COMBINED FINANCIAL STATEMENTS

GROUPAMA
30 June 2013
IFRS

CONTENTS

FINANCIAL STATEMENTS

GROUPAMA
COMBINED BALANCE SHEET (in millions of euros)

ASSET		30.06.2013	31.12.2012
Goodwill	Note 2	2,219	2,240
Other intangible assets	Note 3	518	570
Intangible assets		**2,736**	**2,809**
Investment properties, excluding unit-linked investments	Note 4	1,330	1,348
Unit-linked investment properties	Note 7	108	102
Operating activities property	Note 5	1,084	1,095
Financial investments (excluding unit-linked items)	Note 6	70,281	71,141
Financial investments in unit-linked investments	Note 7	4,428	3,856
Derivative instruments and embedded derivatives treated separately	Note 8	158	80
Insurance activities investments		**77,389**	**77,622**
Uses of funds for banking sector activities and investments of other activities	Note 9	**3,311**	**3,487**
Investments in related companies	Note 10	**1,013**	**1,039**
Share of outward reinsurers and retrocessionaires in insurance and financial contract liabilities	Note 11	**1,427**	**1,441**
Other property, plant and equipment		272	286
Deferred acquisition costs		383	383
Deferred profit-sharing asset	Note 12	654	75
Deferred tax assets	Note 13	430	330
Receivables from insurance and inward reinsurance	Note 14	4,337	2,676
Receivables from outward reinsurance		162	226
Current tax receivables and other tax receivables		204	219
Other receivables	Note 15	2,586	2,226
Other assets		**9,028**	**6,421**
Assets held for sale and discontinued activities			
Cash and cash equivalents	Note 16	**1,194**	**1,933**
TOTAL		**96,098**	**94,753**

The Notes on pages 13 to 105 form an integral part of the combined financial statements.

GROUPAMA
COMBINED BALANCE SHEET (in millions of euros)

LIABILITIES		30.06.2013	31.12.2012
Share capital		32	32
Revaluation reserve	Note 17	766	720
Other reserves		5,830	6,438
Unrealised foreign exchange adjustments		(357)	(321)
Combined income		187	(589)
Shareholders' equity (Group share)		**6,458**	**6,280**
Minority interests		13	18
Total shareholders' equity		**6,471**	**6,298**
Contingent liabilities	Note 18	**650**	**647**
Financial debt	Note 19	**1,943**	**1,946**
Liabilities related to insurance policies	Note 20	**54,415**	**51,112**
Liabilities related to financial contracts	Note 21	**19,834**	**20,935**
Deferred profit-sharing liabilities	Note 12	**45**	**204**
Source of funds for banking sector activities	Note 9	**2,843**	**3,120**
Deferred tax liabilities	Note 13	360	561
Debts to unit holders of consolidated mutual funds		923	769
Operating debts to banking sector companies	Note 16	183	338
Liabilities from insurance or inward reinsurance activities		773	787
Liabilities from outward reinsurance activities		349	430
Current taxes payable and other tax liabilities		232	280
Derivative instrument liabilities	Note 8	422	429
Other debt	Note 22	6,655	6,898
Other liabilities		**9,897**	**10,491**
Liabilities for held for sale or discontinued activities			
TOTAL		**96,098**	**94,753**

The Notes on pages 13 to 105 form an integral part of the combined financial statements.

GROUPAMA
COMBINED INCOME STATEMENT (in millions of euros)

INCOME STATEMENT		30.06.2013	30.06.2012
Written premiums	Note 23	9,088	9,205
Change in unearned premiums		(2,212)	(2,190)
Earned premiums		**6,876**	**7,015**
Net banking income, net of cost of risk		**98**	**119**
Investment income		1,335	1,416
Investment expenses		(309)	(292)
Capital gains (losses) from sales of investments net of impairment reversals and write-backs		431	156
Change in fair value of financial instruments recorded at fair value through income		(27)	163
Change in impairment losses on investments		(17)	(90)
Investment income net of expenses	Note 24	**1,413**	**1,353**
Total income from ordinary operations		**8,388**	**8,486**
Insurance policy servicing expenses	Note 25	(6,153)	(6,298)
Income from outward reinsurance	Note 26	358	610
Expenses on outward reinsurance	Note 26	(553)	(828)
Net outward reinsurance income (expenses)		**(6,348)**	**(6,516)**
Banking operating expenses		(100)	(109)
Policy acquisition costs		(912)	(966)
Administrative costs		(318)	(370)
Other income and expenses from current operations		(379)	(319)
Total other current income and expenses		**(8,057)**	**(8,279)**
CURRENT OPERATING PROFIT		**331**	**207**
Other operating income and expenses	Note 27	(63)	39
OPERATING PROFIT		**268**	**247**
Financing expense	Note 28	(46)	(54)
Share in income of related companies	Note 10	(16)	
Corporate income tax	Note 29	(19)	(139)
NET INCOME FROM CONTINUING OPERATIONS		**187**	**53**
Net income from discontinued operations			(138)
OVERALL NET INCOME		**187**	**(85)**
of which, minority interests		0	2
OF WHICH NET PROFIT (GROUP SHARE)		**187**	**(87)**

The Notes on pages 13 to 105 form an integral part of the combined financial statements.

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

In millions of euros	30.06.2013			30.06.2012 proforma		
	Group share	Minority interests	Total	Group share	Minority interests	Total
Net profit (loss) for the period	**187**		**187**	**(87)**	**2**	**(85)**
Gains (losses) recognised directly in shareholders' equity						
Items recyclable to income						
Change in foreign exchange gains and losses	(37)	1	(36)	69		69
Change in gross unrealised capital gains and losses on available-for-sale assets	(1,058)	(7)	(1,065)	2,039	8	2,047
Revaluation of hedging derivative instruments			0	49		49
Change in shadow accounting	812	4	816	(1,203)	(6)	(1,209)
Change in deferred taxes	292	1	293	(259)	(1)	(260)
Other changes	(5)	1	(4)	(47)	2	(45)
Items not recyclable to income						
Re-measurement of the actuarial debt on defined-benefit pension obligations	10		10	(38)		(38)
Change in deferred taxes	(3)		(3)	11		11
Other changes			0			
Total gains (losses) recognised directly in shareholders' equity	**11**	**0**	**11**	**621**	**3**	**624**
Net profit and gains (losses) recognized in shareholder's equity	**198**	**0**	**198**	**534**	**5**	**539**

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 profit for the year, the change in the provision for gross unrealised capital gains (losses) on available-for-sale assets, reduced by deferred profit-sharing and deferred taxes, as well as the change in the provision for unrealised foreign exchange adjustments and the actuarial gains (losses) on post-employment benefits.

The Notes on pages 13 to 105 form 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)	Deeply subordinated instruments	Consolidated reserve	Revaluation reserves	Unrealised foreign exchange adjustment	Unrealised Shareholders' equity Group share	Share of minority interests	Total shareholders' equity
Shareholders' equity as at 31.12.11	**32**	**(1,762)**	**999**	**7,285**	**(901)**	**(389)**	**5,264**	**12**	**5,276**
Appropriation of 2008 profit (loss)		1,762		(1,762)					
Dividends									
Change in share capital									
Business combinations								(1)	(1)
Impacts of transactions with members		**1,762**		**(1,762)**				**(1)**	**(1)**
Unrealised foreign exchange adjustments						69	69		69
Available-for-sale assets					6,648		6,648	25	6,673
Shadow accounting					(4,428)		(4,428)	(19)	(4,447)
Deferred taxes				12	(648)		(636)	(2)	(638)
Actuarial gains (losses) on post-employment benefits				(35)			(35)		(35)
Other				(62)	49		(13)	1	(12)
Net profit (loss) for the period		(589)					(589)	2	(587)
Total income (expenses) recognised for the period		**(589)**		**(85)**	**1,621**	**69**	**1,016**	**7**	**1,023**
Total movements for the period		**1,173**		**(1,847)**	**1,621**	**69**	**1,016**	**6**	**1,022**
Shareholders' equity as at 31.12.2012	**32**	**(589)**	**999**	**5,438**	**720**	**(320)**	**6,280**	**18**	**6,298**
Appropriation of 2012 profit (loss)		589		(589)					
Dividends [(1)]				(20)			(20)	(1)	(21)
Change in share capital									
Business combinations								(4)	(4)
Impact of transactions with members		**589**		**(609)**			**(20)**	**(5)**	**(25)**
Unrealised foreign exchange adjustments						(37)	(37)	1	(36)
Available-for-sale assets					(1,058)		(1,058)	(7)	(1,065)
Shadow accounting					812		812	4	816
Deferred taxes				(3)	292		289	1	290
Actuarial gains (losses) on post-employment benefits				10			10		10
Other				(5)			(5)	1	(4)
Net profit (loss) for the period		187					187		187
Total income (expenses) recognised for the period		**187**		**2**	**46**	**(37)**	**198**		**198**
Total changes for the period		**776**		**(607)**	**46**	**(37)**	**178**	**(5)**	**173**
Shareholders' equity as at 30.06.2013	**32**	**187**	**999**	**4,831**	**766**	**(357)**	**6,458**	**13**	**6,471**

[(1)] Since these dividends relate to the change in shareholders' equity - Group share, they correspond to payment for deeply subordinated notes classified in equity under IFRS.

In millions of euros	Capital	Income (loss)	Deeply subordinated instruments	Consolidated reserve	Revaluation reserves	Unrealised foreign exchange adjustment	Unrealised Shareholders' equity Group share	Share of minority interests	Total shareholders' equity
Shareholders' equity as at 31.12.2011	**32**	**(1,762)**	**999**	**7,285**	**(901)**	**(389)**	**5,264**	**12**	**5,276**
Appropriation of 2011 profit (loss)		1,762		(1,762)					
Dividends (1)				(21)			(21)		(21)
Change in share capital									
Business combinations								(1)	(1)
Impact of transactions with members		**1,762**		**(1,783)**			**(21)**	**(1)**	**(22)**
Unrealised foreign exchange adjustments						69	69		69
Available-for-sale assets					2,039		2,039	8	2,047
Shadow accounting					(1,203)		(1,203)	(6)	(1,209)
Deferred taxes				11	(259)		(248)	(1)	(249)
Actuarial gains (losses) on post-employment benefits				(38)			(38)		(38)
Other				(47)	49		2	2	4
Net profit (loss) for the period		(87)					(87)	2	(85)
Total income (expenses) recognized for the period		**(87)**		**(74)**	**626**	**69**	**534**	**5**	**539**
Total changes for the period		**1,675**		**(1,857)**	**626**	**69**	**513**	**4**	**517**
Shareholders' equity as at 30.06.2012	**32**	**(87)**	**999**	**5,428**	**(275)**	**(320)**	**5,777**	**16**	**5,793**

(1) Since these dividends relate to the change in shareholders' equity - Group share, they correspond to payment for deeply subordinated notes classified in equity under IFRS.

The Notes on pages 13 to 105 form an integral part of the combined financial statements.

GROUPAMA
CASH FLOW STATEMENT (in millions of euros)

STATEMENT OF CASH FLOWS	30.06.2013	30.06.2012
Operating profit before taxes	268	247
Gains (losses) on sale of investments	(87)	2,087
Net depreciation charges	143	164
Change in deferred acquisition costs	(2)	(21)
Change in impairment	(315)	(2,126)
Net increases in technical reserves related to insurance policies and financial contracts	2,263	1,538
Net increases in other provisions	12	12
Change in the fair value of financial instruments recognised at fair value through income (excluding cash and cash equivalents)	27	(163)
Other non-cash items included in operating profit	23	
Changes of items included in operating profit other than monetary flows and reclassification of flows from financing and investment	**2,064**	**1,491**
Change in operating receivables and payables	(1,719)	(1,670)
Change in banking operating receivables and payables	(534)	(108)
Change in securities repurchase agreements	(563)	1,208
Cash flows from other assets and liabilities	134	(66)
Net taxes paid	(141)	(70)
Cash flows from activities to be sold or discontinued		(7)
Net cash flows from operating activities	**(491)**	**1,025**
Acquisitions/disposals of subsidiaries and joint ventures, net of cash acquired	(7)	2
Acquisitions/disposals of interests in related companies		
Cash flows from changes in scope of consolidation	**(7)**	**2**
Net acquisitions of financial investments (including unit-linked investments) and derivatives	(354)	(910)
Net acquisitions of real estate investment	14	653
Net acquisitions and/or issues of investments and derivatives from other activities		
Other non-cash items	0	5
Cash flow from acquisitions and issues of investments	**(340)**	**(252)**
Net acquisitions of tangible and intangible assets and operating assets	(87)	(88)
Cash flows from acquisitions and disposals of tangible and intangible assets	**(87)**	**(88)**
Cash flows from investments from activities to be sold or discontinued		(432)
Net cash flows from investment activities	**(434)**	**(770)**
Dues		
Equity instruments issued		
Equity instruments redeemed		
Transactions on treasury shares		
Dividends paid	(21)	(21)
Cash flows from transactions with shareholders and members	**(21)**	**(21)**
Cash allocated to financial debt	(3)	(1)
Interested paid on financial debt	(46)	(54)
Cash flows related to Group financing	**(49)**	**(55)**
Cash flows from financing activities from activities to be sold or discontinued		294
Net cash flows from financing activities	**(70)**	**218**

Cash and cash equivalents at 1 January	**2,068**	**1,555**
Net cash flows from operating activities	(491)	1,032
Net cash flows from investment activities	(434)	(338)
Net cash flows from financing activities	(70)	(76)
Cash flows relating to assets and liabilities sold or discontinued		(461)
Effect of foreign exchange fluctuations on cash	(14)	12
Cash and cash equivalents at 30 June	**1,059**	**1,724**

STATEMENT OF CASH FLOWS	30.06.2013
Cash and cash equivalents	1,933
Mutual, central bank, postal bank and debit accounts from banking sector activities	473
Operating debts to banking sector companies	(338)
Cash and cash equivalents as at 1 January 2013	**2,068**
Cash and cash equivalents	1,194
Mutual, central bank, postal bank and debit accounts from banking sector activities	48
Operating debts to banking sector companies	(183)
Cash and cash equivalents as at 30 June 2013	**1,059**

The Notes on pages 13 to 105 form an integral part of the combined financial statements.

NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. SIGNIFICANT EVENTS AND POST-BALANCE SHEET EVENTS

GROUP ORGANISATION

In France

Disposal of asset management company, Groupama Private Equity

Groupama sold all the capital of Groupama Private Equity to the ACG Group in a transaction announced on 7 January 2013 and completed on 29 March 2013. The move was in line with Groupama's strategy to dispose of its non-strategic activities.

Groupama also seized the opportunity during the disposal process to partially dispose of the units held by the Group in the venture capital investment funds (FCPR Acto and FCPR Acto Capital II) to Acto Capital, a simplified joint stock company in creation, represented by Luxempart and Five Arrows Secondary Opportunities III, a Rothschild Group fund.

Abroad

Disposal of Bollington

On 15 March 2013, Gan UK Broking Services sold 51% of its holding in the brokerage firm Bollington. The impact of this transaction had been anticipated in the financial statements for the year ended on 31 December 2012.

Groupama strengthened its partnership with Chinese group AVIC

Groupama and the Chinese aviation Group AVIC (Aviation Industry Corporation of China) signed a second partnership agreement on 25 April 2013 covering the insurance field.
Under the agreement, the capital of Groupama AVIC Property Insurance Company Limited will be doubled to 1 billion Yuan (€125 million). This 50/50 doubling of the capital by both parties is intended to back the growth of Groupama AVIC Insurance in the agricultural and rural insurance market in China, which has exceeded initial forecasts.

Bank insurance agreements in Italy

First-half 2013 saw Groupama Assicurazioni sign a number of bank insurance agreements with mid-sized, independent regional banks located in the centre-north of Italy. Groupama Assicurazioni does not take an equity stake in the banks, but the project provides for common processes and tools to increase efficiency and rationalise insurance product placement. Initially, the products concerned will be motor civil liability exclusively, and the deal will be extended subsequently to other products distributed in the main branches.

OTHER FACTORS

Extension of the non-life insurance quota share treaty

Effective on 1 January 2013, Groupama renewed the non-life insurance quota share treaty established at the end of December 2011 for a volume of €600 million for the 2013 claim year.

Rating

Fitch upgraded the financial strength rating of Groupama SA and its subsidiaries from ‘BB+’ to ‘BBB-‘. The outlook on the ratings is stable.

POST-BALANCE SHEET EVENTS

Storm coverage

Groupama continued to diversify its storm coverage in France, with the issue of a new catastrophe bond (known as a 'cat bond') in the amount of €280 million.

Swiss Re Capital Markets has placed a new structured bond, Green Fields II Capital Ltd, on behalf of Groupama RA, providing €280 million in coverage against storms in France for a risk period from 2 July 2013 to 31 December 2016. The collateral for this issue is a dedicated structured bond issued by the European Bank for Reconstruction and Development (AAA ratings by S&P, Moody's and Fitch).

Introduction of a life insurance quota share treaty

In July 2013, retroactive to 1 January 2013, Groupama agreed a life insurance quota share treaty with a leading global life reinsurance company. The volume insurance premiums sold is some €450 million per year and the term is three years.

2. CONSOLIDATION PRINCIPLES, METHODS AND SCOPE

2.1. EXPLANATORY NOTES

Groupama SA is a French *société anonyme* nearly wholly owned, directly or indirectly, by the Caisses Régionales d'Assurances et de Réassurances Mutuelles Agricoles and the Caisses Spécialisées 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 2013 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, 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 business lines of Groupama. Its 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 the Federation Nationale Groupama;
- to reinsure the regional mutuals;
- to direct all subsidiaries;
- to establish the reinsurance programme for the entire Group;
- to manage direct insurance activity;
- to prepare the consolidated and combined financial statements.

The consolidated financial statements of Groupama SA include the outward reinsurance by the regional mutuals and the business of the subsidiaries.

The combined financial statements relate to the Groupama Group, which is composed of all the local mutuals, the regional mutuals, Groupama SA and its subsidiaries.

In conducting its activities, the Company is governed by the provisions of the French Commercial Code and the Insurance Code and is under the oversight of the French Insurance and Mutual Society Supervisory Authority (ACP).

The relationships between 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 environment of Groupama SA, 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 Reassurance Mutuelle Agricoles that are members of the Federation Nationale Groupama", which was signed on 17 December 2003).

2.2. GENERAL PRESENTATION OF THE COMBINED FINANCIAL STATEMENTS

The combined financial statements as at 30 June 2013 were approved by the Board of Directors meeting on 1 August 2013.

