

**ANNUAL REPORT
2008**



**MARKET EXPERTISE
IN ACTION**



6th-LARGEST FRENCH ASSET MANAGER*
€81.3 BILLION OF ASSETS UNDER MANAGEMENT AS OF DECEMBER 31, 2008

A RELIABLE SHAREHOLDER

Groupama SA

as of 31 December, 2008

Leading French mutual insurance company
6th-largest French insurance company
16th-largest European insurance company

16 million
members and customers

38,000
employees

Present in 14 countries
across Europe, Asia and Africa

€5.6 billion
in net assets

€16.2 billion
in revenues

€342 million
in net profit

5 DISTRIBUTION
NETWORKS

GROUPAMA LOCAL
BRANCHES
GAN ASSURANCES
GAN PATRIMOINE
GAN PRÉVOYANCE
GAN EUROCOURTAGE

3 BRANDS

GROUPAMA
GAN
AMAGUIZ



Asset Management

RESEARCH PARTNERSHIPS
RELATING TO SPECIFIC AREAS
OF ASSET MANAGEMENT

Asian equities with
NOMURA ASSET MANAGEMENT
American equities with
NORTHERN TRUST
GLOBAL INVESTMENTS

DEVELOPING
INTERNATIONAL DISTRIBUTION

in Spain and
Portugal with
GROUPAMA SEGUROS
in Italy with
GROUPAMA ASSICURAZIONI
in Hungary with
GROUPAMA GARANCIA BIZTOSÍTÓ
in Canada with
INVESTTEAM

GROUPAMA AM
3 SPECIALIZED ENTITIES

GROUPAMA FUND PICKERS
GROUPAMA ASSET MANAGEMENT SGR, subsidiary established in Rome
GROUPAMA ASSET MANAGEMENT, Madrid branch

**GROUPAMA ASSET MANAGEMENT: A ROBUST
AND TESTED MODEL IN SPITE OF THE CRISIS**

The core business of Groupama Asset Management, a subsidiary of Groupama SA which is France's leading mutual insurance company, is long-term and active asset management in the Eurozone. Groupama AM has established an investment process that integrates fundamental economic research, cyclical analysis, financial engineering and financial and extra-financial analysis, while also taking into consideration criteria relating to socially responsible investment. Its offer springs from several accepted expertises in equities, bonds, money market, balanced funds and multimangement.

Within the framework of a close commercial relationship, Groupama AM favours a clientele comprising of Groupama companies, institutional investors, corporations and distributors. Groupama AM is more than ever viewed as a solid and reliable benchmark in the asset management sector. At the beginning of 2009, Groupama AM was ranked by Eurofonds for the third consecutive year as the leading French and European asset manager in its category* for the consistency of its performances.

* Category "41 to 70 rated funds".

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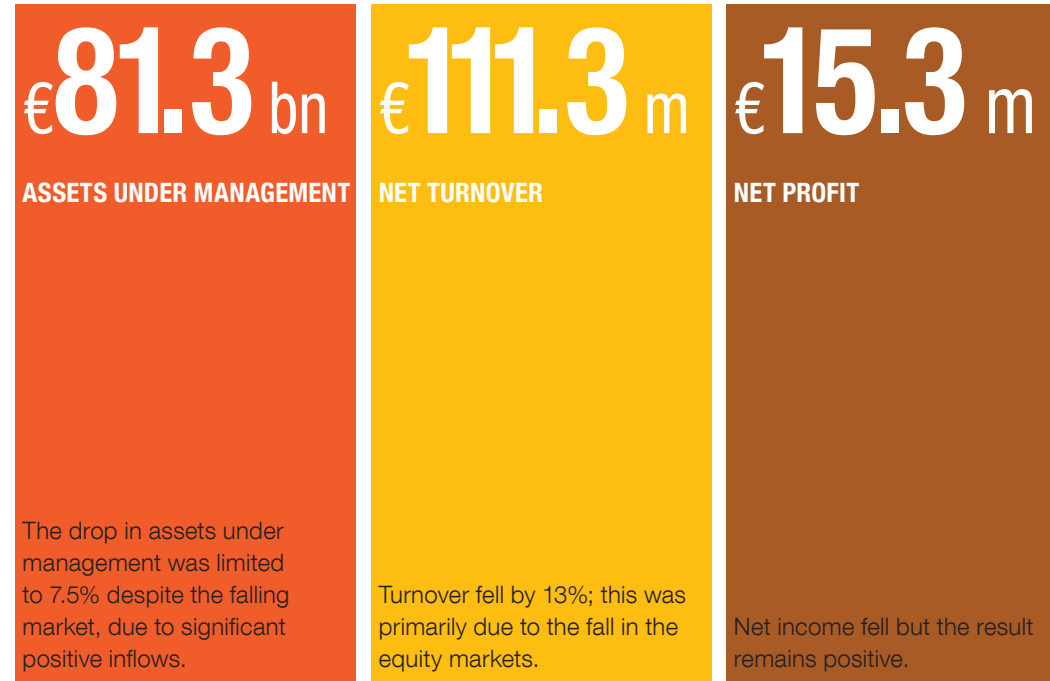
* Source: Watson Wyatt, December 31, 2007.

KEY FIGURES

**GROUPAMA AM AND GROUPAMA FUND PICKERS
AS OF DECEMBER 31, 2008**

**THE LARGEST INVESTMENT
INFLOWS ON RECORD**

In 2008, we have continued to receive inflows in the three traditional asset classes.



FITCH RATINGS

RATING INCREASED TO M2

In April 2009, analysts at Fitch Ratings increased the Asset Manager rating of Groupama AM from M2- (M2 minus) to M2. The improved rating reflects the way that the company's development model has stood up to the difficult economic climate, the quality of its asset management processes, supported by research that has proven to be particularly relevant during the crisis and finally, the significant progress made on the operational and technological platform. The rating also integrates the traditional offer of proven expertise, experience in the area of asset management and a stable investor base. Groupama AM has a growing reputation for solidity and reliability that is a benchmark for asset management companies.

SAS 70

AN ESSENTIAL INTERNATIONAL STANDARD

The SAS 70 (Statement on Auditing Standards Number 70) professional standard represents an international standard for the description of the internal control mechanism of a service provider, completed by a qualified independent auditor. SAS 70 audits, led by Deloitte, enable the circulation of information, in a standardised format, relating to the environment and control procedures of Groupama Asset Management. Such information may be relevant to the internal control of its clients. By going ahead with SAS 70 auditing, Groupama AM has confirmed its commitment and its desire to offer its clients a level of control over the principal operational risks that conforms to international standards.

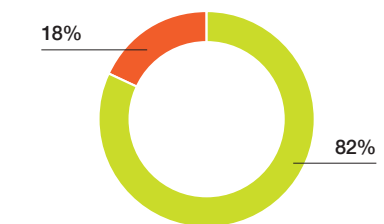
GIPS

A STANDARD FOR QUALITY

GIPS (Global Investment Performance Standards) certification covers the history of Groupama AM's performance since December 31, 2002. GIPS standards apply to the presentation of performance of assets under management on behalf of third parties; they are international ethical standards for presentation of performance. They allow for a true and complete picture of past performance and guarantee the provision of transparent and exhaustive information. The certification gained in 2009 is evidence of Groupama AM's compliance with GIPS standards as of December 31, 2008.

