INSURING TOMORROW WITH CONFIDENCE

COMBINED FINANCIAL STATEMENTS

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GROUPAMA
30 June 2015
IFRS

CONTENTS

FINANCIAL STATEMENTS

GROUPAMA
COMBINED BALANCE SHEET (in millions of euros)

ASSETS		30.06.2015	31.12.2014
Goodwill	Note 2	2,190	2,192
Other intangible assets	Note 3	329	343
Intangible assets		**2,519**	**2,534**
Investment property excluding unit-linked items	Note 4	1,285	1,307
Unit-linked investment property	Note 7	106	106
Operating property	Note 5	1,052	1,060
Financial investments excluding unit-linked items	Note 6	74,097	74,842
Unit-linked financial investments	Note 7	6,700	5,983
Derivatives and separate embedded derivatives	Note 8	201	122
Insurance business investments		**83,441**	**83,421**
Funds used in banking sector activities and investments of other business activities	Note 9	**4,104**	**3,639**
Investments in related companies and joint ventures	Note 10	**981**	**1,038**
Share of outward reinsurers and retrocessionnaires in liabilities relating to insurance and financial contracts	Note 11	**8,158**	**8,216**
Other property, plant and equipment		224	231
Deferred acquisition costs		309	288
Deferred profit-sharing assets			
Deferred tax assets	Note 13	366	268
Receivables arising from insurance and inward reinsurance operations	Note 14	4,339	2,487
Receivables from outward reinsurance operations		208	212
Current tax receivables and other tax receivables		209	265
Other receivables	Note 15	2,367	2,376
Other assets		**8,021**	**6,126**
Assets held for sale and discontinued business activities			
Cash and cash equivalents	Note 16	**1,485**	**1,465**
TOTAL		**108,708**	**106,439**

The notes on pages 14 to 106 are an integral part of the combined financial statements.

GROUPAMA
COMBINED BALANCE SHEET (in millions of euros)

EQUITY & LIABILITIES		30.06.2015	31.12.2014
Capital		32	32
Revaluation reserves	Note 17	1,367	1,630
Other reserves		6,758	6,549
Foreign exchange adjustments		(402)	(406)
Combined income		266	257
Shareholders' equity (Group share)		**8,021**	**8,062**
Non-controlling interests		15	17
Total shareholders' equity		**8,036**	**8,079**
Reserves for contingencies and charges	Note 18	**652**	**631**
Financing debt	Note 19	**839**	**840**
Technical liabilities relating to insurance policies	Note 20	**58,791**	**55,394**
Technical liabilities relating to financial contracts	Note 21	**16,647**	**17,392**
Deferred profit-sharing liabilities	Note 12	**4,250**	**4,892**
Resources from banking sector activities	Note 9	**3,721**	**3,304**
Deferred tax liabilities	Note 13	471	456
Debts to unit holders of consolidated mutual funds		186	173
Operating debts to banking sector companies	Note 16	264	99
Debts arising from insurance or inward reinsurance operations		893	850
Debts arising from outward reinsurance operations		7,374	7,386
Current taxes payable and other tax liabilities		161	242
Derivative instrument liabilities	Note 8	829	812
Other debts	Note 22	5,595	5,888
Other liabilities		**15,772**	**15,907**
Liabilities of business activities to be sold or discontinued			
TOTAL		**108,708**	**106,439**

The notes on pages 14 to 106 are an integral part of the combined financial statements.

GROUPAMA
COMBINED INCOME STATEMENT (in millions of euros)

INCOME STATEMENT		30.06.2015	30.06.2014
Written premiums	Note 23	9,135	9,047
Change in unearned premiums		(2,281)	(2,262)
Earned premiums		**6,854**	**6,785**
Net banking income, net of cost of risk		**106**	**95**
Investment income		1,334	1,313
Investment expenses		(426)	(357)
Capital gains or losses from divestment of investments net of impairment and depreciation write-backs		489	343
Change in fair value of financial instruments recorded at fair value through income		435	188
Change in impairment on investments		(1)	(5)
Investment income net of expenses	Note 24	**1,832**	**1,482**
Total income from ordinary business activities		**8,792**	**8,362**
Insurance policy servicing expenses	Note 25	(6,601)	(6,259)
Income on outward reinsurance	Note 26	314	287
Expenses on outward reinsurance	Note 26	(489)	(468)
Net outward reinsurance income and expenses		**(6,776)**	**(6,441)**
Banking operating expenses		(89)	(94)
Policy acquisition costs		(920)	(902)
Administrative costs		(257)	(251)
Other current operating income and expenses		(433)	(407)
Total other current income and expenses		**(8,475)**	**(8,095)**
CURRENT OPERATING INCOME		**317**	**267**
Other operating income and expenses	Note 27	(25)	(27)
OPERATING INCOME		**292**	**241**
Financing expenses	Note 28	(31)	(48)
Share in income of related companies	Note 10	(45)	(12)
Corporate income tax	Note 29	50	(39)
NET INCOME FROM CONTINUING BUSINESS ACTIVITIES		**266**	**141**
Net income from discontinued business activities			
OVERALL NET INCOME		**266**	**141**
of which, non-controlling interests		1	1
OF WHICH, NET INCOME (GROUP SHARE)		**266**	**140**

The notes on pages 14 to 106 are an integral part of the combined financial statements.

GROUPAMA
STATEMENT OF NET INCOME AND GAINS (LOSSES) RECOGNISED DIRECTLY IN SHAREHOLDERS' EQUITY
(in millions of euros)

In millions of euros	30.06.2015			30.06.2014		
	Group share	Non-controlling interests	Total	Group share	Non-controlling interests	Total
Net income for fiscal year	**266**	**1**	**266**	**140**	**1**	**141**
Gains and losses recognised directly in shareholders' equity						
Items recyclable to income						
Change in foreign exchange adjustments	4		4	(2)		(2)
Change in gross unrealised capital gains and losses on available-for-sale assets	(1,326)	(4)	(1,330)	3,199	7	3,206
Revaluation of hedging derivatives						
Change in shadow accounting	1,058	3	1,061	(2,554)	(6)	(2,560)
Change in deferred taxes	5		5	(140)		(140)
Other changes	13	(1)	12	2	(1)	1
Items not recyclable to income						
Restatement of net actuarial debt from pension commitments (defined-benefit schemes)	(14)		(14)	(20)		(20)
Change in deferred taxes	5		5	5		5
Other changes						
Total gains (losses) recognised directly in shareholders' equity	**(255)**	**(2)**	**(257)**	**490**		**490**
Net income and gains (losses) recognised in shareholders' equity	**11**	**(1)**	**10**	**630**	**1**	**631**

The statement of net income and gains (losses) recognised directly in shareholders' equity – an integral part of the financial statements – includes, in addition to the net income for the year, the change in the reserve for gross unrealised capital gains (losses) on available-for-sale assets, minus deferred profit-sharing and deferred taxes, as well as the change in the reserve for foreign exchange adjustments and the actuarial gains (losses) on post-employment benefits.

The notes on pages 14 to 106 are an integral part of the combined financial statements.

GROUPAMA
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (in millions of euros)

In millions of euros	Capital	Income (Loss)	Subordinated instruments	Consolidated reserves	Revaluation reserves	Foreign exchange adjustment	Shareholders' equity (Group share)	Share of minority interests	Total shareholders' equity
Shareholders' equity as at 31.12.2013	**32**	**283**	**999**	**4,825**	**928**	**(413)**	**6,654**	**15**	**6,669**
Allocation of 2013 income (loss)		(283)		283					
Dividends [1]				(55)			(55)	(2)	(57)
Change in capital									
Business combinations								1	1
Other			529				529		529
Impact of transactions with members		**(283)**	**529**	**228**			**474**	**(1)**	**473**
Foreign exchange adjustments						7	7		7
Available-for-sale assets					5,688		5,688	16	5,704
Shadow accounting					(4,689)		(4,689)	(13)	(4,702)
Deferred taxes				13	(297)		(284)	(1)	(285)
Actuarial gains (losses) of post-employment benefits				(37)			(37)		(37)
Other				(8)			(8)		(8)
Net income for fiscal year		257					257	1	258
Total income (expenses) recognised over the period		**257**		**(32)**	**702**	**7**	**934**	**3**	**937**
Total changes over the period		**(26)**	**529**	**196**	**702**	**7**	**1,408**	**2**	**1,410**
Shareholders' equity as at 31.12.2014	**32**	**257**	**1,528**	**5,021**	**1,630**	**(406)**	**8,062**	**17**	**8,079**
Allocation of 2014 income (loss)		(257)		257					
Dividends [1]				(31)			(31)	(1)	(32)
Change in capital									
Business combinations				(8)			(8)		(8)
Other			(13)				(13)		(13)
Impact of transactions with members		**(257)**	**(13)**	**218**			**(52)**	**(1)**	**(53)**
Foreign exchange adjustments						4	4		4
Available-for-sale assets					(1,326)		(1,326)	(4)	(1,330)
Shadow accounting					1,058		1,058	3	1,061
Deferred taxes				5	5		10		10
Actuarial gains (losses) of post-employment benefits				(14)			(14)		(14)
Other				13			13	(1)	12
Net income for fiscal year		266					266	1	267
Total income (expenses) recognised over the period		**266**		**4**	**(263)**	**4**	**11**	**(1)**	**10**
Total changes over the period		**9**	**(13)**	**222**	**(263)**	**4**	**(41)**	**(2)**	**(43)**
Shareholders' equity as at 30.06.2015	**32**	**266**	**1,515**	**5,243**	**1,367**	**(402)**	**8,021**	**15**	**8,036**

[1] These being dividends that impact the change in shareholders' equity (group share), they are treated as compensation for subordinated instruments classified as equity according to IFRS rules.

In millions of euros	Capital	Income (Loss)	Subordinated instruments	Consolidated reserves	Revaluation reserves	Foreign exchange adjustment	Shareholders' equity (Group share)	Share of minority interests	Total shareholders' equity
Shareholders' equity as at 31.12.2013	**32**	**283**	**999**	**4,825**	**928**	**(413)**	**6,654**	**15**	**6,669**
Allocation of 2013 income (loss)		(283)		283					
Dividends [(1)]				(23)			(23)	(2)	(25)
Change in capital									
Business combinations									
Other			549				549		549
Impact of transactions with members		**(283)**	**549**	**260**			**526**	**(2)**	**524**
Foreign exchange adjustments						(2)	(2)		(2)
Available-for-sale assets					3,199		3,199	7	3,206
Shadow accounting					(2,554)		(2,554)	(6)	(2,560)
Deferred taxes				5	(140)		(135)		(135)
Actuarial gains (losses) of post-employment benefits				(20)			(20)		(20)
Other				2			2	(1)	1
Net income for fiscal year		140					140	1	141
Total income (expenses) recognised over the period		**140**		**(13)**	**505**	**(2)**	**630**	**1**	**631**
Total changes over the period		**(143)**	**549**	**247**	**505**	**(2)**	**1,156**	**(1)**	**1,155**
Shareholders' equity as at 30.06.2014	**32**	**140**	**1,548**	**5,072**	**1,433**	**(415)**	**7,810**	**14**	**7,824**

[(1)] These being dividends that impact the change in shareholders' equity (group share), they are treated as compensation for subordinated instruments classified as equity according to IFRS rules.

The notes on pages 14 to 106 are an integral part of the combined financial statements.

GROUPAMA
CASH FLOW STATEMENT (in millions of euros)

CASH FLOW STATEMENT	30.06.2015	30.06.2014
Operating income before taxes	292	241
Capital gains (losses) on the sale of investments	245	(284)
Net allocations to amortisation and depreciation	111	128
Change in deferred acquisition costs	(23)	(14)
Change in impairment	(721)	(59)
Net allocations to technical liabilities related to insurance policies and financial contracts	3,152	2,670
Net allocations to other reserves	10	(13)
Change in fair value of financial instruments and investments recognised at fair value through income (excluding cash and cash equivalents)	(435)	(188)
Other non-cash items included in operating income	6	16
Correction of elements included in the operating income other than cash flows and reclassification of investment and financing flows	**2,345**	**2,256**
Change in operating receivables and payables	(1,846)	(1,097)
Change in banking operating receivables and payables	(48)	(321)
Change in repo and reverse-repo securities	(203)	2,319
Cash flows from other assets and liabilities	(31)	(136)
Net tax paid	(83)	(75)
Net cash flows from operating activities	**426**	**3,187**
Acquisitions/divestments of subsidiaries and joint ventures, net of cash acquired		
Stakes in related companies acquired/divested	21	(6)
Cash flows due to changes in scope of consolidation	**21**	**(6)**
Net acquisitions of financial investments (including unit-linked investments) and derivatives	(459)	(3,553)
Net acquisitions of investment property	(11)	(12)
Net acquisitions and/or issues of investments and derivatives relating to other activities		
Other non-cash items	37	
Cash flows from acquisitions and issues of investments	**(433)**	**(3,565)**
Net acquisitions of property, plant and equipment, intangible fixed assets and operating property	(79)	(71)
Cash flows from acquisitions and disposals of property, plant and equipment and intangible fixed assets	**(79)**	**(71)**
Net cash flows from investment activities	**(491)**	**(3,642)**
Membership fees		
Issue of capital instruments		1,100
Redemption of capital instruments	(13)	(551)
Transactions involving own shares		
Dividends paid (1)	(32)	(25)
Cash flows from transactions with shareholders and members	**(45)**	**524**
Cash allocated to financial debt	(1)	(448)
Interest paid on financial debt	(31)	(48)
Cash flows from group financing	**(32)**	**(496)**
Net cash flows from financing activities	**(77)**	**28**

Cash and cash equivalents at 1 January	**1,567**	**1,239**
Net cash flows from operating activities	426	3,187
Net cash flows from investment activities	(491)	(3,642)
Net cash flows from financing activities	(77)	28
Cash flows from sold or discontinued assets and liabilities		
Effect of foreign exchange changes on cash	(3)	5
Cash and cash equivalents at 30 June	**1,422**	**817**

(1) They correspond to payment for subordinated securities classified in equity under IFRS.

Note that the decrease in “Change in repo and reverse-repo securities” is offset in “Net acquisitions of financial investments”.

CASH FLOW STATEMENT	30.06.2015
Cash and cash equivalents	1,465
Cash, central bank, postal bank and accounts receivable from banking businesses	201
Operating debts to banking sector companies	(99)
Cash and cash equivalents at 1 January 2015	**1,567**
Cash and cash equivalents	1,485
Cash, central bank, postal bank and accounts receivable from banking businesses	201
Operating debts to banking sector companies	(264)
Cash and cash equivalents at 30 June 2015	**1,422**

The notes on pages 14 to 106 are an integral part of the combined financial statements.

NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. SIGNIFICANT EVENTS AND POST-BALANCE SHEET EVENTS

Peer-to-peer economy and innovation

On 21 January 2015, Groupama Banque established a partnership with the crowdfunding platform Unilend to fund French very small companies and SMEs. Groupama Banque will contribute €100 million to the funding of corporate projects through Unilend over the next four years.

On 29 January 2015, Amaguiz and Coyote signed a partnership allowing Amaguiz policyholders, equipped with a Coyote S, to use video in case of a car accident. Very committed to respecting privacy, Coyote and Amaguiz have based their partnership on a simple principle: communication of the video from Coyote S will occur if the policyholder wishes and considers it necessary. The partnership aims to facilitate the life of policyholders, who will be able to manage their claims more calmly.

In February 2015, Gan Assurances signed an exclusive partnership with Lendopolis, the crowdfunding platform dedicated to very small companies and SMEs. Gan Assurances, alongside Lendopolis, will support business development projects of its choice and offer an “insurance” diagnosis taking into account a number of indicators (taking out civil liability insurance or not, etc.) and will thus enable investors to make a more informed choice in the level of risk of their investment.

On 29 February 2015, Groupama partnered with Airinov, a leader in agricultural drones, to support the development of drones, in the protection of risk and the deployment of new services to farmers. Groupama now gives all farmers the opportunity to insure their air drones, covering all damage that they may cause or suffer. In addition to insuring air drones for agricultural use, Groupama itself will use information provided by drones in carrying out its business as insurer with farmers. The expertise will thus be made more reliable to the benefit of the satisfaction of farmers insured with Groupama.

Changes in the strategic securities held by Groupama

Groupama continued to rebalance its asset portfolio under favourable pricing conditions.

On 12 February 2015, Groupama thus sold its entire stake in the capital of Mediobanca, representing approximately 4.9% of the company’s capital, to institutional investors for €333 million.

On 3 March 2015, the group also sold most of its stake in the capital of Veolia Environnement, representing around 5.05% of the company’s capital, for €485 million.

Financial rating

On 29 May 2015, the rating agency Fitch changed its rating for Groupama SA and its subsidiaries from BBB to BBB+ with a stable outlook. The agency believes, particularly because of the presence of a structured network in France and diversified risks, that the conditions for long-term profitability are present and strengthen the solvency of the group.

Governance

On 18 June 2015, the Board of Directors of Groupama SA renewed the terms of Jean-Yves Dagès as Chairman of Groupama SA and Thierry Martel as Managing Director of Groupama SA.

POST-BALANCE SHEET EVENTS

Greece

During 2nd quarter 2015, Greece, lacking sufficient liquidity, found itself in a difficult situation in the face of its debt repayment deadlines. In order to avoid the country's exit from the eurozone and honour its debt repayment commitments (with a delay of a few days), Greece renegotiated a 3rd bailout with its creditors, to be granted subject to the establishment of reforms to straighten out the country's finances and economy. On 13 July, the possibility of a new bailout was approved with the other States of the eurozone pertaining to €80 billion in financial aid over three years, accompanied by the establishment of a programme of reforms, the first phase of which was ratified by the Greek parliament on 16 July and the second passed on 22 July 2015.

These reforms, which will be gradually put in place during the second half of 2015, could have a recessive effect on purchasing power and eventually weigh on the country's economic growth. However, to date, the programme of reforms is not yet detailed enough so that its effects on the activity of Groupama's subsidiary in Greece can be precisely established in a new business plan. The assumptions used to date do not seem to be challenged by these reforms. A further postponement by a few months should permit better understanding of the reforms and their impacts within the subsidiary.

Redemption of the perpetual subordinated bonds issued in 2005

On 3 June 2015, Groupama announced the early redemption of its perpetual subordinated bonds issued in 2005 at the first redemption date, i.e., 6 July 2015, in accordance with article 5 of the terms and conditions of the bonds.

On 6 July 2015, the redemption was carried out for €43 million, corresponding to the nominal value, plus accrued interest.

2. COMBINATION PRINCIPLES, METHODS AND SCOPE

2.1. EXPLANATORY NOTE

Groupama SA is a French *société anonyme* (public limited company) nearly wholly owned, directly or indirectly, by the Caisses Régionales d'Assurances et de Réassurances Mutuelles Agricoles and the Caisses Spécialisées ("Specialised Mutuals", regional mutuals), which form the Mutual Insurance Division of Groupama. Groupama SA is domiciled in France. Its registered offices are at 8-10, rue d'Astorg, 75008, Paris, France.

The breakdown of share capital as at 30 June 2015 was as follows:

- 90.96% by Groupama Holding;
- 8.99% by Groupama Holding 2;
- 0.05% by the former and current agents and employees of Groupama SA (directly or through collective employee shareholding plans – FCPEs).

Both Groupama Holding and Groupama Holding 2, which are French *sociétés anonymes* (public limited companies), are wholly owned by the regional mutuals.

Groupama SA is a non-life insurance and reinsurance company, the sole reinsurer for the regional mutuals and the holding company for the equity management division of the Groupama Group. Its business activities are:

- to define and implement the operational strategy of the Groupama Group in collaboration with the regional mutuals and in line with the strategies defined by Fédération Nationale Groupama;
- to reinsure the regional mutuals;
- to direct all subsidiaries;
- to establish the reinsurance programme for the entire Group;
- to manage direct insurance business;
- to prepare the consolidated and combined financial statements.

The consolidated accounts of Groupama SA incorporate the reinsurance ceded by the regional mutuals as well as the activity of the subsidiaries.

The combined financial statements relate to the Groupama group and include all local mutuals, regional mutuals, Groupama SA and its subsidiaries.

For its activities, the company is governed by the French Commercial Code and the French Insurance Code and is supervised by the Prudential Control and Resolution Authority.

Relationships among the various entities of the Group are governed by the following:

- within the Groupama SA division, by capital ties. The subsidiaries included in this division are consolidated in the financial statements. Moreover, in exchange for a certain operational autonomy, each of the subsidiaries is subject to the requirements and obligations defined by the Groupama SA environment, particularly in terms of control;
- in the Mutual Insurance Division:
  - by an internal reinsurance treaty that binds the regional mutuals to Groupama SA.
  - by a security and joint liability agreement between all the regional mutuals and Groupama SA ("agreement defining the security and joint solidarity mechanisms of the Caisses de Réassurance Mutuelle Agricole that are members of Fédération Nationale Groupama").

2.2. General presentation of the combined financial statements

The combined financial statements as at 30 June 2015 were approved by the Board of Directors, which met on 30 July 2015.

For the purposes of preparing the combined financial statements, the financial statements of each combined entity are prepared consistently in accordance with the International Financial Reporting Standards and the interpretations applicable as at 30 June 2015 as adopted by the European Union, the principal terms of which are applied by Groupama SA as described below.

The standards and interpretations with mandatory application for fiscal years opened on or after 1 January 2015 have been applied for the preparation of the Group's financial statements as at 30 June 2015, particularly IFRIC interpretation 21 "Taxes" concerning the date used for recognition of the liability related to the payment of taxes. The application of this interpretation as at 1 January 2015 has a €14 million net tax impact on the opening balance sheet of the combined financial statements and has no significant impact on the presentation of the income statement.

The amendment to IAS 19 entitled "Defined Benefit Plans: Employee Contributions" and adopted by the European Union in December 2014 was not applied early. Its application is deemed not to have a significant impact on the Group's combined financial statements.

The interim financial statements have been prepared in accordance with IAS 34, in condensed form.

The decisions made by the Group are based primarily on the summary of the work of the French Accounting Standards Board working groups on the specific requirements for the implementation of IFRS by insurance entities.

Subsidiaries, joint ventures, and related companies of the combination scope are consolidated within the scope in accordance with the provisions of IFRS 10, IFRS 11, and IAS 28.

However, no IFRS standard specifically deals with the methods for aggregating the financial statements of entities forming the Mutual Insurance Division (local mutuals and regional mutuals). The Group has therefore adopted the combination rules defined in section VI of Regulation no. 2000-05 of the Accounting Regulatory Committee related to the rules for consolidation and combination of companies governed by the French Insurance Code and provident institutions governed by the French Social Security Code or by the French Rural Code.

