



2015 Annual Group Results

*Investor
Presentation*

April 2016

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Any reference to past performance is not necessarily indicative of future results.

The consolidated financial statements as at, and for the year ended, 31 December 2015 have been approved by the Boards of Directors dated 26 February 2016 and have been audited.

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2015

Annual Group
Results

2015: a year of reference

Performances confirming the solidity of Crédit Mutuel Arkéa

A sustained commercial development

- Client portfolio growing by 4%
- Outstanding loans increased by €3.7 bn (+9%)
- Outstanding savings higher by €7.6 bn (+10%)

A strong growth of the financial results

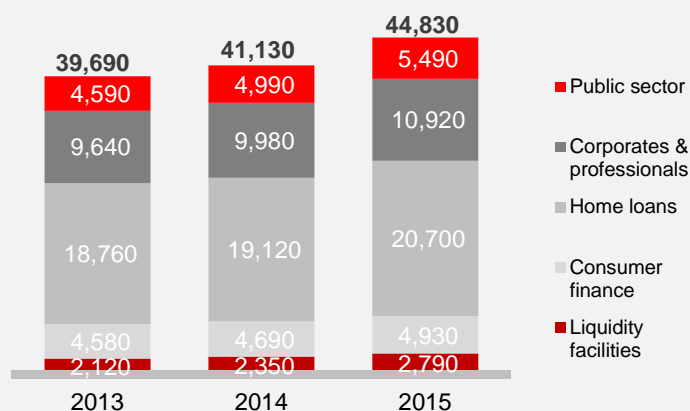
- Net banking & insurance income of €1,780 M, up 3.3%
- Cost/income ratio of 69.4% (+0.2 pt)
- Cost of risk down by 7.2% at €108 M
- Historic net income of €296 M, increased by 10%

A real intrinsic strength

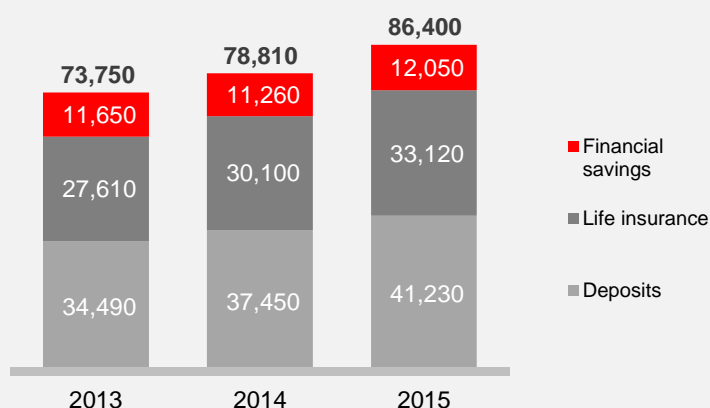
- Loan-to-deposit ratio of 109%
- CET1 ratio of 15.8% (*)
- Leverage ratio of 6.9% (**)
- LCR ratio of 117%

A sustained commercial development

Gross outstanding loans (€M)



Outstanding savings (€M)



