

2015 DASHBOARD

insurance



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KEY FIGURES

Economic and financial environment

Level or change at 31 December 2015

> 3-month interest rate	- 0.13%
> Livret A interest rate	0.75%
> 10-year interest rate	1.01%
> CAC 40	4,637 pts (+ 8.5%/year)
> Inflation (annualised)	+ 0.0%/year
> Gross disposable income	+ 1.4%/year
> Household consumption	+ 1.5%/year
> Household saving rate	14.5%
> New net mortgage lending to households	€36.7 bn
> Corporate investment	+ 2.8%/year
> Unemployment rate (as defined by the ILO)	9.9%
> GDP (value)	€2,181 bn
> Change in volume	+ 1.3%/year

Sources: European Banking Federation, Banque de France, Agence France Trésor, Euronext, Insee (Institut national de la statistique et des études économiques - French Institute for Statistics and Economic Studies)

All insurance classes - Direct business France

	2014 in €bn	2015 in €bn	Change 2015
> Premiums (total)	200.3	208.8	+ 4.2%
> Life, health and protection	149.1	156.5	+ 4.9%
> Property and casualty	51.2	52.3	+ 2.2%

Source: FFA

Property and casualty insurance

	2014 in €bn	2015 in €bn	Change 2015
> Premiums (total)	51.2	52.3	+ 2.2%
motor	20.1	20.5	+ 2.0%
multi-risk home	9.7	10.0	+ 3.5%
business property	6.2	6.3	+ 0.9%
general liability	3.6	3.5	- 2.0%
construction	2.2	2.1	- 1.5%
others	9.4	9.9	+ 5.3%

Source: FFA

Life, health and protection insurance

	2014 in €bn	2015 in €bn	Change 2015
> Premiums (total)	149.1	156.5	+ 4.9%
> Life and capitalisation	128.9	135.7	+ 5.2%
Euro products	108.5	108.2	- 0.3%
unit-linked products	20.4	27.5	+ 34.4%
> Sickness and personal-injury accidents	20.1	20.8	+ 3.1%
health care costs	10.8	11.1	+ 1.9%
temporary or permanent disability/long-term care/accidental death	9.3	9.7	+ 4.6%
> Mathematical reserves (life)	1,493.6	1,549.4	+ 3.7%
of which unit-linked	258.6	280.7	+ 8.5%

Source: FFA

PROPERTY AND CASUALTY INSURANCE IN 2015

Growth remains moderate (+ 2.2%)

The rate of growth of property and casualty insurance premiums increased slightly in 2015 (+ 2.2% compared to + 1.9% in 2014).

The entry into force of the Consumer Protection Act (*loi Hamon*) increased the already fierce competition on the motor and home insurance markets, with companies increasingly turning to personalisation of their pricing in order to retain clients.

For the business insurance sector as a whole, while the economic environment continued to have an impact on demand for insurance, a reversal of the trend was glimpsed (fall of 0.5% in 2014, increase of 0.8% in 2015).

	Premiums		
	2015 level (€bn)	Year 2015	Year 2014
> All property and casualty insurance	52.3	+ 2.2%	+ 1.9%
personal lines	32.8	+ 3.0%	+ 3.6%
business	19.5	+ 0.8%	- 0.5%

Source: FFA

Level of claims: 2015, an unusual year?

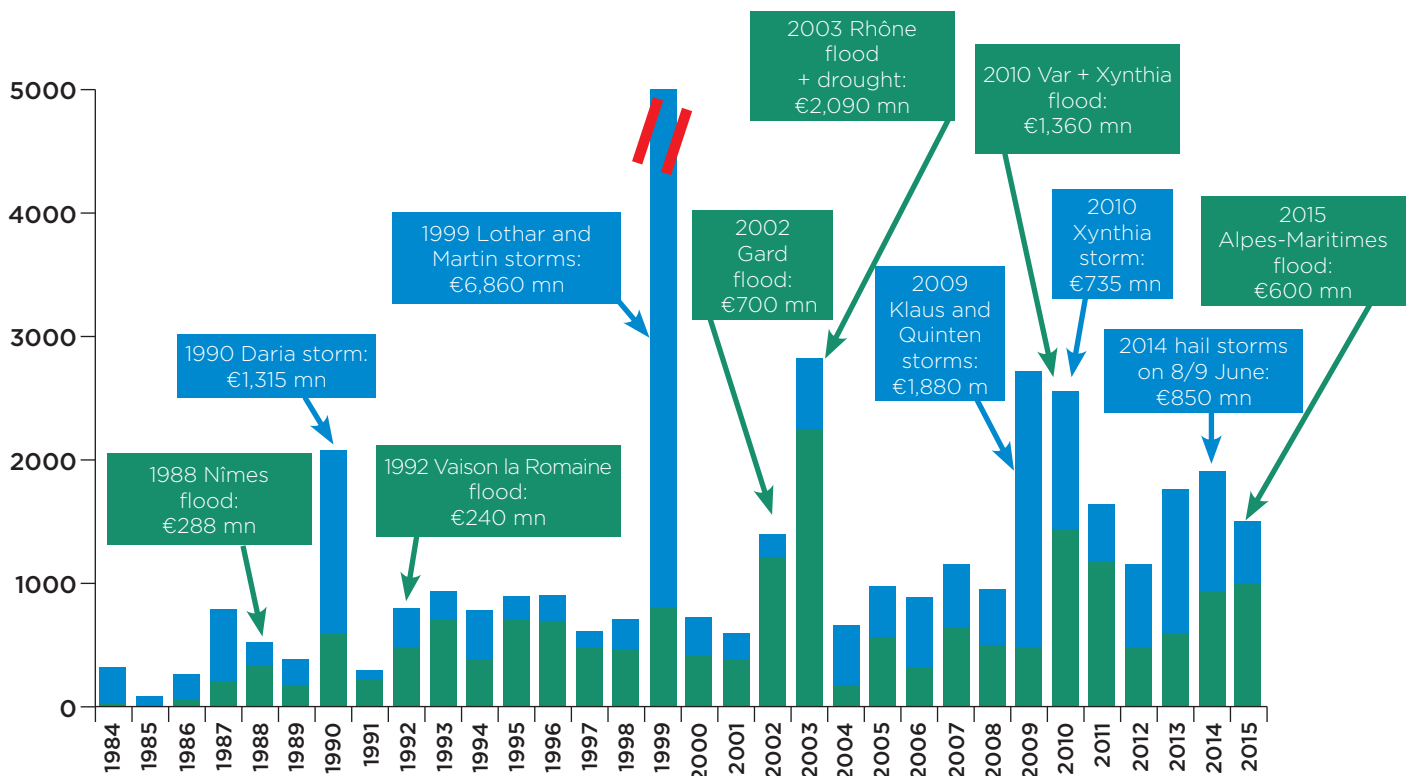
The cost of insured damage caused by natural events is estimated at 1.5 billion Euros for 2015, of which 600 million is accounted for solely by October's floods in the south-east. This figure places 2015 at around the average for the last 20 years, but is lower than that for 2014 and has already been reached in the first six months of 2016.

The weather was particularly warm and dry in 2015, leading to a significant reduction in water damage claims. Road accidents and thefts were down slightly in 2015, resulting in a benign claims environment contrasting with those for the preceding years and the first half of 2016.

Natural events since 1984: an accelerating trend over the years

(in millions of current Euros)

- Natural disasters (floods, droughts, earthquakes)
- Storm - Hail - Snow



Sources: CCR (Caisse centrale de réassurance) and FFA

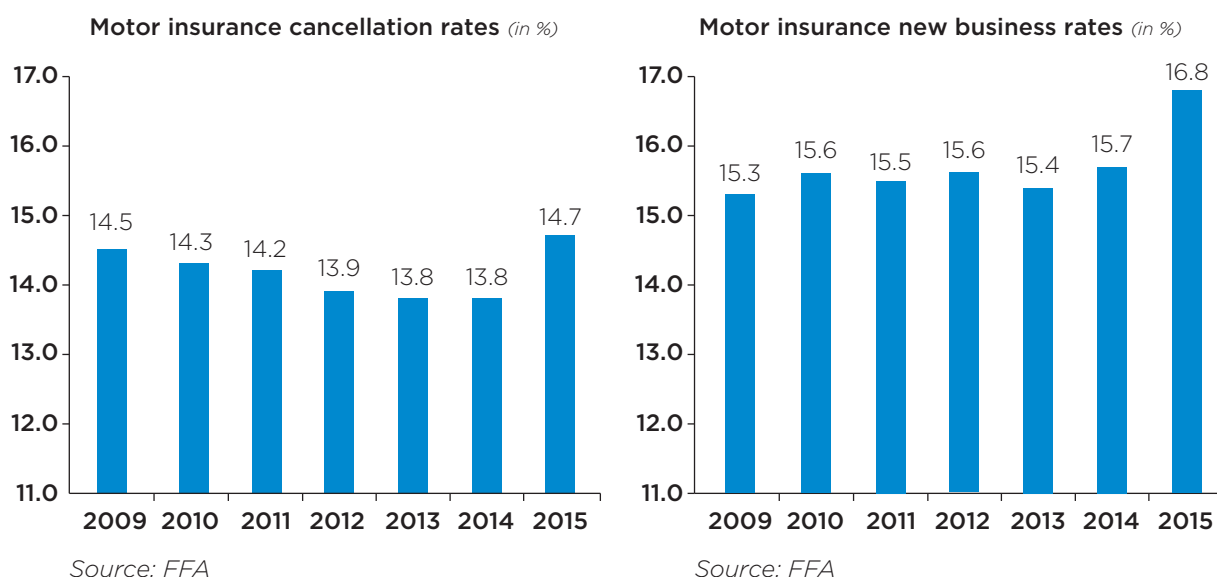
Major weather events in 2015

> August: flash floods in Hérault	Estimated cost: €50 mn
> September: thunderstorms in Gard and Hérault	Estimated cost: €115 mn
> October: floods and flash flood in the south-east	Estimated cost: €600 mn

Motor: limited growth again, with high turnover on the market

2015 once again saw limited growth in motor insurance premiums (+ 2.0%) together with an increase in the number of vehicles insured (+ 1.6%).

The introduction of the Consumer Protection Act resulted in turnover of contracts being significantly higher than in preceding years, particularly for 4-wheel vehicles:



The cancellation rate¹ increased from 13.8 % to 14.7 % in 2015, with the average duration of a contract down by almost 6 months (to a little less than 7 years now). This 0.9% increase is significant compared to the two preceding years, when the rate remained almost unchanged.

Thus, the number of cancellations, estimated at 6.7 million in 2015 for motor insurance including motorbikes, increased by 7%, or just over 400,000 additional cancellations.

At the same time, the rate of new business² also increased significantly, from 15.7% to 16.8% in 2015. This slightly higher rate was associated with the increase in the number of vehicles.

This sector saw a more significant increase in new vehicle registrations (5%), marking an end to the falling trend that began in 2010. The second-hand car market was also dynamic, with growth of 1.7%.

¹ **Cancellation** means any definitive cancellation of a contract where the vehicle is not replaced. Changes of vehicle are not treated as cancellations.

² **New business** means any new policyholder, but also any additional contract associated with a vehicle for a policyholder who is already a client of the company.

As regards the level of claims, frequency improved except for third party damage-only claims, where it rose by 0.7%. After recording a significant increase of 2.8% in 2014, the frequency of third party personal injury claims improved slightly (- 0.6%), although without returning to its pre-2014 level.

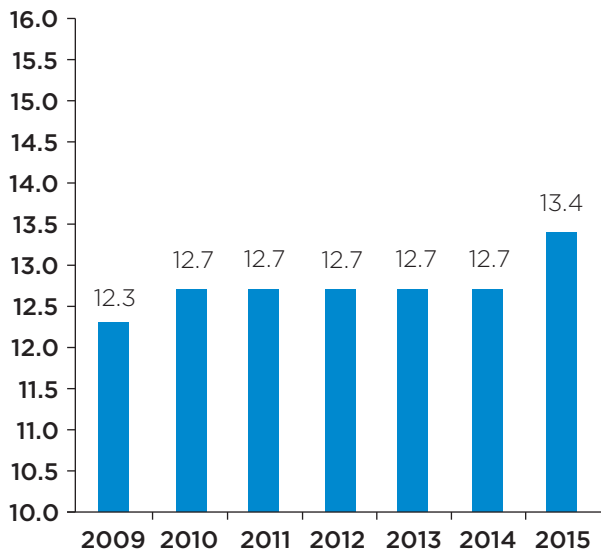
2015 was characterised by a significant increase in the average costs of claims for all types of damage cover. For most types of cover, there was an acceleration in costs compared to 2014 (+ 1.5% in third party damage-only liability, + 3.4% for damage to policyholders' vehicles, + 4.7% for broken windscreens and + 6.2% for theft).

Multi-risk home insurance: stable growth and a high level of claims

Growth in premium income on the multi-risk home insurance market was + 3.5% in 2015, which was slower than in the preceding years. This was due to competition, actions taken to retain clients and the continued slowing of the FFB (Fédération française du bâtiment - French Building Federation) index (+ 0.5% in 2015).

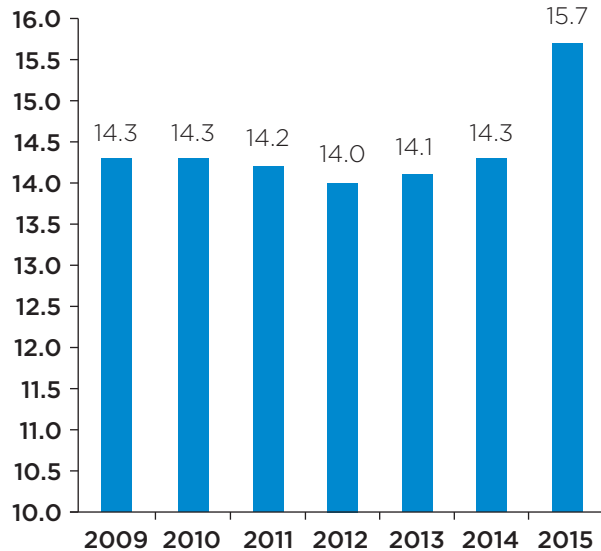
As with motor insurance, the Consumer Protection Act had an impact on this class of insurance.

