

# FULL YEAR 2018 RESULTS

*Analysts Conference Call – 15 March 2019*

**Key messages**

# SIGNIFICANT INCREASE IN THE NET INCOME

**€14,3bn**

Premium Income

(+4.0%)



Strong increase in both  
P&C and L&H insurances

**€354m**

Insurance Economic  
Operating Income



Economic operating  
income at €298m

**€450m**

Net Income

(+54%)



Realised capital gains  
from the sale of the Window  
building in La Défense

**Key messages**

# FINANCIAL STRENGTH

**€540m**

Mutual Certificates  
outstanding



**€104m** of mutual certificates  
issued in 2018

**€8.9bn**

IFRS Group's equity



Increase in 'core' IFRS  
equity

**167%**

Solvency Ratio



IFS rating confirmed:  
**A- Positive, Fitch Ratings**

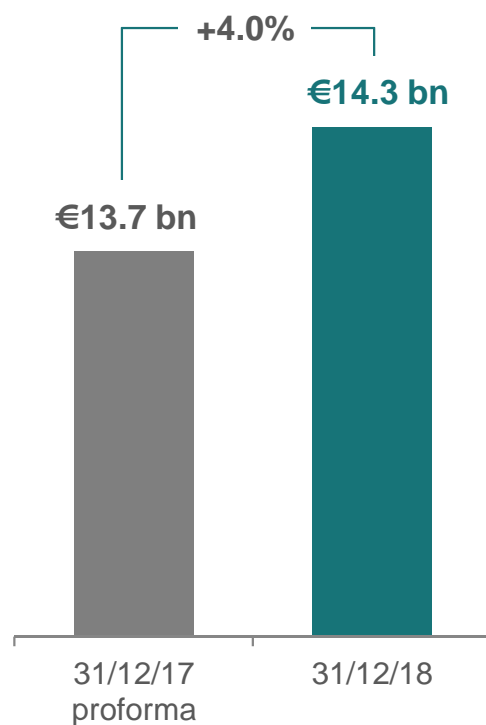
# GROUPAMA GROUP FY 2018 RESULTS

- 1. Business performance**
2. Financial strength
3. Appendices

**Business performance**

**INCREASE IN PREMIUM INCOME**

Total premium income



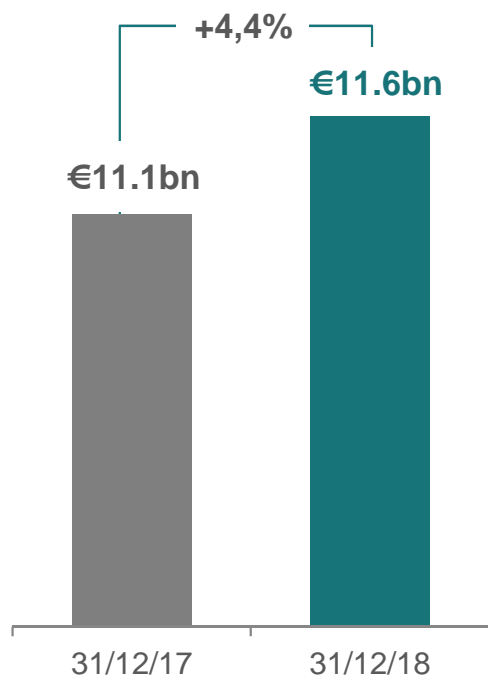
Premium income breakdown

Premium income In millions of euros	31/12/17	31/12/18	Like-for-like Δ
	Proforma		
<b>P&amp;C</b>	<b>7,196</b>	<b>7,389</b>	<b>+2.7%</b>
France	5,511	5,621	+2.0%
International	1,685	1,768	+4.9%
<b>L&amp;H</b>	<b>6,368</b>	<b>6,706</b>	<b>+5.3%</b>
France	5,555	5,936	+6.8%
International	813	770	-5.3%
<b>Total Insurance</b>	<b>13,564</b>	<b>14,094</b>	<b>+3.9%</b>
Financial businesses	147	169	+15.1%
<b>Total – Groupama</b>	<b>13,711</b>	<b>14,263</b>	<b>+4.0%</b>

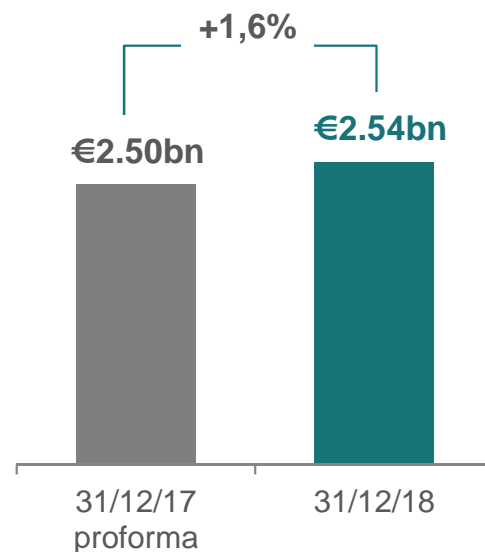
**Business performance**

**INCREASE IN FRANCE AND OUTSIDE FRANCE**

Premium income  
France



Premium income  
International



International premium income breakdown

In millions of euros	31/12/18	Like-for-like Δ
Italy	1,481	-1.7%
CEEC (Hungary, Romania, Bulgaria)	589	+6.5%
Other countries <sup>(1)</sup>	468	+6.5%
<b>Total Insurance - International</b>	<b>2,537</b>	<b>+1.6%</b>
China <sup>(2)</sup>	300	+10.1%

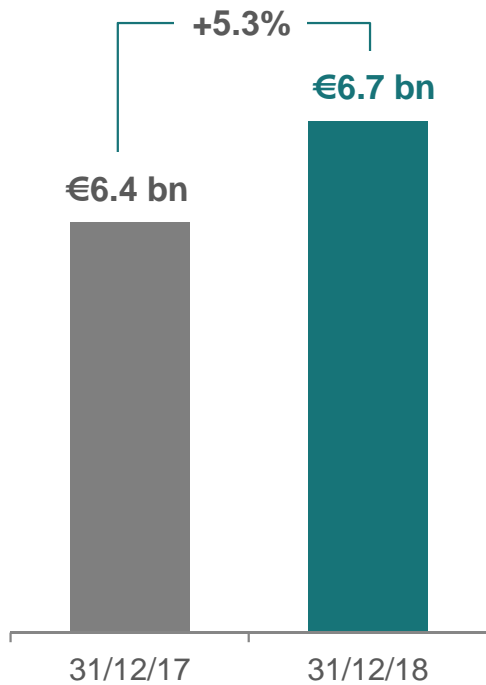
(1) mainly Turkey and Greece

(2) Equity method accounted entity (50% of Groupama AVIC owned by Groupama)