This choice was made in accordance with the judgement criteria of article 10 of IAS 8 (on the selection and application of accounting methods in the absence of a standard or an interpretation that is specifically applicable) because of the characteristics of Groupama's Mutual Insurance Division described above.

The Group adopted IFRS for the first time for the preparation of the 2005 financial statements.

In the notes, all amounts are stated in millions of euros unless specified otherwise.

In order to prepare the Group's financial statements in accordance with IFRS, Groupama's management must make assumptions and estimates that have an impact on the amount of assets, liabilities, income, and expenses as well as on the drafting of the related notes.

These estimates and assumptions are reviewed on a regular basis. They are based on past experience and other factors, including future events which can be reasonably expected to occur under the circumstances.

Final future results of operations for which estimates were necessary may prove to be different and may result in an adjustment to the financial statements.

The judgements made by management pursuant to the application of IFRS primarily concern:

- initial valuation and impairment tests performed on intangible assets, particularly goodwill (Notes 3.1.1 and 3.1.2),
- evaluation of technical reserves (Note 3.12),
- estimate of certain fair values on unlisted assets or real estate assets (Notes 3.2.1 and 3.2.2),
- estimate of certain fair values of illiquid listed assets (Notes 3.2.1),
- recognition of profit-sharing assets (Note 3.12.2.b) and deferred tax assets (Note 3.13),
- Calculation of reserves for contingencies and charges and particularly valuation of employee benefits (Note 3.10).

2.3. CONSOLIDATION PRINCIPLES

2.3.1. Combination and consolidation scope and methods

A company is included in the combination scope once its combination, or that of the sub-group, which it heads, on a stand-alone basis or with other combined businesses, is material in relation to the combined financial statements of all companies included in the scope of combination.

In accordance with the provisions of IAS 10 and IAS 28, mutual funds and property investment companies are consolidated either through full consolidation or through the equity method. Control is examined for each mutual fund on a case-by-case basis. Non-controlling interests pertaining to mutual funds subject to full consolidation are disclosed separately as a special financial liability item in the IFRS balance sheet. Underlying financial assets appear in the Group's insurance business investments.

- **Combining company**

The combining company is responsible for preparing the combined financial statements. Its designation is the subject of a written agreement between all companies of the combination scope, the cohesion of which does not result in any capital tie.

- **Aggregated companies**

Companies related to each other through a combination tie are consolidated through aggregation of financial statements according to rules identical to those for full consolidation.

- **Controlled entities**

Controlled entities are fully consolidated. These entities are consolidated once they are controlled. An entity is controlled when the combining company holds power over this entity, is exposed or is entitled to variable returns because of its ties with this entity, and when it has the ability to exercise its power over this entity in order to have an influence on the amount of returns that it obtains.

An entity ceases to be fully consolidated once the combining company loses control of this entity.

Full consolidation involves:

- integrating in the consolidating company's accounts the items in the financial statements of the consolidated entities, after any restatements;
- eliminating transactions and accounts between the fully consolidated company and the other consolidated companies;
- distributing shareholders' equity and net income among the interests of the consolidating company and the interests of the holders of minority interests.

- **Related companies and joint ventures**

Investments in related companies in which the Group has a significant influence and investments in joint ventures are accounted for under the equity method.

When the combining company holds, directly or indirectly, 20% or more of the voting rights in an entity, it is assumed to exert significant control, unless it is otherwise demonstrated. Conversely, when the combining company directly or indirectly owns less than 20% of the voting rights of the entity, it is assumed not to exert a significant influence, unless it can be demonstrated that such influence exists.

A joint venture is a partnership in which the parties who exercise joint control over the entity have rights to its net assets.

The combining company has joint control over a partnership when the decisions concerning the relevant activities of the partnership require the unanimous consent of the parties sharing control.

The equity method consists of replacing the carrying amount of the shares held by the Group, the share of shareholders' equity converted at year end, including the net income for the fiscal year in accordance with consolidation rules.

- **Deconsolidation**

When an entity is in run-off mode (no longer taking new business) and the main aggregates of the balance sheet or the income statement are not significant compared with those of the group, this entity is deconsolidated.

The securities of such entity are then posted on the basis of their equivalent value, under securities held for sale at the time of deconsolidation. Subsequent changes in values are recorded in accordance with the methodology defined for this type of securities.

2.3.2 Changes in scope of combination

Changes in the scope of combination are described in Note 31 of the notes to the financial statements.

2.3.3. Uniformity of accounting principles

The Groupama SA combined financial statements are presented consistently for the entity formed by the companies included within the scope of combination, taking into account the characteristics inherent in consolidation and the financial reporting objectives required for consolidated accounts (predominance of substance over form, elimination of local tax accounting entries).

Restatements under the principles of consistency are made when they are material.

2.3.4. Conversion of financial statements of foreign companies

Balance sheet items are translated to euros (the functional and presentation currency of the Group's financial statements) at the official exchange rate on the balance sheet date, with the exception of shareholders' equity, excluding net income, which is translated at historic rates. The Group share of the resulting unrealised foreign exchange adjustment is recorded under "Unrealised foreign exchange adjustments", and the remaining balance is included in "Non-controlling interests".

Transactions on the income statements are translated at the average rate. The Group share of the difference between income translated at the average rate and income translated at the closing rate is recorded under "Unrealised foreign exchange adjustments", and the remaining balance is included in "Non-controlling interests".

2.3.5 Internal transactions between companies combined by Groupama

All transactions within the Group are eliminated.

When these transactions affect combined income, the elimination of profits and losses as well as capital gains and losses is done at 100% then divided between the interests of the combining company and the non-controlling interests in the company having generated the income. When eliminating losses, the Group ensures that the value of the disposed asset is not changed for the long term. The elimination of impacts of internal transactions involving assets brings them down to their value when they entered the combined balance sheet (consolidated historical cost).

Thus, inter-company transactions on the following must be eliminated:

- reciprocal receivables and payables as well as reciprocal income and expenses;
- notes receivable and notes payable are offset but, if the receivable is discounted, the credit facility granted to the Group is substituted for the note payable;
- transactions affecting commitments received and given;
- inward reinsurance, outward reinsurance and retrocessions;
- co-insurance and co-reinsurance operations and pooled management;
- broker and intermediation transactions;
- contractual sharing of premium income of group policies;
- reserves for the write-down of equity interests funded by the Company holding the securities and, if applicable, reserves for contingencies and charges recognised because of losses suffered by exclusively controlled companies;
- transactions on forward financial instruments;
- capital gains and losses from internal transfer of insurance investments;
- intra-Group dividends.

3. ACCOUNTING PRINCIPLES AND VALUATION METHODS USED

3.1. INTANGIBLE ASSETS

3.1.1 Goodwill

Goodwill on first-time consolidation corresponds to the difference between the acquisition cost of the securities of consolidated companies and the Group's share in restated shareholders' equity as at the acquisition date. When not assigned to identifiable items on the balance sheet, goodwill is recorded on the balance sheet in a special asset item as an intangible asset.

Residual goodwill results from the price paid above the Group's share in the fair value of the identifiable assets and liabilities of the acquired company as at the acquisition date, revalued for any intangible assets identified in the acquisition accounting according to revised IFRS 3 (fair value of assets and liabilities acquired). The price paid is the best possible estimate of the price supplements (earn-outs, payment deferrals, etc.).

The residual balance therefore corresponds to the valuation of the share of income expected on future production. This expected performance, which is reflected in the value of future production, results from the combination of intangible items that are not directly measurable. Such assets are assessed based on multiples or forecast future income that served as the valuation base for the price paid on acquisition and are used to establish the value of goodwill stated above.

For combinations prior to 1 January 2010, adjustments of future earn-outs are accounted for as an adjustment cost, and in income for combinations made starting from 1 January 2010.

For business combinations completed on or after 1 January 2010, the costs directly attributable to the acquisition are recorded in expenses when they are incurred.

For each acquisition, a decision is made whether to value non-controlling interests at fair value or for their share of the identifiable net assets of the acquired company.

The subsequent acquisition of non-controlling interests does not result in the creation of additional goodwill.

Operations for the acquisition and disposal of non-controlling interests in a controlled company that have no impact on the control exercised over that company are recorded in the Group's shareholders' equity.

Goodwill is allocated to the cash-generating units (CGU) of the acquiring company and/or the acquired company which are expected to take advantage of the business combination. A CGU is defined as the smallest group of assets that produces cash flows independently of other assets or groups of assets. With management units, management tools, geographic regions or major business lines, a CGU is created by combining entities of the same level.

Goodwill resulting from the acquisition of a foreign entity outside the eurozone is recorded in the local currency of the acquired entity and translated to euros at the closing rate. Subsequent foreign exchange fluctuations are posted to foreign exchange translation reserves.

For entities acquired during the fiscal year, the Group has twelve months from the acquisition date to assign a final value to the acquired assets and liabilities.

In a business combination achieved in stages, the previously acquired stake in control is revalued at fair value and the resulting adjustment recorded through income.

Residual goodwill is not amortised, but is subject to an impairment test at least once a year on the same date. The Group reviews the goodwill's book value in case of an unfavourable event occurring between two annual tests. Impairment is recorded when the recoverable amount of the cash generating unit to which the goodwill is allocated is less than its net book value. Recoverable value is defined as fair value less cost of sales, or value in use, whichever is higher.

Fair value, less sales costs, is computed as follows, in accordance with the recommendations of IAS 36 (§25 to 27):

- the sales price shown in a final sales agreement;
- the market value less selling costs if there is an active market;
- otherwise, the best possible information, with reference to comparable transactions.

Value in use corresponds to the current expected value of future cash flows to be generated by the cash generation unit.

Goodwill, recorded at the initial business combination, the value of which is not material or requires disproportionate valuation work in relation to its value, is immediately expensed in the year.

An impairment of goodwill recognised during a previous fiscal year may not be subsequently written back.

If the acquirer's interest in the net fair value of the identifiable assets, liabilities and reserves exceeds the acquisition cost of the company's shares, the identification and valuation of the assets, liabilities and reserves and the valuation of the cost of the combination is reassessed. If, after this revaluation, the share acquired remains greater than the acquisition cost, this excess is immediately recognised in income.

If control of an entity is taken over, a sale option may be granted to holders of non-controlling interests. The option to sell results in the Group's obligation to buy the securities held by the minority holder at a specified strike price and at a future date (or period of time) if the minority holder exercises its right. This obligation is reflected in the financial statements by a debt valued at the strike price of this discounted right.

The offset of this debt, equal to the price of the option (value of the share), is recognised in goodwill for put options granted before 1 January 2010 or as a reduction of non-controlling interests and/or shareholders' equity for put options contracted subsequent to this date.

3.1.2 Other intangible fixed assets

Intangible fixed assets are identifiable assets, controlled by the entity because of past events and from which future economic benefits are expected for the entity.

They primarily include values in force and investment contracts, customer relations values and network values and brands, determined during business combinations, as well as software acquired and developed.

Amortisable intangible insurance assets (specifically including values in force and investment contracts, the value of customer relations and the value of the networks) are depreciated as margins are discharged over the lifetime of the policy portfolios. A recoverability test is performed each year, based on experience and anticipated changes in major assumptions, and may result in impairment.

Software acquired and developed has a finite lifetime and is generally amortised on a straight-line basis over that lifetime.

Other intangible assets that do not have a finite lifetime are not amortised but do routinely undergo an impairment.

Start-up costs are expensed rather than capitalised.

3.2 Insurance business investments

Investments and any impairment thereon are valued in accordance with IFRS based on the asset class of the investments.

3.2.1. Financial assets

Equities, bonds, loans and receivables, derivatives and bank accounts are considered financial assets.

Classification

Financial assets are classified in one of the following four categories:

- There are two types of assets at fair value through income:
  - Investments held for trading, which are investments for which the management intention is to generate income in the short term. If there have been short-term sales in the past, such assets may also be classified in this category,
  - Financial assets designated as optional (held for trading or fair value option), provided they comply with the following criteria:
    - asset/liability matching to avoid any accounting mismatch;
    - hybrid instruments including one or more embedded derivatives;
    - group of financial assets and/or liabilities that are managed and the income of which is valued at fair value.
- Assets held to maturity include fixed-term investments that the Company expressly intends, and is able, to hold until maturity. The Group does not use this category, with the exception of certain perfectly backed portfolios that meet the criteria defined above.
- The category of loans and receivables includes assets with a defined payment or a payment that can be defined, which are not listed for trading on an active market.
- Available-for-sale assets (stated at fair value via shareholders' equity) include by default all other fixed-term financial investments, equities, loans and receivables that are not included in the other categories.

Reclassifications

A financial asset may, under exceptional circumstances, be reclassified outside the category of investments held for trading.

A financial asset classified as available-for-sale may be reclassified outside the category of assets available-for-sale, into:

- The category of investments held to maturity when the intent or capacity of the Company changes or when the entity no longer has a reliable assessment of fair value,
- the category of loans and receivables when the financial asset meets the definition of loans and receivables on the date of the reclassification and when the entity has the intent and the capacity to hold the financial asset for the foreseeable future or until its maturity.

A financial asset classified in the category of investments held to maturity may be reclassified exceptionally as available-for-sale if the entity's intent or capacity has changed.

Initial recognition

The Group recognises its financial assets when it becomes party to the contractual provisions of these assets.

Purchases and sales of financial investments are recorded on the transaction date.

Financial assets are initially recorded at fair value plus; for assets not valued at fair value through income, the transaction costs directly chargeable to the acquisition. However, when immaterial the transaction costs are not included in the acquisition cost of the financial assets.

Repurchase transactions are maintained as assets on the balance sheet.

Fair value valuation methods

The fair value of financial assets is the amount for which an asset could be exchanged between well-informed, consenting parties, acting under normal market conditions.

The fair value of a financial instrument corresponds to its listed stock price on an active market. When the market for this financial instrument is not active, its fair value is measured by valuation techniques using observable market data when available or, when not available, by resorting to assumptions that imply some judgment.

Pursuant to the amendment to IFRS 7 issued by the IASB in March 2009 and IFRS 13, financial instruments (assets and liabilities) valued at fair value are classified according to a three-level hierarchy. These levels depend on whether a valuation model is used and the data sources used to populate the valuation models:

- level 1 corresponds to a price listed in an active market to which the entity may have access on the valuation date,
- level 2 corresponds to the fair value determined on the basis of a valuation model using data directly observable on an active market or data that can be determined from prices observed,
- level 3 corresponds to the fair value determined on the basis of a valuation model using data not observable on a market.

Valuation techniques include the use of recent transactions under conditions of normal competition between informed and consenting parties, if available, reference to the current fair value of another instrument identical in substance, analysis of discounted cash flows, and option valuation models.

- **Valuation rules**

The valuation rules and any impairment must be understood as depending on the classification of the financial instrument in one of the four categories given above.

Assets held for trading and those for which the option to include them in this category has been applied are recorded in the income statement at the closing fair value.

Financial assets held to maturity, unlisted equities for which the fair value cannot be valued reliably, and loans and receivables are recorded at amortised cost or historic cost. The amortised cost is the amount at which the asset was valued at the time of initial recognition, minus repayments of principal, plus or minus the cumulative amortisation of the differences between the initial amount and the amount at maturity (based on the effective interest rate) and corrected for any reserves for impairment.

The differences between the redemption value and the acquisition price are distributed actuarially as expenses (agio) or as income (discount) over the residual life of the securities. When several redemption dates are provided, the residual life is determined on the basis of the final redemption date.

Available-for-sale assets are valued at their fair value, and unrealised capital gains or losses are recorded in a separate line of shareholders' equity.

Investments representing unit-linked policies are valued at fair value through income, as an option.

- **Reserves for impairment**

At each closing date, the Group looks for the existence of objective presumptions of impairment in its investments.

Debt instruments classified as available-for-sale assets

For debt instruments classified as available-for-sale assets, a loss of value is recognised through income in the event of a proven counterparty risk.

Impairments recognised on debt instruments are written back through income in the event of reduction or disappearance of the counterparty risk.

Equity instruments classified as available-for-sale asset

For equity instruments classified as available-for-sale assets, the Group has taken into account the clarifications made by the IFRS interpretations committee (IFRIC) in its July 2009 update on the notion of significant or prolonged decrease in paragraph 61 of IAS 39.

As at 30 June 2015, there is objective evidence of impairment in the following cases:

- the financial investment was already covered by a reserve at the previous published close; or
- a 50% discount is observed as at the closing date; or
- the financial investment has been in a continuous unrealised loss position with respect to its book value over the last 36 months prior to the balance sheet date.

For securities considered strategic securities detailed in the notes, held by the Group for the long term, characterised by the Group's representation on their governance bodies or significant, lasting contractual relations or a significant stake in the capital (in absolute or relative value), without significant influence being exercised, this reference period is 48 months.

Where such objective evidence of impairment is observed then the impairment amount corresponding to the difference between the acquisition cost and the fair value for that fiscal year, less any loss in value previously recognised through income, is automatically booked to income.

These criteria may undergo changes over time, by applying good judgement, in order to take account of changes in the environment in which they were postulated. This should allow for the handling of abnormal circumstances (such as a sharp and abnormal drop in net asset values on the balance sheet date).

In addition, in all other cases in which these thresholds are not reached, the Group identifies securities in its portfolio constantly presenting a significant unrealised capital loss over the last six months based on the volatility of the financial markets. For the thus separated securities the Group then carries out a review, based on its judgement, security by security, and decides whether to post an impairment through income or not.

In the event that the financial management of a line of securities is done in a comprehensive manner at the Group level, even when these securities are held by several entities, the determination of whether objective evidence of impairment exists can be done based on the Group's cost price.

The impairment recorded on a shareholders' equity instrument will only be reversed to income when the asset in question is sold.

Investments valued at amortised cost

For investments valued at amortised cost, the amount of the reserve is equal to the difference between the net book value of the assets and the discounted value of the future cash flows expected, determined on the basis of the original effective interest rate of the financial instrument, and corrected for any reserves. The amount of the loss is included in the net income or loss for the fiscal year. The reserve may be written back through income.

- **Derecognition**

Financial assets are derecognised when the contractual risks expire or the Group transfers the financial asset.

Gains or losses on the sale of financial investments are determined using the FIFO method, with the exception of the securities carried by mutual funds. The method used for mutual funds is the weighted average cost method.

The gains and losses from divestment are recorded on the income statement on the date of realisation and represent the difference between the sale price and the net book value of the asset.

3.2.2. Investment property

The Group has chosen to recognise investment property using the cost method. It is valued using the component approach.

- **Initial recognition**

Lands and properties appear on the balance sheet at their acquisition cost. The value of the property includes significant transaction costs directly attributable to the transaction, except in the specific case of investment property representing unit-linked commitments that may be posted, by discretion, to income at fair value.

When a real estate asset includes a portion held to produce rental income and another part used for production or administrative purposes, the asset is treated as investment property only if the latter is immaterial.

At the time of the initial recognition, property is subdivided by components and recorded separately.

The impairment periods applied by the Group for each component depend on the nature of the property under consideration and are as follows:

- building shell (impairment period between 30 and 120 years),
- wind and water tight facilities (impairment period between 30 and 35 years),
- heavy equipment (impairment period between 20 and 25 years),
- secondary equipment, fixtures and fittings (impairment period between 10 and 15 years),
- maintenance (impairment period: 5 years).

➢ **Valuation**

The cost of the property is the amount at which the property has been recorded at the time of initial recognition, minus cumulative amortisation and corrected for any reserves for impairment. The acquisition cost of the property is dependent either on an outright acquisition, or on the acquisition of a company that owns the property. In the latter case, the cost of the property is equal to its fair value on the date of acquisition of the owner company.

Each component is identified by its duration and depreciation rate.

The residual value of the shell component cannot be measured with sufficient reliability, particularly given the uncertainties about the holding horizon; thus this component is amortised on the basis of the acquisition cost.

Rent payments are recorded using the straight-line method over the term of the lease agreement.

The realisable value of investment properties is determined on the basis of the five-year independent appraisal conducted by an expert approved by domestic regulators (*Autorité de Contrôle Prudentiel et de Résolution*, in France). During each five-year period, the real estate is subject to an annual appraisal certified by the expert.

➢ **Subsequent expenditure**

Subsequent expenditure must be added to the book value of the property:

- if it is probable that these expenses will allow the asset to generate economic benefits,
- and these expenses can be reliably valued.

➢ **Reserves for impairment**

On each closing date of its financial statements, the Group determines whether there is evidence of potential loss of value on property recorded at amortised cost. If this is the case, the realisable value of the property is calculated as being the higher of two values: the sale price net of sale costs and the value in use. If the realisable value is less than the net book value, the Group recognises a loss of value in income for the difference between the two values, and the net book value is discounted to reflect only the realisable value.

When the value of the property increases at a later time, the reserve for impairment is written back through income.

➢ **Derecognition**

Gains or losses from the disposal of property investments are booked in the income statement on the date of realisation and represent the difference between the net sale price and the net book value of the asset.

3.3. DERIVATIVES

3.3.1. General information

A derivative is a financial instrument with the following three features:

- its value fluctuates on the basis of the change in a specific variable known as the "underlying asset",
- it requires a zero or low initial net investment compared with other instruments that react in the same way to market changes,
- it is settled at a future date.

All derivatives are recorded on the balance sheet at their fair value on the original date and during their subsequent revaluation. Changes in fair value are posted to income except for derivatives designated as cash flow hedges and net foreign investments.

3.3.2. Hedging derivatives

The use of hedge accounting is subject to obligations regarding documentation and periodic demonstration of the efficacy of the hedge.

Hedging derivatives are recorded at fair value with changes in the income statement, except for cash flow hedges and hedges of net foreign investments considered as effective, for which the changes in fair value are deferred into equity until the cash flows hedges are recognised in the income statement or when the foreign subsidiary is sold.

For a fair value hedge of an available-for-sale asset, the changes in fair value of the hedged item are recognised in income or loss so that they exactly offset the changes in the hedging derivative.

The ineffective portion of hedges is recognised in the income statement.

3.3.3. Embedded derivatives

Embedded derivatives are components of compound financial instruments that meet the definition of a derivative product.

They are separate from the host contract and recognised as derivatives when the following three conditions are met:

- the economic features and the risks of the embedded derivative are not closely linked to the economic features and risks of the host contract;
- a separate instrument containing the same conditions as the embedded derivative meets the definition of a derivative;
- the hybrid instrument is not valued at fair value with recognition of the changes in the fair value through the income statement.

When one of these conditions is not met, there is no separation.

3.4. Investments in related companies and joint ventures

Investments in associates and joint ventures are consolidated using the equity method. At the time of acquisition, the investment is recorded at the acquisition cost and its net book value is subsequently raised or reduced to take into account particularly the income or losses as well as the change in fair value of financial assets in proportion to the investor's stake.

