



AG2R LA MONDIALE

HALF YEAR 2015 EARNINGS LA MONDIALE

October 2015, 6th

Cautionary note

At half-year, La Mondiale does not produce full financial statements but only prepares a balance sheet and an income statement. Auditors are not required and do not issue any audit or limited review report on these financial figures. They have been presented and reviewed by La Mondiale Board of Directors on September 29, 2015.

Certain statements contained herein may be forward-looking statements including, but not limited to, statements that are predictions of or indicate future events, trends, plans or objectives. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results and La Mondiale's plan and objectives to differ materially from those expressed or implied in the forward looking statements. Please refer to "La Mondiale Rapport Financier 2014" for a description of certain important factors, risks and uncertainties that may affect La Mondiale's business and/or results of operations. La Mondiale undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.

Unless otherwise specified, financial statements are calculated in accordance with IFRS as adopted by the European Union. Those relating to the solvency margin are, according to regulatory rules, calculated with current French Gaap standards.



Contents

Key figures page 4

Business activity page 9

Financial performance page 12

Invested assets page 16

Appendix page 21





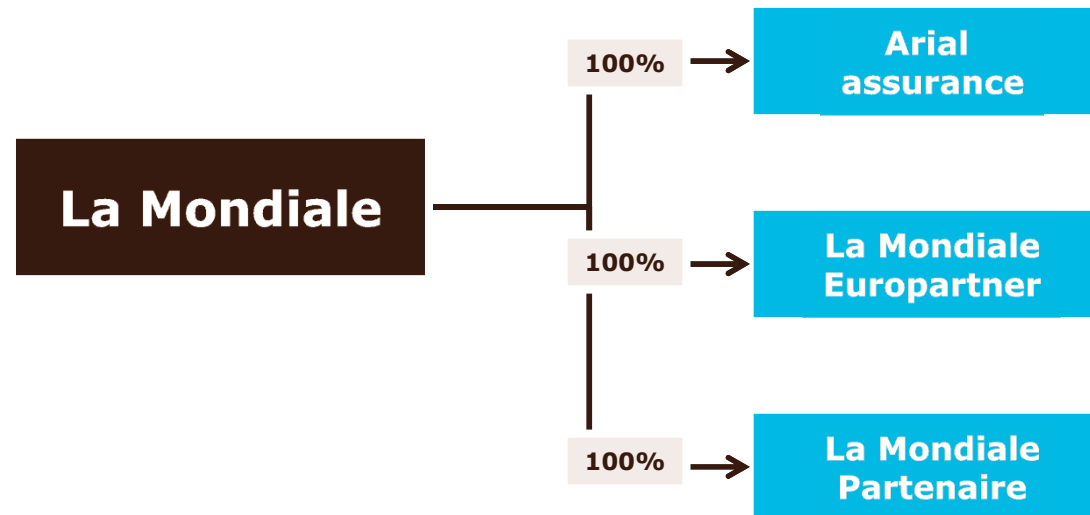
KEY FIGURES



La Mondiale: Company overview

- Founded in 1905
- French Mutual Life Insurance Company
- Strong positions on private wealth management market, Group and Self Employed Retirement Plans
- Multi channel distribution networks
- Long story of sustained growth
- In the capital market since 1989
- Strong risk management and well diversified asset allocation
- La Mondiale is a member of a mutual insurance groups taking the form of a Société de Groupe d'Assurance Mutuelle (SGAM) together with AG2R Prévoyance under which it has committed to financial solidarity with the members of the SGAM

SGAM AG2R LA MONDIALE



HY 2015 Summary

- ✓ In a low interests rate environment, decrease of premiums especially in private wealth management savings for G/A contracts
- ✓ UL/GA (30%/70%) mix far above the market
- ✓ High net inflows in UL contracts
- ✓ Strong HY2015 net income and policyholder surplus reserve
- ✓ Decrease of equity due to the acquisition of 35% of Aegon's stake in La Mondiale Participations for € 350m. Core Solvency 1 ratio (excluding unrealized gains) to 128%
- ✓ Regulatory Solvency ratio at 254%, which represents an excess of more than € 3.4 billion



