

Crédit Agricole Assurances keeps improving its product mix in the first half 2018

Crédit Agricole Assurances combined **historically high premium income** and **increasingly diversified business** in the first half of 2018: **up 5.9%** compared with the first six months of 2017, premium income totaled **€17.2 billion**, with a growing contribution from **unit-linked policies** in savings / retirement, **non-life insurance**, creditor and group insurance.

Premium income in savings and retirement business reached **€12.8 billion**, **up 5.4%** versus the first half of 2017. **Unit-linked products** accounted for **30.6% of gross inflows**, **up 1.3 point** compared with the already high level of the same period in 2017.

Half-year net inflows amounted to **€3.2 billion**, including **€2.6 billion of unit-linked policies**, **up 13.7%** compared to the first six months of 2017.

Life insurance assets under management increased by **3.1% year-on-year to €283 billion**, of which **€61 billion of unit-linked products**, **up 7.6%** compared to the end of June 2017.

Crédit Agricole Assurances has increased its **Policyholder Participation Reserve** to more than **€10 billion**, i.e. **5.0%¹ of outstanding amounts in Euro contracts**, at 30 June 2018; it can support the **average annualised rate of return on general fund assets**, which reached **3.26%¹** in the first half of 2018, already well above the average minimum guaranteed rate (corresponding to 0.35% of outstandings at the end of 2017).

Lastly, Crédit Agricole Assurances is **continuing to diversify its product mix** through the **development of property-casualty insurance and protection of individuals business**:

In property & casualty insurance business, premium income amounted to **€2.5 billion**, a **growth by 8.2%** compared to the first half of 2017. This strong performance is driven by **both individuals and farmers / professionals**, with **increases of 8.5% and 7.2%** respectively, compared to the same period of the previous year². The **equipment rate³** of Crédit Agricole Group's customers **kept rising** and reached **35.5% for the Regional Banks (+1.5 point over one year)** and **23.1% for LCL (+1.2 point over one year)**. The **portfolio of contracts**, continuously increasing, went over **13 million** at the end of June 2018, **growing by 5.4% over one year**.

In spite of major weather events at the beginning of the year, the **combined ratio⁴** remained under control at **96.1%** and **improved by 1.9 point** compared with the first half of 2017.

¹ Predica scope

² France scope

³ Car, home, health, legal and personal accident insurance

⁴ Ratio of (claims + operating expenses + commissions) to premium income, net of reinsurance, Pacifica scope

In protection of individuals business, premium income increased by 6.7% compared to the first six months of 2017, to €1.8 billion, supported by strong growth in creditor and group insurance.

For the first half-year of 2018, Crédit Agricole Assurances' net income group share amounted to €540⁵ million, stable⁶ compared to the same period in 2017, excluding non-recurring items.

At end-June 2018, Crédit Agricole Assurances strengthens to 204% its Solvency 2 prudential ratio. It increased by 9 points compared to the end of 2017, thanks in particular to the continued diversification of activities and the strengthening of reserves.

The Standard & Poor's rating of Crédit Agricole Assurances' main operating subsidiaries is A- / positive outlook (last rating action at 25 October 2017).

On 24 July 2018, Crédit Agricole Assurances et Credito Valtellinese (Creval) announced the conclusion of an agreement for the establishment of a long-term exclusive partnership in the life insurance business. The partnership will grant Crédit Agricole Assurances, via its Italian subsidiary CA Vita, access to Creval's distribution network for all savings products as well as certain protection products for up to 15 years.

Within this framework, Crédit Agricole Assurances will acquire the entire share capital of Global Assicurazioni S.p.A., Creval's captive broker, for €70 million, plus an additional consideration of a maximum of €10 million in the fifth year of the partnership, subject to the achievement of predefined objectives.

As part of the transaction, Crédit Agricole Assurances purchased a minority stake in Creval of 5% at the end of July 2018.

The closing of the transaction is expected to take place in the fourth quarter of 2018 and is subject to the usual regulatory approvals from IVASS and AGCM.

The transaction is expected to reduce CAA's Solvency 2 ratio by less than one percentage point.

About Crédit Agricole Assurances

Crédit Agricole Assurances, France's largest insurance group, unites together Crédit Agricole's insurance subsidiaries. The Group offers a range of savings, retirement, health, personal protection and property insurance products and services. They are distributed by the Crédit Agricole Group's banks in France and in nine other countries around the world by financial advisers and multi-line insurance agents. The Crédit Agricole Assurances companies serve individuals, professionals, farmers and businesses.

Crédit Agricole Assurances has 4,400 employees. Its premium income at the end of 2017 amounted to €30.4 billion (IFRS).

www.ca-assurances.com

Press contacts

Françoise Bololanik + 33 (0)1 57 72 46 83 / 06 25 13 73 98

Géraldine Duprey + 33 (0)1 57 72 58 80 / 07 71 44 35 26

service.presse@ca-assurances.fr



Investor Relations contacts

Marie-Isabelle Marcellesi + 33 (0) 1 57 72 12 84

Muriel Besse + 33 (0) 1 57 72 44 49

Amélie Hibos + 33 (0) 1 43 23 29 21

relations.investisseurs@ca-assurances.fr

⁵ The contribution to Crédit Agricole S.A. net income (group share) represented €589 million. The difference with Crédit Agricole Assurances net income (group share) is linked primarily to (i) an analytical restatement affecting the cost of Switch guarantee to the Insurance business (around €100 million) and (ii) a consolidation restatement cancelling a net balance of €140 million paid by Crédit Agricole Assurances to Crédit Agricole S.A. (early repayment of intra-group subordinated debts).

⁶ NIGS of €540 million was reduced by a net balance of €140 million paid by Crédit Agricole Assurances to Crédit Agricole S.A. (early repayment of intra-group subordinated debts); NIGS of €701 million in the first half of 2017 included a net capital gain of €30 million (sale by Crédit Agricole Assurances of a reinsurance subsidiary).