Groupe CM11
Crédit Mutuel

PRESS RELEASE

February 25, 2016

The CM11 group in 2015

Strong sales momentum, diversification and increased financial strength

Results for the year ended December 31, 2015

Net banking income	**€12,817m**	**Growth in overall net banking income**	**+6.8% (1)**
Net income	**€2,514m**	**Good performances**	**+4.0% (1)**
of which attributable to owners of the company	**€2,258m**		**+3.6% (1)**
CET 1 capital ratio	**15,1 % (2)**	**A very solid financial structure**	
Business			
Loans	**€304.1bn**	**Active financing of the economy**	**+5.7% (1)**
		Strong production of home loans	
Total savings	**€583.3bn**	**Good growth in savings**	**+5.9%**
of which, bank deposits	**€254.4bn**		**+7.9%**
of which, insurance products	**€75.9bn**		**+4.8%**
of which, financial savings	**€253bn**		**+4.3%**

The CM11 group performed well in 2015, strengthening its position in all its various business lines: banking, insurance, telephony and technology services. It has continued to grow by providing members and customers - the backbone of its cooperative organization - with personalized and efficient service. The involvement of its directors and its staff and skills upheld by a policy of ongoing training, enabled it to post a solid financial performance. With net income totaling €2,514 million, equity of €37.5 billion and a CET1 capital adequacy ratio of 15.1%, it is a major player in the economy of the regions it serves, both in France and at European level where its expansion was confirmed by acquisitions, namely in Spain and Portugal.

Crédit Mutuel's performances have regularly earned recognition: top prize in the banking sector at the BearingPoint TNS Sofres 'Podium de la Relation Client' awards, ranked as the top French bank by the US magazine Global Finance and named best French banking group

(1) Change at constant scope
(2) Excluding transitional provisions

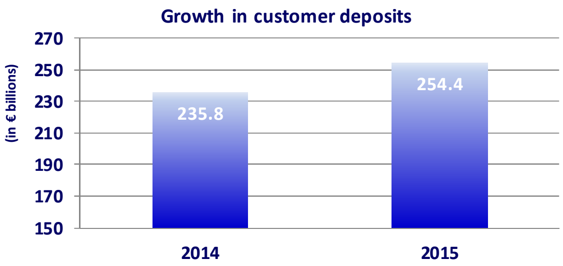
by the UK magazine World Finance. It was also awarded a "Best ESG (Environmental, Social, Governance) risk management" distinction by Global Finance magazine, reflecting its good risk management in the area of social responsibility.

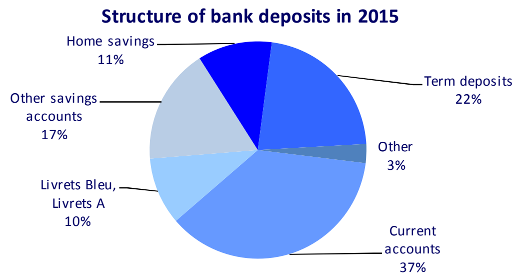
Growth in activity in all the banking, insurance and service businesses

Against an economic background with unprecedented levels of redemption and renegotiation of loans, the strong mobilization of its staff enabled the CM11 Group to further strengthen the relationship of trust built with its 24.1 million customers. Strong loan production and deposit taking was accompanied by intense sales activity in insurance, telephony, remote surveillance and real estate, which was reflected in earnings growth at these specialized subsidiaries.

- **Banking**

Bank deposits grew strongly during the year, up by 7.9% in 2015 compared with 4.5% in 2014. The increases were particularly significant for current accounts (up by €14 billion or nearly 18%), home savings (€3.1 billion; +12.4%) and, to a lesser extent, savings book accounts (€1.8 billion; +4.4%). Deposits in Livret Bleu/Livret A regulated accounts remained stable at €25.5 billion.

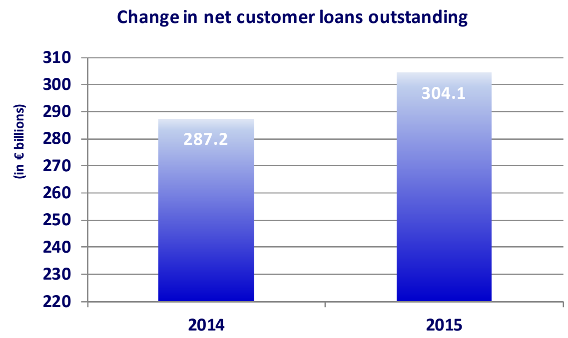


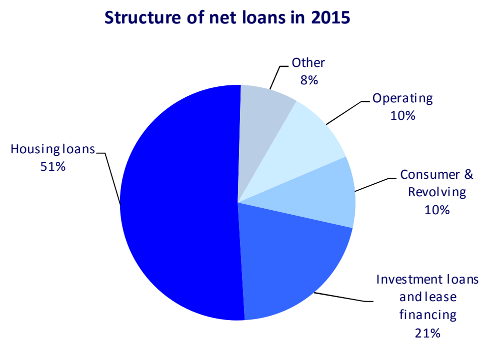


Outstanding customer loans, which had grown by 4.7% in 2014, increased by 5.7%[1] in 2015, boosted by strong production of housing loans. Total outstanding loans grew by €17 billion to €304.1 billion. Housing loans, whose weight in total outstanding loans remained stable at 51%, increased by €8.7 billion (+5.9%). Investment loans and lease financing for our professional customers increased by €3.7 billion (+6.2%). Lastly, consumer loans continued to grow at a pace of more than 2% (€674 million; +2.3%) and now stand at more than €30 billion. Loan production reached a very high level of nearly €77 billion in 2015, one third more than in 2014. Housing loans accounted for nearly half this production in a lasting environment of low interest rates and following a significant wave of loan renegotiation. More over, €25 billion of investment

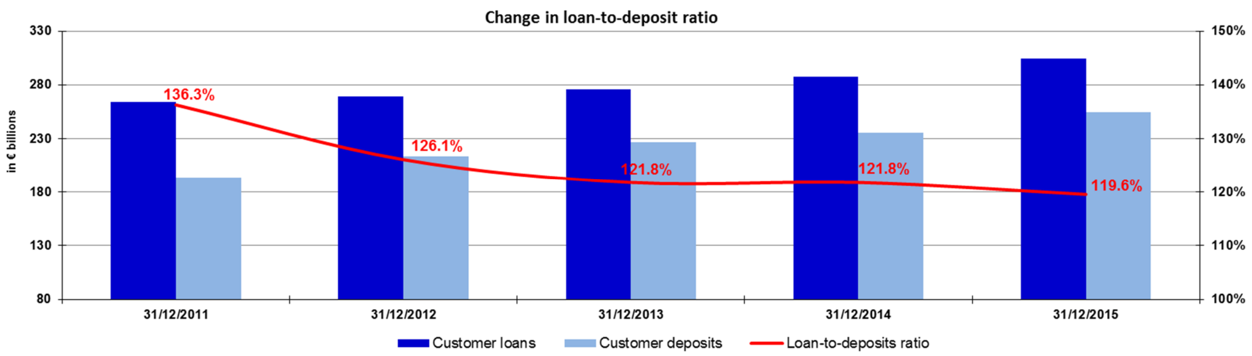
[1] All the changes in loans are indicated at constant scope.

loans and cash facilities were released. These figures illustrate the CM11 Group's determined support for the projects of businesses and individuals.





Stronger growth in deposits (+7.9%) than in loans (+5.9%) resulted in a 2.2 points improvement in the loan-to-deposit ratio, which was down to 119.6% at December 31, 2015 after remaining stable in 2014.