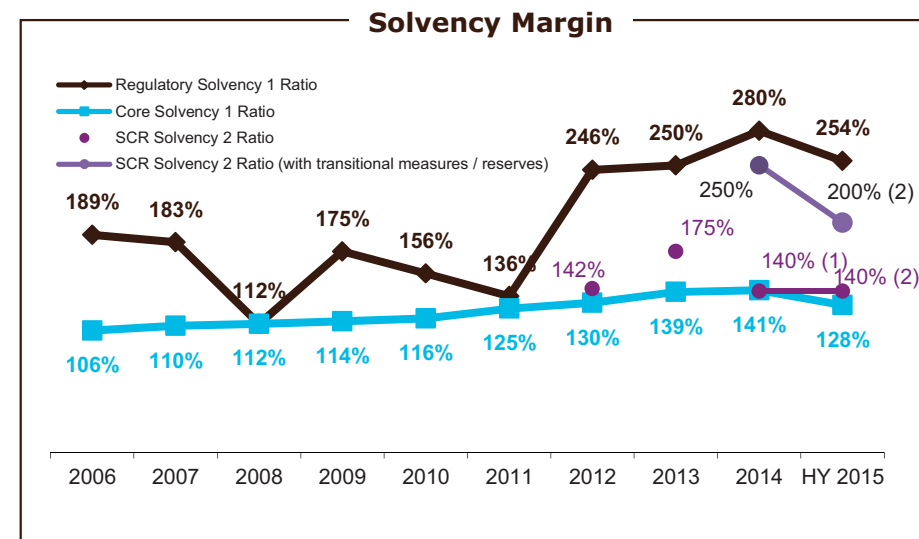
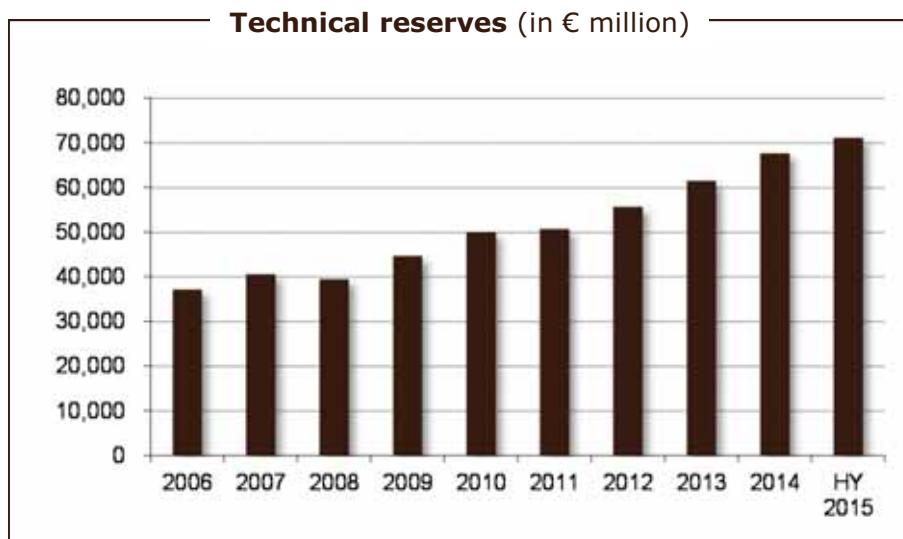
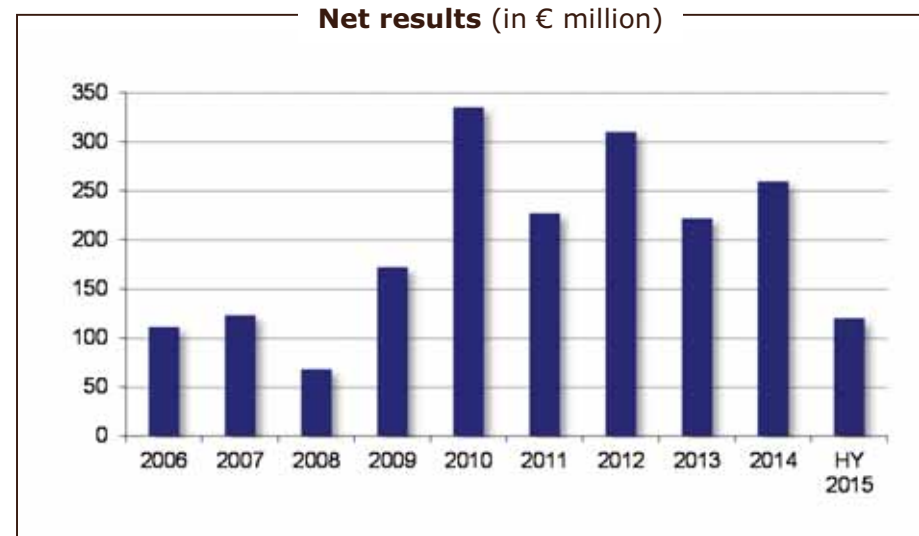
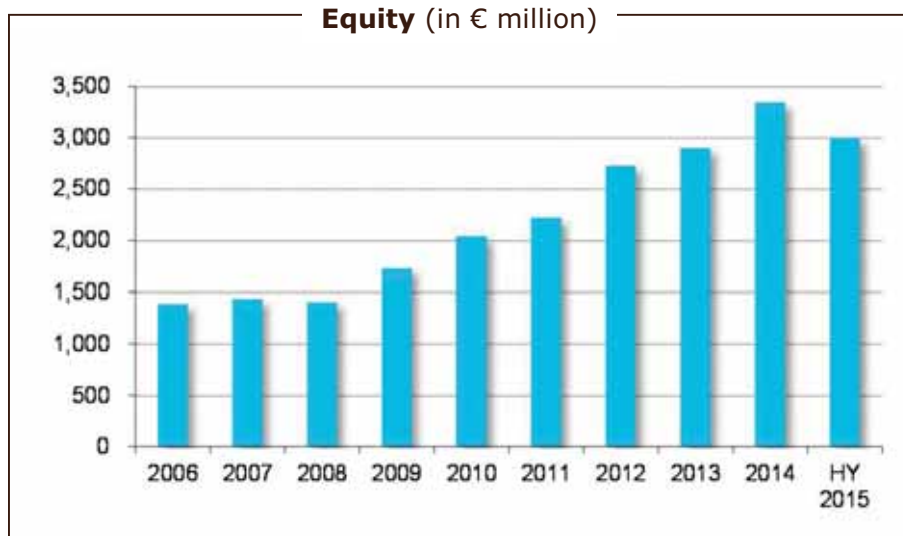
HY 2015 Key figures ^(1/2)

In € mn	FY 2013	HY 2014	FY 2014	HY 2015	HY15 / HY14
Premiums	6,752	4,044	7,870	3,337	-17.5%
Net Income	222	143	260	120	-16.0%
Equity	2,898	3,188	3,341	2,994	-6.1%
Gearing Ratio ⁽¹⁾	29.5%	27.0%	46.2%	52.9%	+26 pts
Technical Provisions	61,411	64,608	67,582	71,047	+10.0%
Total Balance Sheet	73,257	79,714	85,294	87,918	+10.3%
Solvency I ratio	250%	267%	280%	254%	-13 pts
Number of employees	2,852	2,856	2,817	2,810	-1.6%

(1) *Financing debt / total equity*



HY 2015 Key figures (2/2)



(1) According to ACPR report, before the acquisition of Aegon's stake in La Mondiale Participations

(2) Estimated, after the acquisition of Aegon's stake in La Mondiale Participations

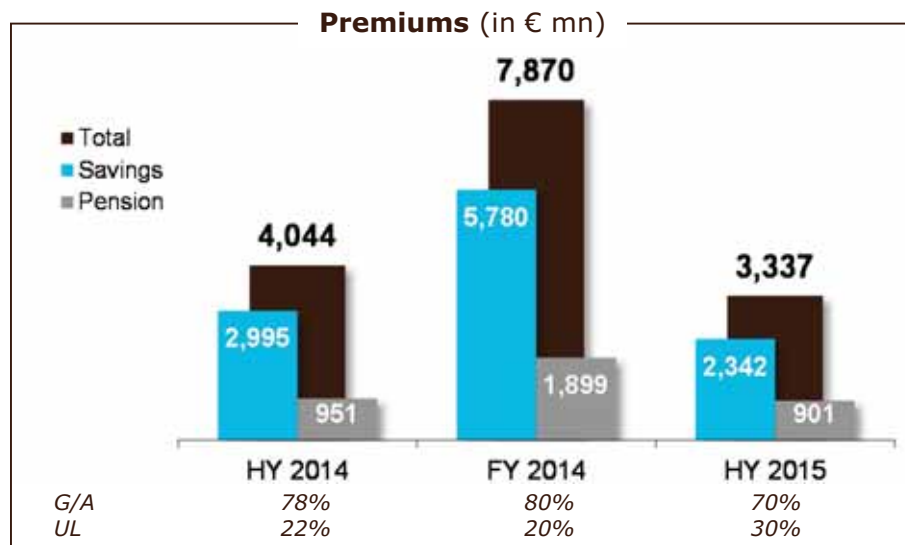




BUSINESS ACTIVITY



HY 2015 Business activity



Premiums : -17.5% compared to HY 2014, especially due to :

