



Groupama

GROUPAMA SA

€500,000,000

FIXED TO FLOATING RATE UNDATED SENIOR SUBORDINATED NOTES

Issue Price: 99.089 per cent.

The €500,000,000 fixed to floating rate undated Senior Subordinated Notes (the **Notes**) of Groupama SA (the **Issuer**) will be issued outside the Republic of France on July 5, 2005.

Each Note will bear interest on its principal amount at a fixed rate of 4.375 per cent. per annum from (and including) July 5, 2005 (the **Issue Date**) to (but excluding) July 6, 2015 (the **Fixed Rate Period**), payable annually in arrear on July 6 in each year, commencing on July 6, 2006 and thereafter (the **Floating Rate Period**) at a Floating Rate per annum payable quarterly in arrear on July 6, October 6, January 6, and April 6 (subject to adjustment as provided in Condition 3(a)(2)) in each year, commencing on October 6, 2015, as set out in "Terms and Conditions of the Notes — Interest".

The Notes are undated obligations in respect of which there is no fixed redemption date. The Issuer shall have the right (subject to the prior approval of the Relevant Supervisory Authority) to redeem the Notes, in whole but not in part, on any Interest Payment Date from (and including) July 6, 2015 as further specified in "Terms and Conditions of the Notes — Redemption and Purchase". In addition, the Issuer may, and, in certain circumstances shall, (subject to the prior approval of the Relevant Supervisory Authority) redeem the Notes at any time for taxation reasons or for regulatory reasons, as set out in "Terms and Conditions of the Notes — Redemption and Purchase".

The obligations of the Issuer in respect of principal and interest under the Notes constitute direct, unsecured and undated Senior Subordinated Obligations of the Issuer and shall at all times rank *pari passu* among themselves and *pari passu* with all other present or future direct, unsecured, Senior Subordinated Obligations of the Issuer but shall rank in priority to any present and future *prêts participatifs* granted to, any *titres participatifs* issued by, the Issuer and any Deeply Subordinated Obligations of the Issuer, as further described in "Terms and Conditions of the Notes - Status".

Payment of interest on the Notes may, in certain circumstances, be deferred, as set out in "Terms and Conditions of the Notes — Interest — Interest Deferral".

Payments in respect of the Notes will be made without deduction for, or on account of, French taxes to the extent set out in "Terms and Conditions of the Notes — Taxation".

Application has been made to list the Notes on the Eurolist of Euronext Paris SA.



Avertissement de l'AMF

L'Autorité des Marchés Financiers attire l'attention du public sur le paiement des intérêts qui peut être optionnel ou obligatoire. En cas de report du paiement des intérêts, les arriérés ne portent pas eux-mêmes intérêt.

The Notes have been accepted for clearance through Euroclear France, Clearstream Banking, Société Anonyme and Euroclear Bank SA/N.V. The Notes will, upon issue, be inscribed in the books of Euroclear France which shall credit the accounts of the Account Holders (as defined herein). The Notes will be issued in bearer form in the denomination of €50,000 each and will at all times, in compliance with Article L. 211-4 of the French *Code monétaire et financier*, be represented in book-entry form (*dématérialisé*) in the books of the Account Holders, as set out in "Terms and Conditions of the Notes — Form, Denomination and Title".

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the **Securities Act**) and may not be offered or sold in the United States or to, or for the benefit of, U.S. persons unless the Notes are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available.

The Notes have been assigned a rating of BBB+ by Standard & Poor's Ratings Services.

Potential investors should read carefully the section entitled "Investment Considerations" set out below before making a decision to invest in the Notes.

Joint Lead Managers

Deutsche Bank

Dresdner Kleinwort Wasserstein

Natexis Banques Populaires

The date of this Offering Circular is June 30, 2005

The Issuer confirms that this Offering Circular contains all information with respect to the Issuer and the Notes which is material in the context of the issue and offering of the Notes; such information is true and accurate in all material respects and is not misleading in any material respect; any opinions or intentions expressed in this Offering Circular by the Issuer are honestly held; to the best of the Issuer's knowledge and belief, there are no other facts in relation to the Issuer the omission of which would, in the context of the issue and the offering of the Notes, make any statement in this Offering Circular misleading in any material respect; and all enquiries have been made to ascertain and verify the foregoing. The Issuer accepts responsibility for the information contained in this document accordingly.

In making an investment decision regarding the Notes, prospective investors should rely on their own independent investigation and appraisal of the Issuer, its business and the terms of the offering, including the merits and risks involved. The contents of this Offering Circular are not to be construed as legal, business or tax advice. Each prospective investor should consult its own advisers as to legal, tax, financial, credit and related aspects of an investment in the Notes. Potential investors should read carefully the section entitled "Investment Considerations" set out below before making a decision to invest in the Notes.

This Offering Circular does not constitute an offer of, or an invitation or solicitation by or on behalf of the Issuer or the Managers (as defined in "Subscription and Sale" below) to subscribe or purchase, any of the Notes. The distribution of this Offering Circular and the offering of the Notes in certain jurisdictions, including the United States, the United Kingdom, France and Italy, may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers and sales of Notes and distribution of this Offering Circular, see "Subscription and Sale" below.

No person is authorised to give any information or to make any representation not contained in this Offering Circular and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer or the Managers. The delivery of this Offering Circular at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

*The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) and, subject to certain exceptions, may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (**Regulation S**)).*

In this Offering Circular, unless otherwise specified or the context requires, references to "euro", "EUR" and "€" are to the single currency of the participating member states of the European Economic and Monetary Union.

*In connection with this issue, Dresdner Bank AG London Branch (the **Stabilisation Agent**) or any person acting for it may over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period. However, there may be no obligation on the **Stabilisation Agent** or any agent of his to do this. Such stabilising, if commenced, may be discontinued at any time, and must be brought to an end after a limited period. Any such stabilisation transactions will be carried out in compliance with any applicable laws and regulations.*

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INVESTMENT CONSIDERATIONS

The following is a summary of certain aspects of the offering of the Notes of which prospective investors should be aware. Prior to making an investment decision, prospective investors should consider carefully all of the information set out in this Offering Circular, including in particular the following investment considerations detailed below. This summary is not intended to be exhaustive and prospective investors should make their own independent evaluations of all investment considerations and should also read the detailed information set out elsewhere in this Offering Circular. Terms defined in the “Terms and Conditions of the Notes” shall have the same meaning where used below.

The Notes are Senior Subordinated Notes

The obligations of the Issuer in respect of principal and interest under the Notes, constitute direct, unsecured and, to the extent referred to in the following paragraph, undated Senior Subordinated Obligations of the Issuer and shall at all times rank *pari passu* among themselves and *pari passu* with all other present or future direct, unsecured, Senior Subordinated Obligations of the Issuer but shall rank in priority to any present and future *prêts participatifs* granted to, any *titres participatifs* issued by, the Issuer and any Deeply Subordinated Obligations of the Issuer.

If any judgement is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) or, following an order of *redressement judiciaire*, the sale of the whole business (*cession totale de l'entreprise*) of the Issuer, or if the Issuer is liquidated for any reason (other than in the circumstances referred to in the exception set out in Condition 5(f)), the amounts payable to the Noteholders in respect of principal and interest (including Arrears of Interest) shall be subordinated to the payment in full of all other creditors of the Issuer (including, for the avoidance of doubt, insurance companies and entities referred to in article R. 322-132 of the French *Code des Assurances* reinsured by the Issuer and holders of insurance policies issued by such entities) whose claims are not for any reason subordinated in any manner provided that, subject to such payment in full, the Noteholders will be paid in priority to lenders of any *prêts participatifs* granted to, and holders of *titres participatifs* issued by, the Issuer and in priority to holders of any Deeply Subordinated Obligations of the Issuer.

Undated Securities

The Notes are undated securities with no fixed maturity date. The Issuer is under no obligation to redeem the Notes at any time, except as outlined in Condition 5(f).

The Noteholders have no right to require redemption of the Notes.

Interest deferral

For so long as the compulsory interest provisions (set out in Condition 3(h)(3)) do not apply, the Issuer may elect to defer the payment of all (but not some only) of the interest falling due on the Notes on any Optional Interest Payment Date. Any interest in respect of the Notes not paid on an Optional Interest Payment Date shall constitute Arrears of Interest and shall be due and payable as outlined in Condition 3(h). Arrears of Interest shall not themselves bear interest.

No Limitation on Issuing or Guaranteeing Debt Ranking Senior or *Pari Passu* with the Notes

There is no restriction on the amount of debt which the Issuer may issue or guarantee. The Issuer and its subsidiaries and affiliates may incur additional indebtedness or grant guarantees in respect of indebtedness of third parties, including indebtedness or guarantees that rank *pari passu* or senior to the obligations under or in connection with the Notes. If the Issuer's financial condition were to deteriorate, the Noteholders could suffer direct and materially adverse consequences including, if the Issuer were liquidated (whether voluntarily or involuntarily), loss by Noteholders of their entire investment.

Redemption Risk

The Notes are undated securities with no specified maturity date. Nevertheless, the Notes may be redeemed in whole (but not in part), at the option of the Issuer, (i) on July 6, 2015 and on any Interest Payment Date thereafter (as set out in Condition 5(c)) or (ii) at any time for certain taxation or regulatory reasons (as set out in Conditions 5(d) and (e)). In addition, the Notes shall in certain circumstances become immediately due and payable (as set out in Condition 5(f)).

There can be no assurance that, at the relevant time, Noteholders will be able to reinvest the amounts received upon redemption at a rate that will provide the same return as their investment in the Notes.

No prior market for the Notes

There is currently no existing market for the Notes, and there can be no assurance that any market will develop for the Notes or that Noteholders will be able to sell their Notes in the secondary market. There is no obligation to make a market in the Notes. Application has been made to list the Notes on the Eurolist of Euronext Paris.

No legal and tax advice

Each prospective investor should consult its own advisers as to legal, tax and related aspects of an investment in the Notes.

SUMMARY OF THE TERMS AND CONDITIONS OF THE NOTES

The following summary refers to certain provisions of the Terms and Conditions of the Notes and is qualified by the more detailed information contained elsewhere in this Offering Circular. Defined terms used herein have the meaning given to them in "Terms and Conditions of the Notes".

| | |
|-----------------------------|--|
| Issuer: | Groupama SA |
| Description: | Fixed to Floating Rate Undated Senior Subordinated Notes |
| Aggregate Principal Amount: | €500,000,000 fixed to floating rate undated Senior Subordinated Notes (the Notes). |
| Principal Amount: | €50,000 per Note. |
| Issue Price: | 99.089 % of the principal amount. |
| Maturity: | The Notes are undated perpetual obligations and have no fixed maturity date, but may be called at the option of the Issuer under certain circumstances as set out in Conditions 5(c), (d) or (e). |
| Status of the Notes: | <p>The Notes are undated Senior Subordinated Notes. The subordination provisions of the Notes are governed by Article L. 228-97 of the French <i>Code de commerce</i>.</p> <p>The obligations of the Issuer in respect of principal and interest under the Notes, constitute direct, unsecured and undated Senior Subordinated Obligations of the Issuer and shall at all times rank <i>pari passu</i> among themselves and <i>pari passu</i> with all other present or future direct, unsecured, Senior Subordinated Obligations of the Issuer but shall rank in priority to any present and future <i>prêts participatifs</i> granted to, any <i>titres participatifs</i> issued by, the Issuer and any Deeply Subordinated Obligations of the Issuer.</p> <p>The Notes shall rank in priority to any class of share capital, whether represented by ordinary shares or preference shares (<i>actions de préférence</i>) issued by the Issuer.</p> |
| Negative Pledge: | None. |
| Interest: | Each Note will bear interest on its principal amount at a fixed rate of 4.375 per cent. per annum (the Fixed Rate) from (and including) July 5, 2005 (the Issue Date) to (but excluding) July 6, 2015 (the Fixed Rate Period), payable annually in arrear on July 6 in each year, commencing on July 6, 2006 (each a Fixed Rate Payment Date). The amount of interest due in respect of the first interest period from (and including) July 5, 2005 to (but excluding) July 6, 2006 shall be €2,193.49 per Note. |

Thereafter (the **Floating Rate Period**), each Note will bear interest on its principal amount at a Floating Rate (as defined in Condition 3(c)) per annum payable quarterly in arrear on July 6, October 6, January 6 and April 6 (subject to adjustment as provided in Condition 3(a)(2)) in each year, commencing on October 6, 2015 (each a **Floating Rate Payment Date** and together with the Fixed Rate Payment Dates, an **Interest Payment Date**).

Interest Deferral:

Payment of interest on the Notes on any Interest Payment Date will only be compulsory on each Compulsory Interest Payment Date. On any other Interest Payment Date (an **Optional Interest Payment Date**), the Issuer may, at its option, elect not to pay interest in respect of the Notes accrued to that date.

Any interest in respect of the Notes not paid on an Optional Interest Payment Date and deferred in accordance with the Condition (3) (h) (1) shall, so long as it remains outstanding, constitute **Arrears of Interest** and shall become due and payable as set out in Condition (3)(h)(2).

Compulsory Interest Payment Date means each Interest Payment Date:

(a) in respect of which, for the Relevant Financial Period immediately preceding such Interest Payment Date, the Applicable Solvency Margin Level (as reviewed by the auditors (*commissaires aux comptes*) having audited the financial statements of the Combined Regulatory Group and/or the Consolidated Group and notified to the Agent Bank not later than 7 days prior to such Interest Payment Date) is equal to or greater than 150% of the minimum Applicable Solvency Margin Level required, and would continue to do so assuming that the interest due on such Interest Payment Date then outstanding (including any Arrears of Interest) is paid on such Interest Payment Date, provided that if no such notification has occurred by the seventh day prior to such Interest Payment Date, the Applicable Solvency Margin Level will be deemed to be equal to or greater than 150% for that Interest Payment Date, or

(b) prior to which, provided that (x) no Solvency Event has occurred prior to such Interest Payment Date and would continue to do so assuming that the interest due on such Interest Payment Date then outstanding (including any Arrears of Interest) is paid on such Interest Payment Date and (y) no Regulatory Intervention has occurred prior to such Interest Payment Date, any of the following events has occurred (each, a **Compulsory Interest Payment Event**) at any time during a period of one year prior to such Interest Payment Date:

(i) the Issuer has declared or paid a dividend (whether in cash, shares or any other form), or more generally made a payment of any nature, on any class of shares (including ordinary shares or preference shares) or on any other equity securities; or

(ii) the Issuer has made a payment of any nature on or in respect of any other Senior Subordinated Obligations or on any debt securities ranking junior to the Notes (the **Junior Securities**) unless such payment was a compulsory interest payment under the terms of any such other Senior Subordinated Obligations or Junior Securities issued by the Issuer; or

(iii) the Issuer has redeemed, repurchased or otherwise acquired any class of its share capital (whether such shares are represented by ordinary shares or preference shares) by any means; or

(iv) the Issuer has redeemed, repurchased or otherwise acquired any Senior Subordinated Obligations or Junior Securities in accordance with their terms; or

(v) for so long as there are Applicable Regulations in force with respect to the Combined Regulatory Group, any Relevant Affiliated Entity has made Equivalent Payments in an aggregate amount exceeding the Reference Amount.

Applicable Solvency Margin Level means, with respect to any Relevant Financial Period, any solvency margin, capital adequacy or any other regulatory capital level (howsoever called) of (i) the Combined Regulatory Group on a combined basis or (ii) the Consolidated Group on a consolidated basis determined in accordance with Applicable Regulations on the basis of the corresponding financial statements for that Relevant Financial Period. As of the Issue Date (as defined in Condition 3(a)) of the Notes, an Applicable Solvency Margin Level is so determined with respect to the Issuer and the Combined Regulatory Group pursuant to Articles R. 334-3 *et seq.* and A. 334-3 *et seq.* of the Insurance Code (*Code des Assurances*).

Combined Regulatory Group means (i) each of the Groupama Regional Mutuals, (ii) Groupama Holding and Groupama Holding 2 and (iii) the Consolidated Group.

Consolidated Group means the Issuer and its consolidated subsidiaries taken as a whole.

A **Solvency Event** will be deemed to have occurred if, at any time during which the Combined Regulatory Group and/or the Consolidated Group are subject to Applicable Regulations, any Applicable Solvency Margin Level has

fallen below 100 per cent. of the minimum Applicable Solvency Margin Level required for that Relevant Financial Period.

Regulatory Intervention means that the Issuer is notified by the Relevant Supervisory Authority, that it has determined, in its sole discretion, in the view of the deteriorating financial condition of the Issuer, that a Solvency Event would occur in the near term.

Taxation:

The Notes being denominated in Euro and therefore deemed to be issued outside the Republic of France, interest and other revenues in respect of the Notes benefit under present law from the exemption provided for in Article 131 *quater* of the *Code Général des Impôts* (General Tax Code) from deduction of tax at source.

Additional Amounts:

If at any time the Issuer is required to withhold any taxes, duties or other governmental charges with respect to any payment of principal or interest on the Notes imposed or levied by any authority in France, the Issuer will be required to pay such amounts as shall be required so that the net amount received by the Noteholders on the Notes after the withholding of any such taxes, duties or charges will not be less than the gross amount of interest or principal then otherwise due and payable.

Early Redemption:

(1) The Notes are undated perpetual obligations in respect of which there is no fixed maturity date. However, the Notes may be redeemed (in whole but not in part) on July 6, 2015 (the **First Call Date**) and on any Interest Payment Date thereafter, at the option of the Issuer.

(2) If at any time, by reason of a change in any French law or regulation, or any change in the official application or interpretation thereof, becoming effective after the Issue Date, the Issuer would, on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay Additional Amounts, the Issuer may, on any Interest Payment Date, redeem all, but not some only of the Notes.

(3) If the Issuer would on the next payment of principal or interest in respect of the Notes be obliged to pay Additional Amounts and the Issuer would be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay Additional Amounts, then the Issuer shall redeem, all, but not some only, of the Notes.

(4) In addition, the Issuer will have the possibility to redeem (even prior to the First Call Date) all, but not some only, of the Notes upon the occurrence of a Capital Disqualification Event.

Any early redemption in accordance with the foregoing provisions will be subject to the prior consent of the Relevant Supervisory Authority, if then required by the Applicable Regulations, and will be made at a price equal to the principal amount of the Notes plus any accrued but unpaid interest thereon and any unpaid Arrears of Interest, as further specified in the Terms and Conditions.

A **Capital Disqualification Event** will be deemed to occur if under Applicable Regulations or an official application or interpretation of those regulations including a decision of a court or tribunal, the Notes cease to be eligible for the purposes of calculating the Applicable Solvency Margin Level.

Events of Default:

There will be no events of default in respect of the Notes, except in case of liquidation of the Issuer (as specified in Condition 5(f) “Mandatory Redemption”).

Representation of Noteholders:

The Noteholders will be grouped automatically for the defense of their respective common interests in a *masse* governed by the provisions of the French *Code de commerce* and by French *décret* no. 67-236 of March 23, 1967 subject to certain exceptions and provisions (the **Masse**). The Masse will be a separate legal entity, and will be acting in part through one representative and in part through a general assembly of the Noteholders.

Listing:

Application has been made to list the Notes on the Eurolist of Euronext Paris SA.

Clearing Systems:

The Notes have been accepted for clearance through Euroclear France, Clearstream Banking, Société Anonyme and Euroclear Bank SA/N.V.

Governing Law:

French law.

TERMS AND CONDITIONS OF THE NOTES

The issue outside the Republic of France of the €500,000,000 fixed to floating rate undated Senior Subordinated Notes (the **Notes**) of Grouppama SA (the **Issuer**) has been authorised pursuant to a resolution of the *Conseil d'Administration* (the Board of Directors) of the Issuer, adopted on February 24, 2005 and a decision of Mr. Jean Azéma, the *Directeur Général* of the Issuer, made on June 29, 2005. A fiscal and paying agency agreement (the **Agency Agreement**) dated July 1, 2005 has been entered into in relation to the Notes between the Issuer and Société Générale Bank & Trust, as fiscal agent (together with any substitute fiscal agent, the **Fiscal Agent**), as agent bank (together with any substitute agent bank, the **Agent Bank**) and as paying agent (together with any substitute or additional paying agents which may be appointed from time to time under the Agency Agreement, the **Paying Agents**). The Fiscal Agent, the Agent Bank and the Paying Agents are collectively referred to as the **Agents**. Copies of the Agency Agreement are available for inspection during usual business hours at the specified office of the Paying Agents.

References below to Conditions are, unless the context otherwise requires, to the numbered paragraphs below. References in these Conditions to any provision of the Insurance Code (*Code des assurances*) or any other law or decree shall be construed as references to such provision as amended, re-enacted or supplemented by any order made under, or deriving validity from, such provision.

1. Form, Denomination and Title

The Notes are issued in bearer form (*au porteur*) in the denomination of €50,000 each and will at all times, in compliance with Article L. 211-4 of the French *Code monétaire et financier*, be represented in book-entry form (*dématérialisé*) in the books of the Account Holders (as defined below). No physical documents of title (including *certificats représentatifs* pursuant to Article 7 of *décret* no. 83-359 of May 2, 1983) will be issued in respect of the Notes. The Notes will, upon issue, be inscribed in the books of Euroclear France which shall credit the accounts of the Account Holders.

For the purpose of these Conditions, Account Holder shall mean any authorised financial intermediary institution entitled to hold directly or indirectly accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank S.A./N.V., as operator of the Euroclear System (**Euroclear**) and the depositary banks for Clearstream Banking Société Anonyme (**Clearstream**).

Title to the Notes shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of Notes may only be effected through, registration of the transfer in such books.

2. Status of the Notes and Rights of Noteholders in the event of liquidation

The Notes are undated Senior Subordinated Notes. The subordination provisions of the Notes are governed by Article L. 228-97 of the French *Code de commerce* (the **Code**).

The obligations of the Issuer in respect of principal and interest under the Notes, constitute direct, unsecured and undated Senior Subordinated Obligations of the Issuer and shall at all times rank *pari passu* among themselves and *pari passu* with all other present or future direct, unsecured, Senior Subordinated Obligations of the Issuer but shall rank in priority to any present and future *prêts participatifs* granted to, any *titres participatifs* issued by, the Issuer and any Deeply Subordinated Obligations of the Issuer.

The Notes shall rank in priority to any class of share capital, whether represented by ordinary shares or preference shares (*actions de préférence*) issued by the Issuer.

For the purposes of these Conditions:

Deeply Subordinated Notes means, in relation to the Issuer or any Relevant Affiliated Entity, all and any bonds or notes of such person which constitute direct, unsecured and lowest ranking subordinated obligations of such person, including bonds or notes the subordination provisions of which are governed by the provisions of Article L. 228-97 of the Code as amended, and which rank and will rank *pari passu* among themselves and *pari*

passu with all other present and future Deeply Subordinated Obligations of such person, but shall be subordinated to all present and future *prêts participatifs* granted to, and *titres participatifs* issued by, such person, Senior Subordinated Obligations of such person and Unsubordinated Obligations of such person.

Deeply Subordinated Obligations means, in relation to the Issuer or any Relevant Affiliated Entity, any Deeply Subordinated Notes or other Obligations of such person which rank and will rank *pari passu* with any Deeply Subordinated Notes of such person.

Groupama Regional Mutuals means the *Mutuelles d'assurance et de réassurance agricoles* that are members of the *Fédération Nationale Groupama*.

Obligations means, in relation to the Issuer or any Relevant Affiliated Entity, any payment obligation expressed to be assumed by, or imposed on, such person under or arising as a result of any contract, agreement, document, instrument or conduct or relationship or by operation of law.

Relevant Affiliated Entity means, at any particular time, any member of the Combined Regulatory Group.

Senior Subordinated Notes means, in relation to the Issuer or any Relevant Affiliated Entity, all and any bonds or notes of such person which constitute direct, unsecured and subordinated obligations of such person and which rank and will rank *pari passu* among themselves and *pari passu* with all other present and future Senior Subordinated Obligations of such person and which rank and will rank in priority to all present and future *titres participatifs* issued by such person, *prêts participatifs* granted to such person and Deeply Subordinated Obligations of such person.

Senior Subordinated Obligations means, in relation to the Issuer or any Relevant Affiliated Entity, any Senior Subordinated Notes (including the Notes) or other Obligations of such person which constitute direct, unsecured and subordinated obligations of such person and which rank and will rank in priority to all present and future *prêts participatifs* granted to, and *titres participatifs* issued by such person and Deeply Subordinated Obligations of such person.

Unsubordinated Obligations means, in relation to the Issuer or any Relevant Affiliated Entity, any Obligations of such person which are unsubordinated and rank in priority to any Senior Subordinated Obligations of such person.

If any judgement is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) or, following an order of *redressement judiciaire*, the sale of the whole business (*cession totale de l'entreprise*) of the Issuer, or if the Issuer is liquidated for any reason (other than in the circumstances referred to in the exception set out in Condition 5(f)), the amounts payable to the holders of the Notes (the **Noteholders**) in respect of principal and interest (including Arrears of Interest) shall be subordinated to the payment in full of all other creditors of the Issuer (including, for the avoidance of doubt, insurance companies and entities referred to in article R. 322-132 of the French *Code des Assurances* reinsured by the Issuer and holders of insurance policies issued by such entities) whose claims are not for any reason subordinated in any manner provided that, subject to such payment in full, the Noteholders will be paid in priority to lenders of any *prêts participatifs* granted to, and holders of *titres participatifs* issued by, the Issuer and in priority to holders of any Deeply Subordinated Obligations of the Issuer.

At the request of the *Commission de Contrôle des Assurances, des Mutuelles et des Institutions de Prévoyance (CCAMIP)*, the proceeds of the Notes may be used for off-setting losses of the Issuer and thereafter, to allow it to continue its activities.

Pursuant to article L. 327-2 of the French *Code des Assurances*, a lien (*privilège*) over the assets of the Issuer is granted for the benefit of the Issuer's policyholders. Noteholders, even if they are policyholders of the Issuer, do not have the benefit of such lien in relation to any amounts which may be due to them under the Notes.

3. Interest

(a) Interest Payment Dates

(1) Fixed Rate Period

Each Note will bear interest on its principal amount at a fixed rate of 4.375 per cent. per annum (the **Fixed Rate**) from (and including) July 5, 2005 (the **Issue Date**) to (but excluding) July 6, 2015 (the **Fixed Rate Period**), payable annually in arrear on July 6 in each year, commencing on July 6, 2006 (each a **Fixed Rate Payment Date**). The amount of interest due in respect of the first interest period from (and including) July 5, 2005 to (but excluding) July 6, 2006 shall be €2,193.49 per Note.

If interest is required to be calculated for a period within the Fixed Rate Period of less than one year, it will be calculated on the basis of the actual number of days elapsed in the relevant period from and including the date from which interest begins to accrue to, but excluding, the date on which it falls due, divided by the actual number of days in the relevant period (including the first such day but excluding the last) and rounding the resultant figure to the nearest €0.01 (0.005 being rounded upwards).

(2) Floating Rate Period

Following the Fixed Rate Period (the **Floating Rate Period**), each Note will bear interest on its principal amount at a Floating Rate (as defined in Condition 3(c)) per annum payable quarterly in arrear on July 6, October 6, January 6 and April 6 in each year (subject to adjustment as provided below), commencing on October 6, 2015 (each a **Floating Rate Payment Date** and together with the Fixed Rate Payment Dates, an **Interest Payment Date**). If any Floating Rate Payment Date would otherwise fall on a day which is not a Business Day (as defined below) it shall be postponed to the next day which is a Business Day unless it would then fall into the next calendar month in which event it shall be brought forward to the immediately preceding Business Day.

The obligations of the Issuer to make payments of interest on any particular Interest Payment Date are subject to the provisions of Condition 3(h).

(b) Interest Accrual

Each Note will cease to bear interest from and including the due date for redemption unless payment of the principal in respect of the Note is improperly withheld or refused on such date or unless default is otherwise made in respect of the payment, in which case each Note will continue to bear interest in accordance with Condition 3 until the day on which all sums due in respect of such Note up to that day are effectively paid.

(c) Floating Rate

The variable rate of interest payable in respect of the Notes (the **Floating Rate**) for each quarterly interest period within the Floating Rate Period (each a **Floating Interest Period**) will be determined on the basis of the following provisions:

- (i) On each **Interest Determination Date**, namely the second Business Day before the commencement of the Floating Interest Period for which the rate will apply, the Agent Bank will determine the Reference Rate (as defined below) as at or about 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If the Reference Rate is unavailable, the Agent Bank will request each of the four Reference Banks (as defined below) to provide the Agent Bank with its offered quotation to prime banks in the Euro-zone (as defined below) interbank market for Euro deposits in a representative amount of €500,000,000 for a period of three (3) months commencing on the first day of the relevant Floating Interest Period, as at or about 11.00 a.m. (Brussels time) on the Interest Determination Date in question. The Floating Rate for the relevant Floating Interest Period shall be the Reference Rate plus the Margin (as defined below) or, if the Reference Rate is unavailable, the arithmetic average (rounded upwards if necessary to the nearest fifth decimal place with 0.000005 being rounded upwards) of the offered quotations as established by the Agent Bank plus the Margin.

(ii) If on any Interest Determination Date the Reference Rate is unavailable and two (2) or three (3) only of the Reference Banks provide offered quotations, the Floating Rate for the relevant Floating Interest Period shall be determined in accordance with the provisions of paragraph (i) on the basis of the offered quotations of those Reference Banks providing the offered quotations.

(iii) If on any Interest Determination Date the Reference Rate is unavailable and less than two (2) Reference Banks provide offered quotations, the Floating Rate for the relevant Floating Interest Period shall be the rate per annum which the Agent Bank determines to be the sum of the Margin and the arithmetic mean (rounded upwards if necessary to the nearest fifth decimal place with 0.000005 being rounded upwards) of the Euro lending rates quoted by major banks in the Euro-Zone (selected by the Agent Bank after prior consultation with the Issuer and being at least two (2) in number) at or about 11.00 a.m. (Brussels time) on the Interest Determination Date in question for loans in Euro to leading European banks in a representative amount of €500,000,000 for a period of three (3) months commencing on the first day of the relevant Floating Interest Period, except that if the banks so selected by the Agent Bank are not quoting on such Interest Determination Date, the Floating Rate for the relevant Floating Interest Period shall be the Floating Rate in effect for the last preceding Floating Interest Period to which one of paragraphs (i) or (ii) of this Condition 3(c) shall have applied.

(iv) The Margin (the **Margin**) in respect of each Floating Interest Period is 2.25 per cent. per annum.

(v) For the purposes of these Conditions:

Business Day means any day (other than a Saturday or a Sunday) which is a TARGET Settlement Day;

Euro-zone means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on European Union;

Reference Banks means the principal Euro-zone office of four (4) major banks in the Euro-zone interbank market selected by the Agent Bank after prior consultation with the Issuer;

Reference Rate means the Euribor rate, expressed as a rate per annum, for three (3) month Euro deposits commencing on the first day of the relevant Floating Interest Period, as calculated by Bridge Information Systems on behalf of the European Banking Federation and the International Foreign Exchange Dealers' Association, which appears, for information purposes only, at or about 11.00 a.m. (Brussels time) on the display designated as page "248" on Bridge/Telerate (or such other page or service as may replace it for the purpose of displaying Euribor);

TARGET Settlement Day means any day on which the TARGET System is operating; and

TARGET System means the Trans-European Automated Real-Time Gross Settlement Express Transfer System.

(d) *Determination of Floating Rate and Interest Amount with respect to the Floating Rate Period*

The Agent Bank shall, as soon as practicable after 11.00 a.m. (Brussels time) on each Interest Determination Date determine the Floating Rate and amount of interest (each an **Interest Amount**) payable (if any) on the relevant Floating Rate Payment Date on each Note for the relevant Floating Interest Period.

The Interest Amounts shall be determined by (i) applying the Floating Rate to such denomination, (ii) multiplying the sum by the actual number of days in the Floating Interest Period concerned divided by 360 and (iii) rounding the resultant figure to the nearest cent (half a cent being rounded upwards).

(e) *Publication of Floating Rate and Interest Amount with respect to the Floating Rate Period*

The Agent Bank shall cause the Floating Rate and the Interest Amount for each Floating Interest Period and the relevant Interest Payment Date to be notified (a) to the Issuer, the Fiscal and Paying Agent (if different from the Agent Bank) and each other Paying Agent (if any) and to any stock exchange on which the Notes are at the relevant time listed not later than 3.00 p.m. (Brussels time) on the Interest Determination Date and (b) to the Noteholders in accordance with Condition 8 as soon as possible after their determination but in no event later than

the second Business Day thereafter. The Interest Amount and Interest Payment Date so published may subsequently be amended by the Agent Bank (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Floating Interest Period. If the Notes become due and payable under Condition 6(c) or under Condition 5(e) other than on a Floating Rate Payment Date, the Floating Rate and the Interest Amount shall nevertheless continue to be calculated as previously by the Agent Bank in accordance with this Condition 3 but no publication of the Floating Rate and the Interest Amount so calculated need be made.

(f) Notifications, etc. to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition, whether by the Reference Banks (or any of them) or the Agent Bank, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent Bank, the Fiscal and Paying Agent and all Noteholders and (in the absence of wilful default, bad faith or manifest error) no liability to the Noteholders shall attach to the Agent Bank in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition.

(g) Agent Bank

The Agency Agreement provides that the Issuer may at any time terminate the appointment of the Agent Bank and appoint a substitute Agent Bank provided that so long as any of the Notes remain outstanding there shall at all times be an Agent Bank for the purposes of the Notes having a specified office in a major European city. In the event of the appointed office of any bank being unable or unwilling to continue to act as the Agent Bank or failing duly to determine the Floating Rate and the Interest Amount for any Floating Interest Period, the Issuer shall appoint the European office of another leading bank engaged in the Paris, London or Luxembourg interbank market to act in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed. The Agent Bank shall act as an independent expert and not as agent for the Issuer or the Noteholders.

(h) Interest Deferral

(1) Optional Interest Payment Dates

On any Interest Payment Date that is not a Compulsory Interest Payment Date as defined in 3(h)(3) (an **Optional Interest Payment Date**), the Issuer may, at its option, (i) pay all (but not some only) of the interest accrued to that date in respect of the Notes (but shall not have any obligation to make such payment) or (ii) elect, by giving notice to the Noteholders pursuant to Condition 3(h)(4), to defer payment of all (but not some only) of the interest accrued to that date in respect of the Notes, and any such failure to pay shall not constitute a default by the Issuer under the Notes or for any other purpose.

Any interest in respect of the Notes not paid on an Optional Interest Payment Date and deferred in accordance with this Condition shall, so long as it remains outstanding, constitute **Arrears of Interest** and shall become due and payable as set out in Condition (3)(h)(2) below.

For the purposes of these Conditions:

A **Solvency Event** will be deemed to have occurred if, at any time during which the Combined Regulatory Group and/or the Consolidated Group are subject to Applicable Regulations, any Applicable Solvency Margin Level has fallen below 100 per cent. of the minimum Applicable Solvency Margin Level required for that Relevant Financial Period.

Applicable Regulations means, at any time, the solvency margin or capital adequacy regulations or any other regulatory capital rules then in effect in France (or if the Issuer becomes domiciled in a jurisdiction other than France, such other jurisdiction) and/or any other relevant jurisdiction (as applied and construed by the Relevant Supervisory Authority) and applicable to the Combined Regulatory Group and/or the Consolidated Group, as the case may be. As of the Issue Date (as defined in Condition 3(a)) of the Notes, Applicable Regulations exist with respect to the Issuer and the Combined Regulatory Group and are contained in Articles R. 334-3 *et seq.* and A. 334-3 *et seq.* of the Insurance Code (*Code des assurances*).

Applicable Solvency Margin Level means, with respect to any Relevant Financial Period, any solvency margin, capital adequacy or any other regulatory capital level (howsoever called) of (i) the Combined Regulatory Group on a combined basis or (ii) the Consolidated Group on a consolidated basis determined in accordance with Applicable Regulations on the basis of the corresponding financial statements for that Relevant Financial Period. As of the Issue Date (as defined in Condition 3(a)) of the Notes, an Applicable Solvency Margin Level is so determined with respect to the Issuer and the Combined Regulatory Group pursuant to Articles R. 334-3 *et seq.* and A. 334-3 *et seq.* of the Insurance Code (*Code des assurances*).

Combined Regulatory Group means (i) each of the Groupama Regional Mutuals, (ii) Groupama Holding and Groupama Holding 2 and (iii) the Consolidated Group.

Consolidated Group means the Issuer and its consolidated subsidiaries taken as a whole.

Relevant Financial Period means, with respect to the Combined Regulatory Group and/or the Consolidated Group, (i) any financial year and (ii) any shorter interim financial period in relation to which financial statements are prepared for the Combined Regulatory Group and/or the Consolidated Group, for purposes of calculating the Applicable Solvency Margin Level in accordance with Applicable Regulations.

Relevant Supervisory Authority means any relevant regulatory or supervisory authority having jurisdiction over the Issuer, the Combined Regulatory Group and/or, as the case may be, the Consolidated Group for the purpose of any Applicable Regulations. As of the date of issue of the Notes, the Relevant Supervisory Authority is the *Commission de Contrôle des Assurances, des Mutuelles et des Institutions de Prévoyance* (CCAMIP).

(2) *Arrears of Interest*

Arrears of Interest may, at the option of the Issuer, be paid in whole or in part (but if in part, in an amount equal to the whole of the interest attributable to a particular interest period and so that Arrears of Interest attributable to any interest period shall not be paid prior to Arrears of Interest attributable to any earlier interest period) on any Optional Interest Payment Date, provided that the Issuer has elected to pay the interest due on such Optional Interest Payment Date in respect of the interest period ending on such Optional Interest Payment Date.

All Arrears of Interest in respect of all Notes for the time being outstanding shall become due in full on whichever is the earlier of:

- a. the next Interest Payment Date which is a Compulsory Interest Payment Date; or
- b. the date on which the Notes are due to be redeemed (i) pursuant to any optional or mandatory redemption of the Notes in accordance with Condition 5 or (ii) otherwise by operation of law.

Arrears of Interest shall not themselves bear interest.

(3) *Compulsory Interest Payment Dates*

On any Compulsory Interest Payment Date, the Issuer shall pay interest accrued to that date in respect of the Notes.

Compulsory Interest Payment Date means each Interest Payment Date:

- (a) in respect of which, for the Relevant Financial Period immediately preceding such Interest Payment Date, the Applicable Solvency Margin Level (as reviewed by the auditors (*commissaires aux comptes*) having audited the financial statements of the Combined Regulatory Group and/or the Consolidated Group and notified to the Agent Bank not later than 7 days prior to such Interest Payment Date) is equal to or greater than 150% of the minimum Applicable Solvency Margin Level required, and would continue to do so assuming that the interest due on such Interest Payment Date then outstanding (including any Arrears of Interest) is paid on such Interest Payment Date, provided that if no such

notification has occurred by the seventh day prior to such Interest Payment Date, the Applicable Solvency Margin Level will be deemed to be equal to or greater than 150% for that Interest Payment Date, or

(b) prior to which, provided that (x) no Solvency Event has occurred prior to such Interest Payment Date and would continue to do so assuming that the interest due on such Interest Payment Date then outstanding (including any Arrears of Interest) is paid on such Interest Payment Date and (y) no Regulatory Intervention has occurred prior to such Interest Payment Date, any of the following events has occurred (each, a **Compulsory Interest Payment Event**) at any time during a period of one year prior to such Interest Payment Date:

(i) the Issuer has declared or paid a dividend (whether in cash, shares or any other form), or more generally made a payment of any nature, on any class of shares (including ordinary shares or preference shares) or on any other equity securities; or

(ii) the Issuer has made a payment of any nature on or in respect of any other Senior Subordinated Obligations or on any debt securities ranking junior to the Notes (the **Junior Securities**) unless such payment was a compulsory interest payment under the terms of any such other Senior Subordinated Obligations or Junior Securities issued by the Issuer; or

(iii) the Issuer has redeemed, repurchased or otherwise acquired any class of its share capital (whether such shares are represented by ordinary shares or preference shares) by any means; or

(iv) the Issuer has redeemed, repurchased or otherwise acquired any Senior Subordinated Obligations or Junior Securities in accordance with their terms; or

(v) for so long as there are Applicable Regulations in force with respect to the Combined Regulatory Group, any Relevant Affiliated Entity has made Equivalent Payments in an aggregate amount exceeding the Reference Amount.

Where:

Equivalent Payments means, in relation to any Relevant Affiliated Entity, any of the following payments made during a period of one year ending on the relevant Interest Payment Date:

(i) any payment of interest in respect of any Deeply Subordinated Notes issued by such Relevant Affiliated Entity other than compulsory interest payments under the terms of the relevant Deeply Subordinated Notes, and

(ii) any payment of principal made to holders of Deeply Subordinated Notes issued by such Relevant Affiliated Entity in respect of any optional redemption or repurchase by it of any such Deeply Subordinated Notes.

Reference Amount means, in relation to any Relevant Affiliated Entity:

(i) any Equivalent Payments made by it falling within sub-paragraph (i) of the definition of Equivalent Payments, an amount of €10,000,000; and

(ii) any Equivalent Payments made by it falling within sub-paragraph (ii) of the definition of Equivalent Payments, an amount of €100,000,000.

For the sake of clarity, it is hereby specified that the following shall not fall within the scope of the above definition of “Compulsory Interest Payment Event”:

(a) payments made to and distribution of shares in favour of any beneficiaries of stock option plans or its equivalent; or

(b) shares repurchased by the Issuer under (i) its own buy-back programme (*programme de rachat d'actions*), (ii) any equity derivative hedge structure or transaction, (iii) any hedging of stock options

programme or (iv) any other compensation benefit programme (such as any *plan d'attribution gratuite d'actions*); or

(c) any reduction of the share capital of the Issuer made in order to set off losses which may entail a cancellation or redemption of shares.

Interest payable on a Compulsory Interest Payment Date will always be calculated on the basis of the principal amount.

For the purposes of these Conditions, **Regulatory Intervention** means that the Issuer is notified by the Relevant Supervisory Authority, that it has determined, in its sole discretion, in the view of the deteriorating financial condition of the Issuer, that a Solvency Event would occur in the near term.

(4) *Notice of Non-Payment*

The deferral of interest in accordance with this Condition 3(h) shall be notified by the Issuer to the Noteholders in accordance with Condition 8 not later than seven (7) Business Days prior to the relevant Interest Payment Date.

4. **Payments**

(a) *Method of Payment*

Payments of principal and interest in respect of the Notes will be made in Euro by transfer to a Euro denominated account (or any other account to which Euro may be credited or transferred) specified by the payee with a bank, in a country within the TARGET System. Such payments shall be made for the benefit of the Noteholders to the Account Holders.

None of the Issuer, the Fiscal and Paying Agent or the Agent Bank shall be liable to any Noteholder or other person for any commissions, costs, losses or expenses in relation to, or resulting from, the credit or transfer of Euro, or any currency conversion or rounding effect in connection with such payment being made in Euro.

Payments in respect of principal and interest on the Notes will, in all cases, be made subject to any fiscal or other laws and regulations or orders of courts of competent jurisdiction applicable in respect of such payments to the Issuer, the Fiscal and Paying Agent, the relevant Account Holder or, as the case may be, the person shown in the records of Euroclear or Clearstream as the holder of a particular principal amount of Notes, but without prejudice to the provisions of Condition 6.

(b) *Payments on Business Days*

If the due date for payment of any amount of principal, interest or other amounts in respect of any Note is not a Business Day, payment shall not be made of the amount due and credit or transfer instructions shall not be given in respect thereof until the next following Business Day and the Noteholders shall not be entitled to any interest or other sums in respect of such postponed payment.

(c) *Fiscal and Paying Agent and Agent Bank*

The name of the initial Fiscal and Paying Agent and Agent Bank and its specified office is set forth below:

Fiscal and principal Paying Agent, and Agent Bank

Société Générale Bank & Trust
11, avenue Emile Reuter
L.2420 Luxembourg

Paris Paying Agent

Société Générale
32, rue du Champ de Tir
43312 Nantes
France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal and Paying Agent and/or Agent Bank and/or appoint additional or other Agents or approve any change in the office through which any such Agent acts, provided that there will at all times be (i) a Fiscal Agent having a specified office in a European city and (ii) so long as the Notes are listed on the Eurolist of Euronext Paris and the rules applicable to that exchange so require, a Paying Agent having a specified office in France (which may be the Fiscal and Paying Agent). The Issuer undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of November 26 and 27, 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

Any termination or appointment shall only take effect (other than in the case of certain insolvency related events set out in the Agency Agreement, when it shall be of immediate effect) after not more than forty five (45) nor less than thirty (30) calendar days' notice thereof shall have been given to the Noteholders by the Issuer in accordance with Condition 8.

5. Redemption and Purchase

(a) No Final Maturity

The Notes are undated Senior Subordinated Notes and have no fixed maturity.

(b) Redemption Conditions

Pursuant to Article A. 334-3(VI) of the Insurance Code (*Code des assurances*), any redemption of the Notes is subject to the prior approval of the Relevant Supervisory Authority, if then required by the Applicable Regulations.

(c) Redemption at the Option of the Issuer

The Issuer may, having given not less than thirty (30) nor more than sixty (60) days' notice to the Noteholders in accordance with Condition 8 (which notice shall be irrevocable), redeem all the Notes, but not some only, on any Interest Payment Date from and including July 6, 2015 (the **Optional Redemption Date**) at their principal amount together with all interest (including any Arrears of Interest) accrued up to (but excluding) the date of redemption.

(d) Redemption following a Capital Disqualification Event

If at any time the Issuer determines that a Capital Disqualification Event has occurred with respect to the Notes, the Notes will be redeemable in whole but not in part at the option of the Issuer on any Interest Payment Date at their principal amount together with all interest (including any Arrears of Interest) accrued up to (but excluding) the date of redemption.

A **Capital Disqualification Event** will be deemed to occur if under Applicable Regulations or an official application or interpretation of those regulations including a decision of a court or tribunal, the Notes cease to be eligible for the purposes of calculating the Applicable Solvency Margin Level.

(e) Redemption for Taxation Reasons

The Issuer may (and, in certain cases, shall) redeem all of the Notes as set forth in Condition 6, in all cases subject to paragraph (b) above.

(f) Mandatory Redemption

The Notes shall become immediately due and payable if any judgement is issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer has been liquidated for any reason except in the case of a consolidation, amalgamation, merger or other reorganisation in which all or substantially all of the assets of the Issuer are transferred to another legal entity (including, without limitation, pursuant to a *fusion*, *scission* or *apport partiel d'actifs*) which simultaneously assumes all the obligations of the Issuer under the Notes whether by

operation of law or otherwise and provided that any credit rating assigned to the Notes at such time by Standard & Poor's Ratings Services (or any successor rating agency) is not reduced by reason of such transfer.

(g) Miscellaneous

The Issuer, any of its subsidiaries and/or any member of the Combined Regulatory Group, may at any time purchase any Notes for cash consideration or otherwise (including, without limitation, by means of exchange) in the open market or otherwise, at any price and on any conditions, in accordance with any applicable laws and regulations and subject to the Issuer having given prior written notice to, and receiving no objections from the Relevant Supervisory Authority (if such notice is required at such time).

All Notes which are (i) redeemed or (ii) purchased by or on behalf of the Issuer will forthwith be cancelled and accordingly may not be reissued or resold.

If any Interest Payment Date during the Fixed Rate Period on which the Notes fall due to be redeemed pursuant to Conditions 5(c), (d) or (e) is not a Business Day, then the due date for redemption of the Notes shall, for the avoidance of doubt, be the next following Business Day in accordance with the provisions of Condition 4(b).

6. Taxation

(a) The Notes, being denominated in Euro, are deemed to be issued outside the Republic of France. Accordingly, interest and other revenues in respect of the Notes benefit under present law from the exemption provided for in Article 131 *quater* of the *Code Général des Impôts* (General Tax Code) from deduction of tax at source.

(b) If French law should require that payments of principal or interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of the Republic of France or any authority therein or thereof having power to tax, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holder of each Note, after such deduction or withholding, will receive the full amount then due and payable thereon in the absence of such withholding; provided, however, that the Issuer shall not be liable to pay any such additional amounts in respect of any Note to a holder (or beneficial owner (*ayant droit*)):

(i) who is subject to such taxes, duties, assessments or governmental charges in respect of such Note by reason of his having some connection with the Republic of France other than the mere holding of such Note; or

(ii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to the European Council Directive 2003/48/ EC or any other European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(iii) who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a Member State of the European Union; or

(iv) where such person has not made, but in respect of whom such withholding or deduction would not have been required had such person made, a declaration of non-residence or other similar claim for exemption;

provided, however, that the Issuer may, in such event, having given not less than thirty (30) nor more than sixty (60) days' notice to the Noteholders in accordance with Condition 8 (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Notes on any Interest Payment Date, provided that the due date for redemption shall be no earlier than the latest practicable Interest Payment Date on which the Issuer could make payment of principal or interest without such deduction or withholding;

The redemption amount shall be equal to principal amount of the Notes together with all accrued interest (including any Arrears of Interest) up to (but excluding) the date fixed for redemption.

References in these Conditions to principal and interest shall be deemed also to refer to any additional amounts which may be payable under the provisions of this Condition.

(c) In the event that any French law or regulation or any administrative instruction should prohibit the payment of the additional amounts mentioned in paragraph (b) above, the Issuer has the option, in lieu of making any such payments, to redeem all outstanding Notes at their principal amount, together with accrued interest (including any Arrears of Interest) up to (but excluding) the date fixed for redemption, on the latest practicable date on which the Issuer could make payment of the full amount of principal or interest payable in respect of the Notes or, if such date is past, as soon as practicable thereafter.

7. Prescription

Claims against the Issuer for the payment of principal and interest in respect of the Notes shall become prescribed ten (10) years (in the case of principal) and five (5) years (in the case of interest) from the due date for payment thereof.

8. Notices

Any notice to the Noteholders will be valid if published, so long as the Notes are listed on the Eurolist of Euronext Paris and the rules applicable to that stock exchange so require, in a leading daily economic and financial newspaper having general circulation in France (which is expected to be *Les Echos* or *La Tribune*) or, if such publication is not practicable, in a leading English language daily economic and financial newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which such publication is made.

In addition, notices required to be given to the Noteholders pursuant to these Conditions may also be given by delivery of the relevant notice to Euroclear, Clearstream and/or any other clearing system through which the Notes are for the time being cleared in substitution for the publications as aforesaid if prior approval is obtained from the competent authority of any stock exchange on which the Notes are listed. Any such notice shall be deemed to have been given on the third Business Day following delivery of the notice to the relevant clearing system.

9. Representation of the Noteholders

(a) The Masse

The Noteholders will be grouped automatically for the defense of their respective common interests in a *masse* (hereinafter referred to as the **Masse**).

The Masse will be governed by those provisions of the Code with the exception of the provisions of Articles L. 228-48 and L. 228-59 of the Code and by *décret* No. 67-236 of March 23, 1967 (as modified or re-enacted from time to time) (the **Decree**) with the exception of Articles 218, 222, 224 and 226 of the Decree, as summarised and supplemented by the conditions set forth below.

(b) Legal Personality

The Masse will be a separate legal entity, by virtue of Article L. 228-46 of the Code acting in part through one (1) representative (the **Representative**) and in part through a general assembly of the Noteholders.

The Masse alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which now or in the future may accrue with respect to the Notes.

(c) Representative

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representative:

- (i) the Issuer and its employees and their ascendants, descendants and spouses;

- (ii) companies possessing at least ten (10) per cent. of the share capital of the Issuer or of which the Issuer possesses at least ten (10) per cent. of the share capital;
- (iii) companies guaranteeing all or part of the obligations of the Issuer; and
- (iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing a business in whatever capacity.

