



THE FAVORITE BANK IN FRANCE

Posternak IFOP



2014 FRENCH BANK OF THE YEAR

The Banker Magazine



ONE OF THE SAFEST BANKS

In the Eurozone excluding banks with an implicit government support - ECB's review (AQR and Stress test adverse scenario)



INVESTOR PRESENTATION

Half Year 2015

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Activity and results






Asset portfolio : a moderate risk profile

High level of capitalization

Proven and solid liquidity

Ratings and Awards

Ratings of the French major banks without implicit government support

	MOODY'S	STANDARD & POOR'S	FitchRatings
	Aa3 Stable	A Negative	A+ Stable
	A1 Negative	A+ Negative	A+ Stable
	A2 Stable	A Negative	A Stable
	A2 Stable	A Negative	A Stable
	A2 Positive	A Negative	A Stable

BFCM : ¥ 108.1 Billion Samurai Bonds – Oct. 2013



2013 J-Money Deal of the Year - Jan. 2014

2013 Nikkei Veritas Best Deal of the Year – Dec. 2013

J-MONEY

日経ヴェリタス

Most Relevant Recent Awards



Preferred Bank of the French (11th time in a row)
Baromètre Image Posternak-IFOP* (June 2015)



#1 2015 Clients Relationship Banking awards
Bearing Point TNS – Sofres** (January 2015)



Best results for major eurozone retail banks
ECB and EBA resilient tests (Core Tier one ratio 14% - adverse scenario)



#1 French Bank among « The World's Best Developed Markets Banks 2015 »
Global Finance (April 2015)



French Bank of the Year (3rd time) and 36th safest bank in the world
World Finance (September 2014)



French Bank of the Year – The Banker (December 2014)
35th bank among the Top 1000 – The Banker (July 2014)



#2 « Banking and Insurance » Award
Baromètre Argus de l'Assurance / Opinion Way (December 2014)



« Gold Award » for the Best overall 3 years performance for all Funds – Le Revenu (May 2014)
« Gold Award » for the Best Bond Range of Products In Euro for 3 years – Le Revenu (June 2014)

*Source: Posternak-Ifop Barometer image ranking of major French companies, conducted on 27 and 28 November 2014 on a representative national sample of 954 French aged 18 and more.

**Source :Survey conducted by BearingPoint and TNS Sofres in November / December 2014 with customers / users of businesses / administrations, from a sample of 4000 persons.



One of the safest banks

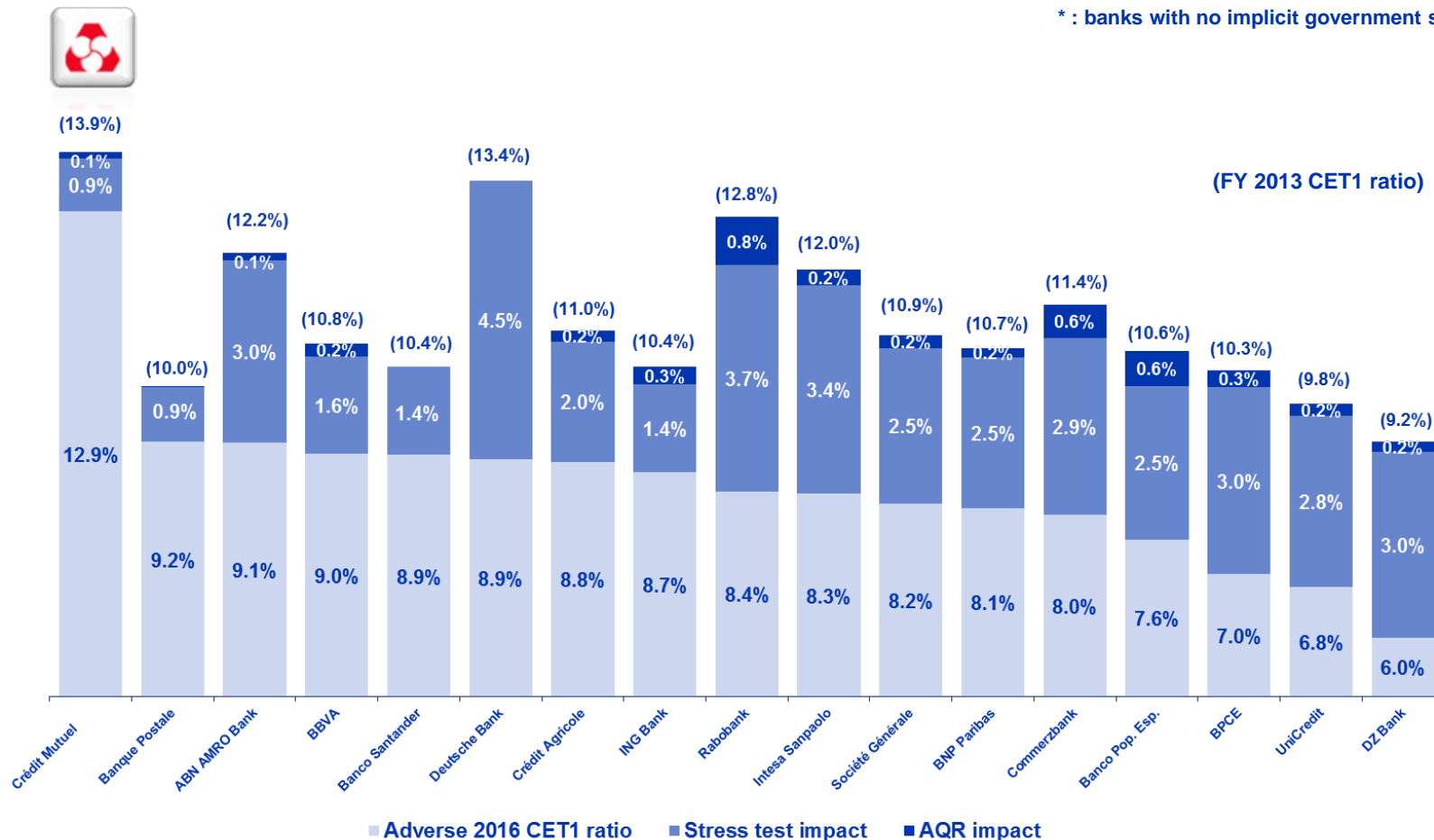


AQR & Stress Tests confirm our sound business model



CET1 ratio evolution among the eurozone major banks* (Source EBA)

* : banks with no implicit government support





A Sound Business Model



Our factories are integrated into a unique IT system providing high quality products and services to our distribution networks



Electronic banking



- Acquiring activities
- State of the art Internet and mobile phone banking apps
- Distributing mobile phones
- NFC mobile payments
- Providing technical services to other banks and major corporations...

Lending



- Home loans
- Consumer loans : direct and POS financing
- Debit and credit cards
- Leasing and renting
- Factoring
- SME & Corporate...

Protecting

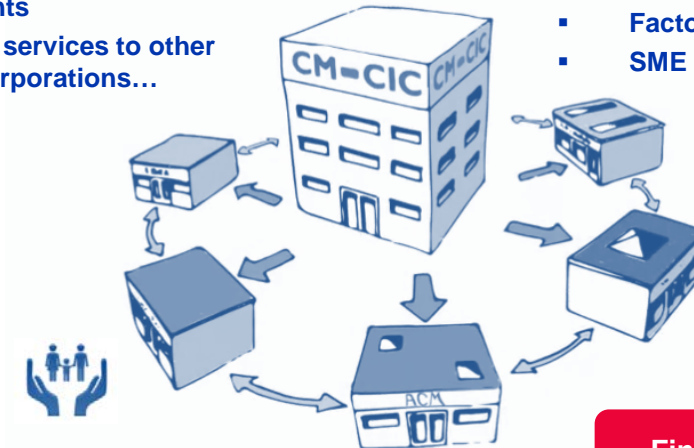


- Non-life Insurance
 - Automobile
 - Property and casualty
 - Health
 - Personal protection
 - Borrower
- Home automation devices and residential surveillance
- Crop protections
- Mutual health funds...