Multi-risk home insurance cancellation rates (in %)



Source: FFA

Multi-risk home insurance new business rates (in %)



Source: FFA

The cancellation rate increased by 0.7 points to 13.4% of contracts in 2015. The average period of time for which a contract is held fell by almost 6 months (to 7 and a half years now).

This meant that there were around 400,000 additional cancellations in home insurance in 2015.

At the same time, the rate of new business increased significantly (+ 1.4 points) to 15.7% of the stock of dwellings in 2015, also reflecting an upward break in the trend of turnover of contracts.

2015 was characterised by a lower level of claims owing to a very mild winter (less use of standby heaters) and fewer natural disasters.

Burglaries were also down, continuing the fall seen in 2014.

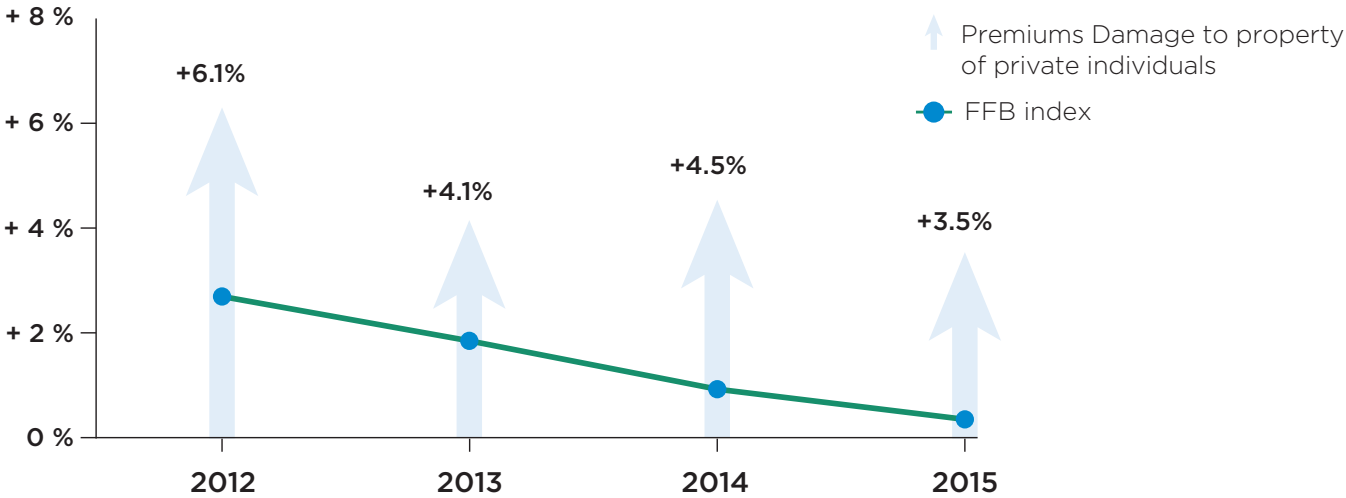
Breakdown of different forms of cover in multi-risk home insurance contracts in 2015

● Fire	17.4%
● Water damage	19.6%
● Theft	19.4%
● General liability	13.6%
● Storm, hail, snow	10.2%
● Natural disasters	9.7%
● Broken glass	3.7%
● Electrical damage	6.4%



Source: FFA

Changes in multi-risk home insurance premium income and the FFB index



Sources: FFA, FBF

Business property damage: growth remains limited

Continuing the trend of the previous three years, the business property damage market saw weak growth in 2015 (+ 0.9%), reflecting an economic environment that remained difficult and acted as a drag on companies' activity and their ability to extend the scope of their cover.

Following a benign claims environment in 2014, the level of claims for industrial risks was up, mainly as a result of more numerous and more expensive large claims.

Changes in large claims (all multi-risk property damage excluding natural disasters)

	As at end of first year	
	2014	2015
> Claims ≥ €2 mn		
Number	99	104
Cost in €mn	405	508
> Claims ≥ €10 mn		
Number	3	6
Cost in €mn	41	160

Source: FFA

Agricultural property damage: a slight decrease

The agricultural property damage* market registered a decrease (- 1 %) in 2015. This was the result of a further fall in agricultural prices and the wait-and-see approach engendered by the announcement of the arrival of new insurance contracts to cover climate risks (September 2015 for cash crops and January 2016 for grazing land).

Weather conditions were more favourable than in 2014, leading to a reduction in the level of claims.

* Fire and multi-risk (63%), weather damage to crops (37%)

Transport: growth continues

The market for transport insurance, in terms of direct business in France, is dominated by freight transport. It grew by 3.0% in 2015 to 1 billion Euros.

If the scope is extended to include international business and acceptances, marine and aviation insurance recorded rises of + 4.0% and + 1.7% respectively, while space insurance remained stable. These changes, which occurred within the context of increased competition, a slowdown in global trade and chronic over-capacity of the maritime fleet, reflected the positive effect of the depreciation of the Euro against the dollar.

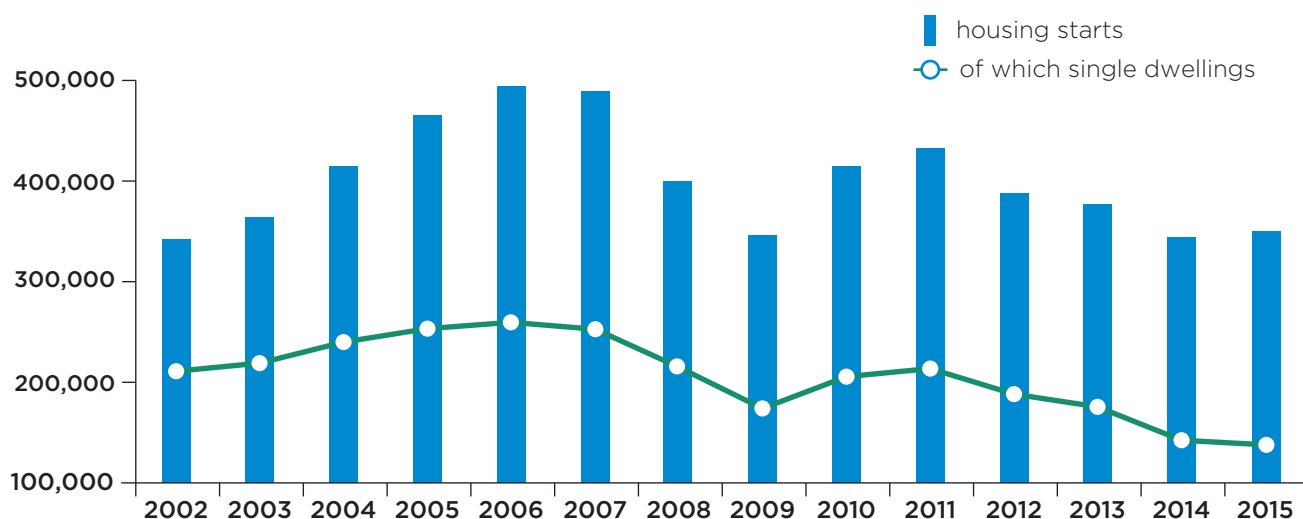
General liability: premium income falls again

The general liability market again recorded a fall in premiums collected (- 2.0 % in 2015), continuing the trend of the previous three years.

This is a highly heterogeneous market, comprising risks as diverse as medical liability, construction liability and manufacturer's liability.

Construction: premium income falls for the fourth year in a row

Building activity fell again in 2015 (-3 % in volume terms according to the French Building Federation), the seventh fall in eight years (there was a slight recovery in 2011). This fall continued to adversely impact the highly competitive construction insurance market, with premium income falling for the fourth year in a row (- 1.5% in 2015). This downward trend should be broken in 2016, as the building sector is showing signs of recovery with an increase in housing starts (+ 4% year-on-year at end April 2016).



Source: SOES (Service de l'observation et des statistiques - Observation and Statistics Department, reporting to the French General Commission for Sustainable Development)

Property and casualty insurance – Direct business France

	2015 premiums in €bn	Change 2015/2014	Share of revenues
> Motor	20.5	+ 2.0%	39.2%
> Multi-risk home	10.0	+ 3.5%	19.1%
> Business property	6.3	+ 0.9%	12.0%
> Agricultural property	1.2	- 1.0%	2.3%
> Natural disasters	1.6	+ 1.7%	3.0%
> Construction	2.1	- 1.5%	4.1%
> General liability	3.5	- 2.0%	6.7%
> Legal protection	1.2	+ 4.1%	2.3%
> Transport	1.0	+ 3.0%	1.9%
> Credit and suretyship	1.2	+ 13.9%	2.3%
> Assistance	1.9	+ 13.0%	3.6%
> Financial losses	1.8	- 1.1%	3.5%
> Total direct business	52.3	+ 2.2%	100%

Source: FFA

LIFE, HEALTH AND PROTECTION INSURANCE IN 2015

Premium income from life, health and protection insurance was up 4.9% in 2015 at 156.5 billion Euros for direct business in France, continuing the trend from 2014 (+ 7.8%) and 2013 (+ 4.8%).

The increase was driven by growth of 5.2% in premiums from life insurance and capitalisation contracts, which totalled 135.7 billion Euros, and a rise of 3.1% in personal injury (sickness and non-motor personal-injury accidents) premiums to 20.8 billion Euros.

Life insurance and capitalisation benefits paid out (111.9 billion Euros) were up (+ 5.2%) following the falls seen in 2014 (- 1.6%) and 2013 (- 9.7%). Benefits paid under sickness and accident insurance contracts continued to grow (+ 6.0% in 2015), reaching 16.0 billion Euros.

Economic and financial environment

The major central banks' monetary policies diverge

2015 was characterised by:

- > a slight acceleration in GDP growth in the Eurozone (+ 1.7% in 2015 following + 0.9% in 2014), although this was still lower than US growth (+ 2.4%);
- > unemployment falling in the United States throughout the year, ending 2015 close to the 5% threshold, while the Eurozone unemployment rate was almost twice as high, at 10.5% at the end of the year.

This divergence in performance on either side of the Atlantic can be largely explained by the different monetary policies followed by the US Federal Reserve and the European Central Bank (ECB). The former started to increase its key rates, while the (ECB) launched its first ever programme of quantitative easing in order to counter persistently weak inflation.

Short- and long-term rates fall to historic lows

Short-term rates continued to move downwards in 2015. Once again, this was due to the actions of the European Central Bank (ECB) which, through its various interventions, brought short-term rates into negative territory for the first time in their history at the end of April. This was primarily due to the negative level at which the deposit facility rate remained throughout 2015 (- 0.2%). The ECB reduced this rate again in December 2015, to - 0.3%. As a result, the 3-month Euribor was at a historic low of - 0.13% at the end of December, down 21 basis points from where it stood at the end of 2014.

There was a break in the trend for long-term interest rates, which rose slightly in 2015. However, that rise was not a smooth one, with long-term rates beginning the year by resuming their downward movement that started in 2014. This reduction was directly related to the accommodating monetary policy pursued by the ECB, which, in January 2015, announced the launch of its quantitative easing programme. That programme consists of purchasing 60 billion of European government bonds on the secondary market each month from March 2015 until at least March 2017, with the primary aim of easing borrowing conditions for households and businesses. The downward movement thus continued until 16 April, when long-term rates reached a historic low (0.33%). This trend did not last, as long-term rates were subsequently subject to a severe correction. Nevertheless, with the summer's stock market crisis, long-term rates resumed their downward movement as investors switched their positions, before then rising slightly as a result of the US Federal Reserve's decision to raise its key rates by a quarter of a point in December. As a result, French 10-year bonds (OAT) ended the year at 1.01%, up 15 basis points compared to the end of 2014.

Growth on the Paris stock market

The CAC 40 rose by 8.5% in 2015, after falling slightly in 2014 (- 0.5%). Nevertheless, this increase occurred in a context of high volatility. A euphoric first quarter was followed by successive falls and recoveries, with a severe correction in late summer. While the announcement of the ECB's asset purchase programme caused markets to rally until April, the ever-increasing threat of Greece exiting the Eurozone caused them to fall towards the end of the first half of the year. Although the Paris stock market recovered in July after Greece reached an agreement with its creditors, the correction in late August caused all the financial markets to fall until late September. This was due to concerns about the potential consequences for the global economy of a slowdown of the Chinese economy, concerns which materialised following the Chinese authorities' unexpected decision to devalue their currency several times. However, markets managed to recover as a result of the monetary policies followed by the major central bank in the second half of the year, and in particular the policy followed by the European Central Bank (ECB). Late in the year, the fall in the price of oil to its lowest level since 2004 caused the CAC 40 to fall again.

Positive growth, saving rate maintained and a recovery in borrowing

Following growth of 0.6% in 2014, the French economy achieved stronger growth in 2015, mainly because of interest rates at historic lows, the depreciation of the Euro against the dollar and the fall in the price of oil. With lower inflation due mainly to the fall in energy prices, the increases that households experienced in their purchasing power enabled them to maintain their household consumption. Nevertheless, against a background of rising unemployment, households did continue to save, as evidenced by the fact that the saving rate remained high at 14.5% in 2015. Finally, housing loans and short-term lending to households recovered sharply in 2015 owing to interest rates being at historic lows.

Life insurance and capitalisation contracts

Premium income from life insurance and capitalisation contracts in 2015 was 5.2% higher than in 2014, at 135.7 billion Euros (direct business France). This change was the consequence of an economic environment that favoured life insurance, with a high saving rate and little competition from cash investments because of low interest rates, despite the competition from home savings plans (plan d'épargne logement) and the sharp increase in current account deposits. Because of the good performance of the stock markets (CAC 40 up 8.5% in 2015), the growth in premium income was driven in particular by unit-linked products, for which premiums collected increased by 34.4% (27.5 billion Euros). However, policyholders still showed a very significant preference for Euro products, with premiums of 108.2 billion Euros, a slight fall of 0.3%.

