

GROUPAMA GROUP

**FULL YEAR 2015 RESULTS
PRESENTATION**

Media Presentation– 17 March 2016



Introduction

GROUPAMA GROUP'S ROADMAP

- Technical profitability in Non Life
- Shift of business mix in Life
- Operating efficiency and cost reduction
- Asset de-risking
- Financial strength enhancement

Since end 2011

At 31/12/2015

	<input checked="" type="checkbox"/>
Strategy driven by	<input checked="" type="checkbox"/>
PERFORMANCE	<input checked="" type="checkbox"/>
instead of growth	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>

Key messages

SHARP INCREASE IN NET INCOME

- Business consistent with the strategy
 - Group premium income of €13.7 billion
 - Selective growth in France and in International markets
 - Far-reaching partnerships for the future
- Solid technical and operating performance, despite an adverse environment
 - A combined non-life ratio of 99.2%
 - An active portfolio transformation in life, with an increase in the share of unit-linked in individual savings reserves to 20.7%
 - Further control of general expenses in 2015
 - Growth in economic operating income to €163 million (+€34 million)
- Growth in net income to €368 million (+43%)
- Robust solvency margin: 263% under Solvency 2

Highlights

PARTNERSHIPS TO ADDRESS NEW BEHAVIOURS

In 2015,

- Groupama entered discussions with major industrial players
- and signed partnership agreements to support the collaborative economy and innovation ...

2016



Communiqué de presse
Paris, le 4 janvier 2016

Groupama et Orange entrent en négociations exclusives pour créer « Orange Banque », une nouvelle banque innovante, 100% mobile

Aujourd'hui, Groupama et Orange annoncent qu'ils entrent en négociations exclusives en vue de conclure un partenariat pour développer un modèle bancaire nouveau qui permettra à Groupama de renforcer son activité de banque en ligne, et à Orange de mener à bien sa diversification dans les services bancaires. Cette



2015

COMMUNIQUE
DE PRESSE



DIAC
groupe RCI Banque

Nantes, le 5 octobre 2015

DIAC et Amaguiz s'associent pour proposer une offre d'assurance automobile aux clients des réseaux Renault et Dacia

GROUPAMA GROUP FISCAL YEAR 2015 RESULTS

- 1. SELECTIVE GROWTH**
2. IMPROVED EFFICIENCY
3. SOLID BALANCE SHEET

Selective growth

GROWTH OF PREMIUM INCOME

Groupama Revenue breakdown

<i>Premium income in millions of euros</i>	31/12/15	Like-for-like Δ
P&C	7,141	+0.8%
France	5,354	+1.1%
International	1,787	0.0%
L&H	6,324	+1.1%
France	5,341	+0.7%
International	983	+3.7%
Total Insurance	13,465	+1.0%
Financial businesses	280	+0.1%
Total – Groupama	13,745	+0.9%

P&C: property and casualty insurance

L&H: life and health insurance

Growth both in French (+0.9%) and international markets (+1.3%)

In France:

- Sharp business increases in group health and protection
- Portfolio stabilisations both in Motor and Home insurances,

International:

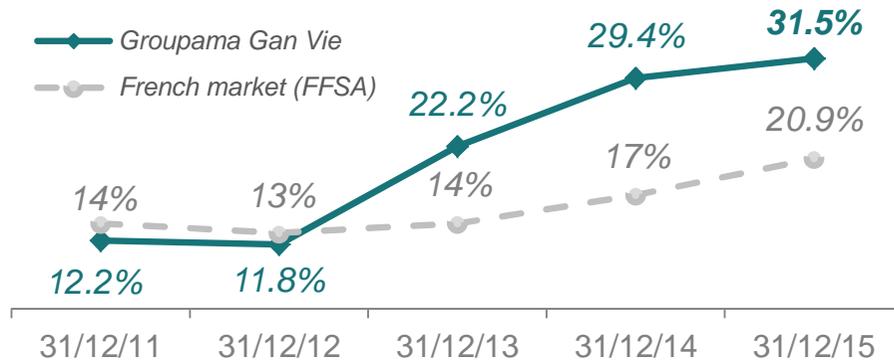
- Selective growth, driven by Life & Health businesses

Selective growth

STEERING OF THE BUSINESS MIX IN L&H

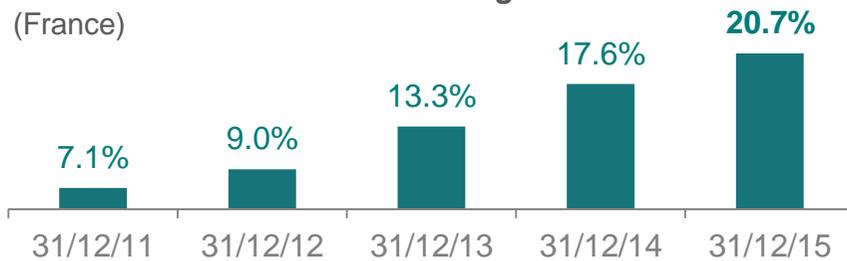
→ Major transformation in new business mix