A strong growth in new lending and in savings inflows

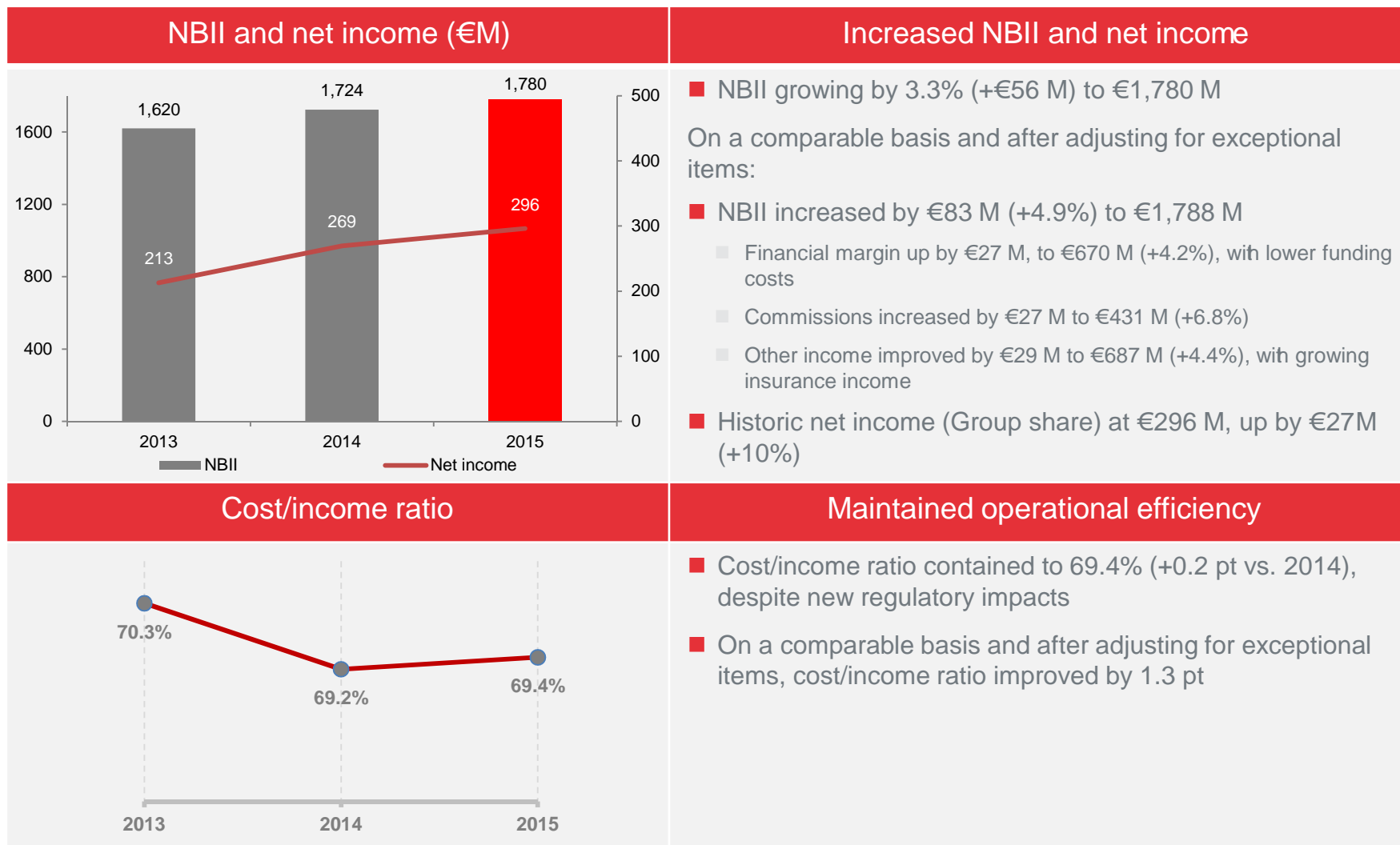
- A client portfolio growing by 4%, to more than 3.6 M
- Outstanding loans increased by 9%, at €44.8 bn
- A loan production* of €12.2 bn (+44%)
 - €5.7 bn of new home loans, up by 89%
 - €4.7 bn of new loans to professionals, corporates and public sector, increased by 23%
 - A 12%-growth of the consumer finance loan production, at €1.8 bn
- Outstanding savings growing by 10% to €86.4 bn
- Net savings inflows of €5.1 bn, increased by 19%
 - A 32%-growth in life insurance savings, with net inflows of €2.3 bn
- More than 374,000 new contracts (+7%) in general insurance and individual protection
 - External networks contribute towards 31% of new business
 - A portfolio growing by 4% to 1.95 M contracts

(*) Excluding loan renegotiations

Income statement

€M	2015	2014	% Var.
Net banking & insurance income (NBII)	1,780	1,724	+ 3.3 %
Operating expenses	1,235	1,193	+ 3.6 %
Gross operating income	545	531	+ 2.5 %
Cost of risk	108	116	- 7.2 %
Net operating income	437	415	+ 5.3 %
Net income Group share	296	269	+ 10.0 %

