

PUR  
POSE

ACT  
IONS

## HALF YEAR 2020 RESULTS

*Analysts Conference Call – 3 September 2020*

**Groupama as at 30 June 2020**

## UPDATE ON COVID-19

### Premium income in France

- **Limited impact on premium income in France**
  - business activity suffered from peaks and drops in demand
  - special extra-contractual trade measures of circa €70m
  - substantial increase in unpaid premium, particularly in group insurance, for around €110m

### Claim experience

- **Neutral impact on claims in France due to the compensation between business lines**
  - decrease in the claim frequency in motor and health insurances during lockdowns
  - increase in claims in several lines of business: business interruption, work stoppage, credit guarantee, travel and event cancellation insurances
- **Prudent approach in assessing commitments as the context remains largely uncertain**

### Non-recurring income

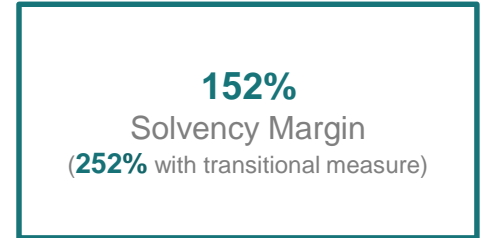
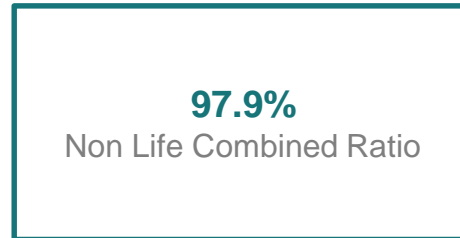
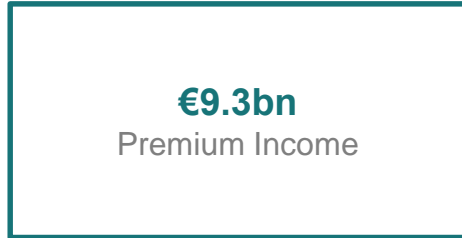
- **Contribution to the Solidarity Fund in support of VSEs and self-employed workers for €27m**

### Balance sheet

- **High-quality asset portfolio**
  - asset portfolio consisting mainly of sovereign bonds (with an average rating of AA) and a limited exposure to equities
  - unrealised capital gains of €10.2bn at 30 June 2020 versus €10.9bn at 31 December 2019
- **Solid solvency ratio, without transitional measure, at 152%**

**Groupama as at 30 June 2020**

## KEY FIGURES - GROUPAMA ABSORBED THE SHOCK OF COVID-19 AND DEMONSTRATED RESILIENCE

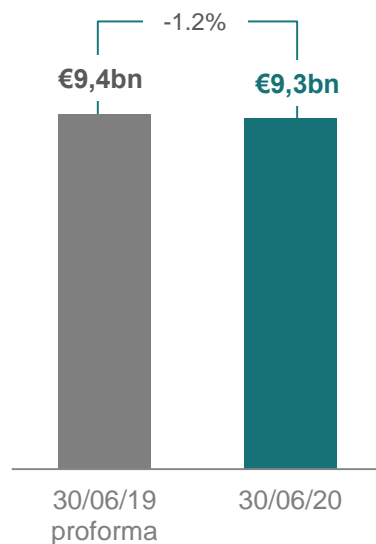


**19 May 2020: Fitch Ratings affirmed Groupama at IFS 'A', outlook 'Stable'**

**Business performance**

# GROUP'S PREMIUM INCOME

Total premium income



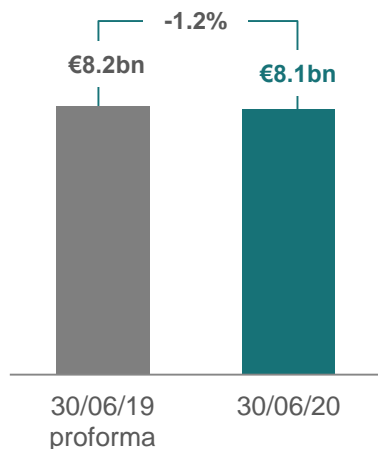
Premium income breakdown

Premium income In €m	30/06/19 Proforma	30/06/20	Like-for-like Δ
<b>P&amp;C</b>	<b>5,174</b>	<b>5,194</b>	<b>+0.4%</b>
France	4,338	4,384	+1.1%
International	836	810	-3.1%
<b>L&amp;H</b>	<b>4,169</b>	<b>4,024</b>	<b>-3.5%</b>
France	3,813	3,673	-3.7%
International	356	352	-1.1%
<b>Total Insurance</b>	<b>9,343</b>	<b>9,218</b>	<b>-1.3%</b>
Financial businesses	82	94	+14.0%
<b>Total Groupama</b>	<b>9,425</b>	<b>9,312</b>	<b>-1.2%</b>

