

Paris, 17 March 2023

Groupama's 2022 Annual Results

► Premium income of €15.9 billion, up +4.3%

- Strong growth in property and casualty insurance (+8.6%), driven by the good performance of international subsidiaries (+20.4%), particularly in Romania
- Growth in life and health insurance (+0.8%) both in France (+0.7%) and abroad (+1.1%)

► Net income of €454 million

- Economic operating income of €349 million, down (-27%), in a complex environment with a high loss experience related to weather claims in France, accelerating inflation, and rising bond rates
- Combined non-life ratio of 99.4%
- Increase in the non-recurring financial margin, in particular due to the capital gains realised on the sale of the building at 150 Avenue des Champs-Élysées in Paris

► Solvency ratio with transitional measure of 282%

- A solvency ratio of 207% without transitional measure on technical reserves
- Redemption of perpetual subordinated debt for €229 million
- IFRS shareholders' equity of €7.5 billion

"The year 2022 has been undoubtedly one of the worst in our history in terms of weather losses. Despite this, Groupama showed strong resilience with very good results and once again reaffirmed its major role in the territories, as well as its position in the agricultural sector, particularly in terms of climate insurance issues and measures." stated Jean-Yves Dagès, Chairman of the Board of Directors of Groupama Assurances Mutuelles.

"The group posted very solid results despite extremely adverse conditions, both in terms of unprecedented weather-related losses and in economic and financial terms with accelerating inflationary pressures and sharp rise in interest rates. This is the result of a constant strategy of controlled development and careful management of our risks, both financial and technical, over the years." added Thierry Martel, CEO of Groupama Assurances Mutuelles.

Paris, 17 March 2023 – The Board of Directors of Groupama Assurances Mutuelles met on 16 March 2023, under the chairmanship of Jean-Yves Dagès, and approved the Group's combined financial statements for fiscal year 2022.

► **Business**

As at 31 December 2022, Groupama's combined premium income stood at €15.9 billion ¹, an increase of +4.3% from 31 December 2021.

Business was up significantly in property and casualty insurance (+8.6%) with premium income reaching €8.0 billion as at 31 December 2022. In life and health insurance, the Group generated €7.8 billion in premium income, up +0.8% from 31 December 2021.

Groupama's premium income as at 31 December 2022

€ million	31/12/2022	Like-for-like change (%)
Property and casualty insurance	7,953	+8.6%
Life and health insurance	7,767	+0.8%
Financial businesses	211	-12.1%
GROUP TOTAL	15,931	+4.3%

▪ **In France**

Insurance premium income in France amounted to €13.2 billion as at 31 December 2022, up +2.9% compared with 31 December 2021.

In property and casualty insurance, premium income totalled €6.2 billion as at 31 December 2022, up +5.6% compared with 31 December 2021. Individual and professional insurance rose +2.1% to €3.5 billion, driven by growth in home insurance (+3.5%) and motor insurance (+1.7%). Insurance for businesses and local authorities increased significantly (+7.7%) to €1.1 billion. The growth in the agricultural segment (+7.0%) and the strong recovery in the assistance activity (+43.6%) also contributed to the increase in property and casualty insurance premium income in 2022.

In life and health insurance, premium income was up +0.7% to €7.1 billion as at 31 December 2022, driven by the growth in the health and personal injury segments (+6.3%), due to increases in group health (+5.6%), individual health (+3.1%) and group inward reinsurance (+39.0%). The Group's life and capitalisation premium income in France fell over the period (-5.3%) because of the decline in individual savings/pensions (-6.6%) and the drop in the group retirement business, which benefited from exceptional premiums in 2021.

¹ excluding the business of the Turkish subsidiaries, whose result is reclassified in the income of business activities held for sale, following the Group's announcement in January 2023 of their divestment, which is expected to be finalised by the end of June 2023 pending regulatory approvals.

▪ **International**

As at 31 December 2022, business reached €2.5 billion, up +14.3% from 31 December 2021 on a like-for-like basis and with constant exchange rates, benefiting from the strong growth in business in Romania.

Property and casualty insurance premium income totalled €1.8 billion as at 31 December 2022, up +20.4% from the previous period. This strong growth is driven by motor insurance (+27.8%), which is growing in most countries, particularly Romania, where it has benefited from the failure of a major competitor. Groupama has thus become the leading insurer in Romania. The good performance of the agricultural business lines (+16.8%) and the business and local authority segment (+9.0%), particularly in Hungary, Italy, and Romania, also contributed to the strong growth in property and casualty insurance.

