PRESS
RELEASE

Paris, 17 March 2016

Fiscal Year 2015 Results
Strong increase in net income

- **Business activity consistent with the strategy**
  - Group premium income of €13.7 billion
  - Selective development in France and in International markets
  - Far-reaching partnerships, for the future

- **Solid technical and operating performance**
  - Stable non-life combined ratio of 99.2%
  - Active portfolio transformation in life with a share of unit-linked in individual savings reserves of 20.7%
  - Continued control of general expenses in 2015
  - Significant growth in economic operating income to €163 million

- **An increase in net income of +43% to €368 million**

- **A robust solvency margin**
  - 263% under Solvency 2

"*Groupama posted a strong growth in income thanks to the mobilisation of its elected representatives and its employees. This mobilisation is the fruit of the high standard that we all share regarding the way in which we practise our profession as a mutual insurer close to its customers and present locally in each region. At the same time, we improved our financial flexibility with a successful launch of our mutual certificates and we invest in the future by being open to new practices and win-win agreements with top-tier partners*", stated Jean-Yves Dagès, Chairman of the Board of Directors of Groupama SA.

"*We will continue to follow our strategic roadmap, which means tirelessly reinforcing our economic performance in order to promote our mutualist values of proximity, trust and innovative services by investing in the technologies of the future, so as to keep in line with our customers' daily lives. In doing so, we develop our own know-how and tie partnerships with leading companies in order to create innovative and differentiating customer experience*", added Thierry Martel, Chief Executive Officer of Groupama SA.

Paris, 17 March 2016 - The board of directors of Groupama S.A. met on 16 March 2016, under the chairmanship of Jean-Yves Dagès, and approved the Group's combined financial statements and the consolidated accounts of Groupama SA for fiscal year 2015.

The Group's combined financial statements include all business of the Group as a whole (i.e. the activity of the regional mutuals and of the subsidiaries consolidated within Groupama SA). The consolidated accounts of Groupama SA include the business of all subsidiaries as well as internal reinsurance (nearly 35% of the premium income of the regional mutuals ceded to Groupama SA).
The analysis below focuses on the combined scope. The key figures of the consolidated scope are presented in the notes.

Business activity focused on profitable growth

At 31 December 2015, Groupama's combined premium income stood at €13.7 billion, a +0.9% increase on a like-for-like basis.

In property and casualty insurance, the Group posted premium income growth of +0.8% to €7.1 billion at 31 December 2015 thanks to a selective underwriting policy and targeted tariff increases.
Premium income from life and health insurance was €6.3 billion at 31 December 2015, up +1.1%. This change was due in particular to the strong growth in the group health insurance business both in France and internationally and the turnaround in the savings/pension business in France with premium income stabilising over the period after several years of decline.

Groupama's combined premium income by business activity at 31 December 2015

€ million	31/12/2015	Like-for-like change (%)
Property and casualty insurance	7,141	+0.8 %
Life and health insurance	6,324	+1.1 %
Financial and banking businesses	280	+0.1 %
GROUP TOTAL	**13,745**	**+0.9 %**

In France

Insurance premium income in France at 31 December 2015 was €10.7 billion.

In property and casualty insurance, premium income rose +1.1% to €5.4 billion. This reflects notably the +1.1% rise in insurance for individuals and professionals to €3.2 billion (or almost 60% of written premiums in property and casualty insurance). It benefited from the growth in the home insurance (+2.6%) and professional risks (+5.9%) segments, which eased the slight decline in premium income in motor insurance (-0.4%). The Group's specialised subsidiaries (assistance, legal protection, credit insurance) continued their development (+9.7%).

In life and health insurance, premium income at €5.3 billion was up +0.7% compared with 31 December 2014. This resulted mainly from the increase in the health insurance business (+2.2%), supported by strong growth in group health (+14.2%). On this business line, group health market, Groupama has more than 50,000 new "ANI" policies. In individual savings/pensions, premium income was stable, as the decrease in business in euro-denominated savings (-2.9%) was offset by the sharp rise in unit-linked policies (+7.3%). Unit-linked premium income in individual savings/pensions represented 31.5% of gross inflows at the end of 2015, outpacing the market (20.9%, source: FFSA). After taking into account arbitrages (euro contracts for unit-linked contracts), "Fourgous" transfers, and inflows in 2015, the share of unit-linked outstandings in individual savings reserves was 20.7% versus 17.6% at 31 December 2014.

