



LA MONDIALE



2013 Half Year Figures

October 2013

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 25, 2013

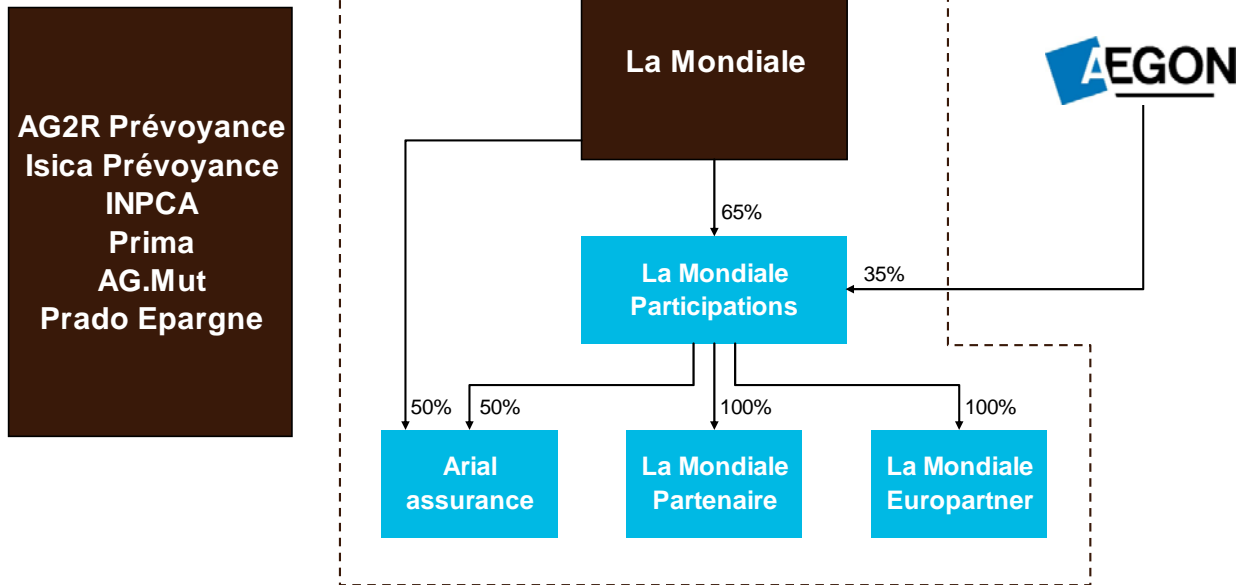


La Mondiale – Company overview

- Founded in 1905
- French Mutual Life Insurance Company
- Leading positions on High Networth Savings, 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

GROUP STRUCTURE

SGAM AG2R LA MONDIALE



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KEY HIGHLIGHTS

La Mondiale – HY 2013 Key Figures (1/2)

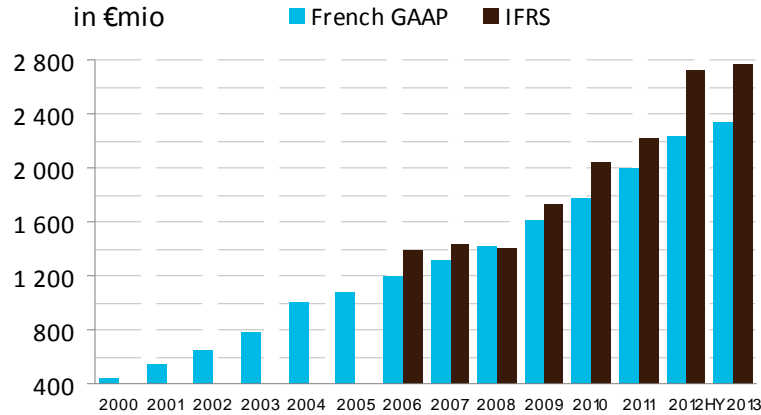
In EUR mio	HY2012	FY2012	HY2013	HY13 / HY12
Premiums	3,241	6,234	3,363	+3.8%
Net Income	145	310	108	-25.9%
Equity	2,439	2,726	2,770	+13.5%
Gearing Ratio ⁽¹⁾	18.0%	16.6%	31.7%	+13.7 pts
Technical Provisions	52,133	55,642	57,847	+11.0%
Total Balance Sheet	62,444	67,013	69,803	+11.8%
Solvency I ratio	212%	246%	246%	+34 pts
Number of employees	2,772	2,811	2,794	+0.8%

(1) *Financing debt / total equity*

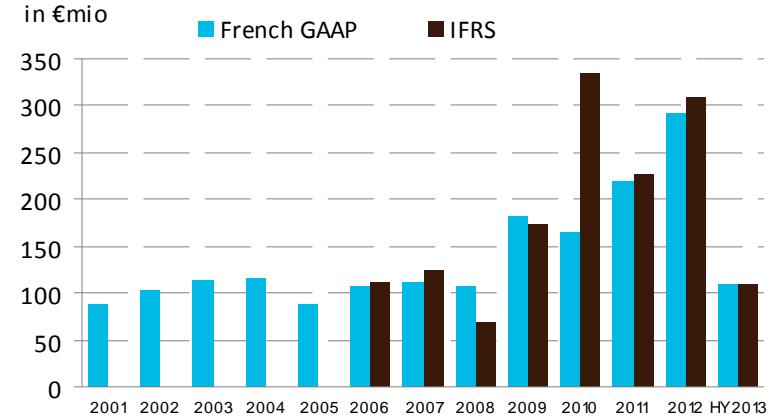


La Mondiale – HY 2013 Key Figures (2/2)