Financial Services

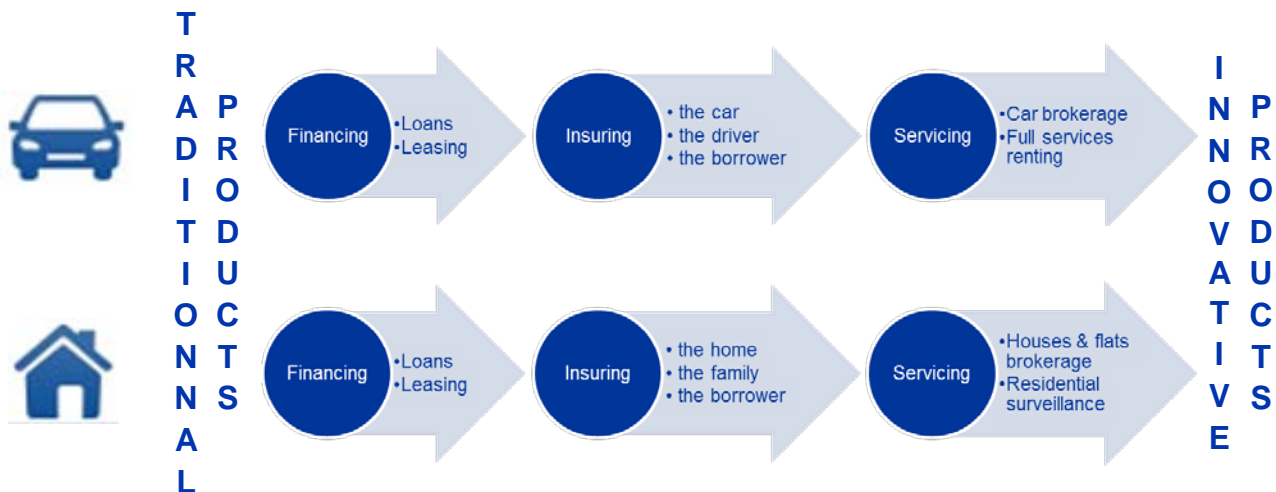


- Life insurance
- Current and saving accounts
- Brokerage
- Asset management
- Private banking
- Wealth management...



Innovative products meeting the changing expectations of our customers

Innovative additional sales from our traditional product lines



Mobile phones (in France) : servicing and payments



#1 Full 4G MVNO in France



A value added distribution network with 4 063 branches



1.4 million clients



Our digital strategy – FY 2014



At the branches



Anywhere

« Omnichannel »
ready!

Our account managers are the center of the relationship



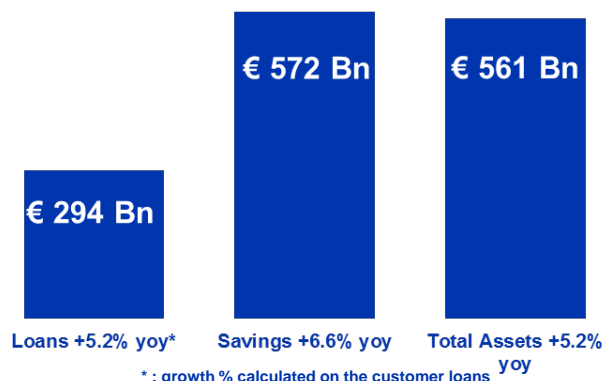


H1 2015 Key Highlights

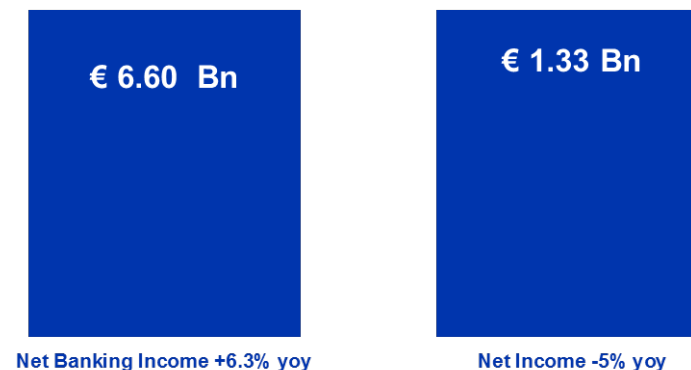


Key highlights for H1 2015

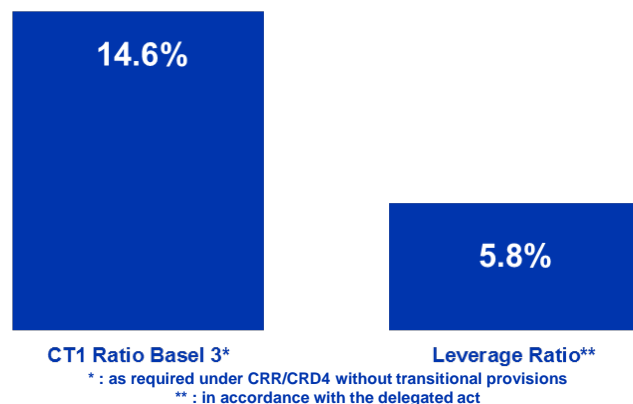
Sustained commercial activity



Earnings



Strengthening the financial solidity



CM11 Group ...

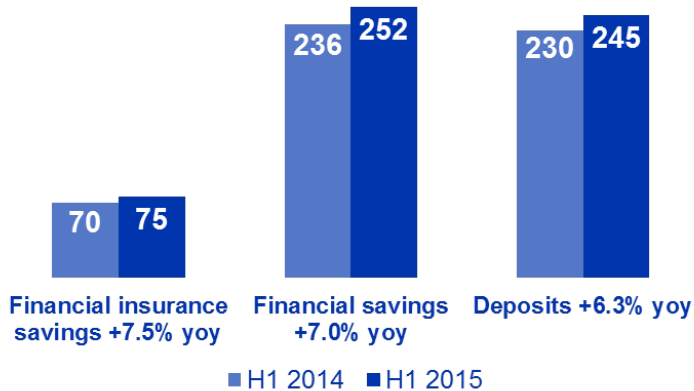
- ... combined growth, efficiency and risk control
- ... continued its dynamic development in banking, insurance and services
- ... actively contributed to the financing of the economies in the regions

247 000 new clients*, up to 23.7 million (total)

* On a constant perimeter – Targobank Germany received ~700 000 new clients after the purchase of the retail activities of Valovis Bank AG in May 2014

Savings : € 572 Bn

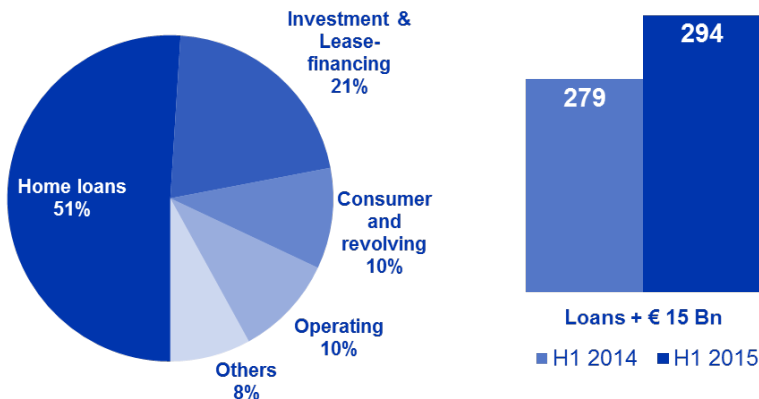
Savings : +6.6% yoy



- Continuous growth in each category
- Deposits + € 14.5 Bn :
 - current accounts (+ € 11 Bn; +15%)
 - home purchase savings (+ € 3 Bn; +12%)

Loans : € 294 Bn*

Loans : +3.9% yoy*



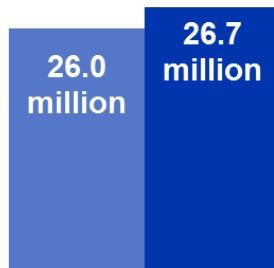
- CM11 Group is actively financing the economy : € 33.5 Bn disbursed in H1 2015
- + € 15 Bn of outstanding loans :
 - Home loans : + € 4.1 Bn
 - Treasury loans : + € 2.4 Bn
 - Equipment loans : + € 2.3 Bn
- Loan to deposit ratio : 120.0%

* Including the currency effect, in particular on the US dollar and the Swiss franc

* : % calculated on customer loans. Growth is +5.2% including the Repos newly accounted in the loans (€3.7 Bn)

Insurance : the second business line

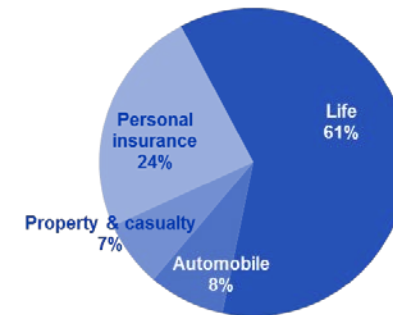
Commercial activities



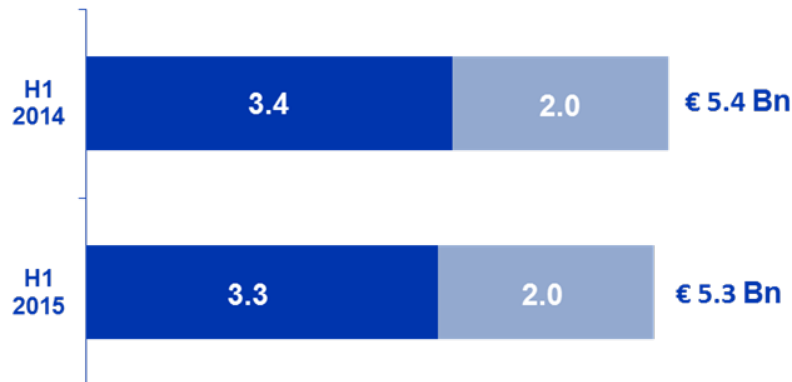
of Insurance contracts : net growth of 2.7%

