

Annual report **2007**



“Each of the 9,356 talented employees at Mondial Assistance embodies the group’s mission: providing help, anytime and anywhere, to make life safer, simpler and more financially secure.”

Mondial Assistance
Worldwide leader in
assistance services
and travel insurance

2007

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Group history

ELVIA Travel Insurance was created in 1950 in Switzerland at the time when the private tourism and travel businesses in Europe began to boom. In 1974 SACNAS-Mondial Assistance was founded in France. Its creation parallels the development of the assistance concept, which, in addition to travel insurance includes roadside, medical and repatriation assistance. AGF became a Mondial Assistance shareholder in 1979.

During the 80's and 90's, Elvia and Mondial Assistance accompanied the geographic expansion of their corporate clients, developing first in Europe and then gradually throughout the rest of the world. In 1995, Elvia joined Germany's Allianz Group.

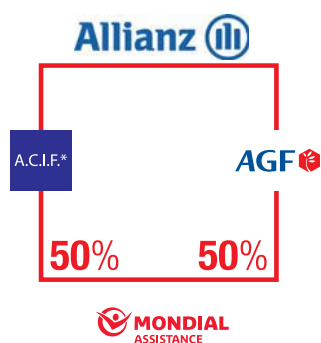
The Mondial Assistance Group was created in 2000 as a result of the successful integration of Elvia Travel Insurance and SACNAS Mondial Assistance. The two market leaders represent nearly 80 years of accumulated experience and know-how and position the new Group worldwide as a leader in assistance, travel insurance and customer services.

Mondial Assistance acquired World Access in the United States in April 2000 and Worldcare in Australia a year later. In 2006, Mondial Assistance launched a new brand identity and values worldwide, a long-term strategic step that fully embodies its dedication to its customers' well being and reflects its international identity.

2007 was a landmark year for the group. On January 1st, four French companies - Mondial Assistance, France Secours, Elvia and SSC - merged to form a unique and single entity and brand, Mondial Assistance, and in doing so, confirmed its leadership position in the French market. In line with its international expansion policy, Mondial Assistance opened offices in both Mexico and India, and acquired medical call-centre Medi24 in Switzerland.

Present on all 5 continents and continuing its outreach to provide innovative, customised insurance and assistance solutions around the world, the customer was, is and remains at the heart of the Group's business.

Group structure as of December 31, 2007



*A.C.I.F.: Allianz Compagnia Italiana Finanziamenti S.p.A.

Brand values



Caring: a passion for people

Mondial Assistance cares about its customers, and for their well-being. Everyday, the Group strives to understand its clients' needs, to foster an open dialogue and reassure them. This passion for people is an integral part of the company's job; at the end of the day, it's about being useful to customers and making them feel important.

Mondial Assistance's passion makes the difference.



Connected: a global community

Diverse and widespread, the Group's power is its global community. The human and technological connections and resources make the company reliable and reachable, any time and anywhere. Mondial Assistance believes in using its global resources to deliver the human touch, wherever the customer may be.

A global reach with Mondial Assistance's local human touch.



Proactive: going beyond expectations

The company is proactive in many ways: it anticipates the customer's needs, before and after they call. Each customer is different and the Group strives to meet, and exceeds, their expectations. It's about continuous improvement, surprising customers with innovative services, and providing unparalleled customer satisfaction.

Creating solutions to surprise Mondial Assistance's customers.



Professional: expertise at the service of customers

The Group places its skills and expertise at the service of others. Whether a customer needs the full story, or just the answer, the company's professionalism is the foundation to all its business relationships. Mondial Assistance has built a reputation of excellence, and is proud of it.

Mondial Assistance provides a guarantee of excellence.



Trust: to earn it everyday

Trust is always earned. And the Group knows that. Whether it's towards a relative, a friend, or a customer, trust is gained through continuous demonstrations of dedication, honesty and reliability. Mondial Assistance's goal is to make each customer's life safer, simpler and financially secure, and earning its customer's trust truly is the heart of everything we do.

The heart of Mondial Assistance.

2007 Milestones



e-commerce

1,400 policies sold every hour via our 40 travel partner websites

Awards

- Japanese subsidiary: 3*** awarded by HDI Audit for Emergency Assistance
- Belgium wins the 2007 Trophy for Personal Assistance Services – DECAVI
- China: Top Employer for 2007-2008 in the Beijing Region
- UK: Motor Trader Training Award 2007 and Institute of the Motor Industry Approved Training Centre of the Year Award 2007

New subsidiaries created around the world

French entities merge into one: Mondial Assistance France
New subsidiaries open their doors in India and Mexico
A successful acquisition: Swiss-based Medi24

Marco Polo

160 airports evaluated as a complement to the 1,143 medical establishments already present in the Marco Polo database



Roadside assistance

Exceeded the landmark number of 6 million roadside assistance cases handled worldwide



Mondial Assistance Executive Committee

President :
Rémi Grenier

Members :
Jonathan Ansell
Ulrich Delius
Didier Lebret
Ida Luka-Lognoné
Laurence Maurice

Mondial Assistance AG Supervisory Board

Chairman:
Jean Philippe Thierry

Vice-President:
Detlev Bremkamp

Vice-President Delegate:
François Thomazeau

Members:
Manfred Knof
(as of March 28th, 2008)
Roland Rykart
(until March 28th, 2008)
K. Walter Gutberlet

Mondial Assistance, international leader in assistance and travel insurance, registered another year of sustainable growth with a two digit increase in its 2007 turnover which totalled 1.523 billion euros, and reported a net profit of 52.5 million euros.

2007: Growth continues in complex global market

Despite a downturn in the American economy, the global tourism market continued its dynamic trend of the past several years, largely due to the growth in e-tourism. Although sluggish in Europe, the automotive market remained very dynamic in Asia, particularly in China, which maintained its position as the 3rd largest automotive market in the world. In this complex global context, competition in the roadside assistance activity is still growing both in Europe and also throughout Asia-Pacific and South America.

Continuing its active penetration of these markets, Mondial Assistance realised another year of growth on these markets in 2007,

reporting +11.5% rise in turnover and a +7% gain in operating profit. Net results dropped because of exceptional events. Overall the Group's 2007 combined ratio reached 95.6%.

