



2010 Annual Results



Press Presentation
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Groupama

Summary

Introduction

Jean-Luc Baucherel
Chairman of Groupama

2010 Key Events

Jean Azéma
CEO

2010 Results and Balance Sheet

Christian Collin
Chief Financial & Risk
Officer

Outlook

Jean Azéma
CEO

Introduction

by Jean-Luc Baucherel

Chairman of Groupama



Introduction

- ▶ 2010: Solid growth in an adverse environment

- ▶ Groupama's mobilisation during the exceptional storms of 2010
 - Our values in action: local presence, responsibility and solidarity

- ▶ A year which confirmed the Group's main strategic policies

2010 Key Events

by Jean Azéma

Chief Executive Officer of Groupama



An especially difficult year in 2010 for the European insurance industry



Economic and financial environment

- ▶ Sluggish economic growth in the Euro zone
- ▶ Tensions over sovereign debt
- ▶ Equities markets in decline

Technical environment

- ▶ Exceptional weather events (Xynthia storm, floods in the Var [France], Hungary)...
- ▶ ... and deterioration in current claims experience in motor and home insurance

Regulatory environment

- ▶ Continued uncertainty about the new Solvency II prudential standards (regulations selected, timetable)
- ▶ Changes in the estate tax regime in France

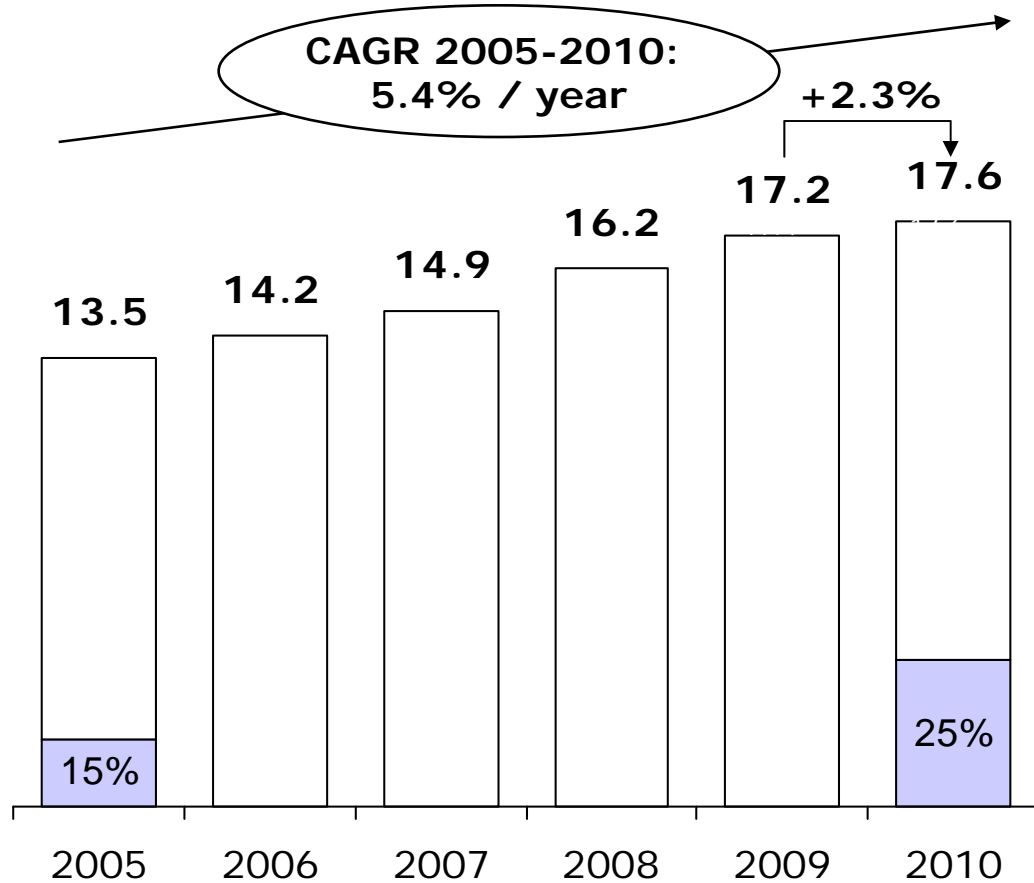
Groupama's 2010 Results

	Group	Groupama SA
PREMIUM INCOME	€17.6 billion +2.3% (like-for-like)	€14.7 billion +2.3% (like-for-like)
COMBINED RATIO	104.9% -1 point 102.6% (excl. Xynthia)	103.2% -1.5 point 101.4% (excl. Xynthia)
NET PROFIT	€398 million	€387 million

Solid growth momentum that continued in 2010 (1/2)

Group premium income (€billions)