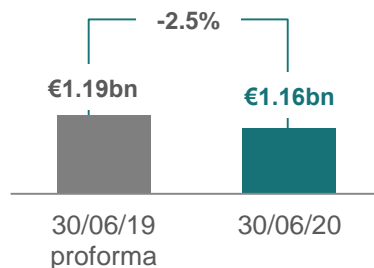
**Business performance**

# FRANCE AND OUTSIDE FRANCE PREMIUM INCOME

Premium income  
France



Premium income  
International



Premium income  
International breakdown

In €m	30/06/20	Like-for-like Δ
Italy	617	-7.9%
CEEC (Hungary, Romania, Bulgaria)	329	+4.8%
Other countries <sup>(1)</sup>	216	+4.3%
<b>Total Insurance - International</b>	<b>1,162</b>	<b>-2.5%</b>

(1) mainly Turkey and Greece

**Business performance**

## LINES OF BUSINESS: COVID-19 IMPACTS

### Motor insurance

- France and Italy: significant decrease in claim frequency during lockdowns
- Other countries: limited decrease in claim frequency

### P&C Other lines of business

- Business interruption, credit guarantee, travel and event cancellation insurances: strong increase in claims
- Farmers and professionals (craftsmen, retailers and service providers): voluntary measures to reduce insurance premiums

### Savings and pensions

- Individual savings and pension business:
  - premium decrease in euro-denominated products
  - premium increase in Unit/Linked contracts

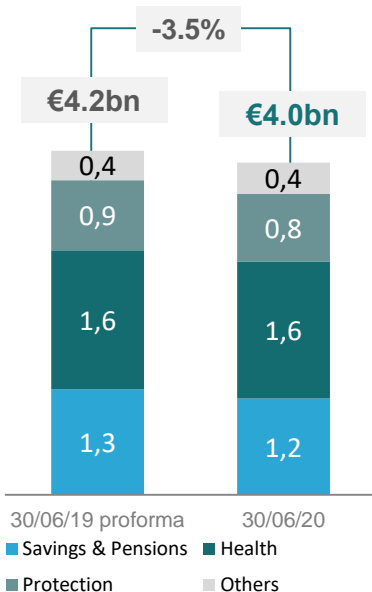
### Health and Protection

- Group health insurance:
  - premium decrease due to substantial increase in unpaid premium
  - increased benefits paid (work stoppage and death)
- Individual health insurance: decline in claim frequency during lockdown in France

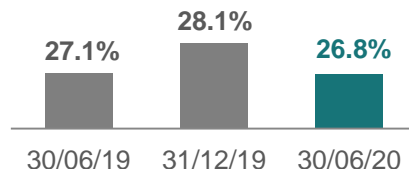
**Business performance**

**LIFE & HEALTH INSURANCE**

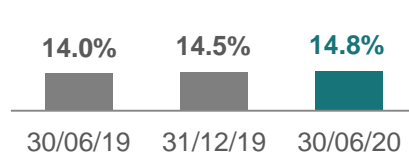
L&H Premium income



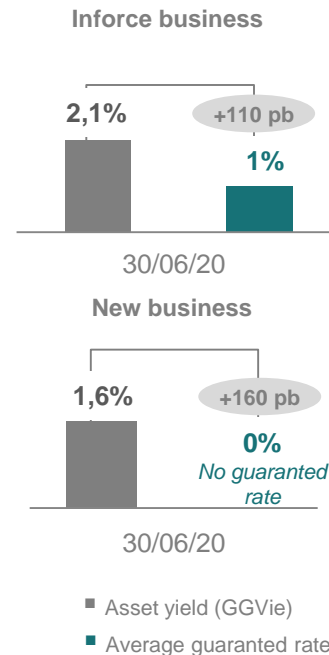
Share of unit-linked in individual savings reserves (France)