% Unit-linked in revenue, individual savings/pensions (France)



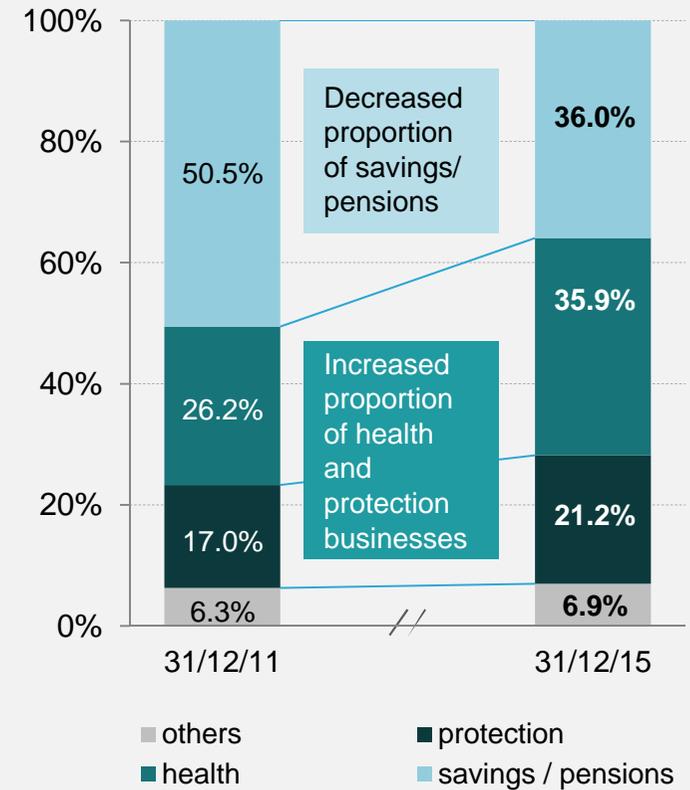
→ Active portfolio transformation in Life

% Unit-linked in individual savings reserves (France)



Shift in L&H business mix since 2011

(in France)



Selective growth

INTERNATIONAL: BUSINESS STRATEGY FOCUSED ON PROFITABILITY

Revenue breakdown – International insurance

<i>in millions of euros</i>	31/12/15	Like-for-like
Italy	1,600	+0.2%
Turkey	411	+5.1%
Hungary	304	-2.8%
Romania	181	+13.2%
Other countries ⁽¹⁾	274	0%
Total Insurance - International	2,770	+1.3%

