# GROUPAMA’S CREDIT UPDATE

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<table>
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<tr>
<td>A</td>
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<td>B</td>
<td><strong>2011-2013: key decisions</strong></td>
</tr>
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<td>C</td>
<td><strong>Groupama going forward</strong></td>
</tr>
</tbody>
</table>
## Leading insurance company with a strong client franchise

### Extensive distribution network in France
- A Group with a grassroots history and presence:
  - 9 regional mutuals
  - 2,100 Groupama branches
  - 1,000 Gan Assurances branches
  - 500 Gan Patrimoine agents
  - 1,000 Gan Prévoyance advisers
  - 1,000 brokers partners in life group insurance

### Diversification in Europe and Asia
- Present in 11 countries
  - 20% of Group’s total premiums
  - A strong presence in Italy, Hungary and Romania
  - And well established in markets with high potential, Turkey and China

### Loyal customer base as demonstrated in recent years
- 13 million customers worldwide:
  - 7 million members and customers in France
  - 6 million customers outside of France

- 34,000 employees worldwide:
  - 26,000 employees in France
  - 8,000 employees outside France

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*Figures at end December 2012*

*Groupama – combined perimeter*
### Groupama’s key figures

**A major insurance group with a strong balance sheet**

<table>
<thead>
<tr>
<th>In €m</th>
<th>31/12/2012</th>
<th>30/06/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>14,197</td>
<td>9,217</td>
</tr>
<tr>
<td>Net income</td>
<td>-589</td>
<td>187</td>
</tr>
<tr>
<td>Total assets</td>
<td>94,753</td>
<td>96,098</td>
</tr>
<tr>
<td>Shareholders' equity</td>
<td>6,280</td>
<td>6,458</td>
</tr>
<tr>
<td>Group solvency margin (1)</td>
<td>179%</td>
<td>170%</td>
</tr>
<tr>
<td>Debt-equity ratio</td>
<td>28.5%</td>
<td>28.0%</td>
</tr>
</tbody>
</table>

(1) According to Solvency I
GROUPAMA’S CREDIT UPDATE

A  Groupama today

B  2011-2013: key decisions

C  Groupama going forward
Key actions implemented following 2011 financial crisis with risk control at the heart of governance

- Redefine business scope
- Implement asset de-risking
- Proactively cut costs
- Increase profit in core businesses:
  - enhance profitability in P&C
  - shift business mix in L&H
Redefinition of the Group’s business scope

Key decisions

In France

- Gan Eurocourtage
  - Transfers of the French P&C portfolio and the marine business

- Groupama Private Equity
  - Sale of the private equity company and the direct funds

Outside France

- Groupama Seguros
  - Sale of the Spanish subsidiary

- Proama, Poland
  - Sale of the Polish direct insurance activity

- Operations in the UK
  - Sale of Groupama Insurance
  - Sales of brokers

→ Objectives achieved and business scope stabilised
**Key decisions**

- **Reduce asset risks**
- **Diversify investments**
- **Hedge against volatility**

### Breakdown of the asset portfolio (1)

<table>
<thead>
<tr>
<th></th>
<th>31/12/2011</th>
<th>30/06/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>12.8%</td>
<td>9.6%</td>
</tr>
<tr>
<td>Cash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>available</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed</td>
<td>66.9%</td>
<td>71.4%</td>
</tr>
<tr>
<td>income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>8.1%</td>
<td>6.5%</td>
</tr>
</tbody>
</table>

### Unrealised capital gains or losses

<table>
<thead>
<tr>
<th></th>
<th>31/12/2011</th>
<th>31/12/2012</th>
<th>30/06/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond</td>
<td>-2.9</td>
<td>2.5</td>
<td>1.4</td>
</tr>
<tr>
<td>portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity</td>
<td>-0.7</td>
<td>0.6</td>
<td>0.6</td>
</tr>
<tr>
<td>portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property</td>
<td>2.6</td>
<td>2.0</td>
<td>2.0</td>
</tr>
<tr>
<td>assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>-1.0</td>
<td>5.1</td>
<td>4.1</td>
</tr>
</tbody>
</table>

### Decreased and hedged equity portion

- **A 30% decrease in cost value over the period**
- including a 50% decrease in strategic shareholdings

---

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

*estimated figures*
Proactive cost cutting programme

- A programme intended for the long term
  - At the Group level
  - In all entities
  - On all cost items
    - Trade-offs on the brand communications
    - Decrease in IT and logistic costs
    - Optimisation in procurement
    - Implementation of voluntary redundancy plans in 5 entities of the Group

