Satisfactory 2014 financial results

Yet again a strengthened financial soundness: the net result of 68.0 million Euros in progression by 1.8%, reinforcing the shareholder funds which rise to more than 1.2 billion Euros.

The Net Banking Income (turnover) appears as 275.1 million Euros, an increase of 0.9%. The decrease of the NBI customer activity, for which the presently low rates play a part, is more than compensated by the Regional Bank’s portfolio margin.

Operational charges progress by +4.2%, principally due to the workforce increase and the review of salaries, in part, resulting in a salary readjustment agreement. The depreciation expenses have increased due to numerous investments, including the creation of new agencies since 2012.

The risk remains at a historically-low level, due to a sound portfolio credit quality and efficient management. Its cost is decreasing by 7.5%.

The Basel II solvency ratio (relationship between the shareholder funds and the risky assets from the balance and off-balance sheet) appears at 19.83%, far beyond the regulatory requirement of 8%.

Sound finance serving the economy and our regions

Answers to financial needs of economic players with over 1.1 billion in new funding, despite a less sustained demand within this still general uncertain financial context.

Its financial soundness and its existing resources have allowed the Alsace Vosges Crédit Agricole to reassert its major role in accompanying projects backed by various customer types:

- Total amount customer assets: 11.7 billion Euros, a progression of 0.7%
- Total amount loans outstanding: 7.4 billion Euros, an increase of 0.3% (+ 0.8% for medium and long-term loans)

Numerous investments contributed to the activity of local businesses with the creation and renovation of agencies, rolling-out a new concept.

A large-scale creation program lasting several years with 15 agencies and renewal of agencies was decided consistent with the growth and customer service improvement strategy. Six projects were realised during the last year. This was the opportunity to introduce a new layout concept – a more welcoming and open area, to please both customers and associates.

The Crédit d’Impôt Compétitivité Emploi (Competitiveness and Employment Tax Credit) which businesses was completely used to finance the new investments and to create jobs.
Recruitments to have the necessary human means to implement the strategy:
212 associates hired in 2014

The significant change undertaken by the Alsace Vosges Crédit Agricole is accompanied by adjustments for human resources:
- An increase in the workforce of about 7% in two years, which is nearly one hundred positions created

**Pursuing of the ambitious growth and customer service improvement strategy**

**A dynamic trend with over 22,000 new customers including over 10,000 who are under 21 years old**

The Alsace Vosges Crédit Agricole asserts itself as a banker and a reliable insurer:
- Increase of business assets with over 6,000 customers
- Nearly 138,000 new products bought by customers (+3.5% compared to 2013)
- One customer out of 3 is insured at Crédit Agricole

**A diversification of sectors and offers with the development of real estate sector job and cell-phone package offers (around 3000 contracts in 6 months)**

In 2014, the purchasing of the Gest’Home lease management firm in Strasbourg allows to present customers a full range of services along with the subsidiary Immobilier Gestion Privée:
- Proposing properties to buy
- Lease management and rent-guarantee insurance for investors

The launch last year at the beginning of the school year of an innovative attractive-priced cell-phone offer in partnership with Virgin Mobile, was a great success:
- 3000 contracts sold in 6 months

**A desire to better serve customers: implementation of a new sales organisation**

- Reinforced skills over all three departments with easier access, with the creation of 20 Expert Centres for its specialised and wealth management customers
- A multimedia Customer Relation Centre which is developing in Epinal

**Social responsibility to better face current and future challenges**

Concrete commitments regarding Corporate Social Responsibility (CSR): affordable rates to finance energy work and assisting people in difficulty or who have suffered an accident

As an example, since 2014 the Alsace Vosges Crédit Agricole:
- is partner with the Région Alsace and the ADEME (French Environment and Energy Management Agency) to finance, at exceptional costs, the energy rehabilitation work of individual homes within the framework of the energievie.info program.
- Supports the Passerelle Association created at the end of 2014 to assist, within our three departments, people in difficulty or having suffered an accident. This service allows vulnerable people to be looked after. All actions led by the Passerelle Association are managed in partnership with the Crésus Association.

**In 2015**

The Alsace Vosges Crédit Agricole is on a roll: creation of a first business incubator in Colmar and reflection for innovation in favour of household purchasing power. It resolutely pursues its growth strategy.