



# FCT Ginkgo Compartment Sales Finance 2017-1

EUR [•] Securitisation of French sales finance loans

## *Presentation to Standard and Poor's*

- EUR [•] Class A Asset Backed Floating Rate Notes due [•]
- EUR [•] Class B Asset Backed Floating Rate Notes due [•]
- EUR [•] Class C Asset Backed Fixed Rate Notes due [•]
- EUR [•] Class D Asset Backed Fixed Rate Notes due [•]
- EUR [•] Backed Units due [•]



January 23<sup>rd</sup> 2017

# Executive Summary

- ✓ CA Consumer Finance SA is pleased to present its new securitisation out of the Ginkgo program
- ✓ The securitised pool consists of sales finance loan receivables originated by CA CF in France through intermediaries
- ✓ Those loan types have been securitised in several prior transactions:
  - ✓ FCT Ginkgo Compartment Sales Finance 2011-1
  - ✓ FCT Ginkgo Compartment Sales Finance 2012-1
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  - ✓ FCT Ginkgo Compartment Sales Finance 2014-1
  - ✓ FCT Ginkgo Compartment Sales Finance 2015-1
- ✓ The structure is a repeat of the FCT Ginkgo Compartment Sales Finance 2015-1 structure, with the following exceptions:
  - ✓ Revolving period of [•] months instead of 20 months
  - ✓ Notes would be publicly placed at closing

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- 2 Distribution Channels and Products**
- 3 Underwriting Process**
- 4 Collection, Overindebtedness and Litigation processes**
- 5 Internal Audit**
- 6 Risk and Permanent Control**



# 1 Overview of CA Consumer Finance

- ✓ Highlights on CACF Group
- ✓ History
- ✓ CACF group funding activity 2014 to date
- ✓ International Presence
- ✓ Group Funding Structure
- ✓ Group Key Figures
- ✓ Overview of CACF France



# Highlights on CACF Group

## Wholly-owned subsidiary of Crédit Agricole S.A. ("CASA")

- Pan-European Consumer Finance Specialist, with leading edge expertise in credit, insurance and servicing, since 1951 and acquired by Credit Agricole in 1999
- Rated A / Positive / F1 by Fitch and A / Stable / A-1 by S&P<sup>1</sup>
- Regulated as a credit institution by *Banque de France*
- Comprehensive range of financial products (including sales finance, personal loans, revolving credit) and associated insurance and also services to consumers

## A wide range of distribution channels

- Long channel: point-of-sale credit offers through car dealers, household equipment retailers, brokers
- Short channel: direct sales through branches, call centers and internet
- Partnerships with car manufacturers, large retailers, insurance companies and banks
- For some partnerships, CACF only acts as service provider (Regional Banks of Crédit Agricole group, LCL, Cariparma, Friuladria)

## Strong international presence

- 64% of all originations outside France as of 31 December 2016
- Operating in 20 countries out of France
- Major international player for car financing: CACF has partnerships with leading car makers such as Fiat (in France for more than 20 years and in Europe through FCA Bank since December 2006), Ford (since June 2008) and Guangzhou Automobile Co Ltd, the 6<sup>th</sup> Chinese car maker (since 2010)

<sup>1</sup> A rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time

# History (1/2)

- 1951 – Establishment of Sofinco
- 1970 – Establishment of Finaref (part of the La Redoute group)
- 1988 – First subsidiary of Sofinco in Morocco (Wafasalaf)
- 1993 – Service provider partnership between Sofinco and Crédit Agricole
- 1999 – Acquisition of Sofinco by CAsa – Inception of Viaxel (car financing)
- 2003 – Acquisition of Finaref Group (including Nordic subsidiaries) by CASA
- 2007 – Establishment of FGA Capital: JV between Sofinco (50%) and Fiat Group (50%)
- 2008 – Acquisition of Ducato and partnership with Banco Popolare in Italy
- 2008 – Establishment of Forso: JV between Sofinco (50%) and Ford Group (50%)
- 2010 – Establishment of CA Consumer Finance (CACF) through merger of Sofinco and Finaref – Inception of a subsidiary in China
- 2011 – Crédit Agricole S.A. decided in December a deleveraging plan impacting CACF (“Adaptation Plan”)
- 2012
  - Asset reduction of €4.6bn between June 2011 and December 2012 driven by the Adaptation Plan implementation
  - Diversification of funding sources (June 2011, December 2012), new medium long term funding transaction amount: €7.0bn (new strategic approach of CACF)