Innovative e-commerce offers are strong market drivers

All four business lines contributed to turnover growth. e-tourism accounted for 50% of the Group's travel activities, which also benefited from the development of a specific offer for business travellers. The Automotive business still represents 38% of Group turnover and innovative products such as e-breakdown assistance or breakdown diagnostic tools contributed to this business line's dynamic momentum.

Geographic expansion combines with more balanced international sales

Geographically, growth was strongest in Asia-Pacific (China and Australia) and the Americas (Brazil and the US). Both regions, which today represent 10.3% and 16.7% respectively, contribute more and more to Group turnover. In Europe, which still represents 73% of Group turnover, Poland, Portugal, Switzerland and Spain registered the strongest growth. Five countries (France, USA, UK, Germany and Australia) combined represent 60% of Group turnover and illustrate the Group's objective to achieve more balanced, international sales.

Talented people are behind Group's sustainable growth

The 2007 results reflect the commitment and hard work of the 9,356 talented people who make up the Group. With a wide range of professions and skills, representing many different cultures and masters of many languages, they embody the Group's business mission, which is to provide people with help, anytime and anywhere, to make their lives safer, simpler and more financially secure.

Launch of new subsidiaries

2007 was also a year of international expansion in two regions. In Asia-Pacific, Mondial Assistance opened a subsidiary in New Delhi and thereby became the very first roadside assistance company in India with its own vehicle assistance fleet. The successful launch of a Mondial

Assistance subsidiary in China in 2003, and the development of this office and its activities, marks a coherent, significant turning point of the Group's development in Asia. It also clearly confirms Mondial Assistance's investment strategy in BRIC countries (Brazil, Russia, India and China).

The Group also opened a new business unit in Mexico, and launched its first roadside assistance operations in November 2007, thereby reinforcing Group presence and development in the Americas zone.

This geographic expansion not only strengthens our relations with global customers but also demonstrates a firm commitment to partners who wish to offer innovative, top quality services in every corner of the world.

2008 perspectives

On this solid foundation, Mondial Assistance will pursue its dynamic strategy of profitable growth throughout 2008 and will continue to be even more proactive in its markets. The Group's four business lines remain the fundamental sectors for achieving the 2011 turnover target of 2 billion euros. In addition, the Group will further develop and enhance synergies and encourage sharing of best practices to take full advantage of its continuous innovation, experience and extremely rich resources. With the expertise, talents, motivation, ideas and dedication of our multinational staff, 2008 will become another successful and exciting year of challenge for Mondial Assistance.

Wallisellen and Paris, April 23rd, 2008



Jean-Philippe Thierry

Chairman of the supervisory board of Mondial Assistance AG
Chairman and Chief Executive Officer of AGF
Member of the Board of Management of Allianz SE



Rémi Grenier

Chief Executive Officer
President of the Executive Committee
of Mondial Assistance

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The 2007 results reflect the commitment and hard work of the 9,356 talented people who make up the Group.

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2007 in figures

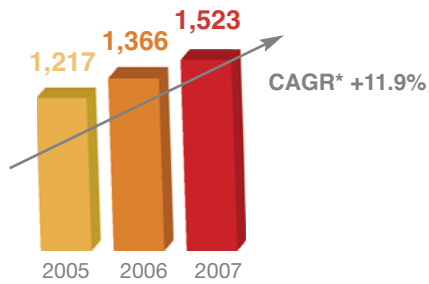


45
million calls
handled

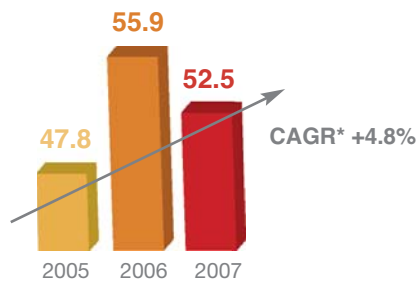
10.3
million cases
handled

2,800
people assisted
every hour

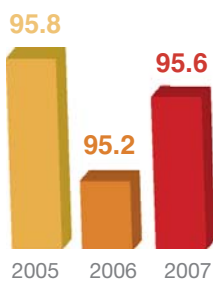
Turnover
(in million euros)



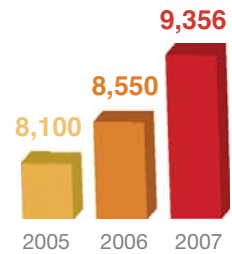
Net Profit
(in million euros)



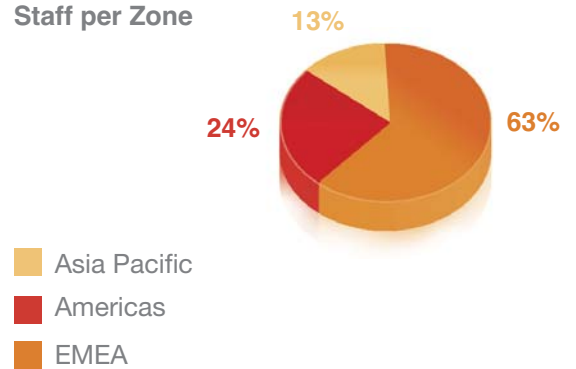
Combined Ratio
(in points)



Total Staff
(number of people)



