

# Financial Analysts Meeting

29 July 2010

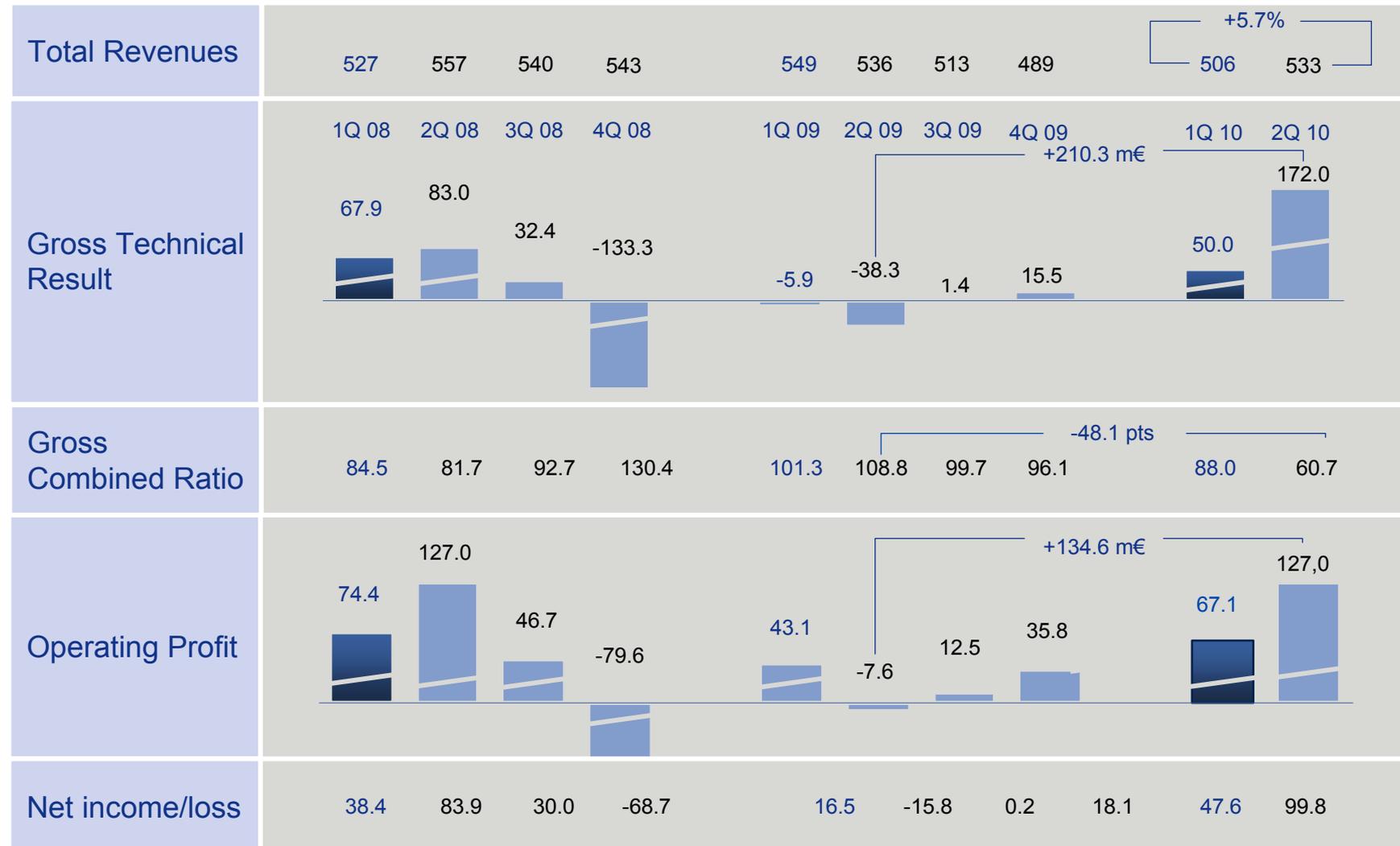


EH Group  
Q2 2010

# Results overview

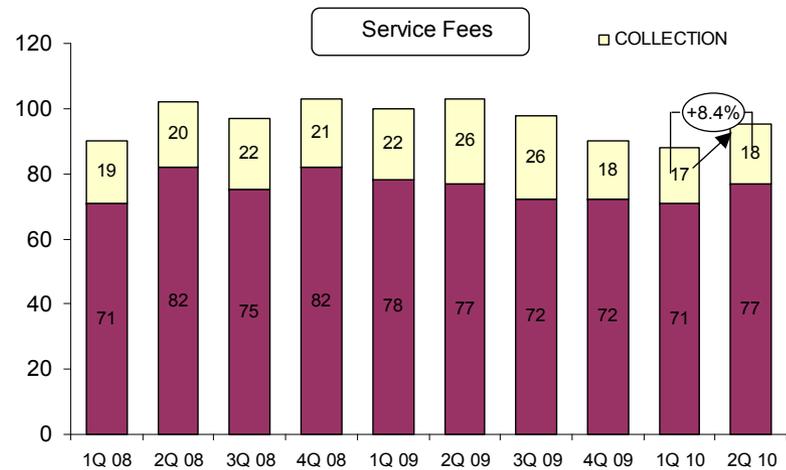
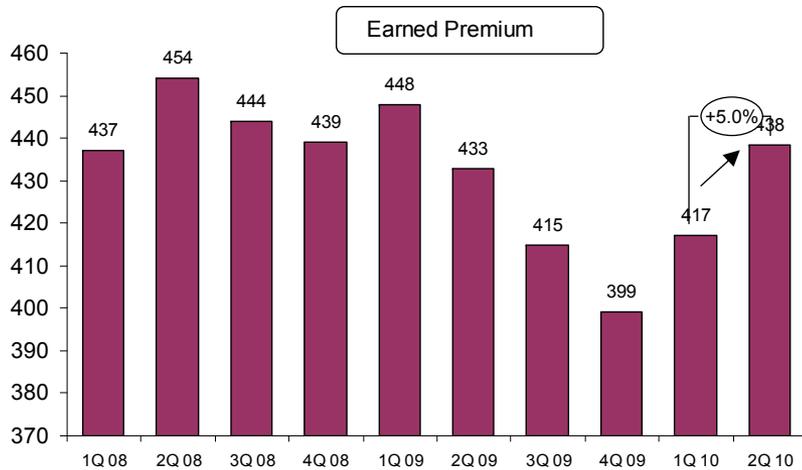
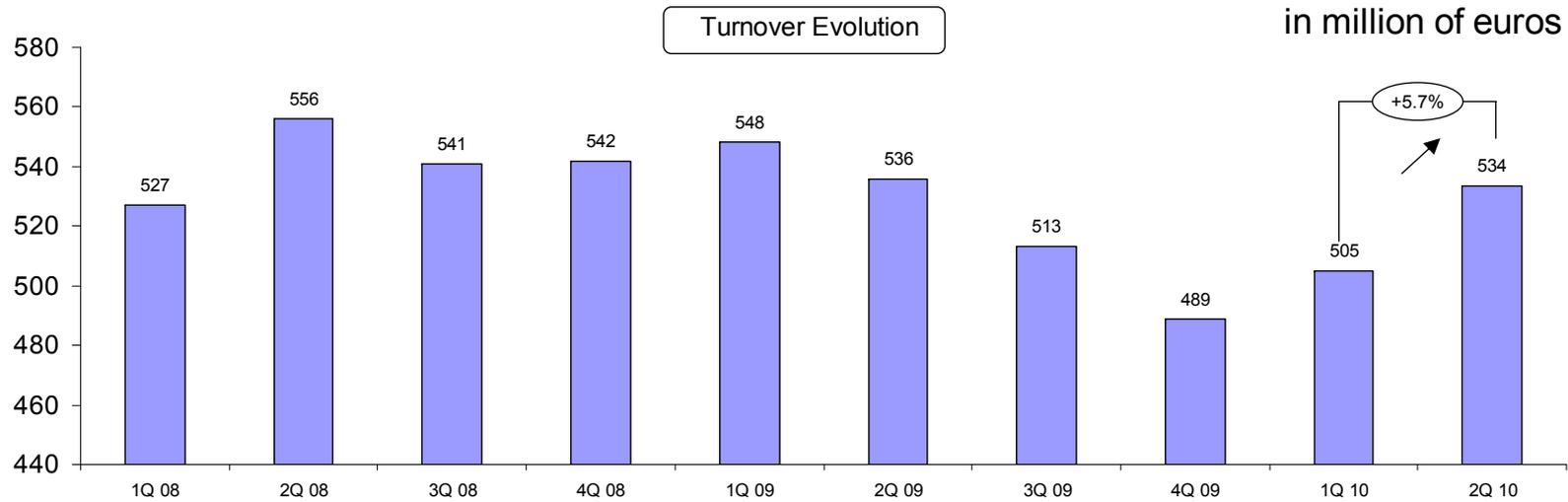
(in M€)

## Quarterly results



# Revenues up by 5.7% versus Q1 2010

(in M€)



All historical figures as published.