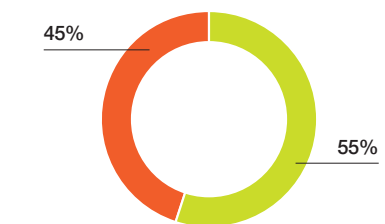
BREAKDOWN OF ASSETS UNDER MANAGEMENT BY TYPE OF CLIENT

€81.3 billion of which €66.5 billion Group clients and €14.8 billion external clients



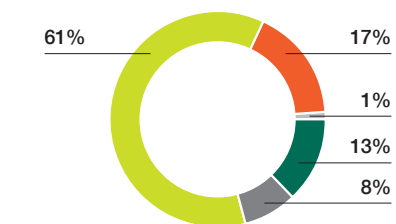
■ Group clients ■ External clients

BREAKDOWN OF ASSETS UNDER MANAGEMENT BY LEGAL FORM



■ Mandates ■ OPCVM

BREAKDOWN OF ASSETS UNDER MANAGEMENT BY ASSET CLASS



■ Fixed income ■ Monetary instruments
■ Multimangement ■ Equities ■ Diversified

HELMAN LE PAS DE SÉCHEVAL

Chairman of the Board of Directors

“Groupama AM has demonstrated strong resilience.”



Groupama AM has demonstrated strong resilience in a difficult economic and financial climate. In a market that is suffering heavy losses, Groupama SA's asset management subsidiary has in fact limited the fall in its assets under management to only 7.5%, reaching €81.3 billion at the end of the year, thanks to net inflows of €5.3 billion.

An investment policy that meets strict prudential requirements has led Groupama AM to systematically steer clear of investments linked to the US property market (subprime loans), as well as instruments backed by monoline insurers, mortgage refinancing agencies and complex structured products.

Turnover is down by only 13%. Expenses rose by 8% due to continuing investment carried out to guarantee the development of the company (reinforcement of the teams, new office premises, IT tools and control systems). Net income amounted to €15.3 million.

Groupama AM had the opportunity in 2008 to use its expertise in the service of the Group's foreign subsidiaries, particularly in the UK, in Greece and in Italy. The company also reinforced its operation in Europe through its Italian subsidiary, winning several calls for tender. In May 2008, a branch was opened in Madrid. The continuation of its international development in order to diversify its institutional client base will be one of Groupama AM's priorities in 2009.

Although 2009 promises to be a difficult year, Groupama AM has a number of winning cards in hand, in particular the quality of its research, its analysis and its management as well as its excellent reputation with institutional investors. It is the talent of its asset management teams, the mobilisation of its sales teams and the expertise of its employees working in operations that will be seen increasingly as key differentiators.

BOARD OF DIRECTORS

Helman le Pas de Sécheval
Chairman

Annie Bocquet
Vice-Chairman

Gan Assurances IARD
represented by Jean-François Lemoux

Banque Finama
represented by Bernard Pouy

CCPMA-Retraite
represented by Marcel Jamet

Groupama SA
represented by Pierrette Lévêque

Gan Prévoyance
represented by Jean-Louis Charles

Jean-Yves Dagès

GIE Reunica
represented by Jean-Louis Coulon

STATUTORY AUDITOR

PricewaterhouseCoopers Audit

Marie-Christine Jetil
Incumbent

Yves Nicolas
Deputy

FRANCIS AILHAUD

Chief Executive Officer

“Our institutional clients say we are on top of the league.”



Groupama AM was not left untouched by the historic financial crisis that marked 2008, but it weathered the storm as well as possible. The company recorded a limited drop in its assets under management during 2008 thanks to a record positive net inflow of €5.3 billion, €2.8 billion of which were raised externally and €2.5 billion internally. We are among the few asset management companies to have continued to receive inflows in the three traditional asset classes (equities, fixed income and money). This is, to a large extent, due to the consistency of our performance.

We are the 6th largest asset management company in the French market in terms of assets under management; with the backing of a solid Group we can look to the future with equanimity. In March 2009, Groupama AM was nominated as the leading French and European asset management company in its category* by Eurofunds, for the third consecutive year. We have also been recognised by Lipper as the leading asset management company in the French market, winning the Overall Large Group category. We also received the best global group award at the *La Tribune-Morningstar* “Victoires des Sicav” in 2009. An institutional client base that favours the long term as well

* Category “41 to 70 rated funds”.

as ongoing investment in research explains this performance.

The quality of Groupama AM's asset management, the way that the company anticipated the financial crisis and its consequences and the close relationship that it has been able to foster with its clients have also been recognised by French institutional investors. At the end of 2008, Groupama AM was ranked in first place among asset management companies by the “Baromètre de la gestion déléguée” (an annual market study) carried out by the research and advisory firm Image & Finance with 125 institutional investors.

The in-depth research that we have led since 2003 on the transfer of risk in the banking sector, the risk of deflation, the losses in the US and the links between monetary cycles and real cycles has enabled us not only to anticipate the extent of the financial crisis that marked the year 2008 but also to understand it fully and to adapt to it.

The crisis has demonstrated the pertinence of the strategic choices made by the company. We are focusing on long-term, resolutely active asset management that specialises in European asset classes and is supported by fundamental analysis. We take the

criteria for socially responsible investment into consideration in our asset management process. Groupama AM has been committed to this initiative since 2001, continuing to equip itself with more substantial means to ensure that its entire management operation can benefit from this approach. Finally, we are developing a commercial relationship based on

proximity with institutional investors, businesses, external distributors and Groupama companies. Our achievements and the good performance recorded by our company over many years demonstrate the solidity of our economic model. Groupama AM aims to continue with this development process during 2009.

INTRODUCTION TO THE EXECUTIVE COMMITTEE

Francis Ailhaud, Chief Executive Officer
Jean-Marie Catala, Deputy Chief Executive Officer, Head of Business Development
Roland Lescure, Deputy Chief Executive Officer, Chief Investment Officer
Serge Mervaud, Deputy Chief Executive Officer, Chief Operating Officer



From left to right: Serge Mervaud, Francis Ailhaud, Roland Lescure, Jean-Marie Catala.

THE ECONOMIC ENVIRONMENT

CONDITIONS NEEDED TO GET THROUGH THE CRISIS

A CROSS-EXAMINATION BY

MARIE-PIERRE PEILLON

Head of Financial and Extra-Financial Analysis

LAURENT BERREBI

Chief Economist



NEARLY TWO YEARS AFTER THE CRISIS BEGAN, WHERE ARE WE TODAY?

Marie-Pierre Peillon: 2008 will go down in banking history as the year of all the catastrophes: the collapse of a model, massive depreciation linked to structured products, immeasurable losses and widespread recapitalisations aimed at satisfying new requirements in terms of shareholders' equity and in some cases, avoiding bankruptcy!

The first months of 2009 have not been much more encouraging for the banking sector; activity is still suffering in many business areas and there is continued depreciation at a level that is difficult to evaluate, but above all there has been a huge increase in toxic debt. We continue to see further increases in capital and even nationalisations.

Laurent Berrebi: The bubble has burst for the credit bull market that has supported global growth over the last decade. The financial crisis has become systemic; investors have withdrawn from all the economies in debt, particularly the Anglo-Saxon and emerging markets, which have plunged as a result. The fall in global trade has dragged the major exporting countries, such as Germany and Japan, down in its wake. The contraction in global GDP, the first since the 1930s, is likely to be in the region of 3% in 2009. Companies have been caught high and dry between the unprecedented tightening of financing conditions and the plunge in their profitability. They are having to cut back on investment expenditure and payroll costs, while the number of bankruptcies is exceptionally high. The

explosion in the unemployment rate throughout the world will constitute a significant factor in economic, social and political destabilisation.

