remained unchanged over the last twelve months.

Mutuelles Investissement does not hold as of today any share of the Company.

For information purposes and to the knowledge of the Co-Initiators, as of the date of filing of the draft offer document, the share capital and voting rights of the Company is allocated as follows:

Shareholders	Number of shares	% of share capital	Number of theoretical voting rights	% of theoretical voting rights
BFCM	27 657 888	72.73%	27 657 888	72.73%
Ventadour Investissement ²	7 759 983	20.41%	7 759 983	20.41%
Total BFCM	35 417 871	93.14%	35 417 871	93.14%
Others	2 378 870	6.25%	2 378 870	6.25%
Treasury shares	230 752	0.61%	230 752	0.61%
Total Others and Treasury shares	2 609 622	6.86%	2 609 622	6.86%
TOTAL	38 027 493	100.00%	38 027 493	100.00%

1.2.2 *Reasons of the Offer*

Offering shareholders an immediate liquidity

The Offer allows the shareholders of the Company to benefit from an immediate liquidity for their shares and a significant premium based *inter alia* on the closing share price preceding the announcement and on the very low liquidity of the Shares on the market. The price proposed to shareholders represents a 78.1% premium over the closing price of the CIC share on June 2nd, 2017, last trading day before announcement, and a 91.6% premium over the average trading price of the shares over the last three months (average of the closing prices weighted according to daily volume) before June 2nd, 2017.

Delisting of the CIC shares

The Offer allows to simplify the group structures and to release it from regulatory and administrative constraints relating to the listing of the Company shares, the related costs, which are no longer justified given the small level of public float and the very limited liquidity of the CIC share. In addition, to the extent the Company does not contemplate any financing through the public offering of shares, the listing of the CIC shares is no longer justified.

² Ventadour Investissement is a wholly-owned subsidiary of BFCM.

The objective of the Co-Initiators is to acquire all Shares. Therefore, if the Co-Initiators come to hold more than 95% of the share capital and voting rights of the Company following the Offer, they intend, in accordance with the provisions of articles 237-14 *et seq.* of the general regulation of the AMF, to request the AMF to implement, within three months from the closing of the Offer, a mandatory squeeze-out (*retrait obligatoire*), in order to receive all the shares that have not been tendered into the Offer in exchange for an indemnity corresponding to the Offer price, i.e. 390 euros per share.

1.2.3 *Allocation of CIC shares among the Co-Initiators*

Upon closing of the Offer, the shares of the Company tendered to the Offer will be entirely allocated to Mutuelles Investissement.

1.3 Other characteristics and terms of the Offer

1.3.1 *Procedure to tender the shares to the Offer – payment of the costs*

The shareholders of the Company who intend to tender their shares to the Offer may:

- either sell their shares on the market, in which case the settlement of the transferred shares (including the payment of the price) will take place on the second trading day following the execution of the orders, and the trading fees (including brokerage fees and corresponding VAT) relating to these transactions will entirely remain at the expense of the selling shareholders;
- or sell their shares in accordance with the semi-centralized procedure monitored by Euronext Paris, in which case the settlement of the transferred shares (including the payment of the price) will take place after the completion of the operations of semi-centralization following the last day of the opening of the Offer. The Co-Initiators will reimburse the trading fees (brokerage fees and corresponding VAT) paid by the sellers who tendered their shares through the semi-centralized procedure, up to 0.3% of the acquisition price (including taxes) and for a maximum amount of 250 Euros (including taxes) per transaction; it being specified however that, in the event the Offer is declared void for any reason whatsoever, the shareholders of the Company will not be able to request any reimbursement.

Only the shareholders tendering their shares through the semi-centralized procedure and whose shares are registered in an account on the day preceding the opening of the Offer may receive the reimbursement of such trading fees by the Co-Initiators.

The requests for reimbursement of the abovementioned fees will be accepted and processed by the financial intermediaries during a period of 25 trading days starting from the last day of the opening of the Offer. After this period has expired, Exane BNP Paribas, as buying market member, will cease reimbursing the abovementioned fees.

To the exception of the reimbursement by the Co-Initiators to the shareholders of certain trading fees as described above, no fees shall be reimbursed and no commission shall be paid by the Co-Initiators to the financial intermediaries of the shareholders tendering their shares to the Offer.

1.3.2 *Financing terms of the Offer*

In the event that all the shares targeted by the Offer would be tendered to the Offer, the total amount of the cash portion that would have to be paid by the Co-Initiators to the shareholders who have tendered their shares to the Offer would amount to 927.759.300 Euros (excluding commissions and ancillary costs, and excluding the treasury shares).