At the same time, benefits paid out rose by 5.2% compared to the previous year, to 111.9 billion Euros, representing 7% of outstandings held at end December 2015.

Comparing premiums to benefits paid out gives a positive figure for net premium income (premiums less benefits paid out) of 23.8 billion Euros, a little higher than in 2014 (22.6 billion Euros).

The proportion of net premium income accounted for by unit-linked products increased sharply in 2015, continuing the trend of recent years. The breakdown between Euro products and unit-linked products was 41%/59%. Policyholders' risk aversion decreased slightly despite volatility remaining high on the Paris stock market and financial markets in general.

These movements on the life insurance market were driven by individual contracts, which recorded a rise in premiums (+ 5.6% to 123.1 billion Euros). Premiums for group contracts recorded weak growth in 2015 (+ 1.6% to 12.6 billion Euros).

Mathematical reserves grew by 3.7% to 1,549.4 billion Euros at 31 December 2015. Unit-linked products accounted for 18% of these reserves (280.7 billion Euros) up sharply over the year (+ 8.5%), having seen a further growth in their value.

The strong growth in profit-sharing provisions should be noted; these provisions were up 27.1%, to 35.5 billion Euros at the end of 2015.

At the end December 2015, outstandings (mathematical reserves and profit-sharing provisions) were up by 4.2%, at 1,584.9 billion Euros.

The return on Euro products and the performance of unit-linked products

Euro products

The return on Euro products was down by 0.2 points in 2015, continuing the trend of recent years. It was 2.3% in 2015, compared to 2.5% in 2014.

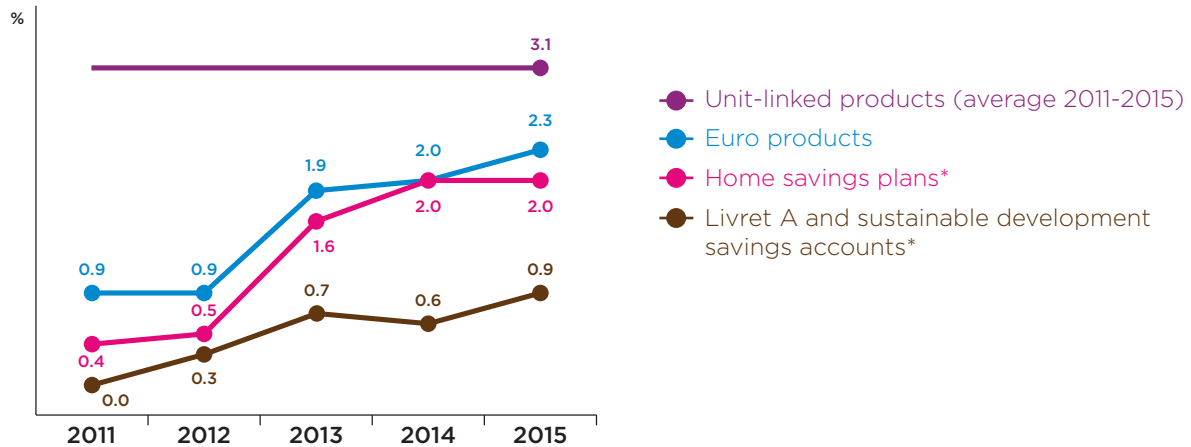
The rate of return has thus fallen by 1.8 points over the last eight years, or a little more than 0.2 points per year.

Insurers are suffering the effects of historically low long-term interest rates, which limit the yield on the bonds they purchase. At the end of 2015, the average rate of government bonds in excess of 7 years (taux moyen des emprunts d'Etat) was only 1%, a rate comparable to the rate at the end of 2014, but more than 3 points lower than at the end of 2007.

It should, however, be noted that this downward trend has for several years been accompanied by an increase in profit-sharing provisions, which allows the returns on Euro products to be smoothed over several years. In particular, it is the realisation of capital gains on the financial markets that has made it possible to offset the fall in bond yields.

Finally, as there was no change in the consumer prices index in 2015, real earnings rose by 2.3%, slightly higher than the 2.0% recorded in 2014.

Life insurance: attractive returns net of inflation



	2011	2012	2013	2014	2015
> Inflation	+2.1%	+2.0%	+0.9%	+0.5%	0.0%

* annual average

Sources: ACPR (Autorité de contrôle prudentiel et de résolution - French Prudential Supervisory and Resolution Authority), FFA, Banque de France, INSEE

Unit-linked products

After a mixed 2014, financial markets remained very volatile in 2015, although they remained positive. Thus, following a performance of - 0.5% in 2014, the CAC 40 grew by + 8.5% in 2015.

Long-term interest rates remained at historically low levels following the sharp fall in 2014. Bond products performed very weakly, unlike the previous year when the fall in rates played a large part in the gains in value experienced by unit-linked products.

For the fourth year in a row, performance of unit-linked products was positive in 2015, at + 4.1%.

Sickness and personal-injury accident insurance contracts

In 2015, personal injury insurance (sickness and personal-injury accident) premiums grew by 3.1% to 20.8 billion Euros (direct business France).

Premiums for health care cover rose by 1.9% over a year to 11.0 billion Euros, growing more slowly than premiums for temporary and permanent disability, long-term care and accidental death cover, which increased by + 4.6% to 9.7 billion Euros.

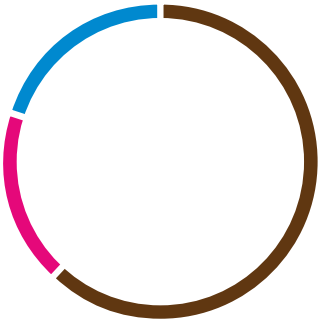
Benefits paid in 2015 were 16.0 billion Euros, up 6.0% compared to 2014. In terms of type of cover, the increase was 4.4% for health care and 8.0% for other types. In terms of type of contract, the increase was 1.1% for individual contracts and 10.1% for group contracts.

In 2015, the growth in health care benefits paid by insurance companies (+ 3.3%) was higher than the growth in benefits paid by both the general social security scheme (+ 2.2%) and the social security schemes for the self-employed (+ 3.0%). If we look only at non-hospital costs (excluding daily fixed charges) with a user charge (ticket modérateur), which excludes individuals with a long-term condition, benefits paid under the general social security scheme grew at an even lower rate (1.1%).

Life, health and protection insurance in 2015: premiums by contract category

● Savings and retirement pensions (Euros)	62 %
● Savings and retirement pensions (unit-linked)	18 %
● Health - Protection	20 %

Source: FFA



Life, health and protection insurance in 2015 – Direct business France

Premiums: 156.5 billion Euros (+ 4.9%)

	2015	Change
> Life and capitalisation	135.7	+5.2%
Euro products	108.2	-0.3%
unit-linked products	27.5	+34.4%
> Sickness and personal-injury accidents	20.8	+3.1%
health care	11.1	+1.9%
temporary and permanent disability, long-term care, accidental death	9.7	+4.6%
> Savings and retirement pensions	124.7	+5.6%
> Health and protection	31.8	+2.6%

Benefits paid: 127.9 billion Euros (+ 5.3%)

	2015	Change
> Life and capitalisation	111.9	+5.2%
> Sickness and personal-injury accidents (benefits paid)	16.0	+6.0%

Net inflows (life and capitalisation): 23.8 billion Euros (+ 5.3%)

	2015	Change
> Euro products	9.7	-36.3%
> Unit-linked products	14.1	+91.1%

Outstandings¹ and mathematical reserves (life and capitalisation): 1,584.9 billion Euros (+ 4.2%)

	2015	Change
> Mathematical reserves	1,549.4	+3.7%
Euro products	1,268.8	+2.7%
unit-linked products	280.7	+8.5%
> Profit-sharing provisions	35.5	+27.1%

¹ Mathematical reserves plus profit-sharing provisions.

Source: FFA

INSURANCE AND HOUSEHOLDS' LONG-TERM SAVINGS IN 2015

Household wealth

At the end of 2015, household wealth was estimated at 11,600 billion Euros. More than 60% of this was made up of non-financial assets (real-estate, built-on land, gold, valuable objects, etc.) and almost 40% of financial assets. Insurance accounted for 15% of this total.

Households' financial assets

After rising by 3% in 2014, total household investments in financial assets recorded higher growth in 2015 (+ 5%). Insurance accounted for 39% of households' financial assets, ahead of securities (31%), cash investments (24%) and contractual savings (6%).

According to the Banque de France's provisional financial accounts, households made net new financial investments of 103 billion Euros in 2015, representing an increase of almost 30% compared to 2014 and confirming the recovery following the slight increase recorded in that year. In a context in which household saving remained stable, this sharp increase came largely from the recovery in household borrowing. However, the level of households' net new financial investments was still below the levels reached between 2005 and 2007 (an average of €130 billion over the period).

While insurance accounted for two thirds of this flow of investments in 2014, it accounted for only half in 2015, although it did remain in first place.

Cash investments accounted for more than 20%, up from 5% in 2014. This strong growth is explained by the historically high level attained by current accounts, since most other products in this category saw a net outflow of funds over 2015. Indeed, interest rates on the various cash investment products continued to fall in 2015, particularly for Livret A savings accounts, which saw interest rates fall to 0.75% on 1 August. The share of net new financial investments accounted for by contractual savings products remained high (22%) because of another large net inflow despite a reduction in the interest rate on home savings plans on 1 February (from 2.5% to 2%).

Long-term savings

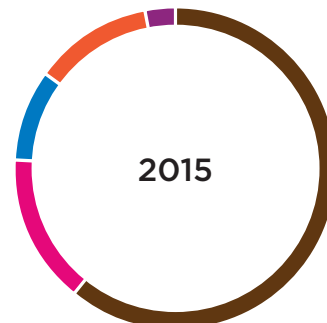
Long-term savings, comprising medium- and long-term financial investments such as life insurance, contractual savings (home savings plans, bank popular savings plans) and other long-term savings products (shares, bonds, employee savings plans, etc.) stood at €3,300 bn at the end of 2015.

Life insurance remains the main vehicle for long-term savings in France, accounting for 50% in 2015.

Household wealth

	2014	2015
● Non-financial assets	62%	61%
● Insurance	15%	15%
● Cash investments	9%	9%
● Securities	12%	12%
● Contractual savings	2%	3%

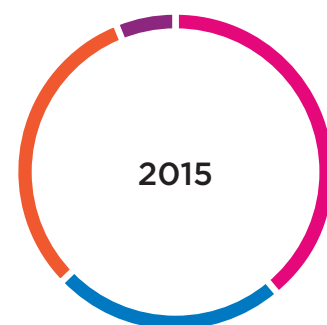
Sources: Banque de France and Les Cahiers de l'épargne



Household financial assets

	2014	2015
● Insurance	40%	39%
● Cash investments	25%	24%
● Securities	30%	31%
● Contractual savings	5%	6%

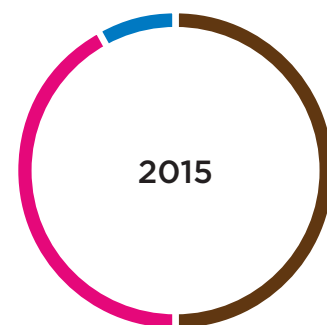
Source: Banque de France



Long-term savings

	2014	2015
● Life insurance	51%	50%
● Other savings products (shares, bonds, employee saving plans)	41%	42%
● Home savings plans, bank popular savings plans	8%	8%

Source: Banque de France



Net new financial investments

(in billions of Euros)

	2011	2012	2013	2014	2015
> Cash investments	44	42	18	4	22
> Contractual savings	2	1	8	17	23
> Securities	23	23	9	6	7
> Insurance	28	23	41	54	51
> Net new financial investments	97	89	76	81	103

Source: Banque de France

INSURANCE AND SOCIAL PROTECTION OF HOUSEHOLDS IN 2014*

The role of insurance in social protection

Insurance organisations¹ supplement the compulsory schemes in financing supplementary pensions, reimbursing health care costs, paying benefits in the event of absence from work, permanent disability or the need for long-term care and paying a capital sum or an annuity in the event of death.

Insurance organisations also act as managers of the compulsory schemes for self-employed workers.

Moreover, these insurance organisations provide cover for accidents at work for those who are not covered by Social Security, for example craft workers, traders and the liberal professions.

Benefits paid in respect of social protection in France are evaluated at 689.8 billion Euros for 2014. This amount is made up of benefits paid for old age/survivors (45%), health (35%), maternity and family (8%), employment (6%) and other risks (6%). It should, however, be noted that only the benefits paid by mutuals falling within the scope of the French Mutual Insurance Code and by provident institutions and pension funds are included in the Social Protection Accounts.

Insurance organisations paid 47.0 billion Euros² of benefits in respect of retirement pensions, health, temporary and permanent disability, long-term care and death. This amount represents 7% of social protection in France.

Benefits paid by all insurance organisations¹

(in billions of Euros)

	2010	2011	2012	2013	2014
> Health care	23.3	24.3	25.0	25.4	25.7
> Death, temporary and permanent disability ²	13.2	13.1	13.6	14.2	14.7
> Retirement pensions ³	6.3	6.5	6.2	6.7	6.6
> Total	42.8	43.9	44.8	46.3	47.0

¹ Insurance companies falling within the scope of the French Insurance Code, mutuals falling within the scope of the French Mutual Insurance Code and provident institutions falling within the scope of the French Social Security Code

² FFA estimate

³ Not including death benefits paid under life insurance contracts (refund of premiums where the insured party dies before the term of the contract)

*Sources: DREES (Direction de la recherche, des études, de l'évaluation et des statistiques - Office for Research, Studies, Valuation and Statistics), FFA, CTIP (Centre technique des institutions de prévoyance - Technical Centre for Provident Institutions) and FNMF (Fédération nationale de la mutualité française - French Federation of Mutual Insurance Companies) (2015 data will be available during 2017)

Financing pensions

The compulsory pension schemes (basic and supplementary schemes) paid out benefits of 299.3 billion Euros in 2014.