For the purposes of preparing the combined financial statements, the accounts of each entity within the scope of combination are prepared consistently in accordance with the International Financial Reporting Standards and the interpretations applicable as at 30 June 2013 as adopted by the European Union, the principal terms of which are applied by Groupama SA as described below.

Standards and interpretations mandatory for financial years beginning on or after 1 January 2013 were applied to the Group's financial statements as at 30 June 2013. Their application had no material impact on the Group’s financial statements as at 30 June 2013. They are as follows:

- amendment to IAS 1: Presentation of Other Items of Comprehensive Income;
- amendment to IAS 19: Employee Benefits;
- amendment to IFRS 7: Disclosures — Offsetting Financial Assets and Financial Liabilities;
- IFRS 13: Fair Value Measurement.

The new consolidation standards adopted by the European Union and effective for financial years beginning on or after 1 January 2014 have not been early adopted. Their potential impact on the Group's financial statements is currently being assessed. They are as follows:

- IFRS 10: Consolidated Financial Statements
- IFRS 11: Joint Arrangements;
- IFRS 12: Disclosure of Interests in Other Entities;
- Revised IAS 27: Separate Financial Statements;
- Revised IAS 28: Investments in Associates and Joint Ventures;
- Amendments to IFRS 10, 11 and 13: Transition Guidance.

The Group did not early adopt the amendment to IAS 32 Offsetting Financial Assets and Financial Liabilities, adopted by the European Union in December 2012. Management considers that application does not materially impact the Group's consolidated 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 implementation of IFRS by insurance entities.

The combined subsidiaries, joint ventures and associates are consolidated in accordance with IAS 27, IAS 28 and IAS 31.

However, IFRS do not specifically deal with the methods for aggregating the financial statements of entities constituting the Mutual Insurance Division (local and regional mutuals). Accordingly, the Group adopted the combination rules defined in section VI of Regulation 2000-05 of the French Comité de la réglementation comptable (Accounting Regulatory Committee -CRC) relating to the consolidation and combination rules for companies governed by the French Insurance Code and protection institutions governed by the French Social Security Code or the French Rural Code.

This decision was made pursuant to the guidance criteria in article 10 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (on selecting and applying accounting methods in the absence of a specific standard), due to 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.

The preparation of the Group’s financial statements in accordance with IFRS requires management to make assumptions and estimates, which have an impact on the value of the assets, liabilities, income, expenses and notes thereto.

These estimates and assumptions are reviewed on a regular basis. They are based on past experience and other factors, including future events, the occurrence of which seems reasonable under the circumstances.

The actual future results of the transactions for which estimates were necessary may prove to be different from those estimates and result in an adjustment to the financial statements.

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

- the initial valuation and impairment tests performed on intangible assets, particularly goodwill (Notes 3.1.1 and 3.1.2);

- the evaluation of technical reserves (Note 3.12);
- the estimate of certain fair values on unlisted assets or real estate assets (Notes 3.2.1 and 3.2.2);
- the estimate of certain fair values of illiquid listed assets (Note 3.2.1);
- the recognition of profit sharing assets (Note 3.12.2.b) and deferred tax assets (Note 3.13);
- the calculation of contingent liabilities and particularly the valuation of employee benefits (Note 3.10).

2.3. Principles of consolidation

2.3.1 Combination and consolidation scope and methods

A company is included in the scope of combination once its combination, or that of the sub-group, which it heads, on a standalone basis or with other consolidated businesses, is material in relation to the combined financial statements of all companies included in the scope of combination. It is assumed that an insurance or banking operating entity must be combined once the equity, balance sheet, or earned premiums of this entity represent €30 million of the combined equity, or €50 million of the combined balance sheet total, or €10 million of the Group's earned premiums.

Under IAS 27 and IAS 28, mutual funds and real estate investment trusts are either fully consolidated or consolidated by the equity method. Control is examined for each mutual fund on a case-by-case basis. However, control is assumed for mutual funds with deposits greater than €100 million when the Group directly or indirectly holds 50% or more of the voting rights. Minority interests pertaining to mutual funds subject to full consolidation are disclosed separately as a special financial liability item in the IFRS balance sheet. The underlying financial assets are included in the investments of the Group's insurance activities.

- **Combining company**

The combining company is responsible for preparing the combined financial statements. Its designation as the combining company is covered by a written agreement between all companies within the scope of the combination, whose connection is not the result of a capital link.

- **Aggregated companies**

Companied tied by a combination link are consolidated by the aggregation of financial statements, in accordance with the same rules as those used for full consolidation.

- **Exclusively controlled entities**

Companies exclusively controlled by the Group, regardless of their structure, are fully consolidated. These entities are consolidated once they are controlled. Control is the power to direct the financial and operational policies of the entity in order to obtain the benefits of its activities.

An entity is no longer fully consolidated once the Group no longer exerts effective control over the entity.

Full consolidation consists of:

- integrating in the consolidating company's accounts the items in the accounts of the consolidated companies, after any restatements;
- eliminating transactions and accounts between the fully consolidated company and the other consolidated companies;
- allocating the capital and reserves and the income between the interests of the consolidating company and the interests of the other shareholders or affiliates known as "minority interests".

➢ De facto controlled companies

When the Group believes it holds de facto control over an entity, the latter may be compelled to apply the full consolidation method in consolidating this company, despite a level of holdings of less than the 50% threshold.

De facto control may be presumed when certain of the following criteria are met:

- the Group is the largest shareholder in the company;
- the other shareholders do not hold direct or indirect interests, in equity shares or voting rights, which exceed the Group's interest;
- the Group exerts significant influence over the company;
- the Group has the authority to influence the company's financial and operational policies;
- the Group has the power to appoint or arrange the appointment of directors of the company.

➢ Related companies

Companies over which the Group exerts a significant influence are accounted for using the equity method.

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

The equity method consists of replacing the carrying amount of the shares held by the Group, the share of capital and reserves converted at year end, including the earnings for the fiscal year in accordance with consolidation rules.

➢ Deconsolidation

When an entity is in run-off (i.e., it has ceased taking on new business) and if the principal balance sheet and income statement totals do not exceed, (except in exceptional circumstances), the limits of 0.5% of written premiums, employees, earnings, 1% of combined shareholders' equity, technical reserves and balance sheet assets, as well as 3% of goodwill (these limits are measured in relation to the Group total), the entity is no longer consolidated.

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 Change in the scope of combination

Changes in the scope of combination are described in Note 31 of the notes to the Financial Statements.

2.3.3 Consistency 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 financial statements (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 Translation of statements of foreign companies

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

Transactions on the income statements are translated at the average rate. The Group share of the difference between earnings translated at the average rate and earnings translated at the closing rate is recorded under "Foreign exchange adjustments" and the remaining balance is included in "Minority interests".

2.3.5 Internal transactions between companies combined by GROUPAMA

All Group inter-company transactions are eliminated.

When such transactions affect the combined income, 100% of the profits and losses and the capital gains and losses are eliminated, and then allocated between the interests of the combining company and the minority interests in the company that recorded the income. In the case of eliminating losses, the group ensures that the value of the asset transferred is not permanently modified. The elimination of inter-company transactions on assets has the effect of accounting for them at their entry value in 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;
- provisions for the write-down of equity interests funded by the company holding the securities and, if applicable, contingent liabilities recognised because of losses suffered by exclusively controlled companies;
- transactions on forward financial instruments;
- gains (losses) from the internal transfer of insurance investments;
- intra-group dividends.

3. ACCOUNTING PRINCIPLES AND VALUATION METHODS USED

3.1. INTANGIBLE ASSETS

3.1.1 Goodwill

First consolidation goodwill corresponds to the difference between the acquisition cost of the shares of consolidated companies and the Group's share of the capital and reserves adjusted on 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.

The residual goodwill resulting from the excess of the price paid over the Group share in the fair value of the identifiable assets and liabilities of the enterprise acquired on the acquisition date is adjusted for any intangible assets identified under acquisition method accounting according to IFRS 3 (fair value of assets and liabilities acquired). The price paid includes the best possible estimate of additional prices (earn-out, deferred payments, etc.).

The remaining goodwill therefore represents the estimated value of expected future earnings. Such expected future earnings reflecting the value of future operations is a combination of intangible assets that cannot be measured directly. Such assets are assessed based on multiples or forecast future earnings that served as the valuation base for the price paid on acquisition and are used to establish the value of goodwill stated above.

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

For business combinations effective from 1 January 2010, costs directly attributable to the acquisition are recognised in expenses as they are incurred.

Minority interests are measured, according to a choice made on each acquisition, either at fair value or for their share of the identifiable net assets of the acquired company.

The subsequent acquisition of minority interests does not result in the establishment of additional goodwill.

The purchase and sale of minority interests in a controlled company that do not affect the control exercised are recorded in the Group's shareholders' equity of the group.

Goodwill is assigned to the cash generating units (CGU) of the acquirer and/or the acquiree, which are expected to benefit from the business combination. A CGU is defined as an identifiable group of assets producing cash flows independently of other assets or groups of assets. In the case of management units, management tools, geographic regions or major business lines, one CGU is established by consolidating entities of the same level.

Goodwill resulting from the acquisition of a foreign entity outside the euro zone 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 year, the Group has a twelve-month period from the acquisition date to attribute a final value to the assets and liabilities acquired.

In a business combination achieved in stages, the previously acquired participation 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. The Group adjusts the book value of the goodwill if an unfavourable event occurs between two annual tests. An additional impairment is recognised when the recoverable value of the CGU to which the goodwill is assigned 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, recognised 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 year may not be subsequently written back.

If the acquirer's interest in the net fair value of the identifiable assets, liabilities and provisions exceeds the acquisition cost of the company's shares, the identification and valuation of the assets, liabilities and provisions 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 an entity is taken over, a sale option may be granted to minority interests. In the case of such a put option, the Group is obliged to purchase the securities held by the minority shareholder at a specified exercise price and on a future date (or period of time), if the minority shareholder exercises its right. This obligation is recognised in the financial statements by a debt equal to the discounted exercise price of this right.

The consideration of this debt, equal to the price of the option (value of the share) is recorded as goodwill for put options granted before 1 January 2010, or by reducing shareholders' equity for put options issued after that date.

3.1.2 Other intangible assets

An intangible fixed asset is an identifiable asset, 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 as a function of experience and anticipated changes in major assumptions.

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

Other intangible fixed assets that do not have a finite lifetime are not amortised but are subject to a systematic impairment test.

Start-up costs are expensed rather than capitalised.

3.2 Insurance business investments

Investments and any impairment thereon are measured 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:
  - assets held for trading are investments, which are held to earn short-term profits. If there have been short-term sales in the past, such assets may also be classified in this category,
  - Financial assets designated at fair value through income (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 performance of which is measured 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 through 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 books its financial assets when it becomes a 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, the transaction costs are not included in the acquisition cost of the financial assets when they are immaterial.

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 instrument (assets and liabilities) valued at fair value are classified according to a three-level hierarchy. The levels depend on whether or not a valuation model is used and on the source of the data input to such a model:

- level 1 inputs are quoted prices on an active market to which the entity has access on the measurement date;
- level 2 inputs correspond to the fair values determined on the basis of a valuation model using data directly observable in a (level 1) market or data that can be determined from prices observed;
- level 3 inputs correspond to the fair value determined on the basis of an assumption model which uses data not observable in 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 period-end fair value.

Financial assets held to maturity, unlisted equities for which the fair value cannot be measured 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 provisions 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 fair value and the unrealised gains or losses are recorded in a separate item under shareholders' equity.

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

➢ **Provisions for impairment**

At each closing date, the Group checks for objective indicators 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.

Shareholders' equity instruments classified as available-for-sale assets

As regards shareholders' equity instruments classified as available-for- sale assets, the group has taken account of the detailed remarks made by the IFRS Interpretation Committee (IFRIC) in its update of July 2009 on the notion of significant or prolonged decline in value as per paragraph 61 of IAS 39.

There was objective evidence of impairment in the following instances at 30 June 2013:
- if there was a provision for impairment for the financial investment in the previously published financial statements; or
- if a loss in value of 50% is observed on the balance sheet 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.

This period may be extended to 48 months for securities designated as strategic and set out in the Notes, which are held by the group over the long term and where the Group is represented in their governing bodies or has major long-term contractual relationships or a material equity stake (in absolute or relative terms) but where the group has no significant influence.

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 year, less any loss in value previously recognised through income, is automatically booked to profit or loss.

These criteria may undergo changes over time, by applying good judgment, 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 where these thresholds have not been reached, the group identifies in its portfolio those securities that have constantly over the last six months shown material unrealised losses due to the volatility of the financial markets. For the thus separated securities the group then carries out a review, based on its judgment, security by security, and decides whether to post an impairment through income or not.

If a line of securities is subject to global financial management at group level, even if these securities are held by several entities, the determination of the existence of objective evidence may be made based on the group cost price.

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

Investments measured at amortised cost

For investments valued at amortised cost, the amount of the provision 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 provisions. The amount of the loss is included in the net profit or loss for the year. The provision may be written back through income.

- **Derecognition**

Financial assets are derecognised when the contract rights expire or the Group sells the financial assets.

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

The gains and losses from disposal 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. They are measured using the component approach.

- **Initial recognition**

Lands and buildings appear on the balance sheet at their acquisition cost. Real estate value includes significant transaction costs directly attributable to the transaction, except in the specific case of investment properties 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, the real estate is subdivided by components and recorded separately.

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

- building shell (depreciation period between 30 and 120 years);
- core (depreciation period of between 30 and 35 years);
- heavy equipment (depreciation period of between 20 and 25 years);
- secondary equipment, fixtures and fittings (depreciation period of between 10 and 15 years),
- maintenance (depreciation period: 5 years).

- **Valuation**

The cost of the real estate is the amount at which the real estate has been recorded at the time of initial recognition, minus accumulated depreciation and corrected for any provisions for impairment. The acquisition cost of the real estate is dependent either on an outright acquisition, or on the acquisition of a company holding the real estate. In the latter case, the cost of the real estate is equal to its fair value on the date of acquisition of the holding 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 (l'Autorité de Contrôle prudentiel - ACP, in France). During each five-year period, the real estate is subject to an annual appraisal certified by the expert.

- **Subsequent expense**

Subsequent expenses must be added to the book value of the real estate:

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

- **Provisions for impairment**

On each balance sheet date, the Group determines whether there is evidence of a potential impairment on the properties recognised at amortised cost. If this is the case, the realisable value of the real estate 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 loss of value in the income statement in the amount of the difference between the two values, and the net book value is adjusted to reflect only the realisable value.

When the value of the real estate increases at a later time, the provision 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

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 for documentation and periodic demonstration of the efficacy of the hedge.

Hedging derivatives are recognised at fair value with changes in the income statement, except for cash flows 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

Investments in related companies are consolidated using the equity method. At the time of acquisition, the investment is recognised at the acquisition cost and its net book value is subsequently raised or reduced to take into account the group share of profits or losses.

3.5 Non-current assets held for sale and discontinued activities

A non-current asset (or disposal group) is considered to be held for sale if its carrying amount will be mainly recovered through a sale transaction rather than through continued use. In order for this to be the case, the asset (or disposal group) must be available for immediate sale in its current state, and its salemust be highly probable.
Non-current assets (or disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. In case of an unrealised capital loss, an impairment is recorded in profit or loss. Moreover, 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 that either has been disposed of or is classified as held for sale and is in one of the following situations:
- it constitutes a separate major line of business or a geographical area of operations; or
- it is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- it is a subsidiary acquired exclusively with a view to resale.

The following are presented on a separate line of the income statement:
- post-tax profit or loss of the discontinued activities up to the date of disposal,
- post-tax gain or loss recognised on the measurement to fair value less cost to sell or fair value adjustments on the disposal of the assets and liabilities constituting the discontinued activities.

3.6 – Property, plant and equipment

The group has chosen to value operating activities property using the cost method. These properties are presented on a line separate from investment properties as assets. The recognition and valuation method is identical to the method described for investment property.

Property, plant and equipment other than operating activities property are initially recognised 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 recognised 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, minority 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 includes 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 the provisions of IAS 21;
- the effects of the revaluation of available-for-sale financial assets 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;
- 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's consolidation reserves;
- other regulated reserves;
- the impact of changes in accounting methods;
- equity instruments similar to deeply subordinated notes, whose characteristics allow recognition in shareholders' equity. Compensation for these notes is treated like a dividend deducted from shareholders' equity.

➢ **Foreign exchange adjustments**

Unrealised 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.

➢ **Minority interests**

Minority interests represent the share in the net assets and net earnings 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 the purchase of minority interests and minority interests on consolidated mutual funds, refer to Note 3.11).

3.10 CONTINGENT LIABILITIES

Contingent liabilities are liabilities for which the due date or the amount is uncertain. A provision 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 provision.

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

➢ **Personnel benefits**

- **Pension commitments**

The group's companies have different pension 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 pension plan 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 contribute additional amounts to the scheme in the event the assets are not sufficient to pay all employees the benefits owed for the services rendered during the current and previous 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 pensions and similar schemes correspond to the discounted value of the obligation linked to the defined benefit schemes at closing.

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

Past service costs are immediately recognised in income, regardless of whether the entitlements have vested or not, in the case of a change in the pension scheme.
For defined contribution schemes, the Group pays contributions to pension insurance schemes and is not liable for any other payment commitment. The contributions are booked as expenses related to employee 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 minority interests are recorded in financial debt at fair value (exercise price). The consideration of this debt is recorded as goodwill for put options granted before 1 January 2010 or by reducing shareholders' equity for put options issued after that date.

- **Initial recognition**

Financial debts are recognised when the group becomes a party to the contractual provisions for such debts. 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 debts.

- **Valuation rules**

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

- **Derecognition**

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

3.12 UNDERWRITING OPERATIONS

3.12.1 Classification and method of recognition

There are two categories of policies written 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, apart from the 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, provided that the reserves thus established meet the solvency tests stipulated by international standards (see Note 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 date of which is wholly or partially at the insurer's discretion, and the valuation of which is based either on the performance of a set of contracts or a specific contract, or on the profit or loss of the insurer, of a fund or any other entity that issued the contract, or on the realised and/or unrealised return on investments from 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 Note 3.12.3.

3.12.2 Insurance policies subject to 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 essentially include the services and related expenses paid and the change in reserves for claims and other actuarial reserves.

The services and related expenses relate to the claims settled net of claims receivable collected for the 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 risk family, the total loss experience profile may not be even over the period, which is reflected in a technical loss on the fraction of the deferred premiums.

