



2017 Best Banking Group in France

World Finance 2014, 2015, 2016 & 2017



#1 “Clients Relationship Banking Award”

Bearing Point – TNS Sofres 2017



“One of the safest banks”

In the Eurozone
ECB’s Review (AQR and Stress test adverse scenario)



Investor Presentation November 2017 / H1 2017

Disclaimer

This document has been prepared by Banque Fédérative du Crédit Mutuel ("BFCM") solely for use in this presentation.

This document may contain a number of statements that are not historical facts, including statements about Crédit Mutuel-CM11 Group and BFCM's beliefs and expectations. These statements may include forward-looking statements. Forward-looking statements are based on current plans, estimates and objectives, which are subject to uncertainty and may prove to be untrue. Therefore undue reliance should not be placed on them.

Forward-looking statements are only made as of the date of this presentation, and neither the Group nor BFCM undertakes any obligation to update publicly any of them in light of new information or future events.

This presentation is not to be reproduced by any person other than its original recipient. Crédit Mutuel-CM11 Group and BFCM take no responsibility and assume no liability for the use of these materials by any such person.

This presentation is not an offer to sell or the solicitation of an offer to purchase any securities and no part of it shall form the basis of or be relied upon in connection with any investment decision.

Audit procedures have been performed on the consolidated financial statement. The audit certificate will be issued after finalization of the additional procedures required for the publication of the annual financial report.

Crédit Mutuel-CM11 Group ("The Group") represents the Group members of the Caisse Fédérale de Crédit Mutuel and the consolidated data of its subsidiaries: the Caisses de Crédit Mutuel Centre Est Europe, Sud-Est, Ile de France, Savoie-Mont Blanc, Midi-Atlantique, Loire-Atlantique & Centre-Ouest, Centre, Normandie, Dauphiné-Vivarais, Méditerranée and Anjou, and their common Caisse fédérale (CF de CM), and of the Banque Fédérative du Crédit Mutuel, its main subsidiaries: ACM, BECM, IT, the CIC, Targobank Germany, Targobank Spain, Cofidis, CIC Iberbanco and others,

Restated results as of June 30, 2016: segment information was changed slightly at the start of 2017. The custody (retail banking) and central treasury (capital markets activities) were combined and assigned to the "holding" business line. Restated results are therefore presented for these three business lines (retail banking, capital markets activities and holding) as of June 30, 2016.

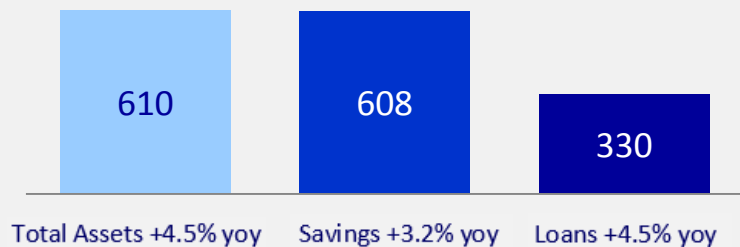
Changes at constant scope of the income statement are calculated after adjusting for: in 2017, first-time consolidations between July 1st, 2016 and June 30th, 2017, namely the factoring and leasing entities acquired from General Electric in France and Germany on July 20th, 2016 (retail banking segment) and in 2016, for the contribution of the CIC private banking activities in Hong Kong and Singapore following the change in their accounting classification method as of June 30th, 2017. Since the announcement of the disposal of the CIC private activities in Hong Kong and Singapore to Indosuez Wealth Management, their contribution has been classified on the income statement under "gains/losses net of corporate tax from discontinued operations."

For outstanding deposits and customer loans, changes are calculated at constant method, i.e. after reintegrating, in 2017, the contribution of CIC's private banking activities in Hong Kong and Singapore following the change in their accounting classification method as of June 30th, 2017. Since the announcement of the disposal of these activities by CIC to Indosuez Wealth Management, their contribution is now classified in the financial statements under "assets/liabilities held for sale."

H1 2017 financial data has not been audited, and has only undergone limited review.

Crédit Mutuel-CM11 at a glance as at December 2016

Business (bn€)



Financial Results (mio.€)



Equity Capital Ratios



* excluding transitional measures

Key Figures

- Shareholder's Equity c.39.6 bn€
- c. 69,510 employees
- 23.8 million customers
- c. 4,580 branches
- Loan to Deposit ratio = 119.5%
- LCR ratio = 140%






Agenda

1.	Crédit Mutuel-CM11 Group: Ratings & Awards	5
2.	A Simple & Robust Business Model	10
3.	Key Highlights H1 2017	13
4.	Asset Portfolio: a Low Risk profile	18
5.	High Level of Capitalisation	20
6.	Proven and Solid Liquidity	23
7.	Structure of Crédit Mutuel-CM11 Group	26
8.	CM-CIC Home Loans SFH	34

1.

Ratings & Awards

One of the best rated Banks: France

	MOODY'S	S&P Global Ratings	FitchRatings
	Aa3 / stable	A / stable	A+ / stable
	Aa3 / stable	A / stable	A+ / stable
	A2 / stable	A / stable	A / stable
	A2 / positive	A / positive	A / stable
	A1 / stable	A / positive	A+ / stable

One of the best rated Banks: vs European Retail Banks

	MOODY'S	S&P Global Ratings	FitchRatings
	Aa3 / stable	A / stable	A+ / stable
	A1 / stable	A / stable	A / stable
	Aa2 / negative	A+ / positive	AA- / stable
	A3 / stable	A- / stable	A- / stable
	Baa1 / negative	BBB / stable	BBB / stable
	Baa1 / stable	A / stable	A / stable

Awards



#1 2017 Clients Relationship Banking Awards

TNS – Sofres 2014, 2015, 2016 & 2017



#1 French Bank among « The World's Best Developed Markets Banks »

Global Finance 2014, 2015 & 2016



Best Banking Group in France

World Finance 2014, 2015, 2016 & 2017



Best ESG Risk Management Team in France

Capital Finance International 2015

2.

A
Simple & Robust
Business Model

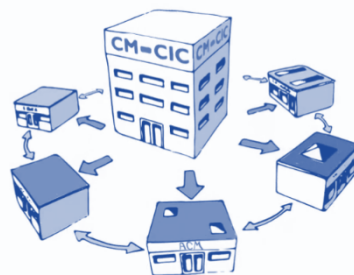
Products & Services of Crédit Mutuel-CM11 Group

Lending

- > Home Loans
- > Consumer loans: direct & POS
- > Debit & Credit Cards
- > Leasing / Factoring
- > SME & Corporate Banking

Financial Services

- > Life Insurance
- > Current and savings accounts
- > Asset Management
- > Private Banking
- > Wealth Management



Electronic banking

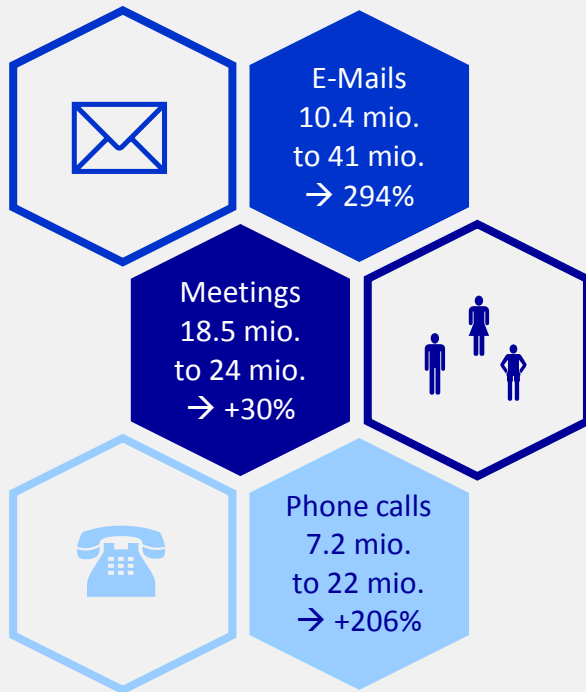
- > State of the art internet & mobile phone banking apps
- > Distribution of mobile phones
- > NFC mobile payments
- > Providing technical services to other banks and major cooperations

Protecting & Personal Services

- > Non life insurance of: Property & Casualty, Automobile, Personal Protection
- > Home automation devices & Residential Surveillance
- > Health & protections insurance Mutual health funds
- > One stop shopping financing for homes & cars