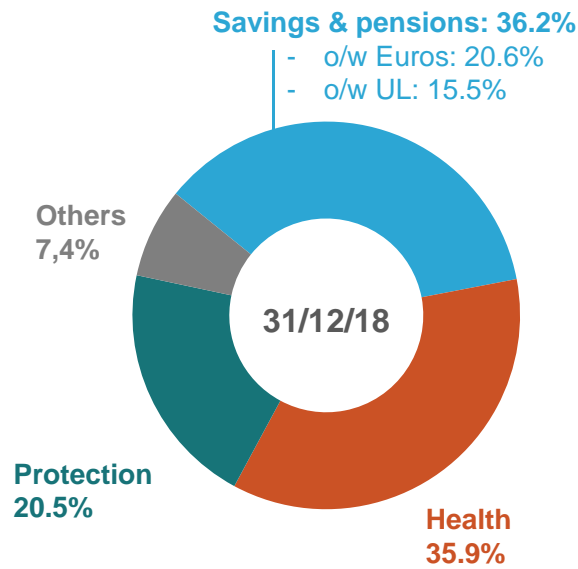
**Business performance**

**LIFE & HEALTH INSURANCE**

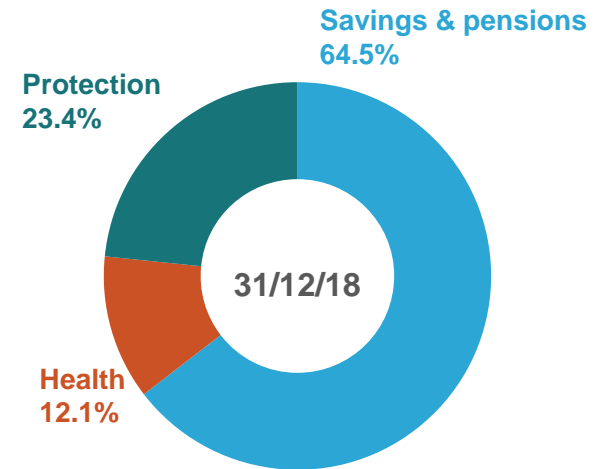
L&H Premium income



Premium income breakdown  
L&H - France



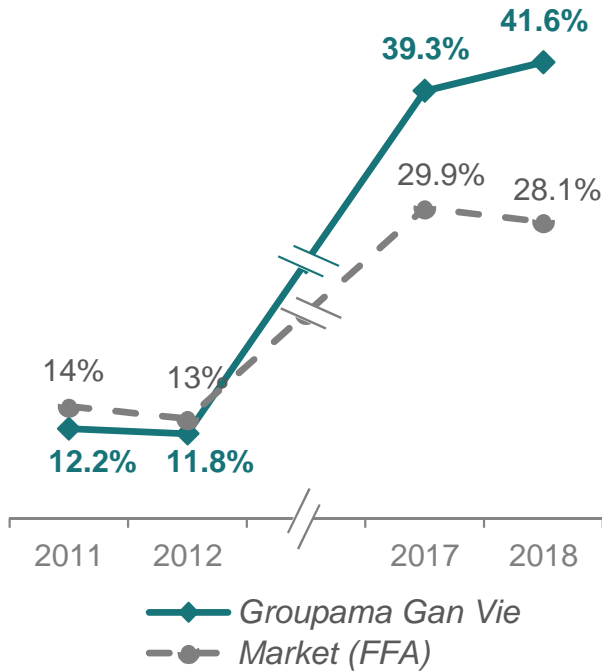
Premium income breakdown  
L&H - International



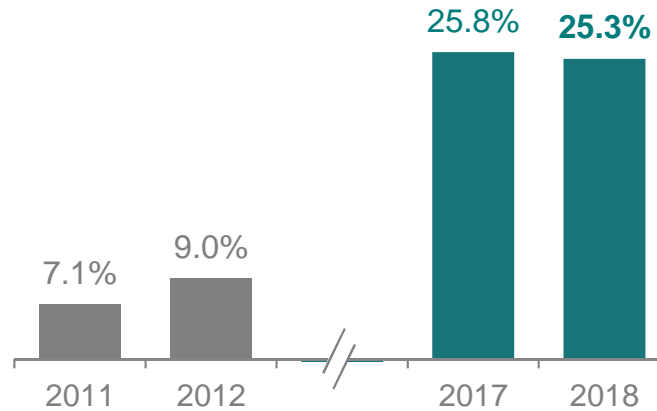
**Business performance**

**SAVINGS & PENSIONS IN FRANCE**

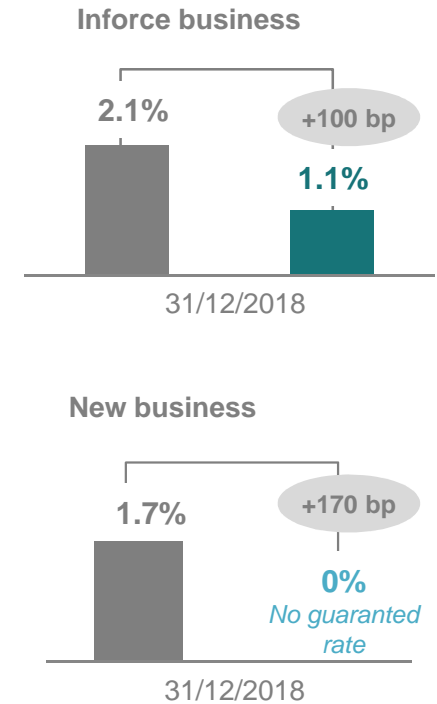
Share of unit-linked in revenue, individual savings & pensions (France)



Share of unit-linked in individual savings reserves (France)



Financial Leeway (Groupama Gan Vie)

