



Paris, 21 February 2008

## 2007 Results: Profitable Long-Term Growth

- Robust results
- Increased financial flexibility

### **Consolidated results**<sup>1</sup>

**Revenue: €12,133 million, up 5.7%**

**Net profit: €793 million, up 32.2%**

Profit from operations<sup>2</sup>: €375 million, up 15.7%

ROE<sup>3</sup>: 22.5%, up 2.5 points

Combined ratio, property & casualty: 97.5%, down 0.5 points

### **Combined results**<sup>1</sup>

**Revenue: €14,859 million, up 4.9%**

Net profit: €938 million, up 24.6%

Profit from operations<sup>2</sup>: €398 million, up 13.4%

ROE<sup>3</sup>: 16.4%, up 1.4 points

Combined ratio, property & casualty: 99.8%, up 0.9 points

The financial statements are prepared in accordance with IFRS.

*"In a challenging environment, we continued to grow all our businesses and accelerated the pace of international expansion while improving profitability" commented Jean Azéma, Chief Executive Officer.*

*"With profit from operations up 15.7% and our combined ratio down by 0.5 points, our efforts are clearly paying off. We're more focused than ever on meeting our targets."*

*"In 2008, we'll step up initiatives designed to speed organic growth and expand our international presence, in line with our ambition of becoming one of the top ten European insurers."*

(1) The consolidated financial statements of Groupama S.A. include the financial statements of all subsidiaries and intra-group reinsurance business (representing roughly 40% of the regional mutuals' revenues ceded to Groupama S.A.). The combined financial statements comprise all of the Group's businesses (corresponding to the regional mutuals and the subsidiaries consolidated by Groupama S.A.).

(2) Profit from operations corresponds to recurring profit before realised capital gains and losses, net of tax, attributable to shareholders. Recurring profit corresponds to net profit before unrealised gains and losses, net of tax, on financial assets at fair value through profit or loss, attributable to shareholders, non-recurring items, net of tax, and goodwill impairment losses.

(3) Return on average equity excluding revaluation reserves and fair value adjustments recognised in profit.

## Highlights

### **GROUP: ENHANCED RISK PROFILE**

- During the year, Groupama withdrew from the reinsurance sector, selling 15.35% of Scor. The transaction generated a capital gain of €144.5 million. The Group's remaining interest in Scor stands at 0.67%.
- Groupama has no exposure to the US subprime market and its other credit exposures (variable rate private placement notes, asset-backed securities) are very limited.
- In addition, the Group has no direct exposure to the monolines.
- Groupama has securitized on the market part of its windstorm risk in France by carrying out a €200 million cat bond issue, through Swiss Re, covering risks in excess of €1.7 billion.

### **Increased financial flexibility**

In 2007, the Group actively continued to strengthen its balance sheet and increase its financial flexibility, leading Standard & Poor's to raise Groupama's long-term rating from A to A+ in October. The higher rating reflects the advances made in this area, with:

- Completion of the technical preparations for an IPO, to be launched should the opportunity arise to make a major acquisition
- The €1 billion deeply-subordinated perpetual notes issue carried out in October, which adds to the array of hybrid instruments already used in 1999 ("TSR" subordinated notes) and 2001 (subordinated perpetual notes). All of these instruments are eligible for inclusion in equity under accounting rules and the valuation rules applied by the rating agencies.
- Ongoing optimization and active management of the balance sheet.

### **FRANCE: EXTENDED LEADERSHIP AND NEW PARTNERSHIPS**

- **2007 was a year of growth in the two core businesses in France**, with Life & Health revenues up 1.2% (in a market down 2%) and Property & Casualty revenues up 1.8% (in a market up 2%).
- The Group significantly outperformed the **Life** market, with revenues up 0.6% excluding the effect of "Fourgous amendment" transfers from non-unit-linked products to combined unit-linked/non-unit-linked products. Including "Fourgous" transfers, the increase was 5.2%.
- Groupama extended its leadership of the Individual Health Insurance market, with a 16,000 net increase in the number of policies in 2007, and launched a new online service, Groupama Nutrition Santé.
- A partnership was signed with **Cegid Group** for the joint development of innovative product and service offers for France's 2.5 million SMEs and consulting firms. To cement the partnership, Groupama has also acquired a 17% minority interest in Cegid Group.
- A partnership was also set up with employee benefits group **Réunica** for the joint development of group health and death/disability insurance, long-term care and pensions offerings.