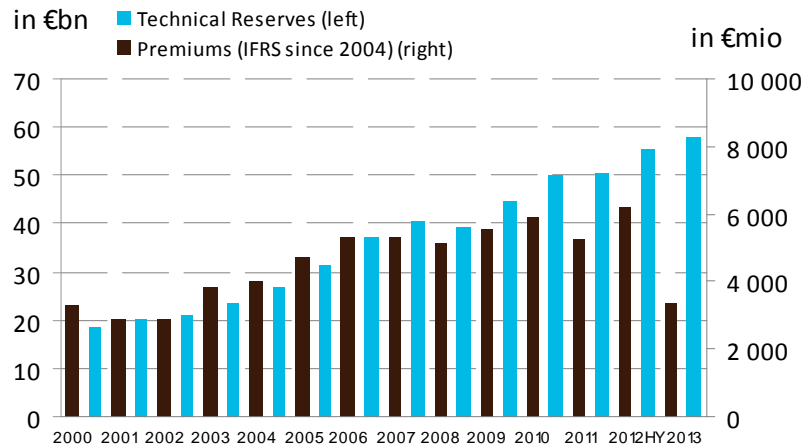
Equity



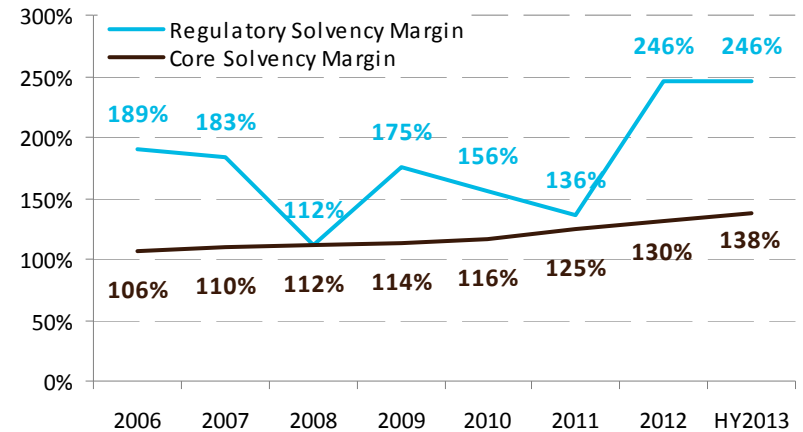
Net Results



Technical Reserves and Premiums



Solvency I Margin



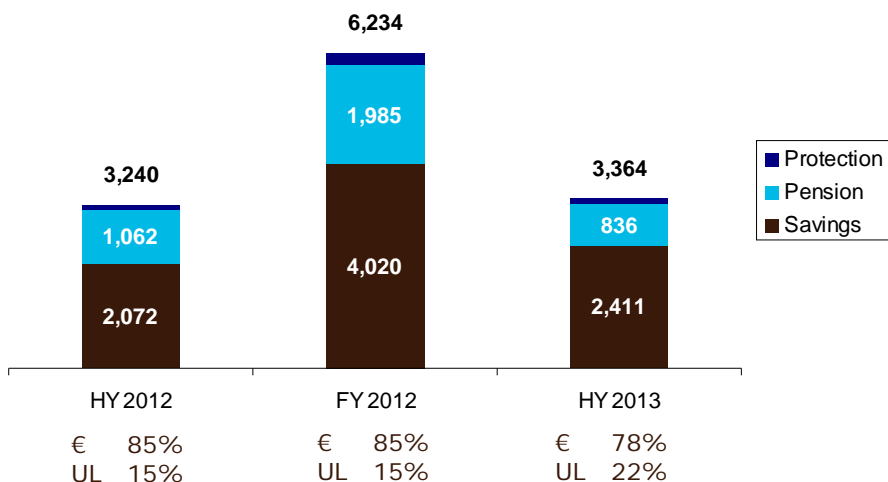
A Resilient Business Model & Capitalisation

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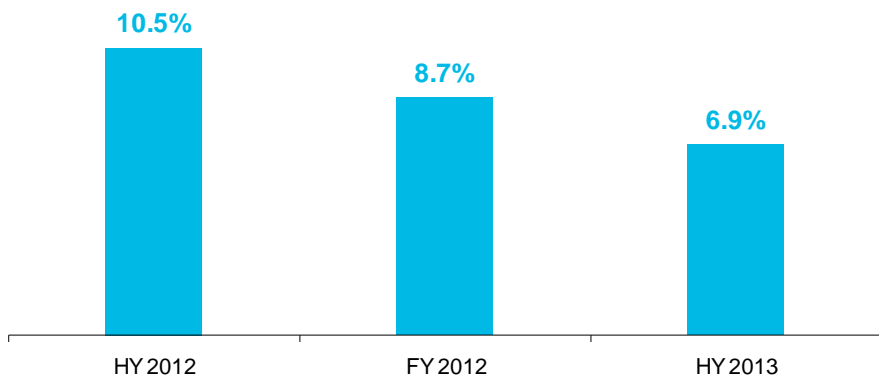
BUSINESS ACTIVITY