⁽¹⁾ Of which Greece, Portugal and Bulgaria

Selective growth in International markets, driven by Life & Health

- +8.7% in Italy
- +5.4% in Turkey
- +12.7% in Romania

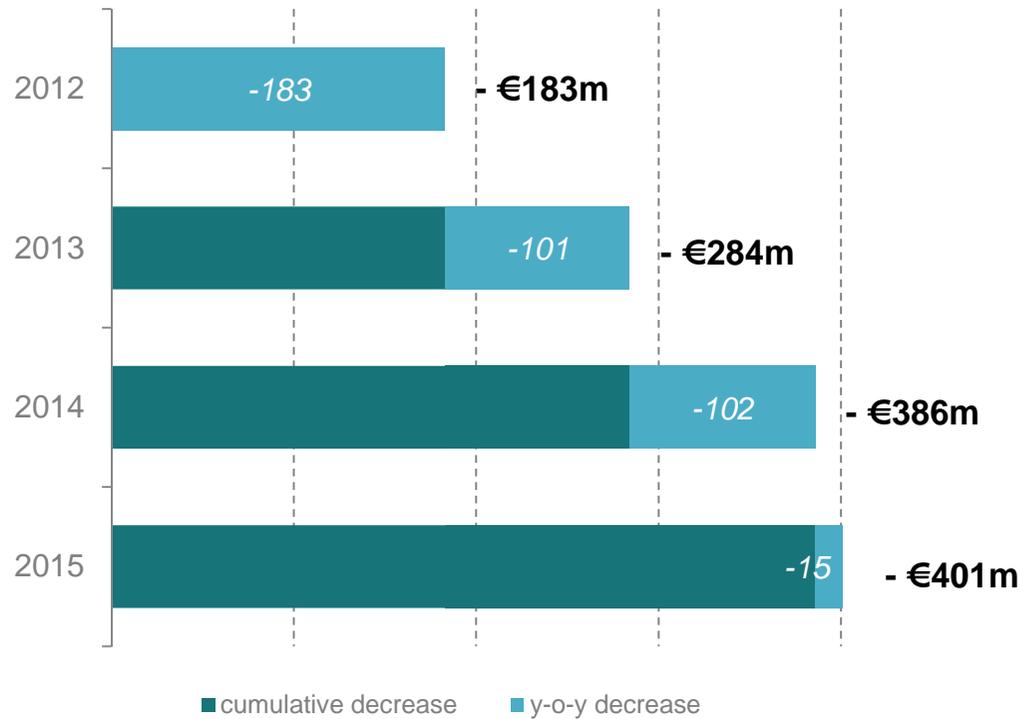
GROUPAMA GROUP FISCAL YEAR 2015 RESULTS

1. SELECTIVE GROWTH
- 2. IMPROVED EFFICIENCY**
3. SOLID BALANCE SHEET

Improved efficiency

CONTROL OF GENERAL EXPENSES

Decrease in general expenses over the period
in millions of euros



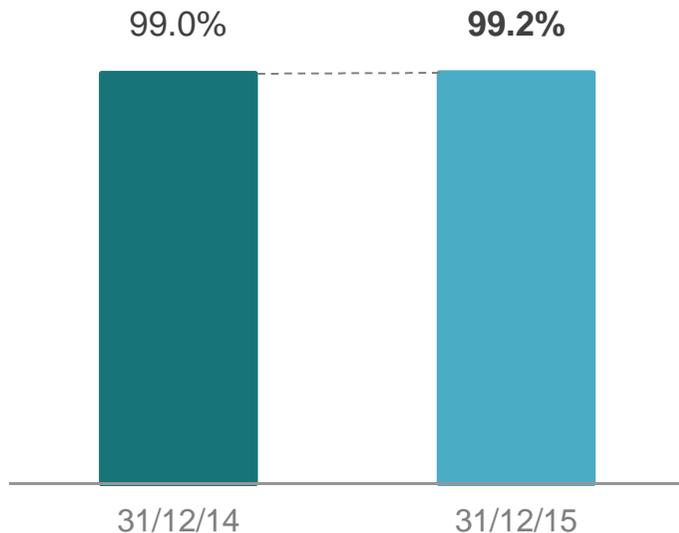
Control of general expenses

- At group level,
 - across all entities,
 - on all cost items
- A cost basis in 2015 inferior by €400m compared with end-2011 figure

Improved efficiency

STABLE PERFORMANCE DESPITE 2 ADVERSE ITEMS

Groupama non-life combined ratio



Stable non-life combined ratio

- Stable “attritional” claims ratio
- Improvements in both climatic and “severe” claims ratios
- 2-point impact from the low interest rate environment
- Combined ratio below 98% in France
- International non life combined ratio penalised by reserves strengthening in Turkey

<i>Non-life combined ratio</i>	31/12/14	31/12/15
France	98.4%	97.9%
International	101.4%	104.4%

Improved efficiency

SHARP INCREASE IN NET INCOME TO €368M

Breakdown of Groupama net income

<i>In millions of €</i>	31/12/14	31/12/15
Economic operating income	129	163
Net realised capital gains ⁽¹⁾	219	269
Long-term impairment losses on financial instruments ⁽¹⁾	-12	-26
Gains or losses on financial assets booked at fair value ⁽¹⁾	-59	38
Other costs and income	-20	-75
Net profit	257	368

⁽¹⁾ amounts net of profit sharing and tax

43% increase in net income to €368 million

- Strengthened technical and operating efficiency:
 - increased operating income to €163m
 - Despite increasing impacts from the low interest rate environment
- Realised capital gains on divestments of Mediobanca and Véolia Environnement

