



**Groupama**  
ASSURANCES MUTUELLES

**Groupama Assurances Mutuelles**  
**Half-Year Financial Report**  
**30 June 2019**

Groupama Assurances Mutuelles  
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Paris Trade and Companies Register: 343 115 135  
Company regulated by the Insurance Code

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**Half-year activity report  
30 June 2019**

The Group's combined financial statements and the consolidated financial statements of Groupama Assurances Mutuelles for the first half of 2019 were approved by the Board of Directors of Groupama Assurances Mutuelles at the meeting chaired by Jean-Yves Dagès on 29 August 2019. The half-year financial statements underwent a limited review by the statutory auditors.

*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 Assurances Mutuelles). The consolidated financial statements of Groupama Assurances Mutuelles include the business of all subsidiaries as well as internal reinsurance (nearly 35% of the premium income of the regional mutuals ceded to Groupama Assurances Mutuelles).*

*The following analysis covers the combined scope.*

## Business

At 30 June 2019, Groupama's combined premium income stood at €9.5 billion, a +1.0% increase from 30 June 2018 on a like-for-like and at constant exchange rates. The change in scope relates to the agreement with TTK in Turkey, following its shutdown.

Business activity was up for property and casualty insurance (+1.1%), where the Group generated €5.3 billion in premium income at 30 June 2019, and for life and health insurance (+1.0%), for which premium income reached €4.1 billion.

*Breakdown of premium income by business at 30 June 2019*

<i>in millions of euros</i>	30/06/2019	Like-for-like change (%) *
Property and casualty insurance	5,246	+1.1%
Life and health insurance	4,130	+1.0%
Financial businesses	82	-6.0%
<b>GROUP TOTAL</b>	<b>9,459</b>	<b>+1.0%</b>

\* Change at like-for-like exchange rate and consolidation basis

### ▪ In France

Insurance premium income in France at 30 June 2019 amounted to €8.2 billion, up +1.9% compared with 30 June 2018.

In property and casualty insurance, premium income totalled €4.3 billion at 30 June 2019 (+1.9%). Insurance for individuals and professionals increased +1.5% over the period to €2,557 million, driven by the growth of home insurance (+2.4% to €835 million) and motor insurance (+1.1% to €1,174 million). The Group's specialised subsidiaries continued their development, particularly its assistance business (+15.5%).

In life and health insurance, premium income amounted to €3.8 billion, up +1.8% from 30 June 2018. The growth came from health and bodily injury insurance, with premium income up +5.3% compared with the previous period, driven by strong development in group health (+11.8%). The Group's life and capitalisation premium income in France decreased by 4.0% mainly due to the decrease in individual UL savings/pension business (-18.4%), with contracts in euros growing by +11.2%. After taking into account Fourgous transfers and unit-linked net inflows, the unit-linked share of individual savings liabilities increased to 27.1% at 30 June 2019 compared with 25.3% at 31 December 2018.

### ▪ International

International premium income amounted to €1.2 billion at 30 June 2019, down 3.9% on a like-for-like basis and with constant exchange rates compared with 30 June 2018. This change was primarily due to the decline in the Italian subsidiary's business.

Property and casualty insurance premium income totalled €855 million at 30 June 2019, a 2.9% decrease over the previous period. This change is mainly related to the decline in motor insurance (-6.9%), mitigated by the good performance of the business property damage (+7.8%) and home insurance (+3.5%) segments.

In life and health insurance, premium income at €364 million was down 6.2%. This stemmed from both individual insurance (-5.1%) and group insurance (-13.3%).

## ▪ Financial businesses

The Group's premium income was €82 million, including €79 million from Groupama Asset Management and €3 million from Groupama Epargne Salariale.

Groupama Asset Management's assets under management totalled €105.9 billion at 30 June 2019, up +€6.5 billion compared with 31 December 2018, driven by the development of the third-party asset management business.

## Results

The Group's economic operating income totalled €185 million at 30 June 2019 compared with €217 million at 30 June 2018.

It includes insurance economic operating income of €224 million at 30 June 2019.

In property and casualty insurance, economic operating income was €69 million as at 30 June 2019, compared with €86 million as at 30 June 2018. The net non-life combined ratio was 97.9% at 30 June 2019 versus 98.1% at 30 June 2018. The first half year benefited from a good current loss experience, particularly in climate-related claims.

In life and health insurance, economic operating income was stable compared with the previous period at +€154 million at 30 June 2019.

The economic operating profit from banking and financial businesses amounted to €15 million, and the Group's holding business posted an economic operating loss of €54 million at 30 June 2019.

The bridge from economic operating income to net income includes non-recurring items of - €79 million at 30 June 2019 versus -€11 million at 30 June 2018. This change is explained in particular by lower levels of realised capital gains over the first half of 2019 compared with the first half of 2018.

Overall, the Group's net income amounted to €106 million at 30 June 2019.

## Balance sheet

The Group's IFRS equity totalled €9.7 billion at 30 June 2019, up +9.3% compared with 31 December 2018, reflecting in particular the increase in unrealised capital gains on financial assets and the contribution of net income. Group's IFRS equity also includes mutual certificates issued by Groupama since the end of 2015 for €567 million, including €27 million collected during the first half of 2019.

At 30 June 2019, insurance investments stood at €89.1 billion versus €85.2 billion at 31 December 2018. Unrealised capital gains increased by +€2.5 billion to reach €10.5 billion, including €7.5 billion from the bond portfolio, €0.9 billion from the equity portfolio, and €2.2 billion from real estate assets.

On 20 June 2019, the rating agency Fitch upgraded the Insurer Financial Strength (IFS) ratings of Groupama Assurances Mutuelles and its subsidiaries to "A" and maintained the outlook associated with these ratings at "Positive".

At 30 June 2019, the Solvency 2 ratio was 269%. Groupama calculates its Group Solvency 2 ratio including the transitional measure on technical reserves authorised by the ACPR. Without the transitional measure on technical reserves, the solvency ratio is 152%.

## Transactions with related parties

Transactions with related parties are detailed in Chapter 3 of the 2018 Registration Document registered with the AMF on 25 April 2019 and available on the company's website ([www.groupama.com](http://www.groupama.com)).

There have been no significant changes in transactions with related parties since 31 December 2018. The agreements put in place with the regional mutuals continued in the same way as those presented in the 2018 Registration Document, both in the application of the agreements and in the relative size.

## Risk factors

The main risks and uncertainties to which Groupama Assurances Mutuelles is subject are detailed in Chapter 5 of the 2018 Registration Document registered with the AMF on 25 April 2019 and available on the company's website ([www.groupama.com](http://www.groupama.com)).

This description of the main risks remains valid as of the publication date of this Report for the assessment of major risks and uncertainties that may affect the Group at the end of the current fiscal year, and no significant uncertainties or risks other than those presented in the 2018 Registration Document are anticipated.

## Key figures

### Key figures – Consolidated scope of Groupama Assurances Mutuelles

#### A/ Premium income

	30/06/2018		30/06/2019	2019/2018
	Reported premium income	Pro forma premium income*	Reported premium income	Change ** as %
<i>in millions of euros</i>				
<b>&gt; France</b>	<b>4,832</b>	<b>4,832</b>	<b>4,897</b>	<b>+1.3%</b>
Life and health insurance	2,503	2,503	2,529	+1.0%
Property and casualty insurance	2,329	2,329	2,368	+1.7%
<b>&gt; International &amp; Overseas</b>	<b>1,390</b>	<b>1,269</b>	<b>1,219</b>	<b>-3.9%</b>
Life and health insurance	406	388	364	-6.2%
Property and casualty insurance	984	880	855	-2.9%
<b>TOTAL INSURANCE</b>	<b>6,222</b>	<b>6,190</b>	<b>6,200</b>	<b>+0.2%</b>
<b>Financial and banking businesses</b>	<b>89</b>	<b>89</b>	<b>84</b>	<b>-6.0%</b>
<b>TOTAL</b>	<b>6,311</b>	<b>6,190</b>	<b>6,200</b>	<b>+0.2%</b>

\* Based on comparable data

\*\* Change on a like-for-like exchange rate and consolidation basis

#### B/ Economic operating income

	30/06/2018	30/06/2019	2019/2018 change
<i>in millions of euros</i>			
Insurance – France	139	145	+6
Insurance – International	43	-12	-55
Financial businesses	20	15	-5
Holding companies	-45	-54	-9
<b>Economic operating income*</b>	<b>157</b>	<b>94</b>	<b>-63</b>

**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, impairment of goodwill (net of corporate income tax), and external financing expenses.

#### C/ Net income

	30/06/2018	30/06/2019	2019/2018 change
<i>in millions of euros</i>			
Economic operating income	157	94	-63
Realised capital gains net of allocations to long-term impairment reserves	48	12	-36
Gains and losses on financial assets and derivatives recognised at fair value	-8	-9	-1
External financing expenses	-27	-34	-7
Net income from discontinued business activities	-2	0	+2
Other expenses and income	-24	-77	-53
<b>Net income</b>	<b>144</b>	<b>-15</b>	<b>-159</b>

**D/ Balance sheet**

<i>in millions of euros</i>	31/12/2018	30/06/2019
Group's IFRS equity	5,274	5,770
Subordinated instruments	2,732	2,732
- classified as equity instruments	1,099	1,099
- classified as "Financing debt"	1,633	1,633
Gross unrealised capital gains	7,279	9,532
Total balance sheet	88,506	92,385

**E/ Main ratios**

	30/06/2018	30/06/2019
Non-life combined ratio	98.3%	99.9%



## Key figures - Groupama combined scope

### A/ Premium income

<i>in millions of euros</i>	30/06/2018		30/06/2019	2019/2018
	Reported premium income	Pro forma premium income*	Reported premium income	Change ** as %
<b>&gt; France</b>	<b>8,009</b>	<b>8,009</b>	<b>8,157</b>	<b>+1.9%</b>
Life and health insurance	3,701	3,701	3,766	+1.8%
Property and casualty insurance	4,308	4,308	4,391	+1.9%
<b>&gt; International &amp; Overseas</b>	<b>1,390</b>	<b>1,269</b>	<b>1,219</b>	<b>-3.9%</b>
Life and health insurance	406	388	364	-6.2%
Property and casualty insurance	984	880	855	-2.9%
<b>TOTAL INSURANCE</b>	<b>9,399</b>	<b>9,277</b>	<b>9,377</b>	<b>+1.1%</b>
<b>Financial businesses</b>	<b>88</b>	<b>88</b>	<b>82</b>	<b>-6.0%</b>
<b>TOTAL</b>	<b>9,487</b>	<b>9,365</b>	<b>9,459</b>	<b>+1.0%</b>

\* Based on comparable data

\*\* Change on a like-for-like exchange rate and consolidation basis

### B/ Economic operating income

<i>in millions of euros</i>	30/06/2018	30/06/2019	2019/2018 change
Insurance – France	199	235	+36
Insurance – International	43	-12	-55
Financial businesses	20	15	-5
Holding companies	-45	-54	-9
<b>Economic operating income*</b>	<b>217</b>	<b>185</b>	<b>-33</b>

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, impairment of goodwill (net of corporate income tax), and external financing expenses.

### C/ Net income

<i>in millions of euros</i>	30/06/2018	30/06/2019	2019/2018 change
Economic operating income	217	185	-33
Realised capital gains net of allocations to long-term impairment reserves	82	40	-42
Gains and losses on financial assets and derivatives recognised at fair value	-13	4	+17
External financing expenses	-27	-34	-7
Net income from discontinued business activities	-2	0	+2
Other expenses and income	-51	-88	-37
<b>Net income</b>	<b>206</b>	<b>106</b>	<b>-100</b>

**D/ Balance sheet**

<i>in millions of euros</i>	31/12/2018	30/06/2019
Group's IFRS equity	8,884	9,711
Subordinated instruments	2,732	2,732
- <i>classified as equity instruments</i>	1,099	1,099
- <i>classified as "Financing debt"</i>	1,633	1,633
Gross unrealised capital gains	8,030	10,548
Total balance sheet	96,833	102,696

**E/ Main ratios**

	30/06/2018	30/06/2019
Non-life combined ratio	98.1%	97.9%

	31/12/2018	30/06/2019
Debt ratio	28.4%	28.0%
Solvency 2 ratio <i>(with transitional measure)</i>	297%	269%
Solvency 2 ratio <i>(without transitional measure)</i>	167%	152%

**Condensed consolidated financial statements  
IFRS**

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## **FINANCIAL STATEMENTS**

**GROUPAMA**  
**CONSOLIDATED BALANCE SHEET (in millions of euros)**

ASSETS		30.06.2019	31.12.2018
Goodwill	Note 2	1,898	1,900
Other intangible assets		238	235
<b>Intangible assets</b>		<b>2,135</b>	<b>2,136</b>
Investment property excluding unit-linked items	Note 4	903	882
Unit-linked investment property	Note 7	109	110
Operating property	Note 5	559	368
Financial investments excluding unit-linked items	Note 6	70,364	68,053
Unit-linked financial investments	Note 7	9,869	8,935
Derivatives and separate embedded derivatives	Note 8	133	114
<b>Insurance business investments</b>		<b>81,937</b>	<b>78,462</b>
<b>Funds used in banking sector activities and investments of other business activities</b>		<b>88</b>	<b>112</b>
<b>Investments in related companies and joint ventures</b>		<b>506</b>	<b>485</b>
<b>Share of outward reinsurers and retrocessionaires in liabilities relating to insurance and financial contracts</b>	Note 9	<b>1,399</b>	<b>1,488</b>
Other property, plant and equipment		194	183
Deferred acquisition costs		193	168
Deferred profit-sharing assets			
Deferred tax assets	Note 10	30	39
Receivables arising from insurance and inward reinsurance operations	Note 11	2,875	2,070
Receivables from outward reinsurance operations		151	171
Current tax receivables and other tax receivables		141	289
Other receivables		1,968	2,166
<b>Other assets</b>		<b>5,553</b>	<b>5,086</b>
<b>Assets held for sale and discontinued business activities</b>	Note 3	<b>154</b>	<b>150</b>
<b>Cash and cash equivalents</b>		<b>613</b>	<b>587</b>
<b>TOTAL</b>		<b>92,385</b>	<b>88,506</b>

The notes on pages 22 to 64 are an integral part of the consolidated financial statements.