Taking demographic changes into account, the expected decrease in the value of the pension paid by these schemes, as a percentage of gross final salary, creates a high and growing need for supplementary benefits.

The purpose of pension insurance contracts offered by insurance organisations is to guarantee the insured party payment of a regular income from retirement age until they die (or until their spouse dies, in the event of a reversionary pension).

In 2014, insurance organisations and managers of group pension savings plans (PERCO) paid 6.6 billion Euros to their policyholders or clients, i.e. 2.1% of all pension benefits paid in 2014.

These contracts can be taken out by:

- > companies for their employees: defined benefit or defined contribution contracts, «article 82» contracts, end-of-career payment contracts, company pension savings plans (*PERE*);
- > individuals: contracts falling within the scope of the Madelin Act for the self-employed, specific pension contracts for certain occupations (farmers, civil servants, etc.) and personal pension plans (*PERP*).

Financing the costs of health care and medical goods

Consumption of health care and medical goods in 2014 was 190.6 billion Euros, an annual increase of 2.5%. 2014 was thus a year of moderate growth, below 3%, confirming the slowdown in the growth of consumption of health care and medical goods observed since 2008, despite a slight acceleration in 2014.

With 148.8 billion Euros paid in 2014, Social Security (general scheme and special schemes), the State and local authorities financed 78% of the costs of health care and medical goods. This was a slightly higher proportion than in 2013.

The portion financed by the supplementary insurance providers was 13.5% in 2014, at 25.7 billion Euros. The portion paid by households in 2014 was 8.5%, or 16.2 billion Euros.

Death, temporary and permanent disability and long-term care benefits

Death, temporary and permanent disability and long-term care benefits paid in 2014 were 44.4 billion Euros, up by 3%, slightly higher than the growth in 2013 (+ 2%).

The basic compulsory schemes paid out 24.1 billion Euros for sickness, maternity, permanent disability, death and accidents in the work place and 5.6 billion Euros in respect of the personal independence allowance to individuals with long-term care needs. They therefore accounted for 67% of total financing.

In total, insurance organisations paid 14.7 billion Euros of supplementary benefits in 2014, an increase of 4%. They therefore accounted for 33% of the payments made by all financing bodies.

Retirement pension benefits paid

(in billions of Euros)

	2010	2011	2012	2013	2014
> Compulsory schemes ¹	264.5	274.0	284.7	292.4	299.3
> Basic schemes	191.7	200.1	205.7	211.9	216.0
> Supplementary schemes	72.8	73.9	79.0	80.4	83.3
> Insurance organisations and others ²	6.3	6.5	6.2	6.7	6.6
> Total	270.8	280.5	290.9	299.1	305.9

¹ Retirement pensions paid in respect of direct and derived rights, as well as non-contributory benefits such as the minimum old-age pension

² Insurance companies, mutuals, provident institutions and managers of group pension savings plans (Perco) (excluding benefits under end-of-career payment contracts, including transfers of contracts between companies and single lump-sum annuity payments)

Source: DREES

Benefits paid in respect of the costs of health care and medical goods

(in billions of Euros)

	2010	2011	2012	2013	2014
> Compulsory schemes	134.5	137.8	141.0	144.4	148.8
> Insurance organisations	23.3	24.3	25.0	25.4	25.7
insurance companies	6.0	6.5	6.8	6.9	7.0
Type 45 mutuals	13.1	13.3	13.6	13.6	13.6
provident institutions	4.2	4.5	4.6	4.9	5.0
> Households	15.7	16.2	16.2	16.1	16.2
> Total	173.6	178.4	182.2	185.9	190.6

Source: DREES (health accounts)

Death, temporary and permanent disability and long-term care benefits paid

(in billions of Euros)

	2010	2011	2012	2013	2014
> Compulsory schemes	21.9	22.6	22.9	23.4	24.1
> Personal independence allowance	5.3	5.3	5.4	5.5	5.6
> Insurance organisations ¹	13.2	13.1	13.6	14.2	14.7
> Total	40.3	41.0	42.0	43.0	44.4

¹ Insurance companies, mutuals and provident institutions.

Sources: FFA estimates from FFA, CNAMTS (Caisse nationale d'assurance maladie des travailleurs salariés - National Sickness Insurance Fund for Employees), CTIP, DREES and FNMF data.

THE INSURANCE INDUSTRY'S FINANCIAL ACTIVITY IN 2015: KEY FIGURES

The insurance industry plays a key role in financing the economy. Figures for the purchase and management of financial assets by insurance companies grew in 2015.

In a mixed financial environment and against a background of net inflows in life insurance, assets measured at market value grew by 4.1%. The insurance industry continued to make an important contribution to financing the economy in 2015, at 2,231.4 billion Euros, the majority of which was directed at companies (58% of assets).

Investments

In 2015, the balance sheet value of insurance companies' investments reached 2,001.8 billion Euros, compared to 1,890.9 billion in 2014. Net new investments were 5.9% higher in 2015, at 110.9 billion Euros.

Total investments held

Total investments held (realisation value) by insurance companies grew by 4.1% in 2015: 3.8% in life insurance and capitalisation and 6.5% in non-life insurance. The erratic changes in long-term rates in 2015 led to a fall of 36 billion Euros in unrealised capital gains on bonds and fixed-income UCITS, to 145 billion Euros. However, the growth of equity markets and the CAC 40 in particular (+ 8.5%) led to an increase of 10 billion Euros in unrealised capital gains in this segment, which reached 60.4 billion Euros at the end of 2015.

Results for the year

In a very uncertain economic and financial environment, results increased in 2015, to 10.8 billion Euros compared to 8.8 billion in 2014.

The return on own funds was 9.8 %. Investment income was 56.6 billion Euros in 2015, higher than in 2014. This growth was characterised by a sharp rise in profits realised on disposals of assets, which reached 7.5 billion in 2015 compared to only 4.1 billion in 2014.

In total, life insurance companies' financial management released 50.9 billion Euros in 2015, up 3.8% compared to 2014, of which 6.5 billion were accounted for by profits from disposals of assets. At least 85% of these resources was allocated to insured parties through beneficiary clauses in contracts.

Net book income of life insurance grew slightly in 2015, to 6.6 billion Euros. Profitability was 10.3% of own capital in 2015. Transfers to mathematical reserves established to cover future commitments to insured parties grew together with growth in premium income and in the valuation of unit-linked contracts.

For non-life insurance companies, financial results remained steady at 5.7 billion Euros, of which 1.0 billion Euros was accounted for by realised capital gains.

With the burden of claims up by 1.1% and resources (premiums and investment income) up by 3.7%, the technical result was 5.0 billion Euros in 2015. The average expense ratio (acquisition and administration costs to premiums) was 24.5% in 2015. The combined ratio*, net of reinsurance, reached equilibrium at 100.2%, compared to 101.3% in 2014. Net book income was 4.2 billion Euros at 9.2% of own capital.

Solvency: solid ratios

For life insurance and capitalisation companies and composite insurance companies, the regulatory solvency margin requirement (before the entry into force of the Solvency 2 regime in 2016) is 4% of mathematical reserves. This requirement is reduced to 1% for unit-linked contracts. Based on the breakdown of contracts held by companies, this requirement can be evaluated at 3.5% for 2015. Life and composite insurance companies' own funds were 64.6 billion Euros in 2015, representing 3.8% of mathematical reserves.

Including unrealised capital gains, the solvency margin was 14.6%, 4.2 times the regulatory required margin.

The margin requirement for non-life insurance companies is the higher of 16% of annual premiums or 23% of the average burden of claims for the last three financial years. Own funds of non-life companies were 45.8 billion Euros in 2015, i.e. 65.2% of premiums. Including unrealised capital gains, the solvency margin was 129.8%, 8.1 times the regulatory required margin.

French insurers' international activity

The international revenues of French insurers grew by 4.5% in 2015, to 115.6 billion Euros. This growth came particularly from Europe and America. The majority of direct insurers' international activity was conducted within the European Union (51.1%). In 2015, the revenues of French reinsurance companies totalled 33.0 billion Euros, 11.8 billion of which came from their subsidiaries abroad.

Market shares of the principal countries of the European Union in 2015

United Kingdom	23.7%
France	17.0%
Germany	15.8%
Italy	12.2%
Netherlands	6.0%
Spain	4.5%
Ireland	4.1%
Others	16.7%



Source: SwissRe, Sigma no. 3/2016

* This is the ratio of benefits paid and provisioned, acquisition and administration costs and other technical expenses to premiums

Foreign revenues of French insurers in the European Union in 2015

Italy	35.2%
Germany	22.3%
United Kingdom	15.7%
Belgium	7.0%
Luxembourg	6.6%
Spain	5.7%
Ireland	1.4%
Portugal	1.4%
Poland	1.1%
Others	3.6%



Source: FFA

Breakdown of the foreign revenues of French direct insurers in 2015

European Union (excluding France)	51.1%
North America	16.2%
Asia	12.9%
Europe (excluding EU)	11.9%
Latin America	6.3%
Africa and Middle East	1.4%
Oceania	0.2%



Source: FFA

Breakdown of the investments held by insurance companies at the end of 2015

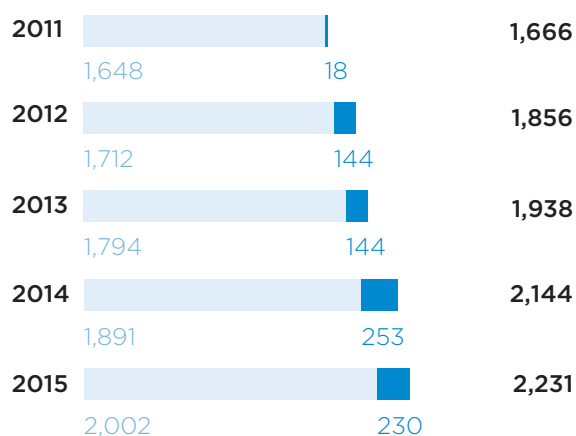
(at market value and after replacing the value of UCITS with the value of the assets held)

	in €bn	in %
> Shares	408.1	18
> Corporate bonds	820.6	37
> Bonds issued or guaranteed by the State	703.8	32
> Property assets	98.4	4
> Monetary assets	111.0	5
> Others	89.5	4
> General total	2,231.4	100
> of which:		
Life and composite insurance companies	2,009.1	90
Non-life insurance companies	222.3	10

Sources: FFA, Banque de France

Changes in insurance companies' total investments

(in billions of Euros)

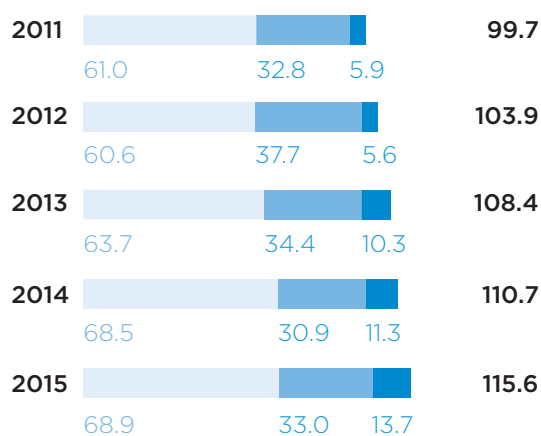


■ Balance sheet value
■ Unrealised capital gains

Source: FFA

Foreign revenues of French insurers

(in billions of Euros)

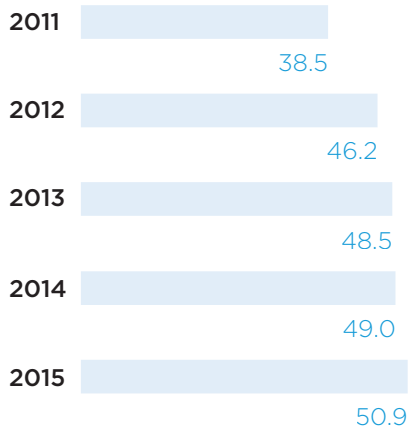


■ Life
■ Non-life
■ Reinsurance

Source: FFA

Change in investment revenues and realised capital gains of life and composite insurance companies

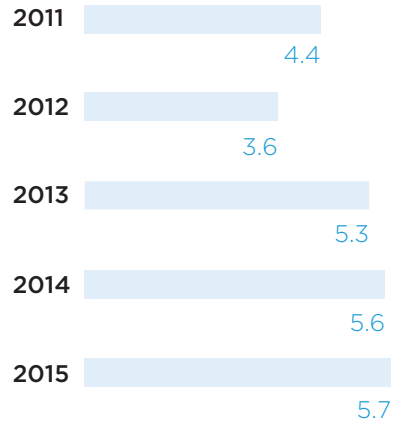
(in billions of Euros)



Source: FFA

Change in investment revenues and realised capital gains of non-life insurance companies

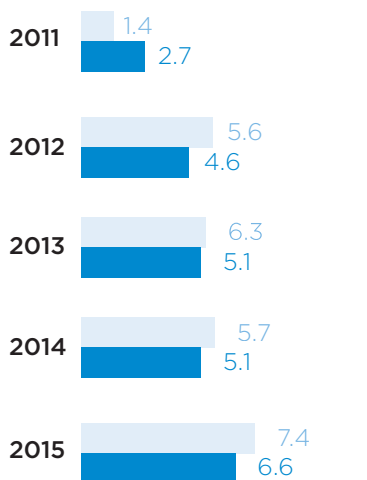
(in billions of Euros)



Source: FFA

Results of life and composite insurance companies

(in billions of Euros)