An adequacy test is performed to tackle this phenomenon and, in the event of a loss, an additional provision is recognised in the amount of the gap.

The test is performed based on the most recent discounting of the annual total loss experience and expense forecast for this risk family.

The loss corresponds to the insufficiency of deferred premiums over the period following the interim balance sheet date, relative to the forecast 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 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 reserves for claims 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 the risks that are highly seasonal in nature.

❖ Other technical 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, the acquisition costs for unearned premiums are deferred and booked as assets.

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 expense

The service expenses on life insurance policies and financial contracts with discretionary profit-sharing include:

- 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 profit-sharing payable includes the identifiable amounts resulting from regulatory or contractual obligations intended for the policyholders or the beneficiaries of policies with profit sharing and rebates, to the extent that these amounts have not been credited to the policyholder's account or included in life actuarial reserves.

For the portion exceeding the regulatory and contractual minimum commitment, the current expense for profit-sharing for policy beneficiaries is determined in the interim financial statements based on the estimated ratio for the current financial year and in consideration of the decisions made or, failing this, noted at the balance sheet date of the last financial year, between the projected annual expenses for profit-sharing for policy beneficiaries and the projected annual net financial income. Thus calculated, this expense is capped in the interim financial statements at the amount of the annual projected 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 and the consolidated financial statements;

- the reserve for conditional profit-sharing, which relates to the difference in liabilities between the individual company and the consolidated financial statements, the payment of which depends on a management decision or the occurrence of an event.

In the specific case of adjustments to the capitalisation reserve in the consolidated financial statements, a reserve for deferred profit-sharing is determined when the Asset/Liabilities Management assumptions show a probable and sustained recovery in the balance of the capitalisation reserve. The Group has not accrued for profit sharing commitments when adjusting 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 contracts, the effects of taking into account the unrealised gains and losses on financial assets valued at fair value. The resulting 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.

If the entity's total portfolio has unrealised capital losses, the Group must record deferred profit sharing limited to the entities' ability to allocate future or potential profit sharing. 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 technical 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 financial income provided for by them. This approach is carried out according to the grid of government department categories.

➢ **Deferred acquisition costs**

The variable costs that can be directly allocated to the acquisition of life insurance policies are recorded as assets in the consolidated financial statements. These amounts may not under any circumstances be greater than the present value of future profits 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 to the total of the deferred acquisition costs net of amortisation already recognised in the past. If this value is lower, an impairment charge is taken to the income statement.

The group applies shadow accounting to 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 both a financial component and an insurance component, the financial component is measured separately at fair value when not closely linked to the host contract or when the accounting standards do not require joint recognition of the rights and obligations linked to the deposit component, under IFRS 4.
In other cases, the entire contract is treated as an insurance policy.

3.12.3 Financial contracts governed by IAS 39

Liabilities relating 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 revenues are 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 to the profits resulting from the management of the investments, is amortised over the period of management and is symmetrical with recognition of the corresponding profit.

3.12.4 Reinsurance transactions

➢ **Inward reinsurance**

Inward reinsurance is booked treaty by treaty without difference on the basis of an assessment of the business accepted. These transactions are classified using the same rules as described for insurance policies or financial contracts in Note 3.12.1 Classification. 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 retrocessionnaires.
Securities from reinsurers (outward reinsurers and retrocessionnaires) 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 years. It appears as an asset or liability on the balance sheet as applicable.

The transactions performed by the group may have positive or negative tax consequences other than those used to calculate the tax due. The result is tax assets or liabilities classified as deferred.

This is particularly the case when, because of completed transactions that are treated in both individual company statements and only in the consolidated financial statements as restatements and eliminations of inter-company profits 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 year are taxable only in the following 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 earnings will be available in the future to offset the deductible temporary 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 operating segments: insurance in France, insurance abroad, and banking and finance. The banking and finance segment, which is the subject of specific notes to the financial statements (Notes 9.1, 9.2, and 23.3), has been combined with the insurance segment in France to create a global insurance segment called “France”.

The different activities of each segment are as follows:

- **Life and health insurance** The life and health insurance activity 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 activities;

- **Banking and finance** 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 FUNCTIONAL BREAKDOWN OF EXPENSES

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 in the following six categories:

- 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	30.06.2013			31.12.2012		
	France	International	Total	France	International	Total
Intangible assets	950	1,787	2,736	982	1,827	2,809
Insurance business investments	71,363	6,026	77,389	71,500	6,122	77,622
Uses of funds for banking sector activities and investments of other activities	3,311		3,311	3,487		3,487
Investments in related companies	871	142	1,013	882	157	1,039
Share of outward reinsurers and retrocessionaires in insurance and financial contract liabilities	1,135	292	1,427	1,184	258	1,441
Other assets	8,148	880	9,028	5,484	937	6,421
Assets held for sale and discontinued operations						
Cash and cash equivalents	712	482	1,194	1,477	456	1,933
Total consolidated assets	**86,490**	**9,608**	**96,098**	**84,995**	**9,757**	**94,753**
Contingent liabilities	558	92	650	554	93	647
Financing debt	1,943		1,943	1,946		1,946
Liabilities related to insurance policies	49,170	5,244	54,415	45,842	5,270	51,112
Liabilities related to financial contracts	18,657	1,176	19,834	19,723	1,212	20,935
Deferred profit-sharing liabilities	31	15	45	199	5	204
Source of funds for banking sector activities	2,843		2,843	3,120		3,120
Other liabilities	9,482	415	9,897	10,082	409	10,491
Liabilities for activities held for sale or discontinued operations						
Total consolidated liabilities excluding shareholders' equity	**82,685**	**6,942**	**89,627**	**81,466**	**6,988**	**88,454**

NOTE 1.1.2 – SEGMENT REPORTING BY OPERATING SEGMENT - INCOME STATEMENT

In millions of euros	30.06.2013			30.06.2012		
	France	International	Total	France	International	Total
Earned premiums	5,639	1,238	6,876	5,738	1,277	7,015
Net banking income, net of cost of risk	98		98	119		119
Investment income	1,201	135	1,335	1,278	138	1,416
Investment expenses	(287)	(23)	(309)	(276)	(16)	(292)
Capital gains (losses) from sales of investments net of impairment reversals and write-backs	414	17	431	178	(21)	156
Change in fair value of financial instruments recorded at fair value through income	(31)	4	(27)	137	26	163
Change in impairment losses on investments	(9)	(8)	(17)	(81)	(9)	(90)
Total income from ordinary operations	**7,026**	**1,362**	**8,388**	**7,092**	**1,394**	**8,486**
Insurance policy servicing expenses	(5,201)	(952)	(6,153)	(5,312)	(986)	(6,298)
Income from outward reinsurance	250	108	358	432	178	610
Expenses on outward reinsurance	(407)	(147)	(553)	(597)	(231)	(828)
Banking operating expenses	(100)		(100)	(109)		(109)
Policy acquisition costs	(702)	(210)	(912)	(756)	(210)	(966)
Administrative costs	(239)	(80)	(318)	(284)	(86)	(370)
Other income and expenses from current operations	(343)	(35)	(379)	(282)	(36)	(319)
CURRENT OPERATING PROFIT	**284**	**47**	**331**	**184**	**24**	**207**
Other operating income (expenses)	(46)	(17)	(63)	129	(90)	39
OPERATING PROFIT	**238**	**31**	**268**	**313**	**(66)**	**246**
Financing expenses	(46)		(46)	(54)		(54)
Share in income of related companies	(8)	(8)	(16)	(5)	5	
Corporate income tax	(7)	(12)	(19)	(147)	8	(139)
NET PROFIT FROM CONTINUING OPERATIONS	**177**	**11**	**187**	**107**	**(54)**	**54**
Net profit from discontinued operations				(117)	(21)	(138)
OVERALL NET PROFIT	**177**	**11**	**187**	**(10)**	**(75)**	**(85)**
of which minority interests				2		2
NET PROFIT (GROUP SHARE)	**176**	**11**	**187**	**(12)**	**(75)**	**(87)**

NOTE 1.2 – SEGMENT REPORTING BY BUSINESS ACTIVITY

NOTE 1.2.1 – SEGMENT REPORTING BY BUSINESS ACTIVITY- INCOME STATEMENT

In millions of euros	30.06.2013									
	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	**2,689**	**2,950**			**5,639**	**900**	**337**		**1,238**	**6,876**
Net banking income, net of cost of risk			**98**		**98**					**98**
Investment income	126	1,070		4	1,201	59	75	1	135	1,335
Investment expenses	(48)	(259)		20	(287)	(15)	(7)		(23)	(309)
Capital gains (losses) from sales of investments net of impairment reversals and write-backs	50	360		4	414	31	(15)		17	431
Change in fair value of financial instruments recorded at fair value through income	3	(28)		(6)	(31)	(3)	7		4	(27)
Change in impairment losses on investments	(5)	(3)		(1)	(9)	(2)	(5)		(8)	(17)
Total income from ordinary operations	**2,815**	**4,091**	**98**	**21**	**7,026**	**970**	**392**	**1**	**1,362**	**8,388**
Insurance policy servicing expenses	(1,901)	(3,299)			(5,201)	(637)	(316)		(952)	(6,153)
Income from outward reinsurance	177	73			250	104	4		108	358
Expenses on outward reinsurance	(330)	(76)			(407)	(143)	(4)		(147)	(553)
Banking operating expenses			(100)		(100)					(100)
Policy acquisition costs	(423)	(279)			(702)	(164)	(46)		(210)	(912)
Administrative costs	(114)	(125)			(239)	(52)	(28)		(80)	(318)
Other income and expenses from current operations	(164)	(138)	3	(45)	(343)	(29)	(5)	(1)	(35)	(379)
CURRENT OPERATING PROFIT	**60**	**247**	**1**	**(24)**	**284**	**50**	**(2)**	**(1)**	**47**	**331**
Other income and expenses from current operations	(4)	(26)		(16)	(46)	(14)	(2)		(17)	(63)
OPERATING PROFIT	**56**	**220**	**1**	**(40)**	**238**	**35**	**(4)**	**(1)**	**31**	**268**
Financing expenses	(1)	(1)		(45)	(46)					(46)
Share in income of related companies	(3)	(5)			(8)	(8)			(8)	(16)
Corporate income tax	(18)	(24)	(2)	37	(7)	(16)	4		(12)	(19)
NET PROFIT FROM CONTINUING OPERATIONS	**34**	**191**	**0**	**(48)**	**177**	**11**	**0**	**(1)**	**11**	**187**
Net profit from discontinued operations										
TOTAL NET PROFIT	**34**	**191**	**0**	**(48)**	**177**	**11**	**0**	**(1)**	**11**	**187**
of which minority interests										
OF WHICH NET PROFIT (GROUP SHARE)	**34**	**190**	**0**	**(48)**	**176**	**11**	**0**	**(1)**	**11**	**187**

In millions of euros	30.06.2012									
	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	**2,602**	**3,136**			**5,738**	**918**	**359**		**1,277**	**7,015**
Net banking income, net of cost of risk			**119**		**119**					**119**
Investment income	135	1,141		3	1,278	59	78	1	138	1,416
Investment expenses	(36)	(230)		(9)	(276)	(10)	(6)		(16)	(292)
Capital gains (losses) from sales of investments net of impairment reversals and write-backs	58	120		(1)	178	6	(27)		(21)	156
Change in fair value of financial instruments recorded at fair value through income	9	161		(33)	137	5	21		26	163
Change in impairment losses on investments	(13)	(67)		(2)	(81)	(7)	(2)		(9)	(90)
Total income from ordinary operations	**2,755**	**4,260**	**119**	**(42)**	**7,092**	**970**	**423**	**1**	**1,394**	**8,486**
Insurance policy servicing expenses	(1,874)	(3,439)			(5,312)	(611)	(375)		(986)	(6,298)
Income from outward reinsurance	321	111			432	176	2		178	610
Expenses on outward reinsurance	(481)	(116)			(597)	(227)	(3)		(231)	(828)
Banking operating expenses			(109)		(109)					(109)
Policy acquisition costs	(425)	(332)			(756)	(164)	(46)		(210)	(966)
Administrative costs	(125)	(159)			(284)	(56)	(30)		(86)	(370)
Other income and expenses from current operations	(162)	(65)	(1)	(55)	(282)	(32)	(3)	(2)	(36)	(319)
CURRENT OPERATING PROFIT	**10**	**262**	**8**	**(96)**	**184**	**54**	**(30)**	**(1)**	**24**	**207**
Other income and expenses from operations	103	27		(1)	129	(22)	(2)	(66)	(90)	39
OPERATING PROFIT	**113**	**289**	**8**	**(97)**	**313**	**33**	**(32)**	**(67)**	**(66)**	**246**
Financing expenses	(1)	(1)		(53)	(54)					(54)
Share in income of related companies	(7)	2			(5)	5			5	0
Corporate income tax	(51)	(120)	(4)	28	(147)	(12)	20		8	(139)
NET PROFIT FROM CONTINUING OPERATIONS	**55**	**170**	**4**	**(122)**	**107**	**25**	**(12)**	**(67)**	**(54)**	**53**
Net profit from discontinued operations	(33)			(84)	(117)	1	2	(23)	(21)	(138)
OVERALL NET PROFIT	**21**	**170**	**4**	**(206)**	**(10)**	**26**	**(11)**	**(90)**	**(75)**	**(85)**
of which minority interests		2			2					2
OF WHICH NET PROFIT (GROUP SHARE)	**21**	**168**	**4**	**(205)**	**(12)**	**26**	**(11)**	**(90)**	**(75)**	**(87)**

NOTE 2 – GOODWILL

In millions of euros	30.06.2013				31.12.2012
	Gross amount	Impairments	Unrealised foreign exchange adjustment	Net amount	Net amount
Opening amount	**3,047**	**(581)**	**(226)**	**2,240**	**2,955**
Newly consolidated entities					
Eliminations from the scope of consolidation					**(439)**
France					
Central and Eastern Europe			(2)	(2)	(252)
Turkey			(15)	(15)	8
United Kingdom			(4)	(4)	(25)
Greece					(9)
Other changes during the year			**(21)**	**(21)**	**(278)**
Period-end amount	**3,047**	**(581)**	**(247)**	**2,219**	**2,240**

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 at each annual balance sheet date.

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.

The cash flows applied generally correspond to the following:
- 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.

For the interim financial statements, the group conducts a number of internal control procedures to detect indications of impairment.

No indications of impairment were detected during first-half 2013.

NOTE 2.1 - GOODWILL - BREAKDOWN BY CASH GENERATING UNIT

In millions of euros	30.06.2013				31.12.2012
	Gross amount	Impairments	Unrealised foreign exchange adjustment	Net amount	Net amount
Central and Eastern European countries	1,026	(502)	(162)	362	364
Italy	781			781	781
Turkey	262		(50)	212	227
United Kingdom	142	(31)	(35)	76	80
Greece	131	(48)		83	83
Total international	**2,342**	**(581)**	**(247)**	**1,514**	**1,535**
Groupama Gan Vie	470			470	470
Gan Assurances	196			196	196
Investment, real estate and other insurance companies	39			39	39
Total France and abroad	**705**			**705**	**705**
Period-end amount	**3,047**	**(581)**	**(247)**	**2,219**	**2,240**

It should be noted that during the 2012 financial year, the group recognised impairment of goodwill totalling €298 million for the cash-generating unit of all countries in Central and Eastern Europe (€259 million), Greece (€9 million) and the UK (€30 million). The aggregate impairment losses on the cash generating unit of countries in Central and Eastern Europe amounted to €502 million, €243 million of which was recorded prior to 2012, while for Greece the impairment losses totalled €48 million, and for the UK the figure was €30 million.

NOTE 3 – OTHER INTANGIBLE ASSETS

In millions of euros	30.06.2013			31.12.2012		
	Intangible assets related to insurance activities	Other intangible assets	Total	Intangible assets related to insurance activities	Other intangible assets	Total
Gross opening amount	**557**	**1,521**	**2,078**	**667**	**1,437**	**2,104**
Increase		49	49		139	139
Decrease	(16)	(11)	(27)	(58)	(37)	(95)
Unrealised foreign exchange adjustments	(8)	(1)	(9)	10	2	12
Change in scope of consolidation			0	(62)	(20)	(82)
Period-end gross amount	**533**	**1,558**	**2,091**	**557**	**1,521**	**2,078**
Opening cumulative amortisation & depreciation	**(222)**	**(1,212)**	**(1,434)**	**(214)**	**(1,084)**	**(1,298)**
Increase	(16)	(73)	(89)	(36)	(151)	(187)
Decrease		1	1	26	6	32
Unrealised foreign exchange adjustments	6		6	(6)	(1)	(7)
Change in scope of consolidation			0	8	18	26
Period-end cumulative amortisation & depreciation	**(232)**	**(1,284)**	**(1,516)**	**(222)**	**(1,212)**	**(1,434)**
Opening cumulative long-term impairment	**(65)**	**(9)**	**(74)**	**(74)**	**(12)**	**(86)**
Long-term impairment recognised			0	(1)	(1)	(2)
Long-term impairment write-backs	16		16	11	4	15
Unrealised foreign exchange adjustments	1		1	(1)		(1)
Change in scope of consolidation			0			
Period-end cumulative long-term impairment	**(48)**	**(9)**	**(57)**	**(65)**	**(9)**	**(74)**
Opening net amount	**270**	**300**	**570**	**379**	**341**	**720**
Period-end net amount	**253**	**265**	**518**	**270**	**300**	**570**

The group's intangible assets can be split into two groups:

- intangible assets related to insurance activities;
- other intangible assets.

Intangible assets related to insurance activities

Intangible assets related to insurance activities primarily correspond to values in force, values of the distribution networks, values of customer relationships and brands.

Other intangible assets

Other intangible assets consist primarily of software acquired and developed internally.
They also include €17 million for the estimated recoverable amount of the allowance on termination of contract provided for in Article 26 of the French Law of 9 November 2010 on pension reform.