## INTERNATIONAL: FASTER PACE OF ACQUISITIONS AND INVESTMENT IN DISTRIBUTION

- In Italy, the acquisition of **Nuova Tirrena**, for €1,250 million, has raised Groupama to a position as the country's ninth largest property and casualty company.
- In Greece, **Phoenix Metrolife**, the country's second largest property and casualty company and eight largest life insurer, also joined the Group during the year, representing a €96 million investment.
- In Romania, Groupama acquired **BT Asigurari**, ranked ninth in the property and casualty market and twelfth in the life market, with a 4% market share and premium income of €77 million in 2007.
- In the United Kingdom, following the 2006 acquisition of broker Carole Nash, **Groupama continued to expand the distribution network** by acquiring Bollington, a leading commercial broker in the North of the UK specialising in motor trade, charities and other niche areas and Lark Group, a major broker in the South serving the SME market and high net worth clients.
- In Spain, the Group launched **Clickseguros**, an online insurer.

### *Post-balance sheet events:*

- On 11 February 2008, Groupama entered into a strategic partnership with OTP Bank, the leading independent bank in Central Europe. Long-term distribution agreements have been signed whereby OTP Bank will distribute Groupama's insurance products and Groupama will distribute OTP Bank's banking products in OTP Bank's nine host countries (Hungary, Bulgaria, Romania, Slovakia, Ukraine, Russia, Croatia, Serbia and Montenegro), giving Groupama access to ten million customers.  
In addition, Groupama will acquire OTP Bank's insurance arm, OTP Garancia, which is ranked no. 1 in Hungary and also has subsidiaries in Bulgaria, Romania and Slovakia.  
To create closer regional ties with OTP Bank and bolster the distribution agreements, Groupama is acquiring an 8% strategic interest in the bank.

## ASSET MANAGEMENT: SUSTAINED PERFORMANCE

- Assets managed by Groupama Asset Management totalled €87.9 billion at 31 December 2007, up 11.0% over end-2006.
- At the first Eurofunds awards ceremony, Groupama Asset Management was named Best European Fund Manager. Organised by European newspapers under the chairmanship of Eurogroup, the awards recognize the best funds and the best fund managers, selected using an audited methodology.

**Paris, 21 February 2008** – The Board of Directors of Groupama S.A. met on 19 February 2008 under the chairmanship of Jean-Luc Bauchere to approve the consolidated financial statements of Groupama S.A. and the combined financial statements for 2007.

## **Groupama S.A. consolidated results**

The consolidated financial statements of Groupama S.A. include the financial statements of all subsidiaries and intra-group reinsurance business (representing roughly 40% of the regional mutuals' revenues ceded to Groupama S.A.).

### **Profitable long-term growth**

**Consolidated revenue** for the year ended 31 December 2007 **totalled €12.1 billion, up 5.7%** over 2006 on a reported basis and 6.0% excluding discontinued operations. Based on a comparable scope of consolidation and at constant exchange rates, like-for-like growth was 2.2%.

Life & Health revenues grew 3.6% on a reported basis and 1.0% like-for-like, while Property & Casualty revenues were up 7.8% as reported and 2.4% like-for-like.

#### **- Insurance and Services in France**

**Insurance revenues in France** amounted to €8,941 million in 2007, an increase of 1.4% over 2006 in a market down 1.2%.

#### **- International Insurance**

Consolidated revenue in **international markets** came to €2,832 million, up 21.0% on a reported basis and 2.4% like-for-like over 2006, reflecting uneven performances between the various countries and classes of business.

Including Groupama Phoenix, Nuova Tierrena, BT Asigurari and OTP Garancia over the whole year, international operations contributed 31.5% of consolidated revenue, compared with 21.0% in 2006 and 24.0% as reported in 2007.