■ H1 2014 ■ H1 2015

Insurance revenue breakdown

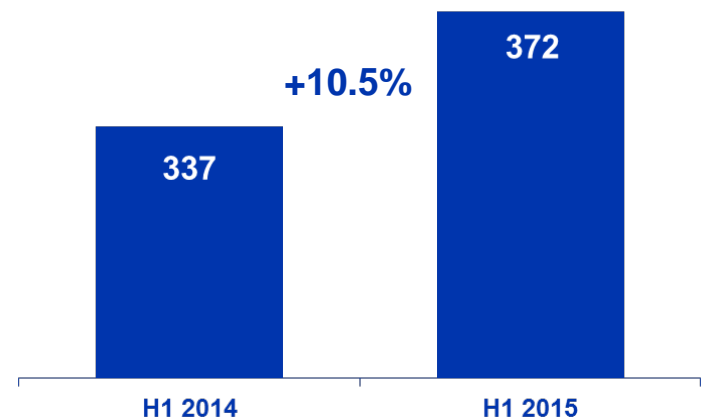


Turnover : € 5.3 Bn



■ Life ■ Non-life

Net result of insurance activities : € Mn



Innovative services contributing to the growth – FY 2014

#1 in Residential Video Surveillance

- Euro Protection Services runs since 1986
- 364 470 subscribers (+ 11% yoy)
- 33% market share among individuals



#1 Full MVNO in France*

* : # of clients and Turnover

- EI Telecom has 1,4 million clients
- 90 000 new telephone subscriptions in 2014
- 93% of phone packages are postpaid



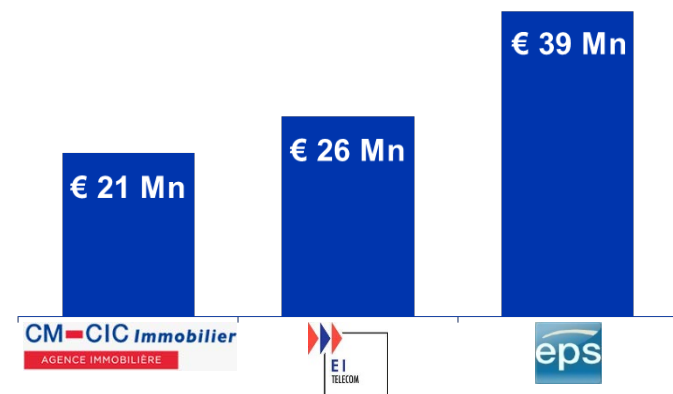
Property sales

- CM-CIC Agence immobilière sells properties to build to individuals
- 5 000 new properties booked in 2014 (+20% yoy)



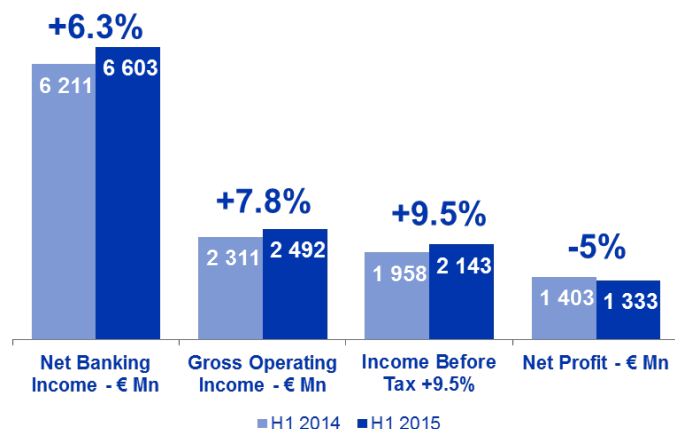
A contribution* of € 86 Mn to results

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

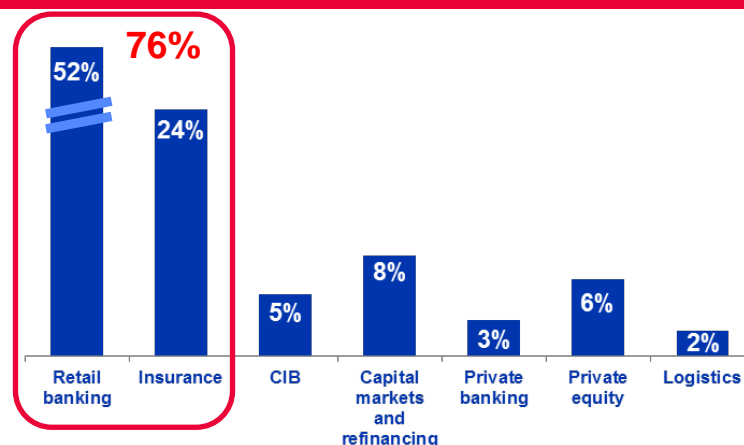


Sustained sound results

Recurring business results despite the increase of taxes



Operational business lines' contribution to H1 2015 net profit



General comments

- The increase in net fee and commission income, particularly in relation to loans, offsets the decline in margins (low interest rates and renegotiation of rates by costumers) and led to a 2.4% rise in NBI
- General operating expenses amounted to €4.1Bn. This increase resulted mainly from new taxes on banks that came into effect at the beginning of 2015 and from the application of IFRIC 21, which requires the recognition in full of certain taxes as soon as they become payable
- The Cost to income ratio of 62% is the lowest in France (*See page 43*)
- The drop in the net profit reflects a rise of nearly 42% in corporation taxes



Activity, results and risks

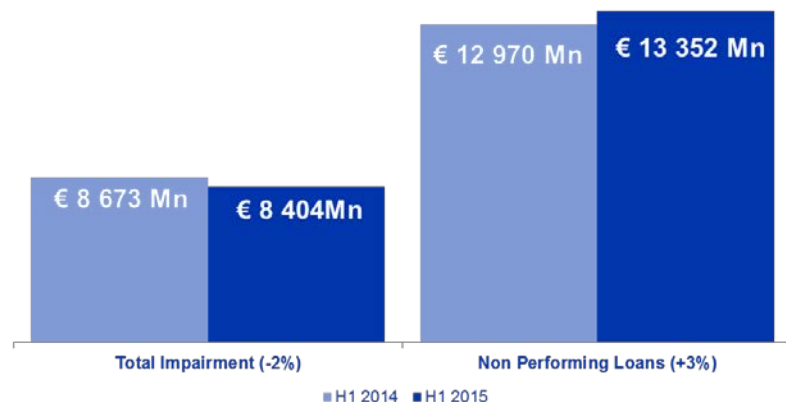
Asset portfolio : a moderate risk profile

High level of capitalization

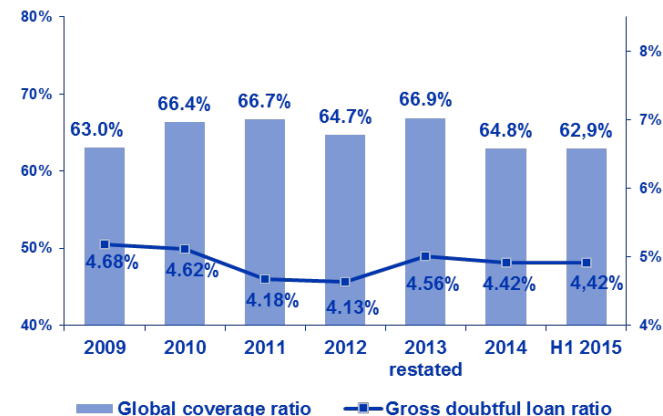
Proven and solid liquidity

Monitoring the credit risks

Non Performing Loans and impairment



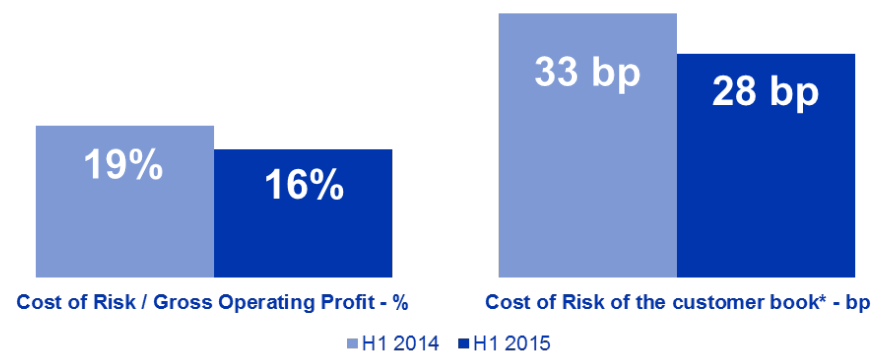
Gross doubtful loans and coverage ratios (%)