MANY MEASURES HAVE ALREADY BEEN TAKEN. WHAT OTHER SOLUTIONS SHOULD WE BE LOOKING AT IN ORDER TO PUT AN END TO THIS CRISIS?

M.-P. P.: The actions taken during 2008 to help the banks were intended to ensure liquidity (access to the ECB made easier, bond issues underwritten by governments) and restore solvency on balance sheets. It is balance sheet assets that remain the key issue today; a clean-up operation is essential, involving the transfer of so-called toxic stocks off the balance sheet in "bad banks". Some countries, such as Switzerland, and to a certain extent Great Britain, have initiated this type of transaction. For political, and perhaps ideological reasons, the United States, with the Geithner plan, have chosen to follow a route that combines the public and private sectors. This model will take a long time to put into place, due to its complexity, and could delay the end of the crisis. The essential condition

for a return to confidence in the sector involves the effective separation of "good" banks from "bad"!

L. B.: Monetary authorities and governments, fortunately, have been very responsive. The central banks, who have practically all dropped their rates to almost 0%, are taking responsibility for part of the reduction in debt in the private sector by buying out debts from the financial sector. Governments from developed countries have put in place rescue plans for their national banks, often to the detriment of emerging markets, which have been forced to confront enormous withdrawals of capital. They have also disclosed stimulus packages amounting to 6 percentage points of GDP in the case of the United States and 15 in the case of China. These measures are likely to lessen the impact of the crisis appreciably and to promote a recovery in activity towards the end of 2009 or the beginning of 2010.

WHAT ARE THE ISSUES AT THE HEART OF A NEW GROWTH PARADIGM?

L. B.: China needs to refocus its economic policy on the Chinese consumer in such a way as to offset

the clearing of debts in American households. A rebalancing of currencies is necessary, to the detriment of the dollar, which is likely to lose its supremacy, at the same time as new financial regulation, the objective of which should be to avoid a further systemic crisis. Redistribution of added value at a global level, in favour of employees and to the detriment of companies, is also proving to be essential. Finally, the risk of default by a country in the Eurozone necessitates the acceleration of the political union that must involve calling a halt to all tax dumping.

AND FOR COMPANIES?

M.-P. P.: Two principal issues have emerged. The first, which favours companies, will involve a return to more balanced methods of management; a return to truly long-term industrial strategies, taking into consideration the interests of all stakeholders (employees, clients, suppliers and the community as well as shareholders) and no longer limited solely to objectives of short-term profitability for shareholders, which are untenable in the long term.

The second issue, less favourable, will be that of living once again in a world where liquidity has become once again a rare commodity; the cost of debt and the cost of capital will remain high for a long time and could set back a great number of planned investments. Growth in profits will be therefore limited for several years to come.

CAN WE ASSUME THAT INFLATION WILL PROVIDE A WAY OUT OF THE CRISIS?

L. B.: There is an expectation that inflation, perhaps even hyperinflation, will return due to the government debts bought out by the central banks. However, in today's globalised world, inflation is created by the laws of supply and demand on the employment market and goods and services market, not on the money market. It is not inflation that we have to fear, but sustained deflation at a global level that the forced degearing in the private sector would provoke, if the central banks did not clear their debts sufficiently. Only the closing-down of borders and the collapse of globalisation would provoke the return of high inflation levels.

"EXPERTISES": IN-DEPTH RESEARCH AIMED AT ACHIEVING A BETTER UNDERSTANDING OF THE ECONOMIC ENVIRONMENT AND ADAPTING TO IT

For six years, the fundamental work led by the economic research teams at Groupama AM has been published in a collection entitled "Expertises". These works have demonstrated and explained the mechanisms that have led to the current financial and economic crisis. In 2003, the first edition, *Banking risks and transfer of risks*, predicted the risk of an unexpected crisis in the subprime market. In 2004, the third edition of "Expertises", entitled *American imbalance: a global threat?*, underlined the external imbalances of the leading global economic power. The work emphasised the necessity of correcting these imbalances and suggested the terms of the contract that the United States, Europe and Asia should commit to if they want to avoid a global financial crisis...



“Monetary authorities and governments, fortunately, have been very responsive.”

RESPONSIBLE MANAGEMENT



“Responsible asset management involves focusing on the skills we have perfected over the years. We must encourage a culture of shared risk within our teams. Taking responsibility also means making it our duty to inform and assist clients in crisis situations. Finally, responsible management requires us to act as a leader in research and development in SRI.”

Serge Mervaud, Chief Operating Officer

GROUPAMA AM: RANKED 1st AMONG 34 ASSET MANAGEMENT COMPANIES

In 2008, a year that was particularly difficult for the financial markets, Groupama AM received the best overall evaluation rating awarded by a panel of French institutional investors. This rating is the result of the “Baromètre de la gestion déléguée” (an annual market study), carried out by the research and advisory firm Image & Finance during the last quarter of 2008 with 125 French institutions. Groupama AM’s position at the top of the list is due in particular to the quality of its commercial relationships and of its reporting, as well as six other important areas such as its performance on long-term yield products, its reputation in short-term and long-term yield products, its responsiveness to the crisis in terms of cash products and its fixed income and equities asset management. The quality of Groupama AM’s asset management, the way that the company anticipated the financial crisis and its consequences and the close relationship that it has been able to foster with its clients have thus been recognised by French institutional investors.

AN ORGANISATION THAT COMBINES RESPONSIVENESS AND PROXIMITY

Our teams are all located on one site in Paris, which enables efficient collaboration and a strong team spirit.

Groupama AM's structure provides professional investors with a service based on responsiveness and proximity. In order to achieve consistent performance, Groupama AM's teams implement responsible asset management practices that integrate recognised research capabilities in macroeconomic, financial and extra-financial analysis as well as financial engineering.

On the asset management side, Groupama AM has a single centre of management that combines the independent research activities of its 71 fund managers, analysts and economists. The fund managers are supported by these research capabilities and compare the results against prevailing ideas on the markets. This ongoing comparison gives rise to the investment trends that can be found in clients' funds and mandates. The portfolio managers benefit from a high level of autonomy in building their portfolios, guaranteeing accountability for performance. On the commercial side, 43 employees ensure a close relationship with clients, meaning that all their expectations can be met as closely as possible. The quality of its management and of the close relationship that

THE FINANCIAL CRISIS – HOW THE TEAMS AT GROUPAMA AM HAVE MANAGED IT

Faced with the scale of the financial crisis, Groupama AM has adopted a policy of proactive communication with respect to its clients and external partners, using news flashes, market updates and press communications. Investment committee meetings have been held more frequently and the fact that all the teams are centrally located in a single site in Paris facilitated exchange of ideas and cohesion. Furthermore, all the sales teams have been mobilised. Particular attention has been paid to the quality and the reliability of communications, in order that fund holders were provided with fair treatment in terms of information.

Groupama AM has been able to foster with its clients is recognised by French institutional investors: Groupama AM was ranked in first place among asset management companies by the "Baromètre de la gestion déléguée" (annual market study relating to institutional investors) for 2008, carried out by the research and advisory firm Image & Finance.

RISK MANAGEMENT

In accordance with the general rules of the French Financial Markets Authority, Groupama AM has put in place a control mechanism that covers all risks faced by the company. At the end of 2008, this mechanism was

reinforced and divided between two distinct areas of activity, each chaired by a Head of Internal Compliance and Control (RCCI) operating within a specific scope:

- Permanent Control (including risks control);
- Compliance (including ethics).