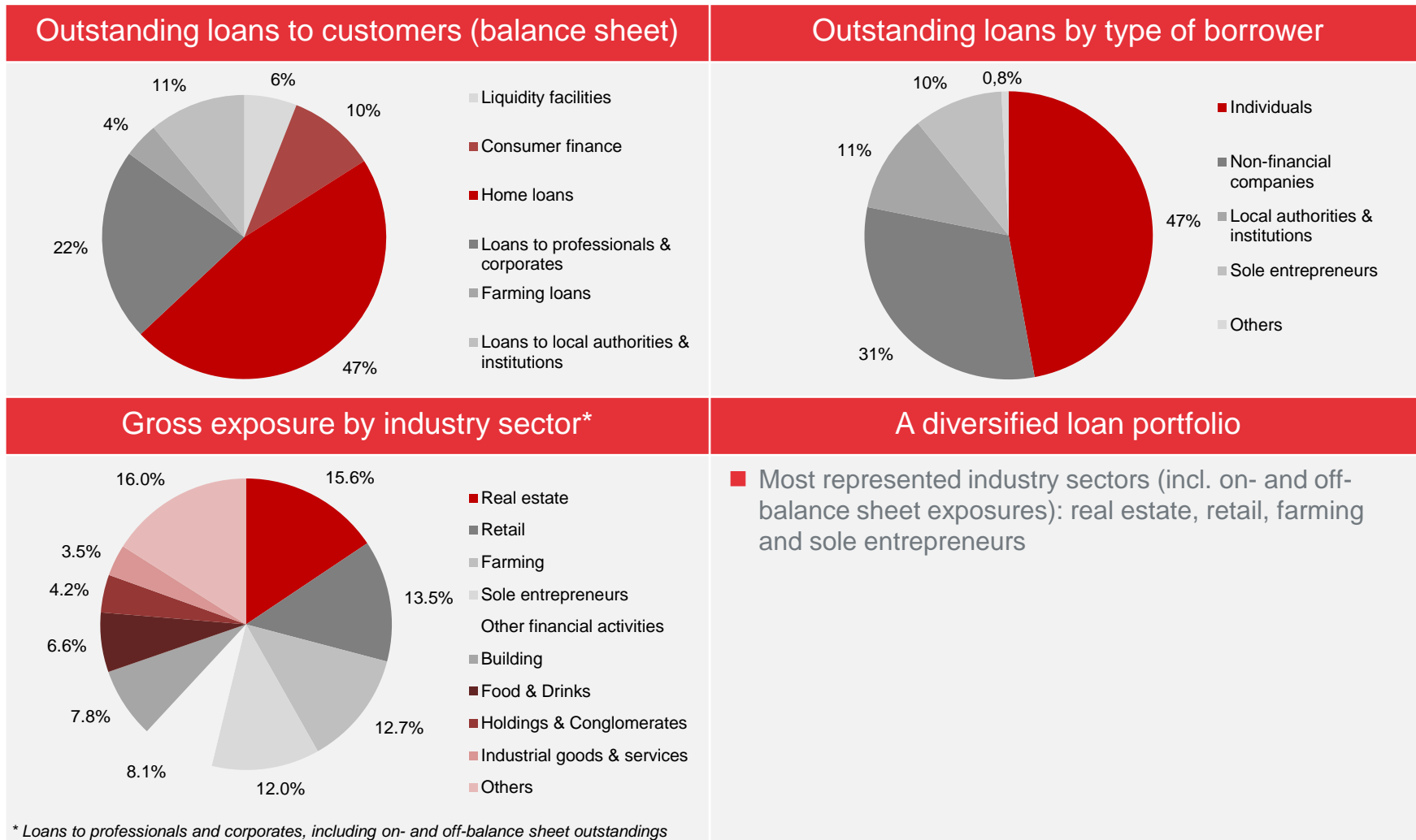
A strong growth of the financial results





Asset Quality

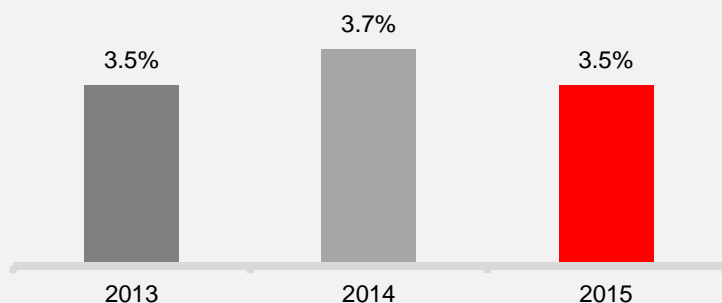
A loan book with a limited risk profile



* Loans to professionals and corporates, including on- and off-balance sheet outstandings

A lower cost of risk

NPLs/ Outstanding loans*

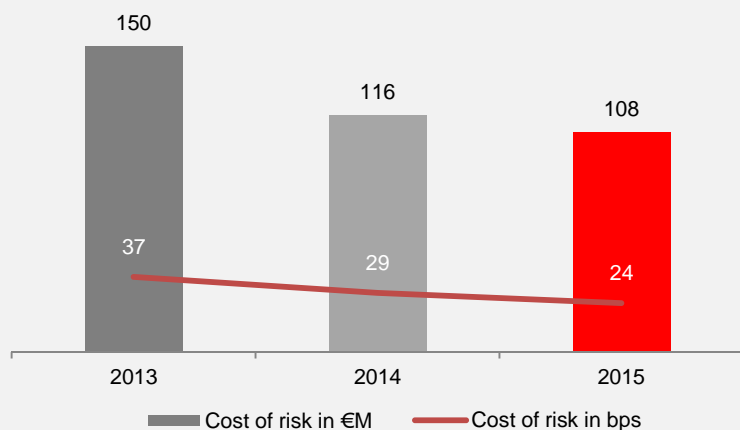


* As a % of outstanding loans to customers

A quality loan portfolio

- Home loans and loans to local authorities make up approx. 60% of total outstanding loans
- NPLs stand lower than at end of 2014, at 3.5% of total outstanding loans

Cost of risk



A prudent approach, a controlled cost of risk

- Prudent management in a context of weak economic growth
- NPL provisioning rate of 56.3% (57.4% at end of 2014)
 - Provisioning rate of 59.4% for corporates
- A cost of risk of €108 M, reduced by €8 M (-7.2%), with the decrease of the cost of credit risk
- Annualised cost of risk amounts to 24 bps of total outstanding loans to customers (29 bps at end of 2014)

