

Non-binding unofficial English translation of French original, for information purposes only

This press release does not constitute an offer to purchase any securities. This draft offer and the draft response offer document remain subject to review by the AMF.

**PRESS RELEASE RELATING TO THE FILING OF
THE DRAFT RESPONSE OFFER DOCUMENT PREPARED BY**



**IN RESPONSE TO THE SIMPLIFIED CASH OFFER
INITIATED BY**

BANQUE FÉDÉRATIVE
Crédit  Mutuel

AND

MUTUELLES INVESTISSEMENT



This press release was prepared by Crédit Industriel et Commercial and disseminated in accordance with Article 231-26 of the general regulations of the French financial market authority (*Autorité des marchés financiers*) (the “AMF”).

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

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

The draft response offer document is available on the websites of Crédit Industriel et Commercial (www.cic.fr) and of the AMF (www.amf-france.org) and may be obtained free of charge upon request to:

Crédit Industriel et Commercial
6, avenue de Provence,
75009 Paris

In accordance with the provisions of article 231-28 of the general regulations of the AMF, information relating in particular to the legal, financial and accounting aspects of Crédit Industriel et Commercial, will be filed with the AMF and made available to the public, no later than the day preceding the opening of the tender offer.

I. RAPPEL DES CONDITIONS DE L'OFFRE

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 (the « **Offer** »).

The draft offer document relating to the Offer has been filed with the AMF by the Co-Initiators on June 8th, 2017 (the “**Draft Offer Document**”).

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. Pursuant to the provisions of Article 231-28 of the general regulation of the AMF, the information which shall be made available to the public prior to the opening of the Offer will provide more detailed information in respect of BFCM and 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 shares² (as calculated in accordance with the provisions of article 233-11 of the general regulation of the AMF).

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 Company, 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

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.

² It being specified that the maximum number of shares subject to the Offer includes the 231.711 treasury shares which will not be tendered to the Offer, as decided by the Board of Directors at its meeting held on June 28th, 2017.

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.

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.

II. BACKGROUND AND REASONS OF THE OFFER

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.

Upon prior review of the main characteristics of the draft Offer, the Board of Directors of CIC, which held a meeting on June 6th, 2017:

- Unanimously and positively welcomed the proposed Offer;
- Decided to set up an ad hoc committee of two directors, in charge of monitoring the mission of the independent expert (the “**Committee**”);
- Appointed, upon proposal of the members of the Committee, Finexsi, represented by Olivier Peronnet and Lucas Robin, as independent expert.

On June 8th, 2017, the draft Offer made for all existing shares of the Company which are not held, directly or indirectly, alone or in concert, by BFCM and Mutuelles Investissement, and the Draft Offer Document have been filed with the AMF.

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.

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.

III. REASONED OPINION OF THE BOARD OF DIRECTORS OF CIC

The Committee presented its findings to the Board of Directors of the Company which took them into consideration in its reasoned opinion.

The extract of the minutes including the reasoned opinion is reproduced below:

“Pursuant to the provisions of Article 231-19 of the AMF General Regulation, a meeting of the Board of Directors was held on June 28th, 2017 at the registered office of the Company, chaired by Nicolas Théry, in order to issue a reasoned opinion on the merits of the simplified public tender offer (the “Offer”) initiated by BFCM and Mutuelles Investissement (the “Co-Initiators”) and the consequences of such offer for the Company, its shareholders and its employees.

All Board members were present or represented at this meeting, namely:

- Nicolas Théry, Chairman of the Board ;*
- Catherine Allonas-Barthe, representing BFCM ;*
- Maurice Corgini ;*
- Luc Cortot, representing CCCM;*
- Jean-François Jouffray ;*
- Daniel Leroyer ;*
- Éric Charpentier; and*
- William Paillet, representing the employees shareholders.*

Luc Chambaud, Jacques Humbert, Gérard Cormorèche, Damien Lievens and Lucien Miara, were also present at the meeting as censors.

Guy Cormier (censor) and Gérard Fubiani (representing the works council) were absent and excused.

In accordance with the best governance practices, Nicolas Théry and Catherine Allonas-Barthe, respectively chairman of the board of directors of BFCM, and representative of BFCM at the Board of Directors of the CIC and president of Mutuelles Investissement, may be considered as having an interest in the Offer and therefore did not vote on the reasoned opinion issued by the Board of Directors.