The initial Representative shall be:

Laurent Tissot
3, villa Chanez
Rue Chanez
75016 Paris
France

In the event of death, retirement or revocation of the initial Representative, the replacement Representative shall be:

Gabriel Lévy
11 bis, rue Villebois Mareuil
75017 Paris
France

In the event of death, retirement or revocation of the replacement Representative, a replacement will be elected by a meeting of the general assembly of Noteholders.

The Issuer shall pay to the Representative an amount of €305 per year, payable on the Interest Payment Date falling on July 6 of each year during the issue.

All interested parties will at all times have the right to obtain the name and the address of the Representative at the head office of the Issuer and at the offices of the Fiscal and Paying Agent.

(d) Powers of the Representative

The Representative shall, in the absence of any decision to the contrary of the general assembly of Noteholders, have the power to take all acts of management to defend the common interests of the Noteholders.

All legal proceedings against the Noteholders or initiated by them in order to be justifiable, must be brought against the Representative or by it, and any legal proceedings which shall not be brought in accordance with this provision shall not be legally valid.

The Representative may not interfere in the management of the affairs of the Issuer.

(e) General Assemblies of Noteholders

General assemblies of the Noteholders may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth (1/30) of outstanding Notes may address to the Issuer and the Representative a demand for convocation of the general assembly; if such general assembly has not been convened within two (2) months from such demand, such Noteholders may commission one of themselves to petition the competent court in Paris to appoint an agent who will call the meeting.

Notice of the date, hour, place, agenda and quorum requirements of any meeting of a general assembly will be published as provided under Condition 8 not less than fifteen (15) calendar days prior to the date of the general assembly on first convocation and six (6) calendar days on second convocation.

Each Noteholder has the right to participate in meetings of the Masse in person, by proxy or, if permitted by the *statuts* of the Issuer at the relevant time, by videoconference or such other means of telecommunication

authorized by applicable law. As of the Issue Date, the *statuts* of the Issuer do not permit such participation by Noteholders. Each Note carries the right to one vote.

(f) Powers of General Assemblies

A general assembly is empowered to deliberate on the fixing of the remuneration of the Representative and on its dismissal and replacement, and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act as law as plaintiff or defendant.

A general assembly may further deliberate on any proposal relating to the modification of the Conditions of the Notes, including:

- (i) any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions; and
- (ii) any proposal relating to the issue of securities carrying a right of preference compared to the rights of the Noteholders;

it being specified, however, that a general assembly may not increase amounts payable by the Noteholders, nor establish any unequal treatment between the Noteholders, nor decide to convert the Notes into shares.

Meetings of a general assembly may deliberate validly on first convocation only if Noteholders present or represented hold at least one quarter (1/4) of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-thirds (2/3) majority of votes cast by the Noteholders attending such meeting or represented thereat.

(g) Notice of Decisions

Decisions of the meetings must be published in accordance with the provisions set out in Condition 8 not more than ninety (90) days from the date thereof.

(h) Information to the Noteholders

Each Noteholder or representative thereof will have the right, during the fifteen (15) day period preceding the holding of each meeting of a general assembly, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the meeting, which will be available for inspection at the principal office of the Issuer, at the offices of the Paying Agents and at any other place specified in the notice of meeting.

(i) Expenses

The Issuer will pay all reasonable expenses incurred in the operation of the Masse, including expenses relating to the calling and holding of meetings and the expenses which arise by virtue of the remuneration of the Representative, and more generally all administrative expenses resolved upon by a general assembly of the Noteholders, it being expressly stipulated that no expenses may be imputed against interest payable on the Notes.

10. Further Issues

The Issuer may from time to time without the consent of the Noteholders issue further notes to be consolidated and form a single series (*assimilées*) with the Notes as regards their financial service, provided that such further notes and the Notes shall carry rights identical in all respects (or in all respects except for the first payment of interest thereon) and that the terms of such further notes shall provide for such consolidation. In the event of such consolidation, the Noteholders and the holders of any consolidated notes (*obligations assimilées*) will for the defense of their common interests be grouped in a single Masse having legal personality.

11. Amendments to the Conditions

Pursuant to Article A. 334-3(III)(3) of the Insurance Code (*Code des assurances*), any amendment to the Conditions of the Notes is subject to the declaration of non-opposition by the Relevant Supervisory Authority, if then required by the Applicable Regulations.

12. Governing Law and Submission to Jurisdiction

The Notes are governed by and shall be construed in accordance with the laws of the Republic of France.

Any action against the Issuer in connection with the Notes will be submitted to the exclusive jurisdiction of the competent courts in Paris.

USE OF PROCEEDS

The net proceeds of the issue of the Notes are estimated to be approximately €493,445,000 and will be used to strengthen the Issuer's balance sheet with hybrid capital and increase its financial flexibility in connection with the implementation of the external growth strategy of the Group.

DESCRIPTION OF GROUPAMA SA AND GROUPAMA GROUP

OVERVIEW

Groupama SA, the issuer of the Notes, is the central entity of the Groupama group (see “- Groupama SA - Group structure”). Groupama SA manages the operational activities of the Group, operates the internal and external reinsurance activities of the Group and is the parent company of all of the Group’s operating subsidiaries in France and abroad. Groupama SA is 99.8 per cent-owned by the Regional Mutuals through Groupama Holding and Groupama Holding 2. The remaining portion of its share capital (0.2 per cent) is owned by employees and exclusive agents of the Group. Groupama SA is established as a French limited liability company (*société anonyme*) with registered number 343 115 135 RCS Paris.

The group Groupama (defined under “- Description of Groupama SA and Groupama Group - Group Structure”) is the third largest multi-line insurance group in France, covering property insurance, insurance for individuals, savings and banking. Groupama also provides financial services in France. Groupama conducts its business under two separate brand names, Groupama and Gan. At the end of 2004, Groupama had approximately 33,000 employees and agents and had 8 million policyholders comprised of approximately 5 million members (*sociétaires*) of the Groupama network and approximately 3 million customers of the Gan networks. In 2004, Groupama had total revenues of €12.8 billion (an increase of 2.5 per cent on a comparable structure and constant exchange rate basis compared with 2003) comprised of €12.7 billion of insurance premium income and 0.1 billion of revenues generated by its financial services business. Groupama generated a net profit of €474 million before goodwill amortization and €359 million after goodwill amortization in 2004. The insurance business of Groupama is conducted primarily in France, which accounted for 85 per cent of Groupama’s total revenues in 2004. As at December 31, 2004, Groupama had net assets of €4.0 billion and technical provisions amounting to €56.2 billion.

The charts below present a breakdown of the gross revenues and net profit before goodwill amortization of Groupama by business segment on a combined basis.

| GROSS REVENUES BY BUSINESS SEGMENT | | |
|------------------------------------|--------------------------------------|--------------|
| | For the year Ended 31 December | |
| | 2003 | 2004 |
| | (in € billion) | |
| Life insurance in France | 3.60 | 3.52 |
| Non-life insurance in France | 6.93 | 7.24 |
| International insurance | 2.21 | 1.91 |
| Financial services | 0.14 | 0.16 |
| Total | 12.88 | 12.83 |

| NET PROFIT BEFORE GOODWILL AMORTIZATION BY BUSINESS SEGMENT | | |
|---|--------------------------------------|------------|
| | For the year Ended 31 December | |
| | 2003 | 2004 |
| | (in € million) | |
| Life insurance in France | 169 | 171 |
| Non-life insurance in France..... | 49 | 246 |
| International insurance..... | 44 | 71 |
| Financial services | (15) | (13) |
| Other | 21 | (1) |
| Total..... | 268 | 474 |

The charts below present a breakdown of the total revenues and net profit before goodwill amortization of Groupama in France by distribution network on a combined basis.

| GROSS REVENUES IN FRANCE BY DISTRIBUTION NETWORK | | |
|---|---|--------------|
| | For the year Ended 31 December | |
| | 2003 | 2004 |
| | <i>(in € billion)</i> | |
| Regional Mutuals and Groupama subsidiaries ⁽¹⁾ | 5.75 | 5.89 |
| Gan Assurances | 2.04 | 2.12 |
| Gan Eurocourtage..... | 1.36 | 1.37 |
| Gan Patrimoine..... | 0.58 | 0.54 |
| Gan Prévoyance..... | 0.40 | 0.43 |
| Other | 0.40 | 0.40 |
| Total | 10.53 | 10.75 |

Note:

(1) Including Groupama Vie and Groupama Transport

| NET PROFIT BEFORE GOODWILL AMORTIZATION IN FRANCE BY DISTRIBUTION NETWORK | | |
|--|---|-------------|
| | For the year Ended 31 December | |
| | 2003 | 2004 |
| | <i>(in € million)</i> | |
| Regional Mutuals and Groupama Vie | 85 | 176 |
| Gan Assurances | 30 | 32 |
| Gan Eurocourtage..... | 39 | 65 |
| Gan Patrimoine..... | 12 | 19 |
| Gan Prévoyance..... | 12 | 20 |
| Groupama SA ⁽¹⁾ | 10 | 79 |
| Groupama Transport..... | 17 | 14 |
| Other..... | 13 | 12 |
| Subtotal | 218 | 417 |
| Groupama Banque..... | (23) | (23) |
| Total..... | 195 | 394 |

Note:

(1) Principally activity of reinsurance of the Regional Mutuals

STRATEGY

Groupama's ambition is to become a leading insurer in Europe. Groupama intends to achieve this objective by improving operating performance, strengthening its positions on its strategic core insurance businesses, developing its French personal banking business and its international insurance operations, in particular through external growth.

- The Group intends to improve operating performance by focusing on commercial efficiency and controlling operating, administrative and external reinsurance costs. The Group also plans to develop synergies and economies of scale within the Group, in particular through the extension of shared services.
- Groupama is willing to strengthen its core insurance business lines, in particular by launching new products in life-insurance (personal health insurance and individual provident, retirement and life insurance), motor vehicle insurance and crop insurance. The group will continue to focus on private individuals, professionals (including farmers) and small and medium-sized businesses.
- Groupama intends to develop its personal banking business by extending the range of the products and services offered by Groupama Banque. In addition to the current distribution of the personal banking products and services by the Regional Mutuals network, the Group is also planning to make these products and services available through the Gan networks beginning in 2005.
- Finally, Groupama will give priority to developing its positions overseas, in particular in the Southern, Central and Eastern Europe and in Asia as these regions represent strong growth drivers in the future. More specifically, Groupama intends to grow internationally by external growth in Southern and Central Europe and organic growth in China and Vietnam.

The Group may contemplate the possibility of offering a non-controlling portion of its share capital to the public with a view to providing the Group with sufficient financial resources to achieve its strategy of external growth.

SELECTED COMBINED FINANCIAL DATA OF GROUPAMA

The selected combined financial data of Groupama as at 31 December 2003 and 2004 set out below has been derived from, should be read in conjunction with, and is qualified in its entirety by, the information contained in the audited combined financial statements of Groupama for the financial years ended 31 December 2003 and 2004 (the "Financial Statements") set out elsewhere in this Offering Circular. The Financial Statements have been prepared in accordance with accounting principles generally accepted in France, which differ in certain respects from the generally accepted accounting principles of certain other countries.

Groupama combined Financial Statements include the activities of the Local Mutuals, the Regional Mutuals, Groupama SA and its subsidiaries. (see "– Groupama SA – Group structure")

Groupama Combined Balance Sheet

| | As at 31 December (in € million) | |
|---|-------------------------------------|---------------|
| | 2004 | 2003 |
| Assets | | |
| Goodwill | 1,482 | 1,588 |
| Intangible assets | 216 | 223 |
| Insurance sector investments | 54,455 | 51,652 |
| Unit-linked investments | 3,378 | 3,358 |
| Banking sector investments | 673 | 814 |
| Shares in companies accounted for by the equity method | 12 | 10 |
| Shares of outwards reinsurance and retrocessionnaires in technical reserves | 1,717 | 1,922 |
| Receivables relating to insurance or reinsurance operations | 2,884 | 2,855 |
| Receivables (banking sector customers) | 326 | 310 |
| Receivables (banking sector) | 1,497 | 1,529 |
| Other receivables | 931 | 894 |
| Other assets | 163 | 171 |
| Accruals | 1,612 | 1,990 |
| Total | 69,346 | 67,316 |
| | | |
| | As at 31 December (in € million) | |
| | 2004 | 2003 |
| Liabilities | | |
| Initial capital | 32 | 32 |
| Consolidated reserves | 3,710 | 3,924 |
| Unrealised foreign gains or losses | (77) | (74) |
| Combined net income | 359 | 155 |
| Total capital and reserves Groupama | 4,024 | 4,037 |
| Minority interests | 230 | 231 |
| Subordinated debt | 750 | 750 |
| Gross technical reserves | 52,865 | 50,838 |
| Technical reserves in respect of unit-linked policies | 3,376 | 3,352 |
| Provisions for risks and charges | 576 | 540 |
| Debts relating to insurance or reinsurance operations | 1,596 | 1,451 |
| Debts (banking sector customers) | 1,009 | 723 |
| Securitised debts | 613 | 879 |
| Debts (banking sector) | 1,171 | 1,319 |
| Other debts | 2,890 | 2,988 |
| Accruals | 246 | 208 |
| Total | 69,346 | 67,316 |

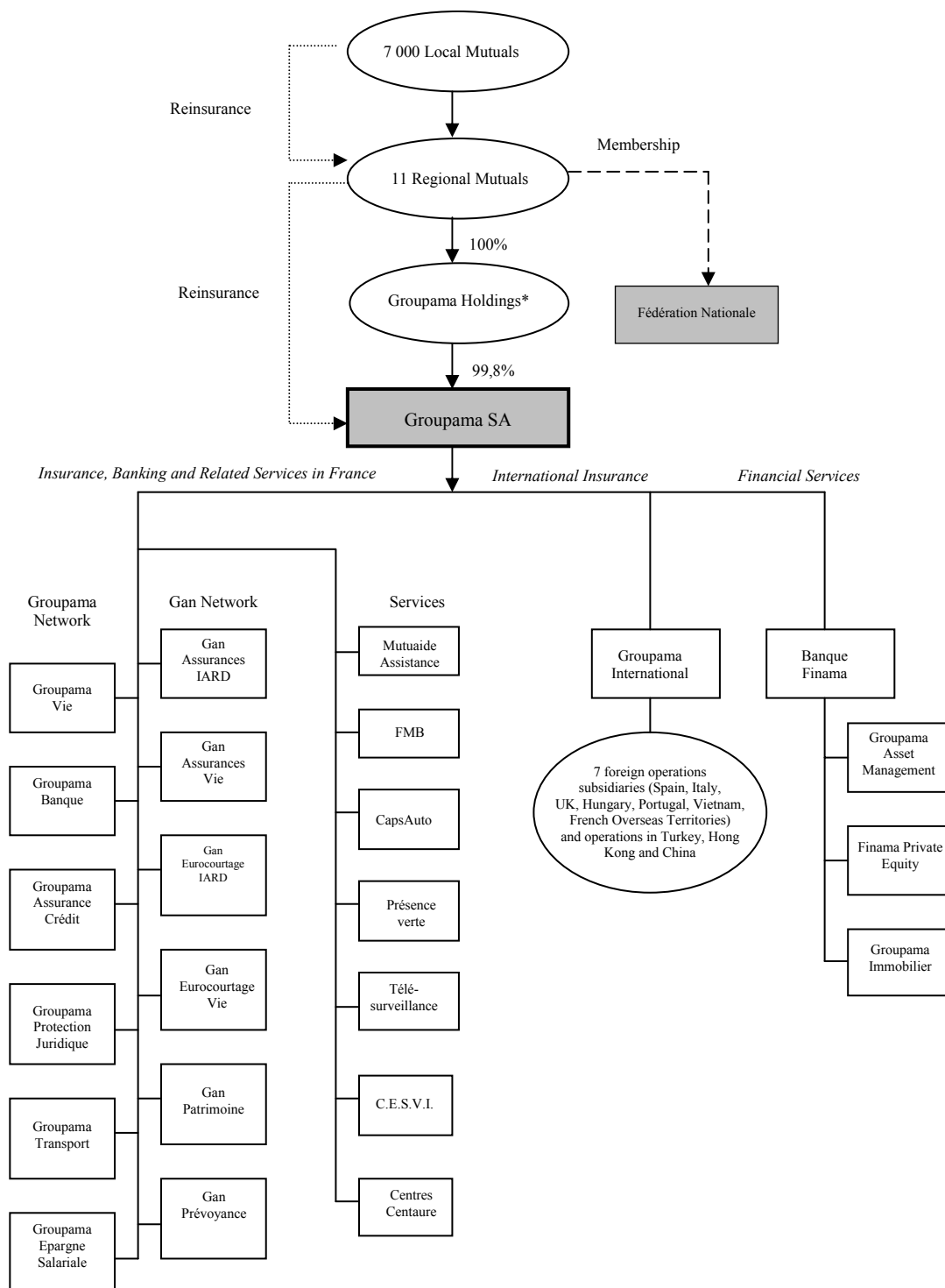
Groupama Combined Income Statement

| | As at 31 December | |
|--|-------------------|-----------------|
| | (in € million) | |
| | 2004 | 2003 |
| Income Statement | | |
| Premium written..... | 12,669 | 12,742 |
| Change in unearned premiums..... | 124 | (18) |
| Earned premiums..... | 12,793 | 12,724 |
| Banking revenues..... | 164 | 137 |
| Financial earnings net of expenses..... | 2,944 | 2,928 |
| Total earnings from ordinary activities..... | 15,901 | 15,789 |
| Insurance service expenses..... | (11,738) | (11,925) |
| Charges or income net of reinsurance cessions..... | (350) | (350) |
| Banking expenses..... | (60) | (43) |
| Management expenses..... | (2,942) | (2,954) |
| Total operating expenses..... | (15,090) | (15,272) |
| Profit/loss from ordinary activities..... | 811 | 517 |
| Other net income..... | (100) | (26) |
| Financial expenses..... | (92) | (101) |
| Exceptional income/expense..... | (77) | (70) |
| Corporate tax..... | (55) | (87) |
| Net profit of group companies..... | 487 | 233 |
| Share in net income of companies accounted for by the equity method..... | 2 | 2 |
| Depreciation allowance..... | (115) | (113) |
| Combined net profit..... | 374 | 122 |
| Minority Interests..... | 15 | (33) |
| Net profit (Group share)..... | 359 | 155 |

GROUP STRUCTURE

Group organigramme

The following is a simplified organizational chart which shows the current structure of the Group as at 31 December 2004 and the main subsidiaries of Groupama SA:



*Groupama Holding and Groupama Holding 2 are owned by the Regional Mutuals and together own 99.8% of the share capital of Groupama SA.

Description of the Group

The organizational structure is based on three entities: Groupama SA (the issuer of the Notes), Groupama Holding and the Fédération Nationale Groupama. The organizational structure, which was changed in December 2003 in order to improve decision-making process and efficiency, reflects the mutualist nature of the Group. Groupama SA is the operational centre of the Group, which is comprised of eleven agricultural insurance mutuals (*caisses régionales d'assurances mutuelles agricoles*, the “Regional Mutuals”), approximately 7,000 local agricultural insurance mutuals (*caisses locales d'assurances mutuelles agricoles*, the “Local Mutuals”) and more than 30 French and foreign operating subsidiaries held by Groupama SA. The terms “Groupama” or the “Group” used throughout the section “Description of Groupama SA and Groupama Group” of this Offering Circular are defined as including the Local Mutuals, the Regional Mutuals, Groupama Holding, Groupama Holding 2, Groupama SA and the subsidiaries of Groupama SA.

Groupama SA, the issuer of the Notes, is a French *société anonyme*. Groupama SA manages the operational activities of the Group, operates the internal and external reinsurance activities of the Group and is the parent company of all of the 30 operating subsidiaries of the Group. Groupama SA is 99.8 per cent-owned by Regional Mutuals through Groupama Holding and Groupama Holding 2. The remaining portion of its share capital (0.2 per cent) is owned by employees and exclusive agents of the Group.

Groupama Holding and Groupama Holding 2 are French *sociétés anonymes*. As holding companies, Groupama Holding and Groupama Holding 2 own approximately 90.8 per cent and 9 per cent of the share capital of Groupama SA, respectively, and are responsible for the financial control of Groupama SA. Groupama Holding and Groupama Holding 2 are wholly owned by the Regional Mutuals. Only Regional Mutuals which are members of the Fédération Nationale Groupama can be shareholders of Groupama Holding and Groupama Holding 2.

Fédération Nationale Groupama is a French non-for-profit organization (*association*) whose members are the Regional Mutuals. The Fédération Nationale Groupama defines the overall direction and strategy of the Group, acts as an agricultural trade organization and promotes the mutualist principles.

For greater management consistency, the central entities have the same chairman and the same executive management, including a common chief executive officer (see “—Groupama SA— Management and Employees”).

Network structure and activities

In 1998, Groupama acquired the French insurance group Gan SA. As each of the Groupama group and the Gan group had a range of specific products and services and a special relationship with its members or customers, Groupama has maintained two separate brands on the domestic market, Groupama and Gan, and the Group currently conducts business under these two major brands. While maximizing the synergies between the Groupama and Gan networks, Groupama generally distributes the Groupama insurance products through the Groupama network (which includes the Regional and Local Mutuals) and the Gan insurance products through the Gan subsidiaries.

Groupama network

The Groupama mutual network includes the Regional Mutuals and the Local Mutuals.

The Local Mutuals constitute the base of the Groupama mutual distribution system and enable the network to maintain a close relationship with its policyholders/members (*sociétaires*). Pursuant to rules governing French mutual organizations, the members of the Local Mutuals consist of any person or entity insured by one of the Local Mutuals. Each Local Mutual holds an annual general meeting, at which the members elect their representatives. These elected representatives play an active role in the operations of the Local Mutuals.

The Regional Mutuals are responsible for their own operations, management, policy-rating, product range, and, within the framework of overall group strategy, for their marketing policy. In the course of the last three years, the eighteen Regional Mutuals in France (excluding West Indies-Guiana and Indian Ocean-Pacific Mutuals) have been progressively consolidated into eleven Regional Mutuals as of today. This consolidation, which is continuing with the objective of having nine homogeneous Regional Mutuals, is aimed at improving efficiency, enhancing economies of scale and simplifying decision-making processes.

In the Groupama mutual network, the Local Mutuals provide insurance services to their respective members and are exclusively reinsured by the Regional Mutuals, which in turn are themselves exclusively reinsured by Groupama SA.

The Groupama mutual network has more than 3,000 branches and 10,000 sales persons. The Regional Mutuals and the Local Mutuals offer to private individuals, professionals, businesses and institutions a comprehensive range of general non-life insurance products and also distribute the life insurance products of Groupama Vie as well as the personal banking services and products of Groupama Banque.

Gan networks

The Gan networks, which are operated by the Gan subsidiaries of Groupama SA, are the following:

Gan Assurances

The Gan Assurances network is comprised of approximately 1,000 agents, 2,000 branch employees and 350 representatives. Gan Assurances offers a comprehensive range of general insurance, health insurance and savings products to private individuals, professionals, businesses and institutions. In addition, Gan Assurances will start distributing the personal banking products and services of Groupama Banque at the beginning of 2006. Gan Assurances is the fourth largest network of insurance agents in France and serves approximately two million customers.

Gan Eurocourtage

The Gan Eurocourtage network is comprised of approximately 1,500 regular partner brokers. Gan Eurocourtage offers non-life insurance products and group insurance products to private individuals, professionals, businesses, associations and cooperatives. Gan Eurocourtage is the third largest non-life insurance brokerage network in France.

Gan Patrimoine

The Gan Patrimoine network is comprised of 610 exclusive agents. Gan Patrimoine offers personal insurance products to private individuals in the middle or upper social and occupational group.

Gan Prévoyance

The Gan Prévoyance network is comprised of approximately 1,200 salaried advisers. Gan Prévoyance offers personal provident, retirement, savings and health insurance products to private individuals and professionals.

Equity interests in other companies

In 2001, Groupama divested its reinsurance business (Sorema) through the contribution of this business to the French reinsurance company Scor SA. In consideration for this contribution, the Group received shares of Scor SA. The Group currently owns 18.95 per cent of the share capital of Scor SA.

CAPITALIZATION

The following table sets out the capitalization of the Group as at December 31, 2004 on a combined basis, and as adjusted to take into account the issue of the Notes:

| | As at 31 December 2004 | |
|--|-------------------------------|---|
| | Actual | Pro forma as Adjusted (in € million) |
| Equity capital | | |
| - Initial capital | 32 | 32 |
| - Consolidated reserves | 3,710 | 3,710 |
| - Unrealised foreign exchange gains or losses | (77) | (77) |
| - Combined net income | 359 | 359 |
| Total capital and reserves Groupama | 4,024 | 4,024 |
| Minority interests | 230 | 230 |
| Total Equity | 4,254 | 4,254 |
| Indebtedness | | |
| Subordinated debt | | |
| - Dated senior subordinated debt due 2029: Euro 5.875 per cent for the first 10 years then Euribor 3 months + 195 bps from the 11 th year (July | 250 | 250 |
| - Dated senior subordinated debt due 2029: Euribor 3 month + 95 bps for the first 10 years then Euribor 3 months + 195 bps from the 11 th year | 500 | 500 |
| - Undated senior subordinated debt: Euro 4.375 per cent for the first 10 years then Euribor 3 months + 225 bps from the 10 th year (2015) | — | 500 |
| | 750 | 1,250 |
| Long- and medium-term financial debt | | |
| - SILIC financial debt * | 427 | 427 |
| - Other | 204 | 204 |
| | 631 | 631 |
| Amounts owed to banking sector customers | | |
| - Savings and ordinary accounts | 716 | 716 |
| - Other trade accounts payable | 293 | 293 |
| | 1,009 | 1,009 |
| Other amounts owed to banking sector with maturity of more than | | |
| - Insurance operations | 31 | 31 |
| - Banking operations | 0 | 0 |
| - Interbank and negotiable debt securities | 28 | 28 |
| | 59 | 59 |

* Groupama owns a 41.95 per cent capital interest in the listed real estate company SILIC. All of the financial debt of SILIC is consolidated in Groupama's accounts.

BUSINESS ACTIVITIES

The market share, ranking and other data contained herein are based either on independent industry publications, reports by market research firms or other published independent sources, or on the management's own estimates and, in each case, are believed by the management to be reasonable estimates. Unless stated otherwise herein, figures or other data provided for market share percentages, rank or other data are based on information published by the Fédération Française des Sociétés d'Assurance. However, market share data is subject to change and cannot always be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey of market shares.

Overview

Groupama is the third largest multi-line insurance group in France, covering property insurance, insurance for individuals, savings and banking. Groupama also provides financial services in France. Groupama conducts its business under two major brand names, Groupama and Gan. At the end of 2004, Groupama had approximately 33,000 employees and agents and had more than 8 million policyholders comprised of approximately 5 million members (*sociétaires*) of the Groupama network and 3 million customers of the Gan networks. In 2004, Groupama had total revenues of €12.8 billion (an increase of 2.5 per cent on a comparable structure and constant exchange rate basis compared with 2003) comprised of €12.7 billion of insurance premium income and 0.1 billion of revenues generated by its financial services business. Groupama generated a net profit of €474 million before goodwill amortization and €359 million after goodwill amortization in 2004. The insurance business of Groupama is conducted primarily in France, which accounted for 85 per cent of Groupama's total revenues in 2004. As at December 31, 2004, Groupama had net assets of €4.0 billion and technical provisions amounting to €56.2 billion.

Groupama is the leading non-life insurer, personal health insurer, agricultural insurer and local authority insurer in France. It is the second largest motor vehicle insurer and marine and transport insurer in France. Groupama is the third largest commercial insurer in France for small and medium-sized businesses and is the fifth largest life insurer in France.

Business segments

The charts inserted in the section “– Groupama SA – Overview” present a breakdown of the gross revenues and net profit before goodwill amortization of Groupama by business segment on a combined basis.

Insurance, banking and related services in France

Insurance

Groupama continued to grow its insurance business in 2004. Total premium income of the insurance business in France increased by 2.1 per cent compared with 2003 on a like-for-like basis, amounting to €10.8 billion. Life and health insurance premium income was stable at €5.5 billion, representing a 0.5 per cent increase compared with 2003. Property insurance recorded a significant increase in premium income, which rose to €5.26 billion on a comparable structure and constant exchange rate basis, representing a 3.9 per cent increase compared with 2003. The contribution of the insurance in France segment to the net profit of the Group almost doubled in 2004, rising from €218 million 2003 to €417 million. All the insurance networks recorded significant increases in net profit. The non-life insurance business in France contributed €246 million to the net profit of the Group, a significant increase compared with 2003 (the net profit of this segment was €49 million in 2003). The contribution of the life insurance business to the net profit of the Group remained high, representing €171 million compared with €169 million in 2003.

Life and health insurance

Groupama's domestic life and health insurance business is broadly based and represented approximately 51 per cent of combined premium income in 2004. In 2004, Groupama had a 4.7 per cent share of the French life and health insurance market.

Personal health insurance

Groupama offers its customers a wide range of individual health insurance policies. As the leading personal health insurer in France, Groupama maintained its position in 2004 in a very competitive and rapidly-evolving market in which the quality of the cover and of the services is a deciding factor for customers. Groupama offers personalized and extensive covers (in particular, the *Groupama Santé Active* solution), innovative services and a systematic direct payment system. Nevertheless, Groupama is taking a proactive approach by controlling the health risk itself through the implementation of specific programs, for example, in dentistry, outpatient healthcare (the *Groupama Health Partners* program) and optical services.

The group as a whole (the Regional Mutuals and the Gan profit centers) achieved an 11.5 per cent increase in premium income from €779 million in 2003 to €875 million in 2004, reflecting the quality of its healthcare offering. The health insurance portfolio of the Group increased by 1.4 per cent with approximately 1,073,000 policies in 2004.

Individual provident, retirement and life insurance

Groupama's individual provident, retirement and life insurance business is mainly carried out through its subsidiaries Groupama Vie, Gan Assurances Vie, Gan Patrimoine and Gan Prévoyance. They offer their customers a variety of life insurance products including personal provident, sickness-disability, savings and retirement.

Savings and retirement: In 2004, the Group generated a premium income from savings and retirement of €2.6 billion in 2004. Groupama Vie, Gan Assurances Vie, Gan Patrimoine and Gan Prévoyance generated, respectively, €1.4 billion, €405 million, €542 million and €222 million in premium income in 2004. The Regional Mutuals distribute Groupama Vie's products. Euro-based policies account for the largest portion of the policies' portfolio.

Personal provident: Personal provident products, which include death, bodily injury, unforeseen events, long-term care and funeral policies, are distributed by the Regional Mutuals and the Gan Network. In 2004, the Group generated a personal provident insurance premium income of €642 million.

Collective insurance and company savings schemes

Groupama is the third largest insurer on the "collective policies" insurance market. Collective insurance premium income reached €1.24 billion in 2004. Gan Eurocourtage was the largest contributor to this performance with €599 million (48.3 per cent) of premium income. Gan Assurances and Groupama Network generated €426 million (34.5 per cent) and €213 million (17.2 per cent) of premiums, respectively. In connection with the governmental reforms in France aimed at ensuring the continuity of the existing "repartition system" while strengthening retirement savings schemes, the Group undertook numerous initiatives intended to enable employees to make optional payments into "Article 83" fixed-contribution pensions as such possibility is now recognized by the new Fillon Law.

Groupama has also developed an expertise in and a comprehensive range of employee savings plans. Through its specialized subsidiary Groupama Épargne Salariale, the Group managed in 2004 the plans of more than 80,000 savers representing €370 million of funds managed.

Property insurance

Groupama's domestic property insurance business is broadly based and represented approximately 49 per cent of combined premium income in 2004. In 2004, Groupama had a 13 per cent share of the French property insurance market.

Motor vehicle insurance

Groupama's motor vehicle insurance product range covers all of the risks relating to the use of motor vehicles. Motor vehicle insurance is a highly competitive market, with an increasing number of players, including "bancassureurs" (i.e. banks providing insurance products), direct sellers and automobile makers. On this market, Groupama is positioned as a service integrator offering extensive motor vehicle insurance solutions. These solutions consist in innovative packages including insurance, breakdown assistance, vehicle replacement and repair guarantee (e.g. *Auto-Presto*). Other packages comprise the rental of a new vehicle with an option for purchase, insurance, assistance, maintenance and services (e.g. *Pleine Route*). By acquiring Motorcare Services SA (*CapsAuto*) in January 2003, Groupama has widened the scope of its services and is now able to offer car accident management services to its customers. Finally, Groupama has entered into a partnership agreement with Rent-A-Car and acquired a 20 per cent capital interest in this company.

With a motor vehicle insurance premium income of €1.8 billion in 2004, representing an increase of 1.70 per cent compared to 2003, Groupama was the second largest motor vehicle insurer in France in 2004 and had a market share of approximately 10.5 per cent.

Homeowners insurance

Similarly to motor insurance, Groupama's approach is to offer a comprehensive range of covers for all household risks. Positioned as a "service integrator", Groupama is able to offer a global home and family life insurance package combining home insurance policies and assistance services for both property and people. This innovative approach allows Groupama to grow in the home insurance market, which is becoming increasingly competitive with "bancassureurs" playing an increasing role.

In 2004, homeowners insurance generated premium income of €691 million, representing a 5.1 per cent increase compared with 2003.

Agricultural insurance

Groupama offers insurance protection against a range of agricultural risks, including agricultural accident and professional agricultural risks. With a total premium income of €810 million in 2004, Groupama is the market leader in the provision of agricultural insurance in France. Fire and agricultural damage insurance generated premiums of €230 million and tractor and farm machinery insurance generated premiums of €193 million. Crop insurance, farmers' liability protection insurance and livestock insurance generated premiums of €106 million, €68 million and €14 million, respectively. The Group continues to innovate to ensure that its products and services meet the expectation of the farmers. As an example, Groupama has recently launched a new offer of crop insurance covering 13 inclement weather risks.

Professional insurance

Groupama provides multi-risk policies insurance products and associated services to small businesses (including businesses in the construction industry), non-salaried workers and local and large *associations* (non-for-profit organizations). Groupama is aiming to gain new market shares amongst these groups of people by providing innovative and attractive insurance solutions and services assembled in a single package.

Small businesses: With small business premium income (multi-risk professional policies) of €190 million in 2004 from €180 million in 2003, Groupama has been a major player in this sector for several years, particularly since the acquisition of CGU Courtage in 2002. Its premium income is increasing faster than market growth.

Construction businesses: In 2004, Groupama had a construction insurance premium income of €153 million and was the third largest French insurer on this specialized and concentrated market. In 2004, the Group has launched a new product designed for small and medium-sized businesses in the construction and civil engineering sector and has entirely revised the policy rates and segmentation.

Commercial and local authorities

Groupama provides insurance products and services to businesses (in particular small and medium-sized businesses) and to public authorities (in particular small and medium-sized towns). In 2004, Groupama generated a commercial and local authorities insurance premium income of €1.05 billion. Commercial and institutional insurance products and services are primarily distributed by the Regional Mutuals, Gan Eurocourtage and Gan Assurances networks.

Commercial insurance: In 2004, commercial non-life insurance and third-party insurance, excluding the construction sector, accounted for 57.6 per cent of the commercial and institutional premium income while car fleet insurance accounted for 28.4 per cent of this income. Groupama's expertise in the cooperative and agri-food industry non-life insurance gives to Groupama the position of market leader on this specific business segment. Groupama Assurance-Crédit, a subsidiary of Groupama SA specialized in credit insurance (insurance covering the risk of payment default), generated credit insurance premium income of €27 million in 2004. Groupama Assurance-Crédit is particularly active in the agri-food sector but is developing a more comprehensive range of credit insurance products in the timber and metalworking industries.

Local authorities insurance: Groupama provides insurance products and services to businesses to public authorities. In 2004, Groupama was the insurer of more than 18,000 French municipalities (i.e. towns). Local authorities insurance premium income (including insurance for employees of the municipalities) experienced a 14 per cent growth in 2004.

Marine and transport insurance – Aviation and space insurance

Groupama's specialized subsidiary, Groupama Transport, offers its customers and brokers/agents general marine and transport insurance as well as aviation and space insurance through its participation in the worldwide pools of aviation and space insurance *La Réunion Aérienne* and *La Réunion Spatiale*. Located in eight local offices in France and abroad, the 240 employees of the marine insurance business of the Group serve the specific needs of Groupama's customers in seven major markets: ship owners, fishing, port, inland, yachting, transport and enterprises. Groupama Transport has developed international partnerships with the Group's overseas operations, particularly in Spain with Groupama's subsidiary Groupama Plus Ultra. As part of its development in Asia, Groupama Transport opened an office in Singapore in September 2004. Through its participation in specialized pools, Groupama also provides cover for airlines (for both the aircraft themselves and any related tort liability), aircraft makers (product liability and tort liability) and other aviation risks, in particular for private aircraft. In the field of space insurance, the Group insures satellites, both on launch and for the duration of their orbit.

In 2004, Groupama Transport generated €258 million in transport insurance premium income (comprised of €172 million in marine insurance and €86 million in aviation and space insurance) and generated a net profit of €13.6 million. Like in 2003, premiums were affected by the steady decline in value of the US dollar against the euro as a significant portion of insurance premiums collected by Groupama Transport is paid in US dollars. Groupama Transport is the second largest transport insurer in France.

Insurance related activities

The Group engages in several insurance related activities, including assistance services, remote surveillance of property, direct repair service, the provision of legal expenses cover and accident prevention, which supplement its insurance business.

Assistance

The Group's assistance services are carried out through Mutuaide Assistance, a subsidiary of Groupama SA. Mutuaide Assistance provides personal assistance services to approximately 38 million people. Its products include assistance services for business and non-business travellers. In 2004, Mutuaide Assistance processed approximately 256,000 claims and generated premium income of €17 million in France.

Remote surveillance of property

This activity, which mainly consists in installing surveillance systems on residential and commercial properties and operating a monitoring centre, is carried out under the name Activeille. With approximately 18,000 subscribers, Activeille generated premium income of €10 million in 2004.

Remote assistance for people

Groupama SA's specialized subsidiary, *Présence Verte*, provides remote assistance to more than 48,000 subscribers, in particular senior citizens. *Présence Verte* generated premium income of €3.3 million in 2004.

Legal protection

The Regional Mutuals and Groupama's specialized subsidiary, Groupama Protection Juridique, generated €125 million in premium income from the provision of legal expenses cover in 2004. This market is probably one of the most-dynamic in the non-life insurance sector. Groupama Protection Juridique can also meet the needs of companies with a policy that covers all aspects of corporate life and of local authorities with a product that enables elected representatives to deal with crisis situations.

Accident prevention

The Group carries out research into ways of reducing the risk of accidents and offers advice and help on the subject to its members, individuals and businesses alike. It also seeks to reduce the number of traffic accidents by offering training to young people in school, advanced driving tuition to adults at its *Centaure* centres and re-training to senior citizens. Groupama also improves its cost management know-how by developing new insight into road accident and repair procedures in its road safety experimentation centre (*Centre Cesvi France*) operated in partnership with Maaf Assurances and Mapfre.

Personal banking

Consistent with the Group's strategy to offer personal banking products and services in France to its members and customers, Groupama initiated in 2002 the creation of Groupama Banque, its personal banking business. Groupama intends to supplement its traditional range of insurance products and services by offering to its customers an innovative and competitive range of banking and savings products and services, thereby offering to its members and clients a one-stop insurance and personal banking solution. Groupama considers its entry in the personal banking market as a strong growth driver and a means to win the loyalty of its members and clients.

The business of Groupama Banque, initially distributed through Groupama locally-based networks, has experienced a good development since its launch in April 2003, with approximately 195,000 customers as of December 31, 2004. Groupama Banque's growth in 2004 was accelerated by the addition of new products, including the offer of personal loans. Groupama Banque provides a large range of banking services and is now able to meet the various needs of its clients: everyday banking transactions (*Astréa*); consumer loans (*Desirio*); savings schemes and traditional savings products (CODEVI deposit accounts (*Capellan*), LEP passbook accounts, home-buyers' savings schemes); securities products and property loan solutions. Groupama has trained more than 6,500 advisors since the launch of its personal banking business. The personal banking products and services of Groupama Banque will be available through the Gan Patrimoine network and the Gan Assurances network in 2005 and early 2006, respectively.

In 2004, Groupama Banque had a negative impact on the net profit of the Group of €23 million. This financial result reflects the fact that Groupama's personal banking business is still in its launch phase. The total amount of deposits at the end of 2004 was €451 million.

Groupama Banque is a subsidiary of Groupama SA with Société Générale holding 40 per cent of the share capital of Groupama Banque. Société Générale and Groupama SA have entered into a partnership agreement in 2001.

On July 23, 2002, the French authority C.E.C.E.I. (*Comité des Etablissements de Crédit et des Entreprises d'Investissement*) authorized Groupama Banque to operate banking activities.

International Insurance

The Group provides both life and non-life cover for individuals, small and medium-sized businesses and professionals in a number of countries in Europe and in Asia. In 2004, the Group had international insurance premium income of €1.9 billion representing 15 per cent of the Group's total premium income and an increase of 3.5 per cent compared with 2003 on a comparable structure and constant exchange rate basis. International insurance operations of Groupama are primarily operated in Europe where the Group generated almost all of its international insurance premium income in 2004. The contribution of the international insurance business to the Group's net profit increased from €44 million in 2003 to €71 million in 2004, confirming the improvement already noticed in 2003. The international insurance business of Groupama employs approximately 2,800 people located in eight countries.

Europe

Southern Europe, the core target market for Groupama's international growth strategy, recorded a strong increase (4.8 per cent). In Spain, Groupama Plus Ultra (which results from the merger of Groupama's original subsidiary with the acquired company Plus Ultra Generales) generated a premium income of €676 million, recording an increase of 2.4 per cent in premium income compared with 2003. In Italy, Gan Italia generated premium income amounting to €525 million, representing a 2.9 per cent increase compared with 2003. The Portuguese subsidiaries (Gan Portugal Vida and Gan Portugal Seguros) had premium income of €90 million in 2004 representing a strong increase (43.8 per cent) compared with 2003. In 2004, premium income collected by Groupama Insurances, the U.K. subsidiary of the Group, was €451 million, representing a decrease by 4.7 per cent compared with 2003.

The contribution of international insurance to the net profit of the Group (from €44 million in 2004 to €71 million in 2004) was mainly driven by operations in Spain (net profit of €39 million 2004) where the integration of separate businesses within the entity Groupama Plus Ultra proved very successful. Italian and U.K. operations, which recorded in 2004 a positive net profit of €19 million and €26 million, respectively, also significantly contributed to the net profit of international operations. Groupama is in the process of withdrawing from Switzerland, a non-strategic market for the Group, and has initiated the run-off of the operations of its Swiss subsidiary Zénith Vie.

Groupama has also operations in Hungary and Turkey. The Hungarian subsidiary of Groupama generated premium income of €54 million in 2004 and is the eight largest insurer in Hungary. In Turkey, Groupama owns a 36 per cent capital interest in Günes Sigorta, the sixth largest non-life insurer in Turkey.

Asia

Groupama considers Asian insurance markets as strong growth drivers, in particular Vietnam and China. Expanding operations in this region of the world is part of the Group's long-term international development strategy and the Group has been taking initiatives to develop its Asian operations, in particular in Vietnam and China. In Vietnam, the government has recently authorized Groupama to expand its activities to all sectors of non-life insurance throughout Vietnam. In China, Groupama has been granted approval in September 2004 to market its non-life insurance policies in the province of Sichuan, China's third largest province in population (85 million inhabitants). Following this approval, Groupama has opened its first branch in China, at Chengdu, the capital of Sichuan and has entered into a three-year cooperation agreement with Agricultural Bank of China, one of the big four Chinese state banks.

In 2004, Groupama reorganized its French overseas departments and territories non-life operations by combining separate businesses within a new single entity, Gan Outre-mer IARD. French overseas departments and territories operations in 2004 generated premium income of €60 million and a net profit of €2.7 million.

Financial Services

The financial services activities of the Group generated revenues of €164 million in 2004 compared with €137 million in 2003. The contribution of the financial services business, excluding Groupama Banque, to the Group's net profit amounted to €10 million, an increase of 45.3 per cent compared with 2003, mainly reflecting the performance of Groupama Asset Management.

Group Banking

Banque Finama, a subsidiary of Groupama SA, provides a wide range of banking services to the entities of the Group and to third-party companies, businesses and *associations*, with banking services tailored to suit their specific needs. Banque Finama is also the holding company of the Group's asset management subsidiaries. In 2004, the activities of Banque Finama generated a net banking income of €42.3 million and a net profit of €6.4 million. As at December 31, 2004, the amount of total capital and reserves amounted to €203 million and the amount of securities held in custody was €76.8 billion.

Asset Management

Groupama Asset Management manages the securities portfolios of most of the Groupama entities and mutual funds. It also manages assets for the account of institutional investors. With assets under management of 58.8 billion as at December 31, 2004 (compared with €52.6 billion as at December 31, 2003), Groupama Asset Management is amongst the eight largest French asset managers. Assets under management consisted in bonds (75 per cent), equity (18 per cent) and investments on the monetary market (6 per cent). The revenues generated by the asset management activities of the Group amounted to €71 million in 2004, an increase of 25 per cent compared with 2003, and the net profit amounted to €14.5 million, an increase of 65 per cent compared with 2003. This growth was driven in particular by new investments and the good performance of financial markets. Groupama Asset Management is rated aa- by the rating agency Fitch.

Real Estate

In 2004, the Group's specialized subsidiary Groupama Immobilier manages a property portfolio of approximately 710,000 square meters, with a total value of €3.4 billion. Groupama's real estate portfolio consists mainly of commercial (71 per cent) and residential (27 per cent) properties. In 2004, the proceeds from the sale of property assets amounted to €367 million and represented capital gains of €100 million. Groupama Immobilier also generated rental income of €213 million in 2004. The Group is refocusing on commercial real estate.

Private Equity

Finama Private Equity manages an unlisted portfolio of assets. The total committed amount is €500 million, representing €100 million dedicated to direct investments in medium-sized French companies (the *Acto* fund) and €400 million dedicated to investments in funds of funds (the *Quartilium* funds).

Management of insurance risks and investments

Management of insurance risks

Risk is an inherent element of the insurance business which the Group manages through the careful analysis, understanding and management of risks both within individual operations and at the overall Group level. This is helped by the Group's wide geographic spread, diverse product range and reinsurance protection.

Actuarial techniques, expertise and judgment are used to determine the appropriate level of claims provision. However, claims for disease, pollution and environmental damage are often subject to significant delay in notification and settlement, and there is considerable uncertainty in assessing the liability and amount of claims on policies written many years ago. In this respect, risks relating to asbestos or pollution represent a rather small percentage of the Group's technical liabilities and are regularly reassessed, in particular at each year-end.

Management of insurance investments

As a major insurer the Group has to manage the potential exposures arising from movements in investment values, interest rates and exchange rates in addition to the risks inherent in the insurance business.

The invested assets of insurance companies are accounted for on a historical cost basis and not at their market value. Accordingly, fluctuations in interest rates have a direct impact on unrealized capital gains relating to bonds and, in relation to net profit, investment income generated by the cash flow available. In non-life insurance, by way of example, a one per cent increase in interest rates is equivalent to an increase in investment income of approximately €3.5 million; at the same time, technical provisions on annuities would be reduced. In life insurance, the equivalent increase in investment income would be approximately €34 million, most of which would be

allocated to policyholders. In the event of a decrease in interest rates, the relevant impact would be comparable, with an additional decrease in the profit share allocated to policyholders and a potential set-off through an increased ability to realize capital gains on shares, usually revalued upwards when interest rates decrease.

The Group's non-life insurance investment portfolio continues to be weighted towards fixed interest securities to match the insurance and other liabilities of the Mutuals and the Group's subsidiaries, with the balance, broadly matching the shareholders' capital employed, being invested mainly in equities and properties. Life assets are invested to provide an appropriate portfolio to meet future liabilities and the expectations of policyholders. Derivative investment products are principally used for investment and debt hedging purposes or to structure some retail savings products. Short-term interest rate movements have a relatively modest impact on the Group's operating profits as its non-life insurance interest-bearing investments are predominantly in medium-term securities.

The Group's insurance operations are almost exclusively (95 per cent) conducted in euro-zone countries and, therefore, the impact of fluctuations in exchange rates on the Group's financial results is not significant.

Also, the Group maintains an efficient capital structure from a combination of capital and reserves and borrowings consistent with the Group's risk profile and the regulatory and market requirements of its businesses.

COMPETITION

The insurance industry in France is highly competitive and increasingly concentrated among a few large national operators which offer products similar to those offered by the Group and many of which use similar marketing techniques. As certain life insurance products include a savings or investment component, competition for those products from banks, brokerage firms or other financial institutions, such as La Poste, has increased significantly in recent years.

In the general insurance business, competition has increased due to the entry into the market of insurance subsidiaries of banks, continuing competition from other mutuals and the continuing trend towards consolidation of businesses among large insurance companies.

LITIGATION

The Group is involved in certain legal proceedings arising in the normal course of its business. Management believes that none of these proceedings is material in the context of the issue of the Notes.

REGULATORY MATTERS

The insurance businesses of the Group are subject to detailed, comprehensive regulation in all the jurisdictions in which the Group does business. In addition, European Union (“EU”) directives have had, and will continue to have, a significant impact on the regulation of the insurance industry in the EU. Directives no. 92-49 of 18 June 1992 and 2002-83 of 5 November 2002 (the “EU Insurance Directives”) relating to direct insurance other than life insurance and direct life insurance, respectively, have been incorporated into French law and have greatly rationalized the regulatory structure to which insurance companies are subject in Europe. These directives provide that once an insurance company has been licensed to conduct insurance business in one jurisdiction of the European Union, it may do business directly or through branches in all other jurisdictions of the European Union without being subject to licensing requirements under the laws of each additional jurisdiction. In addition, these directives provide that, since 1 July 1994, the authorization and supervision of an insurance company shall be the responsibility of the insurance regulatory authority of the member state in which the insurer is domiciled, regardless of where its insured risks may be located within the EU.

The EU Insurance Directives are founded on the “home country control” principle, according to which the ongoing supervision of insurance companies, including their non-home insurance operations (whether direct (using the “freedom of services” principle) or through branches), will remain the responsibility of the home country insurance regulatory authority. The home country insurance regulatory authority will continue to monitor compliance with applicable regulations, the solvency of the insurer and its technical reserves as well as the assets of the insurer which support such reserves.

The principal French regulations that apply to the Group’s insurance operations are summarized below.

The Group comprises insurance mutuals which have the status of *caisses d’assurances mutuelles agricoles* or *caisses de réassurance mutuelles agricoles* (the Local Mutuals, the Regional Mutuals) and insurance companies which have the status of *sociétés anonymes*.

The Local Mutuals and the Regional Mutuals are subject to articles L. 771-1 *et seq.* of the French *Code Rural* and the French Insurance Code as regards their legal status and are governed by the French Insurance Code as regards their insurance activities. They are supervised jointly by the Ministry of Economy and the Ministry of Agriculture on one hand and by the *Commission de Contrôle des Assurances, des Mutuelles et des Institutions de Prévoyance* (“CCAMIP”) on the other hand.

The insurance companies of the Group incorporated as *sociétés anonymes* (which include Groupama SA and the insurance subsidiaries of Groupama SA) are subject to regulations generally applicable to all insurance companies organized in France, contained principally in the French *Code des Assurances* (the “French Insurance Code”), and to the supervision of both the *Comité des Entreprises d’Assurance* (“CEA”) and the CCAMIP.

In addition, the Group Groupama is subject to regulations applicable to insurance groups, which provides for additional supervision.