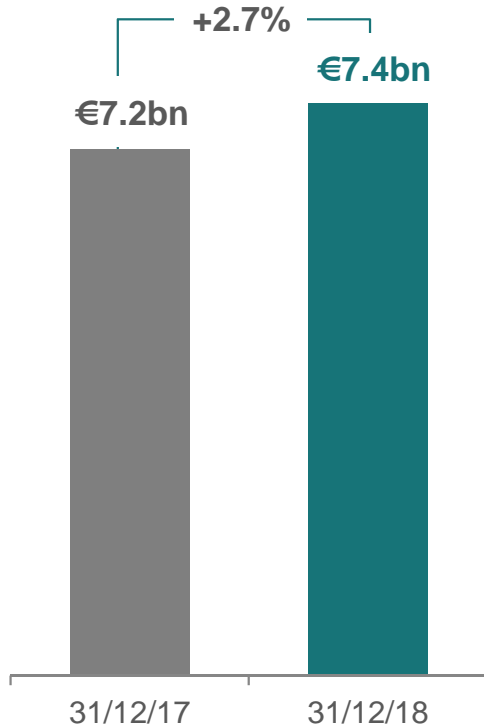




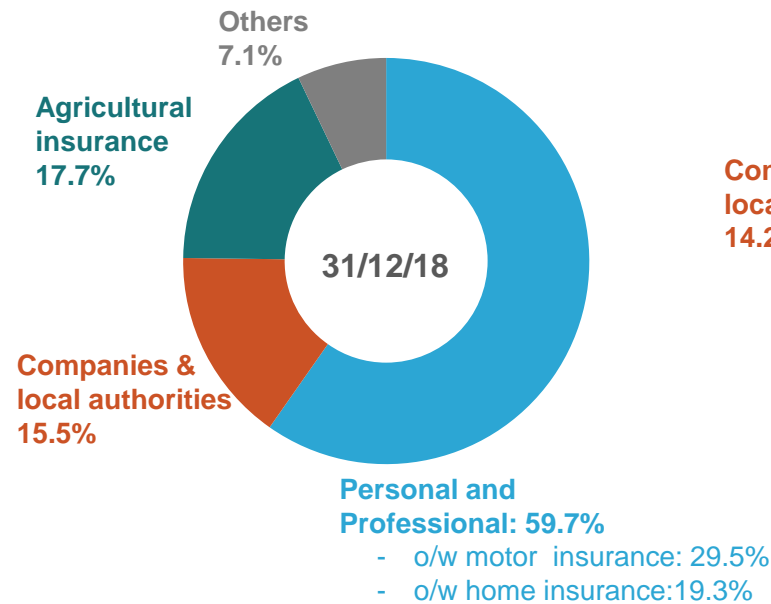
**Business performance**

**PROPERTY & CASUALTY INSURANCE**

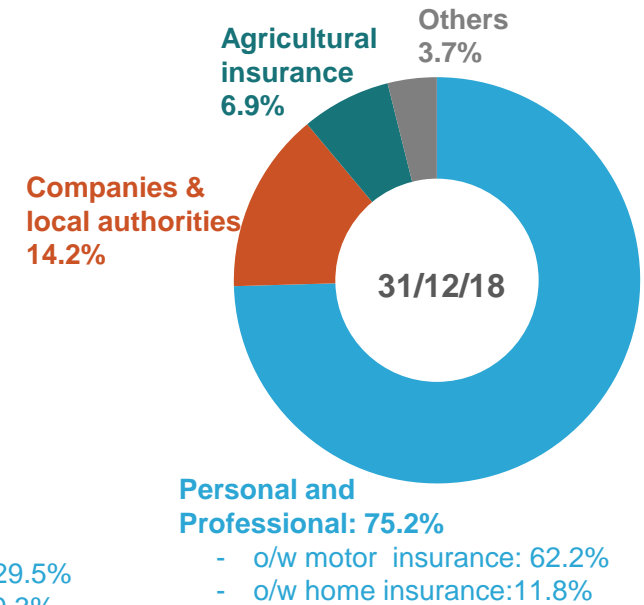
P&C Premium income



Premium income breakdown  
P&C - France



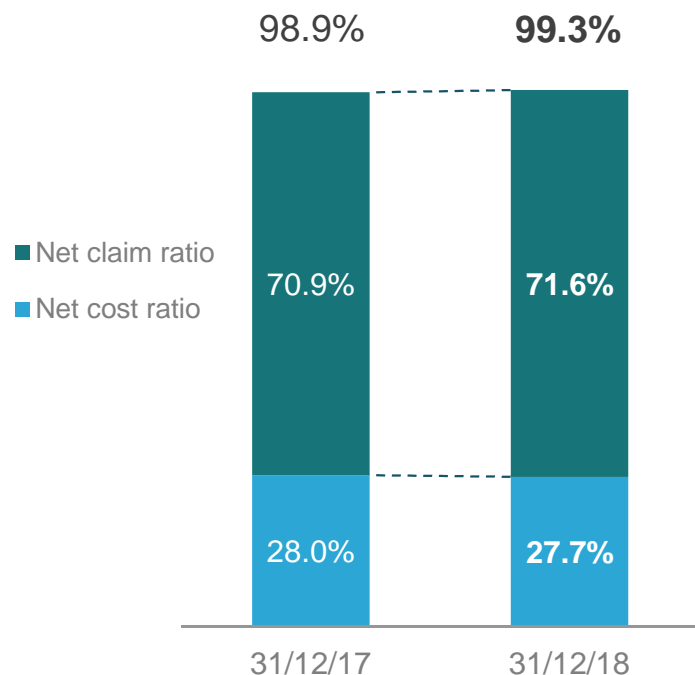
Premium income breakdown  
P&C - International