# Gross Earned Premium *(in M€)*

Gross Earned Premium	2Q 09	1Q 10	2Q 10	ΔQ1/Q2
France	77.8	75.2	81.5	+8.4%
Germany/Austria/Switzerland	151.7	141.1	152.2	+7.9%
Northern Europe	96.4	95.6	101.7	+6.4%
Mediterranean Countries	50.0	48.6	37.4	-23.0%
Americas	43.3	39.7	44.9	+13.1% <sup>(1)</sup>
Asia Pacific	10.5	10.6	10.8	+1.9%
Captive & Others	12.9	9.6	14.9	+55.2%
Inter Region Eliminations	-9.3	-3.0	-5.4	NA
<b>Total</b>	<b>433.1</b>	<b>417.4</b>	<b>438.0</b>	<b>+5.0%</b>

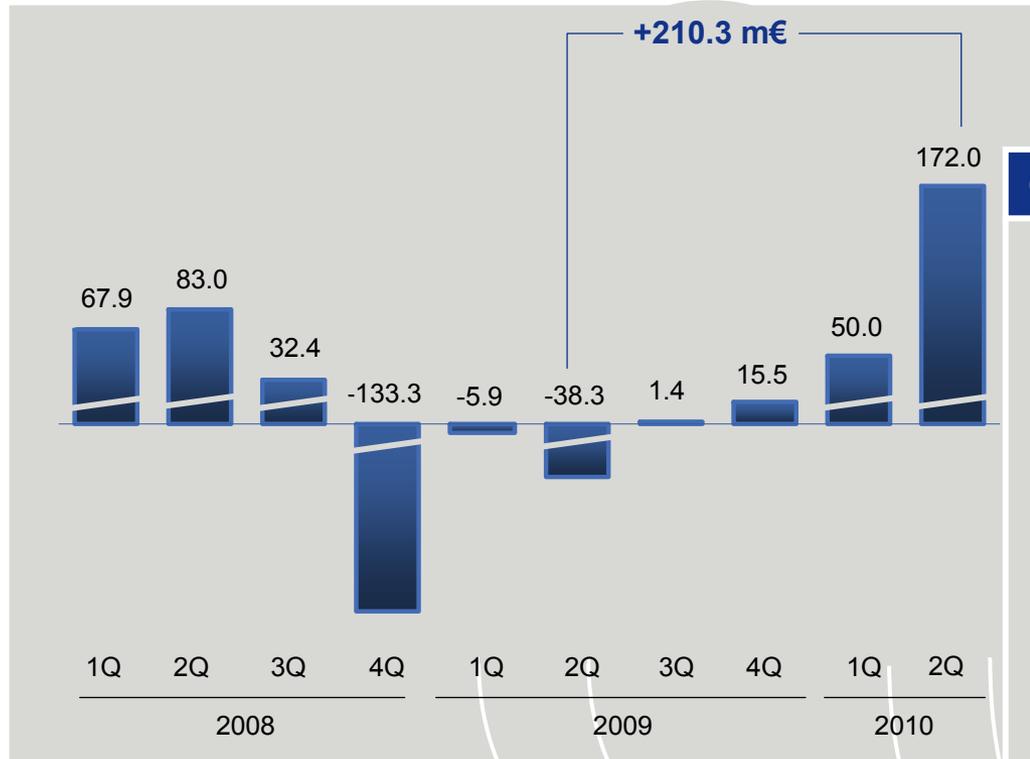


(1) of which 9% from FX impact

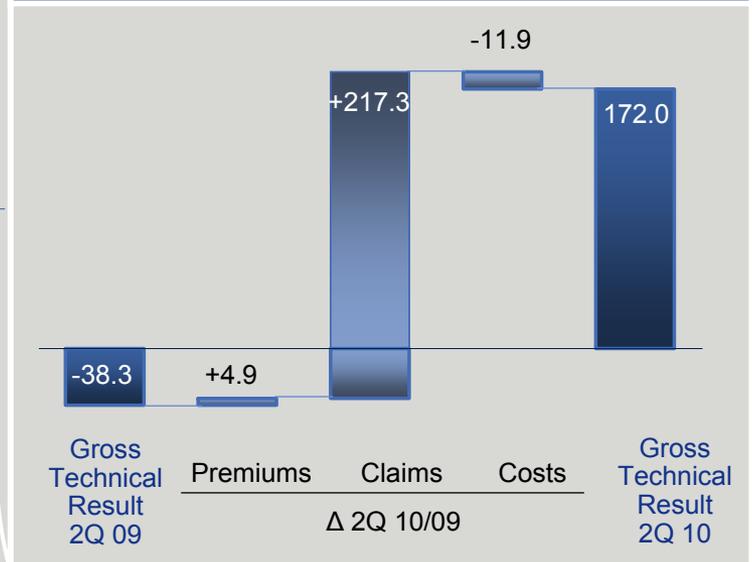
# Gross Technical Result

(in M€)