- **Insurance**

2015 was a good year for CM11's insurance business, with robust growth in sales of property and casualty insurance to retail customers and development of the range of insurance products for professional customers.

Revenues remained stable at €10.5 billion. This stability reflects excellent activity in property and casualty insurance and a slight decline in life insurance premium income.

2015 saw the strongest growth in auto and home insurance in the past five years thanks to the new contracts launched in 2014 and 2015. Production of more than 386,000 auto insurance contracts enabled the portfolio to record a significant rise to 2.5 million contracts. Multi-risk home insurance also grew strongly with 340,700 new contracts. Non-life insurance revenue was up by 6.2%, i.e. nearly three times the market growth rate.

In personal insurance, the mobilization of the branch network staff enabled it to underwrite more than 27,000 collective health insurance policies.

Premium income from life insurance and insurance-based savings products came to €6.3 billion and remains mainly in euro. Net inflows amounted to €1.5 billion and total insurance assets increased by 4.7% to €76.4 billion.

- **Services**

The CM11 Group's technological expertise has paved the way for developing service activities, particularly telephone and remote surveillance services. CM11 has developed innovative new electronic purse solutions ("Fivory") to meet the needs of customers and merchants.

EI Telecom, the Group's full mobile virtual network operator (MVNO), has the technical and commercial capacity to offer a range of mobile telephone services under five different brand names: Crédit Mutuel Mobile, CIC Mobile, NRJ mobile, Cofidis mobile and Auchan Telecom.
For EI Telecom, 2015 was marked by the signature of an MVNO contract with Bouygues Telecom and the launch of an attractive promotional offer to celebrate its tenth anniversary. EI Telecom posted record growth in its installed base of active post-paid subscribers, with 200,000 new lines bringing the number of active customers to 1.5 million.
The satisfaction rate for EI Telecom's service, as measured by customers, rose to 91.5%
Revenue grew by around 6% to €406 million, boosted by growth in both access revenues and service revenues, which rose by €17 million to €311 million. Net income remained virtually stable at €8.5 million (+3.3%) after remuneration of the distribution networks.

CM11's remote surveillance subsidiary, Euro Protection Surveillance, ended the year with 390,000 individual and professional subscribers, up by 6.9% compared with 2014.
With 31% of the French market, EPS is the leader in France and number three in Europe after Verisure and Sector. In France, one out of every three home surveillance users is an EPS subscriber.

Revenues rose to €142.3 million in 2015, up 8%, with net income up by 18.2% to €20.8 million.

To meet the needs of its member-customers, CM11 has grouped all its real-estate subsidiaries within a "CM-CIC Real-Estate" division with diversified activities. With regard to sales of new real-estate, CM-CIC Agence Immobilière put 6,584 housing units under contract in 2015, 31% more than in 2014; CM-CIC Gestion Immobilière arranged a total of 3,860 rental contracts (+34%) and CM-CIC Aménagement Foncier put 950 building lots under contract (+47%). In the area of real-estate development, ATARAXIA Promotion recorded a 14% increase in reservations to 439.

Good performances

(€ millions)	**2015**	**2014**	**Change** at constant scope
Net banking income	12,817	11,973	+6.8%
General operating expenses	(7,907)	(7,546)	+4.4%
Gross operating income	4,910	4,427	+10.8%
Net provision allocations/reversals for loan losses	(803)	(872)	-8.3%
Income before tax	4,044	3,610	+11.8%
Corporate income tax	(1,530)	(1,195)	+28.0%
Net income (loss)	2,514	2,415	+4.0%
Net income attributable to owners of the company	2,258	2,179	+3.6%

- **Net banking income**

The CM11 Group's net banking income grew by 6.8% in 2015, fueled by growth in retail banking fee and commission income and an increase in revenues generated by the other business lines:

- Fee and commission income increased by 10.8% thanks to strong activity in housing loans and significant growth in insurance contracts distributed by the branch network and the private banking activity;

- Net interest income declined slightly (by 1%) to €5.6 billion due to persistently low interest rates and lower revenues on loans renegotiated or repaid early;

- Net banking income generated by the other banking activities, corporate banking capital markets activities, private banking and private equity activities (CM-CIC Investissement) grew in 2015.

- Revenue from the Insurance activity, the Group's second-largest business, totaled €10.4 billion, close to the record level achieved in 2014.

- The realization of capital gains generated by the portfolio activity and the lower cost of refinancing the working capital requirements of BFCM and CIC enabled the NBI of the group's holding activity to increase by 30.9%.

- **General operating expenses**

General operating expenses came to €7.9 billion in 2015, up 4.4% at constant scope. This increase was attributable mainly to new taxes and contributions linked to implementation of the European supervision and resolution mechanisms to which the Group is subject. Excluding the impact of these taxes and at constant scope, general operating expenses increased by 3.7%. The CM11 Group's total workforce increased by 801 employees, of whom 733 proceeded from acquisitions made during the year. The cost-to-income ratio (excluding the contribution to the Single Resolution Fund) improved by 1.7 points to 61.3%.

Gross operating income grew by 10.8% to €4,910 million.

- **Net provision allocations/reversals for loan losses**

Net provision allocations/reversals for loan losses totaled €803 million, down by €69 million or 8.3% at constant scope, attesting to the quality of the group's loan portfolio and its careful monitoring or risk. The improvement concerned both retail and private banking.
The net provision on an individual basis (excluding collective provisions) on customer transactions decreased by 4.3% to €831 million and a net reversal of €28.3 million of collective provisions was recorded compared with a net allocation of €4.4 million in 2014.
The overall amount of net provision allocations/reversals for customer loan losses represented 0.26% of outstanding loans, compared with 0.31% in 2014. At end-2015, the individual and overall non-performing loan coverage ratios came to 60.6% and 64.6%, respectively, compared with 59.5% and 64.8% one year earlier.

Thanks to this decrease in net provision allocations/reversals for customer loan losses, income before tax was up by nearly 12% to €4,044 million.

- **Net income**

Corporate income tax increased strongly due to the non-deductible nature of new taxes and because non-recurrent events (sale of securities, reversal of tax provisions) had reduced the tax charge in 2014.
Net income for the CM11 Group, at constant scope, increased by 4.0% to €2.514 billion.

Solid financial position strengthened

- **Liquidity and refinancing**

The Group's market refinancing benefited in 2015 from the increased confidence in its issues shown by major international investors. This increase in confidence can be attributed to the regular road shows staged to ensure investors have a good knowledge of the Group's fundamentals.

External funding totaled €123.9 billion, 3.9% more than in 2014 (€119.3 billion). This rise was linked mainly the increase in medium and long-term funding as part of our strategy of consolidating external funding.

The LCR (Liquidity Coverage Ratio) liquidity buffer managed by the central treasury department stood at €58 billion at end-2015 compared with €49 billion at end-2014. This enables the Group to comply comfortably with the LCR requirement (140% at December 31, 2015). Liquid assets eligible for the European Central Bank (ECB) total €93.8 billion, covering 181% of wholesale funding maturities over the next 12 months (165% at end-2014).

- **Medium- and long-term refinancing**

Medium and long-term funding amounted to €83.1 billion at end-2015 (including ECB TLTROs) compared with €78.6 billion one year previously.
BFCM issues accounted for the majority of the €12.1 billion issued on the markets in 2015. These consisted of private issues as well as public issues of significant size. The latter include:

- In January, €1,250 million over 10 years;
- In March, €1,750 million over 2 years;
- In September, €1,000 million over 10 years in Tier 2 subordinated notes with a view to 'bail-in'.

