

Record results in 2017 confirm Arkéa's solidity and the relevance of its development model

Brest, March 1, 2018 - "The Arkéa Group has never been stronger than it is today," said Jean-Pierre Denis, its Chairman, after the Board of Directors approved the financial statements for the 2017 financial year. The territorial banking group, which brings together three federations of Crédit Mutuel (Bretagne, Sud-Ouest and Massif Central) and thirty specialised subsidiaries, achieved the best result in its history and all indicators are green. In a rapidly changing environment, these excellent commercial and financial performances confirm the intrinsic strength and agility of a group that has built an original development model and found growth drivers in digital services and Business-to-Business activities.

Net income breaks new record and exceeds €400m threshold for the first time

- **The Net banking and insurance income posted very strong growth (+12.8%),** in a context still marked by uncertainty. It reached its highest historical level, at €2.09 billion and reflects a very good sales momentum in all its business lines;
- **Operating income** rose at a high rate of 30.7% to €610m;
- **Net income attributable to equity holders of the parent jumped to €428m, up 27.3% on 2016.** The Arkéa Group thus set a new historical record, despite the exceptional corporate income tax levied on large corporations. In four years, the group has thus doubled its net income.
- **The cost-to-income ratio, at 68.3%, reached its lowest level in 6 years,** with a 0.9 point decline over the year, reflecting fair cost control.

The highest solvency ratio of the French banking industry

- **The Common Equity Tier One solvency ratio, already well above regulatory requirements, rose sharply to 18.5% (+3.2 points).** This ratio - the highest in the banking market - confirms the intrinsic solidity of the group, which thus has an unprecedented power reserve to continue to develop, invest and finance any capital-intensive and industrial acquisitions or partnerships.

Outstanding commercial performance

On a commercial level, the group is continuing its excellent development trajectory in all its banking and non-bank activities:

- **Crédit Mutuel Arkéa's customer portfolio grew by a significant 4.3% to 4.24 million customers** and members. This strong growth, particularly in the e-banking and insurance businesses, was driven by the Group's innovative capacity and its strategy of openness, with the achievements of new distribution partnerships.
- **Lending broke a new record and reached €12.9 billion.** It brings the level of outstanding loans to €50.75 billion (+7.7%);
- **Total savings rose by 7.2% to €107.7 billion**, with significant growth across all savings categories: banking, financial and insurance;
- **In non-life insurance, the Group's portfolio grew by 4.8% to 2.11 million contracts**, boosted by 398,600 new policies.

Jean-Pierre Denis, Chairman of Crédit Mutuel Arkéa, comments: *"The Arkéa Group has just completed a remarkable year in 2017, setting record performances in all areas. These performances are all the more convincing as we manage, as in previous years, to combine a very strong commercial dynamic, unprecedented operating performance and exceptional financial strength. These figures demonstrate the relevance of our positioning as a bank dedicated exclusively to supporting and financing the real economy. They also attest to the effectiveness of our business model, which conciliates local roots and development outside our reference territories with objective and indisputable success. Our group's innovation capacity, its recognized know-how in the digital field and its agility enable it to remain very competitive in a banking environment undergoing complete transformation. All these findings confirm and demonstrate, if necessary, the Arkéa group's ability to pursue its development in complete independence, serving its customers and customer shareholders."*

Ronan Le Moal, Chief Executive Officer of Crédit Mutuel Arkéa, adds: *"The excellent results in 2017 underline the quality and performance of our products and services, driven by the commitment of our 10,000 employees. We take full advantage of the ever-increasing attention paid to the satisfaction of our customers. With our retail banking networks, specialized subsidiaries and partnerships in BtoB and with startups in finance and insurance, we have all the arguments to continue to grow and to imagine new services that respond to the evolution of consumption patterns. 2017 also saw the completion of some very nice projects that illustrate our technological expertise and our ambition to redesign customer paths. By imposing ourselves as the financial services hub model, we will provide the best possible response to the aspirations of today and tomorrow, and we will remain at the forefront of an industry that reinvents itself every day"*.

About Crédit Mutuel Arkéa

Crédit Mutuel 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 Institutionals, Arkéa Investment Services, Suravenir...). With more than 10,000 employees, 3,500 directors, 4.2 million members and clients in banking and insurance and more than 128 billion euros in total assets, Crédit Mutuel Arkéa ranks among the top banks with their head offices in the regions. More information at www.arkea.com