Improving Cost of Risk

- Overall H1 2015 cost of risk drops by € 25 Mn (-5.8%) to € 408 Mn
- All of the CM11 Group's business lines contributed to this improvement

Improving Risk Ratios





Activity, results and risks

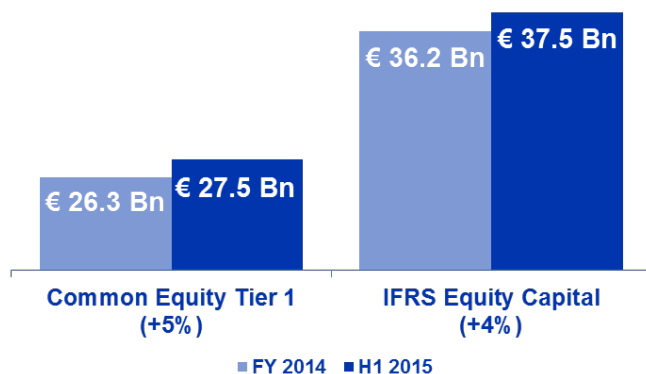
Asset portfolio : a moderate risk profile

High level of capitalization

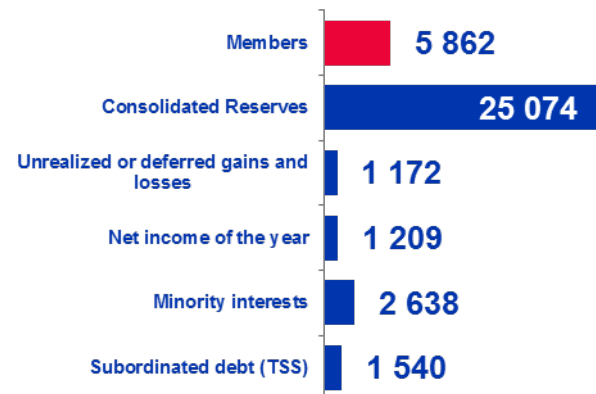
Proven and solid liquidity

High level of capitalization as at June 2015

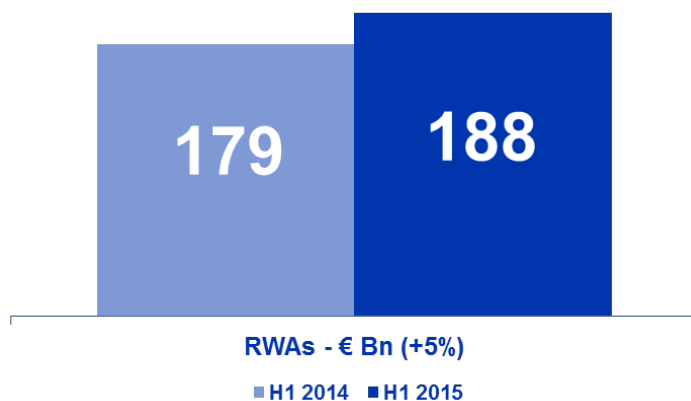
Common Equity Tier 1 and IFRS Equity Capital



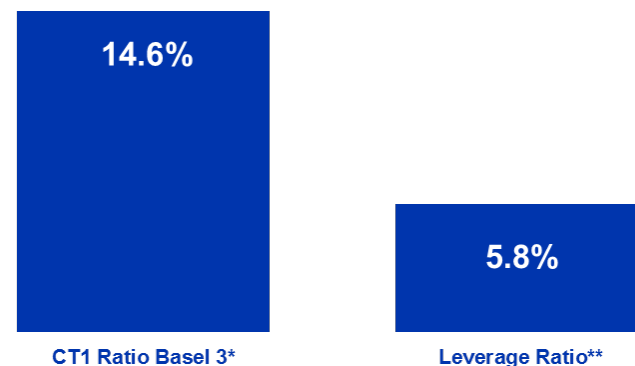
€37.5 Bn IFRS Equity Capital breakdown



Total RWAs



Ratios



* : as required under CRR/CRD4 without transitional provisions

** : in accordance with the delegated act



Activity, results and risks

Asset portfolio : a moderate risk profile

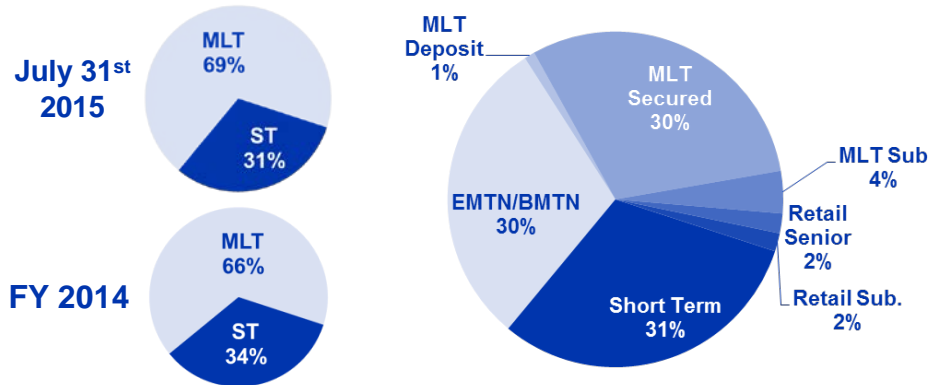
High level of capitalization

Proven and solid liquidity

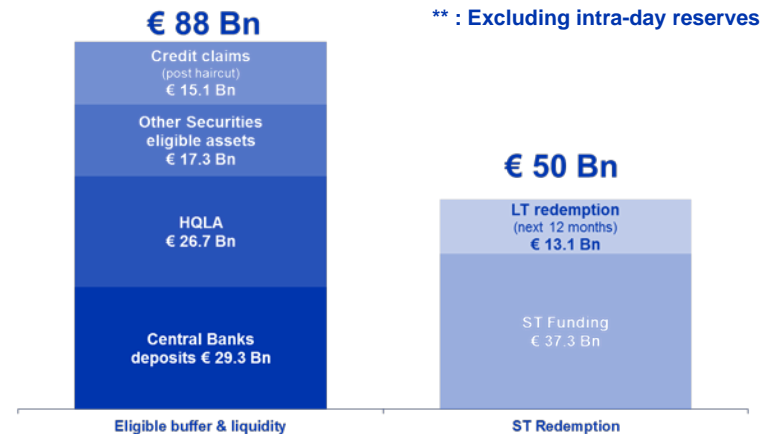
€ 120 Bn Central Funding* as of July 31st 2015

* : Including TLTRO and excluding Targobank Germany, Banque du Luxembourg and the CIC New York and Singapore branches

Funding breakdown



Eligible Buffer** / ST Redemption = 175%



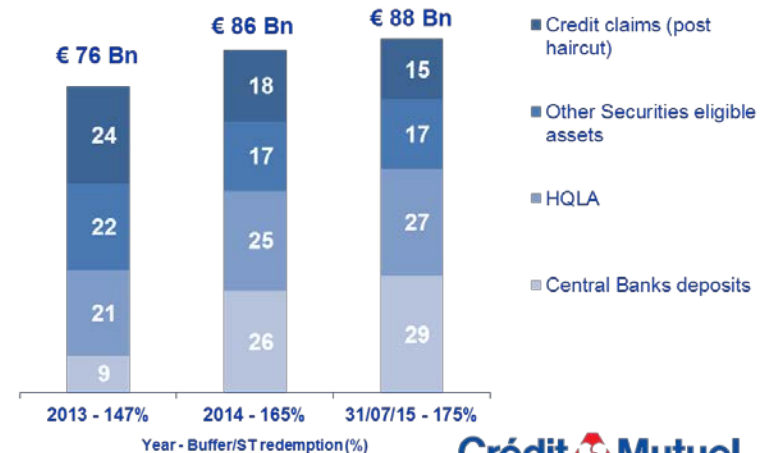
Additional comments

- LCR ratio* : 125%
- MREL : 8% expected at end 2016 (excluding senior debt)