In addition to these euro-denominated issues, BFCM completed issues targeting investors in more distant regions:

- $1,000 million (U.S. 144a format) over five years (October)
- JPY109.4 billion (Samurai format) in 5 tranches between 3 and 10 years (October)

Also worth noting are the two covered bond issues completed by our specialized subsidiary, Crédit Mutuel-CIC Home Loan SFH:

- In January, €1,000 million over 7 years;
- In December, €1,000 million over 10 years.

In 2015, the Group signed a new €400 million refinancing agreement with the European Investment Bank (EIB) for financing small- and medium-sized businesses. This amount, twice the amount of the previous agreement, reflects our customers' interest in this type of financing. Other proposals for innovative SMEs are being examined with a view to strengthening our cooperation with EIB.

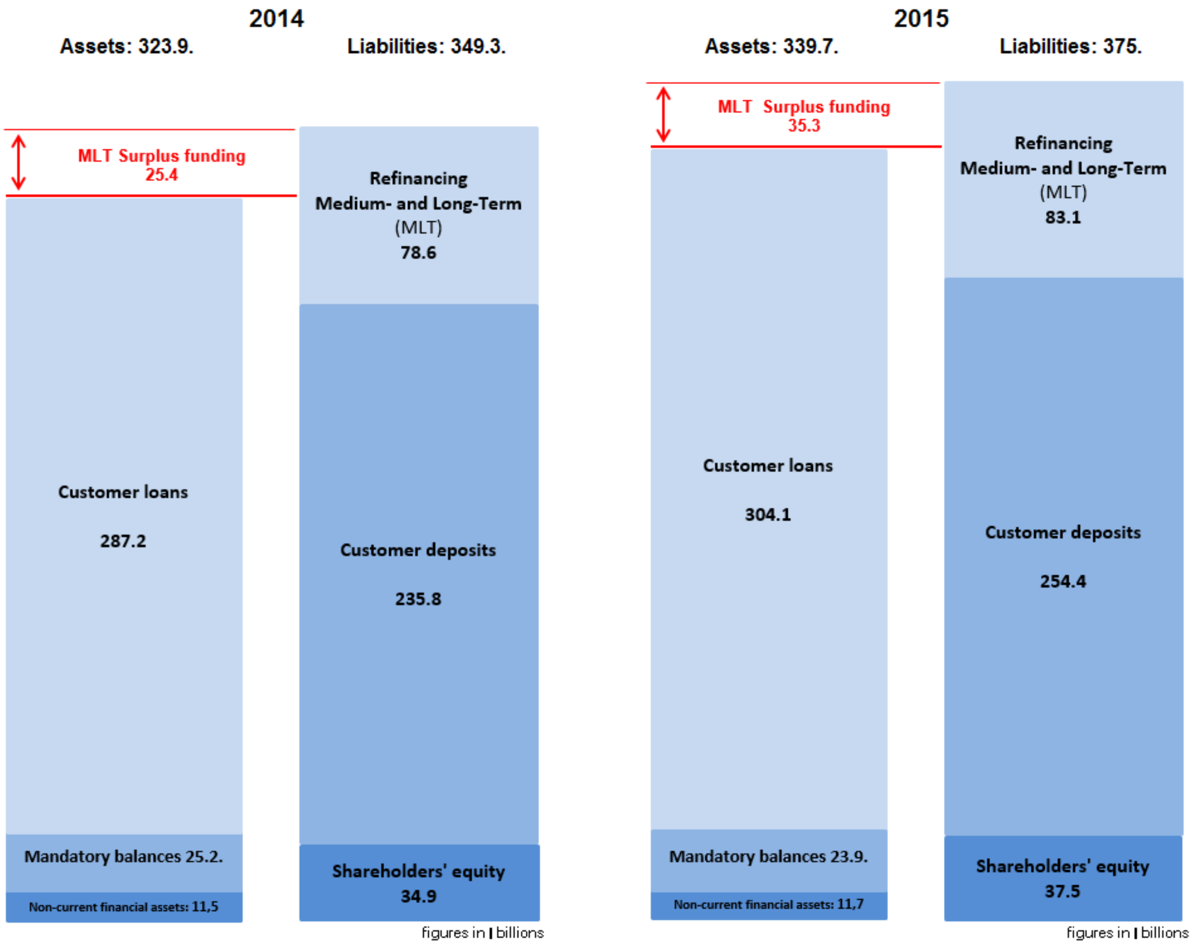
- **Short-term refinancing**

Short-term funding remained stable at €40.8 billion and represents 32.9% of total refinancing (vs. 34.1% at end-2014). The share (30%) of Euro Commercial Paper (ECP) placed with international investors is a useful addition to the traditional refinancing raised with certificates of deposit.
The amount of short-term refinancing fluctuated during the year. The euro-zone money market is now faced with negative interest rates across all maturities and has becom less regular.

- **Stable funding surplus**

The CM11 Group had a stable funding surplus over stable financial assets of €35.3 billion. This is a result of a policy that for the past few years has focused on strengthening deposits and extending the maturity of its market debt.

Structural strengthening of the Group's stable funding and financial assets
(In € billions)



- **Solvency**

At December 31, 2015, shareholders' equity totaled €37.5 billion and Common Equity Tier 1 capital amounted to €29 billion. The Group's common equity tier 1 ratio was 15.1%[2] versus 14.4% at end-2014, one of the best at European level. The overall capital adequacy ratio was 17.9%[2] and the leverage ratio in accordance with the Delegated Act was 5.7%[4].

CET 1 equity increased by €2.6 billion during the year (+10%) thanks mainly to allocation of a high percentage of earnings to reserves. Weighted risk amounted to €192.5 billion at end-2015.

- **European Supervision - Supervisory review and evaluation process (SREP)**

In accordance with Pillar 2, following the supervisory review and evaluation process (SREP) conducted by the European Central Bank (ECB), the Common Equity Tier 1 (CET 1) requirement applicable to the CM11 Group on a consolidated basis was set at 8.25% (phased-in ratio including the capitalconservation buffer) at January 1, 2016. The additional capital buffer required in the light of the Crédit Mutuel Group's status as a systemically important financial institution was 0.125% as from January 1, 2016 and will be increased by 0.125% a year to reach 0.5% in 2019. The CM11 Group's capital adequacy ratio is therefore 8.375% at January 1, 2016.