The principal object of such regulations and supervision is the protection of the insured party.

The CCAMIP is an independent administrative authority of the French insurance industry and supervises the compliance with applicable insurance regulations by, and the financial condition and solvency of, insurance companies.

Prior to engaging in one or several categories (*branches*) of insurance activity, all French insurance companies must receive approvals from the relevant supervisory authorities which examine the compliance with statutory standards of the legal, financial, accounting and technical structures of the applicant.

The Local Mutuals are reinsured by the Regional Mutuals and, pursuant to article R. 322-132 of the French Insurance Code, the latter are substituted to the Local Mutuals they reinsure for the purpose of satisfying insurance prudential regulations and the Local Mutuals’ insurance commitments (*engagements d’assurance*). Such substitution entails that the Local Mutuals are not licensed as insurance companies. The Regional Mutuals of the

Group are themselves exclusively reinsured by Groupama SA but without giving rise to the application of article R. 322-132 (except for the Regional Mutual of *Antilles-Guyane*). As a consequence the Regional Mutuals (except for that of *Antilles-Guyane*) are subject to licensing requirements and to all insurance solvency regulations generally applicable to insurance companies.

The CCAMIP supervises adherence to statutory accounting principles and compliance with financial and technical management regulations. In addition, the business accounts of the various insurance entities of the Group are subject to examination at any time by the CCAMIP, and in the case of the *caisses d'assurances mutuelles agricoles*, such examination is performed jointly with authorized officers of the Ministry of Agriculture. Any change in the articles of association of the Group's French entities must also be approved by the relevant authorities, which means the CCAMIP as regards the *sociétés anonymes* and both the Ministry of the Economy and the Ministry of Agriculture, as regards the *caisses d'assurances mutuelles agricoles* and *caisses de réassurance mutuelles agricoles*.

French insurance companies may not engage in any commercial activity on an ongoing basis other than that of providing insurance cover with respect to the categories of insurance businesses for which they have obtained approval, and directly related activities. The scope of activities which can be carried out by *caisses d'assurances mutuelles agricoles* is limited by law to non-life insurance cover whereas the Group's *sociétés anonymes* can engage in any type of insurance cover. Under French law however, life insurance cover and non-life insurance cover (except with respect to personal injury due to illness or accidents) may not be provided by the same company. The 1994 Law allows life insurance cover and personal injury insurance cover to be provided by the same insurance company.

Investments, Reserves and Solvency

French law subjects French insurance companies to a number of requirements with respect to the administration of their assets and liabilities.

With respect to liabilities, the technical reserves of the regulated insurer, which represent the reimbursement payments that may be made by the regulated insurer to the holders or beneficiaries of a policy, must be adequate to allow the regulated insurer to fulfill its contractual commitments to pay on receipt of claims. In the case of life insurance, events which may prematurely terminate an insurance contract (such as the surrender of a policy) must be taken into account in maintaining technical reserves. French law also prescribes the maintenance of a minimum solvency margin and of a guaranty fund (*fonds de garantie*) which must be equivalent to one-third of the statutory minimum solvency margin, but in any event no smaller than the amount stipulated by French insurance regulations. The minimum solvency margin (including a company's capital (or, *fonds d'établissement*, as regards *caisses d'assurances mutuelles agricoles* or *caisses de réassurance mutuelles agricoles*), reserves and profit carry-forwards and, subject to the approval of the CCAMIP and the insurance regulatory authority of the member states in which the insurer operates, its unrealized capital gains and, for life insurance companies, subject to the approval of the CCAMIP, a fraction of its future estimated profits) must be at least equal to a statutory minimum calculated (i) in non-life insurance as a fraction of premiums written from the previous year or the average of claims paid during the last three financial years, whichever is higher, and (ii) in life insurance as a fraction of mathematical reserves and liabilities to holders or beneficiaries of policies providing for payment upon death (after deduction of mathematical reserves), and, in certain cases, life insurance premiums written. One of the principal objectives of the minimum solvency margin is to provide for unexpected shortfalls in underwriting reserves. In addition, in the case of life insurance, French insurance companies are required to allocate a significant portion of profits each year for the benefit of holders of life insurance policies other than term life and unit-linked policies. Formerly, profit participation amounts could be immediately transferred to mathematical reserves, or to a profit participation reserve (*provision pour participation aux excédents*), in which case they had to be transferred to mathematical reserves or allocated to policyholders within five years. Pursuant to a regulation promulgated in July 1993, the period has been extended to eight years. By giving insurers a certain flexibility with respect to the allocation of profit participation amounts, this mechanism permits a more stable allocation of profits to policyholders and provides insurers with a significant cushion for less profitable years.

The Group's French insurance companies manage the assets which support underwriting reserves for potential claims and certain other liabilities to employees and third parties (*engagements réglementés*, or "regulated

commitments”), as regulated by French law. In managing such assets, French insurers may invest only in (i) marketable securities and similar securities (primarily securities issued by an entity organized under the laws of an OECD country or securities listed or traded on a stock exchange or regulated market of an OECD country), (ii) real estate assets situated in an OECD country and (iii) deposits and loans to entities or individuals domiciled in an OECD country. In addition, French law limits the proportion of assets that French insurers may invest in certain categories of investments. Assets invested in deposits and loans may not exceed an amount equal to 10 per cent of regulated commitments. Assets invested in real estate, marketable securities and similar securities may not exceed an amount equal to 40 per cent and 65 per cent, respectively, of regulated commitments. French law also imposes restrictions with respect to particular investments. When a regulated commitment is made in one currency, the assets supporting such commitment must be denominated or capable of realization in that currency. By exception, up to 20 per cent of regulated commitments may be supported by assets that are not denominated or capable of realization in the same currency as that in which the commitment to pay is denominated.

Auditing Requirements

The system of accounting used by the Group’s French insurance companies is subject to French regulatory control. The accounts of a French insurer must conform to a standard form prescribed by the French Insurance Code. French insurers must also file a balance sheet, a general account of profits and losses, an account of general operating costs and a number of accounting and statistical statements with the CCAMIP. In addition, French insurers are required to carry out an annual inventory and to present consolidated accounts.

Taxation

An annual tax on premiums of between 7 per cent and 30 per cent is imposed on most of insurance contracts. An exemption is applicable to certain contracts, including but not limited to, life insurance contracts, group insurance contracts and insurance contract payments which are made to a retirement savings plan.

MANAGEMENT AND EMPLOYEES

Management

The organizational structure of Groupama is based on three entities: Groupama SA (the issuer of the Notes), Groupama Holding and the Fédération Nationale Groupama.

Groupama SA, the issuer of the Notes, manages the operational activities of the Group, operates the internal and external reinsurance activities of the Group and is the parent company of all of the operating subsidiaries of the Group in France and abroad.

Groupama Holding, as a French holding company, owns, together with Groupama Holding 2, 99.8 per cent of the shares of Groupama SA and is responsible for the financial control of Groupama SA.

Fédération Nationale Groupama, a French non-for-profit organization (*association*) whose members are the Regional Mutuals, defines the overall direction and strategy of the Group, acts as an agricultural trade organization and promotes the mutualist principles.

For greater management consistency the central entities have the same non-executive chairman and the same executive management team, including a common chief executive officer. The paragraphs below present the Board or Directors and the executive management team of Groupama SA, the issuer of the Notes.

Board of Directors

Pursuant to the articles of association of Groupama SA, the Board of Directors consists of nine to eighteen directors (*administrateurs*). Each director is elected for a six-year term. The Board of Directors also includes two-employee elected directors, each elected for a four-year term. The Board of Directors of Groupama SA has sixteen directors as of today: eleven representatives of the Regional Mutuals, two directors elected by the employees of Groupama SA and three outside directors. The appointment of the three outside directors (Frédéric Lemoine, Jean Salmon and Philippe Vassor) to the Board of Directors of Groupama SA was approved by the general shareholders' meeting of Groupama SA in February 2005.

As of the date of this Offering Circular, the members of the Board of Directors are:

- Jean-Luc Baucherel (Chairman) ;
- Jean-Luc Wibratte (Vice-Chairman) ;
- Francis Aussat ;
- Jean Baligand ;
- Robert Drouet ;
- Michel Habig ;
- Solange Longuet ;
- Marius Mul ;
- Roger Paillès ;
- Jean-Pierre Rousseau ;
- Jean-Luc Viet ;
- Henri Durand, elected employee director ;
- Christian Garin, elected employee director ;
- Frédéric Lemoine ;
- Jean Salmon ; and
- Philippe Vassor.

In February 2005, the Board of Directors of Groupama SA created three specialized committees:

- an audit and accounts committee whose members are Frédéric Lemoine (Chairman), Jean-Luc Wibratte, Roger Paillès and Philippe Vassor ;
- a compensation and appointments committee whose members are Francis Aussat (Chairman), Jean-Luc Wibratte, Robert Drouet, Solange Longuet and Frédéric Lemoine ;

- an agreements and related party transactions committee (principally responsible for analysing procedures relating to the application of the reinsurance covenants and, more generally, the covenants established between Groupama SA, its subsidiaries and the Regional Mutuals) whose members are Philippe Vassor (Chairman) Jean-Luc Wibratte and Jean-Luc Viet.

Executive Management

Jean Azéma is the Chief Executive Officer (*Directeur Général*). Jean Azéma has been serving as C.E.O. since June 2000.

As of the date of this offering circular, the members of the Steering Committee (*Comité de Direction Générale*) are:

- Jean Azéma ;
- Pascal Alexandre ;
- Christian Collin ;
- Thierry Couret ;
- Patrick Courtot ;
- Frédérique Granado ;
- Jacques Guyot ;
- Rolph Harff ;
- Jean-François Lemoux ;
- Benoît Maes ;
- Thierry Martel ;
- Helman le Pas de Sécheval ; and
- Bertrand Woirhay.

Employees

At the end of 2004, the Group had approximately 29,300 employees, including 2,800 employees overseas. In addition, the Group's operations in France engaged approximately 3,400 sales persons, exclusive agents, mandated secretaries (*secrétaires mandataires*) and tied agents.

Management believes that the Group's relations with its employees are good.

RECENT DEVELOPMENTS

In January 2005, the Vietnamese government authorized Groupama to expand its activities to all sectors of non-life insurance throughout Vietnam.

In January 2005, the Group initiated the run-off of its Swiss subsidiary Zénith Vie.

In February 2005, three outside directors were appointed to the board of directors of Groupama SA and three specialized committees of the board of directors of Groupama SA (audit and accounts committee, compensation and appointment committee and agreements committee) were created.

FINANCIAL INFORMATION

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COMBINED FINANCIAL STATEMENTS OF GROUPAMA GROUP

GENERAL REPORT OF THE STATUTORY AUDITORS AND CERTIFYING ACCOUNTANTS

Fiscal year ended on 31 December 2004

PriceWaterhouseCoopers Audit
32, rue Guersant
75017 Paris

Mazars & Guérard
Le Vinci – 4 allée de l'Arche
92075 La Défense Cedex

Report of the statutory auditors on the combined financial statements

Fiscal year ending 31 December 2004

"This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. The statutory auditors' report includes information specifically required by French law in all audit reports, whether qualified or not, and this is presented below the opinion on the combined financial statements. This information includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the combined financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the combined financial statements. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France."

GROUPAMA SA
8 rue d'Astorg
75008 Paris

Dear Shareholders,

As appointed at your Annual General Meeting, we have audited Groupama's combined financial statements for the fiscal year ending 31 December 2004, as enclosed herewith.

The combined financial statements have been approved by the Board of Directors of Groupama SA. Our responsibility is to state an opinion on these financial statements.

I - Opinion on the combined financial statements

We have conducted our audit in accordance with generally accepted auditing standards in France. These standards require that we plan and perform an audit to obtain reasonable certainty that the combined financial statements are free of material misstatement. An audit includes examining, on the basis of sampling, evidence confirming the amounts and disclosures in the financial statements. An audit also consists of assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We consider that the checks we have performed provide a reasonable basis for the following opinion.

We certify that the combined financial statements, in accordance with generally accepted accounting principles in France, represent fairly, in all material aspects, the assets and financial position of the Group formed by the consolidated companies.

Without contradicting the opinion set forth hereinabove, we draw your attention to note 1.2 of the notes to the financial statements relating to the change in accounting method as regards accounting for deferred costs in life insurance.

II - Substantiation of our assessments

In application of the provisions of Article L. 225-235 of the French Commercial Code relating to the substantiation of assessments, we would draw your attention to the following:

- In the context of our assessment of the rules and accounting principles followed by your Company, we have assured ourselves of the validity of the changes in accounting methods relating to deferred acquisition costs in life insurance as mentioned hereinabove, and of the presentation of these changes.
- Some technical items relating to insurance and reinsurance, and to assets and liabilities in your Company's combined financial statements, are estimated on statistical and actuarial bases, in particular the technical reserves, deferred acquisition costs and methods for amortising the latter. The methods used for determining these items are described in notes 3.3 and 3.4 of the notes to the financial statements.
- We have assured ourselves of the reasonable character of the hypotheses underlying the calculation models used, particularly with respect to the Group's experience, its regulatory and economic environment, and the overall consistency of these hypotheses.
- Goodwill entered under assets on the balance sheet is amortised according to the methods described in note 2.2.5 of the notes to the financial statements.
- We have assured ourselves that the hypotheses used to determine the amortisation period for this goodwill are in line with forecasts in strategic plans drawn up by the Group and that no significant item has called into question their net values in the balance sheet.
- The permanent depreciations provision for the securities portfolio is determined according to the methods outlined in note 3.2.2. of the notes to the financial statements.

We have assured ourselves that the valuation of these provisions is in line with the Group's confirmed intention to retain these securities and with the Group's capacity to retain these securities over a period corresponding to its intention.

These assessments were formed in the context of our procedures for auditing the combined financial statements and have therefore contributed to forming our opinion, as expressed in the first section of this report.

III - Specific verification

We have also verified the information given in the Group management report. We have no comment to make regarding its accuracy and consistency with the combined financial statements.

Paris, 23 March 2005

The Statutory Auditors

Mazars & Guérard
Mazars

PriceWaterhouseCoopers Audit

Nicolas Robert

Patrick de Cambourg

Eric Dupont

RAPPORT DES COMMISSAIRES AUX COMPTES SUR LES COMPTES COMBINES

Exercice clos le 31 décembre 2004

Groupama SA
8-10 rue d'Astorg

75008 Paris

Mesdames, Messieurs les actionnaires,

En exécution de la mission qui nous a été confiée par votre assemblée générale, nous avons procédé au contrôle des comptes combinés de Groupama relatifs à l'exercice clos le 31 décembre 2004 tels qu'ils sont joints au présent rapport.

Les comptes combinés ont été arrêtés par le Conseil d'Administration de Groupama SA. Il nous appartient, sur la base de notre audit, d'exprimer une opinion sur ces comptes.

I - Opinion sur les comptes combinés

Nous avons effectué notre audit selon les normes professionnelles applicables en France ; ces normes requièrent la mise en oeuvre de diligences permettant d'obtenir l'assurance raisonnable que les comptes combinés ne comportent pas d'anomalies significatives. Un audit consiste à examiner, par sondages, les éléments probants justifiant les données contenues dans ces comptes. Il consiste également à apprécier les principes comptables suivis et les estimations significatives retenues pour l'arrêté des comptes et à apprécier leur présentation d'ensemble. Nous estimons que nos contrôles fournissent une base raisonnable à l'opinion exprimée ci-après.

Nous certifions que les comptes combinés sont, au regard des règles et principes comptables français, réguliers et sincères et donnent une image fidèle du patrimoine, de la situation financière, ainsi que du résultat de l'ensemble constitué par les entreprises comprises dans la consolidation.

Sans remettre en cause l'opinion exprimée ci-dessus, nous attirons votre attention sur la note 1.2. de l'annexe relative au changement de méthode comptable concernant la comptabilisation des frais reportés en assurance vie.

II - Justification de nos appréciations

En application des dispositions de l'article L. 225-235 du Code de commerce relatives à la justification de nos appréciations, nous portons à votre connaissance les éléments suivants :

- Dans le cadre de notre appréciation des règles et principes comptables suivis par votre société, nous nous sommes assurés du bien-fondé du changement de méthode comptable relatif aux frais d'acquisition reportés en assurance vie mentionné ci-dessus et de la présentation qui en a été faite.
- Certains postes techniques propres à l'assurance et à la réassurance, à l'actif et au passif des comptes combinés de votre société, sont estimés sur des bases statistiques et actuarielles, notamment les provisions techniques, les frais d'acquisition reportés et leurs modalités d'amortissement. Les modalités de détermination de ces éléments sont relatées dans les notes 3.3 et 3.4 de l'annexe.

Nous nous sommes assurés du caractère raisonnable des hypothèses retenues dans les modèles de calculs utilisés, au regard notamment de l'expérience du Groupe, de son environnement réglementaire et économique, ainsi que de la cohérence d'ensemble de ces hypothèses.

- Les écarts d'acquisition positifs inscrits à l'actif du bilan sont amortis selon les modalités relatées dans la note 2.2.5 de l'annexe.
Nous nous sommes assurés que les hypothèses retenues pour déterminer la durée d'amortissement de ces écarts d'acquisition étaient cohérentes avec les données prévisionnelles issues des plans stratégiques établis par le Groupe et qu'aucun élément significatif n'est venu remettre en cause leurs valeurs nettes au bilan.

- Les provisions pour dépréciation à caractère durable sur le portefeuille titres sont évaluées selon les modalités relatées dans la note 3.2.2 de l'annexe.
Nous nous sommes assurés que l'évaluation de ces provisions était cohérente avec l'intention de détention de ces titres confirmée par le Groupe, et de la capacité du Groupe à conserver ces titres sur une durée conforme à son intention de détention.

Les appréciations ainsi portées s'inscrivent dans le cadre de notre démarche d'audit des comptes combinés, pris dans leur ensemble, et ont donc contribué à la formation de notre opinion exprimée dans la première partie de ce rapport.

III - Vérification spécifique

Nous avons également procédé à la vérification des informations données dans le rapport sur la gestion du groupe. Nous n'avons pas d'observation à formuler sur leur sincérité et leur concordance avec les comptes combinés.

Fait à Paris, le 23 mars 2005

Les Commissaires aux Comptes

Mazars & Guérard
Mazars

PricewaterhouseCoopers Audit

Nicolas Robert

Patrick de Cambourg

Eric Dupont

COMBINED BALANCE SHEET OF GROUPAMA GROUP AT 31 DECEMBER 2004

(€ million)

| ASSETS | | 31/12/2004 | 31/12/2003 |
|---|----------------|-------------------|-------------------|
| Goodwill | Note 1 | 1,482 | 1,588 |
| Intangible assets | Note 2 | 216 | 223 |
| Insurance sector investments | Note 3 | 54,455 | 51,652 |
| Unit-linked investments | Note 5 | 3,378 | 3,358 |
| Banking sector investments | Note 6 | 673 | 814 |
| Shares in companies accounted for by the equity method | Note 7 | 12 | 10 |
| Shares of outwards reinsurance and retrocessionnaires in technical reserves | Note 17 | 1,717 | 1,922 |
| Receivables relating to insurance or reinsurance operations | Note 8 | 2,884 | 2,855 |
| Receivables – banking sector customers | Note 9 | 326 | 310 |
| Receivables – banking sector | Note 10 | 1,497 | 1,529 |
| Other receivables | Note 11 | 931 | 894 |
| Other assets | Note 12 | 163 | 171 |
| Accruals | Note 13 | 1,612 | 1,990 |
| Total | | 69,346 | 67,316 |
| <hr/> | | | |
| LIABILITIES | | 31/12/2004 | 31/12/2003 |
| - Initial capital | | 32 | 32 |
| - Consolidated reserves | | 3,710 | 3,924 |
| - Unrealised foreign exchange gains or losses | | (77) | (74) |
| - Combined net income | | 359 | 155 |
| Total capital and reserves GROUPAMA | Note 14 | 4,024 | 4,037 |
| Minority interests | Note 15 | 230 | 231 |
| Subordinated debt | Note 16 | 750 | 750 |
| Gross technical reserves | Note 17 | 52,865 | 50,838 |
| Technical reserves in respect of unit-linked policies | | 3,376 | 3,352 |
| Provisions for risks and charges | Note 18 | 576 | 540 |
| Debts relating to insurance or reinsurance operations | Note 19 | 1,596 | 1,451 |
| Debts – banking sector customers | Note 20 | 1,009 | 723 |
| Securitised debts | Note 21 | 613 | 879 |
| Debts – banking sector | Note 22 | 1,171 | 1,319 |
| Other debts | Note 23 | 2,890 | 2,988 |
| Accruals | Note 24 | 246 | 208 |
| Total | | 69,346 | 67,316 |

2004 COMBINED OPERATING INCOME STATEMENT OF GROUPAMA GROUP

| INCOME STATEMENT (Note 26) | | Non-life insurance | Life insurance | Banking | Total 2004 | Total 2003 |
|---|---------|-----------------------|-------------------|-------------|---------------|---------------|
| Premiums written..... | Note 27 | 8,722 | 3,947 | | 12,669 | 12,742 |
| Change in unearned premiums | | 124 | | | 124 | (18) |
| Earned premiums | | 8,846 | 3,947 | | 12,793 | 12,724 |
| Banking revenues..... | Note 26 | | | 164 | 164 | 137 |
| Financial earnings net of expenses | Note 28 | 861 | 2,083 | | 2,944 | 2,928 |
| Total earnings from ordinary activities..... | | 9,707 | 6,030 | 164 | 15,901 | 15,789 |
| Insurance service expenses | | (6,430) | (5,308) | | (11,738) | (11,925) |
| Charges or income net of reinsurance cessions..... | | (340) | (10) | | (350) | (350) |
| Banking expenses | | | | (60) | (60) | (43) |
| Management expenses | Note 30 | (2,346) | (466) | (130) | (2,942) | (2,954) |
| Total operating expenses | | (9,116) | (5,784) | (190) | (15,090) | (15,272) |
| Profit/loss from ordinary activities..... | | 591 | 246 | (26) | 811 | 517 |
| Other net income..... | Note 31 | | | | (100) | (26) |
| Financial expenses | | | | | (92) | (101) |
| Exceptional income/expense..... | Note 31 | | | | (77) | (70) |
| Corporate tax | Note 25 | | | | (55) | (87) |
| Net profit of group companies | | | | | 487 | 233 |
| Share in net income of companies accounted for by the equity method..... | Note 7 | | | | 2 | 2 |
| Depreciation allowance..... | Note 1 | | | | (115) | (113) |
| Combined net profit..... | | | | | 374 | 122 |
| Minority interests..... | | | | | 15 | (33) |
| Net profit (group share) | | | | | 359 | 155 |

NOTES TO THE COMBINED FINANCIAL STATEMENTS OF GROUPAMA GROUP

1. Key events and subsequent significant events

1.1 Key events

The group's organisation

Creation of Groupama Paris Val de Loire

At their general meetings of 13 and 14 April 2004, the two Groupama Regional Mutuals, Loire Bourgogne and Groupama Picardie Ile de France resolved to merge in order to form a new Group: Groupama Paris Val de Loire.

The main aim of this merger was to provide the new entity with greater possibilities for development in a larger number of insurance and banking business lines. This represents a further stage in the regrouping process for Groupama's Regional Mutuals, which have decreased in number from 18 to 11 in two years.

Groupama Paris Val de Loire now covers 14 départements and has over 300,000 members.

Creation of the general insurance, banking and services division France

As from 1 July 2004, the general insurance, banking and services division France was created. The scope of action of this division covers all Groupama SA's business line divisions, the companies, profit centres and subsidiaries of the Groupama and Gan brands operating in France, and the Group's IT EIG, Groupama Systèmes d'Information. It contributes to the cohesion and coordination of both the business lines and companies, and to the coherence of initiatives to increase the Group's operational performance levels in France.

Establishment of a Group strategy and human resources division

The success of Groupama's strategy requires that its organisation be orientated towards operations which enable profitable growth to be recorded whilst complying with the values and principles of the Group's initiatives.

Human resources are the lynchpin of this project, ensuring that employees and all the Group's companies are mobilised as regards the achievement of the strategic objectives, and that the company has teams, both in terms of numbers and expertise, which are able to carry out the planned assignments and projects.

The creation, at the beginning of April 2004, of a "Group strategy and human resources" division, is in-line with these imperatives.

Continuing with measures to simplify the Group's financial organisation chart

Additional shareholding in Groupama Banque: During March 2004, Groupama SA subscribed for the capital increase by Groupama Banque. Its percentage stake in Groupama Banque remained at 60%.

Additional shareholding in Groupama Epargne Salariale: During March 2004, Groupama SA subscribed for the capital increase by Groupama Epargne Salariale, thus increasing its stake in this company to 99.99%.

Simplifying reciprocal shareholdings: Within the context of the policy of rationalising the Group's financial organisation chart, and of reorganising its shareholdings in Gan Assurances IARD, Gan Assurances Vie, Gan Eurocourtage IARD, Gan Eurocourtage Vie and Gan Prévoyance, in December 2004, Groupama SA carried out the following operations:

- acquisition of 29.2% of the securities of Gan Prévoyance, held by Gan Assurance IARD and Gan Eurocourtage IARD. This acquisition is subject to deferred payment until the end of June 2005 as regards the amount of the capital gains on the corporate sale carried out by Gan Assurances IARD and Gan Eurocourtage IARD;
- acquisition of 15% of the securities of Gan Eurocourtage Vie from Gan Eurocourtage IARD, with payment to be made in June 2005;

- acquisition of 6.8% of the securities of Gan Assurances Vie from Gan Assurances IARD, with payment also to be made in 2005.

Following these operations to simplify reciprocal shareholdings, at the end of the financial year, Groupama SA directly held:

- 100% of the securities of Gan Assurances IARD, Gan Eurocourtage IARD and Gan Prévoyance;
- 77.5% of the securities of Gan Assurances Vie, with the balance, i.e. 22.5%, being held by Gan Assurances IARD;
- 86.1% of the securities of Gan Eurocourtage Vie, with the balance, i.e. 13.9%, being held by Gan Eurocourtage IARD.

It should be stated that the capital gains on disposals relating to these operations are cancelled out upon consolidation. They therefore have no impact on the combined financial statements.

Sale of Groupama Immobilier securities: At the beginning of September 2004, Groupama SA sold all its shareholding in Groupama Immobilier to Banque Finama.

French Overseas Départements and Territories (DOM-TOM): The Guadeloupe and Martinique branches of Gan Assurances IARD were taken over by Gan Pacifique IARD which, following this contribution and integration of the New Caledonia, French Polynesia and Wallis and Futuna local mutuals, became Gan Outre-Mer. This operation took place retroactively as of 1 January 2004.

Group development

Setting-up a credit facility

On 15 November 2004, Groupama agreed a €750 million credit facility with Société Générale and Dresdner Kleinwort Wasserstein.

As this operation generated much market interest, and as a result of the favourable conditions granted, at the beginning of December, it was decided to increase the credit facility's draw-down capacity from €750 million to a maximum of €1 billion.

The aim of this operation was to enable the Group to possess the financial resources for a potential acquisition.

Obtaining accreditation and the opening of a branch in China

At the beginning of September 2004, Groupama received accreditation to market its non-life insurance policies in the province of Sichuan, China's third largest province in terms of number of inhabitants (85 million). Said accreditation followed-on from the licence granted by the CIRC – China Insurance Regulatory Commission – in June 2003.

The branch was inaugurated on 26 October 2004.

Groupama markets an offer of insurance services which is adapted to rural populations and, in particular, which offers fully-comprehensive insurance policies to farmers in Sichuan. Moreover, Groupama offers household insurance contracts to individuals, as well as specific contracts for craftsmen, tradesmen and SMEs in Chengdu, the capital of Sichuan, which has over 10 million inhabitants.

The next stage of Groupama's development in China will involve the filing of an application for a life insurance licence.

Insurance for climate change

Since the end of 2004, Groupama has been able to market insurance for climate change.

The "climate change" range is proposed to all farmers, no matter what their size or economic activity may be. It comes under the scope of the three-tier system established by the public authorities:

- for insignificant variations, an incentive to save in the tax-free context of "deductions for variations";

- for more significant variations, a private insurance policy. The guarantee covers the amount of incompressible crop expenses, estimated at 65% of the farm's turnover;
- for exceptional incidents, public aid still applies.

Groupama's offer enables the recommendations of the Ménard Report to be complied with, as it ranges from simple cover against "bad luck" to management of all risks relating to the climate. Farmers are offered two options:

- "on a case-by-case basis", with each crop being insured separately;
- "for the farm", with the insurance policy providing for offsetting between crops.

Other items

Standard & Poor's and AM Best ratings

On 30 September 2004, Standard & Poor's confirmed its single 'A' rating for counterparty credit and insurer financial strength for Groupama SA, associated with a stable outlook.

According to Standard & Poor's, the Group's rating reflects its high levels of solvency and its strong competitive position.

In addition, at the end of December 2004, AM Best confirmed its single 'A' rating for Groupama SA. In a context in which rating agencies are becoming increasingly stringent, this rating confirms the Group's very high levels of financial solvency.

Discontinuation of activities in Luxembourg

On 15 March 2004, the Board of Directors of the Luxembourg subsidiary, Luxlife, resolved to discontinue the policy subscription activity. The existing portfolio was run-off.

Corbeilles Mieux Vivre Votre Argent

At the end of September 2004, Groupama received a double award in the context of "Corbeilles Mieux Vivre Votre Argent":

- the Corbeille Long Terme, for the best establishment in all categories, over the last five years;
- the Corbeille Assurances, for the best insurance company over a one year period.

This is a remarkable performance as there are only five corbeilles awarded in total.

Grands prix for asset management

On 26 October 2004, Groupama Asset Management was awarded first place in the "euro bonds" category for its Groupama Oblig euro credit LT, in the *Grands prix for asset management*, organised by the Agefi.

In addition to Groupama Asset Management, Groupama Banque and Groupama Vie also benefit from this award as Groupama Oblig euro credit LT is offered to individuals through Groupama Oblig LT.

Groupama Oblig euro credit LT is destined for investors who are looking for active management of a long term bond portfolio which is invested in private issuers in the euro zone, and who are willing to accept a capital risk.

1.2. Change in accounting methods

With a view to being able to provide improved financial information, the Group changed its accounting method as regards accounting for deferred acquisition costs in life insurance.

In the absence of an exact definition in CRC (Accounting Regulation Committee) Regulation No. 2000-05 as regards expenses which may be deferred, the Group conventionally chose the notion of costs including the fixed and variable expenses which may be deferred directly for the production of new policies and took account, within the margins provided for depreciation, of those relating to incidental guarantees which may be deferred. Within the context of the IFRS, which Groupama intends to apply in 2005, the Group decided to extend, to cover all policies,

the rules for determination set forth by IAS 18 for expenses which may be deferred, so as to limit differences in processing which may exist under IFRS standards for similar types of policies. The Group therefore based itself on these standards in order to modify, as from 2004, the chosen principles as regards French standards, which shall remain, according to IFRS 4, the applicable regulations for the majority of portfolio policies. Now, the base of expenses which may be deferred consists of variable costs which may be directly posted to the production of a policy. Moreover, future margins are now limited to the margins generated by contractual undertakings.

The application of this new agreement is part of the changeover to the IFRS. In this respect, it is deemed to represent an exceptional change in the Group's position, which justifies a change in accounting method with the objective of providing improved financial information, in accordance with CNC opinion 97-06.

The impact of this change of method was applied, retroactively, to the opening capital and reserves and was, net of €5 million in taxes, €373 million.

1.3 Subsequent significant events

Organisation

Appointment of outside directors

The Annual General Meeting of Groupama SA, held on 24 February 2005, approved the appointment of three outside directors to the Board of Directors of Groupama SA, for a 6-year term of office. These appointments increased the number of directors from 13 to 16, to wit, 11 representatives of the Regional Mutuals, which are shareholders in Groupama SA, 2 directors elected by the employees of Groupama, and 3 outside directors.

International

Extension of business activities in Vietnam

As from January 2005, Groupama has been authorized by the Vietnamese Government to extend its activities to cover all non-life insurance sectors in Vietnam, for the whole territory. At the Group's request, the governmental authorities also extended the licence which was issued in 2001, and which only related to agricultural insurance in the south of Vietnam.

Discontinuation of activities in Switzerland

For the Swiss subsidiary, Zénith Vie, the existing portfolio was run-off as from 1 January 2005.

2. Principles, methods and scope of consolidation (combination)

2.1. Preliminary note

CCAMA (Caisse Centrale des Assurances Mutuelles Agricoles) submitted to Groupama SA all elements related to its operations including notably its business as a reinsurer of mutuals, agricultural mutuals and specialist networks on 18 December 2003 and retroactive 1 January 2003.

CCAMA notably submitted a statement of its financial assets and liabilities as standing at 31 December 2002, in application of the Règlement Général de Réassurance (General Reinsurance Law) as relates to Article 8 of its by-laws. Groupama in turn appropriated CCAMA's rights and undertook to discharge its commitments as standing at the date of submission, in application of the said Règlement Général de Réassurance, effective 1 January 2003.

Following subscription to Fédération Nationale Groupama, which was created on 18 December 2003, Regional Mutuals subject to sections of Article L. 771-1 of the Rural Code and to Articles L. 322-26-4 and L. 322-27 of the French Insurance Code, undertook to reinsure their operations solely with Groupama SA and as such to respect regulations designed to ensure judicious management and balanced operations.

The purpose of Local Mutuals

To conduct non-life insurance business activities as provided for by sections of Articles L. 322-27 and R. 322-120 of the French Insurance Code.

The purpose of Regional Mutuals

- Reinsure Local Mutuals;
- Represent Local Mutuals in setting up the guarantees required by insurance regulations and in discharging the liabilities assumed;
- Reinsure regional mutual insurance companies that subscribe to the bylaws of the Regional Mutuals;
- Retrocede to Groupama SA all or part of risks assumed that can be reinsured;
- Reinsuring risks stemming from retrocessions from Groupama SA, irrespective of the situation of these risks;
- Facilitate the operations of affiliated Mutuals and regional member Mutual companies by representing them and providing technical back-up;
- Conduct any other operation or transaction within the limits set by the legislation applicable to agricultural mutual insurance funds.

The purpose of Groupama SA

- Offer a comprehensive insurance and coinsurance service with the exception of life insurance and capitalisation operations;
- Reinsure the Regional or Département Mutuals of agricultural reinsurance mutuals in accordance with Article R. 332-120 4° of the French Insurance Code;
- Step in for the Regional or Département Mutuals of reinsured agricultural reinsurance mutuals exempt from licensing in setting up the guarantees required by insurance regulations and discharging liabilities assumed by mutuals, in accordance with sections of Article R. 332-132 of French Insurance Code;
- Reinsure any insurance or reinsurance company governed by the French Insurance Code, regardless of its form, set up by any mutual or provident institution governed by the French Social Security or Rural Code;
- Acquire holdings in France and abroad, notably in insurance, reinsurance, banking and financial service institutions and related activities;
- And generally, to conduct all types of financial, commercial, industrial and civil operations, those involving tangible and intangible assets and directly or indirectly linked to its commercial or similar/related objectives.

2.2. Overview of combined financial statements

The combined financial statements comply with the following sections:

- Regulation No 99-02 of the Accounting Regulation Committee relating to the consolidated accounts of commercial companies;
- Regulation No 99-07 of the Accounting Regulation Committee relating to the consolidation of companies coming under the committee for banking and financial regulation;
- Regulation No 00-05 of the Accounting Regulation Committee relating to rules for the consolidation and combination of companies governed by the French Insurance Code and provident institutions governed by the French Social Security Code or the Rural Code.

2.2.1. Scope and method of consolidation (combination)

2.2.1.1. Scope of consolidation (combination)

In accordance with Regulation No 00-05 of the Accounting Regulation Committee governed by the French Insurance Code and provident institutions governed by the social security code or the rural code, Groupama's

scope of consolidation comprises all the companies that are either combined with one another or consolidated by one or more of the combined companies.

Combined companies

In accordance with Articles L. 345-2 and R. 345-1-1 of the French Insurance Code, a group of insurance companies whose cohesion does not result from capital ties is required to publish combined financial statements when these companies fall into one of the following situations:

- They have, by virtue of a mutual agreement, either joint management or common services sufficiently extensive to engender joint commercial, technical or financial activity;
- They have mutually important and long-standing reinsurance links by virtue of contractual, statutory or regulatory provisions.

Local Mutuals, Regional Mutuals and *Groupama SA* form a group of this nature due to the Group's management functions exercised by the *Groupama SA* via the bylaws and the existence of common services and important and long-standing reinsurance ties between the Mutuals arising from statutory and regulatory provisions (Article R. 322-120 4° of the French Insurance Code) and the reinsurance convention existing between *Groupama SA* and the Regional Mutuals.

Consolidated companies

Companies consolidated by one or more of the companies included in the scope of consolidation for one of the following reasons:

- companies subject to exclusive control;
- companies subject to joint control;
- companies subject to significant influence.

Companies subject to exclusive control

Exclusive control, denoted by the power to direct the financial and operational policies of a company for the purpose of deriving advantage from its activities, results from any of the following:

- Direct or indirect possession of the majority of rights in another company;
- Designation over two consecutive financial years by the majority of members of the administrative, managerial and supervisory bodies of another company; the parent company is presumed to have made this designation where it held during this period, directly or indirectly, more than forty percent of voting rights and where no other partner or shareholder held, directly or indirectly a greater proportion than its own;
- The right to wield great influence on a company by virtue of a contractual agreement or statutory clauses, where entitled to do so and where the dominant company is a shareholder or partner of this company. Dominant influence exists whenever, under the aforementioned conditions, the parent company is able to use or to direct the utilisation of assets in the same way as it controls its own assets;

Companies subject to joint control

Joint control is the sharing of control over a company operated in common by a limited number of partners or shareholders, such that the financial and operational policies are the result of their agreement.

Two factors are essential to the existence of joint control:

- restricted number of partners or shareholders sharing control; the sharing of control presumes that no one partner or shareholder is likely alone to be able to exercise exclusive control by imposing his decisions on the others; the existence of joint control does not rule out the presence of partners or minority shareholders not participating in the joint control;

- a contractual agreement:
 - ✓ providing for the exercise of joint control over the economic activity of the company operated in common;
 - ✓ establishing the decisions that are essential to achieving the objectives of the company operated in common and requiring the assent of all the partners or shareholders participating in the joint control.

Companies subject to significant influence

Significant influence is denoted by the power to participate in the financial and operational policies of a company without possessing control of it. Significant influence may in particular result from representation on the managerial and supervisory representation on the managerial and supervisory bodies, participation in strategic decisions, existence of material inter-company transactions, exchange of managerial personnel, links of technical dependence.

Significant influence over the financial and operational policies of a company is presumed where the parent company holds, directly or indirectly, at least 20 % of the voting rights of this company.

Determination of control and significant influence

Exclusive and joint control, as well as significant influence, is taken to mean, in all cases, direct or indirect control. Accordingly, for the assessment of voting rights held by a company at general meetings of another company, the overall voting rights attached to shares held by the parent company and by all the companies that it exclusively controls are to be aggregated, including voting rights attached to investments matching unit-linked contracts.

Calculation of proportion of voting rights held

To calculate the proportion of voting rights held, account is to be taken of shares with double voting rights, certificates of voting rights created at the time of issue of investment certificates and, if necessary, securities subject to firm commitments or to warehousing held on behalf of the parent company.

Particular case of special purpose entities

A special purpose entity is a separate legal structure, created specifically to manage an operation or group of similar operations on behalf of a company. The special purpose entity is structured or organised in a way such that its activity is in fact only conducted on behalf of this company, by making assets available or by supplying goods, services or capital.

A special purpose entity is to be included in the scope of combination whenever one or more controlled companies have in substance, by virtue of contractual agreements or statutory clauses, control of the entity, to the exclusion of the entities referred to in subsection 1011 of Regulation 2000-05.

In order to determine the existence of this type of control, it is necessary to assess the overall economic balance of the operation in which the special purpose entity participates, and to examine the characteristics of relations between the latter and the consolidating entity.

To this end, the following criteria are taken into account:

- The company in reality holds the powers of decision, including, or not including, management decisions over the special purpose entity or the assets which make it up, even if these powers are not actually exercised. It has for example the capacity to wind up the entity, change its articles of incorporation or association, or on the contrary, formally oppose their amendment;
- De facto, the company has the capacity to benefit from the majority of the entity's economic benefits, whether in the form of cash flows or entitlement to a share of net assets, entitlement to dispose of one or more assets, entitlement to the majority of residual assets in the event of liquidation;
- The company bears the majority of risks relating to the entity, such as in the case of external investors benefiting from a guarantee, on behalf of the entity or company, enabling them to limit significantly their risk-taking.

The existence of a automatic steering mechanism (predetermination of the business activities of a special purpose entity) does not prejudice the actual control of this entity by another given party. The limits imposed on the business activities of the special purpose entity are intended to both serve and uphold the interests of the stakeholders without any of them being able to take exclusive control of the entity. The criteria set forth above therefore needs to be examined in order to establish the existence of control leading to consolidation. In particular, when such a mechanism dictates decisions in the interest of one of the parties, the latter is deemed to be exercising de facto control.

The first criterion relating to decision-making powers is predominant. The second or third criteria are also taken into account. Consequently, a special purpose entity is consolidated if the conditions of the first and second criteria, or the first and third criteria, are met.

Moreover, if the second and third criteria are met, the special purpose entity is also consolidated, as it is deemed to be controlled.

As an example, the determination of control by examining the abovementioned criteria applies to entities created within the context of benefit plans subsequent to employment, or benefit plans remunerated in shareholders' equity instruments.

As regards the special purpose entities created by assignment of receivables transactions, on the basis of their nature, purpose (acquisition of a portfolio of receivables), and their legal and regulatory context, the loss of decision-making powers is a determining factor in electing to exclude these entities from the scope of consolidation, or, indeed, for their inclusion in said scope; this criterion is both implemented and assessed, in substance, with it being notably specified that the conservation of the majority of economic risks and benefits relating to the assigned receivables represents an assumption of the conservation of a significant amount of actual decision-making powers.

These provisions relate:

- to the private-debt funds in accordance with the provisions of Chapter IV of the 1st Section of Book II of the French Financial and Monetary Code;
- foreign organisations, having the sole purpose of issuing, with a view to purchasing receivables, within the framework of specific local legislation or regulations which offer the same guarantees as those in force in France, securities for which repayment is provided by that of the acquired receivables.

Whatever their nature may be, the guarantees provided, either directly or indirectly, by the assignor for the benefit of the holders of shares or holders of securities issued by the private-debt fund or the foreign organisation referred to hereinabove, are valued as from the assignment and at each cut-off date, and provisions are made whenever they present an established risk.

Parent company

In a convention signed between the Regional Mutuals and Groupama SA permitting the combining of accounts, Groupama SA undertook to prepare and publish the consolidated accounts of the companies comprising the group, in application of Article R. 345-1-2 of the French Insurance Code.

In application of paragraph 611 of the Appendix to the Accounting Regulation Committee No. 2000-05 dated 7 December 2000 and relating to the consolidation or combination of companies subject to the French Insurance Code and to provident institutions governed by the Social security or Rural code, the Regional Mutuals and *Groupama SA* have agreed:

- To transmit all information essential to the preparation of consolidated financial statements to Groupama SA within the specified timeframe;
- To guarantee that sufficient time is given to the agreements or conventions to ensure the effective consolidation of accounts from one FY to another, in respect of the applicable laws defined by CRC Regulation No. 2000-05 of 7 December 2000.

2.2.1.2. Methods of consolidation (combination)

Combination is an aggregation of the accounts restated to the standards of the Group, of the companies included in the scope of combination.

The consolidation (combination) methods adopted in the preparation of Groupama's combined accounts are as follows:

- aggregation for entities as defined in 2.2.1.1., 2nd paragraph ;
- global integration for companies subject to exclusive control;
- proportional integration for companies subject to joint control;
- equity method of accounting for companies, subject to significant influence.

Aggregation

Aggregation comprises:

- aggregation of the assets and earnings of the combined companies, after restatements if any;
- elimination of transactions and accounts between the aggregated company and the other consolidated (combined) companies.

Global consolidation

Global consolidation comprises:

- consolidation into the parent company accounts of the components of the accounts of the consolidated companies, after restatements, if any;
- distribution of capital and reserves and profit or loss between parent company interests and those of other shareholders or partners known as "minority interests";
- elimination of transactions and accounts between the globally consolidated company and other consolidated companies.

Proportional consolidation

Proportional consolidation comprises:

- consolidation into the parent company accounts of its proportionate interest in the consolidated company accounts, after restatements, if any, with no minority interest accordingly recognised;
- elimination of transactions and accounts between the company consolidated proportionally and the other consolidated companies.

Equity method of accounting

The equity method of accounting comprises:

- substitution of the ownership share of capital and reserves for the book value of shares held, including profit or loss for the fiscal year determined in accordance with consolidation rules;
- elimination of transactions and accounts between the company accounted for by use of the equity method and the other consolidated companies.

Securities representing unit-linked commitments

Although securities representing unit-linked commitments are taken into account in determining the percentage of control, they are not eliminated and are not taken into account in calculating the group percentage of interest. The corresponding interests are treated separately.

2.2.1.3. Treatment of Local Mutuals

Groupama aggregated the balance sheets and profit and loss statements of all Local Mutuals. Group accounts therefore record all items for all group entities as required by Articles L. 341-1 and L 345-2 of the French Insurance Code.

2.2.2. Changes in scope of consolidation (combination); changes of company name

The following main changes have taken place in Groupama's scope of consolidation:

- Mergers of Regional Mutuals
- ✓ Merger of Groupama Picardie Ile de France and Groupama Loire-Bourgogne.
- ✓ The absorbing entity Groupama Loire-Bourgogne is renamed Groupama Paris-Val de Loire.
- Other changes of scope

No change of scope needs to be mentioned for the 2004 financial year.

- Change of corporate name
- ✓ Gan Europa Biztosito has changed its name to Groupama Biztosito.
- ✓ Gan Pacifique IARD has changed its name to Gan Outre Mer IARD.
- ✓ Société Française de Protection Juridique has changed its name to Groupama Protection Juridique.

2.2.3. Closing date

The financial statements of *Groupama's* consolidated companies are closed at 31 December. Companies that close their books on another date prepare an interim statement on 31 December.

2.2.4. Translation of financial statements of foreign companies

Balance sheet items are translated into euros at the official closing exchange rate except for capital and reserves, excluding profit, which are translated at historical rates. The Group's share of the resulting foreign exchange gains or losses are booked under 'Unrealised foreign exchange gains/losses'. The balance is booked under "Minority interests".

Income statement transactions are translated at the average rate. The Group's share of the difference between earnings translated at the average rate and earnings converted at the closing rate is booked under "Unrealised foreign exchange gains/losses". The balance is booked under 'Minority interests'.

2.2.5. Consolidated goodwill

Consolidated goodwill

Consolidated goodwill is entered in fixed assets and amortised over a period that reflects, as reasonably as possible, the assumptions adopted and objectives established and documented at the time of acquisition.

Unfavourable material changes arising in the components used for determining the amortisation schedule lead to extraordinary depreciation or to modification of the amortisation schedule, not to a provision for diminution in value. If favourable material changes occur, they lead to modification of the future amortisation schedule to the exclusion of any amortisation written back.

Consolidated badwill

Any badwill is taken to profit or loss over a term that reflects assumptions adopted and objectives established at the time of acquisition.

2.2.6. Internal transactions between consolidated (combined) Group companies

2.2.6.1. Elimination of transactions between companies combined by global consolidation

Transactions eliminated

All intra-group transactions are eliminated.

Where these transactions affect combined profit or loss, elimination of profits and losses, as well as capital gains and losses, is applied 100%, then allocated between the interests of the parent company and minority interests in the company having realised the profit or loss. In the event of elimination of losses, the Group ensures that the value of the asset disposed of has not changed on a long-term basis, within the meaning of the generally accepted accounting principles applicable in France to insurance companies. Elimination of the effects of internal transactions relating to assets results in restating them to their entry value in the consolidated balance sheet (consolidated historical cost).

Income tax, as well as contract beneficiary profit participation, is adjusted for the effect of elimination of internal profits or losses.

Accordingly, internal transactions relating, in particular, to the following are eliminated:

- reciprocal debts receivable and payable, as well as reciprocal income and charges;
- bills receivable and payable are reciprocally eliminated but, where a bill receivable is remitted for discount, the bank advance granted to the group is substituted for the bill payable;
- transactions affecting the statement of commitments received and entered;
- reinsurance acceptances, reinsurance inward and outward;
- co-insurance and co-reinsurance transactions as well as pool management;
- broking or intermediation transactions;
- contractual sharing of profits or losses from collective agreements;
- appropriations to accounts for provisions diminution in value of long-term equity interests constituted by the company holding the securities and, as applicable, appropriations to provisions for liabilities and charges constituted as a result of losses incurred by companies subject to exclusive control;
- transactions on forward financial instruments are likewise eliminated.

Particular cases

Capital gains or losses on internal transactions in insurance investments

In application of the above-defined principle, capital gains or losses on internal transactions in insurance investments are eliminated in full. Where such operations have generated rights due for the benefit of contract beneficiaries, they are cancelled in the consolidated profit and loss account and the consolidated balance sheet by recognition of “Contract beneficiary deferred profit participation”.

Where the rights generated cannot be reliably identified, they are not cancelled.

Capital losses are retained in full where they meet criteria for diminution in value of an enduring nature.

Intra-group dividends

Intra-group dividends are also eliminated, including dividends relating to profits or losses prior to initial consolidation. Rights due to contract beneficiaries, attached to these dividends, are retained in charges for the fiscal year.

2.2.6.2. Elimination of transactions between a company consolidated proportionally and a company consolidated globally

Reciprocal debts receivable and payable, as well as reciprocal income and charges are eliminated to the extent of the percentage of integration of the jointly controlled company. The difference between the amount eliminated in this way and the amount of debts payable and receivable is classed as a debt payable or receivable with regard to companies external to the group.

In instances of disposal by a company consolidated globally to a company consolidated proportionally, elimination is restricted to the percentage of consolidation of the jointly controlled company. The same applies in the event of a disposal by a company consolidated proportionally to a company consolidated globally.

Appropriations to provisions for diminution in value of long-term equity interests established by the company holding the securities, in respect of losses incurred by the companies consolidated proportionally, are eliminated in full.

2.2.6.3. Elimination of transactions between two proportionally consolidated companies

In the event of a transaction effected between two proportionally consolidated companies, elimination is restricted to the smaller percentage of the two participating interests.

2.2.7. Aligning accounts

General principles

Groupama's combined financial statements are intended to provide a consistent representation of the Group formed by the companies included in the scope of consolidation, taking into account characteristics specific to consolidation and objectives for financial reporting specific to combined accounts (predominance of substance over form, matching charges with income, elimination of the effect of accounting entries carried out solely for the application of tax legislation).

The combined financial statements are drawn up in accordance with methods established by the Group for its consolidation and comply with:

- generally accepted accounting principles applicable to insurance companies in France;
- and the valuation methods specified in this section.
- Restatements carried out for the purpose of consistency have been undertaken only to the extent that they are material in character.

The transactions of each legal entity are understood as being independent, other than in exceptional cases duly justified in the notes to the financial statements.