#### **- Asset management and other financial activities**

Net banking revenue from banking and financial activities rose 17.9% to €200 million.

### **Profit from operations up 15.7%, improved combined ratio**

Consolidated profit from operations totalled **€375 million** in 2007, an increase of 15.7% compared with €324 million in 2006.

**Property & Casualty profit from operations** was 14.9% higher, at €340 million, reflecting the **0.5-point improvement in the net combined ratio to 97.5%**

- In France, the net combined ratio was 98.9% in 2007 versus 99.4% in 2006, with the 1.6-point improvement in the net expense ratio (to 29.7%) more than offsetting the 1.1-point increase in the loss ratio (to 69.2%), linked to the occurrence during the year of windstorms and natural disasters.
- The International net combined ratio was 94.9% in 2007 versus 95.2% in 2006. The 0.3-point improvement was attributable to a 1.0-point decrease in the net expense ratio to 28.3% in 2007, which offset the 0.7-point increase in the loss ratio reflecting the 1.2-point unfavourable impact of the floods in the United Kingdom.

Property & Casualty net investment income contracted by 3.7% in 2007, with most of the decline due to fair value adjustments to derivative instruments.

**Life & Health profit from operations** rose 17.3% to €129 million, reflecting tight control over operating expenses in the Life business, which represented 1.10% of mathematical reserves in 2007 versus 1.16% the previous year.

### **Profit attributable to shareholders up 32.3%**

**Profit attributable to shareholders totalled €793 million** in 2007 versus €600 million the previous year, an increase of 32.2%.

Excluding the capital gain realised on the sale of Scor shares<sup>1</sup> in January 2007, profit attributable to shareholders rose 8.0% to €648 million.

Performance in 2007 was shaped by numerous weather events. In France, the after-tax cost of these events (which included the Dean and Gamède cyclones and the earthquake in the French West Indies) was €31 million net of reinsurance. In the United Kingdom, the windstorm and floods trimmed €15 million from consolidated profit after tax.

On a positive note, the capital gain on the sale of Scor shares added €144 million to profit after tax.

### **Increased contributions from all businesses**

The overall contribution to consolidated profit of the **Insurance and Services businesses** in France expanded by **36.7%** to **€503 million** from €368 million in 2006.

The **International Insurance** business contributed **€151 million** to 2007 consolidated profit versus €131 million the previous year, an increase of 15.3%.

**Financial and Banking activities** contributed profit of **€11 million** versus a small €1 million loss in 2006.

Profit from Groupama S.A., the holding companies and other activities amounted to €128 million, compared with €102 million in 2006.

### **A stronger balance sheet and increased solvency capital**

Total consolidated assets at 31 December 2007 amounted to €88.5 billion, compared with €78.5 billion at the previous year-end, representing an increase of €9.8 billion. Growth was led by:

- The acquisitions made during the year (Nuova Tirrena, Phoenix Metrolife and BT Asigurari), which were financed in part by a €1 billion deeply-subordinated perpetual notes issue.
- Increased use of repurchase agreements to optimize investment yields.

The insurance companies' **investment portfolios** totalled €74.1 billion versus €66.7 billion at end-2006. The increase of €7.4 billion or 11.1% was attributable to the recent acquisitions, organic growth and the implementation of a policy designed to enhance investment yields.

Consolidated **unrealised capital gains** (including on property) amounted to €7.5 billion, representing a decline of €1.9 billion or 20.2% compared with 31 December 2006.

Consolidated **equity** rose by a strong 16.2% to €5.9 billion at 31 December 2007.

**Insurance and financial liabilities** stood at €66.8 billion at 31 December 2007 compared with €62.9 billion at the previous year-end. The increase of 6.2% reflected the impact of acquisitions and underlying business growth.

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<sup>1</sup> Most of the capital gain on the sale of the Tour Gan office building has been considered as recurring income, to the extent that it replaced the capital gains that would ordinarily have been realized by the entities that owned the building under their normal profit-taking programmes.