# History (2/2)

- 2013 – Renewal of both Agos Ducato and FGA Capital joint-venture agreements
- 2014 – Sale of the Nordic subsidiaries
- 2015 – Funding diversification of CACF nearing its strategic goals: since 2010; €20bn decrease of short term funding et division by 2 of the liquidity provided by CA SA enabling a self funding ratio (equity included) of 68% in 2015
- 2016
  - Anchoring of CACF within Crédit Agricole Group materialised by the increase of managed outstandings for Crédit Agricole Group (€13.5bn by end of 2015 vs. €12.4bn in 2013) and the strong development of the insurance business (for the period January-April 2016, 82.1% of the credit production in France is realized with loan insurance with 74% of the stock in April 2016 having subscribed an insurance).
  - Signature of a partnership with Ferrari (through FCA Bank)

# CACF group funding activity 2014 to date

## CACF France

- Strong ABS activity: one ABS (public placement) in 2014, two ABS (retained) in 2015, two public placements (Ginkgo SF 2015-1 and Ginkgo PL 2016-1) in 2016
- Completion of the European saving deposit activity project (2014) in Germany
- Extension of the deposit activity (Austria in 2015 and Spain in 2016)

## AGOS DUCATO

- ABS market: Sunrise primary placements, two in 2014 (2014-1/2), three in 2015 (2015-1/2/3) and two in 2016 (2016-1/2)
- Sales of NPL for approximately €0.9bn gross book value in 2014
- Renewal of the Funding agreement with Banco Popolare (effective as of 1<sup>st</sup> January 2016)

## FCA BANK

- ABS activity: two ABS (public placements) in 2014, three ABS (public placements) in 2015, private deals in 2016
- Increase in EMTN: up to €7.5bn in 2016
- Banking license obtained in 2015
- Strong participation to TLTRO

## CREDITPLUS BANK

- Retail and Institutional deposit activity reinforcement in 2014-2016 with new short term maturities
- ABS activity: one ABS (retained) in 2016

## GACS

- Strong increase of originations and, as a consequence, significant increase of the funding needs
- First ABS issuance in 2014

## CACF NL

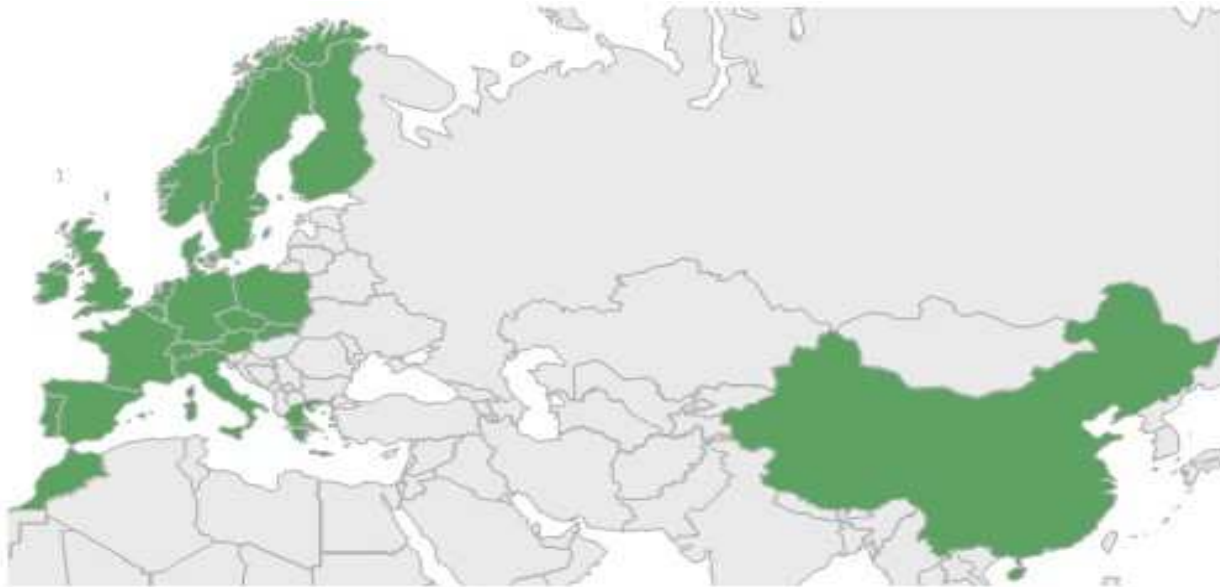
- ABS activity : closing of Ochiba in 2015 for €0,5bn (retained), Matsuba in 2016 for €0,4bn (placed)