HY 2013 – Revenues, Claims, Net inflows

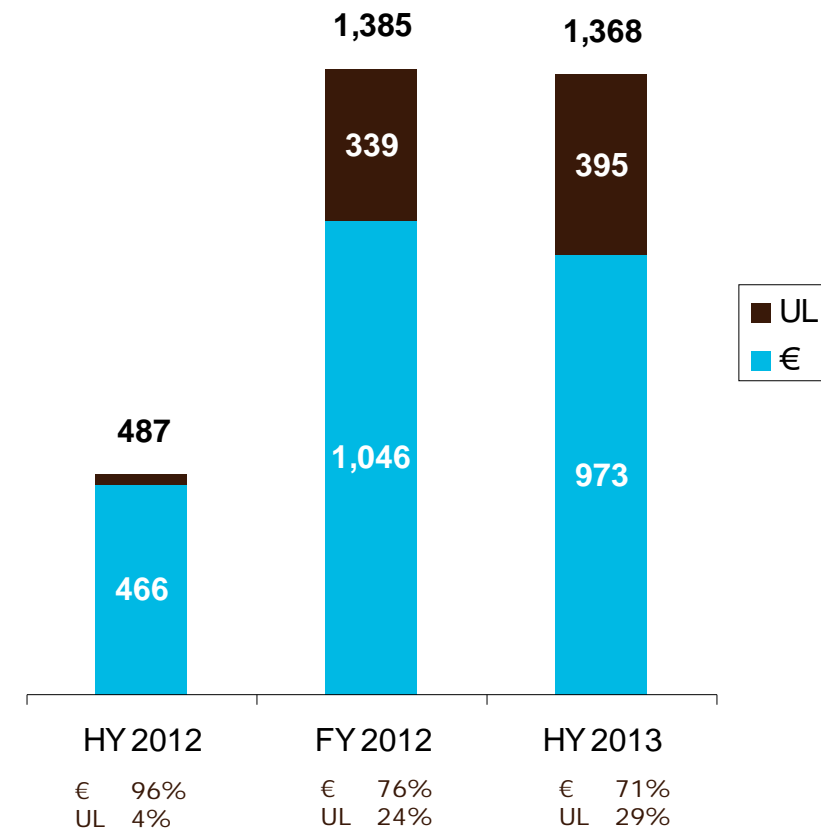
Revenues (in €mio)



Insurance claims



Net inflows (in €mio)

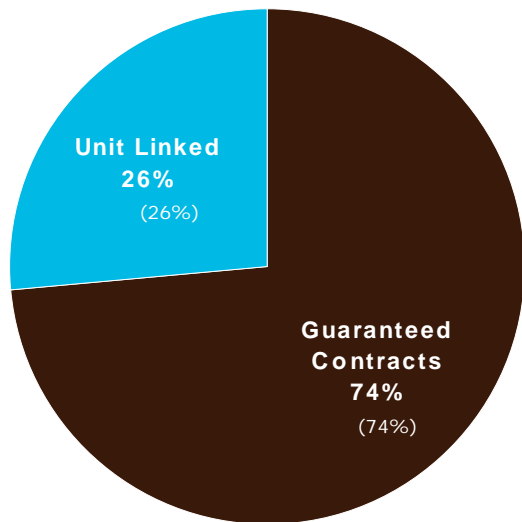


- **Revenues:** further development. UL/€ mix is improving and is still above market mix.
- **Claims :** back to normal, in line with the market
- **Net inflows :** level of full year 2012 reached in 6 months in 2013. UL/€ mix at 29%.