The two RCCI are also supported by controls put in place by the Head of Information Systems Security (RSSI). The system is completed by the Internal Audit service, which is responsible for regular audits of the entire company; one of its tasks is the evaluation of the Internal Compliance and Control mechanism.

COMMITMENT TO SOCIALLY RESPONSIBLE INVESTMENT

Groupama AM firmly believes that the best practices of sustainable development applied to asset management, i.e. socially responsible investment (SRI), are compatible with the objective of long-term financial performance and the lasting quality of investments.

The company has integrated dedicated SRI analyst positions into its Department for Financial and Extra-Financial Analysis. They enrich the fundamental and credit analyses by providing input to them, working in teams of two with the financial analysts.

Through their analyses, which are born out of a dynamic and progressive approach, Groupama AM builds the three ESG (Environment, Social, Governance) pillars of sustainable development into its asset management choices.

CLUB EURÔKA!: A FORUM FOR SUSTAINABLE DEVELOPMENT AT GROUPAMA AM

With Club Eurôka!, created in 2003, Groupama AM is seeking to create a forum for dialogue between market players from the economic and financial worlds. Instigated by Groupama AM, Club Eurôka! brings together investors, businesses and various other stakeholders in sustainable development, two or three times a year. They meet to share, discuss and compare their experiences regarding sustainable development policies. These meetings enable Groupama AM to present thematic and/or sectoral studies that incorporate the ESG key factors.

AN SRI-SPECIFIC OFFER

Groupama AM's SRI offer is represented by two funds:

- the **Sicav (open-ended investment company) Euro Capital Durable**, set up in 2001, selects the best SRI securities in the eligible MSCI EMU universe ("Best in Class" approach). Euro Capital Durable was awarded in the "European Large Cap" category by Eurofunds. It was also the first equities Sicav to obtain an AAA rating from the ratings agency Novethic in 2005, a rating which it has held since that time. Euro Capital Durable has been able to demonstrate, over the years since its creation, its ability to exceed significantly the performance of its benchmark index (MSCI EMU);
- Groupama AM has decided to extend its SRI approach to fixed income asset management, more specifically to credit management. In December 2008, Groupama AM launched the **Groupama Crédit Euro ISR fund** with an institutional client, taking a "Bonus/malus SRI" approach that increases the value (spread bonus) of the best issuers and penalises (spread surcharge) the inferior ones. Groupama Crédit Euro ISR is targeted at investors who wish to combine a sustainable development approach to their investment with active management of a medium/long-term fixed income portfolio invested with private issuers in the Eurozone.

CONTINUED DEVELOPMENT

“Commercial activity was dynamic in 2008 with record inflows arising in particular from the increased number of responses to calls for tender. Groupama AM is also continuing to develop internationally in regions where its expertise is in demand.”

Jean-Marie Catala,
Head of Business Development



Groupama AM is primarily present in France where it saw a significant increase in references received from distributors in 2008. For several years, the company has supported Groupama's international subsidiaries in the area of asset management and is growing independently abroad. Its solidity, which has been demonstrated over the last few months, enables it to look confidently towards further development both in France and internationally.

Groupama AM saw high levels of activity in 2008, achieving the largest external inflow figure ever recorded in its history. The three traditional asset classes posted positive net subscriptions: money market (€2.8 billion), fixed income (€0.4 billion), equities (€0.1 billion).

For funds of hedge funds the loss was limited (–€0.5 billion), ensuring liquidity with respect to clients. Groupama AM also saw an increase in the number of responses to calls for tender in 2008: 16 were won in 2008 (the highest success rate since 2001) for a total sum of €625 million and 50 new accounts were opened: 7 businesses/banks for own account management, 26 distributors and 17 institutional investors.

INCREASINGLY INTERNATIONAL

Italy, Spain, Portugal, Turkey and Canada as well as Hungary, Bulgaria, Romania and Greece: Groupama AM is progressively extending its experience and its scope. In 2008 Groupama AM reinforced its operation in Europe through its Italian subsidiary, Groupama Asset Management Sgr, winning several calls for tender with pension funds. With €441 million in funds raised during 2008, the Italian subsidiary had almost €4 billion of assets under management as of December 31, 2008.

In May 2008, Groupama AM opened a branch in Madrid with the objective of accelerating commercial development in the Iberian Peninsula. Already referenced by Banco Inversis, one of the largest distribution platforms in Europe, Groupama AM's range of funds has also been distributed by Tressis, Allfunds and RBC Dexia since the beginning of 2009.

A range of Groupama AM OPCVM is available with insurance contracts distributed in Spain and Portugal by Groupama Seguros, in Italy by Groupama Assicurazioni and in Hungary by Groupama Garancia Biztosító. In Canada, Groupama AM signed an exclusive marketing agreement for its funds with Investeam.

ITALY – A DYNAMIC MARKET

At the beginning of 2008, Groupama AM acquired 100% of the share capital of Groupama Sgr S.p.A. by buying out the remaining 40% from Groupama Assicurazioni, a subsidiary of Groupama SA. The Italian portfolio management company, recognised not only for its services in collective management (OPCVM – French mutual funds) and individual management (mandate) but also for its pension funds, saw high levels of activity in 2008 with inflows of more than €400 million for the year. The Italian subsidiary, located in Rome, today named Groupama Asset Management Sgr, won five calls for tender in 2008 and recorded a marked increase in consultations at the beginning of 2009.

A FULL RANGE OF EXPERTISES



“Groupama AM’s investment choices reflect strong convictions with a consistent framework. Our positions result from the fundamental approach of Groupama AM, its techniques and its expertise in stock and bond picking. This active asset management manifests itself in rigorous processes, both in terms of core business activities and new areas of expertise.”

Roland Lescure, Chief Investment Officer

ACTIVE, CONTROLLED AND RESPONSIBLE ASSET MANAGEMENT

Groupama AM’s asset management teams are focused around their traditional areas of expertise (European equities, fixed income and balanced), with the addition of multimanager through the subsidiary Groupama Fund Pickers, which was created in January 2008. Groupama AM’s asset management is first-class, having consistent performance and recognised flagship funds. This performance depends upon a dynamic allocation of assets and clear-cut selections of sectors and stocks, as well as upon responsible management. Extra-financial analysis has been integrated into all analyses. The asset managers have at their disposal high-performance tools for building portfolios (the Advanced Portfolio Technologies tool) enabling them to optimise risk budgets for each portfolio. This asset management process is supported by rigorous risk control.

MONEY MANAGEMENT

Groupama AM's money management is founded on rigorous selection that aims to achieve increased performance whilst taking into particular account requirements of quality and liquidity that are characteristic of this type of asset management. The managers select from among the various instruments available on the market (certificates of deposit, commercial paper, etc.) in order to ensure both the liquidity of the investments and their effective distribution. At the same time, within the limits of the statutory regulations and the specific management frameworks of the portfolios, they seek, with the support of the research teams, increased performance through active management of the fixed rate/variable rate allocation in particular and of the maturity of the instruments.

FLAGSHIP FUNDS

Groupama Entreprises: the universe's flagship fund! At the end of December 2008, Groupama Entreprises had €7.2 billion of assets under management, its highest ever recorded. The fund is targeted at investors wishing to increase the value of their liquid assets over periods of several months.