Digital strategy: Evolution from 2010 to 2016

At the branches

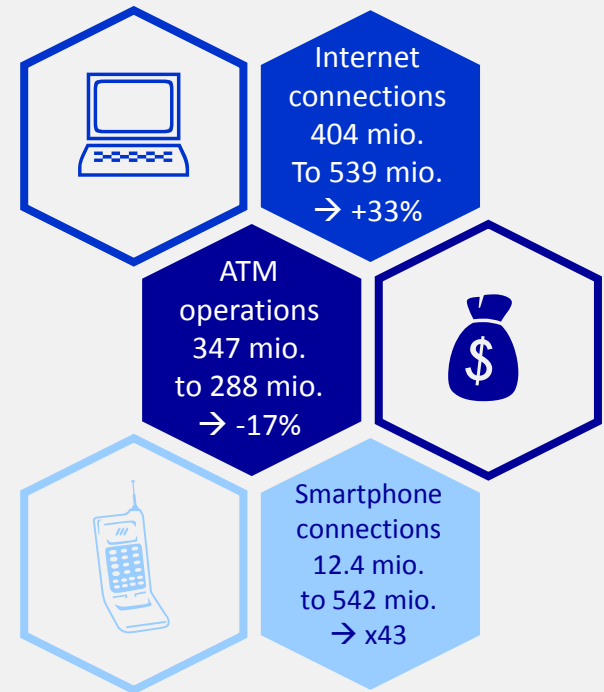


A retail business model present everywhere



Our account managers are the center of the relationship

Anywhere



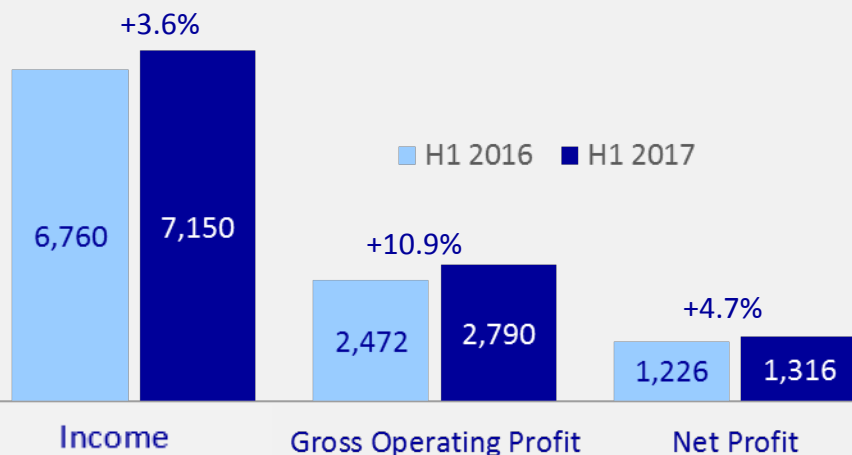
Figures: Evolution from 2010 to 2016

3.

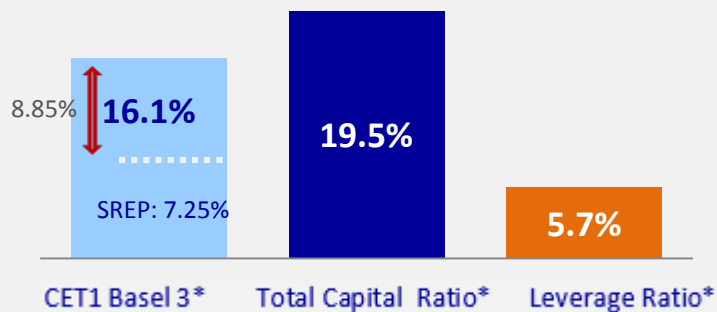
Key Figures H1 2017

Key figures H1 2017 (1/2)

A continuing profitable growth (bn€)

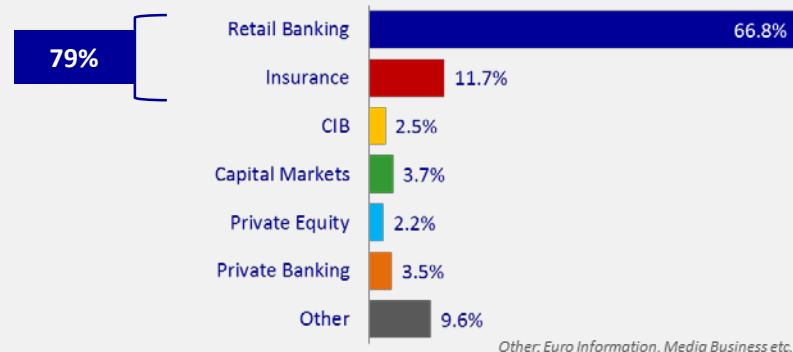


Strong financial ratios



*excluding transitional measures

Income by business lines



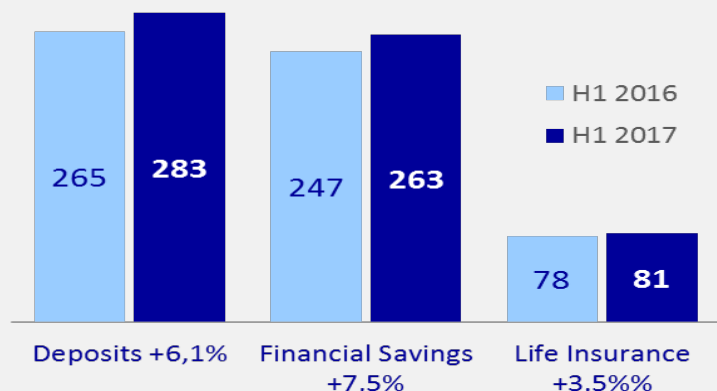
Other: Euro Information, Media Business etc.

The Group's net income grew by 3.6% at constant scope in H1 2017, fueled by growth of fees & commissions in retail banking, favorable underwriting results in insurance and resilient performance of the capital market activities

- The group's net profit rose by 4.7% to € 1.32bn
- Income from retail banking at € 5.026bn (+1.8%)
 - Commissions absorb decreasing interest margins
 - Results grew by 2.6% to € 787m
- GWP of our insurance activity: € 5.2bn / -8.6%
 - The growth in property and casualty insurance (+4.5%) is masked by the decline in gross premium for life insurance and insurance-based savings (-16.9%)
- The acquisition in 2016 of General Electric's factoring and leasing activities in France & Germany contributed for € 159m in the total NBI of H1-2017

Key figures H1 2017 (2/2)

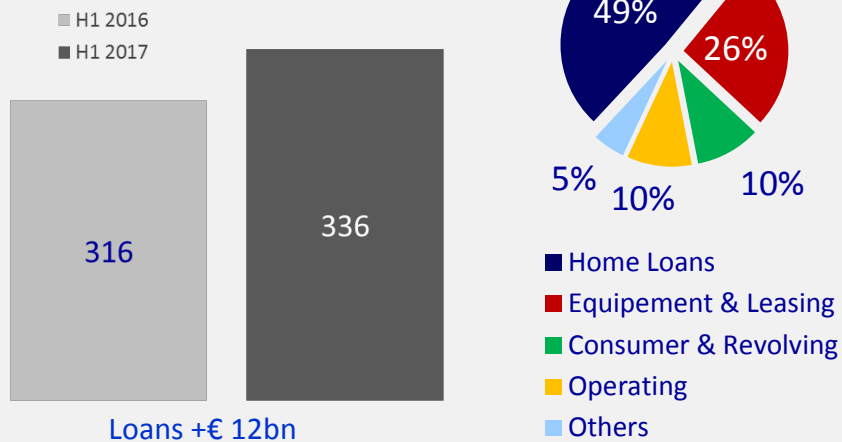
Savings € 627bn / +6.3%



Savings

- Continuous growth in each category
- Insurance savings: € 2.9bn new business with an increasing share of U/C
- Clients deposits +€ 16.1bn*
 - Current accounts +€ 11.6bn* / +11.9%
 - Home purchase savings +€ 2.4bn* / +8%

Loans € 336bn / +3.8%



Loans

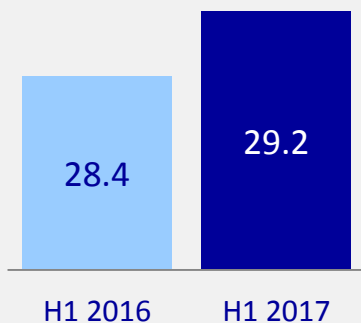
- Home Loans +€ 4.5bn* / +2.8%
- Corporate Loans +€ 9.7bn* / +13.1%
- Acquisition of the GE Capital Entities +€ 10.1bn* in factoring & leasing
- Consumer Loans +€ 2.2bn* / +6.9%
- Loan to Deposit Ratio 118.4% / -0.8%

Growth of Savings and Loans on a constant scope
* constant scope

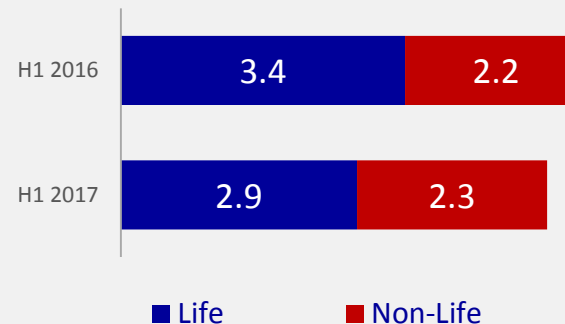
Insurance: The second business line

Insurance contracts +2.8% (million)

Gross written premiums € 5.2bn / -8.6%

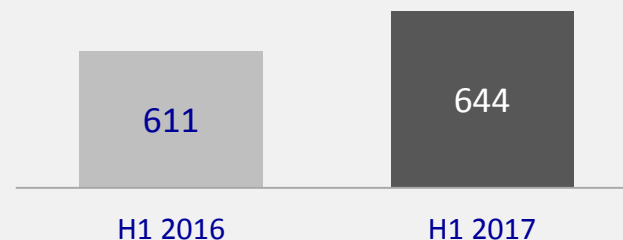
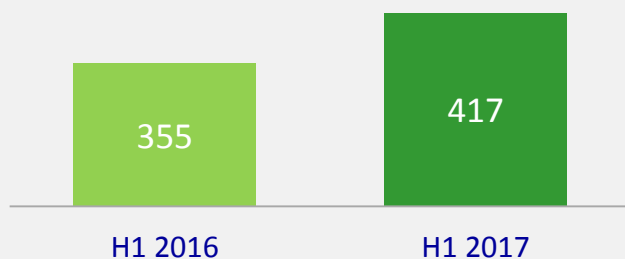


Life	12%
Personal Protection	44%
Property & Casualty	33%
Motor	11%



Net result +17.4% (m€)

Net commissions paid to the Network +5.3% (m€)



Innovative services for customers

n°1 in Residential Video Surveillance 

- Euro Protection Services runs since 1986
- 435,000 subscribers (+8% yoy)
- 31% market share among individuals

n°1 Full MVNO in France*



- EI Telecom has 1.6 million clients as of June, 30th 2017
- 50,000 new telephone subscriptions in 2016

* in terms of clients and Turnover

Property sales +16% 

- CM-CIC Agence Immobilière sells new built properties to individuals
- More than 5,300 new properties booked in H1 2017

A € 129m contribution yoy* to the results: +22%



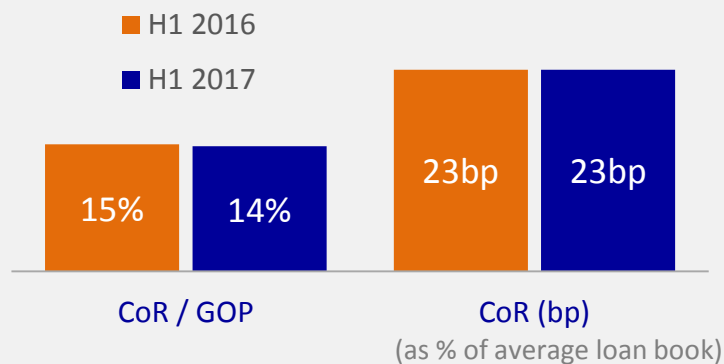
* Stand alone net results and fees paid to the the Network

4.

