

A good year for Calyon despite a slackening at year-end

Balance sheet relief - Calyon, the Crédit Agricole S.A. corporate and investment banking subsidiary, turned in an excellent performance for the year with pre-tax net income up by 35% to EUR 2.3 billion and net banking income up by 22.4% overall to EUR 5.4 billion (with capital markets and investment banking growing by 29% and financing activities by 14%).

Calyon's growth performances were comparable to those of BNP Paribas's corporate and investment banking division, even if the amounts and the return on equity remain substantially higher for BNP Paribas (40% return on equity for BNP Paribas, 28% for Calyon).

However, in the fourth quarter Calyon's revenues rose by just 10.6% and its pre-tax net income by just 16%, less than its direct competitors. The reasons suggested include a slowdown in some capital market product lines, the costs of balance sheet relief and disposing of receivables (EUR 63 million) and the non-recurring impact of regulatory changes on employee obligations in Paris and London (EUR 33 million).

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