Groupama Eonia: this fund targets investors seeking a secure investment that can achieve performance on par with

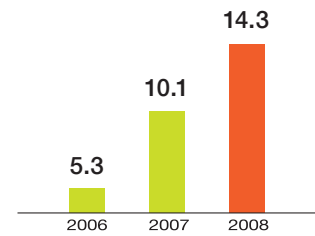
€14.3 billion

ASSETS UNDER MANAGEMENT
AS OF DECEMBER 31, 2008

€4 billion

INFLOWS IN 2008

ALMOST TREBLE IN THREE YEARS
Money market assets under management
in €billions (at 31/12)



the overnight Euro money market whilst complying with strict liquidity constraints. It is invested in bonds of a duration under three months.

EUROPERFORMANCE RANKING

- Groupama Entreprises: ranked 4th out of 427 funds* in the "Regular Treasury" category (at the end of March 2009 over a twelve-month annualised period).
- Groupama Eonia: ranked 15th out of 427 funds* in the "Regular Treasury" category (at the end of March 2009 over a twelve-month annualised period).

* Source: Europerformance Six Telekurs.

FIXED INCOME MANAGEMENT

Groupama AM's fixed income asset management covers a number of asset classes: sovereign debt from the Eurozone or other countries, euro or international inflation-indexed bonds and aggregate asset management. Asset management may be benchmarked and may integrate liability constraints. Each of these types of asset management is the subject of a specific expertise. They are all supported by one asset management process with two primary drivers, one tactical and the other strategic. As in the case of equities, fixed income expertise has given rise to the emergence of funds which have the objective of absolute performance.

FLAGSHIP FUNDS

Groupama Crédit Euro ISR: this fund is targeted at investors who wish to combine a sustainable development approach to their investment with active management of a medium/long-term fixed income portfolio invested with private issuers in the Eurozone. Groupama Crédit Euro ISR combines the credit return approach (higher yield than that obtained with traditional asset management) with the SRI approach.

AWARDS

- The *La Tribune*-Morningstar "Victoires des Sicav" 2008 awards: 2nd in "Best Group – Large-cap Fixed Income".
- Le Revenu 2008: Gold medal for international fixed income products over three years ("Insurance Companies" category).

€49.6 billion

ASSETS UNDER MANAGEMENT
AS OF DECEMBER 31, 2008

€1.1 billion

INFLOWS IN 2008

Groupama État Euro: Groupama État Euro is targeted at investors who are seeking to increase the value of their capital in the medium or the long term by investing primarily in securities issued by a government in the Eurozone. It is a fund that enables access to the fixed income market while at the same time maintaining excellent creditworthiness of the securities in the portfolio.

Groupama État Monde: investment in Groupama État Monde enables access to all of Groupama AM's fixed income expertise, with a team dedicated to international fixed income asset management. This portfolio particularly suits investors who are seeking performance over the long term.

EQUITY MANAGEMENT

Groupama AM's equity management has survived outstandingly well through various economic cycles thanks to its steadfast asset management process. It is supported both by the expertise provided by internal research centres and by experienced, fully accountable asset managers. The specificity of Groupama AM's approach is based on a horizontal view that is made possible by bringing together skills and expertise and by a very long-term view regarding investment. Combined with the responsiveness of experienced asset management teams, these analyses have led to the creation of value under all market circumstances (bullish, bearish, trendless or volatile) over recent years. Although for the most part its performance is the result of its appropriate selection of securities, Groupama AM has always considered that this is not the only contributing factor. The company's values are also demonstrated by its choice of sectors and market exposure. For its management of American and Asian equities, Groupama AM relies on two research partnerships, benefiting from the expertise of key players in asset management: Northern Trust Global Investments and Nomura Asset Management.

FLAGSHIP FUNDS

Groupama Croissance: the "historic" Sicav mutual fund of the Europe equities

AWARDS

- The *La Tribune*-Morningstar "Victoires des Sicav" 2009 awards: 2nd in "Best Group Large-Cap Equities".
- The Eurofunds 2009 Awards: Euro Capital Durable was awarded a "5 star" rating in the category of "Large-cap European Equities".
- Le Revenu 2008: Gold medal for the Eurozone equities universe over three years ("Insurance Companies" category).

€10.3 billion

ASSETS UNDER MANAGEMENT
AS OF DECEMBER 31, 2008

€0.8 billion

INFLOWS IN 2008

universe! Created in 1987, invested in all types of security (growth stocks as well as undervalued stocks), Groupama Croissance favours large-cap stocks.

France Gan: with a high margin of manoeuvre, France Gan represents a dynamic and opportunistic medium for investment on the French equity market. Its management objective is to outperform the SBF 250 index, whatever the market conditions might be, by means of active management with a wide tracking error capped at 10%.

Euro Capital Durable: created in 2001, Euro Capital Durable is currently the highest-ranking euro Sicav in its category. Euro Capital Durable was the first euro Sicav to be rated AAA in 2005 by the Novethic ratings agency.

GLOBAL BALANCED PORTFOLIO MANAGEMENT

In order to meet clients' requirements, particularly those of institutional investors, Groupama AM has developed a great deal of expertise in building diversified portfolios. An understanding of markets and trends determines the most appropriate positioning at a given moment. This tactical positioning is the result of conclusions reached by the monthly Management Committee meetings, attended by the asset managers and research teams. It is also supported by the expertise of allocation managers and specialized managers, to whom the asset management of the fixed income and equities allocations is assigned.

FLAGSHIP FUNDS

Groupama/Gan profiled universes: Groupama AM offers euro and international profiled funds for measured exposure to the markets. Diversified portfolio management is truly flexible and active, using margins of manoeuvre that are defined by our institutional clients.

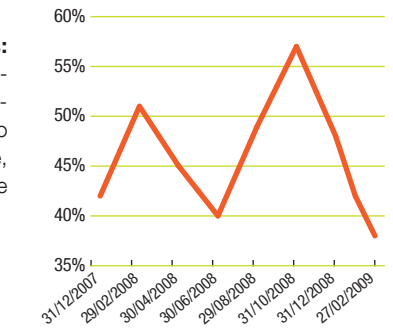
€6.4 billion

ASSETS UNDER MANAGEMENT
AS OF DECEMBER 31, 2008

€-0.2 billion

INFLOWS IN 2008

DYNAMIC ALLOCATION
Movements in the equity exposure
of a typical diversified portfolio



AWARDS

- Lipper Fund Awards France 2009 Award: for the Groupama Bilanciato fund, category Mixed Asset EUR Balanced – Eurozone, over three years.
- Le Revenu 2008: Gold medal for the diversified funds universe over three years ("Insurance Companies" category).

FUNDS OF HEDGE FUNDS

The funds of hedge funds team includes members with different complementary experience (operations, mathematics, direct alternative management or alternative funds of funds). It is multicultural (six foreign languages spoken). These complementary qualities result in proactive and ongoing communication. The knowledge of the alternative universe is strengthened by frequent business trips abroad involving site visits; something that is essential to analysis of funds.

The policy of investment that focuses on the long term has also enabled excellent and lasting relationships to be built up and maintained with the selected asset managers.

FLAGSHIP FUND

Groupama Alternatif Futures:

Groupama Alternatif Futures is an alternative monostrategy fund of funds that trades on the futures markets. Groupama Alternatif Futures invests in systematic managers who have developed applications and mathematical models enabling them to detect trends and generate buy, sell or withdraw signals. The multimangers' approach enables diversification of risks to be optimised by means of allocation between different sub-strategies –from shortterm (detection of trends over several hours!) to long term (trends over several months)– and allocation between different asset classes: currency, commodities, equities and fixed income.