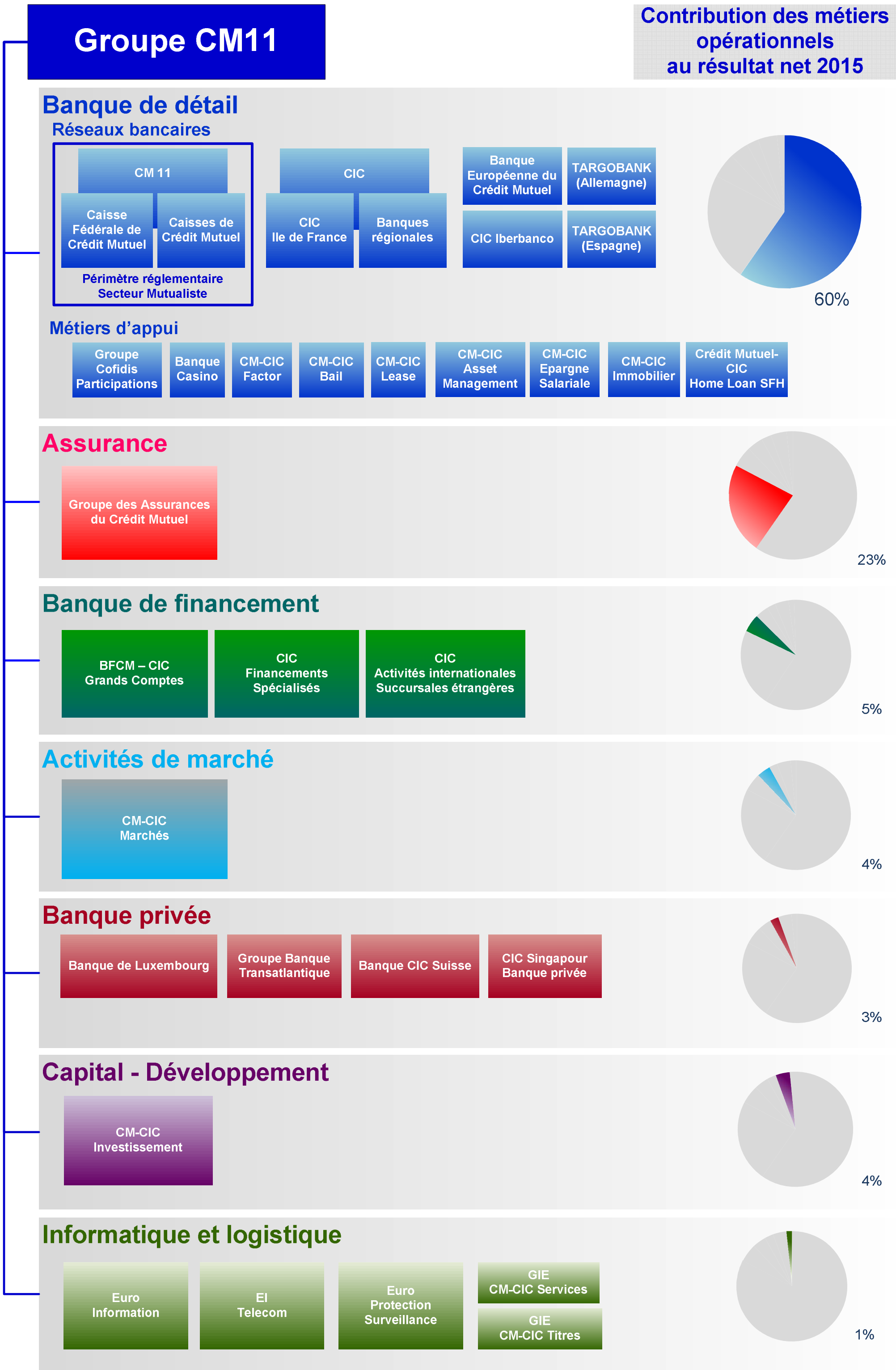
- **Rating**

The short- and long-term ratings assigned to the Group by the international rating agencies were confirmed in 2015 and remain among the highest assigned to a French bank.
Moody's raised the Group's long-term rating from Aa3 to Aa2 in June 2015 to reflect its improved financial strength and liquidity ratios; In September its rating was downgraded to Aa3 to reflect the deterioration in France's credit rating.
Fitch and Standard&Poor's confirmed their positive assessment of the Group and left their ratings unchanged in June and December, respectively.

	Standard & Poor's	Moody's	Fitch Ratings
Long-term rating	A	Aa3	A+
Short-term	A-1	P-1	F1
Outlook	*Negative*	*Stable*	*Stable*

[2] Excluding transitional measures

CM11 Group's business lines and main subsidiaries
Business lines' contribution to 2015 net profit



Retail banking and insurance, its core business

(€ millions)	**2015**	**2014**	**Change** at constant scope
Net banking income	9,585	9,124	+4.7%
General operating expenses	(5,989)	(5,761)	+3.7%
Gross operating income	3,596	3,363	+6.5%
Net provision allocations/reversals for loan losses	(786)	(893)	-12.4%
Income before tax	2,884	2,539	+13.1%
Corporate income tax	(994)	(858)	+15.4%
Net income (loss)	1,890	1,682	+11.8%

This business line includes the Crédit Mutuel local mutual banks, the CIC branches, Banque Européenne du Crédit Mutuel, CIC Iberbanco, the Targobank branches in Germany and Spain, Cofidis Participations, Banque Casino and all the specialized businesses, whose product marketing is performed by the branch networks, i.e. investment loans and lease financing, leasing with purchase options, real estate leasing, vendor credit, factoring, fund management, employee savings and real estate sales.

CM11's core business, retail banking accounts for more than 71% of total net banking income.

All the entities recorded dynamic growth in deposits, with an overall increase of 8.7% to €221.8 billion. At the same time, outstanding loans increased by 4.9% to €270.1 billion.

Net banking income grew by 4.7% (at constant scope) to €9.6 billion. Net interest income rose by 2.2%, thanks mainly to non-recurrence of a charge of €213 million recorded in 2014 at Targobank Germany (reimbursement of loan application fees following a court decision). Excluding this element, net interest income was down by 1.6% due to the persistently low interest rates and renegotiation of customer loans that has squeezed the margin. Fee and commission income was up by 9.4% however, thanks to loan fees linked to the strong activity. Insurance commissions and banking fees also continued to grow.

Operating expenses increased by 3% at constant scope excluding the new contribution to the Single Resolution Fund.
Gross operating income came to €3,596 million, up by 6.5% at constant scope compared with 2014.

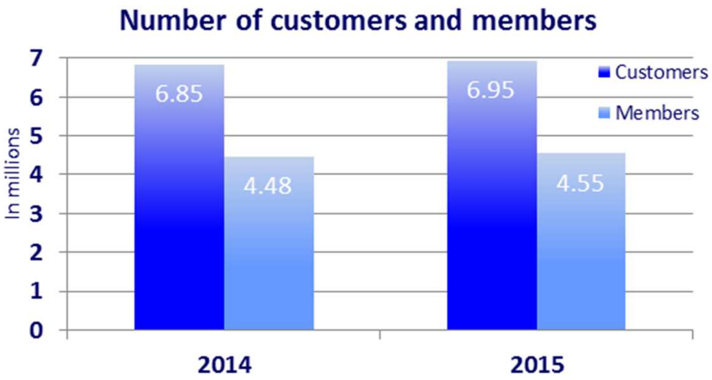
Net provision allocations/reversals for loan losses dropped by 12.4% in 2015 to end the year at a record low.

Despite a strong increase in the tax burden (+15.4%) due to the non-deductible nature of some of the new taxes, net income generated by retail banking grew by 11.8% at constant scope.

The branch networks

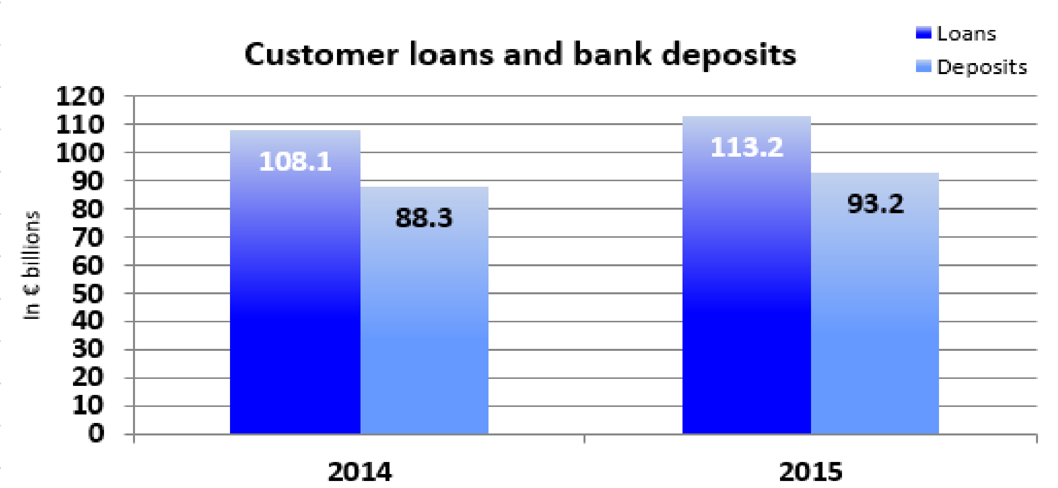
- **CM11 branch network**

The CM11 banking network, also known as the 'regulatory scope', continued to add to its customer base, which now stands at 6.95 million of which 6.1 million are retail customers. Sales efforts at the local mutual banks resulted in 100,000 new customers (+1.5%), with a slightly stronger increase in professional and corporate customers (+4.6%).
The number of customers who are also members of their mutual bank now stands at 4.5 million. This means that nearly two thirds of the customers will be able to actively participate in the decisions affecting their local mutual bank at Shareholders' Meetings for 2015.



