

Paris, 1 September 2021

## Groupama's 2021 Half-Year Results

- ▶ **Premium income of €10.1 billion, up +8.8%**
  - Sharp increase in life and health insurance (+16.7%) driven by the excellent performance of the individual savings/pensions segment in France (+48.5%)
  - Growth in property and casualty insurance (+2.3%) both in France (+2.4%) and internationally (+1.4%)
  
- ▶ **Net income up significantly at €297 million (+114%)**
  - Non-life combined ratio of 98.1% in line with our objectives
  - Growth in economic operating income to €264 million
  - Increase in non-recurring financial margin
  
- ▶ **Solvency ratio with transitional measure of 261%**
  - A solvency ratio of 174% without transitional measure on technical reserves
  - Group's IFRS equity of €10.7 billion

*"The first few months of this year have once again been marked by a high level of weather-related losses - hail, frost and floods - which have particularly affected the agricultural sector. Because climate issues are at the heart of our concerns, Groupama is actively participating in the work carried out by the French government on risk management and crop insurance. I would like to thank our employees and elected members for their commitment to our customers and members because, despite those unfavourable climate conditions, the mobilisation of everyone has enabled the Group to achieve good half-year results."*, stated Jean-Yves Dagès, Chairman of the Board of Directors of Groupama Assurances Mutuelles.

*"Groupama posted a strong performance in the first half of 2021, driven by a favourable financial environment. In life and health insurance, the dynamics of the savings and pensions business are based on a winning societal approach that places the needs of our policyholders at the centre of our solutions. I am proud that the work carried out collectively over several years is bearing fruit."*, added Thierry Martel, CEO of Groupama Assurances Mutuelles.

Paris, 1 September 2021 – The Group’s combined financial statements for the first half of 2021 were approved by the Board of Directors of Groupama Assurances Mutuelles at the meeting chaired by Jean-Yves Dagès on 1 September 2021. The half-year financial statements underwent a limited review by the statutory auditors.

► **Business**

At 30 June 2021, Groupama’s combined premium income stood at €10.1 billion, an increase of +8.8% from 30 June 2020.

Business was up significantly in life and health insurance (+16.7%) with premium income reaching €4.7 billion at 30 June 2021. In property and casualty insurance, the Group generated €5.3 billion in premium income, up +2.3% from 30 June 2020.

*Groupama’s premium income at 30 June 2021*

€ million	30/06/2021	Like-for-like change (%)
Property and casualty insurance	5,289	+2.3%
Life and health insurance	4,685	+16.7%
Financial businesses	127	+35.4%
<b>GROUP TOTAL</b>	<b>10,101</b>	<b>+8.8%</b>

▪ **In France**

Insurance premium income in France at 30 June 2021 amounted to €8.8 billion, up +9.4% compared with 30 June 2020.

In property and casualty insurance, premium income totalled €4.5 billion at 30 June 2021, up +2.4%. Insurance for individuals and professionals increased +1.5% to €2.5 billion (nearly 60% of written premiums in property and casualty insurance). This increase was driven by the growth in professional risks (+3.3%) and, to a lesser extent, by motor insurance (+1.0%) and home insurance (+0.9%). Insurance for businesses and local authorities increased significantly (+7.2%) to €813 million. The growth in agricultural insurance (+4.9%) to €901 million is primarily explained by premium reductions granted in 2020 in connection with the pandemic crisis.

In life and health insurance, premium income increased +17.6% to €4.320 billion. The Group’s life and capitalisation premium income in France increased +43.2%. This change mainly stemmed from the growth in the individual savings/pensions business (+48.5%), in particular UL inflows, which increased +74.1% and represented nearly 60% of premium income.

Health and personal injury premium income at 30 June 2021 was up +4.6% from the previous period, linked with the growth in individual health (+1.9%) and group health (+6.4%).

▪ **International**

Over the first half of 2021, business reached €1.2 billion, up +3.0% from 30 June 2020 on a like-for-like basis and with constant exchange rates.

