

GROUPAMA

FY 2012 Results

Press & analysts presentation
21 February 2013





Introduction

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"My objective will be to promote a modern form of mutualism:

- ▶ *built on a model of commitment and responsibility*
- ▶ *in line with our values of local presence*
- ▶ *focused on serving our members and customers*
- ▶ *and based on the requirement of economic performance"*

Jean-Yves Dagès



Groupama



Strengthened governance and risk control

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Board of directors

- ▶ A renewed, reinforced GSA board of directors
 - appointment of a new Chairman, Jean-Yves Dagès
 - appointment of Bruno Rostain, independent director and chairman of the audit and risk committee
- 14 directors, including 3 independent directors and 2 directors elected by the employees

Performance steering & monitoring

- ▶ Strengthening of the steering and monitoring of the performance of the group's entities, regional offices, and subsidiaries

Risk management

- ▶ Risk management that relies on dedicated bodies by major risk family: insurance, financial, and operational
- ▶ Two major projects contribute to the strengthening of risk control
 - Risk tolerance
 - Pillar 2 Solvency 2

- ▶ The group has developed new skills within its board of directors
- ▶ To strengthen the steering and monitoring of the performance of all entities
- ▶ And put risk management at the heart of governance



1. Large-scale projects completed fully carried out in 2012

A restored financial situation

A group in full working order for future challenges



A major disposal programme fully carried out

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Gan Eurocourtage

- ▶ 01/10/2012: transfer of P&C portfolio to Allianz France
- ▶ 30/11/2012: transfer of marine business to Helvetia

Groupama Seguros

- ▶ 28/09/2012: sale of Groupama Seguros, including ClickSeguros, to Gruppo Catalana Occidente

Proama, Poland

- ▶ 04/01/2013: sale of direct insurance activity in Poland to Generali PFF

Operations in the UK

- ▶ 14/11/2012: sale of Groupama Insurance to Ageas UK
- ▶ 06/08/2012: sale of the broker Lark
- ▶ 12/02/2013 (signing): sale of 51% of Bollington to management

Groupama Private Equity

- ▶ 1st quarter 2013: sale of Groupama Private Equity to the ACG group
- ▶ 22/01/2013: sale of Acto Capital direct funds to a Luxempart and Five Arrows consortium

- ▶ The group favoured disposals of business activities negatively affected by the rating

- ▶ The solutions found permit protection of the company value

- ➔ + 17 points in solvency margin

- ➔ +1.5 billion euros in cash collected

- ➔ Negative impact of disposed business activities on net income





A sharp reduction of risks

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Equity divestment

- ▶ Divestments completed for a gross amount of around €2.5 billion
- ▶ Significant reduction of exposure to strategic securities
 - 100% of Bolloré
 - 55% on Société Générale
- ▶ Hedging of the portfolio on €1 billion in nominal value

Bonds divestment

- ▶ Exit from Greek sovereign risk: end of 1st half of 2012
- ▶ Divestment of Hungarian debt
- ▶ Divestment programme on Spanish collateralised debt (Cedulas)
- ▶ Reinforcement on core debts of the euro zone
- ▶ Reduction of exposure to financial subordinated debt