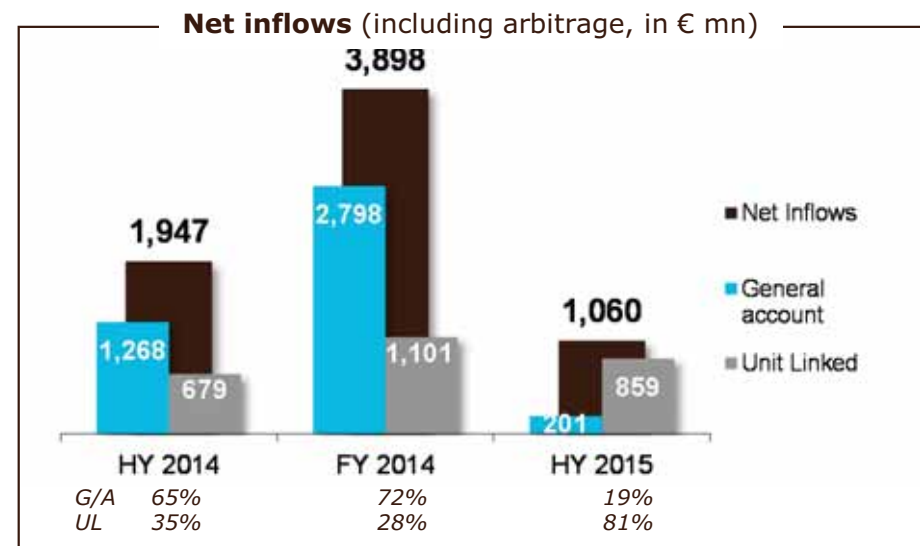
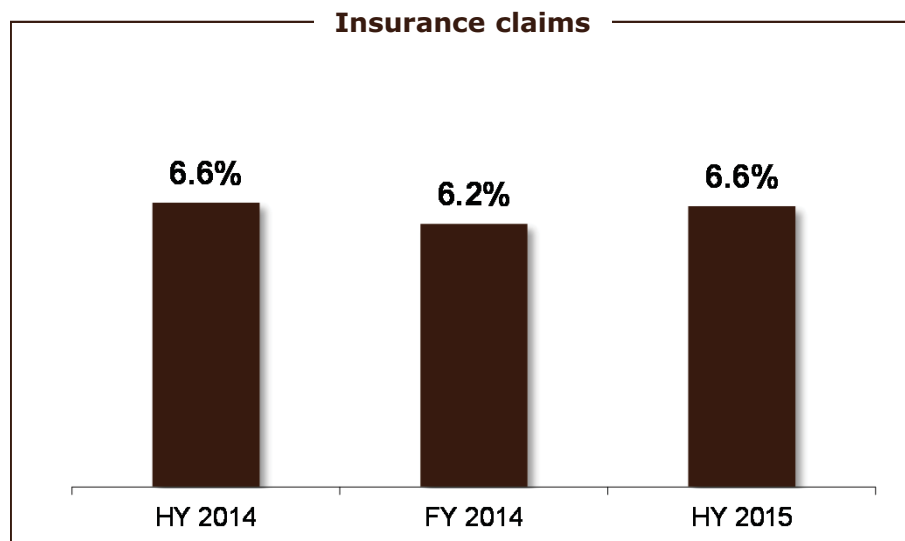
- a driven decline of G/A savings (-21.8%) and a strong UL/GA mix (10pts above the French Market)
- outstanding pensions premiums in HY 2014 (-5.2%); without outstanding pensions +5.2%.

Claims :

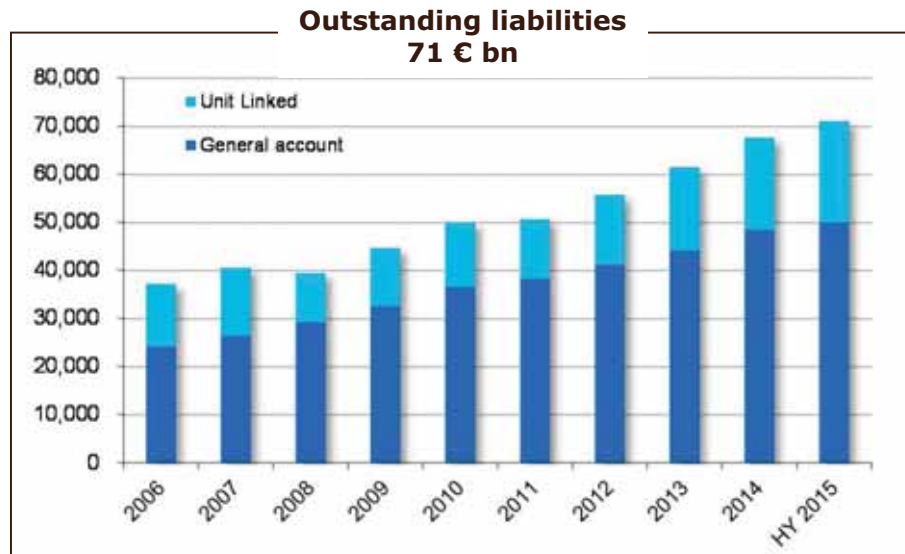
Lower than historical level, as for the French market

Net inflows :

-46% compared to HY 2014, with a good improvement of UL/GA mix



HY 2015 Core businesses' Financial structure

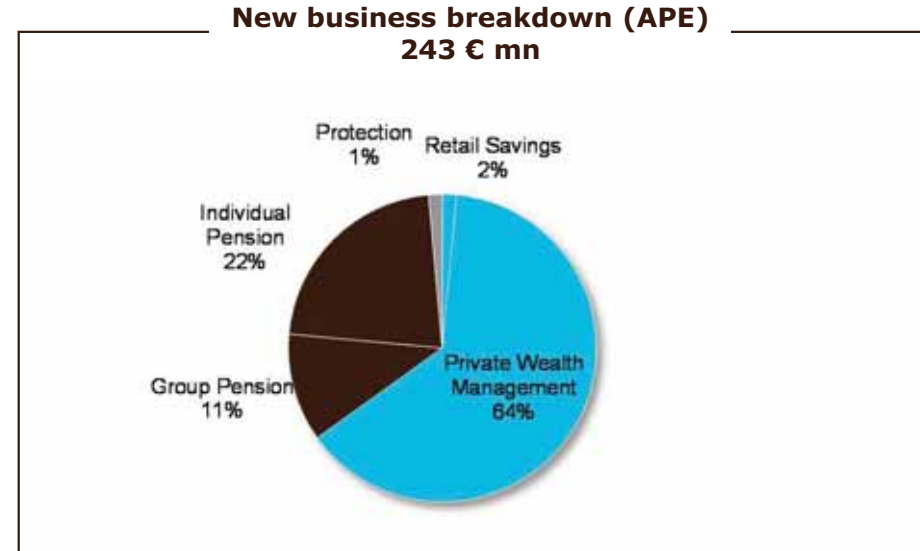
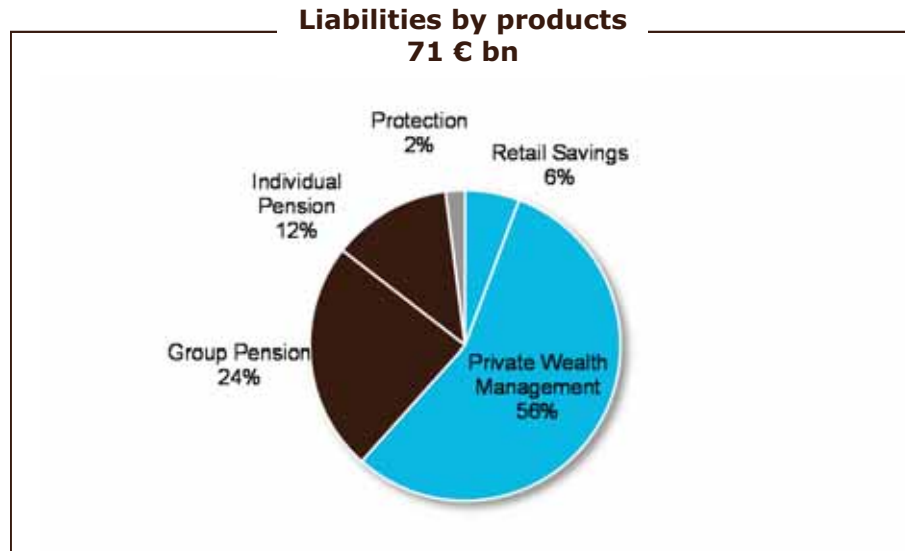


Liabilities : +5.1% compared to FY 2014

- General account : +3.1%
- Unit linked : +10.2% with a strong performance (+7.4%) of underlying assets.