NOTE 4 – INVESTMENT PROPERTIES (EXCLUDING UNIT-LINKED ITEMS)

In millions of euros	30.06.2013			31.12.2012		
	Property	SCI Shares	Total	Property	SCI Shares	Total
Opening gross amount	**1,465**	**221**	**1,686**	**1,633**	**350**	**1,983**
Acquisitions	11	6	17	15	10	25
Change in scope of consolidation			0	(124)	(106)	(230)
Subsequent expenses						
Assets capitalised in the year	4		4	14		14
Transfer from/to unit-linked property						
Transfer from/to operating activities property			0	110		110
Unrealised foreign exchange adjustments			0	1		1
Outward reinsurance	(31)	(5)	(36)	(159)	(33)	(192)
Other			0	(25)		(25)
Period-end gross amount	**1,449**	**222**	**1,671**	**1,465**	**221**	**1,686**
Opening cumulative amortisation & depreciation	**(329)**		**(329)**	**(373)**		**(373)**
Increase	(11)		(11)	(38)		(38)
Change in scope of consolidation			0	26		26
Transfer from/to unit-linked property						
Transfer from/to operating activities property			0	(16)		(16)
Decrease	3		3	49		49
Other			0	23		23
Period-end cumulative amortisation & depreciation	**(337)**		**(337)**	**(329)**		**(329)**
Opening cumulative long-term impairment	**(8)**	**(1)**	**(10)**	**(6)**	**(2)**	**(9)**
Long-term impairment recognised			0	(5)		(5)
Newly consolidated entities						
Long-term impairment write-backs	5		5	3	1	4
Period-end cumulative long-term impairment	**(3)**	**(1)**	**(5)**	**(8)**	**(1)**	**(10)**
Opening net amount	**1,128**	**220**	**1,348**	**1,254**	**348**	**1,602**
Period-end net amount	**1,109**	**221**	**1,330**	**1,128**	**220**	**1,348**
Period-end fair value of property, plant and equipment	**2,644**	**389**	**3,033**	**2,633**	**373**	**3,006**
Unrealised capital gains	**1,535**	**168**	**1,703**	**1,505**	**153**	**1,658**

Note that changes in scope as at 31 December 2012 related to the disposal of businesses in France (Gan Eurocourtage) and elsewhere (Spain), as well as the sale of two real estate funds.

The realisation of capital gains on properties representing commitments in life insurance gives rise to rights in favour of policy beneficiaries as well as to taxation.

Unrealised gains accruing to the group including operating activities property (see Note 5) amounted to €685 million as at 30 June 2013 (net of profit sharing and tax), compared with €652 million at 31 December 2012. This increase is due to the increase in appraisal values during the period.

The table also shows properties under leasing contracts for an amount at the net book value of €38 million as at 30 June 2013, which remained stable compared with 31 December 2012. The fair value of these properties is estimated at €52 million (i.e. unrealised capital gainsof €13 million as at 30 June 2013, unchanged from 31 December 2012).

NOTE 4.1 – INVESTMENT PROPERTIES – BY OPERATING SEGMENT

In millions of euros	30.06.2013						31.12.2012					
	Property			SCI Shares			Property			SCI Shares		
	France	Inter-national	Total	France	Inter-national	Total	France	Inter-national	Total	France	Inter-national	Total
Gross amount	1,397	53	1,449	222		222	1,396	69	1,466	221		221
Cumulative amortisation	(321)	(16)	(337)				(312)	(17)	(328)			
Long-term impairment	(3)		(3)	(1)		(1)	(3)	(5)	(8)	(1)		(1)
Period-end net amount	**1,073**	**37**	**1,109**	**221**		**221**	**1,082**	**47**	**1,129**	**220**		**220**
Period-end fair value of property, plant and equipment	**2,578**	**67**	**2,644**	**389**		**389**	**2,551**	**82**	**2,633**	**372**		**372**
Unrealised capital gains	**1,505**	**30**	**1,535**	**168**		**168**	**1,470**	**35**	**1,505**	**153**		**153**

NOTE 4.2 – INVESTMENT PROPERTIES BY BUSINESS

NOTE 4.2 – INVESTMENT PROPERTIES BY BUSINESS - FRANCE

In millions of euros	30.06.2013					
	Property			SCI Shares		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross amount	995	401	1,397	103	119	222
Cumulative amortisation	(208)	(113)	(321)			
Long-term impairment	(1)	(2)	(3)		(1)	(1)
Period-end net amount	**787**	**286**	**1,073**	**103**	**118**	**221**
Period-end fair value of property, plant and equipment	**1,913**	**665**	**2,578**	**174**	**215**	**389**
Unrealised capital gains	**1,126**	**378**	**1,505**	**71**	**97**	**168**

In millions of euros	31.12.2012					
	Property			REIT units		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross amount	984	413	1,396	101	121	221
Cumulative amortisation	(198)	(114)	(312)			
Long-term impairment	(1)	(2)	(3)		(1)	(1)
Period-end net amount	**784**	**297**	**1,082**	**101**	**119**	**220**
Period-end fair value of property, plant and equipment	**1,880**	**671**	**2,551**	**163**	**209**	**372**
Unrealised capital gains	**1,096**	**374**	**1,470**	**63**	**90**	**152**

NOTE 4.2.2 – INVESTMENT PROPERTIES BY BUSINESS - INTERNATIONAL

In millions of euros	30.06.2013					
	Property			SCI Shares		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross amount	31	21	53			
Cumulative amortisation	(11)	(5)	(16)			
Long-term impairment						
Period-end net amount	**20**	**16**	**37**			
Period-end fair value of property, plant and equipment	**36**	**31**	**67**			
Unrealised capital gains	**15**	**15**	**30**			

In millions of euros	31.12.2012					
	Property			SCI Shares		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross amount	32	38	69			
Cumulative amortisation	(11)	(6)	(17)			
Long-term impairment	(3)	(2)	(5)			
Period-end net amount	**18**	**29**	**47**			
Period-end fair value of property, plant and equipment	**35**	**47**	**82**			
Unrealised capital gains	**17**	**18**	**35**			

NOTE 5 – OPERATING ACTIVITIES PROPERTY

In millions of euros	30.06.2013			31.12.2012		
	Property	SCI Shares	Total	Property	SCI Shares	Total
Opening gross amount	**1,309**	**94**	**1,403**	**1,533**	**85**	**1,616**
Acquisitions	4	2	6	16	12	28
Change in scope of consolidation			0	(71)		(71)
Assets capitalised in the year	4		4	5		5
Transfer from/to investment property			0	(110)		(110)
Unrealised foreign exchange adjustment	(1)		(1)	1		1
Outward reinsurance	(5)	(1)	(6)	(9)	(7)	(16)
Other			0	(56)	4	(52)
Period-end gross amount	**1,311**	**95**	**1,408**	**1,309**	**94**	**1,403**
Opening cumulative amortisation & depreciation	**(299)**		**(299)**	**(352)**		**(352)**
Increase	(15)		(15)	(31)		(31)
Change in scope of consolidation			0	12		12
Transfer from/to investment property			0	16		16
Decrease	1		1	8		8
Other			0	48		48
Period-end cumulative amortisation & depreciation	**(313)**		**(313)**	**(299)**		**(299)**
Opening cumulative long-term impairment	**(4)**	**(6)**	**(10)**	**(5)**	**(5)**	**(10)**
Long-term impairment recognised			0		(1)	(1)
Change in scope of consolidation						
Long-term impairment write-backs			0	1		1
Period-end cumulative long-term impairment	**(4)**	**(6)**	**(10)**	**(4)**	**(6)**	**(10)**
Opening net amount	**1,006**	**88**	**1,094**	**1,176**	**80**	**1,256**
Period-end net amount	**994**	**89**	**1,083**	**1,006**	**88**	**1,094**
Period-end fair value of property, plant and equipment	**1,335**	**137**	**1,472**	**1,322**	**129**	**1,451**
Unrealised capital gains	**341**	**48**	**389**	**315**	**41**	**356**

Note that changes in scope as at 31 December 2012 related to the disposal of businesses in France (Gan Eurocourtage) and elsewhere (Spain).

NOTE 5.1 – OPERATING ACTIVITIES PROPERTY – BY OPERATING SEGMENT

In millions of euros	30.06.2013						31.12.2012					
	Property			SCI Shares			Property			SCI Shares		
	France	International	Total	France	International	Total	France	International	Total	France	International	Total
Gross amount	1,249	62	1,311	95		95	1,245	64	1,309	94		94
Cumulative amortisation	(305)	(8)	(313)				(290)	(8)	(299)			
Long-term impairment	(3)		(4)	(7)		(7)	(3)		(4)	(7)		(7)
Period-end net amount	**941**	**54**	**995**	**89**		**89**	**952**	**56**	**1,007**	**88**		**88**
Period-end fair value of property, plant and equipment	**1,276**	**59**	**1,336**	**137**		**137**	**1,256**	**65**	**1,322**	**129**		**129**
Unrealised capital gains	**335**	**5**	**341**	**48**		**48**	**305**	**10**	**315**	**42**		**42**

NOTE 5.2 – OPERATING ACTIVITIES PROPERTY BY ACTIVITY

NOTE 5.2.1 – OPERATING ACTIVITIES PROPERTY BY ACTIVITY - FRANCE

In millions of euros	30.06.2013					
	Property			SCI Shares		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross amount	688	560	1,249	25	70	95
Cumulative amortisation	(122)	(182)	(305)			
Long-term impairment	(1)	(2)	(3)	(2)	(5)	(7)
Period-end net amount	**565**	**375**	**941**	**24**	**65**	**89**
Period-end fair value of property, plant and equipment	**725**	**550**	**1,276**	**38**	**98**	**137**
Unrealised capital gains	**160**	**175**	**335**	**14**	**34**	**48**

In millions of euros	31.12.2012					
	Property			SCI Shares		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross amount	667	578	1,245	23	71	94
Cumulative amortisation	(109)	(182)	(290)			
Long-term impairment	(1)	(3)	(3)	(1)	(5)	(7)
Period-end net amount	**558**	**393**	**952**	**22**	**66**	**88**
Period-end fair value of property, plant and equipment	**698**	**559**	**1,256**	**34**	**96**	**129**
Unrealised capital gains	**139**	**165**	**305**	**12**	**30**	**42**

NOTE 5.2.2 – OPERATING ACTIVITIES PROPERTY BY ACTIVITY - INTERNATIONAL

In millions of euros	30.06.2013					
	Property			SCI Shares		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross amount	23	39	62			
Cumulative amortisation	(3)	(5)	(8)			
Long-term impairment						
Period-end net amount	**20**	**35**	**54**			
Period-end fair value of property, plant and equipment	**23**	**36**	**59**			
Unrealised capital gains	**4**	**2**	**5**			

In millions of euros	31.12.2012					
	Property			SCI Shares		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross amount	24	40	64			
Cumulative amortisation	(3)	(5)	(8)			
Long-term impairment						
Period-end net amount	**20**	**35**	**56**			
Period-end fair value of property, plant and equipment	**26**	**39**	**65**	**0**	**0**	**0**
Unrealised capital gains	**6**	**4**	**10**			

NOTE 6 – FINANCIAL INVESTMENTS EXCLUDING UNIT-LINKED ITEMS

In millions of euros	30.06.2013	31.12.2012
	Net value	Net value
Assets valued at fair value	69,176	70,163
Assets valued at amortised cost	1,105	977
Total financial investments excluding unit-linked items	**70,281**	**71,141**

Total financial investments (excluding property, unit-linked items and derivatives) as at 30 June 2013 stood at €70,281 million and marked andecrease of €860 million versus 31 December 2012.

NOTE 6.1 – INVESTMENTS VALUED AT FAIR VALUE BY OPERATING SEGMENT

In millions of euros	30.06.2013								
	Net amortised cost			Fair value (a)			Gross unrealised gains or losses		
	France	International	Total	France	International	Total	France	International	Total
Available-for-sale assets									
Equities and other variable-income investments	4,352	155	4,507	4,927	197	5,124	575	42	617
Bonds and other fixed-income investments	41,203	4,190	45,393	42,466	4,332	46,798	1,263	142	1,405
Other investments	20		20	20		20			
Total available-for-sale assets	**45,575**	**4,345**	**49,920**	**47,413**	**4,529**	**51,942**	**1,838**	**184**	**2,022**
Assets held for trading									
Equities and other variable-income investments classified as "trading"	68		68	68		68			
Equities and other variable-income investments classified as "held for trading"	701	256	957	701	256	957			
Bonds and other fixed-income investments classified as "trading"	431	139	570	431	139	570			
Bonds and other variable-income investments classified as "held for trading"	2,472	24	2,496	2,472	24	2,496			
Cash UCITS classified as “trading”	10,829	13	10,842	10,829	13	10,842			
Cash UCITS classified as “held for trading”	2,298		2,298	2,298		2,298			
Other investments classified as "trading"									
Other investments classified as "held for trading"	3		3	3		3			
Total trading assets	**16,802**	**432**	**17,234**	**16,802**	**432**	**17,234**			
Total investments valued at fair value	**62,377**	**4,777**	**67,154**	**64,215**	**4,961**	**69,176**	**1,838**	**184**	**2,022**

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

At 30 June 2013, capital gains and losses that were unrealised but recognised for accounting purposes through equity (revaluation reserves) as investment assets available-for-sale and through profit or loss as trading investment assets were €2,022 million and €89 million, respectively, compared with €3,087 million and €140 million at 31 December 2012.

The decline in the stock of unrealised capital gains between from 31 December 2012 to 30 June 2013 stems primarily from the unfavourable change in bond rates (rise of 36 basis points on 10-year government bonds in France).

With a view to optimising the yield on its financial assets, the group continued its bond repurchase activity during the first half of 2013. These repurchase agreement transactions are mainly investment repurchase agreements. As at 30 June 2013, the amount in question was €4,607 million. The cash from these repurchase agreements is invested in specific funds held directly.

In millions of euros	31.12.2012								
	Net amortised cost			Fair value [a]			Gross unrealised gains or losses		
	France	Inter-national	Total	France	Inter-national	Total	France	Inter-national	Total
Available-for-sale assets									
Equities and other variable-income investments	4,797	234	5,031	5,388	239	5,627	591	5	596
Bonds and other fixed-income investments	40,194	4,330	44,524	42,470	4,545	47,015	2,276	215	2,491
Other investments	19		19	19		19			
Total available-for-sale assets	**45,010**	**4,564**	**49,574**	**47,877**	**4,784**	**52,661**	**2,867**	**220**	**3,087**
Assets held for trading									
Equities and other variable-income investments classified as "trading"	40		40	40		40			
Equities and other variable-income investments classified as "held for trading"	775	142	917	775	142	917			
Bonds and other fixed-income investments classified as "trading"	180	1	181	180	1	181			
Bonds and other variable-income investments classified as "held for trading"	2,527	46	2,573	2,527	46	2,573			
Cash UCITS classified as "trading"	9,260	13	9,273	9,260	13	9,273			
Cash UCITS classified as "held for trading"	4,516		4,516	4,516		4,516			
Other investments classified as "trading"									
Other investments classified as "held for trading"	2		2	2		2			
Total trading assets	**17,300**	**202**	**17,502**	**17,300**	**202**	**17,502**			
Total investments valued at fair value	**62,310**	**4,766**	**67,076**	**65,177**	**4,986**	**70,163**	**2,867**	**220**	**3,087**

(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	30.06.2013											
	Net amortised cost				Fair value [a]				Gross unrealised gains or losses			
	Life and health insurance	Property and casualty insurance	Holding	Total	Life and health insurance	Property and casualty insurance	Holding	Total	Life and health insurance	Property and casualty insurance	Holding	Total
Available-for-sale assets												
Equities and other variable-income investments	3,175	1,177		4,352	3,523	1,404		4,927	348	227		575
Bonds and other fixed-income investments	37,100	4,103		41,203	38,136	4,330		42,466	1,036	227		1,263
Other investments	3	17		20	3	17		20				
Total available-for-sale assets	**40,278**	**5,297**		**45,575**	**41,662**	**5,751**		**47,413**	**1,384**	**454**		**1,838**
Assets held for trading												
Equities and other variable-income investments classified as "trading"	8	60		68	8	60		68				
Equities and other variable-income investments classified as "held for trading"	580	121		701	580	121		701				
Bonds and other fixed-income investments classified as "trading"	424	7		431	424	7		431				
Bonds and other variable-income investments classified as "held for trading"	1,998	474		2,472	1,998	474		2,472				
Cash UCITS classified as "trading"	9,199	1,630		10,829	9,199	1,630		10,829				
Cash UCITS classified as "held for trading"	2,295	3		2,298	2,295	3		2,298				
Other investments classified as "trading"												
Other investments classified as "held for trading"	1	2		3	1	2		3				
Total trading assets	**14,505**	**2,297**		**16,802**	**14,505**	**2,297**		**16,802**				
Total investments valued at fair value	**54,783**	**7,594**		**62,377**	**56,167**	**8,048**		**64,215**	**1,384**	**454**		**1,838**

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

In millions of euros	31.12.2012											
	Net amortised cost				Fair value (a)				Gross unrealised gains or losses			
	Life and health insurance	Property and casualty insurance	Holding	Total	Life and health insurance	Property and casualty insurance	Holding	Total	Life and health insurance	Property and casualty insurance	Holding	Total
Available-for-sale assets												
Equities and other variable-income investments	3,380	1,417		4,797	3,731	1,657		5,388	351	240		591
Bonds and other fixed-income investments	36,216	3,978		40,194	38,181	4,290		42,471	1,965	312		2,277
Other investments	2	17		19	2	17		19				
Total available-for-sale assets	**39,598**	**5,412**		**45,010**	**41,914**	**5,964**		**47,878**	**2,315**	**552**		**2,867**
Assets held for trading												
Equities and other variable-income investments classified as "trading"	7	33		40	7	33		40				
Equities and other variable-income investments classified as "held for trading"	639	136		775	639	136		775				
Bonds and other fixed-income investments classified as "trading"	173	7		180	173	7		180				
Bonds and other variable-income investments classified as "held for trading"	2,016	511		2,527	2,016	511		2,527				
Cash UCITS classified as “trading”	8,058	1,161	41	9,260	8,058	1,161	41	9,260				
Cash UCITS classified as “held for trading”	4,472	44		4,516	4,472	44		4,516				
Other investments classified as "trading"												
Other investments classified as "held for trading"	1	1		2	1	1		2				
Total trading assets	**15,366**	**1,893**	**41**	**17,300**	**15,366**	**1,893**	**41**	**17,300**				
Total investments valued at fair value	**54,964**	**7,305**	**41**	**62,310**	**57,280**	**7,857**	**41**	**65,178**	**2,315**	**552**		**2,867**