Property sales

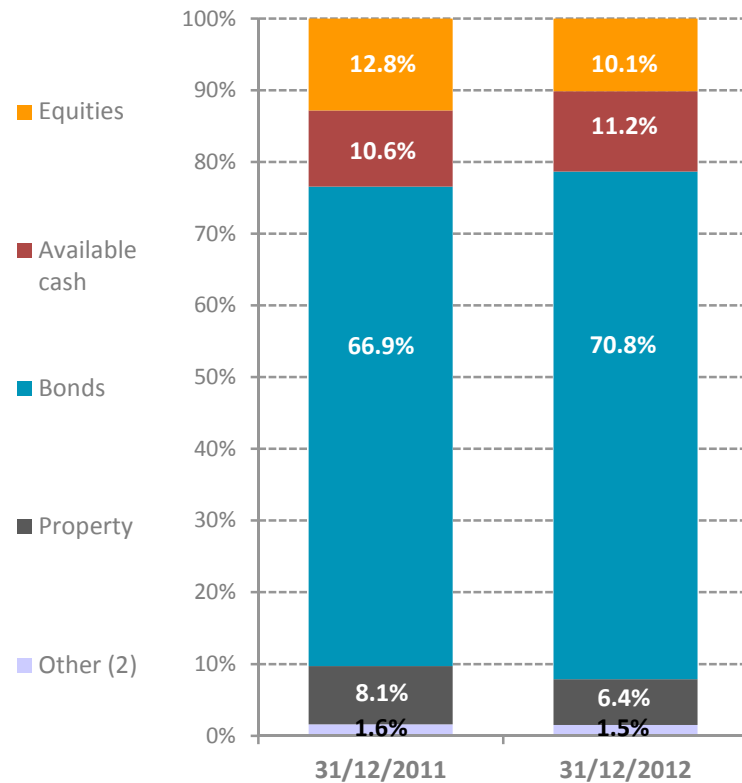
- ▶ Sales of property assets with strong capital gains
- ▶ More than €1 billion sold

- ▶ The group significantly reduced its balance sheet's exposure to financial risks
- ▶ 30% reduction in the proportion of shares in volume
- ▶ A strongly positive unrealised capital gains situation at the end of 2012

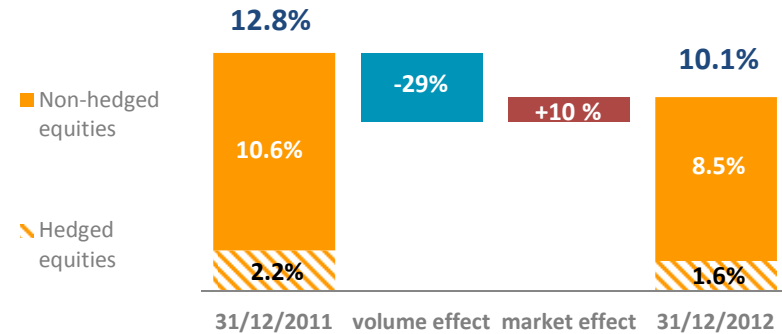


A less risky asset structure

Breakdown of the asset portfolio ⁽¹⁾



Significant drop in the equity portion ⁽¹⁾



Unrealised capital gains or losses

| In billions € | 31/12/2011 | 31/12/2012 | Δ between 31/12/12 and 31/12/2011 |
|------------------|--------------|------------|-----------------------------------|
| Bond portfolio | - 2.9 | 2.5 | + 5.4 |
| Equity portfolio | - 0.7 | 0.6 | + 1.3 |
| Property assets | 2.6 | 2.0 | - 0.6 |
| Total | - 1.0 | 5.1 | + 6.0 |

⁽¹⁾ In market value, excluding minority interests and unit-linked

⁽²⁾ Loans & receivables, etc.





A proactive cost-cutting programme

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At the group level

- ▶ 6.5% decrease in volume in the group's overhead costs compared with 2011

In all entities

- ▶ Groupama SA: -18.5%
- ▶ All regional offices: -3.1%
- ▶ Gan Assurances: -7.1%
- ▶ Groupama Gan Vie: -5.4%
- ▶ All international subsidiaries: -8.7%

On all cost items

- ▶ Efforts focused on all cost items:
 - non-renewal of outside consultants
 - trade-offs on the brand communications
 - decrease in IT and logistics costs
 - decrease in staff numbers and implementation of voluntary redundancy plans ⁽¹⁾

- ▶ A strong incentive to decrease operating costs
 - a programme intended for the long term
 - and already yielding results at the end of 2012