- **International**

The Group is present in 11 countries around the world, mainly in Europe. It also has growth opportunities in Turkey and in China, country in which it ranks second among foreign damage insurers with €235 million in premium income[1]. At 31 December 2015, international premium income totalled €2.8 billion, up +1.3% compared with 31 December 2014.

Premium income from life and health insurance increased +3.7% to €983 million, driven by strong growth in group insurance (+7.0%), particularly for the group protection (+10.2%) and group health (+13.3%) segments. In individual savings/pensions, premium income increased +2.8%, pertaining mainly to Italy.

Property and casualty insurance premium income totalled €1.8 billion at 31 December 2015, a stable level compared with 2014. The growth in the agricultural insurance segment in Turkey and the fleet segment in Hungary offset the decline in motor insurance (-4.4%), under the effect of difficult macroeconomic or market conditions in certain countries (Italy, Greece, and Turkey in particular).

Premium income in main international countries at 31 December 2015

€ million	31/12/2015	Like-for-like change (%)
Italy	1,600	+0.2%
Turkey	411	+5.1%
Hungary	304	-2.8%
Romania	181	+13.2%
Other countries	274	0%
International insurance	**2,770**	**+1.3%**

- **Financial and banking businesses**

The Group's premium income was €280 million at 31 December 2015, of which €154 million from Groupama Banque, €121 million from Groupama Asset Management and €5 million from Groupama Epargne Salariale.

[1] On a basis of 100% of the premium income of *Groupama Avic China, an equity-method entity in Groupama's combined financial statements*

An active partnership policy

Groupama established major partnerships in 2015:

- Amaline and DIAC, the Renault Group's financing and services subsidiary, teamed up in October 2015 to offer motor insurance to buyers of a new or used car within the Renault and Dacia networks.

- On 4 January 2016, Groupama and Orange announced the beginning of exclusive negotiations to enter into a partnership to develop a new banking model that will allow Groupama to strengthen its online banking activity and Orange to complete its diversification into banking services. At the end of these negotiations, Orange could own 65% of Groupama Banque.

The Group has also built numerous partnerships to support the collaborative economy and innovation. For French VSEs and SMEs, Groupama Banque and Gan Assurances established partnerships with the crowdfunding platforms Unilend and Lendopolis respectively. To facilitate the management of motor claims, Amaline signed a partnership with Coyote that enables its policyholders equipped with a Coyote S to use video in the event of a car accident. In the agricultural area, Groupama joined forces with Airinov, a leader in drones for agriculture, to participate in the development of drones, risk protection and deployment of new services for farmers. Groupama also teamed up with WeFarmUp.com, the world's first farm equipment sharing platform. With this partnership, Groupama wishes to provide its expertise as an insurer to both owners and lessee to lease their equipment with confidence.

Sharp increase in net income

Economic operating income increased 26% to €163 million at 31 December 2015, despite two significant adverse factors: the low-interest rate environment and changes in legislative environment for motor third-party liability in Turkey.

Economic operating income from insurance amounted to +€270 million in 2015 (+42% over the period).

- In life and health assurance, it reached +€152 million in 2015, up +€74 million compared with 2014 (+€61 million in France and +€13 million internationally). This growth in France came mainly from the active transformation of portfolios in recent years, particularly the development of unit-linked contracts and cost control.

- In property and casualty insurance, economic operating income amounted to +€118 million compared with +€112 million for the previous period. The non-life net combined ratio was 99.2% in 2015, stable compared with 2014 (+0.2 points).
  In France, it was 97.9% and improved by 0.5 points compared with 2014. This is explained by the reduction in severe and climate-related claims and the stability of the attritional loss experience.
  Internationally, the non-life net combined ratio stood at 104.4%, up +3.0 points compared with 31 December 2014. Much of this change (+5.7 points) came from the sharp deterioration of the motor third-party liability market in Turkey, related to changes in legislative environment, thus masking an improvement in the combined ratio in Italy (-3.2 points) and Greece (-3.1 points).

