

Crédit  Mutuel

Alliance Fédérale

BFCM INVESTOR PRESENTATION – Half Year - 2019



JANUARY 2020

# Disclaimer

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Audit procedures have been performed on the key financial figures disclosed on 25<sup>th</sup> of July. The audit certificate will be issued after finalization of the additional procedures required for the publication of the annual financial report.

Crédit Mutuel Alliance Fédérale ("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, CIC, Targobank Germany, Targobank Spain, Cofidis, BECM, CIC Iberbanco, EI and others.

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# Crédit Mutuel Alliance Fédérale at a glance



- more than 25 million clients
- 4.7 mn members
- 4,410 branches
- €45.6 bn equity capital

- A real cooperative Group belonging to its members
- A 'bancassureur' business model
- Financing the real economy
- A strong financial profile
- An entrenched innovative culture

**4 main  
brands**



MOODY'S



S&P Global  
Ratings

FitchRatings

Aa3 / stable

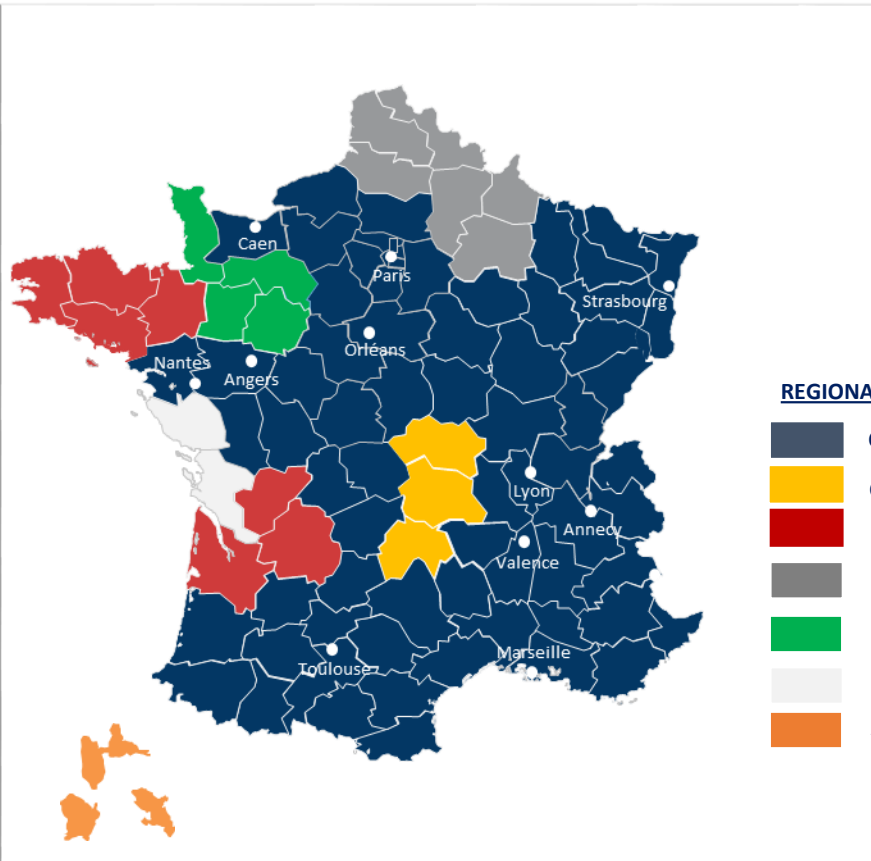
A / stable

A+ / stable



1.  
Crédit Mutuel Alliance Fédérale  
**organization**

## 18 FEDERATIONS

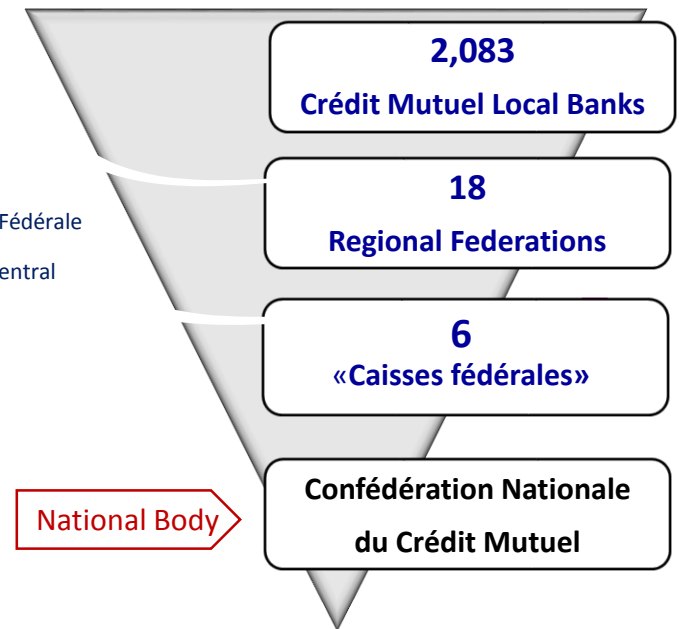


### REGIONAL BANKS

- Crédit Mutuel Alliance Fédérale
- Crédit Mutuel Massif Central
- Crédit Mutuel ARKEA
- CMNE (1)
- CMMA-BN (2)
- CMO (3)
- Antilles Guyane

## CRÉDIT MUTUEL GROUP structure & governance

- c.7.8 million members
- 32.5 million clients
- 22,450 voluntary local board members
- c.82,000 employees

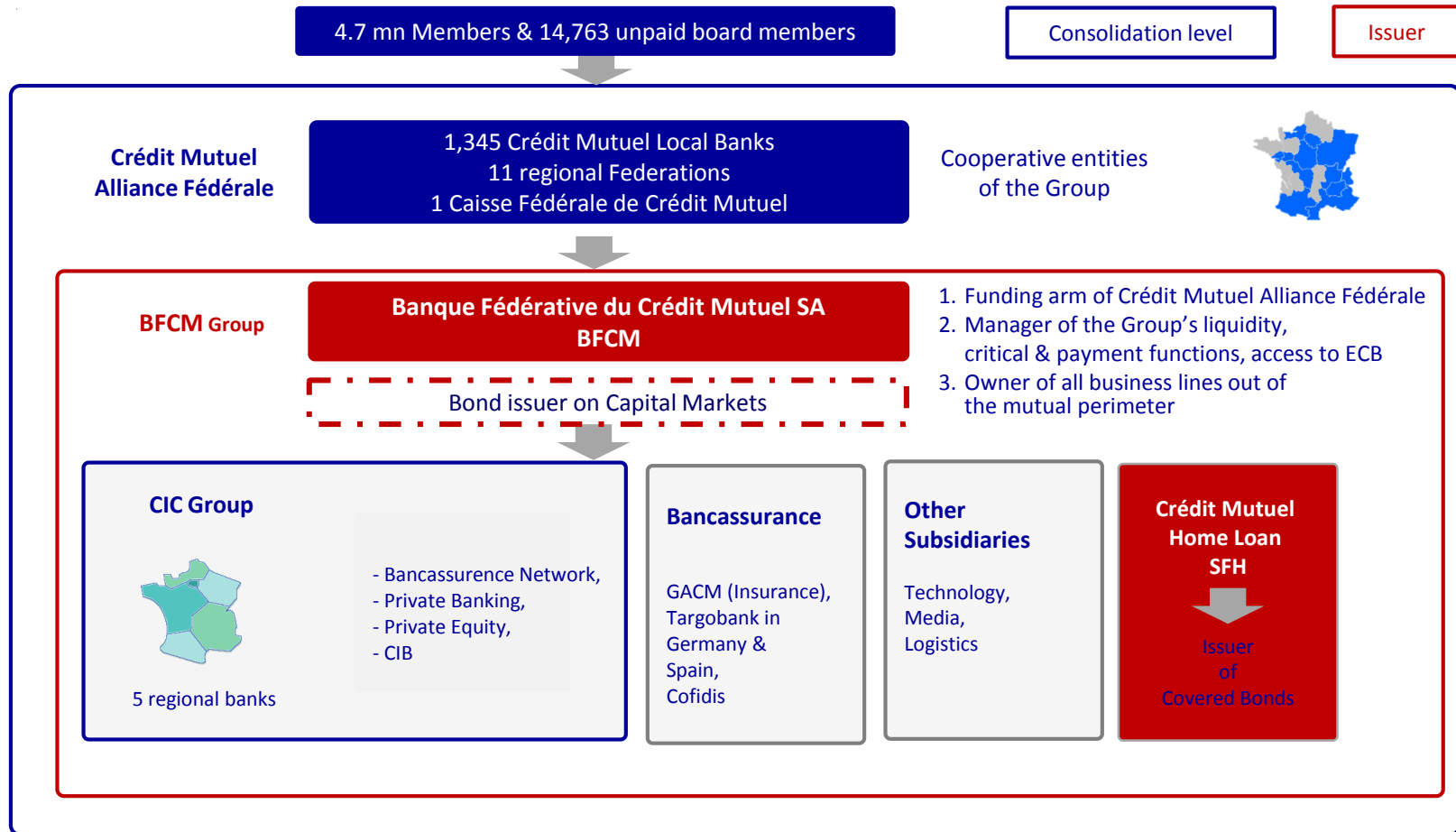


(1) CMNE: Crédit Mutuel Nord Europe  
 (2) CM MABN: Crédit Mutuel Maine Anjou Basse Normandie  
 (3) CMO: Crédit Mutuel Océan



As at December 2018

# Crédit Mutuel Alliance Fédérale

A cooperative banking group with **one issuer** (\*)