Combined premium income on a like-for-like basis



Comments

Insurance – France

- ▶ +2.8% in Property and Casualty insurance: market share gains and growth ahead of the market
- ▶ +0.5% in Life and Health insurance: a stable year after exceptional net inflows in 2009

Insurance – International

- ▶ Steady growth often surpassing the market in our key countries:
 - +4.4% in Property and Casualty insurance
 - +8.1% in Life and Health insurance

Share of International premium income in total premium income

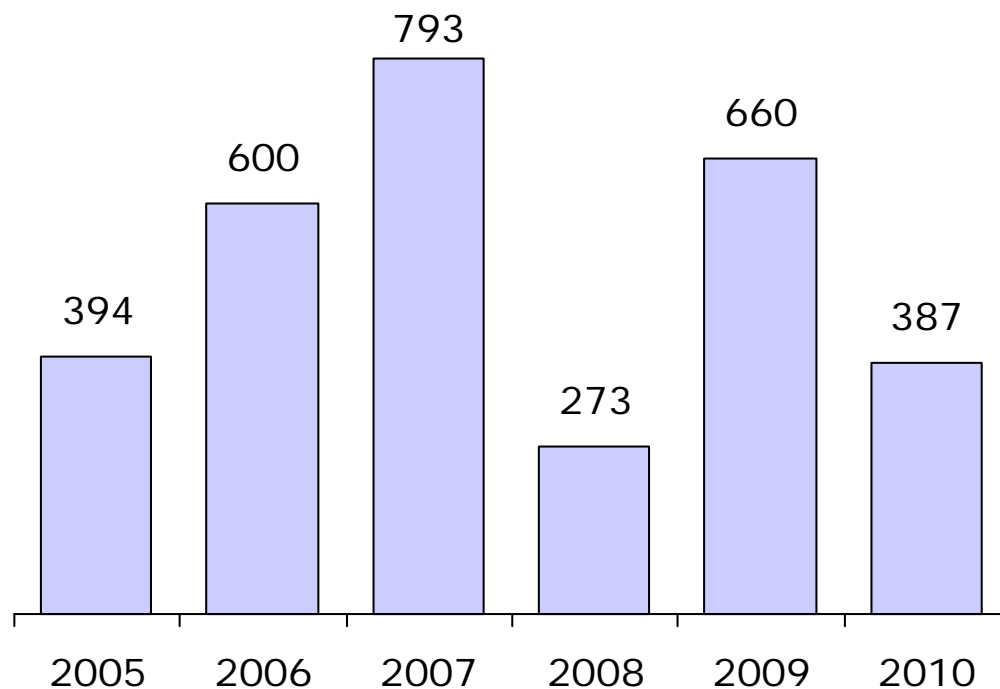


Solid growth momentum that continued in 2010 (2/2)

- ▶ Reputation (Groupama brand building, relaunch of the Gan brand and sponsorships)
- ▶ Direct sales (groupama.fr, amaguiz.com)
- ▶ Branch openings in urban centres
- ▶ Partnerships in France and abroad

Net profit of nearly €400 million in a difficult economic cycle

Groupama SA consolidated net profit (€millions)





In 2010, a remarkable mobilisation of Group employees

- ▶ Group HR barometer in 2010:
 - ▶ 76% participation rate (or 30,000 employees), up 2 points from the 2008 barometer
 - ▶ Confidence in the Group's future: 89% (+6 points)
 - ▶ Leading value associated with the Group's culture: Performance
- ▶ Groupama is the largest insurance recruiter in France: 3,200 recruitments in 2010; more than 2,000 permanent contracts
- ▶ 1,600 people recruited in international subsidiaries

2010 Results and Balance Sheet

by Christian Collin

Chief Financial and Risk Officer

Groupama SA Financial
Statements



Groupama

Groupama SA Key Figures

(€ millions)	Groupama SA consolidated figures	
Insurance premium income France	10,032	+1.2%
Insurance premium income International business	4,349	+2.1% ^(*)
Asset Management and Financial business	278	-3.7%
TOTAL Premium Income	14,659	+1.4% ^(**)
Operating income⁽¹⁾	117	-67.3%
Combined ratio (Property and Casualty)	103.2%	-1.5 pt
<i>excl. storms</i>	101.4%	-
NET PROFIT	387	-41.4%
Shareholders' equity	4,268	-6.6%
Group statutory solvency margin ⁽²⁾	130%	-50 pts
Unrealised capital gains/losses ⁽³⁾	701	-73.9%
Debt/equity ratio (excl. Silic)	23.4%	-8.0 pts
ROE (excl. fair value effect) ⁽⁴⁾	9.7%	-7.2 pts

⁽¹⁾ Economic operating income

⁽²⁾ Under Solvency I

⁽³⁾ Amount attributable to shareholders: €460 million in 2010 versus €970 million in 2009