In addition, it should be noted that Maurice Corgini is also a member of the board of directors of BFCM and Daniel Leroyer represents Caisse Fédérale du Crédit Mutuel Maine-Anjou, Basse-Normandie, at the board of directors of BFCM. However, the Board of Directors does not regard such positions as likely to question the independence of their judgment, and therefore Maurice Corgini and Daniel Leroyer may vote on the reasoned opinion issued by the Board of Directors.

The Board of Directors notably took into consideration the following documentation :

- the draft offer document filed with the AMF, including notably the background and reasons of the Offer, the intentions of the Co-Initiators, the characteristics of the Offer, and the elements of assessment of the Offer price;*
- the valuation report prepared by BNP Paribas, presenting bank;*
- the draft response offer document of the Company, including notably the main terms and conditions of the Offer and the information in respect of the Company, which shall be filed with the AMF;*
- the report of the ad hoc committee appointed on June 6th, 2017, by the Board of Directors, comprising Eric Charpentier and Luc Cortot (the “**Committee**”) in order to (i) monitor the mission of the independent expert, Finexsi, and ensure the good execution of the missions of such expert, (ii) regularly communicate with the independent expert in the course of the execution of its mission, and (iii) issue an opinion to the attention of the Board of Directors prior to the delivery by the latter of this reasoned opinion with respect to the benefit of the Offer for the Company, its shareholders and its employees; and*
- the report of the independent expert prepared by Finexsi (the “**Independent Expert**”) dated June 28th, 2017, reproduced in the draft response offer document of the Company, pursuant to the provisions of Article 261-1 of the AMF General Regulation.*

The Board of Directors then noted that:

- the Co-Initiators own, directly and indirectly, 93.14% of the share capital and theoretical voting rights of the Company;*
- the Offer is made for all existing shares of the Company not held by the Co-Initiators and the duration of the Offer will be of 10 trading days;*
- pursuant to the Offer, the Co-Initiators offer to shareholders of the Company to tender their shares to the Offer and receive a compensation of 390 Euros (the shares being delivered with all rights attached to the 2017 dividend and payment with respect of the 2016 dividend being made on June 2nd, 2017);*

- *in the event the Co-Initiators come to hold more than 95% of the share capital and voting rights of the Company, the Co-Initiators intend 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;*
- *there have not been any agreements related to the Offer;*
- *in the event of mandatory squeeze-out (retrait obligatoire), the Offer will release the Company from regulatory and administrative constraints relating to the listing of the Company shares, and the related costs, which are no longer justified given the small level of public float and the very limited liquidity of the share of the Company;*
- *to the extent the Company does not contemplate any financing through the public offering of shares, the listing of the shares is no longer justified;*
- *as to the benefit of the Offer for the shareholders, the transaction provides such shareholders with a complete and immediate liquidity for their shares, which the current listing does not provide anymore given the very low liquidity of the shares on the market, as the shareholders may elect to tender their shares for a price of 390 Euros, representing 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;*
- *such price also represents significant premiums in respect of all the valuation methods used in the report of the Independent Expert;*
- *with regard to the benefit of the Offer for the employees, the Co-Initiators indicate that the Offer will not have any particular impact on the staffing, the compensation policy and human resources management of the Company.*

The Board of Directors then noted the principal intentions of the Co-Initiators for the next twelve months:

- 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;
- the Co-Initiators do not intend to modify the composition of the Board of Directors of the Company and they intend to maintain the current direction team in office;
- the Co-Initiators have indicated that the Offer will not have any particular impact on the staffing, the compensation policy and human resources management of the Company;
- the Co-Initiators do not expect any change in the dividend distribution policy of the Company following the Offer; and
- the Co-Initiators have indicated that it is not contemplated to merge the Company with one of the Co-Initiators or a company controlled by them.

Then, the Chairman suggests that *Finexsi*, represented by *Olivier Peronnet* and *Lucas Robin*, invited to the meeting of the Board of Directors, to present their report and its following conclusion:

”Following our work, we note that the proposed price of €390 per CIC share represents a premium of 7.9% to 24.3% over the valuations obtained using the most relevant criteria, i.e. (i) dividend discount model, which gives a range of €314 to €362, and (ii) the P/BV RoE model, which gives a value per share of €332.