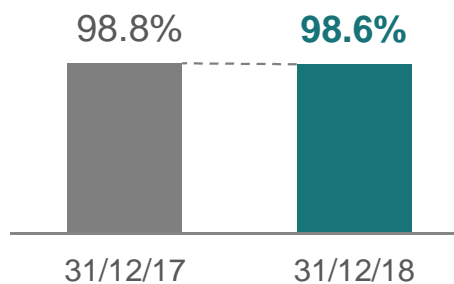
**Business performance**

**NON-LIFE COMBINED RATIO**

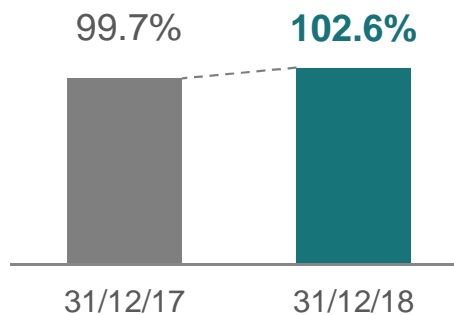
Non-life combined ratio  
Group



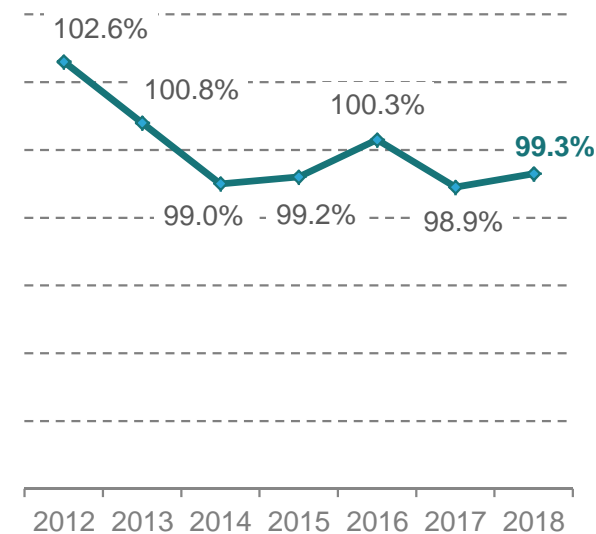
Non-life combined ratio  
France



Non-life combined ratio  
International



Historical data - Group  
Non-life combined ratio



**Group results**

# ECONOMIC OPERATING INCOME

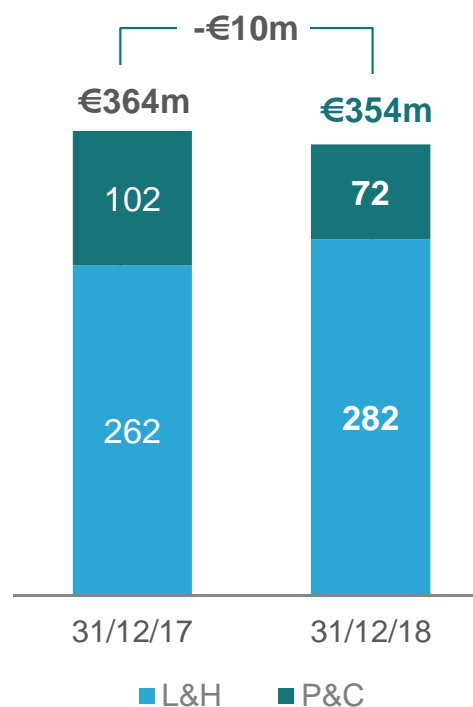
## Operating income P&C

In €m	France	Int'l	Total P&C
31/12/17	59	43	102
31/12/18	59	13	72

## Operating income L&H

In €m	France			Int'l	Total L&H
	GGVIE	Other entities	Total		
31/12/17	85	136	221	41	262
31/12/18	80	172	252	30	282

## Operating income Total Insurance



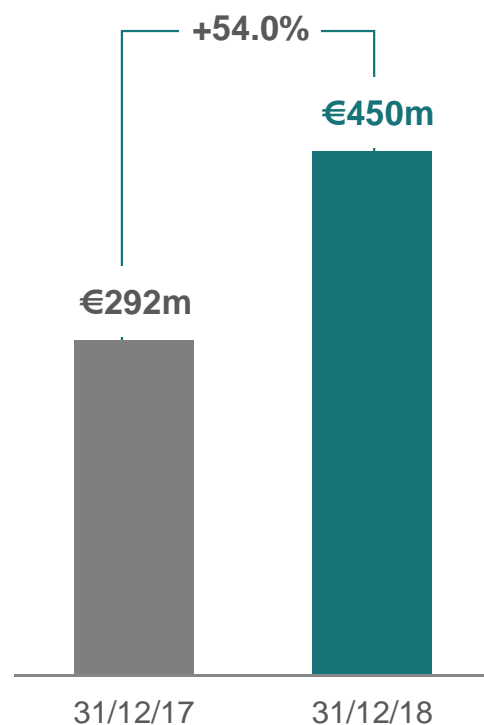
## Breakdown of Groupama operating income

In €m	31/12/17	31/12/18
Insurance	364	354
Financial activities	32	34
Holdings	-46	-89
<b>TOTAL</b>	<b>349</b>	<b>298</b>

**Group results**

**STRONG INCREASE IN NET INCOME**

Net income



Breakdown of Groupama net income

In €m	31/12/17	31/12/18
Economic operating income	349	<b>298</b>
Net realised capital gains <sup>(1)</sup>	208	<b>351</b>
Net profit from disposal activities <sup>(2)</sup>	136	<b>-2</b>
Long-term impairment losses on financial instrument <sup>(1)</sup>	-7	<b>-7</b>
Gains or losses on financial assets booked at fair value <sup>(1)</sup>	40	<b>-25</b>
Financing expenses	-57	<b>-57</b>
Goodwill impairment	-58	<b>0</b>
Other costs and income	-318	<b>-109</b>
<b>Net income</b>	<b>292</b>	<b>450</b>

(1) amounts net of profit sharing and tax

(2) of which ICADE in 2017

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1. Business performance
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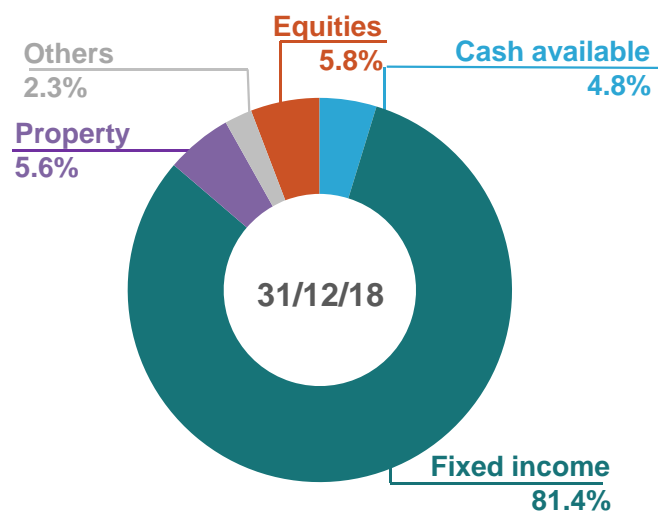
**Balance sheet**