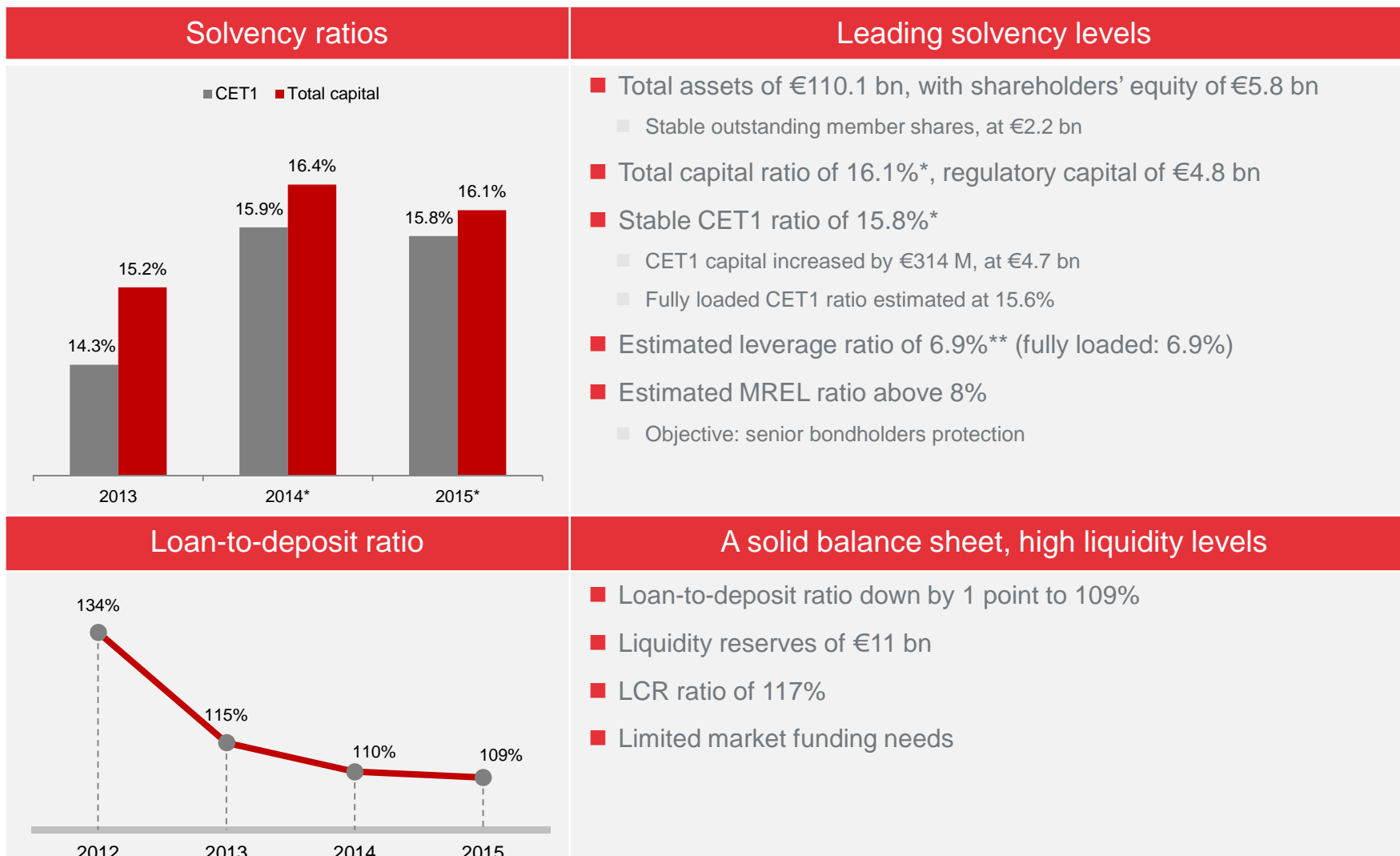


Solvency & Liquidity

Risk weighted assets

			Risk weighted assets & Total capital requirements	
RWAs (€bn)	31/12/2015	31/12/2014	<ul style="list-style-type: none"> ■ RWAs of €29.6 bn at the end of 2015 (+7%) ■ 93% of RWAs relate to credit risk exposures ■ Total capital requirements of €2.4 bn at the end of 2015, increased by €163 M since end of 2014 	
Credit risk	27.6	25.6		
Market risk	0.1	0.1		
Operational risk	1.8	1.9		
	29.6	27.6		