Outperformance of the French market for both GA (+0.8pt) and UL (+1.9pt) liabilities

Stable UL/GA mix at 30%/70% (above the French market at 18%/82%)



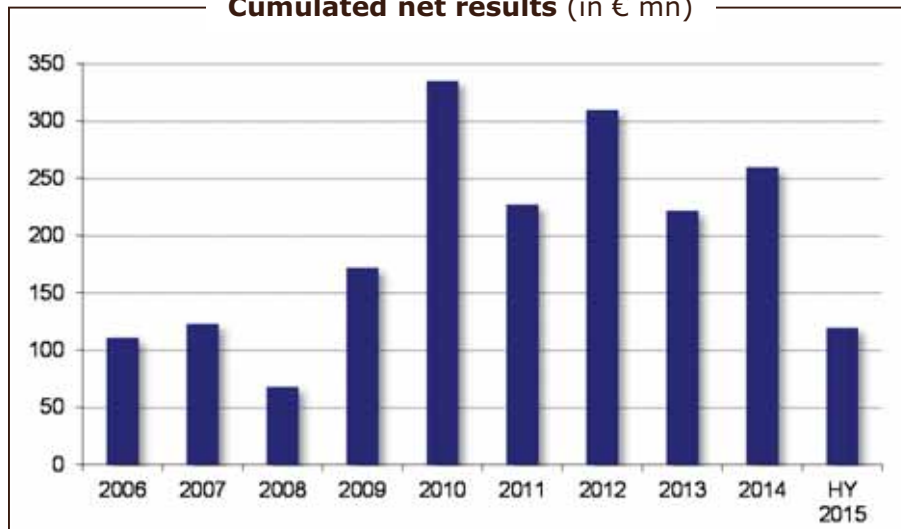


FINANCIAL PERFORMANCE



HY 2015 Earnings and profitability

Cumulated net results (in € mn)



HY 2015 net result : € 120 mn

- Increase of policyholder surplus reserve by € 554 mn
- Cumulated net results of € 1,947 mn since 2006, including two financial crisis

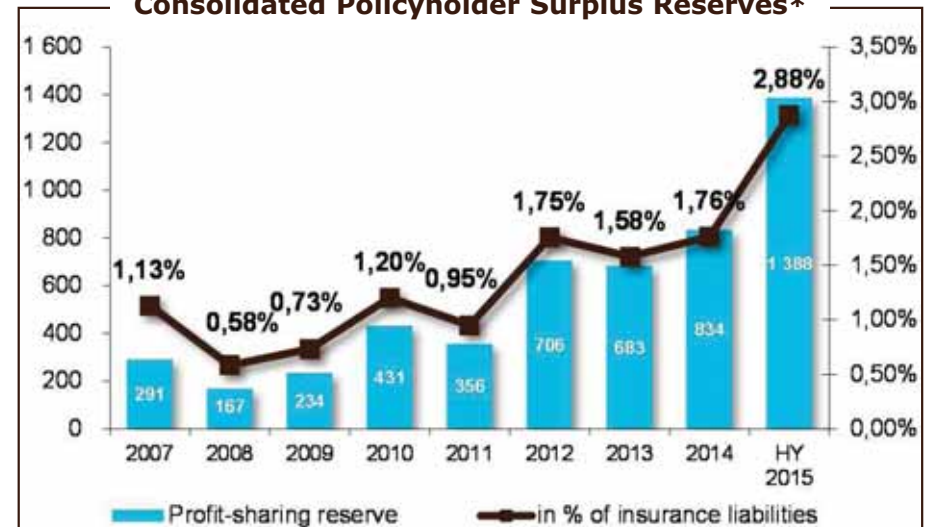
Policyholder surplus reserve : € 1,388 mn

2.88% (+1.1pt compared to HY 2014) of insurance liabilities (guaranteed contracts)

Return on equity



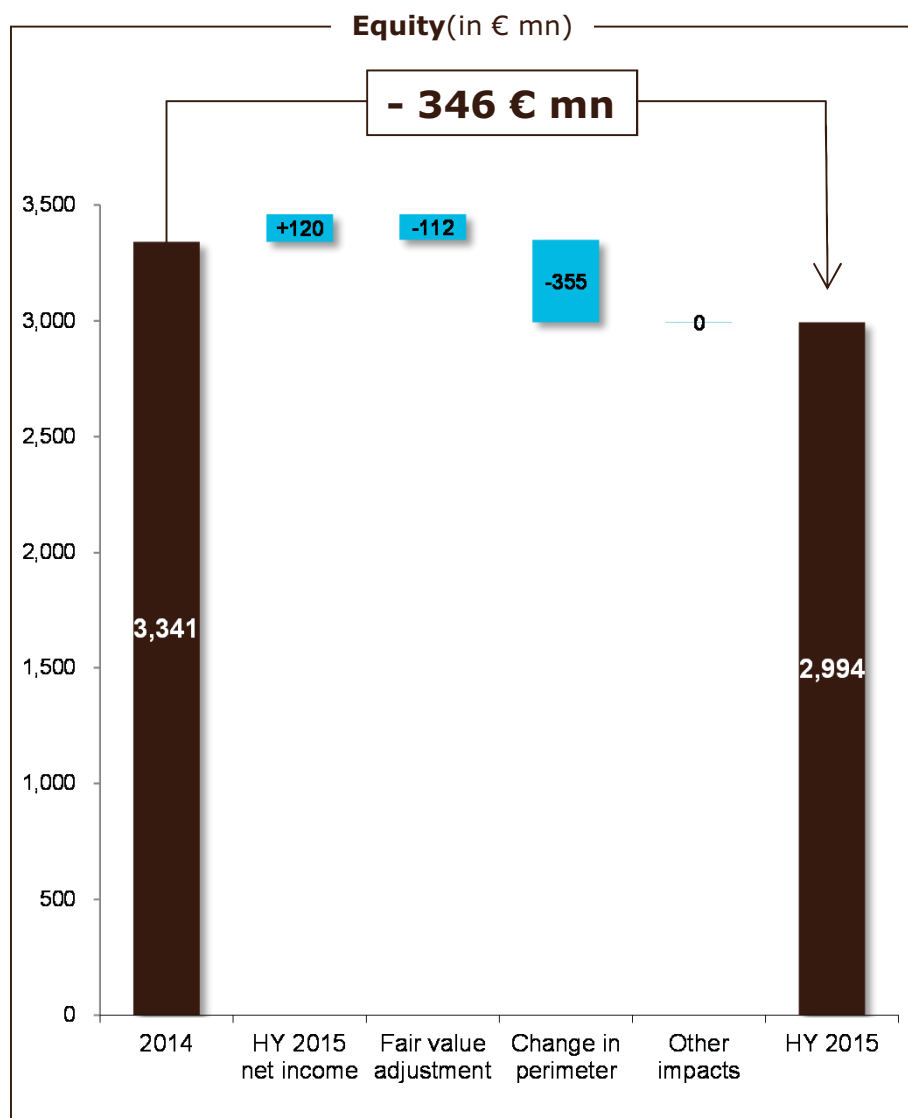
Consolidated Policyholder Surplus Reserves*