The Group continues to control its general expenses, contained at a level equivalent in absolute value to 2014, while increasing its investments particularly in digital to cope with the rapid changes in technology and customer expectations. Groupama has thus reduced its annual costs by €400 million since the beginning of 2012.

Banking and financial businesses contributed €9 million to economic operating income, while holding companies (which bear the Group's holding and financing costs) contributed -€117 million in economic operating income at 31 December 2015.

The transition from economic operating income to net income incorporates non-recurring items of €205 million at 31 December 2015 versus €128 million at 31 December 2014. These non-recurring items mainly correspond to the capital gains realised with the divestments in Véolia Environnement and Mediobanca and the favourable effect of the change in fair value of assets recognised through profit or loss.

The Group's overall net income increased sharply (+43%) to €368 million at 31 December 2015.

A solid balance sheet

At 31 December 2015, insurance investments amounted to €83.9 billion, and unrealised gains totalled €10.1 billion, including €7.3 billion on bonds, €0.7 billion on equities, and €2.1 billion on real estate assets.
The Group continued its asset derisking policy particularly by reducing its equity portfolio, which, net of hedges, represented 5.0% of the asset portfolio[2] at 31 December 2015 versus 5.3% at 31 December 2014.

The Group's shareholders' equity totalled €8.2 billion at 31 December 2015, up +2% compared with 31 December 2014.

During 2015, the Group strengthened its financial flexibility.

- Groupama is the first mutual insurer to have issued mutual certificates "Certificats Mutualistes", a new source of funding dedicated to joint mutualist organisations, created by the law on the Social and Solidarity Economy of 31 July 2014. Groupama Rhône Alpes Auvergne's launch of the first issue in December 2015 was very satisfactory. All of the Group's regional mutuals will start issuing mutual certificates in June 2016.

- As at 31 December 2015, dated subordinated debt amounted to €750 million versus €791 million as at 31 December 2014. This decrease came from the early redemption of the 2005 perpetual subordinated bond (TSDI) for its outstanding amount of €41 million. Groupama's debt to equity ratio excluding revaluation reserves thus decreased to 10.2% in 2015 versus 11.6% in 2014.

[2] *Asset breakdown calculated at market value, excluding minority interests, unit-linked products, and repurchase agreements*

A robust solvency margin

At 31 December 2015, the Solvency 2 coverage ratio was 263%. Groupama calculates its Solvency 2 ratio at the Group level, with the incorporation of a transitional measure on technical reserves in accordance with the statutory regulation..

The margin requirement under Solvency 1 is also covered more than 2.5 times by the Group.

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Groupama financial information on the accounts closed at 31/12/2015 includes:

- *This press release, which is available on the groupama.com website,*
- *Groupama SA's registration document, which will be filed with the AMF on 28 April 2016 and posted on the groupama.com website on 29 April 2016,*
- *The financial statements for the Groupama combined accounts at 31/12/2015, which will be posted on the groupama.com website on 29 April 2016.*

Appendix 1: key figures for Groupama - combined financial statements

A/ Premium income

€ million	2014		2015	2015/2014
	Reported premium income	Pro forma premium income*	Reported premium income	Change ** %
> FRANCE	**10,567**	**10,602**	**10,695**	**+0.9%**
Life and health insurance	5,303	5,305	5,341	+0.7%
Property and casualty insurance	5,264	5,298	5,354	+1.1%
> INTERNATIONAL & Overseas	**2,788**	**2,736**	**2,770**	**+1.3%**
Life and health insurance	953	948	983	+3.7%
Property and casualty insurance	1,835	1,788	1,787	0%
TOTAL INSURANCE	**13,355**	**13,338**	**13,465**	**+1.0%**
FINANCIAL AND BANKING BUSINESSES	279	279	280	+0.1%
TOTAL	**13,634**	**13,617**	**13,745**	**+0.9%**