## Gross technical result (HB3)



## Gross technical result drivers

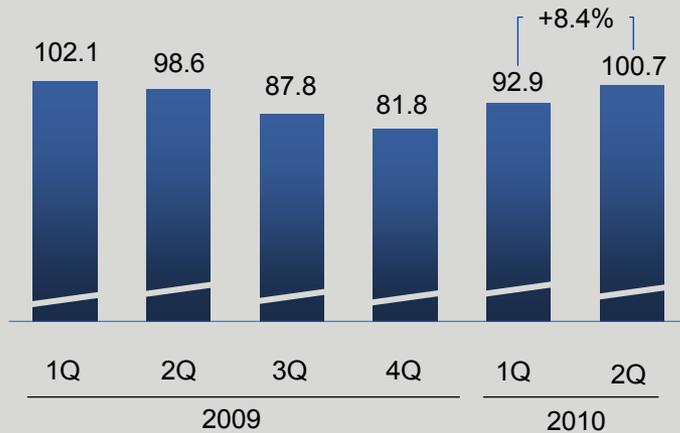


# Gross combined ratio down to 60.7% in Q2 2010

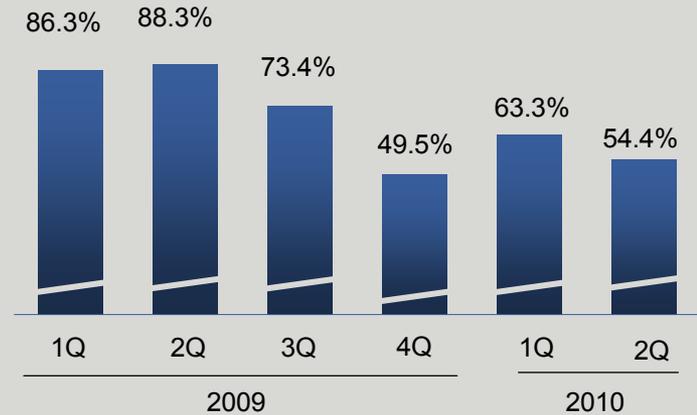


# France

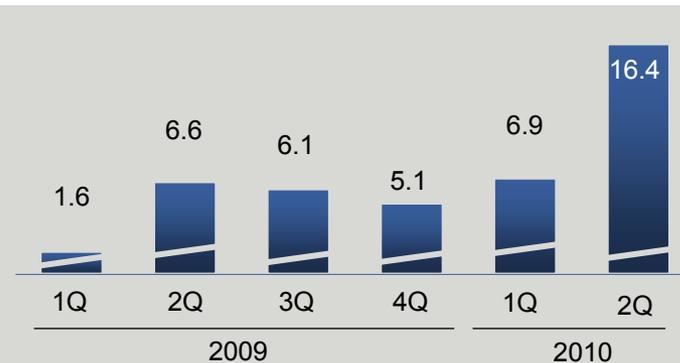
## 6-quarter turnover overview



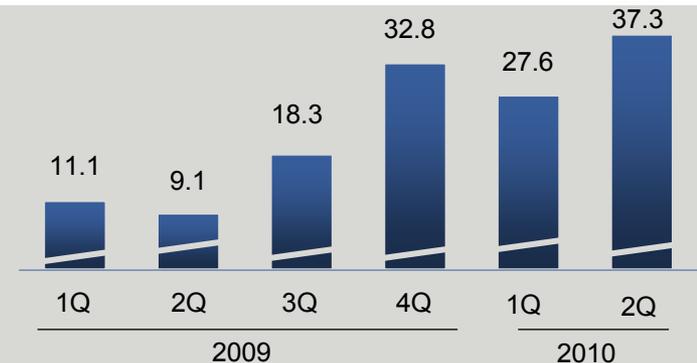
## Gross Combined Ratio



## Gross Run-off (in M€)

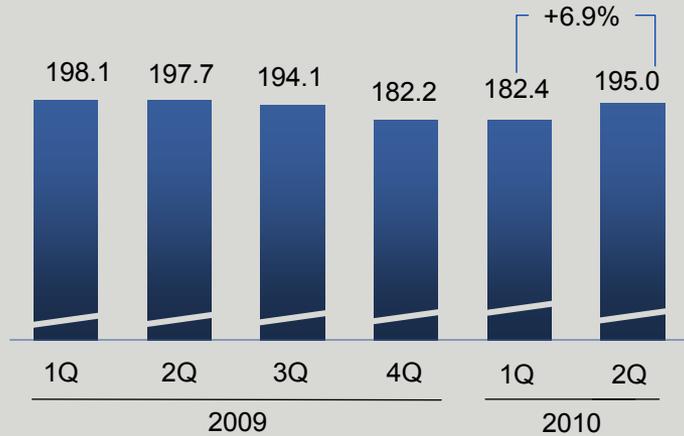


## Gross Technical Result

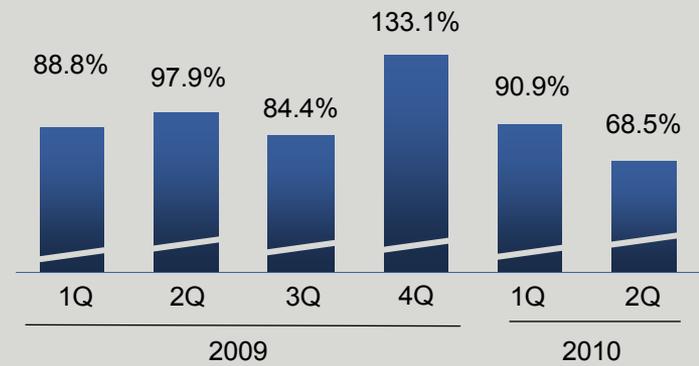


# Germany/Austria/Switzerland

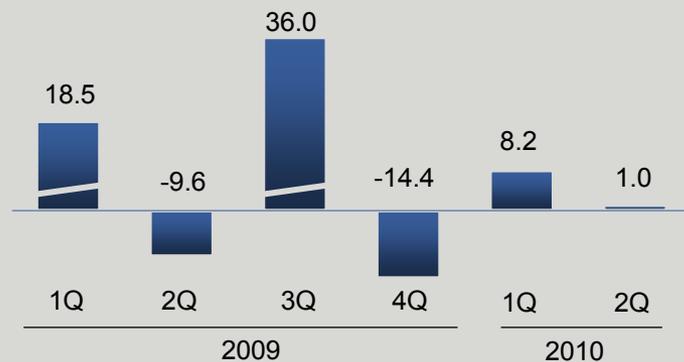
## 6-quarter turnover overview



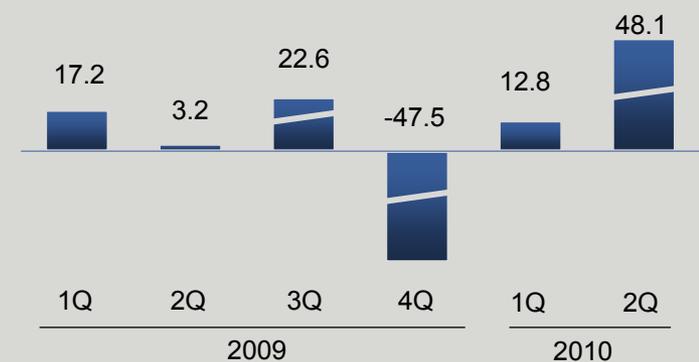
## Gross Combined Ratio



## Gross Run-off (in M€)

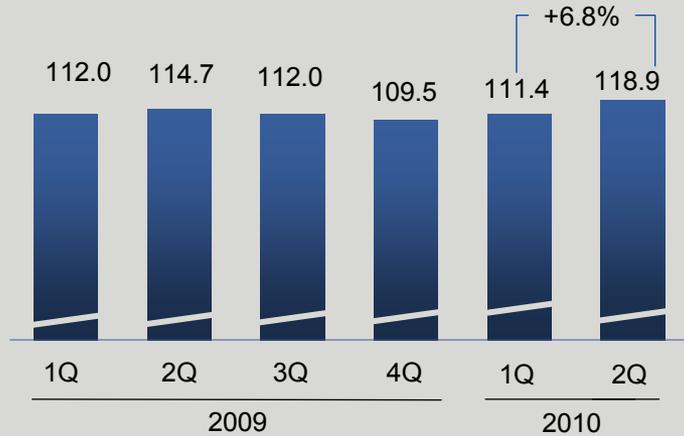


## Gross Technical Result

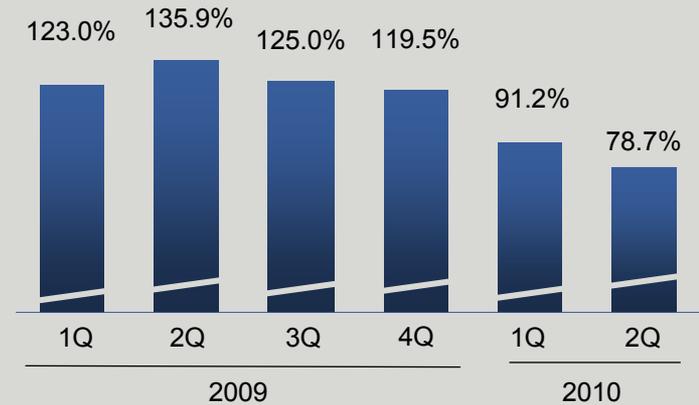


# Northern Europe

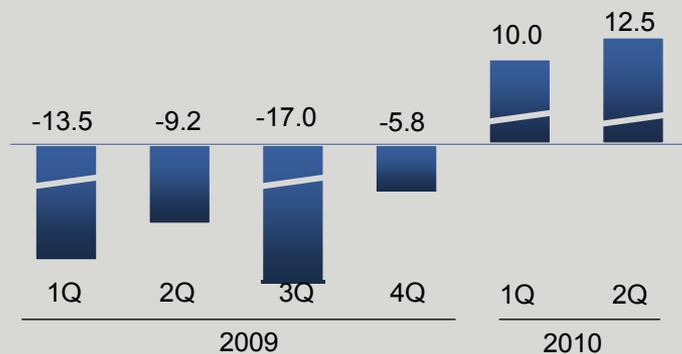
## 6-quarter turnover overview



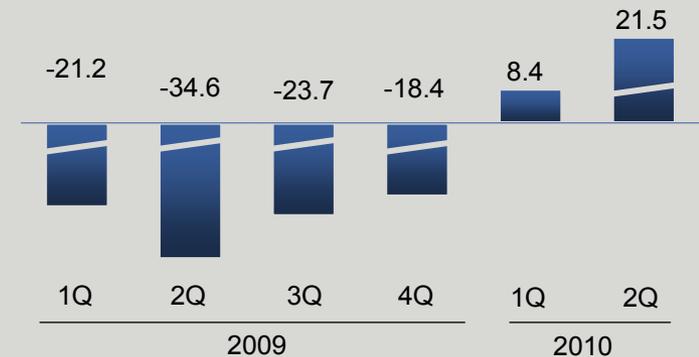
## Gross Combined Ratio



## Gross Run-off (in M€)

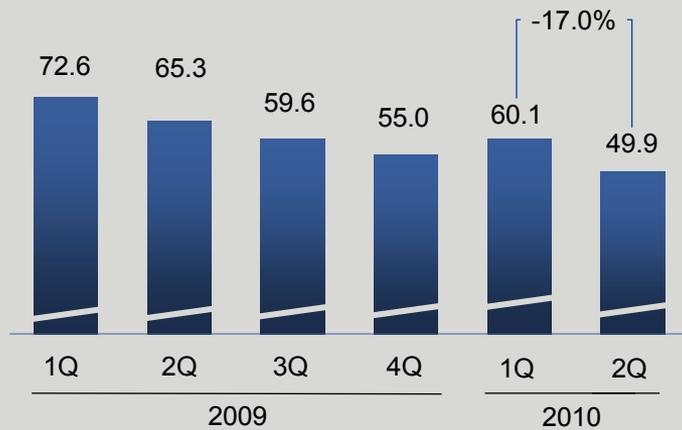


## Gross Technical Result

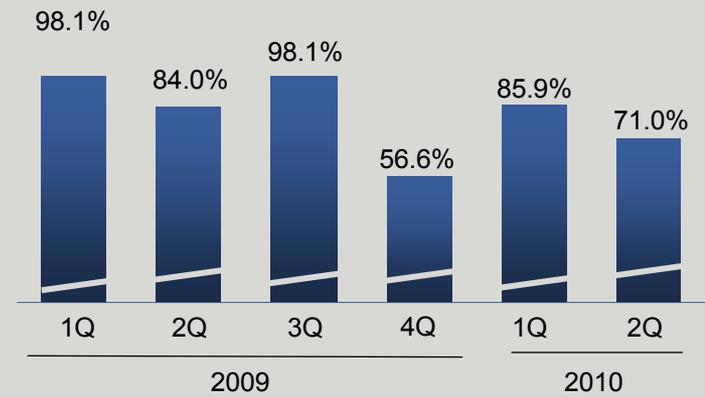


# Southern Europe

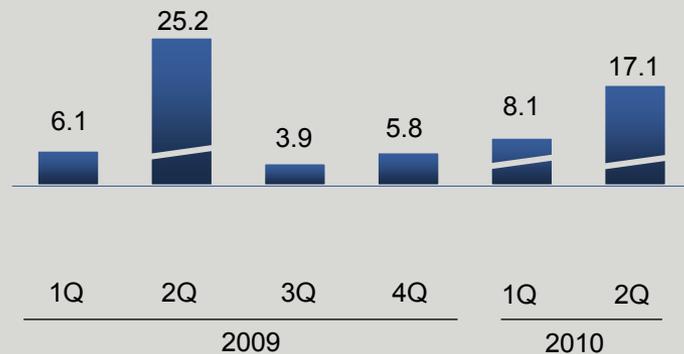
## 6-quarter turnover overview



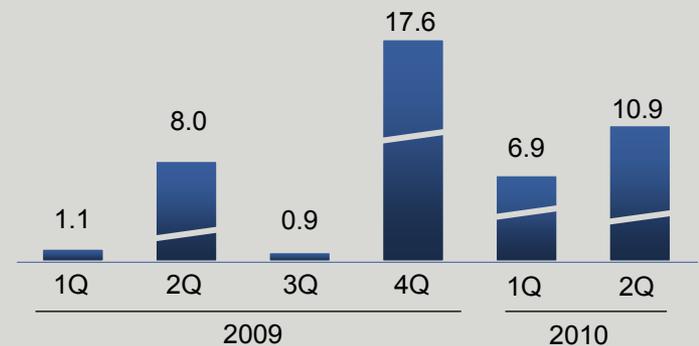
## Gross Combined Ratio



## Gross Run-off (in M€)

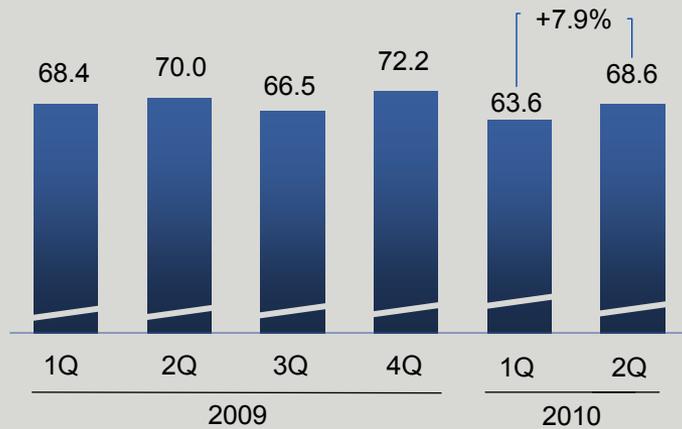


## Gross Technical Result

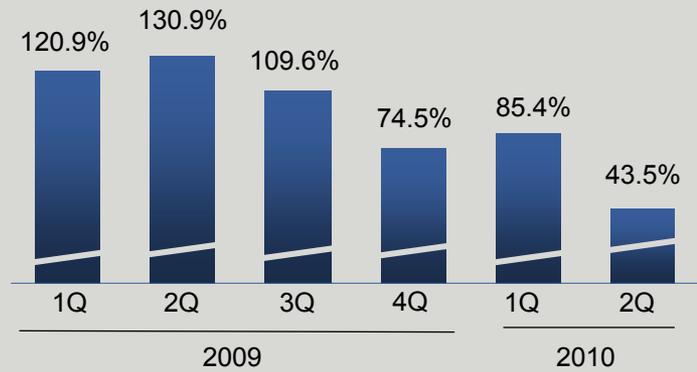


# Americas (in millions of US\$)

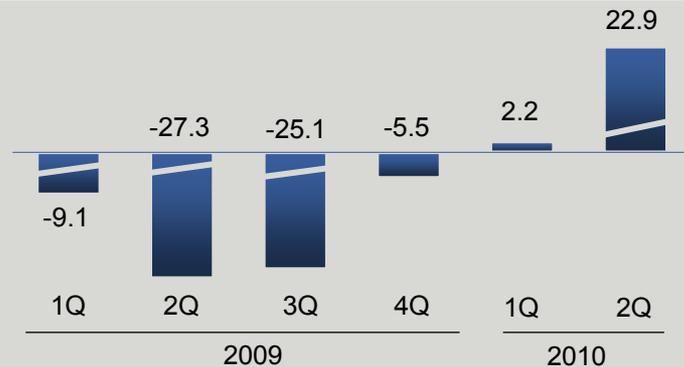
## 6-quarter turnover overview



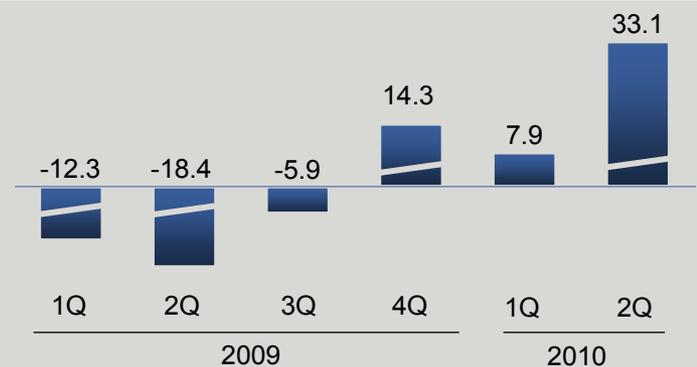
## Gross Combined Ratio



## Gross Run-off (in M\$)

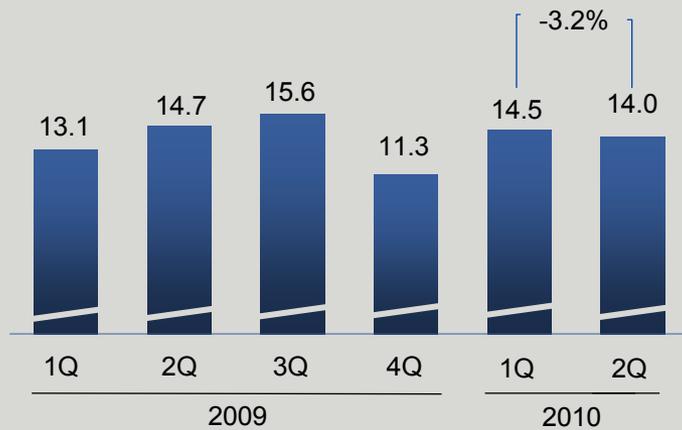