(\*) including Crédit Mutuel Home Loan SFH



2.  
Crédit Mutuel Alliance Fédérale  
**key takeaways**



# Crédit Mutuel Alliance Fédérale : strong results (1st half 2019)

## historical performance



# Crédit Mutuel Alliance Fédérale : Net Banking Income from operational activities

## Contribution by business units<sup>(\*)</sup>

	Retail banking	Insurance	Specialized business lines	IT-media logistic
€mn	<input type="checkbox"/> Crédit Mutuel Alliance Fédérale <input type="checkbox"/> CIC <input type="checkbox"/> COFIDIS <input type="checkbox"/> Factoring / leasing <input type="checkbox"/> Asset management	<input type="checkbox"/> Groupe des Assurances du Crédit Mutuel	<input type="checkbox"/> Commercial banking <input type="checkbox"/> Investment banking <input type="checkbox"/> Private banking <input type="checkbox"/> Private equity	<input type="checkbox"/> Euro Information <input type="checkbox"/> El Telecom <input type="checkbox"/> Media
<b>Net revenues</b>	5,265	1,096	831	873
% of operational business lines	65%	14%	10%	11%

<sup>(\*)</sup> operational activities, excluding holding

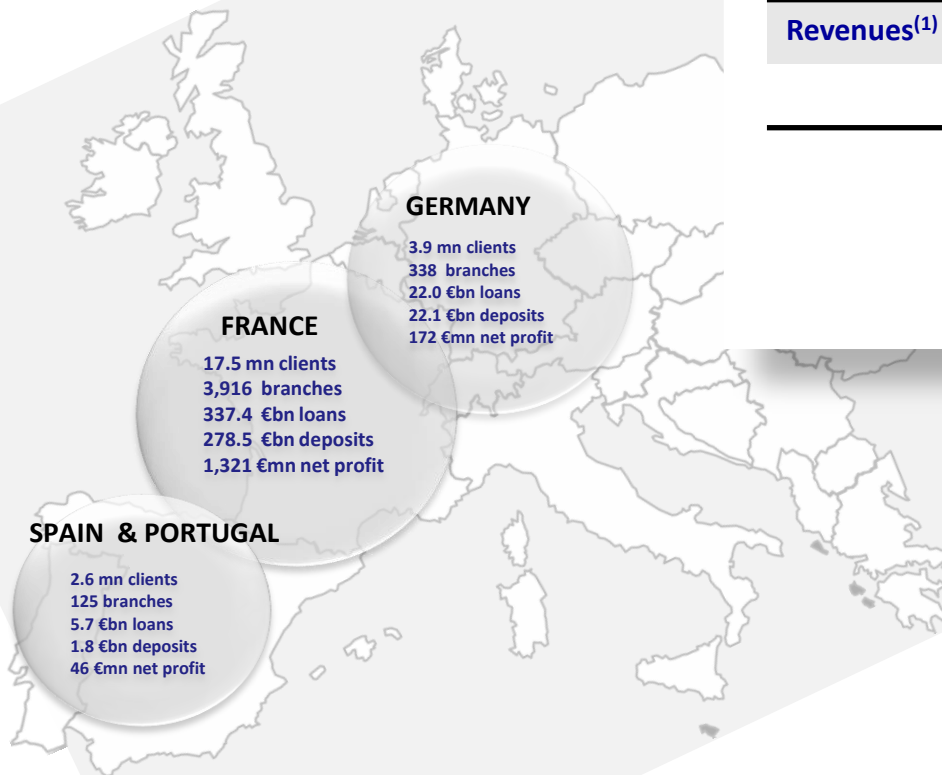
# Crédit Mutuel Alliance Fédérale : contribution by geographic regions

**89% of the Group net revenues made in France + Germany**

→ well defined core markets

€mn	France	Germany	Spain & Portugal	Europe	others
Revenues <sup>(1)</sup>	5,572	823	306	380	111
	<b>77.5%</b>	<b>11.5%</b>	<b>4.2%</b>	<b>5.3%</b>	<b>1.5%</b>

**22.5 %**



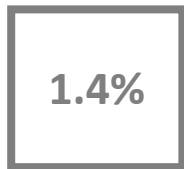
(1)excl inter-cie accounts excl holdings

## EFFICIENCY & SOLIDITY

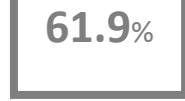
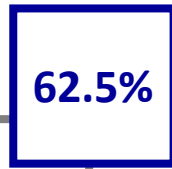
### high profitability

#### RoRWA

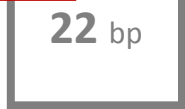
As at December 2018



#### cost to income

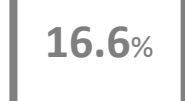
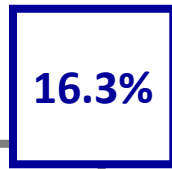
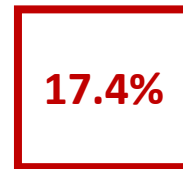


#### Cost of risk

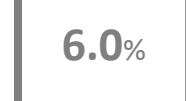
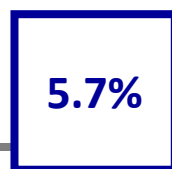
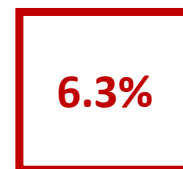


### solid capitalisation & liquidity

#### CET1 ratio-FL



#### Leverage ratio-FL <sup>(1)</sup>





#### LCR



(1) excl. transitional measures





3.  
2019-2023  
**Strategic plan**

## 2019-2023 : Strategic plan in a nutshell

1. Financial  
targets

2. Human &  
mutualist  
development  
goals

3. Technological  
investments for  
transformation

# 1. Financial targets

## TARGET 2023<sup>(\*)</sup>



(\*) all other things being equal/at a constant regulatory scope

## 2. Human & mutualist development goals

### TARGET 2023

TRANSFORMATION  
TRAINING  
GIVEN TO STAFF

100%

GENDER EQUALITY  
IN MANAGEMENT  
&  
GOVERNANCE

50/50

MEMBERSHIP  
RATE

>90%

PROJECT  
FINANCING WITH  
STRONG  
ENVIRONMENTAL  
IMPACT

+30%

REDUCTION IN  
THE GROUP'S  
CARBON  
FOOTPRINT

>30%



### 3.

## Technological investments for transformation

TECHNOLOGICAL  
DEVELOPMENT



1.2  
million  
man-days

CAPITAL  
INVESTMENT  
IN TECHNICAL  
INFRASTRUCTURES



€350  
million



4.  
**Financial highlights  
by business lines**

## Activity (1/3) : The strength of the local network for a multiservice strategy

- **Crédit Mutuel Alliance Fédérale intends to maintain the strength of its local network**
  - Network adaptation to local demographic & economic trends and technical possibilities
  - 97% of the loan approvals are done locally
  - Dedicated account managers
- **The new strategic plan leads to the acceleration of the diversification :**
  - To a resolutely multiservice strategy , DNA of the Group
  - +139,000 new clients in mobile phones
  - To the deployment of an innovative commercial approach-pioneer in cognitive & digital solutions in France
  - To the launch of a real estate offer for old buildings & a telecommunication service offer (high speed BOX)
- **The success of this diversification strategy is demonstrated by:**
  - The dynamism of the insurance business which remains a major line of development ( +11% increase in NBI contribution in H1 2019)
  - The French residential remote surveillance = No. 1 in 2018 (with 30% market share) , +29,000 new clients in home surveillance in H1 2019
  - The real estate = No. 1 realtor in newly built housing in France in 2018
- **Investments for development**
  - Training: 6.4% of payroll
  - HR and salary policy
  - Technological developments 730,000 man/days in 2018 (+ 16%)

## Activity (2/3) : Financial figures

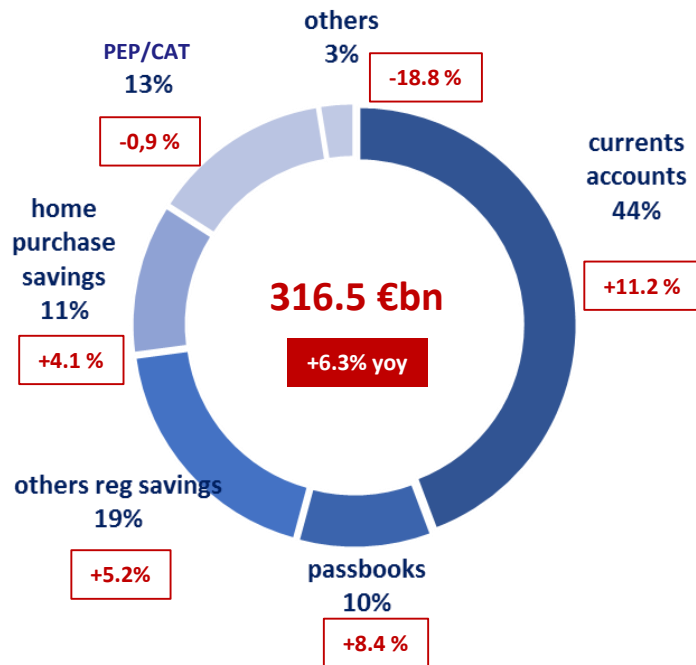
'Bancassurance', the core business of the Group, remains strong thanks to positive new business figures in all segments and the extension of cross-selling to new services adapted to the customer needs and the persistent low interest rate environment

€bn	H1.2019	H1.2018	Change in %
<b>Customers loans</b>	378.1	358.3	+5.5%
<b>Total savings</b>	611.2	587.1	+4.1%
o/w customers deposits	316.5	297.9	+6.3%
o/w Insurance savings	97.7	94.7	+3.2%
o/w financial savings	197.0	194.5	+1.3%

# Activity (3/3) : Financial figures

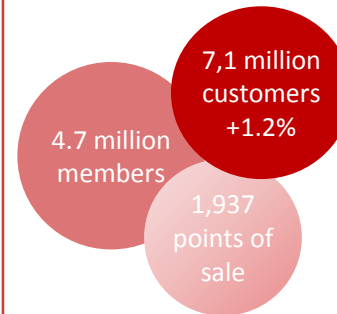
Deposit outstanding is up to respectively 6% and 6.9% at Crédit Mutuel Alliance Fédérale and CIC networks

## Breakdown of deposit



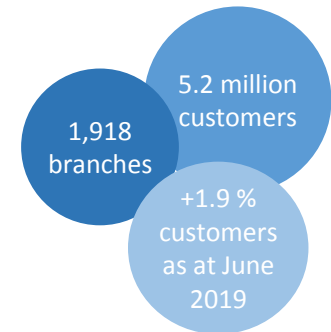
### Crédit Mutuel Bancassurance Branch Network

- The CM customers are private individuals (87%), business customers and companies (8%) and associations (4%)
- more than 80% of customers are members of their local cooperative bank.



