

Half-year financial results

The Arkéa group once again posted record net income, at its highest level ever

Brest, August 28th, 2018 – The board of directors of Arkéa group, meeting in Brest under the chairmanship of Jean-Pierre Denis, has approved the financial statements for the first half of the 2018 financial year. In the continuity of a remarkable year 2017, the cooperative and mutual group presents overall performances at their highest historical level. The Arkéa group thus confirms the relevance of its development strategy, as well as its financial solidity.

Another record half-year net result, proven balance sheet strength, demonstrated operational efficiency

In the first half of 2018, the Arkéa group set a new record, with net income of 247 million euros: a level never reached before.

- **The Net banking and insurance** increased by 7.9% compared to the first half of 2017 to more than one billion euros. It reflects the effectiveness of Arkéa's diversified business model in a persistent low interest rate environment.
- **Operating income** rose 7.4% to 311 million euros from 289 million euros at the end of June 2017.
- **The cost-income ratio** improved by a further 0.8 points compared with the first half of 2017, to 67.8%, demonstrating the profitability of the group's growth.
- **The Common Equity Tier One solvency ratio** stabilised at the highest level of the French banking centre, at 18.3% against 18.5% at the end of 2017: it attests to the group's financial strength.
- **The Arkéa group's total assets** increased by 4.6 billion euros in the first half of 2018, to 132.9 billion euros.

Sustained sales momentum in all business lines

On a commercial level, the Arkéa group is continuing its very successful path of conquest and development in all its businesses:

- **The client portfolio** increased by 3.6% in the first half of 2018 to 4.4 million customers and members, driven in particular by Crédit Mutuel networks, insurance companies, online banking and consumer credit subsidiaries.
- **Gross outstanding loans** rose 5.1% over the first six months of the year to 53.3 billion euros. Loan production in the first half, driven by loans to individuals and professionals and businesses, amounted to 6.3 billion, up 2.4% on the first half of 2017.
- **Total savings** rose by 2.4% compared to the end of 2017, reaching 110 billion euros.

- **In non-life and protection insurance**, the group's portfolio recorded a 3.5% increase in the first half of 2018, to 2,1 million policies. New business rose by 11.5% year-on-year, to 228 200 policies. External networks contributed to more than 30% of new business.

Jean-Pierre Denis, Chairman of Arkéa, comments:

« It is an immense satisfaction to see the Arkéa group show such high levels of performance. In a contrasting economic environment, where persistent low interest rates are particularly detrimental to retail banking, Arkéa has taken advantage of the diversity and complementarity of its businesses to present a first-rate economic picture. The remarkable performance of our Common Equity Tier 1 solvency ratio, at the best level on the French banking market, confirms, more than ever, the intrinsic solidity of the group. By the excellence of its results and the robustness of its balance sheet, which it owes only to its own strategic choices, the quality of its offer and the commitment of its directors and employees, the Arkéa group is once again demonstrating, in an objective and indisputable manner, its full capacity to pursue its fine growth path in complete independence, at the service of its members and customers. This success finally shows the relevance of our agile, innovative banking model, exclusively oriented towards the real economy and committed as close as possible to its territories. »

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

« The excellent performance of the Arkéa group demonstrates the relevance of its Arkéa 2020 strategic project as well as the daily commitment of its teams. The significant increase in our customer portfolio, in a highly competitive market, illustrates the quality of our offer and the capital of confidence that Arkéa enjoys. The first half of the year saw the realisation of some very fine projects and new partnerships, notably in the field of payments, insurance and Fintech. More are to come. It is this ability to imagine the bank of tomorrow and to implement truly innovative services that will enable us to establish ourselves as the financial services hub model that meets the aspirations and lifestyles of today and tomorrow. »

About Arkéa

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 Institutionnels, Arkéa Investment Services, Suravenir...). With more than 10,000 employees, 3,500 directors, 4.4 million members and clients in banking and insurance and more than 132 billion euros in total assets, Arkéa ranks among the top banks with their head offices in the regions.

More information at www.arkea.com