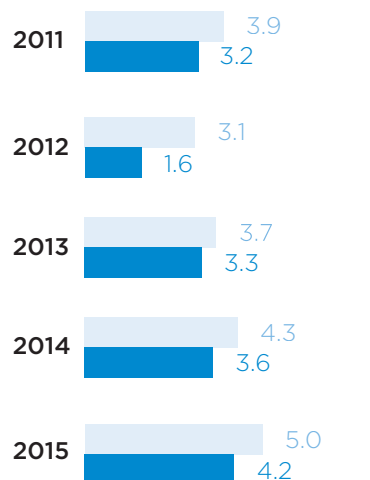


■ Technical result
■ Result for the financial year

Source: FFA

Results of non-life insurance companies

(in billions of Euros)

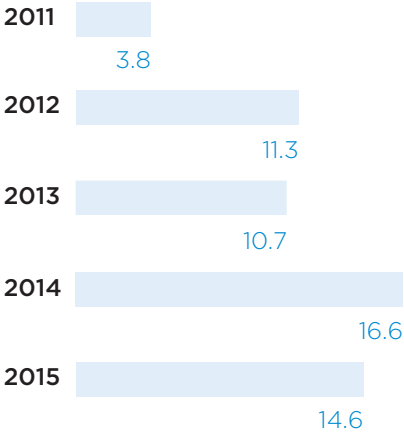


■ Technical result
■ Result for the financial year

Source: FFA

Solvency of life and composite insurance companies

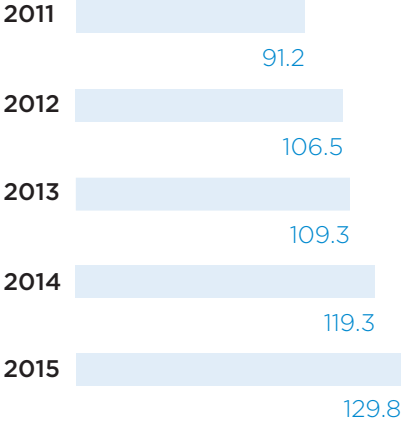
(as % of mathematical reserves)



Source: FFA

Solvency of non-life insurance companies

(own funds + unrealised capital gains/premiums as %)



Source: FFA

The income statement of life and composite insurance companies¹

	2014 in €bn	2015 in €bn	Change in %
> Technical account			
Earned premiums	136.3	136.1	- 0.1%
Net investment income ²	48.4	50.3	3.9%
Adjustment for variable-capital insurance contracts	13.9	10.5	- 24.5%
Other technical income	1.5	1.8	20.0%
Sub-total A	200.1	198.7	- 0.7%
Claims burden	107.6	99.8	- 7.2%
Technical provision expenses	31.2	34.2	9.6%
Profit-sharing	41.4	42.5	2.7%
Acquisition and administration expenses	13.0	13.6	4.6%
Other technical expenses	1.2	1.2	0.0%
Sub-total B	194.4	191.3	- 1.6%
Technical result A-B	5.7	7.4	29.8%
> Non-technical account			
Income from allocated investments	0.6	0.6	0.0%
Other items of the non-technical account	- 1.2	- 1.4	16.7%
Net book income	5.1	6.6	29.4%

¹ Operations net of reinsurance.

² Including capital gains realised on disposals of assets (net of capital losses) less investment income transferred to the non-technical account.

Sources: FFA, ACPR

The income statement of non-life insurance companies¹

	2014 in €bn	2015 in €bn	Change in %
> Technical account			
Earned premiums	60.5	62.9	4.0%
Net income from allocated investments	4.3	4.3	0.0%
Other technical income	0.8	0.8	- 0.0%
Sub-total A	65.6	68.0	3.7%
Claims burden ²	44.0	44.5	1.1%
Acquisition and administration expenses	14.5	15.4	6.2%
Other technical expenses	2.8	3.1	10.7%
Sub-total B	61.3	63.0	2.8%
Technical result A-B	4.3	5.0	16.3%
> Non-technical account			
Net investment income ³	1.3	1.5	15.4%
Other items of the non-technical account	- 2.0	- 2.3	15.0%
Net book income	3.6	4.2	16.7%

¹ Operations net of reinsurance

² Including transfers to the technical provisions.

³ Including capital gains realised on disposals of assets (net of capital losses), less investment income transferred to the non-technical account.

Sources: FFA, ACPR

The ten leading markets in the world in 2015

Revenues <i>(in millions of dollars)</i>	Life	Non-life	Total	Change in % 2015/2014	Global share in %
> United States	552,506	763,765	1,316,271	3.5%	28.9%
> Japan	343,816	105,891	449,707	2.9%	9.9%
> China	210,763	175,737	386,500	18.3%	8.5%
> United Kingdom	214,492	105,684	320,176	2.1%	7.0%
> France	150,143	80,402	230,545	2.4%	5.1%
> Germany	96,725	116,538	213,263	- 0.1%	4.7%
> Italy	124,848	40,189	165,037	1.5%	3.6%
> South Korea	98,218	55,402	153,620	4.8%	3.4%
> Canada	49,331	65,637	114,968	3.6%	2.5%
> Taiwan	79,627	16,352	95,979	5.8%	2.1%

Source: SWISS RE, SIGMA N° 3/2016

PREMIUMS

Global revenues

		2004	2005	2006	2007	2008	2009
➤ Life, capitalisation and composite companies	€bn	116.6	133.6	155.8	151.7	139.7	158.0
	in %	14.3	14.6	16.6	- 2.6	- 7.9	13.1
➤ Non-life companies ¹	€bn	56.0	58.5	60.3	62.0	64.5	65.5
	in %	4.1	4.4	3.1	2.8	4.0	1.6
➤ All companies aggregated ²	€bn	172.6	192.1	216.1	213.7	204.2	223.5
	in %	10.8	11.3	12.5	- 1.1	- 4.4	9.5
➤ Insurers' subsidiaries abroad	€bn	61.8	61.2	67.6	86.3	86.7	89.5
	in %	2.0	- 1.0	10.5	27.7	0.5	3.2
➤ Reinsurance companies and subsidiaries ³	€bn	8.2	12.4	12.3	17.9	13.5	14.6
	in %	- 22.6	51.2	- 0.8	45.5	- 24.6	8.1
➤ GLOBAL REVENUES	€bn	242.6	265.7	296.0	317.9	304.4	327.6
	in %	6.9	9.5	11.4	7.4	- 4.2	7.6

		2010	2011	2012	2013	2014	2015
➤ Life, capitalisation and composite companies	€bn	166.2	143.8	138.1	144.3	158.1	163.6
	in %	5.2	- 13.5	- 4.0	4.5	9.6	3.5
➤ Non-life companies ¹	€bn	68.5	71.2	71.5	72.9	74.2	74.0
	in %	4.6	3.9	0.4	2.0	1.8	- 0.3
➤ All companies aggregated ²	€bn	234.7	215.0	209.6	217.2	232.3	237.6
	in %	5.0	- 8.4	- 2.5	3.6	7.0	2.3
➤ Insurers' subsidiaries abroad	€bn	95.4	87.6	92.9	91.3	93.6	95.7
	in %	6.6	- 8.2	6.1	- 1.7	2.5	2.2
➤ Reinsurance companies and subsidiaries ³	€bn	13.7	15.2	14.6	21.9	20.8	33.0
	in %	- 6.2	10.9	- 3.9	50.0	- 5.0	58.7
➤ GLOBAL REVENUES	€bn	343.8	317.8	317.1	330.4	346.7	366.3
	in %	4.9	- 7.6	- 0.2	4.2	4.9	5.7

¹ Excluding CCR (Caisse Centrale de Réassurance), MCR (Mutuelle Centrale de Réassurance).

² These revenues include direct business, reinsurance acceptances and activity under freedom to provide services or branches.

³ Including CCR, MCR.

Source: FFA

Statistical section

Premiums by method of distribution (in %)

	2004	2005	2006	2007	2008	2009
> Life, capitalisation and composite companies¹						
Bancassurance	62	63	66	63	60	60
General agents	7	7	6	7	8	7
Brokers	13	13	12	13	14	14
Employees	16	15	14	15	16	16
Other methods	2	2	2	2	2	3
	2010	2011	2012	2013	2014	2015
Bancassurance	61	62	63	64	64	64
General agents	7	7	7	7	6	6
Brokers	13	12	11	11	11	11
Employees	16	16	16	15	15	15
Other methods	3	3	3	3	4	4
	2004	2005	2006	2007	2008	2009
> Non-life companies						
Bancassurance	9	9	9	9	10	10
General agents	35	35	35	35	35	35
Brokers	18	18	18	18	18	18
Employees	2	2	2	2	2	2
Direct-writing insurance companies	33	33	33	33	33	33
Other methods	3	3	3	3	2	2
	2010	2011	2012	2013	2014	2015
Bancassurance	11	11	12	13	13	13
General agents	34	34	34	34	34	34
Brokers	18	18	18	18	18	18
Employees	2	2	2	2	2	2
Direct-writing insurance companies	33	33	33	32	32	32
Other methods	2	2	1	1	1	1

¹ Excluding personal injury

Source: FFA

Share of premiums accounted for by foreign companies (in %)

	2004	2005	2006	2007	2008	2009
> All companies						
Branches	1.4	1.5	1.4	1.5	1.2	1.0
Subsidiaries	20.1	20.2	20.0	20.8	21.7	20.7
Total	21.5	21.7	21.4	22.3	22.9	21.7
	2010	2011	2012	2013	2014	2015
Branches	1.0	1.1	1.5	1.6	1.5	1.7
Subsidiaries	20.5	20.2	19.9	18.5	18.0	17.9
Total	21.5	21.3	21.4	20.1	19.5	19.6
	2004	2005	2006	2007	2008	2009
> Life, capitalisation and composite companies						
Branches	0.9	0.8	0.8	0.9	0.3	0.2
Subsidiaries	18.1	19.0	18.8	19.9	20.9	19.7
Total	19.0	19.8	19.6	20.8	21.2	19.9
	2010	2011	2012	2013	2014	2015
Branches	0.2	0.3	0.2	0.3	0.3	0.4
Subsidiaries	19.4	18.7	19.6	18.2	17.6	17.8
Total	19.6	19.0	19.8	18.5	17.9	18.2
	2004	2005	2006	2007	2008	2009
> Non-life companies						
Branches	2.3	3.0	3.0	3.0	3.1	3.0
Subsidiaries	24.3	23.0	22.9	22.9	23.4	22.9
Total	26.6	26.0	25.9	25.9	26.5	26.0
	2010	2011	2012	2013	2014	2015
Branches	2.7	2.7	3.9	4.1	4.5	5.0
Subsidiaries	23.2	23.3	20.4	19.1	18.2	18.2
Total	25.9	26.0	24.3	23.2	22.7	23.2

Source: FFA

Statistical section

Life, health and protection insurance premiums¹

(direct business, in billions of Euros)

	2004	2005	2006	2007	2008	2009
➤ Life insurance payable on survival and capitalisation contracts	98.4	113.4	132.5	128.4	113.1	128.5
➤ Life insurance payable on survival	94.6	108.6	127.6	122.6	105.9	118.8
Individual contracts	89.4	103.0	121.5	115.5	98.6	110.7
Group contracts	5.2	5.6	6.2	7.0	7.3	8.1
➤ Capitalisation contracts	3.9	4.9	4.8	5.8	7.2	9.7
➤ Life insurance payable on death, sickness and accident insurance	19.2	20.5	21.9	23.6	25.2	26.1
➤ Life insurance payable on death ²	6.9	7.2	7.7	8.7	9.3	9.5
Individual contracts	2.2	2.2	2.4	3.1	3.3	3.4
Group contracts	4.8	5.1	5.4	5.6	6.0	6.0
➤ Sickness and personal-injury accident insurance ³	12.2	13.3	14.1	14.9	15.9	16.6
Individual contracts	6.1	6.7	7.2	7.7	8.3	8.7
Group contracts	6.1	6.5	6.9	7.2	7.7	7.9
➤ TOTAL	117.6	133.9	154.3	152.0	138.3	154.6
➤ % SHARE OF THE WHOLE MARKET	74.4	76.2	78.3	77.7	75.5	77.5
➤ Life insurance payable on survival and capitalisation contracts						
➤ Unit-linked products	16.8	24.4	34.7	34.4	20.4	18.0
➤ Euro products	81.6	89.1	97.8	94.0	92.7	110.5

¹ Life, health and protection insurance comprise life insurance payable on survival and on death, capitalisation contracts and personal injury insurance (sickness insurance or personal-injury accident insurance other than motor. The latter appear in the accounts of non-life insurance companies).

² Including death cover under individual credit insurance contracts since 2007.

³ Including the supplementary cover attached to life contracts.

Source: FFA

Life, health and protection insurance premiums¹ (continuation)

(direct business, in billions of Euros)

	2010	2011	2012	2013	2014	2015
➤ Life insurance payable on survival and capitalisation contracts	134.0	114.0	102.8	108.1	118.1	124.7
➤ Life insurance payable on survival	123.1	107.4	96.6	101.5	110.6	117.3
Individual contracts	117.5	102.6	90.0	95.8	105.1	111.8
Group contracts	5.5	4.8	6.5	5.8	5.5	5.5
➤ Capitalisation contracts	11.0	6.6	6.2	6.6	7.5	7.3
➤ Life insurance payable on death, sickness and accident insurance	27.1	27.6	29.2	30.2	31.0	31.9
➤ Life insurance payable on death ²	9.8	10.1	10.5	10.7	10.9	11.1
Individual contracts	3.6	3.8	3.9	4.0	4.1	4.1
Group contracts	6.3	6.4	6.6	6.8	6.8	7.0
➤ Sickness and personal-injury accident insurance ³	17.3	17.5	18.7	19.5	20.1	20.8
Individual contracts	9.3	9.4	10.0	10.3	10.6	10.7
Group contracts	8.1	8.1	8.7	9.2	9.5	10.1
➤ TOTAL	161.1	141.6	131.9	138.3	149.1	156.5
➤ % SHARE OF THE WHOLE MARKET	77.8	74.7	72.8	73.4	74.4	75.0
➤ Life insurance payable on survival and capitalisation contracts						
➤ Unit-linked products	19.3	16.5	13.8	16.8	20.5	27.5
➤ Euro products	114.7	97.5	88.9	91.3	97.6	97.2

¹ Life, health and protection insurance comprise insurance payable on survival and on death, capitalisation contracts and personal injury insurance (sickness insurance or personal-injury accident insurance other than motor). The latter appear in the accounts of non-life insurance companies).