### CIC Bancassurance Network

- CIC customers are private individuals & associations (80%) followed by business customers and companies (20%)



% - yoy

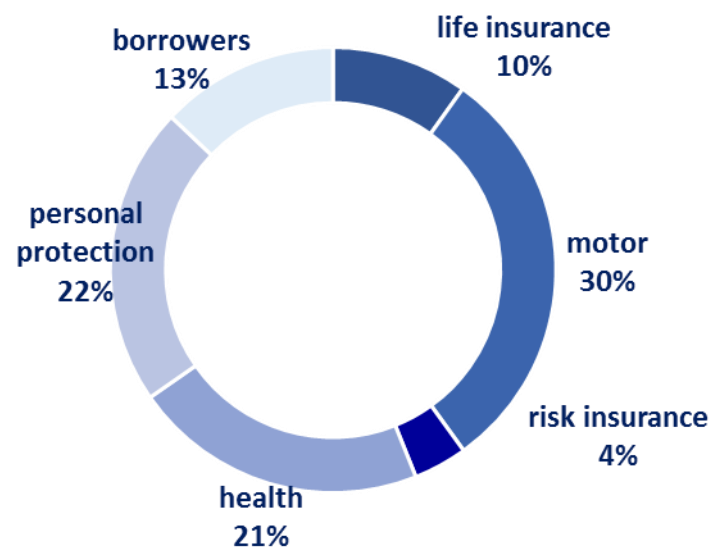
Groupe des Assurances du Crédit Mutuel (GACM) accounts for 28% of the Group net profit

€mn	H1 2019	H1 2018	Change
<b>Net insurance income</b>	<b>1,096</b>	<b>989</b>	<b>+10.9%</b>
Operating expenses	-329	- 306	+7.4%
<b>Gross operating income</b>	<b>767</b>	<b>682</b>	<b>+12.4%</b>
Net gains/losses on other assets and associates <sup>(1)</sup>	15	13	+18.7%
<b>Result before tax</b>	<b>783</b>	<b>695</b>	<b>+12.6%</b>
Corporate income tax	-277	-235	-18.0%
<b>Net result</b>	<b>505</b>	<b>460</b>	<b>+9.8%</b>

(1)EAE: Equity Accounted Entities share net income of associates

GACM the insurance subsidiary of Crédit Mutuel Alliance Fédérale offers a wide range of **life and non life** products

Breakdown of number of insurance policies by segment



Breakdown of consolidated premiums

€mn	H1 2019	H1 2018	change
<b>property insurance</b>	<b>1,114</b>	<b>1,056</b>	<b>5.5%</b>
of which cars	607	574	5.6%
<b>personal protection</b>	<b>1,589</b>	<b>1,516</b>	<b>4.8%</b>
of which borrowers	805	767	5.0%
<b>total risk insurance</b>	<b>2,719</b>	<b>2,587</b>	<b>5.1%</b>
<b>life insurance</b>	<b>3,604</b>	<b>3,521</b>	<b>2.4%</b>
<b>others activities</b>	<b>79</b>	<b>70</b>	<b>11.7%</b>
<b>consolidated premium</b>	<b>6,401</b>	<b>6,178</b>	<b>3.6%</b>

→ 6.4 €bn : gross written premiums in H1 2019  
 → 12.3 mn policy holders in Dec.2018

## One of the leading banks in Germany

A “full-service” bank for private and business customers, leader in the consumer credit, credit cards and factoring businesses. Combines the advantages of remote banking - online and telephone - with the strength of a branch network spread over Germany's 200 largest cities.

**c.4.000.000**  
private, business  
& corporate  
customers

more than  
**330**  
POS in Germany

Countrywide distribution system including branches, sales finance channels, mobile sales force and direct bank for retail banking / sales representatives and partner programs for commercial banking

**23.4 €bn**  
balance sheet



**7.226**  
employees

**TARGOBANK Commercial banking activity operates in : equipment finance, factoring, credit & financing, accounts&cards, wealth mgmt, protection, car loans, commercial loans, leasing, factoring, investment loans...**



*As at June 2019*



Targobank Germany's retail activity remained very strong, confirming the robust momentum that has been built in consumer finance for the Group

### Retail

→15.4 €bn : retail bk loans outstanding

→2.5 €bn : individual loan production

→16.9 €bn : customer deposits outstanding

### Corporate

→285 €mn : leasing new business

### **Key trends:**

- individual loans outstanding by +9%
- loans production for by +17.8%
- customer deposits by +10.6%
- leasing new production by +12.5%
- net banking income by +4.2%
- net profit +5.8%
- market share in consumer loans in Germany: 9.8% vs 8.8%% in H1 2018

### Results

→1807 €mn : net revenues

→255 €mn : profit before taxes

Through its four commercial brands, Cofidis, Monabanq., Créatis and Sofemo, the COFIDIS Participations Group creates, sells and manages a wide range of financial services, including consumer credit, payment solutions, loan redemption and banking services.

c. 8.900.000  
customers

more than  
**4.100** million  
financing

*As at December 2018*

A pioneer in the remote sale and management of credit, the COFIDIS Group has seen significant and continuous growth in its activities over three Juneades, both in terms of international expansion and the diversification of its range of products & services.

c.13.8 €bn  
balance sheet



7th relationship  
excellence awards

**5.383**  
employees

#### Four brands:

- Cofidis: a European online consumer loan specialist based mainly in France, Belgium, Italy, Spain and Portugal
- Monabanq: an online bank
- Créatis: a loan consolidation specialist
- Sofemo: consumer finance specialist

**monabanq**  
les gens avant l'argent

GROUPE  
**SOFEMO**



Cofidis has shown a strong performance in the first half

## Financial (1<sup>st</sup> half 2019)

- 12.1 €bn : loans outstanding
- 3.5 €bn : loans production
- 151 €mn : profit before taxes  
*(stable vs H1 2018)*

## Increase of:

- loans outstanding by +9.9%
- loans production by +8%
- revenue by +25 €mn



- *Strong growth in car loans and personal instalment loans*
- *The cost of risk is improving with declining numbers of defaults and improved efficiency recoveries*