Staff per Zone

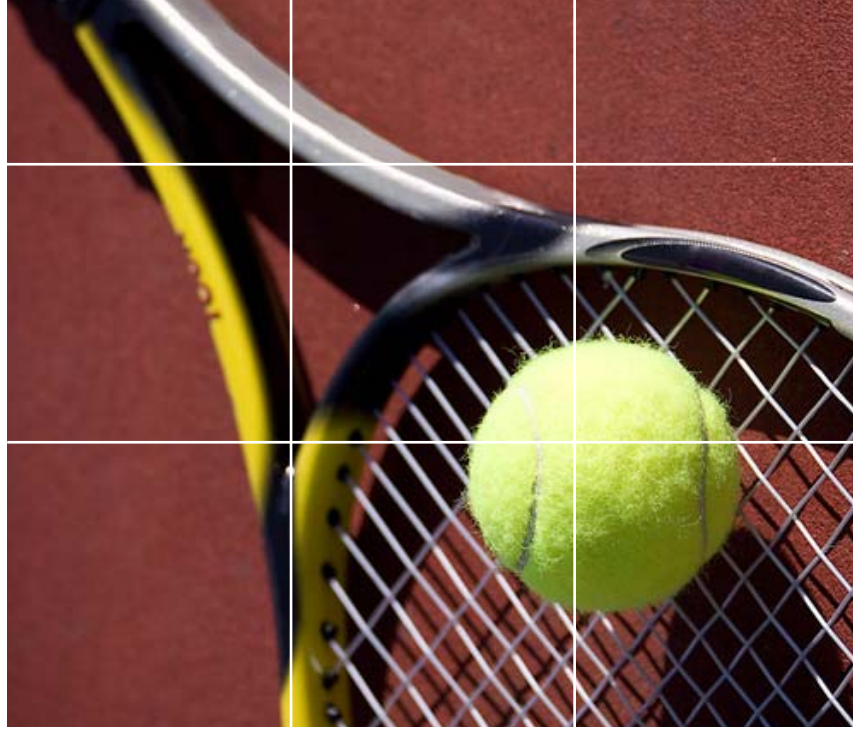


*Compound Annual Growth Rate

Concierge services

Long-delayed flight dashes customer's plans to see tennis match

My name is Bill, I work on the American platform. Last June, a businessman had been in California and was eager to return to Paris to see the men's tennis finals at Roland Garros. He had purchased his ticket months earlier. Even with the time difference, his flight was scheduled to arrive in France in time to make the match. But bad news! All departing flights out of San Francisco were grounded due to heavy fog and our customer was very disappointed because he could not attend this prestigious tennis tournament. He called our concierge platform to inform us of the situation. His "cancellation solution" included with his ticket purchase guaranteed full reimbursement. I told him we were very sorry and reassured him that there would always be Roland Garros next year!





Employment Assistance

Mondial Assistance helps unemployed, discouraged manager get back on track

My name is Marie, I specialise in helping senior managers reposition themselves in the job market and I was proud to help a top executive who had lost his job in the industrial sector. He had read statistics and foresaw his industry's future as dark and gloomy. We confronted the problem together and I countered his negative perceptions with a well-defined employment research strategy. Together we built his communication and management skills and tools, and conducted a thorough re-evaluation of his professional accomplishments. His confidence returned and he found a job as a technical director in his field. This is his success story, but it's mine too. I'm glad my expertise helped him regain confidence and find a new job!

24/7

365 days
per year

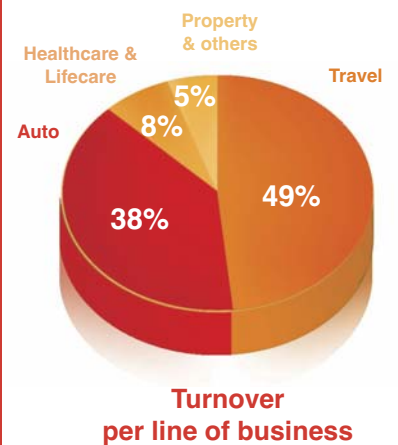


250
million
beneficiaries

1 intervention
every
3 seconds

Lines of business

Mondial Assistance offers a comprehensive range of travel insurance and assistance services. Travel insurance and automobile assistance, the two historic lines of business represent the majority (87%) of global sales. Healthcare and Lifecare services, created in 2004 have grown by almost 20% in 2007 and account for 8% of Group revenue. The current society trend which encourages illness prevention and accompanies ageing populations explains this growth. Property and other services complete the Group's service offer.



Travel

Historic business line still booming

Mondial Assistance has been offering travel insurance since the 1950s. This historic line of business is still booming and accounts for almost half of Group turnover. The international tourism industry has been experiencing significant growth since 2005. Indeed, this trend continued throughout 2007 when the industry registered +6% growth.

49%

of Mondial Assistance turnover

+12%

in turnover

High growth for e-commerce

e-commerce is massively contributing to this development. Many new players have revolutionised the travel industry in the past few years. Low cost carriers have challenged the airline industry and online travel agencies have re-invented the way to buy travel. Consolidation is now expected in this new but fragmented market and is considered to be the travel industry's main challenge for the next few years. Due to its strong leading position, this market evolution presents a tremendous growth opportunity for Mondial Assistance.

For the first time ever in the United States, on-line sales exceeded off-line sales in 2007. Today, all players considered, e-commerce represents 35% of the world's travel market. Compared to this benchmark, Mondial Assistance witnessed super-performance in

its travel activity, which reported on-line sales representing nearly 50% of its global travel turnover.

The Mondial Assistance offer

Working closely with its client partners, including travel agents, brokers, tour operators and on-line travel specialists, Mondial Assistance continues to design increasingly innovative and customised solutions for the travel industry.

Some but not all of these specialised solutions include insurance and protection against lost or stolen luggage, repatriation due to illness, medical and hospital expense coverage when abroad, reimbursed fares when customers must cancel a trip due to unforeseen events, and vehicle repair in case of a breakdown.

Talented people: A solid international team serving local clients

Mondial Assistance has established an international travel sales team to respond to its global partners' demands for on-line solutions. This team has an essential mission: to co-ordinate local business requirements in line with its partners' international strategies in order to sell and implement travel insurance and assistance in several countries via a single platform.

- 40 e-travel consultants throughout the world
- Local client management with a global contract: « Glocal » e-commerce skills at a local level
- Secured web services via the exclusive and innovative "e-MAGIN" platform



Mondial Assistance offers solutions to ensure that all customers - whoever they are, wherever they're from and wherever they're going - travel worry-free and receive the travel services they expect every time:

- Solutions for business travellers
- Assistance solutions for private holidays abroad
- Leisure and sports solutions for specific activities such as skiing, golf...
- Holiday accommodation solutions
- Schengen zone solutions
- Globe-trotter solutions

Medical excellence – the mark of our commitment

In 2007, true to previous years, Mondial Assistance again carried out more than 400,000 medical assistance and repatriation interventions. The Group ensures multi-lingual assistance by specialists with confirmed medical and travel knowledge for its corporate clients and their customers around the clock, around the world. The Group relies on top-quality, certified service providers in every corner of the globe, and the support of 180 international correspondents.