- Already yielding results after 18 months
  - 6.5% decrease in volume in the group's overhead costs at end 2012 (YoY): €180m
  - 3.3% at end June 2013: additional €40m

- Decrease in cost ratio since end 2011
  - **Non life (% of premiums)**
    - Jun-2012: 28.4%
    - Jun-2013: 27.3%
  - **Life (% of reserves)**
    - Jun-2012: 0.54%
    - Jun-2013: 0.49%

*Groupama – combined perimeter*
Enhanced profitability in P&C

Key decisions

- Full range of actions
- Stabilised portfolios
- Improved non life combined ratios

Tariffs increases
- Risk segmentation
- Underwriting discipline
- Control over claims (costs)
- Portfolio pruning

Motor insurance contracts in portfolio (in '000)

<table>
<thead>
<tr>
<th>Year</th>
<th>In France</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>3,580</td>
</tr>
<tr>
<td>2009</td>
<td>3,668</td>
</tr>
<tr>
<td>2010</td>
<td>3,783</td>
</tr>
<tr>
<td>2011</td>
<td>3,882</td>
</tr>
<tr>
<td>2012</td>
<td>3,895</td>
</tr>
<tr>
<td>today*</td>
<td>3,881</td>
</tr>
</tbody>
</table>

Home insurance contracts in portfolio (in '000)

<table>
<thead>
<tr>
<th>Year</th>
<th>In France</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>3,400</td>
</tr>
<tr>
<td>2009</td>
<td>3,434</td>
</tr>
<tr>
<td>2010</td>
<td>3,492</td>
</tr>
<tr>
<td>2011</td>
<td>3,505</td>
</tr>
<tr>
<td>2012</td>
<td>3,533</td>
</tr>
<tr>
<td>today*</td>
<td>3,550</td>
</tr>
</tbody>
</table>

* estimated figures

Groupama Group

<table>
<thead>
<tr>
<th>Ratio</th>
<th>Jun-12 *</th>
<th>Jun-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss ratio</td>
<td>74.2%</td>
<td>73.0%</td>
</tr>
<tr>
<td>Cost ratio</td>
<td>28.9%</td>
<td>27.9%</td>
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France perimeter

<table>
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<tr>
<th>Ratio</th>
<th>Jun-12 *</th>
<th>Jun-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss ratio</td>
<td>75.3%</td>
<td>73.5%</td>
</tr>
<tr>
<td>Cost ratio</td>
<td>28.4%</td>
<td>27.3%</td>
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International perimeter

<table>
<thead>
<tr>
<th>Ratio</th>
<th>Jun-12 *</th>
<th>Jun-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss ratio</td>
<td>70.9%</td>
<td>71.7%</td>
</tr>
<tr>
<td>Cost ratio</td>
<td>30.7%</td>
<td>29.9%</td>
</tr>
</tbody>
</table>

* proforma

Groupama – combined perimeter
Key decisions

- Top priority given to both health & protection businesses

- Strong business incentives to favour sales of U/L

Shift of business mix in L&H

L&H insurance product mix

- Retirement savings
- Health
- Protection
- Other

French market mix

- Retirement / savings: 75%
- Health & protection: 25%

% U/L in revenue (France)

- Groupama
- French market

* estimated figures

Groupama – combined perimeter
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Groupama going forward

- Strong and resilient franchise
- Strengthened balance sheet and liquidity position
- New governance and management approach
- Potential diversifications of sources of capital: issuance of “certificats mutualistes”

- Professionals of great renown joined the Group’s management team
- Change in market perception of Groupama

- Focused on:
  - Customer satisfaction
  - Talent management
  - Profitability
  - Risk control

- Key assets ...

- ... acknowledged by the market ...

- ... and a clear strategy
APPENDICES
Groupama SA subordinated debt instruments

**Historical prices**

- TSR 7.875%
- TSDI 4.375%
- TSSDI 6.298%

Source: Bloomberg
Groupama: organisational chart

3,600 Local Mutuals

9 Regional Mutuals *

Groupama Holding(s)

Groupama SA

Subsidiaries

Insurance France

International subsidiaries

Services France

Banking & Asset Management

Groupama Group
combined perimeter

Fédération Nationale
Groupama

Groupama SA
consolidated perimeter

membership

control / shareholding

reinsurance relationship

(*) + 2 specialised and
2 overseas mutuals
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