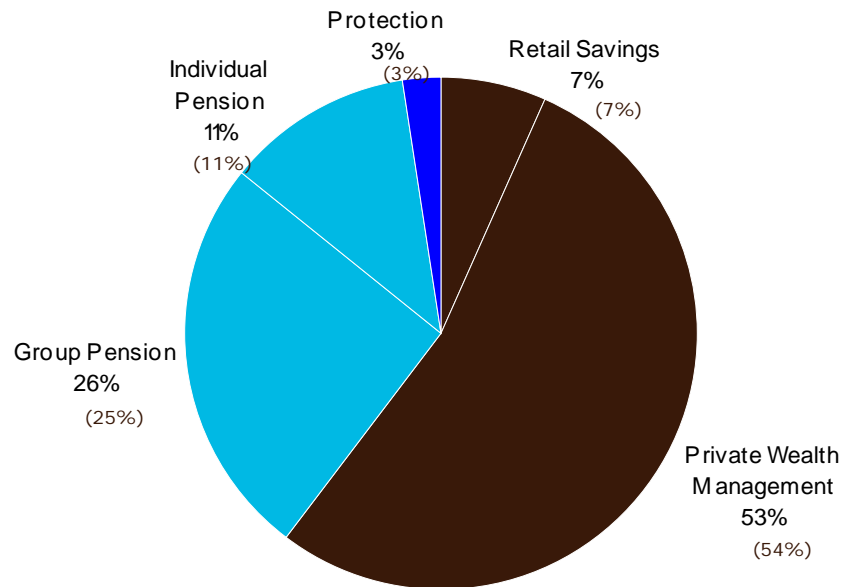
HY 2013 – Liabilities

Total technical provisions
€57.8bn
+4.0% vs FY 2012

Liabilities by Products



Outstanding Liabilities



Figures (x%) in FY 2012

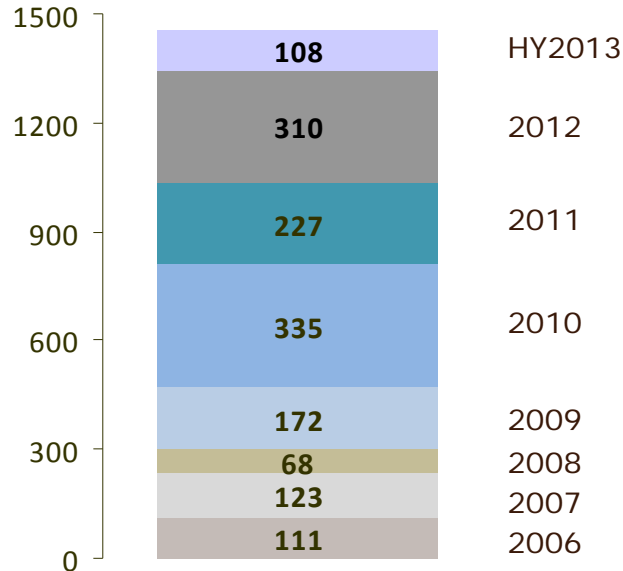




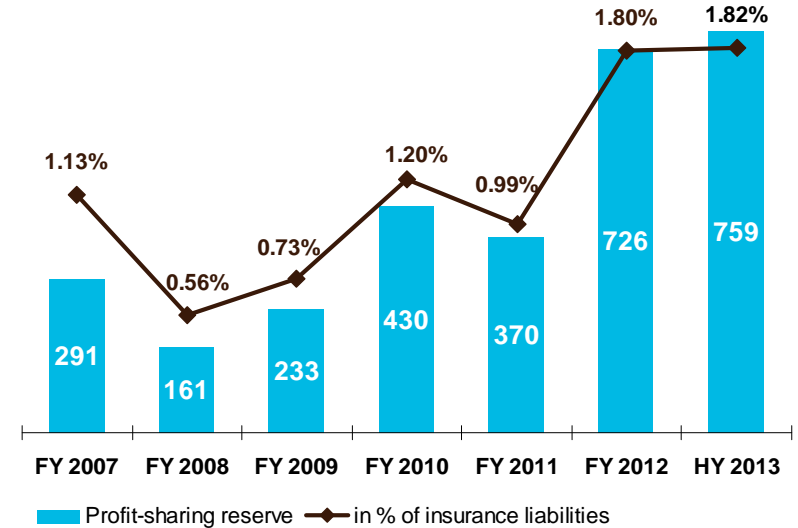
EARNINGS, PROFITABILITY AND SOLVENCY

HY 2013 – Earnings and profitability

Cumulated Net Results (in €mio, IFRS)

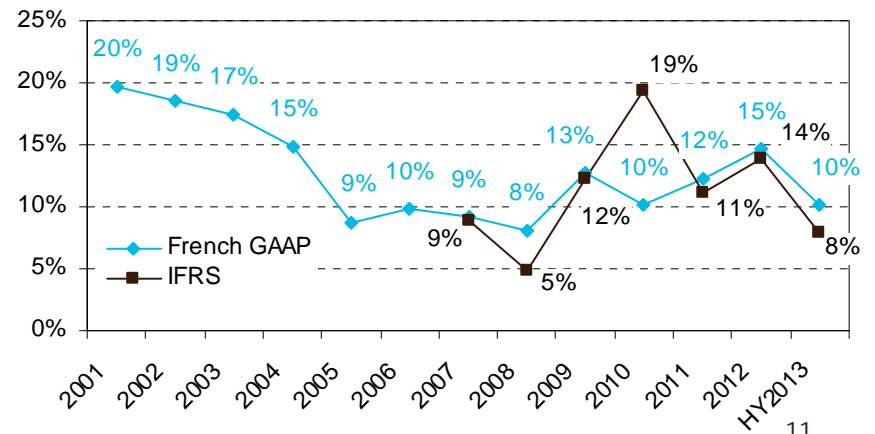


Policyholder surplus reserves (in €mio, IFRS)