*As at Mai 30th, 2015

Liquidity reserves (€ Bn)**

** : Excluding intra-day reserves



2014 and 2015 MLT funding issues

2014 MLT funding program*

- € 13.8 Bn maturing in 2014
- € 13.3 Bn raised – including a LT2 issue of € 1 Bn
- 5.9 years average maturity
- 7% LT2 - 23% Secured – 70% Unsecured
- 82% in EUR – 9% in USD – 5 % in JPY – 4% others

* : Excluding TLTRO

2014 major public issues

Type	Issued in	Size - €Mn	Currency	Years to maturity	Maturity
Unsecured	Jan-14	1 100	USD	3/5	Jan-17/19
Unsecured	Mar-14	1 500	EUR	10	Mar-24
Unsecured	Mar-14	470	JPY	2/3/5	Mar-16/17/19
Unsecured	Oct-14	220	JPY	5/7/10	Oct-19/21/24
LT2	May-14	1 000	EUR	10	May-24
Covered	Feb-14	1 500	EUR	5	Feb-19
Covered	Jun-14	1 000	EUR	10	Jun-24

2015 MLT funding program**

** : Excluding TLTRO and LT2

- € 11 Bn maturing in 2015
- € 7.5 Bn raised as of Sept 2015
- 4.5 years average maturity
- 13% Secured – 87% Unsecured
- 99% in EUR

2015 major public issues

Type	Issued in	Size - €Mn	Currency	Years to maturity	Maturity
Unsecured	Jan-15	1 250	EUR	10	Jan-25
Unsecured	Mar-15	1 750	EUR	2	Mar-17
Covered	Jan-15	1 000	EUR	7	Jan-22



CM-CIC Home Loan SFH



Executive 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 A (negative) / Aa2 (negative)/ A+ (stable) by S&P, Moody's 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



* : source : CNCM studies – 2014 market shares

Crédit Mutuel-CIC Home Loan SFH (the “Issuer”)

- Crédit Mutuel-CIC Home Loan SFH is a French credit institution (établissement de crédit) approved and regulated by the regulator Autorité de Contrôle Prudentiel (ACP)
- Full recourse obligation of the Issuer to BFCM
- AAA / Aaa / AAA expected ratings issuances 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 Crédit Mutuel-CIC Home Loan SFH

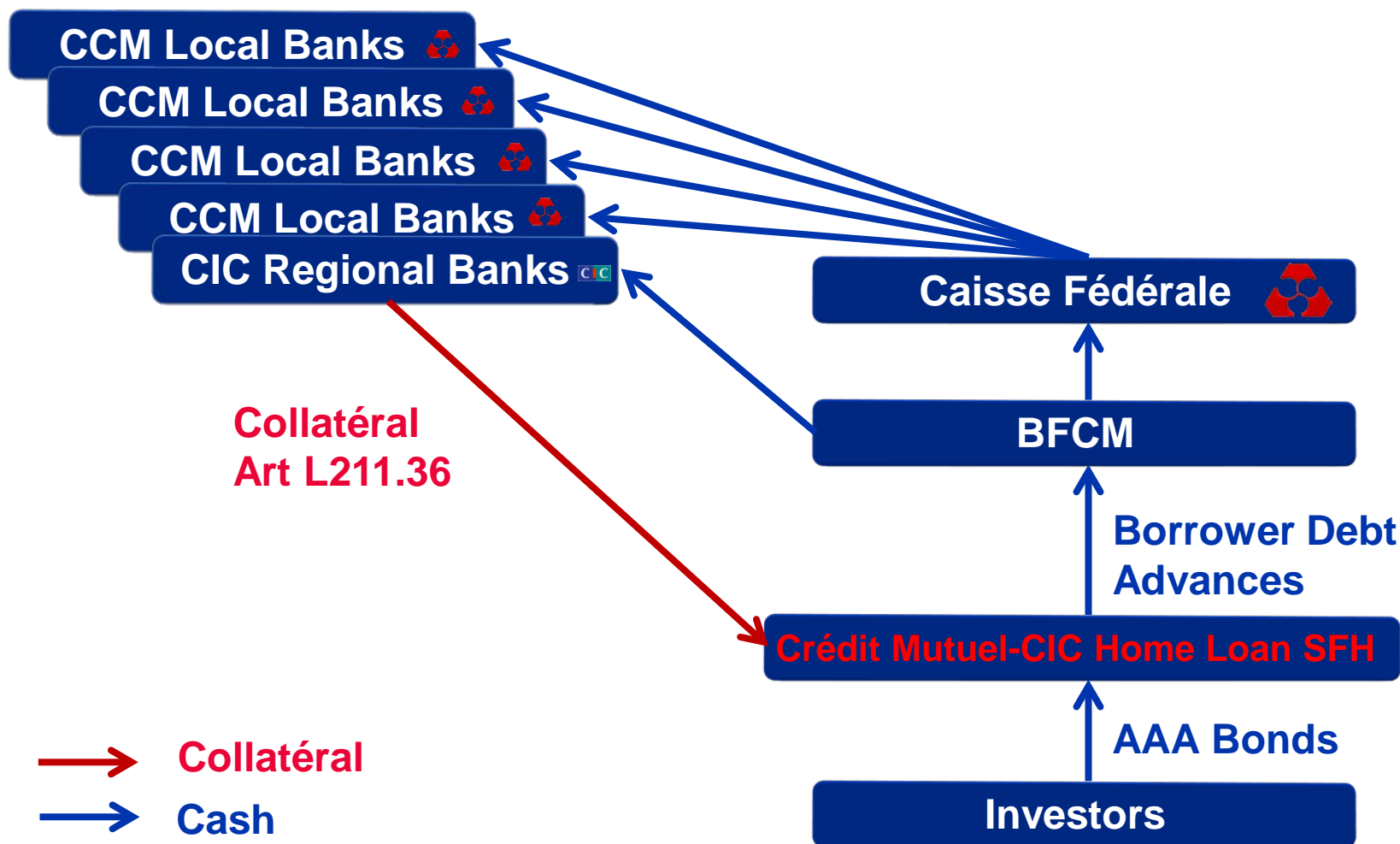


French Home Loan Cover Pool

- 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 68 months*

* : source : Investors report as at August, 20th 2015

Structure overview of the SFH Program



The AAA issuer of Group CM11

The AAA Issuer

- **Crédit Mutuel-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
- **Crédit Mutuel Home Loan SFH is subject to a statutory limitation of activities**
 - Issuer's single purpose is to issue covered bonds and 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
- **Crédit Mutuel-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 August, 20th 2015

Cover Pool

- Prime residential mortgages and guaranteed home loans only (no RMBS, no securitization, no substitution assets)
- Underlying properties exclusively located in France
- Residential loans under French law
- Only loans originated by the group's networks are eligible

Mastering the underwriting procedures

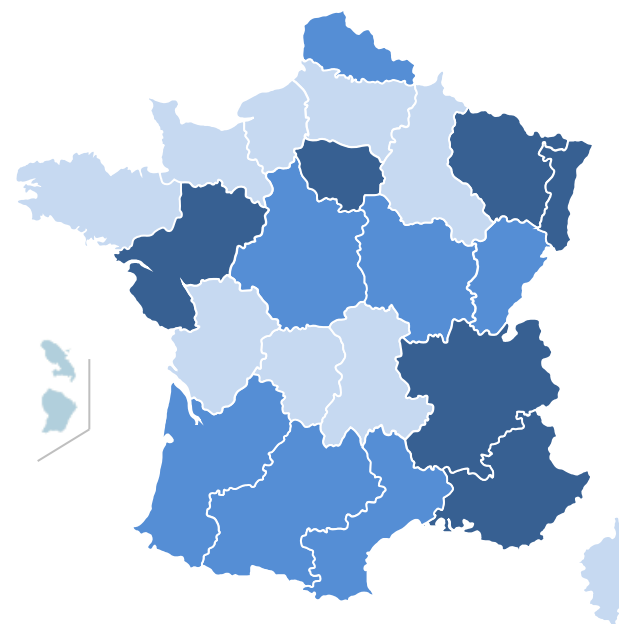
Unique IT system to support the different processes

- No loans in arrears in the cover pool
- Restrictive eligibility criteria
- Home Loan origination

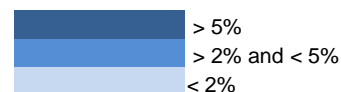
Present in the whole country

The cover pool's geographical distribution reflects CM's extensive footprint

Cover pool % by region



% of CM-CIC SFH HL's Cover Pool



Key Terms

Issuer	Crédit Mutuel-CIC Home Loan SFH
Program size	EUR 30 bn
Ratings	AAA (S&P) / Aaa (Moody's) / AAA (Fitch Ratings)
Risk Weighting	ECBC Label and CRR/CRD4 compliant
Maturity Type	Hard and soft bullet
Currency	Any
Listing	Paris
Governing Law	French
Maximum LTV	100% (with LTV cap at 80% for ACT)