CM11 branch network

Outstanding loans grew by €5.1 billion (+4.7%) to €113.2 billion in 2015, driven mainly by growth in housing loans (up by €4.7 billion or 5.8%) and, to a lesser extent, in investment loans (+1.3%)
At the same time, outstanding loans increased by €4.8 billion (+5.5%) to €93.2 billion. The increase in deposits in 2015 came mainly from current account credit balances (€2.8 billion and home savings (€1.9 billion), which grew by, respectively, 14.8% and 10.9%. Savings continued to grow, rising by 3.3% to €44.5 billion bolstered by growth in life insurance savings: up by 5.5% to €34.4 billion at end-2015.

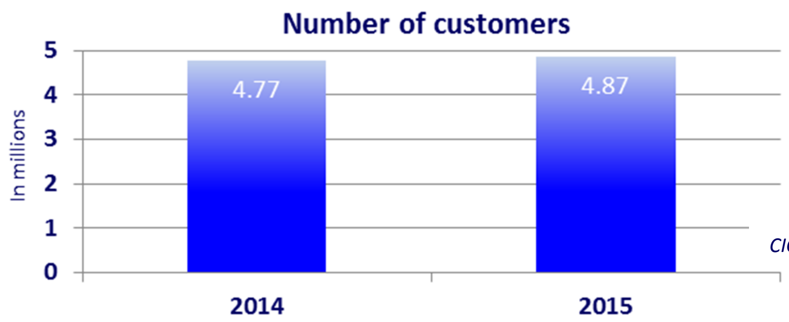


CM11 branch network

Net banking income remained stable relative to 2014 at €3.1 billion. The fall in net interest income was offset by strong growth (+13.1%) in fee and commission income.
General operating expenses increased by 5.1%, due mainly to new taxes and changes in the provisioning method applied for paid leave expenses and the CET corporate contribution.
The overall net provision allocations/reversals for loan losses decreased by €15 million to €102 million.
Net income was down by 7.9% to €616 million.

- **CIC branch network**

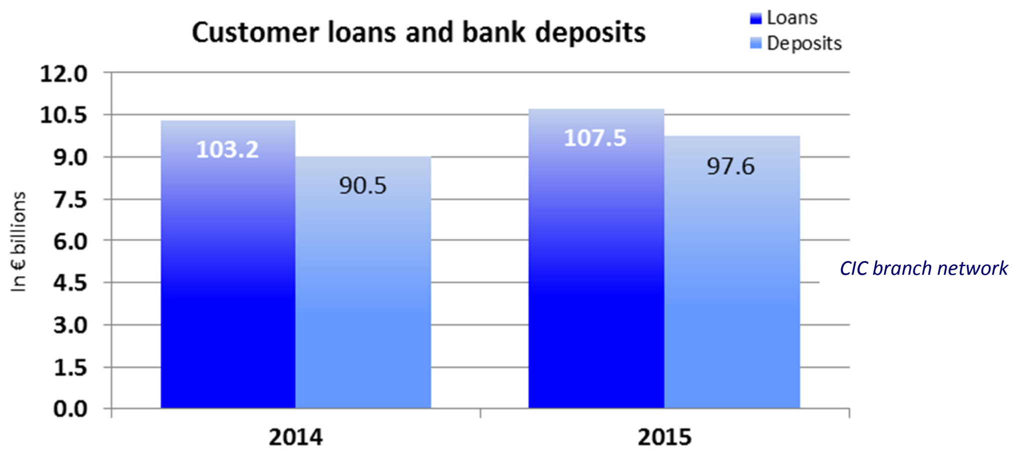
The branch network is also CIC's core business. At December 31, 2015, it comprised 2,015 branches and had 4.87 million customers (up by 97,100 or 2% compared with end-2014).



CIC branch network

Outstanding loans increased by 4.2% to €107.5 billion as at December 31, 2015. All the main categories of loans recorded increases, housing loans were up 4.8% (+€3 billion), investment and operating loans grew by 5.6% (+€1.7 billion) and consumer credit increased by 4.3% (+€200 million).

Deposits grew strongly, up by €7 billion to €97.6 billion, boosted by growth in current accounts (+€6.4 billion), home savings (+€1.2 billion) and, to a lesser extent, savings accounts (+€336 million). Notes and term accounts, which have become less attractive due to the fall in short-term interest rates, declined by €849 million. Insurance savings increased by 4.4% to €33.8 billion and financial savings remained stable at €24.3 billion.



Net banking income generated by the CIC branch network grew by 5.5% to €3.3 billion, with an 8.4% increase in net fee and commission income reflecting strong business activity. The margin improved further, to 2.3%. General operating expenses increased by €48 million, including €15 million linked to the new contribution to the Single Resolution Fund (FRU). Excluding this contribution, general operating expenses were up by only 1.6%. Net provision allocations/reversals for loan losses decreased substantially, by 19.8%, both in terms of the net provision on an individual basis (down 13.7%) and collective provisions (reversal of €10 million compared with a net allocation of €5 million in 2014). Income before tax grew by 20% to €1 billion and net income came to €618 million.

- **Banque Européenne du Crédit Mutuel (BECM)**

BECM is a branch network present in France and elsewhere in Europe that complements the Crédit Mutuel local mutual banks while working on a cross-functional basis with the CIC regional banks. It operates in four main markets:

- large and mid-sized corporates;
- financing for real estate developers and investors, mainly in the housing sector;
- real estate companies specializing in the management of leased residential and commercial properties and office space;
- flow management for large accounts in the retail, transportation and services sectors.

In Germany, BECM targets mainly large German corporations, through its relations with the parent companies of French/German subsidiaries. It contributes its expertise and knowledge of the local German markets to BECM's French network and to the other Group entities. Its presence in the German market was strengthened in 2015 with the opening of a fifth business center in Munich.

With a workforce of 388 people, 49 branches, including 37 dedicated to corporate customers and 12 specialized in real-estate financing, BECM had 22,100 customers at end-2015 (+4.1%).

Growth in on-balance sheet loans accelerated in 2015, rising by 6.9% to 11.4 billion in month-end outstandings.
Backed by the Group's financial strength, BECM achieved strong growth in deposits, which increased by 27.9% to €10.8 billion. These improvements resulted in a €1.55 billion reduction in the liquidity gap as of the closing date.

Net banking income rose by 4.3%, reflecting a fall in the average cost of deposits and a moderate fall in the average margin on loans.
General operating expenses increased by 4.1% due to an increase in taxes and to the operating expenses over a full year of the new branch in Hamburg.
Net provision allocations/reversals for loan losses decreased significantly.
Net income rose by 9.5% to €85.4 million.