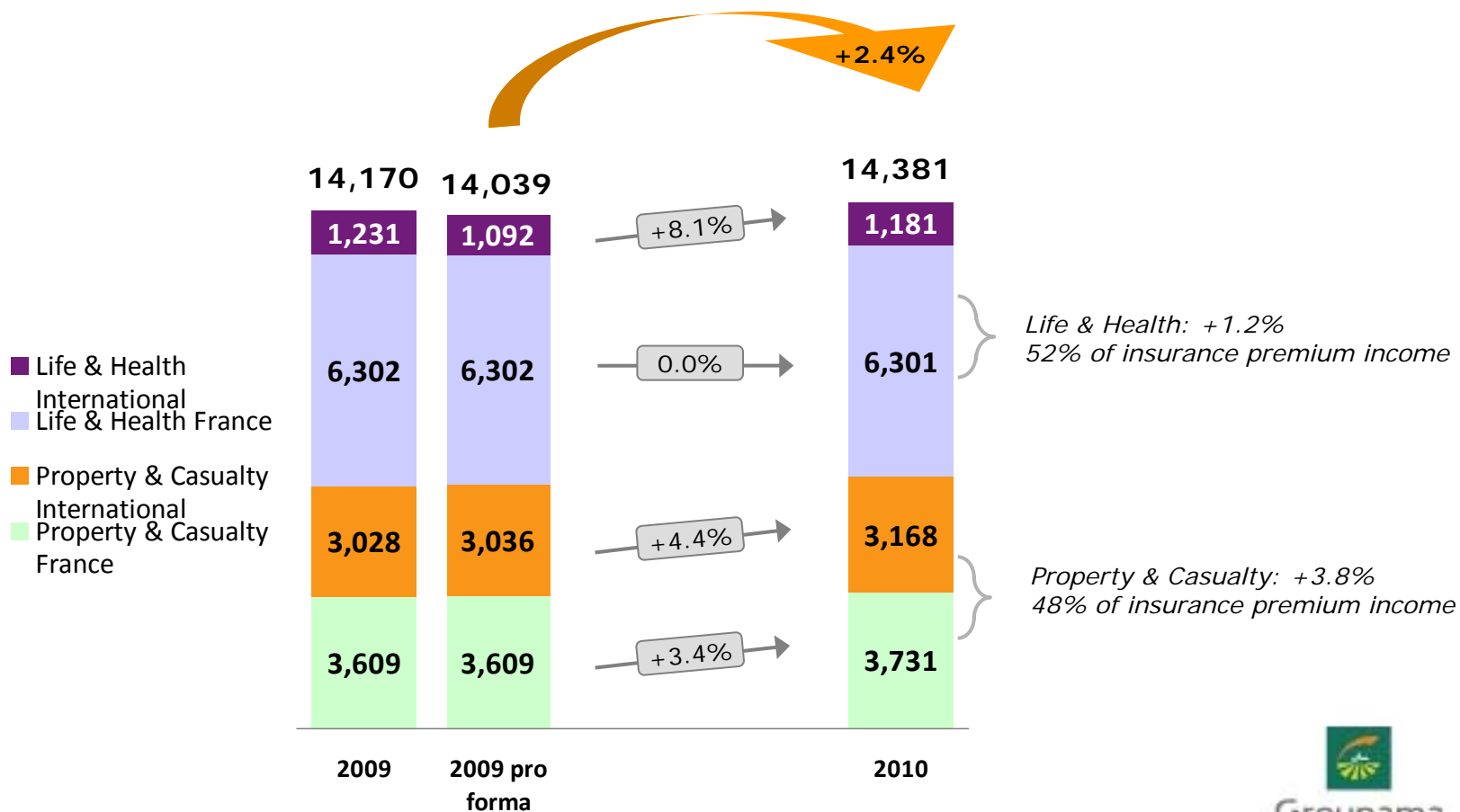
⁽⁴⁾ On average shareholders' equity

^(*) +2.1% on a reported basis and +5.4% on a like-for-like basis

^(**) +1.4% on a reported basis and +2.3% on a like-for-like basis

Insurance premium income up 2.4%

Breakdown of premium income (€ millions)