Preferential methods

The Group applies some methods considered as preferential in the combined financial statements, as follows:

- costs of retirement and comparable benefits (e.g severance payments, supplementary retirement allowances, medical cover, sickness and provident benefits), paid on the date of retirement or subsequently, to personnel, chargeable to the company, are subject to provisioning and systematically taken into account in profit or loss over the period of activity of the employees;
- finance leases are accounted for:
 - ✓ by the leaseholder: in the balance sheet in the form of a tangible fixed asset and a corresponding loan; in the profit and loss account in the form of an appropriation for depreciation and a financial expense; in addition, capital gains on sale and leaseback transactions are spread over the term of the contractual agreement, where the item is once more leased, directly or through an intermediary within the context of a financial leasing transaction;
 - ✓ by the owner: in the form of loans, in a manner symmetrical to the recording by the lessee;

- bonded debt issue costs, redemption premiums and issue premiums are spread systematically over the term of the loan;
- currency translation differences related to monetary assets and liabilities denominated in foreign currencies are recorded in profit or loss during the period to which they relate.

The Group has opted not to apply the preferential method under which the mathematical reserves for life insurance are calculated on the basis of discount rates, at most equal to the expected rates of return, prudently estimated, on the assets earmarked to represent them. The non-application of this method is not detrimental to the true and fair view provided by the combined accounts, as its application would lead to the calculation of mathematical reserves similar to those recorded in the financial statements.

Activity and geographic market sector

Consistent rules for accounting and valuation in combined accounts are applied whenever a situation presents itself in a similar way in more than one consolidated company, regardless of the countries concerned.

Where a company belonging to a sector different from the principal activity sector of the Group applies accounting rules that are particular to that sector, taking into account legislation or the types of rights generated by contractual agreements specific to that activity, these accounting rules are retained in the combined accounts, to the extent that they are consistent with general accounting principles.

Effect of revaluations carried out in individual accounts

When a consolidated company is induced to carry out in its individual company accounts a general law revaluation (for example, in accordance with Article 12 of the Commercial Code applicable to French companies) or an optional revaluation (total or in part) if permitted by the national legislation of the country in which the company is located, this revaluation is eliminated in the combined accounts.

There has been no revaluation of the consolidated group of companies.

Other revaluations entered in the profit and loss account of insurance companies included in the scope of consolidation have been eliminated.

Effect on the accounts of accounting entries recorded solely for the application of tax legislation

So as not to distort the view given by the combined accounts, steps have been taken to eliminate the effect of accounting entries made solely for the application of tax legislation of the country in which the consolidated company is located and in particular:

- recognition or write back of depreciation by way of derogation where a company applies a declining balance method of depreciation provided for by tax legislation, while judging it necessary to retain straight-line depreciation for accounting purposes;
- establishment or writing back of tax-regulated provisions;
- writing back of investment grants to profits or losses;
- recording as charges certain ancillary costs arising from the acquisition of fixed assets;
- accounting for the impact of changes in methods in profits or losses.

2.2.8. Contribution of combined entities to Group capital and reserves

Group capital and reserves are not broken down by individual entities in view of the enduring reinsurance ties between the *Groupama SA* and the Regional Mutuals, which establish a specific relationship of financial solidarity between them.

3. Accounting principles and valuation methods

3.1. Intangible assets

Intangible assets primarily include software, whether purchased externally or developed in-house, acquisition expenses of fixed assets and goodwill. They are amortised according to the straight-line method over a period ranging from one to five years, except for goodwill, which is amortised over a maximum period of 20 years and for which, moreover, there may be a depreciation allowance.

3.2. Investments

For French companies, investments and any depreciation are valued according to the French Insurance Code. For foreign companies, any material valuation differences that may arise with respect to prevailing local accounting principles are restated in order to bring the financial statements of the said companies into line with those of the Group.

3.2.1. Valuation

Land and real estate holdings in SCIs (unlisted real estate investment companies)

Land and real estate are carried at acquisition cost.

Real estate is depreciated over a period extending from 33 to 100 years, depending on its estimated useful life.

Fixed assets held through companies whose primary purpose is to set up and manage real estate assets are depreciated according to the same principle.

Holdings in and shares of *SCIs* are carried at acquisition cost, reduced when applicable by a provision for depreciation.

The market value of real estate and holdings in, or shares of, *SCIs* is determined on the basis of a five-year valuation carried out by an expert approved by the *Commission de Contrôle des Assurances* (insurance control commission) in France. During each five-year period, an annual estimation of the asset is carried out and certified by the expert.

Fixed-income securities

Securities governed by Article R. 332-19 are recorded at acquisition price less accrued interests. Differences between redemption value and acquisition price are allocated according to actuarial principles as charges (premium) or income (discount) over the residual life of the securities. When there are several redemption dates, residual life is determined as of the date of the latest reimbursement.

The difference to be amortised between the purchase price of an inflation-indexed bond and its redemption value is calculated by taking the initial redemption value of the security and multiplying it by the difference between the base price index on the date of acquisition and the same index on the date of issue.

At each closing date, the index-linked gain or loss since the last closing date – or since the purchase date if this is more recent – is recorded under income and charges.

The estimated fair value of fixed-income securities corresponds to their quoted price on the last trading day of the fiscal year or their market value.

Unrealised capital losses resulting from the comparison between book value and market value do not usually give rise to a provision for depreciation. Nevertheless, a provision for impairment of value is recorded in the event the debtor defaults.

Variable-income securities

Shares and stakes in companies governed by Article R. 332-20 are recorded at acquisition price or cost of sale.

Non-consolidated ownership interests are recorded at their acquisition cost.

Investments matching unit-linked policies (mutual fund units, and so forth) are subject to revaluation aimed at offsetting the correlated movement in technical reserves. Data relative to such policies are presented on a specific line of the balance sheet and profit and loss statement.

Tangible fixed assets

Tangible fixed assets are carried at acquisition cost and depreciated according to the straight-line method over their estimated useful life.

Repo operations

In conformity with the regulations, repurchase agreements, with the exception of repurchase agreements with a margin call, are not booked as an off-balance sheet commitment, given or received. They are recorded on the asset side of the balance sheet.

Forward financial instruments (derivatives)

Forward financial instruments are utilised in accordance with Decree No. 2002-970 of 4 July 2002.

The provisions of Regulation No. 2002-19 of the *Comité de la Réglementation Comptable* relating to the reporting of these instruments were applied effective 1 January 2003.

Groupama has hedged its currency-based assets against exchanges risks. These assets include mutual funds quoted in euros and comprising portfolios of yen and dollar-based assets. Based on interpretation of this regulation's criteria, these hedging operations are classified as disinvestment cover. Consequently, exchange gains and losses on restated hedging operations are booked under the profit and loss account. Exchange gains and losses on renewal are entered in a suspense account under the balance sheet until the hedging policy has come to term.

3.2.2 Provisions

Permanent depreciations

Regarding investments governed by Article R. 332-20, a provision for line-by-line depreciation can be recognised only if there are grounds to suggest that the depreciation is of a durable nature.

In application of Note No. 2002-F of the *Comité d'Urgence* of the *Conseil National de la Comptabilité*, permanence may be presumed in the following cases:

- If a permanent depreciation provision had been set aside for an investment in the previous financial statements;
- If, for non-real estate investments, the investment has been in a situation of significant unrealised capital loss with relation to its book value over a period of six consecutive months preceding the closing date;
- If there is objective evidence of permanent depreciation.

The reference value or recoverable value is determined by means of a range of criteria, in accordance with the character of the assets and the investment strategy.

Provisions for contingent payment risk

In accordance with Regulation 2004-10 of 23 November 2004, provisions for contingent payment risk is eliminated from the combined financial statements. This restatement is carried out at the same time as the correlative adjustments as regards deferred taxes and, possibly, deferred profit-sharing, provided variations in the provisions for contingent payment risk in the corporate financial statements are taken into account so as to determine such profit-sharing.

3.2.3. Disposals

Capital gains and losses on the disposal of investments are determined according to the FIFO method. They are booked in the profit and loss statement on the date of realisation.

3.3. Technical insurance operations

3.3.1. Non-life insurance

Premiums

Written premiums correspond to underwritings gross of reinsurance excluding taxes, net of cancellations, discounts and rebates, of the change in premiums yet to be written and the change in premiums to be cancelled.

Reserves for unearned premiums

Technical provisions for unearned premiums correspond to the share of premiums relating to the period between inventory date and the next renewal date of the policy. They are calculated on a pro rata basis.

Deferred acquisition costs

In non-life insurance, acquisition costs relating to unearned premiums are deferred and booked under assets in the balance sheet.

Reserves for unexpired risks

Reserves for unexpired risks are aimed at covering the share of loss experience and related administrative costs that exceed the fraction of deferred premiums net of deferred acquisition costs.

Claims and related expenses paid

Claims and related expenses paid correspond to claims paid net of loss recovery received during the fiscal year, and to annuities payments recorded. They include costs and expenses related to claims handling and settlement.

Outstanding claims reserves

Outstanding claims reserves represent the estimated value of the cost of all claims, net of loss recovery to be received, as of the end of the fiscal year, regardless of whether they have been reported or not. They include a claims handling provision determined on the basis of real cost rates.

In construction risk, excluding reserves for claims to be paid (reported or not yet reported), a provision is set aside for claims not yet reported, calculated according to the method set out by Article A 331-21 of the French Insurance Code – separately for ten-year guarantees for general liability and ten-year guarantees for property damages.

Some reserves are assessed according to the specific nature of the risks covered, notably farm and weather-related risks.

Other technical reserves:

Reserve for equalisation

The reserve for equalisation is aimed at covering future risks and events characterised by their infrequency and their high unit cost (e.g. atomic, macroeconomic, natural or pollution risks, etc.).

Mathematical reserves for disability and incapacity annuities and technical reserves in group insurance

In group insurance, reserves for disability and incapacity annuities are calculated according to the regulations set out by the decrees of 28 March and 20 December 1996 (articles A. 331-10 and A. 331-22 of the French Insurance Code).

In non-life insurance, reserves for disability and incapacity annuities are calculated according to a method based on the TPRV (prospective life annuity table), a more prudent method than that defined by French insurance regulations.

Reserve for increasing risks

A reserve for increasing risks is set aside in order to cover foreseeable charges when risks rise in line with the policy holder's age and are covered by constant instalment premiums.

3.3.2. Life insurance

Premiums

Written premiums correspond to underwritings gross of reinsurance excluding taxes, net of cancellations, discounts and rebates, of the change in premiums yet to be written, and of the change in premiums to be cancelled.

Deferred acquisition costs

Variable costs that may be directly allocated to the acquisition of life-insurance policies are booked under assets in the combined financial statements. Under no circumstances can these amounts exceed the current value of future profits from the policies.

These costs are amortised over the average life of policies according to the pace at which future margins appear for each generation of policies, with future margins, resulting from contractual provisions, being determined on the basis of economic assumptions (profit sharing rate, future return on assets and lapse ratio). As the deferred asset value approach is now applied to acquisition costs, mathematical reserves in the balance sheet are not presented according to the *Zillmer* method.

Each year, by homogeneous product family, the likely current value of future margins is compared with total deferred acquisition costs net of amortisations already booked. If this value is lower, a reserve is recognised as a charge.

Life insurance reserves

Mathematical reserves correspond to the difference between the present value of the liabilities assumed by the insurer and policyholders respectively, taking into account the probability that these commitments will be realised.

Mathematical reserves are booked in the balance sheets as liabilities at their gross technical value before any *zillmerisation* effect.

With regard to individual and collective annuity for life policies in France, the reserves are calculated on the basis of the "generation tables" (*TPRV* or *TPG*).

With regard to policies governed by Article L. 441-1 of the French Insurance Code, the latter require that a special technical reserve be booked under the conditions set out in Article R. 441-7 of the Code. It should be noted that this reserve must cover fully the theoretical mathematical reserve of the annuities concerned, calculated on the basis of the tables and the statutory actualisation rates. The latter include a gradual transition to the tables TV88-90 then *TPG*, and the eventual curbing of the actualisation rate at 60% of the *TME* (arithmetic mean of the average

monthly yields on fixed-rate government bonds with maturities of more than 7 years recorded during the year preceding payment of coupon), with a maximum rate of 3.5%.

Technical reserves for unit-linked policies

“Technical reserves for unit-linked policies” include all the reserves relative to unit-linked policies, including the reserves for profit sharing expressed in units as well as additional reserves to cover commitments in euros at maturity.

Technical reserves in respect of unit-linked policies are valued at the market value of the unit at inventory date.

Reserve for profit sharing

The reserve for profit sharing comprises a reserve for profit participation due and, if necessary, a reserve for deferred profit participation.

The reserve for profit participation due comprises the identifiable sums, arising from regulatory obligations, due to policyholders or beneficiaries in the form of profit-sharing and rebates, insofar as such amounts have not been credited to the insured's account or included under ‘Life insurance reserves’.

For sums in excess of the minimum regulatory and contractual commitment, policy beneficiaries' profit sharing is recorded in the intermediary financial statements on the basis of the estimated ratio for the current fiscal year and taking account of decisions taken or alternatively it is recorded at the previous closing date, between policy beneficiaries' profit sharing and net investment income for the year.

The reserve for deferred profit participation comprises the provision for unconditional profit participation that is recorded whenever a difference is noted between the bases for calculating future rights in the individual accounts and the combined accounts, and the provision for conditional profit participation, in which case the manner of recording the difference in rights noted between the individual accounts and the combined accounts depends on a management decision or the occurrence of an event.

In the particular case of the restatement of the capitalisation reserve in the combined accounts, a provision for deferred profit sharing is made when the assets and liabilities management assumptions show a likely and sustained recovery in the capitalisation reserve stock.

Other technical reserves:

Reserve for financial contingencies

The reserve for financial contingencies is cancelled when the mathematical reserves have been calculated on the basis of discount rates, at most equal to the expected rate of return, and prudently estimated, on assets earmarked to represent them.

Overall management reserve

The overall management reserve is set aside when, for similar product families, the future margins used for purposes of calculating deferred acquisition costs are negative.

3.3.3. Collective insurance

As regards Group, or “collective insurance”, technical earnings are approved on the basis of actual items, which are supplemented according to annual forecasts, by nevertheless including the key events which are specific to the interim period.

3.4. Reinsurance operation

Inwards reinsurance

Inwards reinsurance are booked treaty by treaty without any time lag on the basis of an assessment of business accepted. In the absence of sufficient information from the primary insurer, additional estimates are carried out.

Cessions

In reinsurance, cessions are booked in compliance with the terms of the various treaties. Securities of reinsurers (be they accepting offices or retroceding offices) delivered as cover are entered in the table of commitments given and received.

3.5. Operating costs by ultimate use

Management costs and commissions related to insurance operations are classified according to their ultimate use, by applying allocation coefficients according to the structure and organisation of each insurance entity.

Operating costs are classified by purpose and divided into the following six classifications:

- acquisition costs;
- administrative costs;
- claims administration costs;
- investment expenses;
- other underwriting expenses;
- non-operating expenses.

3.6. Provisions for risks and charges

In addition to the usual provisions, provisions are set aside for general risks related to the Group's business.

Retirement indemnities and commitments

Retirement indemnities and commitments are entered under the item "Reserves for risks and charges".

Rights held by staff working in France with regard to retirement indemnities and commitments undertaken in relation to employees who have retired are provisioned at their present value.

3.7. Deferred tax

3.7.1. Basis

Tax on profits or losses combine all taxes based on profit or loss, whether due for payment or deferred. When tax is due or receivable and its settlement is not contingent on the realisation of future transactions, it is to be termed payable, even if settlement is spread over several fiscal years. It is shown, as appropriate, in balance sheet liabilities or assets.

Transactions carried out by the Group may have positive or negative tax consequences other than those taken into consideration to calculate tax payable. The resulting tax assets or liabilities are termed deferred.

This occurs, in particular, when, as a result of transactions already realised, whether accounted for in individual company accounts or only in the combined accounts as restatements and eliminations of internal profits or losses, future differences are likely to arise between company taxable profit or loss and accounting profit or loss, for example where transactions realised during one fiscal year are taxable only in respect of the following fiscal year. Such differences are termed temporary.

All deferred tax liabilities must be recognised. Conversely, deferred tax assets are posted on the assets side of the balance sheet only if their recovery is likely.

3.7.2. Recognition of assets and liabilities in the balance sheet

All deferred tax liabilities, as defined in paragraph 3.7.1 above, must be recognised. Conversely, deferred tax assets are posted on the assets side of the balance sheet only if their recovery is likely.

Deferred tax assets are taken into account only if:

- Their recovery does not depend on future earnings in such a situation, they are booked to the amount of deferred tax liabilities already reported that will mature in the period during which such assets become or remain recoverable. In this event, it is possible to draw on tax options aimed at extending the period between the date on which a tax asset becomes recoverable and that on which it loses its status;
- Or, if the company will probably be able to recover these assets, as a taxable profit is expected during this period. It is assumed that such a profit will not exist when the company has suffered losses during the two previous fiscal years unless it can provide convincing arguments to the contrary. For instance, it would have to show that said losses resulted from exceptional circumstances that are unlikely to occur again in the foreseeable future, or if extraordinary profits are expected.

4. Notes to Groupama financial statements for the year ending 31 December 2004

(Financial data in € million)

NOTE 1 - GOODWILL

| € million | 31/12/2004 | 31/12/2003 |
|--|--------------|--------------|
| Opening net amount..... | 1,588 | 1,664 |
| Change in scope of consolidation | 9 | 37 |
| Groupama SA | 1 | 21 |
| Groupama Asset Management..... | 2 | |
| Gan Eurocourtage IARD | | 18 |
| Silic..... | 6 | |
| Groupama Ultra Plus | | (4) |
| Groupama Biztosito..... | | 2 |
| Deconsolidation | | |
| Depreciation..... | (115) | (113) |
| Year-end net amount..... | 1,482 | 1,588 |

ANALYSIS OF GOODWILL BY COMPANY

| € million | 31/12/2004 | | | 31/12/2003 |
|---------------------------------|----------------|-------------------------|--------------|--------------|
| Companies | Gross goodwill | Cumulative amortisation | Net goodwill | Net goodwill |
| Groupama SA | 36 | (19) | 17 | 24 |
| Gan | 1,673 | (557) | 1,116 | 1,199 |
| Groupama Transport | 23 | (6) | 17 | 18 |
| Silic | 37 | (30) | 7 | 3 |
| Gan Eurocourtage IARD | 143 | (21) | 122 | 129 |
| Groupama Plus Ultra | 229 | (26) | 203 | 215 |
| Groupama Biztosito | 2 | (2) | 0 | |
| Groupama Asset Management | 2 | (2) | 0 | |
| Banque Finama | 5 | (5) | 0 | |
| Socomie | 3 | (3) | 0 | |
| Cie Foncière Parisienne | 3 | (3) | 0 | |
| Total | 2,156 | (674) | 1,482 | 1,588 |

NOTE 2 – INTANGIBLE ASSETS

| € million | 31/12/2004 | | | 31/12/2003 |
|--|------------|--------------|------------|------------|
| | Gross | Amortisation | Net | Net |
| Initial capital and development expenses | 2 | | 2 | 3 |
| Business goodwill purchased | 29 | (21) | 8 | 6 |
| Other | 655 | (449) | 206 | 214 |
| Total | 686 | (470) | 216 | 223 |

Goodwill is amortised over a period not to exceed 20 years.

Other intangible assets mainly comprise expenditure relating to information technology projects under way at the Group's various insurance companies.

NOTE 3 – INSURANCE SECTOR INVESTMENTS

BREAKDOWN OF INVESTMENTS

| € million | 31/12/2004 | | | 31/12/2003 | | |
|---|----------------|---------------|---------------------------------|----------------|---------------|---------------------------------|
| | Net book value | Market value | Unrealised capital gains/losses | Net book value | Market value | Unrealised capital gains/losses |
| Real estate investments..... | 4,394 | 7,052 | 2,658 | 4,588 | 6,995 | 2,407 |
| Equities and other variable-income securities excluding units in mutual funds | 3,909 | 4,333 | 424 | 4,697 | 4,957 | 260 |
| Units in mutual funds holding exclusively fixed-income securities | 3,248 | 3,446 | 198 | 3,190 | 3,347 | 157 |
| Units in other mutual funds | 7,122 | 7,226 | 104 | 4,832 | 4,736 | (96) |
| Bonds and other fixed-income securities | 34,730 | 37,545 | 2,815 | 33,324 | 35,066 | 1,742 |
| Loans | 287 | 287 | | 321 | 321 | |
| Deposits | 765 | 765 | | 700 | 700 | |
| Total | 54,455 | 60,654 | 6,199 | 51,652 | 56,122 | 4,470 |

The valuation of permanent depreciations provisions was carried out in accordance with the principle outlined in paragraph 3-2-2. On this basis the provision for 2004 totalled €50 million. As at 31 December 2004 this reserve had a total balance of €845 million.

ESTIMATION OF LISTED AND UNLISTED INVESTMENTS

| € million | 31/12/2004 | | | 31/12/2003 | | |
|---|----------------|---------------|----------------------------------|----------------|---------------|----------------------------------|
| Listed investments | Net book value | Market value | Unrealised capital gains /losses | Net book value | Market value | Unrealised capital gains /losses |
| Real estate investments..... | | | | | | |
| Equities and other variable-income securities excluding units in mutual funds | 3,805 | 4,199 | 394 | 4,557 | 4,750 | 193 |
| Units in mutual funds holding exclusively fixed-income securities | 3,248 | 3,446 | 198 | 3,190 | 3,347 | 157 |
| Units in other mutual funds | 7,122 | 7,226 | 104 | 4,832 | 4,736 | (96) |
| Bonds and other fixed-income securities | 34,570 | 37,383 | 2,813 | 32,877 | 34,612 | 1,735 |
| Loans | | | | | | |
| Deposits | | | | | | |
| Total | 48,745 | 52 254 | 3,509 | 45,456 | 47,445 | 1,989 |

| € million | 31/12/2004 | | | 31/12/2003 | | |
|---|----------------|--------------|----------------------------------|----------------|--------------|----------------------------------|
| | Net book value | Market value | Unrealised capital gains /losses | Net book value | Market value | Unrealised capital gains /losses |
| Unlisted investments | | | | | | |
| Real estate investments..... | 4,394 | 7,052 | 2,658 | 4,588 | 6,995 | 2,407 |
| Equities and other variable-income securities excluding units in mutual funds | 104 | 134 | 30 | 140 | 207 | 67 |
| Units in mutual funds holding exclusively fixed-income securities | | | | | | |
| Units in other mutual funds | | | | | | |
| Bonds and other fixed-income securities | 160 | 162 | 2 | 447 | 454 | 7 |
| Loans | 287 | 287 | | 321 | 321 | |
| Deposits | 765 | 765 | | 700 | 700 | |
| Total | 5,710 | 8,400 | 2,690 | 6,196 | 8,677 | 2,481 |

The realisation of capital gains would give rise to rights due to policyholders and minority shareholders as well as taxation.

ESTIMATION OF INSURANCE INVESTMENTS BY BUSINESS AND GEOGRAPHICAL ZONE

| € million | 31/12/2004 | | | 31/12/2003 | | |
|---|----------------|---------------|----------------------------------|----------------|---------------|----------------------------------|
| | Net book value | Market value | Unrealised capital gains /losses | Net book value | Market value | Unrealised capital gains /losses |
| Life business - France | | | | | | |
| Real estate investments..... | 1,390 | 1,975 | 585 | 1,670 | 2,225 | 555 |
| Equities and other variable-income securities excluding units in mutual funds | 2,380 | 2,759 | 379 | 3,156 | 3,179 | 23 |
| Units in mutual funds holding exclusively fixed-income securities | 2,083 | 2,229 | 146 | 2,154 | 2,273 | 119 |
| Units in other mutual funds | 4,209 | 4,252 | 43 | 2,510 | 2,462 | (48) |
| Bonds and other fixed-income securities | 24,117 | 26,380 | 2,263 | 22,768 | 24,108 | 1,340 |
| Loans | 173 | 173 | | 197 | 197 | |
| Deposits | 185 | 185 | | 179 | 179 | |
| Total | 34,537 | 37,953 | 3,416 | 32,634 | 34,623 | 1,989 |

| € million | 31/12/2004 | | | 31/12/2003 | | |
|---|----------------|---------------|----------------------------------|----------------|---------------|----------------------------------|
| | Net book value | Market value | Unrealised capital gains /losses | Net book value | Market value | Unrealised capital gains /losses |
| Non-life business - France | | | | | | |
| Real estate investments..... | 2,870 | 4,835 | 1,965 | 2,783 | 4,543 | 1,760 |
| Equities and other variable-income securities excluding units in mutual funds | 1,311 | 1,337 | 26 | 1,360 | 1,600 | 240 |
| Units in mutual funds holding exclusively fixed-income securities | 1,165 | 1,217 | 52 | 1,036 | 1,074 | 38 |
| Units in other mutual funds | 2,716 | 2,780 | 64 | 2,171 | 2,129 | (42) |
| Bonds and other fixed-income securities | 6,584 | 6,998 | 414 | 6,623 | 6,951 | 328 |
| Loans | 74 | 74 | | 81 | 81 | |
| Deposits | 227 | 227 | | 211 | 211 | |
| Total..... | 14,947 | 17,468 | 2,521 | 14,265 | 16,589 | 2,324 |

For entities operating in both sectors, investments have been allocated to the life and non-life businesses on a pro rata basis, based on the technical reserves.

| € million | 31/12/2004 | | | 31/12/2003 | | |
|---|----------------|--------------|----------------------------------|----------------|--------------|----------------------------------|
| | Net book value | Market value | Unrealised capital gains /losses | Net book value | Market value | Unrealised capital gains /losses |
| International life and non-life business | | | | | | |
| Real estate investments..... | 134 | 242 | 108 | 135 | 227 | 92 |
| Equities and other variable-income securities excluding units in mutual funds | 218 | 237 | 19 | 181 | 178 | (3) |
| Units in mutual funds holding exclusively fixed-income securities | | | | | | |
| Units in other mutual funds | 197 | 194 | (3) | 151 | 145 | (6) |
| Bonds and other fixed-income securities | 4,029 | 4,167 | 138 | 3,933 | 4,007 | 74 |
| Loans | 40 | 40 | | 43 | 43 | |
| Deposits | 353 | 353 | | 310 | 310 | |
| Total..... | 4,971 | 5,233 | 262 | 4,753 | 4,910 | 157 |

The realisation of capital gains would give rise to rights due to policyholders and minority shareholders as well as taxation.

NOTE 4 – SIGNIFICANT INVESTMENTS IN NON-CONSOLIDATED COMPANIES

| € million | 31/12/2004 | | | | 31/12/2003 |
|-------------------------------------|------------|----------------|--------------|---------------------------------|----------------|
| | % stake | Net book value | Market value | Unrealised capital gains/losses | Net book value |
| Scor..... | 18.95% | 337 | 216 | (121) | 202 |
| Bolloré Investissement..... | 4.62% | 59 | 63 | 4 | 55 |
| Société Générale | 2.96% | 773 | 981 | 208 | 771 |
| Lagardère | 1.77% | 94 | 132 | 38 | 93 |
| Veolia Environnement | 5.76% | 564 | 623 | 59 | 549 |
| French companies | | 1,827 | 2,015 | 188 | 1,670 |
| Mediobanca | 4.97 % | 471 | 461 | (10) | 471 |
| International companies..... | | 471 | 461 | (10) | 471 |
| Total | | 2,298 | 2,476 | 178 | 2,141 |

Market value corresponds to:

- To share price at 31 December for listed companies,
- Or is determined by the application of multi-criteria method for the shares of unlisted companies.

No provision for permanent decline in value was made during 2004 so as to cover the unrealised capital loss of €121 million on Scor securities. This decision was taken on the basis of information provided to the financial market by Scor concerning the recovery strategy implemented and the intentions as regards long-term holdings as confirmed by Groupama.

NOTE 5 – UNIT-LINKED INVESTMENTS

| € million | 31/12/2004 | 31/12/2003 |
|--|--------------|--------------|
| Real estate investments..... | 94 | 100 |
| Variable-income securities and similar investments..... | | |
| Bonds..... | 762 | 905 |
| Units in mutual funds holding equities..... | 1,960 | 1,856 |
| Units in mutual funds holding bonds and other investments..... | 562 | 497 |
| Total..... | 3,378 | 3,358 |

NOTE 6 – BANKING SECTOR INVESTMENTS

| € million | 31/12/2004 | | | 31/12/2003 | | |
|--|----------------|--------------|-------------------------------|----------------|--------------|-------------------------------|
| | Net book value | Market value | Unrealised capital gains/loss | Net book value | Market value | Unrealised capital gains/loss |
| Investments in affiliates and similar companies..... | 1 | 1 | | | | |
| Government bonds and similar securities .. | 40 | 42 | 2 | 9 | 11 | 2 |
| Bonds and other fixed-income securities... | 602 | 633 | 31 | 763 | 763 | |
| Equities and other variable-income securities..... | 30 | 30 | | 42 | 42 | |
| Total..... | 673 | 706 | 33 | 814 | 816 | 2 |

BREAKDOWN OF SECURITIES PORTFOLIO

| € million | Trading account securities | | Securities available for sale | | Debt securities held to maturity | | Equity securities available for sale in the medium term | | Total |
|---|----------------------------|---------------------|-------------------------------|---------------------|----------------------------------|---------------------|---|---------------------|------------|
| | Listed securities | Unlisted securities | Listed securities | Unlisted securities | Listed securities | Unlisted securities | Listed securities | Unlisted securities | |
| Investments in affiliates and similar companies | | | 1 | | | | | | 1 |
| Government bonds and similar securities | | | | | 40 | | | | 40 |
| Bonds and other fixed-income securities | | | 11 | | 29 | 562 | | | 602 |
| Equities and other variable-income securities | 2 | 1 | 20 | 7 | | | | | 30 |
| Total 31/12/2004 | 2 | 1 | 32 | 7 | 69 | 562 | | | 673 |
| Total 31/12/2003 | 1 | | 42 | 10 | 30 | 731 | | | 814 |

NOTE 7 - SHARES IN COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD

| € million | 31/12/2004 | | 31/12/2003 | |
|---------------------|------------------|----------------------|------------------|----------------------|
| | Equivalent Value | Share of profit/loss | Equivalent Value | Share of profit/loss |
| Günes Sigorta | 11 | 1 | 9 | 2 |
| Socomie | 1 | 1 | 1 | |
| Total | 12 | 2 | 10 | 2 |

VALUE OF SHARES IN COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD: CHANGES DURING THE FISCAL YEAR

| € million | 2004 | 2003 |
|-------------------------------------|-----------|-----------|
| Opening balance | 10 | 11 |
| Share of profit/loss | 2 | 2 |
| Dividends | | (1) |
| Change in exchange adjustment | | |
| Capital increase | | |
| Consolidation changes | | (2) |
| Year-end balance | 12 | 10 |

SIGNIFICANT DATA AT 31 DECEMBER

| € million | 31/12/2004 | | | |
|---------------------|----------------|------------|--------------|----------------------|
| | Premium income | Net profit | Total assets | Capital and reserves |
| Günes Sigorta | 211 | 4 | 153 | 49 |
| Socomie | 12 | 1 | 8 | 1 |

NOTE 8 - RECEIVABLES RELATING TO INSURANCE AND REINSURANCE TRANSACTIONS

| € million | 31/12/2004 | | | 31/12/2003 |
|--|--------------|--------------|--------------|--------------|
| | Gross | Provision | Net | Net |
| Premiums earned but not written | 679 | | 679 | 688 |
| Coinsurers and other third parties | 1,199 | (93) | 1,106 | 1,373 |
| Reinsurer and retrocessionary accounts | 716 | (27) | 689 | 274 |
| Cedant and retrocedant accounts | 411 | (1) | 410 | 520 |
| Total | 3,005 | (121) | 2,884 | 2,855 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|--|---------------------|--------------|----------------------|--------------|
| Premiums earned but not written | 679 | | | 679 |
| Coinsurers and other third parties | 1,042 | 62 | 2 | 1,106 |
| Reinsurer and retrocessionary accounts | 684 | 5 | | 689 |
| Cedant and retrocedant accounts | 349 | 59 | 2 | 410 |
| Total 31/12/2004 | 2,754 | 126 | 4 | 2,884 |
| Total 31/12/2003 | 2,683 | 172 | | 2,855 |

NOTE 9 - RECEIVABLES – BANKING SECTOR CUSTOMERS

| € million | 31/12/2004 | | | 31/12/2003 |
|------------------------------------|------------|-------------|------------|------------|
| | Gross | Provision | Net | Net |
| Trade receivables | | | | 1 |
| Other loans and overdrafts | 253 | (21) | 232 | 153 |
| Ordinary accounts receivable | 96 | (2) | 94 | 157 |
| Total | 349 | (23) | 326 | 310 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|------------------------------------|---------------------|--------------|----------------------|------------|
| Trade receivables | | | | |
| Other loans and overdrafts | 94 | 112 | 26 | 232 |
| Ordinary accounts receivable | 94 | | | 94 |
| Total 31/12/2004 | 188 | 112 | 26 | 326 |
| Total 31/12/2003 | 208 | 82 | 20 | 310 |

NOTE 10 – RECEIVABLES – BANKING SECTOR

| € million | 31/12/2004 | | | 31/12/2003 |
|---|--------------|-----------|--------------|--------------|
| | Gross | Provision | Net | Net |
| Settlement accounts relating to securities transactions | 301 | | 301 | 281 |
| Interbank transactions | 613 | | 613 | 554 |
| Cash at bank, insurance companies | 583 | | 583 | 694 |
| Total | 1,497 | | 1,497 | 1,529 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|---|------------------|--------------|-------------------|--------------|
| Settlement accounts relating to securities transactions | 301 | | | 301 |
| Interbank transactions | 613 | | | 613 |
| Cash at bank, insurance companies | 581 | 1 | 1 | 583 |
| Total 31/12/2004 | 1,495 | 1 | 1 | 1,497 |
| Total 31/12/2003 | 1,521 | 7 | 1 | 1,529 |

NOTE 11 - OTHER RECEIVABLES

| € million | 31/12/2004 | | | | | 31/12/2003 |
|-------------------------------------|------------|-------------|------------|--------------------|------------------|------------|
| | Gross | Provision | Net | Of which insurance | Of which banking | Net |
| Personnel | 14 | | 14 | 14 | | 16 |
| Social security | 4 | | 4 | 4 | | 14 |
| State | 182 | | 182 | 182 | | 186 |
| Deferred tax assets (Note 25) | 4 | | 4 | 4 | | 3 |
| Miscellaneous debtors | 750 | (23) | 727 | 691 | 36 | 675 |
| Total | 954 | (23) | 931 | 895 | 36 | 894 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|-------------------------------------|------------------|--------------|-------------------|------------|
| Personnel | 14 | | | 14 |
| Social security | 4 | | | 4 |
| State | 156 | 24 | 2 | 182 |
| Deferred tax assets (Note 25) | | 3 | 1 | 4 |
| Miscellaneous debtors | 701 | 17 | 9 | 727 |
| Total 31/12/2004 | 875 | 44 | 12 | 931 |
| Total 31/12/2003 | 860 | 34 | | 894 |

NOTE 12 - OTHER ASSETS

| € million | 31/12/2004 | | | 31/12/2003 |
|--------------------------|------------|--------------|------------|------------|
| | Gross | Amortisation | Net | Net |
| Non-life insurance | 389 | (255) | 134 | 135 |
| Life insurance | 119 | (96) | 23 | 27 |
| Banking..... | 17 | (11) | 6 | 9 |
| Total..... | 525 | (362) | 163 | 171 |

Other assets consist primarily of tangible fixed assets.

NOTE 13 - ACCRUALS

| € million | 31/12/2004 | | | 31/12/2003 |
|---|--------------|-----------|--------------|--------------|
| | Insurance | Banking | Total | Total |
| Deferred life insurance acquisition expenses..... | 296 | | 296 | 665 |
| Deferred non-life insurance acquisition expenses | 261 | | 261 | 294 |
| Accrued interest not yet due | 818 | | 818 | 823 |
| Other accruals | 196 | 41 | 237 | 208 |
| Total..... | 1,571 | 41 | 1,612 | 1,990 |

With effect from 1 January 2004, the impact of the change of method for determining the deferred acquisition costs in life insurance reduced the opening inventory by €379 million. The thinking behind this change of method is set forth in the key events section, in paragraph 1.2.

As indicated in the new method presented in note 3.3.2., deferred acquisition costs in life insurance are now based on a “deferred asset value” approach and are not limited to the zillmerisation difference, as is the case in the parent company accounts.

The effect of the “deferred asset” approach represents a sum of €84 million over and above the zillmerisation difference. In the consolidated income statement, the application of this procedure is reflected by €3 million of revenue in the combined financial statements for the period, compared with a charge of €26 million as at 31 December 2003, using the previous method.

In application of regulation 2000-05, unrealised foreign exchange gains and losses are now accounted for in the income statement and bond redemption differences are included under investments.

NOTE 14 - ANALYSIS OF CHANGE IN CAPITAL AND RESERVES (GROUP SHARE)

| € million | Initial capital | Consolidated reserves | Net income | Unrealised foreign exchange gains /losses | Total capital and reserves |
|---|-----------------|-----------------------|--------------|---|----------------------------|
| Capital and reserves at 31/12/2002 | 35 | 4 082 | (154) | (37) | 3 926 |
| Allocation of profit at 31/12/2002 | | (154) | 154 | | |
| Members dividends..... | | (5) | | | (5) |
| Unrealised foreign exchange gains/losses | | | | (37) | (37) |
| Permanent depreciations reserve | | 7 | | | 7 |
| Change in accounting methods | | (8) | | | (8) |
| Change in capital | (3) | 3 | | | |
| Change in scope of consolidation | | (1) | | | |
| Net income..... | | | 155 | | 155 |
| Total movements during the year..... | (3) | (158) | 309 | (37) | 111 |
| Capital and reserves at 31/12/2003 | 32 | 3,924 | 155 | (74) | 4,037 |
| Allocation of profit at 31/12/2003 | | 155 | (155) | | |
| Members dividends..... | | (2) | | | (2) |
| Unrealised foreign exchange gains/losses... | | | | (3) | (3) |
| Permanent depreciations reserve..... | | 6 | | | 6 |
| Change in accounting methods | | (373) | | | (373) |
| Change in capital | | | | | |
| Change in scope of consolidation | | | | | |
| Net income..... | | | 359 | | 359 |
| Total movements during the year..... | | (214) | 204 | (3) | (13) |
| Capital and reserves at 31/12/2004 | 32 | 3,710 | 359 | (77) | 4,024 |
| Of which capitalisation reserve..... | | 1,062 | | | |

The change in unrealised foreign exchange gains/losses arises mainly from exchange differences on loans made to Group subsidiaries. These loans are regarded as an integral part of the investment in these subsidiaries. Therefore, in application of the rules outlined in Paragraph 322 of Regulation 2000-05, “Exchange differences relating to a monetary item which is in substance an integral part of the net investment of an enterprise in a foreign consolidated enterprise are to be entered in consolidated capital and reserves.”

Movements entered under item “Change in accounting methods” correspond to the application of the new principle for determining the deferred acquisition costs in life insurance, the thinking behind which is set forth in paragraph 1.2 of the note on key events. The impact of this change in accounting methods on opening capital and reserves, net of €5 million in taxes, was €373 million.

NOTE 15 - ANALYSIS OF CHANGE IN MINORITY INTERESTS

| € million | Total minority interests |
|--|--------------------------|
| Minority interests at 31/12/2002 | 284 |
| Dividends..... | (22) |
| Change in exchange adjustment..... | |
| Permanent depreciations reserve..... | |
| Consolidation changes | 2 |
| Net income..... | (33) |
| Total movements during the year | (53) |
| Minority interests at 31/12/2003 | 231 |
| Dividends..... | (31) |
| Change in exchange adjustment..... | |
| Permanent depreciations reserve Change in capital..... | 20 |
| Consolidation changes | (5) |
| Net income..... | 15 |
| Total movements during the year..... | (1) |
| Minority interests at 31/12/2004 | 230 |

NOTE 16 - SUBORDINATED DEBT

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|-------------------------------|---------------------|-----------------|----------------------|------------|
| Insurance..... | | | 750 | 750 |
| Banking..... | | | | |
| Total 31/12/2004 | | | 750 | 750 |
| Total 31/12/2003 | | | 750 | 750 |

The item “Subordinated debt” corresponds to a bond loan issued by the Caisse Centrale des Assurances Agricoles in July 1999 in the form of 30-year callable securities which are redeemable before their due date with effect from the 10th year after issue, which was taken over by Groupama SA during the contribution operations carried out on 1 January 2003.

This issue represents a total sum of €750 million.

NOTE 17 - TECHNICAL INSURANCE RESERVES

| € million | 31/12/2004 | | | 31/12/2003 | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | France | International | Total | France | International | Total |
| Technical reserves gross of reinsurance | | | | | | |
| Life insurance technical reserves..... | 32,234 | 2,205 | 34,439 | 30,369 | 2,023 | 32,392 |
| Reserves for claims reported but not yet paid..... | 570 | 31 | 601 | 611 | 26 | 637 |
| Reserves for profit sharing | 1,415 | 29 | 1,444 | 1,402 | 30 | 1,432 |
| Other technical reserves | 75 | 4 | 79 | 21 | 1 | 22 |
| Total life insurance..... | 34,294 | 2,269 | 36,563 | 32,403 | 2,080 | 34,483 |
| Reserves for unearned premiums | 860 | 621 | 1,481 | 830 | 788 | 1,618 |
| Reserves for claims reported but not yet paid..... | 9,071 | 2,355 | 11,426 | 8,925 | 2,423 | 11,348 |
| Reserves for equalisation..... | 286 | 32 | 318 | 333 | 29 | 362 |
| Other technical reserves | 3,024 | 53 | 3,077 | 2,964 | 63 | 3,027 |
| Total non-life insurance | 13,241 | 3,061 | 16,302 | 13,052 | 3,303 | 16,355 |
| Total technical reserves | 47,535 | 5,330 | 52,865 | 45,455 | 5,383 | 50,838 |
| Share of reinsurers in technical reserves | | | | | | |
| Life insurance technical reserves..... | 13 | 15 | 28 | 12 | 21 | 33 |
| Reserves for claims reported but not yet paid..... | 12 | 3 | 15 | 22 | 2 | 24 |
| Reserves for profit sharing | 13 | | 13 | 20 | | 20 |
| Other technical reserves | | | | | | |
| Total life insurance..... | 38 | 18 | 56 | 54 | 23 | 77 |
| Reserves for unearned premiums | 51 | 18 | 69 | 54 | 22 | 76 |
| Reserves for claims reported but not yet paid..... | 962 | 510 | 1,472 | 962 | 603 | 1,565 |
| Reserves for equalisation..... | 1 | | 1 | 1 | | 1 |
| Other technical reserves | 118 | 1 | 119 | 202 | 1 | 203 |
| Total non-life insurance | 1,132 | 529 | 1,661 | 1,219 | 626 | 1,845 |
| Total share of reinsurers in technical reserves | 1,170 | 547 | 1,717 | 1,273 | 649 | 1,922 |
| Total | 46,365 | 4,783 | 51,148 | 44,182 | 4,734 | 48,916 |

In application of the provisions of CRC Regulation No. 00-05, technical reserves relating to immediate or deferred life annuity policies are determined in accordance with the latest current tables which reflect the risk to which the Group is exposed with regard to its policyholders.

In compliance with the regulations, there was no need to set aside a provision for financial risk in the life insurance subsidiaries.

In 2004, inwards reinsurance were no longer broken down into categories. 2003 data was subject to a pro-forma so as to make it comparable with 2004 data.

BREAKDOWN BY INSURANCE CATEGORY

| € million | 31/12/2004 | | | 31/12/2003 | | |
|--|--------------------|---|---------------|--------------------|---|---------------|
| | Technical Reserves | Reserves for claims reported but not yet paid | Total | Technical Reserves | Reserves for claims reported but not yet paid | Total |
| Life insurance: single premiums | | | | | | |
| Capitalisation | 1,513 | 56 | 1,569 | 1,621 | 57 | 1,678 |
| Personal life | 15,532 | 132 | 15,664 | 13,932 | 188 | 14,120 |
| Group policies..... | 172 | 9 | 181 | 190 | 15 | 205 |
| Others..... | 1,561 | | 1,561 | 1,481 | | 1,481 |
| Total provisions single premiums | 18,778 | 197 | 18,975 | 17,224 | 260 | 17,484 |
| Life insurance: regular premiums | | | | | | |
| Capitalisation | 626 | 6 | 632 | 610 | 5 | 615 |
| Personal life | 6,611 | 121 | 6,732 | 6,462 | 103 | 6,565 |
| Group policies..... | 6,388 | 184 | 6,572 | 6,086 | 211 | 6,297 |
| Others..... | 708 | 49 | 757 | 769 | 23 | 792 |
| Total provisions for regular premiums | 14,333 | 360 | 14,693 | 13,927 | 342 | 14,269 |
| Life Insurance: inwards reinsurance..... | 1,328 | 44 | 1,372 | 1,241 | 35 | 1,276 |
| Total life insurance reserves | 34,439 | 601 | 35,040 | 32,392 | 637 | 33,029 |

| € million | 31/12/2004 | | | 31/12/2003 | | |
|--|--------------------------------|---|---------------|--------------------------------|---|---------------|
| | Reserves for unearned premiums | Reserves for claims reported but not yet paid | Total | Reserves for unearned premiums | Reserves for claims reported but not yet paid | Total |
| Non-life insurance | | | | | | |
| Motor vehicle..... | 631 | 3,799 | 4,430 | 814 | 3,715 | 4,529 |
| Bodily injury | 105 | 881 | 986 | 120 | 995 | 1,115 |
| Property | 507 | 2,387 | 2,894 | 467 | 2,309 | 2,776 |
| General liability | 48 | 1,200 | 1,248 | 46 | 1,153 | 1,199 |
| Marine, aviation, transport..... | 36 | 714 | 750 | 28 | 700 | 728 |
| Others..... | 128 | 1,773 | 1,901 | 110 | 1,807 | 1,917 |
| Non-Life Insurance: inwards reinsurance..... | 26 | 672 | 698 | 33 | 669 | 702 |
| Total non-life insurance reserves | 1,481 | 11,426 | 12,907 | 1,618 | 11,348 | 12,966 |

In 2004, inwards reinsurance were no longer broken down into categories. 2003 data was subject to a pro-forma so as to make it comparable with 2004 data.

NOTE 18 - PROVISIONS FOR RISKS AND CHARGES

| € million | 31/12/2004 | 31/12/2003 |
|---|------------|------------|
| Provision for deferred income tax liabilities (Note 25) | (5) | 3 |
| Provision for pensions and similar obligations | 211 | 196 |
| Negative goodwill | | |
| Other provisions for risks and charges (1) | 370 | 341 |
| Total | 576 | 540 |

(1) Details concerning this item have not been disclosed as they could negatively impact on the Group as a result of ongoing litigation.

NOTE 19 – DEBTS RELATING TO INSURANCE OR REINSURANCE OPERATIONS

| € million | 31/12/2004 | 31/12/2003 |
|--|--------------|--------------|
| Insured intermediaries and other third parties | 543 | 683 |
| Coinsurers | 98 | 109 |
| Reinsurer and retrocessionary accounts | 743 | 442 |
| Cedant and retrocedant accounts | 98 | 104 |
| Other debts/reinsurance operations | 22 | 20 |
| Deposits from reinsurers | 92 | 93 |
| DEBTS | 1,596 | 1,451 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|--|---------------------|--------------|----------------------|--------------|
| Insured intermediaries and other third parties | 543 | | | 543 |
| Coinsurers | 94 | 4 | | 98 |
| Reinsurer and retrocessionary accounts | 682 | 61 | | 743 |
| Cedant and retrocedant accounts | 56 | 42 | | 98 |
| Other debts/reinsurance operations | 22 | | | 22 |
| Deposits from reinsurers | 89 | 3 | | 92 |
| Total 31/12/2004 | 1,486 | 110 | | 1,596 |
| Total 31/12/2003 | 1,328 | 123 | | 1,451 |

BREAKDOWN BY CURRENCY AND INTEREST RATE

| € million | Currency | | Interest rate | |
|--|--------------|------------|---------------|---------------|
| | Euro Zone | Other | Fixed rate | Variable rate |
| Insured intermediaries and other third parties | 436 | 107 | 489 | 54 |
| Coinsurers | 98 | | 98 | |
| Reinsurer and retrocessionary accounts | 731 | 12 | 740 | 3 |
| Cedant and retrocedant accounts | 92 | 6 | 98 | |
| Other debts/reinsurance operations | 11 | 11 | 13 | 9 |
| Deposits from reinsurers | 66 | 26 | 64 | 28 |
| Total 31/12/2004 | 1,434 | 162 | 1,502 | 94 |
| Total 31/12/2003 | 1,327 | 124 | 1,350 | 101 |

NOTE 20 – DEBTS – BANKING SECTOR CUSTOMERS

| € million | 31/12/2004 | | | 31/12/2003 |
|-----------------------------------|-----------------|---------------|--------------|------------|
| | Demand deposits | Term deposits | Total | Total |
| Special savings accounts..... | 413 | 2 | 415 | 202 |
| Ordinary accounts payable..... | 301 | | 301 | 234 |
| Other trade accounts payable..... | 3 | 290 | 293 | 287 |
| Total..... | 717 | 292 | 1,009 | 723 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|-----------------------------------|------------------|--------------|-------------------|--------------|
| Special savings accounts..... | 413 | 2 | | 415 |
| Ordinary accounts payable..... | 301 | | | 301 |
| Other trade accounts payable..... | 293 | | | 293 |
| Total 31/12/2004..... | 1,007 | 2 | | 1,009 |
| Total 31/12/2003..... | 722 | 1 | | 723 |

NOTE 21 – SECURITISED DEBTS

| € million | 31/12/2004 | 31/12/2003 |
|---|------------|------------|
| Cash certificates..... | | |
| Interbank and negotiable debt securities..... | | |
| Bonded debts | 613 | |
| Other debts represented by securities | | 879 |
| Total..... | 613 | 879 |
| Of which Insurance..... | | |
| Of which Banking..... | 613 | 879 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|---|------------------|--------------|-------------------|------------|
| Cash certificates..... | | | | |
| Interbank and negotiable debt securities..... | | | | |
| Bonded debts | 585 | 28 | | 613 |
| Other debts represented by securities | | | | |
| Total 31/12/2004..... | 585 | 28 | | 613 |
| Total 31/12/2003..... | 848 | 31 | | 879 |

BREAKDOWN BY CURRENCY AND INTEREST RATE

| € million | Currency | | Interest rate | |
|---|------------|-------|---------------|---------------|
| | Euro Zone | Other | Fixed rate | Variable rate |
| Cash certificates..... | | | | |
| Interbank and negotiable debt securities..... | | | | |
| Bonded debts | 613 | | 80 | 533 |
| Other debts represented by securities | | | | |
| Total 31/12/2004 | 613 | | 80 | 533 |
| Total 31/12/2003 | 879 | | 212 | 667 |

NOTE 22 – DEBTS – BANKING SECTOR

| € million | 31/12/2004 | 31/12/2003 |
|------------------------------------|--------------|--------------|
| Financing debts..... | 631 | 665 |
| Bank loans and overdrafts..... | 467 | 604 |
| Insurance operations | 1,098 | 1,269 |
| Debts to credit institutions | 73 | 50 |
| Banking operations | 73 | 50 |
| Total | 1,171 | 1,319 |

In 2004, financing debts corresponded to the long-term indebtedness of SILIC, in the amount of €403 million, and €228 million in respect of the insurance companies and the Group's other entities.