Share of unit-linked in group pensions reserves (France)



Financial Leeway (Groupama Gan Vie)



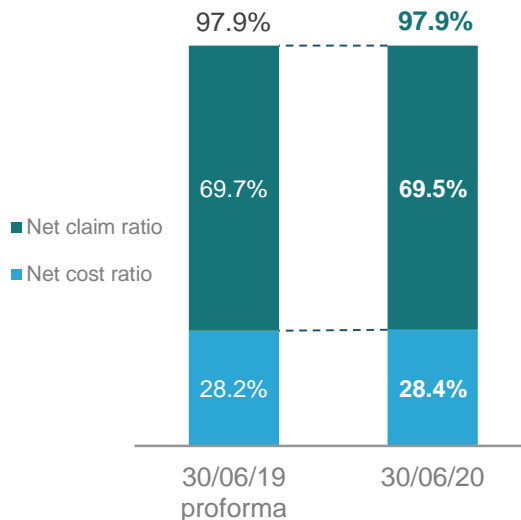
**Business performance**

**PROPERTY & CASUALTY INSURANCE**

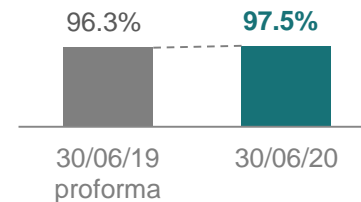
P&C Premium income



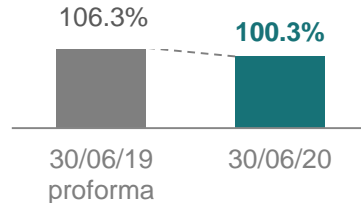
Non-life combined ratio  
Group



Non-life combined ratio  
France



Non-life combined ratio  
International





Group results

# ECONOMIC OPERATING INCOME

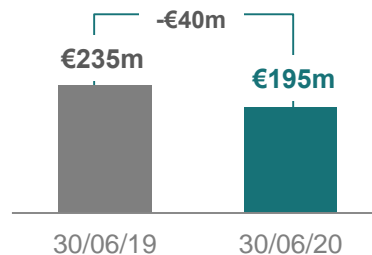
## P&C - operating income

In €m	France	Int'l	Total P&C
30/06/19	85	-15	69
<b>30/06/20</b>	<b>86</b>	<b>20</b>	<b>106</b>

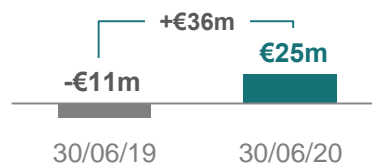
## LH - Operating income

In €m	France			Int'l	Total L&H
	GGVIE	Other entities	Total		
30/06/19	61	90	150	4	154
<b>30/06/20</b>	<b>39</b>	<b>70</b>	<b>109</b>	<b>5</b>	<b>114</b>

## Insurance operating result - France



## Insurance operating result - International



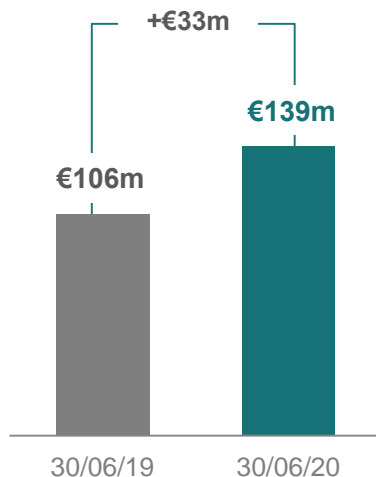
## Breakdown of Groupama operating income

In €m	30/06/19	30/06/20
Insurance	224	<b>220</b>
Financial activities	15	<b>20</b>
Holdings	-54	<b>-45</b>
<b>TOTAL</b>	<b>185</b>	<b>196</b>