Asset Quality

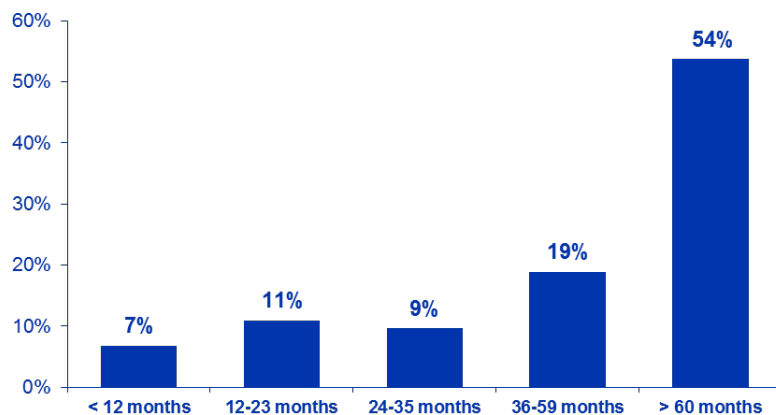
Strongly rated instrument	AAA / Aaa / AAA by S&P, Moody's and Fitch Ratings Exposure to the high quality French home loan market
Full support of the CM11 Group	Third largest retail bank in France. A (negative) / Aa2 (negative) / A+ (stable) expected ratings from S&P, Moody's and Fitch Ratings A stable 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 overcollateralisation level and mitigates negative carry risk Hedging strategy and liquidity providers mitigate market and liquidity risks

Cover Pool as at August, 20th 2015

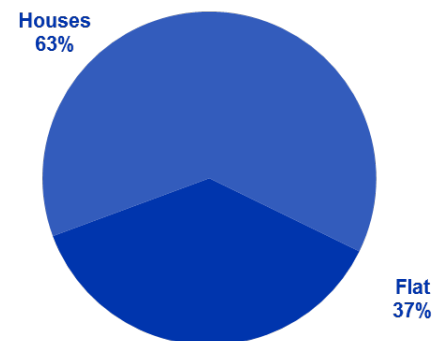
Pool Notionnal	EUR 33 Bn
Type	Prime French residential mortgages and guaranteed home loans
Number of loans	408 270
WA Current LTV	69%
WA Indexed LTV	63%
Seasoning	68 months
Rate Type	85% Fixed, 15% Floating and Indexed
Max loan amount	EUR 1 Mn
Breakdown of cover pool outstanding	74% Mortgages & 26% guaranteed

Cover Pool as at August, 20th 2015

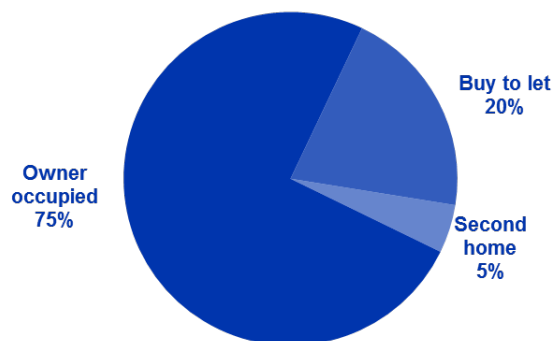
Seasonning (months)



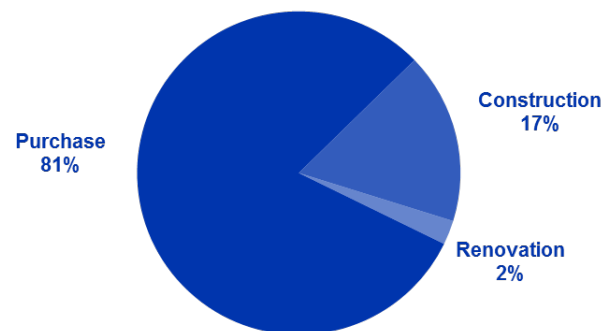
Property type



Occupancy by category

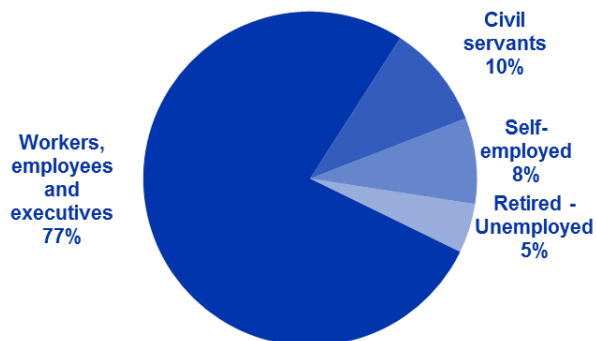


Loan Purpose

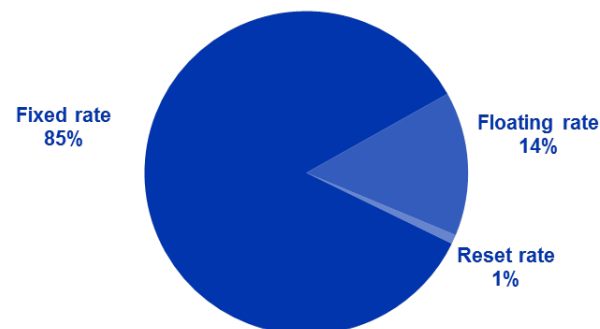


Cover Pool as at August, 20th 2015

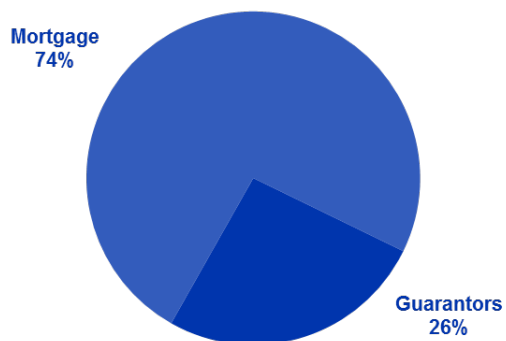
Employment type



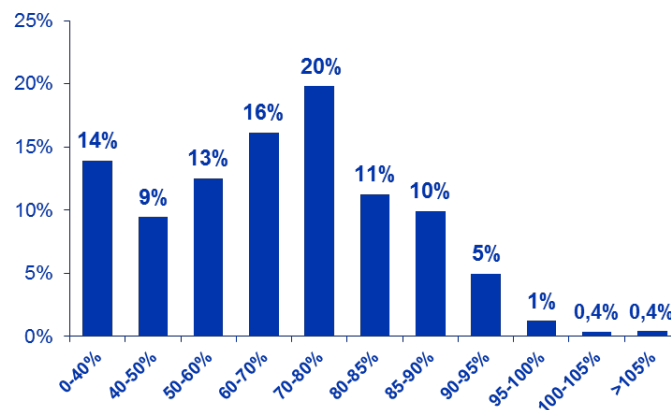
Rate type



Mortgage Vs. Guarantee



Unindexed LTV



A sound French housing market


A low home ownership ratio

French home loan market structurally is a sound and strong market because of a home ownership ratio among the lowest in Europe

Favorable structural factors

- A growing population
- The French housing market is characterized by inadequate growth in supply *vis à vis* strong and structural demand.
- The shortage of housing supply drives the evolution of prices in France

Market Indicators (Fitch Ratings – January 2015)

Country	Page	Nominal House Price yoy Growth (%)			Arrears ^{a, b} (%)			Gross New Mortgage Lending (% of Previous Year)			Mortgage Rates New Lending (%)			Overall Market Evaluation	
		2014e	2015f	2016f ^c	2014e	2015f	2016f ^c	2014e	2015f	2016f ^c	2014e	2015f	2016f ^c	Status & Outlook ^d	Change vs. 2014 ^e
FRA	 (20)	-2.0	-2.0	▼	0.1	0.1	►	75	95	►	2.7	2.7	►	Neutral	►

^a Fitch Rated RMBS 3 months plus arrears excluding defaults (* or market-wide arrears / impaired loan ratio – market-wide ratio definitions vary)

^b Markets: US: legacy prime jumbo, UK: prime; France: France retail; Brazil: largest lender CEF

^c Forecast: ranges from ▲ (increase) ► (stable), ▼ (decline)

^d Market status and outlook: ranges on a 7-notch scale from very strong, strong, strong/neutral, neutral, neutral/weak, weak and very weak