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|--|------------------|--------------|-------------------|--------------|
| Financing debts..... | 87 | 120 | 424 | 631 |
| Bank loans and overdrafts..... | 436 | 31 | | 467 |
| Banking sector operations debts to credit institutions | 73 | | | 73 |
| Total 31/12/2004 | 596 | 151 | 424 | 1,171 |
| Total 31/12/2003 | 844 | 209 | 266 | 1,319 |

BREAKDOWN BY CURRENCY AND INTEREST RATE

| € million | Currency | | Interest rate | |
|--|--------------|-----------|---------------|---------------|
| | Euro Zone | Other | Fixed rate | Variable rate |
| Financing debts..... | 631 | | 452 | 179 |
| Bank loans and overdrafts..... | 467 | | 458 | 9 |
| Banking sector operations debts to credit institutions | 33 | 40 | 29 | 44 |
| Total 31/12/2004 | 1,131 | 40 | 939 | 232 |
| Total 31/12/2003 | 1,290 | 29 | 1,049 | 270 |

NOTE 23 – OTHER DEBTS

| € million | 31/12/2004 | | | 31/12/2003 |
|--|--------------|-----------|--------------|--------------|
| | Insurance | Banking | Total | Total |
| Amount owed to employees | 197 | 7 | 204 | 181 |
| Social security..... | 135 | 5 | 140 | 125 |
| State | 211 | 8 | 219 | 206 |
| Other loans, deposits and guarantees received..... | 1,258 | | 1,258 | 1,276 |
| Miscellaneous creditors | 1,019 | 50 | 1,069 | 1,200 |
| Total..... | 2,820 | 70 | 2,890 | 2,988 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|--|------------------|--------------|-------------------|--------------|
| Amounts owed to employees | 198 | 6 | | 204 |
| Social security..... | 140 | | | 140 |
| State | 194 | 25 | | 219 |
| Other loans, deposits and guarantees received..... | 1,167 | 25 | 66 | 1,258 |
| Miscellaneous creditors | 954 | 106 | 9 | 1,069 |
| Total 31/12/2004..... | 2,653 | 162 | 75 | 2,890 |
| Total 31/12/2003 | 2,711 | 201 | 76 | 2,988 |

BREAKDOWN BY CURRENCY AND INTEREST RATE

| € million | Currency | | Interest rate | |
|--|--------------|-----------|---------------|---------------|
| | Euro Zone | Other | Fixed rate | Variable rate |
| Amount owed to employees | 204 | | 204 | |
| Social security..... | 140 | | 140 | |
| State | 218 | 1 | 219 | |
| Other loans, deposits and guarantees received..... | 1,258 | | 675 | 583 |
| Miscellaneous creditors | 989 | 80 | 1,069 | |
| Total 31/12/2004..... | 2,809 | 81 | 2,307 | 583 |
| Total 31/12/2003 | 2,922 | 66 | 2,320 | 668 |

NOTE 24 - ACCRUALS

| € million | 31/12/2004 | | | 31/12/2003 |
|--|------------|-----------|------------|------------|
| | Insurance | Banking | Total | Total |
| Deferred acquisition expenses (share of outwards reinsurance and retrocessionnaires) | | | | 1 |
| Reinsurance technical valuations | | | | |
| Unrealised exchange loss | | | | |
| Other accruals | 203 | 43 | 246 | 208 |
| Total | 203 | 43 | 246 | 208 |

NOTE 25 – CORPORATE TAX**BREAKDOWN OF TAX CHARGE**

| € million | 31/12/2004 | | | | 31/12/2003 |
|------------------------------|-------------|-------------|---------|-------------|-------------|
| | Life | Non-life | Banking | Total | Total |
| Current corporate tax | (17) | (41) | | (58) | (128) |
| Deferred corporate tax | 4 | (1) | | 3 | 41 |
| Total | (13) | (42) | | (55) | (87) |

ANALYSIS OF MAIN COMPONENTS OF DEFERRED TAX CHARGE

| € million | 31/12/2004 | 31/12/2003 |
|---|------------|------------|
| Deferred tax arising from temporary differences: | | |
| Deferred acquisition expenses | (87) | (113) |
| Pension funds | 22 | 3 |
| Tax deferral surpluses | (17) | (1) |
| Valuation differential on mutual funds | (6) | (34) |
| Tax differences on technical reserves | 244 | 24 |
| Return to original cost for internal assignments | 18 | (20) |
| Other differences | 234 | 197 |
| Sub-total: Deferred tax arising from temporary differences | 408 | 56 |
| Application of prior deficit | | |
| Deferred tax assets not accounted to temporary differences | (399) | (62) |
| Contributions to deferred tax | | 6 |
| Deferred tax recorded on the balance sheet | 9 | 0 |
| Comprising: | | |
| – Assets (Other receivables) (note 11) | 4 | 3 |
| – Liabilities (Provisions for risks and charges) (note 18) | (5) | 3 |

The other temporary differences mainly comprise tax/accounting timing differences relating to the non-deductible reserves.

The Group also has significant non-recorded net assets in its international subsidiaries and in the Groupama SA divisional tax group in France. These total €415 million.

Although it might be possible to recover non-recorded tax assets due to expected taxable profits, the Group adopted a prudent attitude at 31 December 2004 and did not record said tax assets.

RECONCILIATION OF EFFECTIVE TAX CHARGE AND THEORETICAL TAX CHARGE

| € million | 31/12/2004 | 31/12/2003 |
|---|-------------------|-------------------|
| Theoretical tax charge | (143) | (70) |
| Impact of non-deductible or non-taxable charges or income | (59) | 88 |
| Impact of tax rate differences | 21 | (93) |
| Tax credits and miscellaneous allocations | 4 | 11 |
| Additional contributions | (6) | 27 |
| Application of prior deficits | 295 | 75 |
| Non-activated deficits from the fiscal year | (133) | (56) |
| De-activation of prior deficits | 0 | (26) |
| Impact of miscellaneous tax charges | 160 | 31 |
| Tax on companies accounted for by the equity method | 0 | 1 |
| Non-recorded deferred tax assets | (49) | (64) |
| Other differences | 15 | 20 |
| Effective tax charge | (55) | (87) |

NOTE 26 - OPERATING INCOME STATEMENTS BY BUSINESS LINE

LIFE INSURANCE

| LIFE OPERATING INCOME STATEMENT | | 2004 | | | 2003 |
|--|---------------|-------------|-------------|------------|-------------|
| € million | | Gross | Cession | Net | Net |
| Premiums | Note 27 | 3,947 | (38) | 3,909 | 3,927 |
| Share of operating account in net investment income.. | Notes 28 & 29 | 1,836 | | 1,836 | 1,733 |
| Adjustment to unit-linked contracts (capital gains) | Note 28 | 347 | | 347 | 425 |
| Other operating income | Note 30 | 32 | | 32 | 16 |
| Benefits and related expenses paid | | (3,133), | 27 | (3,106) | (2,981) |
| Charges for claims reserves | | (68) | (8) | (76) | (60) |
| Claims | | (3,201) | 19 | (3,182) | (3,041) |
| Life insurance reserves | | (776) | | (776) | (700) |
| Reserves in respect of unit-linked contracts | | 41 | | 41 | (249) |
| Other technical reserves | | | | | |
| Charges for other technical reserves | | (735) | | (735) | (949) |
| Profit-sharing | | (1,372) | 3 | (1,369) | (1,239) |
| Acquisition expenses | | (224) | 1 | (223) | (236) |
| Administrative expenses | | (90) | | (90) | (94) |
| Commissions received from reinsurers | | | 5 | 5 | 3 |
| Acquisition and administrative expenses | Note 30 | (314) | 6 | (308) | (327) |
| Adjustment to unit-linked contracts (capital losses) | Note 28 | (141) | | (141) | (171) |
| Other operating charges | Note 30 | (178) | | (178) | (172) |
| Life insurance operating profit/loss | | 221 | (10) | 211 | 202 |
| Employee Profit-sharing | Note 30 | (6) | | (6) | |
| Net investment income excluding share of operating account | Note 28 & 29 | 41 | | 41 | 51 |
| Profit/loss on ordinary activities | | 256 | (10) | 246 | 253 |

NON LIFE INSURANCE

| NON-LIFE OPERATING INCOME STATEMENT | | 2004 | | | 2003 |
|--|---------------|------------|--------------|------------|------------|
| € million | | Gross | Cession | Net | Net |
| Premiums | Note 27 | 8,722 | (562) | 8,160 | 8,111 |
| Change in unearned premiums | | 124 | (3) | 121 | (44) |
| Earned premiums | | 8,846 | (565) | 8,281 | 8,067 |
| Share of operating account in net investment income.. | Notes 28 & 29 | 575 | | 575 | 593 |
| Other operating income | Note 30 | 26 | | 26 | 39 |
| Claims and expenses paid | | (6,271) | 321 | (5,950) | (6,073) |
| Charges for claims reserves | | (161) | (140) | (301) | (369) |
| Claims | | (6,432) | 181 | (6,251) | (6,442) |
| Charges for other technical reserves | | (12) | 5 | (7) | 14 |
| Profit-sharing | | | | | |
| Acquisition expenses | | (1,554) | | (1,554) | (1,527) |
| Administrative expenses | | (579) | | (579) | (513) |
| Commissions received from reinsurers | | | 39 | 39 | (22) |
| Acquisition and administrative expenses | Note 30 | (2,133) | 39 | (2,094) | (2,062) |
| Other operating charges | Note 30 | (233) | | (233) | (267) |
| Change in reserve for equalisation | | 14 | | 14 | 63 |
| Non life insurance operating profit/loss | | 651 | (340) | 311 | 5 |
| Employee profit-sharing | Note 30 | (6) | | (6) | (12) |
| Net investment income excluding share of operating account | Note 28 & 29 | 286 | | 286 | 297 |
| Profit/loss on ordinary activities | | 931 | (340) | 591 | 290 |

BANKING

| BANKING SECTOR OPERATING INCOME STATEMENT | | 2004 | 2003 |
|--|---------|-------------|-------------|
| € million | | | |
| Interest and similar income | | 33 | 33 |
| Interest and similar charges | | (44) | (40) |
| Income from variable-yield securities | | | |
| Commission income | | 122 | 101 |
| Commission charges | | (32) | (26) |
| Profits or losses on transactions in trading portfolios | | 2 | 2 |
| Profits or losses on investment operations | | 1 | |
| Other operating income | | 1 | 1 |
| Other operating charges | | 27 | 18 |
| Net banking income | | 110 | 89 |
| General operating charges | Note 30 | (121) | (113) |
| Appropriations to depreciation and provisions for tangible and intangible fixed assets | Note 30 | (9) | (7) |
| Gross operating profit/loss | | (20) | (31) |
| Cost of bad and doubtful debts | | (6) | 5 |
| Gains or losses on long-term equity investments and shares in affiliated companies (including long-term investment securities portfolio) | | | |
| Profit/loss ordinary activities | | (26) | (26) |

NOTE 27 - ANALYSIS OF PREMIUM INCOME

BREAKDOWN BY GEOGRAPHICAL ZONE

| € million | 2004 | | | | 2003 | | | |
|------------------------------------|--------------|--------------|---------------|-------------|--------------|--------------|---------------|-------------|
| | Life | Non-life | Total | Share % | Life | Non-life | Total | Share % |
| France | 3,516 | 7,239 | 10,755 | 84% | 3,601 | 6,932 | 10,533 | 82% |
| EU (excluding France) | 311 | 1,433 | 1,744 | 14% | 273 | 1,793 | 2,066 | 16% |
| United Kingdom | 0 | 452 | 452 | 4% | | 827 | 827 | 6% |
| Italy | 179 | 346 | 525 | 4% | 170 | 340 | 510 | 4% |
| Spain | 54 | 622 | 676 | 5% | 45 | 615 | 660 | 5% |
| Portugal | 77 | 13 | 90 | 1% | 51 | 11 | 62 | 1% |
| Luxembourg | 1 | 0 | 1 | | 7 | | 7 | |
| Other countries | 120 | 50 | 170 | 1% | 103 | 40 | 143 | 1% |
| Sub-total - insurance | 3,947 | 8,722 | 12,669 | 99% | 3,977 | 8,765 | 12,742 | 99% |
| Banking | 0 | 164 | 164 | 1% | | 137 | 137 | 1% |
| Total | 3,947 | 8,886 | 12,833 | 100% | 3,977 | 8,902 | 12,879 | 100% |

BREAKDOWN BY MAIN LINE OF BUSINESS

| € million | 2004 | | | 2003 | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | France | International | Total | France | International | Total |
| Life business: single premiums | | | | | | |
| Capitalisation | 74 | 101 | 175 | 165 | 86 | 251 |
| Personal life | 1,908 | 60 | 1,968 | 1,892 | 48 | 1,940 |
| Group policies..... | 3 | 63 | 66 | 3 | 38 | 41 |
| Unit-linked policies | 193 | 12 | 205 | 166 | 21 | 187 |
| Others..... | 54 | | 54 | 49 | | 49 |
| Total single premiums | 2,232 | 236 | 2,468 | 2,275 | 193 | 2,468 |
| Life business – regular premiums | | | | | | |
| Capitalisation | 57 | 37 | 94 | 64 | 35 | 99 |
| Personal life | 633 | 92 | 725 | 624 | 96 | 720 |
| Group policies..... | 432 | 46 | 478 | 499 | 33 | 532 |
| Unit-linked policies | 6 | 20 | 26 | 5 | 19 | 24 |
| Others..... | 3 | | 3 | 4 | | 4 |
| Total regular premiums | 1,131 | 195 | 1,326 | 1,196 | 183 | 1,379 |
| Inwards reinsurance..... | 153 | | 153 | 130 | | 130 |
| Total life..... | 3,516 | 431 | 3,947 | 3,601 | 376 | 3,977 |
| Non-life business | | | | | | |
| Motor vehicle..... | 2,033 | 823 | 2,856 | 1,963 | 1,159 | 3,122 |
| Bodily injury | 1,844 | 69 | 1,913 | 1,730 | 104 | 1,834 |
| Property | 2,163 | 364 | 2,527 | 2,075 | 342 | 2,417 |
| General liability | 151 | 61 | 212 | 135 | 55 | 190 |
| Marine, aviation, transport..... | 215 | 25 | 240 | 199 | 23 | 222 |
| Other | 586 | 137 | 723 | 547 | 147 | 694 |
| Inwards reinsurance..... | 247 | 4 | 251 | 283 | 3 | 286 |
| Total non-life..... | 7,239 | 1,483 | 8,722 | 6,932 | 1,833 | 8,765 |
| Total life and non-life insurance | 10,755 | 1,914 | 12,669 | 10,533 | 2,209 | 12,742 |
| Total Banking..... | 164 | | 164 | 137 | | 137 |
| Total..... | 10,919 | 1,914 | 12,833 | 10,670 | 2,209 | 12,879 |

In 2004, inwards reinsurance were no longer broken down into categories. 2003 data was subject to a pro-forma so as to make it comparable with 2004 data.

NOTE 28 - NET INVESTMENT INCOME

| € million | 2004 | | | | 2003 | | | |
|---|--------------------|---------------------------------|--------------|--------------|--------------------|---------------------------------|--------------|--------------|
| | Income/ Charges | Gains/losses on realisations | | Total | Income/ Charges | Gains/losses on realisations | | Total |
| | | Gains | Losses | | | Gains | Losses | |
| Real estate..... | 503 | 88 | (8) | 583 | 404 | 110 | (4) | 510 |
| Equities..... | 129 | 213 | (254) | 88 | 116 | 227 | (277) | 66 |
| Bonds..... | 1,762 | 332 | (196) | 1,898 | 1,792 | 145 | (90) | 1,847 |
| Equity mutual funds..... | 78 | 157 | (68) | 167 | 42 | 88 | (51) | 79 |
| Bond mutual funds..... | 90 | 94 | (3) | 181 | 39 | 193 | (1) | 231 |
| Interest on cash deposits..... | 9 | | | 9 | 5 | | | 5 |
| Other investment income..... | 39 | 358 | (9) | 388 | 55 | 392 | (4) | 443 |
| Gross income..... | 2,610 | 1,242 | (538) | 3,314 | 2,453 | 1,155 | (427) | 3,181 |
| Internal and external administrative charges..... | (214) | | | (214) | (204) | | | (204) |
| Other investment charges..... | (91) | | (271) | (362) | (82) | | (221) | (303) |
| Investment expenses..... | (305) | | (271) | (576) | (286) | | (221) | (507) |
| Net investment income..... | 2,305 | 1,242 | (809) | 2,738 | 2,167 | 1,155 | (648) | 2,674 |
| Adjustments to unit-linked contracts (capital gains)..... | | 347 | | 347 | | 425 | | 425 |
| Adjustments to unit-linked contracts (capital losses)..... | | | (141) | (141) | | | (171) | (171) |
| Net investment income after adjustments to unit- linked contracts..... | 2,305 | 1,589 | (950) | 2,944 | 2,167 | 1,580 | (819) | 2,928 |

Recovery of provisions for depreciation of holdings during FY 2004 stood at €50 million, compared with €145 million in 2003.

INVESTMENT INCOME AND CAPITAL GAINS/LOSS - NON-LIFE

| € million | 2004 | | | | 2003 | | | |
|--|--------------------|---------------------------------|--------------|--------------|--------------------|---------------------------------|--------------|--------------|
| | Income/ Charges | Gains/losses on realisations | | Total | Income/ Charges | Gains/losses on realisations | | Total |
| | | Income | Losses | | | Income | Losses | |
| Real estate..... | 341 | 62 | (6) | 397 | 310 | 67 | (4) | 373 |
| Equities..... | 34 | 96 | (115) | 15 | 36 | 57 | (97) | (4) |
| Bonds..... | 443 | 128 | (50) | 521 | 476 | 61 | (61) | 476 |
| Equity mutual funds..... | 22 | 88 | (21) | 89 | 17 | 76 | (24) | 69 |
| Bond mutual funds..... | 25 | 23 | (3) | 45 | 16 | 72 | | 88 |
| Interest on cash deposits..... | 9 | | | 9 | 6 | | | 6 |
| Other investment income..... | 26 | 159 | (3) | 182 | 40 | 202 | (4) | 238 |
| Gross income..... | 900 | 556 | (198) | 1,258 | 901 | 535 | (190) | 1,246 |
| Internal and external administrative charges..... | (170) | | | (170) | (152) | | | (152) |
| Other investment charges..... | (99) | | (128) | (227) | (97) | | (107) | (204) |
| Investment charges..... | (269) | | (128) | (397) | (249) | | (107) | (356) |
| Net investment income..... | 631 | 556 | (326) | 861 | 652 | 535 | (297) | 890 |

INVESTMENT INCOME AND CAPITAL GAINS/LOSS - LIFE

| € million | 2004 | | | | 2003 | | | |
|---|--------------------|---------------------------------|--------------|--------------|--------------------|---------------------------------|--------------|--------------|
| | Income/ Charges | Gains/losses on realisations | | Total | Income/ Charges | Gains/losses on realisations | | Total |
| | | Income | Losses | | | Income | Losses | |
| Real estate..... | 162 | 26 | (2) | 186 | 94 | 43 | | 137 |
| Equities | 95 | 117 | (139) | 73 | 80 | 170 | (180) | 70 |
| Bonds | 1,319 | 204 | (146) | 1,377 | 1,316 | 84 | (29) | 1,371 |
| Equity mutual funds..... | 56 | 69 | (47) | 78 | 25 | 12 | (27) | 10 |
| Bond mutual funds..... | 65 | 71 | | 136 | 23 | 121 | (1) | 143 |
| Interest on cash deposits | | | | | (1) | | | (1) |
| Other investment income | 13 | 199 | (6) | 206 | 15 | 190 | | 205 |
| Investment expenses | 1,710 | 686 | (340) | 2,056 | 1,552 | 620 | (237) | 1,935 |
| Internal and external administrative charges | (44) | | | (44) | (52) | | | (52) |
| Other investment charges..... | 8 | | (143) | (135) | 15 | | (114) | (99) |
| Gross income | (36) | | (143) | (179) | (37) | | (114) | (151) |
| Net investment income..... | 1,674 | 686 | (483) | 1,877 | 1,515 | 620 | (351) | 1,784 |
| Adjustments to unit-linked contracts (capital gains) | | 347 | | 347 | | 425 | | 425 |
| Adjustments to unit-linked contracts (capital losses) | | | (141) | (141) | | | (171) | (171) |
| Net investment income after adjustments to unit- linked contracts..... | 1,674 | 1,033 | (624) | 2,083 | 1,515 | 1,045 | (522) | 2,038 |

NOTE 29 - BREAKDOWN OF INVESTMENT INCOME BETWEEN OPERATING AND NON-OPERATING

| € million | 2004 | | | | | | | 2003 |
|--|--------------|-------------------------|--------------|------------|-------------------------|------------|--------------|--------------|
| | Life | | | Non-life | | | | |
| | Income | Capital gains/losses | Total | Income | Capital gains/losses | Total | TOTAL | TOTAL |
| Net investment income | 1,674 | 203 | 1,877 | 631 | 230 | 861 | 2,738 | 2,674 |
| Allocation to operating account..... | 1,637 | 199 | 1,836 | 421 | 154 | 575 | 2,411 | 2,326 |
| Allocation to non- operating account..... | 37 | 4 | 41 | 210 | 76 | 286 | 327 | 348 |

NOTE 30 – MANAGEMENT EXPENSES

| € million | 2004 | | | | 2003 | | | |
|--|--------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|
| | Life | Non-life | Banking | Total | Life | Non-life | Banking | Total |
| Commissions | (99) | (660) | | (759) | (88) | (741) | | (829) |
| Change in deferred acquisition expenses | 10 | (12) | | (2) | (20) | (34) | | (54) |
| Other charges | (135) | (882) | | (1,017) | (128) | (820) | | (948) |
| Total acquisition costs | (224) | (1,554) | | (1,778) | (236) | (1,595) | | (1,831) |
| Commissions | (26) | (128) | | (154) | (22) | (131) | | (153) |
| Other charges | (64) | (451) | (121) | (636) | (72) | (382) | (113) | (567) |
| Total administration expenses | (90) | (579) | (121) | (790) | (94) | (513) | (113) | (720) |
| Acquisition and administration expenses | (314) | (2,133) | (121) | (2,568) | (330) | (2,108) | (113) | (2,551) |
| Allocations to/recovery of provisions and depreciation | | | (9) | (9) | | | (7) | (7) |
| Other charges and income | (146) | (207) | | (353) | (156) | (228) | | (384) |
| Other operating expenses | (146) | (207) | (9) | (362) | (156) | (228) | (7) | (391) |
| Employee profit sharing | (6) | (6) | | (12) | | (12) | | (12) |
| Gross management charges | (466) | (2,346) | (130) | (2,942) | (486) | (2,348) | (120) | (2,954) |
| Cessions | 6 | 39 | | 45 | 3 | 46 | | 49 |
| Net management charges | (460) | (2,307) | (130) | (2,897) | (483) | (2,302) | (120) | (2,905) |

NOTE 31 - OTHER NON-OPERATING INCOME AND CHARGES, EXCEPTIONAL INCOME AND CHARGES

| € million | 2004 | 2003 |
|--|--------------|--------------|
| Other non-operating income | 49 | 43 |
| Other non-operating charges | (149) | (69) |
| Total non-operating income and charges | (100) | (26) |
| Recovery of provisions for exceptional charges | 23 | 23 |
| Recovery of provisions for exceptional depreciation | 4 | 1 |
| Other exceptional income | 33 | 63 |
| Total exceptional income | 60 | 87 |
| Allocations to provisions for exceptional charges | (67) | (51) |
| Allocations to provisions for exceptional depreciation | | |
| Other exceptional charges (excluding profit sharing) | (70) | (106) |
| Total exceptional charges | (137) | (157) |
| Total exceptional income | (77) | (70) |
| Net total | (177) | (96) |

NOTE 32 - AVERAGE WORKFORCE OF CONSOLIDATED COMPANIES

| Average workforce of consolidated companies (1) | 2004 | | | 2003 |
|---|---------------|------------|---------------|---------------|
| | Insurance | Banking | Total | Total |
| France | 22,529 | 672 | 23,201 | 23,762 |
| United Kingdom | 897 | | 897 | 998 |
| Spain | 758 | | 758 | 825 |
| Italy | 436 | | 436 | 436 |
| Other EU | 301 | | 301 | 100 |
| Non EU | 165 | | 165 | 324 |
| Total | 25,086 | 672 | 25,758 | 26,445 |

(1) The workforces of companies consolidated proportionally are included on a pro rata basis.

It should be noted that the fall in staffing levels in France is essentially due to the transfer of insurance company employees to the logistics EIG.

The Group also employs 1,495 employees in the IT and logistics EIGs, which are not included in the scope of consolidation (1,118 employees in 2003, just for the IT EIG).

NOTE 33 – GROUP’S HOLDING COMPANY ACTIVITY

This table sets forth the Group’s holding company activities as at 31 December 2004 and 31 December 2003 (pro-forma data). The relevant entities are:

- Groupama SA
- Groupama holding
- Groupama holding 2
- Groupama International
- Gan UK

| € million | 2004 | 2003 |
|--|----------|----------|
| Financial revenue, net of charges..... | (6) | 13 |
| Other net revenue (1) | (64) | (49) |
| Financing expenses..... | (45) | (51) |
| Extraordinary income | (40) | (36) |
| Corporate tax | 162 | 130 |
| Total | 7 | 7 |

(1) Overheads for Groupama SA's holding company activity, totalling €44 million for 2004, compared with €32 million in 2003 (pro-forma data), have been posted to the "Other net revenue" item.

NOTE 34 - BREAKDOWN OF COMMITMENTS GIVEN AND RECEIVED

INSURANCE

| € million | 31/12/2004 | 31/12/2003 |
|--|--------------|--------------|
| Endorsements, sureties and guarantees received | 178 | 340 |
| Other commitments received | 3,689 | 1,761 |
| Total commitments received excluding reinsurance..... | 3,867 | 2,101 |
| Reinsurance commitments received | 370 | 472 |
| Endorsements, sureties and guarantees given | 1,542 | 631 |
| Other commitments relating to securities, assets or revenues..... | 262 | 1,019 |
| Other commitments given..... | 2,063 | 971 |
| Total commitments given excluding reinsurance..... | 3,867 | 2,621 |
| Reinsurance commitments given | 12 | 212 |
| Sureties belonging to health and provident institutions | 3 | 3 |
| Other sureties held for third parties | | |

At the end of December 2004, the Group finalised the setting-up of an €1 billion facility, for a five-year term, at the financial year-end. As at 31 December 2004, no draw-down had been made and all this amount is posted to "commitments received".

In addition, in-line with its long-term financing strategy, SILIC extended its interest risk hedging operations, in respect of the launch of the real estate transaction at Nanterre Prefecture, so as to secure its future cash-flow.

BANKING

| € million | 31/12/2004 | 31/12/2003 |
|---|--------------|--------------|
| Financing commitments received | | |
| Guarantee commitments received..... | 3 | |
| Commitments relating to securities pending receipt..... | 120 | |
| Total commitments received, Banking operations..... | 123 | |
| Currency transaction commitments received..... | 1,358 | 798 |
| Other commitments received | | |
| Total other commitments received, Banking operations | 1,358 | 798 |
| Financing commitments given..... | 22 | 41 |
| Guarantee commitments given | 174 | 201 |
| Commitments relating to securities pending delivery..... | 2 | |
| Total commitments given, Banking operations | 198 | 242 |
| Currency transaction commitments given..... | 1,358 | 798 |
| Commitments given on financial instrument transactions | 634 | 298 |
| Total other commitments given, Banking operations..... | 1,992 | 1,096 |

NOTE 35 - GROUP SUBSIDIARIES

| | Business | Country | % Control | % Owner- Ship | Consoli- dation | % Control | % Owner- Ship | Consoli- dation |
|---|-------------|-------------|--------------|---------------------|--------------------|--------------|---------------------|--------------------|
| | | | 31/12/2004 | | | 31/12/2003 | | |
| Caisses Régionales d'Ass. Mutuelles Agricoles | Insurance | France | - | - | A | - | - | A |
| Caisses Locales d'Ass. Mutuelles Agricoles..... | Insurance | France | - | - | A | - | - | A |
| GROUPAMA S.A. | Holding | France | 99.85 | 99.82 | GC | 99.82 | 99.80 | GC |
| GROUPAMA HOLDING | Holding | France | 99.97 | 99.97 | GC | 99.96 | 99.96 | GC |
| GROUPAMA HOLDING 2..... | Holding | France | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GROUPAMA INTERNATIONAL | Holding | France | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GAN ASSURANCES VIE | Insurance | France | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GAN PATRIMOINE | Insurance | France | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| CAISSE FRATERNELLE D'EPARGNE..... | Insurance | France | 99.93 | 99.75 | GC | 99.92 | 99.72 | GC |
| CAISSE FRATERNELLE VIE | Insurance | France | 99.72 | 99.54 | GC | 99.72 | 99.52 | GC |
| ASSUVIE | Insurance | France | 50.00 | 49.91 | GC | 50.00 | 49.90 | GC |
| GAN EUROCOURTAGE VIE..... | Insurance | France | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GAN PREVOYANCE | Insurance | France | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GROUPAMA VIE | Insurance | France | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GROUPAMA ASSURANCE-CREDIT | Insurance | France | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GROUPAMA TRANSPORT | Insurance | France | 100.00 | 99.82 | GC | 99.91 | 99.71 | GC |
| SCEPAR | Investments | France | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| MUTUAIDE ASSISTANCE | Insurance | France | 100.00 | 99.82 | GC | 99.97 | 99.77 | GC |
| GAN ASSURANCES IARD | Insurance | France | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GAN OUTRE MER IARD | Insurance | France | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GROUPAMA PROTECTION JURIDIQUE..... | Insurance | France | 99.99 | 99.82 | GC | 99.67 | 99.47 | GC |
| GAN EUROCOURTAGE IARD | Insurance | France | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| COFINTEX LUXEMBOURG..... | Reinsurance | Luxembourg | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| RAMPART..... | Reinsurance | US | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GAN ITALIA VITA | Insurance | Italy | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| LUXLIFE | Insurance | Luxembourg | 85.00 | 84.85 | GC | 85.00 | 84.83 | GC |
| GAN Portugal VIDA..... | Insurance | Portugal | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| ZENITH VIE..... | Insurance | Switzerland | 82.00 | 81.85 | GC | 82.00 | 81.84 | GC |
| GUNES SIGORTA | Insurance | Turkey | 36.00 | 35.94 | EM | 36.00 | 35.93 | EM |
| GROUPAMA BIZTOSITO | Insurance | Hungary | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GROUPAMA PLUS ULTRA..... | Insurance | Spain | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |

| | Business | Country | % Control | % Owner- ship | Consoli- dation | % Control | % Owner- ship | Consoli- dation |
|--|----------------------|----------|--------------|---------------------|--------------------|--------------|---------------------|--------------------|
| | | | 31/12/2004 | | | 31/12/2003 | | |
| GAN UK PLC | Holding | UK | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GROUPAMA GENERAL INSURANCES CL..... | Insurance | UK | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| MINSTER INSURANCES CL..... | Insurance | UK | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GAN ITALIA SPA..... | Insurance | Italy | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GAN PORTUGAL SEGUROS | Insurance | Portugal | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GROUPAMA GESTION..... | Asset management | France | 100.00 | 99.82 | GC | 100.00 | 97.75 | GC |
| GROUPAMA ASSET MANAGEMENT | Asset management. | France | 100.00 | 99.82 | GC | 97.95 | 97.75 | GC |
| GROUPAMA ALTERNATIVE ASSET MANAGEMENT | Asset management | France | 100.00 | 99.82 | GC | 100.00 | 97.75 | |
| FINAMA PRIVATE EQUITY | Asset management | France | 100.00 | 99.82 | GC | 99.98 | 99.78 | GC |
| BANQUE FINAMA | Banking | France | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GROUPAMA BANQUE | Banking | France | 60.00 | 59.89 | GC | 60.00 | 59.88 | GC |
| GROUPAMA EPARGNE SALARIALE | Asset management | France | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| GROUPAMA IMMOBILIER..... | Real estate | France | 100.00 | 99.82 | GC | 100.00 | 99.80 | GC |
| SILIC | Real estate | France | 41.95 | 41.88 | GC | 41.47 | 41.39 | GC |
| SEPAC..... | Real estate | France | 100.00 | 41.88 | GC | 100.00 | 41.39 | GC |
| COMPAGNIE FONCIERE PARISIENNE..... | Real estate | France | 99.94 | 99.77 | GC | 99.72 | 99.53 | GC |
| SCIMA | Real estate | France | 100.00 | 99.77 | GC | 100.00 | 99.53 | GC |
| SCIMA 2 | Real estate | France | 100.00 | 99.77 | GC | 100.00 | 99.53 | GC |
| SCI DEFENSE ASTORG | Real estate | France | 100.00 | 99.77 | GC | 100.00 | 99.53 | GC |
| SCIFMA | Real estate | France | 100.00 | 99.86 | GC | 100.00 | 99.84 | GC |
| ACTIPAR SA..... | Real estate | France | 100.00 | 99.77 | GC | 100.00 | 99.53 | GC |
| SAFRAGAN | Real estate | France | 90.00 | 89.80 | GC | 90.00 | 89.58 | GC |
| 261 RASPAIL | Real estate | France | 100.00 | 99.77 | GC | 100.00 | 99.53 | GC |
| SOCOMIE | Real estate | France | 100.00 | 41.88 | EM | 100.00 | 41.39 | EM |

A: Aggregate method GC: Global consolidation EM: Equity method

CONSOLIDATED FINANCIAL STATEMENTS OF GROUPAMA SA

GENERAL REPORT OF THE STATUTORY AUDITORS AND CERTIFYING ACCOUNTANTS

Fiscal year ended on 31 December 2004

PriceWaterhouseCoopers Audit
32, rue Guersant
75017 Paris

Mazars & Guérard
Le Vinci – 4, allée de l'Arche
92075 La Défense Cedex

Report of the statutory auditors on the consolidated financial statements

Fiscal year ending 31 December 2004

"This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. The statutory auditors' report includes information specifically required by French law in all audit reports, whether qualified or not, and this is presented below the opinion on the consolidated financial statements. This information includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France."

GROUPAMA SA
8-10, rue d'Astorg
75008 Paris

Dear Shareholders,

As appointed at your Annual General Meeting, we have audited Groupama's consolidated financial statements for the fiscal year ending 31 December 2004, as enclosed herewith.

The consolidated financial statements have been approved by the Board of Directors of Groupama SA. Our responsibility is to state an opinion on these financial statements.

I - Opinion on the consolidated financial statements

We have conducted our audit in accordance with generally accepted auditing standards in France. These standards require that we plan and perform an audit to obtain reasonable certainty that the consolidated financial statements are free of material misstatement. An audit includes examining, on the basis of sampling, evidence confirming the amounts and disclosures in the financial statements. An audit also consists of assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We consider that the checks we have performed provide a reasonable basis for the following opinion.

We certify that the consolidated financial statements, in accordance with generally accepted accounting principles in France, represent fairly, in all material aspects, the assets and financial position of the Group formed by the consolidated companies.

Without contradicting the opinion set forth hereinabove, we draw your attention to note 1.2 of the notes to the financial statements relating to the change in accounting method as regards accounting for deferred costs in life insurance.

II - Substantiation of our assessments

In application of the provisions of Article L. 225-235 of the French Commercial Code relating to the substantiation of assessments, we would draw your attention to the following:

- In the context of our assessment of the rules and accounting principles followed by your Company, we have assured ourselves of the validity of the changes in accounting methods relating to deferred acquisition costs in life insurance as mentioned hereinabove, and of the presentation of these changes.
- Some technical items relating to insurance and reinsurance, and to assets and liabilities in your Company's consolidated financial statements, are estimated on statistical and actuarial bases, in particular the technical reserves, deferred acquisition costs and methods for amortising the latter. The methods used for determining these items are described in notes 3.3 and 3.4 of the notes to the financial statements. We have assured ourselves of the reasonable character of the hypotheses underlying the calculation models used, particularly with respect to the Group's experience, its regulatory and economic environment, and the overall consistency of these hypotheses.
- Goodwill entered under assets on the balance sheet is amortised according to the methods described in note 2.2.5 of the notes to the financial statements.
We have assured ourselves that the hypotheses used to determine the amortisation period for this goodwill are in line with forecasts in strategic plans drawn up by the Group and that no significant item has called into question their net values in the balance sheet.
- The permanent depreciations provision for the securities portfolio is determined according to the methods outlined in note 3.2.2. of the notes to the financial statements.
We have assured ourselves that the valuation of these provisions is in line with the Group's confirmed intention to retain these securities and with the Group's capacity to retain these securities over a period corresponding to its intention.

These assessments were formed in the context of our procedures for auditing the consolidated financial statements and have therefore contributed to forming our opinion, as expressed in the first section of this report.

III - Specific verification

We have also verified the information given in the Group management report. We have no comment to make regarding its accuracy and consistency with the consolidated financial statements.

Paris, 23 March 2005

The Statutory Auditors

Mazars & Guérard
Mazars

PriceWaterhouseCoopers Audit

Nicolas Robert

Patrick de Cambourg

Eric Dupont

RAPPORT DES COMMISSAIRES AUX COMPTES
SUR LES COMPTES CONSOLIDES

Exercice clos le 31 décembre 2004

Groupama SA
8-10, rue d'Astorg

75008 Paris

Mesdames, Messieurs les actionnaires,

En exécution de la mission qui nous a été confiée par votre assemblée générale, nous avons procédé au contrôle des comptes consolidés de Groupama relatifs à l'exercice clos le 31 décembre 2004 tels qu'ils sont joints au présent rapport.

Les comptes consolidés ont été arrêtés par le Conseil d'Administration de Groupama SA. Il nous appartient, sur la base de notre audit, d'exprimer une opinion sur ces comptes.

I - Opinion sur les comptes consolidés

Nous avons effectué notre audit selon les normes professionnelles applicables en France ; ces normes requièrent la mise en oeuvre de diligences permettant d'obtenir l'assurance raisonnable que les comptes consolidés ne comportent pas d'anomalies significatives. Un audit consiste à examiner, par sondages, les éléments probants justifiant les données contenues dans ces comptes. Il consiste également à apprécier les principes comptables suivis et les estimations significatives retenues pour l'arrêté des comptes et à apprécier leur présentation d'ensemble. Nous estimons que nos contrôles fournissent une base raisonnable à l'opinion exprimée ci-après.

Nous certifions que les comptes consolidés sont, au regard des règles et principes comptables français, réguliers et sincères et donnent une image fidèle du patrimoine, de la situation financière, ainsi que du résultat de l'ensemble constitué par les entreprises comprises dans la consolidation.

Sans remettre en cause l'opinion exprimée ci-dessus, nous attirons votre attention sur la note 1.2. de l'annexe relative au changement de méthode comptable concernant la comptabilisation des frais reportés en assurance vie.

II - Justification de nos appréciations

En application des dispositions de l'article L. 225-235 du Code de commerce relatives à la justification de nos appréciations, nous portons à votre connaissance les éléments suivants :

- Dans le cadre de notre appréciation des règles et principes comptables suivis par votre société, nous nous sommes assurés du bien-fondé du changement de méthode comptable relatif aux frais d'acquisition reportés en assurance vie mentionné ci-dessus et de la présentation qui en a été faite.
- Certains postes techniques propres à l'assurance et à la réassurance, à l'actif et au passif des comptes consolidés de votre société, sont estimés sur des bases statistiques et actuarielles, notamment les provisions techniques, les frais d'acquisition reportés et leurs modalités d'amortissement. Les modalités de détermination de ces éléments sont relatées dans les notes 3.3 et 3.4 de l'annexe.

Nous nous sommes assurés du caractère raisonnable des hypothèses retenues dans les modèles de calculs utilisés, au regard notamment de l'expérience du Groupe, de son environnement réglementaire et économique, ainsi que de la cohérence d'ensemble de ces hypothèses.

- Les écarts d'acquisition positifs inscrits à l'actif du bilan sont amortis selon les modalités relatées dans la note 2.2.5 de l'annexe.
Nous nous sommes assurés que les hypothèses retenues pour déterminer la durée d'amortissement de ces écarts d'acquisition étaient cohérentes avec les données prévisionnelles issues des plans stratégiques établis par le Groupe et qu'aucun élément significatif n'est venu remettre en cause leurs valeurs nettes au bilan.
- Les provisions pour dépréciation à caractère durable sur le portefeuille titres sont évaluées selon les modalités relatées dans la note 3.2.2 de l'annexe.
Nous nous sommes assurés que l'évaluation de ces provisions était cohérente avec l'intention de détention de ces titres confirmée par le Groupe, et de la capacité du Groupe à conserver ces titres sur une durée conforme à son intention de détention.

Les appréciations ainsi portées s'inscrivent dans le cadre de notre démarche d'audit des comptes consolidés, pris dans leur ensemble, et ont donc contribué à la formation de notre opinion exprimée dans la première partie de ce rapport.

III - Vérification spécifique

Nous avons également procédé à la vérification des informations données dans le rapport sur la gestion du groupe. Nous n'avons pas d'observation à formuler sur leur sincérité et leur concordance avec les comptes consolidés.

Fait à Paris, le 23 mars 2005

Les Commissaires aux Comptes

Mazars & Guérard
Mazars

PricewaterhouseCoopers Audit

Nicolas Robert

Patrick de Cambourg

Eric Dupont

CONSOLIDATED BALANCE SHEET OF GROUPAMA SA AT 31 DECEMBER 2004

(€ million)

| ASSETS | | 31/12/2004 | 31/12/2003 |
|--|---------|-------------------|-------------------|
| Goodwill | Note 1 | 1,465 | 1,565 |
| Intangible assets | Note 2 | 151 | 166 |
| Insurance sector investments | Note 3 | 49,882 | 47,241 |
| Unit-linked investments | Note 5 | 3,378 | 3,358 |
| Banking sector investments | Note 6 | 674 | 814 |
| Shares in companies accounted for by the equity method | Note 7 | 12 | 10 |
| Shares of outwards reinsurance and retrocessionnaires in technical reserves | Note 17 | 1,873 | 2,082 |
| Receivables relating to insurance or reinsurance operations | Note 8 | 2,608 | 2 533 |
| Receivables – banking sector customers | Note 9 | 326 | 312 |
| Receivables – banking sector | Note 10 | 1,344 | 1,350 |
| Other receivables | Note 11 | 741 | 705 |
| Other assets | Note 12 | 56 | 79 |
| Accruals | Note 13 | 1,520 | 1,901 |
| Total | | 64,030 | 62,116 |

(€ million)

| LIABILITIES | | 31/12/2004 | 31/12/2003 |
|---|----------------|-------------------|-------------------|
| - Share capital or equivalent funds | | 1,187 | 1,187 |
| - Consolidated reserves | | 1,218 | 1,481 |
| - Unrealised foreign exchange gains or losses | | (53) | (50) |
| - Consolidated net income | | 258 | 138 |
| Total capital and reserves Groupama SA | Note 14 | 2,610 | 2,756 |
| Minority interests | Note 15 | 268 | 268 |
| Subordinated debt | Note 16 | 750 | 750 |
| Gross technical reserves | Note 17 | 49,747 | 47,891 |
| Technical reserves in respect of unit-linked policies | | 3,376 | 3,353 |
| Provisions for risks and charges | Note 18 | 503 | 469 |
| Debts relating to insurance or reinsurance operations | Note 19 | 1,553 | 1,410 |
| Debts – banking sector customers | Note 20 | 1,009 | 723 |
| Securitised debts | Note 21 | 613 | 879 |
| Debts – banking sector | Note 22 | 856 | 721 |
| Other debts | Note 23 | 2,502 | 2,691 |
| Accruals | Note 24 | 243 | 205 |
| Total | | 64,030 | 62,116 |

2004 CONSOLIDATED OPERATING INCOME STATEMENT OF GROUPAMA SA

(€ million)

| INCOME STATEMENT | | Non-life insurance | Life insurance | Banking | Total 2004 | Total 2003 |
|---|---------|-----------------------|-------------------|--------------|-----------------|-----------------|
| Premiums written..... | Note 27 | 6,033 | 3,952 | | 9,985 | 10,326 |
| Change in unearned premiums | | 147 | | | 147 | |
| Earned premiums | | 6,180 | 3,952 | | 10,132 | 10,326 |
| Banking revenues..... | Note 26 | | | 164 | 164 | 138 |
| Financial earnings net of expenses | Note 28 | 641 | 2,084 | | 2,725 | 2,706 |
| Total earnings from ordinary activities | | 6,821 | 6,036 | 164 | 13,021 | 13,170 |
| Insurance service expenses | | (4,343) | (5,313) | | (9,656) | (9,968) |
| Charges or income net of reinsurance cessions..... | | (339) | (10) | | (349) | (327) |
| Banking expenses | | | | (61) | (61) | (44) |
| Management expenses | Note 30 | (1,744) | (466) | (130) | (2,340) | (2,394) |
| Total operating expenses | | (6,426) | (5,789) | (191) | (12,406) | (12,733) |
| Profit/loss from ordinary activities..... | | 395 | 247 | (27) | 615 | 437 |
| Other net income..... | Note 31 | | | | (49) | (1) |
| Financial expenses | | | | | (81) | (86) |
| Exceptional income/expense..... | Note 31 | | | | (82) | (55) |
| Corporate tax | Note 25 | | | | (24) | (87) |
| Net profit of group companies | | | | | 379 | 208 |
| Share in net income of companies accounted for by the equity method..... | Note 7 | | | | 2 | 2 |
| Depreciation allowance..... | Note 1 | | | | (107) | (106) |
| Consolidated net profit..... | | | | | 274 | 104 |
| Minority interests..... | | | | | 16 | (34) |
| Net profit (group share) | | | | | 258 | 138 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF GROUPAMA SA

1. Key events and subsequent significant events

1.1 Key events

The Group's organisation

Creation of the general insurance, banking and services division France

As from 1 July 2004, the general insurance, banking and services division France was created. The scope of action of this division covers all Groupama SA's business line divisions, the companies, profit centres and subsidiaries of the Groupama and Gan brands operating in France, and the Group's IT EIG, Groupama Systèmes d'Information. It contributes to the cohesion and coordination of both the business lines and companies, and to the coherence of initiatives to increase the Group's operational performance levels in France.

Establishment of a Group strategy and human resources division

The success of Groupama's strategy requires that its organisation be orientated towards operations which enable profitable growth to be recorded whilst complying with the values and principles of the Group's initiatives.

Human resources are the lynchpin of this project, ensuring that employees and all the Group's companies are mobilised as regards the achievement of the strategic objectives, and that the company has teams, both in terms of numbers and expertise, which are able to carry out the planned assignments and projects.

The creation, at the beginning of April 2004, of a "Group strategy and human resources" division, is in-line with these imperatives.

Continuing with measures to simplify the Group's financial organisation chart

Additional shareholding in Groupama Banque: During March 2004, Groupama SA subscribed for the capital increase by Groupama Banque. Its percentage stake in Groupama Banque remained at 60%.

Additional shareholding in Groupama Epargne Salariale: During March 2004, Groupama SA subscribed for the capital increase by Groupama Epargne Salariale, thus increasing its stake in this company to 99.99%.

Simplifying reciprocal shareholdings: Within the context of the policy of rationalising the Group's financial organisation chart, and of reorganising its shareholdings in Gan Assurances IARD, Gan Assurances Vie, Gan Eurocourtage IARD, Gan Eurocourtage Vie and Gan Prévoyance, in December 2004, Groupama SA carried out the following operations:

- acquisition of 29.2% of the securities of Gan Prévoyance, held by Gan Assurance IARD and Gan Eurocourtage IARD. This acquisition is subject to deferred payment until the end of June 2005 as regards the amount of the capital gains on the corporate sale carried out by Gan Assurances IARD and Gan Eurocourtage IARD,
- acquisition of 15% of the securities of Gan Eurocourtage Vie from Gan Eurocourtage IARD, with payment to be made in June 2005,
- acquisition of 6.8% of the securities of Gan Assurances Vie from Gan Assurances IARD, with payment also to be made in June 2005.

Following these operations to simplify reciprocal shareholdings, at the end of the financial year, Groupama SA directly held:

- 100% of the securities of Gan Assurances IARD, Gan Eurocourtage IARD and Gan Prévoyance,
- 77.5% of the securities of Gan Assurances Vie, with the balance, i.e. 22.5%, being held by Gan Assurances IARD,
- 86.1% of the securities of Gan Eurocourtage Vie, with the balance, i.e. 13.9%, being held by Gan Eurocourtage IARD.

It should be stated that the capital gains on disposals relating to these operations are cancelled out upon consolidation. They therefore have no impact on the consolidated financial statements.

Sale of Groupama Immobilier securities: At the beginning of September 2004, Groupama SA sold all its shareholding in Groupama Immobilier to Banque Finama.

French Overseas Départements and Territories (DOM-TOM): The Guadeloupe and Martinique branches of Gan Assurances IARD were taken over by Gan Pacifique IARD which, following this contribution and integration of the New Caledonia, French Polynesia and Wallis and Futuna local mutuals, became Gan Outre-Mer. This operation took place retroactively as of 1 January 2004.

Group development

Setting-up a credit facility

On 15 November 2004, Groupama agreed a €750 million credit facility with Société Générale and Dresdner Kleinwort Wasserstein.

As this operation generated much market interest, and as a result of the favourable conditions granted, at the beginning of December, it was decided to increase the credit facility's draw-down capacity from €750 million to a maximum of €1 billion.

The aim of this operation was to enable the Group to possess the financial resources for a potential acquisition.

Obtaining accreditation and the opening of a branch in China

At the beginning of September 2004, Groupama received accreditation to market its non-life insurance policies in the province of Sichuan, China's third largest province in terms of number of inhabitants (85 million). Said accreditation followed-on from the licence granted by the CIRC – China Insurance Regulatory Commission – in June 2003.

The branch was inaugurated on 26 October 2004.

Groupama markets an offer of insurance services which is adapted to rural populations and, in particular, which offers fully-comprehensive insurance policies to farmers in Sichuan. Moreover, Groupama offers household insurance contracts to individuals, as well as specific contracts for craftsmen, tradesmen and SMEs in Chengdu, the capital of Sichuan, which has over 10 million inhabitants.

The next stage of Groupama's development in China will involve the filing of an application for a life insurance licence.

Insurance for climate change

Since the end of 2004, Groupama has been able to market insurance for climate change.

The "climate change" range is proposed to all farmers, no matter what their size or economic activity may be. It comes under the scope of the three-tier system established by the public authorities:

- for insignificant variations, an incentive to save in the tax-free context of "deductions for variations";
- for more significant variations, a private insurance policy. The guarantee covers the amount of incompressible crop expenses, estimated at 65% of the farm's turnover;
- for exceptional incidents, public aid still applies.

Groupama's offer enables the recommendations of the Ménard Report to be complied with, as it ranges from simple cover against "bad luck" to management of all risks relating to the climate. Farmers are offered two options:

- "on a case-by-case basis", with each crop being insured separately;
- "for the farm", with the insurance policy providing for offsetting between crops.

Other items

Standard & Poor's and AM Best ratings

On 30 September 2004, Standard & Poor's confirmed its single-'A' rating for counterparty credit and insurer financial strength for Groupama SA, associated with a stable outlook.

According to Standard & Poor's, the Group's rating reflects its high levels of solvency and its strong competitive position.

In addition, at the end of December 2004, AM Best confirmed its single 'A' rating for Groupama SA. In a context in which rating agencies are becoming increasingly stringent, this rating confirms the Group's very high levels of financial solvency.

Discontinuation of activities in Luxembourg

On 15 March 2004, the Board of Directors of the Luxembourg subsidiary, Luxlife, resolved to discontinue the policy subscription activity. The existing portfolio was run-off.

Corbeilles Mieux Vivre Votre Argent

At the end of September 2004, Groupama received a double award in the context of "Corbeilles Mieux Vivre Votre Argent":

- the *Corbeille Long Terme*, for the best establishment in all categories, over the last five years;
- the *Corbeille Assurances*, for the best insurance company over a one year period.

This is a remarkable performance as there are only five *corbeilles* awarded in total.