## Group results

# NET INCOME

Net income



Breakdown of Groupama net income

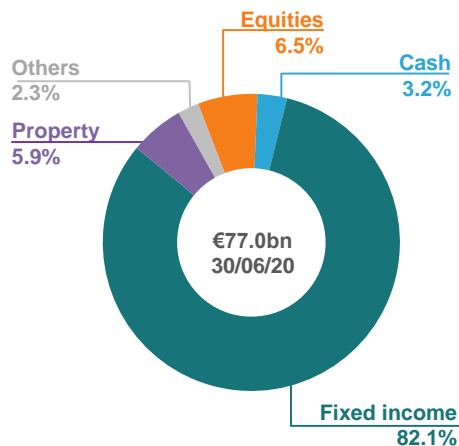
In €m	30/06/19	30/06/20
<b>Economic operating income</b>	<b>185</b>	<b>196</b>
Net realised capital gains <sup>(1)</sup>	46	11
Long-term impairment losses on financial instrument <sup>(1)</sup>	-6	-9
Gains or losses on financial assets booked at fair value <sup>(1)</sup>	4	1
Financing expenses	-34	-24
Other costs and income	-88	-36
<b>Net income</b>	<b>106</b>	<b>139</b>

<sup>(1)</sup> amounts net of profit sharing and tax

## Balance sheet

# ASSET BREAKDOWN

### Asset portfolio breakdown\*



Investment grade	94.5%
Sovereign debts	62.8%

\* Fair value, excluding unit linked, repurchase agreements and minorities

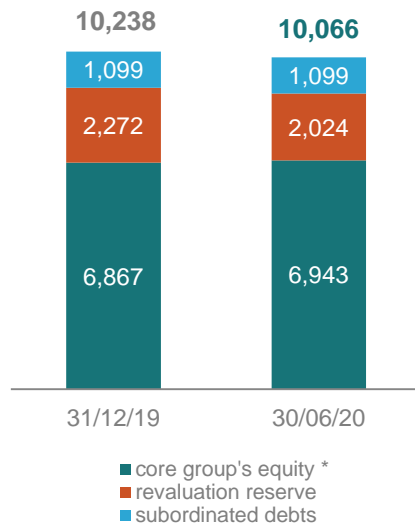
### Unrealised capital gains

In €bn	31/12/19	30/06/20
Fixed income	7.4	<b>7.3</b>
Equities	1.2	<b>0.8</b>
Properties	2.3	<b>2.2</b>
<b>Total</b>	<b>10.9</b>	<b>10.2</b>