# International Presence




21 countries – Managed Outstandings as of 31 December 2016





## Auto Finance JVs


 Managed outstandings : €20,747m


 Managed outstandings : €3,133m


 Managed outstandings : €1,213m


 **CA Consumer Finance**, Managed outstandings: €27,702m / France


 **Agos Ducato**, Managed outstandings: €14,862m / Italy


 **Creditplus**, Managed outstandings: €2,871m / Germany

 **Wafasalaf**, Managed outstandings: €2,767m / Morocco

 **CACF NL**, Managed outstandings: €2,599m / Netherlands

 **Credibom**, Managed outstandings: €1,273m / Portugal

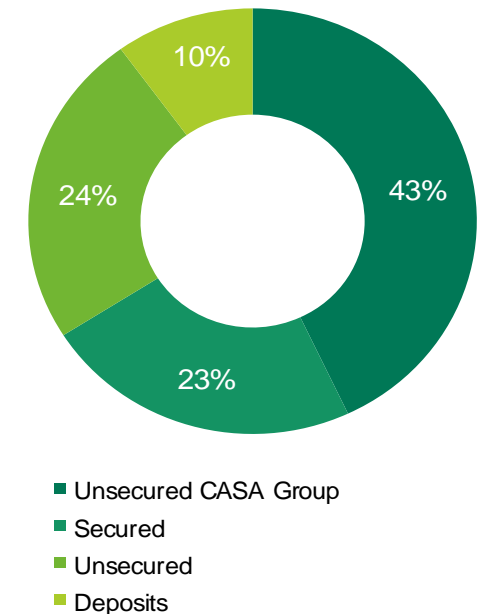
 **Credicom**, Managed outstandings: €39m / Greece

 **Credium**, Managed outstandings: €3m / Czech Republic – Slovakia

# Group Funding Structure

## CACF Group funding structure as at year end

	Outsdg debt as of 31/12/2016 (€bn)	% of Total	Outsdg debt as of 31/12/2015 (€bn)	% of Total
<b>Internal</b>	15.1	32%	18.9	43%
<i>Unsecured Casa Group</i>	15.1	32%	18.9	43%
<b>External</b>	31.8	68%	24.9	57%
<i>Secured</i>	12.9	27%	10.3	23%
ABS	7.9	17%	6.3	14%
TLTRO	3.0	6%	1.7	4%
Repo	2.0	4%	2.2	5%
<i>Unsecured</i>	13.6	29%	10.3	24%
Banking Lines	5.2	11%	4.8	11%
Debt securities (EMTN,...)	8.6	18%	5.5	13%
Others unsecured	-0.2	0%	-0.1	0%
<i>Deposits</i>	5.3	11%	4.3	10%
<b>Total Funding</b>	<b>46.9</b>	<b>100%</b>	<b>43.7</b>	<b>100%</b>