## Confirmed business growth

### - Insurance and Services in France

#### Business review

- **Property & Casualty** revenues, which account for 39.8% of consolidated revenues in France, rose 1.8% in a market up 2%.

Growth was led by personal lines insurance, with homeowners' insurance up 3.4% and other property and casualty business up 6.9%.

In a fiercely competitive market, car insurance revenues were down 1.2%. The decline was entirely due to lower average premiums, which offset the favourable impact of an 8,000-increase in the number of vehicles insured.

Commercial lines revenues increased 2.2% in 2007.

- **Life & Health** revenues, representing 60.2% of consolidated revenues in France, were up 1.2%. Savings and pensions revenues grew 0.6% in 2007 in a market down 3.0%.

In individual savings and pensions, consolidated revenue rose 0.8% in 2007, reflecting 1.2% growth in non-unit-linked sales and a 0.7% decline in unit-linked sales.

Revenues of €293 million were recycled through Fourgous transfers (from non-unit-linked contracts to combined unit-linked/non-unit-linked contracts) compared with €102 million in 2006. However, these transfers do not fulfil the revenue recognition criteria in accounting standards and are therefore excluded from revenue.

In group savings and pensions, revenues increased 8.6%, led mainly by unit-linked sales.

In health and bodily injury insurance, consolidated revenues were 3.3% higher in 2007, in a market up 6%.

The individual and group health insurance businesses expanded by 6.5% and 7.9% respectively, reflecting growth in the insurance book. However, their performance was dampened by a decline in death/disability revenues.

Savings and pensions net new money in France totalled €1,041 million in 2007 compared with €991 million the previous year, representing an increase of 5.1% (including 4.6% in individual insurance) in a market down 18.0%.

#### Results

- **Groupama Vie** contributed €105.5 million to consolidated profit in 2007, up 15.6% over the previous year. Underwriting profit, net of expenses, increased by €20.4 million in 2007, reflecting sound cost discipline, which offset the impact of the significant investments made during the year to rationalize back-office operations, and a satisfactory policy renewal rate.
- **Gan Assurances** contributed profit of €101 million in 2007 versus €87 million the previous year.
- **Gan Eurocourtage** ended the year with profit of €184 million versus €124 million in 2006, reflecting the strong performance of *Gan Eurocourtage Vie's* inward reinsurance business and improved underwriting results at *Gan Eurocourtage IARD*.
- **Gan Prévoyance** contributed €57.8 million in profit compared with €19.5 million in 2006. The company's share of the capital gain on the sale of Tour Gan offset the 14.9% increase in operating expenses that was largely due to the costs incurred to rationalize the back-office platform.
- **Gan Patrimoine and its subsidiaries** raised their contribution by 33.5% to €29.5 million.