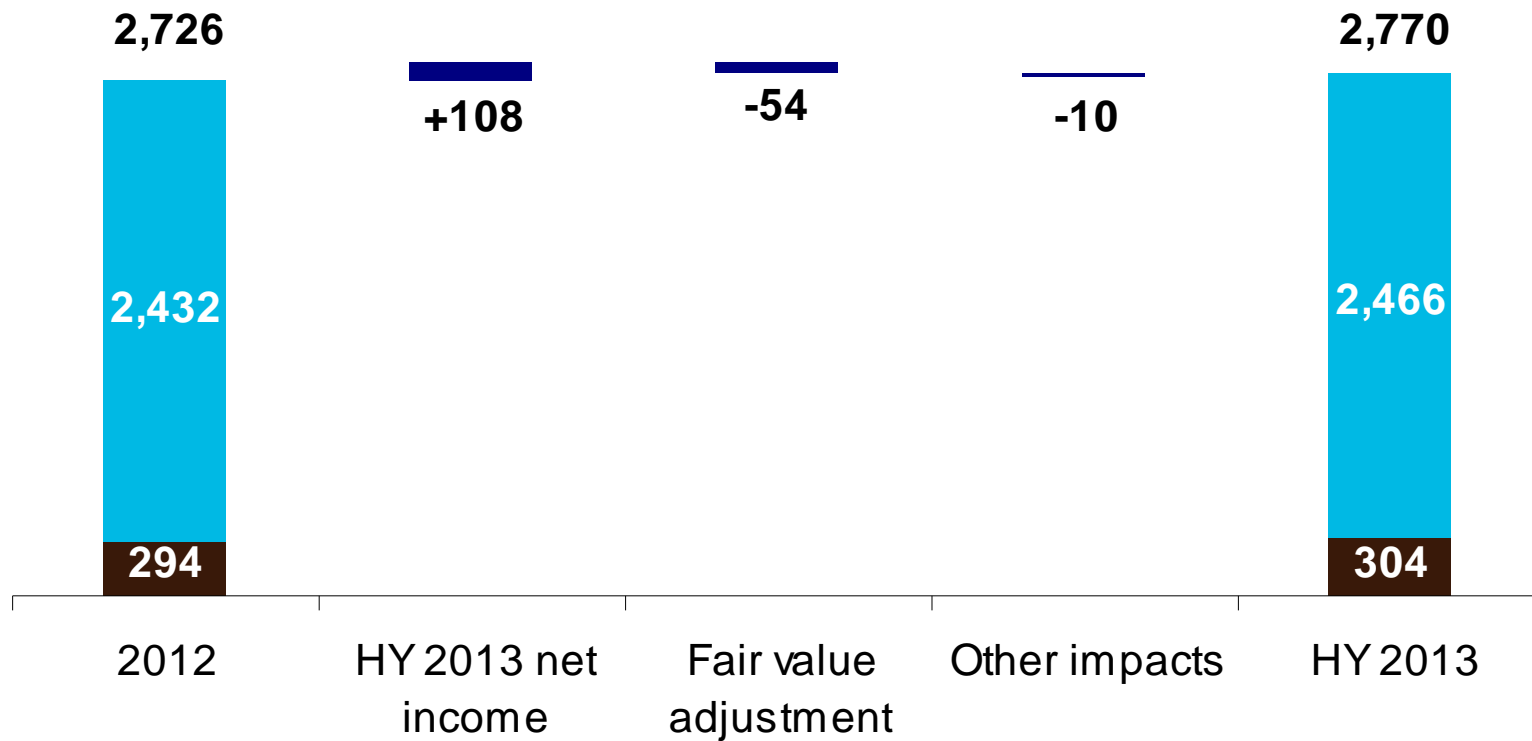
- Net income at €mio 108 in six months after an increase of policyholder surplus reserve by €mio 33
- €mio 1,454 accumulated earnings since 2006

Return on Equity



HY 2013 – Equity

(in €mio, IFRS)

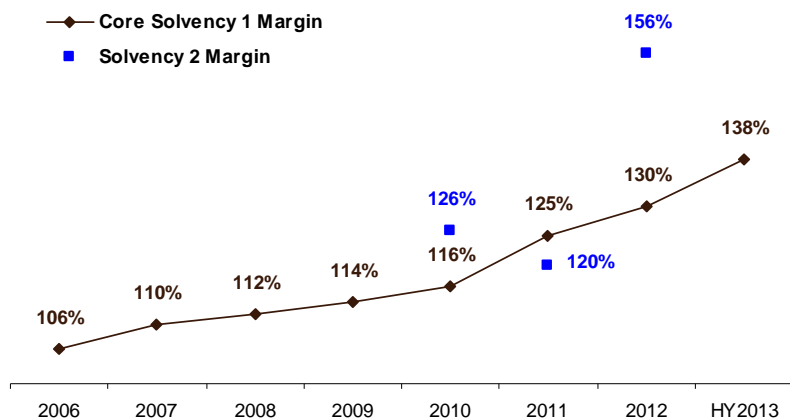


- Fair value adjustment of €mio -54 mostly driven by the growth of long-term interest rates (2.32% vs 1.98% at the end of 2012 for OAT 10 years)



HY 2013 – Solvency margin

Core Solvency Margin

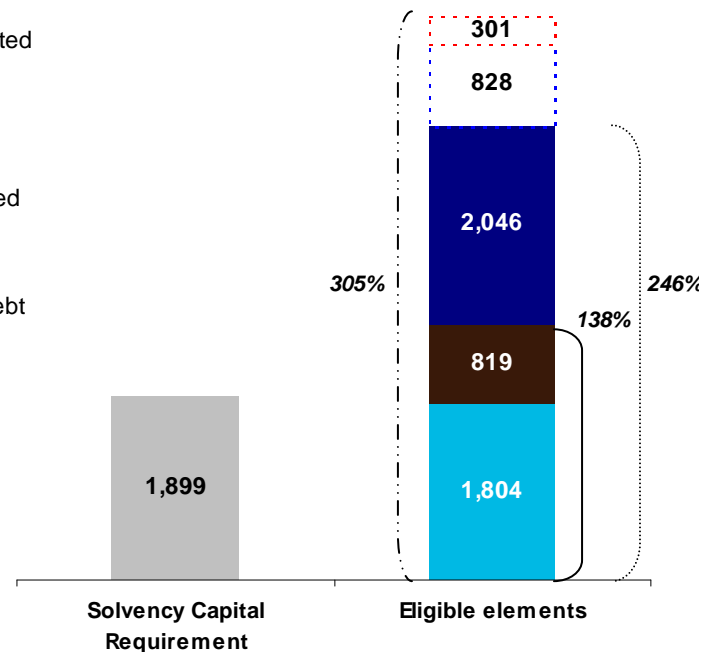


(1) Excluding Unrealized gains

(2) SCR Solvency 2 margin. Unaudited data based on current assumptions. These assumptions may change in the future

HY2013 Regulatory Solvency 1 Margin

- Other Subordinated Debt *
- Other unrealized gains *
- Eligible unrealized gains
- Eligible Subordinated Debt
- Own funds