⁽¹⁾ voluntary redundancy plans or draft voluntary redundancy plans opened at Groupama SA, Gan Assurances, Groupama Supports et Services, and Groupama Banque



Large-scale projects completed fully carried out in 2012

2. A restored financial situation

A group in full working order for future challenges



Insurance revenue

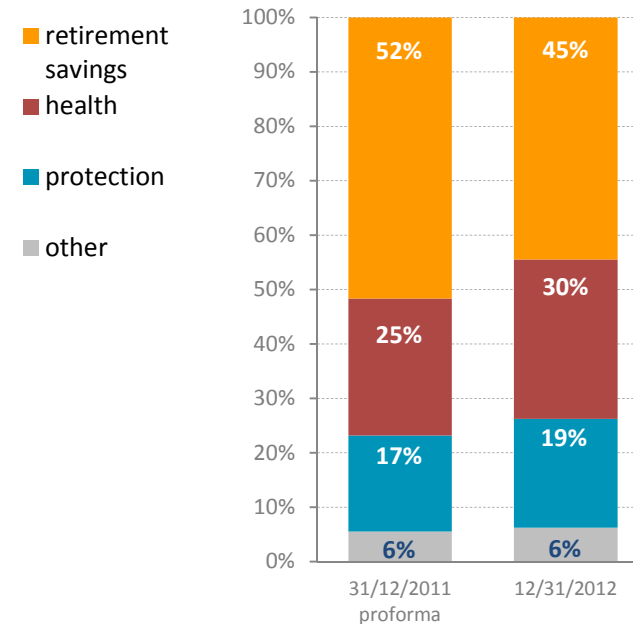
development in P&C and emphasis on quality in L&H

Total insurance revenue

| Revenue in millions € | 31/12/11 | | 31/12/12 | Like-for-like |
|------------------------------|---------------|---------------|---------------|---------------|
| | Actual | Proforma | | |
| Property & Casualty | 9,097 | 6,908 | 7,130 | +3.2% |
| France | 5,903 | 4,908 | 5,134 | +4.6% |
| International | 3,194 | 2,001 | 1,995 | -0.3% |
| Life & Health ⁽¹⁾ | 7,866 | 7,575 | 6,795 | -10.3% |
| France ⁽¹⁾ | 6,768 | 6,768 | 6,063 | -10.4% |
| International | 1,099 | 808 | 731 | -9.4% |
| Total Insurance | 16,962 | 14,484 | 13,924 | -3.9% |

⁽¹⁾ excluding discontinued operations: Assuvie, €6M at 31/12/12 vs. €8M at 31/12/11