Furthermore, the Offer price enables shareholders to access to the liquidity of their shares at a price 78% higher than the last closing price preceding the Offer announcement and 91.1% higher than the average price over the 60 days preceding that date, bearing in mind that the actual share price has never yet been as high as the Offer price.

We also note that the Offer price represents a significant premium over the valuations obtained based on all the other methods we used.

We are not aware of any related agreement liable to have a significant impact on the assessment of the Offer.

Accordingly, on this basis, we are of the opinion that the Offer price of €390 per CIC share is fair from a financial point of view for the shareholders of CIC.

This conclusion also applies to the squeeze-out procedure that will follow this Offer should CIC's minority shareholders no longer hold more than 5% of the Company's share capital or voting rights.”

Following this presentation, the Chairman invites *Eric Charpentier* and *Luc Cortot* to present, on behalf of the Committee, the report of the Committee, which was made available to the Board of Directors, from which:

- *it results that the Committee undertook the steps necessary to support the mission of the Independent Expert and ensured that the latter received all the documents and information necessary or useful to carry out its mission;*
- *it concludes that the draft Offer is made in the interest of the Company, its shareholders and its employees, and recommends the Board of Directors to issue a favorable reasoned opinion on the Offer.*

In light of the foregoing, taking into account all the findings which have been presented and notably the conclusions of the Independent Expert and the Committee, the Board of Directors, having deliberated on the matter, and upon a unanimous decision of its voting members, it being reminded that Nicolas Théry and Catherine Allonas-Barthe did not participate to the vote:

- *believes that the draft Offer is in the interest of the Company, its shareholders and its employees;*
- *recommends the shareholders to tender their shares of the Company to the Offer.*“

IV. INTENTIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS OF CIC

At the meeting of the Board of Directors held on June 28th, 2017, the members of the Board of Directors who own shares of the Company have unanimously declared their intention to tender all their shares to the Offer.

V. INTENTIONS OF THE COMPANY REGARDING THE TREASURY SHARES

The Company has decided not to tender to the Offer the 237,711 shares that it holds.

VI. REPORT OF THE INDEPENDENT EXPERT PURSUANT TO ARTICLE 261-1 OF THE GENERAL REGULATION OF THE AMF

Pursuant to articles 261-1 I, 1^o and 261-1 II of the general regulation of the AMF, Finexsi, represented by Olivier Peronnet and Lucas Robin, was appointed as independent expert by the board of directors of the Company held on June 6th, 2017, in order to deliver a report on the financial conditions of the Offer, and if applicable, the mandatory squeeze-out (*retrait obligatoire*). The report is reproduced in the draft response offer document.

The conclusions of this report are as follows:

“Following our work, we note that the proposed price of €390 per CIC share represents a premium of 7.9% to 24.3% over the valuations obtained using the most relevant criteria, i.e. (i) dividend discount model, which gives a range of €314 to €362, and (ii) the P/BV RoE model, which gives a value per share of €332.

Furthermore, the Offer price enables shareholders to access to the liquidity of their shares at a price 78% higher than the last closing price preceding the Offer announcement and 91.1% higher than the average price over the 60 days preceding that date, bearing in mind that the actual share price has never yet been as high as the Offer price.

We also note that the Offer price represents a significant premium over the valuations obtained based on all the other methods we used.

We are not aware of any related agreement liable to have a significant impact on the assessment of the Offer.

Accordingly, on this basis, we are of the opinion that the Offer price of €390 per CIC share is fair from a financial point of view for the shareholders of CIC.

This conclusion also applies to the squeeze-out procedure that will follow this Offer should CIC's minority shareholders no longer hold more than 5% of the Company's share capital or voting rights.”

VII. CONTACTS

Sandrine Cao-Dac Viola : +33.1.40.16.28.13 - sandrine.caodac@creditmutuel.fr

Frédéric Monot : +33.1.53.48.79.57 – frederic.monot@cmcic.fr

Disclaimer

This press release was prepared for informational purpose only. It is not an offer to the public and it is not for diffusion in any other country than France. The diffusion of this press release, the Offer and its acceptance may be subject to specific regulations or restrictions in certain countries. The Offer is not made for persons subject to such restrictions, neither directly nor indirectly, and may not be accepted in any way from a country where the Offer would be subject to such restrictions. Consequently, persons in possession of this press release shall inquire about potential applicable local restrictions and comply with them. Crédit Industriel et Commercial excludes all liability in the event of any breach of the applicable legal restrictions by any person.