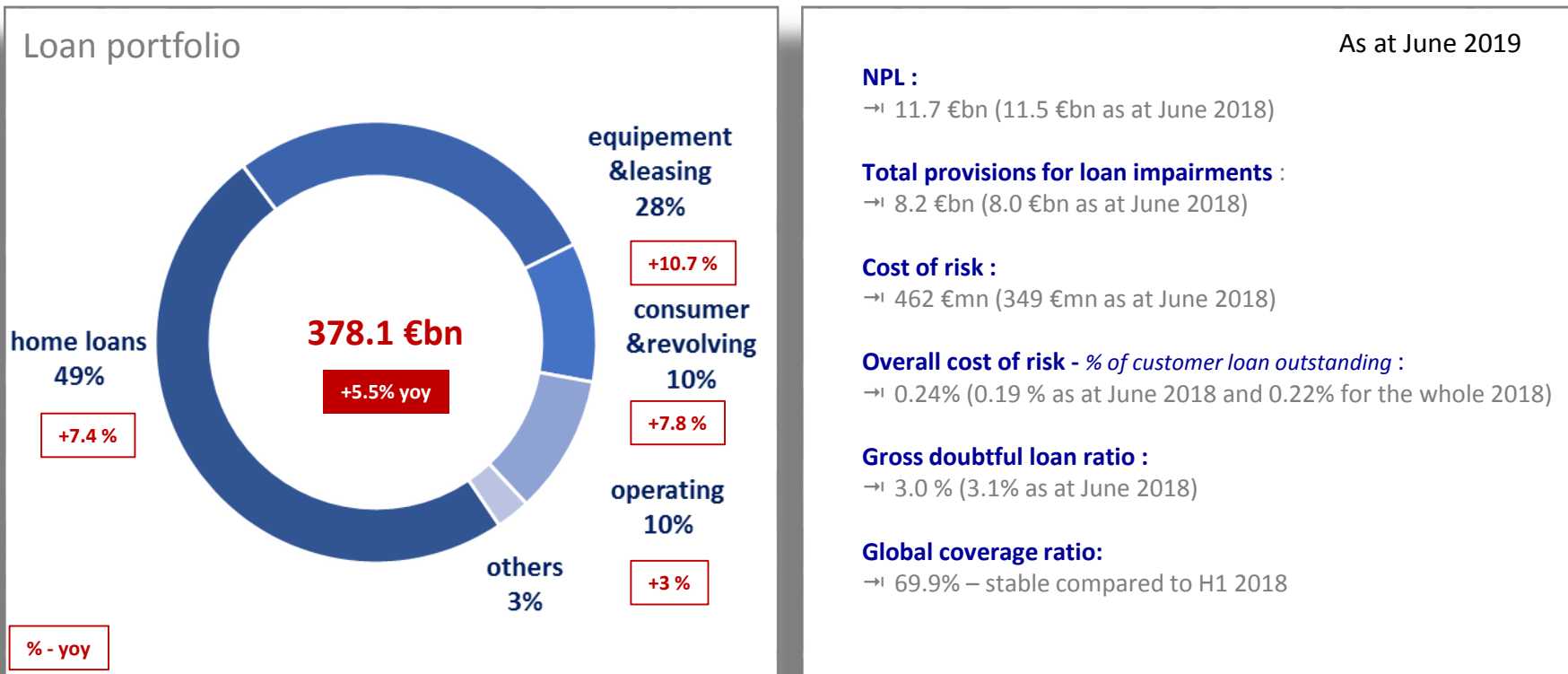


5.  
**Risk management**

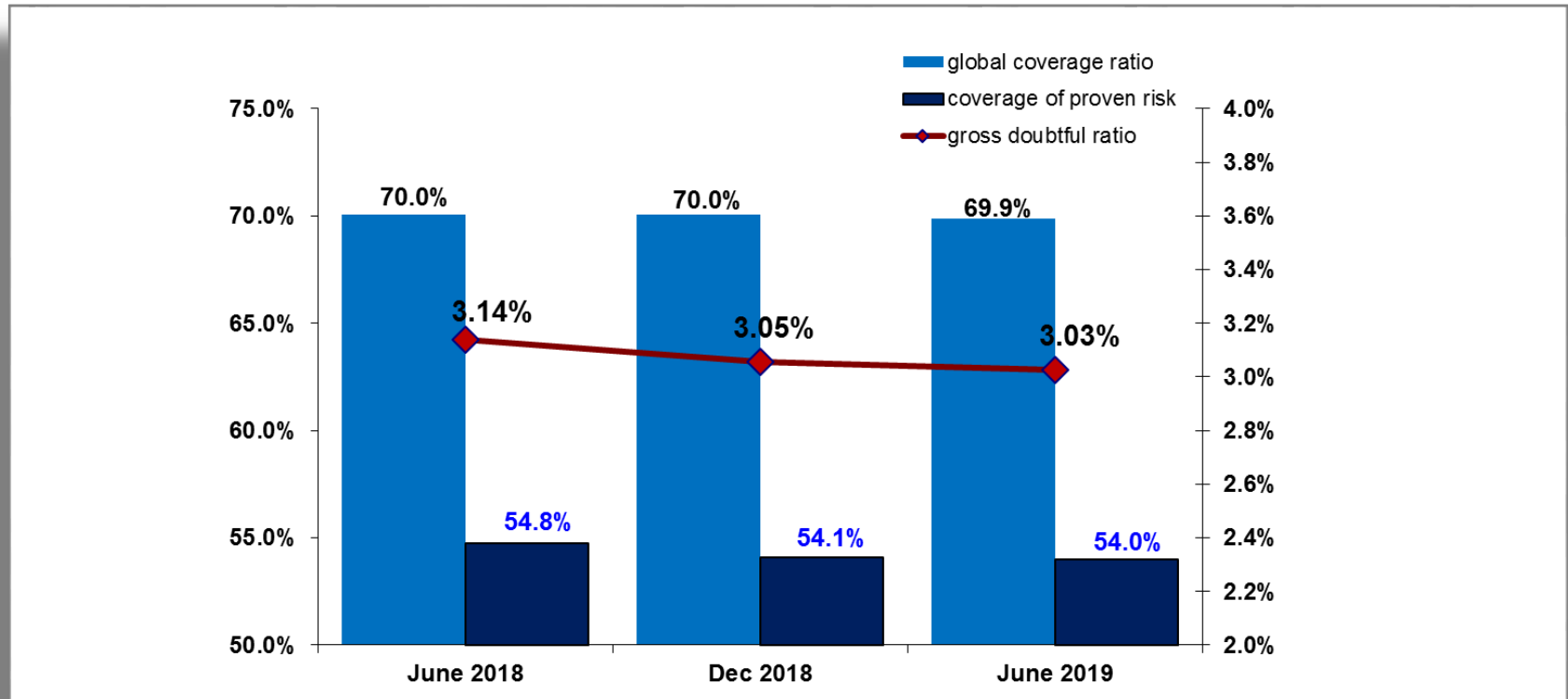
# Loan portfolio: a low risk profile

Loan outstanding amount to 378 €bn up to +5.5% yoy

- 186 €bn home loans representing 49% of the Loan portfolio (with +7.4% increase)
- Consumer & revolving loans raised by +7.8% (10 % of the Loan portfolio)
- Equipment & leasing record an increase of 10.7% totalling more than 106 €bn outstanding



# cost of risk : well managed

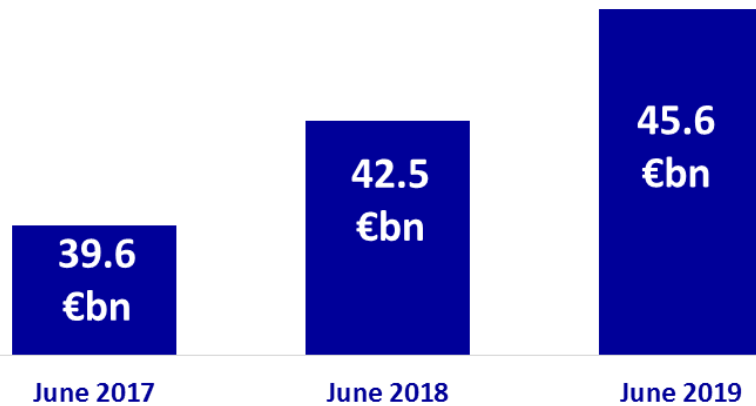




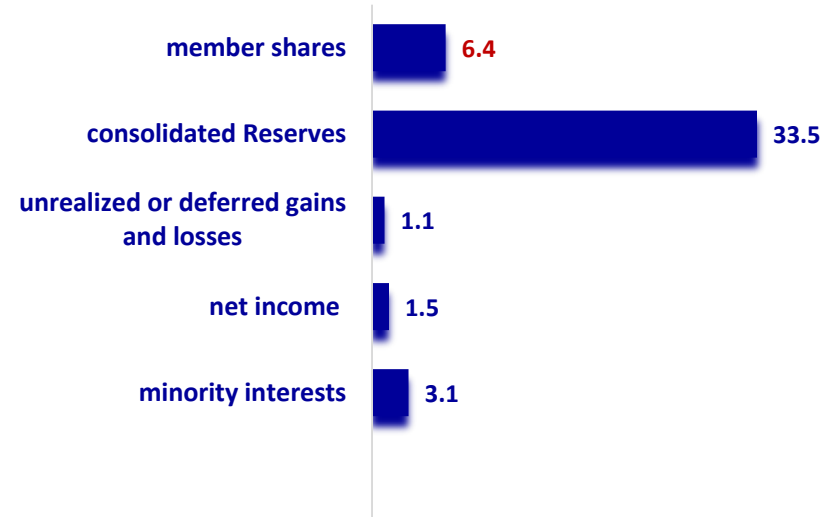
# 6. Capital

# Capital position (1/3)

## Equity capital including minority interest



## Equity capital breakdown-€bn



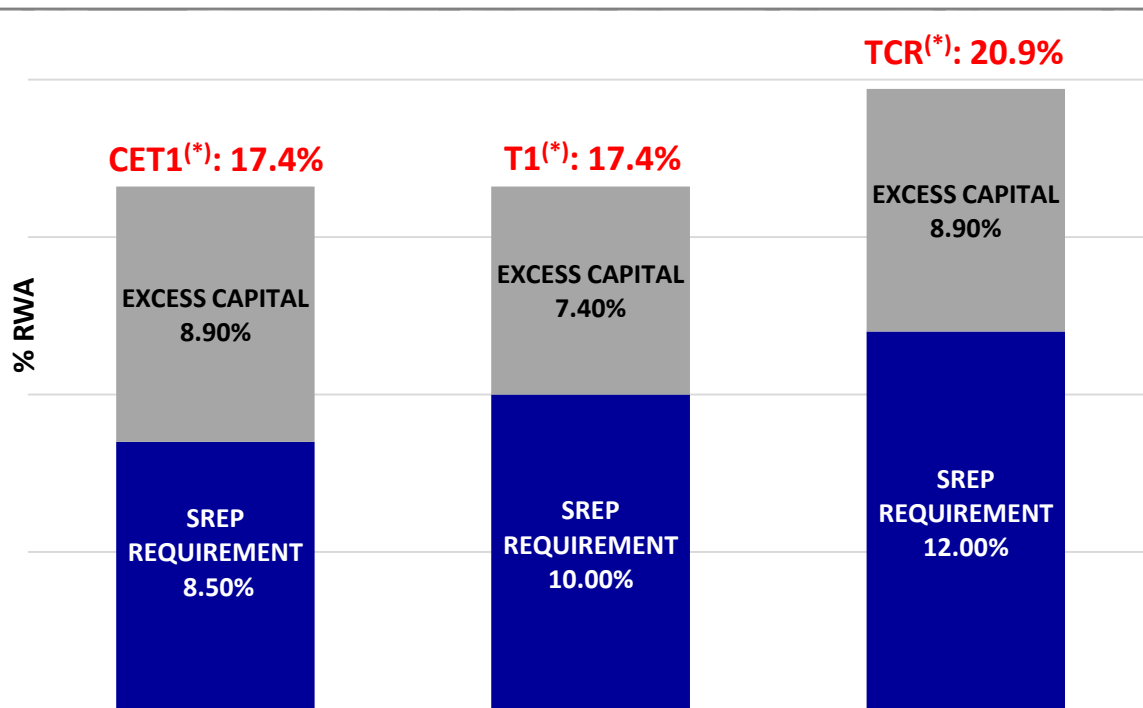
(\*) attributable to owners Cie



## Capital position (2/3) : Reg. capital position as at June 30st, 2019

Crédit Mutuel Alliance Fédérale CET1 ratio, Tier One ratio, Total Capital ratio

(\* Fully loaded Basel III, as at June 30st, 2019



excluding:

- P2G (not disclosed)
- OSII (at Crédit Mutuel Group level only 0.5%)
- counter-cyclical buffer (0.25% as at 1st July 2019 / 0.50% as at 1st April 2020) as required by the HCSF (Haut Conseil de Sécurité Financière)

## Crédit Mutuel Alliance Fédérale : capital ratios

(\*) Fully loaded (FL) Basel III - excluding transitional measures

### ➤ CET1 ratio FL

- as at June, 30th 2019: 17.4%
  - as at June, 30th 2018: 16.3%
- As at Dec, 31st 2018: 16.6%

### ➤ Total Tier 1 ratio FL

- as at June, 30th 2019: 17.4%
  - as at June, 30th 2018: 16.3%
- As at Dec, 31st 2018: 16.6%

### ➤ Total capital ratio FL

- as at June, 30th 2019: 20.9%
  - as at June, 30th 2018: 19.6%
- As at Dec, 31st 2018: 19.7%

### ➤ Leverage ratio

- as at June, 30th 2019: 6.3%
  - as at June, 30th 2018: 5.7%
- As at Dec, 31st 2018: 6.0%

	June 2019	June 2018
RWA - € bn	216.8	208.2

## Crédit Mutuel Group : MREL

MREL<sup>(1)</sup> is set for the Crédit Mutuel Group on consolidated basis:

- of 23.7% of the Risk Weight Assets (RWA)
- above 8% of Total Liabilities and Own Funds (TLOF)<sup>2</sup>:

As at December 31, 2017, the Crédit Mutuel was in compliance with the MREL requirement enacted by the SRB.

MREL equal to:

- 14.97% of TLOF
- 38.18% of RWA.

Since the Group satisfied the MREL determined on the basis of the 2018 resolution cycle, this minimum level is applicable with immediate effect.

<sup>(1)</sup> data based as of December 31, 2017.

<sup>(2)</sup> The requirement is equal to the default requirements publicly announced by the SRB, i.e.  $LAA=P1+P2R+CBR$ ,  $RCA=P1+P2R$ , and  $MCC=CBR-125bp$



7.  
**Liquidity & Funding**

As at October 16<sup>th</sup> 2019

## RATINGS

	MOODY'S	S&P	FITCH RATINGS
<b>Senior unsecured</b>	<b>Aa3</b>	<b>A</b>	<b>A+</b>
Outlook	stable	stable	stable
<b>Senior-Non-Preferred</b>	<b>Baa1</b>	<b>A-</b>	<b>A+</b>
<b>Tier 2</b>	<b>Baa1</b>	<b>BBB+</b>	<b>A</b>
Senior Short-term debt	P-1	A-1	F1

## Drivers of liquidity

### Centralised mgmt of funding & Assets-Liabilities :

- €63(\*) bn market redemptions, which are covered by €120 bn liquid assets eligible for ECB
- strong approach of severe liquidity stress
- significant buffer in anticipation of LCR guidance
- high coverage of liquidity gap

€bn	June 2019
Cash & deposits at Central Banks	56.8
LCR securities	25.0
<b>HQLA</b>	<b>81.8</b>
Other central bank eligible assets	38.5
<b>Total liquidity reserves</b>	<b>120.3</b>

## Strong capacity to generate liquidity

### A solid deposit base:

- customer deposit inflows remains strong up to +6.3%
- Loan to deposit of 119.2%

### Access to stable sources of funding

- diversified debt programs
- international investors base

### Funding policy management

- promote MLT funding
- internal reallocation of wholesale funding
- strong liquidity buffer

**LCR 138%<sup>(\*)</sup>**

(\*) June 2019

(\*) excluding TLTRO

# Medium-Long term funding policy

Funding strategy :  
various programs, diversified currencies, international investors base

Funding raised in 2019

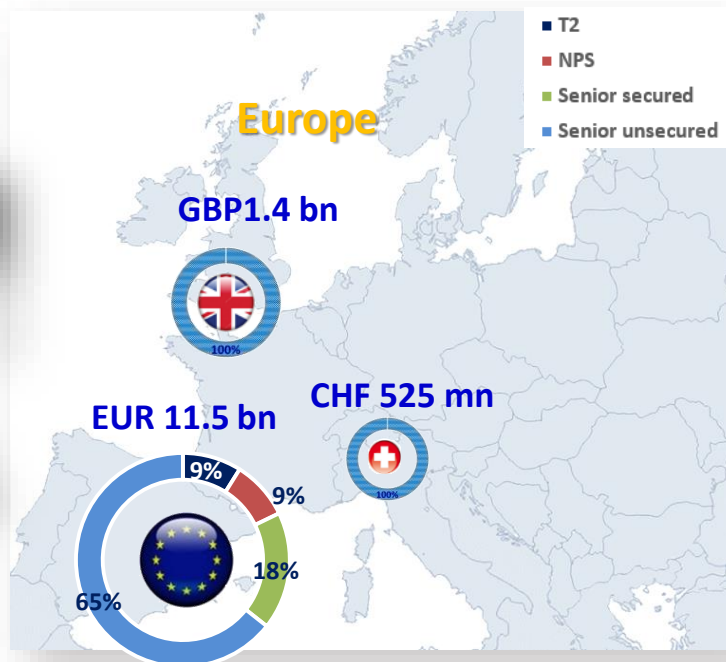
**USA**



**Senior unsecured**

- Benchmark issues in EURO
- 1A USD benchmark issue per year
- 1A Samurai benchmark issue per year
- Private placements
- ( c.30% of the total MLT issuances)