**ASSET BREAKDOWN IN LINE WITH OUR TARGET**

Asset portfolio\*



Asset portfolio breakdown\*



\* Fair value, excluding unit linked, repurchase agreements and minorities

Unrealised capital gains

In € bn	31/12/17	31/12/18
Fixed income	6.9	5.2
Equities	1.0	0.6
Property	2.5	2.2
<b>Total</b>	<b>10.4</b>	<b>8.0</b>

**Balance sheet**

**RESPONSIBLE INVESTOR**

**Financing the real economy**



Nearly **€1.8 billion commitment** private equity, loan funds, transportation infrastructure, energy-environment, commercial real estate projects...

of which **€500 million commitment** in support of **major infrastructure projects**

Almost half directly dedicated to finance the **energy transition**

**Property and forest assets**



**21,000 ha** of sustainably managed forests ...

allowing to store **10 Mt of carbon**

**Green bonds**



Nearly **€250 million outstanding amount** of green or socially responsible bonds

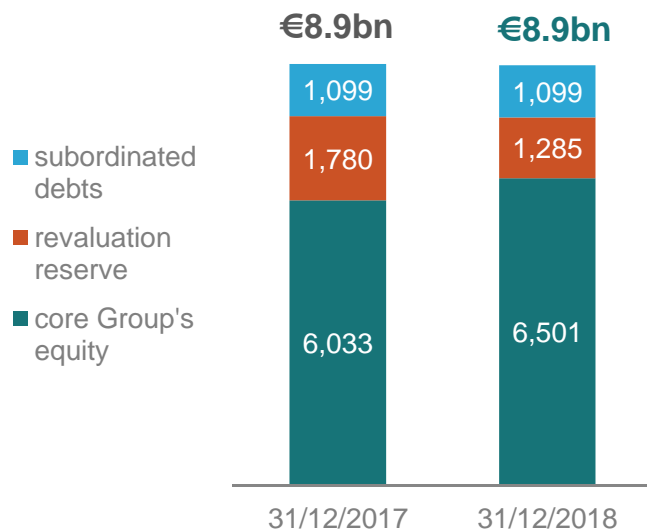
**Groupama's commitments**

- Gradual withdrawal from any company whose turnover is more than 30% coal-derived
- No investment in companies whose oil sands represent more than 15% of total reserves
- Investments of €1 billion over 3 years to finance the energy transition

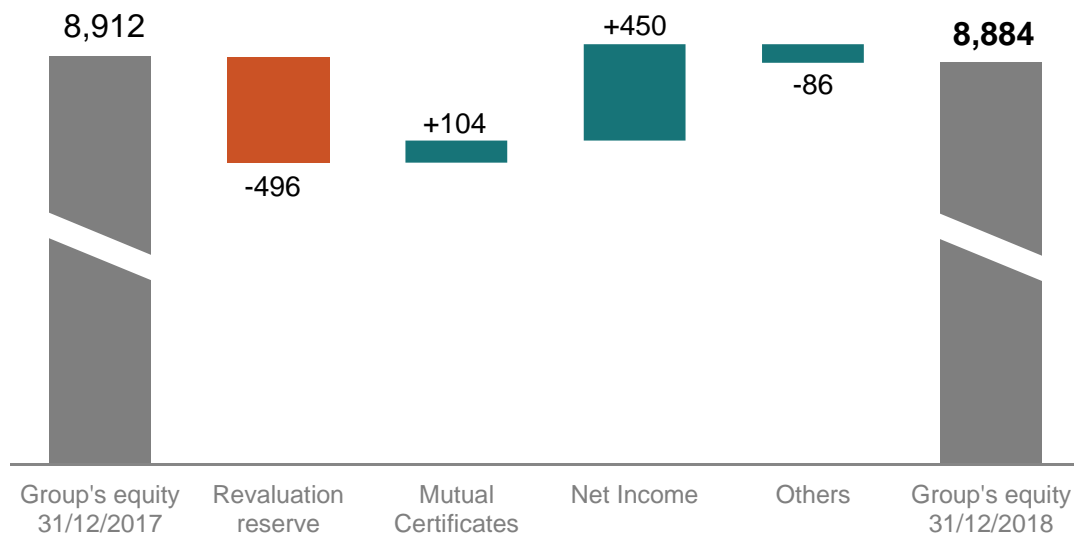
**Balance sheet**

**STABLE GROUP'S EQUITY**

IFRS Group's equity  
(in €m)



Change in IFRS Group's equity  
(in €m)