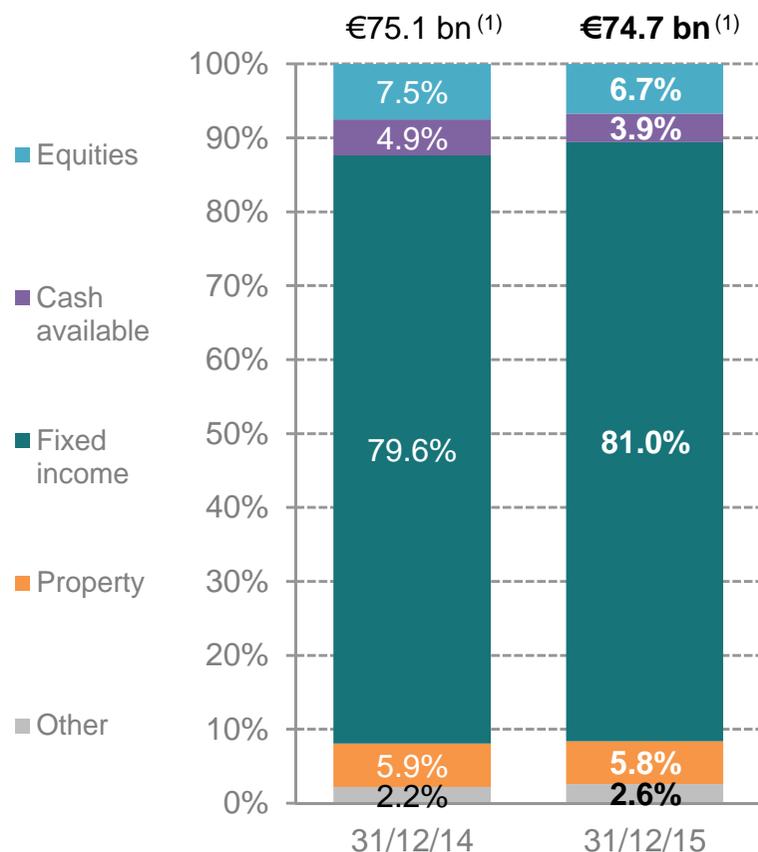
GROUPAMA GROUP FISCAL YEAR 2015 RESULTS

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- 3. SOLID BALANCE SHEET**

Solid balance sheet

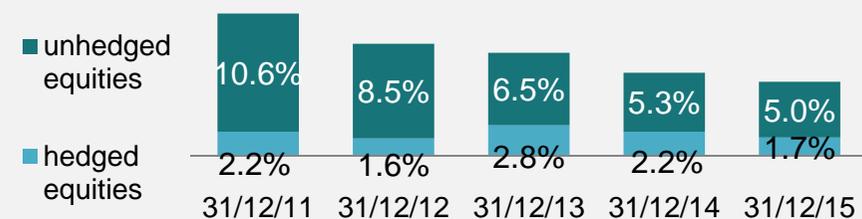
ASSET BREAKDOWN IN LINE WITH THE TARGET

Asset portfolio breakdown



(1) Fair value excluding unit linked, repurchase agreements and minorities

- Unhedged equity portion of 5.0%



- Increase in bond portion
- Cash portion reduced to 3.9%
- Unrealised capital gains of €10.2 billion

In billions of euros	31/12/2014	31/12/2015
Bonds	7.8	7.3
Equities	0.8	0.7
Property	2.0	2.2
Total	10.6	10.2

Solid balance sheet

STRENGTHENED FINANCIAL FLEXIBILITY AND ROBUST SOLVENCY

Shareholders' equity

€8.2 billion
+2%

Debt-to-equity ratio

10.2%
-1.4 pt

Solvency 2 Margin

263%

Groupama's
"Certificats
Mutualistes" :
Successful Launch

- Solvency 2 : preliminary data, partial internal model and incorporation of a transitional measure on technical reserves
- "Certificat mutualistes" : new equity instrument, with characteristics very similar to equity instruments of mutual banks ("parts sociales")

GROUPAMA GROUP FISCAL YEAR 2015 RESULTS

APPENDICES

1. GROUP'S RANKINGS IN FRANCE AND ABROAD
2. GROUP'S CONTACTS

Appendices

RANKINGS IN FRANCE



1ST

**IN AGRICULTURAL
INSURANCE**
(% du total premiums)



1ST

**INSURER OF
LOCAL AUTHORITIES**
(number of towns insured)



1ST

**IN INDIVIDUAL
HEALTH**
(revenue)



2ND

**IN INDIVIDUAL
PROTECTION**
(revenue)



2ND

**IN HOME
INSURANCE**
(revenue)



4TH

**IN MOTOR
INSURANCE**
(revenue)



3RD

**WEB INSURER
WITH AMAGUIZ**
(number of clients)



6TH

**ASSISTANCE COMPANY
WITH MUTUAIDE**
(car assistance, travel assistance and insurance,
home assistance, janitorial services, sport events)

8^E

MULTI-LINE INSURER

3^E

Property & Casualty insurer

12^E

Life & Health insurer

7 MILLIONS

MEMBERS AND CUSTOMERS

25 500

EMPLOYEES

Appendices

RANKING IN THE INTERNATIONAL MARKETS

4 major markets



Italy

7th insurer in non life



Turkey

2nd agricultural insurer
7th insurer in nonlife



Hungary

4th insurer in non life
1st player in bancassurance
with the partnership with
OTP Bank



Romania

3rd insurer in non life

Other markets



Greece



Portugal



Bulgaria



Slovakia



Tunisia



China



Vietnam

11
COUNTRIES OUTSIDE OF
FRANCE

6 MILLIONS
CUSTOMERS

8,000
EMPLOYEES

GROUPAMA CONTACTS

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