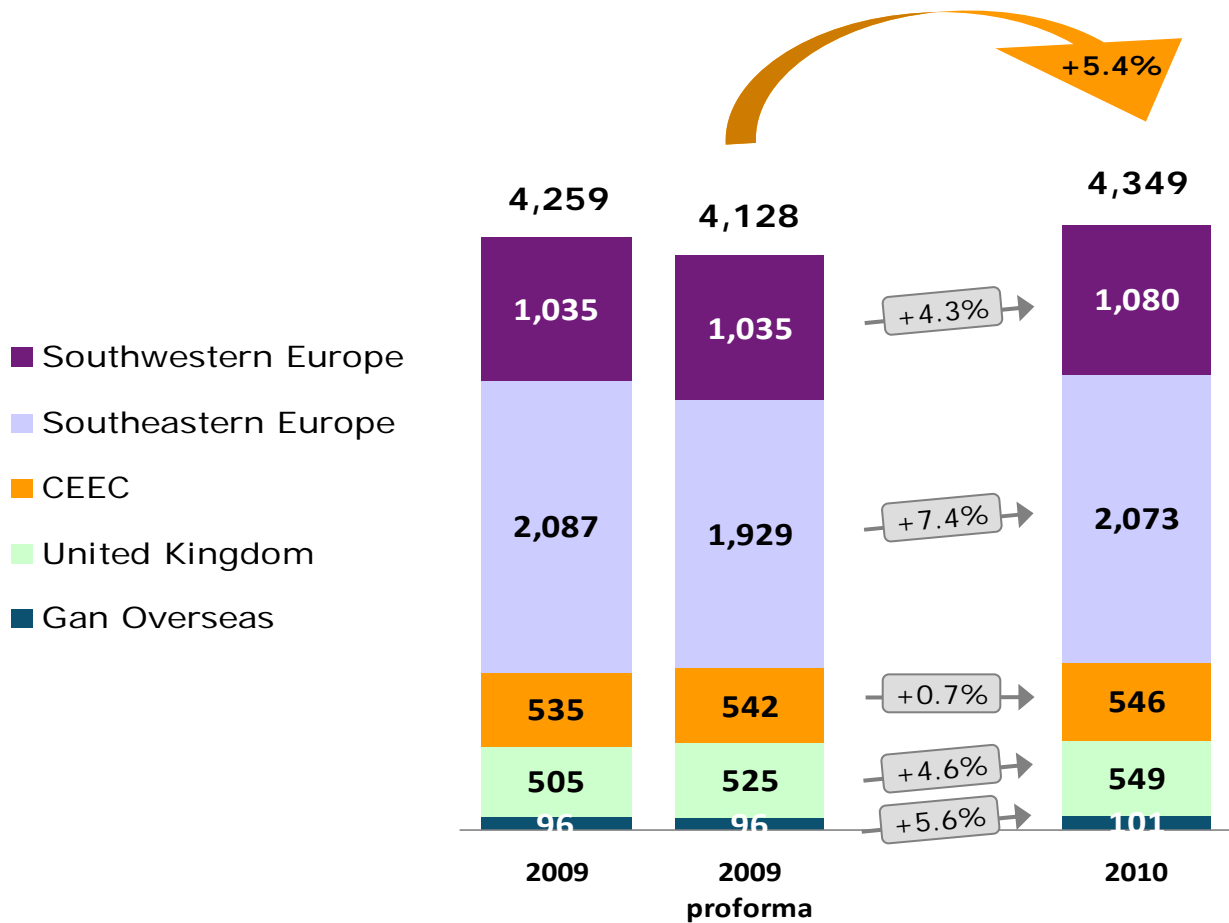


2009 pro forma calculated on 2010 like-for-like basis (constant consolidation and exchange rate)