**Balance sheet**

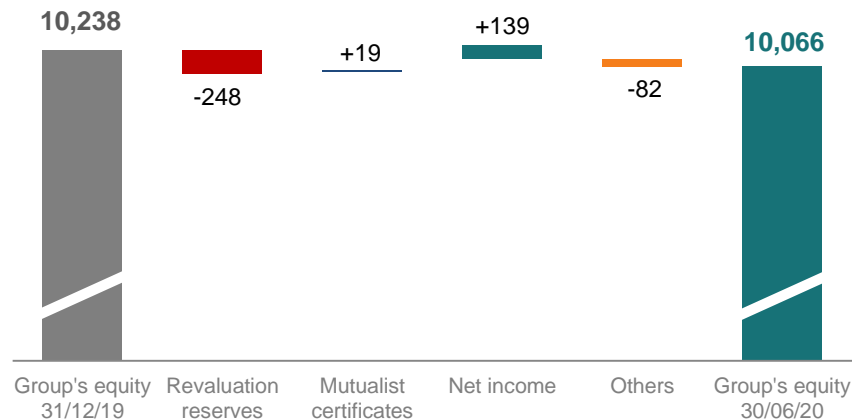
**GROUP'S EQUITY**

**Group's IFRS equity**  
(in €m)



\* Core Group's equity: initial capital, retained earnings

**Change in Group's IFRS equity**  
(in €m)



Mutual Certificates: outstanding amount of €619m as at 30/06/20

**Balance sheet**

# SOLVENCY RATIO

**Solvency ratio**  
with and without transitional measure  
on technical reserves

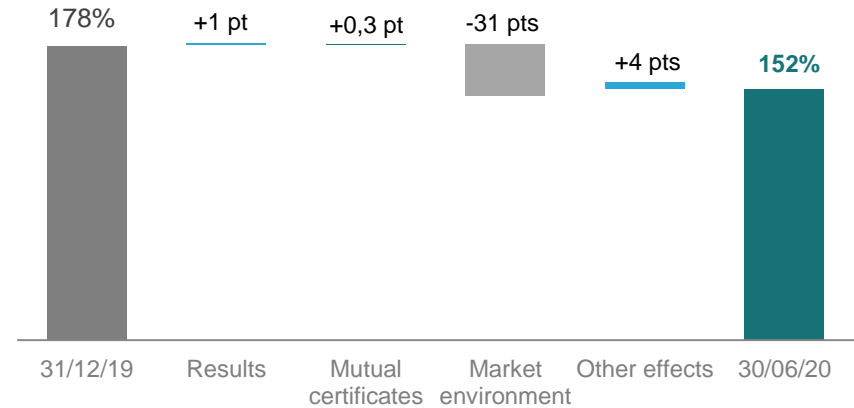
In €bn



■ eligible own funds (S2)  
▨ capital requirement (SCR)

## Solvency ratio roll-forward

ratio w/o transitional measure



## WRAP UP: GROUPAMA ABSORBED THE SHOCK OF THE COVID-19 PANDEMIC AND DEMONSTRATED ITS RESILIENCE

### Strong measures taken by the group

- Strong measures to support employees, customers and the communities in which the Group operates
  - Homeworking available to more than 90% of employees
  - Contribution to the Solidarity Fund
  - Non-contractual commercial measures

### Results that confirm our financial and operational resilience

- Premium income of €9.3bn
- Insurance operating income of €220m with a non-life combined ratio of 97.9%, in line with 2019
- Net income of €139m

### Solid balance sheet

- Solvency ratio of 152%, without transitional measure
- IFS Rating 'A', outlook 'Stable' affirmed by Fitch Ratings

# GROUPAMA GROUP HALF YEAR 2020 RESULTS

Q & A session

# GROUPAMA GROUP HALF YEAR 2020 RESULTS

## Appendices

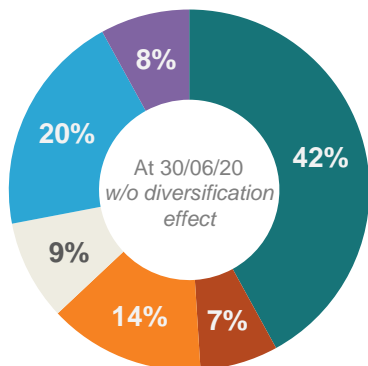
- Solvency: contribution to SCR and eligible own funds
- Asset portfolios
- Subordinated debts



## Appendices

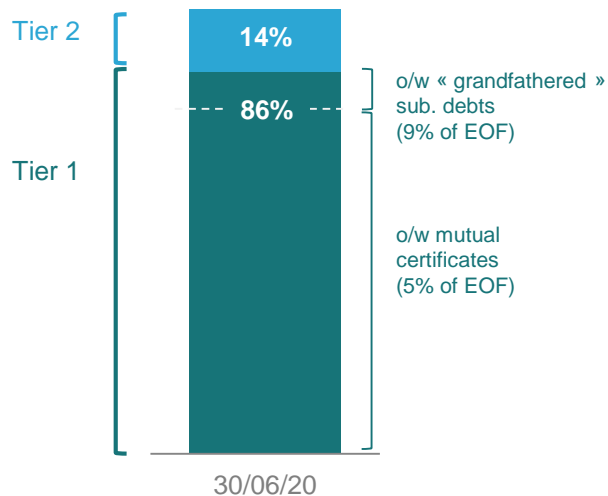
# CONTRIBUTION TO SCR, ELIGIBLE OWN FUNDS AND SENSITIVITIES

Contribution to SCR  
by risk



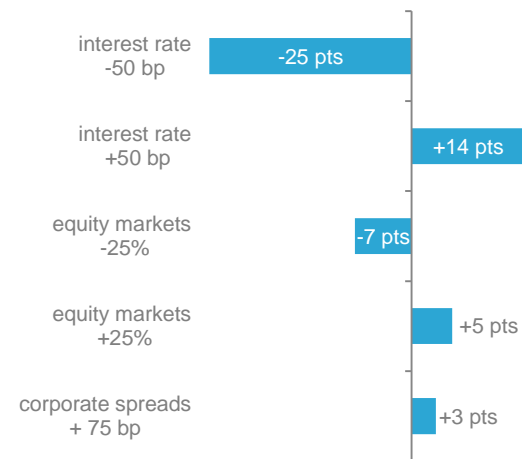
- Market risk
- Counterparty default risk
- Life underwriting risk
- Health underwriting risk
- Non-life underwriting risk
- Operational risk