**GROUPAMA**  
**CONSOLIDATED BALANCE SHEET** (in millions of euros)

EQUITY & LIABILITIES		30.06.2019	31.12.2018
Equity or equivalent funds		3,618	3,618
Revaluation reserves	Note 12	1,525	1,010
Perpetual subordinated debts categorised as shareholders' equity		1,100	1,100
Other reserves		40	(234)
Foreign exchange adjustments		(497)	(538)
Consolidated income		(15)	319
<b>Shareholders' equity (Group share)</b>		<b>5,770</b>	<b>5,274</b>
Non-controlling interests		51	52
<b>Total shareholders' equity</b>		<b>5,822</b>	<b>5,326</b>
<b>Reserves for contingencies and charges</b>		<b>362</b>	<b>384</b>
<b>Financing debts</b>	Note 13	<b>1,634</b>	<b>1,633</b>
<b>Technical liabilities relating to insurance policies</b>	Note 14	<b>58,111</b>	<b>56,203</b>
<b>Technical liabilities relating to financial contracts</b>	Note 15	<b>12,452</b>	<b>12,744</b>
<b>Deferred profit-sharing liabilities</b>	Note 16	<b>5,380</b>	<b>3,804</b>
<b>Resources from banking sector businesses</b>		<b>3</b>	<b>7</b>
Deferred tax liabilities	Note 10	206	67
Debts to unit holders of consolidated mutual funds		135	118
Operating debts to banking sector companies		15	11
Debts arising from insurance or inward reinsurance operations		615	832
Debts arising from outward reinsurance operations		351	374
Current taxes payable and other tax liabilities		225	110
Derivative instrument liabilities	Note 8	653	601
IFRS 16 rent liabilities	Note 17	208	
Other debts		6,215	6,292
<b>Other liabilities</b>		<b>8,622</b>	<b>8,406</b>
<b>Liabilities of business activities due to be sold or discontinued</b>	Note 3		
<b>TOTAL</b>		<b>92,385</b>	<b>88,506</b>

The notes on pages 22 to 64 are an integral part of the consolidated financial statements.

**GROUPAMA**  
**CONSOLIDATED INCOME STATEMENT (in millions of euros)**

INCOME STATEMENT		30.06.2019	30.06.2018
Written premiums	Note 18	6,116	6,222
Change in unearned premiums		(869)	(937)
<b>Earned premiums</b>		<b>5,247</b>	<b>5,285</b>
<b>Net banking income, net of cost of risk</b>		<b>75</b>	<b>80</b>
Investment income		1,090	1,096
Investment expenses		(338)	(360)
Capital gains or losses from divestments net of impairment and depreciation write-backs		58	161
Change in fair value of financial instruments recorded at fair value through income		923	(3)
Change in impairment on investments		(1)	(1)
<b>Investment income net of expenses</b>	Note 19	<b>1,733</b>	<b>894</b>
<b>Total income from ordinary businesses</b>		<b>7,055</b>	<b>6,259</b>
Insurance policy servicing expenses	Note 20	(5,387)	(4,408)
Income on outward reinsurance	Note 21	102	25
Expenses on outward reinsurance	Note 21	(304)	(339)
<b>Net outward reinsurance income and expenses</b>		<b>(5,589)</b>	<b>(4,722)</b>
Banking operating expenses		(54)	(51)
Policy acquisition costs		(667)	(645)
Administrative costs		(292)	(263)
Other current operating income and expenses		(301)	(308)
<b>Total other current income and expenses</b>		<b>(6,903)</b>	<b>(5,988)</b>
<b>CURRENT OPERATING INCOME</b>		<b>153</b>	<b>271</b>
Other non-current operating income and expenses		(40)	2
<b>OPERATING INCOME</b>		<b>112</b>	<b>272</b>
Financing expenses	Note 22	(50)	(39)
Share in income of related companies		(26)	(20)
Corporate income tax	Note 23	(51)	(48)
<b>NET INCOME FROM CONTINUING BUSINESSES</b>		<b>(14)</b>	<b>164</b>
Net income from activities either discontinued or due to be discontinued	Note 3		(20)
<b>OVERALL NET INCOME</b>		<b>(15)</b>	<b>144</b>
of which, non-controlling interests			1
<b>OF WHICH, NET INCOME (GROUP SHARE)</b>		<b>(15)</b>	<b>143</b>

The notes on pages 22 to 64 are an integral part of the consolidated financial statements.



## GROUPAMA

## STATEMENT OF NET INCOME AND GAINS (LOSSES) RECOGNISED DIRECTLY IN SHAREHOLDERS' EQUITY

(in millions of euros)

NET INCOME AND GAINS AND LOSSES RECOGNISED IN SHAREHOLDERS' EQUITY	30.06.2019			30.06.2018		
	Group share	Non- controlling interests	Total	Group share	Non- controlling interests	Total
<b>Net income for fiscal year</b>	<b>(15)</b>		<b>(15)</b>	<b>143</b>	<b>1</b>	<b>144</b>
<b>Gains and losses recognised directly in shareholders' equity</b>						
<b>Items recyclable to income</b>						
Change in foreign exchange adjustments	41		41	(29)		(29)
Change in gross unrealised capital gains and losses on available-for-sale assets	2,261	8	2,269	(782)	(3)	(785)
Revaluation of hedging derivatives						
Change in shadow accounting	(1,570)	(6)	(1,575)	563	2	564
Change in deferred taxes	(176)		(177)	60		60
Other changes				(2)		(2)
<b>Items not recyclable to income</b>						
Restatement of net actuarial debt from pension commitments (defined-benefit schemes)	(11)		(11)	24		24
Change in deferred taxes	3		3	(8)		(8)
Other changes						
<b>Total gains (losses) recognised directly in shareholders' equity</b>	<b>548</b>	<b>2</b>	<b>549</b>	<b>(175)</b>	<b>(1)</b>	<b>(176)</b>
<b>Net income and gains (losses) recognised in shareholders' equity</b>	<b>533</b>	<b>2</b>	<b>535</b>	<b>(32)</b>		<b>(32)</b>

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

The notes on pages 22 to 64 are an integral part of the consolidated financial statements.

## GROUPAMA

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (in millions or euros)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Equity or equivalent funds	Net income	Subordinated instruments	Consolidated reserves	Revaluation reserves	Foreign exchange adjustment	Equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
Shareholders' equity as of 31/12/2017	2,088	87	1,100	1,225	1,257	(500)	5,257	54	5,311
Allocation of 2017 income (loss)		(87)		87					
Dividends <sup>(1)</sup>				(60)			(60)	(5)	(65)
Change in capital <sup>(2)</sup>	1,530			(1,487)			42	(8)	35
Business combinations								1	1
Other									
<b>Impact of transactions with shareholders</b>	<b>1,530</b>	<b>(87)</b>		<b>(1,460)</b>			<b>(18)</b>	<b>(12)</b>	<b>(30)</b>
Foreign exchange adjustments						(38)	(38)		(38)
Available-for-sale assets					(1,643)		(1,643)	(8)	(1,651)
Shadow accounting					1,271		1,271	5	1,275
Deferred taxes				(5)	125		120	1	121
Actuarial gains (losses) of post-employment benefits				14			14		14
Other				(7)			(7)		(7)
Net income for fiscal year		319					319	12	330
<b>Total income (expenses) recognised over the period</b>		<b>319</b>		<b>2</b>	<b>(248)</b>	<b>(38)</b>	<b>34</b>	<b>10</b>	<b>44</b>
<b>Total changes over the period</b>	<b>1,530</b>	<b>231</b>		<b>(1,458)</b>	<b>(248)</b>	<b>(38)</b>	<b>17</b>	<b>(2)</b>	<b>14</b>
Shareholders' equity as of 31/12/2018	3,618	319	1,100	(234)	1,010	(538)	5,274	52	5,326
Allocation of 2018 income (loss)		(319)		319					
Dividends				(37)			(37)	(2)	(39)
Change in capital									
Business combinations									
Other									
<b>Impact of transactions with shareholders</b>		<b>(319)</b>		<b>282</b>			<b>(37)</b>	<b>(2)</b>	<b>(39)</b>
Foreign exchange adjustments						41	41		41
Available-for-sale assets					2,261		2,261	8	2,269
Shadow accounting					(1,570)		(1,570)	(6)	(1,575)
Deferred taxes				3	(176)		(173)		(173)
Actuarial gains (losses) of post-employment benefits				(11)			(11)		(11)
Other									
Net income for fiscal year		(15)					(15)		(15)
<b>Total income (expenses) recognised over the period</b>		<b>(15)</b>		<b>(8)</b>	<b>515</b>	<b>41</b>	<b>533</b>	<b>2</b>	<b>535</b>
<b>Total changes over the period</b>		<b>(333)</b>		<b>274</b>	<b>515</b>	<b>41</b>	<b>496</b>	<b>0</b>	<b>496</b>
Shareholders' equity as of 30/06/2019	3,618	(15)	1,100	40	1,525	(497)	5,770	51	5,822

<sup>(1)</sup> These being dividends that impact the change in shareholders' equity (Group share), they are treated in particular as compensation for subordinated instruments classified as shareholders' equity according to IFRS rules.

<sup>(2)</sup> The change in capital is due to the conversion of Groupama SA into a mutual insurance company on 7 June 2018.

The notes on pages 22 to 64 are an integral part of the consolidated financial statements.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Equity or equivalent funds	Net income	Subordinated instruments	Consolidated reserves	Revaluation reserves	Foreign exchange adjustment	Equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
Shareholders' equity as of 31/12/2017	2,088	87	1,100	1,225	1,257	(500)	5,257	54	5,311
Allocation of 2017 income (loss)		(87)		87					
Dividends				(38)			(38)	(1)	(39)
Change in capital	1,530			(1,487)			43		43
Business combinations									
Other									
Impact of transactions with shareholders	1,530	(87)		(1,438)			4	(1)	4
Foreign exchange adjustments						(29)	(29)		(29)
Available-for-sale assets					(782)		(782)	(3)	(785)
Shadow accounting					563		563	2	564
Deferred taxes				(8)	60		52		52
Actuarial gains (losses) of post-employment benefits				24			24		24
Other				(2)			(2)		(2)
Net income for fiscal year		143					143	1	144
Total income (expenses) recognised over the period		143		14	(160)	(29)	(32)	0	(32)
Total changes over the period	1,530	56		(1,424)	(160)	(29)	(27)	(1)	(28)
Shareholders' equity as of 30/06/2018	3,618	143	1,100	(199)	1,098	(529)	5,230	53	5,283

**GROUPAMA**  
**CASH FLOW STATEMENT** (in millions of euros)

<b>CASH FLOW STATEMENT</b>	
Cash and cash equivalents	587
Receivables on credit institutions from financial business activities	23
Operating debts to banking sector companies	(11)
<b>Cash and cash equivalents at 1 January 2019</b>	<b>599</b>
Cash and cash equivalents	613
Receivables on credit institutions from financial business activities	17
Operating debts to banking sector companies	(15)
<b>Cash and cash equivalents at 30 June 2019</b>	<b>616</b>

The notes on pages 22 to 64 are an integral part of the consolidated financial statements.

The cash flow statement is presented according to the indirect method model and in accordance with the presentation recommended by the ANC (French accounting standards authority) in recommendation no. 2013-R-05 of 7 November 2013.

CASH FLOW STATEMENT	30.06.2019	30.06.2018
Operating income before taxes	112	272
Capital gains/losses on divestments	11	(150)
Net allocations to amortisation and depreciation	76	68
Change in deferred acquisition costs	(26)	(64)
Change in impairment	(55)	12
Net allocations to technical liabilities relating to insurance policies and financial contracts	1,739	907
Net allocations to other reserves	(30)	(42)
Change in fair value of financial instruments and investments recognised at fair value through income (excluding cash and cash equivalents)	(923)	3
Other non-cash items included in operating income	62	22
Correction of elements included in the operating income other than cash flows and reclassification of investment and financing flows	<b>853</b>	<b>757</b>
Change in operating receivables and payables	(925)	(723)
Change in banking operating receivables and payables	13	16
Change in repo and reverse-repo securities	56	(127)
Cash flows from other assets and liabilities	(40)	(96)
Net tax paid	106	(42)
<b>Net cash flows from operations</b>	<b>176</b>	<b>57</b>
Acquisitions/divestments of subsidiaries and joint ventures, net of cash acquired/disposed		52
Stakes in related companies acquired/divested	(42)	(28)
Cash flows due to changes in scope of consolidation	<b>(42)</b>	<b>24</b>
Net acquisitions of financial investments (including unit-linked investments) and derivatives	(46)	215
Net acquisitions of investment property	(2)	(4)
Net acquisitions and/or issues of investments and derivatives relating to other businesses		
Other non-cash items	122	38
Cash flows from acquisitions and issues of investments	<b>74</b>	<b>249</b>
Net acquisitions of property, plant and equipment, intangible fixed assets and operating property	(309)	(108)
Cash flows from acquisitions and disposals of property, plant and equipment and intangible fixed assets	<b>(309)</b>	<b>(108)</b>
<b>Net cash flows from investment</b>	<b>(276)</b>	<b>165</b>
Membership fees		
Issue of capital instruments		43
Redemption of equity instruments <sup>(2)</sup>		
Transactions involving own shares		
Dividends paid <sup>(1)</sup>	(39)	(39)
Cash flows from transactions with shareholders and members	<b>(39)</b>	<b>4</b>
Cash allocated to financing liabilities <sup>(2)</sup>		1
Interest paid on financial debt	(50)	(39)
Cash generated by rent liabilities	208	
Cash flows from group financing	<b>159</b>	<b>(39)</b>
<b>Net cash flows from financing</b>	<b>120</b>	<b>(35)</b>
<b>Cash and cash equivalents at 1 January</b>	<b>599</b>	<b>445</b>
Net cash flows from operations	176	57
Net cash flows from investment	(276)	165
Net cash flows from financing	120	(35)
Cash flows from sold or discontinued assets and liabilities		
Effect of foreign exchange changes on cash	(2)	(3)
<b>Cash and cash equivalents at 30 June</b>	<b>616</b>	<b>630</b>

<sup>(1)</sup> They equate in particular to payment for subordinated securities classified in equity under IFRS.