International business

Outperforming the market in a complex environment

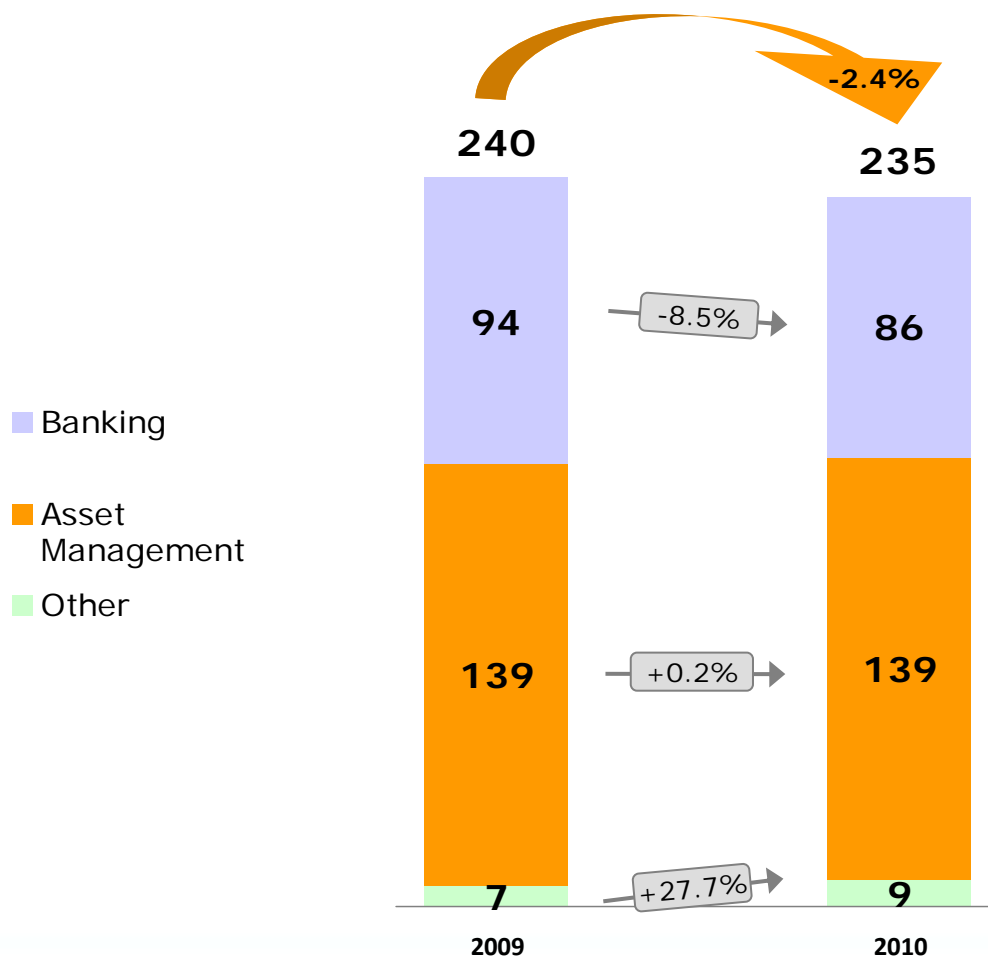
Geographical breakdown of International premium income (€ millions)



Banking & Financial business:

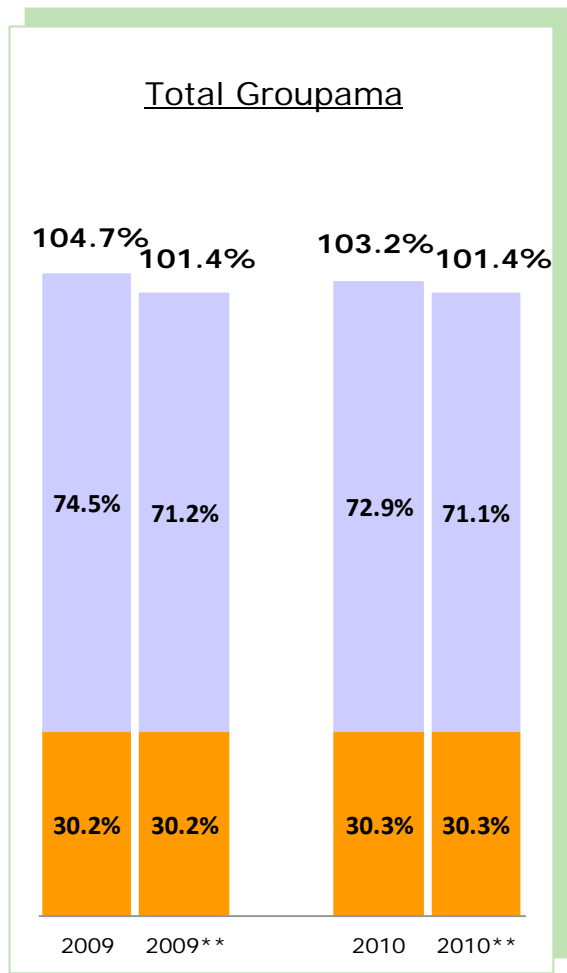
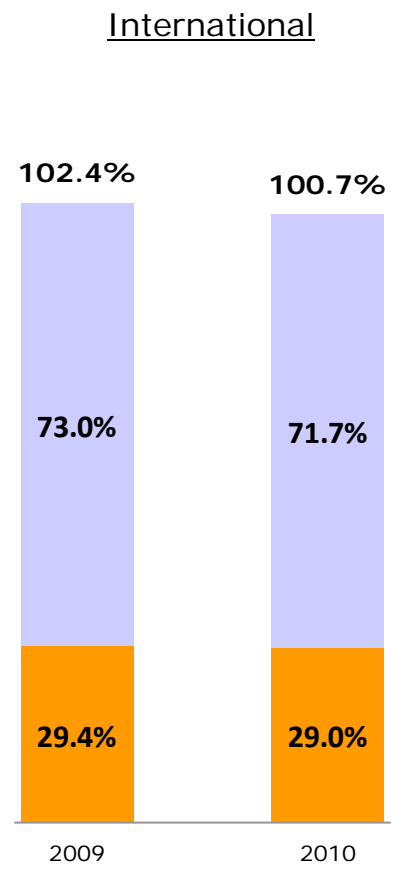
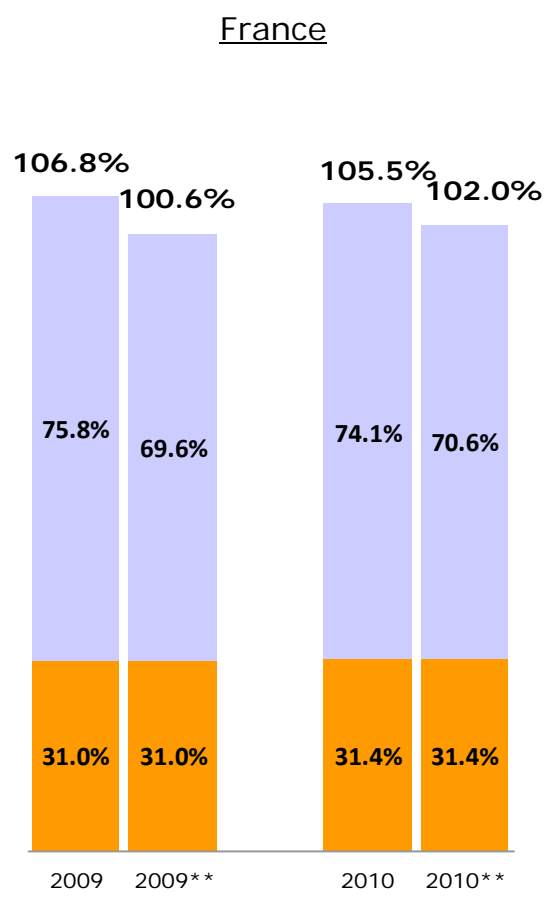
Net banking income stable at above €200 million