\* Core Group's equity: initial capital, retained earnings

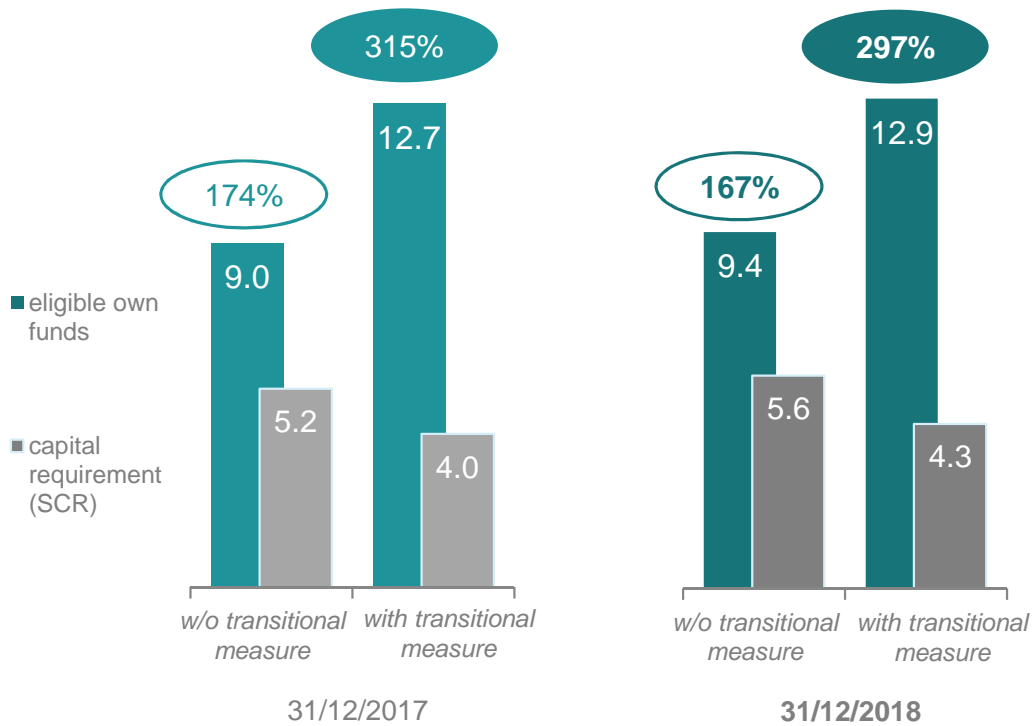


**Balance sheet**

**STRONG SOLVENCY RATIO**

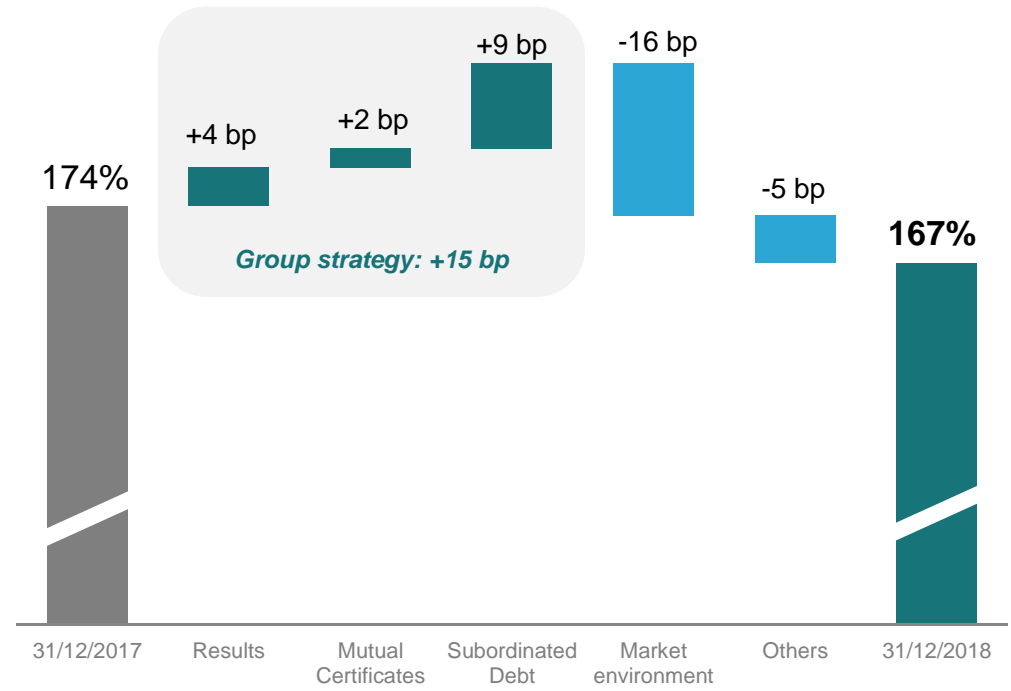
**Solvency ratio with and without transitional measure**

In €m



**Solvency ratio roll-forward**

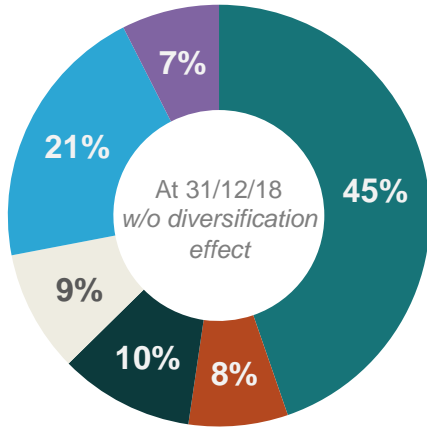
ratio w/o transitional measure



**Solvabilité Groupe**

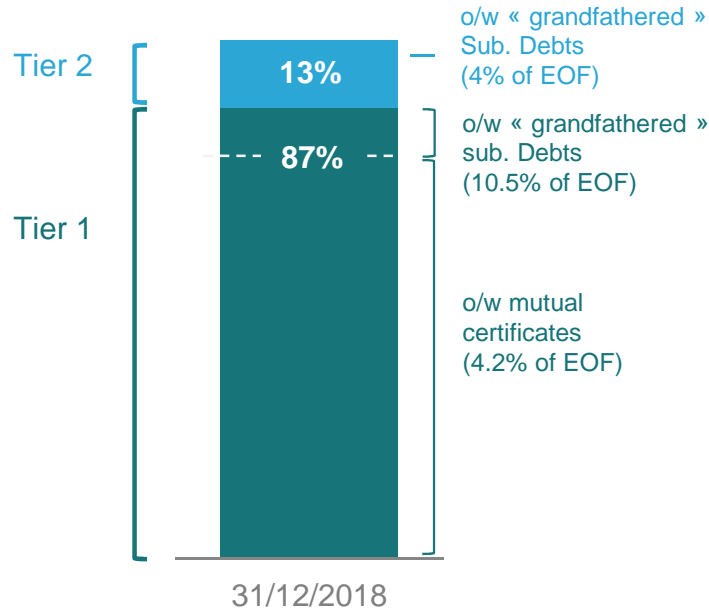
**CONTRIBUTION TO SCR, ELIGIBLE OWN FUNDS AND SENSITIVITIES**

**Contribution to SCR  
by risk**



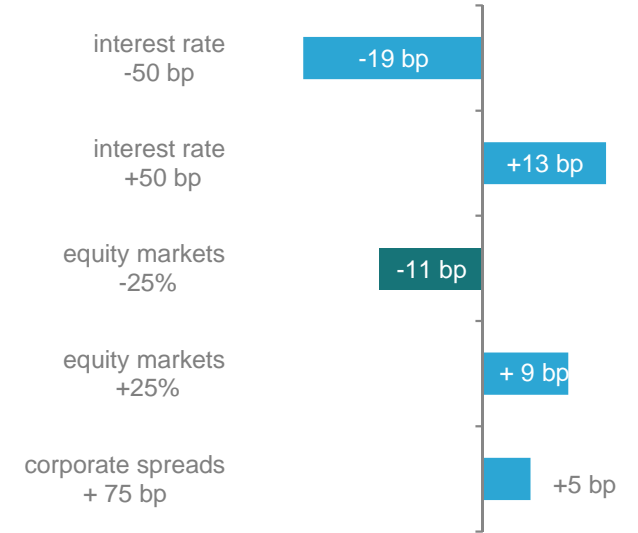
- Market risk
- Counterparty default risk
- Life underwriting risk
- Health underwriting risk
- Non-life underwriting risk
- Operational risk