(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	30.06.2013								
	Net amortised cost			Fair value (a)			Gross unrealised gains or losses		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Available-for-sale assets									
Equities and other variable-income investments	77	78	155	109	88	197	32	10	42
Bonds and other fixed-income investments	2,245	1,945	4,190	2,326	2,006	4,332	81	61	142
Other investments									
Total available-for-sale assets	**2,322**	**2,023**	**4,345**	**2,435**	**2,094**	**4,529**	**113**	**71**	**184**
Assets held for trading									
Equities and other variable-income investments classified as "trading"									
Equities and other variable-income investments classified as "held for trading"	125	131	256	125	131	256			
Bonds and other fixed-income investments classified as "trading"	82	57	139	82	57	139			
Bonds and other variable-income investments classified as "held for trading"	14	10	24	14	10	24			
Cash UCITS classified as “trading”	13		13	13		13			
Cash UCITS classified as “held for trading”									
Other investments classified as "trading"									
Other investments classified as "held for trading"									
Total trading assets	**234**	**198**	**432**	**234**	**198**	**432**			
Total investments valued at fair value	**2,556**	**2,221**	**4,777**	**2,669**	**2,292**	**4,961**	**113**	**71**	**184**

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

In millions of euros	31.12.2012								
	Net amortised cost			Fair value (a)			Gross unrealised gains or losses		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Available-for-sale assets									
Equities and other variable-income investments	141	93	234	135	104	239	(6)	11	5
Bonds and other fixed-income investments	2,347	1,983	4,330	2,458	2,087	4,545	111	104	215
Other investments									
Total available-for-sale assets	**2,488**	**2,076**	**4,564**	**2,593**	**2,191**	**4,784**	**105**	**115**	**220**
Assets held for trading									
Equities and other variable-income investments classified as "trading"									
Equities and other variable-income investments classified as "held for trading"	69	73	142	69	73	142			
Bonds and other fixed-income investments classified as "trading"		1	1		1	1			
Bonds and other variable-income investments classified as "held for trading"	30	16	46	30	16	46			
Cash UCITS classified as “trading”	13		13	13		13			
Cash UCITS classified as “held for trading”									
Other investments classified as "trading"									
Other investments classified as "held for trading"									
Total trading assets	**112**	**90**	**202**	**112**	**90**	**202**			
Total investments valued at fair value	**2,600**	**2,166**	**4,767**	**2,705**	**2,281**	**4,986**	**105**	**115**	**220**

(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 OF SECURITY

In millions of euros	30.06.2013								
	Net amortised cost			Fair value (a)			Gross unrealised gains or losses		
	France	International	Total	France	International	Total	France	International	Total
Equities and other variable-income investments									
Available-for-sale assets	4,352	155	4,507	4,927	197	5,124	575	42	617
Assets classified as "trading"	68		68	68		68			
Assets classified as "held for trading"	701	256	957	701	256	957			
Total equities and other variable-income investments	**5,121**	**411**	**5,532**	**5,696**	**453**	**6,149**	**575**	**42**	**617**
Bonds and other fixed-income investments									
Available-for-sale assets	41,203	4,190	45,393	42,466	4,332	46,798	1,263	142	1,405
Assets classified as "trading"	431	139	570	431	139	570			
Assets classified as "held for trading"	2,472	24	2,496	2,472	24	2,496			
Total bonds and other fixed-income investments	**44,106**	**4,353**	**48,459**	**45,369**	**4,495**	**49,864**	**1,263**	**142**	**1,405**
Cash UCITS									
Assets classified as "trading"	10,829	13	10,842	10,829	13	10,842			
Assets classified as "held for trading"	2,298		2,298	2,298		2,298			
Total cash UCITS	**13,127**	**13**	**13,140**	**13,127**	**13**	**13,140**			
Other investments									
Available-for-sale assets	20		20	20		20			
Assets classified as "trading"									
Assets classified as "held for trading"	3		3	3		3			
Total other investments	**23**	**0**	**23**	**23**	**0**	**23**			
Total investments valued at fair value	**62,377**	**4,777**	**67,154**	**64,215**	**4,961**	**69,176**	**1,838**	**184**	**2,022**

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

In millions of euros	31.12.2012								
	Net amortised cost			Fair value (a)			Gross unrealised gains or losses		
	France	Inter-national	Total	France	Inter-national	Total	France	Inter-national	Total
Equities and other variable-income investments									
Available-for-sale assets	4,797	234	5,031	5,388	239	5,627	591	5	596
Assets classified as "trading"	40		40	40	0	40			
Assets classified as "held for trading"	775	142	917	775	142	917			
Total equities and other variable-income investments	**5,612**	**376**	**5,988**	**6,203**	**381**	**6,584**	**591**	**5**	**596**
Bonds and other fixed-income investments									
Available-for-sale assets	40,194	4,330	44,524	42,470	4,545	47,015	2,276	215	2,491
Assets classified as "trading"	180	1	181	180	1	181			
Assets classified as "held for trading"	2,527	46	2,573	2,527	46	2,573			
Total bonds and other fixed-income investments	**42,901**	**4,377**	**47,278**	**45,177**	**4,592**	**49,769**	**2,276**	**215**	**2,491**
Cash UCITS									
Assets classified as "trading"	9,260	13	9,273	9,260	13	9,273			
Assets classified as "held for trading"	4,516		4,516	4,516		4,516			
Total cash UCITS	**13,776**	**13**	**13,789**	**13,776**	**13**	**13,789**			
Other investments									
Available-for-sale assets	19		19	19		19			
Assets classified as "trading"									
Assets classified as "held for trading"	2		2	2		2			
Total other investments	**21**	**0**	**21**	**21**	**0**	**21**			
Total investments valued at fair value	**62,310**	**4,766**	**67,076**	**65,177**	**4,986**	**70,163**	**2,867**	**220**	**3,087**

(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 - NET AMOUNT

In millions of euros	30.06.2013			31.12.2012		
	France	International	Total	France	International	Total
Loans	153	78	231	138	76	214
Deposits	643	80	723	539	68	607
Other	151		151	156		156
Total assets valued at amortised cost	**947**	**158**	**1,105**	**833**	**144**	**977**

NOTE 6.5 – RESERVES FOR IMPAIRMENT OF INVESTMENTS

In millions of euros	30.06.2013			31.12.2012		
	Amortised cost			Amortised cost		
	Gross	Provisions	Net	Gross	Provisions	Net
Available-for-sale assets						
Equities and other variable-income investments	6,271	(1,764)	4,507	7,123	(2,092)	5,031
Bonds and other fixed-income investments	45,416	(23)	45,393	44,547	(23)	44,524
Other investments	20		20	19		19
Total available-for-sale assets	**51,707**	**(1,787)**	**49,920**	**51,689**	**(2,115)**	**49,574**
Financial investments measured at amortised cost	1,109	(4)	1,105	981	(4)	977
Financial investments measured at amortised cost	**1,109**	**(4)**	**1,105**	**981**	**(4)**	**977**

The reserves for other-than-temporary impairment on investments valued at fair value amounted to €1,787 million as at 30 June 2013, versus €2,115 million as at 31 December 2012. In total, impairment on insurance financial assets valued at fair value accounted for 2.58%.

The amount of reserves for other-than-temporary impairment on investments measured at amortised cost remained unchanged at €4 million.

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

With respect to the sovereign debt of countries on the eurozone periphery (namely Ireland, Italy, Spain and Portugal) and Hungary, the group notes that their value continues to be affected by a certain level of mistrust in the financial markets, which however has improved since last year. Some sovereign issuers have seen their rating downgraded, or are have entered an International Monetary Fund programme However, we would emphasise that to date:

- none of these debts has been subject to default on the payment of interest or principal,
- no collective proceeding or financial restructuring has been undertaken nor, given the current state of our knowledge and view of he situation, does this seem likely.

Consequently, the Group believes that there is no proven risk of impairment of these debt securities and therefore that there is no reason to establish a reserve for these securities.

With respect to equities, the reserve for impairment includes impairment of strategic securities for €1,491 million.

NOTE 6.6 – SIGNIFICANT INVESTMENTS IN UNCONSOLIDATED COMPANIES

In millions of euros	30.06.2013				31.12.2012			
	% interest	Acquisition cost net of provision	Fair value	Revaluation reserve (before profit-sharing and tax)(1)	% interest	Acquisition cost net of provision	Fair value	Revaluation reserve (before profit-sharing and tax)(1)
Société Générale	1.91%	260	397	137	2.49%	341	548	207
Veolia Environnement	5.35%	252	257	5	5.51%	243	260	17
Saint Gobain	1.90%	441	316	(125)	1.92%	441	325	(116)
Eiffage	6.74%	112	216	104	6.91%	113	203	90
French companies		**1,065**	**1,186**	**121**		**1,138**	**1,336**	**198**
Mediobanca	4.93%	147	169	22	4.93%	147	198	51
OTP Bank	8.28%	261	373	136	8.28%	262	331	93
Foreign companies		**408**	**542**	**158**		**409**	**529**	**144**
Total significant investments in unconsolidated companies		**1,473**	**1,728**	**279**		**1,547**	**1,865**	**342**

(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 impairment treatment of which is indicated in point 3.2.1 of the accounting principles.

As mentioned in point 3.2.1, strategic securities are those held by the group over the long term. One of the features of these securities is that the group is represented in their governing bodies or has major long-term contractual relationships or a material equity stake (in absolute or relative terms), but where the group has no significant influence.

Changes during the year:

In H1 2013, the group pushed ahead with its equity derisking policy with the sale of its stake in Société Générale and Véolia Environnement. In accordance with IAS 39, these disposals gave rise to a partial write-back of the impairment established on these securities, i.e., a write-back of €121 million (€91 million for Société Générale and €30 million for Véolia Environnement).

The reserves for impairment of strategic securities amounted to €1,491 million at 30 June 2013.

NOTE 6.7 – DEBT SECURITIES OF PERIPHERAL COUNTRIES IN THE EUROZONE

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

In millions of euros	30.06.2013					
	Gross discounted cost price	Provisions for impairment	Net discounted cost price	Fair value	Gross unrealised gains or losses	Unrealised gains or losses net of profit-sharing and tax
Spain	2,692		2,692	2,561	(131)	(12)
Greece						
Ireland	34		34	36	2	
Italy	7,769		7,769	7,687	(82)	2
Portugal	1,022		1,022	862	(160)	(23)
Total	**11,517**		**11,517**	**11,146**	**(371)**	**(33)**

In millions of euros	31.12.2012					
	Gross discounted cost price	Provisions for impairment	Net discounted cost price	Fair value	Gross unrealised gains or losses	Unrealised gains or losses net of profit-sharing and tax
Spain	2,733		2,733	2,457	(276)	(27)
Greece						
Ireland	52		52	54	2	
Italy	7,854		7,854	7,641	(213)	(9)
Portugal	1,023		1,023	829	(193)	(29)
Total	**11,662**		**11,662**	**10,981**	**(680)**	**(65)**

As indicated in note 6.5, the group considers that there is no proven risk of impairment of the sovereign debt securities of peripheral countries in the eurozone (namely Ireland, Italy, Spain and Portugal), and therefore no provision has been set aside for these securities. As at 30 June 2013, exposure to the sovereign debt securities of the eurozone periphery includes securities held directly and the look-through transparency of consolidated mutual funds only. The amount represented by non-consolidated mutual funds as at 31 December 2012 was not material. The unrealised losses on these securities totalled €33 million (net of taxes and profit sharing).

Please note that the group disposed of its entire exposure to Greek sovereign debt during the 2012 financial year.

The level of exposure to Hungary is some €371 million, primarily 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	30.06.2013					
	Spain	Greece	Ireland	Italy	Portugal	Total
Opening sovereign debt securities	**2,398**		**54**	**7,126**	**820**	**10,399**
Change in the unrealised capital gains or losses	146		1	62	33	242
Change in scope						
Acquisitions	12			816	3	831
Disposals / Redemptions			(19)	(698)		(717)
Foreign exchange adjustments						
Closing sovereign debt securities	**2,556**	**0**	**36**	**7,306**	**856**	**10,755**

To date, consolidated mutual funds hold €392 million in sovereign debt securities of peripheral countries of the eurozone, including €5 million in Spanish sovereign debt, €380 million in Italian sovereign debt and €7 million in Portuguese sovereign debt.

NOTE 6.7.2 – NON-SOVEREIGN DEBT SECURITIES OF PERIPHERAL COUNTRIES IN THE EUROZONE

In millions of euros	30.06.2013					
	Gross discounted cost price	Provisions for impairment	Net discounted cost price	Fair value	Gross unrealised gains or losses	Unrealised gains or losses net of profit-sharing and tax
Spain	721		721	737	16	3
Greece	4		4	4	0	0
Ireland	52		52	53	1	1
Italy	1,355		1,355	1,377	22	4
Portugal	40		40	39	(1)	(1)
Total	**2,172**		**2,172**	**2,210**	**38**	**7**

In millions of euros	31.12.2012					
	Gross discounted cost price	Provisions for impairment	Net discounted cost price	Fair value	Gross unrealised gains or losses	Unrealised gains or losses net of profit-sharing and tax
Spain	766		766	726	(39)	(5)
Greece						
Ireland	139		139	142	3	2
Italy	964		964	955	(9)	1
Portugal	40		40	37	(3)	(1)
Total	**1,909**		**1,909**	**1,860**	**(48)**	**(3)**

The balance sheet value of the group's investments in bonds issued by companies, banks, local authorities and para-public agencies located in peripheral countries of the eurozone (mainly Spain and Italy) stood at €2,210 million as at 30 June 2013. The unrealised gain net of taxes and profitsharing on these securities was €7 million.

As at 30 June 2013, exposure to the sovereign debt securities of the eurozone periphery includes securities held directly and the look-through transparency of consolidated mutual funds only. The amount represented by non-consolidated mutual funds as at 31 December 2012 was not material.

NOTE 6.8 – FAIR VALUE HIERARCHY

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. The levels depend on whether or not a valuation model is used and on the source of the data input to such a model:

- level 1 inputs are quoted prices on an active market to which the entity has access on the measurement date;
- level 2 inputs correspond to the fair values determined on the basis of a valuation model using data directly observable in a (level 1) market or data that can be determined from prices observed;
- level 3 inputs correspond to the fair value determined on the basis of an assumption model which uses data not observable in 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 segment, or price valuation service and if these prices represent actual transactions properly carried out on the market under conditions of normal competition.

Determination of whether a market is active is based notably on indicators such as the significant decline in the volume of transactions and the level of activity on the market, significant 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	30.06.2013				31.12.2012			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Available-for-sale assets								
Equities and other variable-income investments	4,748	89	287	5,124	5,231	87	309	5,627
Bonds and other fixed-income investments	45,895	831	73	46,799	45,907	984	124	47,015
Other investments	11	4	6	21	10		9	19
Total available-for-sale assets	**50,654**	**924**	**366**	**51,944**	**51,148**	**1,071**	**442**	**52,661**
Assets held for trading								
Equities and other variable-income investments classified as "trading" or "held for trading"	485		539	1,024	350		607	957
Bonds and other fixed-income investments classified as "trading" or "held for trading"	2,914	34	117	3,065	2,610	41	102	2,753
Cash UCITS classified as "trading" or "held for trading"	13,141			13,141	13,790			13,790
Other investments			2	2			2	2
Total trading assets	**16,540**	**34**	**658**	**17,232**	**16,750**	**41**	**711**	**17,502**
Sub-total of financial investments excluding unit-linked items	**67,194**	**958**	**1,024**	**69,176**	**67,898**	**1,112**	**1,153**	**70,163**
Unit-linked investment policies	**2,918**	**109**	**1,509**	**4,536**	**3,188**	**104**	**667**	**3,959**
Derivative assets and liabilities		**(263)**	**(1)**	**(264)**		**(348)**	**(1)**	**(349)**
Total financial assets and liabilities at fair value	**70,112**	**804**	**2,532**	**73,448**	**71,086**	**868**	**1,819**	**73,773**

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

Derivative instruments under “Assets” amounted to €158 million and those under “Liabilities” to €422 million at 30 June 2013. These instruments are mainly classified as level 2.

Concerning level 3 instruments,

- for equities, these primarily involve units shares of private equity funds and unlisted equities. Shares of private equity funds are measured based on the most recent net asset values. Unlisted equities are valued according to several methods, such as discounted cash flow or the restated net asset method.
- for bonds, these are primarily securities valued based on a model using extrapolated data;
- for investments in unit-linked policies classified in level 3, structured products not listed on an active market whose remuneration is indexed either on indices, a basket of equities, or rates.

In addition to the financial instruments (assets and liabilities) described in the table, the Group has also recorded its technical liabilities related to financial contracts at fair value, without discretionary profit sharing. These amount to €43 million as at 30 June 2013, unchanged from 31 December 2009.

In millions of euros	30.06.2013								
	Available-for-sale assets			Assets held for trading				Unit-linked investment policies	Derivative assets and liabilities
	Equities	Bonds	Other investments	Equities	Bonds	Cash UCITS	Other investments		
Opening level 3 amount	**309**	**124**	**9**	**607**	**102**		**2**	**667**	**(1)**
Change in the unrealised capital gains or losses recognised in:									
- income	(6)			30	(32)			(30)	
- gains and losses recognised directly in shareholders' equity	3	1							
Transfer to level 3		8			13			408	
Transfer outside level 3	(1)		(3)						
Reclassification to loans and receivables									
Changes in the consolidation scope									
Acquisitions	1	4		51	43			469	
Sales/Repayments	(18)	(64)		(149)	(9)			(2)	
Unrealised foreign exchange adjustments	(1)							(3)	
Closing level 3 amount	**287**	**73**	**6**	**539**	**117**		**2**	**1,509**	**(1)**

NOTE 7 – INVESTMENTS REPRESENTING COMMITMENTS IN UNIT-LINKED POLICIES

In millions of euros	30.06.2013			31.12.2012		
	France	International	Total	France	International	Total
Variable-income and similar securities		4	4		5	5
Bonds	980	662	1,642	561	738	1,299
Shares in equity mutual funds	2,568	57	2,625	2,354	55	2,409
Shares in bond mutual funds and other	65	40	105	53	40	92
Other investments		52	52		51	51
Sub-total of unit-linked financial investments	**3,613**	**815**	**4,428**	**2,968**	**888**	**3,856**
Unit-linked investment properties	108		108	102		102
Sub-total of unit-linked investment property	**108**		**108**	**102**		**102**
Total	**3,721**	**815**	**4,536**	**3,070**	**888**	**3,958**

Unit-linked investments relate exclusively to the life and health insurance business.