Asset Portfolio:
A Low Risk profile

Stable cost of risk

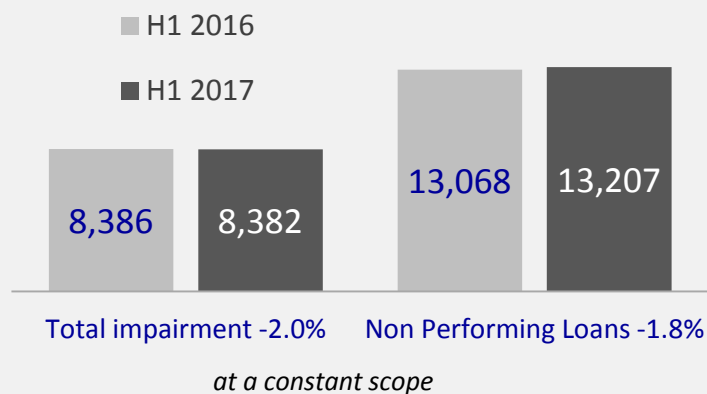
Quality of the loan portfolio



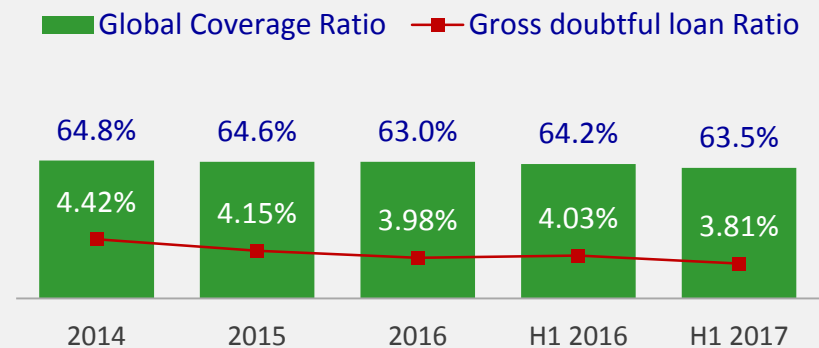
Cost of Risk

- Overall H1 2017 cost of risk increased by € 33m to € 398m
- Stable cost of risk for customers in retail banking (+1.1%)
- Improving cost of risk in corporate banking (-€ 22m)

Non Performing Loans are stable (m€)



Gross doubtful loans and coverage ratios

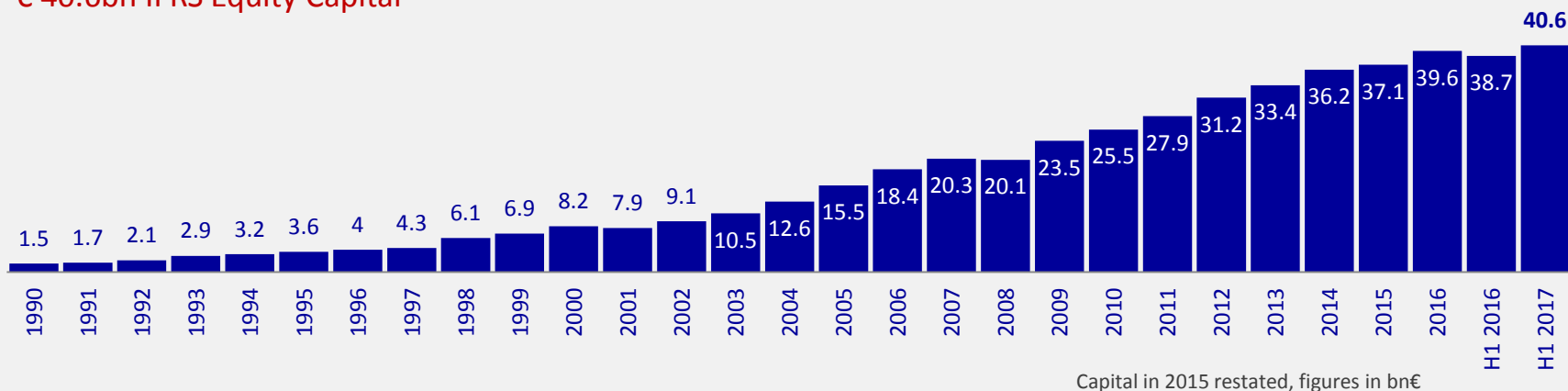


5.

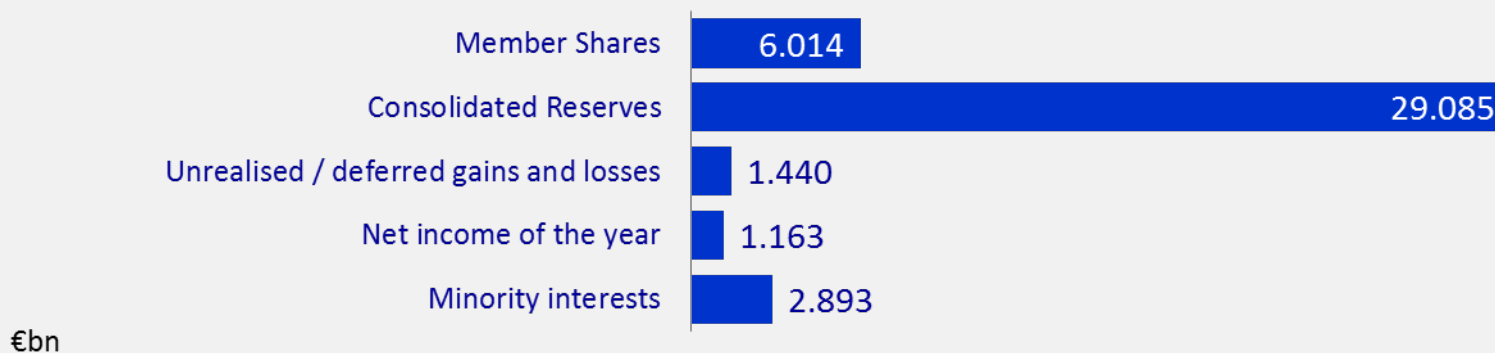
High Level of
Capitalisation

Steady organic capital generation over the last 25 years

€ 40.6bn IFRS Equity Capital

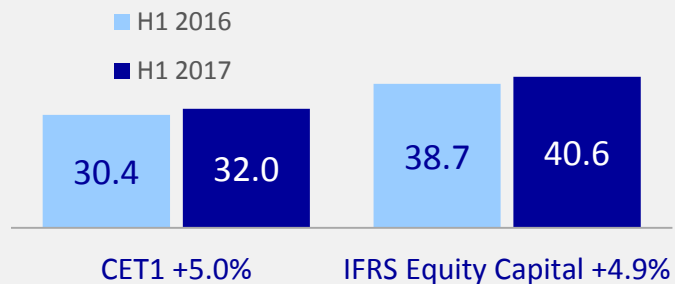


€ 40.6bn IFRS Equity Capital breakdown as at June 2017



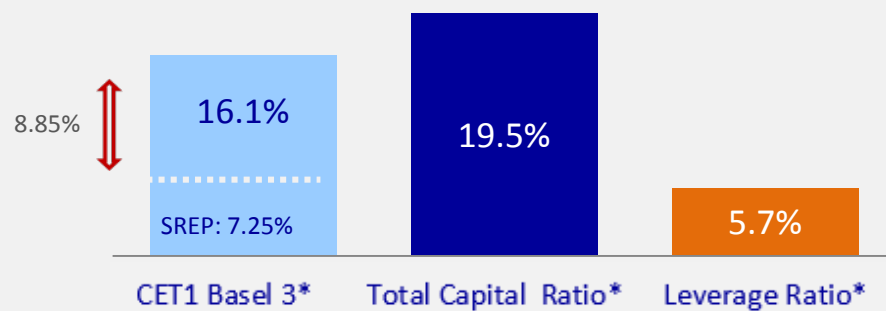
High level of capitalisation

Common Equity Tier 1 & IFRS Equity Capital* (bn€)