* Savings and Pensions surplus reserve



HY 2015 Equity



Equity : -10.4% compared to FY 2014

HY net result € +120 mn

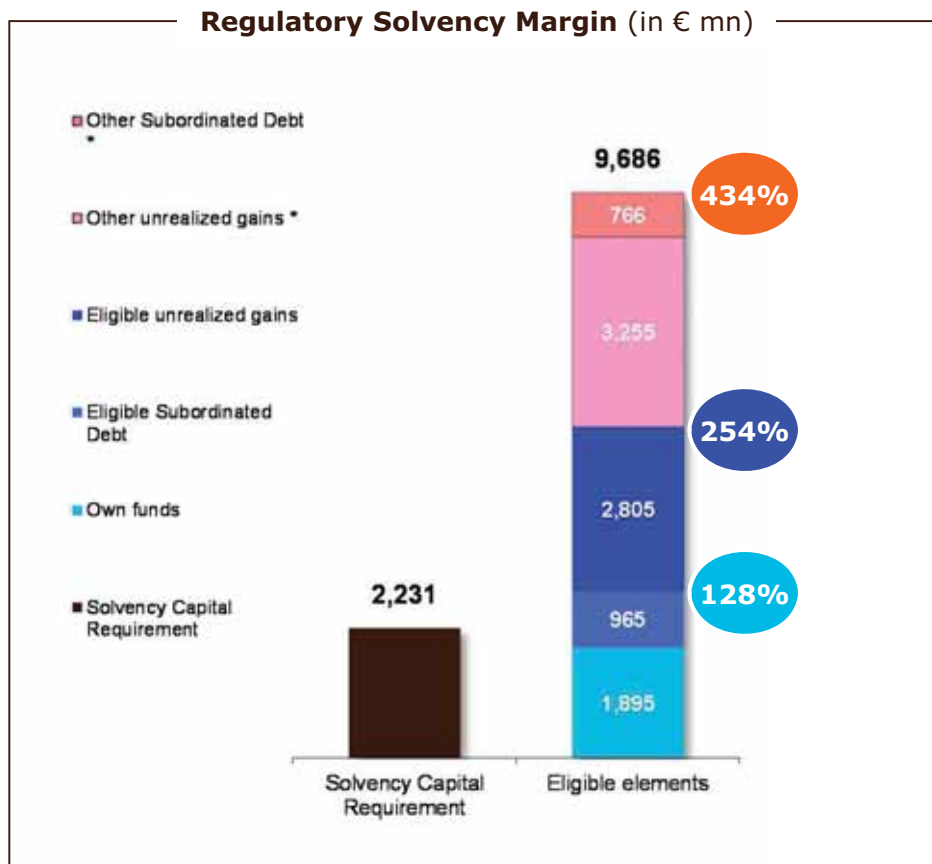
Fair value adjustment € -112 mn
Due to the increase of long term rates

Change and other impacts € -355 mn
Especially due to the acquisition of 35% of Aegon's stake in La Mondiale Participations for € 350m.

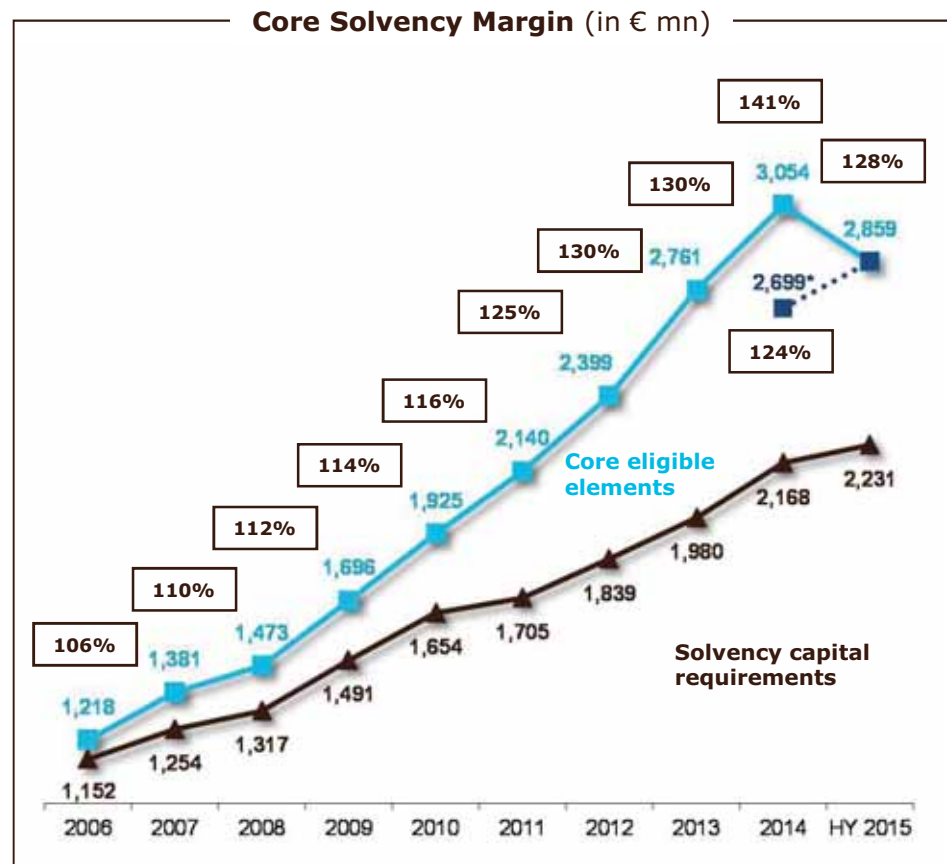
The operation has been completed in March 2015 following the granting of approval by the French Competition Authority (Autorité de la Concurrence).



HY 2015 Solvency margin



* Other Subordinated Debt and Other unrealized gains temporary above regulatory ceiling



* proforma, including the acquisition of Aegon's stake in La Mondiale Participations

- **Decrease of core S1 margin in HY 2015** : -13pts including -16pts due to the acquisition of 35% of Aegon's stake in La Mondiale Participations for € 350m.
- Other Subordinated debt represents €766m. This debt will be eligible following the growth of the Solvency Capital Requirement.