**Europe**



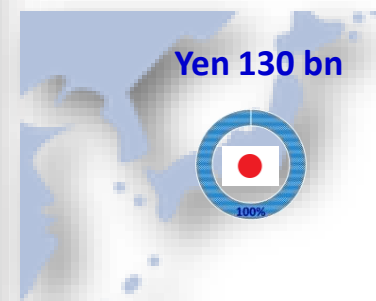
**Senior secured**

- Benchmark issues in EURO

**Capital issuance:**

- AT1 not relevant
- T2 in EURO

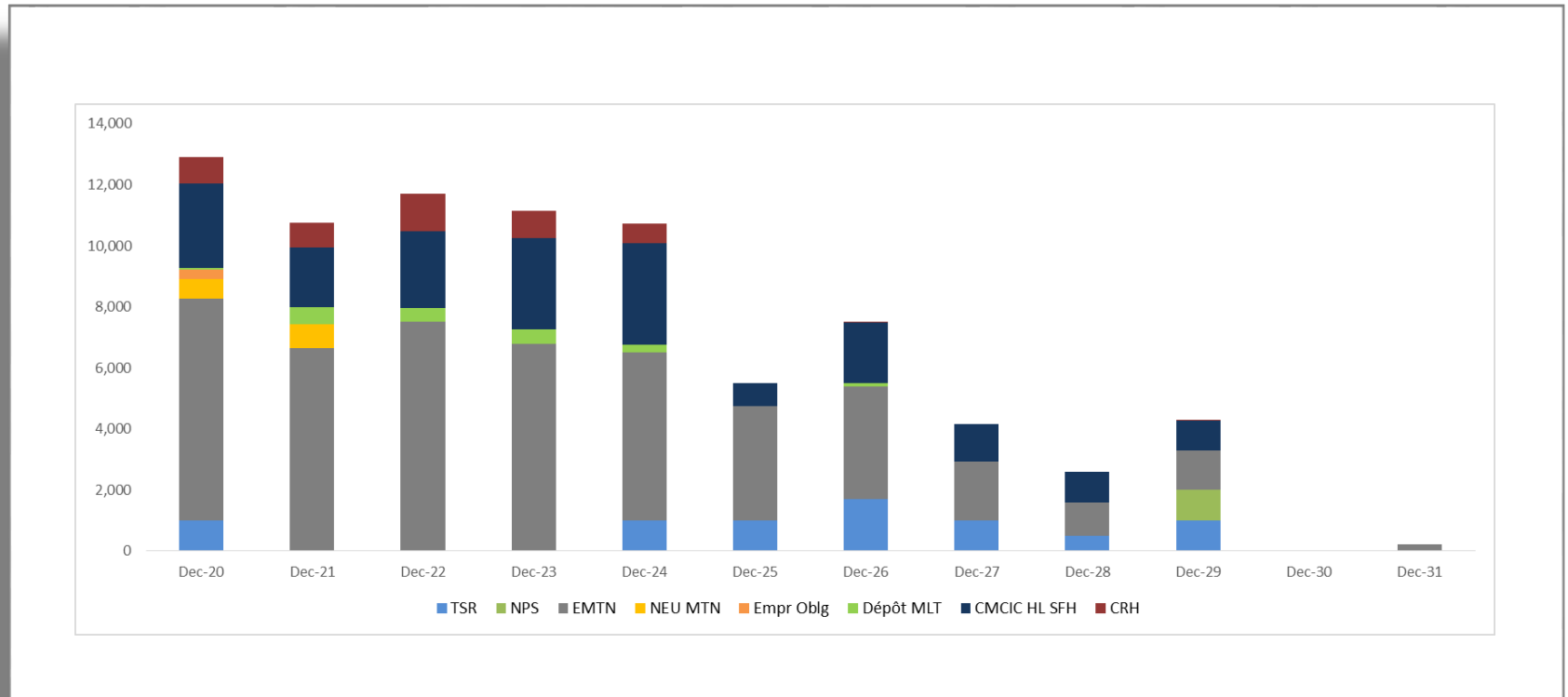
**Japan**



**Australia**



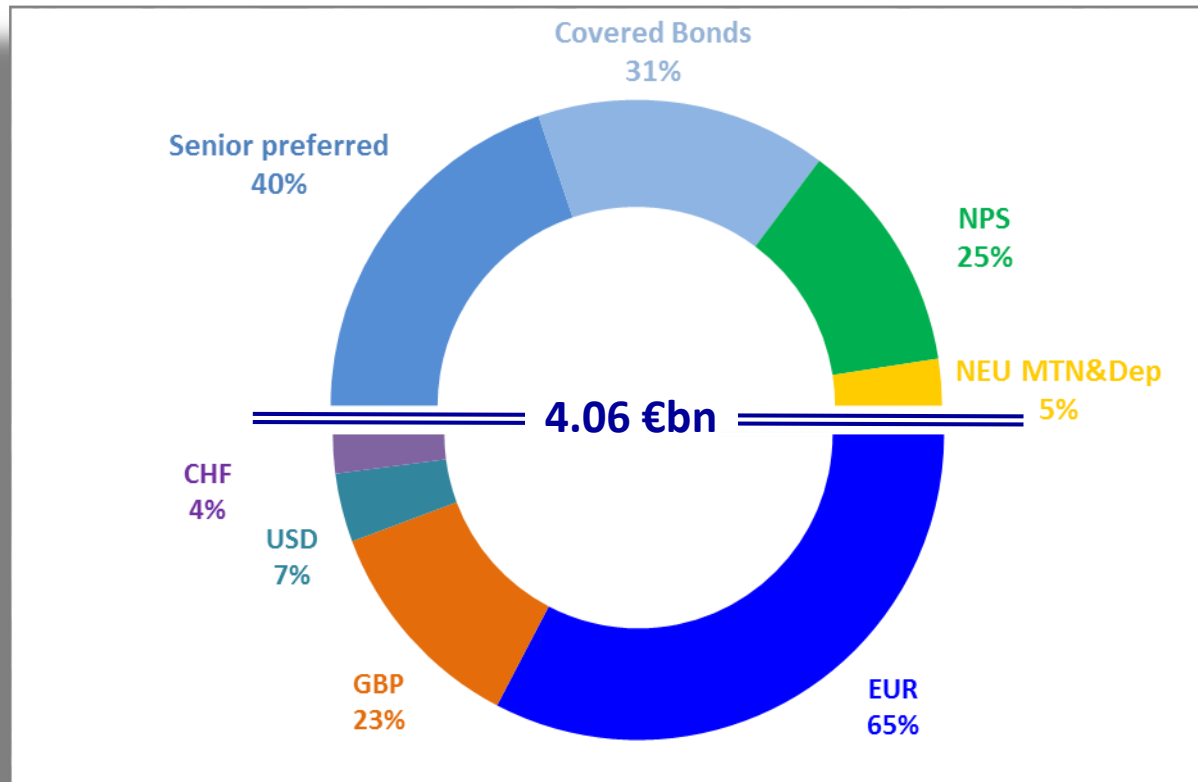
# Redemption profile as at Dec 2019





# 2020 Funding program

- 15 €bn funding plan
- 4.06 €bn raised as at the 23 of January 2020
- 7.4 years maturity



## 2019 main public issues

Issued in	Type	currency	amount	coupon	years	Maturity
Jan-19	Senior	EUR	1,250	0.75%	4+	Jun-23
Jan-19	Senior	GBP	400	2.25%	5	June-23
Jan-19	Secured	EUR	1,000	0.25%	5	Apr-24
Jan-19	Secured	EUR	1,000	1%	10	Jan-29
Fev-19	Senior	CHF	100	0.40%	5	Feb-24
Mar-19	NPS	EUR	1,000	1.75%	10	Mar-29
Apr-19	Senior	CHF	200	0.25%	6+	Jul-25
Apr-19	Senior	EUR	1,500	0.75 %	7	Jun-26
May-19	Senior	CHF	125	0.20%	7	Jun-26
June-19	T2	EUR	1,000	1.875%	10	Jun-29
June-19	Senior	GBP	500	1.75%	5+	June-24
Jul-19	Senior	EUR	1,000	0.125 %	4+	Feb-24
Oct-19	Senior	GBP	250	1.5%	7	Oct-26
Oct-19	Senior	CHF	100	0.25%	10	Oct-29
Oct-19	Senior	YEN	130,000	0.25%/0.317%/0.423%	5/7/10	Oct-24/26/29
Nov-19	Senior	US	1,000/500	2.125%/2.375%	3/5	Nov-22/24

## 2020 main public issues

Issued in	Type	currency	amount	coupon	years	Maturity
Jan-20	NPS	EUR	1,000	0.75%	10	Jan-30
Jan-20	Secured	EUR	1,250	0.125%	10	Jan-30
Fev-20	Senior	CHF	180	0.20%	8.75	Nov-28
Fev-20	Senior	GBP	600	1.25%	+5	Dec-25



8.  
Crédit Mutuel Alliance Fédérale  
**Social & Mutualist  
Responsability**

# SMR policy structured around 5 goals – at the heart of the strategic plan

As a committed and socially responsible player  
Crédit Mutuel Alliance Fédérale develops  
a policy of Social & Mutualist Responsibility

## SMR

having Sustainable Development Goals in

- ➔ Members & customers
- ➔ Governance
- ➔ Social
- ➔ Mutual identity
- ➔ Environmental

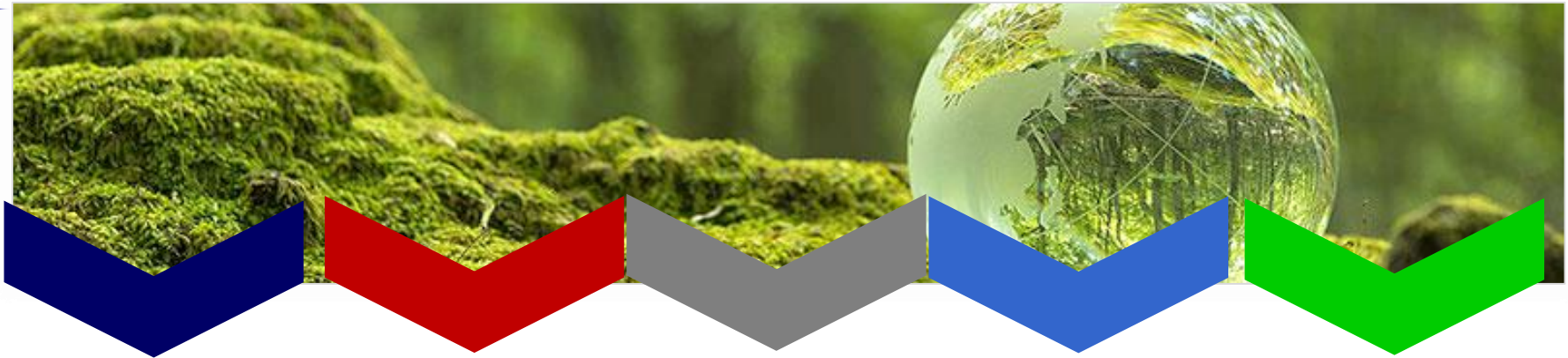
*some examples:*

- banking inclusion, risk management
- effectiveness, coop governance
- 100% digital employees training
- gender equality
- +90% of members
- reducing Crédit Mutuel Alliance Fédérale carbon footprint with 30% goal
- 30% increase in funding for climate-impact projects



# SMR policy: 5 goals-15 involments-250 projects





## HR'commitment:

- Training: 6.4% of the total payroll
- General salary increase: +1% in 2018 (+1.5% in 2019)
- Record profit-sharing & participation rates
- Exceptional gratification paid to all employees (total of €54.2 million)

## Achievement of environmental objectives:

- Projects with a high climate impact: 20% increase with €1.4 billion in credit commitments in 2018 in renewable
- Energies Eco-mobility loan: 0.75% fixed "TAEG" on hybrid/electric, 1.5% on petrol
- Stopping financing of coal-fired power plants and coal mining (strengthening of sectoral policies)
- Implementation of an internal carbon footprint compensation

## Commitments to diversity and equal opportunities:

- 4,000 alternates will be recruited over the 2018/2020 period (+40%)
- Objective: a permanent contract offered to 80% of them
- 25% of the positions reserved for young people from priority districts or living in rural municipalities with a population of less than 5,000 inhabitants
- Potential green bond issue



# Appendices





# Results by business lines

## RETAIL BANKING

(in € millions)	1st half 2019	1st half 2018	change
<b>Net banking income</b>	<b>5,265</b>	<b>5,162</b>	<b>+2.0%</b>
Operating expenses	(3,386)	(3,309)	+2.3%
<b>Gross operating income</b>	<b>1,879</b>	<b>1,853</b>	<b>+1.4%</b>
Net additions to/reversals from provisions for loan losses	(391)	(369)	+6.2%
<b>Operating income</b>	<b>1,487</b>	<b>1,484</b>	<b>+0.2%</b>
Net gains/(losses) on other assets and associates (1)	3	4	-19.0%
<b>Profit/(loss) before tax</b>	<b>1,490</b>	<b>1,488</b>	<b>+0.2%</b>
Income tax	(551)	(524)	+5.3%
<b>Net profit/(loss)</b>	<b>939</b>	<b>964</b>	<b>-2.6%</b>

## INSURANCE

(in € millions)	1st half 2019	1st half 2018	change
<b>Net insurance income</b>	<b>1,096</b>	<b>989</b>	<b>+10.9%</b>
Operating expenses	(329)	(306)	+7.4%
<b>Gross operating income</b>	<b>767</b>	<b>682</b>	<b>+12.4%</b>
Net gains/(losses) on other assets and associates (1)	15	13	+18.7%
<b>Profit/(loss) before tax</b>	<b>783</b>	<b>695</b>	<b>+12.6%</b>
Income tax	(277)	(235)	+18.0%
<b>et profit/(loss)</b>	<b>505</b>	<b>460</b>	<b>+9.8%</b>

<sup>(1)</sup> Associates = companies accounted for under the equity method = share of net profit of associates.

