

Brussels, 15/10/2024

Moody's upgrades Crelan's issuer rating to "A2"

Crelan Cooperative Bank is pleased to announce a new milestone in its financial development. On 15 October 2024, Moody's upgraded its issuer rating.

Moody's states in a press release that it has upgraded Crelan's issuer rating from "A3" to "A2", with a stable outlook. A number of other ratings were also upgraded. The "A2" rating reflects the bank's low risk profile and follows the successful completion of the merger between Crelan and AXA Bank Belgium.

This upgrade is thanks to the successful merger between the former AXA Bank Belgium and Crelan, which took place at the beginning of June 2024. Now that this has been completed, the associated costs and risks have also disappeared.

Since the end of 2021, Crelan's IT teams have done a remarkable job to ensure the successful migration of customer and branch data from the former AXA Bank to Crelan's systems. This complex operation was carried through without a single major incident. Thanks to the expertise and commitment of our teams, the migration was completed successfully.

Alongside the migration of the IT systems, the integration of the two banks was also a complete success, encompassing the entire organisation. A single organisational chart has been introduced, internal policies have been harmonised, and a common commission scheme for the network of independent agents has been negotiated and approved, thus strengthening business unity. In addition, a single statute has been drawn up for all employees, reflecting the desire for complete and consistent integration at all levels.

This upgrade of Crelan's rating also takes into account the beneficial synergies arising from the merger, which will enable Crelan to achieve healthy and sustainable profitability. It reflects the bank's low asset risk, strong capitalisation, sound funding structure and liquidity.

Emmanuel Vercoustre, Chief Financial Officer of Crelan:

"The merger process between Crelan and AXA Bank Belgium came to a successful conclusion last June. Begun in 2021, it has mobilised the efforts of all the bank's teams and considerable resources. Crelan focuses on lending to the Belgian market: private individuals, business customers and farmers. This results in a diversified loan portfolio and a low cost of risk. "

Moody's Ratings :

"Crelan's capital is robust, as reflected by a tangible common equity (TCE) ratio of 25.5% at end-June 2024.

Our assessment of capital also takes into account Crelan's low TCE leverage ratio of 4.1% at end-June 2024, which is however commensurate with the high quality and collateralized nature of its loan book."

Philippe Voisin, CEO of Crelan:

"We are proud of the improvement in the rating and proud of the path we have taken to achieve the merger and integration of the two banks. This external acknowledgement shows that this large-scale operation was justified. We are now entering a new chapter in Crelan's history, but are continuing to build on our momentum. We remain committed to offering our customers a secure financial environment. "

About the Crelan Group

The financial group is formed by CrelanCo SA, Crelan SA, Europabank SA. It ranks fifth among Belgian retail banks in terms of total assets. The Crelan Group is represented by two bank logos: Crelan and Europabank. At 31 December 2023, the Crelan group had: 4,456 employees (both staff members and independent banking agents and their employees), 792 branches, 283,629 cooperative shareholders, nearly 1.8 million customers and a balance sheet total of just under EUR 54 billion. In addition, the banking group manages EUR 42.4 billion in customer deposits, EUR 15.5 billion in off-balance sheet investments and supports Belgian households and businesses with EUR 49.0 billion in loans.

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