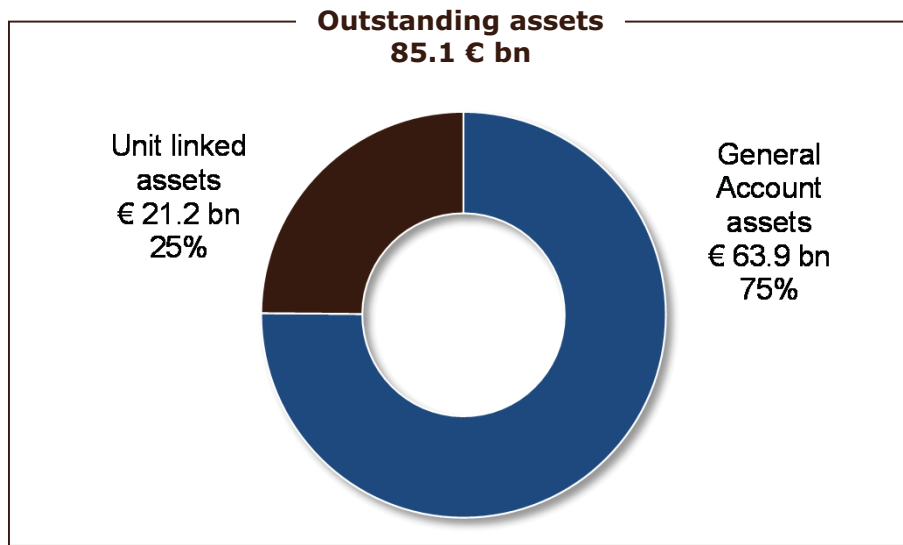




INVESTED ASSETS



HY 2015 Asset allocation

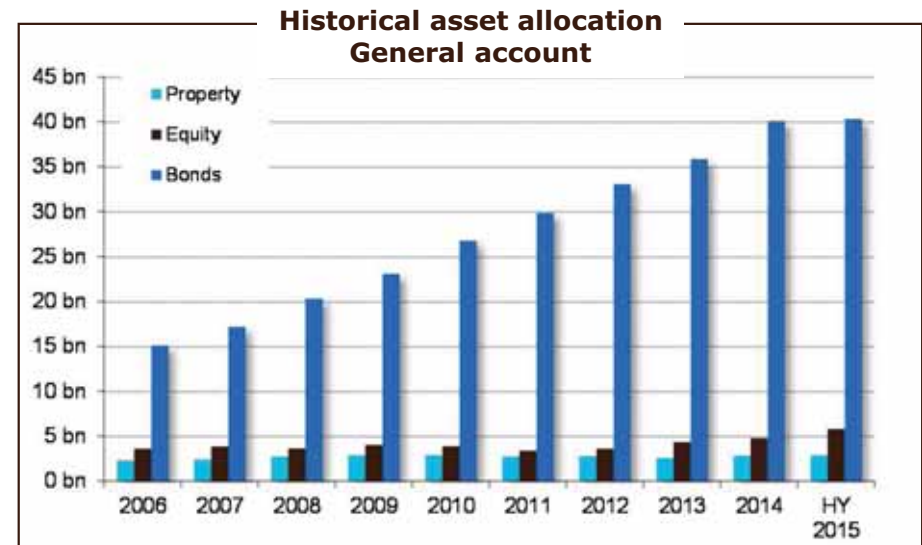
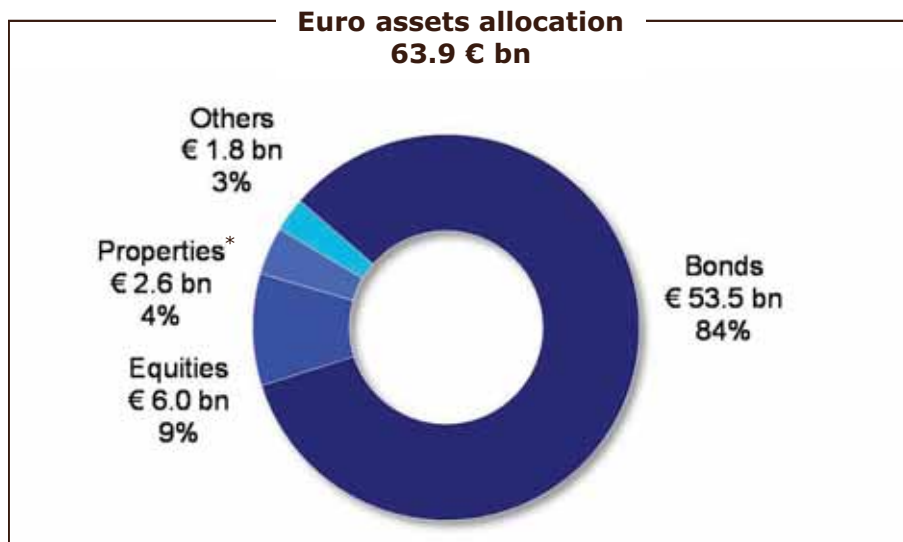


Assets : +3.6% compared to FY 2014

- General account : +1.7%
- Unit linked : +9.8%

Assets under management have grown significantly over the last decade at an average annual growth rate of **+10.8%** since 2006