A real intrinsic strength

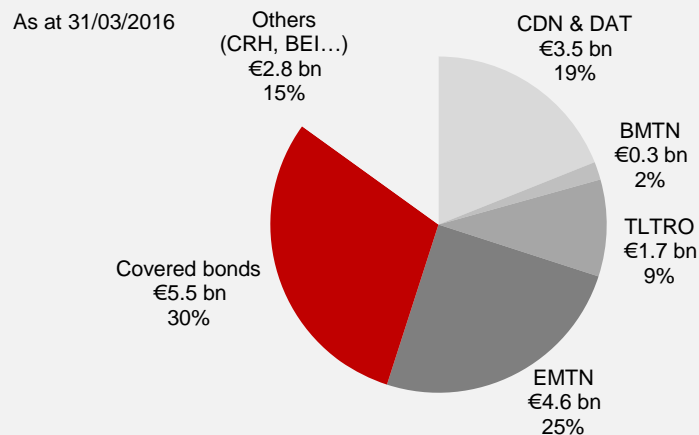




Funding

Funding programme

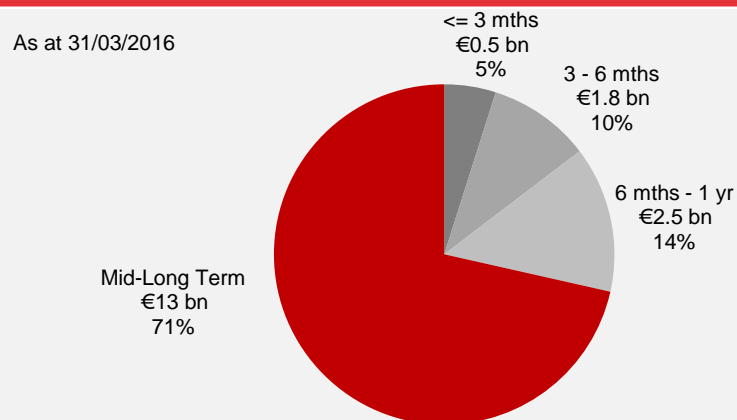
Outstanding issues



Diversification & balance between programmes

- Long term resources favoured, with an average residual maturity of 6.8 years
- EMTN and covered bonds make up 55% of outstanding issues
- Outstanding subordinated debt:
 - €300 M 6.75% 10Y Tier 2 to be redeemed 18/09/2018

Residual maturity profile (ST & MLT funds raised)





2015 funding events and 2016 programme

- Public issues:
 - 01/15: €500 M 8Y senior unsecured at MS+55 bps
 - 09/15: €500 M 7Y covered bond (SFH) at MS+1 bp
- Participation in the TLTROs, given the favourable terms
 - €800 M in 2015 (€900 M in 2014)
- Intention to carry out approx. 2 public issues per year, as well as private placements
 - Senior unsecured and/or covered bonds according to funding needs
 - Subordinated debt depending on market conditions

Ratings

Quality ratings illustrating Crédit Mutuel Arkéa's solidity

	Ratings
	<ul style="list-style-type: none">■ Long-term deposit: Aa3■ Outlook: stable■ Senior unsecured short-term debt: P-1
	<ul style="list-style-type: none">■ Senior unsecured long-term debt: A■ Outlook: negative■ Senior unsecured short-term debt: A-1



Conclusion

2015

High level performances for Crédit Mutuel Arkéa

- A sustained commercial development
- Net income growth driven by an increase in revenues
- A solid financial structure, with leading solvency and liquidity levels
- ➡ A strong development model

“Horizons 2015” strategic plan

Growth trajectory since 2008

**Outstanding
Loans
+ 52 %**

**Outstanding
Savings
+ 87 %**

**General
Insurance
Contracts
+ 88 %**

**Total Assets
+ 59 %**

**Equity
Group share
X 2.2**

**Net Banking
& Insurance
Income
+ 65 %**

Data as at 31/12/2015

Arkéa 2020

Increasingly open our model and position ourselves
as a solutions integrator

Retail banking for individuals

- Further develop our on-line banking business and adapt our networks
- Test new models

Bank for professionals, corporates and institutions

- Assist these clients with services (mobilising less capital)
- Reinforce our position in key areas, e.g. the “digital entrepreneurship” sector

Manufacturers

- Intensify the development and the distribution of services through external networks
- Keep an opportunistic approach towards acquisitions, especially in the asset management area

Services on account of third parties

- Broaden our product range to develop loyalty and attract new clients
- Assist our clients, in France and abroad

Appendix

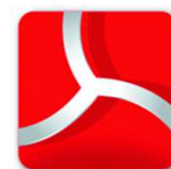
- Income statement for the year ended 31st December 2015
- Consolidated balance sheet as at 31st December 2015
- Crédit Mutuel Arkéa Group overview
- Covered bond programmes
- Contacts

Income statement for the year ended 31st December 2015

€M	2015 IFRS	2014 IFRS	Variation	%
Net Banking & Insurance Income	1,780	1,724	56	3.3
Operating expenses	(1,235)	(1,193)	(43)	3.6
<i>General operating expenses</i>	<i>(1,137)</i>	<i>(1,098)</i>	<i>(39)</i>	<i>3.5</i>
<i>Amortisation and depreciation</i>	<i>(99)</i>	<i>(94)</i>	<i>(4)</i>	<i>4.3</i>
Gross operating income	545	531	13	2.5
Provisions for risks	(108)	(116)	8	(7.2)
Operating income	437	415	22	5.3
Shares of earnings of companies carried under equity method and income/loss on others assets	7	4	3	85.0
Pre-Tax income	443	418	25	5.9
Income tax	(147)	(147)	1	(0.4)
Net income	296	271	25	9.3
Minority interest	-	(2)	2	(90.6)
Net income – Group share	296	269	27	10.0