3.5 Non-current assets held for sale and discontinued activities

A non-current asset (or a group intended to be sold) is considered to be held for sale if its book value will be mainly recovered through a sale transaction rather than through continued use. In order for this to be the case, the asset (or the group intended to be sold) must be available for immediate sale in its current state, and its sale must be highly probable (within the next 12 months).

Non-current assets (or a group intended to be sold) classified as held for sale are valued at the lower value between the net book value and the fair value minus transfer costs. In case of an unrealised capital loss, impairment is recorded in profit or loss. In addition, non-current assets cease to be depreciated once they are reclassified as held-for-sale assets.

A discontinued activity is considered to include any component from which the entity is separated or that is classified as held for sale and is in one of the following situations:
- it constitutes a line of business or a major, separate geographical area; or
- it is part of a single, coordinated plan for divestment of a line of business or a major, separate geographical area; or
- it is a subsidiary acquired exclusively in order to be sold.

The following are presented on a particular line of the income statement:
- net income after taxes from discontinued activities until the transfer date;
- profit or loss after taxes resulting from the divestment and measurement at fair value less the costs of the sale of the assets and liabilities constituting the discontinued activities.

3.6 Property, plant and equipment

The Group has chosen to value operating property using the cost method. This property is presented on a line separate from Investment property as assets. The recognition and valuation method is identical to the method described for investment property.

Property, plant and equipment other than operating property are initially recorded at acquisition cost, which consists of the purchase price, customs duties, discounts and rebates, direct costs necessary for installation and payment discounts.

The depreciation methods reflect the method of economic consumption.

An impairment test is conducted once there is an indication of a loss of value. The loss of value is reversible and corresponds to the surplus between the book value over the realisable value, which is the higher of net fair value of withdrawal costs and the value in use.

3.7 OPERATING RECEIVABLES AND PAYABLES, OTHER ASSETS AND OTHER LIABILITIES

Operating receivables and other assets are recorded at face value, taking into account any transaction costs.

Operating payables and other liabilities are recorded at the fair value of the consideration received in exchange at the origin of the contract, net of transaction costs.

Moreover, non-controlling interests in fully consolidated mutual funds are included in other liabilities. Under IAS 32, a financial instrument that gives the holder the right to return it to the issuer in exchange for cash is a financial liability. The change in this liability is recognised through the income statement.

3.8 CASH AND CASH EQUIVALENTS

Cash corresponds to available cash.

Cash equivalents are short-term liquid investments, easily convertible into a known amount of cash and subject to an insignificant risk of changes in value.

3.9 SHAREHOLDERS' EQUITY

➢ Revaluation reserves

The revaluation reserve contains the differences resulting from the revaluation at fair value of balance sheet items, particularly:

- the effects of the revaluation of derivatives assigned to cash flow hedges and net investments in currencies pursuant to IAS 21;
- the effects of the revaluation of financial assets available for sale in accordance with the provisions of IAS 39. These are unrealised gains and losses,
- the cumulative impact of the gain or loss from shadow accounting of investment assets available for sale,
- the cumulative impact of the deferred tax gain or loss generated by the transactions described above.

➢ Other reserves

Other reserves consist of the following items:

- Retained earnings,
- Group consolidation reserves,
- Other regulated reserves,
- The impact of changes in accounting methods,
- Equity instruments akin to perpetual subordinated bonds (TSDI) whose features allow recognition in shareholders' equity. Compensation for these securities is treated like a dividend on shareholders' equity.

➢ Foreign exchange adjustments

Foreign exchange adjustments result from the consolidation process owing to the translation of statutory financial statements of foreign subsidiaries prepared in a currency other than the euro.

- **Non-controlling interests**

Non-controlling interests represent the share in the net assets and net income of a fully consolidated Group company. This share represents the interests that are not held directly by the parent company or indirectly through subsidiaries (concerning non-controlling interests relating to consolidated mutual funds and the purchase of non-controlling interests, refer to paragraphs 3.7 and 3.11).

3.10 RESERVES FOR CONTINGENCIES AND CHARGES

Reserves for contingencies and charges are liabilities for which the due date or the amount is uncertain. A reserve must be recognised if the following three conditions are met:

- the Company has a current legal or implicit obligation that is the result of a past event,
- it is probable that an outflow of resources representing economic benefits will be necessary to discharge the obligation,
- it is possible to obtain a reliable estimate of the amount of the reserve.

When the impact of the time value of the money is substantial, the amount of the reserves is discounted to the present value of the expected expenditures, which the company believes necessary to discharge the obligation.

- **Personnel benefit**

- **Pension commitment**

The Group's companies have different retirement schemes. The schemes are generally financed by contributions paid to insurance companies or other funds, which are administered and valued on the basis of periodic actuarial calculations. The Group has defined-benefit schemes and defined-contribution schemes. A defined-contribution scheme is a retirement scheme under which the Group pays fixed contributions to an independent entity. In this case, the Group is not bound by any legal or implied obligation forcing it to top up the scheme in the event that the assets are not sufficient to pay, to all employees, the benefits due for services rendered during the current fiscal year and previous fiscal years. Pension schemes that are not defined contribution schemes are defined benefit schemes. This is the case, for example, for a scheme that defines the amount of the pension benefit that will be collected by an employee at retirement, which is generally a function of one or more factors, such as age, seniority and salary.

The liabilities recorded in the balance sheet for defined-benefit schemes and similar schemes correspond to the discounted value of the obligation linked to the defined-benefit schemes at closing, after deducting the closing fair value of the scheme assets.

The actuarial gains and losses resulting from experience-based adjustments and modifications in the actuarial assumptions are recognised directly in equity.

The costs of past services are immediately recognised in income, regardless of whether the rights are ultimately acquired in the event of a change of pension scheme.

With regard to defined-contribution schemes, the Group pays contributions to retirement insurance schemes and is not bound by any other payment commitment. The contributions are booked as expenses related to personnel benefits when they are due. The contributions paid in advance are recorded as assets to the extent that the advance payment results in a reduction of future payments or a cash reimbursement.

3.11 FINANCIAL DEBT

Financial debt includes subordinated liabilities, financial debt represented by securities, and financial debt to banking institutions.

In the absence of a specific IFRIC interpretation, commitments to purchase non-controlling interests are recorded in financial debt at current fair value (strike price of the option). The cross-entry of these debts is recognised either in goodwill for put options granted before 1 January 2010 or as a reduction in shareholders' equity for put options contracted subsequent to this date.

- **Initial recognition**

Financial debt is recognised when the Group becomes party to the contractual provisions of this debt. The amount of the financial debt is then equal to the fair value, adjusted if necessary for the transaction costs directly chargeable to the acquisition or issue of such debt.

- **Valuation rules**

Financial debt is subsequently valued at amortised cost using the effective interest rate method.

- **Derecognition**

Financial debt is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

3.12 TECHNICAL OPERATIONS

3.12.1. Classification and method of recognition

There are two categories of contract issued by the Group's insurance companies:

- insurance contracts and financial contracts with discretionary profit-sharing, which are governed by IFRS 4;
- financial contracts without discretionary profit sharing, which are governed by IAS 39.

- **Insurance policies**

An insurance policy is a contract according to which one party (the insurer) accepts a significant insurance risk of another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. An insurance risk is a risk, other than a financial risk, transferred from the policyholder to the issuer. This risk is significant when an insured event may require an insurer to pay significant additional benefits whatever the scenario, with the exception of scenarios that lack business significance.

The existing accounting practices for insurance policies subject to IFRS 4 continue to be maintained, with the exception of the equalisation reserves as defined by IFRS 4 which have been annulled, provided that the reserves thus established meet the solvency tests stipulated by international standards (see paragraph 3.12.2.c).

➢ Financial contracts

Contracts that do not meet the definition of insurance policy as described above are classified as financial contracts. Financial contracts are broken down into two categories: financial contracts with and without discretionary profit sharing.

A discretionary profit-sharing clause is defined as the contractual right held by a subscriber to receive an additional payment or another benefit, the amount or maturity of which is fully or partially at the discretion of the insurer and the valuation of which is based either on the performance of a set of contracts or a determined contract, either on the income or loss of the insurer, a fund, or any other entities having issued the contract or on realised and/or unrealised investment returns of a portfolio of specified assets held by the issuer.

The accounting methods for financial contracts with discretionary profit sharing are identical to the methods for insurance policies described above. Financial contracts without discretionary profit sharing are treated using the valuation procedures described in paragraph 3.12.3.

3.12.2 Insurance policies under IFRS 4

a. Non-life insurance policies

➢ Premiums

Written premiums represent the gross premiums, before reinsurance and tax, net of cancellations, reductions, rebates, of the change in premiums still to be written and of the change in premiums to be cancelled.

Premiums written and adjusted for the change in reserves for unearned premiums (which are defined below) constitute earned premiums.

➢ Insurance policy servicing expenses

Non-life insurance policy servicing expenses mainly include benefits and expenses paid and the change in reserves for claims and other technical reserves.

Benefits and expenses paid relate to the claims settled net of claims receivable collected for the fiscal year and the periodic payment of annuities. They also include the fees and commissions for the management of claims and payment for services.

➢ Technical liabilities related to non-life insurance policies

❖ Reserves for unearned premiums

The technical reserves for unearned premiums represent the portion of premiums for the period between the inventory date and the next contract payment date. They are calculated on a pro rata basis.

❖ Reserves for unexpired risks

The reserves for unexpired risks are intended to cover the portion of the cost of claims and the related management fees that exceeds the fraction of deferred premiums net of deferred acquisition costs.

On the interim balance sheet date, for a given family of risks, the loss experience may present a non-uniform profile for the period, resulting in a technical loss on the fraction of deferred premiums.

To understand the phenomenon, an adequacy test is performed and, in the event of a loss, an additional provision is recognised in the amount of the gap.

The test is conducted based on the last update of the annual forecast for loss experience and costs for this family of risks.

The loss corresponds to the insufficiency of deferred premiums over the period following the interim closing, relative to the projected claims and expenses relating to these premiums. The calculation is performed on the net reinsurance amounts.

❖ **Outstanding claims reserves**

The outstanding claims reserves represent the estimate, net of claims receivable, of the cost of all unpaid claims at the end of the fiscal year, both declared and undeclared. They include a charge for management fees that is determined on the basis of actual expense rates.

For construction risks, in addition to the outstanding claims reserves (declared or not yet declared), separate claims reserves that have not yet appeared are also funded for the ten-year civil liability coverage and the ten-year coverage against structural damage.

Reserves are assessed on the basis of the type of specific risks covered, particularly agricultural and climate risks and risks that are highly seasonal in nature.

❖ **Other underwriting reserves**

Actuarial reserves for annuities
The actuarial reserves for annuities represent the present value of the Company's payables for annuities and annuity expenses.

Reserve for increasing risks
This reserve is set aside for periodic premium health and disability insurance policies, for which the risk grows with the age of the policyholders.

➢ **Deferred acquisition costs**

In non-life insurance, acquisition costs related to unearned premiums are deferred and recorded in assets on the balance sheet.

b. Life insurance policies and financial contracts with discretionary profit sharing

➢ **Premiums**

Written premiums represent the gross premiums, before reinsurance and tax, net of cancellations, reductions, rebates, of the change in premiums still to be written and of the change in premiums to be cancelled.

➢ **Insurance policy servicing expenses**

Servicing expenses for life insurance policies and financial contracts with discretionary profit sharing means:

- all claims once they have been paid to the beneficiary,
- technical interest and profit sharing that may be included in those claims,
- all costs incurred by the insurance company for the management and payment of claims.

They also include the profit sharing and the change in life insurance reserves and other technical reserves.

➢ **Technical liabilities related to life insurance policies and financial contracts with discretionary profit sharing**

❖ **Actuarial reserves**

Actuarial reserves represent the difference between the present values of the commitments made by the insurer and the policyholders respectively, taking into account the probability that these commitments will be realised. Actuarial reserves are recognised as liabilities on the balance sheet at their gross underwriting value, before reinsurance and deferred acquisition costs.

No reserve for financial contingencies is recorded when the actuarial reserves have been funded on the basis of discount rates at most equal to the forecast yield rates, prudently estimated, of the assets assigned to represent them.

- **Profit-sharing reserve**

The profit-sharing reserve consists of a reserve for profit-sharing payable and potentially as a reserve for deferred profit sharing.

The reserve for payable profit sharing includes the identifiable amounts, from regulatory or contractual obligations, intended for the policyholders or beneficiaries of contracts in the form of profit sharing and rebates, to the extent that these amounts have not been credited to the policyholder's account or included in "Life technical reserves".

For the portion exceeding the regulatory and contractual minimum, the current contract profit-sharing expense is determined in the interim accounts on the basis of the estimated ratio for the current fiscal year and taking into account the decisions taken or, failing this, recognised at the close of the last fiscal year, between the projected annual contract profit-sharing expense and the projected annual net financial income. This expense is capped in the interim accounts at the amount of the projected annual financial margin.

The reserve for deferred profit sharing includes:

- the reserve for unconditional profit sharing, which is recognised when a difference is recorded between the bases for calculating future rights in the individual company accounts and the consolidated accounts;
- the reserve for conditional profit-sharing, which relates to the difference in liabilities between the individual company and the consolidated accounts, the payment of which depends on a management decision or the occurrence of an event.

In the particular case of restatement in the consolidated accounts of the capitalisation reserve, a reserve for deferred profit-sharing is determined when the Asset/Liability Management assumptions demonstrate a probable permanent write-back of the total capitalisation reserve. The Group recognised no deferred profit sharing on the restatement of the capitalisation reserve.

- **Application of shadow accounting**

For participatory contracts, the Group has decided to apply shadow accounting, which is intended to pass on to the value of insurance liabilities, deferred acquisition costs and the intangible assets related to insurance policies, the effects of taking into account the unrealised gains and losses on financial assets valued at fair value. Deferred profit-sharing is recognised through the revaluation reserve or the income statement, depending on whether these gains and losses have been recognised in the reserve or in the income statement.

Shadow accounting is applied on the basis of a profit-sharing rate that is estimated and applied to unrealised gains and losses. This rate is obtained by applying the regulatory and contractual conditions for calculating profit sharing observed in the past three years.

In case of an overall unrealised capital loss of the entity's asset portfolio, the Group records a deferred profit-sharing asset limited to the fraction of deferred profit sharing actually recoverable. A recoverability test based on the projected future performance of insurance portfolios is carried out. This test specifically includes unrealised capital gains on assets posted at amortised cost.

- **Other underwriting reserves**

Overall management expenses reserve
The management expenses reserve is established for all future contract management expenses not covered by mark-ups on premiums or by deductions on investment income provided for by them. This approach is carried out according to the grid of departmental categories.

- **Deferred acquisition costs**

Variable costs directly attributable to the acquisition of life insurance policies are recorded in assets in the consolidated accounts. These amounts may not under any circumstances be greater than the present value of future income from the policies.

These costs are amortised over the average life of the policies based on the rate of emergence of future margins for each generation of policies; future margins are determined using economic assumptions (profit-sharing rate, future rate of return on assets and lapse rate). Since these acquisition costs are capitalised, the actuarial reserves appearing on the balance sheet are presented as non-zillmerised.

Every year the expected present value of future margins by homogeneous product family is compared with the total of the deferred acquisition costs net of amortisation already recognised in the past. If this value is lower, an extraordinary impairment charge is recognised on the income statement.

The Group applies shadow accounting for deferred acquisition costs.

c. Liabilities adequacy test

An adequacy test is performed at each balance sheet date for liabilities under IFRS 4 intended to ensure that insurance liabilities are sufficient with regard to current estimates of future cash flows generated by insurance policies. Future cash flows resulting from policies take into account their related cover and options. If necessary, and for the purposes of this test, the insurance liabilities are reduced by the deferred acquisition costs and the values of business in force recorded at the time of business combinations or transfers of the related policies.
In case of inadequacy, the potential losses are recognised in full through income.

This test is performed at each balance sheet date and for each consolidated entity.

d. Unit-linked policies under IFRS 4

Unit-linked policies under IFRS 4 are either insurance policies containing a significant insurance risk, such as a death risk, or financial contracts with discretionary profit sharing, for which the financial risk is assumed by the policyholder.

The technical reserves for unit-linked policies are valued at the market value of the unit of account at the inventory date.

e. Embedded derivatives in insurance policies and financial contracts with discretionary profit sharing

Embedded derivatives are components of insurance policies that meet the definition of a derivative product.

If the same contract contains a financial component and an insurance component, the financial component is valued separately at fair value when it is not closely tied to the host contract or when the accounting standards do not require recognising all of the rights and obligations associated with the deposit component, in application of the provisions of IFRS 4.
In other cases, the entire contract is treated as an insurance policy.

3.12.3. Financial contracts under IAS 39

Liabilities related to financial contracts without discretionary profit sharing must be recognised on the basis of the principle of deposit accounting. Thus the premiums collected and the benefits are booked on the balance sheet. Management charges and expenses for the contracts are recorded in income. Unearned income is deferred over the estimated life of the contract.

This category primarily includes unit-linked policies and indexed policies that do not meet the definition of insurance policies and financial contracts with discretionary profit sharing. Commitments under these policies are valued at the unit-linked fair value in inventory.

The additional costs directly related to management of the investments of a contract are booked as assets if they can be identified separately and reliably valued, and if it is probable that they will be recovered. This asset, which corresponds to the contractual right acquired by the Group on income resulting from the management of investments, is amortised over the duration of this management and symmetrically with recognition of the corresponding income.

3.12.4. Reinsurance operations

➢ Inward reinsurance

Inward reinsurance is booked treaty by treaty without difference on the basis of an assessment of the business accepted. These operations are classified according to the same rules as those described for insurance policies or financial contracts in paragraph 3.12.1. In the absence of sufficient information from the outward reinsurer, estimates are made.

An asset deposit is recorded for the amount of the counterparty given to the ceding and retroceding companies.

Securities used as hedges are recorded in the statement of commitments given and received.

➢ Outward reinsurance

Outward reinsurance is recognised in accordance with the terms of the various treaties and according to the same rules as described in Note 3.12.1 on insurance policies and financial contracts. A liabilities deposit is recorded for the amount of the corresponding asset received from outward reinsurers and retrocessionaires.
Securities from reinsurers (outward reinsurers and retrocessionaires) remitted as collateral are recorded in the statement of commitments given and received.

3.13 Taxes

Corporate income tax includes all current and deferred taxes. When a tax is payable or receivable and payment is not subject to the execution of future transactions, such tax is classified as current, even if the payment is spread over several fiscal years. It appears as an asset or liability on the balance sheet as applicable.

Operations carried out by the Group may have positive or negative tax consequences other than those taken into consideration for calculating the payable tax. The result is tax assets or liabilities classified as deferred.

This is particularly the case when, because of completed transactions that are posted in either the individual company statements or only in the consolidated accounts as restatements and eliminations of inter-company income or losses, differences will appear in the future between the tax income and the accounting income of the Company, or between the tax value and the book value of an asset or liability, for example when transactions performed during a fiscal year are taxable only in the following fiscal year. These differences are classified as timing differences.

All deferred tax liabilities must be recognised; however, deferred tax assets are only recognised if it is likely that taxable income (against which these deductible timing differences can be charged) will be available.

All deferred tax liabilities are recognised. Deferred tax assets are recognised when their recovery is considered as “more probable than improbable”, i.e., if it is likely that sufficient taxable income will be available in the future to offset the deductible timing differences. In general, a 3-year horizon is considered to be a reasonable period to assess whether the entity can recover the capitalised deferred tax. However, an impairment charge is booked against the deferred tax assets if their recoverability appears doubtful.

Deferred tax assets and liabilities are computed on the basis of tax rates (and tax regulations), which have been adopted as at the balance sheet date.

Deferred tax assets and liabilities are not discounted to present value.

3.14 Segment reporting

A business segment is a component of an entity whose operating profits are regularly examined by the Group’s principal operational decision-makers in order to assess the segment’s performance and decide on the resources to allocate to it.

The Group is organised into three operational segments: insurance in France, international insurance, and banking and financial businesses. The banking and financial activity segment, which is also the subject of specific notes (Notes 9.1, 9.2, and 23.3), has been grouped with the insurance segment in France in order to create an overall operational segment entitled France.

The various activities of each segment are as follows:

- **Life and health insurance.** The life and health insurance business covers the traditional life insurance business as well as personal injury (largely health risks, disability and long-term care);
- **Property and casualty insurance.** Property and casualty insurance covers, by default, all the Group's other insurance businesses.
- **Banking and finance business.** The banking and finance business relates to distribution of banking products, including fund management activities, real estate management, private equity and employee savings;
- **Holding company activity.** This mainly comprises income and expenses arising from managing the Group and holding the shares of the companies included in the Groupama SA scope of consolidation.

3.15 COSTS BY CATEGORY

Management fees and commissions related to insurance business are classified on the basis of their function by applying allocation keys defined as a function of the structure and organisation of each of the insurance entities.
Expenses are classified into the following six purposes:

- acquisition costs;
- administrative costs;
- claims settlement costs;
- investment expenses;
- other technical expenses;
- non-technical expenses.

4. NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SEGMENT REPORTING

NOTE 1.1 – SEGMENT REPORTING BY OPERATING SEGMENT

NOTE 1.1.1 – SEGMENT REPORTING BY OPERATING SEGMENT – BALANCE SHEET

In millions of euros	30.06.2015			31.12.2014		
	France	International	Total	France	International	Total
Intangible assets	883	1,636	2,519	888	1,647	2,535
Insurance business investments	76,460	6,982	83,441	76,694	6,727	83,421
Funds used in banking sector activities and investments of other business activities	4,104		4,104	3,639		3,639
Investments in related companies and joint ventures	805	176	981	860	178	1,038
Share of outward reinsurers and retrocessionnaires in liabilities relating to insurance and financial contracts	7,962	196	8,158	8,007	209	8,216
Other assets	7,139	881	8,021	5,201	925	6,126
Assets held for sale and discontinued business activities						
Cash and cash equivalents	1,278	207	1,485	1,004	461	1,465
Consolidated total assets	**98,631**	**10,077**	**108,708**	**96,292**	**10,147**	**106,439**
Reserves for contingencies and charges	564	88	652	541	91	631
Financing debt	839		839	840		840
Technical liabilities relating to insurance policies	53,665	5,126	58,791	50,255	5,140	55,394
Technical liabilities relating to financial contracts	14,928	1,720	16,647	15,822	1,570	17,392
Deferred profit-sharing liabilities	4,106	143	4,250	4,722	170	4,892
Resources from banking sector activities	3,721		3,721	3,304		3,304
Other liabilities	15,462	311	15,772	15,527	380	15,907
Liabilities of business activities to be sold or discontinued						
Total consolidated liabilities excluding shareholders' equity	**93,285**	**7,388**	**100,672**	**91,010**	**7,350**	**98,361**

Groupama

NOTE 1.1.2 – SEGMENT REPORTING BY OPERATING SEGMENT – INCOME STATEMENT

In millions of euros	30.06.2015			30.06.2014		
	France	Inter-national	Total	France	Inter-national	Total
Earned premiums	5,461	1,393	6,854	5,521	1,264	6,785
Net banking income, net of cost of risk	106		106	95		95
Investment income	1,204	131	1,334	1,183	130	1,313
Investment expenses	(400)	(26)	(426)	(336)	(21)	(357)
Capital gains or losses from divestment of investments net of impairment and depreciation write-backs	459	30	489	306	36	343
Change in fair value of financial instruments recorded at fair value through income	427	8	435	160	28	188
Change in impairment on investments	(1)		(1)	(1)	(5)	(5)
Total income from ordinary business activities	**7,255**	**1,537**	**8,792**	**6,930**	**1,432**	**8,362**
Insurance policy servicing expenses	(5,490)	(1,111)	(6,601)	(5,231)	(1,029)	(6,259)
Income on outward reinsurance	280	35	314	238	49	287
Expenses on outward reinsurance	(392)	(97)	(489)	(399)	(70)	(468)
Banking operating expenses	(89)		(89)	(94)		(94)
Policy acquisition costs	(707)	(213)	(920)	(697)	(205)	(902)
Administrative costs	(176)	(82)	(257)	(173)	(78)	(251)
Other current operating income and expenses	(408)	(25)	(433)	(383)	(25)	(407)
CURRENT OPERATING INCOME	**273**	**44**	**317**	**191**	**76**	**267**
Other operating income and expenses	(14)	(10)	(25)	(18)	(9)	(27)
OPERATING INCOME	**258**	**34**	**292**	**173**	**67**	**241**
Financing expenses	(31)		(31)	(48)		(48)
Share in income of related companies	(31)	(14)	(45)	(15)	3	(12)
Corporate income tax	67	(17)	50	(22)	(17)	(39)
NET INCOME FROM CONTINUING BUSINESS ACTIVITIES	**263**	**3**	**266**	**88**	**53**	**141**
Net income from discontinued business activities						
OVERALL NET INCOME	**263**	**3**	**266**	**88**	**53**	**141**
of which, non-controlling interests	1		1	1		1
OF WHICH, NET INCOME (GROUP SHARE)	**263**	**3**	**266**	**87**	**53**	**140**

NOTE 1.2 – SEGMENT REPORTING BY BUSINESS

NOTE 1.2.1 – SEGMENT REPORTING BY BUSINESS – INCOME STATEMENT

In millions of euros	30.06.2015									
	France					International				Total
	Property and casualty insurance	Life and health insurance	Banking	Holding	Total	Property and casualty insurance	Life and health insurance	Holding	Total	
Earned premiums	**2,719**	**2,742**			**5,461**	**874**	**520**		**1,393**	**6,854**
Net banking income, net of cost of risk			**106**		**106**					**106**
Investment income	127	1,065		12	1,204	60	70	2	131	1,334
Investment expenses	(55)	(351)		5	(400)	(17)	(7)	(1)	(26)	(426)
Capital gains or losses from divestment of investments net of impairment and depreciation write-backs	100	358			459	22	8		30	489
Change in fair value of financial instruments recorded at fair value through income	19	400		8	427	(1)	9		8	435
Change in impairment on investments					(1)					(1)
Total income from ordinary business activities	**2,910**	**4,213**	**106**	**25**	**7,255**	**938**	**599**	**1**	**1,537**	**8,792**
Insurance policy servicing expenses	(1,810)	(3,680)			(5,490)	(618)	(493)		(1,111)	(6,601)
Income on outward reinsurance	70	210			280	32	3		35	314
Expenses on outward reinsurance	(173)	(219)			(392)	(93)	(4)		(97)	(489)
Banking operating expenses			(89)		(89)					(89)
Policy acquisition costs	(437)	(270)			(707)	(163)	(49)		(213)	(920)
Administrative costs	(120)	(55)			(176)	(54)	(28)		(82)	(257)
Other current operating income and expenses	(159)	(198)	1	(52)	(408)	(20)	(4)	(1)	(25)	(433)
CURRENT OPERATING INCOME	**280**	**1**	**18**	**(27)**	**273**	**21**	**24**	**(1)**	**44**	**317**
Other operating income and expenses	(6)			(8)	(14)	(9)	(1)		(10)	(25)
OPERATING INCOME	**274**	**1**	**18**	**(35)**	**258**	**12**	**23**	**(1)**	**34**	**292**
Financing expenses	(1)			(30)	(31)					(31)
Share in income of related companies	(2)	(29)			(31)	(14)			(14)	(45)
Corporate income tax	(87)	120	(7)	41	67	(12)	(5)		(17)	50
NET INCOME FROM CONTINUING BUSINESS ACTIVITIES	**184**	**93**	**11**	**(24)**	**263**	**(14)**	**18**	**(1)**	**3**	**266**
Net income from discontinued business activities										
TOTAL NET INCOME	**184**	**93**	**11**	**(24)**	**263**	**(14)**	**18**	**(1)**	**3**	**266**
of which, non-controlling interests		1			1					1
OF WHICH, NET INCOME (GROUP SHARE)	**184**	**92**	**11**	**(24)**	**263**	**(14)**	**18**	**(1)**	**3**	**266**

In millions of euros	30.06.2014									
	France					International				Total
	Property and casualty insurance	Life and health insurance	Banking	Holding	Total	Property and casualty insurance	Life and health insurance	Holding	Total	
Earned premiums	**2,712**	**2,809**			**5,521**	**847**	**417**		**1,264**	**6,785**
Net banking income, net of cost of risk			**95**		**95**					**95**
Investment income	117	1,061		4	1,183	56	72	1	130	1,313
Investment expenses	(52)	(296)		13	(336)	(14)	(6)		(21)	(357)
Capital gains or losses from divestment of investments net of impairment and depreciation write-backs	67	239		1	306	17	19		36	343
Change in fair value of financial instruments recorded at fair value through income	10	219		(68)	160	6	22		28	188
Change in impairment on investments	1	(2)			(1)	(2)	(2)		(5)	(5)
Total income from ordinary business activities	**2,855**	**4,030**	**95**	**(50)**	**6,930**	**909**	**522**	**1**	**1,432**	**8,362**
Insurance policy servicing expenses	(1,795)	(3,436)			(5,231)	(603)	(425)		(1,029)	(6,259)
Income on outward reinsurance	18	219			238	47	2		49	287
Expenses on outward reinsurance	(176)	(223)			(399)	(72)	2		(70)	(468)
Banking operating expenses			(94)		(94)					(94)
Policy acquisition costs	(424)	(273)			(697)	(160)	(45)		(205)	(902)
Administrative costs	(118)	(55)			(173)	(51)	(27)		(78)	(251)
Other current operating income and expenses	(169)	(170)		(43)	(382)	(19)	(5)	(1)	(25)	(407)
CURRENT OPERATING INCOME	**191**	**93**	**2**	**(93)**	**191**	**52**	**25**	**0**	**76**	**267**
Other operating income and expenses	3	(16)		(5)	(18)	(6)	(3)		(9)	(27)
OPERATING INCOME	**193**	**77**	**2**	**(99)**	**173**	**46**	**22**	**0**	**67**	**241**
Financing expenses	(1)			(47)	(48)					(48)
Share in income of related companies	(3)	(12)			(15)	3			3	(12)
Corporate income tax	(74)	(18)		70	(22)	(12)	(5)		(17)	(39)
NET INCOME FROM CONTINUING BUSINESS ACTIVITIES	**116**	**46**	**1**	**(76)**	**88**	**36**	**17**	**0**	**53**	**141**
Net income from discontinued business activities										
OVERALL NET INCOME	**116**	**46**	**1**	**(76)**	**88**	**36**	**17**	**0**	**53**	**141**
of which, non-controlling interests		1			1					1
OF WHICH, NET INCOME (GROUP SHARE)	**116**	**45**	**1**	**(76)**	**87**	**36**	**17**	**0**	**53**	**140**

NOTE 2 – GOODWILL

In millions of euros	30.06.2015				31.12.2014
	Gross value	Impairment	Foreign exchange adjustment	Net value	Net value
Opening value	**3,049**	**(581)**	**(276)**	**2,192**	**2,188**
Newly consolidated entities					
Eliminations from the scope of consolidation					
France					2
Central and Eastern European countries			1	1	(12)
Turkey			(10)	(10)	8
United Kingdom			6	6	6
Other changes during the fiscal year			**(3)**	**(3)**	**4**
Closing value	**3,049**	**(580)**	**(279)**	**2,190**	**2,192**

The grouping within a single cash-generating unit for all countries of Central and Eastern Europe is explained by common tools and a common platform as well as centralised management bancassurance agreements.

Impairment test:

Goodwill is tested for impairment at least once a year. This test is carried out at the level of the cash-generating unit during each annual close.

The benchmark value in use applied to justify impairment tests corresponds to the current value of future cash flows to be generated by this cash-generating unit.

As a general rule, the flows used correspond to:

- An explicit period based on the Group's operational strategic planning in the early years. This is subject to an iterative discussion process between local management and the Group;
- Beyond the explicit horizon, the cash flow column is completed by a terminal value. This terminal value is based on long-term growth assumptions applied to an updated projection of normative cash flows.

During an interim close, the group conducts certain internal control work to detect any indicator of loss of value.

During the first half of 2015, no indicators of loss of value were detected.

As previously indicated, the reforms that will be gradually put in place during the second half of 2015 in Greece do not clearly indicate that there could be adverse effects on the assumptions of business plans used to justify the subsidiary's goodwill. The Group therefore considers that, to date, there is no tangible evidence of losses in value that could call the subsidiary's profitability into question. A more detailed analysis will take place on 31 December 2015.

NOTE 2.1 – GOODWILL – DETAILS BY CASH-GENERATING UNIT

In millions of euros	30.06.2015			
	Gross value	Impairment	Foreign exchange adjustment	Net value
Central and Eastern European countries	1,026	(502)	(176)	348
Italy	781			781
Turkey	262		(83)	179
United Kingdom	142	(30)	(20)	92
Greece	131	(48)		83
Total International	**2,342**	**(580)**	**(279)**	**1,483**
Groupama Gan Vie	470			470
Gan Assurances	196			196
Financial businesses, property and other insurance companies	41			41
Total France and Overseas	**707**			**707**
Closing value	**3,049**	**(580)**	**(279)**	**2,190**

In millions of euros	31.12.2014			
	Gross value	Impairment	Foreign exchange adjustment	Net value
Central and Eastern European countries	1,026	(502)	(177)	347
Italy	781			781
Turkey	262		(73)	189
United Kingdom	142	(31)	(27)	84
Greece	131	(48)		83
Total International	**2,342**	**(581)**	**(277)**	**1,484**
Groupama Gan Vie	470			470
Gan Assurances	196			196
Financial businesses, property and other insurance companies	41			41
Total France and Overseas	**707**			**707**
Closing value	**3,049**	**(581)**	**(277)**	**2,192**

It should be recalled that in fiscal years 2009 to 2012, the Group devalued goodwill by €580 million for the following cash-generating units:

- Countries of Eastern and Central Europe for a total of €502 million, including: €113 million in 2009 corresponding to start-up risk in the emerging countries of Eastern Europe, where the OTP Bank group is active, €79 million in 2010, €51 million in 2011, and €259 million in 2012.
- Greece: €39 million in 2011 and €9 million in 2012
- United Kingdom: €30 million on the brokerage firm Bollington in 2012.

NOTE 3 – Other intangible assets

In millions of euros	30.06.2015			31.12.2014		
	Intangible assets related to insurance business	Other intangible assets	Total	Intangible assets related to insurance business	Other intangible assets	Total
Opening gross value	**533**	**1,671**	**2,203**	**532**	**1,602**	**2,133**
Increase		53	53		82	82
Decrease		(40)	(40)	(1)	(11)	(12)
Foreign exchange adjustments	(3)		(3)	2	(3)	(1)
Change in scope of consolidation						
Closing gross value	**530**	**1,683**	**2,212**	**533**	**1,671**	**2,203**
Opening cumulative amortisation & impairment	**(251)**	**(1,466)**	**(1,717)**	**(233)**	**(1,356)**	**(1,589)**
Increase	(8)	(44)	(52)	(17)	(113)	(130)
Decrease		27	27		2	2
Foreign exchange adjustments	2		2	(1)	1	0
Change in scope of consolidation						
Reclassifications						
Closing cumulative amortisation & impairment	**(257)**	**(1,483)**	**(1,740)**	**(251)**	**(1,466)**	**(1,717)**
Opening cumulative long-term impairment	**(138)**	**(4)**	**(142)**	**(136)**	**(3)**	**(139)**
Long-term impairment recognised		(1)	(1)	(1)	(1)	(2)
Long-term impairment write-backs						
Foreign exchange adjustments	1		1	(1)		(1)
Change in scope of consolidation						
Reclassifications						
Closing cumulative long-term impairment	**(137)**	**(5)**	**(142)**	**(138)**	**(4)**	**(142)**
Opening net value	**144**	**201**	**344**	**163**	**242**	**404**
Closing net value	**136**	**194**	**329**	**144**	**201**	**344**

The Group's intangible assets can be split into two groups:
- intangible assets related to insurance business;
- other intangible assets.

Intangible assets related to insurance business

Intangible assets related to insurance business primarily correspond to values in force, values of the distribution networks, values of customer relationships and brands. Only the portfolio value in Italy is subject to amortisation.

Other intangible assets

Other intangible assets consist primarily of software acquired and developed internally. As at 30 June 2015, the abandonment of the CIBAMA applications by Groupama Loire Bretagne, following the migration to SIGMA (€26 million decrease in gross value and cumulative amortisation and impairment), should be noted.

NOTE 4 – Investment property, excluding unit-linked investments

In millions of euros	30.06.2015			31.12.2014		
	Property	SCI units	Total	Property	SCI units	Total
Opening gross value	**1,422**	**245**	**1,667**	**1,430**	**232**	**1,662**
Acquisitions	1	4	5	4	19	23
Change in scope of consolidation						
Subsequent expenditure						
Assets capitalised in the year	30		30	39		39
Transfer from/to unit-linked property						
Transfer from/to operating property				(2)		(2)
Foreign exchange adjustments						
Outward reinsurance	(86)	(5)	(91)	(49)	(6)	(55)
Other						
Closing gross value	**1,367**	**244**	**1,611**	**1,422**	**245**	**1,667**
Opening cumulative amortisation & impairment	**(343)**		**(343)**	**(335)**		**(335)**
Increase	(9)		(9)	(26)		(26)
Change in scope of consolidation						
Transfer from/to unit-linked property						
Transfer from/to operating property						
Decrease	44		44	18		18
Other						
Closing cumulative amortisation & impairment	**(308)**		**(308)**	**(343)**		**(343)**
Opening cumulative long-term impairment	**(12)**	**(5)**	**(18)**	**(12)**	**(5)**	**(18)**
Long-term impairment recognised						
Change in scope of consolidation						
Transfer from/to operating property						
Long-term impairment write-backs						
Closing cumulative long-term impairment	**(12)**	**(5)**	**(18)**	**(12)**	**(5)**	**(18)**
Opening net value	**1,067**	**240**	**1,307**	**1,083**	**227**	**1,310**
Closing net value	**1,047**	**238**	**1,285**	**1,067**	**240**	**1,307**
Closing fair value of investment property	**2,619**	**404**	**3,023**	**2,586**	**405**	**2,991**
Unrealised capital gains	**1,572**	**166**	**1,738**	**1,519**	**165**	**1,684**

The realisation of unrealised capital gains on property representing life insurance commitments would give rise to rights in favour of policy beneficiaries as well as taxation.

Unrealised gains accruing to the Group, including property operating activities (see Note 5), amounted to €662 million as at 30 June 2015 (net of profit sharing and tax), compared with €645 million as at 31 December 2014.

The table also shows property under leasing contracts for an amount at the net book value of €35 million as at 30 June 2015, compared with €36 million as at 31 December 2014. The fair value of this property is estimated at €63 million (i.e., unrealised capital gains of €27 million as at 30 June 2015, compared with €26 million as at 31 December 2014).

As per the fair value hierarchy established in IFRS 13, the fair value of investment property is ranked as Level 2 for an amount of €2,484 million, and Level 3 for an amount of €539 million. The Level 2 investment property comprises mainly property located in Paris, or the Greater Paris region, whose fair value is based on observable data.

NOTE 4.1 – INVESTMENT PROPERTY – BY OPERATING SEGMENT

In millions of euros	30.06.2015						31.12.2014					
	Property			SCI units			Property			SCI units		
	France	International	Total	France	International	Total	France	International	Total	France	International	Total
Gross value	1,318	49	1,367	244		244	1,371	51	1,422	246		246
Cumulative amortisation & impairment	(293)	(15)	(308)				(326)	(16)	(343)			
Long-term impairment	(4)	(8)	(12)	(6)		(6)	(4)	(8)	(12)	(6)		(6)
Closing net value	**1,022**	**26**	**1,047**	**238**		**238**	**1,040**	**27**	**1,067**	**240**		**240**
Closing fair value of investment property	**2,570**	**50**	**2,619**	**404**		**404**	**2,536**	**50**	**2,586**	**405**		**405**
Unrealised capital gains	**1,548**	**24**	**1,572**	**166**		**166**	**1,496**	**24**	**1,519**	**165**		**165**

NOTE 4.2 – INVESTMENT PROPERTY BY BUSINESS

NOTE 4.2.1 – INVESTMENT PROPERTY BY BUSINESS – FRANCE

In millions of euros	30.06.2015					
	Property			SCI units		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty	Total
Gross value	950	367	1,318	111	134	244
Cumulative amortisation & impairment	(194)	(99)	(293)			
Long-term impairment	(2)	(2)	(4)	(2)	(5)	(6)
Closing net value	**755**	**266**	**1,022**	**109**	**129**	**238**
Closing fair value of investment property	**1,939**	**631**	**2,570**	**179**	**225**	**404**
Unrealised capital gains	**1,184**	**364**	**1,548**	**70**	**96**	**166**

In millions of euros	31.12.2014					
	Property			SCI units		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty	Total
Gross value	963	408	1,371	108	137	246
Cumulative amortisation & impairment	(208)	(118)	(326)			
Long-term impairment	(2)	(2)	(4)	(1)	(4)	(6)
Closing net value	**753**	**288**	**1,040**	**107**	**133**	**240**
Closing fair value of investment property	**1,895**	**641**	**2,536**	**173**	**232**	**405**
Unrealised capital gains	**1,143**	**353**	**1,496**	**66**	**99**	**165**

NOTE 4.2.2 – INVESTMENT PROPERTY BY BUSINESS – INTERNATIONAL

In millions of euros	30.06.2015					
	Property			SCI units		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross value	27	22	49			
Cumulative amortisation & impairment	(9)	(6)	(15)			
Long-term impairment	(5)	(4)	(8)			
Closing net value	**13**	**13**	**26**			
Closing fair value of investment property	**25**	**25**	**50**			
Unrealised capital gains	**12**	**12**	**24**			

In millions of euros	31.12.2014					
	Property			SCI units		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross value	29	22	51			
Cumulative amortisation & impairment	(10)	(6)	(16)			
Long-term impairment	(5)	(3)	(8)			
Closing net value	**14**	**13**	**27**			
Closing fair value of investment property	**26**	**24**	**50**			
Unrealised capital gains	**12**	**11**	**24**			

NOTE 5 – OPERATING PROPERTY

In millions of euros	30.06.2015			31.12.2014		
	Property	SCI units	Total	Property	SCI units	Total
Opening gross value	**1,357**	**72**	**1,429**	**1,356**	**79**	**1,435**
Acquisitions	3	4	7	15	2	17
Change in scope of consolidation						
Assets capitalised in the year	9		9	6		6
Transfer from/to investment property				2		2
Foreign exchange adjustments				(1)		(1)
Outward reinsurance	(8)	(1)	(9)	(21)	(9)	(30)
Other						
Closing gross value	**1,361**	**75**	**1,436**	**1,357**	**72**	**1,429**
Opening cumulative amortisation & impairment	**(353)**		**(353)**	**(329)**		**(329)**
Increase	(17)		(17)	(38)		(38)
Change in scope of consolidation						
Transfer from/to investment property						
Decrease	2		2	14		14
Other						
Closing cumulative amortisation & impairment	**(368)**		**(368)**	**(353)**		**(353)**
Opening cumulative long-term impairment	**(16)**		**(16)**	**(4)**	**(2)**	**(6)**
Long-term impairment recognised				(14)		(14)
Change in scope of consolidation						
Transfer from/to investment property						
Long-term impairment write-backs				2	2	4
Closing cumulative long-term impairment	**(16)**		**(16)**	**(16)**	**0**	**(16)**
Opening net value	**988**	**72**	**1,060**	**1,023**	**77**	**1,100**
Closing net value	**977**	**75**	**1,052**	**988**	**72**	**1,060**
Closing fair value of operating property	**1,307**	**122**	**1,429**	**1,308**	**118**	**1,426**
Unrealised capital gains	**330**	**47**	**377**	**320**	**46**	**366**

NOTE 5.1 – OPERATING PROPERTY – BY OPERATING SEGMENT

In millions of euros	30.06.2015						31.12.2014					
	Property			SCI units			Property			SCI units		
	France	Inter-national	Total	France	Inter-national	Total	France	Inter-national	Total	France	Inter-national	Total
Gross value	1,244	117	1,361	75		75	1,238	119	1,357	72		72
Cumulative amortisation & impairment	(357)	(11)	(369)				(343)	(10)	(353)			
Long-term impairment	(15)		(16)				(16)		(16)			
Closing net value	**872**	**106**	**977**	**75**		**75**	**880**	**108**	**988**	**72**		**72**
Closing fair value of operating property	**1,210**	**97**	**1,307**	**122**		**122**	**1,202**	**106**	**1,308**	**118**		**118**
Unrealised capital gains	**338**	**(9)**	**329**	**47**		**47**	**322**	**(2)**	**320**	**46**		**46**

NOTE 5.2 – OPERATING PROPERTY BY BUSINESS

NOTE 5.2.1 – OPERATING PROPERTY BY BUSINESS – FRANCE

In millions of euros	30.06.2015					
	Property			SCI units		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross value	685	559	1,244	21	53	75
Cumulative amortisation & impairment	(152)	(206)	(357)			
Long-term impairment	(3)	(12)	(15)			
Closing net value	**531**	**341**	**872**	**21**	**53**	**75**
Closing fair value of operating property	**647**	**563**	**1,210**	**36**	**86**	**122**
Unrealised capital gains	**116**	**222**	**338**	**15**	**33**	**47**

In millions of euros	31.12.2014					
	Property			SCI units		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross value	666	572	1,238	19	53	72
Cumulative amortisation & impairment	(137)	(205)	(343)			
Long-term impairment	(2)	(13)	(16)			
Closing net value	**526**	**355**	**880**	**19**	**53**	**72**
Closing fair value of operating property	**632**	**571**	**1,202**	**33**	**85**	**118**
Unrealised capital gains	**106**	**216**	**322**	**14**	**32**	**46**

NOTE 5.2.2 – OPERATING PROPERTY BY BUSINESS – INTERNATIONAL

In millions of euros	30.06.2015					
	Property			SCI units		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross value	53	64	117			
Cumulative amortisation & impairment	(5)	(7)	(11)			
Long-term impairment						
Closing net value	**48**	**58**	**106**			
Closing fair value of operating property	**45**	**52**	**97**			
Unrealised capital gains	**(3)**	**(6)**	**(9)**			

In millions of euros	31.12.2014					
	Property			SCI units		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross value	53	66	119			
Cumulative amortisation & impairment	(4)	(6)	(10)			
Long-term impairment						
Closing net value	**49**	**60**	**108**			
Closing fair value of operating property	**48**	**59**	**106**			
Unrealised capital gains	**(1)**	**(1)**	**(2)**			

NOTE 6 – FINANCIAL INVESTMENTS EXCLUDING UNIT-LINKED ITEMS

In millions of euros	30.06.2015	31.12.2014
	Net value	Net value
Assets valued at fair value	72,343	73,336
Assets valued at amortised cost	1,754	1,506
Total financial investments excluding unit-linked items	**74,097**	**74,842**

Total financial investments (excluding real estate, unit-linked items, and derivatives) as at 30 June 2015 were €74,097 million, marking a decrease of €745 million versus 31 December 2014.
The bond security repurchase agreement activity was €3,931 million versus €4,115 million at 31 December 2014. The cash from these repurchase agreements is invested in specific funds held directly.