Eligible Own Funds (1)



(1) Scope w/o financial activities

Sensitivities \*  
31/12/19



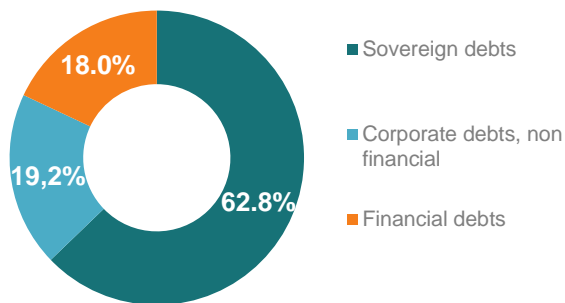
\* solvency ratio with transitional measure

Appendices

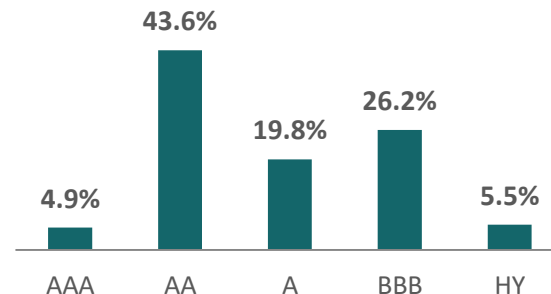
# FIXED INCOME PORTFOLIO AT 30/06/2020

Market value

Breakdown by type of issuer

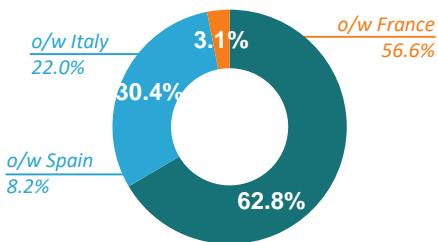


Breakdown by issuer's rating

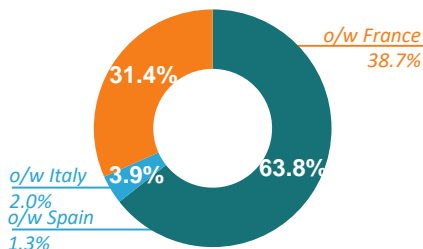


Breakdown by geographical area

Sovereign debts

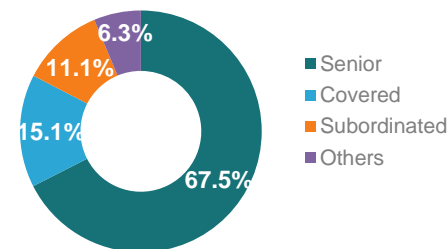


Corporate debts, non financial



Breakdown by subordination

Financial debts



**Appendices**

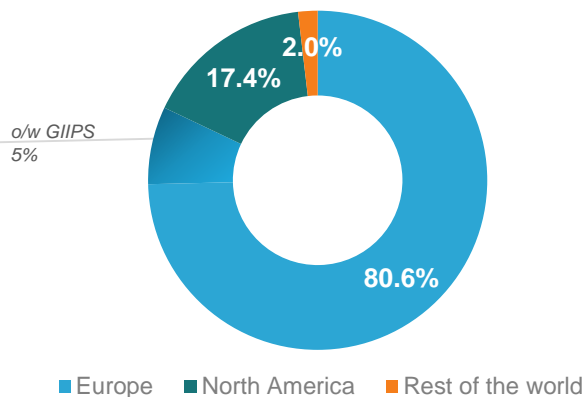
**EXPOSURE TO € ZONE SOVEREIGN DEBTS**

<i>In €m</i>	31/12/19				30/06/20			
	Cost value gross amount	Fair value gross amount	Unrealised capital gains or losses gross amount	Unrealised capital gains or losses net amount	Cost value gross amount	Fair value gross amount	Unrealised capital gains or losses gross amount	Unrealised capital gains or losses net amount
Spain	2,207	3,076	869	132	2 213	3 060	848	136
Ireland	16	17	1	0	7	7	-	-
Italy	6,947	8,634	1,687	314	6,896	8,542	1,645	316
Portugal	6	6	0	0	17	17	-	-
Greece	-	-	-	-	-	-	-	-
<b>Total</b>	<b>9,176</b>	<b>11,733</b>	<b>2,557</b>	<b>446</b>	<b>9,133</b>	<b>11,626</b>	<b>2,493</b>	<b>452</b>