In life and health insurance, the growth of premium income (+1.1%) to €696 million resulted from contrasting developments. Individual life and health insurance was down (-3.4%) under the effect of the decline in individual savings/pensions (-8.0%), mainly in Italy, mitigated by the good performance of the health (+7.1%) and protection (+7.1%) segments. Group life and health insurance was up +27.7% at €126 million, in line with the growth in the group health segment (+28.1%), especially in Romania, and the growth in the retirement segments (+41.4%), principally in Greece.

It should be noted that the Group's insurance business activities in Turkey are no longer included in the international business following the Group's announcement of their divestment in January 2023.

▪ **Financial businesses**

The Group's premium income was €211 million, including €204 million from Groupama Asset Management and €7 million from Groupama Epargne Salariale.

Groupama Asset Management's assets under management amounted to €93.5 billion as at 31 December 2022, of which 27.5% on behalf of third-party customers.

► **Results**

The Group's economic operating income was €349 million as at 31 December 2022, down +€131 million from 31 December 2021.

It includes €425 million in economic operating income from insurance at as 31 December 2022 compared with €486 million as at 31 December 2021. This result takes into account the effect of discounting technical reserves on non-life annuities with a prudently estimated expected rate of return on assets revised upwards in a context of rising bond yields. It also takes into account the effects of accelerating inflation, with the creation of a specific additional provision for excess inflation on property and casualty insurance claims.

In life and health insurance, operating income was €438 million as at 31 December 2022 compared with €317 million as at 31 December 2021. This change can be attributed primarily to business in France, which grew €110 million over the period, despite the significant strengthening of the profit-sharing fund on general assets.

In property and casualty insurance, economic operating income was -€13 million as at 31 December 2022 compared with €169 million as at 31 December 2021. The exceptionally high level of weather-related claims that marked 2022 resulted primarily from the successive violent hailstorms in many French regions between 20 May and the end of June and from the harsh winter weather in northern France. To deal with this crisis, Groupama mobilised experts in the field to support its affected policyholders. Although reinsurance cover mitigated their effect, the cost of weather events (including weather-related damage to vehicles and homes) for the Group totalled €724 million, net of reinsurance. The average cost of claims also increased significantly because of inflation, affecting both current and prior year claims. However, releases of reserves for prior fiscal years were up as at 31 December 2022 because of the positive impact of the change in the discount rate for non-life annuities following the rise in interest rates.

The non-life combined ratio was 99.4% as at 31 December 2022 versus 97.8% as at 31 December 2021. Operating expenses were under control, with a ratio of 27.5%, down 0.3 points from 31 December 2021.

The economic operating income from financial activities amounted to +€42 million, and the Group's holding business posted an economic operating loss of -€118 million as at 31 December 2022.

The reconciliation of economic operating income to net income includes non-recurring items. The non-recurring financial margin increased +€75 million compared with 31 December 2021, in particular because of the sharp increase in realised capital gains following the sale of a property on the Champs-Élysées in Paris. This increase was mitigated by the less favourable financial market impacts on the change in fair value of financial assets.

The Group's overall net income was +€454 million as at 31 December 2022 compared with +€493 million as at 31 December 2021.

► **Balance sheet**

The Group's IFRS shareholders' equity totalled €7.5 billion as at 31 December 2022 compared with €10.7 billion as at 31 December 2021. This change is linked to the drop in the revaluation reserve (-€3.3 billion) under the mechanical effect of the rise in bond yields, which was only partially offset by the positive contribution from net income (+€454 million). In addition, on 10 October 2022, the Group repurchased €229 million of its perpetual subordinated bonds issued in 2014. This operation contributes to the proactive management of Groupama's capital structure.

Subordinated debt classified as financing debt was stable compared with 31 December 2021 and amounted to €2.1 billion. The Group's debt ratio was 25.1% at the end of 2022 compared with 27.8% as at 31 December 2021.

Insurance investments totalled €78.7 billion as at 31 December 2022. The group's unrealised capital gains decreased by €11.3 billion to -€1.4 billion at the end of 2022. They were significantly affected by the market environment, in particular by interest rates weighing on bond markets. The unrealised capital losses in the bond portfolio totalled -€4.2 billion, while unrealised capital gains from equities and property were +€0.7 billion and +€2.1 billion respectively.