NOTE 6.1 – INVESTMENTS VALUED AT FAIR VALUE BY OPERATING SEGMENT

In millions of euros	30.06.2015								
	Net amortised cost			Fair value (a)			Gross unrealised capital gains (losses)		
	France	International	Total	France	International	Total	France	International	Total
Available-for-sale assets									
Equities and other variable-income investments	2,744	253	2,997	3,485	275	3,760	741	22	763
Bonds and other fixed-income investments	45,833	4,586	50,419	51,919	4,993	56,912	6,086	407	6,493
Other investments	75		75	75		75			
Total available-for-sale assets	**48,652**	**4,839**	**53,491**	**55,479**	**5,268**	**60,747**	**6,827**	**429**	**7,256**
Trading assets									
Equities and other variable-income investments classified as “trading”	45		45	45		45			
Equities and other variable-income investments classified as “held for trading”	680	195	875	680	195	875			
Bonds and other fixed-income investments classified as “trading”	92		92	92		92			
Bonds and other fixed-income investments classified as “held for trading”	2,305	30	2,335	2,305	30	2,335			
Cash mutual funds classified as “trading”	6,085	131	6,216	6,085	131	6,216			
Cash mutual funds classified as “held for trading”	2,016	17	2,033	2,016	17	2,033			
Other investments classified as “trading”									
Other investments classified as “held for trading”									
Total trading assets	**11,223**	**373**	**11,596**	**11,223**	**373**	**11,596**			
Total investments valued at fair value	**59,875**	**5,212**	**65,087**	**66,702**	**5,641**	**72,343**	**6,827**	**429**	**7,256**

(a) For investments valued at fair value, the net value on the balance sheet corresponds to the fair value.

As at 30 June 2015, capital gains that were unrealised but recognised for accounting purposes through equity (revaluation reserves) as available-for-sale investment assets and through income as trading assets were €7,256 million and €377 million, respectively, compared with €8,586 million and €318 million as at 31 December 2014.

In millions of euros	31.12.2014								
	Net amortised cost			Fair value [a]			Gross unrealised capital gains (losses)		
	France	International	Total	France	International	Total	France	International	Total
Available-for-sale assets									
Equities and other variable-income investments	3,290	247	3,537	4,096	270	4,366	806	23	829
Bonds and other fixed-income investments	45,496	4,317	49,813	52,704	4,866	57,570	7,208	549	7,757
Other investments	44		44	44		44			
Total available-for-sale assets	**48,830**	**4,564**	**53,394**	**56,844**	**5,136**	**61,980**	**8,014**	**572**	**8,586**
Trading assets									
Equities and other variable-income investments classified as “trading”	35		35	35		35			
Equities and other variable-income investments classified as “held for trading”	586	181	767	586	181	767			
Bonds and other fixed-income investments classified as “trading”	89		89	89		89			
Bonds and other fixed-income investments classified as “held for trading”	2,209	54	2,263	2,209	54	2,263			
Cash mutual funds classified as “trading”	5,847	201	6,048	5,847	201	6,048			
Cash mutual funds classified as “held for trading”	2,085	70	2,155	2,085	70	2,155			
Other investments classified as “trading”									
Other investments classified as “held for trading”									
Total trading assets	**10,851**	**506**	**11,357**	**10,851**	**506**	**11,357**			
Total investments valued at fair value	**59,681**	**5,070**	**64,751**	**67,695**	**5,642**	**73,336**	**8,014**	**572**	**8,586**

(a) For investments valued at fair value, the net value on the balance sheet corresponds to the fair value.

NOTE 6.2 – INVESTMENTS VALUED AT FAIR VALUE BY BUSINESS

NOTE 6.2.1 – INVESTMENTS VALUED AT FAIR VALUE BY BUSINESS – FRANCE

In millions of euros	30.06.2015											
	Net amortised cost				Fair value (a)				Gross unrealised capital gains (losses)			
	Life and health insurance	Property and casualty	Hold ing	Total	Life and health insurance	Property and casualty	Hold ing	Total	Life and health insurance	Property and casualty	Holding	Total
Available-for-sale assets												
Equities and other variable-income investments	2,040	704		2,744	2,441	1,044		3,485	401	340		741
Bonds and other fixed-income investments	40,920	4,913		45,833	46,545	5,374		51,919	5,625	461		6,086
Other investments	20	55		75	20	55		75				
Total available-for-sale assets	**42,980**	**5,672**		**48,652**	**49,006**	**6,473**		**55,479**	**6,026**	**801**		**6,827**
Trading assets												
Equities and other variable-income investments classified as “trading”	7	38		45	7	38		45				
Equities and other variable-income investments classified as “held for trading”	526	154		680	526	154		680				
Bonds and other fixed-income investments classified as “trading”	90	2		92	90	2		92				
Bonds and other fixed-income investments classified as “held for trading”	1,893	412		2,305	1,893	412		2,305				
Cash mutual funds classified as “trading”	4,837	1,245	3	6,085	4,837	1,245	3	6,085				
Cash mutual funds classified as “held for trading”	2,016			2,016	2,016			2,016				
Other investments classified as “trading”												
Other investments classified as “held for trading”												
Total trading assets	**9,369**	**1,851**	**3**	**11,223**	**9,369**	**1,851**	**3**	**11,223**				
Total investments valued at fair value	**52,349**	**7,523**	**3**	**59,875**	**58,375**	**8,324**	**3**	**66,702**	**6,026**	**801**		**6,827**

(a) For investments valued at fair value, the net value on the balance sheet corresponds to the fair value.

In millions of euros	31.12.2014											
	Net amortised cost				Fair value (a)				Gross unrealised capital gains (losses)			
	Life and health insurance	Property and casualty	Holding	Total	Life and health insurance	Property and casualty	Holding	Total	Life and health insurance	Property and casualty	Holding	Total
Available-for-sale assets												
Equities and other variable-income investments	2,517	773		3,290	2,995	1,101		4,096	478	328		806
Bonds and other fixed-income investments	40,435	5,061		45,496	47,069	5,635		52,704	6,634	574		7,208
Other investments	10	34		44	10	34		44				
Total available-for-sale assets	**42,962**	**5,868**		**48,830**	**50,074**	**6,770**		**56,844**	**7,112**	**902**		**8,014**
Trading assets												
Equities and other variable-income investments classified as “trading”	6	29		35	6	29		35				
Equities and other variable-income investments classified as “held for trading”	447	139		586	447	139		586				
Bonds and other fixed-income investments classified as “trading”	89			89	89			89				
Bonds and other fixed-income investments classified as “held for trading”	1,792	417		2,209	1,792	417		2,209				
Cash mutual funds classified as “trading”	5,128	718	1	5,847	5,128	718	1	5,847				
Cash mutual funds classified as “held for trading”	2,084	1		2,085	2,084	1		2,085				
Other investments classified as “trading”												
Other investments classified as “held for trading”												
Total trading assets	**9,546**	**1,304**	**1**	**10,851**	**9,546**	**1,304**	**1**	**10,851**				
Total investments valued at fair value	**52,508**	**7,172**	**1**	**59,681**	**59,620**	**8,074**	**1**	**67,695**	**7,112**	**902**		**8,014**

(a) For investments valued at fair value, the net value on the balance sheet corresponds to the fair value.

NOTE 6.2.2 – INVESTMENTS VALUED AT FAIR VALUE BY BUSINESS – INTERNATIONAL

In millions of euros	30.06.2015								
	Net amortised cost			Fair value (a)			Gross unrealised capital gains (losses)		
	Life and health insurance	Property and casualty	Total	Life and health insurance	Property and casualty	Total	Life and health insurance	Property and casualty	Total
Available-for-sale assets									
Equities and other variable-income investments	148	105	253	162	113	275	14	8	22
Bonds and other fixed-income investments	2,543	2,043	4,586	2,786	2,207	4,993	243	164	407
Other investments									
Total available-for-sale assets	**2,691**	**2,148**	**4,839**	**2,948**	**2,320**	**5,268**	**257**	**172**	**429**
Trading assets									
Equities and other variable-income investments classified as “trading”									
Equities and other variable-income investments classified as “held for trading”	104	91	195	104	91	195			
Bonds and other fixed-income investments classified as “trading”									
Bonds and other fixed-income investments classified as “held for trading”	16	14	30	16	14	30			
Cash mutual funds classified as “trading”	82	49	131	82	49	131			
Cash mutual funds classified as “held for trading”	9	8	17	9	8	17			
Other investments classified as “trading”									
Other investments classified as “held for trading”									
Total trading assets	**211**	**162**	**373**	**211**	**162**	**373**			
Total investments valued at fair value	**2,902**	**2,310**	**5,212**	**3,159**	**2,482**	**5,641**	**257**	**172**	**429**

(a) For investments valued at fair value, the net value on the balance sheet corresponds to the fair value.

In millions of euros	31.12.2014								
	Net amortised cost			Fair value (a)			Gross unrealised capital gains (losses)		
	Life and health insurance	Property and casualty	Total	Life and health insurance	Property and casualty	Total	Life and health insurance	Property and casualty	Total
Available-for-sale assets									
Equities and other variable-income investments	143	104	247	152	118	270	9	14	23
Bonds and other fixed-income investments	2,373	1,944	4,317	2,697	2,169	4,866	324	225	549
Other investments									
Total available-for-sale assets	**2,516**	**2,048**	**4,564**	**2,849**	**2,287**	**5,136**	**333**	**239**	**572**
Trading assets									
Equities and other variable-income investments classified as "trading"									
Equities and other variable-income investments classified as "held for trading"	95	86	181	95	86	181			
Bonds and other fixed-income investments classified as "trading"									
Bonds and other fixed-income investments classified as "held for trading"	31	23	54	31	23	54			
Cash mutual funds classified as "trading"	138	63	201	138	63	201			
Cash mutual funds classified as "held for trading"	37	33	70	37	33	70			
Other investments classified as "trading"									
Other investments classified as "held for trading"									
Total trading assets	**301**	**205**	**506**	**301**	**205**	**506**			
Total investments valued at fair value	**2,817**	**2,253**	**5,070**	**3,150**	**2,492**	**5,642**	**333**	**239**	**572**

(a) For investments valued at fair value, the net value on the balance sheet corresponds to the fair value.

NOTE 6.3 – INVESTMENTS VALUED AT FAIR VALUE BY TYPE

In millions of euros	30.06.2015								
	Net amortised cost			Fair value (a)			Gross unrealised capital gains (losses)		
	France	International	Total	France	International	Total	France	International	Total
Equities and other variable-income investments									
Available-for-sale assets	2,744	253	2,997	3,485	275	3,760	741	22	763
Assets classified as “trading”	45		45	45		45			
Assets classified as “held for trading”	680	195	875	680	195	875			
Total equities and other variable-income investments	**3,469**	**448**	**3,917**	**4,210**	**470**	**4,680**	**741**	**22**	**763**
Bonds and other fixed-income investments									
Available-for-sale assets	45,833	4,586	50,419	51,919	4,993	56,912	6,086	407	6,493
Assets classified as “trading”	92		92	92		92			
Assets classified as “held for trading”	2,305	30	2,335	2,305	30	2,335			
Total bonds and other fixed-income investments	**48,230**	**4,616**	**52,846**	**54,316**	**5,023**	**59,339**	**6,086**	**407**	**6,493**
Cash mutual funds									
Assets classified as “trading”	6,085	131	6,216	6,085	131	6,216			
Assets classified as “held for trading”	2,016	17	2,033	2,016	17	2,033			
Total cash mutual funds	**8,101**	**148**	**8,249**	**8,101**	**148**	**8,249**			
Other investments									
Available-for-sale assets	75		75	75		75			
Assets classified as “trading”									
Assets classified as “held for trading”									
Total other investments	**75**		**75**	**75**		**75**			
Total investments valued at fair value	**59,875**	**5,212**	**65,087**	**66,702**	**5,641**	**72,343**	**6,827**	**429**	**7,256**

(a) For investments valued at fair value, the net value on the balance sheet corresponds to the fair value.

In millions of euros	31.12.2014								
	Net amortised cost			Fair value (a)			Gross unrealised capital gains (losses)		
	France	International	Total	France	International	Total	France	International	Total
Equities and other variable-income investments									
Available-for-sale assets	3,290	247	3,537	4,096	270	4,366	806	23	829
Assets classified as "trading"	35		35	35		35			
Assets classified as "held for trading"	586	181	767	586	181	767			
Total equities and other variable-income investments	**3,911**	**428**	**4,339**	**4,717**	**451**	**5,168**	**806**	**23**	**829**
Bonds and other fixed-income investments									
Available-for-sale assets	45,496	4,317	49,813	52,704	4,866	57,570	7,208	549	7,757
Assets classified as "trading"	89		89	89		89			
Assets classified as "held for trading"	2,209	54	2,263	2,209	54	2,263			
Total bonds and other fixed-income investments	**47,794**	**4,371**	**52,165**	**55,002**	**4,920**	**59,922**	**7,208**	**549**	**7,757**
Cash mutual funds									
Assets classified as "trading"	5,847	201	6,048	5,847	201	6,048			
Assets classified as "held for trading"	2,085	70	2,155	2,085	70	2,155			
Total cash mutual funds	**7,932**	**271**	**8,203**	**7,932**	**271**	**8,203**			
Other investments									
Available-for-sale assets	44		44	44		44			
Assets classified as "trading"									
Assets classified as "held for trading"									
Total other investments	**44**		**44**	**44**		**44**			
Total investments valued at fair value	**59,681**	**5,070**	**64,751**	**67,695**	**5,642**	**73,337**	**8,014**	**572**	**8,586**

(a) For investments valued at fair value, the net value on the balance sheet corresponds to the fair value.

NOTE 6.4 – INVESTMENTS VALUED AT AMORTISED COST IN NET VALUE

In millions of euros	30.06.2015			31.12.2014		
	France	International	Total	France	International	Total
Loans	115	67	182	141	67	208
Deposits	1,190	262	1,452	1,154	28	1,182
Other	120		120	116		116
Total assets valued at amortised cost	**1,425**	**329**	**1,754**	**1,411**	**95**	**1,506**

Note 6.5 – Reserves for impairment of investments

In millions of euros	30.06.2015			31.12.2014		
	Gross	Reserves	Net	Gross	Reserves	Net
Available-for-sale assets						
Equities and other variable-income investments	3,473	(476)	2,997	4,744	(1,207)	3,537
Bonds and other fixed-income investments	50,432	(13)	50,419	49,828	(15)	49,813
Other investments	75		75	44		44
Total available-for-sale assets	**53,980**	**(489)**	**53,491**	**54,616**	**(1,222)**	**53,394**
Financial investments valued at amortised cost	1,757	(3)	1,754	1,509	(3)	1,506
Financial investments valued at amortised cost	**1,757**	**(3)**	**1,754**	**1,509**	**(3)**	**1,506**

As at 30 June 2014, total impairment reserves for investments valued at fair value were €489 million, compared with €1,222 million as at 31 December 2014. In total, the impairment reserves for available-for-sale financial assets represent 0.91 % of their gross amortised cost.

The change in reserves is mainly due to write-backs of reserves on sold securities for €733 million, including €715 million for sales of strategic securities.

Regarding equities, the reserve for impairment includes an impairment of strategic securities of €267 million.

The amount of reserves for long-term impairment on investments valued at amortised cost remains unchanged at €3 million.

Reserves were determined in accordance with the rules set out in paragraph 3.2.1 of the accounting principles.

NOTE 6.6 – SIGNIFICANT INVESTMENTS IN NON-CONSOLIDATED COMPANIES

In millions of euros	30.06.2015				31.12.2014			
	% interest	Acquisition cost net of reserves	Fair value	Revaluation reserve (before profit-sharing effect and tax) [1]	% interest	Acquisition cost net of reserves	Fair value	Revaluation reserve (before profit-sharing effect and tax) [1]
Veolia Environnement					5.20%	256	436	180
French companies		**0**	**0**	**0**		**256**	**436**	**180**
Mediobanca					4.91%	147	291	144
OTP Bank	8.29%	259	410	175	8.30%	261	279	42
Foreign companies		**259**	**410**	**175**		**408**	**570**	**186**
Total significant investments in non-consolidated companies		**259**	**410**	**175**		**664**	**1,006**	**366**

[1] The revaluation reserve takes account of the effects of hedging instruments.

The securities presented in this note correspond exclusively to securities considered "strategic securities", the treatment of which with regard to impairment is indicated in point 3.2.1 of the accounting principles.

As recalled in this point 3.2.1, strategic securities are held by the Group for the long term. They are characterised by the Group's representation on their governance bodies or significant, lasting contractual relations or a significant stake in the capital (in absolute or relative value), without significant influence being exerted.

Changes during the fiscal year:

During the first half of 2015, the group pursued its equity derisking policy with the complete disposal of its Mediobanca securities and the partial disposal of its Véolia Environnement securities. In accordance with IAS 39, these disposals gave rise to a write-back of reserves of €306 million for Mediobanca and €409 million for Véolia Environnement.

Note that considering their now marginally significant nature, the Véolia Environnement securities are no longer considered strategic securities in the financial statements at 30 June 2015. The fair value of these securities totalled €16 million.

NOTE 6.7 – DEBT SECURITIES OF PERIPHERAL COUNTRIES OF THE EUROZONE

NOTE 6.7.1 – SOVEREIGN DEBT SECURITIES OF PERIPHERAL COUNTRIES OF THE EUROZONE

In millions of euros	30.06.2015					
	Gross discounted cost price	Reserves for impairment	Net discounted cost price	Fair value	Gross unrealised capital gains (losses)	Unrealised capital gains (losses) net of taxes and profit-sharing
Spain	2,584		2,584	3,107	523	42
Greece						
Ireland	26		26	29	3	1
Italy	7,591		7,591	9,096	1,505	183
Portugal	261		261	297	35	3
Total	**10,462**		**10,462**	**12,529**	**2,066**	**229**

In millions of euros	31.12.2014					
	Gross discounted cost price	Reserves for impairment	Net discounted cost price	Fair value	Gross unrealised capital gains (losses)	Unrealised capital gains (losses) net of taxes and profit-sharing
Spain	2,588		2,588	3,280	692	58
Greece						
Ireland	25		25	29	4	1
Italy	7,561		7,561	9,236	1,675	224
Portugal	254		254	287	33	3
Total	**10,428**		**10,428**	**12,832**	**2,404**	**286**

Exposure to sovereign debt securities of peripheral eurozone countries included directly owned securities and look-through reporting, which is required on consolidated mutual funds. Unrealised capital gains on these securities totalled €229 million (net of taxes and profit sharing).

All sovereign debt securities of peripheral eurozone countries are classed as Level 1 using the fair value hierarchy established by IFRS 7; these securities are listed on an active market, and their prices can be easily and regularly obtained.

In addition, the exposure level on Hungary is approximately €241 million, mainly held by the Hungarian subsidiary.

The table below shows the change in sovereign debt securities of peripheral countries of the eurozone at fair value held directly.

In millions of euros	30.06.2015					
	Spain	Greece	Ireland	Italy	Portugal	Total
Opening sovereign debt securities	**3,261**	**0**	**24**	**8,907**	**284**	**12,477**
Change in unrealised capital gains/losses	(165)		(1)	(155)	2	(319)
Change in scope of consolidation						
Acquisitions	25			204	7	236
Divestments/Redemptions	(25)			(184)		(209)
Foreign exchange adjustments						
Closing sovereign debt securities	**3,096**	**0**	**23**	**8,772**	**293**	**12,185**

To date, the consolidated mutual funds hold €344 million in sovereign debt securities of peripheral eurozone countries, including €11 million in Spanish sovereign debt and €324 million in Italian sovereign debt.

Note 6.7.2 – Non-sovereign debt securities of peripheral countries of the eurozone

In millions of euros	30.06.2015					
	Gross discounted cost price	Reserves for impairment	Net discounted cost price	Fair value	Gross unrealised capital gains (losses)	Unrealised capital gains (losses) net of taxes and profit-sharing
Spain	636		636	733	97	11
Greece						
Ireland	18		18	20	2	1
Italy	720		720	769	49	10
Portugal	18		18	19	1	1
Total	**1,392**		**1,392**	**1,541**	**149**	**23**

In millions of euros	31.12.2014					
	Gross discounted cost price	Reserves for impairment	Net discounted cost price	Fair value	Gross unrealised capital gains (losses)	Unrealised capital gains (losses) net of taxes and profit-sharing
Spain	644		644	758	114	13
Greece						
Ireland	27		27	28	1	
Italy	721		721	793	72	21
Portugal	19		19	20	1	
Total	**1,411**		**1,411**	**1,599**	**188**	**34**

The balance sheet value of the Group's investments in bonds issued by companies, banks, local authorities and para-governmental organisations located in peripheral countries of the eurozone (mainly Spain and Italy) was €1,541 million as at 30 June 2015. These securities present an unrealised capital gain net of taxes and profit sharing of €23 million.