^e Change of Status / Outlook evaluation compared with evaluation a year ago

Source: Fitch

A sound French housing market

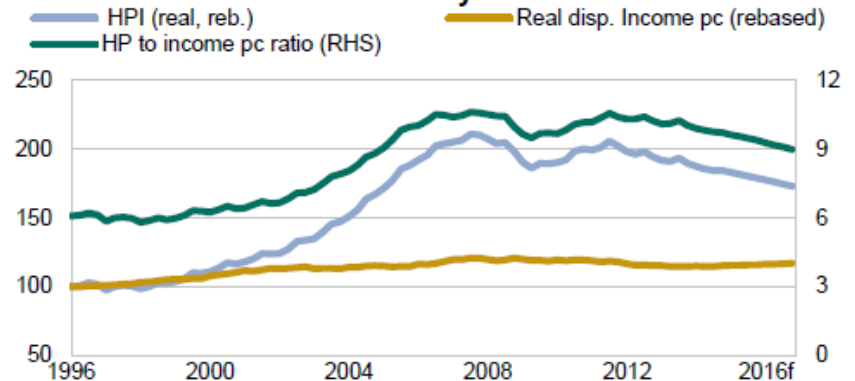
A sound French Housing Market

- 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 (*) 17.4 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 (2.21% (*))

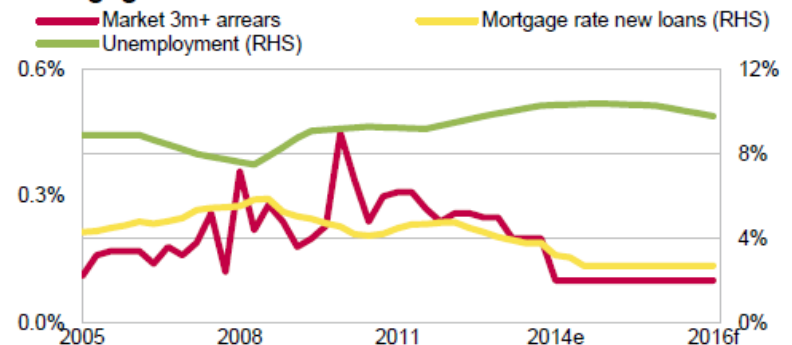
*Obs. Crédit Logement /CSA: Feb 2015

House prices & mortgage rates

House Prices and Affordability



Mortgage Rates and Arrears



Framework European Peer Comparison



	Société de Financement de l'Habitat (SFH)	Germany - Issuer of Hypothekendarlehen
Legal Over-Collateralization	105%	102%
Underlying Real Estate property prudent re-appraisal	Yes	Yes
Maximum Loan-to-value	80%	60%
Includes Commercial Real Estate	No	Yes
Location of real estate property	UE, EEA, non EEA AAA-AA	UE, EEA, non EEA AAA-AA (max 10%)
Replacement securities /substitutional assets	15%	20%
Regulatory oversight	Yes, role played by the Specific Controller	Yes, role played by the Sachwalter
Acceleration of Covered Bonds	No	No
Liquidity Risk Management	180-day needs must be covered at all times	180-day needs must be covered at all times



Appendixes

Origins of Crédit Mutuel

Co-operatives 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 creation of mutual local banks managing the deposits and loans of their members, and financing the local farming sector and development of new technologies, under the responsibility of the community members



The framework of the Crédit Mutuel is founded

- 1882, creation of the first Caisse de Crédit Mutuel in Alsace (northeastern part of France)
- 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 placed into a non distributable reserve



These principles still apply today

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

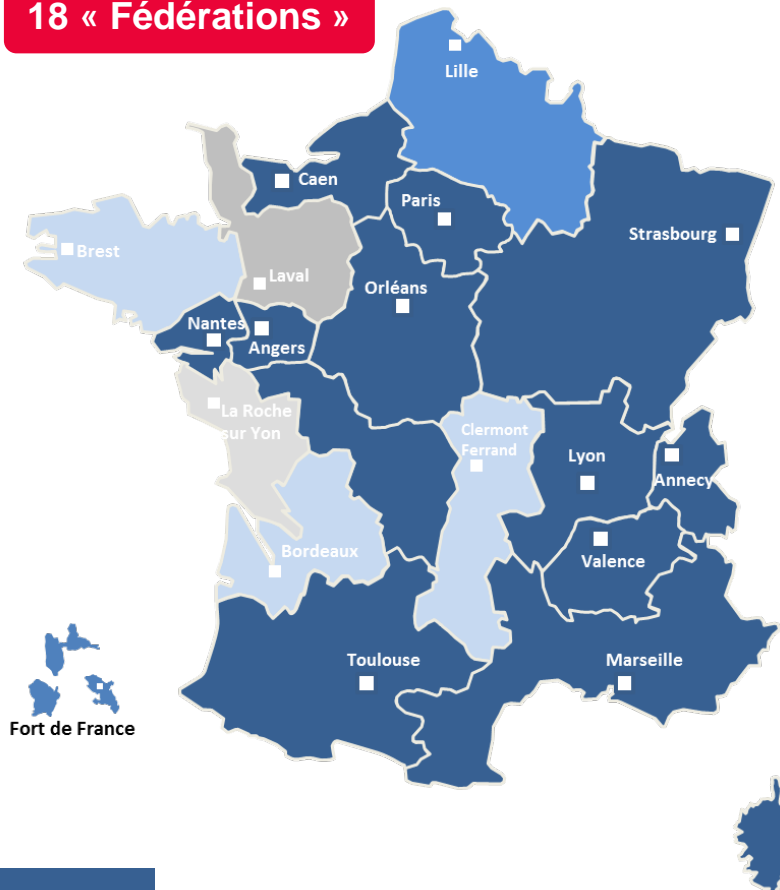


Crédit Mutuel

A cooperative group based on the « One Person, One Vote » principle



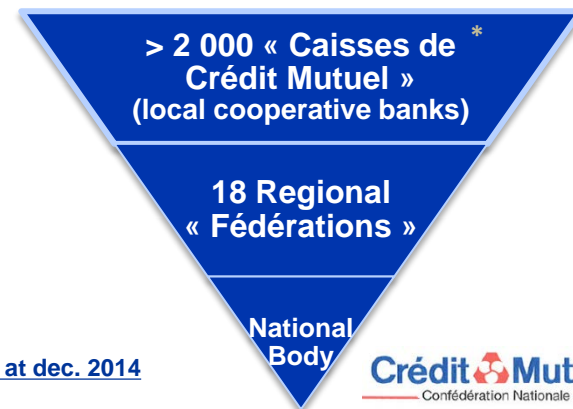
18 « Fédérations »



Groupe
CM11



Crédit Mutuel structure



* : as at dec. 2014



Governance of Crédit Mutuel*

* : as at dec. 2014

- 7.6 million members*
- 24 200 non executive directors*
- 78 500 employees*

Building up CM11 Group

Banking

- 1882 : First Caisse de Crédit Mutuel in « La Wantzenau (Alsace) »
- 1919 : Creation of **Banque Fédérative du Crédit Mutuel (BFCM)**
- 1992-2012 : from **Crédit Mutuel Centre Est Europe (Alsace + Lorraine + Bourgogne-Champagne)** to **The Group** : Lyon (1993), Paris (2002), Annecy (2006), Toulouse (2009), Nantes, Orléans, Caen, Valence, Marseille (2011) and Angers (2012)
- 1998 : BFCM buys 67% of **CIC** for €2 Bn (100% in 2001)
- 2008 : BFCM acquires 100% of **Citibank Germany** renamed **Targo Bank**
- 2008 – 2013 : BFCM gradually increased its share in the capital of **Cofidis** from 33% to 54.6%
- 2010 : Creation of a franchise in **Spain** with **BPE : Targo Bank**
- 2011 : 50/50 agreement for **Banque Casino** (French distributor)
- 2013 : Creation of **Monetico**, a world leader in payment solutions with **Desjardins**
- 2013-2014 : Increase in the share capital of **Banque de Tunisie** to 34%
- 2015 : Cofidis Participations acquires 100% of **Banco Banif Mais**, a **Portuguese consumer finance entity**



TARGO BANK



Popular

Monetico

BANIF MAIS
CRÉDITO ESPECIALIZADO



Building up CM11 Group

Insurance

- 1971 : Creation of **Assurances du Crédit Mutuel (ACM)**
- 1989-2014 : **ACM has 10% of each Desjardins' insurance companies** and is involved in the “**State FarmMD Canada**” transaction
- 2008-2015 : creation of a joint venture with **RACC Seguros** - Spain (49%) and **full ownership in 2015**
- 2012-2013 : ACM buys 60% of **Agrupacio Mutua (AMCI)** - Spain
- 2015 : Acquisition of **Atlantis Seguros** (100%) - Spain

