

Results for the year ended December 31, 2024

Press Release

Strasbourg, February 6, 2025

Results for the year ended December 31, 2024	2024	2023	Change
RECORD NET REVENUE	€12.370bn	€11.808bn	+4.8 %
of which retail banking	€8.413bn	€8.410bn	0.0 %
of which specialized business lines	€2.916bn	€2.563bn	+13.8 %
GENERAL OPERATING EXPENSES UNDER CONTROL	-€6.268bn	-€6.057bn	+3.5 %
POSITIVE SCISSOR EFFECT			
HIGHER COST OF RISK DUE TO THE ECONOMIC CLIMATE AND INCREASED PROVISIONS	-€1.807bn	-€1.279bn	+41.3 %
NET INCOME AT RECORD LEVEL	€3.412bn	€3.345bn	+2.0 %

GROWTH IN LENDING ¹		
Home loans	Equipment loans and leasing	Consumer credit
€120.7bn	€117.2bn	€48.2bn
0.0%	+3.0%	+5.7%

SOLID FINANCIAL STRUCTURE	
CET1 Ratio ²	Shareholders' equity
18.8%	€45.2bn

The annual audit of the financial statements for the year ended 12/31/2024 is under way. The Board of Directors met on February 6, 2025 to approve the financial statements. All financial communications are available at www.bfcm.creditmutuel.fr and are published by BFCM in accordance with the provisions of Article L. 451-1-2 of the French Monetary and Financial Code and Articles 222-1 et seq. of the General Regulation of the French Financial Markets Authority (Autorité des marchés financiers - AMF).

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¹ Changes in outstandings calculated over 12 months. ² Ratio estimated at December 31, 2024 for Crédit Mutuel Alliance Fédérale which includes BFCM in its scope of consolidation. The integration of earnings into shareholders' equity is subject to approval by the ECB.

1.1. Financial results

(in € millions)	2024	2023	Change
Net revenue	12,370	11,808	+4.8%
General operating expenses	-6,268	-6,057	+3.5%
Gross operating income/(loss)	6,103	5,751	+6.1%
Cost of risk	-1,807	-1,279	+41.3%
cost of proven risk	-1,637	-1,359	+20.5%
cost of non-proven risk	-170	80	n.s
Operating income	4,296	4,472	-3.9%
Net gains and losses on other assets and ECC ⁽¹⁾	43	53	-19.2%
Income before tax	4,338	4,525	-4.1%
Income tax	-926	-1,180	-21.5%
Net income	3,412	3,345	+2.0%
Non-controlling interests	397	343	+15.6%
GROUP NET INCOME	3,015	3,002	+0.4%

⁽¹⁾ ECC = equity consolidated companies = share of net profit/(loss) of equity consolidated companies.

Net revenue

In 2024, the **net revenue** of Banque Fédérative du Crédit Mutuel totaled €12.4 billion, up +4.8% compared with 2023. This increase in revenues was driven by the good resilience of the business lines: stability of retail banking, strong performance of insurance and growth in revenues of the specialized business lines.

Net revenue from **retail banking** stabilized at €8.4 billion, with positive trends in consumer finance +7.0% and the business line subsidiaries (factoring, leasing) and a decline for the banking networks due to pressure on margins.

Net revenue from **insurance** totaled €1.4 billion, up sharply by +20.9% thanks in particular to historically high gross life insurance premiums, an improvement in income from health, protection & creditor insurance and an increase in financial income.

Net revenue from **asset management and private banking** was up by +19.4%. Asset management revenues include the addition of La Française Group to the consolidation scope as of January 1, 2024. Private banking saw its net revenue fall by -4.8% due to the decrease in the net interest margin.

Strong growth in the activity of the **corporate banking** business lines resulted in an increase in revenues of +9.3% from both net interest margin and commissions.

Net revenue from **capital markets activities** was very robust (+12.9% year-on-year), with revenues up in both the investment and commercial business lines. Against a backdrop of volatile interest rates, the investment business line delivered a strong performance, particularly at the London, New York and Singapore branches. The good momentum in all commercial activities contributed to the growth in their net revenue.

Despite an uncertain economic climate, **private equity** performed well with an increase in its revenues of +4.8% thanks to a high level of disposals.

Revenues from **other business lines** benefited from the increase in the revenues of the IT subsidiary and, to a lesser extent, the press subsidiary.

General operating expenses and gross operating income

In 2024, general operating expenses rose by +3.5% to -€6.3 billion, in line with growth targets and amid an inflationary environment.

The +3.6% increase in employee benefits expenses (54% in general operating expenses) reflects the proactive policy of retaining human capital.

The increase in other expenses mainly represents investment in technology.

This positive scissors effect resulted in an improvement in the cost/income ratio, which was 50.7% compared with 51.3% in 2023.

Gross operating income rose by +6.1% to €6.1 billion.

Cost of risk and operating income

In terms of amount, the cost of risk was -€1,807 million in 2024 compared with -€1,279 million in 2023. It breaks down into a -€1,637.19 million provision for the cost of proven risk (stage 3) and a -€170 million provision for prudent provisioning (cost of non-proven risk) on performing loans (stages 1 and 2):

- the rise in the cost of proven risk continued the trend already seen in 2023. It is less marked for consumer finance subsidiaries, which account for 57% of the cost of proven risk, and more marked for the banking network (36% of the cost of proven risk), which has been hit by a rise in corporate failures and the default of several single name players in France. The specialized business lines (5% of the cost of proven risk) returned to a low level of cost of proven risk, at -€86 million, close to that of 2022;
- the cost of non-proven risk was a net charge of -€170 million due to significant transfers from performing loans (S1) to downgraded performing loans (S2); the comparison base effect was therefore particularly unfavorable, since in 2023 the cost of non-proven risk was a net reversal of €80 million.

Other

Net gains/(losses) on other assets and ECC amounted to €43 million. It notably includes an additional earn-out of €23 million related to the sale of EIT.

Income before tax

Income before tax fell by -4.1% year-on-year to €4.3 billion in 2024, compared with €4.5 billion in 2023.

Net income

Net income rose by +2.0% at €3.4 billion despite an uncertain economic climate, demonstrating the strength of the diversified bankinsurance model.

Group net income came to €3.0 billion.

1.2. Financial structure

Banque Fédérative de Crédit Mutuel's shareholders' equity stood at €45.2 billion at the end of December 2024, compared with €42.1 billion at the end of 2023.

BFCM is a subsidiary of Crédit Mutuel Alliance Fédérale. At the end of December 2024, the latter's Common Equity Tier 1 (CET1) ratio was 18.8%¹.

The three rating agencies that issue ratings for Crédit Mutuel Alliance Fédérale and the Crédit Mutuel group all recognize their financial stability and the validity of the business model:

	LT/ST Counterparty**	Issuer/LT preferred senior debt	Outlook	ST preferred senior debt	Stand-alone rating***	Date of last publication
Standard & Poor's ⁽¹⁾	AA-/A-1+	A+	Stable	A-1	α	11/7/2024
Moody's ⁽²⁾	Aa3/P-1	A1	Stable	P-1	α3	12/19/2024
Fitch Ratings * ⁽³⁾	AA-	AA-	Stable	F1+	α+	1/7/2025

* The Issuer Default Rating is stable at A+

** The counterparty ratings correspond to the following agency ratings: Resolution Counterparty Rating for Standard & Poor's, Counterparty Risk Rating for Moody's and Derivative Counterparty Rating for Fitch Ratings.

*** The stand-alone rating is the Stand Alone Credit Profile (SACP) for Standard & Poor's, the Adjusted Baseline Credit Assessment (Adj. BCA) for Moody's and the Viability Rating for Fitch Ratings.

⁽¹⁾ Standard & Poor's: Crédit Mutuel group rating.

⁽²⁾ Moody's: Crédit Mutuel Alliance Fédérale/BFCM and CIC ratings.

⁽³⁾ Fitch Ratings: Crédit Mutuel Alliance Fédérale rating (as the dominant entity of the Crédit Mutuel Group)

Despite a year marked by actions on France's sovereign rating (downgrade on May 31, 2024 for S&P and negative outlook on October 11, 2024 for Fitch Ratings), these agencies confirmed, in 2024 (November 7, 2024 for S&P) and early 2025 (January 7, 2025 for Fitch Ratings), the external ratings and stable outlook assigned to Crédit Mutuel Alliance Fédérale and the Crédit Mutuel group. This reflects operating efficiency, recurring earnings based on a diversified business model, a low risk profile and strong financial fundamentals. Moody's downgraded France's sovereign rating on December 14, 2024, with mechanical consequences for the highest-rated French banks (loss of support from the country rating that they had benefited from), including Crédit Mutuel Alliance Fédérale. Accordingly, in the Moody's ratings breakdown, certain group instruments were downgraded on December 17, 2024, namely: Counterparty Risk Rating (to Aa3), Counterparty Risk Assessment (to Aa3(cr)), junior deposits (to A1) and preferred senior debt (to A1).

¹ Ratio estimated at December 31, 2024 for Crédit Mutuel Alliance Fédérale which includes BFCM in its scope of consolidation.

1.3. Results by business

Retail banking

Net revenue from retail banking remained stable at €8.4 billion. General operating expenses were kept under control at -€4.9 billion (-1.0%). The cost of risk increased to -€1,683 million, of which -€1,551 million for the cost of proven risk (up +43.3%) and -€132 million for the non-proven risk. Retail banking posted a decline in net income to €1,277 million.

Insurance

Net insurance income increased by +20.9%, driven by the increase in income from health, protection & creditor insurance and life insurance as well as by the increase in financial income. General operating expenses totaled -€145 million, corresponding solely to expenses not attributable to contracts. Net income was €993 million, up +19.4% compared with end-December 2023.

Asset management and private banking

Overall net revenue for the two activities increased by +19.4% to €1,343 million, benefiting from the consolidation of La Française Group entities. Private banking net revenue fell by -4.8% to €702 million due to lower net interest margin and commissions. Asset management net revenue was €641 million at the end of December 2024 and general operating expenses came to -€451 million. Net income was €243 million, down -8.8% compared with December 2023.

Corporate banking

Net revenue was up by +9.3% to €687 million at the end of the year 2024, driven mainly by an increase in the net interest margin +12.1%. Business volumes remained buoyant, reflecting the strong commercial momentum in the corporate and structured finance segments. The cost of risk was down, resulting in a net provision of -€81 million compared with -€168 million at end-December 2023. Net income therefore rose sharply to €396 million in 2024, compared with €195 million for 2023.

Capital markets

The investment and commercial business lines continued to grow, with total net revenue up +12.9% to €525 million. General operating expenses increased by +6.1% to -€272 million. Net income, at €192 million, illustrates the good performance of this activity (+30.6%).

Private equity

Fiscal year 2024 was marked by a historic level of disposals. €431 million was invested in 2024. As a result, the portfolio held steady at €3.8 billion in invested assets under management, demonstrating the strong momentum of these business lines in all their segments, from innovation to buyouts. With €361 million at the end of 2024, total income also remained solid, with three-quarters of it made up of capital gains generated by the portfolio, demonstrating the quality of investment management in an economic climate marked by uncertainty. In 2024, net income came to €286 million, up by +11.7%.

1.4. Key figures

Banque Fédérative du Crédit Mutuel¹

(in € millions)	12/31/2024	12/31/2023
Financial structure and business activity		
Balance sheet total	734,840	719,492
Shareholders' equity (including net income for the period before dividend pay-outs)	45,203	42,079
Customer loans	342,285	336,388
Total savings	665,478	639,605
of which customer deposits	295,099	299,302
of which insurance savings	53,650	51,544
of which financial savings (under management and in custody)	316,730	288,758

	12/31/2024	12/31/2023
Key figures		
Number of branches	2,123	2,129
Number of customers (in millions)	22.2	22.5

Key ratios		
Cost/income ratio	50.7 %	51.3 %
Overall cost of customer risk related to outstanding loans	51	37
Loan-to-deposit ratio	116.0 %	112.4 %
Overall solvency ratio ² (estimated for 12/2024)	21.0 %	20.7 %
CET1 ratio ² (estimated for 12/2024)	18.8 %	18.5 %

(in € millions)	2024	2023
Net revenue		
General operating expenses	-6,268	-6,057
Gross operating income/(loss)	6,103	5,751
Cost of risk	-1,807	-1,279
Operating income	4,296	4,472
Net gains and losses on other assets and ECC ³	43	53
Income before tax	4,338	4,525
Income tax	-926	-1,180
Net income	3,412	3,345
Non-controlling interests	397	343
GROUP NET INCOME	3,015	3,002

¹ Consolidated results of Banque Fédérative du Crédit Mutuel and its main subsidiaries: CIC, ACM, BECM, TARGOBANK and Cofidis Group, IT, etc.

² Estimate as of December 31, 2024 for Crédit Mutuel Alliance Fédérale, the integration of earnings into shareholders' equity is subject to approval by the ECB.

³ ECC = equity consolidated companies = share of net profit/(loss) of equity consolidated companies.

1.5 Banque Fédérative du Crédit Mutuel financial statements

Balance sheet (assets)

(in € millions)	12/31/2024	12/31/2023
Cash and central banks	86,190	97,074
Financial assets at fair value through profit or loss	39,653	33,149
Hedging derivatives	1,701	1,786
Financial assets at fair value through equity	44,421	36,922
Securities at amortized cost	5,680	3,786
Loans and receivables to credit institutions and similar at amortized cost	61,897	63,456
Loans and receivables due from customers at amortized cost	342,285	336,388
Revaluation adjustment on rate-hedged books	209	-558
Financial investments of insurance activities	135,472	131,752
Insurance contracts issued - Assets	10	15
Reinsurance contracts held - Assets	284	312
Current tax assets	1,002	1,076
Deferred tax assets	1,005	852
Accruals and miscellaneous assets	8,682	7,580
Non-current assets held for sale	0	0
Investments in equity consolidated companies	911	865
Investment property	36	38
Property, plant and equipment	2,606	2,426
Intangible assets	483	462
Goodwill	2,315	2,111
TOTAL ASSETS	734,840	719,492

In order to comply with IAS 32 concerning the offsetting of hedging derivatives, the following adjustments were made on 12/31/2023:

- Financial assets at fair value through profit or loss at 12/31/2023 (€33,188 million initially) was adjusted by -€39 million (to €33,149 million).
- Hedging derivatives at 12/31/2023 (€2,325 million initially) was adjusted by -€539 million to (1,786 million).
- Loans and receivables to credit institutions and similar at amortized cost at 12/31/2023 (€62,878 million initially) was adjusted by €578 million (to €63,456 million).

Balance Sheet - Liabilities and shareholders' equity

(in € millions)	12/31/2024	12/31/2023
Central banks	18	31
Financial liabilities at fair value through profit or loss	24,195	17,939
Hedging derivatives	3,261	4,426
Debt securities at amortized cost	166,158	150,276
Due to credit and similar institutions at amortized cost	46,031	59,280
Amounts due to customers at amortized cost	295,099	299,302
Revaluation adjustment on rate-hedged books	-15	-27
Current tax liabilities	450	532
Deferred tax liabilities	481	453
Accruals and miscellaneous liabilities	12,671	10,934
Debt related to non-current assets held for sale	0	0
Insurance contracts issued - liabilities	125,195	119,526
Provisions	2,913	2,740
Subordinated debt at amortized cost	13,180	12,003
Total shareholders' equity	45,203	42,079
Shareholders' equity – Attributable to the group	40,737	37,771
Capital and related reserves	6,568	6,568
Consolidated reserves	30,959	28,011
Gains and losses recognized directly in equity	195	190
Profit (loss) for the period	3,015	3,002
Shareholders' equity – Non-controlling interests	4,466	4,308
TOTAL LIABILITIES	734,840	719,492

Income statement

(in € millions)	12/31/2024	12/31/2023
Interest and similar income	33,311	29,216
Interest and similar expenses	-26,348	-22,491
Commissions (income)	4,771	4,343
Commissions (expenses)	-1,435	-1,338
Net gains on financial instruments at fair value through profit or loss	407	793
Net gains or losses on financial assets at fair value through shareholders' equity	35	-159
Net gains or losses resulting from derecognition of financial assets at amortized cost	0	0
Income from insurance contracts issued	7,498	7,207
Expenses related to insurance contracts issued	-6,234	-6,147
Income and expenses related to reinsurance contracts held	-74	-34
Financial income or financial expenses from insurance contracts issued	-4,335	-5,736
Financial income or expenses related to reinsurance contracts held	7	3
Net income from financial investments related to insurance activities	4,509	5,799
Income from other activities	850	863
Expenses on other activities	-591	-512
Net revenue	12,370	11,808
<i>of which Net income from insurance activities</i>	1,370	1,092
General operating expenses	-5,926	-5,694
Movements in depreciation, amortization and provisions for property, plant and equipment and intangible assets	-342	-363
Gross operating income	6,103	5,751
Cost of counterparty risk	-1,807	-1,279
Operating income	4,296	4,472
Share of net profit/(loss) of equity consolidated companies	56	51
Net gains and losses on other assets	-11	2
Changes in the value of goodwill	-2	0
Income before tax	4,338	4,525
Income taxes	-926	-1,180
Net income	3,412	3,345
Net income – Non-controlling interests	397	343
NET PROFIT ATTRIBUTABLE TO THE GROUP	3,015	3,002