As at 31 December 2022, the Solvency 2 ratio, without transitional measure on underwriting reserves, was 207%. The +24 points increase in the coverage rate compared with the end of 2021 was mainly due to changes in financial market conditions. The ratio with the transitional measure

on underwriting reserves, authorised by the ACPR (French insurance and banking regulator), was 282%.

The Group's financial strength was highlighted by Fitch Ratings, which upgraded Groupama's rating to 'A+' with a 'Stable' outlook on 10 June 2022.

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For the financial statements as at 31 December 2022, Groupama Group's financial information consists of:

- *this press release, which is available on the website groupama.com;*
- *the universal registration document of Groupama, which will be filed with the AMF on 27 April 2023 and posted on the groupama.com website on 28 April 2023.*

Get all the latest news about Groupama

- *on its website: www.groupama.com*
- *and on Twitter: [@GroupeGroupama](https://twitter.com/GroupeGroupama)*



About Groupama Group

For more than 100 years, Groupama Group has based its actions on timeless, humanist values to enable as many people as possible to build their lives in 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 12 million members and customers and 31,000 employees throughout the world, with annual premium income of €15.9 billion. Find all the latest news about Groupama Group on its website (www.groupama.com) and its Twitter account ([@GroupeGroupama](https://twitter.com/GroupeGroupama))

Appendix: Groupama key figures

A/ Premium income

€ million	2021		2022	2022/2021
	Reported premium income	Pro forma premium income*	Reported premium income	Change ** as %
> FRANCE	12,860	12,860	13,237	+2.9%
Life and health insurance	7,019	7,019	7,071	+0.7%
Property and casualty insurance	5,842	5,842	6,166	+5.6%
> INTERNATIONAL & Overseas	2,377	2,173	2,483	+14.3%
Life and health insurance	736	688	696	+1.1%
Property and casualty insurance	1,641	1,484	1,787	+20.4%
TOTAL INSURANCE	15,237	15,033	15,720	+4.6%
FINANCIAL BUSINESSES	240	240	211	-12.1%
TOTAL	15,477	15,273	15,931	+4.3%

* based on comparable data

** change on a like-for-like exchange rate and consolidation basis (excluding Turkish subsidiaries)

B/ Economic operating income*

€ million	2021 pro forma	2022	2022/2021 change
Insurance - France	426	316	-110
Insurance – International **	60	109	+49
Financial businesses	62	42	-20
Holding companies	-69	-118	-49
TOTAL	480	349	-131

* 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.

** change on a like-for-like exchange rate and consolidation basis (excluding Turkish subsidiaries)

C/ Net income

€ million	2021	2022	2022/2021 change
Economic operating income	480	349	-131
Net realised capital gains*	131	315	+184
Long-term impairment losses on financial instruments*	-20	-29	-9
Gains and losses on financial assets and derivatives recognised at fair value*	58	-43	-101
Financing expenses	-53	-54	-1
Other expenses and income	-88	-51	+37
Net income from discontinued business activities	-16	-34	-18
Net income	493	454	-39

* amounts net of profit sharing and corporate tax

Contribution of businesses to net income

€ million	2021	2022
Insurance and services - France	406	319
Insurance - International subsidiaries	57	95
Financial businesses	62	42
Holding and other	37	32
Other (including result from discontinued businesses)	-70	-34
Net income	493	454

D/ Balance sheet

€ million	2021	2022
Group's IFRS equity	10,659	7,502
Subordinated debts	3,231	3,006
- classified in Group's IFRS equity	1,099	871
- classified as 'financing debt'	2,132	2,135
Gross unrealised capital gains	9,886	-1,434
Total balance sheet	104,469	94,721

E/ Main ratios

	2021	2022
Non-life net combined ratio *	97.8%	99.4%
Debt ratio **	27.8%	25.1%
Solvency 2 ratio (with transitional measure)	271%	282%
Solvency 2 ratio (without transitional measure)	183%	207%

* change on a like-for-like exchange rate and consolidation basis (excluding Turkish subsidiaries)

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

F/Financial strength rating – Fitch Ratings

	Rating *	Outlook
Groupama Assurances Mutuelles and its subsidiaries	A+	Stable

* Insurer Financial Strength (IFS)