Assurances
Crédit  Mutuel

 **Desjardins**
Coopérer pour créer l'avenir

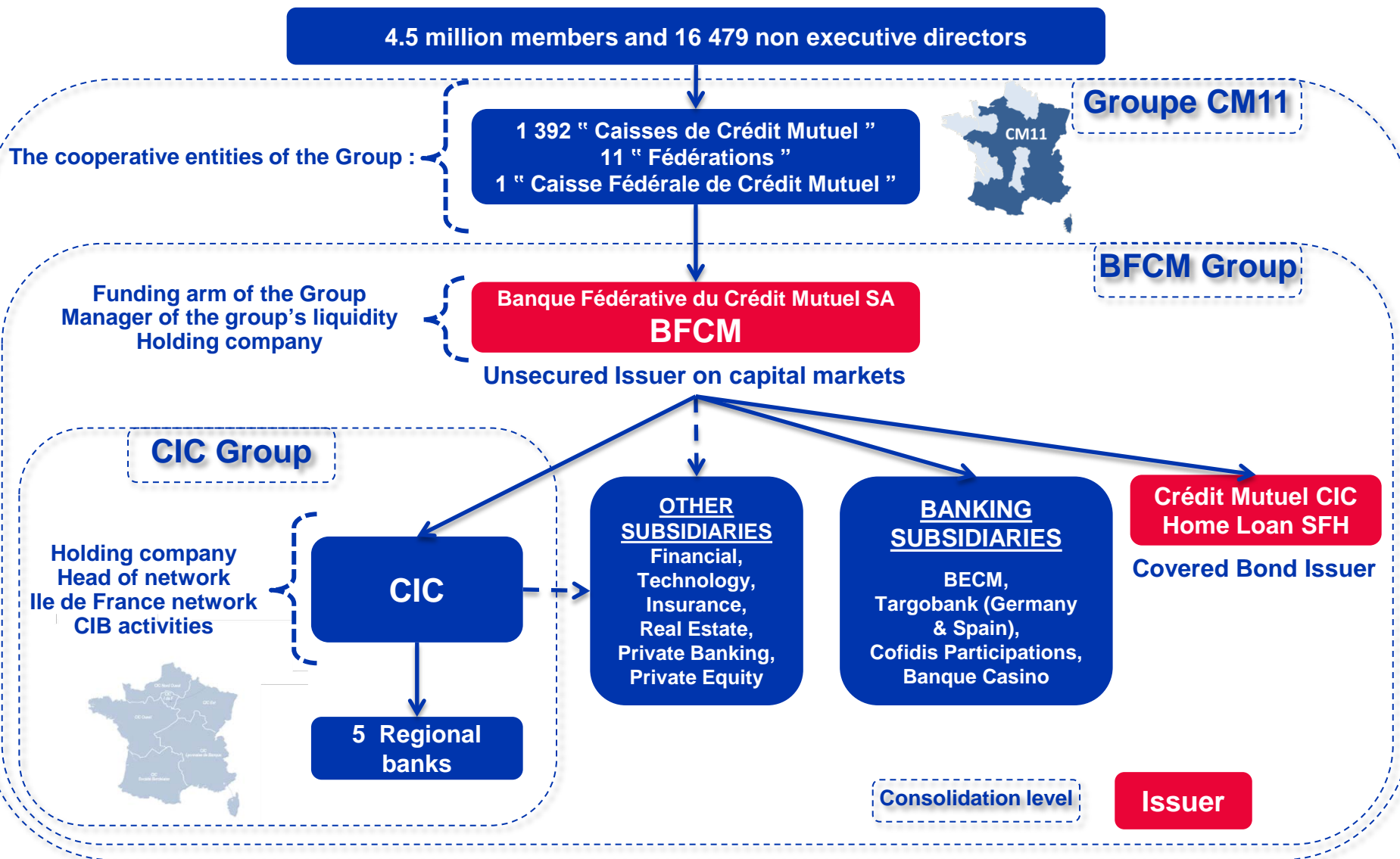
RACC
Automóvil Club



agrupació mútua


ATLANTIS
seguros

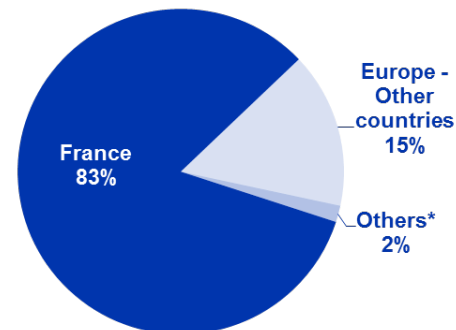
Groupe CM11 : a cooperative banking Group with two issuers - FY 2014



Groupe CM11 : A gradual European growth well under control



% NBI – FY 2014

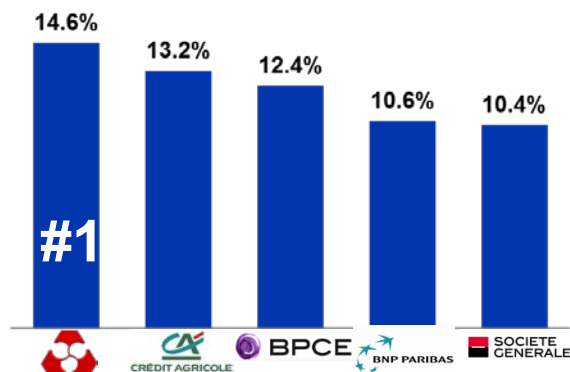


H1 2015 Comparative results of the French banks – press releases

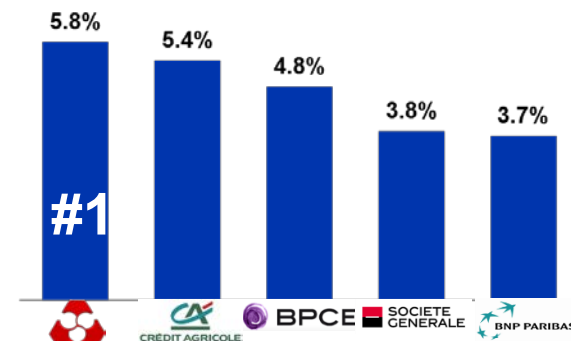
Group CM11 is # 1 on

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

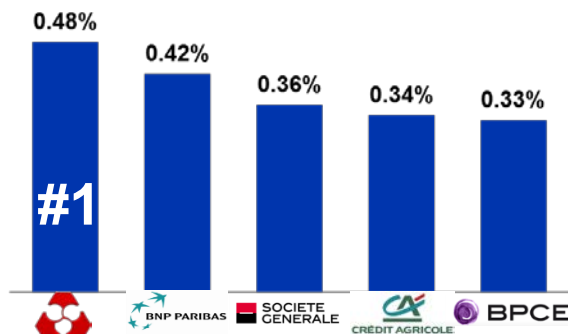
Basel 3 CET1 Ratio Fully Loaded



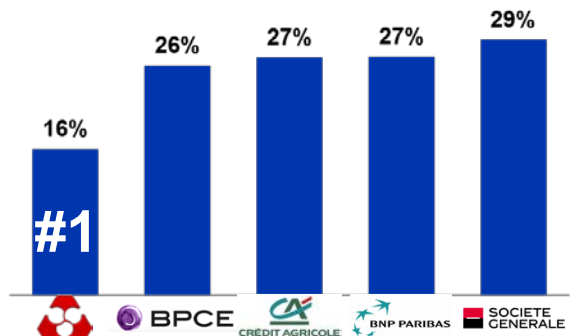
Leverage ratio



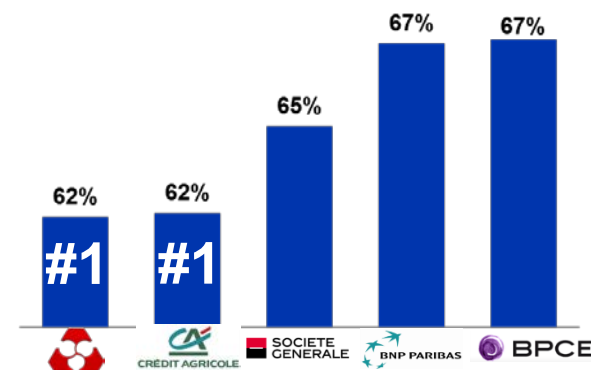
ROAA



Cost of Risk / GOP



Cost to income ratio



Your contacts at BFCM and CM-CIC Home Loan SFH



Christian Klein
Deputy CEO

christian.klein@creditmutuel.fr
+33 (0) 1 53 48 77 01



Christian Ander
Head of Funding & Capital Raising

christian.ander@creditmutuel.fr
+33 (0) 1 53 48 76 87



Sandrine Cao-Dac Viola
Head of Investor Relations

sandrine.caodac@creditmutuel.fr
+33 (0) 1 40 16 28 13



David Hérault
Investor Relations

david.herault@cmcic.fr
+33 (0) 1 53 48 77 00