Bonds represent 84% of General account in HY 2015 vs. 72% in 2006

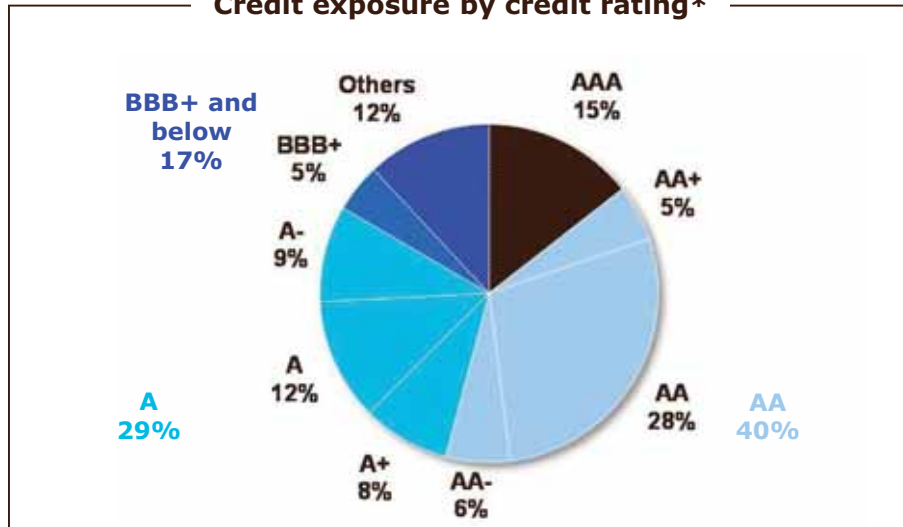


* Excluding unrealized gains



HY 2015 Bonds allocation

Credit exposure by credit rating*

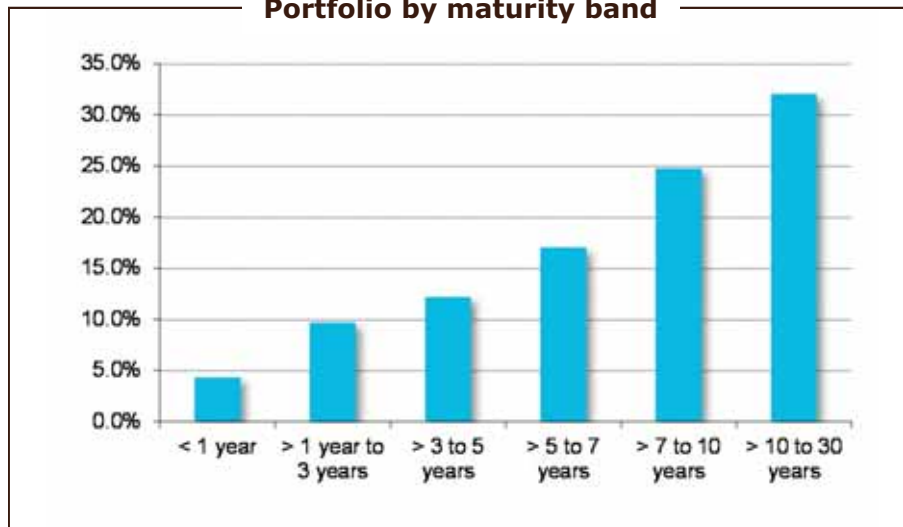


Bond exposure : € 52.7 bn

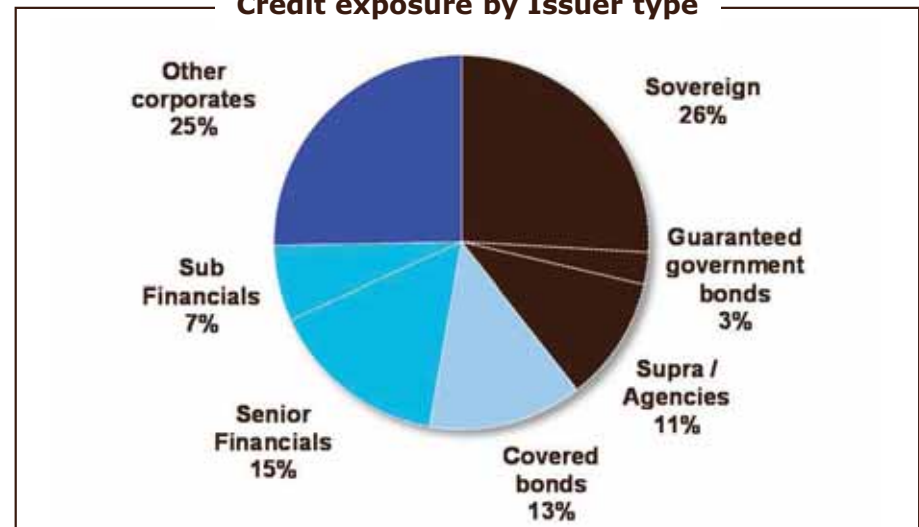
Limited exposure to risky investments with as less than 17% of the investments currently rated BBB+ or below

An estimated 15-year liabilities duration is a key strategic element of our asset management policy

Portfolio by maturity band



Credit exposure by Issuer type

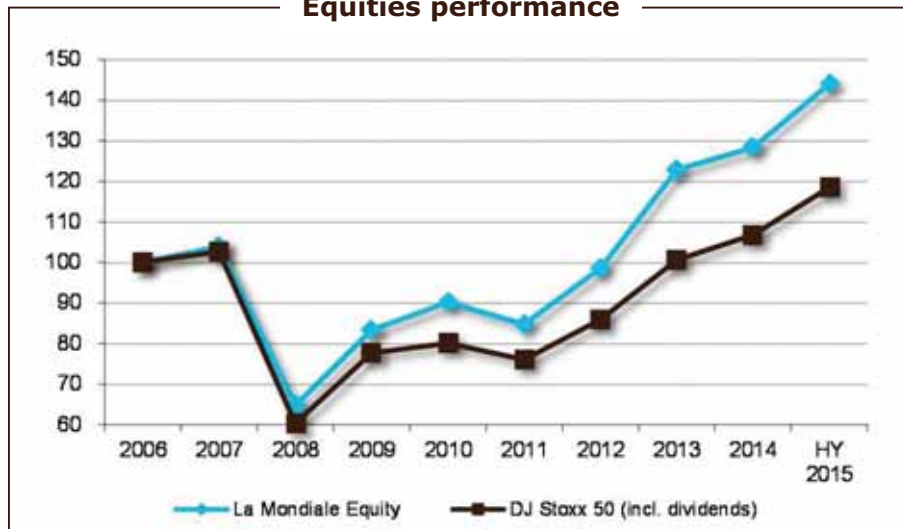


* Second best rating methodology consists of using the second best rating awarded to an issue by the three leading agencies, S&P, Moody's and Fitch



HY 2015 Equities allocation

Equities performance



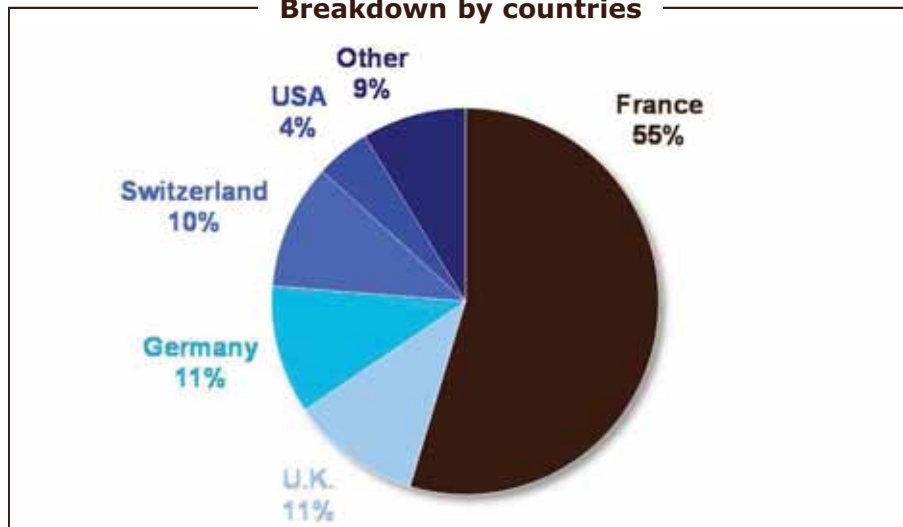
Equities exposure : € 6.0 bn
(including € 1.1 bn through mutual funds)

HY2015 performance at 12.2%, after +4.5% performance in 2014.

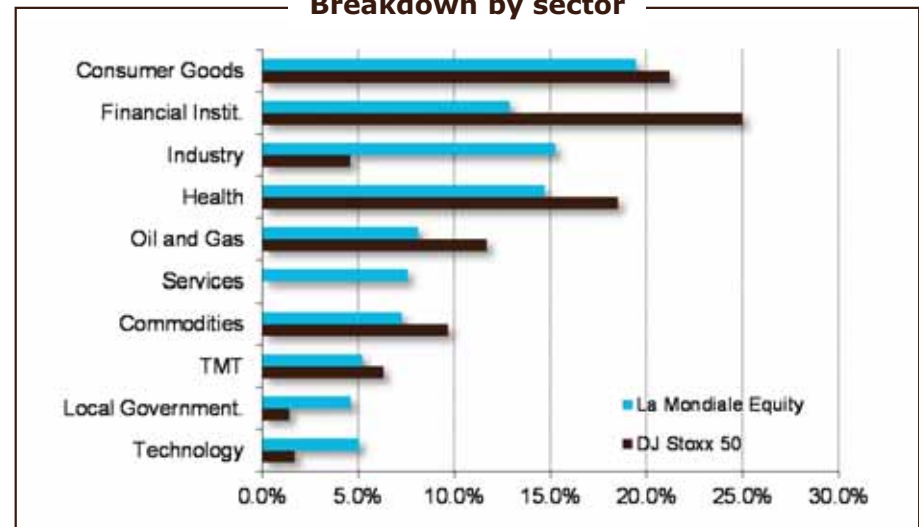
An Equity portfolio well diversified by geography and sector