## Gross Technical Result



# Asia Pacific

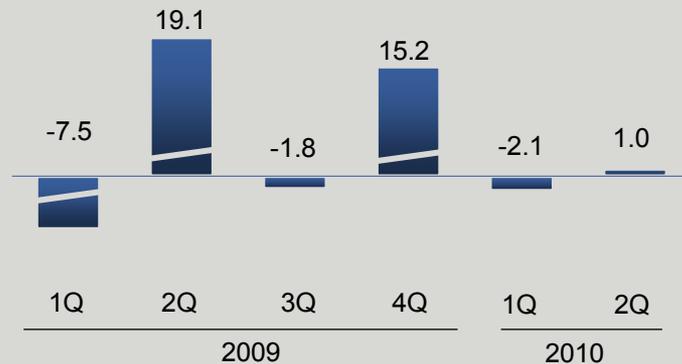
## 6-quarter turnover overview



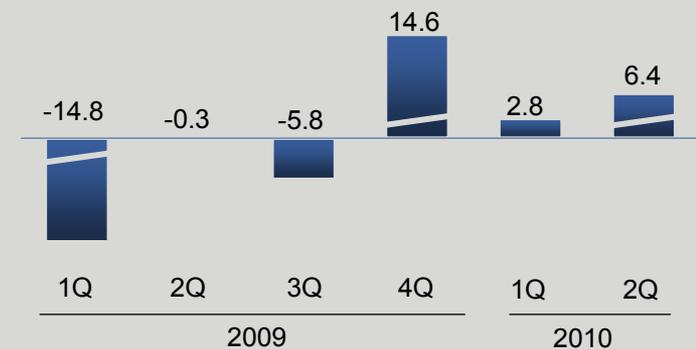
## Gross Combined Ratio



## Gross Run-off (in M€)

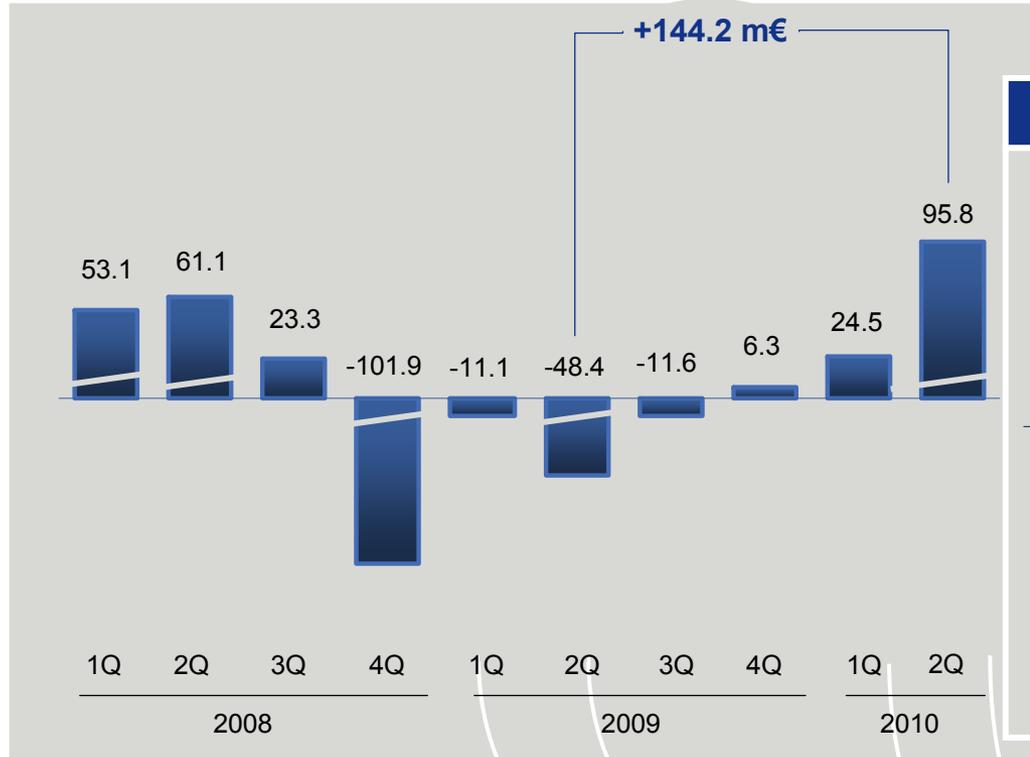


## Gross Technical Result

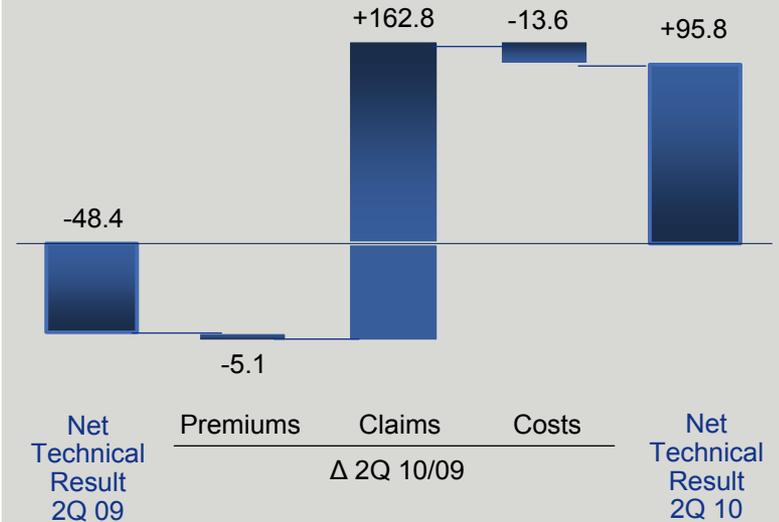


# Net Technical Result recovery mainly linked to claims decrease (in M€)

## Net technical result (HB3)



## Net technical result drivers



## Q2 2010 Net Financial income evolution

In thousand of euros	Actual Q2 2010	Actual Q2 2009	Variation in amount	Variation in %
Income from investment property	128	2 254	-2 126	-94%
Income from securities	20 799	19 865	934	5%
<i>Income from securities-Bonds</i>	19 109	18 307	803	4%
<i>Income from securities-equities</i>	1 690	1 558	132	8%
Other financial income	2 961	3 994	-1 033	-26%
<i>Income from other financial investments</i>	2 090	1 013	1 076	106%
<i>Other financial income</i>	871	2 981	-2 109	-71%
<b>Investments income</b>	<b>23 888</b>	<b>26 113</b>	<b>-2 225</b>	<b>-9%</b>
<b>Investment expenses</b>	<b>-2 508</b>	<b>-1 932</b>	<b>-576</b>	<b>-30%</b>
<b>Net Foreign Exchange result</b>	<b>5 669</b>	<b>-5 506</b>	<b>11 175</b>	<b>203%</b>
<b>Net gains and losses on sales of investments less impairment and amortisation</b>	<b>4 224</b>	<b>22 038</b>	<b>-17 815</b>	<b>-81%</b>
<b>Net financial income (excluding financing expense)</b>	<b>31 272</b>	<b>40 714</b>	<b>-9 441</b>	<b>-23%</b>
<b>Financing expenses</b>	<b>-3 355</b>	<b>-2 765</b>	<b>-590</b>	<b>-21%</b>
