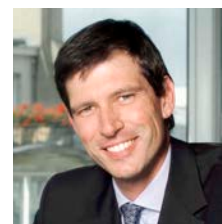


LETTER TO SHAREHOLDERS

September 2017



Jean-Yves DAGÈS
*Chairman of the Board
of Groupama SA*



Thierry MARTEL
*Chief Executive Officer
of Groupama SA*

To the Shareholders,

The Group's activity in the first half-year 2017 results in an increase of +1.6% of premium income of €9.2 billion. It is marked by targeted development, particularly with the development of the unit-linked individual savings/pensions business activity and the growth both in group health insurance and group protection insurance premium income and by growth in property and casualty insurance and in life and health insurance.

This first half of 2017 is characterized by:

- net income up sharply of €286 million, up +€217 million;
- economic operating income of €154 million;
- non-life combined ratio of 99.7%, despite high weather related losses;

- active transformation of the life insurance portfolio with a share of unit-linked in individual savings reserves of 25%;
- disposal of holdings in Icade and OTP Bank under good market conditions.

The Group's Solvency 2 ratio stands at 326%, up +37 points since 31 December 2016. Shareholders' equity amounted to €8.8 billion and included a mutual certificates outstandings issued by the regional mutuals of €375 million at 30 June 2017, including €185 million collected in the 1st half of 2017.

In conclusion, Groupama is reaping the rewards of its structural efforts, reflected in much higher solvency ratios and the upgrade

of its rating into the 'A' category. This first half year also recorded significant financial capital gains, a result of dynamic management of asset portfolios.

At the occasion of the publication of the accounts, President Dagès said that the Group's operating income is up despite very unfavourable weather related losses, even greater than in the first half of 2016 and the Group's mutual insurance dynamic and the power of its fundamentals contribute considerably to these strong results.

Yours faithfully,

Thierry Martel

BUSINESS FOCUSED ON PROFITABLE GROWTH

At 30 June 2017, Groupama's combined premium income stood at €9.2 billion, a +1.6% increase from 30 June 2016.

In property and casualty insurance, the Group generated €5.2 billion in premium income at 30 June 2017, up +2.0% compared with 30 June 2016. Premium income for life and health insurance amounted to €3.9 billion at 30 June 2017.

Insurance premium income in France at 30 June 2017 amounted to €7.8 billion, up +1.4% compared with 30 June 2016.

In property and casualty insurance, premium income totalled €4.3 billion at 30 June 2017 (+1.8%). Insurance for individuals and professionals increased +1.6% over the period to €2.5 billion, driven by the growth of home insurance (+2.0% to €801 million), professional risks (+3.2% to €311 million), and motor insurance (+1.3% to €1,1 billion). The Group's specialised subsidiaries continued their development, particularly assistance business (+19.2%) and legal protection (+9.8%).

In life and health insurance, premium income amounted to €3.5 billion, up +0.8% compared with 30 June 2016. This growth is mainly due

to the increase in group insurance (+5.8%), supported by the development of protection insurance (+5.0%) and health insurance (+4.3%). Group premium income for life and capitalisation in France fell -2.1% in a market down -5% at the end of June 2017 (source: FFA). This change is mainly attributable to the decline in individual savings/pensions in

euros (-4.5%), while the unit-linked business activity increased +1.4%. Unit-linked outstandings represented 25.0% of individual savings reserves at 30 June 2017 versus 21.8% at 30 June 2016.

International premium income amounted to €1.4 billion at 30 June 2017, up 2.5% on a like-for-like basis and with constant exchange rates compared with 30 June 2016.

In property and casualty insurance, premium income was up +2.6% from the previous period, at €967 million at 30 June 2017. This growth is mainly linked to the good performance of agricultural business (+12.4%), particularly in Turkey, home insurance (+2.1%), and motor insurance (+1.6%), mainly in Italy and Hungary.

In life and health insurance, premium income increased by +2.2% to €414 million, driven in particular by the growth in health insurance (+11.8%) and protection insurance (+6.0%). In individual savings/pensions, premium income was stable (+0.2%), thanks to the strong development of unit-linked policies (+38.4%), which offset the decline in policies in euros (-19.8%), in accordance with the Group's targeted development strategy.

The financial activities of the Group's generated a premium income of €71 million, including €68 million from Groupama Asset Management and €3 million from Groupama Épargne Salariale.

Groupama Asset Management's outstandings totalled €99.2 billion at 30 June 2017, up +€2.4 billion compared with 31 December 2016. The growth was driven by the development of customers on behalf of third parties and especially international external customers.

SIGNIFICANT INCREASE IN NET INCOME AT €286 MILLION

The Group's economic operating income increased to €154 million at 30 June 2017, up +39% compared with 30 June 2016.

Economic operating income from insurance totalled +€165 million at 30 June 2017, with €122 million from business activities in France and €43 million from international subsidiaries.

In property and casualty insurance, economic operating income amounted to +€29 million at 30 June 2017 compared with +€72 million at 30 June 2016. The non-life net combined ratio was 99.7% compared with 99.9% at 30 June 2016 despite the worsening of weather claims and serious claims for +1.8 points. The attritional loss experience was stable, and the cost ratio improved by -0.2 points to 28.1%.

In life and health insurance, economic operating income amounted to €137 million at 30 June 2017, up +€66 million compared with 30 June 2016. This growth resulted from the substantially improved loss ratio in the health and bodily injury business activities (-6.2 points) and the slight increase in income from the life insurance business benefiting from the development of unit-linked policies in recent years in France.