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

In millions of euros	30.06.2013					
	France		International		Total	
	Positive fair value	Negative fair value	Positive fair value	Negative fair value	Positive fair value	Negative fair value
Swaps	94	(413)			94	(413)
Options	61		1		62	
Forward currency contracts	1	(7)			1	(7)
Other		(1)				(1)
Total	**156**	**(421)**			**157**	**(421)**

In millions of euros	31.12.2012					
	France		International		Total	
	Positive fair value	Negative fair value	Positive fair value	Negative fair value	Positive fair value	Negative fair value
Swaps	79	(427)			79	(427)
Options						
Forward currency contracts	2	(2)			2	(2)
Other						
Total	**81**	**(429)**			**81**	**(429)**

Swap contracts, although not documented in accordance with IFRS as hedging contracts, mainly serve to provide macro protection for the bond portfolio against rising interest rates. The same is true for the cap options for which the fair value is not significant as at 30 June 2013.

The Group has also established protection against a decrease in the Eurostoxx50 and S&P 500 indices in the form of collars. The notional amount of these options on the equity index was €511 million at 30 June 2013. These hedging contracts are also not documented as hedging operations under IAS 39. In accordance with the principles set out in 3.3 above, these instruments are valued at fair value on the balance sheet with an offset to profit or loss.

NOTE 9 – USE AND SOURCE OF FUNDS FOR BANKING SECTOR ACTIVITIES

NOTE 9.1 – USE OF FUNDS FOR BANKING SECTOR ACTIVITIES

In millions of euros	30.06.2013			31.12.2012		
	Gross value	Provisions	Net value	Gross value	Provisions	Net value
Cash, central banks, postal accounts	40		40	219		219
Financial assets at fair value through income	54		54	58		58
Hedging derivative instruments						
Available-for-sale assets	402		402	912		912
Loans and receivables from credit institutions	201		201	277		277
Customer loans and receivables	1,706	(26)	1,680	1,551	(27)	1,524
Revaluation variance on rate-hedged portfolios	7		7	7		7
Investment assets held to maturity	927		927	489		489
Investment property						
Total	**3,337**	**(26)**	**3,311**	**3,513**	**(27)**	**3,487**

NOTE 9.2 – SOURCES OF FUNDS FOR BANKING SECTOR ACTIVITIES

In millions of euros	30.06.2013	31.12.2012
Central banks, postal accounts		
Financial liabilities valued at fair value through income	5	19
Hedging derivative instruments	7	7
Debt owed to credit institutions	189	372
Debts to customers	2,181	2,656
Debts represented by securities	462	65
Revaluation variance on rate-hedged portfolios		
Total	**2,843**	**3,120**

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

- The dynamic performance of commercial banking contributed to the growth in Loans and advances to customers, with an increase in home loans, and, to a lesser extent, in consumer loans.
- The bank's liquid assets declined in first-half 2013, with a substantial fall in "Debts to customers". At the same time, the group reduced its use of financing from the European Central Bank, which resulted in the reduction in "Cash, central bank and postal cheque accounts", and also reduced borrowing from the ECB, leading to the reduction in "Debts to credit institutions".
- A change in its investment strategy led to a change in the asset management intention, reflected in a sharp drop in the portfolio of available-for-sale financial assets, offset by an increase in investments held to maturity.

10 – INVESTMENTS IN RELATED COMPANIES

In millions of euros	30.06.2013		31.12.2012	
	Equivalence value	Share of profit/(loss)	Equivalence value	Share of profit/(loss)
Günes Sigorta	35	(6)	45	3
CEGID	70	1	71	6
La Banque Postale IARD	77	(3)	80	(8)
STAR	78		82	4
GROUPAMA - AVIC Property Insurance Co.	28	(2)	29	2
GROUPAMA UK Broking Services	1			
HOLDCO	724	(6)	730	(11)
Total	**1,013**	**(16)**	**1,039**	**(5)**

1.1 NOTE 11 - SHARE OF OUTWARD REINSURERS AND RETROCESSIONAIRES IN INSURANCE AND FINANCIAL CONTRACT LIABILITIES

In millions of euros	30.06.2013			31.12.2012		
	France	International	Total	France	International	Total
Share of reinsurers in Non-life insurance reserves						
Reserves for unearned premiums	31	55	86	32	32	64
Outstanding claims reserves	872	224	1,097	935	216	1,150
Other technical reserves	185	5	189	174	5	179
Total	**1,088**	**285**	**1,372**	**1,141**	**252**	**1,393**
Share of reinsurers in life insurance reserves						
Life insurance reserves	11	3	14	12	3	15
Outstanding claims reserves	18	4	21	12	3	15
Profit-sharing reserves	19		19	19		19
Other technical reserves						
Total	**47**	**7**	**54**	**43**	**6**	**49**
Share of reinsurers in reserves for financial contracts						
Total	**1,135**	**292**	**1,427**	**1,184**	**258**	**1,441**

NOTE 12 – DEFERRED PROFIT SHARING

NOTE 12.1 – DEFERRED PROFIT SHARING ASSETS

In millions of euros	30.06.2013			31.12.2012		
	France	International	Total	France	International	Total
Deferred profit-sharing assets	654		654	75		75
Total	**654**		**654**	**75**		**75**

NOTE 12.2 – DEFERRED PROFIT SHARING LIABILITIES

In millions of euros	30.06.2013			31.12.2012		
	France	International	Total	France	International	Total
Reserve for deferred profit-sharing of insurance policies	31	6	37	199	5	204
Reserve for deferred profit-sharing of financial contracts		8	8			
Total	**31**	**14**	**45**	**199**	**5**	**204**

For the principal entities, the rate for deferred profit-sharing used for shadow accounting purposes at 30 June 2013, in France, remained changed from 31 December 2012.

The rates for deferred profit-sharing used in France as at 30 June 2013 range from 70.93% to 86.46%, including 86.46% for Groupama Gan Vie.

The change in deferred profit sharing between 31 December 2012 and 30 June 2013 is due in particular to the unfavourable change in bond rates in France in the period.

A recoverability test was carried out to demonstrate the group's ability to charge the value of deferred profit-sharing assets to future profit-sharing by policyholders.

The recoverability test on t‹he total deferred profit-sharing assets mentioned in the group principles is intended to demonstrate that future profit-sharing by policyholders can absorb unrealised losses on investment assets, taking into account the likely impact on the behaviour of policyholders, according to a financial environment considered reasonable

The group carried out a future returns projection test using a growth rate of 3.5% for the equity markets and bond reinvestment rates of 2.60% in 2013, 2.90% in 2014, and 3.20% in 2015 and beyond.

Sensitivity analyses were conducted, assuming an increase or a decrease of 100 basis points in the 10-year government bond rate as well as a 2% decrease in the equity market growth rate. They demonstrated on the one hand that cash flows remain positive and that it is not necessary to realise capital losses to make payments, and on the other hand, that the financial margin remains positive.

NOTE 13 - DEFERRED TAXES

NOTE 13.1 – ANALYSIS OF THE MAJOR COMPONENTS OF DEFERRED TAXES

In millions of euros	30.06.2013	31.12.2012
Deferred taxes as a result of timing differences		
Restatements of AFS & Trading financial instruments (net of deferred profit-sharing)	(297)	(624)
Acquisition costs for life policies and total management reserves	(66)	(72)
Consolidation adjustments on technical reserves	(329)	(263)
Other differences on consolidation restatements	155	100
Deferred acquisition costs for Non-life policies	(55)	(47)
Tax differences on technical reserves and other contingent liabilities	501	486
Gains on tax suspension	(3)	(3)
Mutual fund valuation differential	48	56
Currency hedging	20	22
Other tax timing differences	(38)	6
Sub-total of Deferred taxes as a result of timing differences	**(64)**	**(340)**
Recognition of tax assets on operating losses	**135**	**108**
Deferred taxes capitalised	**70**	**(231)**
o/w assets	430	330
o/w liabilities	(360)	(561)

The Group's consolidated financial statements show total deferred tax assets of €70 million, broken down as follows:

- Deferred tax assets of €430 million at 30 June 2013, an increase of €100 million compared with 31 December 2012 (€330million).
- Deferred tax liabilities of €360 million at 30 June 2013, a reduction of €201 million compared with 31 December 2012 (€561 million).

Deferred tax assets from operating losses amounted to €135 million at 30 June 2013, compared with €108 million at 31 December 2012. Deferred taxes have not been corrected for the extraordinary contribution of 5%, which applied to taxable earnings for fiscal years 2011 and 2012 for French companies with revenues in excess of €250 million (see the French 2012 amending finance act). The impact of such a correction would not have been material.

The amount of unrecognised net assets (deficits not capitalised) was €102 million at 30 June 2013, versus €99 million at 31 December 2012.

NOTE 14 - RECEIVABLES FROM INSURANCE AND INWARD REINSURANCE TRANSACTIONS

*NOTE 14.1 - **RECEIVABLES FROM INSURANCE OR INWARD REINSURANCE TRANSACTIONS**- BY OPERATING SEGMENT*

In millions of euros	30.06.2013							31.12.2012
	France			International			Total	Total
	Gross value	Provisions	Net value	Gross value	Provisions	Net value		
Earned premiums not issued	935		935	8		8	942	747
Policyholders, intermediaries and other third parties	2,405	(23)	2,382	450	(77)	373	2,755	1,636
Current accounts, co-insurers and other third parties	68		68	65	(27)	38	106	63
Current accounts, transferors and retroceding insurers	527	(1)	526	9	(1)	8	534	231
Total	**3,934**	**(24)**	**3,911**	**532**	**(105)**	**427**	**4,337**	**2,676**

NOTE 15 – OTHER RECEIVABLES

In millions of euros	30.06.2013			31.12.2012
	Gross values	Provisions	Total	Total
Accrued interest not due	708		708	748
Employee receivables	29		29	21
Social security agencies	6		6	3
Miscellaneous debtors	1,503	(130)	1,373	1,057
Other receivables	469		469	397
Total	**2,716**	**(130)**	**2,586**	**2,226**

"Miscellaneous debtors" stood at €1,373 million at 30 June 2013, an increase of €316 million compared with 31 December 2012 (€1,057 million).

NOTE 15.1 – OTHER RECEIVABLES – BY MATURITY

In millions of euros	30.06.2013				31.12.2012			
	< 1 yr.	From 1 to 5 yrs.	> 5 yrs.	Total	< 1 yr.	From 1 to 5 yrs.	> 5 yrs.	Total
Accrued interest not due	708			708	748			748
Employee receivables	29			29	21			21
Social security agencies	6			6	3			3
Miscellaneous debtors	1,302	44	27	1,373	983	45	29	1,057
Other receivables	469			469	397			397
Total	**2,514**	**44**	**27**	**2,586**	**2,153**	**45**	**29**	**2,226**

NOTE 15.2 – OTHER RECEIVABLES – BY OPERATING SEGMENT

In millions of euros	30.06.2013			31.12.2012		
	France	International	Total	France	International	Total
Accrued interest not due	635	73	708	669	79	748
Employee receivables	28	1	29	20	1	21
Social security agencies	6		6	3		3
Miscellaneous debtors	1,286	87	1,373	988	69	1,057
Other receivables	438	32	469	350	47	397
Total	**2,393**	**193**	**2,586**	**2,030**	**196**	**2,226**

NOTE 16 – CASH AND CASH EQUIVALENTS

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

In millions of euros	30.06.2013	31.12.2012
France	712	1,477
International	482	456
Total	**1,194**	**1,933**

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

NOTE 16.2 – CASH SHOWN AS BALANCE SHEET LIABILITIES

In millions of euros	30.06.2013				31.12.2012			
	< 1 yr.	From 1 to 5 yrs.	> 5 yrs.	Total	< 1 yr.	From 1 to 5 yrs.	> 5 yrs.	Total
Operating debts to banking institutions	183			183	338			338
Total	**183**			**183**	**338**			**338**

In millions of euros	30.06.2013			
	Currencies		Rates	
	Eurozone	Outside eurozone	Fixed rate	Variable rate
Operating debts to banking sector companies	183		183	
Total	**183**		**183**	

NOTE 17 – SHAREHOLDERS' EQUITY, MINORITY INTERESTS

NOTE 17.1 – SHARE CAPITAL LIMITS FOR INSURANCE COMPANIES

Companies with an insurance business are subject to regulations that establish minimum share capital limits. In France, in accordance with the European Directive and Articles R. 322-5 and R 322-24 of the French Insurance Code, French mutual insurance companies under the supervision of government authorities must have share capital of at least €240,000 or €400,000 depending on the insurance activity exercised. For French public limited companies the share capital requirement is €480,000 or €800,000 depending on the insurance activity exercised.

Moreover, in order to ensure the financial stability of insurance companies and protect policyholders, Article R. 334-1 of the French Insurance Code sets a prudential reserve in France. It requires insurance companies to respect a minimum solvency margin on an ongoing basis relative to its activities (life and non-life). This requirement also exists in other countries based on similar procedures. There is a further requirement applying to consolidated financial statements which requires insurance companies to comply with a so-called "adjusted" solvency limit that includes any banking activities exercised by the insurance group, based on French regulations and accounting standards.

NOTE 17.2 – IMPACTS OF TRANSACTIONS WITH MEMBERS

➢ **Changes in the Group's shareholders' equity during first-half 2013**

No transaction occurred that had an effect on shareholders' equity and issue premiums during H1 2013.

➢ **Accounting treatment of deeply subordinated instruments issued 10 October 2007**

On 10 October 2007, Groupama issued a perpetual subordinated bond with a nominal value of €1,000 million at a fixed interest rate of 6.298%. This bond carries specific terms including the following:

- unlimited term;
- option to defer or cancel any payment of interest to bondholders on a discretionary basis;
- an interest "step-up" clause that kicks in following the tenth year of the bond.

In view of the specific terms and conditions of the issue and pursuant to IAS 32 § 16 and 17, the bond is considered as an equity instrument rather than a financial liability. It is 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 reserves in shareholders' equity may be broken down as follows:

In millions of euros	30.06.2013	31.12.2012
Gross unrealised gains and losses on available-for-sale assets	2,022	3,087
o/w gross unrealised gains or losses on available-for-sale assets allocated to life and health	1,497	2,420
o/w gross unrealised gains or losses on available-for-sale assets allocated to property and casualty	525	667
Shadow accounting	(1,054)	(1,870)
Cash flow hedge and other changes	(60)	(60)
Deferred taxes	(140)	(433)
Share of minority interests	(2)	(4)
Revaluation reserve - group share	**766**	**720**

The deferred tax amount shown in the table above corresponds to the application of first, a short-term and long-term tax rate on the unrealised gains on financial instruments classified as "available for sale"; and
second, a short-term tax rate on deferred profit-sharing ("shadow accounting"). Under the new rules for long-term capital gains or 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%).
The "Cash flow hedge and other changes" item in the amount of €(60 million) can be 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 on the elimination of the hedged underlying assets;
- €18 millions for the net investment hedge revaluation reserve, which will be recognised in income on the disposal of the foreign subsidiary.

The change in the revaluation reserve relative to 31 December 2012 is mainly related to the recognition of unrealised capital losses due to the unfavourable change in rates in France for the bond envelope, offset by deferred profit-sharing and deferred taxes.

NOTE 18 - CONTINGENT LIABILITIES

In millions of euros	30.06.2013						
	France			International			Total
	Provision for pensions and similar obligations	Other contingencies (1)	Total	Provision for pensions and similar obligations	Other contingencies (1)	Total	
Opening amount	**355**	**198**	**553**	**44**	**50**	**94**	**647**
Changes in the scope of consolidation, changes in accounting methods and transfers			0			0	0
Increases for the year	23	46	69	3	13	16	85
Write-backs for the year	(28)	(37)	(65)	(3)	(13)	(16)	(81)
Changes in exchange rate					(1)	(1)	(1)
Period-end Amount	**350**	**207**	**557**	**44**	**49**	**93**	**650**

(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	31.12.2012						
	France			International			Total
	Provision for pensions and similar obligations	Other contingencies (1)	Total	Provision for pensions and similar obligations	Other contingencies (1)	Total	
Opening amount	**319**	**133**	**452**	**89**	**64**	**153**	**605**
Changes in the scope of consolidation, changes in accounting methods and transfers	(9)	(4)	(13)	(50)	(4)	(54)	(67)
Increases for the year	89	106	195	7	23	30	225
Write-backs for the year	(44)	(37)	(81)	(4)	(32)	(36)	(117)
Changes in exchange rate				2	(1)	1	1
Period-end Amount	**355**	**198**	**553**	**44**	**50**	**94**	**647**

(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 – FINANCIAL DEBT

NOTE 19.1 – FINANCIAL DEBT – BY MATURITY

In millions of euros	30.06.2013				31.12.2012			
	< 1 yr.	From 1 to 5 yrs.	> 5 yrs.	Total	< 1 yr.	From 1 to 5 yrs.	> 5 yrs.	Total
Subordinated debt			1,238	1,238			1,238	1,238
of which subordinated debt of insurance companies			1,238	1,238			1,238	1,238
of which subordinated debt of banking companies								
Financial debt represented by securities								
Financial debt with banking-sector companies	652	16	37	704	654	16	37	707
Total	**652**	**16**	**1,275**	**1,943**	**654**	**16**	**1,275**	**1,945**

The Group's external debt was stable between 31 December 2012 and 30 June 2013.

NOTE 19.2 – FINANCIAL DEBT – BY CURRENCY AND RATE

In millions of euros	30.06.2013			
	Currencies		Rates	
	Eurozone	Outside eurozone	Fixed rate	Variable rate
Subordinated debt	1,238		1,238	
Financing debt represented by securities				
Financial debt with banking-sector companies	704		670	34
Total	**1,943**		**1,909**	**34**

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 for €488 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 to defer payment of the interest should the group's solvency margin fall below 150%.

As at 30 June 2013, this issue was trading at 73%, compared with 63% as at 31 December 2012. This price resulted from a counterparty valuation, with the liquidity of this stock being extremely low.

- 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 TSR.
- Groupama SA has the option to defer payment of the interest should the group's solvency margin fall below 100%.

As at 30 June 2013, this issue was trading at 92%, compared with 85% as at 31 December 2012.

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

The "Financial debt to banking sector companies" line item totalled €704 million, primarily for the use of a €650 million syndicated loan out of a total syndicated credit line of €1 billion, and a lease debt for €33 million.