Property and casualty insurance premium income totalled €798 million at 30 June 2021, up +1.4% from the previous period. Business lines however fared differently. The good performances of insurance for businesses and local authorities (+8.1%), agricultural insurance (+9.6%) and home insurance (+3.1%) are noteworthy. In motor insurance, business fell -1.8%, mainly in Italy and Hungary, but rose in Turkey, Romania, and Bulgaria.

In life and health insurance, premium income was up +6.5% at €366 million. Individual life and health insurance increased +6.1% thanks to the growth in individual savings/pensions (+8.3%), mainly in Italy and Hungary. Group life and health insurance was up +8.7% at €52 million in connection with the growth in the group health segment (+17.6%), especially in Greece and Romania.

▪ **Financial businesses**

The Group's premium income was €127 million, including €124 million from Groupama Asset Management and €3 million from Groupama Epargne Salariale. Groupama Asset Management's assets under management totalled €112.9 billion at 30 June 2021, up +€4.3 billion from the end of 2020.

► **Results**

The Group's economic operating income was €264 million at 30 June 2021, up +€68 million from 30 June 2020.

It includes €246 million in economic operating income from insurance at 30 June 2021, up +11.8%.

In life and health insurance, economic operating income was €168 million at 30 June 2021 compared with €114 million at 30 June 2020. This increase came mainly from business in France, which had been heavily affected in 2020 in group insurance by the health crisis but has posted significant growth in its underwriting income this year, particularly in savings/pensions.

In property and casualty insurance, economic operating income amounted to €78 million at 30 June 2021 compared with €106 million at 30 June 2020. The combined non-life ratio was 98.1% at 30 June 2021 versus 97.9% at 30 June 2020. The first half of 2021 was marked by a substantial weather-related loss experience in France (harvest frost in early April and thunderstorms and floods from 16 to 29 June). Conversely, the cost of severe claims was lower than in the first half of 2020, which suffered significant operating losses for business interruption related to the pandemic.

The operating costs ratio decreased by -0.4 points to 28.0% at 30 June 2021.

The economic operating income from financial businesses amounted to +€41 million, and the Group's holding business posted an economic operating loss of -€23 million at 30 June 2021.

The reconciliation of economic operating income to net income includes non-recurring items of +€33 million at 30 June 2021 versus -€57 million at 30 June 2020. The non-recurring financial margin increased by +€98 million at 30 June 2021 compared with 30 June 2020 mainly due to the increase in realised capital gains as well as fluctuations in the fair value of assets, driven by favourable financial markets.

The Group's overall net income was +€297 million at 30 June 2021 compared with +€139 million at 30 June 2020.

► **Balance sheet**

The Group's IFRS equity totalled €10.7 billion at 30 June 2021. This figure includes the mutual certificates issued by Groupama for €636 million.

Insurance investments totalled €91.1 billion at 30 June 2021. The Group's unrealised capital gains were €10.4 billion at 30 June 2021, including €6.7 billion from the bond portfolio, €1.5 billion from the equity portfolio, and €2.2 billion from property assets.

At 30 June 2021, the Solvency 2 ratio, without transitional measure on technical reserves, was 174%. The increase of +22 points in this ratio compared with the end of 2020 was mainly due to shifting financial market conditions and income growth for the first half of 2021. The ratio incorporating the transitional measure on technical reserves authorised by the ACPR was 261%.

The Group's financial strength was highlighted by Fitch Ratings, which affirmed Groupama's 'A' rating and upgraded the outlook to 'Positive' on 21 June 2021.

After the closing of the half-year financial statements, on 7 July 2021, Groupama issued its first subordinated green bond for a total of €500 million, maturing in 2028. The annual coupon is 0.75%. The Group's objective is to contribute to a growing green bond market and to stimulate the market for investments and sustainable financing.