* Including minority interests

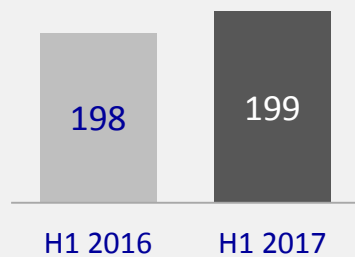
Capital ratios as at June 30, 2017



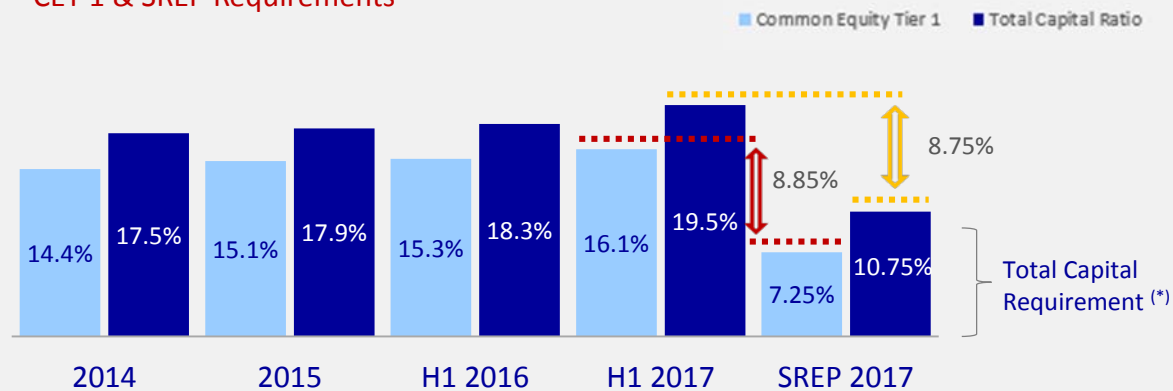
SREP as of January 2017

* excluding transitional measures

RWA +0.5% (bn€)



CET 1 & SREP Requirements



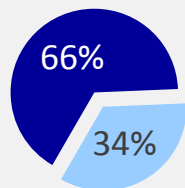
6.

Proven &
Solid Liquidity

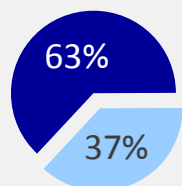
€ 127.5bn Central Funding* as of September 30th 2017

Funding breakdown

H1 2017



H1 2016



MLT unsecured	32%
MLT secured	27%
MLT sub.	5%
Retail senior	0%
Retail sub.	1%
MLT Deposit	1%
Short Term	34%

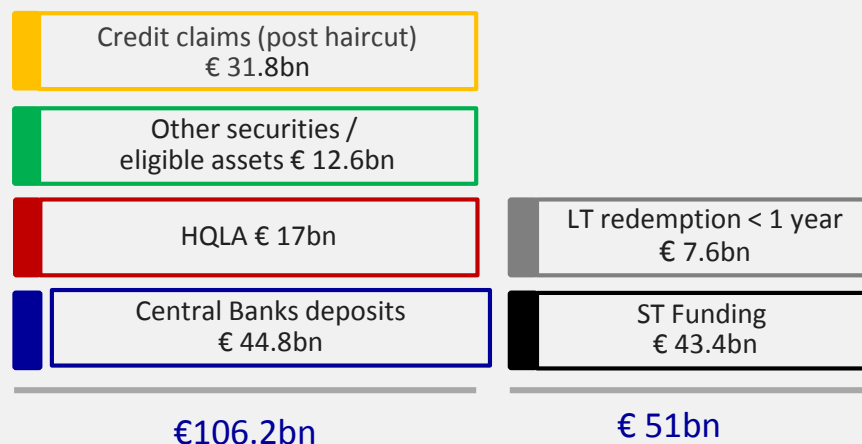
■ MLT Funding
■ ST Funding

- LCR = 138% as at June 2017

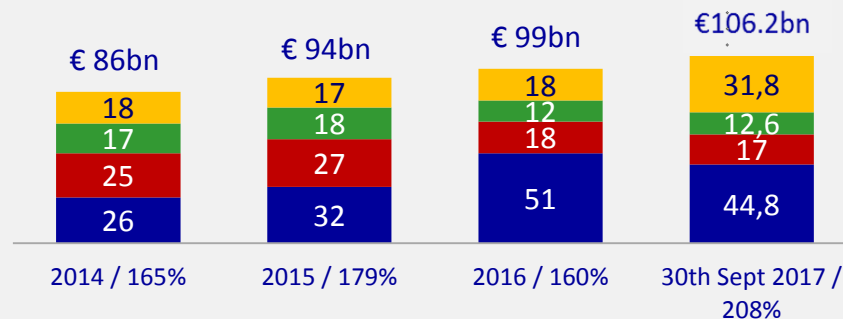
* Funding including TLTRO and excluding Targobank Germany, Banque de Luxembourg and the CIC New York and Singapore branches

** excluding intra-day reserves

Eligible Buffer* / ST Redemption = 208%



Liquidity reserves**



2017 vs 2016 MLT funding issues

2017 MLT funding program*

- € 13.1bn maturing in 2017
- € 14.8bn raised as of November, 8th 2017
- 5.7 years average maturity
- 87% senior / 13% covered
- 67% EUR / 16% USD / 6% JPY / 6% GBP / 4% CHF

2016 MLT funding program*

- € 12.5bn matured in 2016
- € 12.5bn raised as of December 2016
- 5.6 years average maturity
- 88% senior / 12% covered
- 79% EUR - 13% USD - 8% JPY

Type	Issued in	million	Currency	Years to maturity	Maturity
Senior Unsecured	Oct-17	127,100	JPY	5 / 7 / 10	Oct-22 / 24 / 27
Senior Unsecured	Aug-17	200	CHF	9+	Dec-26
Senior Unsecured	July-17	2,500	USD	3 / 5	July-20 / 22
Senior Unsecured	June-17	400	GBP	3	June-20
Senior Unsecured	June-17	250	CHF	8+	Dec-25
Senior Unsecured	May-17	1,250	EUR	10	May-27
Senior Unsecured	Feb-17	190	CHF	8	Feb-25
Senior Unsecured	Jan-17	1,250	EUR	5	Jan-22
Tier 2	Mar-17	500	EUR	10	Mar-27
Tier 2	Nov-17	500	EUR	10	Nov-27
Covered Bond	Sept-17	1,250	EUR	10	Sept-27
Covered Bond	Feb-17	750	EUR	8	Feb-25

* excluding TLTRO

7.

Structure of Crédit Mutuel-CM11 Group

Origins of Crédit Mutuel

Co-operative roots

- During the 19th century, Frédéric-Guillaume Raiffeisen (1818-1888) elaborated a new concept to fight against the poverty of farmers and handworkers
- He imagined and encouraged the foundation of mutual local banks managing the deposits and loans of their members, financing the local farming sector and development of new technologies, under the responsibility of the community members



The framework of Crédit Mutuel is founded

- 1882, foundation of the first Caisse de Crédit Mutuel in Alsace
- Loans are only granted to members
- Each member of the Caisse has only one vote
- The elected members are volunteers, not remunerated (pro-bono)
- The financial surplus is not distributed to the members but saved into a non distributable reserve

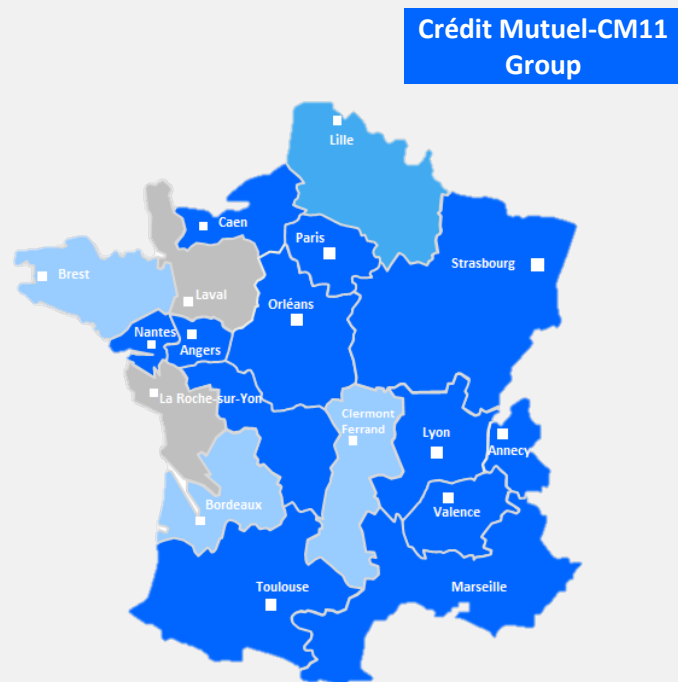


These principles are still applied today

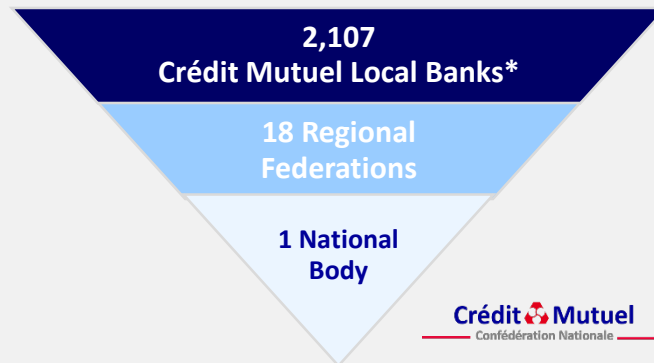
- Crédit Mutuel is a co-operative group at the service of its members and clients