## CORPORATE BANKING

(in € millions)	1st half 2019	1st half 2018	change
<b>Net banking income</b>	<b>188</b>	<b>186</b>	<b>+1.2%</b>
Operating expenses	(70)	(61)	+15.1%
<b>Gross operating income</b>	<b>119</b>	<b>126</b>	<b>-5.5%</b>
Net additions to/reversals from provisions for loan losses	(81)	29	ns
<b>Profit/(loss) before tax</b>	<b>38</b>	<b>155</b>	<b>-75.7%</b>
Income tax	6	(53)	ns
<b>Net profit/(loss)</b>	<b>44</b>	<b>102</b>	<b>-57.4%</b>

## CAPITAL MARKETS

(in € millions)	1st half 2019	1st half 2018	change
<b>Net banking income</b>	<b>194</b>	<b>154</b>	<b>+25.8%</b>
Operating expenses	(126)	(121)	+4.0%
<b>Gross operating income</b>	<b>68</b>	<b>33</b>	<b>x 2.1</b>
Net additions to/reversals from provisions for loan losses	(0)	2	ns
<b>Profit/(loss) before tax</b>	<b>68</b>	<b>35</b>	<b>x 2</b>
Income tax	(25)	(16)	+52.7%
<b>Net profit/(loss)</b>	<b>43</b>	<b>19</b>	<b>x 2.3</b>

# Results by business lines – June 2019

## PRIVATE BANKING

(in € millions)	1st half 2019	1st half 2018	change <sup>(1)</sup>
<b>Net banking income</b>	<b>273</b>	<b>250</b>	<b>+0.2%</b>
Operating expenses	(204)	(179)	+10.5%
<b>Gross operating income</b>	<b>69</b>	<b>71</b>	<b>-21.6%</b>
Net additions to/reversals from provisions for loan losses	11	(5)	ns
<b>Operating income</b>	<b>79</b>	<b>65</b>	<b>-2.8%</b>
Net gains/(losses) on other assets and associates <sup>(2)</sup>	2	8	ns
<b>Profit/(loss) before tax</b>	<b>81</b>	<b>73</b>	<b>-9.4%</b>
Impôt sur les bénéfices	(16)	(16)	-29.1%
<b>Income tax</b>	<b>65</b>	<b>57</b>	<b>-2.6%</b>

<sup>(1)</sup> At constant scope - see methodology notes

<sup>(2)</sup> Associates = companies accounted for under the equity method = share of net profit of associates.

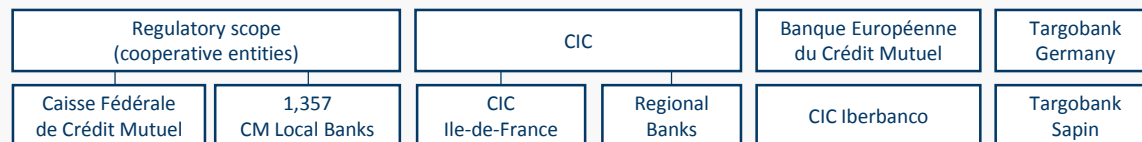
## PRIVATE EQUITY

(in € millions)	1st half 2019	1st half 2018	change
<b>Net banking income</b>	<b>176</b>	<b>221</b>	<b>-20.6%</b>
Operating expenses	(23)	(24)	-2.5%
<b>Gross operating income</b>	<b>152</b>	<b>197</b>	<b>-22.8%</b>
Net additions to/reversals from provisions for loan losses	0	(1)	ns
<b>Profit/(loss) before tax</b>	<b>152</b>	<b>196</b>	<b>-22.4%</b>
Income tax	1	0	ns
<b>Net profit/(loss)</b>	<b>153</b>	<b>196</b>	<b>-21.9%</b>

**79% of the Group net profit realized in retail banking and insurance**

1

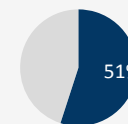
## Banking Network



## Specialized Businesses

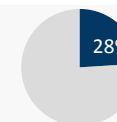


H1-2019  
Net profit Contribution



2

## Insurance



3

## Private Banking



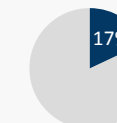
## Financial Markets



## Corporate Banking

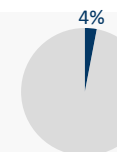


## Private Equity



4

## Other activities: IT, logistics and media





2018  
**Stress tests results**

# 2018 EBA stress tests results

## ➤ Stress tests results on French Banks

"full" ratios	Reported	Baseline Scenario	Adverse Scenario
	31 <sup>st</sup> , Dec 2017	31 <sup>st</sup> , Dec 2020	31 <sup>st</sup> , Dec 2020
<b>Groupe CM</b>			
CET 1 ratio	17.4%	18.8%	13.2%
Leverage ratio	6.4%	7.0%	5.3%
<b>BNPP</b>			
CET 1 ratio	11.7%	12.5%	8.6%
Leverage ratio	4.6%	5.0%	3.8%
<b>Société Générale</b>			
CET 1 ratio	11.4%	11.8%	7.6%
Leverage ratio	4.1%	4.5%	3.3%
<b>Crédit Agricole</b>			
CET 1 ratio	14.9%	16.3%	10.2%
Leverage ratio	5.5%	6.1%	4.3%
<b>BPCE</b>			
CET 1 ratio	15.2%	17.2%	10.7%
Leverage ratio	5.0%	5.8%	3.7%
<b>La Banque Postale</b>			
CET 1 ratio	13.4%	13.7%	8.2%
Leverage ratio	4.6%	4.8%	3.7%

Sources : EBA 2018

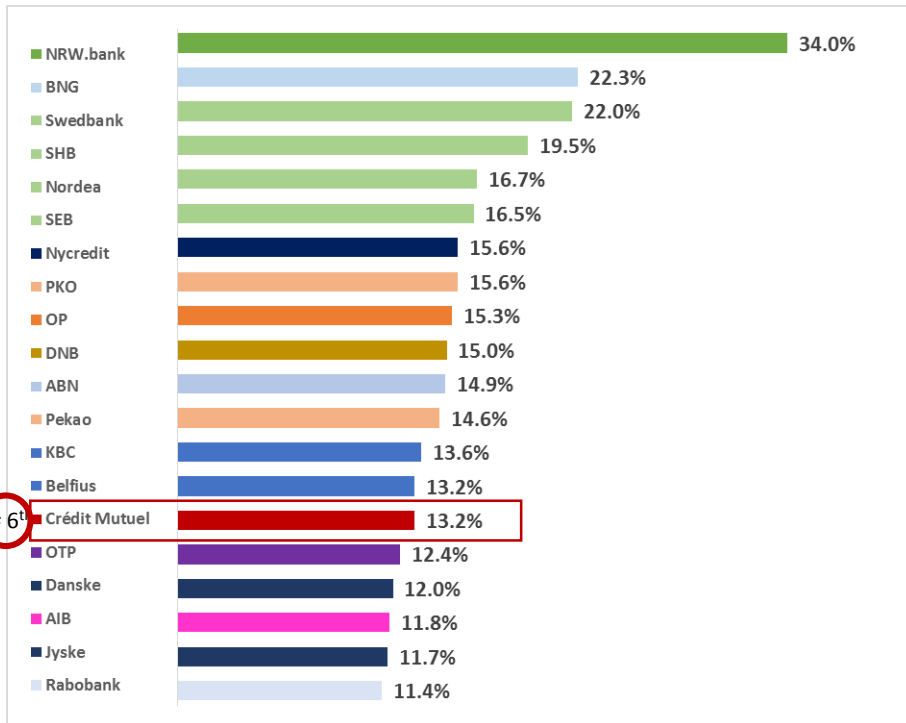
## ➤ EBA stress tests confirm **Crédit Mutuel** solidity and financial strength

- The strongest French bank in terms of CET1 & leverage ratio after the stress
- The sixth strongest bank in the Eurozone

*The stress test was carried out with the assumption of a static balance sheet (June 2017 basis) and therefore does not take into account future business strategies and management actions*

# 2018 EBA stress tests results

➤ 2020 adverse fully Loaded CET1 Ratio of the top 20 banks  
Crédit Mutuel ranks 6<sup>th</sup> ex-aequo in Euro zone



Countries	Déc. 2017	Adverse 2020	delta
Sweden	20.8%	17.9%	-2.9
Poland	16.5%	15.8%	-0.7
Finland	20.1%	15.3%	-4.8
Norway	16.2%	15.0%	-1.2
Belgium	16.3%	13.5%	-2.8
Denmark	18.2%	13.4%	-4.8
Ireland	18.5%	13.1%	-5.4
Hungary	15.2%	13.0%	-2.2
Netherlands	15.8%	11.8%	-4.0
Germany	16.0%	10.2%	-5.8
<b>FRANCE</b>	<b>13.7%</b>	<b>9.7%</b>	<b>-4.0</b>
Italy	13.2%	9.6%	-3.6
Spain	12.2%	9.4%	-2.8
Austria	13.2%	9.0%	-4.2
UK	14.4%	8.9%	-5.5

Sources : EBA 2018





REVIEW of  
**Customer Member Priority  
Plan 2018**

# Pioneer in cognitive & digital solutions in France.

Crédit Mutuel Alliance Fédérale has deployed digital transformation in various fields.

- ➔ retail banking (Watson AI),  
email analyzers are used more than one million times a month by 20,000 relationship managers
- ➔ insurance (e-subscription),
- ➔ corporate (Epithète),
- ➔ payments (1st French bank to use SWIFT GPI),
- ➔ 100% customer digital path in consumer credit
- ➔ individuals (automation solutions) ...

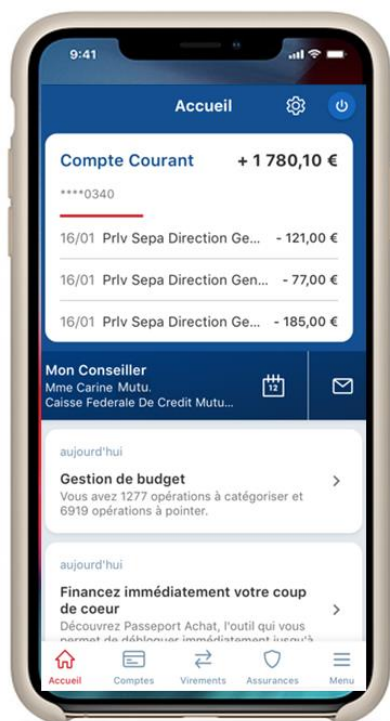


*These developments and inovative solutions run for the benefit of our customers and account managers*

# Review of Customer Member Priority Plan 2018 : concrete answers to our goals

Make an easier life for our customers

Ratings as at 1st Feb 2019-on stores



Retail banks average	Android	rating nbers	iPhone	rating nbers	average	On line bks	Android	rating nbers	iPhone	rating nbers	average
Crédit Mutuel	4,4	24 653	4,3	117 725	4,32	Fortuneo	3,9	4 137	4,4	4 646	4,16
CIC	4,4	13 116	4,3	74 995	4,31	Monabanq	3,9	371	3,8	28	3,89
BRED	4,2	15 705	4,3	27 967	4,26	Banque Nickel	3,7	1 640	3,2	218	3,64
Société Générale	4,1	33 692	4	1 890	4,09	Max	3,5	602	3,8	344	3,61
Caisse d'Epargne	3,9	49 027	4	16 296	3,92	Orange Bank	3,3	4 133	3,2	2 736	3,26
LCL	3,9	30 194	3,7	3 716	3,88	ING Direct	3,2	4 754	2,8	562	3,16
Crédit Agricole	3,8	165 736	3,8	26 363	3,80	Boursorama	3,2	9 840	2,7	1 087	3,15
Banque Populaire	3,7	14 884	3,3	1 642	3,66	Hello Bank	2,7	2 105	2,9	402	2,73
Banque Postale	3,7	39 812	2,7	2 610	3,64						
HSBC France	3,3	73 728	4,4	29 924	3,62	<b>Foreign banks</b>	<b>Android</b>	<b>rating nbers</b>	<b>iPhone</b>	<b>rating nbers</b>	<b>average</b>
CMB Arkéa	3,5	3 081	2,8	190	3,46	Banques etrangeres	Android	Nb Notes	iPhone	Nb Notes	Moyenne
BNP Paribas	3,5	17 188	2,9	1 834	3,44	Revolut	4,8	214 943	4,9	41 326	4,82
Crédit du Nord	3,3	2 352	3,2	224	3,29	N26	4,3	30 276	4,8	23 344	4,52



# Review of Customer Member Priority Plan 2018 : concrete answers to our goals

## Enhancement of the functionalities of our websites

The screenshot displays the Crédit Mutuel website interface. The browser address bar shows the URL: <https://rqt-www.creditmutuel.fr/fr/banque/comptes-et-contrats.html>. The page header includes the Crédit Mutuel logo, a search bar, and a user profile section for 'MME MARYSE MARLIANGIAS'. The main navigation menu includes 'Accueil', 'Favoris', 'COMPTES', 'Situation', 'Opérations', 'Services', and 'Profil'. The user is logged in as 'Ms XXXX'. The main content area is titled 'Comptes & Contrats' and shows a list of accounts as of Monday, August 20, 2018. The accounts are categorized into 'Comptes courants' and 'Épargne'. A chatbot window is open on the right side of the page, displaying a conversation about finding the user's RIB (Relevé d'Identité Bancaire).

**Comptes courants**

- COMPTÉ COURANT > test 123456 - 03530 000825923 40
- COMPTÉ COURANT > MME C LESAEC OU M F LESAEC - 03530 000233335 04
- COMPTÉ COURANT > MME CAMILLE ODILE LESAEC - 03530 000825923 03
- COMPTÉ DE LIQUIDITE PEA > MME CAMILLE ODILE LESAEC - 03900 000227303 68

**Épargne**

Livrets et comptes d'épargne

- CAPITAL EXPANSION > MME CAMILLE ODILE LESAEC - 03530 000825923 02
- LIVRET BLEU > MME CAMILLE ODILE LESAEC - 03530 000825923 60
- LIVRET ORANGE/ORDINAIRE > MME C LESAEC OU M F LESAEC - 03530 000233335 05
- LIVRET DE DEVELOPPEMENT DURABLE ET SOLIDAIRE > MME CAMILLE ODILE LESAEC - 03530 000825923 64

**Chatbot interface:**

Aide à la recherche

Ou puis je trouver mon RiB

Crédit Mutuel 16:30

Votre RiB/IBAN est accessible dans votre espace client, depuis la page consacrée à l'édition de document. Cliquez sur le lien pour poursuivre.

[Consulter vos IBAN/Relevés d'identité bancaire](#)

# Review of Customer Member Priority Plan 2018 : concrete answers to our goals

**Artificial intelligence**

100%  
in the networks

**visual & voice recognition**

Simplify & make information  
Retrieval more reliable



# Awards



**Best French Bank in Western Europe 2019 for the fifth time**  
(Global Finance March 2019)



**Preferred bank of French people**  
(Baromètre Image Posternak-IFOP, March 2019)



**Bank of the year in France for the seventh time**  
(World Finance June 2018)



**33rd World Bank at the TOP 1000** (The Banker, July 2018)  
**11th European bank at the TOP 250** (The Banker, September 2018)



**#1 French bank and 5th largest commercial bank in the euro zone in the European Banking Authority's stress test** (November 2018)

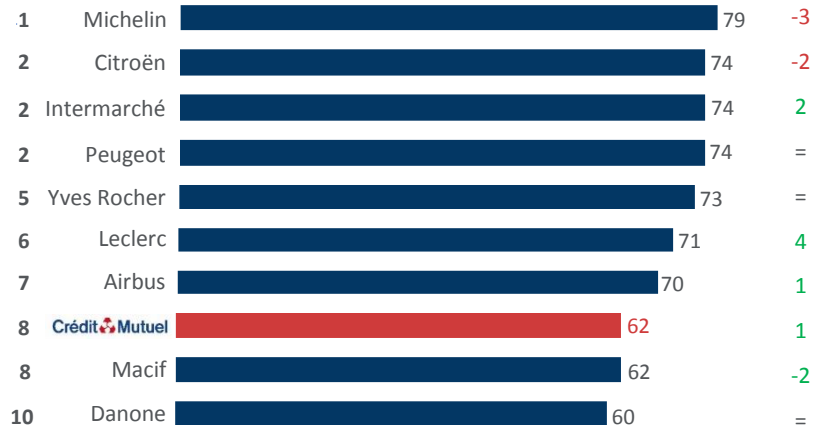


**Gold Trophies for the best range of diversified funds over three years (network banks) for the 3rd time** (Le Revenu - 2018)



**Corbeilles - Mieux vivre votre argent**  
Performance as at 30 June 2018  
**Best range of diversified funds over 1 year (2nd consecutive year)**  
(Network banks category)

## 2 Top 10 index o

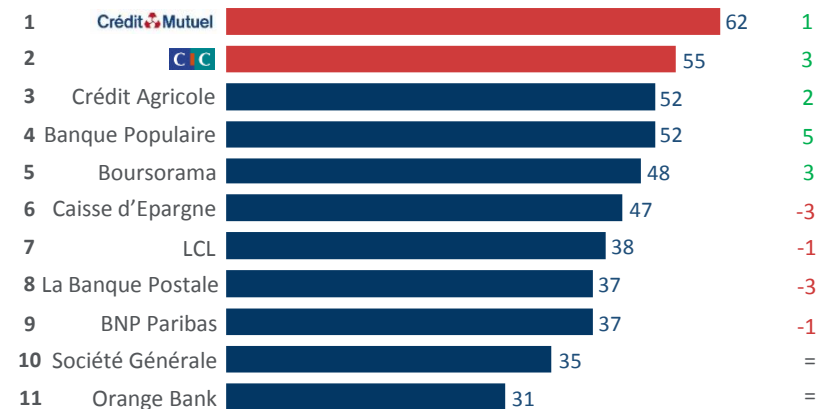


Evolution between March and June 2019  
% of good image - % of bad image

→ Crédit Mutuel is the only bank in the top 10 brands within all types of companies

→ Within the banking sector, Crédit Mutuel and CIC rank at the first two places with favorable indicators of evolution

## Le Top 10 des banques sur la base de l'indice d'image





BANQUE FÉDÉRATIVE  
Crédit  Mutuel

# issuers' website:

[www.bfcm.creditmutuel.fr](http://www.bfcm.creditmutuel.fr)

Crédit  Mutuel  
Home Loan SFH

Contact details: Sandrine Cao-Dac Viola  
**Head of Investor Relations**  
sandrine.caodac@creditmutuel.fr  
+33 (0) 1 40 16 28 13