Grands prix for asset management

On 26 October 2004, Groupama Asset Management was awarded first place in the "euro bonds" category for its Groupama Oblig euro credit LT, in the Grands prix for asset management, organised by the Agefi.

In addition to Groupama Asset Management, Groupama Banque and Groupama Vie also benefit from this award as Groupama Oblig euro credit LT is offered to individuals through Groupama Oblig LT.

Groupama Oblig euro credit LT is destined for investors who are looking for active management of a long term bond portfolio which is invested in private issuers in the euro zone, and who are willing to accept a capital risk.

1.2. Change in Accounting Methods

With a view to being able to provide improved financial information, the Group changed its accounting method as regards accounting for deferred acquisition costs in life insurance.

In the absence of an exact definition in CRC (Accounting Regulation Committee) Regulation No. 2000-05 as regards expenses which may be deferred, the Group conventionally chose the notion of costs including the fixed and variable expenses which may be deferred directly for the production of new policies and took account, within the margins provided for depreciation, of those relating to incidental guarantees which may be deferred. Within the context of the IFRS, which Groupama intends to apply in 2005, the Group decided to extend, to cover all policies, the rules for determination set forth by IAS 18 for expenses which may be deferred, so as to limit differences in processing which may exist under IFRS standards for similar types of policies. The Group therefore based itself on these standards in order to modify, as from 2004, the chosen principles as regards French standards, which shall remain, according to IFRS 4, the applicable regulations for the majority of portfolio policies. Now, the base of expenses which may be deferred consists of variable costs which may be directly posted to the production of a policy. Moreover, future margins are now limited to the margins generated by contractual undertakings.

The application of this new agreement is part of the changeover to the IFRS. In this respect, it is deemed to represent an exceptional change in the Group's position, which justifies a change in accounting method with the objective of providing improved financial information, in accordance with CNC opinion 97-06.

The impact of this change of method was applied, retroactively, to the opening capital and reserves and was, net of €5 million in taxes, €374 million.

1.3 Subsequent Significant Events

Organisation

Appointment of outside directors

The Annual General Meeting of Groupama SA, held on 24 February 2005, approved the appointment of three outside directors to the Board of Directors of Groupama SA, for a 6-year term of office. These appointments increased the number of directors from 13 to 16, to wit, 11 representatives of the Regional Mutuals, which are shareholders in Groupama SA, 2 directors elected by the employees of Groupama, and 3 outside directors.

International

Extension of business activities in Vietnam

As from January 2005, Groupama has been authorized by the Vietnamese Government to extend its activities to cover all non-life insurance sectors in Vietnam, for the whole territory. At the Group's request, the governmental authorities also extended the licence which was issued in 2001, and which only related to agricultural insurance in the south of Vietnam.

Discontinuation of activities in Switzerland

For the Swiss subsidiary, Zénith Vie, the existing portfolio was run-off as from 1 January 2005.

2. Principles, methods and scope of consolidation (combination)

2.1. Overview of consolidated financial statements

The consolidated financial statements comply with the following sections:

Regulation No 99-02 of the Accounting Regulation Committee relating to the consolidated accounts of commercial companies;

Regulation No 99-07 of the Accounting Regulation Committee relating to the consolidation of companies coming under the committee for banking and financial regulation;

Regulation No 00-05 of the Accounting Regulation Committee relating to rules for the consolidation and combination of companies governed by the French Insurance Code and provident institutions governed by the French Social Security Code or the Rural Code.

2.2. Scope and method of consolidation

2.2.1. Scope of consolidation

All the companies controlled by GROUPAMA SA (exclusive or joint control), or under the significant influence of GROUPAMA SA, are consolidated.

The companies to be taken into account for the drawing up of the consolidated financial statements are the consolidating company and:

- companies subject to exclusive control;
- companies subject to joint control;
- companies subject to significant influence.

A company is included in the scope of consolidation provided its consolidation, or that of the sub-group which it is at the head of, has, alone or with other companies able to be consolidated, significance as regards the consolidated financial statements of all the companies included within the scope of consolidation.

The notes set forth the criteria established by the Group so as to define the scope of consolidation.

The consolidating company

The consolidating company is the company which exclusively, or jointly, controls other companies, no matter what their form may be, and which exercises significant influence over them.

Companies subject to exclusive control

Exclusive control, denoted by the power to direct the financial and operational policies of a company for the purpose of deriving advantage from its activities, results from any of the following:

- Direct or indirect possession of the majority of rights in another company;
- Designation over two consecutive financial years by the majority of members of the administrative, managerial and supervisory bodies of another company; the parent company is presumed to have made this designation where it held during this period, directly or indirectly, more than forty percent of voting rights and where no other partner or shareholder held, directly or indirectly a greater proportion than its own;
- The right to wield great influence on a company by virtue of a contractual agreement or statutory clauses, where entitled to do so. Dominant influence exists whenever, under the aforementioned conditions, the parent company is able to use or to direct the utilisation of assets in the same way as it controls its own assets;

Companies subject to joint control

Joint control is the sharing of control over a company operated in common by a limited number of partners or shareholders, such that the financial and operational policies are the result of their agreement.

Two factors are essential to the existence of joint control:

- restricted number of partners or shareholders sharing control; the sharing of control presumes that no one partner or shareholder is likely alone to be able to exercise exclusive control by imposing his decisions on the others; the existence of joint control does not rule out the presence of partners or minority shareholders not participating in the joint control;
- a contractual agreement:
 - ✓ providing for the exercise of joint control over the economic activity of the company operated in common;
 - ✓ establishing the decisions that are essential to achieving the objectives of the company operated in common and requiring the assent of all the partners or shareholders participating in the joint control.

Companies subject to significant influence

Significant influence is denoted by the power to participate in the financial and operational policies of a company without possessing control of it. Significant influence may in particular result from representation on the managerial and supervisory representation on the managerial and supervisory bodies, participation in strategic decisions, existence of material inter-company transactions, exchange of managerial personnel, links of technical dependence.

Significant influence over the financial and operational policies of a company is presumed where the parent company holds, directly or indirectly, at least 20 % of the voting rights of this company.

Determination of control and significant influence

Exclusive and joint control, as well as significant influence, is taken to mean, in all cases, direct or indirect control. Accordingly, for the assessment of voting rights held by a company at general meetings of another company, the overall voting rights attached to shares held by the parent company and by all the companies that it exclusively controls are to be aggregated, including voting rights attached to investments matching unit-linked contracts.

Calculation of proportion of voting rights held

To calculate the proportion of voting rights held, account is to be taken of shares with double voting rights, certificates of voting rights created at the time of issue of investment certificates and, if necessary, securities subject to firm commitments or to warehousing held on behalf of the parent company.

Particular case of special purpose entities

A special purpose entity is a separate legal structure, created specifically to manage an operation or group of similar operations on behalf of a company. The special purpose entity is structured or organised in a way such that

its activity is in fact only conducted on behalf of this company, by making assets available or by supplying goods, services or capital.

A special purpose entity is to be included in the scope of consolidation whenever one or more controlled companies have in substance, by virtue of contractual agreements or statutory clauses, control of the entity, to the exclusion of the entities referred to in subsection 1011 of Regulation 2000-05.

In order to determine the existence of this type of control, it is necessary to assess the overall economic balance of the operation in which the special purpose entity participates, and to examine the characteristics of relations between the latter and the consolidating entity.

To this end, the following criteria are taken into account:

- The company in reality holds the powers of decision, including, or not including, management decisions over the special purpose entity or the assets which make it up, even if these powers are not actually exercised. It has for example the capacity to wind up the entity, change its articles of incorporation or association, or on the contrary, formally oppose their amendment;
- De facto, the company has the capacity to benefit from the majority of the entity's economic benefits, whether in the form of cash flows or entitlement to a share of net assets, entitlement to dispose of one or more assets, entitlement to the majority of residual assets in the event of liquidation;
- The company bears the majority of risks relating to the entity, such as in the case of external investors benefiting from a guarantee, on behalf of the entity or company, enabling them to limit significantly their risk-taking.

The existence of a automatic steering mechanism (predetermination of the business activities of a special purpose entity) does not prejudice the actual control of this entity by another given party. The limits imposed on the business activities of the special purpose entity are intended to both serve and uphold the interests of the stakeholders without any of them being able to take exclusive control of the entity. The criteria set forth above therefore needs to be examined in order to establish the existence of control leading to consolidation. In particular, when such a mechanism dictates decisions in the interest of one of the parties, the latter is deemed to be exercising de facto control.

The first criterion relating to decision-making powers is predominant. The second or third criteria are also taken into account. Consequently, a special purpose entity is consolidated if the conditions of the first and second criteria, or the first and third criteria, are met.

Moreover, if the second and third criteria are met, the special purpose entity is also consolidated, as it is deemed to be controlled.

As an example, the determination of control by examining the abovementioned criteria applies to entities created within the context of benefit plans subsequent to employment, or benefit plans remunerated in shareholders' equity instruments.

As regards the special purpose entities created by assignment of receivables transactions, on the basis of their nature, purpose (acquisition of a portfolio of receivables), and their legal and regulatory context, the loss of decision-making powers is a determining factor in electing to exclude these entities from the scope of consolidation, or, indeed, for their inclusion in said scope; this criterion is both implemented and assessed, in substance, with it being notably specified that the conservation of the majority of economic risks and benefits relating to the assigned receivables represents an assumption of the conservation of a significant amount of actual decision-making powers.

These provisions relate:

- to the private-debt funds in accordance with the provisions of Chapter IV of the 1st Section of Book II of the French Financial and Monetary Code;
- foreign organisations, having the sole purpose of issuing, with a view to purchasing receivables, within the framework of specific local legislation or regulations which offer the same guarantees as those in force in France, securities for which repayment is provided by that of the acquired receivables.

Whatever their nature may be, the guarantees provided, either directly or indirectly, by the assignor for the benefit of the holders of shares or holders of securities issued by the private-debt fund or the foreign organisation referred to hereinabove, are valued as from the assignment and at each cut-off date, and provisions are made whenever they present an established risk.

2.2.2. Methods of consolidation

The consolidation methods adopted in the preparation of GROUPAMA SA's consolidated accounts are as follows:

- global integration for companies subject to exclusive control;
- proportional integration for companies subject to joint control;
- equity method of accounting for companies, subject to significant influence.

Global consolidation

Global consolidation comprises:

- consolidation into the parent company accounts of the components of the accounts of the consolidated companies, after restatements, if any;
- distribution of capital and reserves and profit or loss between parent company interests and those of other shareholders or partners known as "minority interests";
- elimination of transactions and accounts between the globally consolidated company and other consolidated companies.

Proportional consolidation

Proportional consolidation comprises:

- consolidation into the parent company accounts of its proportionate interest in the consolidated company accounts, after restatements, if any, with no minority interest accordingly recognised;
- elimination of transactions and accounts between the company consolidated proportionally and the other consolidated companies.

Equity method of accounting

The equity method of accounting comprises:

- substitution of the ownership share of capital and reserves for the book value of shares held, including profit or loss for the fiscal year determined in accordance with consolidation rules;
- elimination of transactions and accounts between the company accounted for by use of the equity method and the other consolidated companies.

Direct consolidation

The consolidation of GROUPAMA SA is carried out on the basis of the individual financial statements of the companies included in the scope of consolidation, once the prior restatements and eliminations have been made. This is carried out directly by GROUPAMA SA.

Securities representing unit-linked commitments

Although securities representing unit-linked commitments are taken into account in determining the percentage of control, they are not eliminated and are not taken into account in calculating the group percentage of interest. The corresponding interests are treated separately.

2.2.3. Changes in scope of consolidation; changes of company name

The following main changes have taken place in Groupama SA's scope of consolidation:

There was no change of scope during 2004.

Change of corporate name

- ✓ Gan Europa Biztosító has changed its name to Groupama Biztosító.
- ✓ Gan Pacifique IARD has changed its name to Gan Outre Mer IARD.
- ✓ Société Française de Protection Juridique has changed its name to Groupama Protection Juridique.

2.2.4. Closing date

The financial statements of Groupama's consolidated companies are closed at 31 December. Companies that close their books on another date prepare an interim statement on 31 December.

2.2.5. Translation of financial statements of foreign companies

Balance sheet items are translated into euros at the official closing exchange rate except for capital and reserves, excluding profit, which are translated at historical rates.

The Group's share of the resulting foreign exchange gains or losses are booked under 'Unrealised foreign exchange gains/losses'. The balance is booked under "Minority interests".

Income statement transactions are translated at the average rate. The Group's share of the difference between earnings translated at the average rate and earnings converted at the closing rate is booked under "Unrealised foreign exchange gains/losses". The balance is booked under 'Minority interests'.

2.2.6. Consolidated goodwill

Consolidated goodwill

Consolidated goodwill is entered in fixed assets and amortised over a period that reflects, as reasonably as possible, the assumptions adopted and objectives established and documented at the time of acquisition.

Unfavourable material changes arising in the components used for determining the amortisation schedule lead to extraordinary depreciation or to modification of the amortisation schedule, not to a provision for diminution in value. If favourable material changes occur, they lead to modification of the future amortisation schedule to the exclusion of any amortisation written back.

Consolidated badwill

Any consolidated badwill is taken to profit or loss over a term that reflects assumptions adopted and objectives established at the time of acquisition.

2.2.7. Internal transactions between consolidated Group companies

2.2.7.1. Elimination of transactions between companies consolidated by global consolidation

Transactions eliminated

All intra-group transactions are eliminated.

Where these transactions affect combined profit or loss, elimination of profits and losses, as well as capital gains and losses, is applied 100%, then allocated between the interests of the parent company and minority interests in the company having realised the profit or loss. In the event of elimination of losses, the Group ensures that the value of the asset disposed of has not changed on a long-term basis, within the meaning of the generally accepted accounting principles applicable in France to insurance companies. Elimination of the effects of internal transactions relating to assets results in restating them to their entry value in the consolidated balance sheet (consolidated historical cost).

Income tax, as well as contract beneficiary profit participation, is adjusted for the effect of elimination of internal profits or losses.

Accordingly, internal transactions relating, in particular, to the following are eliminated:

- reciprocal debts receivable and payable, as well as reciprocal income and charges;
- bills receivable and payable are reciprocally eliminated but, where a bill receivable is remitted for discount, the bank advance granted to the group is substituted for the bill payable;

- transactions affecting the statement of commitments received and entered;
- reinsurance acceptances, reinsurance inward and outward;
- co-insurance and co-reinsurance transactions as well as pool management;
- broking or intermediation transactions;
- contractual sharing of profits or losses from collective agreements;
- appropriations to accounts for provisions diminution in value of long-term equity interests constituted by the company holding the securities and, as applicable, appropriations to provisions for liabilities and charges constituted as a result of losses incurred by companies subject to exclusive control;
- transactions on forward financial instruments are likewise eliminated.

Particular cases

Capital gains or losses on internal transactions in insurance investments

In application of the above-defined principle, capital gains or losses on internal transactions in insurance investments are eliminated in full. Where such operations have generated rights due for the benefit of contract beneficiaries, they are cancelled in the consolidated profit and loss account and the consolidated balance sheet by recognition of “Contract beneficiary deferred profit participation”.

Where the rights generated cannot be reliably identified, they are not cancelled.

Capital losses are retained in full where they meet criteria for diminution in value of an enduring nature.

Intra-group dividends

Intra-group dividends are also eliminated, including dividends relating to profits or losses prior to initial consolidation. Rights due to contract beneficiaries, attached to these dividends, are retained in charges for the fiscal year.

2.2.7.2. Elimination of transactions between a company consolidated proportionally and a company consolidated globally

Reciprocal debts receivable and payable, as well as reciprocal income and charges are eliminated to the extent of the percentage of integration of the jointly controlled company. The difference between the amount eliminated in this way and the amount of debts payable and receivable is classed as a debt payable or receivable with regard to companies external to the group.

In instances of disposal by a company consolidated globally to a company consolidated proportionally, elimination is restricted to the percentage of consolidation of the jointly controlled company. The same applies in the event of a disposal by a company consolidated proportionally to a company consolidated globally.

Appropriations to provisions for diminution in value of long-term equity interests established by the company holding the securities, in respect of losses incurred by the companies consolidated proportionally, are eliminated in full.

2.2.7.3. Elimination of transactions between two proportionally consolidated companies

In the event of a transaction effected between two proportionally consolidated companies, elimination is restricted to the smaller percentage of the two participating interests.

2.2.8. Aligning accounts

General principles

GROUPAMA SA’s consolidated financial statements are intended to provide a consistent representation of the Group formed by the companies included in the scope of consolidation, taking into account characteristics specific to consolidation and objectives for financial reporting specific to combined accounts (predominance of substance over form, matching charges with income, elimination of the effect of accounting entries carried out solely for the application of tax legislation).

The consolidated financial statements are drawn up in accordance with methods established by the Group for its consolidation and comply with:

- generally accepted accounting principles applicable to insurance companies in France;
- and the valuation methods specified in this section.

Restatements carried out for the purpose of consistency have been undertaken only to the extent that they are material in character.

The transactions of each legal entity are understood as being independent, other than in exceptional cases duly justified in the notes to the financial statements.

Preferential methods

The Group applies some methods considered as preferential in the consolidated financial statements, as follows:

- costs of retirement and comparable benefits (e.g severance payments, supplementary retirement allowances, medical cover, sickness and provident benefits), paid on the date of retirement or subsequently, to personnel, chargeable to the company, are subject to provisioning and systematically taken into account in profit or loss over the period of activity of the employees;
- finance leases are accounted for:
 - ✓ by the leaseholder: in the balance sheet in the form of a tangible fixed asset and a corresponding loan; in the profit and loss account in the form of an appropriation for depreciation and a financial expense; in addition, capital gains on sale and leaseback transactions are spread over the term of the contractual agreement, where the item is once more leased, directly or through an intermediary within the context of a financial leasing transaction;
 - ✓ by the owner: in the form of loans, in a manner symmetrical to the recording by the lessee;
- bonded debt issue costs, redemption premiums and issue premiums are spread systematically over the term of the loan;
- currency translation differences related to monetary assets and liabilities denominated in foreign currencies are recorded in profit or loss during the period to which they relate.

The Group has opted not to apply the preferential method under which the mathematical reserves for life insurance are calculated on the basis of discount rates, at most equal to the expected return, prudently estimated, on the assets earmarked to represent them. The non-application of this method is not detrimental to the true and fair view provided by the consolidated accounts, as its application would lead to the calculation of mathematical reserves similar to those recorded in the financial statements.

Activity and geographic market sector

Consistent rules for accounting and valuation in combined accounts are applied whenever a situation presents itself in a similar way in more than one consolidated company, regardless of the countries concerned.

Where a company belonging to a sector different from the principal activity sector of the Group applies accounting rules that are particular to that sector, taking into account legislation or the types of rights generated by contractual agreements specific to that activity, these accounting rules are retained in the combined accounts, to the extent that they are consistent with general accounting principles.

Effect of revaluations carried out in individual accounts

When a consolidated company is induced to carry out in its individual company accounts a general law revaluation (for example, in accordance with Article 12 of the Commercial Code applicable to French companies) or an optional revaluation (total or in part) if permitted by the national legislation of the country in which the company is located, this revaluation is eliminated in the combined accounts.

There has been no revaluation of the consolidated group of companies.

Other revaluations entered in the profit and loss account of insurance companies included in the scope of consolidation have been eliminated.

Effect on the accounts of accounting entries recorded solely for the application of tax legislation

So as not to distort the view given by the combined accounts, steps have been taken to eliminate the effect of accounting entries made solely for the application of tax legislation of the country in which the consolidated company is located and in particular:

- recognition or write back of depreciation by way of derogation where a company applies a declining balance method of depreciation provided for by tax legislation, while judging it necessary to retain straight-line depreciation for accounting purposes;
- establishment or writing back of tax-regulated provisions;
- writing back of investment grants to profits or losses;
- recording as charges certain ancillary costs arising from the acquisition of fixed assets;
- accounting for the impact of changes in methods in profits or losses.

3. Accounting principles and valuation methods

3.1. Intangible assets

Intangible assets primarily include software, whether purchased externally or developed in-house, acquisition expenses of fixed assets and goodwill. They are amortised according to the straight-line method over a period ranging from one to five years, except for goodwill, which is amortised over a maximum period of 20 years and for which, moreover, there may be a depreciation allowance.

3.2. Investments

For French companies, investments and any depreciation are valued according to the French Insurance Code. For foreign companies, any material valuation differences that may arise with respect to prevailing local accounting principles are restated in order to bring the financial statements of the said companies into line with those of the Group.

3.2.1. Valuation

Land and real estate holdings in SCIs (unlisted real estate investment companies)

Land and real estate are carried at acquisition cost.

Real estate is depreciated over a period extending from 33 to 100 years, depending on its estimated useful life.

Fixed assets held through companies whose primary purpose is to set up and manage real estate assets are depreciated according to the same principle.

Holdings in and shares of *SCIs* are carried at acquisition cost, reduced when applicable by a provision for depreciation.

The market value of real estate and holdings in, or shares of, *SCIs* is determined on the basis of a five-year valuation carried out by an expert approved by the *Commission de Contrôle des Assurances* (insurance control commission) in France. During each five-year period, an annual estimation of the asset is carried out and certified by the expert.

Fixed-income securities

Securities governed by Article R. 332-19 are recorded at acquisition price less accrued interests. Differences between redemption value and acquisition price are allocated according to actuarial principles as charges (premium) or income (discount) over the residual life of the securities. When there are several redemption dates, residual life is determined as of the date of the latest reimbursement.

The difference to be amortised between the purchase price of an inflation-indexed bond and its redemption value is calculated by taking the initial redemption value of the security and multiplying it by the difference between the base price index on the date of acquisition and the same index on the date of issue.

At each closing date, the index-linked gain or loss since the last closing date – or since the purchase date if this is more recent – is recorded under income and charges.

The estimated fair value of fixed-income securities corresponds to their quoted price on the last trading day of the fiscal year or their market value.

Unrealised capital losses resulting from the comparison between book value and market value do not usually give rise to a provision for depreciation. Nevertheless, a provision for impairment of value is recorded in the event the debtor defaults.

Variable-income securities

Shares and stakes in companies governed by Article R. 332-20 are recorded at acquisition price or cost of sale.

Non-consolidated ownership interests are recorded at their acquisition cost.

Investments matching unit-linked policies (mutual fund units, and so forth) are subject to revaluation aimed at offsetting the correlated movement in technical reserves. Data relative to such policies are presented on a specific line of the balance sheet and profit and loss statement.

Tangible fixed assets

Tangible fixed assets are carried at acquisition cost and depreciated according to the straight-line method over their estimated useful life.

Repo operations

In conformity with the regulations, repurchase agreements, with the exception of repurchase agreements with a margin call, are not booked as an off-balance sheet commitment, given or received. They are recorded on the asset side of the balance sheet.

Forward financial instruments (derivatives)

Forward financial instruments are utilised in accordance with Decree No. 2002-970 of 4 July 2002.

The provisions of Regulation No. 2002-09 of the *Comité de la Réglementation Comptable* relating to the reporting of these instruments were applied effective 1 January 2003.

Groupama has hedged its currency-based assets against exchanges risks. These assets include mutual funds quoted in euros and comprising portfolios of yen and dollar-based assets. Based on interpretation of this regulation's criteria, these hedging operations are classified as disinvestment cover. Consequently, exchange gains and losses on restated hedging operations are booked under the profit and loss account. Exchange gains and losses on renewal are entered in a suspense account under the balance sheet until the hedging policy has come to term.

3.2.2 Provisions

Permanent depreciations

Regarding investments governed by Article R. 332-20, a provision for line-by-line depreciation can be recognised only if there are grounds to suggest that the depreciation is of a durable nature.

In application of Note No. 2002-F of the *Comité d'Urgence* of the *Conseil National de la Comptabilité*, permanence may be presumed in the following cases:

- If a permanent depreciation provision had been set aside for an investment in the previous financial statements;
- If, for non-real estate investments, the investment has been in a situation of significant unrealised capital loss with relation to its book value over a period of six consecutive months preceding the closing date;
- If there is objective evidence of permanent depreciation.

The reference value or recoverable value is determined by means of a range of criteria, in accordance with the character of the assets and the investment strategy.

Provisions for contingent payment risk

In accordance with Regulation 2004-10 of 23 November 2004, provisions for contingent payment risk is eliminated from the combined financial statements. This restatement is carried out at the same time as the correlative adjustments as regards deferred taxes and, possibly, deferred profit-sharing, provided variations in the provisions for contingent payment risk in the corporate financial statements are taken into account so as to determine such profit-sharing.

3.2.3. Disposals

Capital gains and losses on the disposal of investments are determined according to the FIFO method. They are booked in the profit and loss statement on the date of realisation.

3.3. Technical insurance operations

3.3.1. Non-life insurance

Premiums

Written premiums correspond to underwritings gross of reinsurance excluding taxes, net of cancellations, discounts and rebates, of the change in premiums yet to be written and the change in premiums to be cancelled.

Reserves for unearned premiums

Technical provisions for unearned premiums correspond to the share of premiums relating to the period between inventory date and the next renewal date of the policy. They are calculated on a pro rata basis.

Deferred acquisition costs

In non-life insurance, acquisition costs relating to unearned premiums are deferred and booked under assets in the balance sheet.

Reserves for unexpired risks

Reserves for unexpired risks are aimed at covering the share of loss experience and related administrative costs that exceed the fraction of deferred premiums net of deferred acquisition costs.

Claims and related expenses paid

Claims and related expenses paid correspond to claims paid net of loss recovery received during the fiscal year, and to annuities payments recorded. They include costs and expenses related to claims handling and settlement.

Outstanding claims reserves

Outstanding claims reserves represent the estimated value of the cost of all claims, net of loss recovery to be received, as of the end of the fiscal year, regardless of whether they have been reported or not. They include a claims handling provision determined on the basis of real cost rates.

In construction risk, excluding reserves for claims to be paid (reported or not yet reported), a provision is set aside for claims not yet reported, calculated according to the method set out by Article A. 331-21 of the French Insurance Code – separately for ten-year guarantees for general liability and ten-year guarantees for property damages.

Some reserves are assessed according to the specific nature of the risks covered, notably farm and weather-related risks.

Other technical reserves:

Reserve for equalisation

The reserve for equalisation is aimed at covering future risks and events characterised by their infrequency and their high unit cost (e.g. atomic, macroeconomic, natural or pollution risks, etc.).

Mathematical reserves for disability and incapacity annuities and technical reserves in group insurance

In group insurance, reserves for disability and incapacity annuities are calculated according to the regulations set out by the decrees of 28 March and 20 December 1996 (articles A. 331-10 and A. 331-22 of the French Insurance Code).

In non-life insurance, reserves for disability and incapacity annuities are calculated according to a method based on the *TPRV* (prospective life annuity table), a more prudent method than that defined by French insurance regulations.

Reserve for increasing risks

A reserve for increasing risks is set aside in order to cover foreseeable charges when risks rise in line with the policy holder's age and are covered by constant instalment premiums.

3.3.2. Life insurance

Premiums

Written premiums correspond to underwritings gross of reinsurance excluding taxes, net of cancellations, discounts and rebates, of the change in premiums yet to be written, and of the change in premiums to be cancelled.

Deferred acquisition costs

Variable costs that may be directly allocated to the acquisition of life-insurance policies are booked under assets in the consolidated financial statements. Under no circumstances can these amounts exceed the current value of future profits from the policies.

These costs are amortised over the average life of policies according to the pace at which future margins appear for each generation of policies, with future margins, resulting from contractual provisions, being determined on the basis of economic assumptions (profit sharing rate, future return on assets and lapse ratio). As the deferred asset value approach is now applied to acquisition costs, mathematical reserves in the balance sheet are not presented according to the *Zillmer* method.

Each year, by homogeneous product family, the likely current value of future margins is compared with total deferred acquisition costs net of amortisations already booked. If this value is lower, a reserve is recognised as a charge.

Life insurance reserves

Mathematical reserves correspond to the difference between the present value of the liabilities assumed by the insurer and policyholders respectively, taking into account the probability that these commitments will be realised.

Mathematical reserves are booked in the balance sheets as liabilities at their gross technical value before any *zillmerisation* effect.

With regard to individual and collective annuity for life policies in France, the reserves are calculated on the basis of the "generation tables" (*TPRV* or *TPG*).

With regard to policies governed by Article L 441-1 of the French Insurance Code, the latter require that a special technical reserve be booked under the conditions set out in Article R 441-7 of the Code. It should be noted that this reserve must cover fully the theoretical mathematical reserve of the annuities concerned, calculated on the basis of the tables and the statutory actualisation rates. The latter include a gradual transition to the tables TV88-90 then *TPG*, and the eventual curbing of the actualisation rate at 60% of the *TME* (arithmetic mean of the average monthly yields on fixed-rate government bonds with maturities of more than 7 years recorded during the year preceding payment of coupon), with a maximum rate of 3.5%.

Technical reserves for unit-linked policies

“Technical reserves for unit-linked policies” include all the reserves relative to unit-linked policies, including the reserves for profit sharing expressed in units as well as additional reserves to cover commitments in euros at maturity.

Technical reserves in respect of unit-linked policies are valued at the market value of the unit at inventory date.

Reserve for profit sharing

The reserve for profit sharing comprises a reserve for profit participation due and, if necessary, a reserve for deferred profit participation.

The reserve for profit participation due comprises the identifiable sums, arising from regulatory obligations, due to policyholders or beneficiaries in the form of profit-sharing and rebates, insofar as such amounts have not been credited to the insured's account or included under 'Life insurance reserves'.

For sums in excess of the minimum regulatory and contractual commitment, policy beneficiaries' profit sharing is recorded in the intermediary financial statements on the basis of the estimated ratio for the current fiscal year and taking account of decisions taken or alternatively it is recorded at the previous closing date, between policy beneficiaries' profit sharing and net investment income for the year.

The reserve for deferred profit participation comprises the provision for unconditional profit participation that is recorded whenever a difference is noted between the bases for calculating future rights in the individual accounts and the combined accounts, and the provision for conditional profit participation, in which case the manner of recording the difference in rights noted between the individual accounts and the combined accounts depends on a management decision or the occurrence of an event.

In the particular case of the restatement of the capitalisation reserve in the combined accounts, a provision for deferred profit sharing is made when the assets and liabilities management assumptions show a likely and sustained recovery in the capitalisation reserve stock.

Other technical reserves:

Reserve for financial contingencies

The reserve for financial contingencies is cancelled when the mathematical reserves have been calculated on the basis of discount rates, at most equal to the expected rate of return, and prudently estimated, on assets earmarked to represent them.

Overall management reserve

The overall management reserve is set aside when, for similar product families, the future margins used for purposes of calculating deferred acquisition costs are negative.

3.3.3. Collective insurance

As regards Group, or “collective insurance”, technical earnings are approved on the basis of actual items, which are supplemented according to annual forecasts, by nevertheless including the key events which are specific to the interim period.

3.4. Reinsurance operation

Inwards reinsurance

Reinsurance acceptances are booked treaty by treaty without any time lag on the basis of an assessment of business accepted. In the absence of sufficient information from the primary insurer, additional estimates are carried out.

Cessions

In reinsurance, cessions are booked in compliance with the terms of the various treaties. Securities of reinsurers (be they accepting offices or retroceding offices) delivered as cover are entered in the table of commitments given and received.

3.5. Operating costs by ultimate use

Management costs and commissions related to insurance operations are classified according to their ultimate use, by applying allocation coefficients according to the structure and organisation of each insurance entity.

Operating costs are classified by purpose and divided into the following six classifications:

- acquisition costs;
- administrative costs;
- claims administration costs;
- investment expenses;
- other underwriting expenses;
- non-operating expenses.

3.6. Provisions for risks and charges

In addition to the usual provisions, provisions are set aside for general risks related to the Group's business.

Retirement indemnities and commitments

Retirement indemnities and commitments are entered under the item "Reserves for risks and charges".

Rights held by staff working in France with regard to retirement indemnities and commitments undertaken in relation to employees who have retired are provisioned at their present value.

3.7. Deferred tax

3.7.1. Basis

Tax on profits or losses combine all taxes based on profit or loss, whether due for payment or deferred.

When tax is due or receivable and its settlement is not contingent on the realisation of future transactions, it is to be termed payable, even if settlement is spread over several fiscal years. It is shown, as appropriate, in balance sheet liabilities or assets.

Transactions carried out by the Group may have positive or negative tax consequences other than those taken into consideration to calculate tax payable. The resulting tax assets or liabilities are termed deferred.

This occurs, in particular, when, as a result of transactions already realised, whether accounted for in individual company accounts or only in the combined accounts as restatements and eliminations of internal profits or losses, future differences are likely to arise between company taxable profit or loss and accounting profit or loss, for example where transactions realised during one fiscal year are taxable only in respect of the following fiscal year. Such differences are termed temporary.

3.7.2. Recognition of assets and liabilities in the balance sheet

All deferred tax liabilities, as defined in paragraph 3.7.1 above, must be recognised. Conversely, deferred tax assets are posted on the assets side of the balance sheet only if their recovery is likely.

Deferred tax assets are taken into account only if:

- Their recovery does not depend on future earnings in such a situation, they are booked to the amount of deferred tax liabilities already reported that will mature in the period during which such assets become or remain recoverable. In this event, it is possible to draw on tax options aimed at extending the period between the date on which a tax asset becomes recoverable and that on which it loses its status;
- Or, if the company will probably be able to recover these assets, as a taxable profit is expected during this period. It is assumed that such a profit will not exist when the company has suffered losses during the two previous fiscal years unless it can provide convincing arguments to the contrary. For instance, it would have to show that said losses resulted from exceptional circumstances that are unlikely to occur again in the foreseeable future, or if extraordinary profits are expected.

4. Notes to Groupama SA financial statements for the year ending 31 December 2004

(Financial data in € million)

NOTE 1 - GOODWILL

| € million | 31/12/2004 | 31/12/2003 |
|--|--------------|--------------|
| Opening net amount..... | 1,565 | 1,655 |
| Change in scope of consolidation and posting negative goodwill | 7 | 18 |
| Groupama Asset Management | 2 | |
| Cie Foncière Parisienne | 1 | 2 |
| Gan Eurocourtage IARD | | 18 |
| SILIC | 4 | |
| Groupama Biztosito | | 2 |
| Groupama Ultra Plus | | (4) |
| Deconsolidation | | |
| Depreciation..... | (107) | (108) |
| Year-end net amount | 1,465 | 1,565 |

ANALYSIS OF GOODWILL BY COMPANY

| € million | 31/12/2004 | | | 31/12/2003 |
|--------------------------------|----------------|-------------------------|--------------|--------------|
| | Gross goodwill | Cumulative amortisation | Net goodwill | Net goodwill |
| Companies | | | | |
| Groupama SA | 6 | 4 | 2 | 4 |
| Gan | 1,673 | 557 | 1,116 | 1,199 |
| Groupama Transport | 23 | 6 | 17 | 18 |
| Gan Eurocourtage IARD | 143 | 21 | 122 | 129 |
| Groupama Plus Ultra | 229 | 26 | 203 | 215 |
| Groupama Biztosito | 2 | 2 | 0 | |
| Groupama Asset Management..... | 2 | 2 | 0 | |
| Others..... | 23 | 18 | 5 | |
| Total | 2,101 | 636 | 1,465 | 1,565 |

NOTE 2 – INTANGIBLE ASSETS

| € million | 31/12/2004 | | | 31/12/2003 |
|---|------------|--------------|------------|------------|
| | Gross | Amortisation | Net | Net |
| Initial capital and development expenses..... | 2 | | 2 | 2 |
| Business goodwill purchased..... | 51 | (50) | 1 | 0 |
| Other | 430 | (282) | 148 | 164 |
| Total | 483 | (332) | 151 | 166 |

Goodwill is amortised over a period not to exceed 20 years.

Other intangible assets mainly comprise expenditure relating to information technology projects under way at the Group's various insurance companies.

NOTE 3 – INSURANCE SECTOR INVESTMENTS

BREAKDOWN OF INVESTMENTS

| € million | 31/12/2004 | | | 31/12/2003 | | |
|---|----------------|---------------|---------------------------------|----------------|---------------|---------------------------------|
| | Net book value | Market value | Unrealised capital gains/losses | Net book value | Market value | Unrealised capital gains/losses |
| Real estate investments..... | 3,641 | 5,999 | 2,358 | 3,806 | 5,933 | 2,127 |
| Equities and other variable-income securities excluding units in mutual funds.... | 3,454 | 3,795 | 341 | 4,244 | 4,441 | 197 |
| Units in mutual funds holding exclusively fixed-income securities..... | 2,543 | 2,690 | 147 | 2,708 | 2,823 | 115 |
| Units in other mutual funds | 5,933 | 5,968 | 35 | 3,750 | 3,614 | (136) |
| Bonds and other fixed-income securities | 33,305 | 36,036 | 2,731, | 31,764 | 33,434 | 1,670 |
| Loans | 261 | 261 | | 290 | 290 | |
| Deposits | 745 | 745 | | 679 | 679 | |
| Total | 49,882 | 55,494 | 5,612 | 47,241 | 51,214 | 3,973 |

The valuation of permanent depreciations provisions was carried out in accordance with the principle outlined in paragraph 3-2-2. On this basis the provision for 2004 totalled €38 million. As at 31 December 2004 this reserve had a total balance of €759 million.

ESTIMATION OF LISTED AND UNLISTED INVESTMENTS

| € million | 31/12/2004 | | | 31/12/2003 | | |
|---|----------------|---------------|---------------------------------|----------------|---------------|---------------------------------|
| | Net book value | Market value | Unrealised capital gains/losses | Net book value | Market value | Unrealised capital gains/losses |
| Listed investments | | | | | | |
| Real estate investments | | | | | | |
| Equities and other variable-income securities excluding units in mutual funds.... | 3,394 | 3,717 | 323 | 4,163 | 4,305 | 142 |
| Units in mutual funds holding exclusively fixed-income securities..... | 2,543 | 2,690 | 147 | 2,708 | 2,823 | 115 |
| Units in other mutual funds | 5,933 | 5,968 | 35 | 3,750 | 3,614 | (136) |
| Bonds and other fixed-income securities | 33,192 | 35,923 | 2,731 | 31,464 | 33,131 | 1,667 |
| Loans | | | | | | |
| Deposits | | | | | | |
| Total | 45,062 | 48,298 | 3,236 | 42,085 | 43,873 | 1,788 |

| € million | 31/12/2004 | | | 31/12/2003 | | |
|---|----------------|--------------|---------------------------------|----------------|--------------|---------------------------------|
| | Net book value | Market value | Unrealised capital gains/losses | Net book value | Market value | Unrealised capital gains/losses |
| Unlisted investments | | | | | | |
| Real estate investments | 3,641 | 5,999 | 2,358 | 3,806 | 5,933 | 2,127 |
| Equities and other variable-income securities excluding units in mutual funds | 60 | 78 | 18 | 81 | 136 | 55 |
| Units in mutual funds holding exclusively fixed-income securities | | | | | | |
| Units in other mutual funds | | | | | | |
| Bonds and other fixed-income securities | 113 | 113 | | 300 | 303 | 3 |
| Loans | 261 | 261 | | 290 | 290 | |
| Deposits | 745 | 745 | | 679 | 679 | |
| Total | 4,820 | 7,196 | 2,376 | 5,156 | 7,341 | 2,185 |

The realisation of capital gains would give rise to rights due to policyholders and minority shareholders as well as taxation.

ESTIMATION OF INSURANCE INVESTMENTS BY BUSINESS AND GEOGRAPHICAL ZONE

| € million | 31/12/2004 | | | 31/12/2003 | | |
|---|----------------|---------------|---------------------------------|----------------|---------------|---------------------------------|
| | Net book value | Market value | Unrealised capital gains/losses | Net book value | Market value | Unrealised capital gains/losses |
| Life business – France | | | | | | |
| Real estate investments | 1,390 | 1,975 | 585 | 1,670 | 2,225 | 555 |
| Equities and other variable-income securities excluding units in mutual funds | 2,380 | 2,759 | 379 | 3,156 | 3,179 | 23 |
| Units in mutual funds holding exclusively fixed-income securities | 2,083 | 2,229 | 146 | 2,154 | 2,273 | 119 |
| Units in other mutual funds | 4,209 | 4,252 | 43 | 2,510 | 2,462 | (48) |
| Bonds and other fixed-income securities | 24,117 | 26,380 | 2,263 | 22,768 | 24,108 | 1,340 |
| Loans | 173 | 173 | | 197 | 197 | |
| Deposits | 185 | 185 | | 179 | 179 | |
| Total | 34,537 | 37,953 | 3,416 | 32,634 | 34,623 | 1,989 |

| € million | 31/12/2004 | | | 31/12/2003 | | |
|---|----------------|---------------|---------------------------------|----------------|---------------|---------------------------------|
| Non-life business - France | Net book value | Market value | Unrealised capital gains/losses | Net book value | Market value | Unrealised capital gains/losses |
| Real estate investments..... | 2,118 | 3,783 | 1,665 | 2,001 | 3,481 | 1,480 |
| Equities and other variable-income securities excluding units in mutual funds | 856 | 799 | (57) | 907 | 1,085 | 178 |
| Units in mutual funds holding exclusively fixed-income securities | 460 | 461 | 1 | 554 | 550 | (4) |
| Units in other mutual funds | 1,527 | 1,522 | (5) | 1,089 | 1,007 | (82) |
| Bonds and other fixed-income securities | 5,159 | 5,489 | 330 | 5,064 | 5,319 | 255 |
| Loans | 48 | 48 | | 50 | 50 | |
| Deposits | 207 | 207 | | 190 | 190 | |
| Total..... | 10,375 | 12,309 | 1,934 | 9,855 | 11,682 | 1,827 |

For entities operating in both sectors, investments have been allocated to the life and non-life businesses on a pro rata basis, based on the technical reserves.

| € million | 31/12/2004 | | | 31/12/2003 | | |
|---|----------------|--------------|---------------------------------|----------------|--------------|---------------------------------|
| International life and non-life business | Net book value | Market value | Unrealised capital gains/losses | Net book value | Market value | Unrealised capital gains/losses |
| Real estate investments..... | 133 | 241 | 108 | 135 | 227 | 92 |
| Equities and other variable-income securities excluding units in mutual funds | 218 | 237 | 19 | 181 | 177 | (4) |
| Units in mutual funds holding exclusively fixed-income securities | | | | | | |
| Units in other mutual funds | 197 | 194 | (3) | 151 | 145 | (6) |
| Bonds and other fixed-income securities | 4,029 | 4,167 | 138 | 3,932 | 4,007 | 75 |
| Loans | 40 | 40 | | 43 | 43 | |
| Deposits | 353 | 353 | | 310 | 310 | |
| Total..... | 4,970 | 5,232 | 262 | 4,752 | 4,909 | 157 |

The realisation of capital gains would give rise to rights due to policyholders and minority shareholders as well as taxation.

NOTE 4 – SIGNIFICANT INVESTMENTS IN NON-CONSOLIDATED COMPANIES

| € million | 31/12/2004 | | | | 31/12/2003 |
|-------------------------------|------------|----------------|--------------|---------------------------------|----------------|
| | % stake | Net book value | Market value | Unrealised capital gains/losses | Net book value |
| Scor | 18.79 | 335 | 214 | (121) | 200 |
| Bolloré Investissement | 4.62 | 59 | 63 | 4 | 55 |
| Société Générale | 2.90 | 762 | 960 | 198 | 760 |
| Lagardère | 1.73 | 92 | 129 | 37 | 91 |
| Veolia Environnement | 5.69 | 556 | 616 | 60 | 542 |
| French companies | | 1,804 | 1,982 | 178 | 1,648 |
| Mediobanca | 4.93 | 471 | 461 | (10) | 471 |
| International companies | | 471 | 461 | (10) | 471 |
| Total | | 2,275 | 2 443 | 168 | 2 119 |

Market value corresponds to:

- To share price at 31 December for listed companies;
- Or is determined by the application of multi-criteria method for the shares of unlisted companies.

No provision for permanent decline in value was made during 2004 so as to cover the unrealised capital loss of €121 million on Scor securities. This decision was taken on the basis of information provided to the financial market by Scor concerning the recovery strategy implemented and the intentions as regards long-term holdings as confirmed by Groupama.

NOTE 5 – UNIT-LINKED INVESTMENTS

| € million | 31/12/2004 | 31/12/2003 |
|---|--------------|--------------|
| Real estate investments | 94 | 100 |
| Variable-income securities and similar investments | | |
| Bonds | 762 | 905 |
| Units in mutual funds holding equities | 1,960 | 1,856 |
| Units in mutual funds holding bonds and other investments | 562 | 497 |
| Total | 3,378 | 3,358 |

NOTE 6 – BANKING SECTOR INVESTMENTS

| € million | 31/12/2004 | | | 31/12/2003 | | |
|---|----------------|--------------|-------------------------------|----------------|--------------|-------------------------------|
| | Net book value | Market value | Unrealised capital gains/loss | Net book value | Market value | Unrealised capital gains/loss |
| Investments in affiliates and similar companies | 1 | 1 | | | | |
| Government bonds and similar securities | 40 | 42 | 2 | 9 | 12 | 3 |
| Bonds and other fixed-income securities | 603 | 633 | 30 | 763 | 763 | |
| Equities and other variable-income securities | 30 | 30 | | 42 | 42 | |
| Total | 674 | 706 | 32 | 814 | 817 | 3 |

BREAKDOWN OF SECURITIES PORTFOLIO

| € million | Trading account securities | | Securities available for sale | | Debt securities held to maturity | | Equity securities available for sale in the medium term | | Total |
|---|----------------------------|---------------------|-------------------------------|---------------------|----------------------------------|---------------------|---|---------------------|------------|
| | Listed securities | Unlisted securities | Listed securities | Unlisted securities | Listed securities | Unlisted securities | Listed securities | Unlisted securities | |
| Investments in affiliates and similar companies | | | 1 | | | | | | 1 |
| Government bonds and similar securities | | | | | 40 | | | | 40 |
| Bonds and other fixed-income securities..... | | | 11 | | 30 | 562 | | | 603 |
| Equities and other variable-income securities..... | 2 | 1 | 20 | 7 | | | | | 30 |
| Total | 2 | 1 | 32 | 7 | 70 | 562 | | | 674 |

NOTE 7 - SHARES IN COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD

| € million | 31/12/2004 | | | 31/12/2003 |
|---------------------|------------------|----------------------|------------------|----------------------|
| | Equivalent Value | Share of profit/loss | Equivalent Value | Share of profit/loss |
| Günes Sigorta | 11 | 1 | 9 | 2 |
| Socomie | 1 | 1 | 1 | |
| Total | 12 | 2 | 10 | 2 |

VALUE OF SHARES IN COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD: CHANGES DURING THE FISCAL YEAR

| € million | 2004 | 2003 |
|--|-----------|-----------|
| Opening balance | 10 | 13 |
| Share of profit/loss..... | 2 | 2 |
| Dividends..... | | (2) |
| Change in exchange adjustment..... | | |
| Change of method | | |
| Capital increase..... | | |
| Consolidation scope and method changes | | (3) |
| Year-end balance | 12 | 10 |

SIGNIFICANT DATA AT 31 DECEMBER

| € million | 31/12/2004 | | | |
|---------------------|----------------|------------|--------------|----------------------|
| | Premium income | Net profit | Total assets | Capital and reserves |
| Günes Sigorta | 211 | 4 | 153 | 49 |
| Socomie | 12 | 1 | 8 | 1 |

NOTE 8 - RECEIVABLES RELATING TO INSURANCE AND REINSURANCE TRANSACTIONS

| € million | 31/12/2004 | | | 31/12/2003 |
|--|--------------|--------------|--------------|--------------|
| | Gross | Provision | Net | Net |
| Premiums earned but not written | 657 | | 657 | 656 |
| Coinsurers and other third parties | 906 | (86) | 820 | 1,116 |
| Reinsurer and retrocessionary accounts | 715 | (27) | 688 | 278 |
| Cedant and retrocedant accounts | 445 | (2) | 443 | 483 |
| Total | 2,723 | (115) | 2,608 | 2,533 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|--|------------------|--------------|-------------------|--------------|
| Premiums earned but not written | 656 | 1 | | 657 |
| Coinsurers and other third parties | 763 | 57 | | 820 |
| Reinsurer and retrocessionary accounts | 683 | 5 | | 688 |
| Cedant and retrocedant accounts | 385 | 58 | | 443 |
| Total 31/12/2004 | 2,487 | 121 | | 2,608 |
| Total 31/12/2003 | 2,364 | 169 | | 2,533 |

NOTE 9 - RECEIVABLES – BANKING SECTOR CUSTOMERS

| € million | 31/12/2004 | | | 31/12/2003 |
|------------------------------------|------------|-------------|------------|------------|
| | Gross | Provision | Net | Net |
| Trade receivables | | | | |
| Other loans and overdrafts | 253 | (21) | 232 | 154 |
| Ordinary accounts receivable | 96 | (2) | 94 | 158 |
| Total | 349 | (23) | 326 | 312 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|------------------------------------|------------------|--------------|-------------------|------------|
| Trade receivables | | | | |
| Other loans and overdrafts | 94 | 112 | 26 | 232 |
| Ordinary accounts receivable | 94 | | | 94 |
| Total 31/12/2004 | 188 | 112 | 26 | 326 |
| Total 31/12/2003 | 207 | 83 | 22 | 312 |

NOTE 10 –RECEIVABLES – BANKING SECTOR

| € million | 31/12/2004 | | | 31/12/2003 |
|---|--------------|-----------|--------------|--------------|
| | Gross | Provision | Net | Net |
| Settlement accounts relating to securities transactions | 301 | | 301 | 281 |
| Interbank transactions | 613 | | 613 | 555 |
| Cash at bank, insurance companies | 430 | | 430 | 514 |
| Total | 1,344 | | 1,344 | 1,350 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|---|------------------|--------------|-------------------|--------------|
| Settlement accounts relating to securities transactions | 301 | | | 301 |
| Interbank transactions | 613 | | | 613 |
| Cash at bank, insurance companies | 429 | 1 | | 430 |
| Total 31/12/2004 | 1,343 | 1 | | 1,344 |
| Total 31/12/2003 | 1,343 | 7 | | 1,350 |

NOTE 11 - OTHER RECEIVABLES

| € million | 31/12/2004 | | | | | 31/12/2003 |
|-------------------------------------|------------|-------------|------------|--------------------|------------------|------------|
| | Gross | Provision | Net | Of which insurance | Of which banking | Net |
| Personnel | 13 | | 13 | 13 | | 14 |
| Social security | 2 | | 2 | 2 | | 2 |
| State | 137 | | 137 | 136 | 1 | 126 |
| Deferred tax assets (Note 25) | 4 | | 4 | 4 | | 4 |
| Miscellaneous debtors | 605 | (20) | 585 | 550 | 35 | 559 |
| Total | 761 | (20) | 741 | 705 | 36 | 705 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|-------------------------------------|------------------|--------------|-------------------|------------|
| Personnel | 12 | 1 | | 13 |
| Social security | 2 | | | 2 |
| State | 134 | 1 | 2 | 137 |
| Deferred tax assets (Note 25) | | 3 | 1 | 4 |
| Miscellaneous debtors | 580 | 1 | 4 | 585 |
| Total 31/12/2004 | 728 | 6 | 7 | 741 |
| Total 31/12/2003 | 686 | 18 | 1 | 705 |

NOTE 12 - OTHER ASSETS

| € million | 31/12/2004 | | | 31/12/2003 |
|--------------------------|------------|--------------|-----------|------------|
| | Gross | Amortisation | Net | Net |
| Non-life insurance | 114 | (87) | 27 | 43 |
| Life insurance | 119 | (96) | 23 | 27 |
| Banking | 17 | (11) | 6 | 9 |
| Total | 250 | (194) | 56 | 79 |

Other assets consist primarily of tangible fixed assets.

