



Half Year 2014 Results

***Analysts
presentation
31 July 2014***

*Selective
growth*

*Strengthened
efficiency*

*Solid
balance
sheet*

Groupama's half-year 2013 results

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- ▶ Selective growth
 - Stable revenues at €9.2 billions
- ▶ Strengthened technical and operating performance
 - 2.4 point improvement in the non life combined ratio, at **98.5%**
 - Sharp increase in the operating income, at **€100 millions**
 - Net profit of **€140 millions**
- ▶ Solid balance sheet
 - **239%** solvency margin

*Results in line with
our strategy, driven
by performance*

**Selective
growth**

*Strengthened
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*Solid
balance
sheet*

Stable revenue over the 1st half year

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Groupama's revenues breakdown

Revenues in € millions	30/06/13		30/06/14	like-for- like Δ
	Reported	Proforma		
P&C insurance	5,140	5,083	5,140	+1.1%
France	4,089	4,073	4,147	+1.8%
International	1,051	1,010	993	-1.7%
L&H insurance	3,948	3,937	3,908	-0.7%
France	3,599	3,599	3,468	-3.6%
International	349	338	440	+30.3%
Total Insurance	9,088	9,020	9,048	+0.3%
Financial activities	129	129	138	+6.8%
Total revenues	9,217	9,148	9,187	+0.4%

- ▶ Strengthened positions in P&C in France
 - + 1.8% versus +1.5% for the market (source: FFSA, May 2014)
- ▶ Favourable shift in business in L&H
- ▶ Increase in L&H revenues in the international subsidiaries

*Selective growth in
both French and
international
markets*

Selective
growth

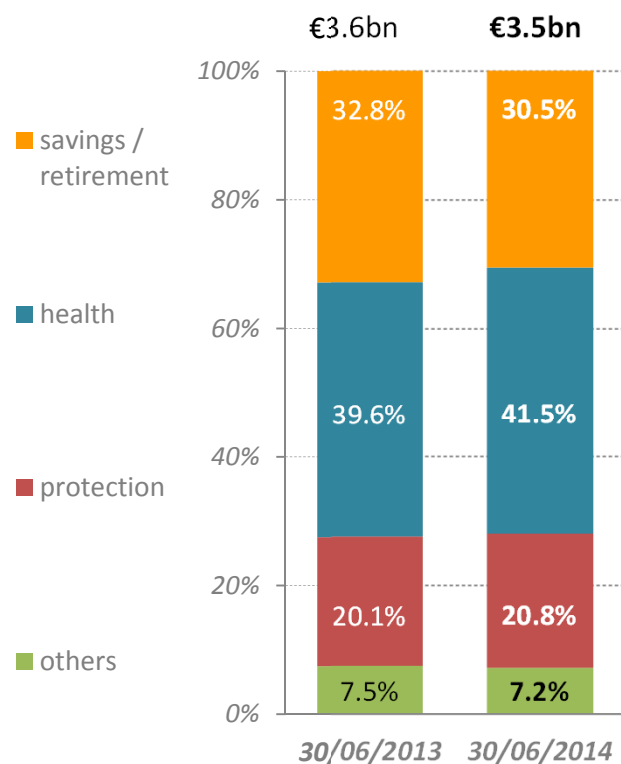
Strengthened
efficiency

Solid
balance
sheet

Favourable shift in business in L&H

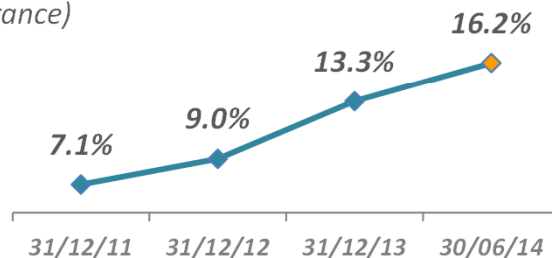
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L&H insurance product mix (Groupama - France)



- ▶ Upward trend in unit-linked (U/L) savings business:
 - 42% of total individual savings revenue in France in U/L products, versus 31% at end of June 2013
 - Arbitrage from euro-denominated into U/L products and 'Fourgous' operations carried on during the semester