<sup>(2)</sup> Movements relating to financing activities are detailed in Notes 12.2 and 13.1.

The notes on pages 22 to 64 are an integral part of the consolidated financial statements.

## **NOTES TO THE CONSOLIDATED ACCOUNTS**

## 1. SIGNIFICANT EVENTS AND POST-BALANCE SHEET EVENTS

### Significant events

#### **Financial Strength**

##### Financial rating

On 20 June 2019, Fitch Ratings raised the Insurer Financial Strength (IFS) ratings of Groupama Assurances Mutuelles and its subsidiaries to “A” and maintained the outlook associated with these ratings at “Positive”.

#### **Business activities**

##### Partnerships

At the end of January 2019, Groupama partnered with MiiMOSA, the first crowdfunding platform dedicated to agriculture and food, to offer a financing solution to its agricultural members.

At the beginning of April 2019, the Groupama Group entered into a partnership with WINCHApps to offer a fully digital individualised social review to its corporate savings and pensions customers.

At the end of April 2019, the Groupama Group and Natixis innovated with a unit-linked product committed to the energy transition. As part of a proactive approach to combating global warming, Natixis and Groupama Gan Vie, a subsidiary of the Groupama Group, have partnered to launch the first green debt instrument, 100% committed to the energy transition.

## POST-BALANCE SHEET EVENTS

### Acquisition

Groupama Zhivotozastrahovane, the Bulgarian subsidiary of Groupama Assurances Mutuelles, signed a contract on 10 July 2019 for the acquisition of 100% of the shares of the Express Life Insurance, which belongs to DSK Bank, the Bulgarian subsidiary of OTP Bank. The financial close of the transaction is expected to occur in the last quarter of 2019, after regulatory approvals have been obtained.

## 2. CONSOLIDATION PRINCIPLES, METHODS AND SCOPE

### 2.1. EXPLANATORY NOTE

Groupama Assurances Mutuelles is a national agricultural reinsurance mutual, a special form of mutual insurance company, wholly owned by the Caisses Régionales d'Assurances et de Réassurances Mutuelles Agricoles and the Caisses Spécialisées ("Specialised Mutuals", regional mutuals), which form the Mutual Insurance Division of Groupama. Groupama Assurances Mutuelles is domiciled in France. Its headquarters are located at 8-10, rue d'Astorg, 75008, Paris, France.

The primary functions of Groupama Assurances Mutuelles, the central body of the Group network, the sole reinsurer for the regional mutuals, and the holding company for the equity management division of the Groupama group, are as follows:

- to ensure the cohesion and proper operation of the Groupama network;
- to exercise administrative, technical and financial control over the structure and management of the organisations within the Groupama network;
- 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 Mutual Insurance Advisory Board;
- to reinsure the regional mutuals;
- to direct all subsidiaries;
- to establish the external reinsurance programme for the entire Group;
- take all necessary measures to ensure the solvency and meeting of commitments of each of the organisations within the network and of the entire Group;
- to prepare the consolidated and combined financial statements.

The consolidated financial statements of Groupama Assurances Mutuelles incorporate the reinsurance ceded by the regional mutuals as well as the business of the subsidiaries.

The combined financial statements relate to the Groupama Group and include all local mutuals, regional mutuals, Assurances Mutuelles, and its subsidiaries.

The company's activities are governed by the provisions of the French Commercial Code and the French Insurance Code and are subject to the supervision of the French Prudential Control Authority (ACPR).

The various entities of the Group are connected:

- within the Groupama Assurances Mutuelles division, by capital ties. The subsidiaries included in this division are consolidated in the financial statements. Moreover, in exchange for a certain operational autonomy, each of the subsidiaries is subject to the requirements and obligations defined by the Groupama Assurances Mutuelles environment, particularly in terms of control;
- in the Mutual Insurance Division:
  - by an internal reinsurance treaty that binds the regional mutuals to Groupama Assurances Mutuelles;
  - by a security and solidarity plan between all the regional mutuals and Groupama Assurances Mutuelles.

The list of entities included in the scope of the Group's consolidated financial statements and the changes in this scope appear in note 24 to the financial statements.

The consolidated financial statements as at 30 June 2019 were approved by the Board of Directors, which met on 29 August 2019.



## 2.2. ACCOUNTING PRINCIPLES

The Group's consolidated accounts at 30 June 2019 were prepared in accordance the International Financial Reporting Standards and interpretations applicable as of 30 June 2019 as adopted by the European Union and in particular in accordance with IAS 34 on interim financial information.

They were prepared according to accounting principles consistent with those applied for the consolidated financial statements as at 31 December 2018 for the standards and interpretations already existing as of that date, which have not changed since then, with the main exception of IAS 17, which was replaced by IFRS 16, the principles of which are described below. They must be read together with the consolidated financial statements as at 31 December 2018.

All standards and interpretations that are mandatory for fiscal years starting on or after 1 January 2019 were applied when producing the Group's financial statements at 30 June 2019. They have had no significant effect on the Group's financial statements as at 30 June 2019 for the following standards and interpretations:

- Amendment to IAS 28: Long-term interests in associates and joint ventures,
- Amendments to IAS 19: Plan Amendment, Curtailment or Settlement,
- IFRIC 23: Uncertain tax positions.

The mandatory application of IFRS 16 "Leases" since 1 January 2019 modifies the accounting treatment of leases entered into by the Group as a tenant. All leases must now be recorded in the balance sheet, with the recognition of an asset representing the right to use the leased asset during the term of the contract and a liability for the rent payment obligation. In the income statement, an amortisation expense for the right to use the asset and a financial expense relating to interest on rent liabilities partially replace the operating expense previously recorded for rent.

In accordance with the exemptions provided for in the standard, the Group has chosen not to apply IFRS 16 to contracts with a maturity of less than 12 months and to contracts involving low-value assets. For these contracts, the Group continues to record rent in expenses.

The Group has chosen not to present the rights of use relating to leases on a separate line of the balance sheet but to aggregate them in the fixed-asset lines corresponding to the underlying assets: "Operating property" and "Other plant, property and equipment". IFRS 16 rent liabilities are presented on a separate line in the balance sheet: "IFRS 16 rental liabilities".

The Group chose to apply the simplified retrospective approach under IFRS 16 on the date of first application, 1 January 2019, without restatement of comparative periods using the following simplification measures provided for in the standard on transition:

- use of a discount rate unique to a portfolio of contracts with relatively similar characteristics;
- exclusion of contracts with a residual duration of less than 12 months;
- non-consideration of initial direct costs.

The discount rates applied at the transition date are based on the Group's marginal borrowing rate plus a spread to take into account the economic environments specific to each lessee country.

Due to the use of the simplified retrospective method, the application of IFRS 16 has no impact on the Group's opening shareholders' equity at 1 January 2019. In terms of the impact of the standard on the presentation of the balance sheet, the amounts of the rental liability and the right of use recognised as at 1 January 2019 both amount to €200 million.

The difference between the amount of rental liability recognised as at 1 January 2019 and the amount of commitments arising from operating leases presented under IAS 17 at 31 December 2018 corresponds to the discounting of these commitments and to the fact that the commitments identified at 31 December 2018 of €302 million correspond to all property lease commitments, including those for which a simplification measure was applied at the transition.

The Group has chosen to defer the application of IFRS 9 on financial instruments and its amendment "Prepayment features with negative compensation" pursuant to the amendment to IFRS 4 "Applying IFRS 9 – Financial Instruments with IFRS 4 – Insurance Contracts", which allows groups whose main business is insurance to defer the application of IFRS 9 at the latest until the annual periods beginning on or after 1 January 2021. The Group meets the eligibility criteria defined in the amendment to defer the application of IFRS 9.

The rules for application of IFRS 9 and its potential impact on the Group's combined financial statements are currently under review.

IFRS 17 on insurance contracts, published in May 2017 by the IASB and intended to replace the current IFRS 4, has not yet been adopted by the European Union. Work to identify problems in implementing this standard and its potential impact on the consolidated financial statements is currently in progress. This work is being carried out in conjunction with the IFRS 9 impact analysis and includes the IASB's provisional decision from November 2018 to defer the entry into force of both IFRS 17 and IFRS 9 by one year to 1 January 2022.

In order to prepare the Group's financial statements in accordance with IFRS, Groupama's management must make assumptions and estimates that have an impact on the amount of assets, liabilities, income, and expenses as well as on the drafting of the related notes. Final future results of operations for which estimates were necessary may prove to be different and may result in an adjustment to the financial statements.

In the preparation of the consolidated half-yearly financial statements, the judgements made by management in applying the Group's accounting principles pertain to the same items of the financial statements as in the consolidated financial statements for the fiscal year ended 31 December 2018.

All amounts on the consolidated balance sheet, the consolidated income statement, the statement of net income and gains (losses) recognised directly in shareholders' equity, the statement of changes in shareholders' equity, the cash flow statement, and the notes are in millions of euros unless otherwise indicated. These amounts are rounded. Rounding differences may exist.

### 3. NOTES TO THE FINANCIAL STATEMENTS

#### NOTE 1 – SEGMENT REPORTING

##### NOTE 1.1 – SEGMENT REPORTING BY OPERATING SEGMENT

In millions of euros	30.06.2019			31.12.2018		
	France	International	Total	France	International	Total
Intangible assets	851	1,284	2,135	841	1,295	2,136
Insurance business investments	74,506	7,431	81,937	71,624	6,838	78,462
Funds used in banking sector activities and investments of other business activities	88		88	112		112
Investments in related companies and joint ventures	358	147	506	347	138	485
Share of outward reinsurers and retrocessionaires in liabilities relating to insurance and financial contracts	1,299	100	1,399	1,387	101	1,488
Other assets	4,904	649	5,553	4,253	833	5,086
Assets held for sale and discontinued business activities	154		154	150		150
Cash and cash equivalents	490	124	613	457	130	587
<b>Consolidated total assets</b>	<b>82,650</b>	<b>9,735</b>	<b>92,385</b>	<b>79,171</b>	<b>9,335</b>	<b>88,506</b>
Reserves for contingencies and charges	288	74	362	310	73	384
Financing debts	1,634		1,634	1,633		1,633
Technical liabilities relating to insurance policies	53,432	4,679	58,111	51,567	4,636	56,203
Technical liabilities relating to financial contracts	10,522	1,930	12,452	10,852	1,892	12,744
Deferred profit-sharing liabilities	5,267	113	5,380	3,746	57	3,804
Resources from banking sector businesses	3		3	7		7
Other liabilities	8,345	277	8,622	8,166	239	8,406
Liabilities of business activities due to be sold or discontinued						
<b>Total consolidated liabilities excluding shareholders' equity</b>	<b>79,490</b>	<b>7,073</b>	<b>86,563</b>	<b>76,282</b>	<b>6,898</b>	<b>83,180</b>

## NOTE 1.2 – SEGMENT REPORTING BY BUSINESS

In millions of euros	30.06.2019									
	France					International				Total
	Property and casualty insurance	Life and health insurance	Banking and finance business	Holding	Total	Property and casualty insurance	Life and health insurance	Holding	Total	
<b>Earned premiums</b>	1,745	2,381			4,127	773	347		1,120	5,247
<b>Net banking income, net of cost of risk</b>			75		75					75
Investment income	59	905		14	978	56	54	2	112	1,090
Investment expenses	(30)	(267)		(14)	(312)	(17)	(9)		(27)	(338)
Capital gains or losses from divestments net of impairment and depreciation write-backs	6	41		10	57	1	0		1	58
Change in fair value of financial instruments recorded at fair value through income	2	880		(7)	874	1	49		50	923
Change in impairment on investments										(1)
<b>Total income from ordinary businesses</b>	1,781	3,941	75	3	5,800	813	441	2	1,255	7,055
Insurance policy servicing expenses	(1,024)	(3,428)			(4,452)	(578)	(357)		(935)	(5,387)
Income on outward reinsurance	37	56			93	8	1		9	102
Expenses on outward reinsurance	(220)	(61)			(281)	(24)	1		(23)	(304)
Banking operating expenses			(54)		(54)					(54)
Policy acquisition costs	(251)	(201)			(451)	(166)	(50)		(216)	(667)
Administrative costs	(134)	(94)			(229)	(44)	(19)		(63)	(292)
Other current operating income and expenses	(67)	(111)	1	(75)	(252)	(42)	(6)	(1)	(49)	(301)
<b>CURRENT OPERATING INCOME</b>	123	102	23	(72)	175	(33)	9	1	(22)	153
Other operating income and expenses	(27)	(3)		(2)	(32)	(6)	(2)		(8)	(40)
<b>OPERATING INCOME</b>	96	99	23	(74)	142	(39)	7	1	(30)	112
Financing expenses	(1)			(48)	(49)	(1)			(1)	(50)
Share in income of related companies	(1)		(29)		(30)	4			4	(26)
Corporate income tax	(57)	(60)	(8)	64	(60)	11	(1)		10	(51)
<b>NET INCOME FROM CONTINUING BUSINESSES</b>	37	39	(14)	(58)	3	(25)	6	1	(18)	(14)
Net income from activities either discontinued or due to be discontinued										
<b>TOTAL NET INCOME</b>	37	39	(14)	(58)	3	(25)	6	1	(18)	(15)
of which, non-controlling interests										
<b>OF WHICH, NET INCOME (GROUP SHARE)</b>	37	38	(14)	(58)	3	(25)	6	1	(18)	(15)