The Mondial Assistance medical team – comprised of doctors with strong international experience - continually evaluates hospitals and clinics in countries with heavy, widespread tourism, and where the level of medical coverage is weak or inconsistent. Their aim: to optimise patients' health and the treatment of their illnesses with a database built from first-hand visits. This database provides the Group's 500 doctors and medical staff with critical information (quality of care, hygiene, equipment, pathologies treated, etc...) about the establishments where patients are likely to be hospitalised while abroad. Each database-listed structure receives an annual evaluation visit. In 2007, the database cited 1,143 hospitals in 428 cities in 120 countries and provided 18,650 photos. The Group's medical evaluation team regularly adds new

structures to the database.

It also evaluates airport medical structures in order to assist airline companies in the event of an aircraft diversion. This program, named "In-flight Medical Support", was fine-tuned in 2007 to be effective in 2008. It now counts 161 evaluated airports in its worldwide database.



Innovation : In-flight Medical Support

In-flight Medical Support is a dedicated program in case a medical problem occurs during flight onboard an aircraft. It is supported by a worldwide database of evaluated medically-equipped airports and a dedicated call center. It allows airline companies to divert the aircraft to the closest and medically best equipped airport in case of a severe pathology on board.

Why use this service?

100 medical problems for 1 million passengers every year

- Short-haul flights : Medical regulation provides professional advice to airline crew members.
- Medium and long-haul flights: Medical regulation and information on the best equipped hospitals so as to divert the flight to the right place if necessary.

ZOOM Business travel: An employer's duty is to care

Today's global situation has made the world a smaller, riskier place. Business travel itineraries are rarely as simple today as they once were. More than ever, companies have a duty to demonstrate greater care to ensure that their employees travelling abroad have immediate access to the very best in travel insurance and assistance should a

problem occur. Mondial Assistance, world leader in travel insurance and assistance solutions, understands this. It has the infrastructure, products, strength and expertise to provide solutions tailored to companies needs to keep their people safe and protected, anywhere, anytime.

Automotive

Always one step ahead of customers' expectations

Mondial Assistance has been offering roadside assistance in more than 50 countries since its founding nearly 35 years ago. To this end, it works in close collaboration with automobile manufacturers and insurance companies. The Group's long-standing expertise and daily contact with motorists enable it to anticipate customers' needs and expectations, and thereby continually enrich its service offer.

38%

of Mondial Assistance turnover

+8%

in turnover

Global environment

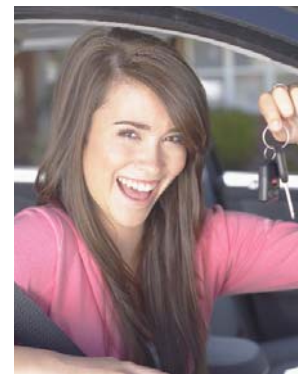
The Western European automobile market experienced slow, nearly stagnant growth in 2007 (+0.4%), while growth throughout Eastern Europe was much more dynamic (+14.5%), leading to an overall growth of +1.1%. Asia is proving to be a major actor in driving global growth, while China alone is now the second largest automobile market in the world. There is an increasing demand in all markets, which are feeling the impact of soaring gasoline prices, to maintain top quality at the most affordable costs.

Steady geographical expansion

In 2007, the Group reinforced its position in some key mature and emerging automotive markets particularly Japan, China and Eastern Europe. It also entered the automotive market in India and Mexico. In Western Europe, the Group continued to increase its portfolio of international contracts with car manufacturers and insurers. Insurance companies throughout all regions have strengthened their focus on providing their customers with a greater range of assistance services.

Talented people: The Automobile Technician

The automobile technician is a very specialised profession at Mondial Assistance. These technicians aim to repair an automobile breakdown over the phone. The idea is to refrain from sending a breakdown repair mechanic to the site of the incident if the problem can be resolved in a simpler way. The automobile technician advises the beneficiary over the phone about what to do, coordinates repairs with the garage and even intervenes on site on behalf of the manufacturer. All Mondial Assistance automobile technicians have confirmed experience working for major automobile brand manufacturers.



The Mondial Assistance offer – far beyond roadside assistance

Flexible is the key word that best describes the Mondial Assistance service offer, which can be easily adapted or customised to each client's specific needs. The Group has the expertise to establish dedicated client platforms that are operated by client-trained staff members and offer a wide range of customised services for that particular client. It goes without saying that the Group provides much more than roadside assistance. Here are just a few solutions designed to meet the specific needs of car manufacturers, leasing companies, insurance companies and car fleet companies:

- Roadside assistance: repair and towing for broken down or immobilised vehicles.
- Accident Management: towing, replacement vehicle, car repair.
- Mechanical warranty.
- Telematics: GMS localisation, post theft (theft notification, stolen vehicle tracking), navigation, remote door unlock, remote controlled breakdown diagnosis, concierge services (route planning, weather and traffic information, tourist information, legal assistance...)
- Customer Relationship Management: telemarketing, customer surveys, claims management, complaint management, loyalty programs, prevention.

The Integrated Customer Contact Management (ICCM)

The Mondial Assistance Group offers its automotive manufacturer partners a new customer loyalty service called « Integrated Customer Contact Management » or ICCM.

Each vehicle owner has an identified number of contact opportunities with the automobile brand: purchase, vehicle check-up, the technical control (MOT test),

breakdown, etc. Via ICCM, Mondial Assistance can install a range of integrated services such as proactive client information regarding the delivery time of the new vehicle, complete maintenance management and proactive claims management. As a result, the Group contributes to increasing sales for the brand and to reinforcing customer loyalty to that brand.

Technical Excellence

State of the art services, including the latest cutting edge solutions (SMS, GPS, Satellite, extranets) are essential components for ensuring added-value to the overall service offer. Indeed, two of the Group's top-priority barometers for measuring quality are "intervention delays" and "on-site repairs".