* Based on comparable data
** Change on a like-for-like basis at constant exchange rates

B/ Economic operating income*

€ million	2014	2015	2015/2014 change
Insurance - France	142	271	+129
Insurance - International	48	-1	-49
Financial and banking businesses	16	9	-7
Holding companies	-77	-117	-40
Economic operating income*	**129**	**163**	**+34**

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

C/ Net income

€ million	2014	2015	2015/2014 change
Economic operating income*	**129**	**163**	**+34**
Net realised capital gains	219	269	+50
Impairment losses on financial instruments	-12	-26	-14
Gains and losses on financial assets and derivatives recognised at fair value	-59	38	+97
Amortisation of intangible assets and other transactions	-20	-75	-55
Net income	**257**	**368**	**+111**

Contribution of business activities to combined net income

€ million	2014	2015
Insurance and services - France	380	360
Insurance - international subsidiaries	71	1
Financial and banking businesses	4	11
Groupama SA and holding companies	-204	2
Other	6	-7
Net income	**257**	**368**

D/ Balance sheet

€ million	2014	2015
Book equity (Group share) *	8,062	8,219
Gross unrealised capital gains	10,635	10,156
Subordinated debt	791	750
Total balance sheet	106,439	107,295

* Including perpetual subordinated debt recognised as equity instruments

E/ Main ratios

	2014	2015
Non-life net combined ratio	99.0%	99.2%
Debt-to-equity ratio	11.6%	10.2%
Solvency 1 margin*	253%	255%
Solvency 2 margin**	n/a	263%

* according to French standards
** preliminary data

Appendix 2: key figures for Groupama SA - consolidated financial statements

A/ Premium income

€ million	2014		2015	2015/2014
	Reported premium income	Pro forma premium income*	Reported premium income	Change ** %
> FRANCE	**7,133**	**7,133**	**7,239**	**+1.5%**
Life and health insurance	3,976	3,976	4,021	+1.1%
Property and casualty insurance	3,157	3,157	3,218	+1.9%
> INTERNATIONAL & Overseas	**2,788**	**2,736**	**2,770**	**+1.3%**
Life and health insurance	953	948	983	+3.7%
Property and casualty insurance	1,835	1,788	1,787	0.0%
TOTAL INSURANCE	**9,920**	**9,869**	**10,009**	**+1.4%**
FINANCIAL AND BANKING BUSINESSES	282	282	282	+0.2%
TOTAL	**10,202**	**10,151**	**10,292**	**+1.4%**

* Based on comparable data
** Change on a like-for-like basis at constant exchange rates

B/ Economic operating income*

€ million	2014	2015	2015/2014 change
Insurance - France	-48	82	+130
Insurance - International	48	-1	-49
Financial and banking businesses	16	9	-7
Holding companies	-76	-116	-40
Economic operating income*	**-60**	**-27**	**+33**

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

C/ Net income

€ million	2014	2015	2015/2014 change
Economic operating income*	**-60**	**-27**	**+33**
Net realised capital gains	168	214	+46
Impairment losses on financial instruments	-11	-24	-13
Gains and losses on financial assets and derivatives recognised at fair value	-68	34	+102
Amortisation of intangible assets and other transactions	-14	-65	-51
Net income	**15**	**133**	**+118**

Contribution of business activities to consolidated net income

€ million	2014	2015
Insurance and services - France	136	118
International insurance	71	6
Financial and banking businesses	4	11
Groupama SA and holding companies	-201	4
Other	6	-7
Net income	**15**	**133**

D/ Balance sheet

€ million	2014	2015
Book equity (Group share)*	4,883	4,811
Gross unrealised capital gains	9,539	9,102
Dated subordinated debt	791	750
Total balance sheet	98,777	99,345

* Including perpetual subordinated debt recognised as equity instruments

E/ Main ratios

	2014	2015
Non-life net combined ratio	102.0%	102.5%
Debt-to-equity ratio	17.9%	16.4%