In millions of euros	30.06.2018			
	France		International	Total

	Property and casualty insurance	Life and health insurance	Banking and finance business	Holding	Total	Property and casualty insurance	Life and health insurance	Holding	Total	
<b>Earned premiums</b>	<b>1,702</b>	<b>2,365</b>			<b>4,068</b>	<b>826</b>	<b>392</b>		<b>1,218</b>	<b>5,285</b>
<b>Net banking income, net of cost of risk</b>			<b>80</b>		<b>80</b>					<b>80</b>
Investment income	70	920		(1)	989	47	58	2	107	1,096
Investment expenses	(23)	(299)		(13)	(334)	(17)	(9)		(26)	(360)
Capital gains or losses from divestments net of impairment and depreciation write-backs	5	135		10	150		10		10	161
Change in fair value of financial instruments recorded at fair value through income	(3)	12		1	10	1	(14)		(13)	(3)
Change in impairment on investments					(1)					(1)
<b>Total income from ordinary businesses</b>	<b>1,752</b>	<b>3,133</b>	<b>80</b>	<b>(2)</b>	<b>4,963</b>	<b>857</b>	<b>438</b>	<b>1</b>	<b>1,296</b>	<b>6,259</b>
Insurance policy servicing expenses	(967)	(2,570)			(3,537)	(531)	(339)		(871)	(4,408)
Income on outward reinsurance	(45)	43			(2)	26	1		27	25
Expenses on outward reinsurance	(211)	(49)			(260)	(77)	(2)		(79)	(339)
Banking operating expenses			(51)		(51)					(51)
Policy acquisition costs	(239)	(179)			(418)	(173)	(54)		(227)	(645)
Administrative costs	(130)	(67)			(197)	(44)	(21)		(65)	(263)
Other current operating income and expenses	(63)	(146)	1	(62)	(270)	(32)	(5)	(1)	(38)	(308)
<b>CURRENT OPERATING INCOME</b>	<b>97</b>	<b>164</b>	<b>30</b>	<b>(64)</b>	<b>227</b>	<b>26</b>	<b>18</b>	<b>0</b>	<b>43</b>	<b>271</b>
Other operating income and expenses	(9)	(2)		14	2	(6)	5		(1)	2
<b>OPERATING INCOME</b>	<b>88</b>	<b>162</b>	<b>30</b>	<b>(50)</b>	<b>230</b>	<b>19</b>	<b>23</b>	<b>0</b>	<b>43</b>	<b>272</b>
Financing expenses				(39)	(39)					(39)
Share in income of related companies	(1)		(24)		(25)	4			4	(20)
Corporate income tax	(39)	(77)	(10)	79	(47)	4	(4)			(48)
<b>NET INCOME FROM CONTINUING BUSINESSES</b>	<b>48</b>	<b>85</b>	<b>(4)</b>	<b>(11)</b>	<b>118</b>	<b>27</b>	<b>19</b>	<b>0</b>	<b>46</b>	<b>164</b>
Net income from activities either discontinued or due to be discontinued				(20)	(20)					(20)
<b>OVERALL NET INCOME</b>	<b>48</b>	<b>85</b>	<b>(4)</b>	<b>(31)</b>	<b>98</b>	<b>27</b>	<b>19</b>	<b>0</b>	<b>46</b>	<b>144</b>
of which, non-controlling interests					1					1
<b>OF WHICH, NET INCOME (GROUP SHARE)</b>	<b>48</b>	<b>84</b>	<b>(4)</b>	<b>(31)</b>	<b>97</b>	<b>27</b>	<b>19</b>	<b>0</b>	<b>46</b>	<b>143</b>

**NOTE 2–GOODWILL****NOTE 2.1 – GOODWILL**

In millions of euros	30.06.2019				31.12.2018
	Gross value	Impairment	Foreign exchange adjustment	Net value	Net value
Opening value	2,901	(697)	(304)	1,900	1,907
Newly consolidated entities					
Eliminations from the scope of consolidation					
France					
Central and Eastern European countries			(3)	(3)	(7)
Turkey					
Other changes during the fiscal year			(3)	(3)	(7)
Closing value	2,901	(697)	(307)	1,898	1,900

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

**Changes during the fiscal year:**

The changes that affected goodwill on the balance sheet correspond to exchange-rate differences.

**Impairment test:**

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

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

As a general rule, the flows used correspond to:

- An explicit period based on the Group's operational strategy 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;
- The solvency margin integrated into the business plans is valued according to the prudential rules established by the Solvency 2 directive for subsidiaries whose country is subject to this regulation.

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

During the first half of 2018, no indicators of loss of value were detected.

It should be recalled that in fiscal years 2009 to 2017, the Group devalued goodwill by €697 million for the following cash-generating units:

- Countries of Eastern and Central Europe for a total of €502 million, including: €113 million in 2009 corresponding to start-up risk in the emerging countries of Eastern Europe where OTP Bank is active, €79 million in 2010, €51 million in 2011, and €260 million in 2012;
- Greece: €39 million in 2011 and €9 million in 2012;
- Turkey: €88 million in 2016 and €58 million in 2017.

**NOTE 3—DISCONTINUED BUSINESS ACTIVITIES OR THOSE DUE TO BE SOLD OR DISCONTINUED****NOTE 3.1 – INCOME FROM DISCONTINUED BUSINESS ACTIVITIES**

During the first half of 2019, Groupama closed the liquidation of its UK subsidiary Groupama UK, a former holding company of brokerage firms sold in 2017. The income from this liquidation appears in the Group's income for a negligible amount.

**NOTE 3.2 – BUSINESS ACTIVITIES TO BE SOLD OR DISCONTINUED**

On 17 December 2018, the Group signed a framework agreement with Norwegian sovereign fund Norges Bank for the sale of 79 avenue des Champs-Élysées. Groupama therefore reclassified this asset as "held for sale" for €154 million as at 30 June 2019 compared with €150 million as at 31 December 2018. This change was due to the continuation of work in progress in the property.

The Amaline portfolio will be sold to the regional mutuals, subject to obtaining the ACPR's authorisation. This transaction will have no impact on the insurance technical commitments on the consolidated financial statements net of reinsurance.

## NOTE 4 – INVESTMENT PROPERTY, EXCLUDING UNIT-LINKED INVESTMENTS

In millions of euros	30.06.2019			31.12.2018		
	Property	SCI units	Total	Property	SCI units	Total
<b>Opening gross value</b>	<b>1,009</b>	<b>51</b>	<b>1,060</b>	<b>1,284</b>	<b>52</b>	<b>1,336</b>
Acquisitions	21	2	23	28	2	30
Change in scope of consolidation						
Subsequent expenditure						
Assets capitalised in the year	31		31	170		170
Transfer from/to unit-linked property						
Transfer from/to operating property	1		1			
Foreign exchange adjustments						
Outward reinsurance	(24)	(1)	(25)	(321)	(3)	(324)
Other	(4)		(4)	(153)		(153)
<b>Closing gross value</b>	<b>1,034</b>	<b>52</b>	<b>1,086</b>	<b>1,009</b>	<b>51</b>	<b>1,060</b>
<b>Opening cumulative amortisation</b>	<b>(169)</b>		<b>(169)</b>	<b>(186)</b>		<b>(186)</b>
Increase	(11)		(11)	(19)		(19)
Change in scope of consolidation						
Transfer from/to unit-linked property						
Transfer from/to operating property						
Decrease	6		6	36		36
Other				1		1
<b>Closing cumulative amortisation &amp; impairment</b>	<b>(174)</b>		<b>(174)</b>	<b>(169)</b>		<b>(169)</b>
<b>Opening cumulative long-term impairment</b>	<b>(9)</b>		<b>(10)</b>	<b>(19)</b>		<b>(19)</b>
Long-term impairment recognised						
Change in scope of consolidation						
Transfer from/to operating property						
Long-term impairment write-backs				9		9
<b>Closing cumulative long-term impairment</b>	<b>(9)</b>		<b>(9)</b>	<b>(9)</b>		<b>(10)</b>
<b>Opening net value</b>	<b>831</b>	<b>51</b>	<b>882</b>	<b>1,080</b>	<b>52</b>	<b>1,132</b>
<b>Closing net value</b>	<b>850</b>	<b>52</b>	<b>903</b>	<b>831</b>	<b>51</b>	<b>882</b>
<b>Closing fair value of investment property</b>	<b>2,336</b>	<b>140</b>	<b>2,477</b>	<b>2,327</b>	<b>136</b>	<b>2,463</b>
<b>Unrealised capital gains (losses)</b>	<b>1,486</b>	<b>88</b>	<b>1,574</b>	<b>1,496</b>	<b>85</b>	<b>1,581</b>

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

Unrealised gains accruing to the Group, including property operating activities (see Note 5), amounted to €541 million as at 30 June 2019 (net of profit sharing and tax), compared with €507 million as at 31 December 2018.



Sales of property during the fiscal year include in particular sales by vacant lots of the Group's residential assets.

As per the fair value hierarchy established in IFRS 13, the fair value of investment property is ranked as Level 2 for €2,406 million and Level 3 for €71 million. The Level 2 investment property comprises mainly property located in Paris, or the Greater Paris region, whose fair value is based on observable data.

## NOTE 5 – OPERATING PROPERTY

In millions of euros	30.06.2019				31.12.2018		
	Property	Right of use	SCI units	Total	Property	SCI units	Total
<b>Opening gross value</b>	<b>566</b>		<b>10</b>	<b>576</b>	<b>555</b>	<b>10</b>	<b>565</b>
Acquisitions		220		220	3		3
Change in scope of consolidation							
Assets capitalised in the year	10			10	10		10
Transfer from/to investment property	(1)			(1)			
Foreign exchange adjustments	(1)			(1)	(1)		(1)
Outward reinsurance	(70)			(70)	(2)		(2)
Other							
<b>Closing gross value</b>	<b>506</b>	<b>220</b>	<b>10</b>	<b>735</b>	<b>566</b>	<b>10</b>	<b>576</b>
<b>Opening cumulative amortisation</b>	<b>(109)</b>			<b>(109)</b>	<b>(102)</b>		<b>(102)</b>
Increase	(3)	(13)		(16)	(12)		(12)
Change in scope of consolidation							
Transfer from/to investment property							
Decrease	22			22	4		4
Other							
<b>Closing cumulative amortisation &amp; impairment</b>	<b>(91)</b>	<b>(13)</b>		<b>(103)</b>	<b>(109)</b>		<b>(109)</b>
<b>Opening cumulative long-term impairment</b>	<b>(99)</b>			<b>(99)</b>	<b>(85)</b>		<b>(85)</b>
Long-term impairment recognised					(13)		(13)
Transfer from/to investment property							
Long-term impairment write-backs	25			25			
<b>Closing cumulative long-term impairment</b>	<b>(74)</b>			<b>(74)</b>	<b>(99)</b>		<b>(99)</b>
<b>Opening net value</b>	<b>358</b>		<b>10</b>	<b>368</b>	<b>368</b>	<b>10</b>	<b>378</b>
<b>Closing net value</b>	<b>341</b>	<b>207</b>	<b>10</b>	<b>559</b>	<b>358</b>	<b>10</b>	<b>368</b>
<b>Closing fair value of operating property</b>	<b>564</b>	<b>207</b>	<b>16</b>	<b>787</b>	<b>589</b>	<b>16</b>	<b>605</b>
<b>Unrealised capital gains (losses)</b>	<b>222</b>	<b>0</b>	<b>6</b>	<b>229</b>	<b>231</b>	<b>6</b>	<b>237</b>

Divestments and reserve reversals for the fiscal year are mainly related to the sale of a Paris suburb property by Groupama Gan Vie.

It should be noted that the Group has applied IFRS 16 since 1 January 2019: leases are now recognised as an asset as well as a liability for the rent payment obligation.

## NOTE 6—FINANCIAL INVESTMENTS EXCLUDING UNIT-LINKED ITEMS

In millions of euros	30.06.2019	31.12.2018
	Net value	Net value
Assets valued at fair value	69,263	66,824
Assets valued at amortised cost	1,102	1,229
<b>Total financial investments excluding unit-linked items</b>	<b>70,364</b>	<b>68,053</b>

The bond security repurchase agreement business generated €4,576 million versus €4,526 million at 31 December 2018. The cash from these repurchase agreements is invested in specific funds held directly.