A focus on large liquid Equity stocks traded on the main exchange markets

Breakdown by countries

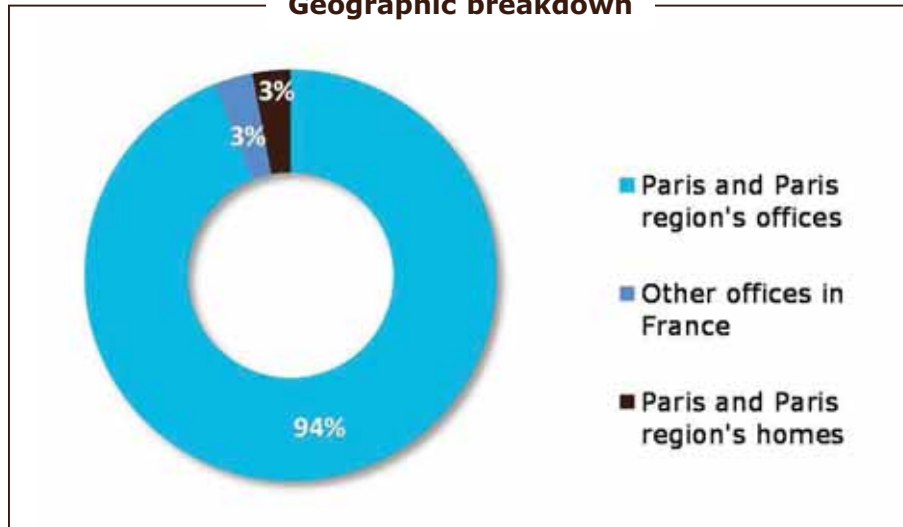


Breakdown by sector



HY 2015 Property allocation

Geographic breakdown

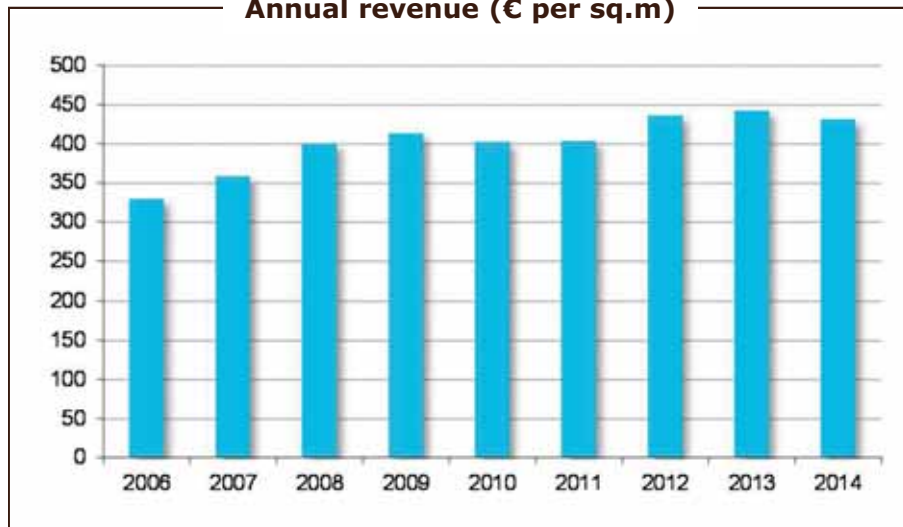


Property exposure : € 2.6 bn (fair value : € 3.3 bn)

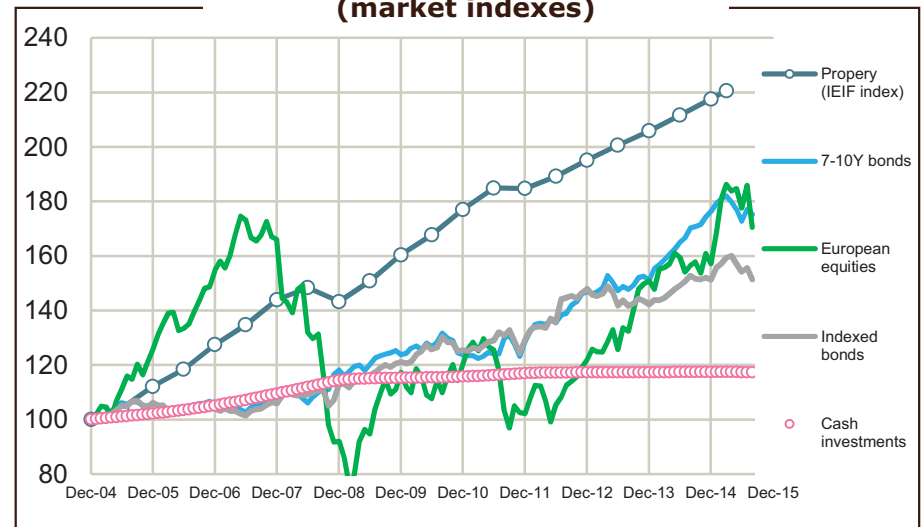
La Mondiale property assets represent 492,000 sq.m. and are mainly offices located in the center of or in Western Paris, i.e. only Prime Real Estate

Rental yields largely outperforms the fixed income markets even though they have been trending slightly downwards recently

Annual revenue (€ per sq.m)



Property as asset diversification (market indexes)





APPENDIX



Overview of La Mondiale Balance sheet

€mio	HY 2014	FY 2014	HY 2015	%Change HY 2015/ HY 2014
TOTAL ASSETS	79,714	85,294	87,918	+10.3%
Intangible assets	54	51	49	-9.2%
<i>ow. Goodwill</i>	41	40	39	-4.1%
Insurance investments	58,316	62,895	63,936	+9.6%
Unit Linked investments	18,415	19,276	21,165	+14.9%
Others assets	2,434	2,857	2,543	+4.5%
Cash and cash equivalent	495	215	225	-54.5%

€mio	HY 2014	FY 2014	HY 2015	%Change FY 2014/ FY 2013
TOTAL LIABILITIES	79,714	85,294	87,918	+10.3%
Equity Group Share	2,840	2,971	2,985	+5.1%
Minority Interests	349	370	9	-97.3%
Total Equity	3,188	3,341	2,994	-6.1%
Financing debt	860	1,543	1,585	+84.3%
Insurance and financial liabilities	69,542	74,346	76,254	+9.7%
Other liabilities	6,123	6,065	7,085	+15.7%



Overview of La Mondiale P&L account

<i>€mio</i>	HY 2014	FY 2014	HY 2015	%Change HY 2015/ HY 2014
Revenue	4,044	7,870	3,337	-17.5%
Financial Products	1,205	2,473	1,832	+52.1%
Current operating income	6,507	12,302	6,567	+0.9%
Current operating expenses	-6,292	-11,918	-6,382	+1.4%
Operating Income	215	384	184	-14.4%
CONSOLIDATED NET RESULT	143	260	120	-16.0%
<i>o.w Group share</i>	129	234	120	-7.3%
<i>o.w Minority Interest</i>	14	26	0	-98.8%



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