## Appendices

# EQUITY PORTFOLIO AT 30/06/2020

Breakdown by geographical area



Issuer breakdown

Market value	30/06/20
Consumer goods, cyclical	10.2%
Industrials	9.9%
Commodities	3.7%
Energy	1.8%
Health	8.1%
Utilities	4.2%
Consumer goods, non cyclical	2.7%
Financials	44.0%
Technology	12.2%
Telecommunications	2.0%
Others	1.2%
<b>Total Equity Portfolio</b>	<b>100%</b>

## Appendices

# PROPERTY PORTFOLIO AT 31/12/2019

### Breakdown by geographical area

<i>Market value</i>	<b>31/12/2019</b>
Paris	<b>81%</b>
Paris area	<b>12%</b>
Province	<b>7%</b>
<b>Total property portfolio (France) *</b>	<b>100%</b>

*\* assets under management by Groupama Immobilier*

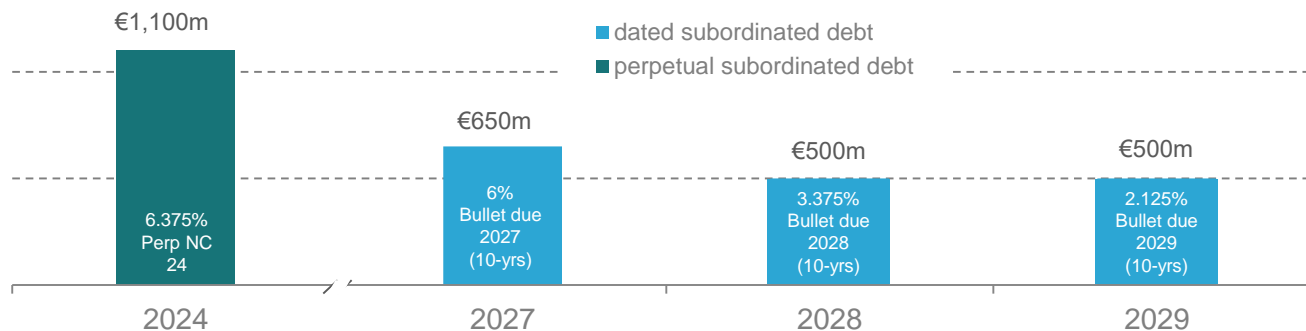
### Breakdown by nature

<i>Market value</i>	<b>31/12/2019</b>
Commercial	<b>75%</b>
Résidentiel	<b>21%</b>
Forests	<b>4%</b>
<b>Total property portfolio (France) *</b>	<b>100%</b>

*\* assets under management by Groupama Immobilier*

## Appendices

# SUBORDINATED DEBTS: MATURITY / CALL DATE BREAKDOWN



Type	Outstanding amount as at 30/06/20 (€m)	Coupon	Call date	Maturity date	S2 treatment	IFRS treatment
TSDI	1,100	6.375%	28/05/2024	Perpetual	Tier 1 (grandfathering)	Own funds
TSR	650	6%	N/A	23/01/2027	Tier 2	Financial debts
TSR	500	3.375%	N/A	24/09/2028	Tier 2	Financial debts
TSR	500	2.125%	N/A	16/09/2029	Tier 2	Financial debts

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 @GroupeGroupama

## OUR PURPOSE



We are very clear about our purpose:  
we are here to help as many people  
as possible to build their lives  
with confidence.

# PURPOSE ACTIONS

Our purpose unites us,  
inspires us and commits us to personify  
a mutual model based on actions that  
benefit all our stakeholders.  
They are the reasons behind our actions.

## THE REASONS BEHIND OUR ACTIONS



[DISCOVER OUR 2019 ANNUAL REPORT](#)



ASSUREURS CRÉATEURS DE CONFIANCE