Innovation

- **Local patrol** services offering roadside assistance services in their own language for customers on summer holiday in Europe (Greece, UK, Spain, Portugal, southern France, and the Paris region).
- **India** : fleet of vehicles specially created for Mondial Assistance India
- **China**: training DVD for the network of roadside repair service providers.
- **France**: launch of a new product that helps automobile drivers respect driving regulations and, via special training, recover the points they have lost due to infractions.



ZOOM

e-breakdown repair

With MIRA (which translates into Computerised Assistance Network), Mondial Assistance is able to accelerate automobile breakdown assistance thanks to electronic exchanges between the service providers and the beneficiaries. When the assistance coordinator sets the intervention procedure in motion, the network's different service providers are automatically informed in real time

of the mission at hand and its pertinent details. Via return electronic communication, the service providers acknowledge having received this information, confirm that they will intervene and then send back a contact report. In real time and via a text message, the client beneficiary is informed about the intervention delay.

Healthcare & Lifecare services

8%

of Mondial Assistance turnover

+19%

in turnover

Global evolution for Healthcare and Lifecare services

Four years ago, Mondial Assistance launched Healthcare and Lifecare Assistance, its 3rd business line. With continuous growth since its inception, the Lifecare Assistance activities respond to the expressed needs for daily life services and well-being at home and at work, while Healthcare Assistance offers more specialised, health-related services based upon the provision of information, comfort, support and coordination.

2007 results reflect dynamic growth of a healthy sector

Healthcare and Lifecare Services represent 8% of the Group's turnover in 2007.

Ageing combined with increasingly dependent populations continues to be a global trend. As in previous years, Mondial Assistance maintains a strong focus on "dependency"; growth in these particular assistance solutions confirms that both elderly people – who wish to stay at home as long as possible -

and their supporting relatives – who are looking for logistical and financial solutions to enable a safe and comfortable home-stay for their senior family members, are very much in demand.

The Group's Impatriate Services activity also experienced steady growth in 2007, especially in Australia through local universities and schools where Mondial Assistance is the market leader in this activity.

Talented people: Medi24 in Switzerland brings demand management into the Group

Mondial Assistance acquired in 2007 Medi24, a leading medical call centre in Switzerland, providing health assistance in 4 languages (German, French, Italian and English). It has become the Group's Centre of Competence for Demand Management and also offers Disease Management and on-line health management.

What is Demand Management? It is a medical assumption given via the telephone to a patient by a health professional, prior to a doctor's visit. The objective is to reduce the number of irrelevant medical demands* by modifying patient behaviour towards health consumption.

** Swiss statistics indicate that 70% of the people misjudge their health trouble regarding priority/emergency*

The Mondial Assistance offer

Healthcare offer

- **Dependency:** short-term and long-term services to help those who are dependent stay at home for as long as possible. First and foremost targeted to dependent seniors, the offer also includes services to assist supporting relatives.
- **Personal Response Services** (Home Monitoring / Tele-assistance / Tele-medicine). Innovative technological devices ensure Home monitoring. Personal Response Services, from tele-assistance to tele-medicine, complete the dependency care offer: state-of-the-art technologies facilitating communication, location and alarms respond to the needs for care and security of society's most vulnerable populations.
- **Expatriates / Impatriates:** semi-permanent or long-term medical assistance and travel insurance for employees and students. Mondial Assistance offers the impatriate coverage in the country of destination, mostly as a condition for granting a visa.
- **Disease Management and Patient Relationship Management:** Beneficiaries with chronic diseases, impairments or abnormal functioning fully benefit from these assistance services. They also target prescription drug consumers. Active patient participation is required.
- ... and also Medical Infolines, Rehabilitation Management, Prevention, Second Medical Opinion, etc.

Lifecare offer

- **Daily life services:** supporting people in their everyday tasks (baby sitting, cleaning, gardening etc.).
- **Employment Assistance:** helping people to find their 1st job, or to find a new one. Mondial Assistance offers professional support with job and career advisors, including retirement advisors, professional assessments, etc.
- **Bereavement and Funeral Assistance**
- **Retirement Assistance**



ZOOM

Mondial Assistance's partnership in Spain with Sanyres Nursing Home Group enhances healthcare and lifecare services for seniors

Mondial Assistance's partnership in Spain with the Sanyres Nursing Home Group enhances healthcare and lifecare services for seniors.

This partnership between Mondial Assistance, its Contigo franchise network and Sanyres proposes a complete range of dedicated services for seniors.

Contigo is a network of associated service centres in

Spanish cities (10 centres in 2007), which act as providers and shops to offer health assistance products to end customers. This service is completed with the Madrid-based Mondial Assistance health and social platform. The co-operation has recently grown into a joint venture between both companies, completed with a partnership with the Club Gente Saludable loyalty programme.

Property & others

Customised solutions 24/7

The flexibility of its offer enables Mondial Assistance to provide solutions that respond to the wide range of needs and situations faced by its corporate clients and their customers anytime, anywhere.

5%

of Mondial Assistance turnover

Property assistance services are provided in case of domestic and/or natural catastrophes that impact the home, such as floods, fires or electrical damage. These services also cover prevention solutions, notably home surveillance and protection, and maintenance schemes for commercial outlets. Other support services include comprehensive Customer Relations Management for corporate clients, concierge services and round-the-clock information call centres for public inquiries.

2007 initiatives

Driven by consumer needs and demands for greater personal protection, Mondial Assistance has developed several new services offering specific protection or warranties for individual belongings such as credit cards, cell phones and even brown & white products.

The Mondial Assistance offer

Mondial Assistance offers its corporate clients and their customers a wide range of property assistance and other product solutions. These include home repair, tele-security, property assistance, CRM services for corporate clients and warranties for specific goods. Mondial Assistance has enhanced its overall offer by developing solutions for electronic home and office surveillance when the occupants are absent. Based on an annual fee, the solutions include electronic surveillance (intrusion detection, alerts, control, information), security interventions (for example, when a wrong access code is entered) and assistance services such as repairing damaged and repatriating the owner(s).

Talented people

In France and Spain, a dedicated property unit takes care 24/7 of emergency requests, in kind repairs and home services. The team sets up breakdown and repair services (requiring glaziers, locksmiths and plumbers...), caretaking or even property restoration.