Exposure to non-sovereign debt securities of peripheral eurozone countries included directly-owned securities and look-through reporting which is required on consolidated mutual funds.

NOTE 6.8 – HIERARCHY OF FAIR VALUE

Pursuant to the amendment to IFRS 7 issued by the IASB in March 2009, financial instrument (assets and liabilities) valued at fair value are classified according to a three-level hierarchy. These levels depend on whether a valuation model is used and the data sources used to populate the valuation models:

- level 1 corresponds to a price listed in an active market to which the entity may have access on the valuation date,
- level 2 corresponds to the fair value determined on the basis of a valuation model using data directly observable on an active market or data that can be determined from prices observed,
- level 3 corresponds to the fair value determined on the basis of a valuation model using data not observable on a market.

A financial instrument is considered to be listed on an active market if prices are easily and regularly available from a stock exchange, broker, trader, business sector, or price valuation service and if these prices represent real transactions properly carried out on the market under conditions of normal competition.

Determination of whether a market is active is particularly based on indicators such as the significant decrease in the volume of transactions and the level of activity on the market, high dispersion of prices available over time and between the various market participants, or the fact that the prices no longer correspond to sufficiently recent transactions.

in millions of euros	30.06.2015				31.12.2014			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Available-for-sale assets								
Equities and other variable-income investments	3,451	100	208	3,759	3,977	99	291	4,367
Bonds and other fixed-income investments	55,882	613	416	56,911	56,708	603	259	57,570
Other investments	74		1	75	42		1	43
Total available-for-sale assets	**59,407**	**713**	**625**	**60,745**	**60,727**	**702**	**551**	**61,980**
Trading assets								
Equities and other variable-income investments classified as “trading” or “held for trading”	356	7	557	920	312		489	801
Bonds and other fixed-income investments classified as “trading” or “held for trading”	1,980	68	379	2,427	1,937	66	349	2,352
Cash mutual funds classified as “trading” or “held for trading”	8,217	33		8,250	8,176	26		8,202
Other investments								
Total trading assets	**10,553**	**108**	**936**	**11,597**	**10,425**	**92**	**838**	**11,355**
Sub-total of financial investments (excluding unit-linked items)	**69,960**	**821**	**1,561**	**72,342**	**71,152**	**794**	**1,389**	**73,335**
Investments in unit-linked policies	**4,829**	**135**	**1,842**	**6,806**	**4,381**	**112**	**1,596**	**6,089**
Derivative assets and liabilities		**(627)**	**(1)**	**(628)**		**(689)**		**(689)**
Total financial assets and liabilities valued at fair value	**74,789**	**329**	**3,402**	**78,520**	**75,533**	**217**	**2,985**	**78,735**

As these are investments in unit-linked policies, the risk is borne by policyholders.

Derivative instruments posted to assets totalled €201 million and derivative instruments posted to liabilities on the balance sheet totalled €829 million as at 30 June 2015. These instruments are mainly classified in level 2.

The Level 3 investments comprise:

- for equities, these largely involve shares of private equity funds and unlisted equities. The private equity fund units are valued based on the latest net asset values. The valuation of unlisted equities is based on several methods, such as the discounted cash flow techniques or the restated net asset method.
- for bonds, securities valued based on a model using extrapolated data;
- for investments in unit-linked policies in level 3, structured products not listed on an active market, the remuneration of which is indexed to indices, baskets of shares, or rates.

Beyond the financial assets and liabilities described in the table, the Group recorded fair-value financial contracts without discretionary profit sharing in its technical liabilities. This amount totalled €67 million as at 30 June 2015, compared with €60 million as at 31 December 2014.

In millions of euros	30.06.2015								
	Available-for-sale assets			Trading assets				Investments in unit-linked policies	Derivative assets and liabilities
	Equities	Bonds	Other investments	Equities	Bonds	Cash mutual funds	Other investments		
Level 3 opening amount	**291**	**259**	**1**	**489**	**349**			**1,596**	**0**
Change in unrealised capital gains/losses recognised in:									
- income				50	3			22	(1)
- gains and losses recognised directly in shareholders' equity	(33)	9							
Transfer to level 3		46							
Transfer outside of level 3				(7)					
Reclassification to loans and receivables	(1)								
Change in scope of consolidation									
Acquisitions	6	102		70	48			281	
Divestments/Redemptions	(54)			(45)	(21)			(58)	
Foreign exchange adjustments	(1)							1	
Level 3 closing amount	**208**	**416**	**1**	**557**	**379**			**1,842**	**(1)**

NOTE 7 - INVESTMENTS REPRESENTING COMMITMENTS IN UNIT-LINKED INVESTMENTS

In millions of euros	30.06.2015			31.12.2014		
	France	International	Total	France	International	Total
Variable-income securities and related securities		5	5		4	4
Bonds	1,865	640	2,505	1,478	638	2,116
Equity mutual fund units	3,813	73	3,886	3,551	71	3,622
Bond and other mutual fund units	144	103	246	99	74	174
Other investments		58	58		67	67
Subtotal of unit-linked financial investments	**5,822**	**878**	**6,700**	**5,129**	**854**	**5,983**
Unit-linked investment property	106		106	106		106
Subtotal of unit-linked investment property	**106**		**106**	**106**		**106**
Total	**5,928**	**878**	**6,806**	**5,235**	**854**	**6,089**

The unit-linked investments are solely connected to the Life and Health Insurance business.

NOTE 8 – ASSET AND LIABILITY DERIVATIVE INSTRUMENTS AND SEPARATE EMBEDDED DERIVATIVES

In millions of euros	30.06.2015					
	France		International		Total	
	Positive fair value	Negative fair value	Positive fair value	Negative fair value	Positive fair value	Negative fair value
Swaps	87	(817)			87	(817)
Options	89	(8)	2		91	(8)
Foreign currency futures	23	(4)			23	(4)
Other						
Total	**199**	**(829)**	**2**		**201**	**(829)**

In millions of euros	31.12.2014					
	France		International		Total	
	Positive fair value	Negative fair value	Positive fair value	Negative fair value	Positive fair value	Negative fair value
Swaps	51	(798)			51	(798)
Options	69	(7)	2		71	(7)
Foreign currency futures		(7)				(7)
Other						
Total	**120**	**(812)**	**2**		**122**	**(812)**

As at 30 June 2015, the following derivative instruments were available to the Group:

- Swaps indexed to a variable rate for protection of the bond portfolio against an increase in rates.
- Currency or inflation-indexed swaps. The economic aim of this strategy is to invest in fixed-rate euro bonds;
- Currency risk hedging
- Synthetic exposure to the credit risk of private issuers through option strategies.
- Equity risk hedges through purchases of index call options.

These derivatives are not recorded as hedging transactions in the sense of IAS 39. As per the principles described in Section 3.3, they are recognised at fair value on the balance sheet through income.

The counterparty credit risk was taken into account when determining the fair value of the financial instruments, as per IFRS 13, but this had no significant impact on the fair value of the derivative instruments thanks to the “collateralisation” system put in place by the Group.

Note 9 – Uses and sources of funds for banking sector activities

Note 9.1 – Uses of funds for banking sector activities

In millions of euros	30.06.2015			31.12.2014		
	Gross value	Reserves	Net value	Gross value	Reserves	Net value
Petty cash, central banks and postal accounts	33		33	18		18
Financial assets at fair value through income	368		368	134		134
Hedging derivatives	9		9	11		11
Available-for-sale financial assets	837		837	651		651
Loans and receivables on credit institutions	314		314	412		412
Loans and receivables on customers	1,886	(26)	1,860	1,703	(25)	1,678
Revaluation difference of interest rate hedged portfolios	3		3	3		3
Held-to-maturity financial assets	679		679	733		733
Investment property						
Total	**4,129**	**(26)**	**4,104**	**3,664**	**(25)**	**3,639**

Note 9.2 – Resources from banking sector activities

In millions of euros	30.06.2015	31.12.2014
Central banks, postal accounts		
Financial liabilities at fair value through income	20	20
Hedging derivatives	15	18
Debts to credit institutions	656	266
Debts to customers	2,925	2,866
Debts represented by securities	105	134
Revaluation difference of interest rate hedged portfolios		
Total	**3,721**	**3,304**

The structure of uses and resources of banking activities was specifically changed by a combination of several elements:

- During the first half of 2015, customer deposits continued to grow, which explains the increase in “Debts to customers”. This increase in resources, slower than the growth in “Loans and receivables on customers”, helped to reduce the imbalance between resources and uses with regard to customers.

- As the same time, the group used the European Central Bank’s TLTRO (Targeted longer-term refinancing operations) loans because of their cheap rates, hence an increase in “Debts to credit institutions”, and therefore invested its cash in available-for-sale financial assets recognised at fair value through profit and loss.

NOTE 10 – INVESTMENTS IN RELATED COMPANIES AND JOINT VENTURES

In millions of euros	30.06.2015		31.12.2014	
	Equivalent value	Share of income	Equivalent value	Share of income
Bollington	1		1	
Günes Sigorta	6	(24)	27	2
CEGID	75	4	74	6
La Banque Postale IARD	75	(2)	78	(5)
STAR	91	5	85	3
GROUPAMA - AVIC Property Insurance Co.	77	5	64	(12)
HOLDCO	654	(32)	708	3
Total	**981**	**(45)**	**1,038**	**(2)**

The group holds several stakes in the following insurance companies:

- Günes Sigorta in Turkey, whose principal activity is non-life insurance;
- La Banque Postale IARD in France in the form of a partnership;
- STAR in Tunisia, a leader in the insurance market in Tunisia, jointly owned with the Tunisian government.

In addition, Groupama AVIC Property Insurance Co is the result of the joint venture between Groupama and the AVIC group. This company sells non-life insurance products in the People's Republic of China.

Holdco is a holding company 24.93% owned by Groupama, the remainder being owned by Caisse des Depots et Consignations. It holds mainly securities of the listed investment company Icade, which is the leading office property and business park company in the Greater Paris region, the leading healthcare property company, and a major partner of French large metropolises in property development.

In addition, the group holds a stake in the capital of CEGID, the leading French publisher of management solutions.

NOTE 11 – SHARE OF OUTWARD REINSURERS AND RETROCESSIONAIRES IN LIABILITIES RELATED TO INSURANCE POLICIES AND FINANCIAL CONTRACTS

In millions of euros	30.06.2015			31.12.2014		
	France	International	Total	France	International	Total
Share of reinsurers in non-life insurance reserves						
Reserves for unearned premiums	18	28	45	11	31	42
Outstanding claims reserves	571	162	733	634	171	806
Other underwriting reserves	330	1	331	288		288
Total	**919**	**190**	**1,110**	**933**	**203**	**1,136**
Share of reinsurers in life insurance reserves						
Life insurance reserves	6,891	2	6,893	6,924	2	6,926
Outstanding claims reserves	133	4	137	131	4	135
Profit-sharing reserves	19		19	19		19
Other underwriting reserves						
Total	**7,043**	**6**	**7,049**	**7,074**	**6**	**7,080**
Share of reinsurers in financial contract reserves						
Total	**7,962**	**196**	**8,158**	**8,007**	**209**	**8,216**

NOTE 12 – DEFERRED PROFIT SHARING

NOTE 12.1 – DEFERRED PROFIT SHARING LIABILITIES

In millions of euros	30.06.2015			31.12.2014		
	France	International	Total	France	International	Total
Reserve for deferred profit sharing of insurance policies	4,106	37	4,143	4,722	15	4,737
Reserves for deferred profit-sharing of financial contracts		106	106		155	155
Total	**4,106**	**143**	**4,250**	**4,722**	**170**	**4,892**

On the main entities, the rates of deferred profit sharing, used for shadow accounting as at 30 June 2015, remain unchanged in France compared with 31 December 2014.

As a reminder, the rate of deferred profit sharing is determined entity by entity (based on regulatory requirements). It is based on the real rate of sharing of investment income between policyholders and shareholders and corresponds to the average real rates over the past three years. This average prevents the inclusion of non-recurring, atypical factors in the calculation.
In the particular case of France, a prospective analysis of the profit-sharing rates was performed based on three-year business plans, which confirms the rate used in the financial statements.

The rates used in France as at 30 June 2015 fall within a bracket of between 78.34% and 90.35%, with 90.35% for Groupama Gan Vie.

NOTE 13 – DEFERRED TAXES

NOTE 13.1 – ANALYSIS OF THE MAJOR COMPONENTS OF DEFERRED TAXES

In millions of euros	30.06.2015	31.12.2014
Deferred taxes resulting from timing differences		
Restatements on AFS & Trading financial instruments (net of deferred profit sharing)	(575)	(650)
Life acquisition costs and overall management expenses reserve	(44)	(52)
Consolidation restatements on technical reserves	(206)	(194)
Other differences on consolidation restatements	179	131
Deferred non-life acquisition costs	(59)	(51)
Tax differences on technical reserves and other contingent liabilities	489	486
Tax-deferred capital gains	(3)	(4)
Valuation difference on mutual funds	148	127
Foreign exchange hedge	(8)	4
Other temporary tax differences	(42)	(15)
Subtotal of deferred taxes resulting from timing differences	**(121)**	**(218)**
Deferred taxes from stocks of ordinary losses	**16**	**30**
Deferred taxes recorded on the balance sheet	**(104)**	**(188)**
of which, assets	366	268
of which, liabilities	(471)	(456)

The Group's combined financial statements show total deferred tax liabilities of €104 million. These deferred tax liabilities may be broken down as follows:

- A deferred tax asset of €366 million as at 30 June 2015 compared with €268 million as at 31 December 2014, or an increase of €98 million.
- A deferred tax liability of €471 million as at 30 June 2015 compared with €456 million as at 31 December 2014, or an increase of €15 million.

Deferred tax assets from ordinary losses amounted to €16 million as at 30 June 2015, compared with €30 million as at 31 December 2014, a reduction of €14 million. The stocks of deferred taxes have not been corrected for the extraordinary contribution of 10.7%, which applies to taxable income for fiscal years 2011 and 2012 for French companies with turnover exceeding €250 million (see 2014 amending finance act). This correction would have an insignificant impact.

Unrecognised deferred net tax assets amounted to €88 million as at 30 June 2015, compared with €87 million as at 31 December 2014.

NOTE 14 – RECEIVABLES FROM INSURANCE OR INWARD REINSURANCE TRANSACTIONS

NOTE 14.1 – RECEIVABLES FROM INSURANCE OR INWARD REINSURANCE – BY OPERATING SEGMENT

In millions of euros	30.06.2015							31.12.2014
	France			International			Total	Total
	Gross value	Reserves	Net value	Gross value	Reserves	Net value		
Earned premiums not issued	856		856	14		14	870	597
Policyholders, intermediaries, and other third parties	2,406	(18)	2,388	377	(70)	307	2,695	1,573
Current accounts – co-insurers and other third parties	179	(1)	178	56	(28)	28	206	82
Current accounts – ceding and retroceding companies	553		553	16	(1)	14	567	234
Total	**3,993**	**(18)**	**3,975**	**463**	**(99)**	**364**	**4,339**	**2,487**

Note 15 – Other receivables

In millions of euros	30.06.2015			31.12.2014
	Gross Values	Reserves	Total	Total
Accrued interest not yet due	760		760	800
Due from employees	11		11	10
Social agencies	10		10	28
Miscellaneous debtors	1,395	(134)	1,261	1,262
Other receivables	325		325	277
Total	**2,500**	**(134)**	**2,367**	**2,376**

Note 15.1 – Other receivables – by maturity

In millions of euros	30.06.2015				31.12.2014			
	< 1 year	1 to 5 years	> 5 years	Total	< 1 year	1 to 5 years	> 5 years	Total
Accrued interest not yet due	760			760	800			800
Due from employees	11			11	10			10
Social agencies	10			10	28			28
Miscellaneous debtors	1,201	42	18	1,261	1,174	54	34	1,262
Other receivables	325			325	277			277
Total	**2,307**	**42**	**18**	**2,367**	**2,288**	**54**	**34**	**2,376**

Note 15.2 – Other receivables – by operating segment

In millions of euros	30.06.2015			31.12.2014		
	France	International	Total	France	International	Total
Accrued interest not yet due	682	78	760	723	77	800
Due from employees	10	1	11	9	1	10
Social agencies	9		10	27		28
Miscellaneous debtors	1,172	90	1,261	1,211	51	1,262
Other receivables	297	28	325	253	23	277
Total	**2,169**	**198**	**2,367**	**2,223**	**153**	**2,376**

NOTE 16 – CASH AND CASH EQUIVALENTS

NOTE 16.1 – CASH AND CASH EQUIVALENTS APPLIED TO BALANCE SHEET ASSETS

In millions of euros	30.06.2015	31.12.2014
France	1,278	1,004
International	207	461
Total	**1,485**	**1,465**

Cash and cash equivalents primarily represent the balances in the bank accounts of the Group's entities.

NOTE 16.2 – CASH APPLIED TO BALANCE SHEET LIABILITIES

In millions of euros	30.06.2015				31.12.2014			
	< 1 year	1 to 5 years	> 5 years	Total	< 1 year	1 to 5 years	> 5 years	Total
Operating debts to banking sector companies	264			264	99			99
Total	**264**			**264**	**99**			**99**

In millions of euros	30.06.2015			
	Currencies		Rates	
	Eurozone	Non-eurozone	Fixed rate	Variable rate
Operating debts to banking sector companies	264		264	
Total	**264**		**264**	

NOTE 17 – SHAREHOLDERS' EQUITY, NON-CONTROLLING INTERESTS

NOTE 17.1 – SHARE CAPITAL LIMITS FOR INSURANCE COMPANIES

Insurance business operations are governed by regulatory constraints that define minimum share capital in particular. In France, in accordance with the European directive and by virtue of articles R322-5 and R322-44 of the French insurance code, French companies subject to State control and incorporated in the form of mutual insurance companies must have start-up funds at least equal to €240,000 or €400,000 depending on the branches operated. French public limited companies must have share capital of at least €480,000 or €800,000 depending on the branches operated.

In addition, in order to ensure the financial stability of insurance companies and protect policyholders, there is a prudential reserve in France under Article R. 334-1 of the French Insurance Code. It requires insurance companies to respect a minimum solvency margin on an ongoing basis relative to its activities (life and non-life). This obligation also exists abroad, according to similar mechanisms. This entire mechanism is reinforced at the level of the consolidated accounts through the establishment of "adjusted" solvency by taking into account, where applicable, the banking businesses engaged in by the insurance group, according to the French accounting and regulatory framework.

NOTE 17.2 – IMPACTS OF TRANSACTIONS WITH MEMBERS

- **Change in the group's shareholders' equity during the first half of 2015**

During the first half of 2015, Groupama SA made a partial redemption of its perpetual super-subordinated bond, issued in 2007, for €13 million.

Following this transaction, the bonds classified in shareholders' equity are detailed as follows:

- a fixed-rate perpetual subordinated bond (TSDI), issued in May 2014, at the fixed interest rate of 6.375% for a nominal value of €1,100 million and
- a perpetual subordinated bond (TSS), issued in 2007, at the fixed interest rate of 6.298% for a remaining nominal value of €416 million.

- **Accounting treatment of subordinated bonds classified in equity instruments**

These bonds have particular characteristics, such as:

- the unlimited duration of the bond,
- the ability to defer or cancel any interest payment to unitholders in a discretionary manner,
- an interest "step-up" clause that kicks in following the tenth year of the bond.

Taking into account their characteristics and in application of IAS 32 §16 and 17, these bonds are considered equity instruments and not financial liabilities. They are therefore recognised under shareholders' equity. Interest costs net of tax are charged directly against shareholders' equity in accordance with IAS 32 § 35 (rather than as an expense in the income statement).

NOTE 17.3 – RESERVES RELATED TO CHANGES IN FAIR VALUE RECORDED IN SHAREHOLDERS' EQUITY

The reconciliation between unrealised capital gains losses on available-for-sale investment assets and the corresponding reserve in shareholders' equity may be broken down as follows:

In millions of euros	30.06.2015	31.12.2014
Gross unrealised capital gains (losses) on available-for-sale assets	7,256	8,586
of which, unrealised gross capital gains (losses) on AFS assets allocated to life and health insurance	6,283	7,445
of which, unrealised gross capital gains (losses) on AFS assets allocated to property and casualty insurance	973	1,141
Shadow accounting	(5,244)	(6,304)
Cash flow hedge and other changes	(60)	(60)
Deferred taxes	(580)	(586)
Share of non-controlling interests	(4)	(5)
Revaluation reserve - Group share	**1,367**	**1,630**

The deferred tax amount shown in the table above corresponds to the application of a short-term and long-term tax rate on the unrealised gains on financial instruments classified as "available-for-sale assets", and
a short-term tax rate on deferred profit sharing ("shadow accounting"). Under the new rules for long-term capital gains (losses) applicable as at 1 January 2006, the unrealised capital gains on "strategic" equity interests are exempt for the calculation of the deferred tax up to a maximum percentage of costs and expenses (i.e., an effective rate of 4.13%).
"Cash flow hedge and other changes" for -€60 million is broken down as follows:

- €42 million for the revaluation reserve of the cash flow hedge, which corresponds to the effective portion of the cash flow hedges applied by the Group, which will be recognised in income upon the elimination of the hedged underlying assets;
- €18 million for the net investment hedge revaluation reserve, which will be recognised in income upon the disposal of the foreign subsidiary.

In application of IFRS 10, the wording of "minority interests" has been changed to "non-controlling interests".

NOTE 18 – CONTINGENT LIABILITIES

In millions of euros	30.06.2015						
	France			International			Total
	Provisions for pensions and similar obligations	Other contingent liabilities (1)	Total	Provisions for pensions and similar obligations	Other contingent liabilities (1)	Total	
Opening balance	**409**	**131**	**540**	**40**	**51**	**91**	**631**
Changes in the scope of consolidation and changes in accounting methods							
Increases for the year	36	21	57	2	20	22	79
Write-backs for the year	(11)	(23)	(34)	(3)	(21)	(24)	(58)
Foreign exchange variation							
Closing balance	**434**	**129**	**563**	**39**	**50**	**89**	**652**

(1) The details of this item are not provided because this information could cause a serious loss for the Group in view of current litigation.