NOTE 20 – TECHNICAL LIABILITIES RELATED TO INSURANCE POLICIES

NOTE 20.1 - TECHNICAL LIABILITIES RELATED TO INSURANCE POLICIES - BY OPERATING SEGMENT

In millions of euros	30.06.2013			31.12.2012		
	France	International	Total	France	International	Total
Gross reinsurance actuarial reserves						
Life insurance reserves	29,573	1,349	30,922	29,237	1,348	30,585
Outstanding claims reserves	554	75	629	671	69	740
Profit-sharing reserve	791	15	806	524	20	544
Other actuarial reserves	6	27	34	12	29	41
Total Life insurance	**30,924**	**1,466**	**32,390**	**30,444**	**1,467**	**31,911**
Reserves for unearned premiums	3,132	764	3,896	972	759	1,731
Outstanding claims reserves	8,053	2,157	10,210	8,012	2,109	10,121
Other actuarial reserves	3,208	55	3,263	2,982	49	3,031
Total Non-life insurance	**14,393**	**2,976**	**17,369**	**11,965**	**2,917**	**14,883**
Life insurance reserves of unit-linked policies	3,853	802	4,655	3,432	886	4,319
Total	**49,170**	**5,244**	**54,415**	**45,842**	**5,270**	**51,112**

Technical liabilities of insurance policies increased by €3,303 million at 30 June 2013, and concern France for the vast majority (an increase of €3,328 million).
Life and Unit-linked policy reserves increased by €480 million and €421 million, respectively, while reserves for unearned premiums increased by €2,427 million, due to the discharge of premiums for the period at 1 January for a large portion of the portfolio.

The adequacy tests carried out on liabilities as at 30 June 2013 were found to be satisfactory and did not result in the recognition of any additional technical expense.

NOTE 20.2 - TECHNICAL LIABILITIES RELATED TO INSURANCE POLICIES BY BUSINESS

NOTE 20.2.1 - TECHNICAL LIABILITIES RELATED TO INSURANCE POLICIES BY BUSINESS - FRANCE

In millions of euros	30.06.2013			31.12.2012		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross reinsurance technical reserves						
Life insurance reserves	29,573		29,573	29,237		29,237
Outstanding claims reserves	554		554	671		671
Profit-sharing reserve	791		791	524		524
Other technical reserves	6		6	12		12
Total Life insurance	**30,924**	**0**	**30,924**	**30,444**		**30,444**
Reserves for unearned premiums	790	2,342	3,132	132	839	971
Outstanding claims reserves	979	7,074	8,053	992	7,020	8,012
Other technical reserves	2,517	691	3,208	2,404	579	2,983
Total Non-life insurance	**4,286**	**10,107**	**14,393**	**3,528**	**8,438**	**11,966**
Life insurance reserves of unit-linked policies	3,853		3,853	3,432		3,432
Total gross technical reserves related to insurance policies	**39,063**	**10,107**	**49,170**	**37,404**	**8,438**	**45,842**

NOTE 20.2.2 - TECHNICAL LIABILITIES RELATED TO INSURANCE POLICIES BY BUSINESS - INTERNATIONAL

In millions of euros	30.06.2013			31.12.2012		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
Gross reinsurance actuarial reserves						
Life insurance reserves	1,349		1,349	1,348		1,348
Outstanding claims reserves	75		75	69		69
Profit-sharing reserve	15		15	20		20
Other technical reserves	27		27	29		29
Total Life insurance	**1,466**		**1,466**	**1,466**		**1,466**
Reserves for unearned premiums	62	702	764	66	694	760
Outstanding claims reserves	112	2,045	2,157	103	2,006	2,110
Other technical reserves	10	45	55	8	40	48
Total Non-life insurance	**184**	**2,792**	**2,976**	**177**	**2,740**	**2,918**
Life insurance reserves of unit-linked policies	802		802	886		886
Total gross technical reserves related to insurance policies	**2,453**	**2,792**	**5,244**	**2,530**	**2,740**	**5,270**

NOTE 21 – TECHNICAL LIABILITIES RELATED TO FINANCIAL CONTRACTS

In millions of euros	30.06.2013	31.12.2012
Reserves for financial contracts with discretionary profit-sharing		
Life technical reserves	19,535	20,538
Reserves for unit-linked policies	23	24
Outstanding claims reserves	186	243
Profit-sharing reserve	38	53
Other technical reserves	1	27
Total	**19,783**	**20,885**
Reserves for financial contracts without discretionary profit-sharing		
Life technical reserves	7	7
Reserves for unit-linked policies	43	43
Outstanding claims reserves		
Profit-sharing reserve		
Other technical reserves		
Total	**50**	**50**
Total	**19,834**	**20,935**

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

In millions of euros	30.06.2013			31.12.2012		
	France	International	Total	France	International	Total
Reserves for life financial contracts	18,400	1,143	19,542	19,379	1,166	20,545
Outstanding claims reserves	180	6	186	238	5	243
Profit-sharing reserves	35	3	38	36	17	53
Other technical reserves		1	1	27		27
Total	**18,615**	**1,153**	**19,768**	**19,679**	**1,188**	**20,868**

NOTE 22 – OTHER DEBTS

NOTE 22.1 – OTHER DEBT – BY OPERATING SEGMENT

In millions of euros	30.06.2013			31.12.2012		
	France	International	Total	France	International	Total
Personnel creditors	266	6	273	259	7	266
Social security agencies	220	8	228	220	9	229
Other loans, deposits and guarantees received	4,667	9	4,676	5,178	8	5,186
Miscellaneous creditors	1,045	52	1,097	880	50	930
Other debt	333	48	381	256	31	287
Total	**6,531**	**123**	**6,655**	**6,794**	**104**	**6,898**

"Other loans, deposits and guarantees received" stood at €4,676 million at 30 June 2013, down from €5,186 million at 31 December 2012 (a decrease of €510 million). This decrease is mainly due to the debt resulting from the bond repurchase agreement, which amounts to €4,547 million as at 30 June 2013, versus €5,110 million at as at 31 December 2012, a fall of €563 million, mainly from Groupama Gan Vie.

NOTE 22.2 – OTHER DEBT – BY MATURITY

In millions of euros	30.06.2013				31.12.2012			
	< 1 yr.	From 1 to 5 yrs.	> 5 yrs.	Total	< 1 yr.	From 1 to 5 yrs.	> 5 yrs.	Total
Personnel creditors	259		13	273	253		14	266
Social security agencies	228			228	229			229
Other loans, deposits and guarantees received	4,579	15	82	4,676	5,101	14	71	5,186
Miscellaneous creditors	1,078	8	11	1,097	910	9	11	930
Other debt	381			381	287			287
Total	**6,526**	**22**	**106**	**6,655**	**6,779**	**23**	**96**	**6,898**

NOTE 23 – ANALYSIS OF PREMIUM INCOME

NOTE 23.1 – ANALYSIS OF INSURANCE PREMIUM INCOME BY MAJOR CATEGORY

In millions of euros	30.06.2013			30.06.2012		
	France	International	Total	France	International	Total
Individual retirement savings	1,072	184	1,256	1,267	187	1,454
Individual provident insurance	442	59	501	435	61	496
Individual health insurance	1,165	32	1,197	1,140	38	1,178
Other	97		97	89		89
Individual life and health insurance	**2,777**	**275**	**3,052**	**2,932**	**286**	**3,218**
Group retirement savings	109	22	131	108	34	142
Group provident scheme	280	31	311	287	37	324
Group health	268	14	282	273	15	288
Other	172		172	179		179
Group life and health insurance	**830**	**67**	**897**	**847**	**87**	**934**
Life and health insurance	**3,607**	**342**	**3,949**	**3,779**	**373**	**4,151**
Motor Insurance	1,189	654	1,843	1,183	708	1,891
Other vehicles	91		91	91		91
Home Insurance	743	97	840	702	100	802
Retail and professional property and casualty	267	6	273	251	7	258
Construction	161		161	163		163
Private and professional	**2,451**	**758**	**3,209**	**2,390**	**815**	**3,205**
Fleets	338	7	346	329	11	340
Business and local authorities property	365	93	459	373	98	471
Businesses and local authorities	**704**	**101**	**804**	**702**	**109**	**811**
Agricultural risks	451	86	537	442	72	514
Climate risks	149		149	139		139
Tractors and agricultural equipment	235		235	217		217
Agricultural business segments	**835**	**86**	**921**	**798**	**72**	**870**
Other business segments	170	35	205	124	45	169
Property and casualty insurance	**4,160**	**980**	**5,139**	**4,014**	**1,040**	**5,054**
Total insurance	**7,766**	**1,322**	**9,088**	**7,793**	**1,413**	**9,205**

NOTE 23.2 – ANALYSIS OF PREMIUM INCOME BY BUSINESS

In millions of euros	30.06.2013					30.06.2012				
	Life and health insurance	Property and casualty insurance	Financial and banking activities	Total	% share	Life and health insurance	Property and casualty insurance	Financial and banking activities	Total	% share
France	3,606	4,160	129	7,895	86%	3,779	4,013	134	7,926	85%
Southeast Europe	216	799		1,015	11%	262	846		1,108	12%
Southwest Europe	25	4		28	0%	33	4		37	0%
Central and Eastern Europe	101	177		278	3%	77	190		267	3%
Total	**3,948**	**5,139**	**129**	**9,217**	**100%**	**4,151**	**5,053**	**134**	**9,338**	**100%**

The geographic areas are broken down as follows:

- France
- Southwest Europe: Portugal
- Southeast Europe: Italy, Greece and Turkey
- Central and Eastern European Countries: Bulgaria, Hungary and Romania

NOTE 23.3 – ANALYSIS OF BANKING ACTIVITIES INCLUDED IN PREMIUM INCOME

In millions of euros	30.06.2013			30.06.2012		
	Groupama Banque	Other companies	Total	Groupama Banque	Other companies	Total
Interest and related income	29		29	21		21
Commissions (income)	30	61	91	31	67	98
Gains on financial instruments at fair value through income	7		7	5		6
Gains on available-for-sale financial assets	1	1	2	5	1	6
Income from other activities			1	1	2	3
Total	**68**	**62**	**129**	**63**	**70**	**134**

Banking revenues shown in the combined financial statements correspond 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	30.06.2013			30.06.2012		
	France	International	Total	France	International	Total
Interest on deposits and financial investment income	1,058	124	1,182	1,126	129	1,255
Gains on foreign exchange transactions	11	8	19	1	5	7
Income from differences on redemption prices to be collected (premium/discount)	63	2	65	57	3	60
Revenues from property	69	1	70	93	1	94
Other investment income						
Investment income	**1,201**	**135**	**1,335**	**1,278**	**138**	**1,416**
Interest received from reinsurers	(1)		(1)	(2)		(2)
Losses on foreign exchange transactions	(7)	(9)	(15)	(23)	(5)	(27)
Amortisation of differences in redemption prices (premium/discount)	(81)	(7)	(88)	(58)	(5)	(63)
Depreciation and provisions on real estate	(26)	(1)	(28)	(27)	(1)	(27)
Management expenses	(172)	(5)	(177)	(167)	(6)	(172)
Investment expenses	**(287)**	**(22)**	**(309)**	**(276)**	**(16)**	**(292)**
Held for trading	22	(19)	3	38	(1)	37
Available-for-sale	383	29	412	(427)	(27)	(455)
Held to maturity						
Other	10	7	16	568	7	574
Capital gains (losses) from sales of investments, net of impairment reversals and write-backs	**414**	**17**	**431**	**178**	**(21)**	**156**
Held for trading	(43)	(6)	(49)	71	16	86
Derivatives	38	0	39	(76)	(1)	(77)
Adjustments on unit-linked policies	(26)	9	(16)	142	11	153
Change in fair value of financial instruments recorded at fair value through profit or loss	**(31)**	**4**	**(27)**	**137**	**26**	**163**
Available-for-sale	(11)	(8)	(19)	(83)	(9)	(92)
Held to maturity						
Receivables and loans	2		2	2		2
Change in impairment of financial instruments	**(9)**	**(8)**	**(17)**	**(81)**	**(9)**	**(90)**
Total	**1,288**	**125**	**1,413**	**1,236**	**118**	**1,353**

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

In millions of euros	30.06.2013					30.06.2012				
	Income and expenses	Proceeds of disposal (*)	Change in fair value	Change in reserves	Total	Income and expenses	Proceeds of disposal (*)	Change in fair value	Change in reserves	Total
Property	70	16			86	94	575			669
Equities	115	24			139	132	(406)			(274)
Bonds	999	293	5		1,297	1,087	5	(16)		1,076
Equity mutual funds	24	55	(3)		76	17	(28)	13		2
Cash UCITS: repurchase transactions		3			3		6	1		7
Other cash UCITS		5			5		8	2		10
Bond mutual funds	41	6	(46)		1	25	6	86		117
Interest on cash deposits	3				3	5				5
Other investment income	83	29	33	(17)	128	56	(10)	(76)	(90)	(120)
Investment income	**1,335**	**431**	**(11)**	**(17)**	**1,738**	**1,416**	**156**	**10**	**(90)**	**1,492**
Internal and external management expenses and other financial expenses	(159)				(159)	(159)				(159)
Other investment expenses	(150)				(150)	(133)				(133)
Investment expenses	**(309)**				**(309)**	**(292)**				**(292)**
Financial income net of expenses	**1,026**	**431**	**(11)**	**(17)**	**1,429**	**1,124**	**156**	**10**	**(90)**	**1,200**
Capital gains on securities representative of unit-linked policies			192		192			229		229
Capital losses on securities representative of unit-linked policies			(208)		(208)			(76)		(76)
Total investment income net of management expenses	**1,026**	**431**	**(27)**	**(17)**	**1,413**	**1,124**	**156**	**163**	**(90)**	**1,353**

(*) Net of write-backs of impairment and amortisation

Investment income net of management expenses increased by €60 million, due mainly to the following:

- the €98 million reduction in financial revenue, including €24 million on properties, €10 million on equities and equity mutual funds, and €72 million on bonds and fixed-income mutual funds,
- the €275 million net increase in realised gains net of impairment write-backs,
- the €190 million fall in the change in fair values, including €169 million on securities representative of unit-linked policies,
- the reduction in provisions for impairment recognised in the period.

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

In millions of euros	30.06.2013					30.06.2012				
	Income and expenses	Proceeds of disposal (*)	Change in fair value	Change in reserves	Total	Income and expenses	Proceeds of disposal (*)	Change in fair value	Change in reserves	Total
Property	70	10			80	93	568			661
Equities	113	43			156	127	(403)			(276)
Bonds	886	286	7		1,179	972	30	(17)		985
Equity mutual funds	23	55	1		79	16	(28)	5		(7)
Cash UCITS: repurchase transactions		3			3		6	1		7
Other cash UCITS		5			5		8	2		10
Bond mutual funds	36	6	(46)		(4)	25	7	86		118
Interest on cash deposits	1				1					0
Other investment income	72	7	33	(9)	103	44	(10)	(81)	(81)	(128)
Investment income	**1,201**	**415**	**(5)**	**(9)**	**1,602**	**1,277**	**178**	**(4)**	**(81)**	**1,370**
Internal and external management expenses and other financial expenses	(155)				(155)	(155)				(155)
Other investment expenses	(132)				(132)	(121)				(121)
Investment expenses	**(287)**				**(287)**	**(276)**				**(276)**
Financial income net of expenses	**914**	**415**	**(5)**	**(9)**	**1,315**	**1,001**	**178**	**(4)**	**(81)**	**1,094**
Capital gains on securities representative of unit-linked policies			178		178			212		212
Capital losses on securities representative of unit-linked policies			(204)		(204)			(70)		(70)
Total investment income net of management expenses	**914**	**415**	**(31)**	**(9)**	**1,289**	**1,001**	**178**	**138**	**(81)**	**1,236**

(*) Net of write-backs of impairment and amortisation

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

In millions of euros	30.06.2013					30.06.2012				
	Income and expenses	Proceeds of disposal (*)	Change in fair value	Change in reserves	Total	Income and expenses	Proceeds of disposal (*)	Change in fair value	Change in reserves	Total
Property		6			6	1	7			8
Equities	2	(19)			(17)	5	(3)			2
Bonds	114	8	(1)		121	115	(25)	1		91
Equity mutual funds	1	(1)	(4)		(4)	1		8		9
Cash UCITS: repurchase transactions					0					
Other cash UCITS					0					
Bond mutual funds	5				5		(1)			(1)
Interest on cash deposits	2				2	5				5
Other investment income	10	22		(7)	25	12		5	(9)	8
Investment income	**134**	**16**	**(5)**	**(7)**	**138**	**139**	**(22)**	**14**	**(9)**	**122**
Internal and external management expenses and other financial expenses	(5)				(5)	(4)				(4)
Other investment expenses	(18)				(18)	(12)				(12)
Investment expenses	**(23)**				**(23)**	**(16)**				**(16)**
Investment income, net of expenses	**111**	**16**	**(5)**	**(7)**	**115**	**123**	**(22)**	**14**	**(9)**	**106**
Capital gains on securities representative of unit-linked policies			14		14			17		17
Capital losses on securities representative of unit-linked policies			(4)		(4)			(6)		(6)
Total investment income net of management expenses	**111**	**16**	**5**	**(7)**	**125**	**123**	**(22)**	**25**	**(9)**	**117**

(*) Net of write-backs of impairment and amortisation

NOTE 25 – INSURANCE POLICY SERVICING EXPENSES

NOTE 25.1 - INSURANCE POLICY SERVICING EXPENSES - BY OPERATING SEGMENT

In millions of euros	30.06.2013			30.06.2012		
	France	International	Total	France	International	Total
Claims						
Paid to policyholders	(5,060)	(981)	(6,041)	(5,704)	(1,052)	(6,756)
Change in actuarial reserves						
Outstanding claims reserves	143	(54)	89	230	25	255
Actuarial reserves	730	68	798	1,021	126	1,147
Unit-linked reserves	8	68	76	(188)	(14)	(202)
Profit-sharing	(814)	(47)	(861)	(572)	(76)	(648)
Other technical reserves	(208)	(6)	(214)	(99)	5	(94)
Total	**(5,201)**	**(952)**	**(6,153)**	**(5,312)**	**(986)**	**(6,298)**

NOTE 26 - EXPENSES AND INCOME NET OF OUTWARD REINSURANCE

NOTE 26.1 EXPENSES AND INCOME NET OF OUTWARD REINSURANCE - BY OPERATING SEGMENT

In millions of euros	30.06.2013			30.06.2012		
	France	International	Total	France	International	Total
Acquisition and administration expenses	62	37	98	111	57	168
Claims charge	179	71	249	313	120	433
Change in technical reserves	10		10	8		9
Profit-sharing		1	1		1	1
Change in the equalisation reserve						
Income from outward reinsurance	**250**	**108**	**358**	**432**	**178**	**610**
Outward premiums	(405)	(173)	(579)	(601)	(250)	(851)
Change in unearned premiums	(1)	27	25	4	20	23
Expenses on outward reinsurance	**(407)**	**(147)**	**(553)**	**(597)**	**(231)**	**(828)**
Total	**(157)**	**(38)**	**(195)**	**(165)**	**(53)**	**(218)**

The changes in the period 30 June 2012 to 30 June 2013 mainly stem from changes in reinsurance conditions.