- **International Insurance**

- In **Spain, Groupama Seguros** reported revenues of €870 million in 2007, an increase of 10.1% over the previous year. Its contribution to consolidated profit rose 66.4% to €96.6 million.  
Property & Casualty revenues rose 5.2% to €683 million. Revenues grew across all classes of business, except for automobile fleet insurance where a more prudent approach was adopted to policy renewals. Life & Health revenues increased by a strong 32.6% to €187 million, reflecting significant gains in individual savings and individual health insurance business.  
The second half of 2007 saw the launch of Clickseguros, an online automobile insurance site.
- Pro forma revenues of the Italian subsidiaries – **Groupama Assicurazioni, Groupama Vita and Nuova Tirrena** – were up 0.9% at €701 million in 2007. Their contribution to 2007 consolidated profit, including two months' profit from Nuova Tirrena, came to €26.0 million compared with €19.3 million in 2006.  
In Life & Health insurance, individual savings and pensions revenues grew 5.2% in a contracting market, led primarily by increased unit-linked sales. The death/disability and individual health insurance businesses also expanded, with revenues up 3.3% and 1.2% respectively, while group business contracted by a significant 21.5%. Property & Casualty revenues increased across all classes of business, with automobile insurance up 2.9%, homeowner's insurance up 6.4% and commercial property insurance up 2.9%.  
Groupama Assicurazioni deepened its partnership with Banca Tercas (Cassa di Risparmio di Teramo) with the signature of a new agreement granting exclusive distribution rights for Groupama products.
- **Groupama Insurances** experienced a modest 1.0% decline in revenues to €597 million in 2007. Profit for the year came to €37.7 million versus €76.6 million in 2006.  
Like the other UK insurers, the company was affected by adverse weather events. The windstorm and floods that hit the United Kingdom in the first half of 2007 pushed up the combined ratio by 5.0 points and the total cost of weather events was €15.0 million net of reinsurance and tax.  
Higher premium rates and marketing initiatives boosted automobile and homeowner's insurance revenues.  
After Carole Nash in 2006, Groupama pursued its external growth strategy in 2007 by acquiring the Bollington and Lark Group brokerages.
- The Turkish subsidiaries together reported revenues up 7.3% to €383 million. They contributed profit of €16.9 million in 2007 versus an €8.7 million loss the previous year.  
**Basak Groupama Sigorta** reported revenues up 3.1% to €262 million in 2007, reflecting 10% growth in personal lines business (automobile insurance, homeowner's insurance and health insurance) and a 15% decline in commercial lines business, following the adoption of stricter underwriting criteria. **Basak Groupama Emeklilik's** revenues grew by over 17% to €121 million (excluding pension funds), reflecting higher sales of products distributed by Ziraat Bankasi, mainly in credit insurance.  
The Turkish subsidiaries' performance was shaped by the buyout of minority shareholders, the extension of distribution partnerships and the marketing launch of the new brand.
- In **Portugal, Groupama Seguros** reported revenues down 36.4% to €84 million in 2007. Its contribution to profit came to €1.3 million versus €2.7 million in 2006.  
In a contracting life market, the Life & Health business was hit by the sharp 72.0% drop in sales of individual savings and pension products by the company's banking partners. However, Property & Casualty revenues rose 6.1% in a stable market.
- In Greece, **Groupama Phoenix** was acquired during the year and was consolidated only in the last six months. Its second-half revenues amounted to €71.9 million, a decline of 12.5% on the year-earlier period which was due to pre-acquisition measures to improve underwriting results.  
After taking into account non-recurring restructuring costs of €23 million, the company reported a €25.0 million loss in the second half.  
An action plan designed to instill a new growth dynamic has been implemented by the new management team.
- **Groupama Biztosito** reported 2007 revenues up 2.5% at €41 million. Property & Casualty revenues grew 2%, led by 11.0% growth in homeowner's insurance revenues, bolstered by the launch of the new product in May 2007, and by a 4.0%

increase in automobile insurance business, helped by the development of partnerships with leasing companies. Life revenues were up 15%, reflecting strong unit-linked sales.  
The subsidiary broke even for the first time in 2007.

- **Asset Management and Other Financial Activities**

- Assets managed by Groupama Asset Management totalled €87.9 billion at 31 December 2007, up 11.0% over end-2006. The company resisted well in the difficult financial market conditions that prevailed in the second half of 2007, ending the year with profit in line with 2006 at €30.3 million.

- **Banque Finama's** external revenues grew 28.9% to €143 million and its net banking revenue rose 0.9% to €36 million.

- **Groupama Banque** reported revenues up 20.6% to €46 million. Its net banking revenue rose by a strong 51.1% to €29 million.

- **Groupama SA, holding companies and other**

Groupama SA and the holding companies generated profit of €128 million in 2007 compared with €102 million the previous year. The 2007 total includes a €144.5 million non-recurring gain on the sale of shares in Scor and also reflects part of the cost of weather risk claims.

**Combined results: see Appendix 4**

The combined financial statements comprise all of the Group's businesses (corresponding to the regional mutuals and the subsidiaries consolidated by Groupama S.A.).

**2008 Outlook**

Backed by the quality of its results and stronger balance sheet, Groupama is actively pursuing its profitable long-term growth strategy. The Group's strategic commitment to becoming one of the top ten European insurers is based on three core goals:

- Consolidating and expanding the Group's positions in France
- Speeding up the pace of organic and external growth in International markets
- Driving further margin growth through even greater efficiency.