In millions of euros	31.12.2014						
	France			International			Total
	Provisions for pensions and similar obligations	Other contingent liabilities (1)	Total	Provisions for pensions and similar obligations	Other contingent liabilities (1)	Total	
Opening balance	**352**	**164**	**516**	**44**	**44**	**88**	**604**
Changes in the scope of consolidation and changes in accounting methods							
Increases for the year	90	47	137	5	21	26	163
Write-backs for the year	(33)	(80)	(113)	(9)	(14)	(23)	(136)
Foreign exchange variation							
Closing balance	**409**	**131**	**540**	**40**	**51**	**91**	**631**

(1) The details of this item are not provided because this information could cause a serious loss for the Group in view of current litigation.

NOTE 19 – FINANCING DEBT

NOTE 19.1 – FINANCING DEBT – BY MATURITY

In millions of euros	30.06.2015				31.12.2014			
	< 1 year	1 to 5 years	> 5 years	Total	< 1 year	1 to 5 years	> 5 years	Total
Subordinated debt	41		750	791			791	791
of which subordinated debt of insurance companies	41		750	791			791	791
of which subordinated debts of banking companies								
Financing debt represented by securities								
Financing debt with banking-sector companies	2	16	30	48	2	16	31	49
Total	**43**	**16**	**780**	**839**	**2**	**16**	**822**	**840**

NOTE 19.2 – FINANCING DEBT – BY CURRENCY AND RATE

In millions of euros	30.06.2015			
	Currencies		Rates	
	Eurozone	Non-eurozone	Fixed rate	Variable rate
Subordinated debt	791		791	
Financing debt represented by securities				
Financing debt with banking-sector companies	48		48	
Total	**839**		**839**	

The “Subordinated debt” line comprises several issues of bond loans as follows:

- A fixed-rate perpetual subordinated bond (TSDI) issued by Groupama SA in July 2005, the balance of which was €41 million.
  - This bond includes a clause that allows the issuer to redeem the bond early as from the tenth year.
  - Groupama SA has the option of deferring interest payments if the Group's solvency is below 150%.

  At 30 June 2015, this issue was quoted at 100.1% compared with 99.5% at 31 December 2014. This quotation is the result of valuation of a counterparty as the liquidity of this security is very low.

  On 6 July 2015, Groupama carried out an early redemption of its perpetual subordinated bonds.

- A fixed interest loan in the form of subordinated redeemable securities (TSR) issued in October 2009 by Groupama SA for an amount of €750 million.

  The key terms of this bond are as follows:
  - the term of the bond is 30 years,
  - an early redemption option available to Groupama SA that it may exercise as from the tenth year,
  - a clause entitling Groupama SA to defer interest payments as follows, the deferred interest remaining is due to the holders of the securities.
  - Groupama SA has the option of deferring interest payments if the Group's solvency is below 100%.

  At 30 June 2015, this issue was quoted at 111.9% compared with 111.5% at 31 December 2014.

In view of the specific terms and conditions of each issue pursuant to IAS 32 §16 and 17, these bonds are considered as financial liabilities rather than equity instruments. They are therefore recognised under financing debt. Interest costs net of tax are recognised in the income statement.

The item “financing debt to companies in the banking sector” amounts to €48 million and corresponds mainly to the use of a financial lease debt and various borrowings.

NOTE 20 – LIABILITIES RELATED TO INSURANCE POLICIES

NOTE 20.1 – LIABILITIES RELATED TO INSURANCE POLICIES – BY OPERATING SEGMENT

In millions of euros	30.06.2015			31.12.2014		
	France	International	Total	France	International	Total
Gross technical reinsurance reserves						
Life insurance reserves	30,471	1,139	31,610	30,265	1,162	31,427
Outstanding claims reserves	675	57	732	654	68	722
Reserves for profit-sharing	981	5	987	915	28	943
Other underwriting reserves	27	24	52	7	27	34
Total Life insurance	**32,154**	**1,227**	**33,381**	**31,841**	**1,286**	**33,127**
Reserves for unearned premiums	3,215	695	3,911	1,014	693	1,707
Outstanding claims reserves	8,026	2,313	10,339	8,130	2,285	10,415
Other underwriting reserves	3,438	46	3,485	3,132	47	3,179
Total Non-life insurance	**14,680**	**3,055**	**17,735**	**12,276**	**3,025**	**15,302**
Life insurance reserves for unit-linked policies	6,831	845	7,676	6,137	829	6,966
Total	**53,665**	**5,126**	**58,791**	**50,254**	**5,140**	**55,394**

The technical liabilities of insurance policies increased at 30 June 2015 by +€3,397 million and primarily related to France (+€3,411 million). Reserves for unearned non-life insurance premiums represented the most significant growth (+€2,204 million) because of the receipt of premiums for the fiscal year at 1 January.

The adequacy tests carried out on technical liabilities as at 30 June 2015 were found to be satisfactory and did not result in the recognition of any additional technical expense.

NOTE 20.2 – LIABILITIES RELATED TO INSURANCE POLICIES BY BUSINESS

NOTE 20.2.1 – LIABILITIES RELATED TO INSURANCE POLICIES BY BUSINESS – FRANCE

In millions of euros	30.06.2015			31.12.2014		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross technical reinsurance reserves						
Life insurance reserves	30,471		30,471	30,265		30,265
Outstanding claims reserves	675		675	654		654
Reserves for profit-sharing	981		981	915		915
Other underwriting reserves	27		27	7		7
Total Life insurance	**32,154**		**32,154**	**31,841**		**31,841**
Reserves for unearned premiums	800	2,415	3,215	140	874	1,014
Outstanding claims reserves	897	7,129	8,026	904	7,226	8,130
Other underwriting reserves	2,654	784	3,438	2,564	568	3,132
Total Non-life insurance	**4,352**	**10,328**	**14,680**	**3,608**	**8,668**	**12,276**
Life insurance reserves for unit-linked policies	6,831		6,831	6,137		6,137
Total gross technical reserves relating to insurance policies	**43,337**	**10,328**	**53,665**	**41,586**	**8,668**	**50,254**

NOTE 20.2.2 – LIABILITIES RELATED TO INSURANCE POLICIES BY BUSINESS – INTERNATIONAL

In millions of euros	30.06.2015			31.12.2014		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross technical reinsurance reserves						
Life insurance reserves	1,139		1,139	1,162		1,162
Outstanding claims reserves	57		57	68		68
Reserves for profit-sharing	5		5	28		28
Other underwriting reserves	24		24	27		27
Total Life insurance	**1,227**		**1,227**	**1,286**		**1,286**
Reserves for unearned premiums	59	636	695	66	627	693
Outstanding claims reserves	84	2,229	2,313	82	2,203	2,285
Other underwriting reserves	12	34	46	10	37	47
Total Non-life insurance	**156**	**2,899**	**3,055**	**158**	**2,867**	**3,025**
Life insurance reserves for unit-linked policies	845		845	829		829
Total gross technical reserves relating to insurance policies	**2,227**	**2,899**	**5,126**	**2,273**	**2,867**	**5,140**

NOTE 21 – LIABILITIES RELATED TO FINANCIAL CONTRACTS

In millions of euros	30.06.2015	31.12.2014
Reserves on financial contracts with discretionary profit sharing		
Life technical reserves	16,393	17,121
Reserves for unit-linked contracts	88	86
Outstanding claims reserves	75	78
Reserves for profit-sharing	13	38
Other underwriting reserves	5	1
Total	**16,573**	**17,325**
Reserves for financial contracts without discretionary profit-sharing		
Life technical reserve	7	7
Reserves for unit-linked contracts	67	60
Outstanding claims reserves		
Reserves for profit-sharing		
Other underwriting reserves		
Total	**74**	**68**
Total	**16,647**	**17,392**

NOTE 21.1 – LIABILITIES RELATED TO FINANCIAL CONTRACTS (EXCLUDING UNIT-LINKED) BY OPERATING SEGMENT

In millions of euros	30.06.2015			31.12.2014		
	France	International	Total	France	International	Total
Reserves on financial contracts - Life	14,735	1,665	16,400	15,611	1,518	17,128
Outstanding claims reserves	68	7	75	68	10	78
Profit-sharing reserves	11	3	13	35	3	38
Other underwriting reserves	3	1	5	1		1
Total	**14,817**	**1,676**	**16,493**	**15,715**	**1,530**	**17,246**

NOTE 22 – OTHER DEBTS

NOTE 22.1 – OTHER DEBTS – BY OPERATING SEGMENT

In millions of euros	30.06.2015			31.12.2014		
	France	International	Total	France	International	Total
Due to employees	286	7	293	296	8	304
Social agencies	238	8	245	225	7	233
Other loans, deposits, and guarantees received	3,973	6	3,979	4,188	6	4,194
Other creditors	640	61	701	696	55	751
Other debts	333	43	376	370	36	406
Total	**5,470**	**125**	**5,595**	**5,776**	**111**	**5,888**

"Other loans, deposits, and guarantees received" amounted to €3,979 million as at 30 June 2015, compared with €4,194 million as at 31 December 2014, a reduction of €215 million. This reduction mainly comes from debt resulting from the bond repurchase agreement, which amounted to €3,893 million as at 30 June 2015 compared with €4,096 as at 31 December 2014, a fall of €203 million, mainly from Groupama Gan Vie.

NOTE 22.2 – OTHER DEBT – BY MATURITY

In millions of euros	30.06.2015				31.12.2014			
	< 1 year	1 to 5 years	> 5 years	Total	< 1 year	1 to 5 years	> 5 years	Total
Due to employees	276		17	293	287	1	16	304
Social agencies	245			245	232	1		233
Other loans, deposits, and guarantees received	3,929	14	36	3,979	4,119	13	61	4,194
Other creditors	699	1	1	701	748	2	1	751
Other debts	376			376	406			406
Total	**5,526**	**15**	**54**	**5,595**	**5,792**	**17**	**79**	**5,888**

NOTE 23 – ANALYSIS OF PREMIUM INCOME

NOTE 23.1 – ANALYSIS OF INSURANCE PREMIUM INCOME BY MAJOR CATEGORY

In millions of euros	30.06.2015			30.06.2014		
	France	Inter-national	Total	France	Inter-national	Total
Individual retirement savings	890	359	1,249	970	276	1,246
Individual protection insurance	453	62	515	444	61	505
Individual health	1,149	36	1,185	1,176	33	1,209
Other	98		98	102		102
Individual life and health insurance	**2,590**	**457**	**3,047**	**2,692**	**370**	**3,062**
Group retirement savings	85	22	107	89	21	110
Group protection scheme	265	34	299	278	29	307
Group health	299	17	316	270	13	283
Other	160		160	146		146
Group life and health insurance	**810**	**73**	**882**	**783**	**63**	**846**
Life and health insurance	**3,400**	**530**	**3,929**	**3,475**	**433**	**3,908**
Motor insurance	1,164	579	1,743	1,181	586	1,767
Other vehicles	82		82	88		88
Home insurance	787	100	887	775	98	873
Retail and professional property and casualty	300	7	307	282	6	288
Construction	152		152	157		157
Private and professional	**2,485**	**686**	**3,171**	**2,483**	**690**	**3,173**
Fleets	350	12	362	338	9	347
Business and local authorities property	367	93	460	362	91	453
Businesses and local authorities	**717**	**105**	**822**	**700**	**100**	**800**
Agricultural risks	461	133	594	464	95	559
Climate risks	136		136	153		153
Tractors and agricultural equipment	261		261	248		248
Agricultural business lines	**858**	**133**	**991**	**865**	**95**	**960**
Other business segments	182	41	223	168	38	206
Property and casualty insurance	**4,241**	**965**	**5,207**	**4,216**	**923**	**5,139**
Total Insurance	**7,641**	**1,495**	**9,135**	**7,691**	**1,356**	**9,047**

NOTE 23.2 – ANALYSIS OF PREMIUM INCOME BY BUSINESS

In millions of euros	30.06.2015					30.06.2014				
	Life and health insurance	Property and casualty insurance	Financial businesses	Total	Share %	Life and health insurance	Property and casualty insurance	Financial businesses	Total	Share %
France	3,400	4,241	140	7,781	84%	3,475	4,216	138	7,829	85%
Southern Europe	432	788		1,220	13%	328	762		1,091	12%
CEEC	98	176		275	3%	104	161		266	3%
Total	**3,930**	**5,206**	**140**	**9,276**	**100%**	**3,908**	**5,139**	**138**	**9,186**	**100%**

The geographic areas are broken down as follows:

- France;
- Southern Europe: Portugal, Italy, Greece and Turkey;
- Central and Eastern European Countries (CEEC): Bulgaria, Hungary and Romania.

NOTE 23.3 – ANALYSIS OF BANKING ITEMS CONTRIBUTING TO PREMIUM INCOME

In millions of euros	30.06.2015			30.06.2014		
	Groupama Banque	Other companies	Total	Groupama Banque	Other companies	Total
Interest and related income	26		26	28		28
Commissions (income)	30	63	92	31	61	92
Gains on financial instruments at fair value through income	18		18	16		16
Gains on available-for-sale financial assets	2	1	2	(1)		0
Income from other activities	1	1	1		1	1
Total	**76**	**64**	**140**	**75**	**63**	**138**

Banking premium income shown in the combined financial statements corresponds to banking income before taking into account refinancing costs.

NOTE 24 – INVESTMENT INCOME NET OF MANAGEMENT EXPENSES

NOTE 24.1 – INVESTMENT INCOME NET OF MANAGEMENT EXPENSES – BY OPERATING SEGMENT

In millions of euros	30.06.2015			30.06.2014		
	France	International	Total	France	International	Total
Interest on deposits and financial investments income	939	123	1,062	1,043	123	1,166
Gains on foreign exchange transactions	135	6	141	18	5	23
Income from differences on redemption prices to be collected (premium/discount)	65	2	67	57	2	59
Property income	64		64	65		66
Other investment income						
Income from investments	**1,204**	**131**	**1,334**	**1,183**	**130**	**1,313**
Interest received from reinsurers	1		0	(1)		(1)
Losses on foreign exchange transactions	(63)	(5)	(68)	(26)	(5)	(32)
Amortisation of differences on redemption prices (premium/discount)	(134)	(12)	(146)	(106)	(9)	(115)
Impairment and reserves on property	(26)	(2)	(28)	(27)	(1)	(28)
Management expenses	(178)	(6)	(184)	(175)	(5)	(180)
Investment expenses	**(400)**	**(25)**	**(426)**	**(336)**	**(21)**	**(357)**
Held for trading	(73)	1	(71)	75	3	78
Available-for-sale	556	26	582	231	30	261
Held to maturity						
Other	(24)	3	(22)	1	3	4
Capital gains (losses) from sales of investments, net of impairment reversals and write-backs	**459**	**30**	**489**	**306**	**36**	**343**
Held for trading	38	1	38	27	10	37
Derivatives	89		89	(194)		(193)
Adjustments on unit-linked policies	300	8	308	327	17	345
Change in fair value of financial instruments recorded at fair value by income	**427**	**8**	**435**	**160**	**28**	**188**
Available-for-sale			(1)	(4)	(5)	(9)
Held to maturity						
Receivables and loans				4		4
Change in impairments on financial instruments	**(1)**		**(1)**	**(1)**	**(5)**	**(5)**
Total	**1,688**	**144**	**1,832**	**1,313**	**168**	**1,482**

NOTE 24.2 – INVESTMENT INCOME NET OF MANAGEMENT EXPENSES (INCOME BREAKDOWN BY TYPE OF ASSET)

In millions of euros	30.06.2015					30.06.2014 Proforma				
	Income and expenses	Proceeds from divestment (*)	Change in fair value	Change in reserves	Total	Income and expenses	Proceeds from divestment (*)	Change in fair value	Change in reserves	Total
Property	37	(21)		(1)	15	37	4			41
Equities	45	417	2	(2)	462	73	192		(9)	256
Bonds	803	22	6		831	817	16	28		861
Equity mutual funds	28	52	63	1	144	43	125	37	(1)	204
Mutual funds: Cash and cash equivalents (repurchase transactions)		(1)			(1)		4			4
Other cash mutual funds		2			2		6	1		7
Fixed-income mutual funds	38	20	6		64	50	15	39		104
Derivatives		(5)	89		84		(13)	(194)		(207)
Other investment income	210	3	(38)		175	150	(5)	(68)	4	81
Investment income	**1,161**	**489**	**128**	**(2)**	**1,776**	**1,170**	**344**	**(157)**	**(6)**	**1,351**
Internal and external management expenses and other investment expenses	(172)				(172)	(170)				(170)
Other investment expenses	(80)				(80)	(44)				(44)
Investment expenses	**(252)**				**(252)**	**(214)**				**(214)**
Investment income net of expenses	**909**	**489**	**128**	**(2)**	**1,524**	**956**	**344**	**(157)**	**(6)**	**1,137**
Capital gains on securities representing unit-linked policies			515		515			351		351
Capital losses on securities representing unit-linked policies			(207)		(207)			(6)		(6)
Total investment income net of management expenses	**909**	**489**	**436**	**(2)**	**1,832**	**956**	**344**	**188**	**(6)**	**1,482**

(*) Net of write-back of impairment and amortisation.

In 2014, allocations to and write-backs of reserves on securities were broken down by type of asset (equities, bonds, equity mutual funds, fixed-income mutual funds) unlike at previous closes. As such, pro forma information is presented.

Investment income net of investment expenses increased by €350 million compared with 30 June 2014.

This change is explained mainly by:

- The reduction in income and expenses of €47 million, including €43 million on equities and equity mutual funds, €26 million on bonds and bond mutual funds, and a net increase of €22 million on other income and expenses.
- The net increase in realised capital gains net of impairment write-backs for €145 million, including €152 million on equities and equity mutual funds.
- The increase in the change in fair value of €248 million, including a positive change in fair value of derivatives of €283 million and a negative change of €37 million in fair value of unit-linked policies.
- The decrease in allocations to impairment reserves of €4 million.

NOTE 24.2.1 – INVESTMENT INCOME NET OF MANAGEMENT EXPENSES (INCOME BREAKDOWN BY TYPE OF ASSET) - FRANCE

In millions of euros	30.06.2015					30.06.2014 Proforma				
	Income and expenses	Proceeds from divestment (*)	Change in fair value	Change in reserves	Total	Income and expenses	Proceeds from divestment (*)	Change in fair value	Change in reserves	Total
Property	38	(24)			14	38	1			39
Equities	44	414	1	(1)	458	72	190		(4)	258
Bonds	702	1	5		708	713	(7)	25		731
Equity mutual funds	24	50	62		136	42	119	29	(1)	189
Mutual funds: Cash and cash equivalents (repurchase transactions)		(1)			(1)		4			4
Other cash mutual funds		2			2		6	1		7
Bond mutual funds	35	20	6		61	44	15	39		98
Derivatives		(5)	89		84		(13)	(194)		(207)
Other investment income	201	2	(36)		167	141	(7)	(68)	4	70
Investment income	**1,044**	**459**	**127**	**(1)**	**1,629**	**1,050**	**308**	**(168)**	**(1)**	**1,189**
Internal and external management expenses and other investment expenses	(168)				(168)	(165)				(165)
Other investment expenses	(73)				(73)	(38)				(38)
Investment expenses	**(241)**				**(241)**	**(203)**				**(203)**
Investment income net of expenses	**803**	**459**	**127**	**(1)**	**1,388**	**847**	**308**	**(168)**	**(1)**	**986**
Capital gains on securities representing unit-linked policies			499		499			331		331
Capital losses on securities representing unit-linked policies			(199)		(199)			(3)		(3)
Total investment income net of management expenses	**803**	**459**	**427**	**(1)**	**1,688**	**847**	**308**	**160**	**(1)**	**1,314**

(*) Net of write-back of impairment and amortisation.

NOTE 24.2.2 – INVESTMENT INCOME NET OF MANAGEMENT EXPENSES (INCOME BREAKDOWN BY TYPE OF ASSET) - INTERNATIONAL

In millions of euros	30.06.2015					30.06.2014 Proforma				
	Income and expenses	Proceeds from divestment (*)	Change in fair value	Change in reserves	Total	Income and expenses	Proceeds from divestment (*)	Change in fair value	Change in reserves	Total
Property	(1)	3		(1)	1	(1)	3			2
Equities	1	3	1	(1)	4	1	2		(5)	(2)
Bonds	101	21	1		123	104	23	3		130
Equity mutual funds	4	2	1	1	8	1	6	8		15
Mutual funds: Cash and cash equivalents (repurchase transactions)										
Other cash mutual funds										
Bond mutual funds	3				3	6				6
Derivatives										
Other investment income	9	1	(2)		8	9	2			11
Investment income	**117**	**30**	**1**	**(1)**	**147**	**120**	**36**	**11**	**(5)**	**162**
Internal and external management expenses and other investment expenses	(4)				(4)	(5)				(5)
Other investment expenses	(7)				(7)	(6)				(6)
Investment expenses	**(11)**				**(11)**	**(11)**				**(11)**
Investment income net of expenses	**106**	**30**	**1**	**(1)**	**136**	**109**	**36**	**11**	**(5)**	**151**
Capital gains on securities representing unit-linked policies			16		16			20		20
Capital losses on securities representing unit-linked policies			(8)		(8)			(3)		(3)
Total investment income net of management expenses	**106**	**30**	**9**	**(1)**	**144**	**109**	**36**	**28**	**(5)**	**168**

(*) Net of write-back of impairment and amortisation.

NOTE 25 – INSURANCE POLICY SERVICING EXPENSES

NOTE 25.1 – INSURANCE POLICY SERVICING EXPENSES – BY OPERATING SEGMENT

In millions of euros	30.06.2015			30.06.2014		
	France	International	Total	France	International	Total
Claims						
Paid to policyholders	(4,770)	(943)	(5,713)	(5,055)	(860)	(5,915)
Change in technical reserves						
Outstanding claims reserves	98	(17)	81	157	(55)	102
Actuarial reserves	1,020	(76)	944	1,182	(21)	1,161
Unit-linked reserves	(465)	(24)	(489)	(595)	(28)	(623)
Profit-sharing	(1,073)	(52)	(1,125)	(765)	(64)	(829)
Other underwriting reserves	(301)	2	(300)	(155)	(1)	(156)
Total	**(5,490)**	**(1,111)**	**(6,601)**	**(5,231)**	**(1,029)**	**(6,260)**

NOTE 26 – OUTWARD REINSURANCE INCOME (EXPENSES)

NOTE 26.1 – OUTWARD REINSURANCE INCOME (EXPENSES) – BY OPERATING SEGMENT

In millions of euros	30.06.2015			30.06.2014		
	France	Inter-national	Total	France	Inter-national	Total
Acquisition and administrative costs	100	15	114	43	11	54
Claims expenses	313	19	331	321	41	362
Change in technical reserves	11	1	11	23	(4)	19
Profit sharing	(143)	1	(143)	(149)	1	(148)
Change in the equalisation reserve						
Income on outward reinsurance	**280**	**35**	**314**	**238**	**49**	**287**
Outward premiums	(398)	(132)	(530)	(406)	(94)	(500)
Change in unearned premiums	6	35	41	7	24	32
Expenses on outward reinsurance	**(392)**	**(97)**	**(489)**	**(399)**	**(70)**	**(468)**
Total	**(112)**	**(63)**	**(175)**	**(161)**	**(20)**	**(181)**

NOTE 27 – OTHER INCOME AND EXPENSES FROM NON-CURRENT OPERATIONS

NOTE 27.1 – OTHER INCOME AND EXPENSES FROM NON-CURRENT OPERATIONS – BY OPERATING SEGMENT

In millions of euros	30.06.2015			30.06.2014		
	France	Inter-national	Total	France	Inter-national	Total
Income from non-current operations	13		13	39	2	41
Expenses from non-current operations	(27)	(10)	(38)	(57)	(11)	(68)
Total	**(14)**	**(10)**	**(25)**	**(18)**	**(9)**	**(27)**

The French Prudential Control and Resolution Authority (ACPR) pronounced a €3 million penalty against Groupama Gan Vie at the end of June 2015 for its declining insurance policy management.