Consolidated Group balance sheet as at 31st December 2015

Assets (€M)	31/12/2015 IFRS	31/12/2014 IFRS	Liabilities (M€)	31/12/2015 IFRS	31/12/2014 IFRS
Cash, due from central banks	2,113	1 340	Liabilities at fair value	1 094	1 406
Financial assets at fair value	15,830	12 943	Due to banks	6 456	5 056
Financial assets available for sale	36,268	36 334	Customer accounts	41 451	37 611
Due from banks	7,040	7 364	Debt securities in issue	13 780	15 194
Loans and advances to customers	44,368	40 749	Accruals, deferred income and sundry liabilities	3 593	3 919
Held-to-maturity financial assets	152	210	Insurance companies technical reserves	37 213	33 806
Accruals, prepayments and sundry assets	2,740	2 756	Provisions for contingencies and charges	366	361
Investment property	1,152	1 084	Subordinated debt	382	382
Goodwil	449	423	Shareholders' equity	5 774	5 463
			Share capital and reserves	2 203	2 217
			Consolidated reserves	2 981	2 753
			Unrealised or deferred gains or losses	294	224
			Net income	296	269
			Minority interest	3	6
Total Assets	110 112	103 204	Total Liabilities	110 112	103 204

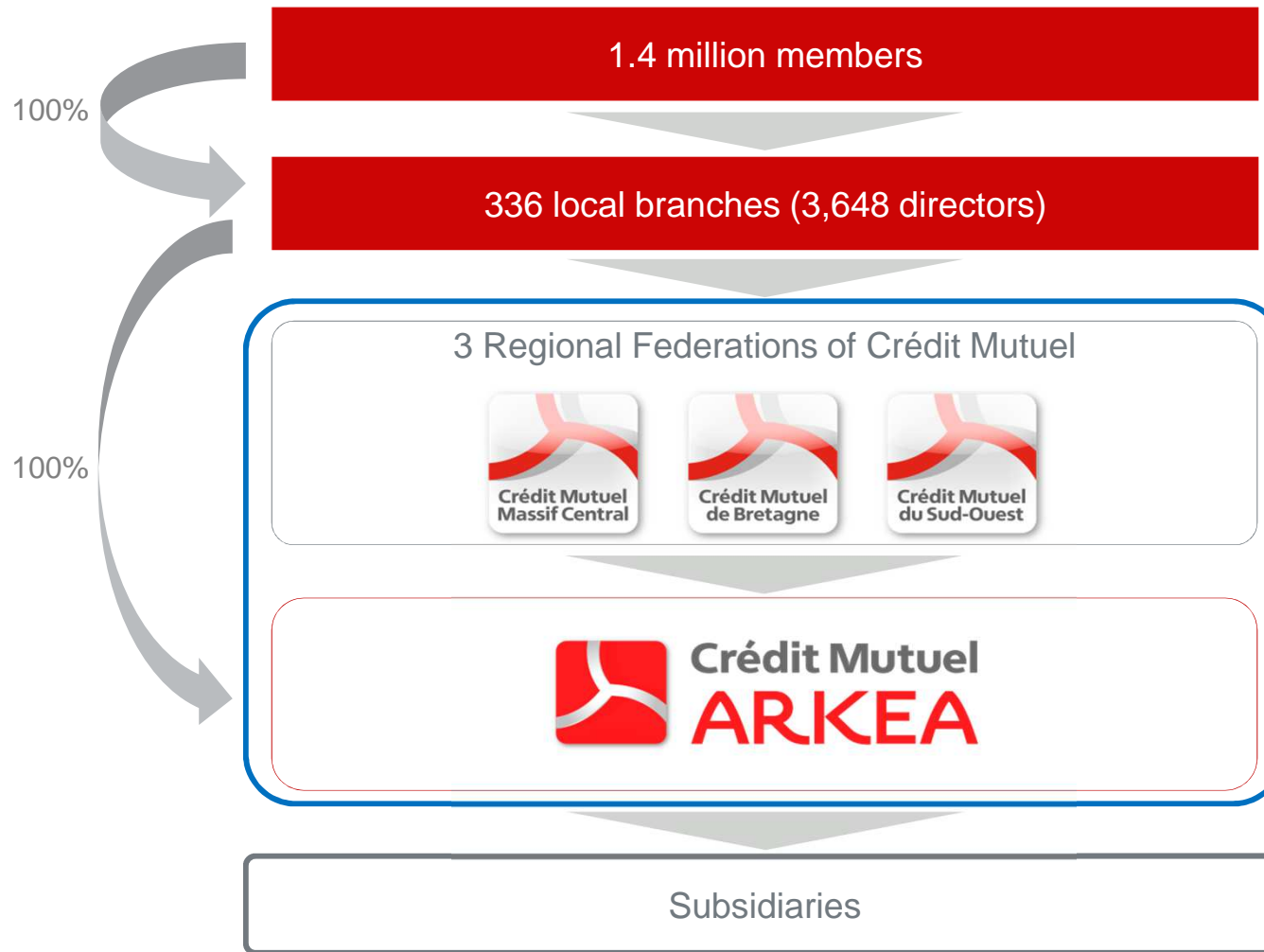


Crédit Mutuel
ARKEA

Crédit Mutuel Arkéa at a glance

Key figures as at 31 st December 2015	Crédit Mutuel Arkéa's clients
<ul style="list-style-type: none"> ■ 3.6 million customers, 1.4 million members ■ Total assets: €110.1 bn ■ Outstanding loans: €44.8 bn, outstanding savings: €86.4bn ■ Shareholders' equity: €5.8 bn ■ CET1 ratio ("phased-in"): 15.8%* ■ Estimated leverage ratio: 6.9%** 	<ul style="list-style-type: none"> ■ Private individuals ■ Corporates & Professionals ■ Institutions ■ Public Sector
