

## Press Release

***Brest, 12<sup>th</sup> October 2016 –***

Following today's General Meeting of the Confédération Nationale du Crédit Mutuel (CNCM), Crédit Mutuel Arkéa would like to reassert the following facts:

**The governance of the CNCM still does not comply with European requirements:**

"Its status as an association does not allow for appropriate supervision" according to the ECB's own words.

**Crédit Mutuel Arkéa and CM11-CIC are 2 autonomous and competing groups:** This situation of competition has been acknowledged by the administrative courts of Rennes and Paris when giving judgements in August and September 2016 respectively. The Competition Authority has also already acknowledged in several cases that Crédit Mutuel Arkéa benefits from a state of autonomy within Crédit Mutuel and is thus in competition with the other group, CM11-CIC.

**Conflicts of interest persist:** Today, the Chairman of the CNCM is also the Chairman of CM11-CIC, direct competitor of Crédit Mutuel Arkéa. To put an end to this persistent situation, which it condemned several times, Crédit Mutuel Arkéa lodged a criminal complaint in October 2014 with the Public Prosecutor of Paris. The proceeding of this complaint continues.

**The brand has a collective ownership:** The designation Crédit Mutuel is defined by law, in the French Code Monétaire et Financier. Besides, all local Crédit Mutuel banks collectively own the designation. The last court rulings do not question in any case the right of Crédit Mutuel Arkéa to use the brand, of which it is a co-owner and to which it is deeply attached.

**The reform undertaken by the CNCM will lead to a centralisation of Crédit Mutuel,** which would deprive Crédit Mutuel Arkéa of its autonomy and its entrepreneurial freedom and would inevitably lead to job destructions in its business areas.

Crédit Mutuel Arkéa is a solid group with more than 9,000 employees and a balance sheet in the Top 40 of the 6,000 banks within the Eurozone. Driven by a dynamic and innovative strategy, the Group has enjoyed for several years higher than market average income growth, as well as high solvency ratios (15.3 % CET1 ratio), giving Crédit Mutuel Arkéa a powerful reserve for growth.

**Crédit Mutuel Arkéa suggests an alternative reform,** with two central bodies within Crédit Mutuel, which would entirely preserve the historic autonomy of regional groups and which would perfectly comply with European banking supervision requirements.

In that way, the Group aims to preserve its autonomy and entrepreneurial freedom as well as to defend a democratic model for cooperative and territorial banks. A model respectful of mutualistic values, grounded in the diversity and plurality of regional groups. A model guaranteeing good governance, creating jobs in the regions and working for the interests of its members and the territories where it operates.