- **CIC Iberbanco**

Through a network of 34 outlets (including 5 created in 2014 and 2015) across France, CIC Iberbanco offers a full range of competitive products particularly well-suited to its customers.

With a workforce of 152 people, the bank won 8,300 new customers in 2015 bringing the total to more than 46,600 (+7%).
Customers' savings deposits increased by 14.5% to €599 million and outstanding loans grew by 25.5% to €606 million.

The insurance and telephone services activities also recorded strong growth of 38% (at same scope) and 24%, respectively.

Boosted by these performances, net banking income was by 16.5% year-on-year to close to €30 million. Net income came to €5 million in 2015.

- **Targobank Germany**

In 2015, Targobank strengthened its position in the consumer credit market.
It continued to expand its network by opening four new branches, bringing the total number of points of sale to 364 at the end of 2015. It also continued to develop its network of partner dealers for marketing car loans.
In the fourth quarter, it completed the IT migration of the retail banking portfolio of Valovis Bank, acquired in May 2014.

Outstanding loans increased by €189 million to end the year at €11.2 billion. Growth in outstanding loans was bolstered by a 3.3% increase in production of personal loans which ended the year at €2.7 billion. The ongoing expansion in the dealer partner network boosted

auto loan production (up 80% compared with 2014) bringing outstanding auto loans up by more than 60% to nearly €150 million.
Deposits ended the year at more than €12 billion, with an increase of €564 million during the year despite the fall in the average interest rate paid to customers.
Savings also grew, up by 7.2% to €10.1 billion at end-December.

Income before tax came to €398 million, double that of 2014. Income before tax in 2014 had been severely affected by the reimbursement of loan fees ordered by the Karlsruhe Federal Court of Justice.
Net banking income benefited from the absorption of Valovis's portfolio and non-recurrence of the exceptional expense described above, posting an increase of 19.1%. It also benefited from the lower cost of customer deposits (-16 bps) and growth in the wealth management activity.
Net provision allocations/reversals for loan losses were down by 10.9% thanks to the improvement in economic conditions, particularly the improvement in the unemployment rate which dropped from 6.7% to 6.4%.

Consumer credit – *Cofidis Group*

The Cofidis Participations group, 54.6% owned by Banque Fédérative du Crédit Mutuel, designs, sells and manages a broad range of financial services, such as consumer credit, payment solutions and banking services (current accounts, savings, online brokerage and investments).

It has three brands specializing in the sale of financial products and services:

- Cofidis, a European online credit specialist with operations in France, Belgium, Italy, Spain, Portugal, Czech Republic, Hungary and Slovakia; in October 2015 Cofidis absorbed Soferno thereby adding to its product range with, in particular, in instalments credit and vendor credit.
- Monabanq, the CM11 Group's online bank;
- Créatis, a consumer credit consolidation specialist.

Cofidis Participations continued its expansion strategy in 2015 by acquiring Centax (March), an Italian company specialized in guarantees for payment by check or card in the retail sector, and Banif Mais (June), a financial company specialized in loans for used cars with operations in Portugal, Hungary, Slovakia and Poland.

Financing grew by 6.5%, with strong growth abroad (Belgium, Spain, Portugal, Italy and Eastern Europe). Financing in France remained stable due to the vulnerability of French household consumption.
Cofidis had outstanding loans totaling €9.6 billion at end-2015.
Net banking income came to €1,169 million, with a slight fall (-1.6%) at constant scope. General operating expenses remained under control (-1.5%) and net provision allocations/reversals for loan losses decreased by 8.2%, with particularly strong decreases at the international entities (% change at constant scope).
Net income for 2015 came to €162 million, a 10.4% increase at constant scope.

Network support businesses

These businesses include the specialized subsidiaries that market their products using their own online sites and/or through the CM11 Group mutual banks and branches: consumer credit, factoring, receivables management, leasing, fund management and employee savings.

- **Factoring and receivables management**

CM-CIC Factor is the CM11 Group's customer receivables financing and management specialist.
In 2015, CM-CIC Factor recorded:

- 10% growth in the volume of receivables bought, to €29.0 billion;
- €2.5 billion in export revenues (up +35%);
- Gross managed outstandings at end-2015 of €5.1 billion (+22%).

CM-CIC Factor's contribution to consolidated net income was €2.3 million.

- **Finance leases**

CM-CIC Bail
In 2015, leasing with purchase option, promoted by the car makers, outpaced loans in the financing of new vehicles. This benefited lease financing companies such as CM-CIC Bail, which is number 2 in the market, with revenues of €2,798 million, up 4.8%.
Business momentum was strong with a 6.6% increase in production to €3.8 billion. Total outstandings were up by 5.2% to €6.8 billion.
With operations in the Benelux countries, Germany and Spain, international operations account for 25% of CM-CIC Bail's production.
CM-CIC Bail contributed €23.1 million to consolidated net income.

CM-CIC Lease
In a real-estate lease financing market that grew slightly following some exceptional State transactions, CM-CIC Lease's production came to €604 million resulting in a 12% increase in the number of applications.
Total managed outstandings came to €4,264 million (+4%).
CM-CIC Lease contributed €4.8 million to consolidated net income.

- **Fund management and employee savings**

CM-CIC AM
CM-CIC Asset Management heads the Group's asset management arm, which also comprises its investment advisory subsidiary, CM-CIC Gestion.

The main aims of this division are to support the networks' development, in partnership with the other business line skill centers, preserve customers' interests and serve the Group.
In a turbulent global environment, CM-CIC Asset Management managed to continue to grow while conserving its long-term focus. Assets under management grew by 2.5%, ending the year at €61.77 billion. Net inflows came to close to €1 billion across all asset classes compared with a little over €400 million in 2014. Formula based funds attracted nearly €195 million while inflows into equity funds exceeded €300 million and inflows into diversified funds came close to €550 million.
CM-CIC Gestion, which provides its services to the CIC, CIC Banque Privée and Crédit Mutuel networks performed very well in 2015, with assets entrusted to it up by 8% to €9.874 billion at end-December.
The contribution to consolidated net income was €4.1 million.

CM-CIC Epargne salariale
Asset managed by CM-CIC Epargne Salariale grew by nearly 9% to €7,575 million. More than 51,000 businesses totaling 1.3 million employees have entrusted their employee savings to CM-CIC ES.
The contribution to consolidated net income was €2.4 million.

- **Real estate**

The CM-CIC Immobilier subsidiary develops building sites and housing units through CM-CIC Aménagement Foncier, Ataraxia Promotion and CM-CIC Réalisations Immobilières (SOFEDIM). It sells new housing units through CM-CIC Agence Immobilière (AFEDIM) and manages housing units on behalf of investors through CM-CIC Gestion Immobilière. It also participates in financing rounds related to real estate development transactions through CM-CIC Participations Immobilières.
The active efforts of the sales forces within the Crédit Mutuel and CIC networks enabled it to take reservations for 6,584 new housing units (up by 31% from 5,008 in 2014) and 950 building sites (up by 47% from 645 in 2014) in 2015.
Its contribution to consolidated net income came to €4.7 million, up strongly compared with 2014.