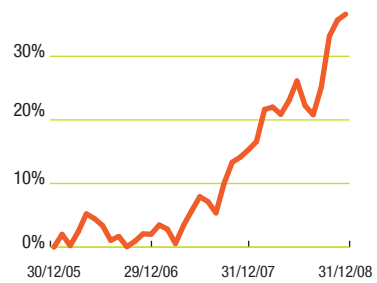
€0.6 billion

ASSETS UNDER MANAGEMENT
AS OF DECEMBER 31, 2008

€-0.6 billion

INFLOWS IN 2008

INCREASE OF OVER 30% IN 3 YEARS
Groupama Alternative Futures Performance



In January 2008, Groupama Alternative AM, founded in 2001, became Groupama Fund Pickers (GFP). Subsidiary of Groupama AM, GFP combines the fund of hedge fund and the long-only funds of funds capabilities.

DIRECTIONAL MULTIMANAGEMENT

The multimangement team, being open and far-reaching, focuses on searching for the best asset managers in order to achieve a real potential for outperformance of its portfolios. The directional multimangement offer provides access, across the entire range of asset classes, to several sources of added value: selection of open architecture managers, portfolio building and day-to-day tactical management. The offer is managed in a context of rigorous risk control.

FLAGSHIP FUNDS

Groupama FP Actions Émergentes: Groupama FP Actions Émergentes is invested 80%-100% in OPCVM (French mutual funds), primarily in equities from emerging markets (Europe, Asia, the Middle East, Latin America and Africa).

Groupama FP Dette Émergente: Groupama FP Dette Émergente is invested 80%-100% in French and European OPCVM, primarily in bonds issued by issuers from emerging markets. The objective of the FCP (unit trust) is to offer a performance that is superior to that of its index, the JPM EMBI Global spread in euros, by building a portfolio of funds investing in this asset class.

€0.2 billion

ASSETS UNDER MANAGEMENT
AS OF DECEMBER 31, 2008

€0.2 billion

INFLOWS IN 2008

5 funds

CREATED IN 2008

Groupama FP Dette Émergente
Groupama FP Actions Émergentes
Groupama FP Actions Amérique du Nord
Groupama FP Allocation CT
Groupama FP Alpha Allocation

FINANCIAL REPORT 2008

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groupama

FINANCIAL OVERVIEW FOR 2008

2008 was marked by an amplification of the financial crisis that began in 2007. The very unfavourable market effect in 2008 had a negative impact on assets under management, which fell from €87.9 billion at the end of 2007 to €81.3 billion at the end of 2008. This drop was limited, however, due to positive net inflows of more than €5 billion. While Groupama AM was not left untouched by the financial crisis, the company weathered the storm in 2008 as well as possible. The strategic choices made by the asset management and research teams led Groupama AM to steer clear of complex structured products, investments linked to the American property market (subprime mortgages) and funds managed by Madoff. Thus, for Groupama AM and Groupama Fund Pickers combined, net earnings amounted to €112 million in 2008 compared to €129.6 million in 2007 (-14%). Apart from the drop in assets under management, this decline can also be explained by a change in the product mix, with a reduction in equities and funds of hedge funds and an increase in monetary instruments.

Expenses for 2008 amounted to €86.8 million compared to €80.1 million in 2007 (+8%). This increase is the result of investments carried out to guarantee the development of the company (reinforcement of the teams, new office premises, IT tools, etc.). Net income for 2008 amounted to €15.3 million, down by 49% compared to 2007 (€30.2 million). The financial elements presented in the following pages are based on the financial statements of Groupama AM presented as a chart of accounts; note that an item for distribution fees has been integrated into expenses. The pattern of change is similar at the level of the company financial statements for Groupama AM, with operating income of €135.3 million compared to €150 million for the previous year and operating expenses of €113.2 million compared to €110.8 million in 2007. Net income for 2008 amounted to €19.2 million, a figure which takes into account a dividend of €5.8 million paid by the subsidiary Groupama Fund Pickers.

BALANCE SHEET at December 31, 2008

ASSETS

in euros	Financial year 2008			Financial year 2007
	Gross	Provisions and amortisations	Net	
Fixed assets				
Intangible fixed assets	62,400,940.81	3,040,099.65	59,360,841.16	58,108,384.14
Tangible fixed assets	12,498,937.08	5,292,999.93	7,205,937.15	2,384,340.98
Financial assets	4,450,041.19		4,450,041.19	3,529,397.39
Total fixed assets	79,349,919.08	8,333,099.58	71,016,819.50	64,022,122.51
Current assets				
Accounts receivable	32,964,128.82		32,964,128.82	48,307,447.63
Others	3,770,875.32		3,770,875.32	978,105.04
Short-term investments	3,949,657.73	384,538.37	3,565,119.36	13,661,970.37
Liquid assets	26,675,684.04		26,675,684.04	22,842,794.41
Total current assets	67,360,345.91	384,538.37	66,975,807.54	85,790,317.45
Prepaid expenses	2,081,086.75		2,081,086.75	1,668,044.89
OVERALL TOTAL	148,791,351.74	8,717,637.95	140,073,713.79	151,480,484.85

LIABILITIES

in euros	Financial year 2008	Financial year 2007
Shareholders' equity		
Capital	1,878,910.00	1,878,910.00
Share premium account	63,330,914.68	63,330,914.68
Legal reserve	187,891.00	187,891.00
Retained earnings	16,786,271.31	16,782,226.54
Income for the financial year	19,186,768.65	28,308,914.77
Total shareholders' equity	101,370,755.64	110,488,856.99
Debts		
Debts with credit institutions	58,773.45	0.00
Suppliers and related accounts	228,477.62	1,880,930.83
Fiscal and corporate debts	17,480,027.16	16,832,102.36
Debts on fixed assets	55,606.04	1,008,637.23
Other debts	20,880,073.88	21,269,957.44
Total debts	38,702,958.15	40,991,627.86
OVERALL TOTAL	140,073,713.79	151,480,484.85

PROFIT & LOSS ACCOUNT 2008

in euros	Financial year 2008	Financial year 2007
Operating income		
Provision of services	133,702,356.08	148,954,625.95
Other income	1,629,758.48	1,062,020.80
Total operating income	135,332,114.56	150,016,646.75
Operating expenses		
Purchasing and provision of services	514,367.70	529,836.39
Other external charges	72,478,307.78	77,862,207.58
Duties and taxes	3,487,024.15	3,538,278.77
Employee-related expenses	34,246,500.85	27,359,847.25
Other external charges	43,847.14	19,238.76
Amortization allowance and appropriation to the reserves	2,477,672.65	1,571,761.47
Total operating expenses	113,247,720.27	110,881,170.22
Operating result	22,084,394.29	39,135,476.53
Financial income	6,633,055.04	5,347,744.10
Financial expenses	410,464.23	13,873.56
Financial result	6,222,590.81	5,333,870.54
Exceptional income	23,619.77	18,373.15
Exceptional expenditure	463,968.83	234,228.19
Exceptional result	- 440,349.06	- 215,855.04
Income tax	7,018,089.75	13,434,850.61
Profit-sharing scheme	1,661,777.64	2,509,726.65
NET INCOME	19,186,768.65	28,308,914.77