Crédit Mutuel Arkéa's profile	
<ul style="list-style-type: none"> ■ A cooperative banking and insurance company, Crédit Mutuel Arkéa Group comprises the Crédit Mutuel de Bretagne, Crédit Mutuel du Sud-Ouest and Crédit Mutuel du Massif Central federations as well as approximately 20 specialised subsidiaries, which cover all of the business lines in the financial arena. ■ A cooperative and mutual banking institution, Crédit Mutuel Arkéa is not listed on the stock exchange. It is owned by its customer shareholders, who are both shareholders and customers. The Group, which combines a strong financial position and a long-term growth strategy, thereby puts its performance to work on behalf of the real economy and the projects of its 3.6 million customers. ■ As a producer and distributor, Crédit Mutuel Arkéa can offer its clients a comprehensive line of banking, financial, asset management and insurance products and services, among others. The Group also stands apart through its development of private label banking services on behalf of other financial institutions and payments providers. 	

The stable structure of a cooperative group



Crédit Mutuel Arkéa's business lines

A complete range of solutions for the benefits of customers



The Group's geographical presence

Regional foundations, national reach

A network of close to

480 local branches and points of sale, in Brittany, the South-West and Massif Central

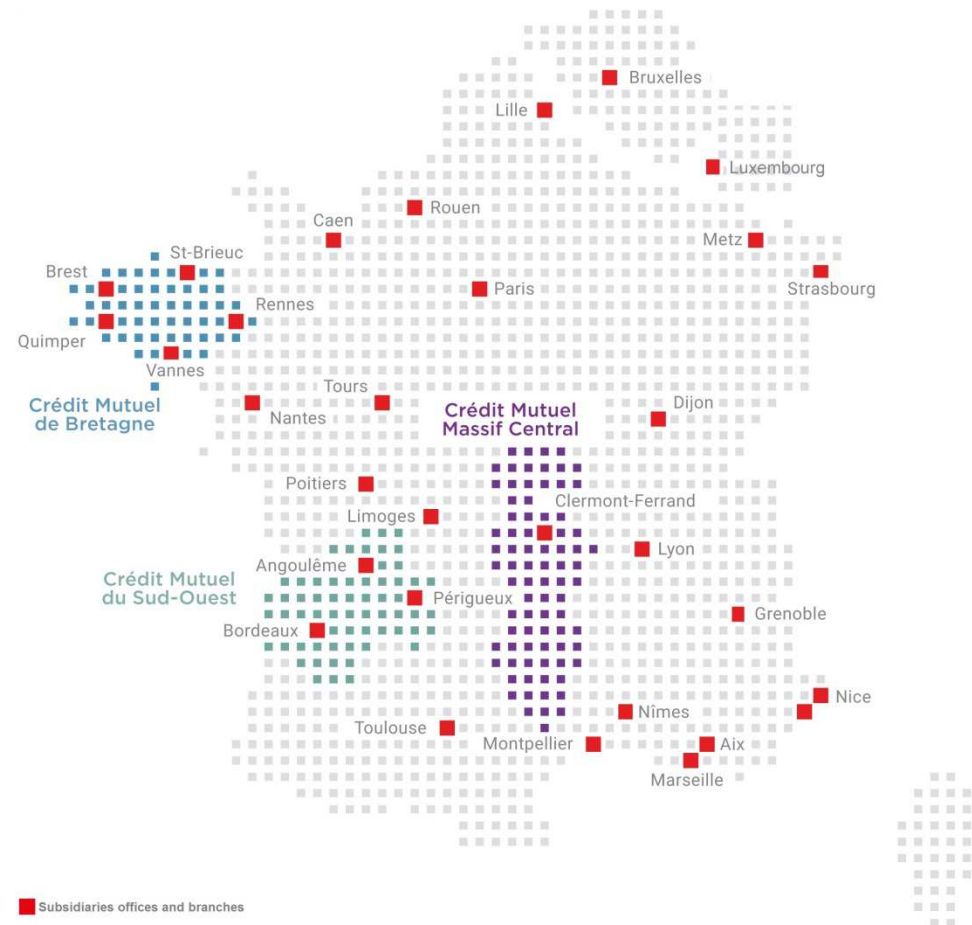
19 regional business centers for Arkéa Banque Entreprises et Institutionnels