Breakdown of net banking income (€ millions)



Property & Casualty combined ratio*

A ratio affected by storms in France and significantly improved in International



*Combined ratio = (net claims incurred + operating expenses)/net earned premiums
 **Excl. storms

Life & Health profitability

Resistance of
Embedded
Value in 2010

€ millions	2010	2009	Change
European Embedded Value (EEV) *	3,280.8	4,008.6	-727.8
New Business Value (NBV)	28.0	75.3	-62.8%
APE (1)	770.4	739.2	4.2%
PVNBP (2)	6,374.73	6,175.13	3.2%
NBV/PVNBP	0.4%	1.2%	-0.8%

* 2009 reported EEV: 4,176

(1) APE = 10% of single premiums and 100% of regular premiums

(2) PVNBP: present value of projected new business premiums

Competitive
profit-sharing
rates

- ▶ Return on policies largely positive (3.35%)
Significantly above that offered by regulated products (Livret A" savings account: 1.46% on average for the year)
- ▶ True across all products

Substantial net profit, close to €400 million

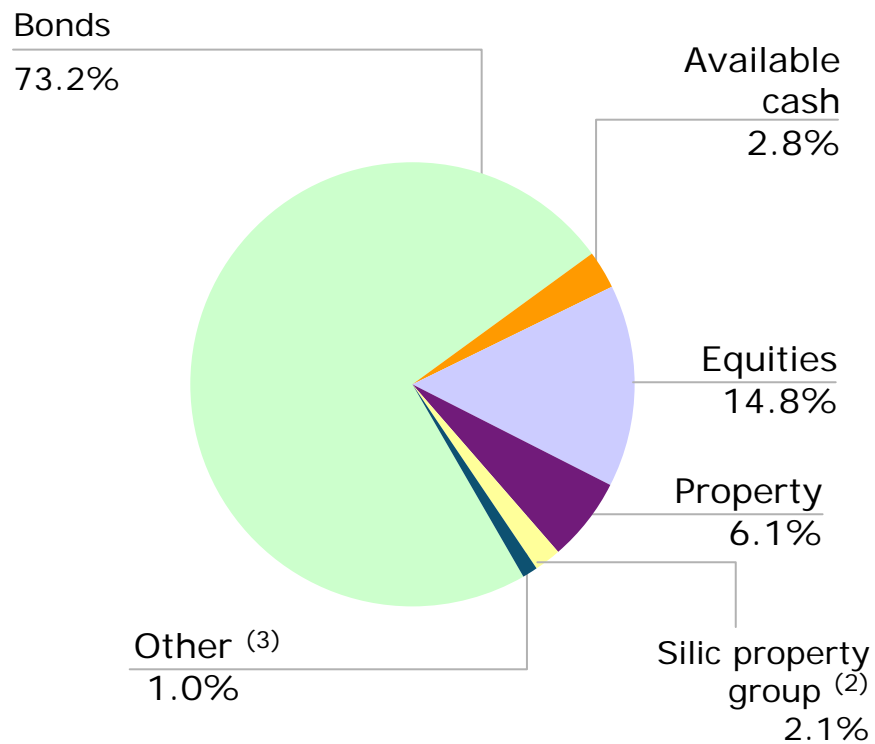
(€ millions)	2009	2010	Change
Operating income excluding storms ⁽¹⁾	489	192	-60.7 %
Storms	-131	-75	NA
Economic operating income	358	117	-67.3%
Net realised capital gains ⁽²⁾	520	220	€300m
Impairment losses on financial instruments ⁽²⁾	-22	-109	€87m
Gains or losses on financial assets recognised at fair value ⁽²⁾	17	-18	€35m
Other income and expenses	-214	178	€392m
Net profit	660	387	-41.4%

