Press Release

Outstanding financial results serving an overall performance

- A regular and sustainable development supported by good commercial dynamics and a successful diversification of income sources.
- The will to intensify a societal and environmental commitment serving local players.

Brest, March 3rd 2020 – "Arkéa’s financial and commercial performance in all businesses has been remarkable in every respect, confirming the group’s solidity, the relevance of its business model and its ability to create value in a fast-changing environment. The Arkéa group today has all the assets to position itself as a forerunner in finance at the service of a responsible economy and sustainable growth ", declared Chairman Jean-Pierre Denis at the end of the Board of Directors meeting that approved the financial statements for 2019. The cooperative and collaborative financial services group has indeed maintained a top performance, with revenues* of €2.3 billion and net income group share of €511 million. Beyond financial indicators alone, the group wishes to highlight its overall performance and particularly "its ability to put its expertise at the service of the transformations of the future".

- Revenues* continue to grow to €2.3 billion (+7.3%). They reflect very strong commercial dynamics in all the group’s major businesses as well as the successful diversification of income sources. BtoB and white-label banking services contributed 15% of revenues*. It also demonstrates that the human, technological and capital investments made over the last few years are aimed above all at supporting the group's regular development. Revenues* include a capital gain of €194 million from the sale of the stake in the Primonial group.
- Net income group share is at its highest level ever, at €511 million, up 16.8% compared to 2018.

Arkéa has a solid financial structure and an excellent level of solvency

- Total assets increased by 16.5% to €157 billion, compared with €135 billion in 2018, with a gross loan-to-deposit ratio of 102%.

* Net banking and insurance income including gains on disposal or dilution in investments in associates
- Group shareholders' equity increased by nearly 10% to €7.3 billion, including €2.3 billion in member shares.
- The Common Equity Tier One (CET 1) solvency ratio remained at a very high level, at 16.4%**. It is well above the requirements imposed by the European Central Bank and remains among the highest in the French banking sector.

More than 263,000 new customers in 2019
The commercial momentum is just as solid, with good progress in all activities:
- The portfolio of members and customers increased significantly by 5.3% to 4.7 million. Arkéa has more than 263,000 new individual and professional customers (net acquisition). The increase was mainly driven by subsidiaries: max the personal assistant “max”, insurers and online banking. This performance is a strong marker of the confidence inspired by the Arkéa group's development model and the constantly renewed quality of its product and service offerings, designed to support customers in their life paths and projects.
- Loan production reached a record level of €16.1 billion, up +15%. The increase concerns all loan types and brings the level of outstandings loans to €62.9 billion, up 11.3% compared to the end of December 2018.
- In the savings segment, the group's total outstandings rose by 12.4% to €124.9 billion. Total savings inflows amounted to €6.2 billion (+139%), with strong performances in financial and insurance savings.
- In property, life and health insurance, the group is pursuing its commercial development at a sustained pace. New policies premiums rose by 6.3% to €59 million and premiums earned in the portfolio by 5.9% to €423 million. Arkéa is taking full advantage of the successful diversification of its distribution channels, both physical and digital. Indeed, networks outside the group represent 56% of new business premiums.

Jean-Pierre Denis, Chairman of Arkéa, comments:
“In 2019, the Arkéa group achieved a very good overall performance, confirming the strength of its diversified model and its ability to create value for all. This performance is all the more remarkable in that we have succeeded, in line with previous years, in reconciling very strong commercial activity, first-rate operating results and great financial strength. Arkéa is a group in constant transformation, a group with initiative, which has been able to invent growth drivers in a rapidly changing environment. The Arkéa group relies on a business model that is both original and highly competitive and has proven its effectiveness for more than ten years. Our continuous performance today invites us to go even further in terms of expectations, by taking greater account of our societal and environmental impact in our decision-making and execution processes. Our territorial anchoring, our openness to others and to the world, our agility and the excellence of our expertise give us the ability to support transitions and transformations that are meaningful for the future and serve responsible growth.”

Hélène Bernicot, Chief Executive Officer of Arkéa, adds:
“The 2019 results are a formidable indicator of the confidence that the Arkéa group inspires. The conquest of 263,000 new individual and professional customers reflects the ever-increasing attention paid by our teams to customer relations and customer experience. Arkéa has also hired 1,024 people on permanent contracts in 2019 and 2,000 in the last two years, not to mention the 1,000 work-study students and trainees welcomed within the group. At a time when there is a lot of talk about social responsibility and the positive impact of companies in society, this employment dynamics, which are a

** Excluding Irrevocable Payment Commitment (impact of 12 bps)
specific feature of our group in the banking world, are a concrete illustration of this. We are equally active in areas such as professional equality, inclusion or solidarity, which are real vectors of differentiation. Our results therefore encourage us to continue developing our model of cooperative and collaborative banking, a model that creates value for all our stakeholders, both internal and external. ”

Anne Le Goff, Deputy Chief Executive: “Arkéa continues to have a robust balance sheet structure. By capitalising on the strength of its business model, the Arkéa group has the resources needed to pursue its growth, explore new avenues of development, and invest sustainably in the service of local stakeholders. We have all the arguments we need to continue reinventing our businesses, imagining new services and deepening the synergies between our businesses. And it is precisely to preserve everything that makes our difference, our strength and our success that we are so determined to defend our autonomy. “

A few recent achievements give a true measure of the Arkéa group’s long-term commitment to overall performance:

- the full removal of banking incident charges for financially fragile people benefiting from a dedicated offer;
- the issue of a first "social bond" to refinance social housing and health care projects in the regions;
- refocusing savings vehicles by integrating ESG criteria;
- €865 million of outstanding loans to social housing projects;
- the launch of the NACI 1 fund to serve SMEs and ETIs in New Aquitaine;
- €240 million in private equity investments in regional companies.

About Arkéa
ARKEA is made up of Crédit Mutuel Arkéa and two regional federations representing two main French geographic zones (Brittany in the West and the South West) and their member local savings banks. ARKEA also has a presence across Europe thanks to its corporate and online subsidiaries (Fortuneo, Monext, Financo, Arkéa Investment Services, Suravenir, CFCAL...). ARKEA is entirely owned by its customer shareholders. ARKEA employs more than 10,500 people, counts 2,800 directors and has a total of 4.7 million customers. The bank has 157 billion euro in total assets. Crédit Mutuel Arkéa ranks among the leading banks with headquarters in the regions. A detailed presentation of the 2019 results is available on the group’s website at the following address : https://www.arkea.com/banque/assurance/credit/mutuel/ecb_5037/en/investor-presentations