18 Federations



Structure



Governance*

- 7.7m members
- 24,000 non executive directors
- 81,657 employees

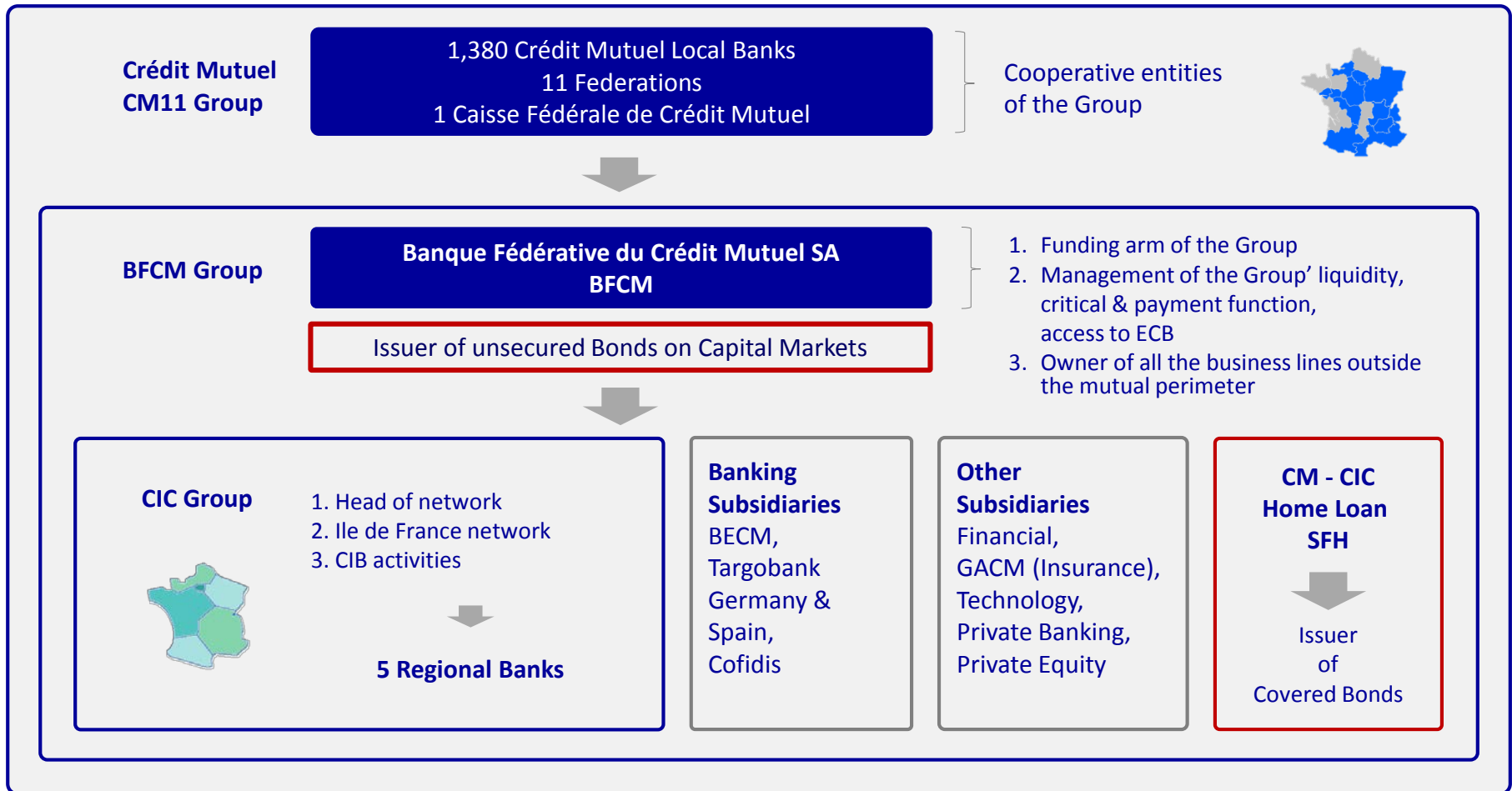
* as at Dec. 2016

A cooperative banking Group with two issuers

5m Members & 15,842 non executive directors






Consolidation level

Issuer



Building up Crédit Mutuel-CM11 Group: Banking

Banking

1882	First <i>Caisse de Crédit Mutuel</i> “La Wantzenau” (Alsace)	
1919	Foundation of <i>Banque Fédérative du Crédit Mutuel</i> (BFCM)	
1992 – 2012	<i>Crédit Mutuel Centre Est Europe</i> becomes <i>CM11</i> <ul style="list-style-type: none">existing Federations: <i>Alsace, Lorraine, Bourgogne, Champagne</i>acquired Federations: <i>Lyon (1993), Paris (2002), Annecy (2006), Toulouse (2009), Nantes / Orléans / Caen / Valence / Marseille (2011) and Angers (2012)</i>	
1998	BFCM buys 67% of <i>CIC</i> 1998	
2008	BFCM acquires 100% of <i>Citibank Germany</i> , renamed <i>Targo Bank</i>	
2008 – 2013	BFCM gradually increased its share of <i>Cofidis</i> from 33% to 54.6%	
2010	Creation of a banking joint venture in Spain with BPE: <i>Targo Bank Spain</i>	
2011	50 / 50 agreement for <i>Banque Casino</i> (French distributor)	
2013	Foundation of <i>Monetico</i> , a world leader of payment solutions with Desjardins	
2015	<i>Cofidis Participations</i> acquires 100% of <i>Banco Banif Mais</i> , a Portuguese consumer finance entity	
2016 - 2017	<i>Targobank Spain</i> : BFCM increases its share capital from 50% to 51%, 100% in 2017	
2016	BFCM completes the acquisition of <i>General Electric's</i> leasing & factoring business in France and Germany	
2017	BFCM increases its share of <i>CIC</i> to 100% BFCM acquires additional 20% of the shares of <i>Cofidis</i> CIC sells its Private Banking activities in Hong Kong & Singapore	

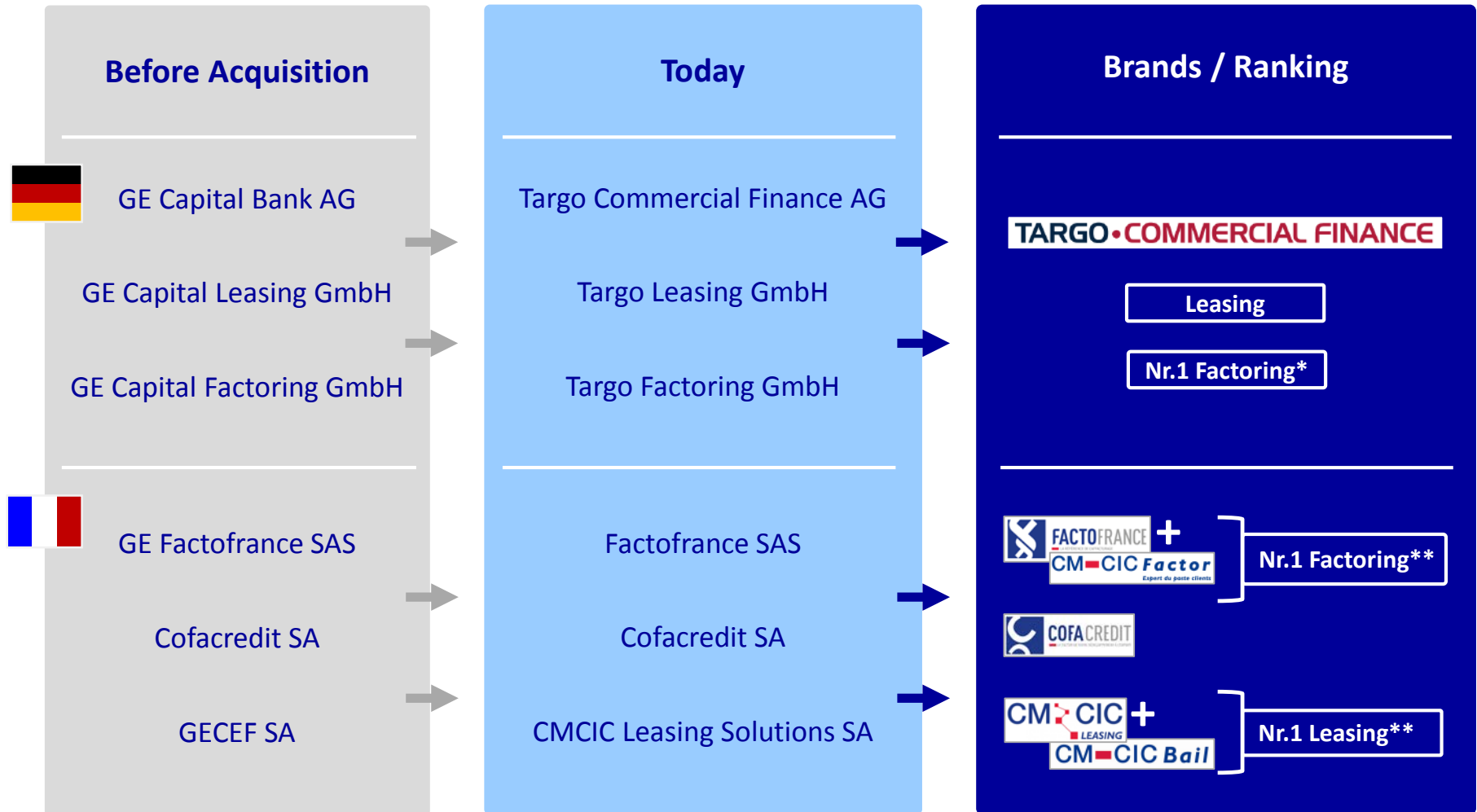
Building up Crédit Mutuel-CM11 Group: Insurance

Insurance

- 1971 Foundation of *Assurances du Crédit Mutuel* (ACM)
- 1989 – 2014 ACM holds 10% of each *Desjardins'* insurance company and is involved in the “State Farm MD Canada” transaction
- 2008 – 2009 Joint-Venture with *RACC* Spain → *RACC Seguros* (49%)
- 2012 – 2013 ACM buys 60% of *Agrupacio Mutua* (AMCI) Spain
- 2015 BFCM acquires 100% of *Atlantis Seguros* Spain
- 2017 Group CM11 & Group Crédit Mutuel Nord Europe: project to merge the life and non-life insurance activities in France, Belgium and Luxembourg



