

2018 results remain at their highest level

Arkéa confirms its first-rate financial strength and the efficiency of its model

A development driven by a strong commercial momentum and a gradual diversification of income sources.

Brest, February 28th 2019 – “In 2018, the Arkéa group achieved remarkable financial and commercial performances. Arkéa has once again demonstrated its ability to produce steady, profitable and balanced growth,” said Chairman Jean-Pierre Denis at the end of the Board of Directors' meeting that approved the financial statements for 2018. In line with a benchmark 2017 financial year, the cooperative banking group maintained its performance at the highest level and set new records, with net income group share at €437 million, up 2.1%, up 30% over the past two years. These very good overall performances confirm the intrinsic solidity of a diversified group that has capitalized on its territorial roots, the agility conferred by its intermediate size and its recognized technological expertise to build an original development model which is adapted to the rapid changes in the banking industry.

- **Net banking and insurance income** continued to grow at **€2.15 billion (+2.7%)**. It reflects a very strong commercial dynamic in all the group's major businesses. It also demonstrates that the major investments (workforce and technology) made in recent years are primarily aimed at supporting income growth. The Arkéa group is the French banking institution with the largest increase in the PNBA over the past ten years.¹
- **Net income, group share**, set a new record at **€437 million, up 2.1%** compared to 2017 and up 30% over the past two years.

A strengthened balance sheet structure and an excellent level of solvency

- **The balance sheet total** increased by **5% to €135 billion**, compared with €128 billion in 2017.
- **Group shareholders' equity** increased by **4% to €6.7 billion**.
- **The Common Equity Tier One (CET 1) solvency ratio**, which is already well above the requirements imposed by the European Central Bank, **remains at a very high level, at 17.5%** and remains among the highest in the banking sector.

These indicators confirm the solidity of the Arkéa group, which has the necessary resources to continue to develop, invest and pursue its policy of partnerships, whether capital, industrial or distribution.

¹ ScoreAdvisor.com study - 2018

More than 274,000 new customers in 2018

The commercial momentum is equally remarkable, with strong performances in all its banking and non-banking activities:

- **The Arkéa Group's portfolio of members and customers increased significantly by 6.5% to reach 4.5 million.** Arkéa has more than 274,000 new individual customers and sole entrepreneurs. All retail banking networks enjoy an increase of their customer portfolio. **The online banks Fortuneo and Keytrade now have a total of more than 740,000 customers** (+60,000 customers over the year). The insurance and asset management subsidiaries - Suravenir, Suravenir Assurances, Arkéa Investment Services and Novélia - posted a 9.7% increase in their portfolio. This achievement is a strong indicator of the confidence inspired by the Arkéa Group's development model and the renewed quality of its product and service offering.
- **Loan production reached a record level of €13.9 billion**, up +8%. The increase is mainly driven by home loans, loans to professionals and corporates. It brings the level of outstanding loans to €56.5 billion, up 11.4% compared to the end of December 2017.
- **In the savings segment, the group's total outstandings rose by 3.2% to €111.2 billion.** Total savings inflows amounted to €2.6 billion, with strong performances in interest-bearing bank savings and insurance savings.
- **In property, life and health insurance, the group recorded a 6% increase in its portfolio to 2.23 million contracts, thanks to 432,800 new policies.** Arkéa benefits from the successful diversification of its distribution channels. Networks outside the group represent 32% of new business and nearly 19% of the portfolio.

Arkéa, a driving force for employment in the territories

A fast-growing decentralized group, Arkéa is committed to maintaining its decision-making centres and employment areas in the regions. In 2018, the group's development dynamics enabled to strengthen its workforce. **Today, it has nearly 10,500 employees.** In 2018, Arkéa recruited 837 new employees on permanent contracts and more than 1,500 over the past two years. In total, its workforce has increased by 36% since 2008.

Jean-Pierre Denis, Chairman of Arkéa, comments: "2017 had been a reference year. In 2018, the Arkéa group did even better, crossing new milestones and setting new records. These performances are all the more remarkable as we are able, in line with previous years, to combine very strong commercial activity, first-class operating results and a strong financial base. These figures demonstrate the relevance of our positioning as a bank exclusively dedicated to supporting and financing the real economy, as evidenced, for example, by the €200 million invested in the capital of companies with strong growth potential. Arkéa is a group in the process of transformation, a group in initiative, which has been able to invent growth drivers in a rapidly changing banking environment. The Arkéa group is based on an original and highly competitive business model that has proven its full effectiveness over the past ten years. And it is precisely to preserve everything that makes us different and successful that we are so committed to our autonomy."

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

"The excellent results for 2018 are indicative of the Arkéa Group's diversity. All business drivers contributed to the overall performance. These results are also a formidable indicator of the confidence in the Arkéa Group's development model. The conquest of 274,000 new individual and professional customers is the perfect translation. We are taking full advantage of the ever-increasing attention paid to customer relations, by supporting our members and customers in their life projects, enabling them to increase their potential thanks to the commitment of our 10,500 employees in the field. We have all the arguments to continue to reinvent our businesses, to imagine new services that will best meet the aspirations of today and tomorrow. Finally, these results encourage us to continue to develop our cooperative and collaborative banking model, a circular value-creating model that benefits all our stakeholders, both internal and external."

About Arkéa

Arkéa is a cooperative banking and insurance company. Arkéa is entirely owned by its customer shareholders. Arkéa comprises three regional federations representing three main French geographic zones (Brittany in the West, the South West and Massif Central in the middle of France). Arkéa has also a presence across Europe thanks to its corporate and online subsidiaries (Fortuneo, Monext, Financo, Arkéa Investment Services, Suravenir, CFCAL...). Arkéa employs nearly 10,500 people, counts 3,500 directors and has a total of 4.5 million customers. The bank has 135 billion euro in total assets. Arkéa ranks among the leading banks with headquarters in region. More information about ARKEA on the website: www.arkea.com