<b>Financial Result</b>	<b>27 918</b>	<b>37 949</b>	<b>-10 031</b>	<b>-26%</b>

## Key Figures Q2 2010 – Profit & Loss (part 2)

In thousand of euros	Actual Q2 2010	Actual Q2 2009	Variation in amount
Technical result	95 762	-48 388	144 149
Financial income net of expenses	31 272	40 714	-9 441
<b>Ordinary Operating Income</b>	<b>127 034</b>	<b>-7 674</b>	<b>134 708</b>
Other non ordinary operating income and expense	0	-7 507	7 507
Financing expenses	-3 355	-2 765	-590
Equity method	5 442	-579	6 021
Corporation tax	-28 602	3 614	-32 216
Minority interest	-689	-907	218
<b>Consolidated net income</b>	<b>99 830</b>	<b>-15 819</b>	<b>115 648</b>
<b>Tax rate</b>	<b>22,2%</b>		



# EH Group Q2 2010 Commercial & Risk Overview

# Credit Insurance portfolio evolution

(in M€)

## Quarterly commercial figures

	1Q 08	2Q 08	3Q 08	4Q 08	1Q 09	2Q 09	3Q 09	4Q 09	1Q 10	2Q 10
<b>New Business</b>	70.8	54.5	53.1	55.8	90.0	64.2	52.1	48.9	84.2	60,4
<b>Lost Premiums</b>	-42.6	-37.9	-38.1	-48.3	-84.9	-66.4	-69.2	-65.9	-97.7	-54,5
<b>Rate Variation</b>	-20.7	-0.06	0.4	16.1	67.1	46.3	42.0	29.6	93.8	17,9
<b>Organic Variation</b>	7.5	16.0	22.3	23.7	72.1	44.1	24.9	12.6	80.3	23,8

# Credit Insurance portfolio evolution

(in M€)

## Quarterly commercial figures

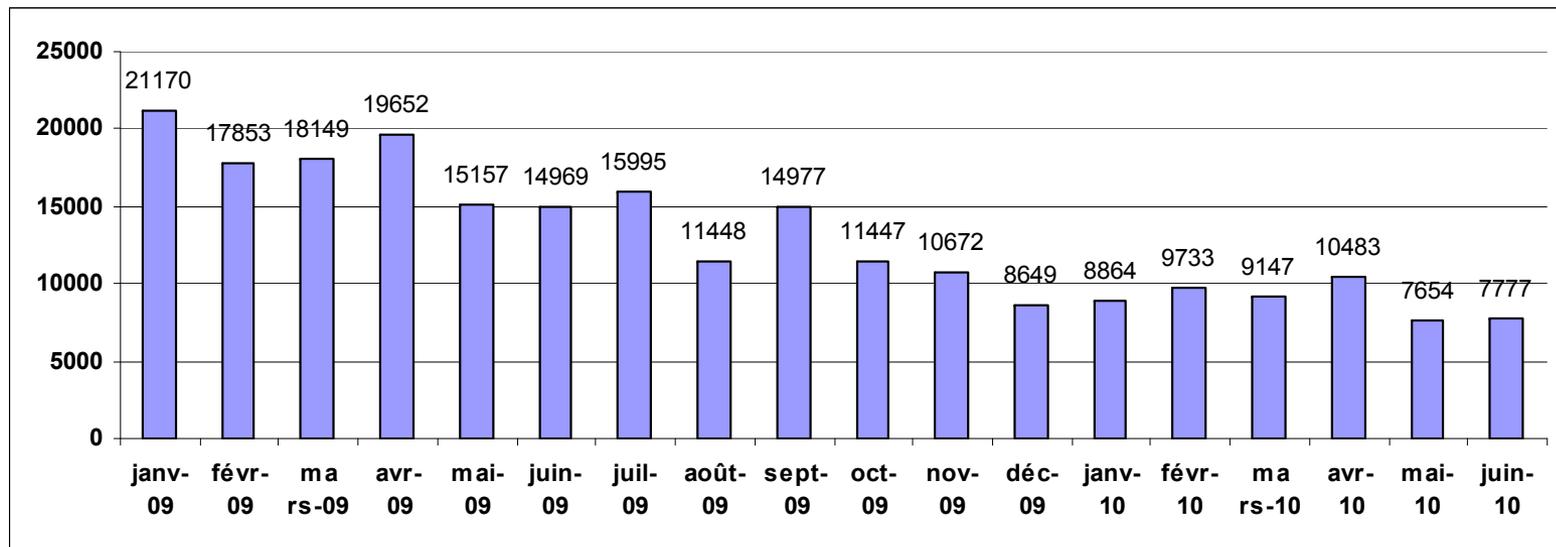
	1Q 08	2Q 08	3Q 08	4Q 08	1Q 09	2Q 09	3Q 09	4Q 09	1Q 10	2Q 10
Organic Variation	7.5	16.0	22.3	23.7	72.1	44.1	24.9	12.6	80.3	23,8
Volume Variation	16.7	12.8	8.6	-61.2	-20.6	-35.5	-44.6	-69.2	-50.4	-8.8
									-41.6	
Other Variations	-30.7	5.8	7.9	-32.7	1.9	11.7	-12.0	4.2	11.8	34.9
Total Variations	-6.5	34.6	38.8	-70.3	53.5	20.3	-31.8	-52.5	41.7	49.9