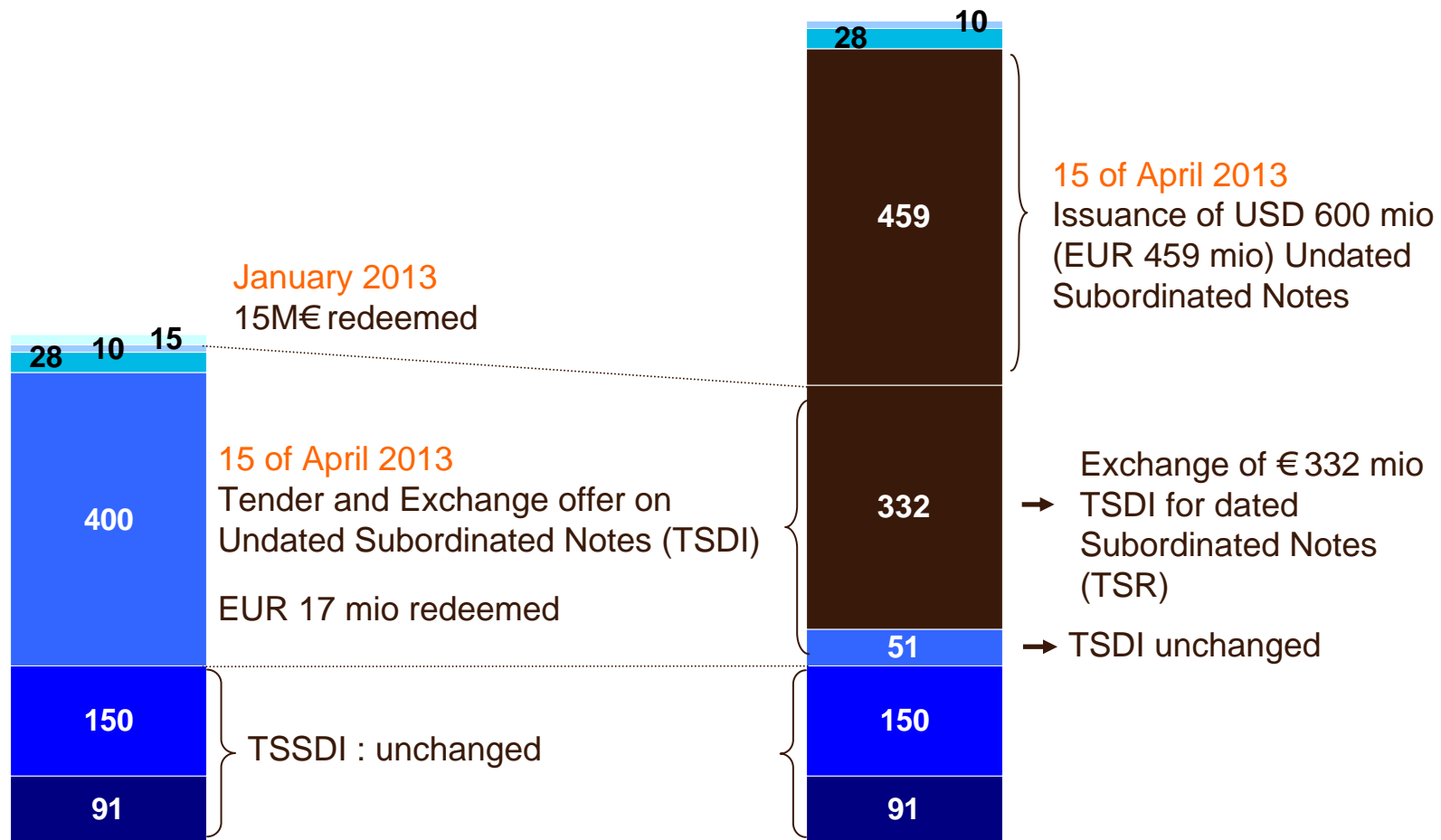
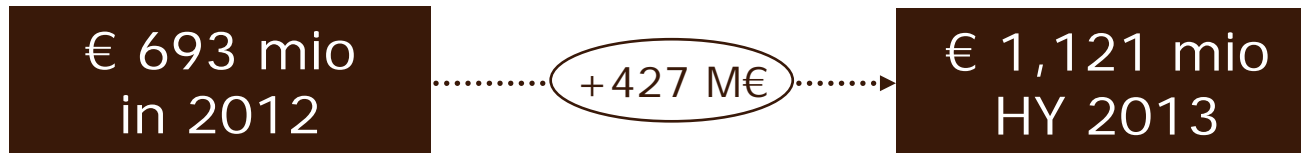
* Other Subordinated Debt and Other unrealized gains temporary above regulatory ceiling

- Over the past years, La Mondiale has funded its business **development thanks to internal capital generation, strong cost control and improvement of operational profitability**
- **Core solvency margin has increased** by 32 points since 2006 and has **always been comfortably above the minimum regulatory requirements**
- Throughout the crisis, La Mondiale has demonstrated the **resilience of its business model**

- **Core S1 margin has continued to improve in 2013**, including the growth of eligible subordinated debt (€mio 819 vs €mio 693 at the end of 2012)
- Other Subordinated debt represents €mio 301 vs 0 at the end of 2012 (cf. p14). This debt will be eligible following the growth of the Solvency Capital Requirement.