² Including death cover under individual credit insurance contracts since 2007.

³ Including the supplementary cover attached to life contracts.

Source: FFA

Statistical section

Property and casualty insurance premiums

(direct business, in billions of Euros)

	2004	2005	2006	2007	2008	2009
> Motor	17.7	17.9	17.7	17.7	17.9	17.8
> Property damage						
Personal lines	5.8	6.1	6.4	6.8	7.2	7.5
Business	5.8	5.7	5.7	5.8	5.8	5.9
Agricultural	0.9	0.9	0.9	0.9	1.0	1.0
> Transport	1.1	1.2	1.1	1.1	1.1	1.0
> General liability	2.9	3.1	3.3	3.3	3.4	3.5
> Construction	1.6	2.0	2.3	2.5	2.5	2.4
> Natural disasters	1.3	1.3	1.3	1.3	1.4	1.3
> Sundry (credit, legal protection, assistance)	3.4	3.7	3.9	4.3	4.5	4.6
> TOTAL	40.5	41.9	42.7	43.7	44.8	45.0
> % SHARE OF THE WHOLE MARKET	25.6	23.8	21.7	22.3	24.5	22.6

	2010	2011	2012	2013	2014	2015
> Motor	18.3	18.9	19.5	19.7	20.1	20.5
> Property damage						
Personal lines	7.9	8.4	8.9	9.2	9.7	10.0
Business	5.9	6.1	6.2	6.2	6.2	6.3
Agricultural	1.0	1.1	1.1	1.2	1.2	1.2
> Transport	1.0	1.0	1.0	1.0	1.0	1.0
> General liability	3.4	3.5	3.6	3.6	3.6	3.5
> Construction	2.3	2.4	2.4	2.3	2.2	2.1
> Natural disasters	1.4	1.4	1.5	1.5	1.6	1.6
> Sundry (credit, legal protection, assistance)	4.8	5.1	5.2	5.5	5.7	6.1
> TOTAL	46.0	47.9	49.4	50.2	51.2	52.3
> % SHARE OF THE WHOLE MARKET	22.2	25.3	27.2	26.6	25.6	25.0

Source: FFA

All premiums*(direct business, in billions of Euros)*

	2004	2005	2006	2007	2008	2009
> Life, health and protection insurance	117.6	133.9	154.3	152.0	138.3	154.6
> Property and casualty insurance	40.5	41.9	42.7	43.7	44.8	45.0
> TOTAL	158.1	175.8	197.0	195.7	183.1	199.6

	2010	2011	2012	2013	2014	2015
> Life, health and protection insurance	161.1	141.6	132.0	138.3	149.1	156.5
> Property and casualty insurance	46.0	47.9	49.4	50.2	51.2	52.3
> TOTAL	207.1	189.5	181.4	188.5	200.3	208.8

Source: FFA

Statistical section

BENEFITS

Life, health and protection insurance benefits

(direct business, in billions of Euros)

	2004	2005	2006	2007	2008	2009
> Life and capitalisation	62.4	68.7	75.4	83.1	94.0	87.5
> Sickness and personal-injury accidents ¹	9.6	10.1	9.8	10.5	10.6	11.4
> TOTAL	72.0	78.8	85.2	93.6	104.6	98.9

	2010	2011	2012	2013	2014	2015
> Life and capitalisation	92.8	116.4	119.6	108.0	106.3	111.9
> Sickness and personal-injury accidents ¹	12.1	12.8	13.8	14.7	15.1	16.0
> TOTAL	104.9	129.2	133.4	122.7	121.4	127.9

Property and casualty insurance benefits paid¹*(direct business in billions of Euros)*

	2004	2005	2006	2007	2008	2009
> Motor	14.0	14.5	14.3	14.5	14.6	15.7
> Property damage						
Personal lines	4.3	4.4	4.6	4.8	5.1	6.5
Business and agricultural	3.6	3.7	3.5	4.0	3.7	4.6
> Transport	0.6	0.8	0.6	0.6	0.5	0.6
> General liability	2.3	2.5	2.3	2.5	2.2	2.3
> Construction	2.0	2.0	2.4	2.4	2.3	2.0
> Natural disasters	0.5	0.8	0.4	0.7	0.7	0.6
> Sundry (credit, legal protection, assistance)	1.7	1.6	2.0	2.0	2.0	2.5
> TOTAL	29.0	30.3	30.1	31.5	31.1	34.8

¹ Benefits paid during the accounting year and transfers to provisions for claims payable, regardless of the date of occurrence of the losses.

Source: FFA

Property and casualty insurance benefits paid¹ (continuation)

(direct business in billions of Euros)

	2010	2011	2012	2013	2014	2015
> Motor	15.5	15.5	15.8	16.2	17.1	16.9
> Property damage						
Personal lines	5.9	5.8	6.8	6.9	6.9	6.5
Business and agricultural	4.1	4.1	4.3	4.7	4.4	4.3
> Transport	0.5	0.6	0.7	0.5	0.5	0.6
> General liability	2.6	2.1	2.3	2.3	2.4	2.1
> Construction	2.0	2.1	1.9	2.1	2.1	2.2
> Natural disasters	1.4	0.6	0.8	0.6	0.8	0.9
> Sundry (credit, legal protection, assistance)	2.2	2.4	2.5	2.6	2.7	3.0
> TOTAL	34.2	33.2	35.1	35.9	36.9	36.5

¹ Benefits paid during the accounting year and transfers to provisions for claims payable, regardless of the date of occurrence of the losses.

All benefits

(direct business, in billions of Euros)

	2004	2005	2006	2007	2008	2009
> Life, health and protection insurance	72.0	78.8	85.2	93.6	104.6	98.9
> Property and casualty insurance	29.0	30.3	30.1	31.5	31.1	34.8
> TOTAL	101.0	109.1	115.3	125.1	135.7	133.7

	2010	2011	2012	2013	2014	2015
> Life, health and protection insurance	104.9	129.2	133.4	122.7	121.4	127.9
> Property and casualty insurance	34.2	33.2	35.1	35.9	36.9	36.5
> TOTAL	139.1	162.4	168.5	158.6	158.3	164.4

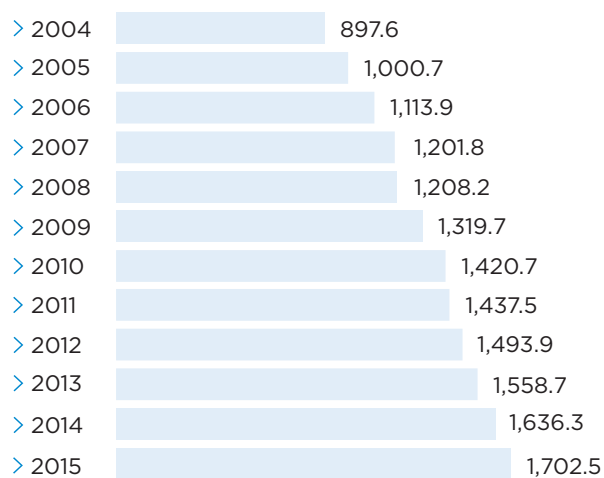
Statistical section

ACCOUNTING DATA

Life, capitalisation and composite insurance companies

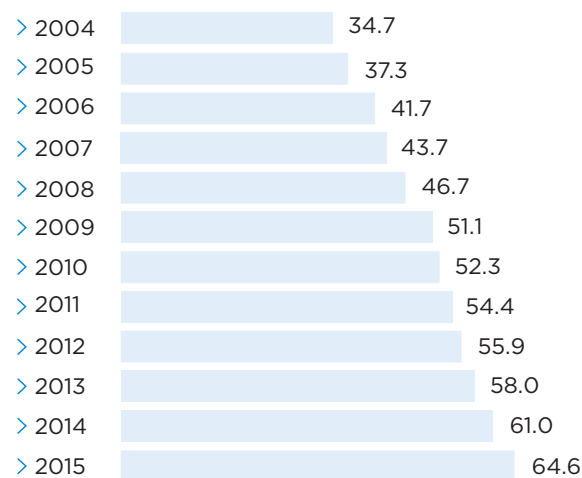
Technical provisions

(in billions of Euros)



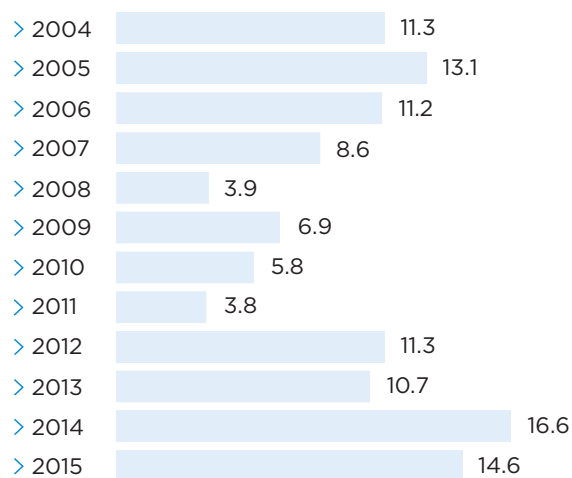
Own funds before appropriation of results

(in billions of Euros)



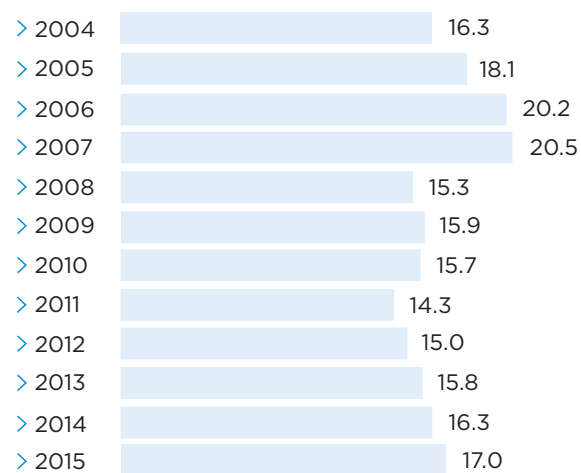
Solvency: own funds and unrealised capital gains/technical provisions

(in %)



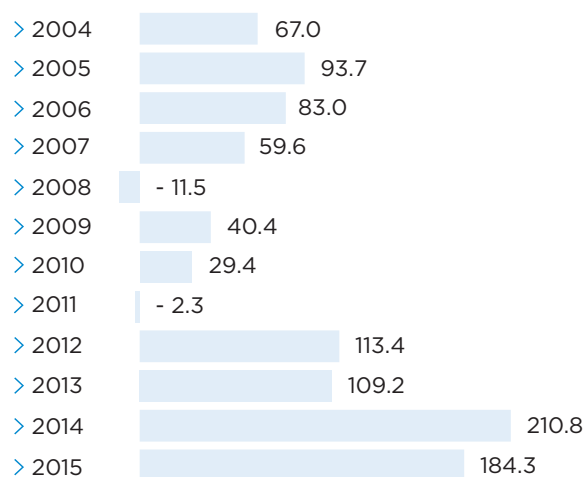
Share of unit-linked products in technical provisions

(in %)



Unrealised capital gains

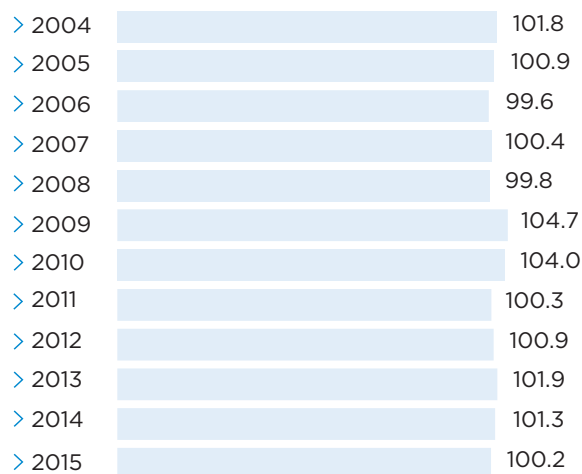
(in billions of Euros)



Non-life companies

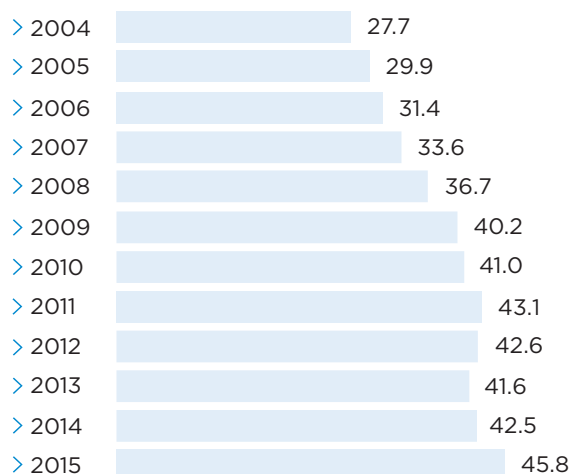
Combined ratio

(as % of premiums)



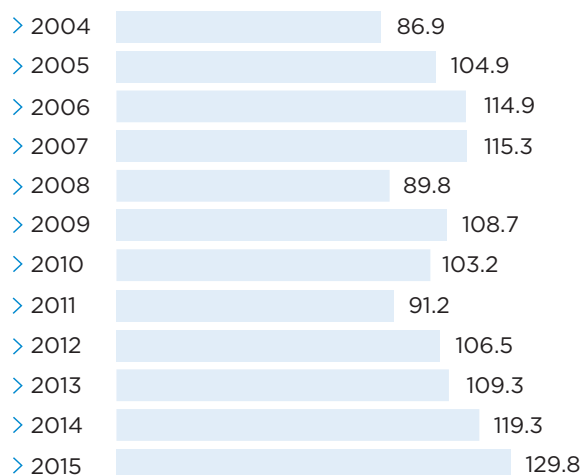
Own funds before appropriation of results