% Unit-linked in individual savings reserves (France)



**Successful strategy
in savings business,
focused on unit-
linked products**

Selective
growth

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sheet

Increase in revenues from international subsidiaries

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Breakdown of revenues – International insurance

Revenues in € millions	30/06/14	like-for-like Δ
Italy	764	+9.7%
Turkey	222	+9.9%
Hungary	190	+2.4%
Romania	73	-10.8%
Other countries ⁽¹⁾	184	+1.7%
International insurance	1,433	+6.4%
Related companies ⁽²⁾	142	+21.1%
International insurance including related companies ⁽²⁾	1,575	+7.5%

⁽¹⁾ Greece, Portugal, Bulgaria, Gan Overseas

⁽²⁾ Related companies, Groupama Avic China, Günes, Star, consolidated within the Group's scope through equity method

- ▶ Strong increase in L&H revenues, +30.3%
- ▶ Growth in agricultural insurance business lines, +29.7%
- ▶ Rise in revenues from the related companies

*International
diversification into
markets with high
potential*

Selective
growth

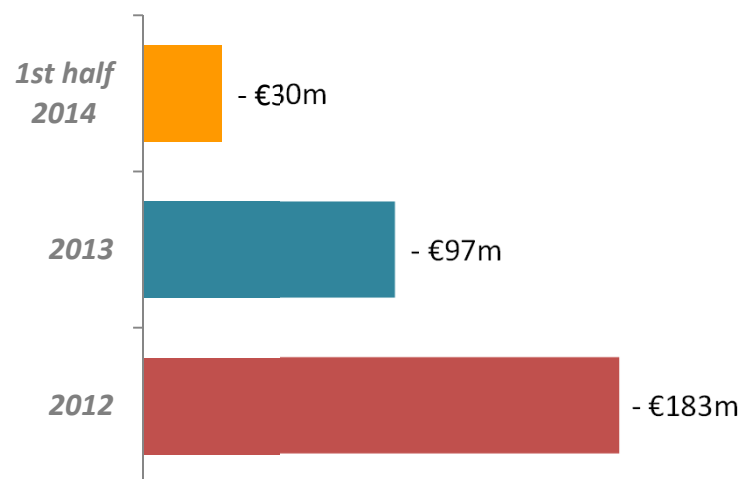
Strengthened
efficiency

Solid
balance
sheet

Further improvement in cost cutting

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Decrease in total expenditures over the period In € millions



NB : cost cutting amounts include cost cutting in the financial subsidiaries

- ▶ Total of €310 millions€ in cost cutting since the beginning of 2012
- ▶ Further efforts and productivity improvement

**Virtuous strategy
carried on the 1st
semester**

Selective
growth

**Strengthened
efficiency**

Solid
balance
sheet

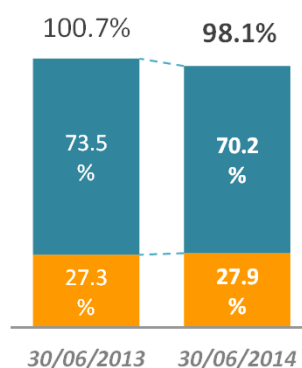
Improvement in the combined ratio, at 98.5%

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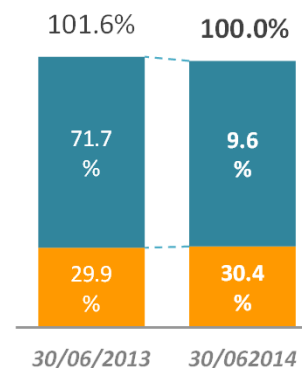
Groupama's non life combined



Non life combined ratio France



Non life combined ratio International



- ▶ 3-point decline in the loss ratio
- ▶ Favourable trend both in the domestic and international markets

**Strong improvement
in loss experience**

Selective
growth

**Strengthened
efficiency**

Solid
balance
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Increase in the operating income

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Breakdown of Groupama's net result