Insurance, the second business line

(€ millions)	2015	2014	Change
Net banking income	1,553	1,591	-2.4%
General operating expenses	(470)	(427)	+10.0%
Gross operating income	1,083	1,164	-7.0%
Income before tax	1,113	1,109	+0.3%
Corporate income tax	(385)	(430)	-10.3%
Net income (loss)	728	680	+7.1%

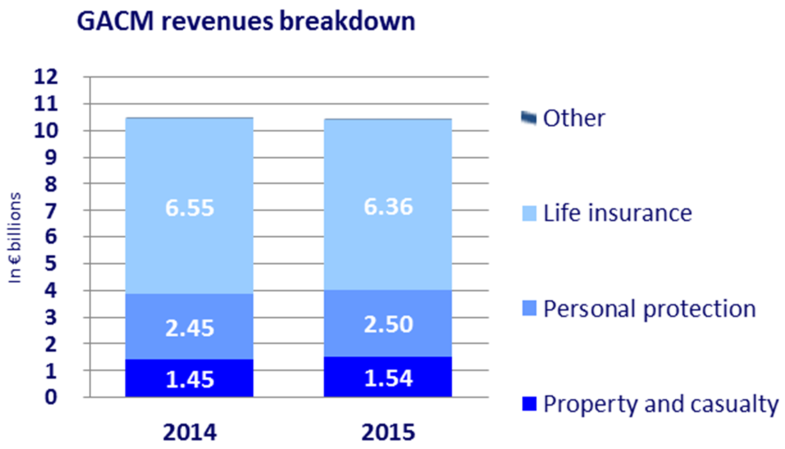
Crédit Mutuel created and developed "bankinsurance" starting in 1971. This long experience now enables the insurance activity, which is carried out through Groupe des Assurances du Crédit Mutuel (GACM), to be fully integrated into CM11 Group both commercially and technically. GACM serves more than 9.9 million holders of 27.8 million policies.

In 2015, the insurance market was marked by numerous issues linked to the low interest-rate environment and steadily growing regulatory pressure:

- preparing for Solvency 2;
- The 2014 Hamon law and its consumer protection aspects;
- The health act and the national inter-branch agreement (Accord National Interprofessionnel) and their impact on the insurance industry.

Against this backdrop, CM11 insurance business has a satisfactory year, with significant growth in non-life insurance and progress in professional insurance.

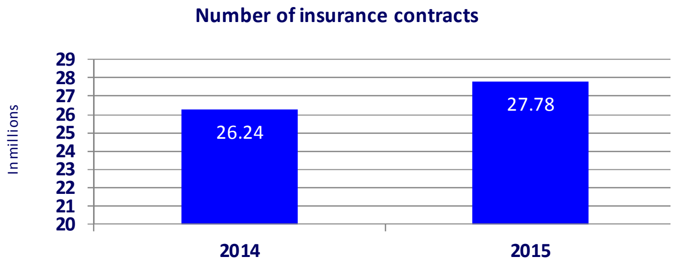
Insurance revenues remained stable at €10.5 billion. The slight fall in net inflows into life insurance masks the excellent performance of property and casualty insurance.

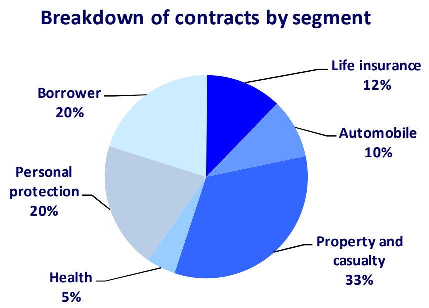


2015 saw the strongest growth in auto and home insurance in the past five years. Premium income grew by 6.2% in non-life insurance, significantly outperforming the market (+1.5%).

In personal insurance, the mobilization of the branch network staff enabled it to underwrite more than 27,000 collective health insurance policies. Production of these policies and raising the penetration rate among customers will continue in 2016.

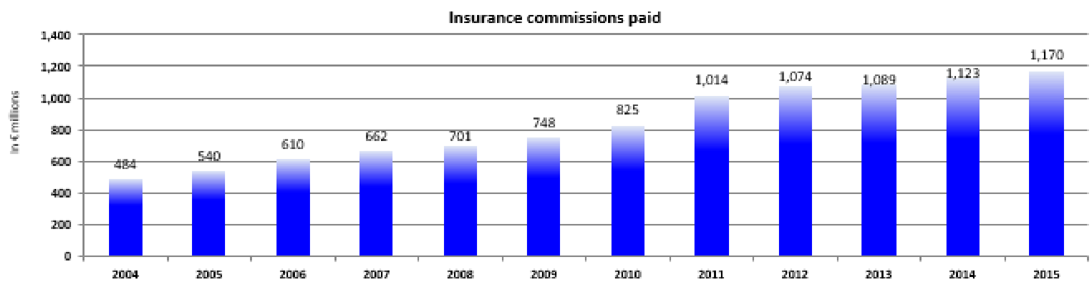
Premium income from life insurance and insurance-based savings products came to €6.3 billion and remains mainly in euro. Net inflows totaled €1.5 billion.





The positive trend in property and casualty claims partly offset the impact of the fall in interest rates on the provisions charge.

These favorable conditions enabled the insurance business to contribute to the amount of €728 million to consolidated net income compared with €680 million in 2014.
These results include €1,170 million in commission payments to the distribution network (up by +4.2% relative to 2014).



2015 also enabled GACM to consolidate its presence in the Spanish market through the acquisition of Atlantis in July. In December, it raised its stake in RACC Seguros, a Catalonia-based joint venture set up with Royal Automobile Club de Catalogne, to 100%.
This sub-group, organized around the Spanish holding company GACM España, which is wholly owned by GACM, further strengthens our presence in Spain and our goal of rapidly gaining a significant share of the market.

Corporate banking

(€ millions)	2015	2014	Change
Net banking income	382	359	+6.5%
General operating expenses	(101)	(92)	+10.0%
Gross operating income	281	267	+5.2%
Net provision allocations/reversals for loan losses	(21)	(50)	-57.2%
Income before tax	260	217	+19.7%
Corporate income tax	(94)	(66)	+41.6%
Net income (loss)	166	151	+10.1%

This division covers the financing of large corporate and institutional customers, value-added financing (project and asset, export, etc.), international activities and financing provided by foreign branches. The corporate banking business line provides services to large corporate and institutional customers with a holistic approach to their requirements. It also supports the action of the Réseaux Entreprises for large corporate customers and helps to develop the international activity and put in place specialized financing.

In the large corporate and institutional segment, outstanding loans remained stable and margins remained under pressure in 2015. Business was boosted by specialized financing and, at international level, by commissions on export financing.

Outstanding loans managed by the business line increased by 23.1% to €14.2 billion while deposits managed ended the year at €6.2 billion and deposits.

Net banking income grew by 6.5% to €382 million and gross operating income increased by 5.2% despite a €9 million increase in general operating expenses linked to a foreign exchange effect on foreign branches and a contribution to the Single Resolution Fund (FRU) of €2 million. Thanks to a strong decrease in net provision allocations/reversals for loan losses, net income was up by 10.1% to €166 million.

Capital markets and refinancing activities

(€ millions)	2015	2014	Change
Net banking income	403	358	+12.3%
General operating expenses	(186)	(193)	-3.8%
Gross operating income	217	165	+31.2%
Net provision allocations/reversals for loan losses	2	79	ns
Income before tax	218	244	-10.6%
Corporate income tax	(93)	(58)	+61.9%
Net income (loss)	125	186	-33.1%

The capital markets activities of BFCM and CIC are combined in a single entity, CM-CIC Marchés, which performs CM11-CIC's refinancing and commercial and investment banking activities from offices in Paris and Strasbourg and branches in New York, London, Frankfurt and Singapore. Following the merger of CM-CIC Securities's activities with those within CIC, the merger/absorption of CM-CIC Securities by CIC took effect as from January 1, 2016.

The purpose of all these activities is to provide investment, hedging, trading and market financing solutions, as well as post-market services, to corporates, institutional investors and asset management companies.