In some countries, real estate advisors provide financial expertise if necessary (cost control or advice on quotes).

ZOOM

Concierge services

Concierge services provide individuals with information, reservations and referrals for a wide range of travel, shopping and entertainment needs. These services include everything from securing hard-to-get event tickets and arranging personal and professional accommodation, to researching gift ideas and scheduling tee times for golf games. Concierge services are available via a toll-free number or a self-service website, and can be white-labelled for customer specific branding.

Property Assistance

Cyclone hits Cafelândia, Parana, Brazil

My name is Carlo, I work on the Brazilian platform. A year ago, a violent cyclone tore through the Parana region seriously damaging or destroying numerous homes. Many panicked people called the property assistance platform, requesting home repairs, or simply needing a place to sleep. We contacted our network of local service providers. Roofers and cleaners were the most urgent, so we pooled our resources and dispatched them to different villages at the same time. They repaired roofs or covered them with tarpaulins, and cleaners cleared away debris so that families could return to their homes to save what was left of their property. For those who could not return, we arranged for temporary food and shelter. In a time of shock and loss, we provided not only concrete home assistance, but also human warmth and care.





Healthcare Assistance

Australian surfing accident causes student's mum to panic

My name is Cindy, I work on the Australian platform. My story is about a foreign student's flatmate who called to inform us that his friend had a surfing accident and fractured his leg. Our medical doctor contacted the student's mother overseas to provide her with information on his condition and treatment. As she was worried about the quality of the hospital and her son's insurance coverage, I explained

the details of the policy and then reassured her on the high quality standards of the Australian health care system. I immediately arranged a guarantee with the hospital to cover the charges and provided the mother with frequent updates until she arrived in Australia. The student's fracture was successfully pinned and plated and he was discharged a few days later on crutches.



Business units

in **28** countries

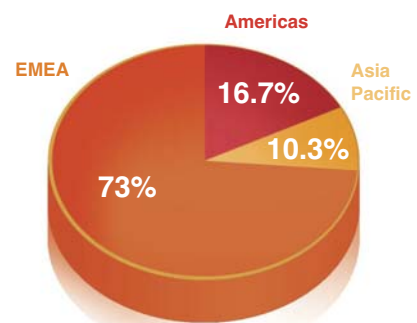


9,356
staff members

40
languages

International presence

All regions registered growth in revenue and thus contributed to achieving satisfying global results. The Asia-Pacific and Americas regions represent an increasing part of Group turnover thanks to a dynamic growth development and environment, illustrated by the launch of the Indian and Mexican business units. Extensions of new international contracts in the auto and travel lines of business show the importance of collaboration between Group entities. Many innovative product developments were another contributor to overall Group results.