<i>In € millions</i>	30/06/2013	30/06/2014
Economic operating profit	26	100
Net realised capital gains ⁽¹⁾	215	88
Impairment losses on financial instruments ⁽¹⁾	-8	0
Gains or losses on financial assets booked at fair value ⁽¹⁾	-4	-35
Other expenses and income	-42	-12
Net profit	187	140

⁽¹⁾ Amounts net of profit sharing and tax

- ▶ Sharp increase in the operating profit at €100 millions
- ▶ Decrease in realised capital gains
- ▶ Total net profit of €140 millions

**Strengthened
technical and
operating efficiency**

Selective
growth

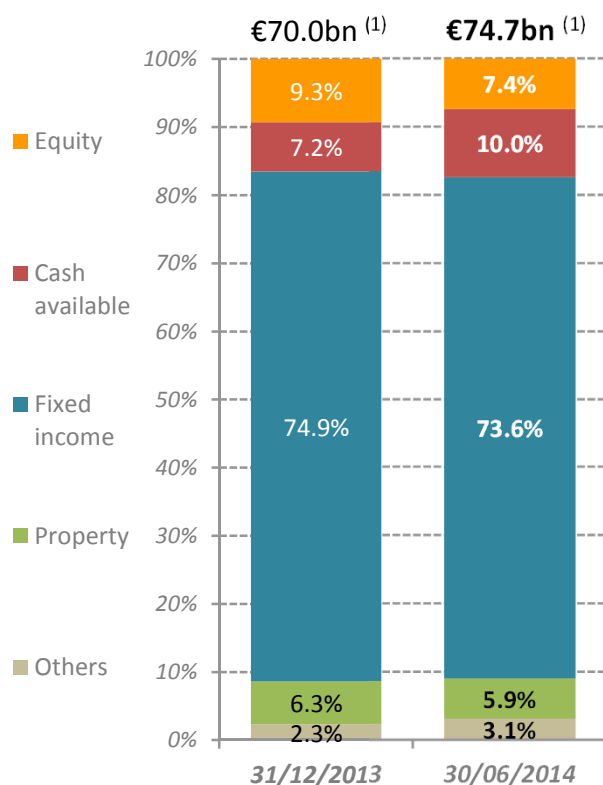
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efficiency

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Further asset de-risking

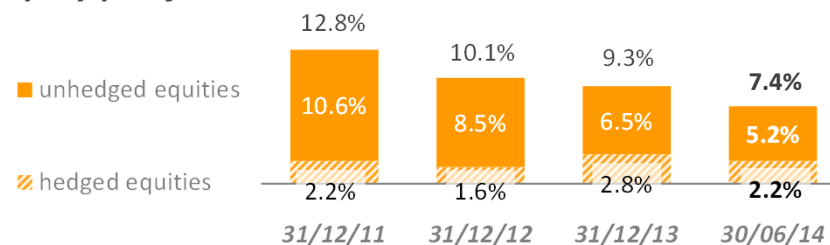
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Breakdown of the asset portfolio⁽¹⁾



⁽¹⁾ Fair value excluding unit linked, repurchase agreements and minorities

Equity portfolio



- ▶ An equity portion cut by half in cost value, since the end of 2011 (-53%)

Unrealised capital gains

In € billions	31/12/13	30/06/14
Fixed income	2.1	5.1
Equity	0.8	1.0
Property	2.0	2.0
Total	4.9	8.1