NOTE 28 – FINANCING EXPENSES

In millions of euros	30.06.2015	30.06.2014
Interest expenses on loans and debts	(31)	(48)
Interest income and expenses – Other		
Total financing expenses	**(31)**	**(48)**

The decrease in financing expenses for €17 million comes mainly from the subordinated debt exchange as well as the repayment of the credit facility at the end of 2014.

NOTE 29 – BREAKDOWN OF TAX EXPENSES

NOTE 29.1 – BREAKDOWN OF TAX EXPENSES BY OPERATING SEGMENT

In millions of euros	30.06.2015			30.06.2014		
	France	Inter-national	Total	France	Inter-national	Total
Current taxes	(18)	(13)	(31)	(20)	(36)	(57)
Deferred taxes	85	(4)	81	(2)	19	17
Total	**67**	**(17)**	**50**	**(22)**	**(17)**	**(39)**

The Group underwent a tax audit in 2010. Reserves were set aside for all accepted assessments in 2010. By contrast, assessments relating largely to the level of technical reserves for property and casualty, which was deemed excessive by the tax authorities, as well as the risk of dependence, were not subject to reserves. The Group considers that the reasons for adjustments are highly questionable and has prepared technical arguments for a litigation process.

NOTE 29.2 – RECONCILIATION BETWEEN TOTAL ACCOUNTING TAX EXPENSE AND THEORETICAL TAX EXPENSE CALCULATIONS

In millions of euros	30.06.2015	30.06.2014
Theoretical tax expense	**(74)**	**(62)**
Impact of expenses or income defined as non-deductible or non-taxable	(16)	(24)
Impact of differences in tax rate	141	46
Tax credit and various charges		
Charges of prior deficits		
Losses for the fiscal year not capitalised		
Deferred tax assets not accounted for	(2)	
Other differences	1	
Effective tax expense	**50**	**(39)**

Overall, income tax corresponded to an income (deferred tax plus social tax) of €50 million at 30 June 2015, versus an expense of €39 million at 30 June 2014.

The variation between the two years is mainly explained by the change in “impact of differences in rates” as well as “non-deductible or non-taxable expenses and income”.

This decrease incorporates the current tax expense due for the tax consolidation scope of €1 million as at 30 June 2015 versus an expense of €17 million as at 30 June 2014.

The reconciliation with the theoretical statutory tax is as follows:

In millions of euros	30.06.2015		30.06.2014	
	Consolidated income (losses) before tax	Theoretical tax rate	Consolidated income (losses) before tax	Theoretical tax rate
France	196	34.43%	110	34.43%
Bulgaria		10.00%	1	10.00%
China	5	25.00%	1	25.00%
Greece	1	26.00%	1	26.00%
Hungary	9	19.00%	9	19.00%
Italy	35	34.32%	45	33.72%
Portugal	2	22.50%		24.50%
Romania	3	16.00%	2	16.00%
United Kingdom	6	20.25%	4	21.50%
Slovakia			(1)	19.00%
Tunisia	5	30.00%	2	30.00%
Turkey	(46)	20.00%	7	20.00%
Total	**216**		**180**	

The theoretical tax rate applicable in France remains at 34.43% and has not been corrected for the extraordinary 10.7% contribution that applies to taxable earnings for fiscal years 2013 and 2015 for companies that have turnover exceeding €250 million.

OTHER INFORMATION

NOTE 30 – COMMITMENTS GIVEN AND RECEIVED

NOTE 30.1 – COMMITMENTS GIVEN AND RECEIVED – BANKING BUSINESS

In millions of euros	30.06.2015	31.12.2014
Financing commitments received		
Guarantee commitments received	565	554
Securities commitments receivable	8	
Total commitments received on banking business	**574**	**554**
Commitments received on currency transactions	7	
Other commitments received		
Total other commitments received on banking business	**7**	
Financing commitments given	203	481
Guarantee commitments given	19	20
Commitments on securities to be delivered	3	
Total commitments given on banking business	**226**	**501**
Commitments given on currency transactions	7	
Commitments given on financial instrument transactions	4	4
Total other commitments given on banking business	**11**	**4**
Other commitments given	1,503	916
Total other commitments given	**1,503**	**916**

Off-balance sheet commitments received on banking business amounted to €574 million.

Commitments given totalled €226 million and specifically concerned client commitments.

Other commitments were given for €1,503 million, representing the amount of eligible securities used as collateral for a possible drawdown of assets, as part of the refinancing with the European Central Bank. This amount was €916 million as at 31 December 2014.

NOTE 30.2 – COMMITMENTS GIVEN AND RECEIVED – INSURANCE AND REINSURANCE BUSINESSES

In millions of euros	30.06.2015	31.12.2014
Endorsements, securities, and guarantees received	87	90
Other commitments received	1,390	785
Total commitments received, excluding reinsurance	**1,477**	**875**
Commitments received for reinsurance	**431**	**453**
Endorsements, bonds, and guarantees given	351	332
Other commitments on securities, assets, or income	563	497
Other commitments given	1,341	64
Total commitments given excluding reinsurance	**2,254**	**893**
Reinsurance commitments given	**3,380**	**3,328**
Securities belonging to mutuals		
Other securities held on behalf of third parties		

Endorsements, securities, and guarantees received totalled €87 million.

Other commitments received excluding reinsurance for €1,390 million are mainly made up of the following items:

- The line of credit established in December 2014 for €750 million and not used as at June 30, 2015.
- In addition, the group lent bonds in exchange for collateral consisting of equities. This transaction resulted in €511 million in equities received as collateral.
- Securities received as collateral under the collateralisation mechanism put in place to guarantee the unrealised gains on derivatives are also recorded in off-balance-sheet commitments. This is reflected in the accounts by €35 million in securities received as collateral.
- Promises of sales of buildings by lot of the subsidiary Groupama Gan Vie for €61 million.

Endorsements, securities, and guarantees given totalled €351 million, consisting largely of the following transactions:

- guarantee given as part of the sale of Groupama Insurance for €163 million,
- guarantee given as part of the sale of Gan Eurocourtage for €46 million,
- guarantee given as part of the sale of Groupama Seguros for €81 million.

Other commitments on securities, assets, or income

Other commitments on securities, assets, or income consist of subscriptions to venture capital funds ("FCPR"). The remaining €563 million corresponds to the difference between the investment commitment of the subscribers and the total of calls for funds actually received.

Other commitments given

Other commitments given amounted to €1,341 million. They mostly consist of the following elements:

- The group lent bonds in exchange for collateral consisting of equities. This transaction resulted in €450 million in lent bonds.

- Securities given as collateral under the collateralisation mechanism put in place to guarantee the unrealised gains on derivatives are recorded in other off-balance-sheet commitments. This is reflected in the accounts by €758 million in securities given as collateral.

- Commitments on financial lease rents and promises of sales mainly of the subsidiary Groupama Gan Vie amounted to nearly €93 million.

Unvalued commitments

Trigger clauses:

Groupama SA:

Furthermore, in conjunction with issues of subordinated instruments ("TSR" and "TSDI"), Groupama SA has trigger clauses:

Groupama SA is entitled to defer payment of interest on the October 2009 TSR of €750 million should the Group solvency margin fall below 100%.

With regard to the perpetual subordinated bond ("TSDI") issued in 2005, with a balance of €41 million following the exchange in May 2014, Groupama SA also has the option of deferring payment of interest on TSDI issues should the hedge of the Group solvency margin fall below 150%.

The group has not used this option.

The trigger is valued as of the closing date prior to the anniversary date (ex-dividend date).

NOTE 31 – LIST OF ENTITIES IN THE SCOPE OF CONSOLIDATION AND MAJOR CHANGES TO THE SCOPE OF CONSOLIDATION

The main changes in the scope of consolidation are the following:

Inclusion in the scope of consolidation

One mutual fund entered the scope.

Eliminations from the scope of consolidation

A real estate company was removed from the consolidation scope following its absorption by Gan Foncier.

Three mutual funds were removed from the consolidation scope.

Transfer of activity

None.

	Business sector	Country	30.06.2015			31.12.2014		
			% control	% interest	Method	% control	% interest	Method
GROUPAMA Méditerranée	Insurance	France	-	-	A	-	-	A
GROUPAMA Centre Manche	Insurance	France	-	-	A	-	-	A
GROUPAMA Grand Est	Insurance	France	-	-	A	-	-	A
GROUPAMA OC	Insurance	France	-	-	A	-	-	A
MISSO	Insurance	France	-	-	A	-	-	A
GROUPAMA Loire Bretagne	Insurance	France	-	-	A	-	-	A
GROUPAMA Paris Val-de-Loire	Insurance	France	-	-	A	-	-	A
GROUPAMA Nord-Est	Insurance	France	-	-	A	-	-	A
CAISSE des producteurs de tabac	Insurance	France	-	-	A	-	-	A
GROUPAMA Rhône-Alpes-Auvergne	Insurance	France	-	-	A	-	-	A
GROUPAMA Centre Atlantique	Insurance	France	-	-	A	-	-	A
GROUPAMA Antilles-Guyane	Insurance	France	-	-	A	-	-	A
GROUPAMA Océan Indien et Pacifique	Insurance	France	-	-	A	-	-	A
CLAMA Méditerranée	Insurance	France	-	-	A	-	-	A
CLAMA Centre Manche	Insurance	France	-	-	A	-	-	A
CLAMA Grand Est	Insurance	France	-	-	A	-	-	A
CLAMA OC	Insurance	France	-	-	A	-	-	A
CLAMA Loire Bretagne	Insurance	France	-	-	A	-	-	A
CLAMA Paris Val-de-Loire	Insurance	France	-	-	A	-	-	A
CLAMA Nord-Est	Insurance	France	-	-	A	-	-	A
CLAMA Rhône-Alpes-Auvergne	Insurance	France	-	-	A	-	-	A
CLAMA Centre Atlantique	Insurance	France	-	-	A	-	-	A
CLAMA Antilles-Guyane	Insurance	France	-	-	A	-	-	A
CLAMA Océan Indien et Pacifique	Insurance	France	-	-	A	-	-	A
GIE GROUPAMA Supports et Services	EIG	France	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA S.A.	Holding	France	99.95	99.95	FC	99.95	99.95	FC
GROUPAMA HOLDING	Holding	France	100.00	100.00	FC	100.00	100.00	FC
GROUPAMA HOLDING 2	Holding	France	100.00	100.00	FC	100.00	100.00	FC
GROUPAMA GAN VIE	Insurance	France	100.00	99.95	FC	100.00	99.95	FC
GAN PATRIMOINE	Insurance	France	100.00	99.95	FC	100.00	99.95	FC
CAISSE FRATERNELLE D'EPARGNE	Insurance	France	100.00	99.95	FC	100.00	99.95	FC
CAISSE FRATERNELLE VIE	Insurance	France	99.99	99.94	FC	99.99	99.94	FC
ASSUVIE	Insurance	France	50.00	49.98	FC	50.00	49.98	FC
GAN PREVOYANCE	Insurance	France	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA ASSURANCE CREDIT	Insurance	France	100.00	99.95	FC	100.00	99.95	FC
MUTUAIDE ASSISTANCE	Assistance	France	100.00	99.95	FC	100.00	99.95	FC
GAN ASSURANCES	Insurance	France	100.00	99.95	FC	100.00	99.95	FC
GAN OUTRE MER	Insurance	France	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA PROTECTION JURIDIQUE	Insurance	France	100.00	99.95	FC	100.00	99.95	FC
LA BANQUE POSTALE IARD	Insurance	France	35.00	34.98	EM	35.00	34.98	EM
AMALINE ASSURANCES	Insurance	France	100.00	99.95	FC	100.00	99.95	FC
CEGID	Insurance	France	26.89	26.88	EM	26.89	26.88	EM
GROUPAMA SEGUROS de Vida Portugal	Insurance	Portugal	100.00	99.95	FC	100.00	99.95	FC
GÜNES SIGORTA	Insurance	Turkey	36.00	35.98	EM	36.00	35.98	EM
GROUPAMA SIGORTA	Insurance	Turkey	98.99	98.94	FC	98.99	98.94	FC
GROUPAMA SIGORTA EMEKLILIK	Insurance	Turkey	100.00	99.51	FC	100.00	99.51	FC
GROUPAMA Investment BOSPHORUS	Holding	Turkey	100.00	99.95	FC	100.00	99.95	FC
STAR	Insurance	Tunisia	35.00	34.98	EM	35.00	34.98	EM
GROUPAMA ZASTRAHOVANE NON LIFE	Insurance	Bulgaria	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA JIVOTOZASTRAHOVANE LIFE	Insurance	Bulgaria	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA BIZTOSITO	Insurance	Hungary	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA PHOENIX Hellenic Asphalistike	Insurance	Greece	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA AVIC PROPERTY INSURANCES CO	Insurance	China	50.00	49.98	EM	50.00	49.98	EM
GUK BROKING SERVICES	Holding	United Kingdom	100.00	99.95	FC	100.00	99.95	FC
CAROLE NASH	Brokerage	United Kingdom	90.00	89.96	FC	90.00	89.96	FC
BOLLINGTON LIMITED	Brokerage	United Kingdom	49.00	48.98	EM	49.00	48.98	EM
MASTERCOVER Insurance Services Limited	Brokerage	United Kingdom	100.00	99.95	FC	100.00	99.95	FC

A: Aggregation FC: Full consolidation EM: Equity method

	Business sector	Country	30.06.2015			31.12.2014		
			% control	% interest	Method	% control	% interest	Method
COMPUCAR LIMITED	Brokerage	United Kingdom	49.00	48.98	EM	49.00	48.98	EM
GROUPAMA ASSICURAZIONI	Insurance	Italy	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA SEGUROS Portugal	Insurance	Portugal	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA ASIGURARI	Insurance	Romania	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA ASSET MANAGEMENT	Asset management	France	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA BANQUE	Banking	France	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA EPARGNE SALARIALE	Asset management	France	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA IMMOBILIER	Asset management	France	100.00	99.95	FC	100.00	99.95	FC
HOLDCO	Real estate	France	24.93	24.92	EM	24.93	24.92	EM
COMPAGNIE FONCIERE PARISIENNE	Real estate	France	99.97	99.93	FC	99.97	99.93	FC
SCI DEFENSE ASTORG	Real estate	France	100.00	99.93	FC	100.00	99.93	FC
GAN FONCIER II	Real estate	France	100.00	99.95	FC	100.00	99.95	FC
IXELLOR	Real estate	France	100.00	99.95	FC	100.00	99.95	FC
79 CHAMPS ELYSÉES	Real estate	France	100.00	99.96	FC	100.00	99.96	FC
RENNES VAUGIRARD	Real estate	France	100.00	99.95	FC	100.00	99.95	FC
SOCIETE FORESTIERE GROUPAMA	Real estate	France	100.00	99.96	FC	100.00	99.96	FC
OPCI OFI GB2	Mutual fund	France	100.00	99.93	FC	100.00	99.93	FC
SCI GAN FONCIER	Real estate	France	100.00	98.87	FC	100.00	98.87	FC
VICTOR HUGO VILLIERS	Real estate	France	100.00	98.87	FC	100.00	98.87	FC
1 BIS FOCH	Real estate	France	100.00	98.87	FC	100.00	98.87	FC
SCI TOUR GAN	Real estate	France	100.00	98.87	FC	100.00	98.87	FC
16 MESSINE	Real estate	France	100.00	98.87	FC	100.00	98.87	FC
40 RENE BOULANGER	Real estate	France				100.00	98.87	FC
9 MALESHERBES	Real estate	France	100.00	98.87	FC	100.00	98.87	FC
97 VICTOR HUGO	Real estate	France	100.00	98.87	FC	100.00	98.87	FC
44 THEATRE	Real estate	France	100.00	98.87	FC	100.00	98.87	FC
261 RASPAIL	Real estate	France	100.00	99.93	FC	100.00	99.93	FC
5/7 PERCIER (SASU)	Real estate	France	100.00	99.95	FC	100.00	99.95	FC
GAN INVESTISSEMENT FONCIER	Real estate	France	100.00	99.95	FC	100.00	99.95	FC
SCA CHATEAU D'AGASSAC	Real estate	France	100.00	99.99	FC	100.00	99.99	FC
LES FRERES LUMIERE	Real estate	France	100.00	99.95	FC	100.00	99.95	FC
CAP DE FOUSTE (SCI)	Real estate	France	100.00	99.97	FC	100.00	99.97	FC
150 RENNES (SCI)	Real estate	France	100.00	99.95	FC	100.00	99.95	FC
DOMAINE DE NALYS	Real estate	France	100.00	99.97	FC	100.00	99.97	FC
99 MALESHERBES (SCI)	Real estate	France	100.00	99.95	FC	100.00	99.95	FC
3 ROSSINI (SCI)	Real estate	France	100.00	99.95	FC	100.00	99.95	FC
CHAMALIERES EUROPE (SCI)	Real estate	France	100.00	99.95	FC	100.00	99.95	FC
102 MALESHERBES (SCI)	Real estate	France	100.00	99.95	FC	100.00	99.95	FC
PARIS FALGUIERE (SCI)	Real estate	France	100.00	99.95	FC	100.00	99.95	FC
DOMAINE DE FARES	Real estate	France	50.00	49.99	EM	50.00	49.99	EM
12 VICTOIRE (SCI)	Real estate	France	100.00	99.95	FC	100.00	99.95	FC
LABORIE MARCENAT	Real estate	France	74.10	74.07	EM	74.10	74.07	EM
SCIMA GFA	Real estate	France	100.00	99.98	FC	100.00	99.98	FC
38 LE PELETIER (SCI)	Real estate	France	100.00	99.95	FC	100.00	99.95	FC
SCI CHATEAU D'AGASSAC	Real estate	France	100.00	100.00	FC	100.00	100.00	FC
SA SIRAM	Real estate	France	90.07	90.07	FC	90.07	90.07	FC
GROUPAMA PIPACT	Real estate	France	100.00	99.99	FC	100.00	99.99	FC
ASTORG STRUCTOR GAD D	Mutual fund	France	99.99	99.95	FC	99.99	99.94	FC
ASTORG CTT C	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA AAEXA D	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
ASTORG EURO SPREAD D	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
WASHINGTON EURO NOURRI 6 FCP	Mutual fund	France				100.00	99.95	FC
WASHINGTON EURO NOURRI 13 FCP	Mutual fund	France				100.00	99.95	FC
WASHINGTON EURO NOURRI 14 FCP	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
WASHINGTON EURO NOURRI 15 FCP	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC

Aggregation FC: Full consolidation EM: Equity method

	Business sector	Country	30.06.2015			31.12.2014		
			% control	% interest	Method	% control	% interest	Method
GROUPAMA CONVERTIBLES I D	Mutual fund	France	99.63	99.59	FC	99.59	99.55	FC
GROUPAMA ENTREPRISES IC C	Mutual fund	France	35.31	35.30	EM	33.94	33.93	EM
GROUPAMA CREDIT EURO I C	Mutual fund	France	80.35	80.32	FC	90.22	90.19	FC
GROUPAMA CREDIT EURO I D	Mutual fund	France	59.09	59.06	FC	60.35	60.32	FC
WASHINGTON EURO NOURRI 16 FCP	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
WASHINGTON EURO NOURRI 17 FCP	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
WASHINGTON EURO NOURRI 18 FCP	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA OBLIGATION MONDE I C	Mutual fund	France	86.84	86.80	FC	86.63	86.59	FC
WASHINGTON EURO NOURRI 19 FCP	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
WASHINGTON EURO NOURRI 20 FCP	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
WASHINGTON EURO NOURRI 21 FCP	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
WASHINGTON EURO NOURRI 22 FCP	Mutual fund	France	99.88	99.83	FC	99.88	99.83	FC
WASHINGTON EURO NOURRI 23 FCP	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
WASHINGTON EURO NOURRI 24 FCP	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
ASTORG STRUCTUR LIFE D	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
ASTORG TAUX VARIABLE D	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA EONIA I C	Mutual fund	France	29.75	29.74	EM	42.95	42.93	EM
GROUPAMA FP DETTE EMERGENTE	Mutual fund	France	92.04	92.00	FC	92.04	92.00	FC
ASTORG PENSION D	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
ASTORG CASH MT D	Mutual fund	France	99.14	99.10	FC	99.54	99.49	FC
ASTORG CASH G D	Mutual fund	France				98.74	98.69	FC
GROUPAMA CREDIT EURO G D	Mutual fund	France	44.37	44.35	EM	44.37	44.35	EM
GROUPAMA CREDIT EURO LT G D	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
ASTORG THESSALONIQUE 1 D	Mutual fund	France	100.00	99.96	FC	100.00	99.96	FC
ASTORG THESSALONIQUE 2 D	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
ASTORG THESSALONIQUE 3 D	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
ASTORG THESSALONIQUE 4 D	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
ASTORG THESSALONIQUE 5 D	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
ASTORG MONETAIRE C	Mutual fund	France	98.96	98.91	FC	99.16	99.11	FC
ASTORG DIV MONDE D	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
G FUND - EUROPEAN CONVERTIBLE BONDS GD D	Mutual fund	France	100.00	99.96	FC			

A: Aggregation FC: Full consolidation EM: Equity method

Certain real estate entities are consolidated using the equity method under a “simplified” process. This consists of reclassifying on the balance sheet the value of the units and the financing current account in “property investments” and reclassifying in the income statement the dividends or share in the results of the companies in “income from property”.