NOTE 13 - ACCRUALS

| € million | 31/12/2004 | | | 31/12/2003 |
|--|--------------|-----------|--------------|--------------|
| | Insurance | Banking | Total | Total |
| Deferred life insurance acquisition expenses..... | 296 | | 296 | 665 |
| Deferred non-life insurance acquisition expenses | 208 | | 208 | 242 |
| Accrued interest not yet due | 790 | | 790 | 790 |
| Other accruals | 184 | 42 | 226 | 204 |
| Total | 1,478 | 42 | 1,520 | 1,901 |

With effect from 1 January 2004, the impact of the change of method for determining the deferred acquisition costs in life insurance reduced the opening inventory by €379 million. The thinking behind this change of method is set forth in the key events section, in paragraph 1.2.

As indicated in the new method presented in note 3.3.2., deferred acquisition costs in life insurance are now based on a “deferred asset value” approach and are not limited to the zillmerisation difference, as is the case in the parent company accounts.

The effect of the “deferred asset” approach represents a sum of €84 million over and above the zillmerisation difference. In the consolidated income statement, the application of this procedure is reflected by €3 million of revenue in the consolidated financial statements for the period, compared with a charge of €26 million as at 31 December 2003, using the previous method.

In application of regulation 2000-05, unrealised foreign exchange gains and losses are now accounted for in the income statement and bond redemption differences are included under investments.

NOTE 14 - ANALYSIS OF CHANGE IN CAPITAL AND RESERVES (GROUP SHARE)

| € million | Initial capital | Consolidated reserves | Net income | Unrealised foreign exchange gains/losses | Total capital and reserves |
|---|-----------------|-----------------------|--------------|--|----------------------------|
| Capital and reserves at 31/12/2002 | 1 240 | 1 862 | (221) | (13) | 2 868 |
| Allocation of profit at 31/12/2002 | | (221) | 221 | | |
| Unrealised foreign exchange gains/losses..... | | | | (37) | (37) |
| Permanent depreciations reserve..... | | 6 | | | 6 |
| Change in accounting methods | | (5) | | | (5) |
| Capital increase | (53) | (113) | | | 60 |
| Change in scope of consolidation | | (274) | | | (274) |
| Net income..... | | | 138 | | 138 |
| Total movements during the year | (53) | (381) | 359 | (37) | (112) |
| Capital and reserves at 31/12/2003 | 1,187 | 1,481 | 138 | (50) | 2,756 |
| Allocation of profit at 31/12/2003 | | 138 | (138) | | |
| Members dividends..... | | (26) | | | (26) |
| Unrealised foreign exchange gains/losses..... | | | | (3) | (3) |
| Permanent depreciations reserve..... | | 4 | | | 4 |
| Change in accounting methods | | (374) | | | (374) |
| Change in scope of consolidation | | (5) | | | (5) |
| Net income..... | | | 258 | | 258 |
| Total movements during the year | | (263) | 120 | (3) | (146) |
| Capital and reserves at 31/12/2004 | 1,187 | 1,218 | 258 | (53) | 2,610 |
| Of which capitalisation reserve..... | | 838 | | | |

The change in unrealised foreign exchange gains/losses arises mainly from exchange differences on loans made to Group subsidiaries. These loans are regarded as an integral part of the investment in these subsidiaries. Therefore, in application of the rules outlined in Paragraph 322 of Regulation 2000-05, “Exchange differences relating to a monetary item which is in substance an integral part of the net investment of an enterprise in a foreign consolidated enterprise are to be entered in consolidated capital and reserves.”

Movements entered under item “Change in accounting methods” correspond to the application of the new principle for determining the deferred acquisition costs in life insurance, the thinking behind which is set forth in paragraph 1.2 of the note on key events. The impact of this change in accounting methods on opening capital and reserves, net of €5 million in taxes, was €374 million.

NOTE 15 - ANALYSIS OF CHANGE IN MINORITY INTERESTS

| € million | Total minority interests |
|---|--------------------------|
| Minority interests at 31/12/2002 | 325 |
| Dividends..... | (24) |
| Change in exchange adjustment..... | |
| Permanent depreciations reserve..... | |
| Consolidation changes | 1 |
| Net income..... | (34) |
| Total movements during the year..... | (57) |
| Minority interests at 31/12/2003 | 268 |
| Dividends..... | (33) |
| Change in exchange adjustment..... | |
| Permanent depreciations reserve | |
| Change in capital | 20 |
| Consolidation changes | (3) |
| Net income..... | 16 |
| Total movements during the year..... | |
| Minority interests at 31/12/2004 | 268 |

NOTE 16 - SUBORDINATED DEBT

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|-------------------------------|---------------------|--------------|----------------------|------------|
| Insurance..... | | | 750 | 750 |
| Banking..... | | | | |
| Total 31/12/2004 | | | 750 | 750 |
| Total 31/12/2003 | | | 750 | 750 |

The item “Subordinated debt” corresponds to a bond loan issued by the Caisse Centrale des Assurances Agricoles in July 1999 in the form of 30-year callable securities which are redeemable before their due date with effect from the 10th year after issue, which was taken over by Groupama SA during the contribution operations carried out on 1 January 2003.

This issue represents a total sum of €750 million.

NOTE 17 - TECHNICAL INSURANCE RESERVES

| € million | 31/12/2004 | | | 31/12/2003 | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | France | International | Total | France | International | Total |
| Technical reserves gross of reinsurance | | | | | | |
| Life insurance technical reserves..... | 32,234 | 2,205 | 34,439 | 30,369 | 2,022 | 32,391 |
| Reserves for claims reported but not yet paid..... | 570 | 31 | 601 | 611 | 27 | 638 |
| Reserves for profit sharing | 1,415 | 29 | 1,444 | 1,402 | 30 | 1,432 |
| Other technical reserves | 75 | 4 | 79 | 21 | 1 | 22 |
| Total life insurance..... | 34,294 | 2,269 | 36,563 | 32,403 | 2,080 | 34,483 |
| Reserves for unearned premiums | 620 | 621 | 1,241 | 613 | 788 | 1,401 |
| Reserves for claims reported but not yet paid..... | 7,221 | 2,355 | 9,576 | 7,198 | 2,423 | 9,621 |
| Reserves for equalisation..... | 125 | 32 | 157 | 163 | 29 | 192 |
| Other technical reserves | 2,157 | 53 | 2,210 | 2,132 | 62 | 2,194 |
| Total non-life insurance | 10,123 | 3,061 | 13,184 | 10,106 | 3,302 | 13,408 |
| Total technical reserves | 44,417 | 5,330 | 49,747 | 42,509 | 5,382 | 47,891 |
| Share of reinsurers in technical reserves | | | | | | |
| Life insurance technical reserves..... | 13 | 15 | 28 | 12 | 21 | 33 |
| Reserves for claims reported but not yet paid..... | 12 | 3 | 15 | 21 | 3 | 24 |
| Reserves for profit sharing | 13 | 0 | 13 | 20 | | 20 |
| Other technical reserves | 0 | 0 | 0 | | | |
| Total life insurance..... | 38 | 18 | 56 | 53 | 24 | 77 |
| Reserves for unearned premiums | 51 | 19 | 70 | 65 | 22 | 87 |
| Reserves for claims reported but not yet paid..... | 1,129 | 510 | 1,639 | 1,195 | 603 | 1,798 |
| Reserves for equalisation..... | 1 | 0 | 1 | 1 | | 1 |
| Other technical reserves | 106 | 1 | 107 | 118 | 1 | 119 |
| Total non-life insurance | 1,287 | 530 | 1,817 | 1,379 | 626 | 2,005 |
| Total share of reinsurers in technical reserves | 1,325 | 548 | 1,873 | 1,432 | 650 | 2,082 |
| Net General Total..... | 43,092 | 4,782 | 47,874 | 41,077 | 4,732 | 45,809 |

In application of the provisions of CRC Regulation No. 00-05, technical reserves relating to immediate or deferred life annuity policies are determined in accordance with the latest current tables which reflect the risk to which the Group is exposed with regard to its policyholders.

In compliance with the regulations, there was no need to set aside a provision for financial risk in the life insurance subsidiaries.

In 2004, inwards reinsurance were no longer broken down into categories. 2003 data was subject to a pro-forma so as to make it comparable with 2004 data.

BREAKDOWN BY INSURANCE CATEGORY

| € million | 31/12/2004 | | | 31/12/2003 | | |
|--|--------------------|---|---------------|--------------------|---|---------------|
| | Technical Reserves | Reserves for claims reported but not yet paid | Total | Technical Reserves | Reserves for claims reported but not yet paid | Total |
| Life insurance: single premiums | | | | | | |
| Capitalisation | 1,513 | 56 | 1,569 | 1,621 | 57 | 1,678 |
| Personal life | 15,532 | 132 | 15,664 | 13,931 | 188 | 14,119 |
| Group policies..... | 172 | 9 | 181 | 190 | 15 | 205 |
| Others..... | 1,561 | | 1,561 | 1,481 | | 1,481 |
| Total provisions single premiums..... | 18,778 | 197 | 18,975 | 17,223 | 260 | 17,483 |
| Life insurance: regular premiums | | | | | | |
| Capitalisation | 626 | 6 | 632 | 610 | 5 | 615 |
| Personal life | 6,611 | 121 | 6,732 | 6,462 | 103 | 6,565 |
| Group policies..... | 6,388 | 184 | 6,572 | 6,086 | 212 | 6,298 |
| Others..... | 708 | 49 | 757 | 769 | 23 | 792 |
| Total provisions for regular premiums | 14,333 | 360 | 14,693 | 13,927 | 343 | 14,270 |
| Inwards reinsurance | 1,328 | 44 | 1,372 | 1,241 | 35 | 1,276 |
| Total life insurance reserves | 34,439 | 601 | 35,040 | 32,391 | 638 | 33,029 |

| € million | 31/12/2004 | | | 31/12/2003 | | |
|--|--------------------------------|---|---------------|--------------------------------|---|---------------|
| | Reserves for unearned premiums | Reserves for claims reported but not yet paid | Total | Reserves for unearned premiums | Reserves for claims reported but not yet paid | Total |
| Non-life insurance | | | | | | |
| Motor vehicle..... | 464 | 2,162 | 2,626 | 651 | 2,096 | 2,747 |
| Bodily injury | 52 | 378 | 430 | 76 | 469 | 545 |
| Property | 397 | 1,080 | 1,477 | 360 | 1,053 | 1,413 |
| General liability | 45 | 1,172 | 1,217 | 42 | 1,129 | 1,171 |
| Marine, aviation, transport..... | 35 | 696 | 731 | 24 | 691 | 715 |
| Others..... | 104 | 1,121 | 1,225 | 87 | 1,184 | 1,271 |
| Inwards reinsurance | 144 | 2,967 | 3,111 | 161 | 2,999 | 3,160 |
| Total non-life insurance reserves | 1,241 | 9,576 | 10,817 | 1,401 | 9,621 | 11,022 |

In 2004, inwards reinsurance were no longer broken down into categories. 2003 data was subject to a pro-forma so as to make it comparable with 2004 data.

NOTE 18 - PROVISIONS FOR RISKS AND CHARGES

| € million | 31/12/2004 | 31/12/2003 |
|---|------------|------------|
| Provision for deferred income tax liabilities..... | (5) | |
| Provision for pensions and similar obligations..... | 169 | 166 |
| Negative goodwill..... | | |
| Other provisions for risks and charges (1)..... | 339 | 303 |
| Total | 503 | 469 |

(1) Details concerning this item have not been disclosed as they could negatively impact on the Group as a result of ongoing litigation.

NOTE 19 –DEBTS RELATING TO INSURANCE OR REINSURANCE OPERATIONS

| € million | 31/12/2004 | 31/12/2003 |
|---|--------------|--------------|
| Insured intermediaries and other third parties..... | 469 | 618 |
| Coinsurers..... | 105 | 117 |
| Reinsurer and retrocessionary accounts..... | 739 | 420 |
| Cedant and retrocedant accounts | 84 | 98 |
| Other debts/reinsurance operations..... | 64 | 64 |
| Deposits from reinsurers..... | 92 | 93 |
| Total..... | 1,553 | 1,410 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|---|---------------------|--------------|----------------------|--------------|
| Insured intermediaries and other third parties..... | 469 | | | 469 |
| Coinsurers..... | 101 | 4 | | 105 |
| Reinsurer and retrocessionary accounts..... | 678 | 61 | | 739 |
| Cedant and retrocedant accounts | 82 | 2 | | 84 |
| Other debts/reinsurance operations..... | 64 | | | 64 |
| Deposits from reinsurers..... | 92 | | | 92 |
| Total 31/12/2004 | 1,486 | 67 | | 1,553 |
| Total 31/12/2003 | 1,310 | 100 | | 1,410 |

BREAKDOWN BY CURRENCY AND INTEREST RATE

| € million | Currency | | Interest rate | |
|---|--------------|------------|---------------|------------------|
| | Euro Zone | Other | Fixed rate | Variable rate |
| Insured intermediaries and other third parties..... | 362 | 107 | 415 | 54 |
| Coinsurers..... | 105 | | 105 | |
| Reinsurer and retrocessionary accounts..... | 727 | 12 | 737 | 2 |
| Cedant and retrocedant accounts | 77 | 7 | 84 | |
| Other debts/reinsurance operations..... | 53 | 11 | 55 | 9 |
| Deposits from reinsurers..... | 66 | 26 | 64 | 28 |
| Total 31/12/2004 | 1,390 | 163 | 1,460 | 93 |
| Total 31/12/2003 | 1,286 | 124 | 1,308 | 102 |

NOTE 20 – DEBTS – BANKING SECTOR CUSTOMERS

| € million | 31/12/2004 | | | 31/12/2003 |
|-----------------------------------|-----------------|---------------|--------------|------------|
| | Demand deposits | Term deposits | Total | Total |
| Special savings accounts..... | 413 | 2 | 415 | 202 |
| Ordinary accounts payable..... | 301 | | 301 | 234 |
| Other trade accounts payable..... | 3 | 290 | 293 | 287 |
| Total..... | 717 | 292 | 1,009 | 723 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|-----------------------------------|------------------|--------------|-------------------|--------------|
| Special savings accounts..... | 413 | 2 | | 415 |
| Ordinary accounts payable..... | 301 | | | 301 |
| Other trade accounts payable..... | 293 | | | 293 |
| Total 31/12/2004..... | 1,007 | 2 | | 1,009 |
| Total 31/12/2003..... | 722 | | 1 | 723 |

NOTE 21 – SECURITISED DEBTS

| € million | 31/12/2004 | 31/12/2003 |
|---|------------|------------|
| Cash certificates..... | | |
| Interbank and negotiable debt securities..... | 613 | |
| Bonded debts | | 879 |
| Other debts represented by securities | | |
| Total..... | 613 | 879 |
| Of which Insurance..... | | |
| Of which Banking | 613 | 879 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|---|------------------|--------------|-------------------|------------|
| Cash certificates..... | | | | |
| Interbank and negotiable debt securities..... | 585 | 28 | | 613 |
| Bonded debts | | | | |
| Other debts represented by securities | | | | |
| Total 31/12/2004..... | 585 | 28 | | 613 |
| Total 31/12/2003..... | 848 | 31 | | 879 |

BREAKDOWN BY CURRENCY AND INTEREST RATE

| € million | Currency | | Interest rate | |
|---|------------|-------|---------------|---------------|
| | Euro Zone | Other | Fixed rate | Variable rate |
| Cash certificates..... | | | | |
| Interbank and negotiable debt securities..... | 613 | | 80 | 533 |
| Bonded debts | | | | |
| Other debts represented by securities | | | | |
| Total 31/12/2004 | 613 | | 80 | 533 |
| Total 31/12/2003 | 879 | | 212 | 667 |

NOTE 22 –DEBTS – BANKING SECTOR

| € million | 31/12/2004 | 31/12/2003 |
|------------------------------------|------------|------------|
| Financing debts..... | 535 | 382 |
| Bank loans and overdrafts..... | 249 | 290 |
| Insurance operations | 784 | 672 |
| Debts to credit institutions | 72 | 49 |
| Banking operations | 72 | 49 |
| Total..... | 856 | 721 |

In 2004, financing debts corresponded to the long-term indebtedness of SILIC, in the amount of €403 million, and €132 million in respect of the insurance companies and the Group's other entities.

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|------------------------------------|------------------|--------------|-------------------|------------|
| Financing debts..... | 2 | 111 | 422 | 535 |
| Bank loans and overdrafts..... | 218 | 31 | | 249 |
| Insurance operations | 220 | 142 | 422 | 784 |
| Debts to credit institutions | 72 | | | 72 |
| Banking operations | 72 | | | 72 |
| Total 31/12/2004 | 292 | 142 | 422 | 856 |
| Total 31/12/2003 | 332 | 123 | 266 | 721 |

BREAKDOWN BY CURRENCY AND INTEREST RATE

| € million | Currency | | Interest rate | |
|--|------------|-----------|---------------|---------------|
| | Euro Zone | Other | Fixed rate | Variable rate |
| Financing debts..... | 535 | | 355 | 180 |
| Bank loans and overdrafts..... | 249 | | 241 | 8 |
| Banking sector operations debts to credit institutions | 33 | 39 | 28 | 44 |
| Total 31/12/2004 | 817 | 39 | 624 | 232 |
| Total 31/12/2003 | 693 | 28 | 462 | 259 |

NOTE 23 – OTHER DEBTS

| € million | 31/12/2004 | | | 31/12/2003 |
|---|--------------|-----------|--------------|--------------|
| | Insurance | Banking | Total | Total |
| Amount owed to employees | 118 | 7 | 125 | 110 |
| Social security..... | 84 | 5 | 89 | 75 |
| State | 161 | 8 | 169 | 167 |
| Other loans, deposits and guarantees received.... | 1,141 | | 1,141 | 1,231 |
| Miscellaneous creditors | 928 | 50 | 978 | 1,108 |
| Total..... | 2,432 | 70 | 2,502 | 2,691 |

BREAKDOWN BY MATURITY

| € million | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|---|---------------------|--------------|----------------------|--------------|
| Amounts owed to employees | 119 | 6 | | 125 |
| Social security..... | 89 | | | 89 |
| State | 144 | 25 | | 169 |
| Other loans, deposits and guarantees received.... | 1,102 | 23 | 16 | 1,141 |
| Miscellaneous creditors | 866 | 104 | 8 | 978 |
| Total 31/12/2004..... | 2,320 | 158 | 24 | 2,502 |
| Total 31/12/2003..... | 2,458 | 187 | 46 | 2,691 |

BREAKDOWN BY CURRENCY AND INTEREST RATE

| € million | Currency | | Interest rate | |
|---|--------------|-----------|---------------|---------------|
| | Euro Zone | Other | Fixed rate | Variable rate |
| Amount owed to employees | 125 | | 125 | |
| Social security..... | 89 | | 89 | |
| State | 167 | 2 | 169 | |
| Other loans, deposits and guarantees received.... | 1,141 | | 615 | 526 |
| Miscellaneous creditors | 899 | 79 | 978 | |
| Total 31/12/2004..... | 2,421 | 81 | 1,976 | 526 |
| Total 31/12/2003..... | 2,626 | 65 | 2,038 | 653 |

NOTE 24 - ACCRUALS

| € million | 31/12/2004 | | | 31/12/2003 |
|--|------------|-----------|------------|------------|
| | Insurance | Banking | Total | Total |
| Deferred acquisition expenses (share of outwards reinsurance and retrocessionnaires).... | | | | |
| Other accruals | 199 | 44 | 243 | 205 |
| Total..... | 199 | 44 | 243 | 205 |

NOTE 25 – CORPORATE TAX

BREAKDOWN OF TAX CHARGE

| € million | 31/12/2004 | | | | 31/12/2003 |
|------------------------------|-------------|-------------|---------|-------------|-------------|
| | Life | Non-life | Banking | Total | Total |
| Current corporate tax | (17) | (7) | | (24) | (126) |
| Deferred corporate tax | 5 | (5) | | 0 | 39 |
| Total | (12) | (12) | | (24) | (87) |

ANALYSIS OF MAIN COMPONENTS OF DEFERRED TAX CHARGE

| € million | 31/12/2004 | 31/12/2003 |
|---|------------|------------|
| Deferred tax arising from temporary differences:..... | | |
| Deferred acquisition expenses | (70) | (109) |
| Pension funds..... | 19 | 2 |
| Tax deferral surpluses..... | (10) | |
| Valuation differential on mutual funds | (33) | (33) |
| Tax differences on technical reserves | 211 | 23 |
| Return to original cost for internal assignments | 11 | (20) |
| Other differences | 224 | 197 |
| Sub-total: Deferred tax arising from temporary differences | 352 | 60 |
| Application of prior deficit | | |
| Contributions to deferred tax | | 6 |
| Deferred tax assets not accounted to temporary differences..... | (343) | (62) |
| Deferred tax recorded on the balance sheet | 9 | 4 |
| Comprising: | | |
| - Assets (Other receivables) (note 11) | 4 | 4 |
| - Liabilities (Provisions for risks and charges) (note 18)..... | (5) | |

The other temporary differences mainly comprise tax/accounting timing differences relating to the non-deductible reserves.

The Group also has significant non-recorded net assets in its international subsidiaries and in the Groupama SA divisional tax group in France. These total €391 million.

Although it might be possible to recover non-recorded tax assets due to expected taxable profits, the Group adopted a prudent attitude at 31 December 2004 and did not record said tax assets.

RECONCILIATION OF EFFECTIVE TAX CHARGE AND THEORETICAL TAX CHARGE

| € million | 31/12/2004 | 31/12/2003 |
|--|-------------|-------------|
| Theoretical tax charge..... | (99) | (64) |
| Impact of non-deductible or non-taxable charges or income..... | (58) | 69 |
| Impact of tax rate differences | 15 | (95) |
| Tax credits and miscellaneous allocations | 1 | 4 |
| Additional contributions | (4) | 27 |
| Application of prior deficits..... | 265 | 59 |
| Non-activated deficits from the fiscal year | (139) | (34) |
| De-activation of prior deficits | 0 | (19) |
| Impact of miscellaneous tax charges | 123 | 37 |
| Tax on companies accounted for by the equity method..... | 0 | 1 |
| Non-recorded deferred tax assets..... | (15) | (46) |
| Other differences | 10 | 11 |
| Effective tax charge | (24) | (87) |

NOTE 26 - OPERATING INCOME STATEMENTS BY BUSINESS LINE
LIFE INSURANCE

| LIFE OPERATING INCOME STATEMENT | 2004 | | | 2003 |
|---|--------------|----------------|------------|-------------|
| € million | Gross | Cession | Net | Net |
| Premiums | 3,952 | (38) | 3,914 | 3,936 |
| Share of operating account in net investment income | 1,836 | | 1,836 | 1,733 |
| Adjustment to unit-linked contracts (capital gains) | 347 | | 347 | 425 |
| Other operating income | 32 | | 32 | 16 |
| Benefits and related expenses paid | (3,138) | 27 | (3,111) | (2,986) |
| Charges for claims reserves | (68) | (8) | (76) | (60) |
| Claims | (3,206) | 19 | (3,187) | (3,046) |
| Life insurance reserves | (776) | | (776) | (700) |
| Reserves in respect of unit-linked contracts | 41 | | 41 | (249) |
| Other technical reserves | | | | |
| Charges for other technical reserves | (735) | | (735) | (949) |
| Profit-sharing | (1,372) | 3 | (1,369) | (1,239) |
| Acquisition expenses | (297) | 1 | (296) | (301) |
| Administrative expenses | (105) | | (105) | (107) |
| Commissions received from reinsurers | | 5 | 5 | 3 |
| Acquisition and administrative expenses | (402) | 6 | (396) | (405) |
| Adjustment to unit-linked contracts (capital losses) | (141) | | (141) | (171) |
| Other operating charges | (90) | | (90) | (98) |
| Life insurance operating profit/loss | 221 | (10) | 211 | 202 |
| Employee Profit-sharing | (6) | | (6) | |
| Net investment income excluding share of operating account... | 42 | | 42 | 51 |
| Profit/loss on ordinary activities | 257 | (10) | 247 | 253 |

NON LIFE INSURANCE

| NON-LIFE OPERATING INCOME STATEMENT | 2004 | | | 2003 |
|--|--------------|----------------|------------|-------------|
| € million | Gross | Cession | Net | Net |
| Premiums | 6,033 | (611) | 5,422 | 5,623 |
| Change in unearned premiums | 147 | (14) | 133 | (26) |
| Earned premiums | 6,180 | (625) | 5,555 | 5,597 |
| Share of operating account in net investment income | 434 | | 434 | 459 |
| Other operating income | 17 | | 17 | 19 |
| Claims and expenses paid | (4,330) | 367 | (3,963) | (4,166) |
| Charges for claims reserves | (43) | (133) | (176) | (218) |
| Claims and other reserves | (4,373) | 234 | (4,139) | (4,384) |
| Charges for other technical reserves | 18 | 5 | 23 | 27 |
| Profit-sharing | | | | |
| Acquisition expenses | (1,036) | | (1,036) | (1,088) |
| Administrative expenses | (607) | | (607) | (553) |
| Commissions received from reinsurers | | 47 | 47 | 56 |
| Acquisition and administrative expenses | (1,643) | 47 | (1,596) | (1,585) |
| Other operating charges | (114) | | (114) | (151) |
| Change in reserve for equalisation | 12 | | 12 | 30 |
| Non life insurance operating profit/loss | 531 | (339) | 192 | 12 |
| Employee profit-sharing | (4) | | (4) | (11) |
| Net investment income excluding share of operating account | 207 | | 207 | 209 |
| Profit/loss on ordinary activities | 734 | (339) | 395 | 210 |

BANKING

| BANKING SECTOR OPERATING INCOME STATEMENT | 2004 | 2003 |
|---|-------------|-------------|
| € million | | |
| Interest and similar income | 32 | 33 |
| Interest and similar charges | (44) | (40) |
| Income from variable-yield securities | | |
| Commission income | 123 | 101 |
| Commission charges | (32) | (27) |
| Profits or losses on transactions in trading portfolios | 2 | 2 |
| Profits or losses on investment operations | 1 | |
| Other operating income | 1 | 2 |
| Other operating charges | 26 | 18 |
| Net banking income | 109 | 89 |
| General operating charges | (121) | (113) |
| Appropriations to depreciation and provisions for tangible and intangible fixed assets | (9) | (7) |
| Gross operating profit/loss | (21) | (31) |
| Cost of bad and doubtful debts | (6) | 5 |
| Gains or losses on long-term equity investments and shares in affiliated companies | | |
| Profit/loss ordinary activities | (27) | (26) |

NOTE 27 - ANALYSIS OF PREMIUM INCOME

BREAKDOWN BY GEOGRAPHICAL ZONE

| € million | 2004 | | | | 2003 | | | |
|------------------------------------|--------------|-----------------|---------------|----------------|--------------|-----------------|---------------|----------------|
| | Life | Non-life | Total | Share % | Life | Non-life | Total | Share % |
| France | 3,521 | 4,550 | 8,071 | 79% | 3,610 | 4,507 | 8,117 | 78% |
| EU (excluding France) | 311 | 1,433 | 1,744 | 17% | 273 | 1,793 | 2,066 | 20% |
| United Kingdom | 0 | 452 | 452 | 4% | | 827 | 827 | 8% |
| Italy | 179 | 346 | 525 | 5% | 170 | 340 | 510 | 5% |
| Spain | 54 | 622 | 676 | 7% | 45 | 615 | 660 | 6% |
| Portugal | 77 | 13 | 90 | 1% | 51 | 11 | 62 | 1% |
| Luxembourg | 1 | 0 | 1 | 0% | 7 | | 7 | |
| Other countries | 120 | 50 | 170 | 2% | 103 | 40 | 143 | 1% |
| Sub-total – insurance | 3,952 | 6,033 | 9,985 | 98% | 3,986 | 6,340 | 10,326 | 99% |
| Banking | 0 | 164 | 164 | 2% | | 138 | 138 | 1% |
| Total | 3,952 | 6,197 | 10,149 | 100% | 3,986 | 6,478 | 10,464 | 100% |

BREAKDOWN BY MAIN LINE OF BUSINESS

| € million | 2004 | | | 2003 | | |
|---|--------------|---------------|---------------|--------------|---------------|---------------|
| | France | International | Total | France | International | Total |
| Life business: single premiums | | | | | | |
| Capitalisation | 74 | 101 | 175 | 165 | 86 | 251 |
| Personal life | 1,908 | 60 | 1,968 | 1,892 | 48 | 1,940 |
| Group policies | 3 | 63 | 66 | 3 | 38 | 41 |
| Unit-linked policies | 193 | 12 | 205 | 166 | 21 | 187 |
| Others | 54 | | 54 | 49 | | 49 |
| Total single premiums | 2,232 | 236 | 2,468 | 2,275 | 193 | 2,468 |
| Life business – regular premiums ... | | | | | | |
| Capitalisation | 57 | 37 | 94 | 64 | 35 | 99 |
| Personal life | 633 | 92 | 725 | 624 | 96 | 720 |
| Group policies | 432 | 46 | 478 | 499 | 33 | 532 |
| Unit-linked policies | 6 | 20 | 26 | 5 | 19 | 24 |
| Others | 3 | | 3 | 4 | | 4 |
| Total regular premiums | 1,131 | 195 | 1,326 | 1,196 | 183 | 1,379 |
| Inwards reinsurance | 158 | | 158 | 139 | | 139 |
| Total life | 3,521 | 431 | 3,952 | 3,610 | 376 | 3,986 |
| Non-life business | | | | | | |
| Motor vehicle | 618 | 823 | 1,441 | 565 | 1,159 | 1,724 |
| Bodily injury | 630 | 69 | 699 | 595 | 104 | 699 |
| Property | 854 | 364 | 1,218 | 805 | 342 | 1,147 |
| General liability | 129 | 61 | 190 | 113 | 55 | 168 |
| Marine, aviation, transport | 201 | 25 | 226 | 185 | 23 | 208 |
| Other | 277 | 137 | 414 | 251 | 147 | 398 |
| Inwards reinsurance | 1,841 | 4 | 1,845 | 1,993 | 3 | 1,996 |
| Total non-life | 4,550 | 1,483 | 6,033 | 4,507 | 1,833 | 6,340 |
| Total life and non-life insurance .. | 8,071 | 1,914 | 9,985 | 8,117 | 2,209 | 10,326 |
| Total Banking | 164 | | 164 | 138 | | 138 |
| Total | 8,235 | 1,914 | 10,149 | 8,255 | 2,209 | 10,464 |

In 2004, inwards reinsurance were no longer broken down into categories. 2003 data was subject to a pro-forma so as to make it comparable with 2004 data.

NOTE 28 - NET INVESTMENT INCOME

| € million | 2004 | | | | 2003 | | | |
|---|--------------------|---------------------------------|--------------|--------------|--------------------|---------------------------------|--------------|--------------|
| | Income/ Charges | Gains/losses on realisations | | Total | Income/ Charges | Gains/losses on realisations | | Total |
| | | Gains | Losses | | | Gains | Losses | |
| Real estate investments..... | 446 | 66 | (3) | 509 | 349 | 97 | (1) | 445 |
| Equities..... | 118 | 161 | (182) | 97 | 105 | 222 | (258) | 69 |
| Bonds..... | 1,689 | 302 | (190) | 1,801 | 1,713 | 121 | (83) | 1,751 |
| Equity mutual funds..... | 73 | 92 | (57) | 108 | 37 | 22 | (39) | 20 |
| Bond mutual funds..... | 86 | 72 | (2) | 156 | 35 | 172 | (1) | 206 |
| Interest on cash deposits..... | 9 | | | 9 | 5 | | | 5 |
| Other investment income..... | 35 | 314 | (7) | 342 | 47 | 339 | (2) | 384 |
| Gross income..... | 2,456 | 1,007 | (441) | 3,022 | 2,291 | 973 | (384) | 2,880 |
| Internal and external administrative charges..... | (181) | | | (181) | (170) | | | (170) |
| Other investment charges..... | (71) | | (251) | (322) | (61) | | (197) | (258) |
| Investment expenses..... | (252) | | (251) | (503) | (231) | | (197) | (428) |
| Net investment income..... | 2,204 | 1,007 | (692) | 2,519 | 2,060 | 973 | (581) | 2,452 |
| Adjustments to unit-linked contracts (capital gains)..... | | 347 | | 347 | | 425 | | 425 |
| Adjustments to unit-linked contracts (capital losses)..... | | | (141) | (141) | | | (171) | (171) |
| Net investment income after adjustments to unit- linked contracts..... | 2,204 | 1,354 | (833) | 2,725 | 2,060 | 1,398, | (752) | 2,706 |

Recovery of provisions for depreciation of holdings during FY 2004 stood at €38 million, compared with €126 million in 2003.

INVESTMENT INCOME AND CAPITAL GAINS/LOSS - NON-LIFE

| € million | 2004 | | | | 2003 | | | |
|---|--------------------|---------------------------------|--------------|------------|--------------------|---------------------------------|--------------|------------|
| | Income/ Charges | Gains/losses on realisations | | Total | Income/ Charges | Gains/losses on realisations | | Total |
| | | Income | Losses | | | Income | Losses | |
| Real estate investments..... | 284 | 40 | (1) | 323 | 256 | 55 | (1) | 310 |
| Equities | 23 | 44 | (43) | 24 | 25 | 52 | (78) | (1) |
| Bonds | 370 | 98 | (44) | 424 | 396 | 37 | (54) | 379 |
| Equity mutual funds..... | 17 | 23 | (10) | 30 | 12 | 9 | (13) | 8 |
| Bond mutual funds..... | 21 | 1 | (2) | 20 | 12 | 50 | (1) | 61 |
| Interest on cash deposits | 9 | | | 9 | 5 | | | 5 |
| Other investment income | 22 | 115 | (1) | 136 | 33 | 149 | | 182 |
| Gross income | 746 | 321 | (101) | 966 | 739 | 352 | (147) | 944 |
| Internal and external administrative charges | (137) | | | (137) | (118) | | | (118) |
| Other investment charges..... | (79) | | (109) | (188) | (75) | | (83) | (158) |
| Investment charges | (216) | | (109) | (325) | (193) | | (83) | (276) |
| Net investment income..... | 530 | 321 | (210) | 641 | 546 | 352 | (230) | 668 |

INVESTMENT INCOME AND CAPITAL GAINS/LOSS - LIFE

| € million | 2004 | | | | 2003 | | | |
|---|--------------------|---------------------------------|--------------|--------------|--------------------|---------------------------------|--------------|--------------|
| | Income/ Charges | Gains/losses on realisations | | Total | Income/ Charges | Gains/losses on realisations | | Total |
| | | Income | Losses | | | Income | Losses | |
| Real estate investments..... | 162 | 26 | (2) | 186 | 93 | 42 | | 135 |
| Equities | 95 | 117 | (139) | 73 | 80 | 170 | (180) | 70 |
| Bonds | 1,319 | 204 | (146) | 1,377 | 1,317 | 84 | (29) | 1,372 |
| Equity mutual funds..... | 56 | 69 | (47) | 78 | 25 | 13 | (26) | 12 |
| Bond mutual funds..... | 65 | 71 | | 136 | 23 | 122 | | 145 |
| Interest on cash deposits | | | | | | | | |
| Other investment income | 13 | 199 | (6) | 206 | 14 | 190 | (2) | 202 |
| Investment expenses | 1,710 | 686 | (340) | 2,056 | 1,552 | 621 | (237) | 1,936 |
| Internal and external administrative charges | (44) | | | (44) | (52) | | | (52) |
| Other investment charges..... | 8 | | (142) | (134) | 14 | | (114) | (100) |
| Gross income | (36) | | (142) | (178) | (38) | | (114) | (152) |
| Net investment income | 1,674 | 686 | (482) | 1,878 | 1,514 | 621 | (351) | 1,784 |
| Adjustments to unit-linked contracts (capital gains) | | 347 | | 347 | | 425 | | 425 |
| Adjustments to unit-linked contracts (capital losses) | | | (141) | (141) | | | (171) | (171) |
| Net investment income after adjustments to unit- linked contracts..... | 1,674 | 1,033 | (623) | 2,084 | 1,514 | 1,046 | (522) | 2,038 |

NOTE 29 - BREAKDOWN OF INVESTMENT INCOME BETWEEN OPERATING AND NON-OPERATING

| € million | 2004 | | | | | | | 2003 |
|--|-----------|----------------------|-----------|------------|----------------------|------------|------------|------------|
| | Life | | | Non-life | | | | |
| | Income | Capital gains/losses | Total | Income | Capital gains/losses | Total | Total | Total |
| Net investment income | 1,674 | 204 | 1,878 | 530 | 111 | 641 | 2,519 | 2,452 |
| Allocation to operating account | 1,637 | 199 | 1,836 | 359 | 75 | 434 | 2,270 | 2,192 |
| Allocation to non-operating account | 37 | 5 | 42 | 171 | 36 | 207 | 249 | 260 |

NOTE 30 – MANAGEMENT EXPENSES

| € million | 2004 | | | | 2003 | | | |
|--|--------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|
| | Life | Non-life | Banking | Total | Life | Non-life | Banking | Total |
| Commissions | (171) | (757) | | (928) | (153) | (849) | | (1,002) |
| Change in deferred acquisition expenses | 9 | 16 | | 25 | (20) | (4) | | (24) |
| Other charges | (135) | (295) | | (430) | (128) | (235) | | (363) |
| Total acquisition costs | (297) | (1036) | | (1,333) | (301) | (1,088) | | (1,389) |
| Commissions | (40) | (252) | | (292) | (35) | (260) | | (295) |
| Other charges | (65) | (355) | (121) | (541) | (72) | (293) | (113) | (478) |
| Total administration expenses | (105) | (607) | (121) | (833) | (107) | (553) | (113) | (773) |
| Acquisition and administration expenses | (402) | (1,643) | (121) | (2,166) | (408) | (1,641) | (113) | (2,162) |
| Allocations to/recovery of provisions and depreciation | | | (9) | (9) | | | (7) | (7) |
| Other charges and income | (58) | (97) | | (155) | (82) | (132) | | (214) |
| Other operating expenses | (58) | (97) | (9) | (164) | (82) | (132) | (7) | (221) |
| Employee profit sharing | (6) | (4) | | (10) | | (11) | | (11) |
| Gross management charges ... | (466) | (1,744) | (130) | (2,340) | (490) | (1,784) | (120) | (2,394) |
| Cessions | 6 | 47 | | 53 | 3 | 56 | | 59 |
| Net management charges | (460) | (1,697) | (130) | (2,287) | (487) | (1,728) | (120) | (2,335) |

NOTE 31 - OTHER NON-OPERATING INCOME AND CHARGES, EXCEPTIONAL INCOME AND CHARGES

| € million | 2004 | 2003 |
|---|--------------|-------------|
| Other non-operating income | 41 | 39 |
| Other non-operating charges..... | (90) | (40) |
| Total non-operating income and charges | (49) | (1) |
| Recovery of provisions for exceptional charges | 16 | 18 |
| Recovery of provisions for exceptional depreciation..... | 4 | |
| Other exceptional income | 26 | 44 |
| Total exceptional income | 46 | 62 |
| Allocations to provisions for exceptional charges | (61) | (41) |
| Allocations to provisions for exceptional depreciation..... | | |
| Other exceptional charges (excluding profit sharing)..... | (67) | (76) |
| Total exceptional charges | (128) | (117) |
| Total exceptional income | (82) | (55) |
| Net Total | (131) | (56) |

NOTE 32 - AVERAGE WORKFORCE OF CONSOLIDATED COMPANIES

| Average workforce of consolidated companies (1) | 2004 | | | 2003 |
|---|------------------|----------------|---------------|---------------|
| | Insurance | Banking | Total | Total |
| France | 7,689 | 672 | 8,361 | 8,723 |
| United Kingdom | 897 | | 897 | 998 |
| Spain | 758 | | 758 | 825 |
| Italy | 436 | | 436 | 436 |
| Other EU | 301 | | 301 | 100 |
| Non EU | 165 | | 165 | 324 |
| Total | 10,246 | 672 | 10,918 | 11,406 |

(1) The workforces of companies consolidated proportionally are included on a pro rata basis.

It should be noted that the fall in staffing levels in France is essentially due to the transfer of insurance company employees to the logistics EIG.

The Group also employs 1,495 employees in the IT and logistics EIGs, which are not included in the scope of consolidation (1,118 employees in 2003, just for the IT EIG).

NOTE 33 – GROUP’S HOLDING COMPANY ACTIVITY

This table sets forth the Group’s holding company activities as at 31 December 2004 and 31 December 2003 (pro-forma data). The relevant entities are:

- Groupama SA
- Groupama International
- Gan UK

| € million | 2004 | 2003 |
|--|------------|------------|
| Financial revenue, net of charges..... | (24) | (14) |
| Other net revenue (1) | (64) | (49) |
| Financing expenses | (41) | (44) |
| Extraordinary income | (40) | (34) |
| Corporate tax | 164 | 133 |
| Total | (5) | (8) |

- (1) Overheads for Groupama SA’s holding company activity, totalling €44 million for 2004, compared with €32 million in 2003 (pro-forma data), have been posted to the “Other net revenue” item.

NOTE 34 - BREAKDOWN OF COMMITMENTS GIVEN AND RECEIVED

INSURANCE

| € million | 31/12/2004 | 31/12/2003 |
|---|------------|------------|
| Endorsements, sureties and guarantees received | 176 | 1,087 |
| Other commitments received | 3,564 | 1,635 |
| Total commitments received excluding reinsurance..... | 3,740 | 2,722 |
| Reinsurance commitments received | 530 | 539 |
| Endorsements, sureties and guarantees given | 715 | 495 |
| Other commitments relating to securities, assets or revenues..... | 251 | 985 |
| Other commitments given..... | 1,952 | 867 |
| Total commitments given excluding reinsurance | 2,918 | 2,347 |
| Reinsurance commitments given | 2,094 | 2,230 |
| Sureties belonging to health and provident institutions | 3 | 3 |
| Other sureties held for third parties | | |

At the end of December 2004, the Group finalised the setting-up of an €1 billion facility, for a five-year term, at the financial year-end. As at 31 December 2004, no draw-down had been made and all this amount is posted to “commitments received”.

In addition, in-line with its long-term financing strategy, SILIC extended its interest risk hedging operations, in respect of the launch of the real estate transaction at Nanterre Prefecture, so as to secure its future cash-flow.

BANKING

| € million | 31.12.2004 | 31.12.2003 |
|--|--------------|--------------|
| Financing commitments received | | |
| Guarantee commitments received..... | 4 | |
| Commitments relating to securities pending receipt..... | 120 | |
| Total commitments received, Banking operations..... | 124 | |
| Currency transaction commitments received..... | 1,358 | 798 |
| Other commitments received | 30 | |
| Total other commitments received, Banking operations..... | 1,388 | 798 |
| Financing commitments given..... | 31 | 41 |
| Guarantee commitments given | 175 | 202 |
| Commitments relating to securities pending delivery..... | 2 | |
| Total commitments given, Banking operations | 208 | 243 |
| Currency transaction commitments given..... | 1,358 | 798 |
| Commitments given on financial instrument transactions | 634 | 298 |
| Total other commitments given, Banking operations..... | 1,992 | 1,096 |

NOTE 35 - GROUP SUBSIDIARIES

| | Business | Country | % Control | % Owner- ship | Consolidation | % Control | % Owner- ship | Consolidation |
|------------------------------------|---------------------|-------------|--------------|---------------------|---------------|--------------|---------------------|---------------|
| | Business | Country | 2004 | | | 2003 | | |
| GROUPAMA S.A. | Holding | France | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GROUPAMA INTERNATIONAL | Holding | France | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GAN ASSURANCES VIE | Insurance | France | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GAN PATRIMOINE | Insurance | France | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| CAISSE FRATERNELLE D'EPARGNE..... | Insurance | France | 99.93 | 99.93 | GC | 99.92 | 99.92 | GC |
| CAISSE FRATERNELLE VIE | Insurance | France | 99.72 | 99.71 | GC | 99.72 | 99.72 | GC |
| ASSUVIE | Insurance | France | 50.00 | 50.00 | GC | 50.00 | 50.00 | GC |
| GAN EUROCOURTAGE VIE..... | Insurance | France | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GAN PREVOYANCE | Insurance | France | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GROUPAMA VIE | Insurance | France | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GROUPAMA ASSURANCE-CREDIT | Insurance | France | 100.00 | 100.00 | GC | 99.99 | 99.99 | GC |
| GROUPAMA TRANSPORT | Insurance | France | 100.00 | 100.00 | GC | 99.91 | 99.91 | GC |
| SCEPAR | Investments | France | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| MUTUAIDE ASSISTANCE | Insurance | France | 100.00 | 100.00 | GC | 99.97 | 99.97 | GC |
| GAN ASSURANCES IARD | Insurance | France | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GAN OUTRE MER IARD | Insurance | France | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GROUPAMA PROTECTION JURIDIQUE..... | Insurance | France | 99.99 | 99.99 | GC | 99.67 | 99.66 | GC |
| GAN EUROCOURTAGE IARD | Insurance | France | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| COFINTEX Luxembourg | Reinsurance | Luxembourg | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| RAMPART | Reinsurance | US | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GAN ITALIA VITA | Insurance | Italy | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| LUXLIFE | Insurance | Luxembourg | 85.00 | 85.00 | GC | 85.00 | 85.00 | GC |
| GAN Portugal VIDA..... | Insurance | Portugal | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| ZENITH VIE..... | Insurance | Switzerland | 82.00 | 82.00 | GC | 82.00 | 82.00 | GC |
| GUNES SIGORTA | Insurance | Turkey | 36.00 | 36.00 | EM | 36.00 | 36.00 | EM |
| GROUPAMA BIZTOSITO | Insurance | Hungary | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GROUPAMA PLUS ULTRA..... | Insurance | Spain | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GAN UK PLC | Holding | UK | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GROUPAMA GENERAL INSURANCES CL.... | Insurance | UK | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| MINSTER INSURANCES | Insurance | UK | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GAN ITALIA SPA..... | Insurance | Italy | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GAN PORTUGAL SEGUROS | Insurance | Portugal | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GROUPAMA GESTION..... | Asset management | France | 100.00 | 100.00 | GC | 100.00 | 97.95 | GC |
| GROUPAMA ASSET MANAGEMENT | Asset management | France | 100.00 | 100.00 | GC | 97.95 | 97.95 | GC |

| | Business | Country | % Control | % Owner ship | Consolidation | % Control | % Owner ship | Consolidation |
|--|---------------------|---------|--------------|--------------------|---------------|--------------|--------------------|---------------|
| | | | 31/12/2004 | | | 31/12/2003 | | |
| GROUPAMA Alternative Asset Management..... | Asset Management | France | 100.00 | 100.00 | GC | 100.00 | 97.95 | GC |
| FINAMA PRIVATE EQUITY | Asset Management | France | 100.00 | 100.00 | GC | 99.98 | 99.98 | GC |
| BANQUE FINAMA | Banking | France | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GROUPAMA BANQUE | Banking | France | 60.00 | 60.00 | GC | 60.00 | 60.00 | GC |
| GROUPAMA EPARGNE SALARIALE | Asset Management | France | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| GROUPAMA IMMOBILIER | Real estate | France | 100.00 | 100.00 | GC | 100.00 | 100.00 | GC |
| SILIC | Real estate | France | 40.15 | 40.15 | GC | 39.56 | 39.56 | GC |
| SEPAC | Real estate | France | 100.00 | 40.15 | GC | 100.00 | 39.56 | GC |
| COMPAGNIE FONCIERE PARISIENNE | Real estate | France | 95.29 | 95.29 | GC | 95.06 | 95.06 | GC |
| SCIMA | Real estate | France | 100.00 | 95.29 | GC | 100.00 | 95.06 | GC |
| SCIMA 2 | Real estate | France | 100.00 | 95.29 | GC | 100.00 | 95.06 | GC |
| SCI DEFENSE ASTORG | Real estate | France | 100.00 | 95.29 | GC | 100.00 | 95.06 | GC |
| SCIFMA | Real estate | France | 78.93 | 78.93 | GC | 78.93 | 78.93 | GC |
| ACTIPAR SA | Real estate | France | 100.00 | 95.29 | GC | 100.00 | 95.06 | GC |
| SAFRAGAN | Real estate | France | 90.00 | 85.76 | GC | 90.00 | 85.56 | GC |
| 261 RASPAIL | Real estate | France | 100.00 | 95.29 | GC | 100.00 | 95.06 | GC |
| SOCOMIE | Real estate | France | 100.00 | 40.15 | EM | 100.00 | 39.56 | EM |

GC: Global consolidation EM: Equity method

SELECTED NON-CONSOLIDATED FINANCIAL DATA OF GROUPAMA SA

NON-CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2004

| Assets | 2004 | 2003 |
|--|-------------------------|-------------------------|
| 1 Issued share capital not called up or head office current account | 0.00 | 0.00 |
| 2 Intangible assets | 22,033,775.44 | 16,669,598.29 |
| 3 Investments:..... | 6,478,907,697.01 | 6,033,684,070.50 |
| 3a Land and buildings | 658,621,615.13 | 610,247,272.69 |
| 3b Shares in related companies and other equity investments | 4,183,620,851.60 | 3,810,710,466.82 |
| 3c Other investments | 1,636,665,230.28 | 1,612,726,330.99 |
| 3d Receivables for cash deposited with ceding reinsurance companies | | |
| 4 Technical reserves for unit-linked policies | | |
| 5 share of outwards reinsurance and retrocessionnaires in technical reserves | 558,430,012.33 | 607,580,849.22 |
| 5a Reserves for unearned premiums | 1,116,968.96 | 31,590,350.05 |
| 5b Life insurance reserves | | |
| 5d Reserves for claims (Non-life) | 511,937,514.37 | 535,924,898.16 |
| 5f Reserves for profit-sharing and rebates (Non-life) | 500,907.36 | 478,675.35 |
| 5g Equalisation reserves | 612,974.68 | 896,290.41 |
| 5i Other technical reserves (Non-life) | 44,261,646.96 | 38,690,635.25 |
| 5j Technical reserves for unit-linked policies | | |
| 5bis Supervised bodies' share of technical reserves: | 19,972,979.65 | 18,417,625.47 |
| 5bis a Reserves for unearned premiums | | |
| 5bis d Reserves for claims (Non-life) | 18,972,726.84 | 17,408,370.79 |
| 5bis f Reserves for profit-sharing and rebates (Non-life) | | |
| 5bis g Equalisation reserves..... | | |
| 5bis i Other technical reserves (Non-life) | 1,000,252.81 | 1,009,254.68 |
| 6 Receivables | 489,704,410.05 | 592,898,875.75 |
| 6a Receivables relating to direct insurance transactions: | 62,533,786.78 | 89,209,357.54 |
| 6aa Premiums earned but not written | 4,828,841.43 | 4,512,395.58 |
| 6ab Other receivables relating to direct insurance transactions | 57,704,945.35 | 84,696,961.96 |
| 6b Receivables relating to reinsurance transactions | 153,428,056.34 | 183,947,431.90 |
| 6c Other receivables: | 273,742,566.93 | 319,742,086.31 |
| 6ca Personnel | 5,369,323.33 | 5,938,571.26 |
| 6cb Government, social security, public authorities | 22,735,505.93 | 28,812,195.81 |
| 6cc Miscellaneous receivables..... | 245,637,737.67 | 284,991,319.24 |
| 6d Called-up share capital outstanding | | |
| 7 Other assets: | 28,038,552.33 | 22,113,005.87 |
| 7a Operating tangible assets | 6,550,319.99 | 17,078,378.85 |
| 7b Current accounts and cash | 21,488,232.34 | 5,034,627.02 |
| 7c Treasury shares | | |
| 8 Accrued assets: | 43,703,990.94 | 41,494,959.02 |
| 8a Accrued interest and rent not yet due | 24,066,700.81 | 21,845,584.96 |
| 8b Deferred acquisition expenses | 3,615,370.20 | 2,886,751.07 |
| 8c Other accrued assets..... | 16,021,919.93 | 16,762,622.99 |
| 9 Foreign exchange gains or losses..... | | |
| Total assets | 7,640,791,417.75 | 7,332,858,984.12 |

