

Press Release

Brest, January 11, 2017 – The Board of Directors of the Confédération Nationale du Crédit Mutuel (CNCM) met today in connection with the penalty procedure initiated last October against the Crédit Mutuel Arkéa inter-federal savings bank. At the meeting, Crédit Mutuel Arkéa, through its Chairman Jean-Pierre Denis, not only demonstrated the illegality of the procedure and the baselessness of the accusations, but also reaffirmed Crédit Mutuel Arkéa's determination to preserve its autonomy and defend its decentralized cooperative banking model whose operational and economic effectiveness has a proven track record. Jean-Pierre Denis proposed that further discussions be held soon to define the terms and conditions of an orderly separation.

Following the conclusions presented by Pascal Durand, Chief Executive Officer of CNCM, CNCM's Board of Directors eventually issued only one reprimand. This sanction, which is purely political, will naturally be contested by Crédit Mutuel Arkéa.

Of course, this level-one sanction, internal to the Crédit Mutuel organization, does not and will not have any impact on the activity of the Crédit Mutuel Arkéa Group, the three federations (Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest and Crédit Mutuel Massif Central) and the 334 local savings banks, which will continue to serve their shareholder members and customers and use their brand, which they own.

Crédit Mutuel Arkéa continues to condemn the serious competition and conflict of interest problems that have existed for many years. Indeed, it is no longer possible for two autonomous and competing groups to coexist within one and the same central body.

Moreover, CNCM's status as an association still does not allow for appropriate European banking supervision.

That is why Crédit Mutuel Arkéa, in keeping with the mandate entrusted last October by more than 96% of its local banks, will pursue all possible avenues to ensure the creation of a dedicated central body, which is now the only feasible way to preserve the group's autonomy and defend jobs in its regions over the long term.