# Claims files evolution

**EH GROUP \***

\* 2009: all BUs except: AU, NZ, SLO, CZ and Latin America

\* 2010: all BUs



**Nb of claims >1m€**

Q1= 36

Q2= 24

Q3=28

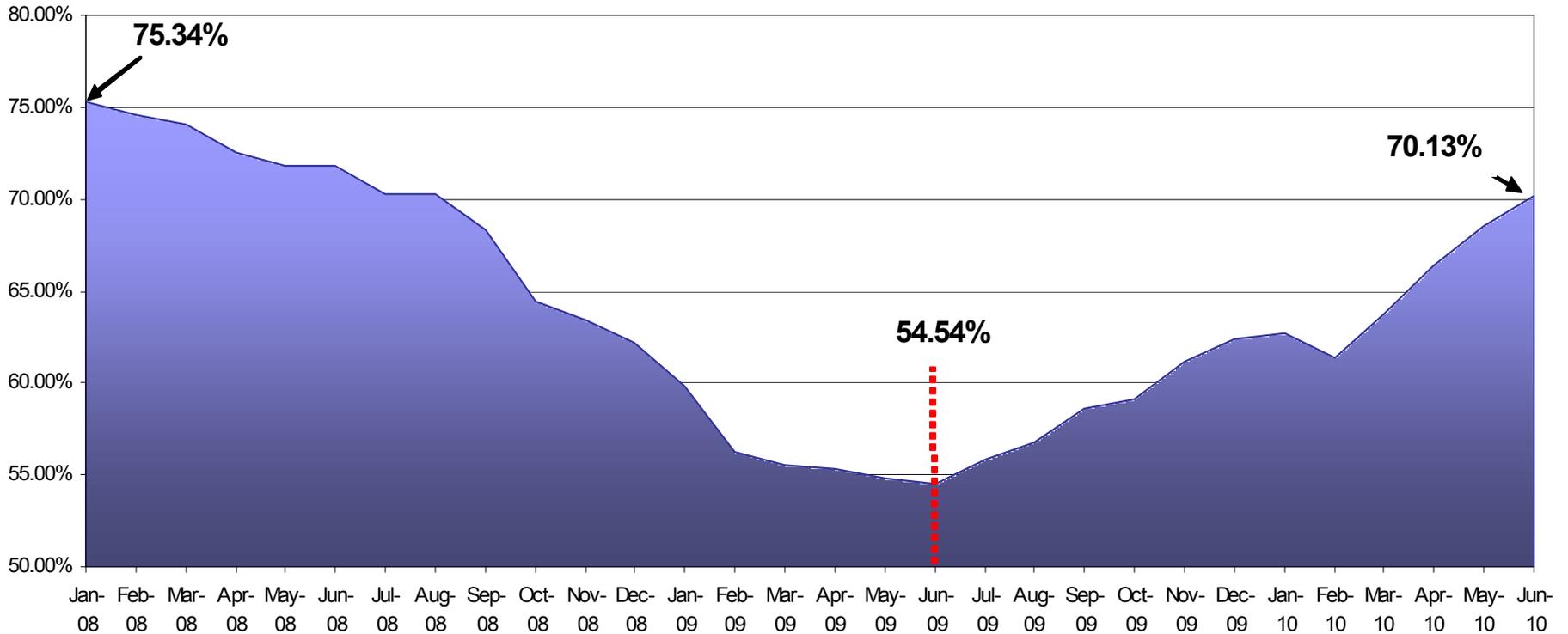
Q4=17

Q1=9

Q2=8 (June=0)

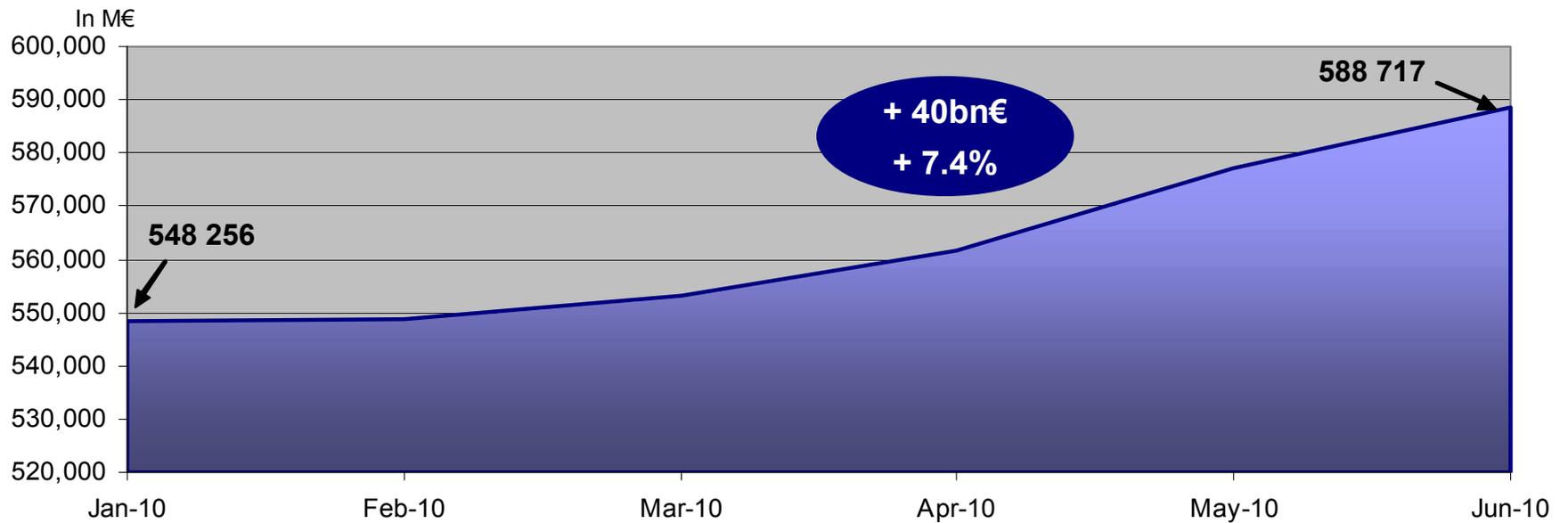
# Global Acceptance Rate

(total amount granted to policyholders / total amount requested by policyholders)



# Move to a more flexible risk underwriting

## Total exposure in 2010





# EH Group Results as at end of June 2010

## Key Figures S1 2010

▶ S1 2010 results positively impacted by 2009 commercial and risk action plan.



- 222 M€ Gross Technical Result in S1 2010 (-45 M€ in S1 2009) mainly driven lower
- Net Combined Ratio down to 77.5% (vs 109.1% in S1 2009)
- Operating Profit of 194 M€ (vs 35 M€ in S1 2009)
- Net income of 147 M€ (vs 1 M€ in S1 2009)

## Key figures YTD 2010 – Profit & Loss (part 1)

In thousand of euros	Actual YTD JUN 2010	Actual YTD JUN 2009	Variation in amount	Variation in %
Net earned premium	553 107	603 354	-50 247	-8%
Net claims cost	-263 861	-533 381	269 520	51%
Net technical & non-technical expenses	-178 401	-171 169	-7 232	-4%
<b>Operating income from insurance activities</b>	<b>110 845</b>	<b>-101 196</b>	<b>212 041</b>	<b>210%</b>
<b>Combined ratio from insurance activities FORMAT ALLIANZ</b>	<b>80,0%</b>	<b>116,8%</b>		
<b>Of which AZ Loss Ratio</b>	<b>47,7%</b>	<b>88,4%</b>		
<b>AZ Cost Ratio</b>	<b>32,3%</b>	<b>28,4%</b>		
Service revenues	183 250	203 072	-19 822	-10%
Service expenses	-173 867	-161 390	-12 477	-8%
<b>Operating profit from service activities</b>	<b>9 383</b>	<b>41 682</b>	<b>-32 299</b>	<b>-77%</b>
<b>Total Technical Result</b>	<b>120 228</b>	<b>-59 514</b>	<b>179 742</b>	<b>302%</b>
<b>Full technical combined ratio including service activities EH FORMAT (1)</b>	<b>77,5%</b>	<b>109,1%</b>		
<b>Of which Loss Ratio</b>	<b>47,7%</b>	<b>88,4%</b>		
<b>Cost Ratio</b>	<b>29,8%</b>	<b>20,7%</b>		

(1) Excluding net non technical expenses

# YTD 2010 Net earned premium evolution

In thousand of euros	Actual YTD JUN 2010	Actual YTD JUN 2009	Variation in amount	Variation in %
Gross earned premiums	855 377	881 428	-26 051	-3%
Ceded premiums	-302 270	-278 075	-24 194	-9%
<b>Net earned premiums</b>	<b>553 107</b>	<b>603 353</b>	<b>-50 246</b>	<b>-8%</b>
<i>Cession rate</i>	-35%	-32%		
<i>Cession rate without XoL premium</i>	-34%	-30%		

(assumed XOL=2,7% retention in 2010)

(assumed XOL=2,5% retention in 2009)

## YTD 2010 Gross Earned Premiums evolution

	End of JUN 2010 (1)	End of JUN 2009 (2)	Variance (1)/(2)	End of JUN 2009 (3)	Variance (1)/(3)
<b>Germany (Area)</b>	<b>283 455</b>	<b>292 366</b>	<b>-3,0%</b>	<b>292 366</b>	<b>-3,0%</b>
<b>France</b>	<b>156 082</b>	<b>158 986</b>	<b>-1,8%</b>	<b>158 986</b>	<b>-1,8%</b>
<b>Northern Europe</b>	<b>195 468</b>	<b>186 126</b>	<b>5,0%</b>	<b>194 051</b>	<b>0,7%</b>
<b>Med. Countries &amp; Africa</b>	<b>85 303</b>	<b>108 304</b>	<b>-21,2%</b>	<b>108 310</b>	<b>-21,2%</b>
<b>Americas</b>	<b>84 321</b>	<b>87 982</b>	<b>-4,2%</b>	<b>90 714</b>	<b>-7,0%</b>
<b>Asia &amp; Pacific</b>	<b>26 208</b>	<b>23 658</b>	<b>10,8%</b>	<b>23 658</b>	<b>10,8%</b>
<b>Captive</b>	<b>24 540</b>	<b>24 007</b>	<b>2,2%</b>	<b>24 007</b>	<b>2,2%</b>
<b>Other</b>	<b>0</b>	<b>0</b>	<b>ns</b>	<b>0</b>	<b>ns</b>
<b>Total Gross Earned Premiums</b>	<b>855 377</b>	<b>881 429</b>	<b>-3,0%</b>	<b>892 093</b>	<b>-4,1%</b>