1.3.3 ***Restrictions applicable to the Offer outside France***

The Offer is made to shareholders in France and outside France, provided that the local laws and regulation applicable to them authorize them to participate to the Offer without requiring the Co-Initiators to carry out further formalities.

The shareholders of CIC are invited to refer to the draft offer document for more details relating to the restrictions applicable to the Offer outside France.

2. CO-INITIATORS' INTENTIONS FOR THE NEXT 12 MONTHS

2.1 Strategy and financial policy

Considering that the Company is already a member of the group Crédit Mutuel, the Co-Initiators do not expect any significant change in the financial policy and the main orientations in the strategy currently conducted at the level of the Company.

2.2 Composition of the board of directors of the Company

Upon closing of the Offer, the Co-Initiators do not intend to modify the composition of the board of directors of the Company.

The Co-Initiators intend to maintain the current direction team in office.

2.3 Intentions regarding employment

The Offer will not have any particular impact on the staffing, the compensation policy and human resources management.

2.4 Dividend distribution policy

The Co-Initiators do not expect any change in the dividend distribution policy of the Company following the Offer.

2.5 Mandatory squeeze out (*retrait obligatoire*) – Delisting

In the event that, following the Offer, the shareholders who did not tender their shares to the Offer do not represent more than 5% of the capital or voting rights of the Company³, the Co-Initiators intend to request the AMF, within three (3) months following the closing of the Offer, pursuant to articles L. 433-4 III of the French Financial and monetary code and 237-14 *et seq.* of the general regulation of the AMF, the implementation of a mandatory squeeze-out (*retrait obligatoire*) in order to receive all the shares of the Company that have not been tendered into the Offer in exchange for an indemnity corresponding to the Offer price. It is specified that such squeeze-out will result in the delisting of the Company shares from Euronext Paris.

The Co-Initiators will publish a notice informing the public of the mandatory squeeze-out (*retrait obligatoire*) in a journal of legal notices. The amount of the indemnity, which will be equal to the Offer price, will be transferred to a blocked account opened for this purposes with BNP Paribas Securities

³ For the purposes of this calculation, the treasury shares held by the Company and the shares subject to a liquidity agreement will not be included in the shares held.

Services, appointed as centralizing agent of the compensation transactions in respect of the mandatory squeeze-out (*retrait obligatoire*).

The Co-Initiators also reserve the right, in the event that they, alone or in concert, come to hold, directly or indirectly, at least 95% of the voting rights of the Company and where a mandatory squeeze-out (*retrait obligatoire*) would not be implemented following the Offer under the conditions referred to above, to subsequently file with the AMF a public buy-out offer followed, in the event they would own at least 95% of the share capital and voting rights of the Company, by a mandatory squeeze-out (*retrait obligatoire*) of the Company shares not owned, directly or indirectly, by the Co-Initiators, alone or in concert, pursuant to articles 236-1 *et seq.* and 237-1 *et seq.* of the general regulation of the AMF. In the latter case, the mandatory squeeze-out (*retrait obligatoire*) shall be subject to review by the AMF including in light of the evaluation report to be provided by the Co-Initiators pursuant to articles 237-2 of the general regulation of the AMF, and of the report of an independent expert to be appointed in accordance with the provisions of article 261-1 of the general regulation of the AMF.

In addition, the Co-Initiators reserve the possibility, in the event they could not implement a mandatory squeeze-out (*retrait obligatoire*) following the Offer, to request Euronext Paris the delisting of the shares of the Company from Euronext Paris. It is reminded that Euronext Paris will be able to accept this request only if the conditions of such delisting are met, in accordance with its market regulations.

2.6 Intentions regarding merger or integration

At the date of the offer document, it is not intended to merge the Company with one of the Co-Initiators or a company controlled by them.

2.7 Benefits of the transaction for the Company and the shareholders of the Company – Synergies and economic gains

The benefits expected from the transaction are described in section 1.2.2 (“Reasons of the Offer”) above.

The mandatory squeeze-out (*retrait obligatoire*) results in costs synergies due to the removal of regulatory and administrative constraints relating to the listing of the shares of the Company.

3. INDICATIVE TIMETABLE OF THE OFFER

Prior to the opening of the Offer, the AMF will publish notices announcing the opening date and the calendar of the Offer.