Turnover per region

Our international presence



Americas

- Brazil
- Canada
- Mexico
- USA

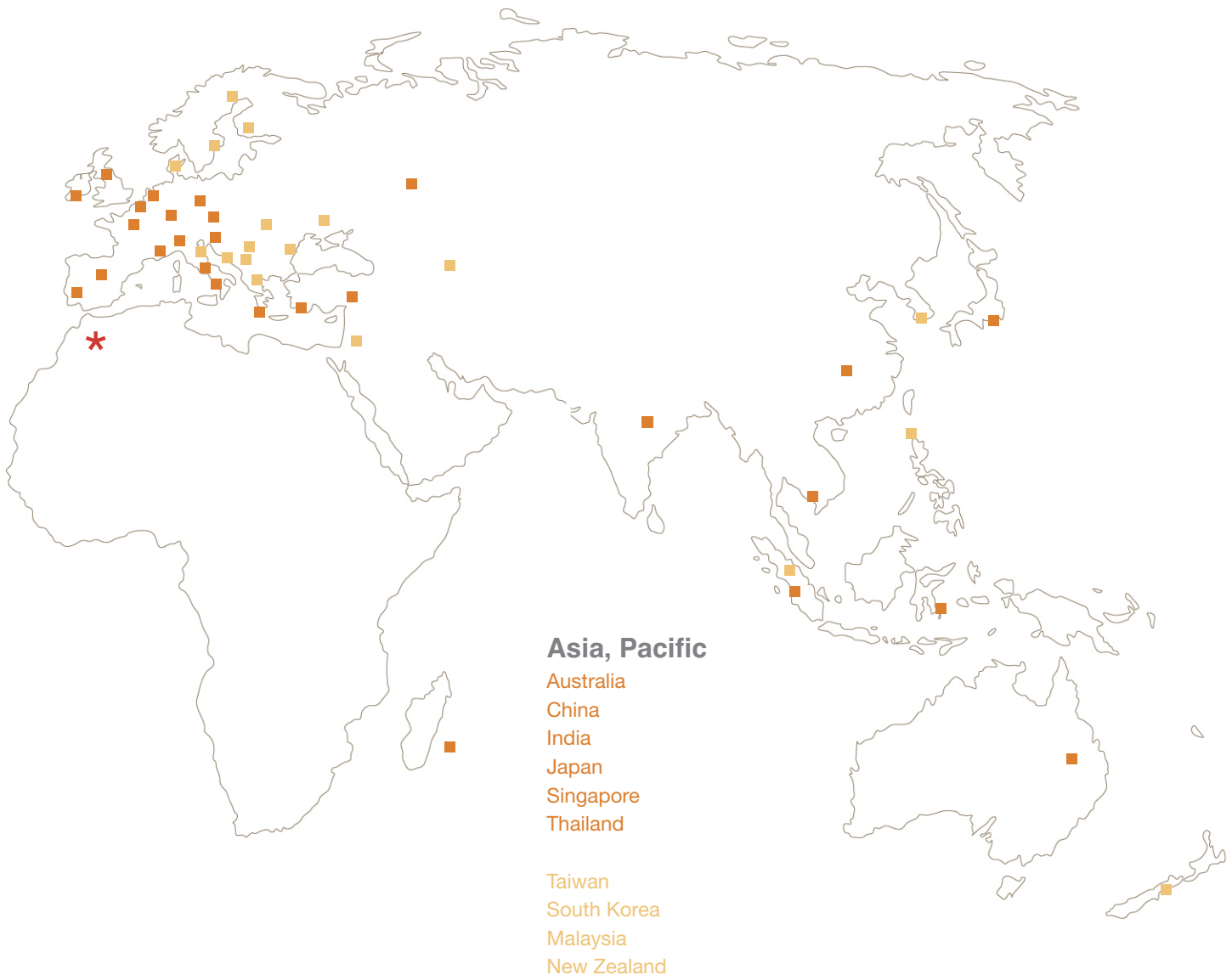
Europe, Middle East & Africa

- Austria
- Belgium
- Czech Rep.
- France
- Germany
- Greece
- Hungary
- Ireland
- Italy
- Poland
- Portugal
- Reunion Island
- Russia
- Slovak Rep.
- Spain
- Switzerland
- The Netherlands
- Turkey
- UK
- Bosnia/Herzegovina
- Bulgaria
- Romania
- Serbia/Montenegro
- Croatia
- Slovenia
- Baltic Countries
- Denmark
- Finland
- Lebanon
- Norway
- Sweden
- Ukraine
- Uzbekistan
- Moldova
- Morocco

■ Countries with Group offices
(Business units and commercial offices)

■ Countries with a commercial Group activity

* Special partner



A worldwide network

Our International Network: Competent and complete Mondial Assistance works with more than 400,000 highly qualified service and assistance providers and 180 correspondents worldwide. From transport technicians to medical experts, home repairmen to legal advisors, employment and retirement counsellors to social service workers, our network of specialists assists you and your customers, any time, anywhere. Selection, management and control of service providers are done by an international team based in Paris.

Selection criteria for providers :

- 24-hour availability
- Best price/quality ratio
- Official credentials
- Cashless access to services
- Guarantee of appropriate and well maintained equipment

Asia-Pacific

The Growth Engine of the Group

The Asia-Pacific region cemented its position as the Group's main growth region in 2007, with a 25.7% increase in overall sales. It now represents 10.3% of Group turnover. Australia remains the main contributor in terms of revenue and profitability; however, Japan delivered a welcome profit. China continued to show strong growth in the roadside assistance business and South-East Asia helped reinforce the Group's global leading position in e-commerce sales of travel insurance. 2007 also saw the entry of the Group into India.

10.3%

of Group turnover

+25.7%

in turnover

Australia : one of the largest business units in the Group

Belonging to the Group's top 5 entities, it reported strong sustained growth in each of the primary business lines. The greatest contributor was the booming e-commerce travel insurance activity, which saw a year-on-year increase of 58%. The overseas Student Health market grew by 29% and the Roadside Assistance business by 20%. The Australian business unit also implemented enhanced reserving methods, and continued to deliver the targeted profit level.

Strong growth continues in China

The roadside assistance activity maintained its significant growth rate by more than doubling its revenue compared to 2006. Despite increased competition, Mondial Assistance remains the market leader in size and service level in a fast developing market. Managing the complex regulatory environment, Mondial Assistance succeeded in extending its travel insurance business and launched operations in Shanghai and Chongqing. It increased the turnover for travel insurance more than threefold in 2007, and forecasts continued strong growth in 2008.

Arrival in India

Mondial Assistance started operations in India on November 1st with the launch of roadside assistance services for a leading international auto manufacturer. The Group's entry into India has included investing in a fleet of Mondial Assistance branded tow trucks and two-wheel rapid response vehicles. The Group's successful entry into China a few years ago encouraged it to do the same in this other major emerging market.



Significant activity rise in Japan

In the second year of the Mondial Assistance-Millea Holdings joint venture, the volume of activity more than doubled compared to 2006. Millea Mondial is now the second largest assistance company in Japan. 2007 was also the first profit-generating year. Millea Mondial strengthened its internal controls and secured a data protection accreditation – Privacy Mark certification. The principal line of business remains automotive assistance; in 2007, it also actively developed new lines of business such as home assistance.

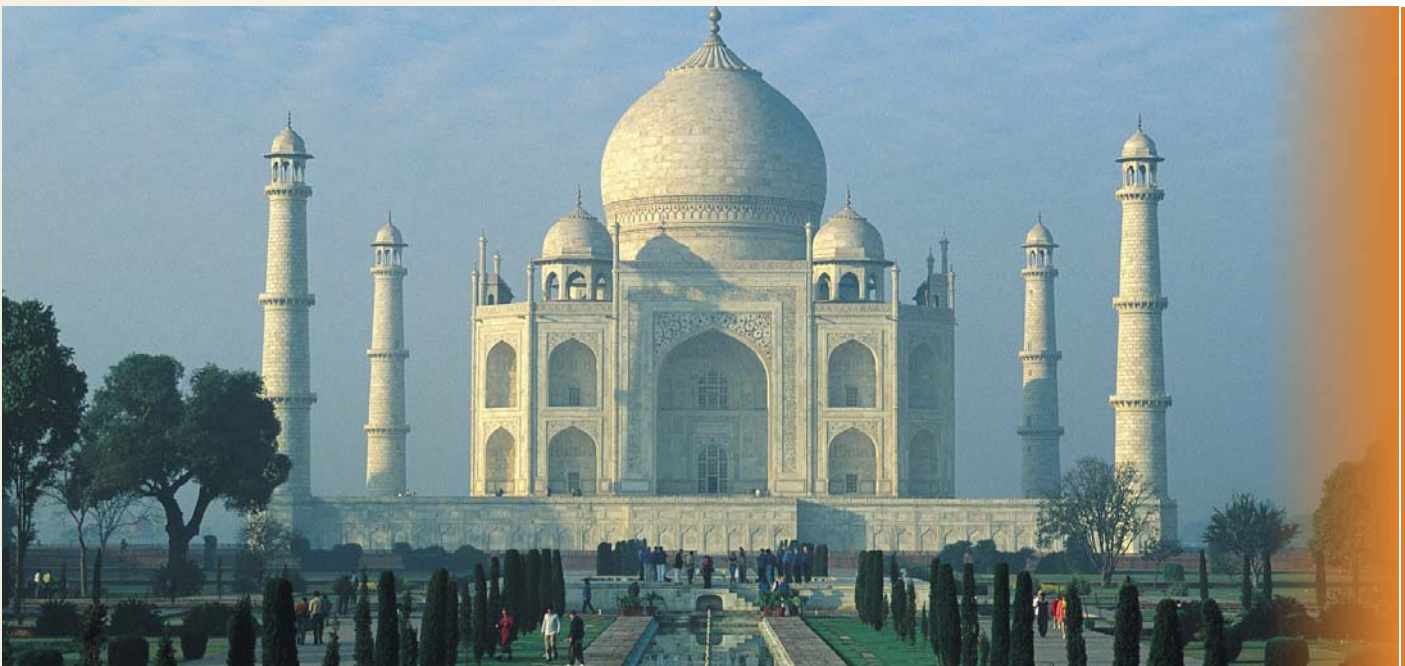
South-East Asia seeks to develop e-commerce

