

Half-year financial results

Crédit Mutuel Arkéa's excellent growth path is ongoing

Brest, August 31th, 2017 – The Board of Directors of Crédit Mutuel Arkéa, meeting in Brest under the chairmanship of Jean-Pierre Denis, has approved the financial statements for the first half of the 2017 financial year. In a contrasted economic and financial environment, Crédit Mutuel Arkéa's results are at their highest level, demonstrating very good commercial and operational performances in its various business lines and confirming once again the strength of its balance sheet.

Record high interim results, further strengthened balance sheet

In the first half of 2017, net income came out at €193 million, up by 3.5% in relation to the first half of 2016 (€187 million).

- **Net banking and insurance** income grew by 7.1% compared to the first half of 2016, to more than €1 billion
- **Operating income** rose by 14.4%, to €290 million, compared with €253 million at the end of June 2016.
- A 1.6-point improvement of **the cost-to-income ratio**, at 68.6%
- **The Common Equity Tier One*** ratio remains far above regulatory requirements, at 16.9%, confirming the group's intrinsic strength.
- Crédit Mutuel Arkéa's **balance sheet** grew by €4.7 billion in the first half of 2017, to €125.1 billion.

Sustained commercial activity

Crédit Mutuel Arkéa continued its strong growth in all its business lines.

- **The client portfolio** increased by 2.1% to 4.1 million in the first half of 2017, mainly driven by Crédit Mutuel networks, online banking and insurance
- **New lending** in the first half of 2017 reached €6.2 billion, up by 14.5% in relation to the first half of 2016. This increase mainly concerns loans to individuals and to local authorities. Gross loans outstanding before provisions increased by 3.1% to €48.6 billion.
- **Total savings** rose by 4.3% compared to the end of 2016, reaching €104.8 billion. The net savings inflows, driven by financial savings, remained stable in relation to the first half of 2016, at €2.3 billion.
- **In non-life and protection insurance**, the group's portfolio continued to grow in the first half of 2017, rising by 2.8% to more than 2 million policies. New business in the first half of the year rose

by 6% in relation to the first half of 2016, to 211,800 policies. External networks contributed to 27% of new business.

Jean-Pierre Denis, Chairman of Crédit Mutuel Arkéa, comments:

«Crédit Mutuel Arkéa continued its excellent growth trajectory. First-half performances, achieved in a context of low interest rates penalising retail banking activities, augur well for an excellent 2017 financial year and confirm the intrinsic solidity of the group. Crédit Mutuel Arkéa's growth is profitable and balanced, with a balance sheet of quality. These performances validate the relevance and effectiveness of our business model: that of an integrated, diversified group that has been able to find new growth drivers such as in the corporate, B2B and private equity markets. More than ever before, we are convinced that this model, which combines agility, proximity and innovation, is perfectly suited to meet the expectations of the market and of our customers, in an environment that is undergoing rapid upheaval ».

Ronan Le Moal, Chief Executive Officer of Crédit Mutuel Arkéa, adds:

« These solid performances underline the soundness of our Arkéa 2020 strategic project. Crédit Mutuel Arkéa has successfully embarked on a process of transforming its business lines in increasingly competitive markets. We want to be among those who are reinventing banking and insurance services, combining the best of our teams' expertise and the tremendous potential of digital technology. We have the ambition to create new interactions with our customers and to offer them the most complete and competitive offers possible, going beyond financial services alone and making the quality of services provided an absolute priority ».

**Ratio under Basel 3 (CRD 4) with transitional measures and including half-year results.*

About Crédit Mutuel Arkéa

Crédit Mutuel Arkéa is made up of the federations of Crédit Mutuel de Bretagne, Sud-Ouest and Massif Central, as well as some thirty specialised subsidiaries (Fortuneo, Monext, Arkéa Banque Entreprises et Institutionals, Arkéa Investment Services, Suravenir...). With nearly 9,000 employees, 3,500 directors, 4.1 million clients in bank and insurance and 125 billion euros in total assets, Crédit Mutuel Arkéa ranks among the top banks with their head offices in the regions. More information at www.arka.com