RCI Banque
groupe RENAULT

PRESS RELEASE

October 26, 2014

AFTER A COMPREHENSIVE ASSESSMENT OF BANK BALANCE SHEETS, THE ECB ACKNOWLEDGES THE FINANCIAL STRENGTH OF RCI BANQUE

At completion of the Asset Quality Review, the European Central Bank concluded that RCI Banque had implemented robust processes and had booked an adequate level of provisions. In a highly stressed scenario defined by the ECB, RCI Banque's capital appears well above the regulatory requirement. The resulting solvency ratio comes to 9.1%, compared to the 5.5% mandatory threshold.

Commenting on the results, Dominique Thormann, Chairman of RCI Banque said: *« The Asset Quality Review combined with the Stress Tests carried out by the European Central Bank confirms the soundness of RCI Banque's balance sheet and the resilience of the company's business model in various crisis scenarios* ».

In November 2013, the ECB launched a process to assess the quality of assets held by the major European banks and performed Stress Tests to evaluate the resistance of each bank to various crisis scenarios.

THE ASSET QUALITY REVIEW CONFIRMS THE ADEQUATE LEVEL OF RCI BANQUE'S PROVISIONS

The Asset Quality Review was intended at assessing the adequacy of provisions covering expected losses in each bank. This analysis was conducted on RCI Banque's premises by the "Autorité de Contrôle Prudentiel et de Résolution" ("ACPR"), the national competent authority in France, under the control of the European Central Bank. This review was conducted in two phases: a data selection phase and an analysis phase. The latter aimed at validating processes, procedures, data integrity, and the level of provisions for various risks.
This review demonstrates the robustness of RCI Banque's processes and procedural framework, as well as an adequate level of provisions compared to asset. RCI Banque was not requested to perform any significant adjustment to its regulatory equity.

STRESS TESTS CONFIRM THE STRENGTH OF THE BALANCE SHEET OF RCI BANQUE

The Stress Tests were aimed at evaluating the resilience of the bank balance sheets under various crisis scenarios. The methodological note issued by the ECB detailed the macroeconomic parameters (GDP, unemployment rate…) to apply so as to simulate two stress scenarios: a baseline scenario and an adverse scenario. Both were translated into risk parameters used by banks.
The strict application of the ECB's methodology led to a risk level several times higher than the worst case scenario RCI Banque ever faced in its history. As a consequence, the test demonstrated that RCI Banque's capital was largely within the level required by European regulations. The resulting solvency ratio indeed came to 9.1%, compared to a mandatory 5.5% threshold.

Press Contacts

RCI Banque	**Hill+Knowlton Strategies**
Sophie Guiot + 33(0) 1 76 88 86 44 sophie.guiot@rcibanque.com	+ 33(0) 1 41 05 44 70 rcibanquepressoffice@hkstrategies.com