9 regional branches for Leasecom

15 branches for Financo

A presence in Belgium with Fortuneo Banque and Procapital Securities Services

Monnext provides services in **26 European countries**





Covered Bond Programmes





Programmes characteristics



	Arkéa Public Sector SCF 	Arkéa Home Loans SFH 
Programme size	€10 bn	€ 10 bn
Rating	AAA (S&P) and Aaa (Moody's)	AAA (S&P)
Maturity of the bonds	Soft bullet (new issues)	Soft bullet (new issues)
Currency	EUR	EUR
Minimum legal collateralisation	105 %	105 %
Asset Cover Test	Monthly	Monthly
Liquidity Support	Direct access to ECB using the cover pool	
Asset-Liability Management	Back-to-back loans to Crédit Mutuel Arkéa to ensure there is no mismatch	
Risk weighting	10 %	10 %
Listing	Luxembourg	
Specific controller	Cailliau Dedouit et Associés	

Cover pools as at 29/02/2016



	Arkéa Public Sector SCF 	Arkéa Home Loans SFH 
Current size	€ 1,477 M	€ 5,628 M
Over collateralisation	156.0 %	124.4 %
Assets	100% loans to French public sector and social housing agencies originated by Crédit Mutuel Arkéa	100% French prime home loans originated by Crédit Mutuel Arkéa
Geographical breakdown	100 % France (Brittany 23 %, Île-de-France 20 %, Aquitaine 10%, Auvergne-Rhône-Alpes 9 %)	100 % France (Brittany 65 %, Aquitaine 17 %, Île-de-France 6 %, Auvergne-Rhône-Alpes 4 %)
Seasoning	53 months	60 months
Average remaining terms	205 months	146 months
Average Loan Balance	€ 1,670,257	€ 71,611
Average LTV	N/A	Un-indexed : 66 % Indexed : 68 %
Number of Borrowers	884	75,421
Issues outstanding	€ 947 M	€ 4,523 M

Arkéa Home Loans SFH



■ Arkéa Home Loans SFH (Issuer)

- A duly licensed French Société de Financement de l'Habitat, specialised credit institution with an exclusive purpose
- Strong protection in case of Crédit Mutuel Arkéa bankruptcy or liquidation ensured by French law
- Legal privilege for Obligations de Financement de l'Habitat investors: absolute seniority of payments
- Support from Crédit Mutuel Arkéa in terms of solvability and liquidity
- Entitled to enter into ECB repo facilities, using its own Obligations de Financement de l'Habitat (limited to 10% of the cover pool)

■ Cover Pool

- Exclusively French prime home loans, originated by Crédit Mutuel Arkéa group with conservative underwriting procedures, restrictive eligibility criteria
- Benefits from the sound French home loans market (strict controls and non speculative market)
- Transfer relies on the collateral provisions of the French monetary and financial code (Article L211-38, transposition of EU Collateral Directive 2002/47)

■ Crédit Mutuel Arkéa has chosen external insurance companies to guarantee home loans (excl. mortgages)

- The insurer provides an unconditional first demand guarantee to Crédit Mutuel Arkéa
- Crédit Mutuel Arkéa has chosen L'Équité, subsidiary of Generali France (rated Baa1 by Moody's and A- by Fitch)
- The new loan production (excl. mortgages) is guaranteed by CNP Caution, subsidiary of CNP Assurances (rated "A" by S&P)
- To a lesser extent Crédit Mutuel Arkéa also uses Crédit Logement's guarantee (rated "Aa3" by Moody's)

■ Closely monitored and supervised

- Regulation strengthened in 2014
- Regulated by the French Banking Authorities (ACPR) with strict conditions
- Independent specific controller, who regularly audits the collateral portfolio
- Minimum legal collateralisation of 105 %
- Liquidity rule: 180 days of liquidity ahead to cover forthcoming payments

Arkéa Public Sector SCF



■ Arkéa Public Sector SCF (issuer)

- A licensed Société de Crédit Foncier (SCF) to issue Obligations Foncières
- Strong protection in case of Crédit Mutuel Arkéa bankruptcy or liquidation ensured by French law
- Legal privilege for Obligations Foncières investors : absolute seniority of payments
- Support from Crédit Mutuel Arkéa in terms of solvability and liquidity
- Direct access to ECB liquidity

■ Cover Pool

- Strict eligibility criteria to enter cover pool
- Pure French public sector exposure (direct exposure or 100% guaranteed by such entities), no ABS
- Loans originated by Crédit Mutuel Arkéa only

■ Strict regulation and supervision

- Regulation strengthened in 2014
- Regulated by the French Banking Authorities (ACPR) with strict conditions
- Independent specific controller, regular audit of the collateral portfolio
- Minimum legal collateralisation of 105 %
- Liquidity rule: 180 days of liquidity ahead to cover forthcoming payments

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