*Amounts stated in euros

| Liabilities | 2004 | 2003 |
|---|-------------------------|-------------------------|
| 1 Shareholders' equity: | 1,839,306,602.71 | 1,594,038,468.58 |
| 1a Share capital..... | 1,186,513,186.00 | 1,186,513,186.00 |
| 1b Share premium | 103,482,411.99 | 103,482,411.99 |
| 1c Revaluation reserves | | |
| 1d Other reserves | 174,459,735.36 | 175,392,130.16 |
| 1g Change in accounting policy as of 1.1.95 | -4,492,330.27 | -5,912,951.80 |
| 1h Investment grants | | |
| 1e Retained earnings..... | 107,135,205.83 | -2,992,451.12 |
| 1f Net profit for the year | 272,208,393.80 | 137,556,143.35 |
| 2 Subordinated debt | 750,000,000.00 | 750,000,000.00 |
| 3 Gross technical reserves: | 3,140,333,765.00 | 3,192,951,789.92 |
| 3a Reserves for unearned premiums | 122,156,037.06 | 161,865,864.47 |
| 3b Life insurance reserves | | |
| 3d Reserves for claims | 2,703,052,038.93 | 2,729,119,554.87 |
| 3f Reserves for profit-sharing and rebates | 829,449.64 | 690,675.35 |
| 3g Equalisation reserves | 56,829,832.01 | 74,270,507.42 |
| 3i Other technical reserves..... | 257,466,407.36 | 227,005,187.81 |
| 4 Technical reserves for unit-linked policies | | |
| 5 Reserves for risks and charges..... | 185,543,801.41 | 153,282,790.56 |
| 6 Liabilities for cash deposits received from co-insurers and reinsurers in respect of technical commitments | 34,193,488.79 | 34,219,094.81 |
| 7 Other liabilities | 1,670,549,733.38 | 1,591,295,458.97 |
| 7a Liabilities relating to direct insurance transactions..... | 4,557,109.40 | 1,030,185.88 |
| 7b Liabilities relating to reinsurance transactions..... | 155,157,991.56 | 226,607,026.15 |
| 7c Bonds (including convertible bonds) | | |
| 7d Liabilities to credit institutions | 2,402,209.51 | 6,584.23 |
| 7e Other liabilities: | 1,508,432,422.91 | 1,363,651,662.71 |
| 7ea Negotiable debt securities issued by the company | | |
| 7eb Other loans, deposits and guarantees received..... | 976,305,065.87 | 1,098,374,433.79 |
| 7ec Personnel..... | 26,434,120.42 | 27,172,352.41 |
| 7ed Government, social security and other public authorities | 36,869,487.76 | 24,086,628.84 |
| 7ee Miscellaneous liabilities | 468,823,748.86 | 214,018,247.67 |
| 8 Accrued liabilities:..... | 20,864,026.46 | 17,071,381.28 |
| 9 Foreign exchange gains or losses..... | | |
| Total liabilities | 7,640,791,417.75 | 7,332,858,984.12 |

**Amounts stated in euros*

NON-CONSOLIDATED OPERATING INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2004

| | Gross | Retained by supervised bodies | Transferred/accepted | 2004 (net) | 2003 (net) |
|--|-----------------------|--------------------------------------|-----------------------------|----------------------|----------------------|
| Premiums earned: | 1,738,043,705.29 | 16,424,912.54 | 337,032,314.22 | 1,384,586,478.53 | 1,603,465,467.20 |
| 1a Premiums | 1,698,333,877.88 | 16,424,912.54 | 306,558,933.13 | 1,375,350,032.21 | 1,601,582,078.31 |
| 1b Change in unearned premiums | 39,709,827.41 | | 30,473,381.09 | 9,236,446.32 | 1,883,388.89 |
| 2 Allocated investment income | 108,273,674.92 | | | 108,273,674.92 | 163,456,215.51 |
| 3 Other technical income | 284,229.05 | | | 284,229.05 | 378,002.93 |
| 4 Claims: | -1,065,596,409.42 | -7,830,771.45 | -126,904,700.05 | -930,860,937.92 | -1,245,961,793.58 |
| 4a Claims and expenses paid | -1,091,663,925.36 | -6,266,415.40 | -150,892,083.48 | -934,505,426.48 | -1,180,934,685.00 |
| 4b Claims reserves expense | 26,067,515.94 | -1,564,356.05 | 23,987,383.43 | 3,644,488.56 | -65,027,108.58 |
| 5 Other technical reserves expense | -6,320,625.68 | 9,001.87 | -5,593,243.72 | -736,383.83 | -14,512,393.28 |
| 6 Profit-sharing | -2,800,753.60 | | | -2,800,753.60 | -199,484.28 |
| 7 Acquisition and administration expenses: | -384,276,387.82 | | -14,467,477.56 | -369,808,910.26 | -395,618,707.13 |
| 7a Acquisition expenses | -204,992,838.66 | | -52,178.00 | -204,940,660.66 | -228,246,968.00 |
| 7b Administration expenses | -179,283,549.16 | | | -179,283,549.16 | -188,822,777.41 |
| 7c Commissions received from reinsurers | | | -14,415,299.56 | 14,415,299.56 | 21,451,038.28 |
| 8 Other technical expenses | -99,845,130.58 | | | -99,845,130.58 | -103,608,423.36 |
| 9 Change in the equalisation reserve | -6,838,692.75 | | 283,315.73 | -7,122,008.48 | 38,386,811.90 |
| Non-life operating profit | 280,923,609.41 | 8,603,142.96 | 190,350,208.62 | 81,970,257.83 | 45,785,695.91 |

**Amounts stated in euros*

NON-CONSOLIDATED NON-OPERATING INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2004

| | 2004 | 2003 |
|--|-----------------------|-----------------------|
| 1 Operating profit - non-life insurance | 81,970,257.83 | 45,785,695.91 |
| 2 Operating profit - life insurance..... | | |
| 3 Investment income:..... | 658,633,230.94 | 695,155,331.00 |
| 3a Investment revenues..... | 331,757,364.40 | 318,261,960.65 |
| 3b Other investment income | 281,962,090.91 | 298,894,335.60 |
| 3c Profits on sale of investments | 44,913,775.63 | 77,999,034.75 |
| 4 Allocated investment income..... | | |
| 5 Investment expenses:..... | -473,627,747.71 | -427,948,195.12 |
| 5a Internal and external investment administrative costs and financial expenses | -81,396,215.78 | -90,130,716.81 |
| 5b Other investment expenses | -383,260,882.56 | -59,264,453.57 |
| 5c Losses on sale of investments | -8,970,649.37 | -278,553,024.74 |
| 6 Investment income transferred..... | -108,273,674.92 | -163,456,215.51 |
| 7 Other non-operating income | 6,622,310.45 | 965,474.61 |
| 8 Other non-operating expense | -17,965,993.94 | -6,044,817.74 |
| 9 Exceptional income/expense:..... | -46,292,047.81 | -148,461,407.05 |
| 9a Exceptional income..... | 8,274,239.19 | 12,657,666.60 |
| 9b Exceptional expense | -54,566,287.00 | -161,119,073.65 |
| 10 Employee profit-sharing | | |
| 11 Corporate tax | 171,142,058.96 | 141,560,277.25 |
| Net profit for the year | 272,208,393.80 | 137,556,143.35 |

**Amounts stated in euros*

SUBSIDIARIES AND SHAREHOLDINGS

Information on subsidiaries and shareholdings (€ thousands)

| Detailed information on the gross value of shareholdings exceeding 1% of the capital of the company subject to reporting requirements: | Siret number | Capital | Shareholders' equity excluding capital and current-year earnings | Percentage of capital owned as at 31/12/04 | Book value of shares owned as at 31/12/2004 | | Previous year's revenues | Previous year's earnings |
|--|--------------------|---------|--|--|---|---------|--------------------------|--------------------------|
| | | | | | gross | net | | |
| Subsidiaries (stake > 50%) | | | | | | | | |
| Insurance companies: | | | | | | | | |
| GAN ASSURANCES IARD 8/10, rue d'Astorg 75008 Paris | 542 063 797 03356 | 109 818 | 125 626 | 100,00% | 700 406 | 700 406 | 1 002 856 | 138 606 |
| GAN ASSURANCES VIE 8/10, rue d'Astorg 75008 Paris | 340 427 616 01428 | 153 001 | 437 615 | 77,54% | 269 539 | 269 539 | 1 120 795 | 46 279 |
| GAN EUROCOURTAGE IARD 8/10, rue d'Astorg 75008 Paris | 410 332 738 00021 | 8 056 | 203 549 | 100,00% | 367 636 | 367 636 | 773 426 | 152 519 |
| GAN EUROCOURTAGE VIE 8/10, rue d'Astorg 75008 Paris | 340 427 525 00043 | 51 696 | 176 225 | 86,08% | 162 137 | 162 137 | 565 080 | 17 854 |
| GAN PATRIMOINE 150, rue d'Athènes 59882 Lille Cedex 9 | 457 504 694 00011 | 8 221 | 148 534 | 99,97% | 37 351 | 37 351 | 473 230 | 15 706 |
| GAN PREVOYANCE 8/10, rue d'Astorg 75008 Paris | 410 569 776 00025 | 94 300 | 37 356 | 100,00% | 193 628 | 193 628 | 431 702 | 18 770 |
| GROUPAMA ASSURANCE CREDIT 8/10, rue d'Astorg 75008 Paris | 380 810 283 000 16 | 20 000 | 2 571 | 99,99% | 19 818 | 19 818 | 27 275 | 1 276 |
| GROUPAMA TRANSPORT 1, quai Georges V - BP 1403 76067 Le Havre Cedex | 552 122 103 000 21 | 71 262 | 15 266 | 100,00% | 101 609 | 101 609 | 257 821 | 13 551 |
| GROUPAMA VIE 5 / 7, rue du Centre 93199 Noisy le Grand Cedex | 722 006 079 00254 | 165 240 | 592 219 | 100,00% | 302 978 | 302 978 | 1 619 672 | 72 081 |
| Other companies: | | | | | | | | |

* Amounts stated in euros

| Detailed information on the gross value of shareholdings exceeding 1% of the capital of the company subject to reporting requirements: | Siret number | Capital | Current-year earnings | Percentage of capital owned as at 31/12/04 | Book value of shares owned as at 31/12/2004 | | Previous year's revenues | Previous year's earnings |
|--|-------------------|---------|-----------------------|--|---|---------|--------------------------|--------------------------|
| | | | | | gross | net | | |
| BANQUE FINAMA 157, boulevard Haussmann 75008 Paris | 572 043 800 00059 | 82 394 | 115 829 | 86,14% | 158 176 | 158 176 | 99 452 | 6 359 |
| GROUPAMA BANQUE 70, rue de lagny 93107 Montreuil Cedex | 440 786 184 00018 | 83 170 | -13 | 60,00% | 91 808 | 24 602 | 2 452 | -39 030 |
| GROUPAMA INTERNATIONAL 8/10, rue d'Astorg 75008 Paris | 344 207 667 00017 | 710 063 | 132 175 | 53,71% | 695 575 | 621 361 | NA | -8 967 |
| SCI 79 CHAMPS ELYSEES 22, rue Joubert 75009 Paris | 393 231 634 00022 | 69 270 | 0 | 91,21% | 60 496 | 56 004 | 5 857 | 3 103 |
| SCIFMA 22, rue Joubert 75009 Paris | 315 213 421 00029 | 43 871 | 2 431 | 74,88% | 36 069 | 36 069 | 2 112 | 1 156 |
| GROUPAMA EPARGNE SALARIALE 4-6 avenue d'Alsace 92033 Paris La Défense Cedex Shareholdings between 10% & 50% | 428 768 352 00034 | 10 391 | | 100,00% | 14 670 | 14 670 | 2 498 | -3 199 |
| COMPAGNIE FONCIERE PARISIENNE 22, rue Joubert 75009 Paris | 345 199 673 00079 | 709 775 | 162 490 | 32,74% | 307 076 | 307 076 | 32 126 | 16 816 |
| SCOR 1, avenue du Général de Gaulle 92800 Puteaux | 562 033 357 | 136 000 | 649 000 | 17,02% | 540 821 | 309 731 | 1 584 000 | -697 000 |
| SILIC 4, place de Rio de Janeiro 75008 Paris | 572 045 151 00022 | 69 070 | 229 583 | 28,81% | 111 948 | 111 948 | 119 384 | 49 453 |

* *Amounts stated in euros*

SUBSCRIPTION AND SALE

Deutsche Bank AG, London Branch, Dresdner Bank AG London Branch and Natexis Banques Populaires (the Managers) have pursuant to an underwriting agreement dated July 1, 2005 (the Underwriting Agreement) agreed with the Issuer, subject to satisfaction of certain conditions, to purchase the Notes at a price equal to 99.089 per cent. of their principal amount, less a total commission of 0.40 per cent. In addition, the Issuer and the Managers have entered into separate arrangements in respect of their legal and other expenses respectively incurred in connection with the issue of the Notes. The Underwriting Agreement entitles the Managers to terminate it in certain circumstances prior to payment being made to the Issuer. The Issuer has agreed to indemnify the Managers against certain liabilities in connection with the offer and sale of the Notes.

General Restrictions

No action has been or will be taken in any country or jurisdiction that would permit a public offering of the Notes, or the possession or distribution of this Offering Circular or any other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required. Accordingly, any Notes may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any circular, prospectus, form of application, advertisement or other offering material relating to the Notes may be distributed in or from, or published in, any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations.

Republic of France

Each of the Managers and the Issuer has represented and agreed that (i) it has not offered or sold and will not offer or sell, directly or indirectly, the Notes to the public in the Republic of France and (ii) offers and sales of Notes in the Republic of France will be made only to qualified investors (*investisseurs qualifiés*) as defined in and in accordance with Article L.411-2 of the French *Code monétaire et financier* and *décret* no. 98-880 dated 1 October 1998. In addition, each of the Managers and the Issuer has represented and agreed that it has not distributed or caused to be distributed and will not distribute or cause to be distributed in the Republic of France this Offering Circular or any other offering material relating to the Notes other than to those investors to whom offers and sales of Notes in the Republic of France may be made as described as above.

United States

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) or the securities law of any U.S. state, and may not be offered or sold, directly or indirectly, in the United States of America or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or such state securities laws. The Notes are being offered and sold only outside of the United States to non-U.S. persons in reliance upon an exemption from registration under the Securities Act pursuant to Regulation S.

Each Manager has represented and agreed that:

- (i) it has not offered or sold, and will not offer or sell, the Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the issue date of the Notes, within the United States or to, or for the account or benefit of, U.S. persons; and
- (ii) it will have sent to each distributor or dealer to which it sells Notes during such 40-day period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

Terms used in this paragraph and not otherwise defined in this Offering Circular have the meanings given to them in Regulation S.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

United Kingdom

Each Manager has represented and agreed that:

- (i) it has not offered or sold and, prior to the expiry of a period of six months from the issue date of the Notes, will not offer or sell any Notes to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995;
- (ii) it has only communicated or caused to be communicated and it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the “FSMA”)) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Italy

The offering of the Notes has not been cleared by CONSOB (the Italian Securities Exchange Commission) pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Offering Circular or of any other document relating to the Notes be distributed in the Republic of Italy, except:

- i. to professional investors (“*operatori qualificati*”), as defined in Article 31, second paragraph, of CONSOB Regulation No. 11522 of 1 July 1998, as amended; or
- ii. in circumstances which are exempted from the rules on solicitation of investments pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998 (the **Financial Services Act**) and Article 33, first paragraph, of CONSOB Regulation No. 11971 of 14 May 1999, as amended.

Any offer, sale or delivery of the Notes or distribution of copies of the Offering Circular or any other document relating to the Notes in the Republic of Italy under (i) or (ii) above must be:

- i. made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act and Legislative Decree No. 385 of 1 September 1993 (the **Banking Act**), as amended; and
- ii. in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy pursuant to which the issue or the offer of securities in the Republic of Italy may need to be preceded and followed by an appropriate notice to be filed with the Bank of Italy depending, *inter alia*, on the aggregate value of the securities issued or offered in the Republic of Italy and their characteristics; and
- iii. in accordance with any other applicable laws and regulations.

GENERAL INFORMATION

1. The Notes have been accepted for clearance through Euroclear France, Clearstream, Luxembourg and Euroclear with the Common Code number of 022394703. The International Securities Identification Number (ISIN) for the Notes is FR0010208751.
 2. Application has been made to list the Notes on the Eurolist of Euronext Paris SA.
 3. For the sole purpose of the listing of the Notes on the Eurolist of Euronext Paris SA and pursuant to articles L.412-1 and L.621-8 of the Code monétaire et financier, this Offering Circular has been submitted to the clearance procedures of the Autorité des Marchés Financiers and has received visa n°05-615 dated June 30, 2005.
 4. The legal notice relating to the listing of the Notes on the Eurolist of Euronext Paris SA will be published in the Bulletin des Annonces Légales Obligatoires (BALO) dated July 4, 2005.
 5. The issue of the Notes was authorised pursuant to a resolution of the Conseil d'Administration (Board of Directors) of the Issuer adopted on 24 February 2005 and a decision of Mr. Jean Azéma, the *Directeur Général* of the Issuer made on June 29, 2005.
 6. There has been no material adverse change in the condition, financial or otherwise, or general affairs of the Issuer since 31 December 2004.
 7. The Issuer is not involved in any litigation or arbitration proceedings relating to amounts that are material in the context of the issue of the Notes and, to the best of the Issuer's knowledge and belief, there are no such litigation or arbitration proceedings pending or threatened.
 8. For so long as any of the Notes are outstanding, copies of the following documents may be obtained free of charge during normal business hours at the specified office of the Fiscal and Paying Agent and at the registered office of the Issuer in Paris:
 - (a) the Agency Agreement;
 - (b) the most recently published annual, audited, non-consolidated and consolidated financial statements of the Issuer;
 - (c) the most recent annual audited combined financial statements of the Combined Regulatory Group;
 - (d) the statuts of the Issuer; and
 - (e) copies of the Offering Circular together with any supplement to this Offering Circular or further offering circular.
- As of the date of issue of the Notes, the Issuer is not required to and does not publish interim non-consolidated or consolidated financial statements and the Combined Regulatory Group is not required to and does not publish interim combined financial statements.
9. The Issuer has obtained all necessary consents, approvals and authorisations in the Republic of France in connection with the issue and performance of the Notes.
 10. PriceWaterhouseCoopers Audit and Mazars & Guérard have audited and rendered unqualified audit reports on the non-consolidated and consolidated financial statements of the Issuer and on the combined financial statements of the Combined Regulatory Group for each of the financial years ended 31 December 2003 and 2004.
 11. On 3 June 2003, the European Council of Economics and Finance Ministers adopted a directive 2003/48/EC on the taxation of savings income (the Directive), amended on 19 July 2004, under which Member States will be required, if a number of important conditions are met and from a date not earlier than 1 July 2005, to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State, except that, for a transitional period, Belgium, Luxembourg and Austria will instead be required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the entry into force of certain other agreements relating to information exchange with the United States of America, Liechtenstein, Switzerland, San Marino, Monaco and Andorra).

12. The Directive was implemented into French law by the lois de finances rectificatives (Amended Finance Laws) for 2003 and 2004, which impose on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner. These reporting obligations will enter into force with respect to interest payments made after the date the Directive comes into force. However, paying agents are required to identify the beneficial owners of such payments as from 1 January 2004.
13. The Notes have been assigned a rating of BBB+ by Standard & Poor's Ratings Services.

RÉSUMÉ EN FRANCAIS

RESPONSABILITE DU PROSPECTUS

Jean Azéma
Directeur Général
Groupama SA

Hugh Carter / Cormac Hollingsworth
Managing Director / Director
Dresdner Bank AG London Branch

Visa n°05-615 en date du 30 juin 2005.

Le présent prospectus sera disponible aux heures habituelles d'ouverture des bureaux, tout jour de la semaine (à l'exception des samedis, dimanches et jours fériés) dans les locaux de l'agent payeur principal à Luxembourg (Société Générale Bank & Trust) et de l'agent payeur à Paris (Société Générale) et au siège social de Groupama SA.

A – Contenu et modalités de l'opération

1 Montant de l'émission

Nombre et valeur nominale des Titres :
10.000 Titres d'une Valeur Nominale de 50.000 euros chacun

Montant Nominal de l'émission :
500.000.000 d'euros

2 Caractéristiques des titres émis

- 2.1 Prix d'émission :
99,089 % de la valeur nominale

Coupon couru (s'il y a lieu) :
Non applicable

Modalité de paiement (paiement fractionné) :
Non applicable
- 2.2 Date d'entrée en jouissance des Titres :
5 juillet 2005
- 2.3 Date de règlement :
5 juillet 2005
- 2.4 Intérêt et/ou taux nominal (facial) ou caractéristiques nominales (faciales) et le cas échéant leurs modalités de calcul :

Taux d'intérêt applicable: pour la période du 5 juillet 2005 (inclus) au 6 juillet 2015 (exclu), les Titres porteront intérêt sur leur valeur nominale au taux d'intérêt fixe de 4,375% l'an payable annuellement à terme échu le 6 juillet, le premier paiement d'intérêt fixe devant être effectué le 6 juillet 2006 pour la période du 5 juillet 2005 (inclus) au 6 juillet 2006 (exclu) et s'élevant à une somme de €2.193,49 par Titre. A compter du 6 juillet 2015 (inclus), les Titres porteront intérêt sur leur valeur nominale à un taux variable, payable trimestriellement à terme échu le 6 juillet, 6 octobre, 6 janvier, et 6 avril, le premier paiement d'intérêt variable devant être effectué le 6 octobre 2015 pour la période du 6 juillet 2015 (inclus) au 6 octobre 2015 (exclu). Le taux d'intérêt variable sera un pourcentage par année égal au taux EURIBOR 3 mois auquel sera ajouté une marge de 2,25% par année.

Paiement d'intérêt obligatoire / paiement d'intérêt optionnel : l'Émetteur est tenu de payer les intérêts relatifs aux Titres uniquement à une Date de Paiement d'Intérêt Obligatoire. A toute autre Date de Paiement d'Intérêt (**Date de Paiement d'Intérêt Optionnel**), l'Émetteur peut décider de différer le paiement de la totalité (et non une partie seulement) des intérêts courus à cette date relativement aux

Titres, en le notifiant aux Porteurs de Titres au plus tard sept Jours Ouvrés précédant la Date de Paiement d'Intérêt considérée. Tous les intérêts non payés à une Date de Paiement d'Intérêt Optionnel et différés conformément à la Modalité 3(h)(1) constitueront des Arriérés d'Intérêt et deviendront exigibles conformément à la Modalité 3(h)(2).

Arriérés d'Intérêt: l'Émetteur peut décider de payer une partie ou la totalité des Arriérés d'Intérêt à toute Date de Paiement d'Intérêt Optionnel dès lors qu'il a décidé de payer les intérêts échus à cette Date de Paiement d'Intérêt Optionnel au titre de la période d'intérêt finissant à cette Date de Paiement d'Intérêt Optionnel. En cas de paiement partiel d'Arriérés d'Intérêt, le montant ainsi payé devra être égal au montant d'intérêts à verser au titre d'une période d'intérêt donnée et les Arriérés d'Intérêt dus au titre de toute période d'intérêt ne pourront être payés avant ceux dus au titre d'une période d'intérêt antérieure. Les Arriérés d'Intérêt relatifs aux Titres seront dus dans leur totalité à la survenance du premier des cas suivant: (i) la prochaine Date de Paiement d'Intérêt qui est une Date de Paiement d'Intérêt Obligatoire, ou (ii) la date à laquelle les Titres doivent être remboursés en application d'un remboursement obligatoire ou optionnel des Titres conformément à la Modalité 5, ou dans tout autre cas prévu par la loi.

Les Arriérés d'Intérêt ne porteront pas intérêt.

Définitions: dans le présent prospectus:

- **Autorité de Surveillance Compétente** désigne tout régulateur ou autorité de surveillance ayant autorité sur l'Émetteur, le Groupe Réglementaire Combiné et/ou le Groupe Consolidé, selon le cas, en application d'une Réglementation Applicable. A la Date d'Emission, cette autorité est la Commission de Contrôle des Assurances, des Mutuelles et des Institutions de Prévoyance (CCAMIP).
- **Date de Paiement d'Intérêt Obligatoire** signifie chaque Date de Paiement d'Intérêt:
 - (a) concernant laquelle, le Niveau de la Marge de Solvabilité Applicable (telle que revue par les commissaires aux comptes ayant contrôlé les états financiers du Groupe Réglementaire Combiné et/ou du Groupe Consolidé, selon le cas, et notifiée à l'Agent de Calcul, au plus tard sept jours avant cette Date de Paiement d'Intérêt), pour la Période Comptable Considérée précédant immédiatement cette Date de Paiement d'Intérêt, est supérieur ou égal à 150% du Niveau de la Marge de Solvabilité Applicable minimum requis, et continuerait à l'être, à supposer que les intérêts échus à cette Date de Paiement d'Intérêt soient payés. Dès lors qu'aucune notification n'a été adressée jusqu'au septième jour précédant la Date de Paiement d'Intérêt considérée, le Niveau de la Marge de Solvabilité Applicable sera réputé supérieur ou égal à 150% concernant cette Date de Paiement d'Intérêt, ou
 - (b) Préalablement à laquelle, et dès lors (x) qu'aucun Événement de Solvabilité n'est survenu préalablement à cette Date de Paiement d'Intérêt ni ne surviendrait si les intérêts échus et impayés (y compris les Arriérés d'Intérêt) à cette Date de Paiement d'Intérêt étaient payés à cette Date de Paiement d'Intérêt et (y) qu'aucune Intervention Réglementaire n'est survenue préalablement à cette Date de Paiement d'Intérêt, l'un des événements suivants est survenu (chacun, un **Évènement de Paiement d'Intérêt Obligatoire**):
 - (i) l'Émetteur a déclaré ou payé un dividende sous toute forme, ou a effectué un paiement de toute nature sur toute catégorie d'action (y compris des actions ordinaires ou des actions de préférence) ou tout autre titre de capital ;
 - (ii) l'Émetteur a effectué un paiement de toute nature relatif à, ou au titre de, toute autre Obligation Subordonnée ou tout titre de créance ayant un rang inférieur au Titre (**Titre de Rang Inférieur**), sauf si un tel paiement constituait un paiement d'intérêt obligatoire conformément aux modalités de toute Obligation Subordonnée ou tout Titre de Rang Inférieur émis par l'Émetteur;
 - (iii) l'Émetteur a remboursé, racheté, ou acquis autrement toute catégorie d'action composant son capital (que ce soit des actions ordinaires ou des actions de préférence), par tout moyen; ou
 - (iv) l'Émetteur a remboursé, racheté ou acquis autrement toute Obligation Subordonnée ou tout Titre de Rang Inférieur conformément à ses modalités; ou

(v) aussi longtemps que la Réglementation Applicable s'appliquera au Groupe Réglementaire Combiné, toute Entité Affiliée Concernée effectue des Paiements Equivalents pour un montant cumulé supérieur au Montant de Référence.

Paiements Equivalents désigne, pour une Entité Affiliée Concernée, l'un des paiements suivants effectué durant la période d'un an précédant la Date de Paiement d'Intérêt concernée:

(x) tout paiement d'intérêt sur des Titres Subordonnés de Dernier Rang émis par cette Entité Affiliée Concernée, sauf si un tel paiement constituait un paiement d'intérêt obligatoire conformément aux modalités de ces Titres Subordonnés de Dernier Rang, et

(y) tout paiement du principal effectué à des porteurs de Titres Subordonnés de Dernier Rang émis par cette Entité Affiliée Concernée dans le cadre d'un remboursement optionnel ou d'un rachat.

Montant de Référence désigne pour toute Entité Affiliée Concernée:

(i) tous Paiements Equivalents effectués par celle-ci et visés au (x) de la définition de Paiements Equivalents ci-dessus, un montant de 10 millions d'euros, et

(ii) tous Paiements Equivalents effectués par celle-ci et visés au (y) de la définition de Paiements Equivalents ci-dessus, un montant de 100 millions d'euros.

A titre de précision, ne constituent pas des Evénements de Paiement d'Intérêt Obligatoire, les événements suivants:

(a) les paiements effectués et la distribution d'actions faite en faveur des bénéficiaires des plans de stock-options ou programme équivalent;

(b) les actions rachetées par l'Emetteur au titre (i) de son programme de rachat d'actions, (ii) de tout mécanisme ou contrat sur dérivés d'actions à titre de couverture, (iii) de tout programme de stock-options à titre de couverture ou (iv) de tout autre programme d'intéressement (tel qu'un programme d'attribution gratuite d'actions); et

(c) toute réduction de capital de l'Emetteur effectuée afin de compenser les pertes qui pourraient entraîner une annulation ou un rachat d'actions.

- **Entité Affiliée Concernée** désigne à tout moment, tout membre du Groupe Réglementaire Combiné.
- **Un Evénement de Solvabilité** sera réputé être survenu si, à tout moment où le Groupe Réglementaire Combiné et/ou le Groupe Consolidé sont soumis à la Réglementation Applicable, le Niveau de la Marge de Solvabilité Applicable est devenu inférieur à 100% du Niveau de la Marge de Solvabilité minimum requis pour la Période Comptable Considérée. Cet événement sera réputé être intervenu à la première des dates suivantes: (i) la date à laquelle les états financiers de la Période Comptable Considérée sont publiés ou (ii) à toute autre date à laquelle l'Emetteur détermine que le Niveau de la Marge de Solvabilité Applicable est devenu inférieur à 100% du Niveau de la Marge de Solvabilité minimum requis pour la Période Comptable Considérée.
- **Un Evénement Réglementaire Disqualifiant** sera réputé être survenu si, en application de la Réglementation Applicable ou de toute application ou interprétation de celle-ci, y compris une décision de justice, les Titres ne sont plus éligibles au calcul du Niveau de la Marge de Solvabilité Applicable.
- **Groupe Consolidé** signifie l'Emetteur et ses filiales consolidées ensemble.
- **Groupe Réglementaire Combiné** signifie (i) chacune des Caisses Régionales Groupama, (ii) Groupama Holding et Groupama Holding 2, et (iii) le Groupe Consolidé ensemble.
- **Intervention Réglementaire** signifie la notification adressée à l'Emetteur par l'Autorité de Surveillance Compétente lui indiquant qu'elle a décidé, de façon discrétionnaire, au regard de la détérioration de la situation financière de l'Emetteur, qu'un Evénement de Solvabilité devrait survenir dans un futur proche.
- **Modalités** signifie toutes les modalités des Titres telles que décrites dans la section "Terms and

Conditions of the Notes" et toute référence à une Modalité donnée désigne un paragraphe des Modalités.

- **Mutuelles Régionales Groupama** signifie les Mutuelles d'assurance et de réassurance agricoles qui sont membres de la Fédération Nationale Groupama.
- **Niveau de la Marge de Solvabilité Applicable** signifie, concernant une Période Comptable Considérée, le niveau de toute marge de solvabilité, de toute adéquation des capitaux propres ou de tout autre capital réglementaire (quelque soit sa dénomination) du (i) Groupe Réglementaire Combiné déterminé sur une base combinée, ou (ii) du Groupe Consolidé déterminé sur une base consolidée conformément à la Réglementation Applicable, à partir des états financiers correspondant à la Période Comptable Considérée. A la Date d'Emission (telle que définie à la Modalité 3(a)), un Niveau de la Marge de Solvabilité Applicable est déterminé à l'égard de l'Emetteur et du Groupe Réglementaire Combiné conformément aux articles R. 334-3 et suivants et A. 334-3 et suivants du Code des Assurances.
- **Obligations** signifie toutes les obligations de paiement devant être assumées par, ou imposées à, l'Emetteur ou à une Entité Affiliée Concernée en vertu ou au titre de tout contrat, document, accord, instruments, lien ou par l'effet de la loi.
- **Obligations Non Subordonnées** signifie toutes les Obligations de l'Emetteur ou d'une Entité Affiliée Concernée qui sont non subordonnées et qui ont un rang supérieur à toutes les Obligations Subordonnées Ordinaires de l'Emetteur ou de l'Entité Affiliée Concernée, selon le cas.
- **Obligations Subordonnées Ordinaires** signifie tous les Titres Subordonnés Ordinaires (y compris les Titres) ou autres Obligations de l'Emetteur ou d'une Entité Affiliée Concernée qui constituent des engagements directs, subordonnés et non assortis de sûreté de l'Emetteur ou de l'Entité Affiliée Concernée ayant un rang supérieur à tous les (i) titres participatifs émis par l'Emetteur ou par l'Entité Affiliée Concernée, prêts participatifs consentis à l'Emetteur ou à l'Entité Affiliée Concernée et (ii) les Obligations Subordonnées de Dernier Rang de l'Emetteur ou de l'Entité Affiliée Concernée, selon le cas, présents et futurs.
- **Obligations Subordonnées de Dernier Rang** signifie tous les Titres Subordonnés de Dernier Rang ou toutes les autres Obligations de l'Emetteur ou d'une Entité Affiliée Concernée venant au même rang que les Titres Subordonnés de Dernier Rang.
- Période Comptable Considérée signifie, concernant le Groupe Réglementaire Combiné et/ou le Groupe Consolidé, (i) toute année comptable et (ii) toute période comptable temporaire plus courte pour laquelle des états financiers du Groupe Réglementaire Combiné et/ou du Groupe Consolidé ont été préparés, afin de calculer le Niveau de la Marge de Solvabilité Applicable conformément à la Réglementation Applicable.
- **Réglementation Applicable** signifie, à tout moment, les règles relatives à la marge de solvabilité, à l'adéquation des capitaux propres ou toutes autres règles relatives aux capitaux réglementaires en vigueur en France (ou dans tout autre pays dans lequel l'Emetteur viendrait à être domicilié) et/ou tout autre législation appropriée et applicable au Groupe Réglementaire Combiné et/ou au Groupe Consolidé, selon le cas. A la Date d'Emission, l'Emetteur et le Groupe Réglementaire Combiné sont chacun soumis à la Réglementation Applicable énoncée aux articles R.334-3 et suivants et A.334-3 et suivants du Code des Assurances.
- **Titres Subordonnés Ordinaires** signifie tous les titres émis par l'Emetteur ou une Entité Affiliée Concernée qui constituent des engagements directs, subordonnés et non assortis de sûreté de l'Emetteur ou de l'Entité Affiliée Concernée et venant au même rang que les Obligations Subordonnées Ordinaires, de l'Emetteur ou de l'Entité Affiliée Concernée, et avant tous les prêts participatifs consentis à l'Emetteur ou à l'Entité Affiliée Concernée, tous les titres participatifs émis par l'Emetteur ou par l'Entité Affiliée Concernée et les Obligations Subordonnées de Dernier Rang de l'Emetteur ou de l'Entité Affiliée Concernée, selon le cas, présents et futurs.
- **Titres Subordonnés de Dernier Rang** signifie tous les titres émis par l'Emetteur ou par une Entité Affiliée Concernée qui constituent des engagements directs, non assortis de sûreté et ayant le rang le plus bas des engagements subordonnés de l'Emetteur ou de l'Entité Affiliée Concernée, y compris les titres dont la subordination est régie par l'article L.228-97 du Code de commerce tel que modifié, et venant au même rang que les autres Obligations Subordonnées de Dernier Rang, de l'Emetteur ou de l'Entité Affiliée Concernée et après tous les prêts participatifs consentis à l'Emetteur ou à l'Entité Affiliée Concernée, les titres participatifs émis par l'Emetteur ou par l'Entité Affiliée Concernée, les Obligations Subordonnées

Ordinaires et les Obligations Non Subordonnées de l'Emetteur ou de l'Entité Affiliée Concernée, selon le cas, présents et futurs.

2.5 Amortissement, remboursement :

(1) Amortissement: non applicable

(2) Remboursement:

- (a) Absence de remboursement in fine: les Titres ont été émis pour une durée indéterminée.
- (b) Option de remboursement pour des raisons fiscales:
 - (i) Si, en application de la législation ou de la réglementation fiscale française ou de toute application ou interprétation de celle-ci, l'Emetteur ne pouvait, à la date convenue, effectuer un paiement du principal ou des intérêts des Titres sans être contraint d'effectuer le versement des montants supplémentaires visés à la Modalité 6(b) et imposés suite à une retenue à la source en France, l'Emetteur pourra, à toute Date de Paiement d'Intérêt, rembourser la totalité, et non une partie seulement, des Titres à leur valeur nominale augmentée des intérêts courus et des Arriérés d'Intérêt jusqu'à la date de remboursement anticipé (exclue). Cependant ce remboursement ne pourra être effectué avant la date à laquelle l'Emetteur pourrait pour la dernière fois effectuer le paiement d'intérêt ou le remboursement du nominal sans retenue à la source. L'Emetteur devra notifier le remboursement anticipé aux porteurs des Titres au plus tôt 60 jours et au plus tard 30 jours avant la date effective du remboursement anticipé;
 - (ii) Si, malgré l'engagement de l'Emetteur de verser des montants supplémentaires prévu à la Modalité 6(b), celui-ci se trouvait empêché par la législation ou réglementation fiscale française ou par une instruction administrative de prendre à sa charge le versement de ces montants supplémentaires, l'Emetteur devra rembourser la totalité des Titres, et non une partie seulement, à leur valeur nominale augmentée des intérêts courus et des Arriérés d'Intérêts jusqu'à la date de remboursement anticipé (exclue). L'Emetteur devra notifier le remboursement anticipé aux porteurs des Titres au plus tôt 60 jours et au plus tard 30 jours avant la date effective du remboursement anticipé. Cependant, ce remboursement devra être effectué à la date à laquelle l'Emetteur pourrait pour la dernière fois effectuer tout paiement d'intérêt net de toute retenue à la source.
- (c) Option de remboursement pour des raisons réglementaires: si, à tout moment, l'Emetteur constate qu'un Evènement Réglementaire Disqualifiant est survenu, il peut, rembourser la totalité des Titres, et non une partie seulement, à leur valeur nominale augmentée des intérêts courus et des Arriérés d'Intérêt jusqu'à la date de remboursement anticipé (exclue).
- (d) Option de remboursement au choix de l'Emetteur: à la Date de Paiement d'Intérêt du 6 juillet 2015 puis à chaque Date de Paiement d'Intérêt ultérieure, l'Emetteur a l'option de rembourser la totalité des Titres, et non une partie seulement, à leur valeur nominale augmentée des intérêts courus et des Arriérés d'Intérêt jusqu'à la date de remboursement anticipé (exclue). L'Emetteur devra notifier aux porteurs de Titres le remboursement anticipé au plus tôt 60 jours et au plus tard 30 jours avant la date effective du remboursement anticipé.
- (e) Remboursement obligatoire: si un jugement de liquidation judiciaire de l'Emetteur était rendu ou si l'Emetteur faisait l'objet d'une liquidation pour toute autre raison sauf dans l'hypothèse d'une fusion, ou toute autre réorganisation selon laquelle tout ou partie substantielle des actifs de l'Emetteur est transféré à une autre personne morale (y compris suite à une fusion, scission ou apport partiel d'actifs) qui assumerait immédiatement tous les engagements de l'Emetteur relatifs aux Titres par effet de la loi ou non et dès lors que la notation attribuée aux Titres par Standard & Poor's Ratings Services (ou tout successeur) n'est pas diminuée à la suite de ce transfert, le remboursement des Titres deviendrait immédiatement exigible.
- (f) Rachats et remboursements: l'Emetteur, ses filiales et/ou tout membre du Groupe Réglementaire Combiné peut, à tout moment, procéder à des rachats de Titres sur le marché ou hors marché, à tout prix et par tout autre moyen. Tout Titre racheté par l'Emetteur sera annulé, et ne pourra être remis en circulation.

Tous les remboursements des Titres sont soumis au consentement préalable de l'Autorité de Surveillance Compétente, si la Réglementation Applicable le requiert.

2.6 Durée de l'émission :

Les Titres ont été émis pour une durée indéterminée

2.7 Clause d'assimilation :

Non applicable

2.8 Rang de créance :

Les Titres sont des Titres Subordonnés Ordinaires à durée indéterminée émis dans le cadre de l'article L.228-97 du Code de commerce. Le nominal et les intérêts des Titres constituent des engagements à durée indéterminée, directs, subordonnés et non assortis de sûreté de l'Emetteur, venant au même rang que les autres Obligations Subordonnées Ordinaires, non assorties de sûreté, présentes et futures, de l'Emetteur et avant tous les présents et futurs prêts participatifs consentis à l'Emetteur, les titres participatifs émis par l'Emetteur, les Obligations Subordonnées de Dernier Rang de l'Emetteur. Les Titres ont un rang supérieur à toutes les catégories d'action, que ce soit des actions ordinaires ou des actions de préférence émises par l'émetteur.

2.9 Garant :

Les Titres ne sont pas garantis.

2.10 Notation :

Les Titres sont notés BBB+ par Standard & Poor's Ratings Services.

2.11 Mode de représentation des porteurs des Titres :

Les porteurs des Titres sont regroupés pour la défense de leurs intérêts communs en une masse. La masse est régie par les dispositions du Code de commerce à l'exception des articles L.228-48, L.228-59 du Code de commerce et par les dispositions du décret n°67-236 du 23 mars 1967, tel que modifié, à l'exception des articles 218, 222, 224 et 226, tel que décrit plus amplement dans les Modalités des Titres.

La représentation titulaire de la masse sera :

Laurent Tissot
3, villa Chanez
Rue Chanez
75016 Paris
France

Le représentant suppléant de la masse sera:

Gabriel Lévy
11 bis, rue Villebois Mareuil
75017 Paris
France

2.12 Liste des établissements chargés du service financier en France:

Le service financier sera assuré par Société Générale Bank & Trust (agent financier et agent payeur principal) et Société Générale (agent payeur en France à Paris).

2.13 Droit applicable et tribunaux compétents en cas de litige :

Le droit applicable est le droit français et les tribunaux compétents sont les tribunaux du ressort de la Cour d'appel de Paris.

B – Organisation et activité de l'émetteur

1 Renseignements de caractère général concernant l'Emetteur et ses organes d'administration, de direction et de surveillance

1.1 Dénomination et siège social

Groupama SA

Le siège social de la Société est situé 8-10, rue d'Astorg – 75008 Paris, France.

1.2 Forme juridique de l'Emetteur et nature des organes d'administration, de direction et de surveillance

Groupama SA est une société anonyme de droit français à Conseil d'administration, soumise notamment aux dispositions du Livre II du Code de commerce et au décret n° 67-236 du 23 mars 1967 sur les sociétés commerciales et aux dispositions du Code des assurances.

1.3 Nom et statut des contrôleurs légaux

Commissaires aux comptes :

PriceWaterhouseCoopers Audit
32, rue Guersant
75017 Paris
France

Mazars & Guérard
Le Vinci - 4, allée de l'Arche
92075 La Défense Cedex
France

1.4 Date de constitution et d'expiration de l'Emetteur

Groupama SA a été constituée le 11 décembre 1987 pour une durée de 99 ans. Sa date d'expiration, sauf dissolution anticipée ou prorogation, est le 11 décembre 2086.

1.5 Indication des lieux où peuvent être consultés les documents juridiques relatifs à l'Emetteur

Au siège social : 8-10, rue d'Astorg - 75008 Paris, France.

2 Renseignements généraux concernant le capital

2.1 Montant du capital social

Le capital social de l'Emetteur était, au 31 décembre 2004, de 1.186.513.186 €, divisé en 57.878.692 actions d'une valeur de 20,50 € chacune.

2.2 Principaux actionnaires mentionnés dans le prospectus

Le tableau ci-dessous présente le nombre d'actions, le pourcentage de capital et le pourcentage de droits de vote correspondants détenus par les principaux actionnaires de Groupama SA au 31 mai 2005.

| Actionnaires (au 31 mai 2005) | Nombre d'actions | Pourcentage du capital | Nombre de droits de vote | Pourcentage des droits de vote |
|--|-----------------------------|-----------------------------------|-------------------------------------|---|
| Groupama Holding* | 52.590.434 | 90,86% | 52.590.434 | 90,86% |
| Groupama Holding 2* .. | 5.203.591 | 8,99% | 5.203.591 | 8,99% |
| Autres** | 84.667 | 0,15% | 84.667 | 0,15% |
| Total | 57.878.692 | 100% | 57.878.692 | 100% |

* Groupama Holding et Groupama Holding 2 sont les sociétés holding de Groupama SA dont les seuls actionnaires sont les Caisses Régionales d'Assurances Mutuelles Agricoles.

** Au 31 mai 2005, les salariés, anciens salariés et mandataires exclusifs détenaient 0,15 % du capital social de l'Emetteur. Par ailleurs, à la même date, les administrateurs détenaient 16 actions.

3 Renseignements concernant l'activité de l'Emetteur

3.1 Bref descriptif de l'activité de l'Emetteur

Groupama est un groupe d'assurance généraliste – assurances de biens, assurances de la personne, épargne et métiers bancaires – qui exerce ses activités sous deux grandes marques commerciales : la marque Groupama distribuée par les Caisses Régionales et la marque Gan distribuée par des réseaux filialisés. Le groupe Groupama, assureur de proximité, compte plus de 4.000 agences commerciales réparties dans toute la France.

Depuis sa création sur le modèle mutualiste par des agriculteurs qui recherchaient des solutions d'assurance adaptées à leurs besoins bien spécifiques, le Groupe s'est constamment développé, accompagnant l'essor et les évolutions de l'agriculture et sachant faire bénéficier de son savoir-faire toutes les catégories de la population – particuliers, professionnels, collectivités locales et entreprises.

Groupama figure parmi les assureurs français les mieux capitalisés. Première mutuelle d'assurance en France, Groupama est aussi – depuis le rachat de la compagnie Gan Assurance en 1998 – le troisième assureur généraliste français.

Groupama est présent sur le marché international à travers ses implantations dans neuf pays, principalement en Europe.

3.2 Indication de tout événement exceptionnel ou d'opération prévue de toute nature ainsi que de tout litige susceptible d'avoir ou ayant eu dans un passé récent une incidence significative sur la situation financière de l'Emetteur ou son activité :

Néant.

C – Situation financière de l'émetteur

1 Chiffres clés du bilan

Tableau synthétique des fonds propres et des passifs de Groupama établi sur une base combinée au 31 décembre 2004 :

| | En million d'euros | 31 décembre 2004 | 31 décembre 2003 |
|---|--------------------|------------------|------------------|
| Capitaux propres..... | | 4.024 | 4.037 |
| Intérêts minoritaires..... | | 230 | 231 |
| Passifs subordonnés..... | | 750 | 750 |
| Provisions techniques brutes..... | | 52.865 | 50.838 |
| Provisions techniques en UC..... | | 3.376 | 3.352 |
| Provisions pour risques et charges..... | | 576 | 540 |
| Dettes nées des opérations d'assurance ou de réassurance..... | | 1.596 | 1.451 |
| Dettes envers la clientèle des entreprises du secteur bancaire..... | | 1.009 | 723 |
| Dettes représentées par des titres..... | | 613 | 879 |
| Dettes envers les entreprises du secteur bancaire..... | | 1,171 | 1,319 |
| Autres dettes..... | | 2,890 | 2,988 |
| Comptes de régularisation de passif..... | | 246 | 208 |
| Total..... | | 69.346 | 67.316 |

2 Le cas échéant, observations, réserves ou refus de certification des contrôleurs légaux

Les comptes 2004 ont été certifiés sans réserve. Les commissaires aux comptes dans les rapports sur les comptes combinés et consolidés au 31 décembre 2004 indiquent: “Sans remettre en cause l'opinion exprimée ci-dessus, nous attirons votre attention sur la note 1.2. de l'annexe relative au changement de méthode comptable concernant la comptabilisation des frais reportés en assurance vie”.

INFORMATIONS RELATIVES A L'ADMISSION A LA COTE D'EURONEXT PARIS SA

Personnes qui assument la responsabilité du prospectus

Au nom de l'Emetteur :

A notre connaissance, les données du présent Prospectus sont conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

Aucun élément nouveau, autre que ceux mentionnés dans le présent Prospectus n'est susceptible d'affecter de manière significative la situation financière de l'Emetteur dans le contexte de la présente émission.

Nom : Jean Azéma

Fonction : Directeur Général

Groupama SA

Au nom de la banque présentatrice:

Personnes assumant la responsabilité du prospectus :

Nom : Hugh Carter

Fonction : Managing Director

Nom : Cormac Hollingsworth

Fonction : Director

Dresdner Bank AG London Branch

VISA DE L'AUTORITE DES MARCHES FINANCIERS

En application des articles L. 421-1 et L. 621-8 du Code monétaire et financier, l'Autorité des Marchés Financiers a apposé le visa n°05-615 en date du 30 juin 2005 sur le présent Prospectus conformément aux dispositions des articles 211-1 à 211-42 du Règlement Général de l'Autorité des Marchés Financiers. Ce Prospectus a été établi par l'Emetteur et engage la responsabilité de ses signataires. Le visa n'implique ni approbation de l'opportunité de l'opération, ni authentification des éléments comptables et financiers présentés. Il a été attribué après examen de la pertinence et de la cohérence de l'information donnée dans la perspective de l'opération proposée aux investisseurs.

La notice légale sera publiée au Bulletin des Annonces Légales Obligatoires (BALO) du 4 juillet 2005.

EURONEXT PARIS SA LISTING INFORMATION

Translation of the preceding page for information purposes only

Individuals assuming responsibility for the Prospectus

In the name of the Issuer:

To the best of our knowledge, the information contained in this Prospectus is true and accurate and there has been no omission which would make any statements herein misleading.

No new event other than those mentioned in the Prospectus has happened, which may materially affect the financial position of the Issuer in the context of this issue.

Name: Jean Azéma

Title: Directeur Général

Groupama SA

In the name of the listing agent:

Individuals assuming responsibility for the Prospectus:

Name: Hugh Carter

Title: Managing Director

Name: Cormac Hollingsworth

Title: Director

Dresdner Bank AG London Branch

VISA OF THE AUTORITE DES MARCHES FINANCIERS

In accordance with articles L. 412-21 and L. 621-8 of the French *Code monétaire et financier*, the *Autorité des Marchés Financiers* has given the *visa* n°05-615 dated June 30, 2005 on this prospectus, in accordance with the provisions of articles 211-1 to 211-42 of the General Regulation of the *Autorité des Marchés Financiers*. This prospectus has been prepared by the Issuer and its signatories who assume responsibility for it. The granting of the *visa* shall not imply any approval of the suitability of the transaction nor any authentication of the accounting and financial data that is presented herein. It was granted following an examination of the relevance and consistency of the information presented herein in light of the proposed transaction of investors.

The legal notice will be published in the *Bulletin des Annonces Légales Obligatoires* (BALO) of July 4, 2005.

REGISTERED OFFICE OF THE ISSUER

Groupama SA

8-10, rue d'Astorg
75008 Paris
France

FISCAL AGENT, PRINCIPAL PAYING AGENT AND AGENT BANK

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L.2420 Luxembourg

PAYING AGENT

Société Générale
32, rue du Champ de Tir
43312 Nantes
France

AUDITORS OF THE ISSUER

PriceWaterhouseCoopers Audit

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France

Mazars & Guérard

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France

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To the Issuer as to French law

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France

To the Managers as to French law

Allen & Overy LLP

26, boulevard des Capucines
75009 Paris
France



Groupama

Labrador