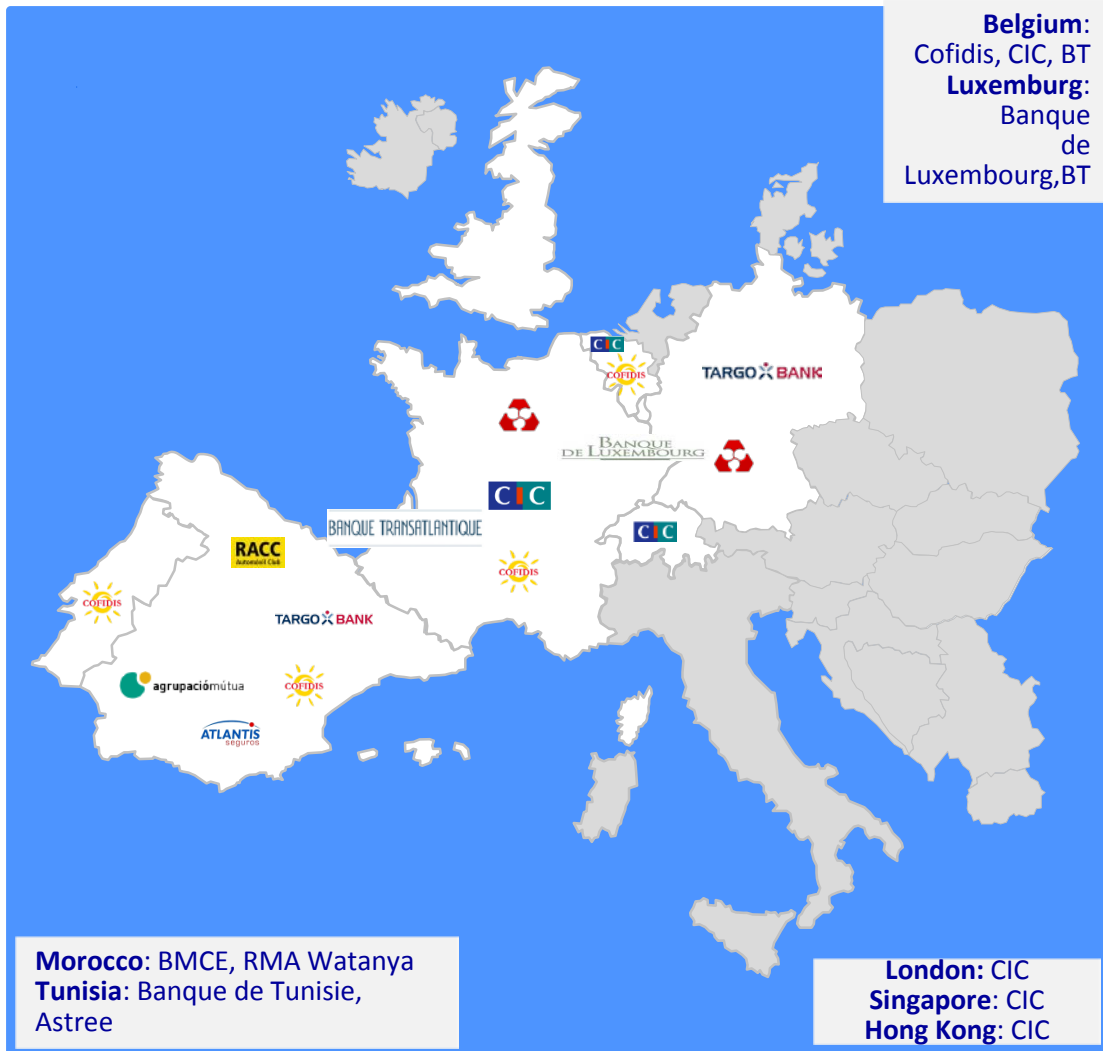
Acquisition of General Electric's factoring & leasing activities



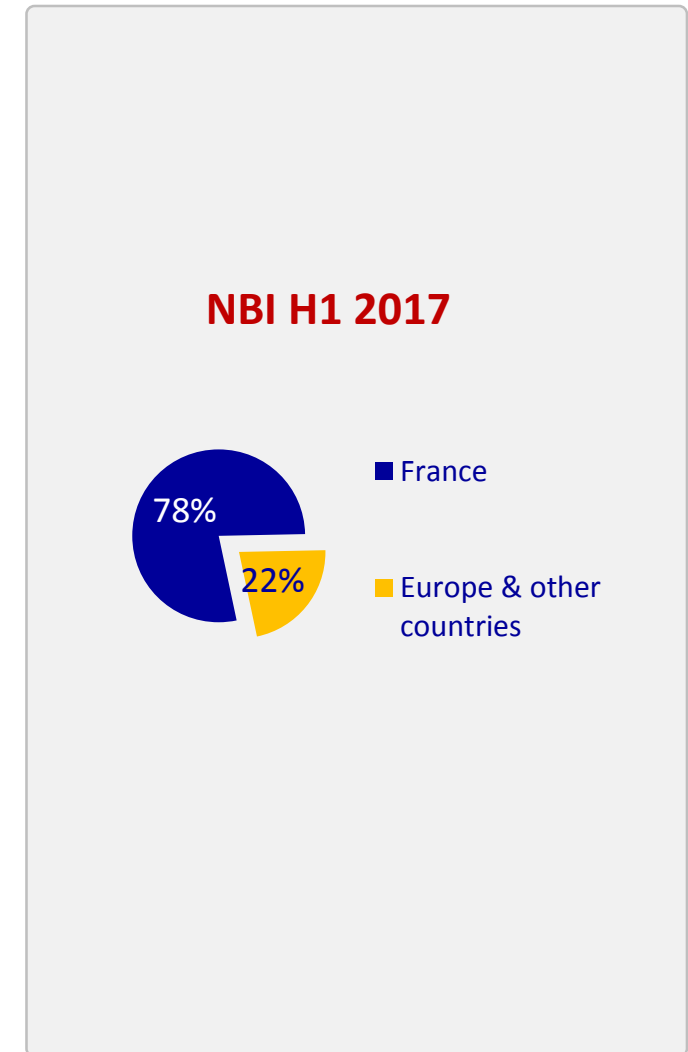
* Source: Statistisches Bundesamt End of 2013

** Source: Statistics of ASF End of 2015

A focus presence in Europe



CIC is also present in London and New York, and in Eastern Europe through Cofidis network

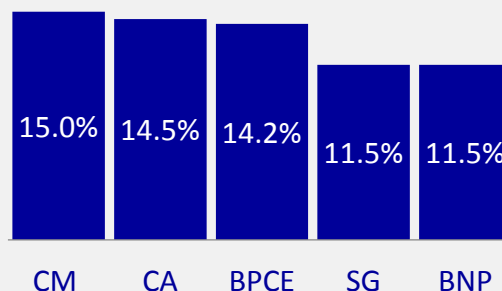


2016 Comparative results of the French banks: press releases as of 31.12.2016

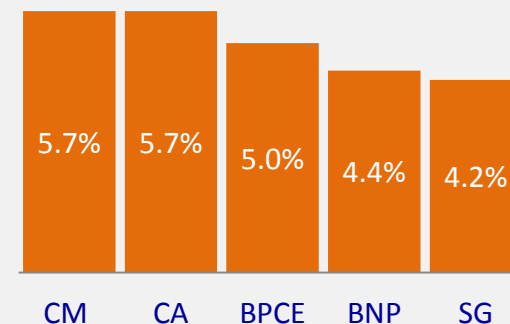
Crédit Mutuel-CM11 Group
is n°1 on . . .

- Basel 3 CET1 ratio Fully loaded
- Leverage Ratio
- ROAA
- Cost of Risk / Gross Operating Profit
- Cost to Income Ratio

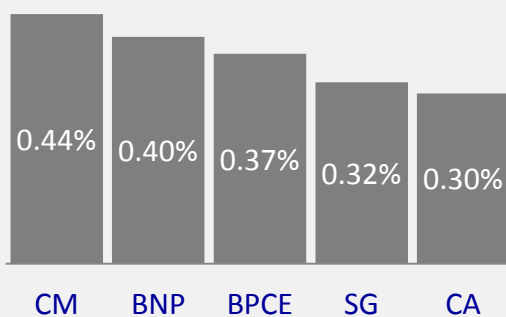
Basel 3 CET1, Fully Loaded



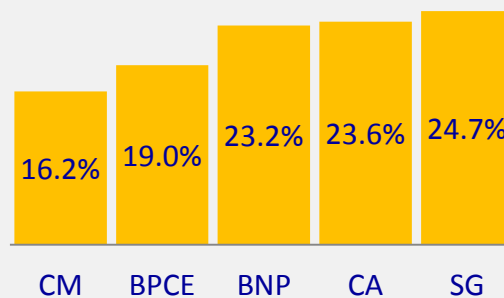
Leverage Ratio, Fully Loaded



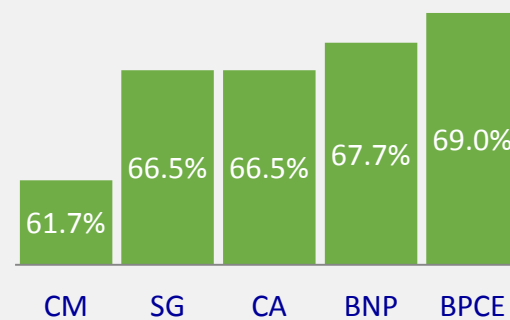
ROAA



Cost of Risk / GOP



Cost to Income Ratio



8.