**Eligible Own Funds (1)**



(1) Scope w/o financial activities

**Sensitivities  
31/12/18**



# GROUPAMA GROUP FY 2018 RESULTS

1. Business performance
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  - Ranking
  - Asset portfolios
  - Subordinated debts

**Appendices**

# RANKING IN FRANCE



**1<sup>ST</sup>**

**IN AGRICULTURAL  
INSURANCE**  
(% of total premiums)



**1<sup>ST</sup>**

**INSURER OF  
LOCAL AUTHORITIES**  
(number of towns insured)



**1<sup>ST</sup>**

**IN INDIVIDUAL  
HEALTH**  
(revenue)



**2<sup>ND</sup>**

**IN INDIVIDUAL  
PROTECTION**  
(revenue)



**2<sup>ND</sup>**

**IN HOME  
INSURANCE**  
(revenue)



**4<sup>TH</sup>**

**IN MOTOR  
INSURANCE**  
(revenue)

**9<sup>TH</sup>**

**MULTI-LINE INSURER**

**3<sup>RD</sup>**

**Property & Casualty insurer**

**13<sup>TH</sup>**

**Life & Health insurer**

**6.5 MILLIONS**

**MEMBERS AND CUSTOMERS**

**25,000**

**EMPLOYEES**

Sources: Groupama, Argus de l'Assurance, FFA

**Appendices**

# RANKING IN THE INTERNATIONAL MARKETS

## 3 major markets



**Italy**

9<sup>th</sup> insurer in non life



**Romania**

4<sup>th</sup> insurer



**Hungary**

4<sup>th</sup> insurer in non life  
1<sup>st</sup> player in bancassurance  
with the partnership with  
OTP Bank