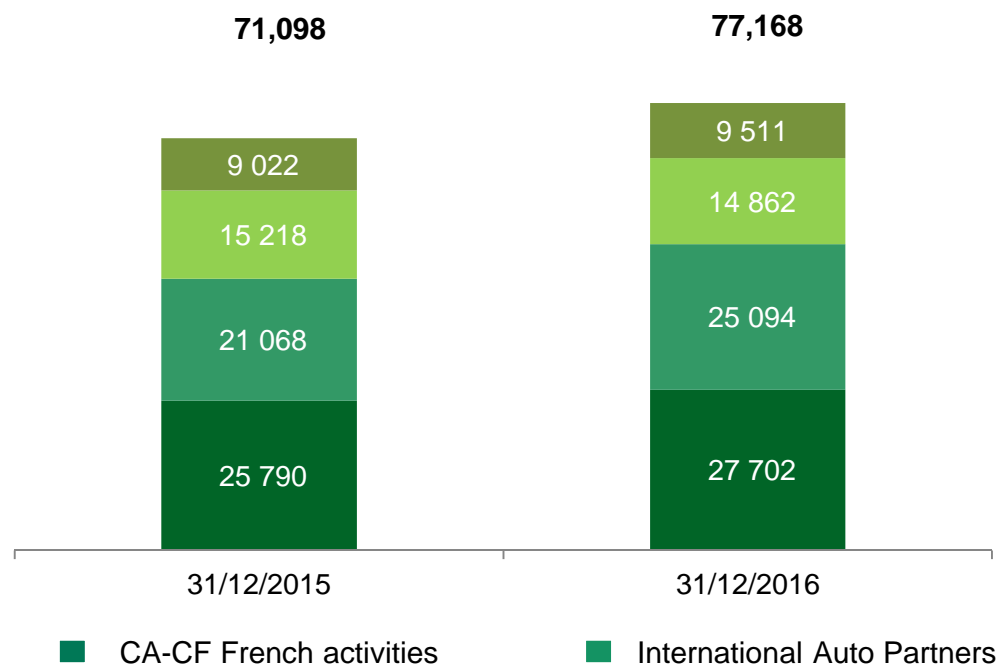


- Since 2015, the main contributions to the external funding increase are:
  - Increase of the EMTN program performed by FCA Bank, with €1.9bn issued in 2015 and €2.3bn in 2016
  - Steady level of repo deals contracted with external counterparties (collateralized by retained ABS notes)
  - Steady level of the banking line exposure in 2016 of circa €4.8bn, after a +33% increase in 2015
  - Increase by €800m (+18%) of the deposits exposure, up to €5.1bn mainly in Germany, Italy, Spain and Austria
  - Rising recourse to TLTRO drawings in Italy and France, up to €3.0bn as of December 2016.
- The strong development of external funding led to the reinforcement of:
  - The CACF group treasury division, especially in CACF France Corporate Center for coordination purposes
  - The GAC finance team in order to face the strong increase of funding need (including by way of securitisation)
  - The AGOS finance team to come back on a recurrent basis to the ABS market

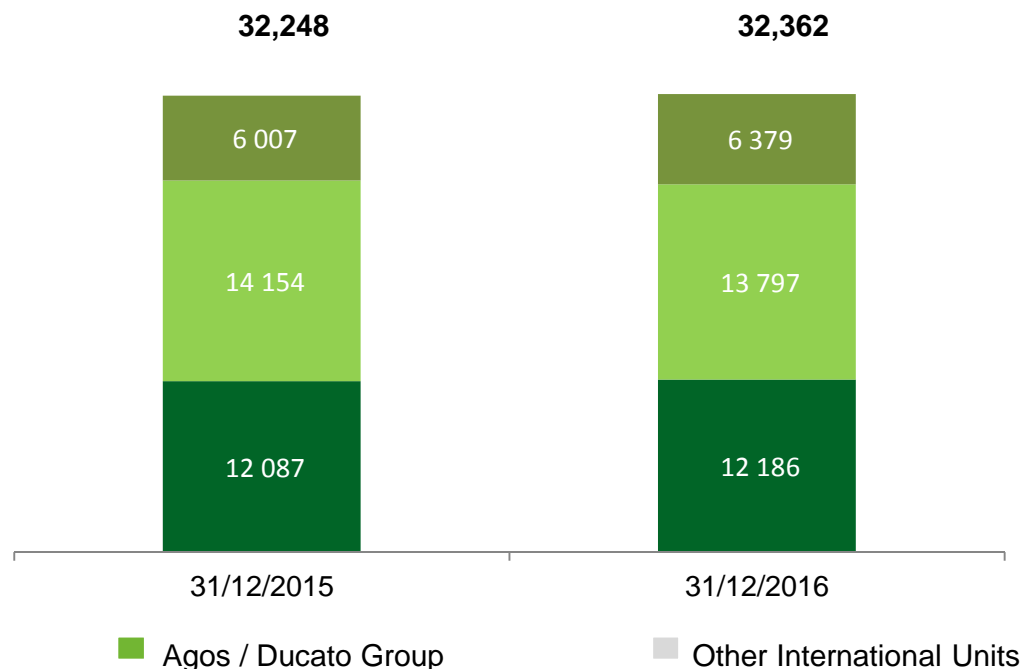
# Group Key Figures (1/2)