CM – CIC Home Loan SFH: Summary

- **Banque Fédérative du Crédit Mutuel (“BFCM” or the “Borrower”)**
 - > Holding and central financing entity of the Crédit Mutuel-CIC Group
 - > Senior unsecured debt ratings of Aa3 (stable) / A (stable / A+ (stable) by Moody’s, S&P and Fitch Ratings respectively

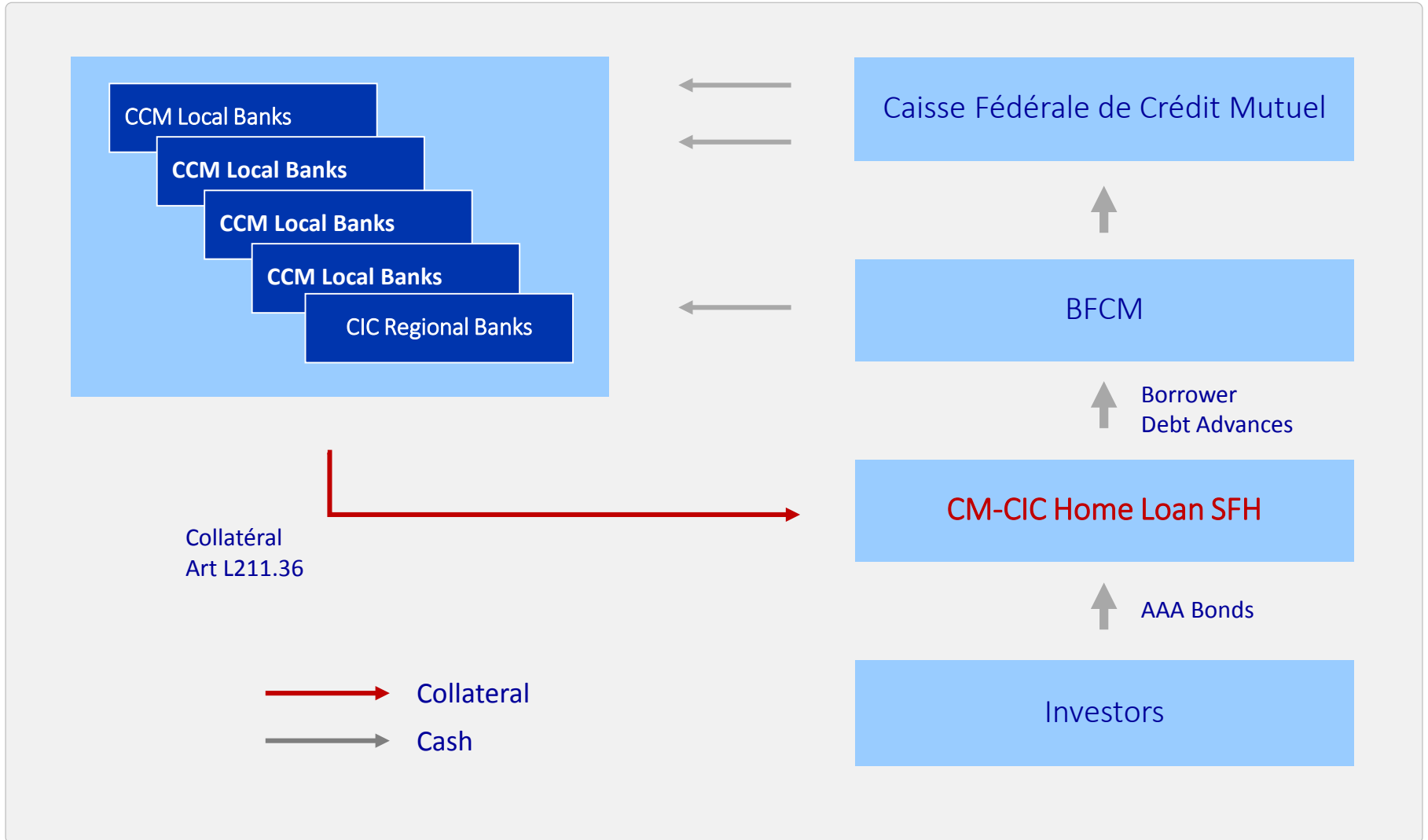
- **Crédit Mutuel & CIC (the “Collateral Provider”)**
 - > Third largest retail bank in France in terms of number of branches
 - > Third largest provider of home loans in France

- **CM-CIC Home Loan SFH (the “Issuer”)**
 - > CM-CIC Home Loan SFH is a French credit institution (établissement de crédit) approved and regulated by the regulator Autorité de Contrôle Prudentiel et de Résolution (ACPR)
 - > Full recourse obligation of the Issuer to BFCM
 - > AAA / Aaa / AAA expected ratings issuance with hard bullet maturities
 - > Standard covered bond features: Asset Cover Test with 80% LTV cap and 92.5% maximum asset percentage
 - > A bankruptcy of BFCM cannot result in insolvency proceedings being extended to CM-CIC Home Loan SFH

- **French Home Loan Cover Pool**
 - > Crédit Mutuel-CIC’s French residential home loan portfolio, subject to Eligibility Criteria
 - > Prime residential mortgages and guaranteed home loans (“crédits cautionnés”)
 - > Weighted average indexed current LTV of 63%, weighted average seasoning of 69 months*

** Quelle: Investors Report October 2017*

Structure overview of the SFH Program



The AAA issuer of Crédit Mutuel-CM11 Group

- **CM-CIC Home Loan SFH**
 - > A French credit institution, licensed and supervised by the Autorité de Contrôle Prudentiel et de Résolution (ACPR), the French Banking Supervisory Authority
 - > Audited by Price Waterhouse Coopers and Ernst & Young

- **CM-CIC Home Loan SFH is subject to a statutory limitation of activities**
 - > Issuer's single purpose is to issue covered bonds and to provide funding to the Group's entities
 - > Limited recourse and non petition clauses included in all contracts signed with third parties
 - > Double recourse to BFCM and the collateral ("cover pool" of home loans)

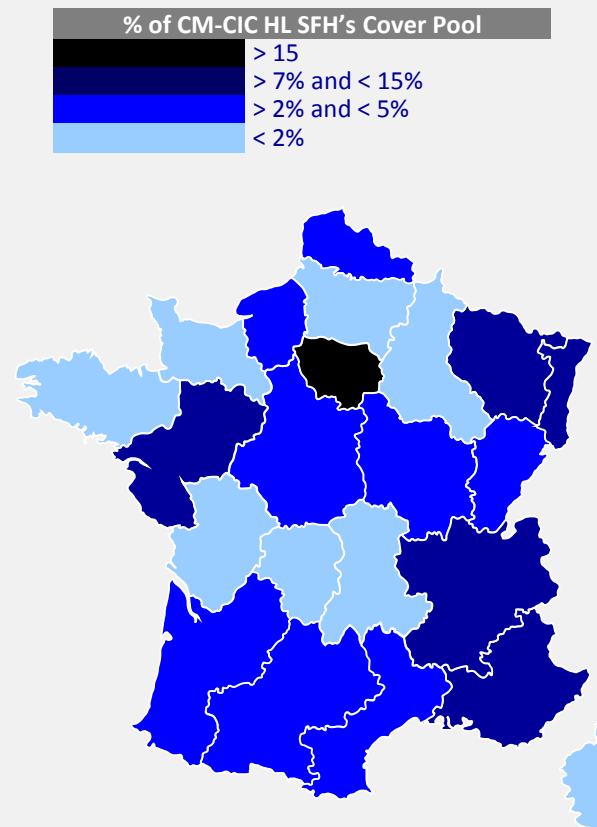
- **In case of a Borrower Event of Default: automatic collateral enforcement**
 - > Regulated by common law: European collateral directive provisions transposed into the French Monetary and Financial Code (Article L211-38 July 2005)
 - > Segregation of assets by Collateral Providers (The Group) to the benefit of the Issuer (Crédit Mutuel Home Loan SFH)
 - > Assets will be entirely transferred in case of collateral enforcement

- **CM-CIC Home Loan SFH benefits from the new legal framework (SFH) approved by the French Parliament in October 2010 (Bankruptcy law, UCITS 22.4 compliance)**

Cover Pool as at October, 10th 2017

- Prime residential mortgages and guaranteed home loans only
 - > no RMBS
 - > no securitization
 - > no substitution assets
- Underlying properties exclusively located in France
- Only loans originated by the group's networks are eligible
- No loans in arrears in the cover pool
- Restrictive eligibility criteria
- Home Loan origination
 - > The cover pool's geographical distribution reflects CM's extensive footprint

Cover pool % by region



Key Terms

Issuer

CM-CIC Home Loan SFH

Program Size

€ 30bn

Ratings

Aaa (Moody's) / AAA (S&P) / AAA (Fitch)

Risik Weighting

ECBC + CRR / CRD4 compliant

Maturity Type

soft bullet

Currency

any

Listing

Paris

Governing Law

french

Max. LTV

100% (with LTV cap at 80% for ACT)

Asset Quality

Strongly rated instrument

Aaa / AAA / AAA by Moody's, S&P and Fitch Ratings, Exposure to the high quality French home loan market

Full support of the Crédit Mutuel-CM11 Group

Third largest retail bank in France. Aa3 (stable) / A (stable) / A+ (stable) from Moody's, S&P and Fitch. A stable and profitable banking Group with a low risk business model

High quality cover pool

Low non-performing loan rate

Advanced customer scoring monitoring systems

Structural features of the program

Asset Cover Test governs over-collateralisation level and mitigates negative carry risk