The reconciliation from economic operating income to net income takes into account non-recurring items of +€132 million at 30 June 2017. In addition to realised capital gains of €105 million coming partly from the sale of the share of its holding in OTP Bank, the Group also incorporated €127 million in net income from business disposals, including the sale of its holding in Icade.

Overall, the Group's net income totalled €286 million at 30 June 2017 compared with €69 million at 30 June 2016.

A SOLID BALANCE SHEET

The Group's shareholders' equity totalled €8.8 billion at 30 June 2017.

In particular, it includes the mutual certificates issued by Groupama since the end of 2015 for €375 million, including €185 million collected in the first half of 2017.

At 30 June 2017, insurance investments stood at €88.2 billion versus €86.2 billion at 31 December 2016. Unrealised capital gains reached €10.7 billion at 30 June 2017, including €7.4 billion on bonds, €0.9 billion on equities, and €2.4 billion on property assets.

At 30 June 2017, subordinated debt not recognised in shareholders' equity amounted to €1,135 million versus €750 million at 31 December 2016. In order to extend the maturity of its debt profile and strengthen its financial flexibility, Groupama launched an offer in January 2017 to exchange all of its undated deeply subordinated notes issued in 2007 and a portion of its senior subordinated notes issued in 2009 for new senior subordinated notes with a maturity of 10 years.

Groupama's debt to equity ratio excluding revaluation reserves was 13.8% at 30 June 2017 compared with 9.7% at 31 December 2016.

The strength of the Group was confirmed by Fitch Ratings. On 3 May 2017, the agency upgraded the insurer financial strength ratings of Groupama SA and its subsidiaries to "A-" from "BBB+". The outlook associated with these ratings is stable.

At 30 June 2017, the Solvency 2 coverage ratio was 326%, up +37 points from 31 December 2016. Groupama calculates its Solvency 2 ratio at the Group level, incorporating the transitional measure on technical reserves in accordance with the statutory provisions.

COMBINED RESULTS OF GROUPAMA

First half-year 2017

CONSOLIDATED RESULTS OF GROUPAMA SA

First half-year 2017

PREMIUM INCOME

	30/06/2016		30/06/2017	2017/2016
	Reported premium income	Pro forma premium income ⁽¹⁾	Reported premium income	Change ⁽²⁾ %
<i>in millions of euros</i>				
> FRANCE				
Life and health insurance	2,320	2,320	2,327	0.3%
Property and casualty insurance	2,276	2,278	2,309	1.4%
> INTERNATIONAL AND FRANCE OVERSEAS				
Life and health insurance	446	405	414	2.2%
Property and casualty insurance	985	942	967	2.6%
TOTAL INSURANCE	6,027	5,945	6,017	1.2%
FINANCIAL BUSINESS	67	67	72	7.2%
TOTAL	6,094	6,012	6,089	1.3%

(1) Based on comparable data.

(2) Change on a like-for-like basis at constant exchange rates.

NET INCOME

<i>in millions of euros</i>	30/06/2016	30/06/2017	2017/2016 change
Economic operating income *	25	101	+76
Net realised capital gains adjusted for long-term impairment losses on financial instruments	42	66	+24
Gains and losses on financial assets and derivatives booked at fair value	-23	8	+31
External financing charges	-19	-31	-12
Net income from disposal activities	0	127	+127
Other costs and income	-61	-83	-22
NET INCOME, GROUP SHARE	-35	188	+223

BALANCE SHEET

<i>in millions of euros</i>	31/12/2016	30/06/2017
Shareholders' equity, Group share	5,613	5,317
Subordinated debts classified in shareholders' equity	1,514	1,243
Subordinated debts classified in financing debts	750	1,135
Gross unrealised capital gains	9,892	9,571
TOTAL BALANCE SHEET	90,484	91,391

* Equals net income adjusted for realised capital gains and losses, long-term impairment provision allocations and write-backs, and unrealised capital gains and losses on financial assets recognised at fair value (all such items are net of profit sharing and corporate income tax). Also adjusted are non-recurring items net of corporate income tax, impairment of value of business in force, and impairment of goodwill (net of corporate income tax), and the external financing charges.

THE GROUPAMA SA SHARE

SHARE BUYBACK PRICE: €33.70, DOWN 0.53%

The value of the share resulting from the application of the revalued net asset method at 31 December 2016, which amounted to €8.74, was less than the share buyback price resulting

from the application of the liquidity commitment, namely €33.70, declined by 0.53% compared to the previous price, it is the latter price which apply from 1st September 2017 to 28 February 2018.

DETERMINATION OF SHARE BUYBACK PRICE (CALCULATED ON THE CHANGE IN THE CONSOLIDATED NET ASSETS OF GROUPAMA SA, IN ACCORDANCE WITH THE LIQUIDITY UNDERTAKING)

		Amounts
Share buyback price applicable as from 1 April 2017	(A)	€33.88
Consolidated net assets of Groupama SA at 31 December 2016 under IFRS referential		€5,613,411K
→ Deduction of the net goodwill of the Groupama SA shares at 31 December 2016		-€770,962K
Consolidated net assets under IFRS standards of Groupama SA at 31 December 2016, adjusted for goodwill of the Groupama SA shares	(B)	€4,842,449K
Consolidated net assets of Groupama SA at 30 June 2017 under IFRS referential		€5,316,866K
→ Deduction of the net goodwill of the Groupama SA shares at 30 June 2017		-€770,962K
→ Super subordinated loan		€270,950K
Consolidated net assets under IFRS standards of Groupama SA at 30 June 2017 adjusted for goodwill of the Groupama SA shares and super subordinated loan	(C)	€4,816,854K
Share buyback price applicable as from 1 September 2017	(A) × (C) / (B)	€33.70

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Groupama SA — A company governed by the French Insurance Code —
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