Thailand continued to deliver good growth and excellent bottom-line results in 2007. The unsettled political climate throughout the year undoubtedly diminished consumer confidence; however it is hoped that the return of an elected government at year-end will resolve this. As a regional hub, the Singapore operation has focused on developing the Group's e-commerce travel insurance capabilities throughout the region. With a number of strategic e-commerce wins during the 4th quarter, it is expected that this channel will start to contribute significantly to total sales in South-East Asia as of 2008. The business unit also rationalised some unprofitable activities in 2007.

ZOOM Mondial Assistance opens Indian office

On November 1st Mondial Assistance announced the opening of its Indian office. Mondial Services (India) Pvt Ltd, based in New Delhi, currently offers 24 hour roadside assistance in five of India's largest cities; New Delhi, Bombay, Chennai, Bangalore and Pune. With its 1.1 billion inhabitants, India is the world's second most populous country. Mondial Assistance is the very first international roadside assistance company to start operations in India.

The Mondial Assistance office owns and manages a fleet of roadside assistance and towing vehicles, comprising slide-back recovery vehicles (introduced to the Indian market for the first time by Mondial Assistance) as well as a fleet of customer service vehicles. In addition there are emergency response motorcycles which guarantee fast assistance in congested areas. Mondial Assistance will cover at least 20 key Indian cities by the end of 2008.



Americas

Record sales and innovations.

The Americas contribution to Group total sales increased to 16.7%. The on-line travel insurance markets were again very profitable in the US and Brazil with new solutions and products paying off very well. A new business unit, Mexico, was set up, illustrating the growth potential in this zone.

16.7%

of Group turnover

+15.1%

in turnover

Brazil: e-commerce reshapes the travel insurance business

Mondial Assistance, a pioneer in on-line travel insurance in Brazil, registered exceptional growth in 2007, especially in this line of business. The strategy to tackle this market with a completely new value proposition and exclusive focus on on-line sales really paid off. Less than two years after launching its own e-commerce platform, Mondial Assistance Brazil signed key partnership agreements with the country's leading on-line travel agency and airline company. Mondial Assistance travel protection products are now sold directly through its partners' booking path reaching unexpected levels of penetration.

In its traditional lines of business, Mondial Assistance Brazil consolidated its leading position in the automotive industry with more than 58% market share and accelerated its diversification in Lifecare and Property lines, posting 84% annual growth.

Canada: strengthening the foundation

In 2007 the Canadian business unit focused on significantly enhancing corporate governance, risk management and cost containment. The company also strengthened its relationships with many key clients by building on a strong foundation, ensuring them both sustained growth and added value.

Mexico: operations kick off

Operations in the Group's newest business unit, Mondial Assistance Mexico S.A. de C.V. based in Mexico City, kicked off in July. It is now offering roadside, home, medical, lifecare, legal and travel assistance in Mexico. The business implemented technology assets as of December and is now handling all cases locally.



USA: a record year

The American business reported a record year in 2007 with impressive accomplishments in growth, customer satisfaction, associate engagement and innovation. Revenue grew by 23% in a year in which the company also faced the renewal of many of its largest clients. It is now the Group's second largest business unit.

The company also purchased Jefferson Insurance Company, a national property and casualty insurer from sister company AGCS. With this acquisition and a second year of record growth, the American company reaffirmed its dominant position in the travel insurance, credit card enhancements and out-of-country health services markets.

It also became the American market leader in event ticket insurance with a partnership that will bring new opportunities for Mondial Assistance companies around the world. The American business introduced a number of leading-edge technologies, including a patented, real-time personalized marketing solution called Travel Insurance 2.0. This innovation adds personalization to its online travel insurance offerings, resulting in increased revenue for the company and its clients.

The American business unit also continued to expand its Customer Delight Program, by eclipsing its already very high customer satisfaction ratings.

ZOOM Our Mexican office has opened its doors on December 1st

With some 106 million inhabitants amongst whom a middle class of 49% and a stable economy, population and social order, Mexico offers a significant market with huge growth potential. The country is the second trading partner of the United States with whom it shares 2,000 miles of border. Some 24 million American residents are of Mexican origin and some 350,000 American retirees live in Mexico. The Mexican market opportunities basically lie in roadside, legal, medical and home assistance and concierge services....Travel insurance is an opportunity outbound from the country. By the end of the year 2008, more than 400 suppliers, amongst which towing companies, electricians, plumbers, windows repairers, locksmiths, doctors, hospitals, ambulances and funeral parlors, in 200 locations will be part of the local network and 50 doctors for house calls in 6 major Mexican cities are part of our medical network. At the end of January 2008, operations have started on the local market. In the months after, travel insurance with airlines have also been introduced.



Europe, Middle East and Africa

73%

of Group turnover

+4.9%

in turnover

On-line business booming

The EMEA zone is still the main contributor to Group results with 73% of the global turnover. Innovative products and solutions were developed in many countries and online business models were further introduced. e-commerce sales are booming in the travel segment and new domestic healthcare services were both launched and acquired.

Austria & SEE:

change and all-around success

2007 was an exciting, innovative and successful year for the Austrian business unit, demonstrated by the successful realisation and implementation of many diverse projects and achieved goals.

To optimise structure efficiency, the business unit was organised into three separate divisions: Travel Insurance, Business Assistance and SEE countries (Bosnia/Herzegovina, Croatia, Hungary, Romania, