

## 2007: a brilliant year for the Crédit Coopératif Group

The Board of Crédit Coopératif, chaired by Jean-Claude Detilleux, has closed the accounts for 2007, on which its members are invited to vote, on the basis of "one person, one vote", during the course of 22 regional general meetings and the annual general meeting on 22<sup>nd</sup> May.

The Group experienced a very satisfactory level of activity in 2007. Its net banking income (€ 345.7 million) rose by +11.8% and its net profit, group's share, increased by 86.4% (€ 87.8 million). These figures include income from the sale of la Bise, a Polish bank established by the group in 1990, but would have risen considerably without this capital gain (48 million gross). For the 1<sup>st</sup> year, the consolidated accounts are presented in accordance with IFRS standards and the accounts for 2006 have been redrafted.

\*\*\*

The group's **net banking income** (€ 345.7 million compared to € 309.2 million in 2006) rose by **+11.8%** (+14% for the Crédit Coopératif and its subsidiaries) thanks to its commercial dynamism and increased activity in all areas. Excluding extraordinary income (recovery of interest on bad debt, rises in venture capital, increases in dividends received, reversal of the building-loan provision), current net banking income rose by approximately +11%.

Annual average **fund raising** rose by **+15.1%**.

Clients' investment assets increased, on an annual average, for time deposits by +28.1% and for UCITS by +12.6%. The savings growth rate remained at between 10% and 11%, with sight deposits experiencing a renewed increase to +13.2%.

**As regards the use of capital**, medium and long term credit is continuing to increase at a sustained rate (**16.7%**), with new investment credit rising by **+10.6%** compared to 2006, continuing the trend of previous years.

Growth in commitments by signature is +14.8%.

Short term loans rose, on average, by +2.3% over the course of the year, with a marked acceleration during the second half of 2007 (+7% from December to December). Confirmed credit fell (-9.2%), with the portfolio increasing by +2% on average, and receivables experiencing sustained growth (an annual average of +7.3%).

The interest margin for client operations rose sharply thanks to an increase in volumes and a sustained global margin. The increase in sight deposits has actually enabled the increase in the cost of financing to be restricted.

Investment activities and own-account cash management, still with a profitable balance sheet, have been positive and have remained unaffected by the deterioration in the markets. This has enabled unrealized income to be carried forward with a view to major investment in 2008.

**Net commission** increased satisfactorily.

**Overheads** (€ 246.9 million) rose by +12.0%, as did net banking income. The increase in personnel costs (€ 155.6 million, +14.5%) can be explained by rising staff numbers – approaching 70 people – in line with the budget, but above all by the extent of the contribution (due specifically to the sale of la Bise) and introduction of a profit-sharing agreement signed in June. Other operating costs (€ 91.2 million, including depreciation) are largely in line with the budget, with savings (IT, real estate) making up for extra costs (central body, communication, real estate project costs).

The **operating ratio** has therefore remained stable at 71.4%.

**Gross operating profit** (€ 98.8 million) rose by +11.1%.

The **cost of risk** (€ 30.5 million) was affected by an extraordinary loss and an increase in the collective provision relating to the change to IFRS standards.

The **tax burden** rose (€ 26.7 million compared to € 21.0 million).

The **net profit**, group's share, reached **€ 87.8 million** – an increase of **+86.4%** compared to 2006 (€ 47.1 million using IFRS standards).

Faithful to the cooperative values that the Crédit Coopératif aims to uphold in its everyday business, **2.5 million** will be redistributed to members in the form of a **cooperative dividend** (0.75 million in 2006) pro-rata to the interest they have paid on their credit, the holders of **B shares** (corporate entities) and **C shares** (individuals) benefiting, as in previous years, from a return of **3%**.

\*\*\*

The Crédit Coopératif Group is in a positive position, with sustained and balanced commercial growth in all its divisions and markets, including its subsidiaries Ecofi Investissements and BTP Banque.

The number of corporate clients (associations, cooperatives, mutual funds, small and medium sized enterprises and industries in group, etc.) and private clients is increasing significantly.

Initiatives have been put in place to assist clients with current issues, such as business transfers, sustainable development and social responsibility systems and structures, as well as the opportunities and constraints created by the introduction of the new European Payments Area.

These actions are specifically based on partnerships concluded within the Banque Populaire Group with specialised structures (long term leases, client account management, etc.) or other systems (the Apere initiative or SMA BTP for transfers, the Chèque Déjeuner group, etc.).

The loan granted by the Council of Europe Development Bank to finance social projects, and finance obtained some time ago from the EIB for small and medium sized enterprises and industries in accordance with European economic objectives, represent a recognition of its expertise and the utility of its clients' investments.

Its 25 year commitment to ethical and cooperative finance is evident in its recent products (Livret Echo Mer, FCP Confiance solidaire, etc.) as well as in its involvement in dedicated development capital structures (Coopeest for Eastern Europe, Sicoop for cooperatives in Catalonia, etc.).

The increase in its capital base, the level of its ratios and its profitable balance sheet, place it in a good position to meet the wide variety of needs of its clients and members, despite a troubled economic climate.

A common mechanism has been launched, to involve employees, members and partners in defining the corporate objectives up to 2015, by the end of the year. It will take the form of a new medium term plan for 2009-2011, replacing the 2008 CAP, which has been successfully implemented.

Press contact: Communication: Claude Sevaistre – 01 47 24 89 71 – [claudesevaistre@credit-cooperatif.coop](mailto:claudesevaistre@credit-cooperatif.coop)  
[www.credit-cooperatif.coop](http://www.credit-cooperatif.coop)

# Crédit Coopératif Group

KEY FIGURES at 31<sup>st</sup> December 2007

RESULTS in millions of euros			
	2007	2006 (1)	Increase
Net banking income	345.7	309.2	11.8%
Overheads	246.8	220.3	12.0%
Gross operating profit	98.8	88.9	11.1%
Cost of risk	-30.5	-21.7	40.6%
Profits and losses on other assets	47.7	0.3	ns
Tax on profits	-26.6	-21.0	26.7%
Net profit (group's share)	87.8	47.1	86.4%

(1) redrafted in accordance with IFRS standards

SUMMARISED BALANCE SHEET (in billions of euros)					
Assets	2007	2006 (1)	Liabilities	2007	2006 (1)
Inter-bank transactions and securities portfolio	4.36	4.02	Inter-bank transactions and debenture loans	2.26	2.38
Client credit	6.37	5.87	Client deposits	7.24	6.20
Other assets	0.45	0.29	Other liabilities	0.60	0.58
Fixed assets	0.13	0.15	Equity	1.21	1.17
<b>TOTAL</b>	<b>11.31</b>	<b>10.33</b>	<b>TOTAL</b>	<b>11.31</b>	<b>10.33</b>

(1) redrafted in accordance with IFRS standards

INDICATORS		
	End 2007	End 2006 (1)
Current client credit (in billions)	6.37	5.87
Current client banking funds (in billions)	7.24	6.20
Current UCITS (in billions)	8.03	7.39
Operating ratio	71.41%	71.25%
Debt ratio	14.51%	14.01%
<i>of which, tier one</i>	<i>12.18%</i>	<i>11.63%</i>
Return on equity	9.85%	8.88%

(1) redrafted in accordance with IFRS standards

Crédit Coopératif: 68 branches

BTP Banque: 33 branches

UES employees (Crédit Coopératif and subsidiaries) : 1810