(in billions of Euros)

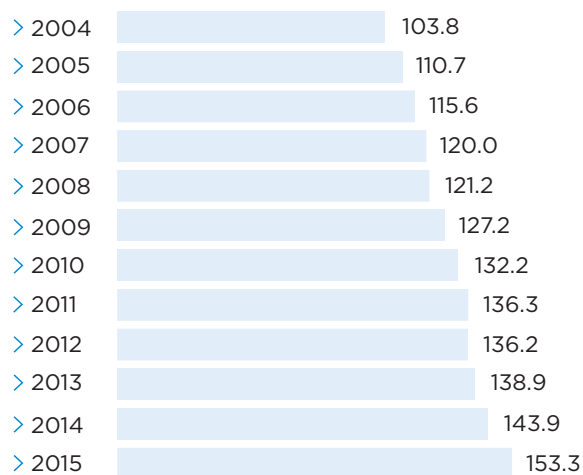


Statistical section

Solvency: own funds and unrealised capital gains/premiums *(in %)*

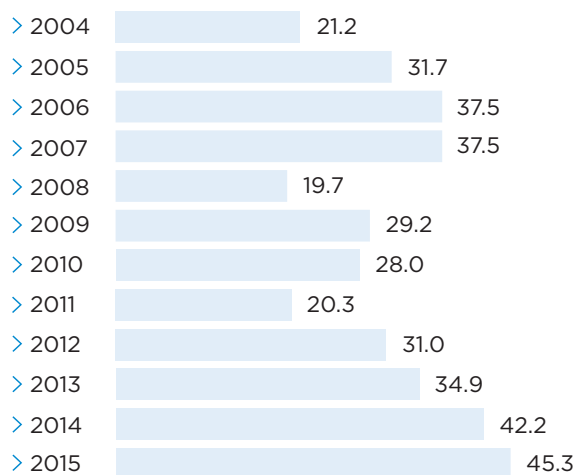


Technical provisions *(in billions of Euros)*



Unrealised capital gains

(in billions of Euros)



Statistical section

Companies' salaried employees

	2004	2005	2006	2007	2008	2009
> Total staff	143,500	143,700	143,750	143,950	145,200	147,700
administrative	125,400	126,000	126,250	126,350	127,400	129,600
field sales	18,100	17,700	17,500	17,600	17,800	18,100
> Proportion of women	57.5%	57.9%	58.3%	58.6%	59.1%	59.1%
administrative	62.3%	62.4%	62.6%	62.9%	63.3%	63.1%
field sales	25.0%	25.6%	26.9%	28.1%	29.2%	30.4%
> Managers	37.0%	37.8%	38.5%	39.3%	40.4%	41.3%
administrative	38.5%	39.3%	40.0%	40.9%	42.0%	43.1%
field sales	27.2%	27.1%	27.3%	28.2%	28.5%	28.5%

	2010	2011	2012	2013	2014	2015
> Total staff	147,500	147,500	148,200	147,300	146,600	147,100
administrative	129,800	130,300	131,200	131,000	130,200	131,400
field sales	17,700	17,200	17,000	16,300	16,400	15,700
> Proportion of women	59.3%	59.3%	59.6%	59.9%	60.2%	60.3%
administrative	63.1%	63.0%	63.2%	63.4%	63.7%	63.6%
field sales	31.1%	31.4%	31.8%	31.3%	32.3%	32.5%
> Managers	42.6%	43.6%	44.2%	44.8%	45.6%	46.2%
administrative	44.5%	45.5%	46.0%	46.6%	46.9%	47.5%
field sales	28.8%	29.7%	30.0%	30.7%	35.4%	36.3%

Statistical section

Change in the number of vehicles in France

	2004	2005	2006	2007	2008	2009
> Number of vehicles (in thousands) ¹	36,039	36,298	36,661	37,033	37,212	37,438
% change	1.2	0.7	1.0	1.0	0.5	0.6

	2010	2011	2012	2013	2014	2015
> Number of vehicles (in thousands) ¹	37,744	38,067	38,138	38,200	38,408	nd
% change	0.8	0.9	0.2	0.2	0.5	nd

Change in the stock of dwellings in France

	2004	2005	2006	2007	2008	2009
> Number of dwellings (in thousands) ²	31,206	31,582	31,978	32,375	32,756	33,124
% change	1.2	1.2	1.3	1.2	1.2	1.1

	2010	2011	2012	2013	2014	2015
> Number of dwellings (in thousands) ²	33,484	33,837	34,195	34,564	34,937	35,300
% change	1.1	1.1	1.1	1.1	1.1	1.0

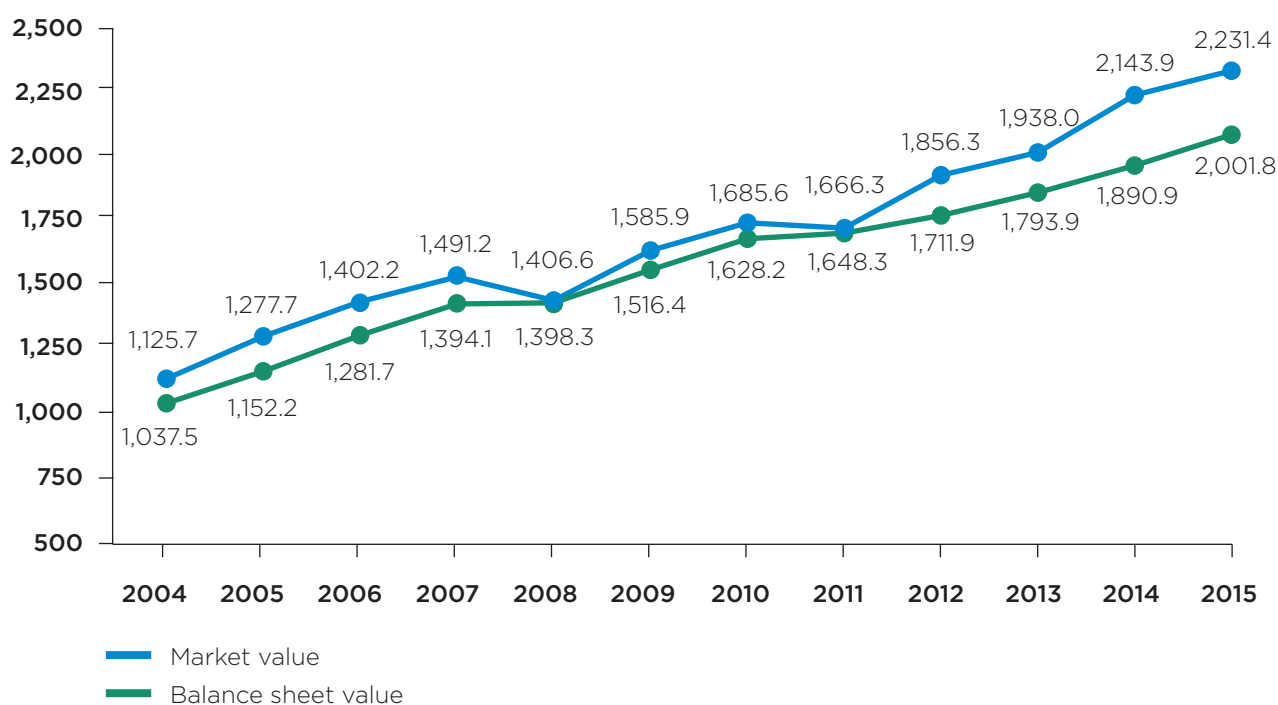
¹ Source: CCFA (Comité des constructeurs français d'automobiles - French Automobile Manufacturers' Association)

² Source: INSEE

INSURANCE COMPANIES' INVESTMENTS

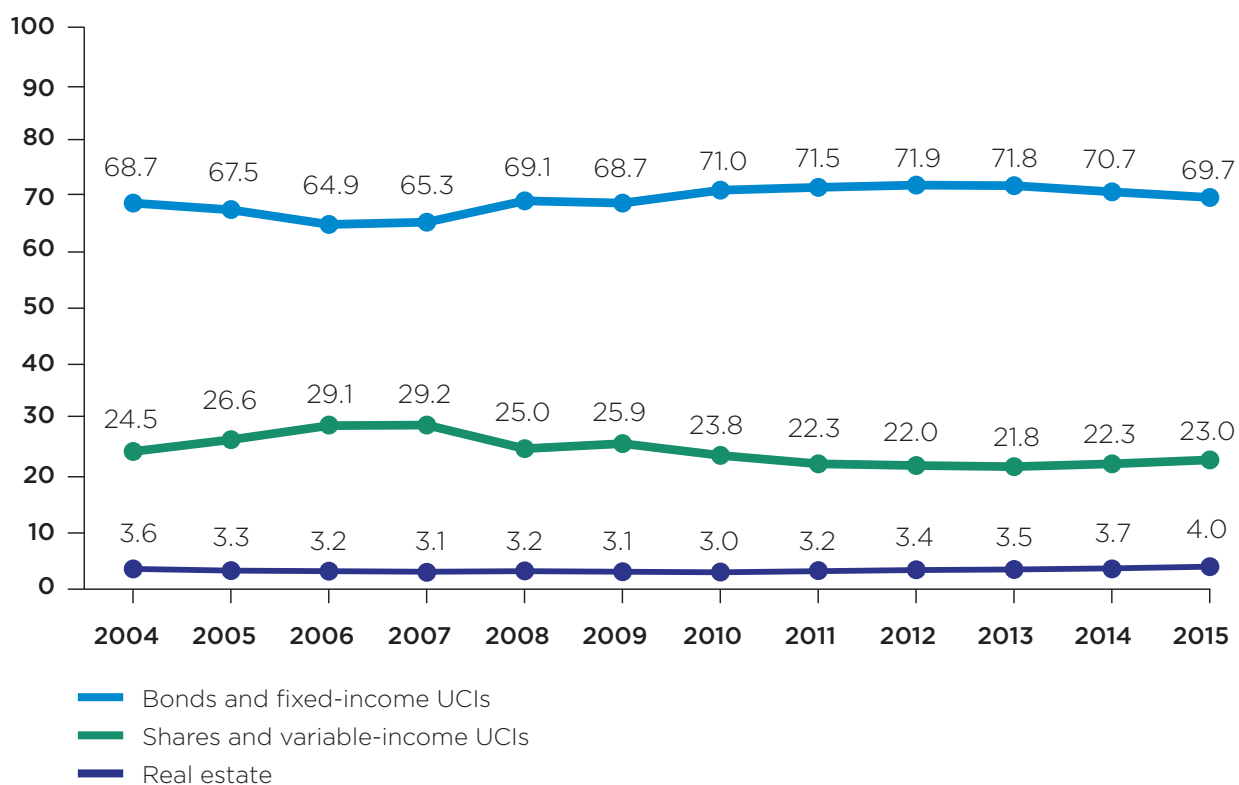
Change: all companies

(in billions of Euros)



Structure of investments (all companies)

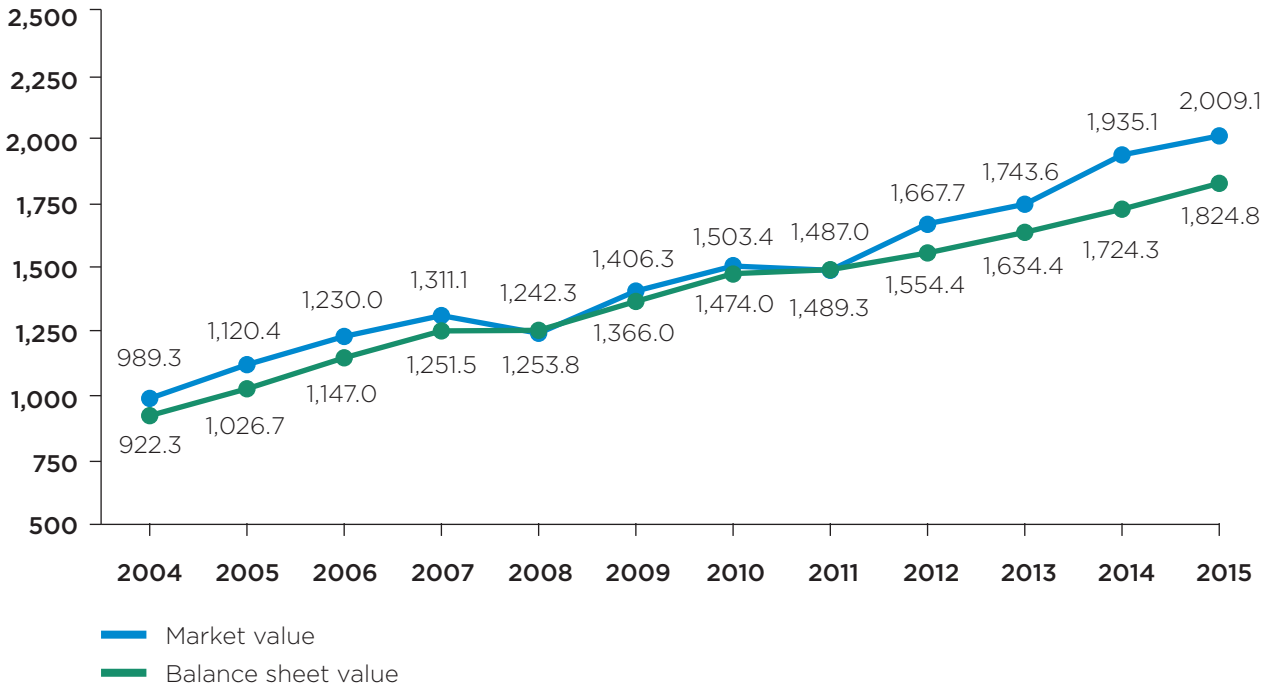
(balance sheet value, breakdown in %)