## NOTE 6.1 – INVESTMENTS VALUED AT FAIR VALUE BY TYPE

In millions of euros	30.06.2019								
	Net amortised cost			Fair value (a)			Gross unrealised capital gains (losses)		
	France	Inter-national	Total	France	Inter-national	Total	France	Inter-national	Total
<b>Equities and other variable-income investments</b>									
Available-for-sale assets	1,864	264	2,127	2,461	307	2,767	597	43	640
Assets classified as “trading”	38	1	39	38	1	39			
Assets classified as “held for trading”	303		303	303		303			
<b>Total equities and other variable-income investments</b>	<b>2,204</b>	<b>264</b>	<b>2,468</b>	<b>2,801</b>	<b>307</b>	<b>3,108</b>	<b>597</b>	<b>43</b>	<b>640</b>
<b>Bonds and other fixed-income investments</b>									
Available-for-sale assets	41,652	4,727	46,380	48,381	5,089	53,470	6,729	361	7,090
Assets classified as “trading”	2	1	3	2	1	3			
Assets classified as “held for trading”	4,056	188	4,244	4,056	188	4,244			
<b>Total bonds and other fixed-income investments</b>	<b>45,711</b>	<b>4,916</b>	<b>50,626</b>	<b>52,439</b>	<b>5,277</b>	<b>57,717</b>	<b>6,729</b>	<b>361</b>	<b>7,090</b>
<b>Cash mutual funds</b>									
Assets classified as “trading”	5,442	16	5,458	5,442	16	5,458			
Assets classified as “held for trading”	2,558	421	2,979	2,558	421	2,979			
<b>Total cash mutual funds</b>	<b>8,001</b>	<b>437</b>	<b>8,437</b>	<b>8,001</b>	<b>437</b>	<b>8,437</b>			
<b>Other investments</b>									
Available-for-sale assets									
Assets classified as “trading”									
Assets classified as “held for trading”									
<b>Total other investments</b>									
<b>Total investments valued at fair value</b>	<b>55,916</b>	<b>5,617</b>	<b>61,532</b>	<b>63,241</b>	<b>6,021</b>	<b>69,263</b>	<b>7,326</b>	<b>405</b>	<b>7,730</b>

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

In millions of euros	31.12.2018								
	Net amortised cost			Fair value (a)			Gross unrealised capital gains (losses)		
	France	Inter-national	Total	France	Inter-national	Total	France	Inter-national	Total
<b>Equities and other variable-income investments</b>									
Available-for-sale assets	1,923	286	2,210	2,389	302	2,690	465	15	481
Assets classified as "trading"	30		30	30		30			
Assets classified as "held for trading"	325	1	326	325	1	326			
<b>Total equities and other variable-income investments</b>	<b>2,278</b>	<b>288</b>	<b>2,566</b>	<b>2,743</b>	<b>303</b>	<b>3,046</b>	<b>465</b>	<b>15</b>	<b>481</b>
<b>Bonds and other fixed-income investments</b>									
Available-for-sale assets	41,794	4,734	46,528	46,578	4,931	51,509	4,785	196	4,981
Assets classified as "trading"	2		3	2		3			
Assets classified as "held for trading"	4,058	186	4,244	4,058	186	4,244			
<b>Total bonds and other fixed-income investments</b>	<b>45,853</b>	<b>4,921</b>	<b>50,774</b>	<b>50,638</b>	<b>5,117</b>	<b>55,755</b>	<b>4,785</b>	<b>196</b>	<b>4,981</b>
<b>Cash mutual funds</b>									
Assets classified as "trading"	5,416	13	5,430	5,416	13	5,430			
Assets classified as "held for trading"	2,549	44	2,593	2,549	44	2,593			
<b>Total cash mutual funds</b>	<b>7,966</b>	<b>57</b>	<b>8,023</b>	<b>7,966</b>	<b>57</b>	<b>8,023</b>			
<b>Other investments</b>									
Available-for-sale assets									
Assets classified as "trading"									
Assets classified as "held for trading"									
<b>Total other investments</b>									
<b>Total investments valued at fair value</b>	<b>56,097</b>	<b>5,266</b>	<b>61,363</b>	<b>61,348</b>	<b>5,477</b>	<b>66,824</b>	<b>5,250</b>	<b>211</b>	<b>5,462</b>

(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 AMORTISED COST IN NET VALUE**

In millions of euros	30.06.2019			31.12.2018		
	France	International	Total	France	International	Total
Loans	65	56	121	68	57	125
Deposits	713	209	921	799	237	1,036
Other	60		60	68		68
<b>Total financial investment valued at amortised cost</b>	<b>837</b>	<b>265</b>	<b>1,102</b>	<b>935</b>	<b>294</b>	<b>1,229</b>

**NOTE 6.3-RESERVES FOR IMPAIRMENT OF INVESTMENTS**

In millions of euros	30.06.2019			31.12.2018		
	Gross	Reserves	Net	Gross	Reserves	Net
<b>Available-for-sale assets</b>						
Equities and other variable-income investments	2,329	(202)	2,127	2,458	(248)	2,210
Bonds and other fixed-income investments	46,382	(3)	46,380	46,531	(3)	46,528
Other investments						
<b>Total available-for-sale assets</b>	<b>48,712</b>	<b>(205)</b>	<b>48,507</b>	<b>48,988</b>	<b>(250)</b>	<b>48,738</b>
Financial investments valued at amortised cost	1,103	(1)	1,102	1,230	(1)	1,229
<b>Financial investments valued at amortised cost</b>	<b>1,103</b>	<b>(1)</b>	<b>1,102</b>	<b>1,230</b>	<b>(1)</b>	<b>1,229</b>

Total reserves for long-term impairment on investments measured at fair value were €205 million, compared with €250 million at 31 December 2018.

Regarding equities, a reserve of €120 million was established for strategic securities.

The amount of reserves for long-term impairment on investments valued at amortised cost remains unchanged at €1 million.

Reserves were determined in accordance with the rules set out in paragraph 3.2.1 of the accounting principles of the financial statements at 31 December 2018.

**NOTE 6.4 – BOND PORTFOLIO – BY RATING**

The presentations below pertain to only bond investments held directly or through consolidated mutual funds and do not take into account other investments with similar features (bond mutual funds, rate mutual funds, bond funds, etc.).

In millions of euros	30.06.2019						
	AAA	AA	A	BBB	<BBB	Not rated	Total
<b>Listed bonds</b>							
Available-for-sale	2,974	24,558	10,177	13,017	124	270	51,120
Classified as “trading”							
Classified as “held for trading”	52	48	735	21		1	857
<b>Total listed bonds</b>	<b>3,026</b>	<b>24,606</b>	<b>10,912</b>	<b>13,037</b>	<b>124</b>	<b>272</b>	<b>51,977</b>
<b>Unlisted bonds</b>							
Available-for-sale			5	97			101
Classified as “trading”							
Classified as “held for trading”			12			6	18
<b>Total unlisted bonds</b>			<b>17</b>	<b>97</b>		<b>6</b>	<b>119</b>
<b>Total bond portfolio</b>	<b>3,026</b>	<b>24,606</b>	<b>10,929</b>	<b>13,134</b>	<b>124</b>	<b>277</b>	<b>52,096</b>

In millions of euros	31.12.2018						
	AAA	AA	A	BBB	<BBB	Not rated	Total
<b>Listed bonds</b>							
Available-for-sale	2,832	23,917	9,557	12,527	136	284	49,253
Classified as “trading”							
Classified as “held for trading”	50	45	724	20		1	840
<b>Total listed bonds</b>	<b>2,882</b>	<b>23,963</b>	<b>10,281</b>	<b>12,547</b>	<b>136</b>	<b>285</b>	<b>50,093</b>
<b>Unlisted bonds</b>							
Available-for-sale		7	10	96			113
Classified as “trading”							
Classified as “held for trading”			23			5	29
<b>Total unlisted bonds</b>		<b>7</b>	<b>33</b>	<b>96</b>		<b>5</b>	<b>142</b>
<b>Total bond portfolio</b>	<b>2,882</b>	<b>23,970</b>	<b>10,314</b>	<b>12,644</b>	<b>136</b>	<b>290</b>	<b>50,235</b>

**NOTE 6.5—HIERARCHY OF FAIR VALUE**

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

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

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

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

In millions of euros	30.06.2019				31.12.2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Available-for-sale assets</b>								
Equities and other variable-income investments	2,410	59	299	2,767	2,273	79	338	2,690
Bonds and other fixed-income investments	51,708	701	1,060	53,470	49,846	528	1,136	51,509
Other investments								
<b>Total available-for-sale assets</b>	<b>54,118</b>	<b>760</b>	<b>1,359</b>	<b>56,237</b>	<b>52,119</b>	<b>607</b>	<b>1,473</b>	<b>54,199</b>
<b>Trading assets</b>								
Equities and other variable-return investments classified as “trading” or “held for trading”	85		256	341	71		285	356
Bonds and other fixed-income investments classified as “trading” or “held for trading”	3,391	542	314	4,247	3,367	530	349	4,246
Cash mutual funds classified as “trading” or “held for trading”	8,437			8,437	8,023			8,023
Other investments								
<b>Total trading assets</b>	<b>11,914</b>	<b>542</b>	<b>570</b>	<b>13,025</b>	<b>11,461</b>	<b>530</b>	<b>634</b>	<b>12,625</b>
<b>Sub-total financial investments at fair value (excluding unit-linked items)</b>	<b>66,032</b>	<b>1,302</b>	<b>1,929</b>	<b>69,263</b>	<b>63,580</b>	<b>1,137</b>	<b>2,108</b>	<b>66,824</b>
<b>Investments in unit-linked policies</b>	6,837	2,894	247	9,978	6,135	2,607	303	9,045
<b>Derivative assets and liabilities</b>		(520)		(520)		(487)		(487)
<b>Total financial assets and liabilities valued at fair value</b>	<b>72,869</b>	<b>3,675</b>	<b>2,176</b>	<b>78,720</b>	<b>69,715</b>	<b>3,257</b>	<b>2,410</b>	<b>75,382</b>

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

Derivative instruments posted to assets totalled €133 million, and derivative instruments posted to liabilities on the balance sheet totalled €653 million at 30 June 2019. These instruments are classified in level 2.

The Level 3 investments comprise:

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

Beyond the financial assets and liabilities described in the table, the Group recorded unit-linked financial contracts without discretionary profit-sharing in its technical liabilities. This amount totalled €159 million at 30 June 2019, compared with €148 million at 31 December 2018.

In millions of euros	30.06.2019								
	Available-for-sale assets			Trading assets				Investments in unit-linked policies	Derivative assets and liabilities
	Equities	Bonds	Other ⓘ investments	Equities	Bonds	Cash mutual funds	Other ⓘ investments		
Level 3 opening amount	338	1,136		285	349			303	
Change in unrealised capital gains/losses recognised in:									
- income				(40)	(8)			6	
- gains and losses recognised directly in shareholders' equity	(10)	17							
Transfer to level 3									
Transfer outside of level 3	(32)	(71)			(29)				
Reclassification to loans and receivables									
Change in scope of consolidation									
Acquisitions	6	107		21	2			3	
Divestments/Redemptions	(3)	(129)		(10)				(63)	
Foreign exchange adjustments	(1)							(1)	
Level 3 closing amount	299	1,060		256	314			247	



## NOTE 7—INVESTMENTS REPRESENTING COMMITMENTS IN UNIT-LINKED INVESTMENTS

In millions of euros	30.06.2019			31.12.2018		
	France	International	Total	France	International	Total
Variable-income securities and related securities		3	3		3	3
Bonds	2,839	316	3,155	2,551	397	2,948
Equity mutual fund units	5,765	190	5,955	5,220	171	5,391
Bond and other UCITS units	238	459	697	197	251	448
Other investments		60	60		145	145
<b>Subtotal of unit-linked financial investments</b>	<b>8,842</b>	<b>1,027</b>	<b>9,869</b>	<b>7,968</b>	<b>968</b>	<b>8,935</b>
Unit-linked investment property	109		109	110		110
<b>Subtotal of unit-linked investment property</b>	<b>109</b>		<b>109</b>	<b>110</b>		<b>110</b>
<b>Total</b>	<b>8,951</b>	<b>1,027</b>	<b>9,978</b>	<b>8,077</b>	<b>968</b>	<b>9,045</b>

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

## NOTE 8—ASSET AND LIABILITY DERIVATIVE INSTRUMENTS AND SEPARATE EMBEDDED DERIVATIVES

In millions of euros	30.06.2019					
	France		International		Total	
	Positive fair value	Negative fair value	Positive fair value	Negative fair value	Positive fair value	Negative fair value
Swaps	130	(648)			130	(648)
Options						
Foreign currency futures	2	(5)			2	(5)
Other						
<b>Total</b>	<b>133</b>	<b>(653)</b>			<b>133</b>	<b>(653)</b>

In millions of euros	31.12.2018					
	France		International		Total	
	Positive fair value	Negative fair value	Positive fair value	Negative fair value	Positive fair value	Negative fair value
Swaps	114	(598)			114	(598)
Options						
Foreign currency futures		(3)				(3)
Other						
<b>Total</b>	<b>114</b>	<b>(601)</b>			<b>114</b>	<b>(601)</b>

The Group makes use of various derivatives:

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

These derivatives are not recorded as hedging transactions in the sense of IAS 39. As per the principles described in note 3.3 to the 31 December 2018 financial statements, they are recognised at fair value on the balance sheet as counterpart to the income statement.

