



September 28, 2017

Press release:

The Crédit Mutuel CM11 Group and Crédit Mutuel Nord Europe (“CMNE”) Group announce today that they have started talks on a project to merge their life and non-life insurance activities in France, Belgium and Luxembourg (the “Project”).

A consultation/information process with the staff representative bodies of the GACM, NEA and their subsidiaries (the “IRP”) has just been initiated. Moreover, the two groups have informed the central body, the Confédération Nationale du Crédit Mutuel, of their intentions. The project is part of the continuing cooperation between the “caisses fédérales et les fédérations” of the Crédit Mutuel Group.

The Project will give rise to a merger/absorption of Nord Europe Assurance SA (“NEA”), CMNE's holding company for the insurance business, by Groupe des Assurances du Crédit Mutuel SA (“GACM”), immediately followed by the merger/absorption of the life and non-life insurance subsidiaries of NEA (ACMN Vie and ACMN Iard) by the life and non-life subsidiaries of GACM respectively (ACM Vie SA and ACM Iard SA). The exchange parity currently projected in the context of the discussions on the merger between NEA and GACM could give rise, if the project is successful, to the CMNE obtaining a stake of a little over 10% in the GACM.

Once the views of the IRP on the Project have been obtained, it will be subject to the administrative bodies of the GACM, the NEA, ACM Vie, ACMN Vie, ACM Iard and ACMN Iard. If the Project is approved by the aforementioned bodies, the extraordinary shareholders’ meetings of the said entities will be required to approve the mergers in 2018, under the condition precedent that authorization has been obtained from the Belgian, French and Luxembourg supervisory bodies.

The Project will notably give rise to:

- simplification of the existing industrial links between Crédit Mutuel Nord Europe and the Crédit Mutuel CM11 Group in the insurance domain;
- consolidation of the GACM's positionings in France and Europe;
- a better capacity to comply with certain regulatory requirements and more efficient management of solvency and capital allocation requirements;
- the generation of savings through the streamlining and reduction of regulated structures, optimization of reinsurance costs and IT resources.

About NEA:

Formed in 2004, Nord Europe Assurances is a holding company that houses all of the Crédit Mutuel Nord Europe Group's expertise in life assurance, personal protection, health insurance, auto insurance and home insurance. NEA's products are marketed among private individuals, businesses, tradespeople, merchants, independent professionals, farmers and associations through the Crédit Mutuel Nord Europe Group's networks. On its various markets, NEA has adapted its offering

to provide customers with a comprehensive range of innovative products that meet their specific needs, whether this concerns retirement savings, the transmission of assets, health insurance, personal protection or the protection of their assets.

About ACM:

The original representative of the banking and insurance services concept initiated by Crédit Mutuel 45 years ago, the Assurances du Crédit Mutuel Group is 52.8% controlled by the Banque Fédérative du Crédit Mutuel, 20.5% by CIC and 26.7% by the Crédit Mutuel federal banks. The ACM's insurance offering is marketed by 15 Crédit Mutuel federations and all of the CIC regional banks, which boast nearly 5,000 points of sale. The majority of its policies are available via remote banking on the network's insurance sites, which fully complement the offerings of the branches. In 2016, taking all branches together, ACM had a total portfolio of 28.6 million policies among 10.3 million insurance customers. Driven by continued strong activity in property and casualty insurance, revenue rose by 2.3% to €10.8 billion. At December 31, 2016, GACM's shareholders' equity was €9.6 billion, up 3.0% compared with 2015. The structure of GACM's statement of financial position remains sound, which enables it to confidently contend with the competitive environment and the low interest rates that will continue to weigh on life insurance and financial returns.

About Crédit Mutuel Nord Europe:

Crédit Mutuel Nord Europe is a leading provider of banking and insurance services. It is a mutual bank, with a transparent cooperative structure in which its 1,500 directors and 4,400 employees closely participate. A European regional bank, the CMNE Group is present in seven departments in France, as well as in regions in Belgium and Luxembourg. It is organized around three core businesses: banking, insurance and third party asset management. The Group serves as custodian for more than 1.6 million members-customers, thanks to the professionalism of its employees and its dedication to its territories.

About Crédit Mutuel CM11:*

A first-rate European bank, recognized for its financial solidity and the quality of its financial ratings (Moody's Aa3, stable outlook, Fitch A+, stable outlook, CET1 solvency ratio 16.1%), Crédit Mutuel CM11 attaches great importance to its core business, banking and insurance services, as well as local services, and its mutualist values. It has gradually diversified to become a global services provider: from insurance to telephony, remote surveillance solutions, the Lyf Pay electronic wallet, and so forth.

**The Crédit Mutuel-CM11 Group encompasses the consolidated entities of the Crédit Mutuel Centre Est Europe, Sud-Est, Ile-de-France, Savoie-Mont Blanc, Midi-Atlantique, Loire-Atlantique and Centre Ouest, Normandy, Centre, Dauphiné-Vivarais, Méditerranéen, Anjou, their shared federal bank (Caisse Fédérale de Crédit Mutuel), the Banque Fédérative du Crédit Mutuel (BFCM) and its main subsidiaries, including CIC, Targobank, Cofidis, CIC Iberbanco, the ACM, BECM, etc.*