Statistical section

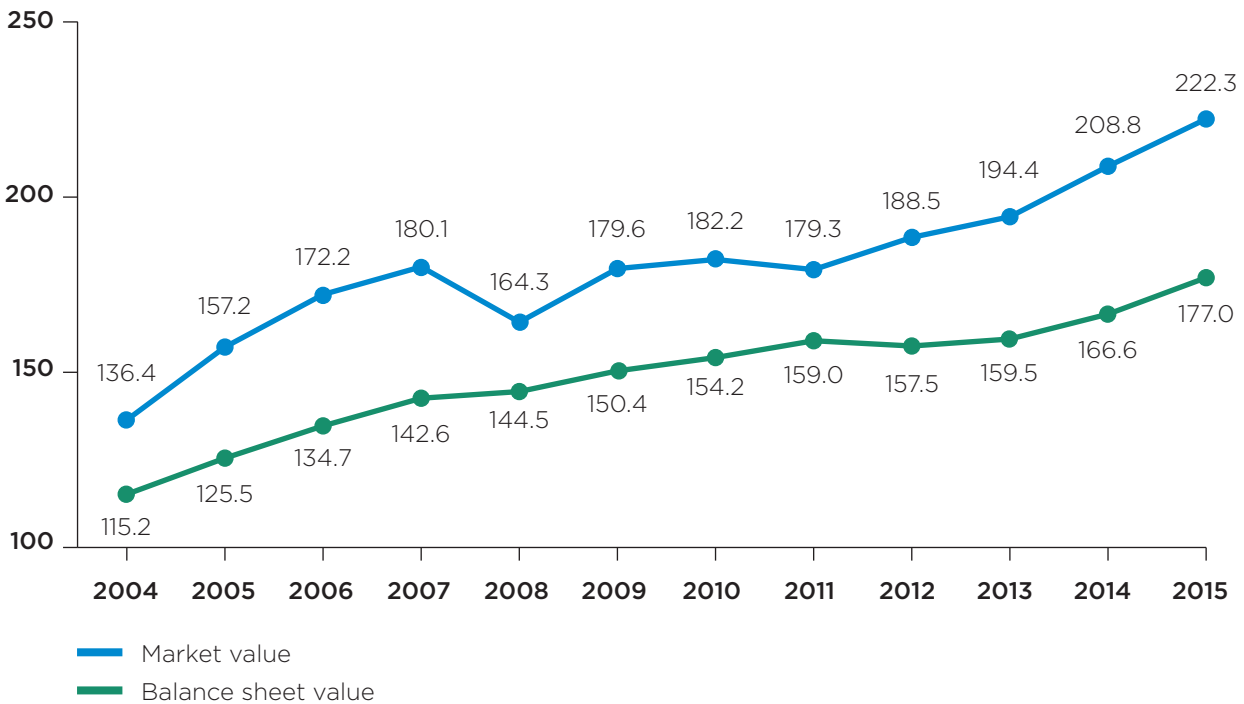
Change: life, capitalisation and composite insurance companies

(in billions of Euros)



Change: non-life companies

(in billions of Euros)



Investments held (all insurance companies) at 31 December

(balance sheet value in billions of Euros, % change)

	2004	2005	2006	2007	2008	2009
> Life, capitalisation and composite	922.3	1,026.7	1,147.0	1,251.5	1,253.8	1,366.0
% change	9.6	11.3	11.7	9.1	0.2	8.9
> Non-life	115.2	125.5	134.7	142.6	144.5	150.4
% change	6.5	8.9	7.3	5.9	1.3	4.1
> Total	1,037.5	1,152.2	1,281.7	1,394.1	1,398.3	1,516.4
% change	9.3	11.1	11.2	8.8	0.3	8.4

	2010	2011	2012	2013	2014	2015
> Life, capitalisation and composite	1,474.0	1,489.3	1,554.4	1,634.4	1,724.3	1,824.8
% change	7.9	1.0	4.4	5.1	5.5	5.8
> Non-life	154.2	159.0	157.5	159.5	166.6	177.0
% change	2.5	3.1	-0.9	1.3	4.5	6.2
> Total	1,628.2	1,648.3	1,711.9	1,793.9	1,890.9	2,001.8
% change	7.4	1.2	3.9	4.8	5.4	5.9

Statistical section

Structure of the investments of life, capitalisation and composite companies

(balance sheet value, breakdown in %)

	2004	2005	2006	2007	2008	2009
> Bonds and fixed-income UCITS	70.5	68.9	66.0	66.2	70.5	69.7
> Shares and variable-income UCITS	23.8	26.2	29.0	29.2	24.4	25.6
> Real estate	3.1	2.9	2.8	2.7	2.9	2.8
> Loans	1.2	1.0	1.0	0.9	1.0	0.6
> Other assets including financial futures	1.4	1.0	1.2	1.0	1.2	1.3
> TOTAL	100.0	100.0	100.0	100.0	100.0	100.0

	2010	2011	2012	2013	2014	2015
> Bonds and fixed-income UCITS	72.0	72.6	73.0	72.9	71.7	70.5
> Shares and variable-income UCITS	23.5	21.8	21.6	21.5	22.1	23.0
> Real estate	2.6	2.9	3.1	3.3	3.5	3.7
> Loans	0.6	0.7	0.7	0.7	0.8	0.8
> Other assets including financial futures	1.3	2.0	1.5	1.6	1.9	2.0
> TOTAL	100.0	100.0	100.0	100.0	100.0	100.0

Structure of the investments of non-life companies

(balance sheet value, breakdown in %)

	2004	2005	2006	2007	2008	2009
> Bonds and fixed-income UCITS	54.4	55.5	56.2	57.9	56.9	59.2
> Shares and variable-income UCITS	30.6	29.5	30.1	29.2	30.3	28.1
> Real estate	7.6	6.8	6.7	6.1	6.2	6.1
> Loans	2.2	2.5	1.9	2.0	1.5	1.6
> Other assets including financial futures	5.3	5.7	5.2	4.7	5.0	4.9
> TOTAL	100.0	100.0	100.0	100.0	100.0	100.0

	2010	2011	2012	2013	2014	2015
> Bonds and fixed-income UCITS	61.4	60.6	61.1	60.7	60.7	61.9
> Shares and variable-income UCITS	27.1	26.9	25.7	25.0	24.7	23.2
> Real estate	6.0	5.7	6.1	6.4	6.6	6.6
> Loans	1.2	1.8	1.9	1.8	2.1	2.1
> Other assets including financial futures	4.3	4.9	5.2	6.1	5.9	6.2
> TOTAL	100.0	100.0	100.0	100.0	100.0	100.0

Statistical section

FINANCIAL DATA

Net new investments by households

	2004	2005	2006	2007	2008	2009
> TOTAL (millions of Euros)	115,282	120,768	141,154	131,792	104,084	88,362
% change	4.5	4.8	16.9	- 6.6	- 21.0	- 15.1

> Breakdown in millions of Euros

Cash investments ¹	33,689	33,247	24,864	49,980	59,293	- 9,292
Securities	2,366	1,249	20,992	- 2,662	- 3,401	19,443
Insurance	79,227	86,272	95,298	84,474	48,192	78,211

	2010	2011	2012	2013	2014	2015
> TOTAL (millions of Euros)	109,685	97,243	89,699	76,332	81,360	103,204
% change	24.1	- 11.3	- 7.8	- 14.9	6.6	26.8

> Breakdown in millions of Euros

Cash investments ¹	15,286	46,551	43,325	26,322	21,553	45,374
Securities	6,790	22,732	23,281	9,465	6,212	6,881
Insurance	87,609	27,960	23,093	40,545	53,595	50,949

¹ Including money market UCITS

Source: Banque de France

Households' financial investments

	2004	2005	2006	2007	2008	2009
> TOTAL (millions of Euros)	2,851,401	3,086,634	3,454,749	3,637,763	3,359,795	3,576,192
% change	7.4	8.2	11.9	5.3	- 7.6	6.4
> Breakdown in %						
Cash investments	34.5	32.9	30.1	29.9	34.4	32.1
Securities	32.4	33.1	35.3	34.6	27.1	28.8
Insurance	33.2	34.0	34.6	35.5	38.4	39.1
	2010	2011	2012	2013	2014	2015
> TOTAL (millions of Euros)	3,765,780	3,797,466	4,020,696	4,197,116	4,315,602	4,519,611
% change	5.3	0.8	5.9	4.4	2.8	4.7
> Breakdown in %						
Cash investments	30.9	32.1	31.3	30.6	30.3	30.0
Securities	29.3	27.8	29.6	30.4	30.1	30.8
Insurance	39.8	40.1	39.1	39.0	39.7	39.1

Statistical section

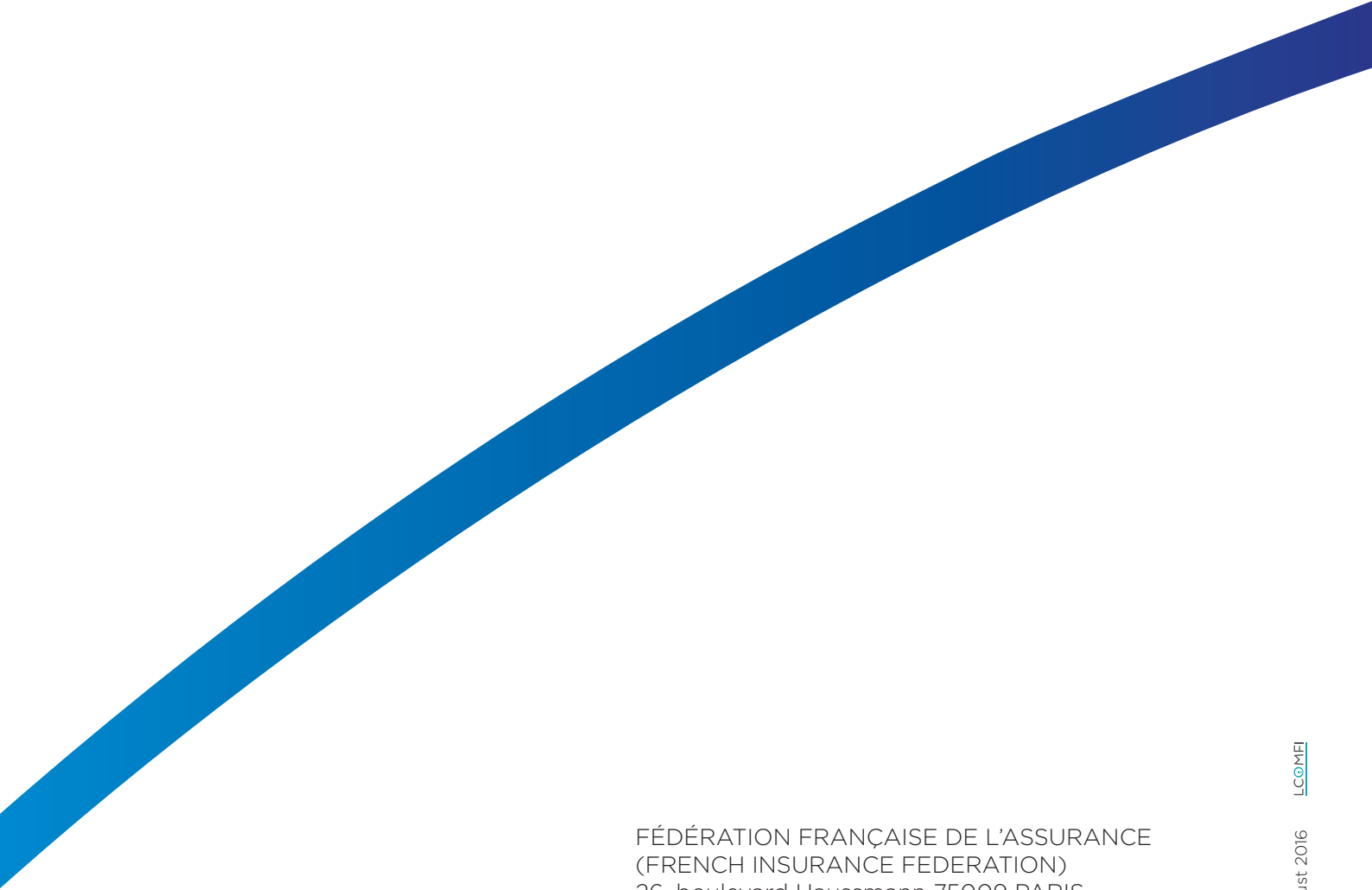
The financial markets

	2004	2005	2006	2007	2008	2009
> Eonia money market rate ¹	2.0	2.1	2.8	3.9	3.9	0.7
> 3-month Euribor ¹	2.1	2.2	3.1	4.3	4.6	1.2
> Yield on long-term government bonds (TME) ¹	4.2	3.5	3.9	4.3	4.3	3.7
> CAC 40 French share price index ²	3,821.2	4,715.2	5,541.8	5,614.1	3,218.0	3,936.3
> EuroStoxx 50 European share price index ²	2,951.2	3,578.9	4,119.9	4,399.7	2,451.5	2,966.2

	2010	2011	2012	2013	2014	2015
> Eonia money market rate ¹	0.4	0.9	0.2	0.1	0.1	- 0.1
> 3-month Euribor ¹	0.8	1.4	0.6	0.2	0.2	0.0
> Yield on long-term government bonds (TME) ¹	3.2	3.4	2.6	2.3	1.7	0.9
> CAC 40 French share price index ²	3,804.8	3,159.8	3,641.1	4,296.0	4,272.8	4,637.1
> EuroStoxx 50 European share price index ²	2,792.8	2,316.6	2,635.9	3,109.0	3,146.4	3,288.0

¹ Average over the year

² Last value for the year



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