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

## NOTE 9—SHARE OF OUTWARD REINSURERS AND RETROCESSIONAIRES IN LIABILITIES RELATED TO INSURANCE POLICIES AND FINANCIAL CONTRACTS

In millions of euros	30.06.2019			31.12.2018		
	France	International	Total	France	International	Total
<b>Share of reinsurers in non-life insurance reserves</b>						
Reserves for unearned premiums	20	21	41	11	16	27
Outstanding claims reserves	857	73	931	961	80	1,041
Other underwriting reserves	365		365	354	1	355
<b>Total</b>	<b>1,241</b>	<b>95</b>	<b>1,336</b>	<b>1,326</b>	<b>96</b>	<b>1,423</b>
<b>Share of reinsurers in life insurance reserves</b>						
Life insurance reserves	24	1	26	23	2	26
Outstanding claims reserves	19	3	22	23	3	25
Reserves for profit-sharing	14		14	15		15
Other underwriting reserves						
<b>Total</b>	<b>58</b>	<b>5</b>	<b>62</b>	<b>61</b>	<b>5</b>	<b>65</b>
<b>Share of reinsurers in financial contract reserves</b>						
<b>Total</b>	<b>1,299</b>	<b>100</b>	<b>1,399</b>	<b>1,387</b>	<b>101</b>	<b>1,488</b>

**NOTE 10—DEFERRED TAXES****NOTE 10.1—ANALYSIS OF THE MAJOR COMPONENTS OF DEFERRED TAXES**

In millions of euros	30.06.2019	31.12.2018
<b>Deferred taxes resulting from timing differences</b>		
Restatements on AFS & Trading financial instruments (net of deferred profit sharing)	(393)	(237)
Life acquisition costs and overall management expenses reserve	(32)	(36)
Consolidation restatements on technical reserves	(99)	(103)
Other differences on consolidation restatements	98	110
Deferred non-life acquisition costs	(31)	(26)
Tax differences on technical reserves and other contingent liabilities	294	330
Tax-deferred capital gains	(1)	(2)
Valuation difference on mutual funds	(2)	(6)
Foreign exchange hedge	6	7
Other temporary tax differences	30	(29)
<b>Subtotal of deferred taxes resulting from timing differences</b>	<b>(131)</b>	<b>9</b>
<b>Deferred taxes on ordinary losses</b>	<b>(45)</b>	<b>(37)</b>
<b>Deferred taxes recorded on the balance sheet</b>	<b>(176)</b>	<b>(28)</b>
of which, assets	30	39
of which, liabilities	(206)	(67)

Unrecognised deferred taxes on net assets amounted to €16 million at 30 June 2019, compared with €11 million at 31 December 2018.

On the France scope, deferred taxes were determined by taking into account the gradual decline in the projected corporate tax rate to 25.82% by 2022.

**NOTE 11—RECEIVABLES FROM INSURANCE OR INWARD REINSURANCE TRANSACTIONS****NOTE 11.1—RECEIVABLES FROM INSURANCE OR INWARD REINSURANCE — BY OPERATING SEGMENT**

In millions of euros	30.06.2019							31.12.2018
	France			International			Total	Total
	Gross value	Reserves	Net value	Gross value	Reserves	Net value		
Earned unwritten premiums	765		765	19		19	784	898
Policyholders, intermediaries, and other third parties	715	(24)	691	314	(59)	255	946	767
Current accounts – co-insurers and other third parties	126	(6)	120	61	(46)	15	136	115
Current accounts for ceding and retroceding companies and other receivables from inward reinsurance operations	1,006		1,006	4		4	1,010	291
<b>Total</b>	<b>2,612</b>	<b>(29)</b>	<b>2,583</b>	<b>398</b>	<b>(105)</b>	<b>293</b>	<b>2,875</b>	<b>2,070</b>

**NOTE 12–SHAREHOLDERS' EQUITY, MINORITY INTERESTS****Note 12.1 – Share capital limits for insurance companies**

Insurance business operations are governed by regulatory constraints that define minimum share capital or initial capital in particular. In France, in accordance with the European directive and by virtue of Articles R322-44 of the French insurance code, French companies subject to State control and incorporated in the form of agricultural insurance or reinsurance mutuals must have initial capital of at least €240,000 or €400,000 depending on their insurance sectors. Pursuant to Article R332-5 of the French insurance code, French public limited companies must have share capital of at least €480,000 or €800,000 depending on the branches operated.

Additionally, in order to ensure a solid financial position for insurance companies and to guarantee protection for insurance customers, in France, insurance companies are subject since 1 January 2016 to the "Solvency 2" regulatory system, which was introduced by European directive 2009/138/EC of 25 November 2009. It requires insurance companies to continuously comply with the capital requirements relating to the minimum capital requirement (Article L352-5 of the French insurance code) and the solvency capital requirement (Article L352-1 of the French insurance code) calculated in accordance with the provisions of delegated regulation no. 2015/35. This obligation also exists abroad, according to similar mechanisms. This entire mechanism is reinforced at the level of the consolidated financial statements by a Group regulatory capital requirement, taking into account, where applicable, the banking businesses engaged in by the insurance group.

**Note 12.2 – Impact of transactions with shareholders**➤ **Change in the Group's shareholders' equity during the first half of 2019**

Over the first half of 2019, there were no transactions that had any impact on share capital or issue premiums.

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

Loans categorised under shareholders' equity are perpetual subordinated bonds detailed as follows:

Issued by	Nominal in millions of euros	Issue date	Next issuer repayment option	Coupon	Coupon rate	Step-up clause
Groupama Assurances Mutuelles	1,100	28/05/2014	28/05/2024	Fixed	6.375%	yes

This loan presents the following particular features:

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

Taking into account its characteristics and pursuant to IAS 32 § 16 and 17, this bond is considered an equity instrument and not 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 12.3 – Reserves related to changes in fair value recorded in shareholders' equity**

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

In millions of euros	30.06.2019	31.12.2018
Gross unrealised capital gains/losses on available-for-sale assets	7,730	5,462
Shadow accounting	(5,788)	(4,212)
Cash flow hedge and other changes	(40)	(40)
Deferred taxes	(373)	(196)
Share of non-controlling interests	(5)	(3)
<b>Revaluation reserve – Group share</b>	<b>1,525</b>	<b>1,010</b>

The deferred tax amount shown in the table above equates to the application of i) a short-term and long-term tax rate on the unrealised gains on financial instruments classified as "available-for-sale assets"; and ii) a short-term tax rate on deferred profit sharing ("shadow accounting"). Under the new rules for long-term capital gains/losses applicable 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 3.47%).

"Cash flow hedge and other changes" for -€40 million includes a cash flow hedge revaluation reserve of -€22 million and a net investment hedge revaluation reserve of -€18 million. These reserves are the effective portion of the hedging implemented by the Group in the past and since unwound. They will be recycled into the income statement on disposal of the items hedged, in accordance with the provisions of IAS 39.

## NOTE 13—FINANCING DEBT

## NOTE 13.1—FINANCING DEBT—BY MATURITY

In millions of euros	30.06.2019				31.12.2018			
	< 1 year	1 to 5 years	> 5 years	Total	< 1 year	1 to 5 years	> 5 years	Total
Subordinated debt of insurance companies			1,634	1,634			1,633	1,633
Financing debt represented by securities								
Financing debt with banking-sector companies								
<b>Total</b>			<b>1,634</b>	<b>1,634</b>			<b>1,633</b>	<b>1,633</b>

Redeemable subordinated securities classified as “financing liabilities” detailed as follows:

Issued by	Nominal in millions of euros	Issue date	Maturity <sup>1</sup> (if dated)	Next issuer repayment option	Coupon	Coupon rate	Step-up clause
Groupama Assurances Mutuelles	500	27/10/2009	27/10/2039	27/10/2019	Fixed	7.88%	yes
Groupama Assurances Mutuelles	650	23/01/2017	23/01/2027		Fixed	6.00%	no
Groupama Assurances Mutuelles	500	24/09/2018	24/09/2028		Fixed	3.38%	no

At 30 June 2019:

- the 2009 issue was 102.6%, compared with 105.5% at 31 December 2018;
- the 2017 issue was 124.7%, compared with 111.2% at 31 December 2018;
- the 2018 issue was 106.5%, compared with 92.3% at 31 December 2018.

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



**NOTE 14 – LIABILITIES RELATED TO INSURANCE POLICIES****NOTE 14.1–LIABILITIES RELATED TO INSURANCE POLICIES – BY OPERATING SEGMENT**

In millions of euros	30.06.2019			31.12.2018		
	France	International	Total	France	International	Total
<b>Gross technical reinsurance reserves</b>						
Life insurance reserves	31,721	742	32,463	31,787	759	32,546
Outstanding claims reserves	643	51	694	622	67	690
Reserves for profit-sharing	756	2	758	552	3	555
Other underwriting reserves	3	12	15	3	18	21
<b>Total Life insurance</b>	<b>33,123</b>	<b>807</b>	<b>33,930</b>	<b>32,965</b>	<b>847</b>	<b>33,812</b>
Reserves for unearned premiums	1,561	671	2,233	723	676	1,399
Outstanding claims reserves	6,403	2,104	8,507	6,517	2,079	8,596
Other underwriting reserves	2,965	37	3,002	2,883	35	2,918
<b>Total Non-life insurance</b>	<b>10,930</b>	<b>2,813</b>	<b>13,743</b>	<b>10,122</b>	<b>2,790</b>	<b>12,913</b>
Life insurance reserves for unit-linked policies	9,379	1,060	10,438	8,480	999	9,479
<b>Total</b>	<b>53,432</b>	<b>4,679</b>	<b>58,111</b>	<b>51,567</b>	<b>4,636</b>	<b>56,203</b>

The adequacy tests carried out on liabilities at 30 June 2019 were found to be satisfactory and did not result in the recognition of any additional technical expense.

**NOTE 14.2 – LIABILITIES RELATED TO INSURANCE POLICIES BY BUSINESS**

In millions of euros	30.06.2019			31.12.2018		
	Life and health insurance	Property and casualty insurance	Total	Life and health insurance	Property and casualty insurance	Total
<b>Gross technical reinsurance reserves</b>						
Life insurance reserves	32,463		32,463	32,546		32,546
Outstanding claims reserves	694		694	690		690
Reserves for profit-sharing	758		758	555		555
Other underwriting reserves	15		15	21		21
<b>Total Life insurance</b>	<b>33,930</b>		<b>33,930</b>	<b>33,812</b>		<b>33,812</b>
Reserves for unearned premiums	247	1,986	2,233	91	1,307	1,399
Outstanding claims reserves	745	7,762	8,507	806	7,790	8,596
Other underwriting reserves	1,973	1,030	3,002	1,894	1,024	2,918
<b>Total Non-life insurance</b>	<b>2,965</b>	<b>10,778</b>	<b>13,743</b>	<b>2,791</b>	<b>10,122</b>	<b>12,913</b>
Life insurance reserves for unit-linked policies	10,438		10,438	9,479		9,479
<b>Total</b>	<b>47,333</b>	<b>10,778</b>	<b>58,111</b>	<b>46,081</b>	<b>10,122</b>	<b>56,203</b>

## NOTE 15 – LIABILITIES RELATED TO FINANCIAL CONTRACTS

In millions of euros	30.06.2019	31.12.2018
<b>Reserves on financial contracts with discretionary profit sharing</b>		
Life technical reserves	12,029	12,209
Reserves on unit-linked policies	63	59
Outstanding claims reserves	119	104
Reserves for profit-sharing	81	223
Other underwriting reserves		
<b>Total</b>	<b>12,292</b>	<b>12,596</b>
<b>Reserves on financial contracts without discretionary profit sharing</b>		
Life technical reserve		
Reserves on unit-linked policies	159	148
Outstanding claims reserves	1	1
Reserves for profit-sharing		
Other underwriting reserves		
<b>Total</b>	<b>160</b>	<b>148</b>
<b>Total</b>	<b>12,452</b>	<b>12,744</b>

**NOTE 16 – DEFERRED PROFIT-SHARING LIABILITIES**

In millions of euros	30.06.2019			31.12.2018		
	France	International	Total	France	International	Total
Reserve for deferred profit sharing of insurance policies	5,267	11	5,278	3,746	10	3,757
Reserve for deferred profit sharing of financial contracts		102	102		47	47
<b>Total</b>	<b>5,267</b>	<b>113</b>	<b>5,380</b>	<b>3,746</b>	<b>57</b>	<b>3,804</b>

The rate of deferred profit sharing is determined entity by entity (based on regulatory requirements). It is based on the real rate of sharing of investment income between policyholders and shareholders and corresponds to the average real rates over the past three years. This average prevents the inclusion of non-recurring, atypical factors in the calculation.

In the particular case of France, a forward-looking analysis of the profit-sharing rates was performed based on three-year business plans, which confirms the rate used in the financial statements.

The rates used in France at 30 June 2019 fall within a bracket of between 74.52% and 88.03%, with 81.84% for Groupama Gan Vie.

**NOTE 17 – IFRS 16 RENT LIABILITIES****NOTE 17.1 – IFRS 16 RENT LIABILITIES – BY OPERATING SEGMENT**

In millions of euros	30.06.2019		
	France	International	Total
IFRS 16 rent liabilities	188	21	208
<b>Total</b>	<b>188</b>	<b>21</b>	<b>208</b>

**NOTE 17.2 – IFRS 16 RENT LIABILITIES – BY MATURITY**

In millions of euros	30.06.2019			
	< 1 year	1 to 5 years	> 5 years	Total
IFRS 16 rent liabilities	29	83	97	208
<b>Total</b>	<b>29</b>	<b>83</b>	<b>97</b>	<b>208</b>

It should be noted that the Group has applied IFRS 16 since 1 January 2019: leases are now recognised as an asset as well as a liability for the rent payment obligation.