In France, Groupama intends to strengthen its customer-centric strategy by revitalizing its signature and brand with the January 2008 launch of an innovative packaged offer and with a raft of measures to increase customer loyalty.

The Group will pursue new growth opportunities in the urban market by **opening around one hundred new agencies in towns** with over 100,000 inhabitants and hiring 500 new insurance salespersons.

New distribution channels will be developed, by accelerating implementation of the partnership strategy and promoting online sales.

In June 2008, **Amaguiz.com, a new Internet-only brand will be launched**, offering a completely revamped product lineup specially designed for the Internet. Starting with automobile insurance, the offer will gradually be extended to include other insurance products.

Steps have also been taken to rationalize management processes for companies operating in France. The aim is to leverage the cost-cutting programme and improve the networks' marketing productivity by continuing to deploy the customer relationship management organization and reducing the agencies' administrative workload.



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In international markets, Groupama intends to pursue its value-creating growth strategy. The aim is to strengthen the Group's positions in each host country, with the goal of increasing market share. Plans are also being made to acquire significant footholds in new countries, focusing primarily on the high potential markets of Central and Eastern Europe. The most recent example of this strategy is the partnership agreement with OTP Bank.

Despite the more challenging environment, Groupama is confident in its ability to successfully implement its strategy, backed by a solid capital base, skilled and motivated teams, a more efficient distribution system, and powerful, rationalized core competencies.

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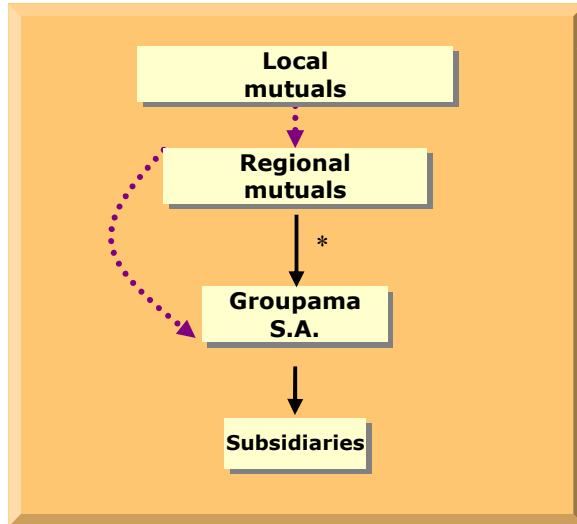
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## Appendix 1

### Entities included in the combined financial statements

→ Capital ties  
 ... Reinsurance relationship



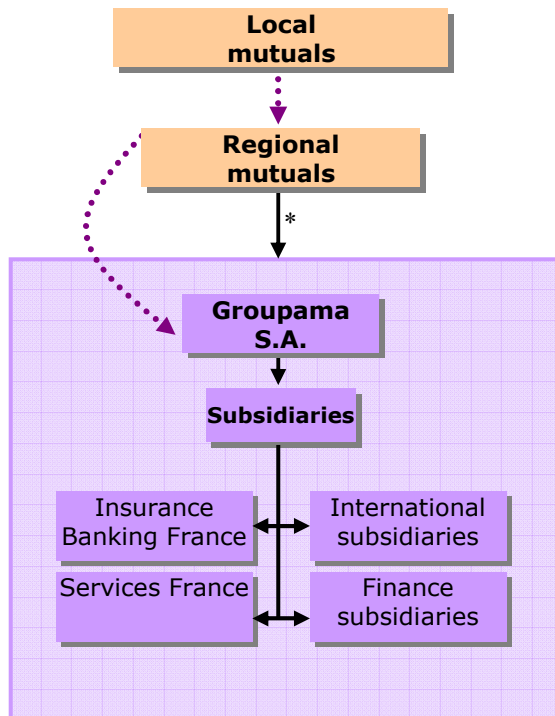
Entities included in the combined financial statements

All of the Group's businesses (local and regional mutuels, Groupama S.A. and subsidiaries)

\* The regional mutuels' interest in Groupama S.A. is held through controlling holding companies

### Entities included in the consolidated financial statements

→ Capital ties  
 ... Reinsurance relationship



Entities included in the consolidated financial statements

Regional mutuels' revenues ceded to Groupama S.A. under intra-group reinsurance treaties and accounts of the subsidiaries

\*The regional mutuels' interest in Groupama S.A. is held through controlling holding companies

**Appendix 2****Consolidated Financial Highlights****Revenues up 5.7% to €12.1 billion**

Revenues  (in € millions)	2006	2006	2007	2007/2006	2007/2006
	Reported revenue	Pro forma revenue*	Reported revenue	% change (reported) %	% change (like-for-like) %
<b>&gt; FRANCE</b>	<b>8,826</b>	<b>8,826</b>	<b>8,951</b>	<b>1.4%</b>	<b>1.4%</b>
Property & Casualty	3,495	3,495	3,557	1.8%	1.8%
Life & Health	5,319	5,319	5,384	1.2%	1.2%
<b>Total, continuing operations</b>	<b>8,814</b>	<b>8,814</b>	<b>8,941</b>	<b>1.4%</b>	<b>1.4%</b>
Discontinued operations	12	12	10	-16.7%	-16.7%
<b>&gt; INTERNATIONAL &amp; French overseas departments and territories</b>	<b>2,372</b>	<b>2,765</b>	<b>2,832</b>	<b>19.4%</b>	<b>2.4%</b>
Property & Casualty	1,651	1,923	1,991	20.6%	3.5%
Life & Health	690	842	841	21.9%	-0.1%
<b>Total, continuing operations</b>	<b>2,341</b>	<b>2,765</b>	<b>2,832</b>	<b>21.0%</b>	<b>2.4%</b>
Discontinued operations	31	0	0	-100.0%	
<b>TOTAL INSURANCE</b>	<b>11,198</b>	<b>11,591</b>	<b>11,783</b>	<b>5.2%</b>	<b>1.7%</b>
Asset management and other financial activities**	281	281	350	24.6%	24.6%
<b>TOTAL</b>	<b>11,479</b>	<b>11,872</b>	<b>12,133</b>	<b>5.7%</b>	<b>2.2%</b>

\* like-for-like

\*\* including Groupama Banque

**. Key figures (consolidated, in € millions)**

	2006	2007	% change
<b>Profit from operations*</b>	<b>324</b>	<b>375</b>	<b>15.7%</b>
Realised gains and losses, net	244	484	98.4%
Gains and losses on financial assets and derivatives at fair value through profit or loss	35	14	-60.0%
Impairment of goodwill and amortization of intangible assets	-18	-24	-33.3%
Non-recurring items	15	-56	n.a.
<b>Net profit</b>	<b>600</b>	<b>793</b>	<b>32.2%</b>

	2006	2007	% change
<b>Equity attributable to shareholders</b>	<b>5,094</b>	<b>5,918</b>	<b>16.2%</b>
<b>Unrealised capital gains</b>	<b>9,375</b>	<b>7,463</b>	<b>-20.4%</b>
<b>Subordinated debt</b>	<b>1,245</b>	<b>1,245</b>	<b>-</b>
<b>Total assets</b>	<b>78,550</b>	<b>88,327</b>	<b>12.4%</b>

**Key figures by business segment (consolidated, in € millions)**

(in € millions)	Life & Health		Property & Casualty		Financial & Banking Activities		Holding Companies		Total	
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
Profit from operations	110	129	296	340	-1	11	-81	-105	324	375
Realised capital gains <sup>(1)</sup>	119	234	111	113	-	-	13	137	244	484
Impairment losses on goodwill and amortization of intangible assets	-6	-17	-1	-6	-	-	-11	-1	-18	-24
Non-recurring items	-	-19	27	-35	-	-	-12	-2	15	-56
Fair value adjustments <sup>(1)</sup>	23	31	10	-19	-	-	2	2	35	14
<b>Profit attributable to shareholders</b>	<b>247</b>	<b>358</b>	<b>443</b>	<b>393</b>	<b>-1</b>	<b>11</b>	<b>-89</b>	<b>31</b>	<b>600</b>	<b>793</b>