COMPANY FINANCIAL RESULTS for the last five financial years

NATURE OF THE FIGURES

	2008	2007	2006	2005	2004
I – Financial position at the end of the financial year					
a) Registered capital (in euros)	1,878,910	1,878,910	1,878,910	1,878,910	1,878,910
b) Number of shares in issue	12,122	12,122	12,122	12,122	12,122
c) Number of bonds convertible into shares	0	0	0	0	0
II – Overall result from effective operations (in euros)					
a) Turnover before tax	133,702,356	148,954,626	129,871,361	113,112,648	67,453,519
b) Income before tax, amortisation and provisions	29,067,183	43,315,240	41,594,395	34,457,490	17,780,421
c) Income tax	7,018,090	13,434,851	13,580,909	11,975,232	3,782,300
d) Income after tax, amortisation and provisions	19,186,769	28,308,915	28,869,690	21,582,278	12,928,503
e) Amount of distributed income	17,031,410*	28,304,870	28,862,482	21,577,160	12,922,052
III – Result of operations reduced to a single share (in euros)					
a) Earnings, after tax but before amortisation and provisions	1,818.93	2,464.97	2,310.96	1,854.67	1,154.77
b) Earnings, after tax, amortisation and provisions	1,582.81	2,335.33	2,381.59	1,780.42	1,066.53
c) Dividend per share	1,405.00*	2,335.00	2,381.00	1,780.00	1,066.00
IV – Employees					
a) Number of employees	269	226	199	189	183
b) Payroll amount (in euros)	21,142,725	16,455,930	14,270,940	13,044,752	12,120,576
c) Sums paid in respect of fringe benefits (social security, company benefit scheme, etc.) (in euros)	11,254,600	9,382,182	7,616,158	7,259,905	6,656,648

* Subject to approval at the May 26, 2009 Annual General Meeting.

APPENDIX FOR THE FINANCIAL YEAR 2008

Appendix to the balance sheet before distribution for the financial year ended December 31, 2008, the total of which is €140,073,713.79 and to the profit and loss account for the financial year, which shows a profit of €19,186,768.65.

The financial year lasts for a period of twelve months, covering the period from January 1 to December 31, 2008.

The notes and tables presented below form an integral part of the annual financial statements, closed by the Board of Directors.

ACCOUNTING REGULATIONS AND METHODS

General principles

The annual financial statements for the financial year ended December 31, 2008 have been drawn up and presented in accordance with the accounting regulations in respect of the prudence concept and in accordance with the following basic assumptions:

- continuity of operation;
- permanence of accounting methods from one financial year to the next;
- independence of financial years.

The methods of evaluation and presentation used for this financial year have not been modified in relation to the previous financial year.

Accounting methods

The basic method used for the evaluation of the elements recorded in the accounts is the historical cost method.

The principal methods used are as follows:

- **intangible fixed assets:** software is recorded at its acquisition cost and amortised over twelve months or over three years using a straight-line method, according to the type of asset concerned. Business assets and merger deficits are recorded according to the contribution or merger agreements;

- **tangible fixed assets:** these appear on the balance sheet at their acquisition cost and depreciate according to the nature of the asset concerned. They depreciate over ten years using a straight-line method for fittings, over three years using a straight-line method for office equipment, over three years on a sliding scale and five years using a straight-line method for IT equipment and over ten years for office furniture;

- **financial assets:** these are accounted for at their acquisition cost or at the value of the original expenditure. When the market value of securities recorded as balance sheet assets is lower than the acquisition value, a provision for depreciation is made for each security to the level of the incurred risk;

- **accounts receivable:** these are recorded as balance sheet assets at their nominal value;

- **debts:** these are recorded as balance sheet liabilities at their nominal value;

- **short-term investments:** these are accounted for at their historical cost. A provision for depreciation is made when the market value is lower than the value recorded on the balance sheet.

- **short-term investments:** these are accounted for at their historical cost. A provision for depreciation is made when the market value is lower than the value recorded on the balance sheet.

Registered capital
Registered capital is composed of 12,122 shares of €155 per share. It is fully paid up.

STATUS OF PROVISIONS

in euros	At the beginning of the financial year	Provision Write-back	At the end of the financial year
Provision for depreciation of securities	930.43	383,607.94	384,538.37
Total	930.43	383,607.94	384,538.37

The recording of a provision for depreciation is due to the impact of the financial markets.

INTANGIBLE FIXED ASSETS

Gross value in euros	At the beginning of the financial year	Acquisitions during the financial year	Disposals during the financial year	At the end of the financial year
Software	2,709,605.29	2,126,911.02		4,836,516.31
Business assets	52,443,308.35			52,443,308.35
Merger deficit	5,121,116.15			5,121,116.15
Total	60,274,029.79	2,126,911.02	0.00	62,400,940.81

Purchase of additional IT tools resulted in an increase in the software item.

TANGIBLE FIXED ASSETS

Gross value in euros	At the beginning of the financial year	Acquisitions during the financial year	Disposals during the financial year	At the end of the financial year
Fittings	601,191.46	4,080,823.60		4,682,015.06
Office equipment	335,872.77	3,230.40		339,103.17
IT equipment	4,642,909.42	1,975,378.50		6,618,287.92
Office furniture	494,148.61	365,382.32		859,530.93
Total	6,074,122.26	6,424,814.82	0.00	12,498,937.08

The increase in the various items constituting tangible fixed assets can be explained by the investments made in the context of the move of the registered office of the company.

FINANCIAL FIXED ASSETS

Category of security in euros	At the beginning of the financial year	Acquisitions during the financial year	Transfer Accounted for as a secondary offering	Disposals during the financial year	At the end of the financial year
Equity investments	2,406,537.20	870,362.00			3,276,899.20
Long-term investments	300.79	100.00	300.79		100.00
Other financial fixed assets	1,122,559.40	95,264.49		44,781.90	1,173,041.99
Total	3,529,397.39	965,726.49	300.79	44,781.90	4,450,041.19

At the beginning of the financial year, Groupama AM acquired 40% of the capital of Groupama Italia SGR S.p.A., for a holding of 100%.

BUSINESS ASSETS

Business assets recorded on the balance sheet amount to €52,443,308.35. This results from the contribution of the OPCVM management activity arising from GAN Asset Management, which was amalgamated and absorbed by Groupama AM in 1999.

The merger deficit of €5,121,116.15 arises from the amalgamation and absorption of Groupama Gestion by Groupama AM in 2005.

TABLE OF DUE DATES FOR ACCOUNTS RECEIVABLE AND DEBTS

STATUS OF ACCOUNTS RECEIVABLE

in euros	Gross amount	Less than one year	More than one year
Fixed assets			
Other financial fixed assets	1,173,041.99		1,173,041.99
Current assets			
Supplier accounts receivable	17,660.20	17,660.20	
Trade accounts receivable	7,688,681.90	7,688,681.90	
Other accounts receivable	29,028,662.04	29,028,662.04	
Prepaid expenses	2,081,086.75	2,081,086.75	
OVERALL TOTAL	39,989,132.88	38,816,090.89	1,173,041.99

STATUS OF DEBTS

in euros	Gross amount	Less than one year	More than one year
Debts with credit institutions	58,773.45	58,773.45	
Suppliers and related accounts	228,477.62	228,477.62	
Fiscal and corporate debts	17,480,027.16	17,480,027.16	
Other debts	20,880,073.88	20,880,073.88	
Debts on fixed assets	55,606.04	55,606.04	
OVERALL TOTAL	38,702,958.15	38,702,958.15	

COMMITMENTS WITH REGARD TO PENSIONS, RETIREMENT AND SIMILAR PAYMENTS

An insurance contract has been signed with Groupama Paris Val de Loire with respect to retirement payouts.

IDENTITY OF THE PARENT COMPANY

Groupama SA.

FOREIGN BRANCHES

– **Italy:** the activity of the Italian branch ceased on December 1, 2008. It showed a negative result for the period of €642,018.80.