## NOTE 18 – ANALYSIS OF PREMIUM INCOME

## NOTE 18.1 – ANALYSIS OF INSURANCE PREMIUM INCOME BY MAJOR CATEGORY

In millions of euros	30.06.2019			30.06.2018		
	France	International	Total	France	International	Total
Individual retirement savings	942	217	1,159	956	240	1,196
Individual protection insurance	268	65	333	271	65	335
Individual health	303	31	334	297	31	328
Other	66		66	64		64
<b>Individual life and health insurance</b>	<b>1,579</b>	<b>313</b>	<b>1,892</b>	<b>1,588</b>	<b>336</b>	<b>1,924</b>
Group retirement savings	111	13	125	164	19	183
Group protection scheme	295	10	305	266	26	292
Group health	405	19	424	360	18	378
Other	147		147	133		133
<b>Group life and health insurance</b>	<b>958</b>	<b>43</b>	<b>1,001</b>	<b>923</b>	<b>63</b>	<b>985</b>
<b>Life and health insurance</b>	<b>2,537</b>	<b>356</b>	<b>2,893</b>	<b>2,511</b>	<b>398</b>	<b>2,910</b>
Motor	627	502	1,129	626	553	1,179
Other vehicles	33		33	34		34
Home insurance	427	108	535	418	105	523
Personal and professional property damage	223	7	230	227	7	234
Construction	82		82	80		80
<b>Private and professional</b>	<b>1,392</b>	<b>617</b>	<b>2,009</b>	<b>1,384</b>	<b>666</b>	<b>2,050</b>
Fleets	202	30	233	199	32	230
Business and local authorities casualty	193	93	286	190	89	279
<b>Businesses and local authorities</b>	<b>395</b>	<b>124</b>	<b>519</b>	<b>389</b>	<b>121</b>	<b>510</b>
Agricultural risks	193	37	229	192	121	313
Climate risks	93		93	92		92
Tractors and farming equipment	105		105	103		103
<b>Agricultural business lines</b>	<b>391</b>	<b>37</b>	<b>428</b>	<b>388</b>	<b>121</b>	<b>508</b>
Other business lines	231	35	267	209	35	244
<b>Property and casualty insurance</b>	<b>2,410</b>	<b>812</b>	<b>3,222</b>	<b>2,370</b>	<b>942</b>	<b>3,313</b>
<b>Total</b>	<b>4,947</b>	<b>1,169</b>	<b>6,116</b>	<b>4,881</b>	<b>1,341</b>	<b>6,222</b>

## NOTE 19—INVESTMENT INCOME NET OF MANAGEMENT EXPENSES

## NOTE 19.1—INVESTMENT INCOME NET OF MANAGEMENT EXPENSES – BY OPERATING SEGMENT

In millions of euros	30.06.2019			30.06.2018		
	France	International	Total	France	International	Total
Interest on deposits and financial investments income	840	105	944	855	102	957
Gains on foreign exchange transactions	46	6	52	37	4	41
Income from differences on redemption prices as yet not received (premium/discount)	53	2	55	57	1	58
Income from property	39		39	40		40
Other investment income						
<b>Income from investments</b>	<b>978</b>	<b>112</b>	<b>1,090</b>	<b>989</b>	<b>107</b>	<b>1,096</b>
Interest on deposits received from reinsurers	(1)		(1)	(1)		(1)
Losses on foreign exchange transactions	(41)	(4)	(45)	(29)	(3)	(32)
Amortisation of differences in redemption prices (premium-discount)	(104)	(12)	(116)	(113)	(14)	(127)
Impairment and reserves on property	(23)	(3)	(25)	(30)	(1)	(31)
Management expenses	(144)	(8)	(151)	(162)	(7)	(169)
<b>Investment expenses</b>	<b>(312)</b>	<b>(27)</b>	<b>(338)</b>	<b>(334)</b>	<b>(26)</b>	<b>(360)</b>
Held for trading	(19)		(19)	(17)	7	(10)
Available-for-sale	19	1	20	118	3	121
Held to maturity						
Other	57		57	49	1	50
<b>Capital gains (losses) from sales of investments, net of impairment reversals and write-backs</b>	<b>57</b>	<b>1</b>	<b>58</b>	<b>150</b>	<b>10</b>	<b>161</b>
Held for trading	(13)	19	6	(90)	(9)	(100)
Derivatives	(56)		(56)	31		31
Adjustments on unit-linked policies	943	31	973	69	(4)	66
<b>Change in fair value of financial instruments recorded at fair value by income</b>	<b>874</b>	<b>50</b>	<b>923</b>	<b>10</b>	<b>(13)</b>	<b>(3)</b>
Available-for-sale						(1)
Held to maturity						
Receivables and loans						
<b>Change in impairment losses on financial instruments</b>			<b>(1)</b>	<b>(1)</b>		<b>(1)</b>
<b>Total</b>	<b>1,598</b>	<b>136</b>	<b>1,733</b>	<b>815</b>	<b>78</b>	<b>894</b>

**NOTE 19.2—INVESTMENT INCOME NET OF MANAGEMENT EXPENSES (INCOME BREAKDOWN BY TYPE OF ASSET)**

In millions of euros	30.06.2019					30.06.2018				
	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	13	57		1	71	23	50		(14)	59
Equities	76	(2)			74	38	44	(1)	(1)	81
Bonds	654	3	24		681	684	67	(5)		745
Equity mutual funds	63	5	(16)		52	74	32	(63)		43
Mutual funds: Cash from repurchase agreements		(6)	(1)		(7)		(8)	(1)		(9)
Other cash mutual funds		(2)	(1)		(3)		(3)	(3)		(6)
Bond mutual funds	18	1	43		62	18	(21)	(19)		(22)
Derivatives			(56)		(56)			31		31
Other investment income	123	2	(43)		82	115	1	(8)		107
<b>Investment income</b>	<b>948</b>	<b>58</b>	<b>(50)</b>	<b>1</b>	<b>957</b>	<b>951</b>	<b>161</b>	<b>(68)</b>	<b>(15)</b>	<b>1,030</b>
Internal and external management expenses and expenses on financial instruments	(149)				(149)	(165)				(165)
Other investment expenses	(48)				(48)	(37)				(37)
<b>Investment expenses</b>	<b>(197)</b>				<b>(197)</b>	<b>(202)</b>				<b>(202)</b>
<b>Investment income, net of expenses</b>	<b>751</b>	<b>58</b>	<b>(50)</b>	<b>1</b>	<b>760</b>	<b>750</b>	<b>161</b>	<b>(68)</b>	<b>(15)</b>	<b>828</b>
Capital gains on securities representing unit-linked policies			1,005		1,005			266		266
Capital losses on securities representing unit-linked policies			(32)		(32)			(200)		(200)
<b>Adjustments on unit-linked policies</b>			<b>973</b>		<b>973</b>			<b>66</b>		<b>66</b>
<b>Total</b>	<b>751</b>	<b>58</b>	<b>923</b>	<b>1</b>	<b>1,733</b>	<b>750</b>	<b>161</b>	<b>(3)</b>	<b>(15)</b>	<b>894</b>

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



**NOTE 20 – INSURANCE POLICY SERVICING EXPENSES****NOTE 20.1—INSURANCE POLICY SERVICING EXPENSES—BY OPERATING SEGMENT**

In millions of euros	30.06.2019			30.06.2018		
	France	International	Total	France	International	Total
<b>Claims</b>						
Paid to policyholders	(3,826)	(834)	(4,660)	(3,651)	(902)	(4,552)
<b>Change in technical reserves</b>						
Outstanding claims reserves	131	(12)	120	57	54	111
Actuarial reserves	972	18	990	1,058	12	1,070
Unit-linked reserves	(1,164)	(65)	(1,229)	(397)	(4)	(401)
Profit sharing	(501)	(47)	(548)	(561)	(30)	(590)
Other underwriting reserves	(65)	5	(60)	(44)	(2)	(46)
<b>Total</b>	<b>(4,452)</b>	<b>(935)</b>	<b>(5,387)</b>	<b>(3,537)</b>	<b>(871)</b>	<b>(4,408)</b>

**NOTE 21—OUTWARD REINSURANCE INCOME (EXPENSES)****NOTE 21.1—OUTWARD REINSURANCE INCOME (EXPENSES)—BY OPERATING SEGMENT**

In millions of euros	30.06.2019			30.06.2018		
	France	Inter- national	Total	France	Inter- national	Total
Acquisition and administrative costs	35	2	37	28	12	40
Claims charges	51	8	59	(39)	15	(25)
Change in technical reserves	8	(1)	7	9		9
Profit sharing						
Change in the equalisation reserve						
<b>Income on outward reinsurance</b>	<b>93</b>	<b>9</b>	<b>102</b>	<b>(2)</b>	<b>27</b>	<b>25</b>
Outward premiums	(289)	(30)	(319)	(266)	(112)	(378)
Change in unearned premiums	8	6	15	6	33	39
<b>Expenses on outward reinsurance</b>	<b>(281)</b>	<b>(23)</b>	<b>(304)</b>	<b>(260)</b>	<b>(79)</b>	<b>(339)</b>
<b>Total</b>	<b>(188)</b>	<b>(14)</b>	<b>(202)</b>	<b>(263)</b>	<b>(52)</b>	<b>(314)</b>

**NOTE 22 – FINANCING EXPENSES**

In millions of euros	30.06.2019	30.06.2018
Redeemable subordinated securities	(48)	(39)
Perpetual subordinated bonds		
Financing expenses on rent liabilities	(2)	
Other financing expenses		
<b>Total</b>	<b>(50)</b>	<b>(39)</b>

The increase in expenses from redeemable subordinated securities is due to the new €500 million redeemable subordinated security subscribed during the second half of 2018.

**NOTE 23—BREAKDOWN OF TAX EXPENSES****NOTE 23.1—BREAKDOWN OF TAX EXPENSES BY OPERATING SEGMENT**

In millions of euros	30.06.2019			30.06.2018		
	France	International	Total	France	International	Total
Current taxes	(73)	(3)	(76)	(20)	(4)	(24)
Deferred taxes	12	13	25	(27)	3	(24)
<b>Total</b>	<b>(60)</b>	<b>10</b>	<b>(51)</b>	<b>(47)</b>	<b>0</b>	<b>(48)</b>

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

**NOTE 23.2—RECONCILIATION BETWEEN TOTAL ACCOUNTING TAX EXPENSE AND THEORETICAL TAX EXPENSE CALCULATIONS**

In millions of euros	30.06.2019	30.06.2018
<b>Theoretical tax expense</b>	<b>(11)</b>	<b>(73)</b>
Impact of expenses or income defined as non-deductible or non-taxable	(18)	22
Impact of differences in tax rate	(21)	4
Tax credit and various charges		
Charges of prior deficits		
Losses for the fiscal year not capitalised		
Deferred tax assets not accounted for		
Other differences		
<b>Effective tax expense</b>	<b>(51)</b>	<b>(48)</b>

Overall, income tax corresponded to an expense (deferred tax plus social tax) of €51 million at 30 June 2019, versus an expense of €48 million as at 30 June 2018.

The reconciliation with the theoretical statutory tax is as follows:

In millions of euros	30.06.2019		30.06.2018	
	Consolidated income (losses) before tax	Theoretical tax rate	Consolidated income (losses) before tax	Theoretical tax rate
France	63	current taxes: 34.43% deferred tax: 28.92%	145	current taxes: 34.43% deferred tax: 32.02%
Bulgaria		10.00%	1	10.00%
China	1	25.00%	3	25.00%
Greece	4	27.00%	9	29.00%
Hungary	12	9.00%	12	9.00%
Italy	(51)	30.82%	2	30.82%
Romania	(6)	16.00%	3	16.00%
United Kingdom		19.00%		19.00%
Tunisia	2	30.00%	1	30.00%
Turkey	9	22.00%	16	22.00%
<b>Total</b>	<b>36</b>		<b>192</b>	

The theoretical tax rate applicable in France remains 34.43% on current taxes and becomes 28.92% on deferred taxes. It is emphasised that within France, deferred taxation has been determined including the gradual reduction in corporation tax rates to 25.82% by 2022.

Theoretical tax rates remained unchanged over the period.

## OTHER INFORMATION

### NOTE 24 – LIST OF ENTITIES IN THE SCOPE OF CONSOLIDATION AND MAJOR CHANGES TO THE SCOPE OF CONSOLIDATION

The main changes in the scope of consolidation are as follows:

#### **Merger and change of company name**

- Groupama Sigorta Emeklilik became Groupama HAYAT.
- SCI WINDOW LA DEFENSE was taken over by Groupama GAN Paris La Défense Office.

#### **Disposals and removals from the scope of consolidation**

- GUK Broking Services was liquidated.
- One mutual fund was removed from the scope of consolidation.