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*Groupama's financial information now covers only the combined financial statements, which include all businesses of the Group (business of the regional mutuals and business of subsidiaries consolidated in Groupama Assurances Mutuelles).*

*For the financial statements at 30/06/2021, the Group's financial information consists of:*

- *this press release, which is available on the website [groupama.com](http://groupama.com);*
- *the Groupama Group's half-year report, which will be filed with the AMF and posted online at [www.groupama.com](http://www.groupama.com) in French on 10 September 2021 and in English on 17 September 2021.*

### **About Groupama Group**

*For more than 100 years, the Groupama Group has based its activities on timeless humanist values to enable as many people as possible to build their lives with confidence. It relies on human, close-knit, optimistic, and responsible communities of mutual aid. The Groupama Group, one of the leading mutual insurers in France, carries out its insurance and service business activities in 10 countries. The Group has 11.5 million members and customers and 31,000 employees throughout the world, with premium income of €14.4 billion. Find all the latest Groupama Group news on its website ([www.groupama.com](http://www.groupama.com)) and Twitter account (@GroupeGroupama)*

## Appendix: key figures for Groupama - combined financial statements

### A/ Premium income

€ million	30/06/2020		30/06/2021	2021/2020
	Reported premium income	Pro forma premium income*	Reported premium income	Change ** as %
<b>&gt; France</b>	<b>8,057</b>	<b>8,057</b>	<b>8,811</b>	<b>+9.4%</b>
Life and health insurance	3,673	3,673	4,320	+17.6%
Property and casualty insurance	4,384	4,384	4,491	+2.4%
<b>&gt; International &amp; Overseas</b>	<b>1,162</b>	<b>1,130</b>	<b>1,163</b>	<b>+3.0%</b>
Life and health insurance	352	344	366	+6.5%
Property and casualty insurance	810	786	798	+1.4%
<b>TOTAL INSURANCE</b>	<b>9,218</b>	<b>9,186</b>	<b>9,974</b>	<b>+8.6%</b>
<b>Financial businesses</b>	94	94	127	+35.4%
<b>TOTAL</b>	<b>9,312</b>	<b>9,280</b>	<b>10,101</b>	<b>+8.8%</b>

\* Based on comparable data

\*\* Change on a like-for-like basis with constant exchange rates

### B/ Economic operating income

€ million	30/06/2020	30/06/2021	2021/2020 change
Insurance - France	195	221	+26
Insurance - International	25	25	0
Financial businesses	20	41	+21
Holding companies	-45	-23	+22
<b>Economic operating income</b>	<b>196</b>	<b>264</b>	<b>+68</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). 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 are also restated.

### C/ Net income

€ million	30/06/2020	30/06/2021	2021/2020 change
Economic operating income	196	264	+68
Realised capital gains net of allocations to reserves for long-term impairment	2	71	+69
Gains and losses on financial assets and derivatives recognised at fair value	1	30	+29
External financing expenses	-24	-25	-1
Other expenses and income	-36	-43	-7
<b>Net income</b>	<b>139</b>	<b>297</b>	<b>+158</b>

## D/ Balance sheet

€ million	31/12/2020	30/06/2021
Group's IFRS equity	10,704	10,709
Subordinated instruments	2,730	2,730
- classified in Group's equity	1,099	1,099
- classified as "financing debt"	1,632	1,633
Gross unrealised capital gains	11,788	10,381
Total balance sheet	104,702	105,562

## E/ Main ratios

	30/06/2020	30/06/2021
Non-life combined ratio	97.9%	98.1%

	31/12/2020	30/06/2021
Debt ratio *	25.8%	25.0%
Solvency 2 ratio (with transitional measure**)	244%	261%
Solvency 2 ratio (without transitional measure**)	152%	174%

\* ratio calculated using the method applied by our rating agency

\*\* transitional measure on technical reserves

## F/Financial strength rating – Fitch Ratings

	Rating *	Outlook
Groupama Assurances Mutuelles and its subsidiaries	A	Positive

\* Insurer Financial Strength (IFS)