– **Spain:** during 2008, Groupama AM decided to set up a branch in Madrid with a view to developing a commercial activity and promoting OPCVM managed by Groupama AM in Spain. During this financial year, the Spanish branch showed a negative result of €150,395.62.

SUBSIDIARIES AND HOLDINGS

in euros	Capital	Shareholders' equity excluding capital and excluding income for the financial year	Share of capital held	Accounting value of securities held		Turnover from the last financial year	Income from the last financial year
				gross	net		
Majority-owned subsidiaries (more than 50% holding)							
Groupama Fund Pickers	1,200,000.00	1,199,519.17	100.00%	1,200,000.00	1,200,000.00	12,556,183.20	1,724,278.70
Groupama Italia SGR S.p.A.	1,500,000.00		100.00%	2,076,762.00	2,076,762.00		

STATUTORY AUDITOR'S REPORT ON THE ANNUAL FINANCIAL STATEMENTS for the financial year ended December 31, 2008

"This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of the English speaking users. The Statutory Auditor's report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the Auditor's assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements."

To the Shareholders,

In execution of the assignment that was entrusted to us by your General Meeting of Shareholders, we hereby present our report relating to the financial year ended December 31, 2008, on:

- the audit of the annual financial statements of Groupama Asset Management SA, as attached to this report;
- the justification of our assessments;
- specific verifications and information required by law.

These annual financial statements have been approved by the Board of Directors. Our role is to express an opinion on these annual financial statements based on our audit.

1 – OPINION ON THE ANNUAL FINANCIAL STATEMENTS

We conducted our audit in accordance with the professional standards applicable in France. These standards require that we plan and perform the audit with due diligence in order to obtain reasonable assurance that the annual financial statements are free of significant anomalies. An audit involves the verification, on a test basis or by other means of selection, of audit evidence justifying the amounts and disclosures in the annual financial statements. An audit also consists in assessment of the accounting principles followed, significant estimates made and the overall presentation of the financial statements. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion the annual financial statements give a true and fair view of the results of the company's operations for the financial year just ended as well as of its financial position and its assets at the end of the financial year, in accordance with the accounting rules and principles applicable in France.

2 – JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the provisions of article L. 823-9 of the French Commercial Code relating to the justification of our assessments, we hereby inform you that the assessments that we have carried out concern the appropriateness of the accounting principles applied as well as the reasonableness of the significant estimates made.

The assessments were thus carried out in the context of our audit of the annual financial statements, taken as a whole, and therefore contributed to the formation of the opinion expressed in the first part of this report.

3 – SPECIFIC VERIFICATIONS AND INFORMATION

We have also performed the specific verifications required by law.

We have no matters to report regarding the fair presentation and conformity with the annual financial statements of the information given in the management report of the Board of Directors and in the documents addressed to the shareholders with respect to the financial position and the annual financial statements.

Neuilly-sur-Seine, March 16, 2009

The Statutory Auditor
PricewaterhouseCoopers Audit

Marie-Christine Jetil

STATUTORY AUDITOR'S SPECIAL REPORT ON THE REGULATED AGREEMENTS for the financial year ended December 31, 2008

"This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of the English speaking users. The Statutory Auditor's report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the Auditor's assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements."

To the Shareholders,

In our capacity as Statutory Auditor of your company, we hereby present our report on the regulated agreements.

Our responsibility does not include investigation of the existence of such agreements. We are required to inform you, on the basis of information that we have been given, of the main features and terms and conditions of the agreements that have been disclosed to us, without commenting on their relevance or substance. Under the provisions of article R. 225-31 of the French Commercial Code, it is the responsibility of shareholders to determine whether the agreements are appropriately concluded in view of their approval.

AGREEMENTS CONCLUDED DURING THE FINANCIAL YEAR

We hereby inform you that we have not been informed of any agreement concluded during the course of the financial year and governed by article L. 225-38 of the French Commercial Code.

AGREEMENTS APPROVED DURING PREVIOUS FINANCIAL YEARS WHICH REMAINED IN FORCE DURING THE FINANCIAL YEAR JUST ENDED

Furthermore, in accordance with the French Commercial Code, we have been informed that the following agreement, approved during a previous financial year, remained in force during the financial year just ended: contract for examination, advisory services and monitoring

relating to investment portfolios concluded with Flinama Private Equity dated April 10, 2000. This agreement was authorised by the Supervisory Committee on March 24, 2000.

Under the terms of this agreement, the company made a payment of €107,617.86 inclusive of tax.

We performed the procedures in relation to this assignment in accordance with the professional standards applicable in France. These standards require that we carry out the assignment with due diligence in order to verify that the information given to us is consistent with the underlying documents from which it arises.

Neuilly-sur-Seine, March 16, 2009

The Statutory Auditor
PricewaterhouseCoopers Audit

Marie-Christine Jetil

DRAFT RESOLUTIONS**to be submitted for approval at the Annual General Meeting of Shareholders on May 26, 2009****IN REGULAR FORMAT****First resolution**

The General Meeting, having reviewed the management report of the Board of Directors and the general report of the Statutory Auditors for the financial year ended December 31, 2008, approves as they were presented the financial statements for this period that showed a profit of €19,186,768.65. The General Meeting also approves the operations reflected by the financial statements or summarised in the reports. The General Meeting consequently grants full discharge to the members of the Board of Directors and to the Statutory Auditors with regard to the execution of their mandate for the financial year just ended.

Second resolution

Having reviewed the special report of the Statutory Auditors on the agreements relating to articles L. 225-38 of the French Commercial Code and those following it, the General Meeting approves the terms of these agreements.

Third resolution

The General Meeting, on the recommendation of the Board of Directors, decides to **allocate distributable income of:** €35,973,039.96 composed of **income for the financial year of:** €19,186,768.65 increased by previous year's **retained earnings** credit of: €16,786,271.31 as follows:

- **distribution of dividends** to shareholders: €17,031,410.00
- the total balance of retained earnings thus amounting to: €18,941,629.96

The net dividend per share amounts to €1,405.00 for each of the 12,122 shares comprising the registered capital of the company, it being understood that: we propose that the dividend be **paid on May 29, 2009.**

The General Meeting takes formal note that, with respect to the last three financial years, the following dividends were distributed:

in euros			
Financial year	Dividend	Dividend tax credit for shareholders outside consolidation group	Dividend tax credit for shareholders within consolidation group
2005	€1,780	NA	NA
2006	€2,381	NA	NA
2007	€2,335	NA	NA

NA: non applicable.

Fourth resolution

The General Meeting confirms its awareness of the aggregated financial statements of Groupama Asset Management and Groupama Fund Pickers that showed a profit of €15.3 million as well as the operations reflected in these financial statements as they are presented.

Fifth resolution

The General Meeting ratifies the appointment by cooption of Mrs Annie Bocquet as a director, which was decided at the meeting of the Board of Directors held on November 26, 2008. Her mandate, like that of her predecessor, will expire at the end of the General Meeting to be held in 2011 to rule on the financial statements for the financial year ending December 31, 2010.

Sixth resolution

The General Meeting hereby grants any and all powers to a bearer of this document, or of a copy or an extract of this document, for the purpose of carrying out any formalities relating to filings or declarations or any other formalities that it may include.

This document has been translated and adapted from the French annual report.

The annual report in French is available on request from the company and can also be downloaded from the Groupama Asset Management web site <http://www.groupama-am.com>

Only the French language version is binding.

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May 2009

Design and production:  EURO RSCG C&O

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