(1) Gross Earned Premiums with geographical reclassification 2010 S1

(2) Gross Earned Premiums with geographical reclassification 2009 S1 published

(3) Gross Earned Premiums with geographical reclassification 2009 S1 published and at constant exchange rate

# YTD 2010 Gross Claims Costs evolution

In thousand of euros	Actual YTD JUN 2010	Actual YTD JUN 2009	Variation in amount	Variation in %
Gross claims costs current attachement years	-507 087	-725 455	218 368	30%
Gross claims costs previous attachement years	121 085	14 656	106 429	726%
<b>Gross Claims costs</b>	<b>-386 002</b>	<b>-710 798</b>	324 796	46%
Gross Claims ratio current attachement year	-59,3%	-82,3%		
Gross Claims ratio attachement previous year	14,2%	1,7%		
<b>Gross Claims ratio</b>	<b>-45,1%</b>	<b>-80,6%</b>		
<b>Gross earned premiums</b>	<b>855 377</b>	<b>881 428</b>	-26 051	-3%

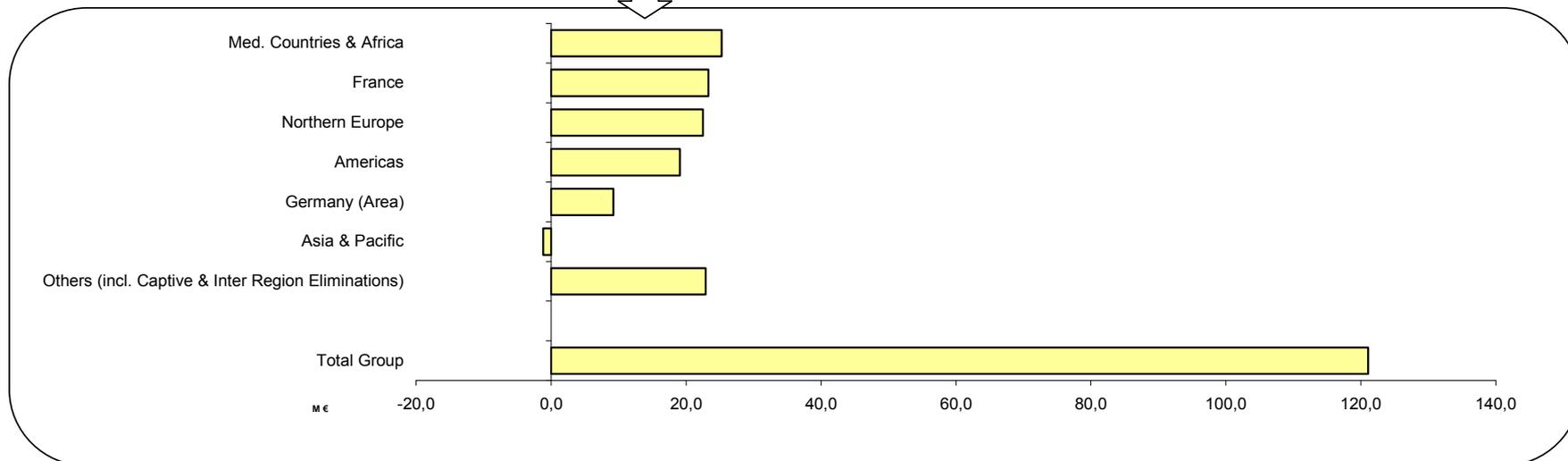
## YTD 2010 Gross Loss CY evolution

In thousand of euros	Actual YTD JUN 2010	Actual YTD JUN 2009	Variation in amount	Variation in %
Germany (Area)	-164 590	-223 225	-58 635	-26%
France	-79 651	-109 262	-29 611	-27%
Northern Europe	-138 712	-178 468	-39 756	-22%
Med. Countries & Africa	-63 106	-93 346	-30 240	-32%
Americas	-47 519	-58 743	-11 224	-19%
Asia & Pacific	-4 927	-42 553	-37 626	-88%
<i>Inter Region Eliminations</i>	7 910	-745	-8 656	-1161%
Others (incl. Captive)	-16 492	-19 113	-2 621	-14%
<b>Total Gross claims costs CY</b>	<b>-507 087</b>	<b>-725 455</b>	<b>-218 368</b>	<b>-30%</b>
Germany (Area)	-56%	-73%		
France	-51%	-69%		
Northern Europe	-70%	-95%		
Med. Countries & Africa	-73%	-85%		
Americas	-56%	-66%		
Asia & Pacific	-23%	-216%		
<b>Gross Claims ratio CY</b>	<b>-59%</b>	<b>-82%</b>		

# YTD 2010 Gross Run-Offs evolution

In thousand of euros

	Actual YTD JUN 2010	Actual YTD JUN 2009	Variation in amount	Variation in %
Germany (Area)	9 201	8 916	285	3%
France	23 305	8 180	15 125	185%
Northern Europe	22 491	-22 778	45 269	199%
Med. Countries & Africa	25 243	31 305	-6 061	-19%
Americas	19 087	-27 241	46 328	170%
Asia & Pacific	-1 159	11 557	-12 716	-110%
Others (incl. Captive & Inter Region Eliminations)	22 916	4 718	18 199	386%
<b>Total Gross claims costs PY</b>	<b>121 085</b>	<b>14 656</b>	<b>106 429</b>	<b>726%</b>



## 2010 Gross Expenses evolution

In thousand of euros	Actual YTD JUN 2010	Actual YTD JUN 2009	Variation in amount	Variation in %
Claims Handling Operating Expenses	-32 564	-30 127	2 437	8%
Investment Management Expenses	-4 385	-1 613	2 771	172%
Contract acquisition expenses	-166 445	-171 834	-5 389	-3%
Administration expenses	-95 334	-88 886	6 447	7%
Service expenses & Other ordinary income and charges	-172 872	-160 501	12 371	8%
<b>Total recurrent expenses</b>	<b>-471 599</b>	<b>-452 962</b>	<b>18 637</b>	<b>4%</b>
<b>Total non recurrent expenses</b>	<b>-13 419</b>	<b>-1 411</b>	<b>12 008</b>	<b>851%</b>
<b>Total Gross Operating Expenses</b>	<b>-485 018</b>	<b>-454 373</b>	<b>30 645</b>	<b>7%</b>
of which non technical expenses	-4 054	-4 758	-705	-15%
<b>Total Gross Technical expenses</b>	<b>-480 965</b>	<b>-449 615</b>	<b>31 350</b>	<b>7%</b>
<b>Total Service Revenues</b>	<b>183 250</b>	<b>203 072</b>	<b>-19 822</b>	<b>-10%</b>
<b>Gross technical expense ratio</b>	<b>28.9%</b>	<b>24.4%</b>		

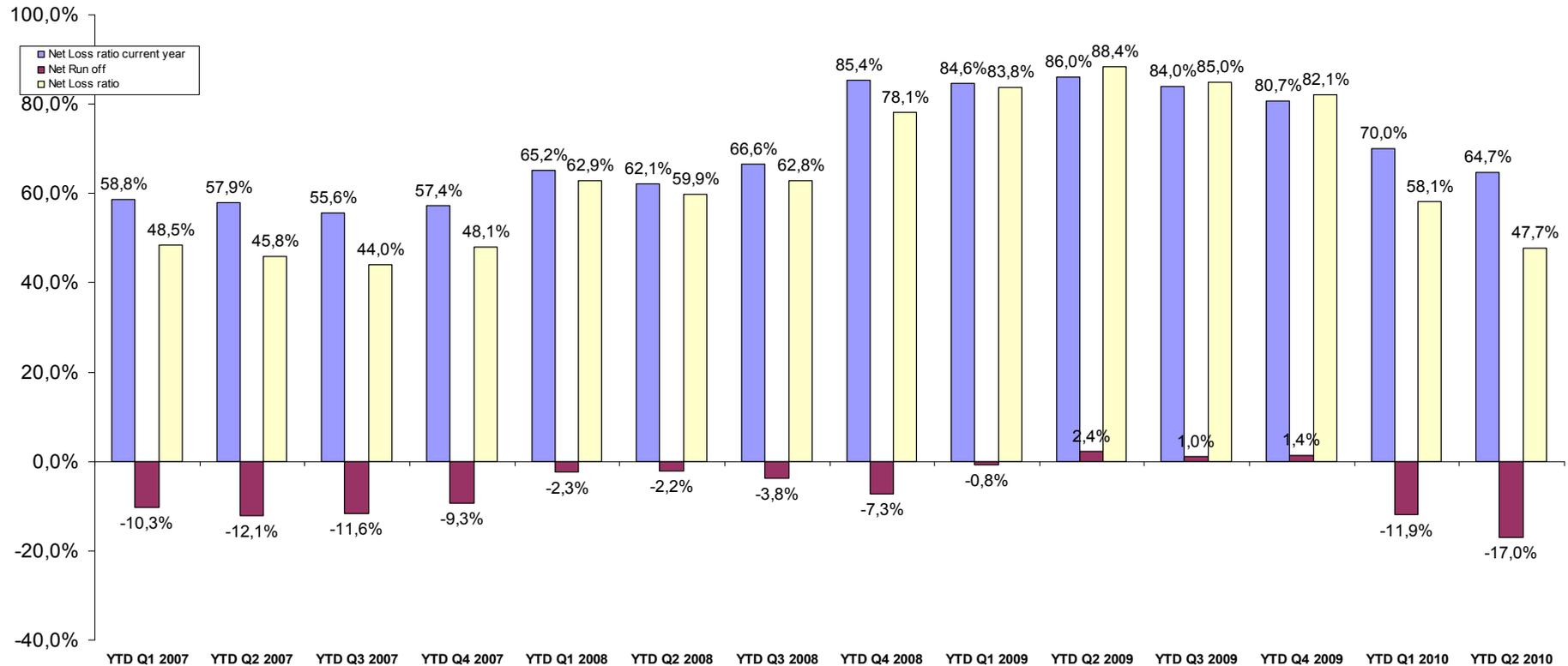
## YTD 2010 Reinsurance result evolution