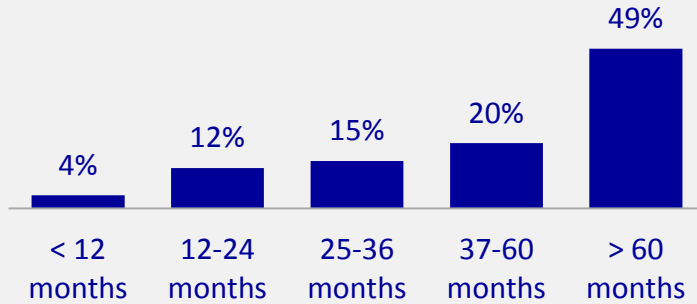
Hedging strategy and liquidity providers mitigate market and liquidity risks

Cover Pool as at October, 10th 2017

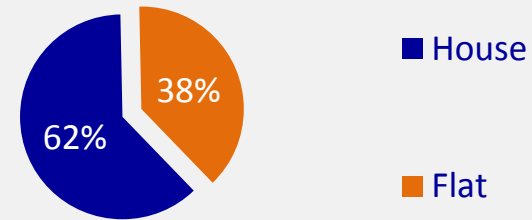
Pool Notional	€ 30bn
Type	Prime French residential mortgages and guaranteed home loans
Number of loans	380,010
WA Current LTV	63%
WA Indexed LTV	63%
Seasoning	69 months
Interest Type	91% fixed, 9% floating and indexed
Max. loan amount	€ 1,000,000
Collateralisation	71% mortgages, 29% guaranteed

Cover Pool as at October, 10th 2017

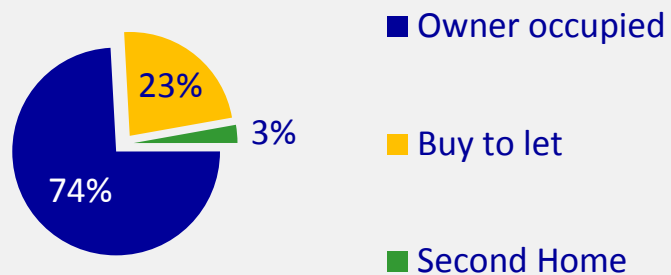
Maturity



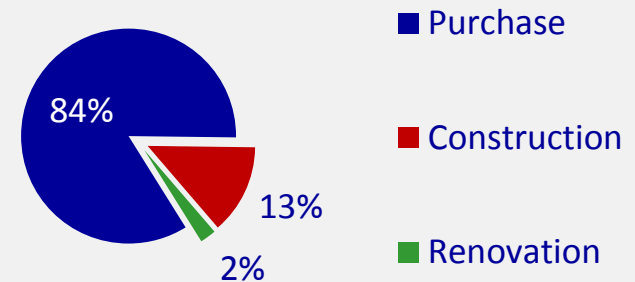
Property type



Occupancy

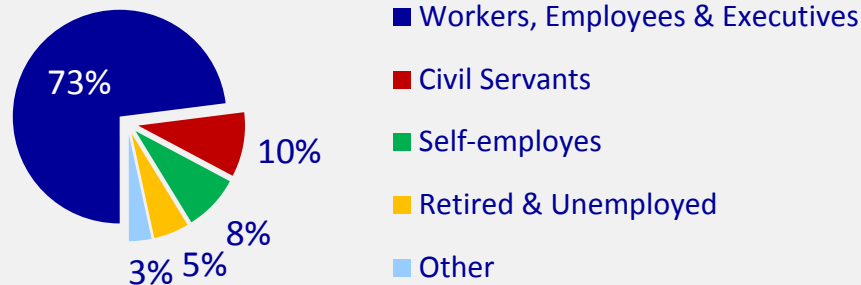


Loan Purpose

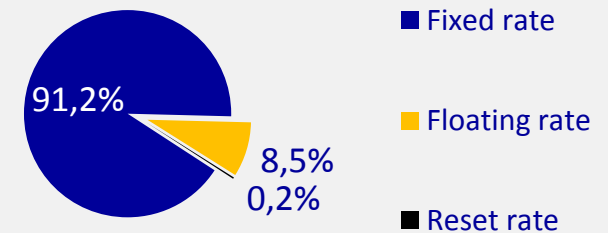


Cover Pool as at October, 10th 2017

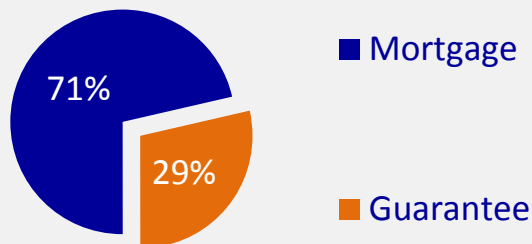
Employment type



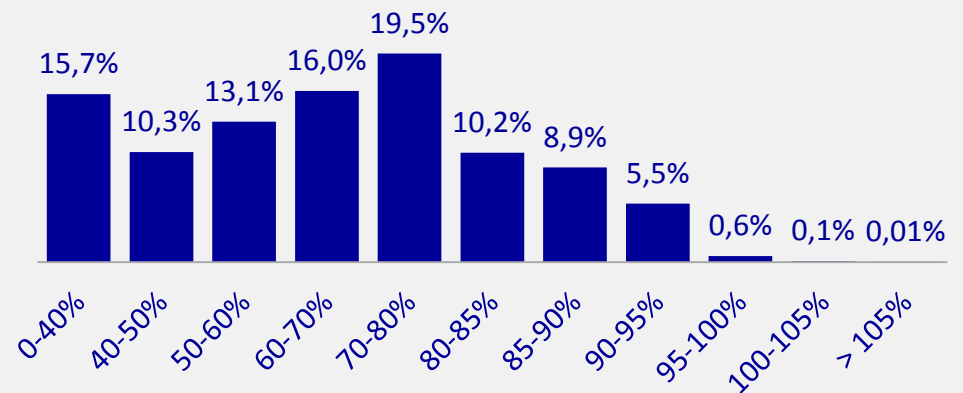
Rate type



Collateralisation



Unindexed LTV



A sound French housing market

Favorable structural factors

- growing population
- one of the lowest home ownership ratios in Europe
- inadequate growth in supply vis à vis strong and structural demand
- shortage of housing supply drives the evolution of prices in France

“Market Indicators for France – Observatoire Crédit Logement September 2017”

Rate	Maturity	Activity
Average Interest rate 1.55%	Average maturity of housing loans Ø 18.1 years	New production (turnover) +15.3%
Interest old property: 1.58% Interest new property: 1.60%	Average cost of a housing loan 4.09 years of a household's annual income	New production (volume) +9.1%

* figures: yoy

A sound French housing market

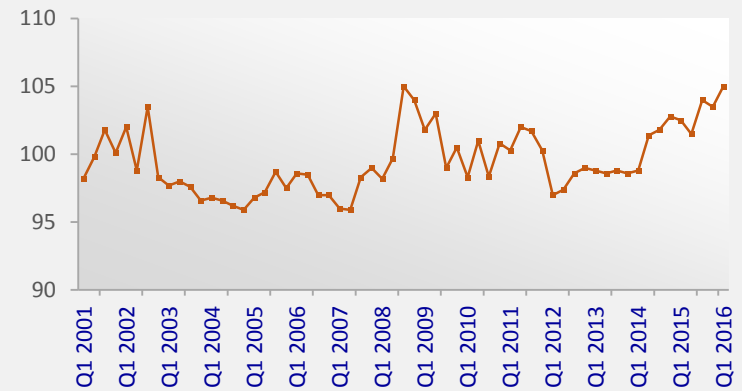
Low risk with only prime home loans and conservative origination policy

- Borrowers' repayment cannot exceed 33% of the disposable income (31% average debt ratio)
- Close analysis of the client
 - work status
 - regularity of income
 - credit history
- Home loans are attributed to the client and not to the asset
- Sustainable maturity production of 18.0 years average*
- More than 90% of home loans have a fixed rate to maturity
- All the loans are guaranteed
- The French housing market is fairly resilient thanks to the low interest rates
 - 1.56% in September 2017 vs. 1.62% in June 2016*

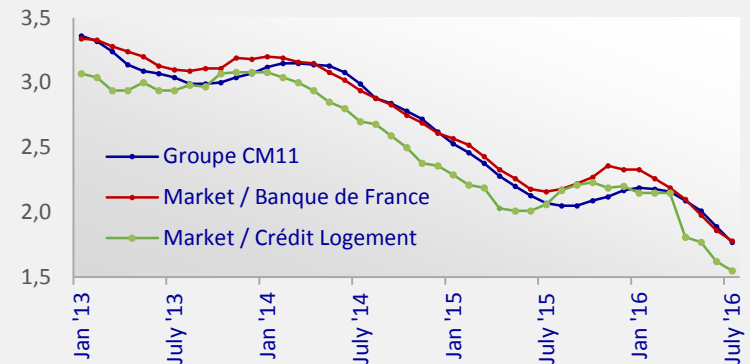
* without insurance

Sources: Crédit Logement / CSA SEPT 2017, Banque De France, simplified charts

Solvency of borrowers, Base: 100



Home loans of individuals in France & CM11: Interest Rates



SFH: Framework European Peer Comparison

Item \ Bond type

Legal Over-Collateralization

Underlying Real Estate property prudent re-appraisal

Maximum Loan-to-value

Commercial Real Estate

Location of real estate property

Replacement securities / substitutional assets

Regulatory oversight

Acceleration of Covered Bonds

Liquidity Risk Management

Obligation à l'Habitat France

105%

YES

80%

NO

UE, EEA + non EEA with AAA – AA

15%

YES, "Specific Controller"

NO

180-day needs must be covered at all times

Hypothekenspfandbrief Germany

102%

YES

60%

YES

UE, EEA + non EEA with AAA – AA (max. 10%)

20%

YES, "Sachwalter"

NO

180-day needs must be covered at all times

Your contacts at BFCM and CM-CIC Home Loan SFH



www.bfcm.creditmutuel.fr



www.creditmutuelcic-SFH.com