An unhedged equity
portion of 5.2%

Selective
growth

Strengthened
efficiency

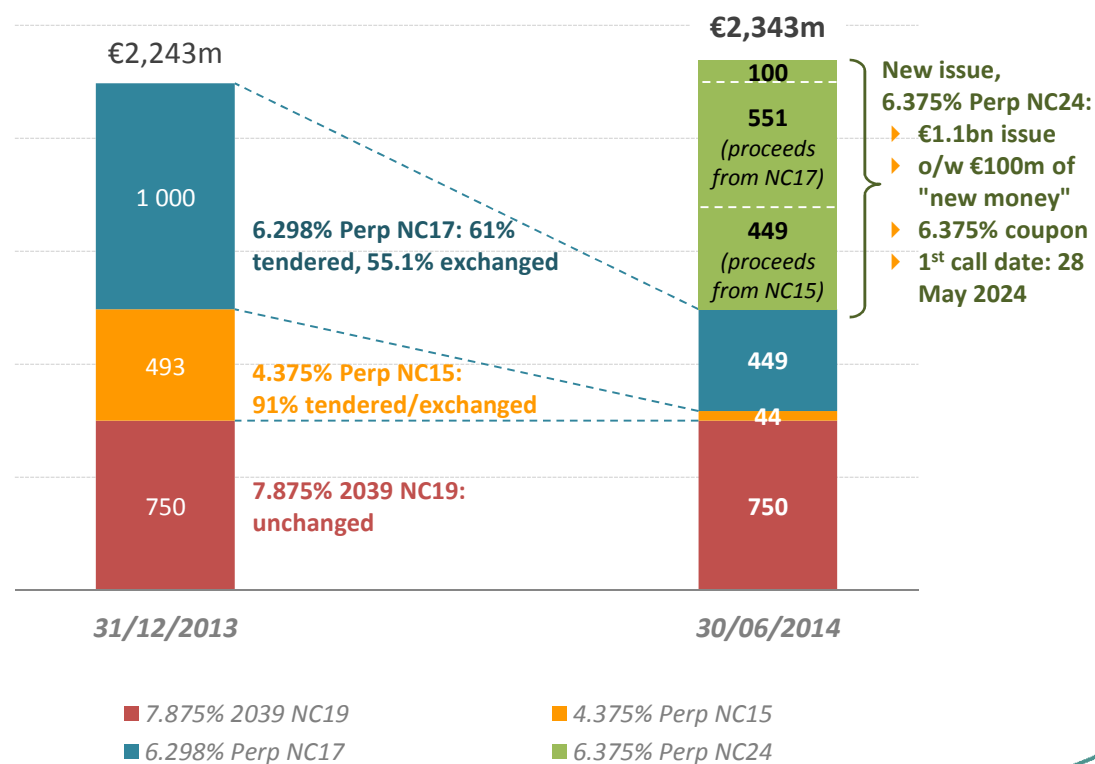
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Active capital management

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Breakdown of Groupama's subordinated debt

En millions €



- ▶ Successful exchange offer and issuance of hybrid debts to institutional investors in May 2014
- ▶ Extension of the average maturity of Groupama's liability profile

*Higher financial
flexibility*

Selective
growth

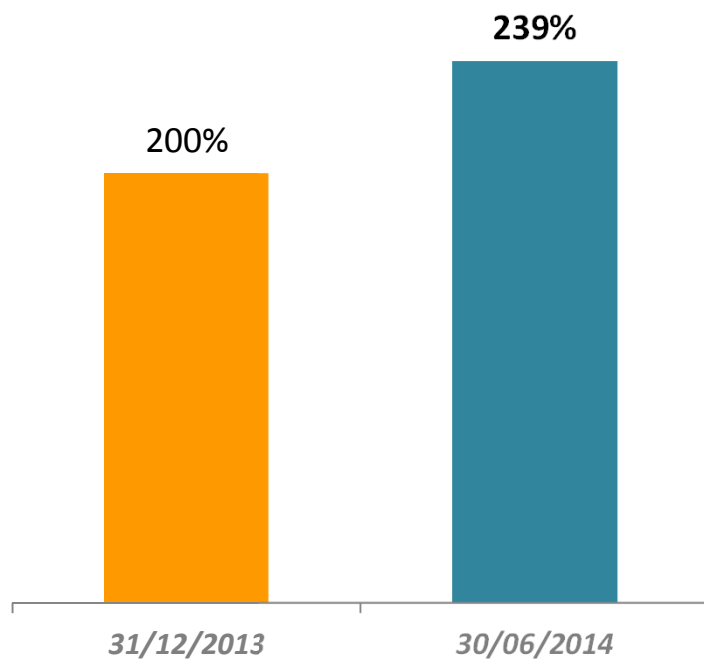
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Reinforced financial strength

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Groupama's solvency margin
(French GAAP)



- ▶ Group's shareholders' equity of €7.8 billions
- ▶ Debt-to equity ratio of 20.8%

**Solid solvency
margin, at 239%**

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