In thousand of euros	Actual YTD JUN 2010	Actual YTD JUN 2009	Variation in amount	Variation in %
Outward premium	-317 548	-287 937	-29 611	-10%
Outward rebates	15 279	9 862	5 416	55%
<b>Total Ceded Premium</b>	<b>-302 270</b>	<b>-278 075</b>	<b>-24 194</b>	<b>-9%</b>
Outward claims cost CY	149 213	206 340	-57 127	-28%
Outward Run off	-27 072	-28 923	1 851	6%
<b>Total Ceded Claims</b>	<b>122 141</b>	<b>177 417</b>	<b>-55 277</b>	<b>-31%</b>
Outward commission	74 658	81 203	-6 545	-8%
Outward other	7 724	8 870	-1 146	-13%
<b>Total Ceded Costs</b>	<b>82 382</b>	<b>90 073</b>	<b>-7 691</b>	<b>-9%</b>
<b>Reinsurance Result</b>	<b>-97 747</b>	<b>-10 585</b>	<b>-87 162</b>	<b>-823%</b>

## YTD 2010 Net Claims Costs evolution

In thousand of euros	Actual YTD JUN 2010	Actual YTD JUN 2009	Variation in amount	Variation in %
Gross claims costs CY	-507 087	-725 455	218 368	30%
Ceded claims costs CY	149 213	206 340	-57 127	-28%
<b>Net claim costs CY</b>	<b>-357 874</b>	<b>-519 114</b>	161 240	31%
<i>Cession rate CY</i>	29%	28%		
Gross claims costs PY	121 085	14 656	106 429	726%
Ceded claims costs PY	-27 072	-28 923	1 851	6%
<b>Net claims costs PY</b>	<b>94 013</b>	<b>-14 267</b>	108 279	759%
<i>Cession rate PY</i>	22%	197%		
<b>Net Claims costs</b>	<b>-263 861</b>	<b>-533 381</b>	269 520	51%
<b>Gross Claims ratio CY</b>	<b>-59,3%</b>	<b>-82,3%</b>		
<b>Gross Claims ratio PY</b>	<b>14,2%</b>	<b>1,7%</b>		
<b>Gross Claims ratio</b>	<b>-45,1%</b>	<b>-80,6%</b>		
<b>Net Claims ratio CY</b>	<b>-64,7%</b>	<b>-86,0%</b>		
<b>Net Claims ratio PY</b>	<b>17,0%</b>	<b>-2,4%</b>		
<b>Net Claims ratio</b>	<b>-47,7%</b>	<b>-88,4%</b>		

# EH Group Net Claims Ratio YTD evolution



## YTD 2010 Net Expenses evolution

In thousand of euros	Actual YTD JUN 2010	Actual YTD JUN 2009	Variation in amount	Variation in %
Total recurrent expenses (*)	-434 651	-421 221	-13 429	-3%
Total non recurrent expenses	0	-1 411	1 411	100%
<b>Total gross expenses</b>	<b>-434 651</b>	<b>-422 632</b>	<b>-12 018</b>	<b>-3%</b>
of which non technical expenses	-4 054	-4 758	705	15%
<b>Total gross technical expenses</b>	<b>-430 597</b>	<b>-417 874</b>	<b>-12 723</b>	<b>-3%</b>
Service fees	183 250	203 072	-19 822	-10%
Expenses net of fees	-247 346	-214 802	-32 545	-15%
<b>Gross earned premium</b>	<b>855 377</b>	<b>881 428</b>	<b>-26 051</b>	<b>-3%</b>
Reinsurance commission	82 382	90 073	-7 691	-9%
<b>Ceded premiums</b>	<b>-302 270</b>	<b>-278 075</b>	<b>-24 194</b>	<b>-9%</b>
<b>Net technical expenses</b>	<b>-164 964</b>	<b>-124 729</b>	<b>-40 236</b>	<b>-32%</b>
<b>Net premium</b>	<b>553 107</b>	<b>603 353</b>	<b>-50 246</b>	<b>-8%</b>
<b>Gross technical expense ratio</b>	<b>28,9%</b>	<b>24,4%</b>		
<b>Net technical expense ratio</b>	<b>29,8%</b>	<b>20,7%</b>		

(\*) Except Claims Handling Operating expenses and Investment Management Expenses

## YTD 2010 Net Financial income evolution

In thousand of euros	Actual YTD JUN 2010	Actual YTD JUN 2009	Variation in amount	Variation in %
Income from investment property	644	3 815	-3 171	-83%
Income from securities	39 555	36 553	3 002	8%
<i>Income from securities-Bonds</i>	37 674	34 724	2 950	8%
<i>Income from securities-equities</i>	1 881	1 829	52	3%
Other financial income	4 152	10 060	-5 908	-59%
<i>Income from other financial investments</i>	2 791	1 180	1 611	137%
<i>Other financial income</i>	1 361	8 880	-7 519	-85%
<b>Investments income</b>	<b>44 352</b>	<b>50 428</b>	<b>-6 077</b>	<b>-12%</b>
<b>Investment expenses</b>	<b>-4 419</b>	<b>-3 694</b>	<b>-725</b>	<b>-20%</b>
<b>Net Foreign Exchange result</b>	<b>11 927</b>	<b>-5 654</b>	<b>17 580</b>	<b>311%</b>
<b>Net gains and losses on sales of investments less impairment and amortisation</b>	<b>22 013</b>	<b>53 872</b>	<b>-31 859</b>	<b>-59%</b>
<b>Net financial income (excluding financing expense)</b>	<b>73 872</b>	<b>94 952</b>	<b>-21 080</b>	<b>-22%</b>
<b>Financing expenses</b>	<b>-5 326</b>	<b>-6 025</b>	<b>699</b>	<b>12%</b>
<b>Financial Result</b>	<b>68 547</b>	<b>88 927</b>	<b>-20 380</b>	<b>-23%</b>

# YTD 2010 Net Financial Portfolio evolution

## Financial investments Classification by investment category

(in thousands of euros)

	2010.6					2009.12				
	Amortized cost	Revaluation reserve	Net carrying amount	Fair value	Unrealized gains and losses	Amortized cost	Revaluation reserve	Net carrying amount	Fair value	Unrealized gains and losses
- Equities:	118 126	13 018	131 144	131 144	-	110 646	19 428	130 074	130 074	-
- Bonds:	2 262 398	66 953	2 329 351	2 329 351	-	2 133 361	49 850	2 183 211	2 183 211	-
- Loans and other investments	597 673	-	597 673	597 673	-	527 450	-	527 450	527 450	-
<b>Total Financial investments</b>	<b>2 978 197</b>	<b>79 971</b>	<b>3 058 168</b>	<b>3 058 168</b>	<b>-</b>	<b>2 771 457</b>	<b>69 278</b>	<b>2 840 735</b>	<b>2 840 735</b>	<b>-</b>
<b>Building third party use</b>	-	-	<b>13 064</b>	<b>29 082</b>	<b>16 018</b>	-	-	<b>24 917</b>	<b>57 391</b>	<b>32 474</b>
<b>Cash</b>	-	-	<b>546 303</b>	<b>546 303</b>	-	-	-	<b>441 792</b>	<b>441 792</b>	-
<b>Total</b>			<b>3 617 535</b>	<b>3 633 553</b>	<b>16 018</b>			<b>3 307 444</b>	<b>3 339 918</b>	<b>32 474</b>

## Key figures YTD 2010 – Profit & Loss (part 2)

In thousand of euros	Actual YTD JUN 2010	Actual YTD JUN 2009	Variation in amount	Variation in %
Technical result	120 228	-59 514	179 742	302%
Financial income net of expenses	73 872	94 952	-21 080	-22%
<b>Ordinary Operating Income</b>	<b>194 100</b>	<b>35 438</b>	<b>158 662</b>	<b>448%</b>
Other non ordinary operating income and expense	0	-7 507	7 507	100%
Financing expenses	-5 326	-6 025	700	12%
Equity method	8 397	1 497	6 900	461%
Corporation tax	-48 273	-20 896	-27 377	-131%
Minority interest	-1 462	-1 790	327	18%
<b>Consolidated net income</b>	<b>147 437</b>	<b>717</b>	<b>146 719</b>	<b>20453%</b>
<b>Tax rate</b>	<b>24,5%</b>			