Net banking income generated by the capital markets activities grew by 12.3% to €403 million in 2015. Foreign exchange business benefited from exchange rate volatility, an expanded product offer (particularly options) and the putting in place of efficient management and listing tools.
Tight control of general operating expenses resulted in a decrease of 3.8%.
After net provision allocations/reversals for loan losses, which did not record exceptional reversals as in 2014, net income came to €125 million compared with €186 million the previous year. Net income is stated after payment to the networks of €48 million in fees and commissions, up by 23% versus 2014, in respect of interest-rate, currency and commodity hedging transactions carried out for customers.

Private banking

(€ millions)	2015	2014	Change
Net banking income	510	458	+11.3%
General operating expenses	(371)	(338)	+9.8%
Gross operating income	139	120	+15.4%
Income before tax	143	119	+20.7%
Corporate income tax	(64)	(32)	ns
Net income (loss)	79	87	-9.0%

The companies making up this business line operate both in France through CIC Banque Transatlantique and abroad through the subsidiaries Banque de Luxembourg, Banque CIC Suisse, Banque Transatlantique Luxembourg, Banque Transatlantique Belgium, Banque Transatlantique Londres and CIC Private Banking in Singapore.

This business line develops know-how in financial management and estate planning, which is provided to business owners and their families and private investors.

In 2015, Banque Transatlantique opened an office in Madrid and Banque Transatlantique Belgium celebrated its tenth anniversary while continuing with its expansion plan. Banque de Luxembourg continued to expand in the private banking sector in Luxembourg by adding two key elements to its business activities: lending and businesses and business leaders. CIC Suisse posted record volumes in terms of investments and loans and stabilized fee and commission income from securities.

This business line manages deposits totaling €18.6 billion at end-2015, 12.7% more than in 2014. Customer loans rose by 15% to nearly €12 billion. Savings totaled €85.4 billion in 2015.

Net banking income grew by 11.3% to €510 million in line with the growth in business while general operating expenses increased by 9.8%, reflecting IT investments and changes in the goodwill amortization method. Net provision allocations/reversals for loan losses consisted of a net reversal of €9 million and income before tax was up by 20.7% to €143 million. Net income totaled €79 million.

Private equity (CM-CIC Investissement)

(€ millions)	**2015**	**2014**	**Change**
Net banking income	172	149	+15.5%
General operating expenses	(41)	(38)	+8.9%
Gross operating income	131	111	+17.8%
Income before tax	131	111	+17.9%
Corporate income tax	(5)	(0)	ns
Net income (loss)	126	111	+13.7%

This business activity is carried out by CM-CIC Investissement, which is based in Paris and has satellite offices in Lyon, Nantes, Lille, Bordeaux and Strasbourg, thereby ensuring close ties to customers.

Private equity represents a key division in the Group's commercial strategy by helping to strengthen the equity capital of Crédit Mutuel and CIC's business customers over the medium to long term (seven to eight years).
Despite a turbulent and still troubled economic and geopolitical environment, CM-CIC Investissement has stayed on track with its strategy plan by consolidating its market positions in France with, in particular, national coverage in Innovation Capital and development of the Capital & Transmission business.

The momentum was strong, both in investments and disposals, for the first time in four years with more than €300 million invested in 35 new deals and a record level of divestment with disposals totaling more than €330 million.
At end-2015, portfolio investments totaled €1.9 billion consisting of 435 holdings, the vast majority of which are in companies that are customers of the Group's networks.

2015 was a robust year for the private equity business and all its performance indicators were positive. Net banking income was up 15.5% to €172 million and net income grew by €15 million to €126 million.

Information Technology and Logistics

(€ millions)	**2015**	**2014**	**Change** at constant scope
Net banking income	1,388	1,324	+4.8%
General operating expenses	(1,276)	(1,214)	+4.1%
Gross operating income	112	110	+12.8%
Net provision allocations/reversals for loan losses	(6)	(7)	-15.8%
Income before tax	114	106	+13.6%
Corporate income tax	(59)	(56)	+5.3%
Net income (loss)	56	50	+22.8%

This division comprises the purely logistical entities: intermediary holding companies, operating real estate held in specially designated companies, the Group's IT companies, EI Telecom, Euro Protection Surveillance and the media division.

Net banking income for the logistics activity, which rose by +4.8% to €1,388 million in 2015, consists of sales margins for the IT, telephony and surveillance companies and on the services provided by CM-CIC Services, the net banking income of the logistics subsidiaries of Targobank Germany and Cofidis as well as the sales margin for the media division.

Overall, the entities making up the logistics activity generated net income of €56 million in 2015, up significantly versus 2014.

Conclusion: growth and rigor

2015 demonstrated the lively commercial momentum of all the CM11 Group entities, at the service of the quality-centered strategy implemented over many years now.

This strategy will be intensified in 2016 to take into account the low interest-rate environment and stiffer competition. Our priority will be to build the loyalty of existing customers and members and win new ones in all our markets, in particular in consumer credit and securitized financing (factoring, lease financing) for business and professional customers; and to develop our service activities, particularly in insurance and technology.

At the same time, we will continue our tight control of operating expenses and risk, by giving the priority to the commercial networks, reducing overheads and controlling payroll expenses. To support these changes, the 2014-2016 medium-term plan will be extended out to 2018 and an IT and organization will be implemented over the next three years to improve the tools and support provided to account managers and to the networks so as to ensure constantly improved service for our customers and members.

Audit procedures have been performed on the consolidated financial statements. The audit report will be issued after finalization of the additional procedures required for publication of the annual financial report.
Financial information for the year ended December 31, 2015 includes this press release and the specific information based on the recommendations of the Financial Stability Board and on sovereign risk exposures.
All financial communications are available on the web site: www.bfcm.creditmutuel.fr.

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Groupe CM11
Crédit Mutuel

CM11 Group(*) — Key figures (**)

(in millions of euro)	December 31, 2015	December 31, 2014
Business		
Total assets	570,644	543,735
Loans and advances to customers, including lease-financing	304,136	287,224
Total savings	583,272	550,911
- of which, customer deposits	254,370	235,831
- of which, insurance products	75,857	72,412
- of which, savings (managed and under custody)	253,045	242,669
Shareholders' equity		
Shareholders' equity (1)	37,531	34,856
Employees, year end (2)	66,372	65,571
Number of branches	4,512	4,539
Number of customers (in millions)	24.1	23.5

Financial results

Consolidated income statement (in millions of euro)	December 31, 2015	December 31, 2014
Net banking income	12,817	11,973
General operating expenses	(7,907)	(7,546)
Gross operating income	4,910	4,427
Net provision allocations/reversals for loan losses	(803)	(873)
Operating income	4,107	3,555
Net gains/losses on other assets and equity affiliates	(64)	55
Income before tax	4,044	3,610
Corporate income tax	(1,530)	(1,195)
Net income	2,514	2,415
Net income attributable to owners of the company	2,258	2,179

(*) Consolidated results of the mutual banks of Crédit Mutuel Centre Est Europe, Sud-Est, Ile-de-France, Savoie-Mont Blanc, Midi-Atlantique, Loire-Atlantique et Centre-Ouest, Centre, Normandie, Dauphiné-Vivarais, Méditerranée and Anjou, of their common federal bank, and of the Banque Fédérative du Crédit Mutuel and its main subsidiaries: ACM, BECM, IT, etc. and including CIC, TARGOBANK Germany, Cofidis and CIC Iberbanco
(**) Figures not approved by the boards.
(1) Including net income for the year before dividend pay-outs.
(2) Employees at group-controlled entities.