Subordinated debt restructuring





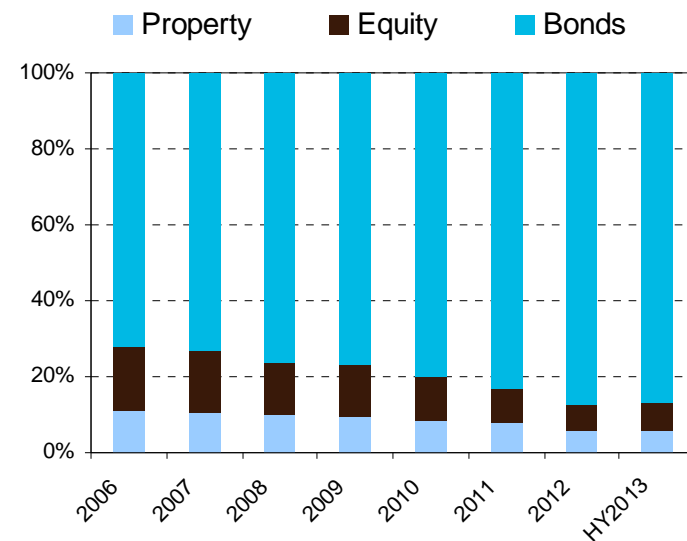
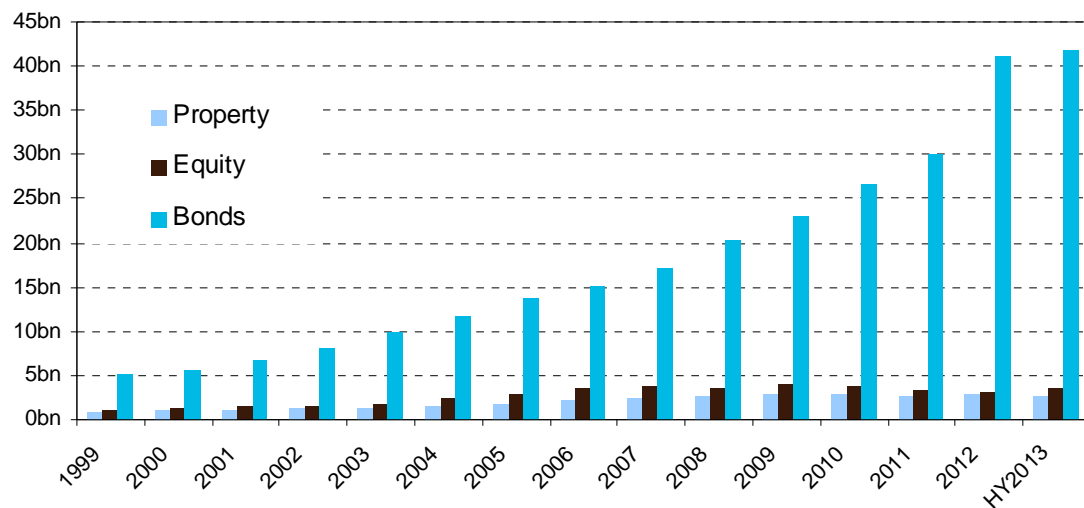
INVESTED ASSETS

A Diversified Asset Allocation

- La Mondiale's **sound asset allocation** is key and **enabled La Mondiale to perfectly accommodate the recent two crisis (2008 and 2011) without a significant P&L or solvency impact**
- **Assets under management have grown significantly** over the last decade at an average annual growth rate of 16% since 2002
- La Mondiale kept a **de-risking and diversified asset allocation** over the years

Asset Allocation excl. Unit-Linked	% (as of HY 2013)	IFRS (in €mio) (as of HY 2013)	IFRS (in €mio) (end of 2012)
Property	5.7%	2,820	2,836
Equity	7.4%	3,645	3,145
Bonds*	85.4%	41,931	41,066
Others	1.4%	674	149
Total	100%	49,071	47,196

Historical Asset Allocation (net book values)

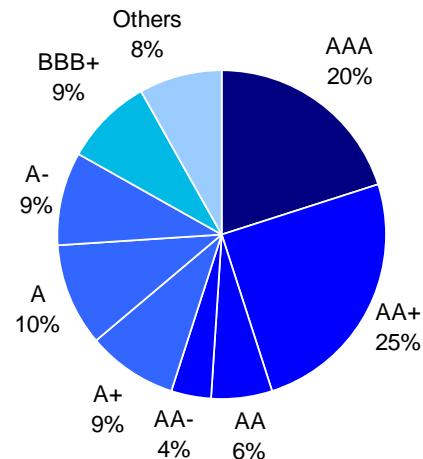


* Including rate OPCVMs

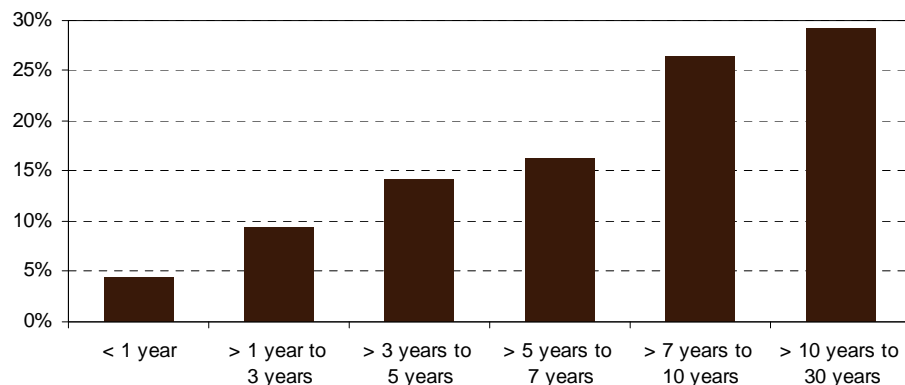
Bonds - A Low Risk Asset Allocation

- **Total Bond exposure is at 41bn** as of 30/06/2013 *
- With a strategy based on **limited exposure to risky investments as less than 17% of the investments are currently rated BBB+ or below**
- **Credit Limits decrease rapidly with the rating** and investments in subordinated debts are even more scrutinized
- **An estimated 12-year liabilities duration** is a key strategic element of our asset management policy and therefore of asset allocations