L&H insurance product mix

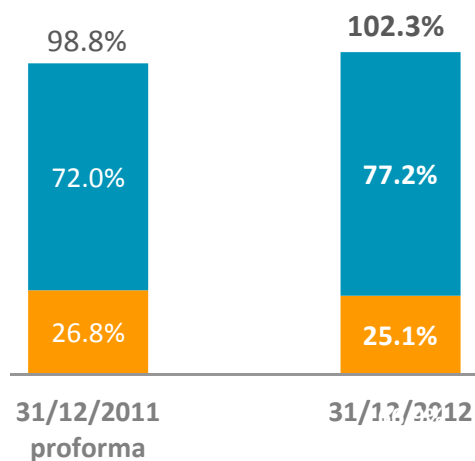


▶ 14% unit-linked in individual savings revenue

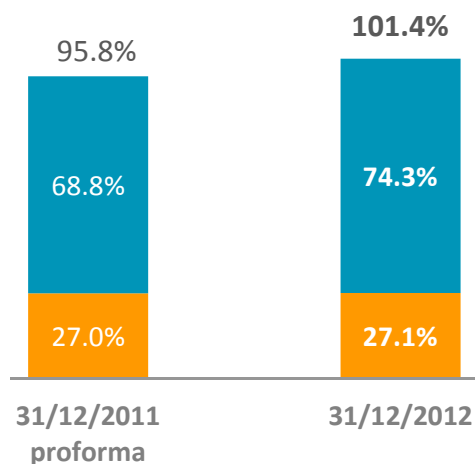


A combined ratio below objectives

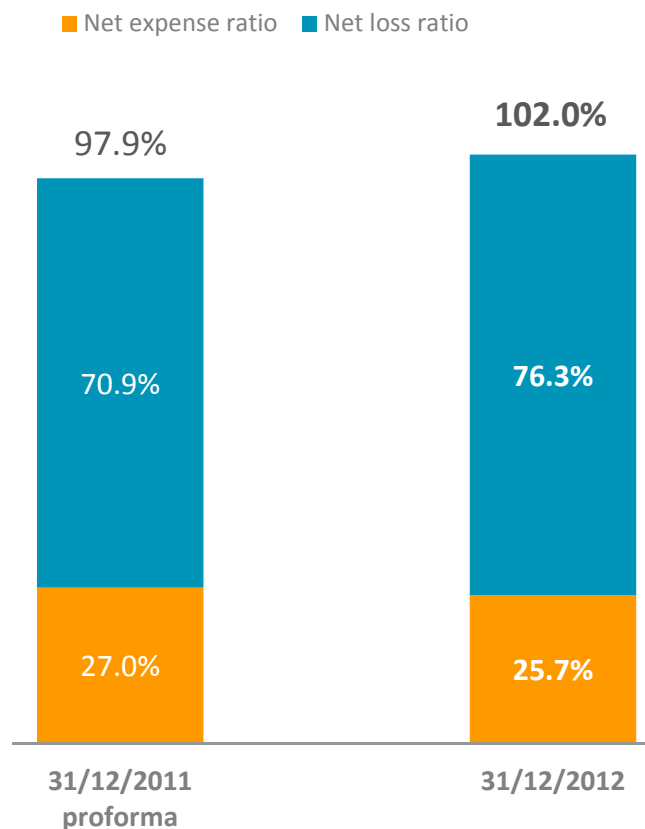
P&C combined ratio – France



P&C combined ratio – International



Groupama P&C combined ratio



- ▶ Decrease of the loss ratio
- ▶ Priority in 2013 on strengthening technical margins