(1) Attributable to shareholders (net of policyholders' surplus and tax)

**Key ratios**

	2006	2007
Net profit before fair value adjustments/Average equity excluding revaluation reserves	20.0%	22.5%
Combined ratio – Property & Casualty	98.0%	97.5%
Gearing*	19.8%	23.3%

\* Excluding the debt of Silic, a property company

**Appendix 3****Contribution to Consolidated Profit by Business**

In € millions

	2006	2007
	Reported	Reported
<b>INSURANCE AND SERVICES – FRANCE</b>	<b>368</b>	<b>503</b>
Groupama Vie	91	105
Gan Assurances	87	101
Gan Eurocourtage	124	184
Gan Patrimoine	22	29
Gan Prévoyance	19	58
Groupama Transport	10	13
Other specialist companies*	14	13
<b>INTERNATIONAL and French overseas departments and territories</b>	<b>131</b>	<b>151</b>
United Kingdom	77	37
Spain	58	97
Italy	20	26
Turkey	-9	17
Greece		-25
Other subsidiaries (Portugal, Gan Outre-Mer, Hungary)	14	4
International holding companies	-26	-5
Discontinued operations	-3	0
<b>FINANCIAL &amp; BANKING ACTIVITIES</b>	<b>-1</b>	<b>11</b>
<b>GROUPAMA SA and HOLDING COMPANIES</b>	<b>98</b>	<b>129</b>
<b>TOTAL</b>	<b>596</b>	<b>794</b>
Other	4	-1
<b>CONSOLIDATED NET PROFIT</b>	<b>600</b>	<b>793</b>
	2006	2007
	Reported	Reported

\*Other life and non-life subsidiaries

**Appendix 4****Combined Financial Highlights**

(in € millions)	2006	2007	% change
Combined revenues	14,165	14,859	4.9%
<b>Profit from operations</b>	<b>351</b>	<b>398</b>	13.4%
Realised gains and losses, net	355	572	61.1%
Gains and losses on financial assets and derivatives at fair value through profit or loss	50	19	-62.0%
Impairment of goodwill and amortization of intangible assets	-18	-24	-33.3%
Non-recurring items	15	-27	n.a.
<b>Combined net profit</b>	<b>753</b>	<b>938</b>	24.6%

	2006	2007	% change
<b>Equity attributable to shareholders</b>	7,447	8,511	14.3%
<b>Unrealised capital gains</b>	10,291	8,335	-19.0%
<b>Subordinated debt</b>	1,245	1,245	-
<b>Total assets</b>	84,998	94,881	11.6%

corresponds to net profit before realised gains and losses (net of tax) attributable to shareholders, excluding the impact of unrealised gains and losses on financial assets at fair value through profit or loss attributable to shareholders, non-recurring items (net of tax), and goodwill impairment losses.

**Key figures by business segment (combined, in € millions)**

(in € millions)	Life & Health		Property & Casualty		Financial & Banking Activities		Holding Companies		Total	
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
Profit from operations	151	186	287	307	-1	11	-86	-106	351	398
Realised capital gains <sup>(1)</sup>	152	259	199	177	-	-	3	136	355	572
Impairment losses on goodwill and amortization of intangible assets	-6	-17	-1	-6	-	-	-11	-1	-18	-24
Non-recurring items	-	-8	27	-17	-	-	-12	-2	15	-27
Fair value adjustments <sup>(1)</sup>	27	32	16	-15	-	-	8	2	50	19
<b>Combined profit attributable to shareholders</b>	<b>324</b>	<b>452</b>	<b>528</b>	<b>446</b>	<b>-1</b>	<b>11</b>	<b>-98</b>	<b>29</b>	<b>753</b>	<b>938</b>

(1) Attributable to shareholders (net of policyholders' surplus and tax)

## Key ratios

	2006	2007
Net profit before fair value adjustments/Average equity excluding revaluation reserves	15.0	16.4
Combined ratio – Property & Casualty	98.9	99.7
Gearing*	14.4	17.1

\* Excluding the debt of Silic, a property company