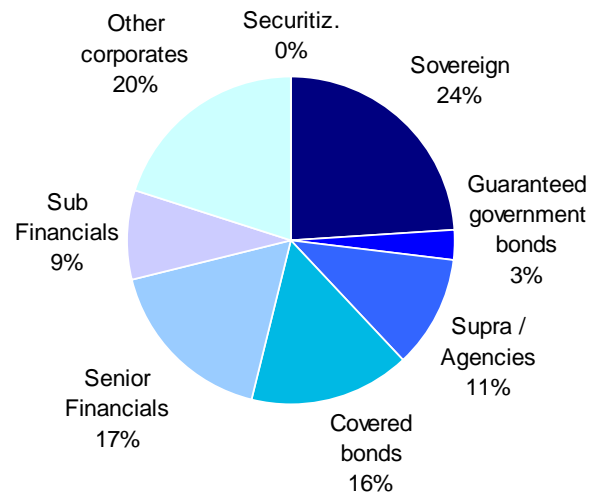
Credit Exposure by Credit Rating**



Portfolio by Maturity Band



Credit Exposure by Issuer Type



* Excluding rate OPCVMs

** 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

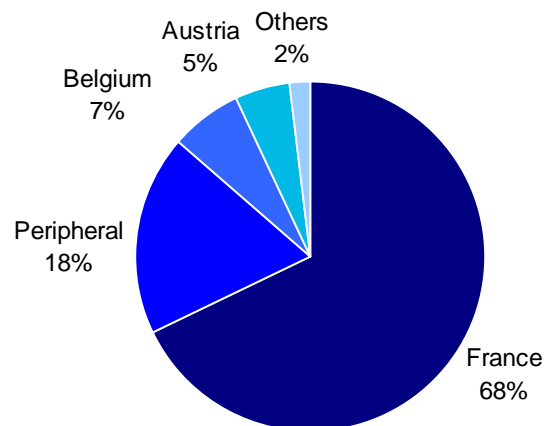
Bonds – Sovereign Exposure in 2013

- Sovereign bonds exposure represents 23% of the total assets
- Peripheral countries exposure is 18% of this sovereign bucket, hence **only 4.4% of the total investments – This is lower than industry average**
- There is no Greek sovereign debt exposure
- La Mondiale is one of the French insurers **least invested on the peripheral countries**

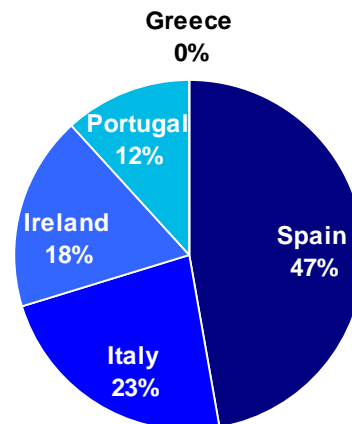
Country	Net asset exposure in EURmio *
France	6,530
Spain	843
Belgium	660
Austria	465
Italy	411
Ireland	321
Portugal	207
Others	197
Greece	0
TOTAL	9,634

*as of 30/06/2013

Sovereign Bonds Exposure (EUR 9.6bn)



Peripheral Countries Exposure (EUR1.8bn)



APPENDIX



Overview of La Mondiale Balance sheet

€mio	HY2012 *	FY2012	HY2013 *	%Change HY2013/ HY2012
Assets	62,444	67,013	69,803	+11.8%
Intangible assets	67	64	60	-10.3%
<i>ow. Goodwill</i>	40	41	40	+0.2%
Insurance investments	46,347	49,348	51,145	+10.4%
Unit Linked investments	13,016	14,573	15,372	+18.1%
Others assets	2,411	2,692	3,021	+25.3%
Cash and cash equivalent	603	335	205	-66.1%

Liabilities	62,444	67,013	69,803	+11.8%
Equity Group Share	2,163	2,432	2,466	+14.0%
Minority Interests	0,276	0,294	0,304	+10.1%
Total Equity	2,439	2,726	2,770	+13.5%
Financing debt	439	453	879	+100.4%
Insurance and financial liabilities	53,109	58,794	60,250	+13.4%
Other liabilities	6,457	5,040	5,904	-8.6%



* HY 2012 and HY 2013 unaudited

Overview of La Mondiale P&L Account

<i>€mio</i>	HY2012 *	FY2012	HY2013 *	%Change HY2013/ HY2012
Revenue	3,241	6,234	3,363	+3.8%
Financial Products	1,236	2,760	1,129	-8.7%
Operating Income	218	520	174	-20.2%
Consolidated net profit	145	310	108	-25.9%
<i>o.w Group share</i>	<i>133</i>	<i>289</i>	<i>96</i>	<i>-28.3%</i>
<i>o.w Minority Interest</i>	<i>12</i>	<i>20</i>	<i>12</i>	<i>+0.8%</i>



* HY 2012 and HY 2013 unaudited

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