An indicative timetable is suggested below:

Dates	Principales étapes de l’Offre
June 6th, 2017	- Announcement of the Offer
June 8th, 2017	- Filing with the AMF of the draft Offer and the draft offer document by the Co-Initiators - Publication online of the draft offer document of the Co-Initiators on the websites of BFCM (http://www.bfcm.creditmutuel.fr) and the AMF (www.amf-france.org) - Making the draft offer document of the Co-Initiators available to the public at the registered offices of BFCM and Mutuelles Investissement

Dates	Principales étapes de l'Offre
	<ul style="list-style-type: none"> - Publication of notice on the filing and availability of the draft offer document of the Co-Initiators
June 28th, 2017	<ul style="list-style-type: none"> - Filing the draft response document by the Company, including the reasoned opinion of the board of directors of the Company and the report of the independent expert - Publication online of the draft response document of the Company on the websites of the Company (www.cic.fr) and the AMF (www.amf-france.org) - Making the draft response document of the Company available to the public at the registered office of the Company - Publication of notice on the filing and availability of the draft response document of the Company
July 18th, 2017	<ul style="list-style-type: none"> - Publication of the declaration of conformity of the Offer by the AMF with approval of the Co-Initiators' offer document and the Company's response document - Publication online of the approved offer document of the Co-Initiators on the websites of BFCM (http://www.bfcm.creditmutuel.fr) and the AMF (www.amf-france.org) and making available to the public the approved offer document at the registered offices of BFCM and Mutuelles Investissement - Publication online of the approved response document of the Company on the websites of the Company (www.cic.fr) and the AMF (www.amf-france.org) and making available to the public the approved response document at the registered office of the Company - Publication of notices on the availability of the approved offer document of the Co-Initiators and the approved response document of the Company
July 19th, 2017	<ul style="list-style-type: none"> - Publication online of the information relating to the legal, financial and accounting situations of the Co-Initiators on the websites of BFCM (http://www.bfcm.creditmutuel.fr) and the AMF (www.amf-france.org) and making such information available to the public at the registered offices of the Co-Initiators and the presenting bank - Publication online of the information relating to the legal, financial and accounting situations of the Company on the websites of the Company (www.cic.fr) and the AMF (www.amf-france.org) and making such information available to the public at the registered office of the Company - Publication of notices on the filing and availability of the information relating to the legal, financial and accounting situations of the Co-Initiators and the Company
July 20th, 2017	<ul style="list-style-type: none"> - Opening of the Offer
August 2 nd , 2017	<ul style="list-style-type: none"> - Closing of the Offer
August 7th, 2017	<ul style="list-style-type: none"> - Publication of the results of the Offer by the AMF
August 10th, 2017	<ul style="list-style-type: none"> - Settlement of the Offer
August 11th, 2017	<ul style="list-style-type: none"> - If applicable, mandatory squeeze-out process and delisting of the shares

4. ELEMENTS OF ASSESSMENT OF THE OFFER PRICE

The table below provides a summary of the elements of assessment of the Offer price:

Criteria	Value per share (€)			Implied premium per share (%)		
	Minimum value	Central value	Maximum value	Minimum value	Central value	Maximum value
Dividend discount model (DDM)						
Change in CoE	284	313	346	37.2%	24.6%	12.6%
Change in CET1	290	313	336	34.6%	24.6%	16.1%
Change in long term growth rate	310	313	316	26.0%	24.6%	23.6%
Trading multiples						
P/E 2017e (average)		339			14.9%	
Regression analysis						
RoaE 2018e vs. P/BV 2017e		356			9.5%	
RoaTE 2018e vs. P/TBV 2017e		354			10.2%	
Share price						
Spot price (02/06/2017)		219			78.1%	
1-month VWAP	204	220	236	91.4%	76.9%	65.3%
3-month VWAP	180	203	236	116.7%	91.6%	65.3%
6-month VWAP	170	189	236	130.0%	105.9%	65.3%
12-month VWAP	153	181	236	155.5%	116.1%	65.3%
Highest price since IPO		323			20.6%	
Low est price since IPO		67			483.6%	
Transaction multiples						
P/E (average)	305	321	337	28.0%	21.6%	15.8%
P/BV (average)	293	308	324	33.2%	26.5%	20.5%
P/TBV (average)	293	308	324	33.1%	26.4%	20.4%
For illustrative purposes only						
Brokers' target price		170			129.0%	

Sources: Factset as of 02/06/2017, company

5. CONTACT

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