## Other markets



Turkey



Greece



Bulgaria



Slovakia



Tunisia



China

**9**  
COUNTRIES OUTSIDE FRANCE

**5.5 MILLIONS**  
CUSTOMERS

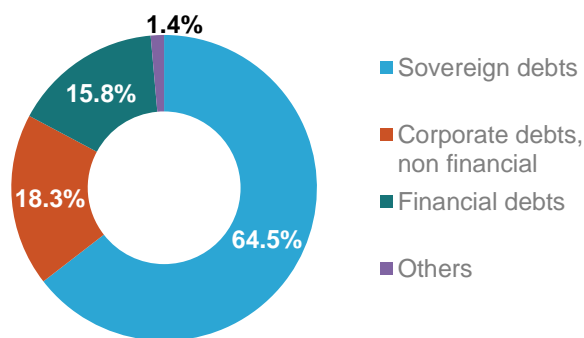
**7,000**  
EMPLOYEES

Appendices

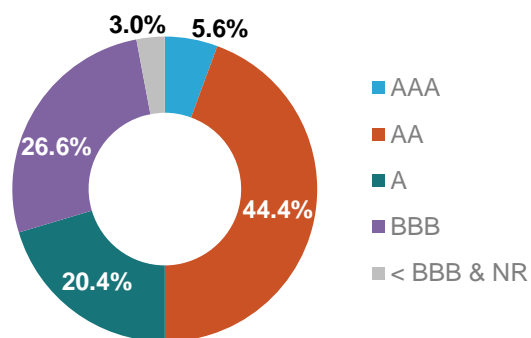
# FIXED INCOME PORTFOLIO AT 31/12/2018

MARKET VALUE

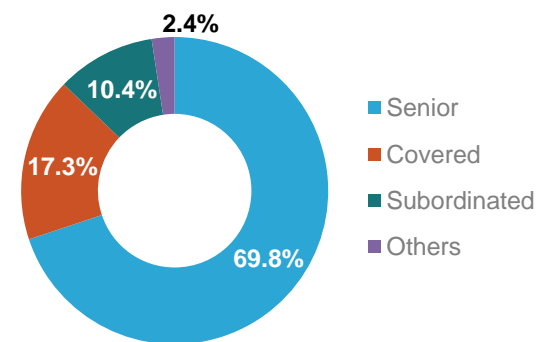
Breakdown by type of issuer



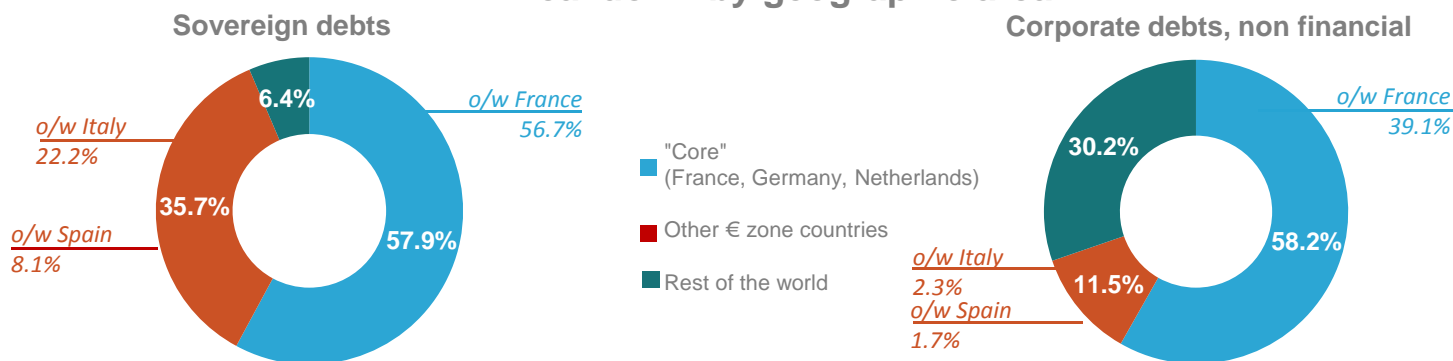
Breakdown by issuer's rating



Breakdown by subordination



Breakdown by geographic area



**Appendices**

**EXPOSURE TO € ZONE SOVEREIGN DEBTS**

	31/12/17				31/12/18			
	Cost value gross amount	Fair value gross amount	Unrealised capital gains or losses gross amount	Unrealised capital gains or losses net amount*	Cost value gross amount	Fair value gross amount	Unrealised capital gains or losses gross amount	Unrealised capital gains or losses net amount
<i>In €m</i>								
Spain	2 186	2 841	655	76	2 193	2 842	649	78
Greece	-				-			
Ireland	18	20	2	1	10	11	1	0
Italy	7 121	8 641	1 519	233	7 148	8 084	936	146
Portugal	234	289	56	6	13	14	0	0
<b>Total</b>	<b>9 559</b>	<b>11 790</b>	<b>2 232</b>	<b>316</b>	<b>9 365</b>	<b>10 951</b>	<b>1 586</b>	<b>225</b>

## Appendices

# EQUITY PORTFOLIO AT 31/12/2018

### Breakdown by geographical area

<i>Market value</i>	<b>31/12/18</b>
Europe	<b>77.2%</b>
• o/w GIIPS	11.8%
North America	<b>16.7%</b>
Rest of the world	<b>6.1%</b>
<b>Total Equity Portfolio</b> <i>(excl. strategic shareholdings)</i>	<b>100.0%</b>

### Issuer breakdown

<i>Market value</i>	<b>31/12/18</b>
Consumer goods, cyclical	<b>18.3%</b>
Industrials	<b>15.3%</b>
Commodities	<b>4.4%</b>
Energy	<b>5.1%</b>
Health	<b>10.2%</b>
Utilities	<b>3.6%</b>
Consumer goods, non cyclical	<b>6.9%</b>
Financials	<b>20.7%</b>
Technology	<b>11.3%</b>
Telecommunications	<b>4.1%</b>
Others	<b>0.2%</b>
<b>Total Equity Portfolio</b> <i>(excl. strategic shareholdings)</i>	<b>100.0%</b>



## Appendices

# PROPERTY PORTFOLIO AT 31/12/2018

### Breakdown by geographical area

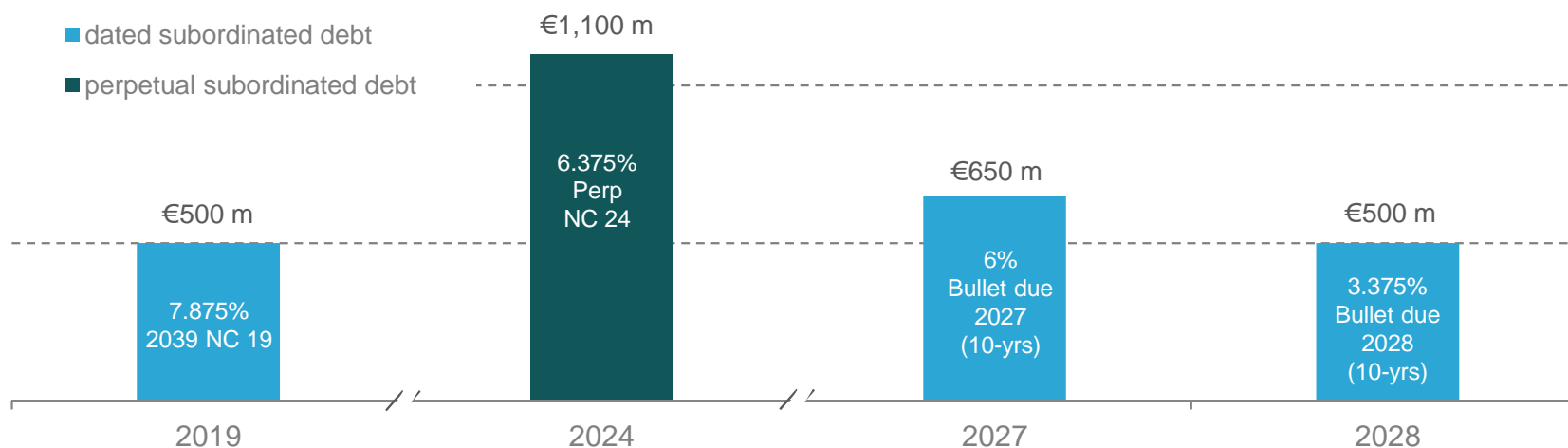
<i>Market value</i>	<b>31/12/2018</b>
Paris	<b>75%</b>
Paris area	<b>20%</b>
Province	<b>5%</b>
<b>Total property portfolio (France)</b>	<b>100%</b>

### Breakdown by nature

<i>Market value</i>	<b>31/12/2018</b>
Commercial	<b>82%</b>
Résidentiel	<b>15%</b>
Forests	<b>3%</b>
<b>Total property portfolio (France)</b>	<b>100%</b>

## Appendices

# SUBORDINATED DEBTS: MATURITY / CALL DATE BREAKDOWN



Type	Outstanding amount as at 31/12/2018 (€m)	Coupon	Call date	Maturity date	S2 treatment	IFRS treatment
TSR	500	7.875%	27/10/2019	27/10/2039	Tier 2 (grandfathering)	Financial debts
TSDI	1,100	6.375%	28/05/2024	Perpetual	Tier 1 (grandfathering)	Own funds
TSR	650	6%	N/A	23/01/2027	Tier 2	Financial debts
TSR	500	3.375%	N/A	24/09/2028	Tier 2	Financial debts

**Cyril Roux**  
Group Chief Financial Officer  
cyril.roux@groupama.com

**Sylvain Burel**  
Group Communications Director  
sylvain.burel@groupama.com

## Investor Relations

**Yvette Baudron**  
yvette.baudron@groupama.com  
+33 1 4456 7352

**Valérie Buffard**  
valerie.buffard@groupama.com  
+33 1 4456 7454

### Groupama Assurances Mutuelles

8 – 10 rue d’Astorg - 75383 Paris cedex 08 - France  
+33 1 4456 7777

[www.groupama.com](http://www.groupama.com)  
@GroupeGroupama