## Managed Outstandings (in €m)



## Consolidated Outstandings (in €m)



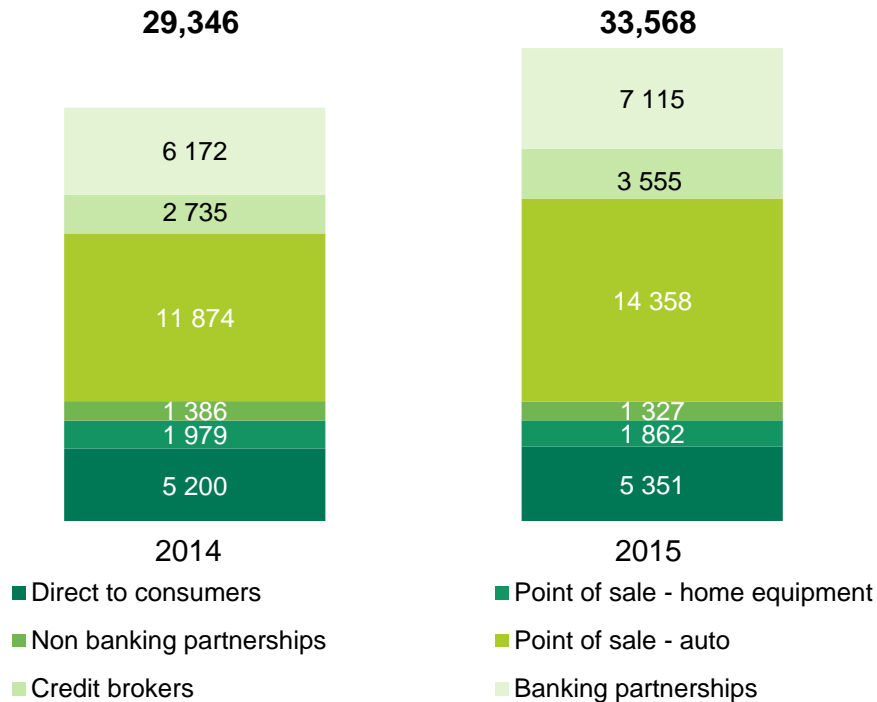
**+8.5%:** CACF Group managed outstandings reached €77bn as of 31/12/16, in increase of approx. €6.1bn so far in 2016.

**+0.4%:** CACF Group consolidated outstandings slightly increased at €32.4bn as of 31/12/2016

# Group Key Figures (2/2)



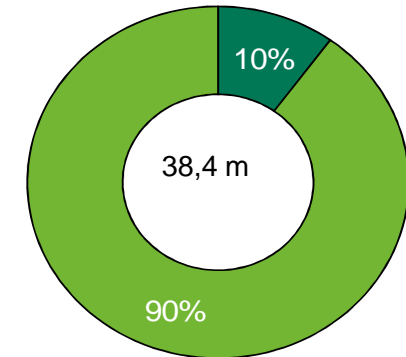
## New production by channel (in €m)



## New production by product type

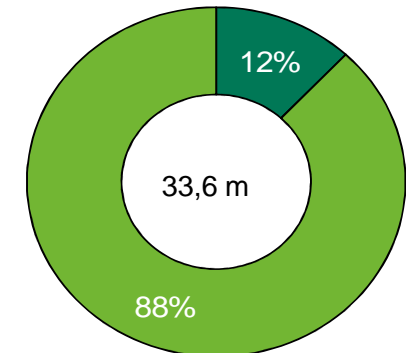
### 2016 production

- Revolving
- Instalment loans and leasing



### 2015 production

- Revolving
- Instalment loans and leasing



14%

Production increased by 14% in 2015 year-on-year with most of the increase attributed to auto finance

The share of revolving credits maintained its downward trend as a result of the customer behavior trend coupled with the regulatory environment enacted in 2010 (namely the Lagarde Law in France which is the transposition under French Law of the EU directive 2008/48/EC).