Net income impacted by restructuring operations

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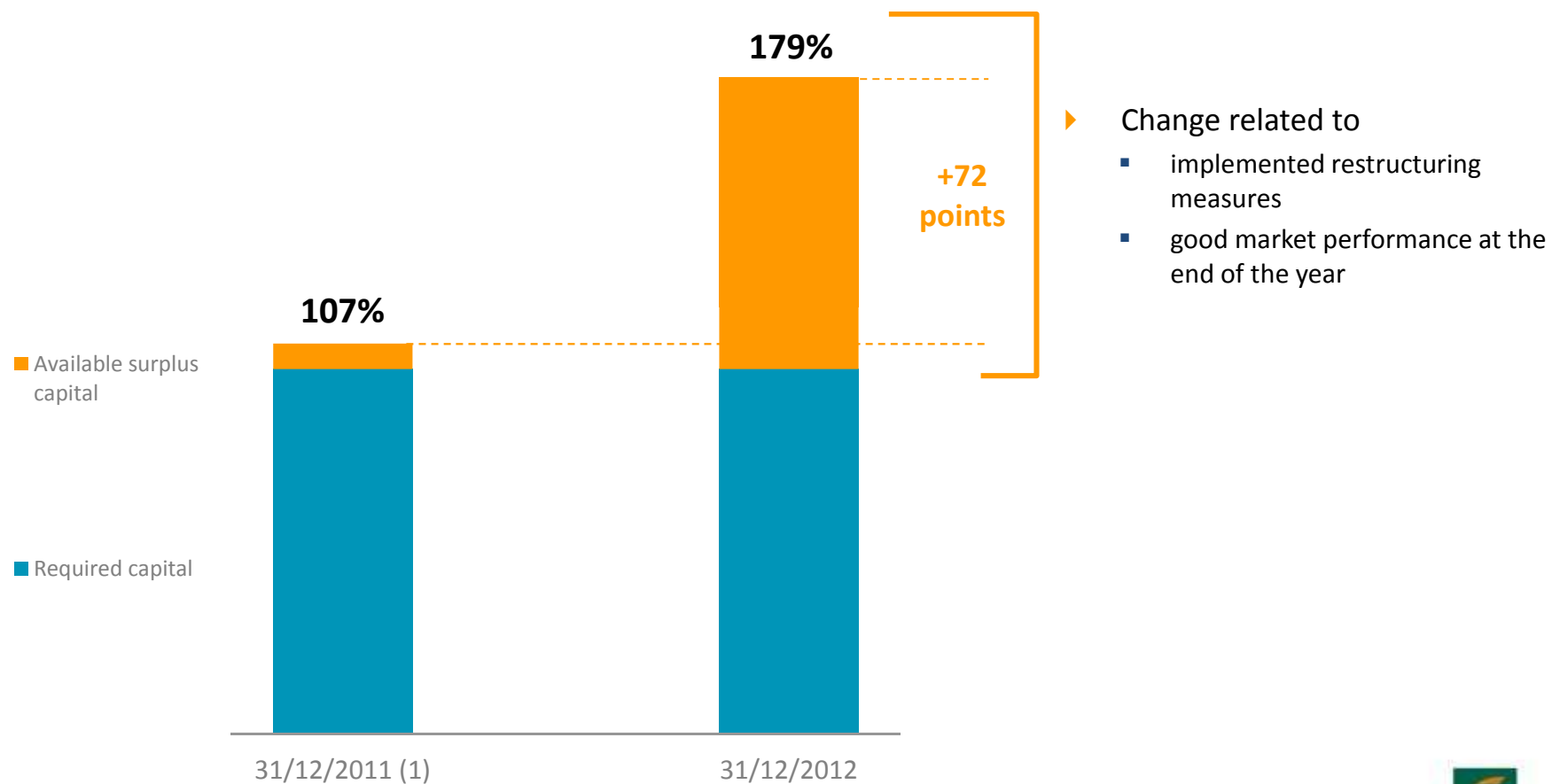
| <i>In millions €</i> | 31/12/2011 proforma | 31/12/2012 |
|---|------------------------|-------------|
| Economic operating income | 181 | -78 |
| Net realised gains ⁽¹⁾ | 728 | 404 |
| Impairment losses on financial instruments ⁽¹⁾ | -2,606 | -95 |
| Gains or losses on financial assets booked at fair value ⁽¹⁾ | -47 | 1 |
| Other expenses and income | -66 | -141 |
| Net income before exceptional restructuring items | -1,811 | 91 |
| Non-recurring items net of tax | - | -47 |
| Net impact of discontinued operations | -11 | -334 |
| Exceptional goodwill impairments | 60 | -298 |
| Net income | -1,762 | -589 |

- ▶ Profit before non-recurring items of €91m
- ▶ Accounting consequences without impact on liquidity and solvency of the group
- ▶ Net income of -€589m

⁽¹⁾ Amounts net of profit sharing and tax

A solvency margin of 180%

up 72 pts



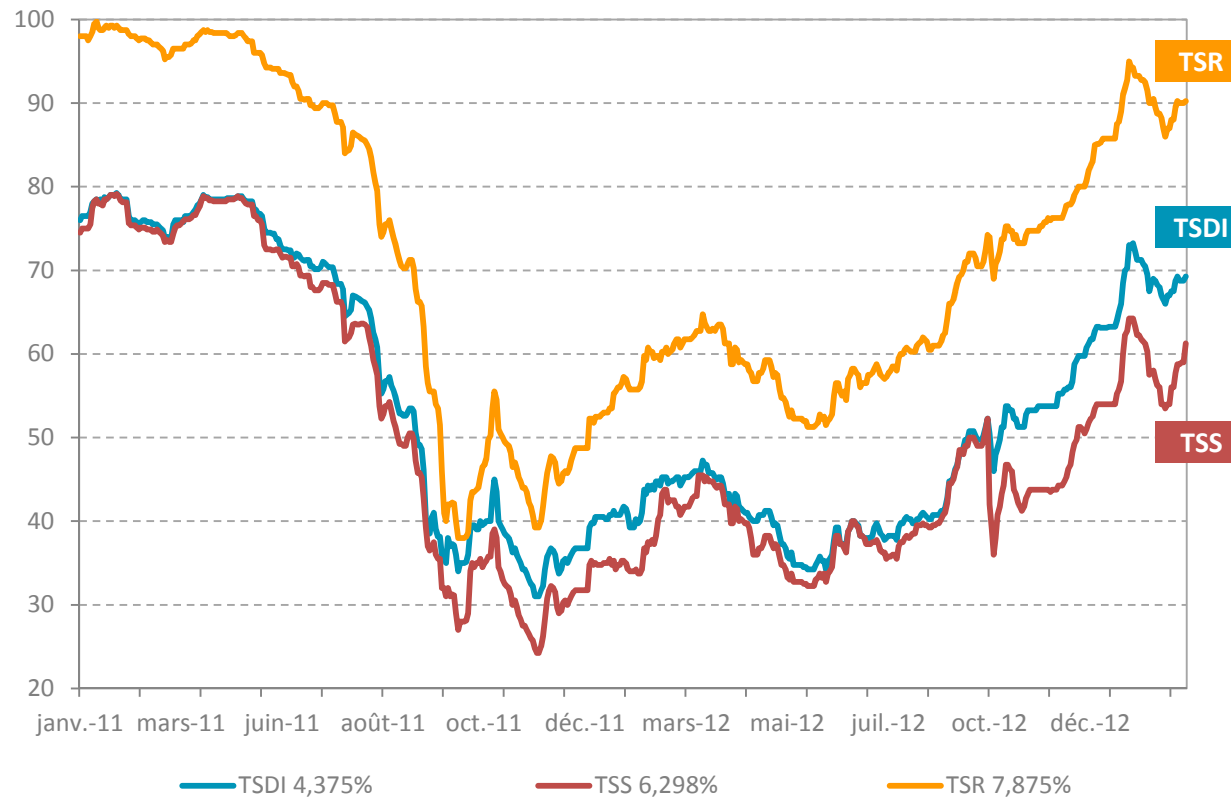
- Change related to
- implemented restructuring measures
 - good market performance at the end of the year

⁽¹⁾ Including benefits from the strategic operation between SILIC and ICADE
Including proceeds from Gan Eurocourtage preference shares issuance



Perception of Groupama by the markets

Change in prices of Groupama SA subordinated debt instruments





Large-scale projects completed fully carried out in 2012

A restored financial situation

3. A group in full working order for future challenges



"What we are in 2013"

Revenue of
14 billion euros

13 million
members and
customers

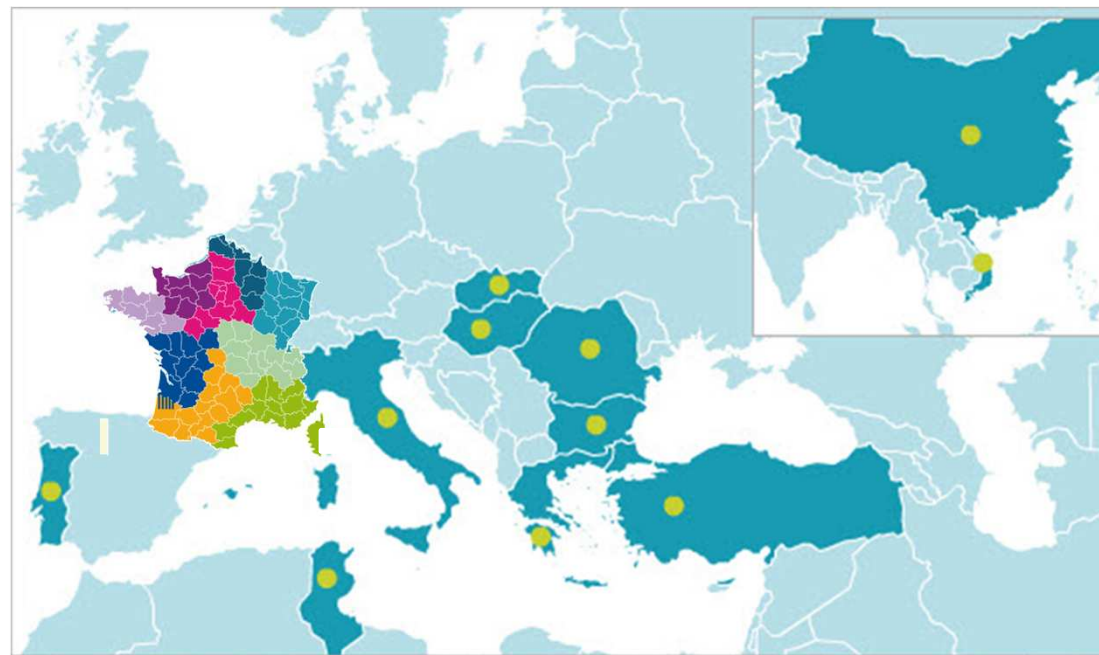
Total balance
sheet of 95 billion
euros

A solvency margin
of 179%

33,000 employees
worldwide

A Group rooted and present in all territories in France

- ▶ 9 regional offices
- ▶ 2,100 Groupama branches
- ▶ 1,000 Gan Assurances branches
- ▶ 500 Gan Patrimoine agents
- ▶ 1,000 Gan Prévoyance advisers
- ▶ 1,000 brokers partner in life group insurance
- ▶ 26,000 employees in France
- ➔ serving 7 million members and customers in France



Bulgarie Chine Grèce Hongrie Italie Portugal Roumanie Slovaquie Tunisie Turquie Vietnam

A Group present in 11 countries

- ▶ A strong presence in mature markets and established in markets with great potential
- ➔ serving 6 million customers outside of France



"What we are in 2013"

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Groupama is a leader in insurance in France

No. 1 in individual health

- ▶ No. 1 in individual health: 2 million beneficiaries

No. 2 in protection

- ▶ more than 200,000 individual protection contracts and nearly 500,000 everyday accident cover contracts

No. 2 motor insurer

- ▶ 4 million cars insured by the group's three commercial brands

No. 3 home insurer

- ▶ No. 3 individual home insurer
- ▶ with more than 10% market share in number of contracts

No. 1 insurer in agriculture

- ▶ 60% market share on agricultural professional risks and a portfolio of 90,000 weather contracts

No. 4 insurer in group insurance

- ▶ More than 80,000 companies and a total of 1.8 million employees

Groupama Banque

- ▶ 557,000 customers at 31/12/2012.
- ▶ 2 billion euros in outstanding demand deposits

Groupama Asset Management

- ▶ 90 billion euros in assets under management

- ▶ 3 commercial brands



Assuré d'avancer





“In full working order for future challenges”

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In 2013, Groupama is redefining a strategy that builds on the group's strengths and fundamentals

Group's fundamental principles

- ▶ A group with a stabilised financial base
- ▶ A mutual insurance group putting the customer at the heart of its strategy
- ▶ A group that is diversified and innovative in its business lines
- ▶ An international group
- ▶ A group with profitable development



Groupama