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	30.06.2013			30.06.2012		
	France	International	Total	France	International	Total
Income from non-current operations	17	1	18	7	4	10
Exceptional expenses from non-current operations	(64)	(17)	(81)	(29)	(28)	(56)
Provision for impairment of goodwill					(66)	(66)
Other				151		151
Total	**(46)**	**(17)**	**(63)**	**129**	**(90)**	**39**

Other net income and expenses from non-current operations amounted to a loss of €(63 million) as at 30 June 2013, compared with a profit of €39 million at 30 June 2012.

The main items comprising this total include:

- impairment on value of in-force business totalling €(15 million) as at 30 June 2012, compared with €(16 million) at 30 June 2012;
- negative restructuring costs of €(10 million) at 30 June 2013 versus €(9 million) at 30 June 2012.

It should be noted that at 30 June 2012, this item included two once-off transactions: income of positive €151 million from HOLDCO (fully offset by the loss on the disposal of SILIC securities amounting to €(157 million) and €(66 million) in expenses for the impairment of goodwill on cash generating units in Romania and Greece.

NOTE 28 – FINANCING EXPENSES

In millions of euros	30.06.2013	30.06.2012
Interest expenses on loans and debt	(46)	(54)
Interest income and expense - Other		
Total financing expense	**(46)**	**(54)**

Financing expense declined by €8 million at 30 June 2012, mainly due to the €7 reduction in interest related to the credit facility (€150 million reduction in amount outstanding and sharp drop in the Eonia rate).

NOTE 29 - BREAKDOWN OF TAX EXPENSE

NOTE 29.1 - BREAKDOWN OF TAX EXPENSE BY BUSINESS

In millions of euros	30.06.2013			30.06.2012		
	France	Inter-national	Total	France	Inter-national	Total
Current tax	(5)	(30)	(35)	(133)	(8)	(141)
Deferred tax	(2)	18	16	(14)	15	2
Total	**(7)**	**(12)**	**(19)**	**(147)**	**8**	**(139)**

The Group underwent a tax audit in 2010. There are provisions for all approved adjustments. In contrast, reserves have not been recognised for adjustments considered to be excessive by the tax authorities for technical reserves for property and casualty as well as long-term care risk. 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 THE TOTAL ACCOUNTING TAX EXPENSE AND THEORETICAL TAX EXPENSE CALCULATIONS

In millions of euros	30.06.2013	30.06.2012
Theoretical tax expense	**(71)**	**(66)**
Impact of expense or income permanently non-deductible or non-taxable	38	(121)
Impact of differences in tax rate	12	50
Tax credit and various charges		
Charges of prior deficits		
Losses for the year not activated		(2)
Deferred tax assets not accounted for		
Other differences	2	1
Effective tax expense	**(19)**	**(139)**

Income tax is an overall expense (deferred tax plus payroll tax) of €(19) million at 30 June 2013, versus a charge of €(139 million) at 30 June 2012.

The change in the year is chiefly due to the change in "non-deductible and non-taxable income and expense" and "impact of rate differences".

This reduction includes the current tax expense due for the tax consolidation scope of €(2 million) at 30 June 2013, relating to long-term tax at a rate of 15% and long-term tax at 0% on transactions linked to disposals and reserves on equity interests, compared with an expense of €(125 million) at 30 June 2012.

Theoretical tax breaks down as follows:

In millions of euros	30.06.2013		30.06.2012	
	Operating profit before taxes	Theoretical tax expense	Operating profit before taxes	Theoretical tax expense
France	183	34.43%	255	34.43%
Bulgaria	0	10.00%	(1)	10.00%
China	(2)	25.00%	(1)	25.00%
Greece	4	26.00%	5	20.00%
Hungary	2	19.00%	3	19.00%
Italy	22	34.32%	(23)	34.32%
Portugal		26.50%	2	26.50%
Romania	(4)	16.00%	(56)	16.00%
UK	3	23.25%		
Slovakia		19.00%	(2)	19.00%
Tunisia		30.00%	2	30.00%
Turkey	(2)	20.00%	8	20.00%
Total	**206**		**192**	

The theoretical tax rate applicable in France remains at 34.43% and has not been corrected for the extraordinary 5% contributionthat applies to taxable earnings for fiscal years 2011 and 2012 for companies reporting revenue in excess of €250 million.

OTHER INFORMATION

NOTE 30 – COMMITMENTS GIVEN AND RECEIVED

NOTE 30.1 – COMMITMENTS GIVEN AND RECEIVED - BANKING SECTOR

In millions of euros	30.06.2013	31.12.2012
Financing commitments received		
Guarantee commitments received	517	459
Securities commitments receivable	11	
Total banking commitments received	**528**	**459**
Commitments received on currency transactions		25
Other commitments received		
Total of other banking commitments received		**25**
Financing commitments given	510	221
Guarantee commitments given	52	61
Commitments on securities to be delivered	2	
Total banking commitments given	**565**	**282**
Commitments given on currency transactions		25
Commitments given on financial instrument transactions		
Total other commitments given for banking activity		**25**
Other commitments given	552	370
Total of other banking commitments given	**552**	**370**

Off-balance sheet commitments received on banking business amounted to €528 million. The position for cash foreign exchange transactions at 30 June 2013 was not significant.

Commitments given amounted to €565 million and concern commitments to customers in particular.

Other commitments were given for a total of €552 million, representing the amount of eligible securities not yet mobilised pledged against potential drawing of assets, in the context of refinancing through the ECB. This amount was €370 million at 31 December 2012.

NOTE 30.2 – COMMITMENTS GIVEN AND RECEIVED - INSURANCE AND REINSURANCE ACTIVITIES

In millions of euros	30.06.2013	31.12.2012
Endorsements, securities and guarantees received	475	479
Other commitments received	429	427
Total commitments received excluding reinsurance	**904**	**906**
Commitments received for reinsurance	**436**	**473**
Endorsements, securities and guarantees given	402	413
Other commitments relating to stock, assets or revenue	432	433
Other commitments given	77	21
Total commitments given excluding reinsurance	**911**	**867**
Reinsurance commitments given	**2,658**	**2,734**
Securities belonging to protection institutions		
Other securities held on behalf of third parties	**1**	

Endorsements, securities and guarantees received stood at €475 million and primarily comprise commitments received as a result of the acquisition of Asiban (€88 million) and the OTP Bank's insurance subsidiaries (€294 million).

Other **commitments received excluding reinsurance** largely comprise the following items:

- commitments in conjunction with company acquisitions and disposals of €50 million: liability guarantees received totalling €50 million on the acquisition of Nuova Tirrena,
- the credit facility subscribed for €1 billion through a consortium of banks, from which Groupama SA drew €650 million.

Endorsements, securities and guarantees given amounted to €402 million and are broken down into the following major transactions:

- a guarantee valued at €55 million given in conjunction with Gan UK's sale of Minster Insurance Company Limited (MICL). This company was sold during fiscal year 2006;
- guarantee given as part of the sale of Groupama Insurance for €216 million;
- guarantee given as part of the sale of Gan Eurocourtage for €56 million;

Other commitments on securities, assets or income

Other commitments on securities, assets or income consist of subscriptions to venture capital funds ("FCPR"). The balance of €432 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 amount to €77 million and mainly comprise assets pledged with respect to insurance commitments on the subsidiary Groupama Sigorta.

Unvalued commitments

Trigger clauses:

Groupama SA:

As part of issues of subordinated bonds (redeemable subordinatedbonds and perpetual subordinated bonds), Groupama SA benefits from trigger clauses:

Groupama SA has the option to defer payment of the interest on the €750 million October 2009 redeemable subordinated security (TSR) issue should the Group's solvency margin fall below 100%.

In conjunction with the issue of perpetual subordinated bonds (TSDI) of €500 million, Groupama SA also has the option of deferring payment of interest on TSDI should the hedge of the Group solvency margin fall below 150%. The Group has not used this option and paid the coupon on 6 July 2012.

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 MAIN CHANGES IN SCOPE

The main changes in the consolidation scope are as follows:

Newly consolidated entities

None

Elimination from the scope of consolidation

A sale agreement was concluded for Groupama Private Equity, which was eliminated from the scope of consolidation effective on 1 January 2013.

CNF was the subject of a short-form merger with Groupama Gan Vie.

Transfer of business

None

	Business segment	Country	30.06.2013			31.12.2012		
			% 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-Guyanes	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-Guyanes	Insurance	France	-	-	A	-	-	A
CLAMA Océan Indien et Pacifique	Insurance	France	-	-	A	-	-	A
GIE GROUPAMA Supports et Services	EIG	France	100.00	99.94	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	99.78	99.73	FC	99.78	99.72	FC
ASSUVIE	Insurance	France	50.00	49.97	FC	50.00	49.97	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	26.87	EM	26.89	26.87	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	98.81	98.76	FC	98.81	98.76	FC
GROUPAMA SIGORTA EMEKLILIK	Insurance	Turkey	100.00	99.43	FC	90.89	90.32	FC
GROUPAMA Investment BOSPHORUS	Holding	Turkey	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA POISTOVNA SLOVAQUIE	Insurance	Slovakia	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA ZIVOTNA SLOVAQUIE	Insurance	Slovakia	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 GARANCIA 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	49.97	EM	50.00	49.97	EM
GUK BROKING SERVICES	Holding	UK	100.00	99.95	FC	100.00	99.95	FC
CAROLE NASH	Ins. brokerage	UK	100.00	99.95	FC	100.00	99.95	FC
BOLLINGTON LIMITED	Ins. brokerage	UK	49.00	48.98	EM	100.00	99.95	FC
HALVOR	Ins. brokerage	UK				100.00	99.95	FC
COMPUCAR LIMITED	Ins. brokerage	UK	100.00	99.95	FC	100.00	99.95	FC
GROUPAMA ASSICURAZIONI	Insurance	Italy	100.00	99.95	FC	100.00	99.95	FC

A: Aggregation FC: Full consolidation EM: Equity method

	Business segment	Country	30.06.2013			31.12.2012		
			% control	% interest	Method	% control	% interest	Method
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	99.40	FC	100.00	99.40	FC
GROUPAMA PRIVATE EQUITY	Asset management	France				100.00	99.40	FC
GROUPAMA BANQUE	Bank	France	99.45	99.40	FC	99.45	99.40	FC
GROUPAMA EPARGNE SALARIALE	Asset management	France	100.00	99.40	FC	100.00	99.40	FC
GROUPAMA IMMOBILIER	Asset management	France	100.00	99.40	FC	100.00	99.40	FC
HOLDCO	Property	France	24.93	24.92	EM	24.93	24.92	EM
COMPAGNIE FONCIERE PARISIENNE	Property	France	99.97	99.92	FC	99.97	99.92	FC
SCI DEFENSE ASTORG	Property	France	100.00	99.92	FC	100.00	99.92	FC
GAN FONCIER II	Property	France	100.00	99.95	FC	100.00	99.95	FC
IXELLOR	Property	France	100.00	99.95	FC	100.00	99.95	FC
79 CHAMPS ELYSÉES	Property	France	100.00	99.95	FC	100.00	99.95	FC
CNF	Property	France				100.00	99.95	FC
RENNES VAUGIRARD	Property	France	100.00	99.95	FC	100.00	99.95	FC
SOCIETE FORESTIERE GROUPAMA	Property	France	100.00	99.95	FC	100.00	99.95	FC
OPCI OFI GB2	Mutual fund	France	100.00	99.92	FC	100.00	99.92	FC
SCI GAN FONCIER	Property	France	100.00	98.87	FC	100.00	98.87	FC
VICTOR HUGO VILLIERS	Property	France	100.00	98.87	FC	100.00	98.64	FC
1 BIS FOCH	Property	France	100.00	98.87	FC	100.00	98.84	FC
SCI TOUR GAN	Property	France	100.00	98.87	FC	100.00	98.80	FC
16 MESSINE	Property	France	100.00	98.87	FC	100.00	98.84	FC
40 RENE BOULANGER	Property	France	100.00	98.87	FC	100.00	98.84	FC
9 MALESHERBES	Property	France	100.00	98.87	FC	100.00	98.84	FC
97 VICTOR HUGO	Property	France	100.00	98.87	FC	100.00	98.84	FC
44 THEATRE	Property	France	100.00	98.87	FC	100.00	98.84	FC
261 RASPAIL	Property	France	100.00	99.92	FC	100.00	99.92	FC
5/7 PERCIER (SASU)	Property	France	100.00	99.95	FC	100.00	99.95	FC
GAN INVESTISSEMENT FONCIER	Property	France	100.00	99.95	FC	100.00	99.95	FC
SCA CHATEAU D'AGASSAC	Property	France	100.00	99.99	FC	100.00	99.98	FC
LES FRERES LUMIERE	Property	France	100.00	99.95	FC	100.00	99.95	FC
CAP DE FOUSTE (SCI)	Property	France	100.00	99.97	FC	100.00	99.96	FC
150 RENNES (SCI)	Property	France	100.00	99.95	FC	100.00	99.95	FC
DOMAINE DE NALYS	Property	France	100.00	99.95	FC	100.00	99.95	FC
99 MALESHERBES (SCI)	Property	France	100.00	99.95	FC	100.00	99.95	FC
3 ROSSINI (SCI)	Property	France	100.00	99.95	FC	100.00	99.95	FC
CHAMALIERES EUROPE (SCI)	Property	France	100.00	99.95	FC	100.00	99.95	FC
102 MALESHERBES (SCI)	Property	France	100.00	99.95	FC	100.00	99.95	FC
PARIS FALGUIERE (SCI)	Property	France	100.00	99.95	FC	100.00	99.95	FC
DOMAINE DE FARES	Property	France	50.00	49.98	EM	50.00	49.98	EM
12 VICTOIRE (SCI)	Property	France	100.00	99.95	FC	100.00	99.95	FC
LABORIE MARCENAT	Property	France	74.10	74.07	EM	74.10	74.05	EM
SCIMA GFA	Property	France	100.00	99.95	FC	100.00	99.95	FC
38 LE PELETIER (SCI)	Property	France	100.00	99.95	FC	100.00	99.95	FC
SCI CHATEAU D'AGASSAC	Property	France	100.00	100.00	FC	100.00	100.00	FC
SA SIRAM	Property	France	90.07	90.07	FC	90.07	90.07	FC
GROUPAMA PIPACT	Property	France	100.00	99.95	FC	100.00	99.95	FC
FRANCE-GAN I D	Mutual fund	France	45.21	45.21	EM	42.91	42.89	EM
GROUPAMA CREDIT EURO LT I C	Mutual fund	France	64.79	64.37	FC	64.40	64.37	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 10 FCP	Mutual fund	France	99.83	99.78	FC	99.83	99.76	FC
WASHINGTON EURO NOURRI 9 FCP	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
WASHINGTON EURO NOURRI 8 FCP	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
WASHINGTON EURO NOURRI 7 FCP	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	100.00	99.95	FC
WASHINGTON EURO NOURRI 5 FCP	Mutual fund	France	83.33	83.29	FC	83.33	83.29	FC
WASHINGTON EURO NOURRI 4 FCP	Mutual fund	France	99.62	99.57	FC	99.62	99.57	FC

A: Aggregation FC: Full consolidation EM: Equity method

	Business segment	Country	30.06.2013			31.12.2012		
			% control	% interest	Method	% control	% interest	Method
WASHINGTON EURO NOURRI 3 FCP	Mutual fund	France	99.62	99.57	FC	99.62	99.57	FC
WASHINGTON EURO NOURRI 2 FCP	Mutual fund	France	83.33	83.29	FC	83.33	83.29	FC
WASHINGTON EURO NOURRI 1 FCP	Mutual fund	France	99.89	99.84	FC	99.89	99.81	FC
GROUPAMA INDEX INFLATION EURO I D	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
WASHINGTON EURO NOURRI 13 FCP	Mutual fund	France	100.00	99.95	FC	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
GROUPAMA CONVERTIBLES I D	Mutual fund	France	99.54	99.49	FC	99.53	99.48	FC
GROUPAMA ENTREPRISES IC C	Mutual fund	France	24.40	24.39	EM	25.24	25.23	EM
GROUPAMA CREDIT EURO I C	Mutual fund	France	89.83	89.78	FC	79.46	79.42	FC
GROUPAMA CREDIT EURO I D	Mutual fund	France	60.35	60.32	FC	60.35	60.32	FC
WASHINGTON EURO NOURRI 11 FCP	Mutual fund	France	80.00	79.96	FC	80.00	79.96	FC
WASHINGTON EURO NOURRI 12 FCP	Mutual fund	France	100.00	99.95	FC	100.00	99.95	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	69.78	68.74	FC	68.71	68.67	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	100.00	99.95	FC	100.00	99.95	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
WASHINGTON EURO NOURRI 25 FCP	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
WASHINGTON EURO NOURRI 26 FCP	Mutual fund	France	88.89	88.84	FC	88.89	88.84	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	53.23	53.20	FC	66.51	66.48	FC
GROUPAMA FP DETTE EMERGENTE	Mutual fund	France	92.21	92.16	FC	92.22	92.17	FC
ASTORG PENSION C	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
ASTORG CASH MA C	Mutual fund	France	97.07	99.02	FC	99.08	99.03	FC
ASTORG CASH MT C	Mutual fund	France	97.03	96.98	FC	99.69	99.64	FC
ASTORG CASH G C	Mutual fund	France	98.41	98.36	FC	99.25	99.20	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
GROUPAMA MONETAIRE ETAT G C	Mutual fund	France	100.00	99.95	FC	100.00	99.95	FC
ASTORG THESSALONIQUE 1 D	Mutual fund	France	99.94	99.89	FC	99.94	99.89	FC
ASTORG THESSALONIQUE 2 D	Mutual fund	France	99.98	99.93	FC	99.98	99.93	FC
ASTORG THESSALONIQUE 3 D	Mutual fund	France	99.96	99.91	FC	99.96	99.91	FC
ASTORG THESSALONIQUE 4 D	Mutual fund	France	99.98	99.93	FC	99.98	99.93	FC
ASTORG THESSALONIQUE 5 D	Mutual fund	France	99.98	99.93	FC	99.98	99.93	FC
ASTORG MONETAIRE C	Mutual fund	France	100.00	99.95	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 the item "investment property" and reclassifying in the income statement the dividends or share in the results of the companies on the "Property income" line item.