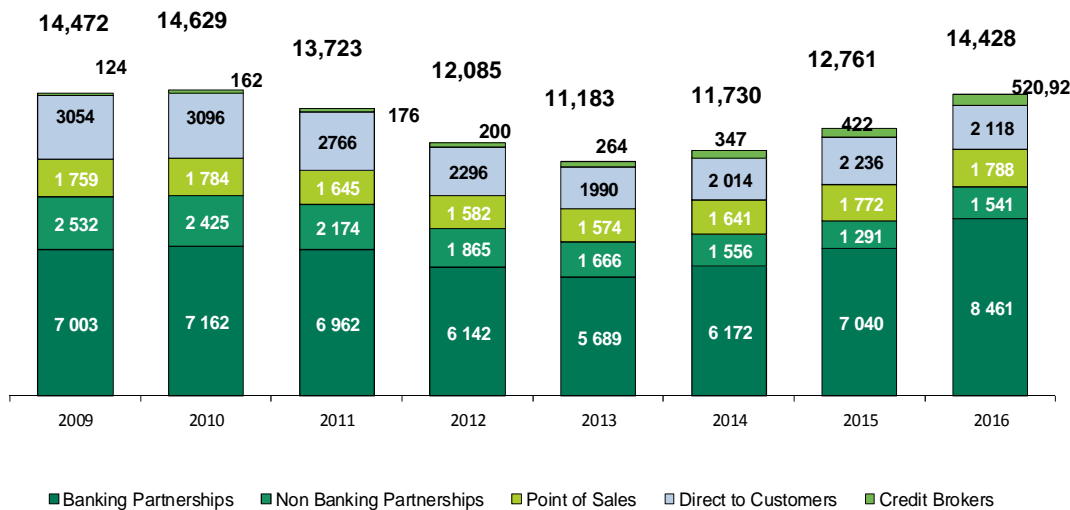
# Overview of CACF France (1/2)

## 2<sup>nd</sup> largest player in the French consumer lending market

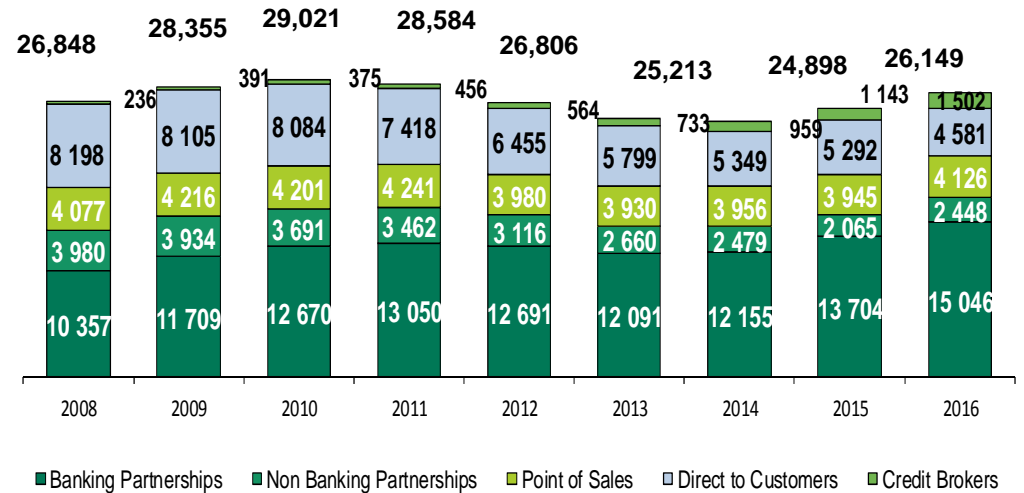
- One brand in the French consumer financing market, Sofinco
- One dedicated brand for auto market, Viaxel
- France accounts for 37.5% of group originations in 2016
- Strong penetration through branch network and partnerships:
  - Crédit Agricole group's Regional Banks, LCL and BforBank
  - Leading retailers (e.g. Darty, Décathlon, Castorama, Fnac etc.)
  - Car and motorcycle manufacturers (e.g. Mazda, Honda, RCI, etc.)
  - Insurance companies (e.g. GMF, CSF, etc.)
  - Online Retailers (Apple, etc.)
  - Brokers (Partners Finances, Brookeo, etc.)
- Significant developments on the digital business with new retail application

# CA-CF France Overview (2/2)

## New production by channel (in €m)



## Managed outstanding (in €m)



Profitability	2010	2011	2012	2013	2014	2015
Net Group Profit (€m)	180	100	76	15	-40	13
ROA (Net income/avg outstanding)	1.20%	0.70%	0.50%	0.10%	-0.30%	0.10%

- The production has decreased continuously since 2010 due to the effects of the Adaptation Plan implementation (2011/2012) and the economic environment. After the growth of 2015 (+8.7% vs. 2014), the production carried on increasing vigorously (+13% vs. 2015).
- The managed outstandings also resume increasing (+5.0% vs. 2015).
- In 2015 CACF France profitability bottomed out.