⁽¹⁾ Profit from operations

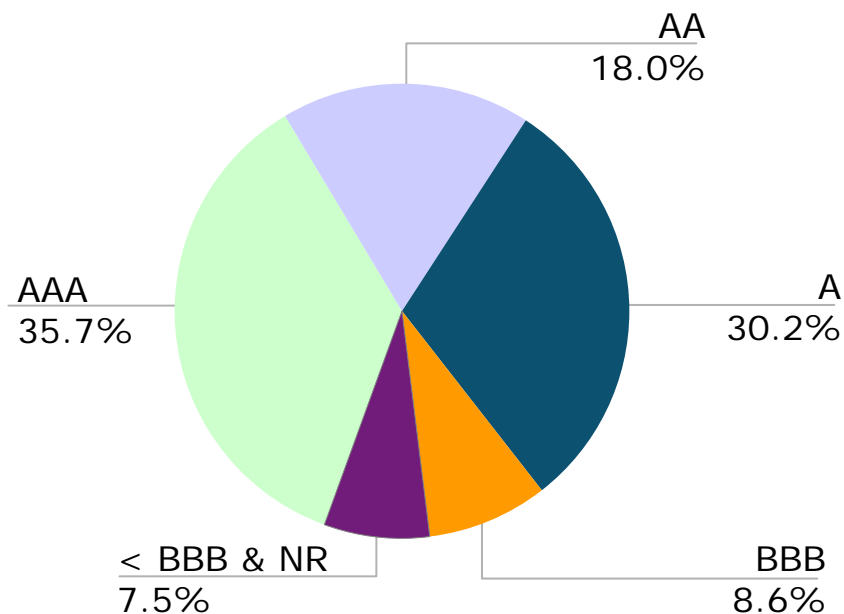
⁽²⁾ After profit-sharing and corporation tax

Asset Portfolio

Asset portfolio breakdown⁽¹⁾



Bond portfolio breakdown⁽⁴⁾



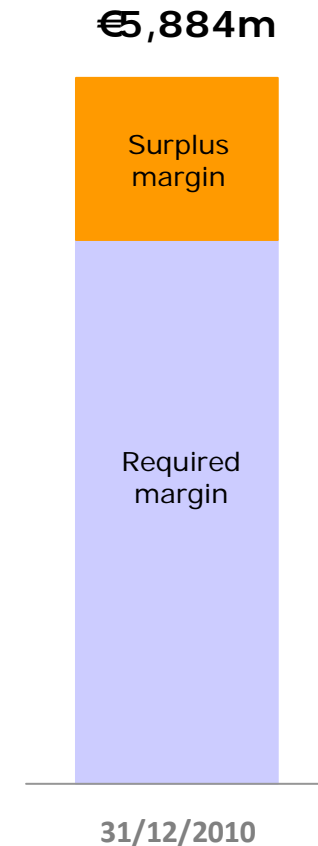
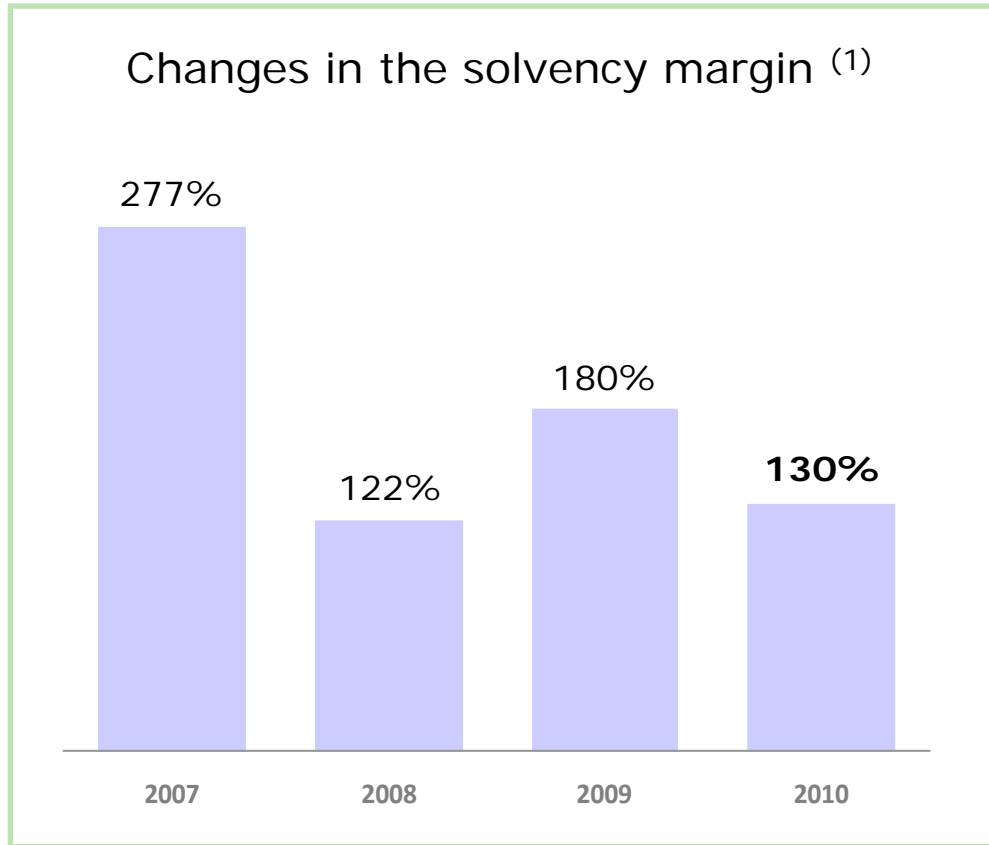
⁽¹⁾ At market value, excluding unit-linked products