	Business sector	Location of head office	30.06.2019			31.12.2018		
			% control	% interest	Method	% control	% interest	Method
GROUPAMA ASSURANCES MUTUELLES	Holding company/Reinsurance	France	100.00	100.00	Parent company	100.00	100.00	Parent company
GIE GROUPAMA Supports et Services	EIG	France	99.99	99.99	FC	99.99	99.99	FC
GROUPAMA CAMPUS	Property	France	100.00	100.00	FC	100.00	100.00	FC
GROUPAMA HOLDING FILIALES et PARTICIPATIONS	Holding	France	100.00	100.00	FC	100.00	100.00	FC
COFINTEX 2	Holding	France	100.00	100.00	FC	100.00	100.00	FC
COFINTEX 17	Holding	France	100.00	100.00	FC	100.00	100.00	FC
COMPAGNIE FINANCIERE D'ORANGE BANK	Holding	France	35.00	35.00	EM	35.00	35.00	EM
GROUPAMA GAN VIE	Insurance	France	100.00	100.00	FC	100.00	100.00	FC
GAN PATRIMOINE	Insurance	France	100.00	100.00	FC	100.00	100.00	FC
CAISSE FRATERNELLE D'EPARGNE	Insurance	France	99.99	99.99	FC	99.99	99.99	FC
CAISSE FRATERNELLE VIE	Insurance	France	99.99	99.99	FC	99.99	99.99	FC
ASSUVIE	Insurance	France	50.00	50.00	FC	50.00	50.00	FC
GAN PREVOYANCE	Insurance	France	100.00	100.00	FC	100.00	100.00	FC
GROUPAMA ASSURANCE CREDIT ET CAUTION	Insurance	France	100.00	100.00	FC	100.00	100.00	FC
MUTUAIDE ASSISTANCE	Assistance	France	100.00	100.00	FC	100.00	100.00	FC
GAN ASSURANCES	Insurance	France	100.00	100.00	FC	100.00	100.00	FC
GAN OUTRE MER	Insurance	France	100.00	100.00	FC	100.00	100.00	FC
SOCIETE FRANCAISE DE PROTECTION JURIDIQUE	Insurance	France	100.00	100.00	FC	100.00	100.00	FC
LA BANQUE POSTALE ASSURANCES IARD	Insurance	France	35.00	35.00	EM	35.00	35.00	EM
AMALINE ASSURANCES	Insurance	France	100.00	100.00	FC	100.00	100.00	FC
GROUPAMA SIGORTA	Insurance	Turkey	99.52	99.52	FC	99.52	99.52	FC
GROUPAMA HAYAT	Insurance	Turkey	100.00	99.79	FC	100.00	99.79	FC
GROUPAMA Investment BOSPHORUS	Holding	Turkey	100.00	100.00	FC	100.00	100.00	FC
STAR	Insurance	Tunisia	35.00	35.00	EM	35.00	35.00	EM
GROUPAMA ZASTRAHOVANE NON LIFE	Insurance	Bulgaria	100.00	100.00	FC	100.00	100.00	FC
GROUPAMA JIVOTOZASTRAHOVANE LIFE	Insurance	Bulgaria	100.00	100.00	FC	100.00	100.00	FC
GROUPAMA BIZTOSITO	Insurance	Hungary	100.00	100.00	FC	100.00	100.00	FC
GROUPAMA PHOENIX Hellenic Asphalistike	Insurance	Greece	100.00	100.00	FC	100.00	100.00	FC
GROUPAMA AVIC PROPERTY INSURANCES CO	Insurance	China	50.00	50.00	EM	50.00	50.00	EM
GUK BROKING SERVICES	Holding	United Kingdom				100.00	100.00	FC
GROUPAMA ASSICURAZIONI	Insurance	Italy	100.00	100.00	FC	100.00	100.00	FC
GROUPAMA ASIGURARI	Insurance	Romania	100.00	100.00	FC	100.00	100.00	FC
GROUPAMA ASSET MANAGEMENT	Asset management	France	100.00	100.00	FC	100.00	100.00	FC
ORANGE BANK	Banking	France	35.00	35.00	EM	35.00	35.00	EM
GROUPAMA EPARGNE SALARIALE	Asset management	France	100.00	100.00	FC	100.00	100.00	FC
GROUPAMA IMMOBILIER	Asset management	France	100.00	100.00	FC	100.00	100.00	FC
COMPAGNIE FONCIERE PARISIENNE	Property	France	95.39	95.39	FC	95.39	95.39	FC
SCI WINDOW LA DEFENSE	Property	France				100.00	95.39	FC
GAN FONCIER II	Property	France	100.00	100.00	FC	100.00	100.00	FC
IXELLOR	Property	France	100.00	100.00	FC	100.00	100.00	FC
79 CHAMPS ELYSÉES	Property	France	91.21	91.21	FC	91.21	91.21	FC
SOCIETE FORESTIERE GROUPAMA	Property	France	87.67	87.67	FC	87.67	87.67	FC
FORDEV	Property	France	87.67	87.67	FC	87.67	87.67	FC
GROUPAMA GAN PARIS LA DEFENSE OFFICE	OPCI	France	100.00	95.39	FC	100.00	95.39	FC
GROUPAMA GAN RETAIL FRANCE	OPCI	France	100.00	99.58	FC	100.00	99.52	FC
THE LINK PARIS LA DEFENSE	Property	France	100.00	100.00	FC	100.00	100.00	FC
SCI GAN FONCIER	Property	France	100.00	98.89	FC	100.00	98.89	FC
VICTOR HUGO VILLIERS	Property	France	100.00	98.89	FC	100.00	98.89	FC
1 BIS FOCH	Property	France	100.00	98.89	FC	100.00	98.89	FC
16 MESSINE	Property	France	100.00	98.89	FC	100.00	98.89	FC
9 MALESHERBES	Property	France	100.00	98.89	FC	100.00	98.89	FC
97 VICTOR HUGO	Property	France	100.00	98.89	FC	100.00	98.89	FC
44 THEATRE	Property	France	100.00	98.89	FC	100.00	98.89	FC
150 CHAMPS ELYSEES SO LUXURY HOTEL	Property	France	95.72	95.72	FC	95.72	95.72	FC
GROUPAMA GAN PARIS SO PRIME	Property	France	100.00	95.72	FC	100.00	95.72	FC
SCI UNI ANGES	Property	France	100.00	100.00	FC	100.00	100.00	FC
261 RASPAIL	Property	France	100.00	95.39	FC	100.00	95.39	FC

FC: Full consolidation

EM: Equity method

	Business sector	Location of head office	30.06.2019			31.12.2018		
			% control	% interest	Method	% control	% interest	Method
GAN INVESTISSEMENT FONCIER	Property	France	100.00	100.00	FC	100.00	100.00	FC
3 ROSSINI (SCI)	Property	France	100.00	100.00	FC	100.00	100.00	FC
150 RENNES (SCI)	Property	France	100.00	100.00	FC	100.00	100.00	FC
99 MALESHERBES (SCI)	Property	France	100.00	100.00	FC	100.00	100.00	FC
SCA CHATEAU D'AGASSAC	Property	France	25.00	25.00	EM	25.00	25.00	EM
102 MALESHERBES (SCI)	Property	France	100.00	100.00	FC	100.00	100.00	FC
LES FRERES LUMIERE	Property	France	100.00	100.00	FC	100.00	100.00	FC
CAP DE FOUSTE (SCI)	Property	France	61.31	61.31	EM	61.31	61.31	EM
CHAMALIERES EUROPE (SCI)	Property	France	100.00	100.00	FC	100.00	100.00	FC
12 VICTOIRE (SCI)	Property	France	100.00	100.00	FC	100.00	100.00	FC
DOMAINE DE FARES	Property	France	31.25	31.25	EM	31.25	31.25	EM
38 LE PELETIER (SCI)	Property	France	100.00	100.00	FC	100.00	100.00	FC
SCIMA GFA	Property	France	44.00	44.00	EM	44.00	44.00	EM
LABORIE MARCENAT	Property	France	64.52	64.52	EM	64.52	64.52	EM
GROUPAMA PIPACT	Property	France	31.91	31.91	EM	31.91	31.91	EM
ASTORG STRUCTURÉ GAD D	Mutual fund	France	99.99	99.99	FC	99.99	99.99	FC
ASTORG CTT D	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
ASTORG EURO SPREAD D	Mutual fund	France	99.73	99.73	FC	99.73	99.73	FC
WASHINGTON EURO NOURRI 14 FCP	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
WASHINGTON EURO NOURRI 15 FCP	Mutual fund	France	98.33	98.32	FC	98.33	98.33	FC
GROUPAMA CONVERTIBLES ID D	Mutual fund	France	82.74	80.69	FC	87.75	85.57	FC
GROUPAMA ENTREPRISES IC C	Mutual fund	France	21.46	21.30	EM	29.54	29.54	EM
GROUPAMA CREDIT EURO IC C	Mutual fund	France	82.86	82.86	FC	82.52	82.52	FC
GROUPAMA CREDIT EURO ID D	Mutual fund	France	99.99	99.99	FC	99.99	99.99	FC
WASHINGTON EURO NOURRI 16 FCP	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
WASHINGTON EURO NOURRI 17 FCP	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
WASHINGTON EURO NOURRI 18 FCP	Mutual fund	France	87.50	87.49	FC	87.50	87.50	FC
GROUPAMA OBLIGATION MONDE I C	Mutual fund	France	94.63	91.71	FC	94.48	91.56	FC
WASHINGTON EURO NOURRI 19 FCP	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
WASHINGTON EURO NOURRI 20 FCP	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
WASHINGTON EURO NOURRI 21 FCP	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
WASHINGTON EURO NOURRI 23 FCP	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
ASTORG STRUCTURÉ LIFE D	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
GROUPAMA EONIA IC C	Mutual fund	France	35.27	35.15	EM	49.59	49.59	EM
ASTORG PENSION D	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
ASTORG CASH MT D	Mutual fund	France	99.59	99.58	FC	99.43	99.09	FC
GROUPAMA CREDIT EURO LT G D	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
ASTORG THESSALONIQUE 1 D	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
ASTORG THESSALONIQUE 2 D	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
ASTORG THESSALONIQUE 3 D	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
ASTORG THESSALONIQUE 4 D	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
ASTORG THESSALONIQUE 5 D	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
ASTORG MONETAIRE D	Mutual fund	France	99.75	99.75	FC	99.76	99.76	FC
ASTORG REPO INVEST D	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
GROUPAMA TRESORERIE P C	Mutual fund	France				36.23	36.23	EM
ASTORG OBLIGATIONS CT G D	Mutual fund	France	96.72	93.35	FC	96.88	93.67	FC
ASTORG OBLIGATIONS CT GA D	Mutual fund	France	100.00	100.00	FC	100.00	100.00	FC
G FUND – EUROPEAN CONVERTIBLE BONDS GD D	Mutual fund	France	80.10	80.10	FC	80.10	80.10	FC

FC: Full consolidation      EM: Equity method

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



**Statutory auditors' report  
on the 2019 half-year financial information  
of the condensed consolidated financial statements**

**PricewaterhouseCoopers Audit**

63, rue de Villiers  
92200 Neuilly sur Seine

**MAZARS**

61, rue Henri Régault  
Tour Exaltis  
92400 Courbevoie

**Statutory auditors' report  
on the 2019 half-year financial information  
of the condensed consolidated financial statements**

**Period from 1 January to 30 June 2019**

Dear Members,

**CAISSE NATIONALE DE REASSURANCE MUTUELLE AGRICOLE GROUPAMA**

8-10 rue d'Astorg  
75008 Paris, France

Ladies and Gentlemen,

Pursuant to the assignment entrusted to us by your general meeting and in application of Article L. 451-1-2 III of the French monetary and financial code, we carried out the following tasks:

- the limited review of the condensed consolidated half-year financial statements of CAISSE NATIONALE DE REASSURANCE MUTUELLE AGRICOLE GROUPAMA, relating to the period from 1 January 2019 to 30 June 2019, as attached to this report;
- verification of the information provided in the half-year report.

These condensed consolidated half-year financial statements were prepared under the responsibility of the board of directors. Our role is to express our conclusion on these financial statements based on our limited review.

**I - Conclusion on the financial statements**

We conducted our limited review according to the professional standards applicable in France.

A limited review primarily consists in talking with the executives in charge of accounting and financial matters and implementing analytical procedures. This approach is less extensive than that required for an audit performed under the professional standards applicable in France. Consequently, the assurance that the accounting statements, taken as a whole, are free of any material misstatements obtained from a limited review is a moderate assurance, lower than that given by an audit.

On the basis of our limited review, we did not discover any material misstatements likely call into question the compliance of the condensed consolidated half-yearly financial statements with IAS 34 – an IFRS standard as adopted in the European Union relating to interim financial reporting.

## II - Comments

Without qualifying our conclusion expressed above, we draw your attention to Note 2.2. Accounting principles of the notes to the condensed consolidated half-year financial statements, which sets out the impacts of the first-time application of IFRS 16 “Leases”.

## III - Specific verification

We also verified the information provided in the half-year report commenting on the condensed consolidated half-year financial statements covered by our limited review.

We have no matters to report as to its fair presentation and its consistency with the condensed consolidated half-year financial statements.

Neuilly-sur-Seine and Courbevoie, 2 September 2019

The Statutory Auditors

PricewaterhouseCoopers Audit

MAZARS

Christine Billy

Pascal Parant

Nicolas Dusson

## **Certification by the person responsible for the Half-Year Financial Report**

I certify, to the best of my knowledge, that the condensed financial statements for the first half of 2019 were prepared in accordance with the applicable accounting standards and provide a fair view of the asset base, financial position, and earnings of the Company and all companies included in the consolidation and that the half-year activity report contained in the first part of this Report presents a true picture of the significant events that occurred during the first six months of the fiscal year, their impact on the financial statements, the main transactions between related parties, as well as a description of the main risks and uncertainties for the remaining six months of the fiscal year.

Paris, 04 September 2019

Thierry Martel

**Chief Executive Officer**