⁽²⁾ Share of Silic attributable to Group, or 42.36%

⁽³⁾ "Other" includes derivative products and loans

⁽⁴⁾ Market value

Statutory Solvency Margin




⁽¹⁾ Published data

2011-2012 Outlook *by Jean Azema*

Chief Executive Officer of Groupama



A strategy and an ability to adapt in pursuit of a single ambition



A Group purpose and ambition that are unchanged

- ▶ Maintain our independence, ensure our long-term success and provide the best service at the best prices to our members and customers
- ▶ Become one of the top 10 insurers in Europe by 2012


Conditions for doing business that have been transformed

- ▶ Solvency II: technical control; management fees and risk management will now be the main levers for generating profit
- ▶ An especially uncertain climate for life insurance: low interest rates, competing prudential standards (Solvency II/Basel III, etc.), estate tax uncertainties, etc.

A constant ability to adapt

- ▶ Priority given to improving technical and operating efficiencies
- ▶ Continued strategic investments

2011-2012 Objectives



**A key priority:
Improve technical
and operating
profitability**

- ▶ Reduction of overhead costs: continuation of current programmes
- ▶ Optimisation of our reinsurance protections
- ▶ Actions on the existing portfolio and rates

**Pursue strategic
investments
for the future**

- ▶ Distribution: proprietary networks, direct sales, partnerships
- ▶ Global Savings/Retirement: Banking, development of unit-linked products
- ▶ International projects
- ▶ Continued preparation for Solvency II

**Prepare to take
Groupama SA
public**

- ▶ The Group is ready from an operational point of view
- ▶ The decision will be taken when the time will be right

Conclusion

Groupama is maintaining course:

- ▶ Pursuing growth in a challenging environment
- ▶ Constantly adapting
- ▶ Able to take a long-term view and prepare for the future





Groupama



Appendix: Groupama Key Figures

(Combined Financial Statements)

(€ millions)	2009	2010	Change
Premium Income	17,362	17,633	+1.6% (*)
Operating income ⁽¹⁾	275	39	-85.8%
Net profit	620	398	-35.8%
Combined ratio (Property & Casualty)	105.9%	104.9%	-1.0 pt
<i>Excl. storms</i>	<i>102.0%</i>	<i>102.0%</i>	<i>+0.6 pt</i>
Shareholders' equity	7,233	7,041	-2.7%
Statutory solvency margin ⁽²⁾	180%	130%	-50 pts
Unrealised capital gains/losses ⁽³⁾	3,291	1,304	-60.4%
Debt/equity ratio (excl. Silic)	22.8%	17.2%	-5.6 pts
ROE (excl. fair value effect) ⁽⁴⁾	9.3%	6.0%	-3.3 pts

⁽¹⁾ Economic operating income

⁽²⁾ Under Solvency I

⁽³⁾ Amount attributable to shareholders: €860 million in 2010 versus €1.44 billion in 2009

⁽⁴⁾ On average shareholders' equity

(*) +1.6% on a reported basis and +2.3% on a like-for-like basis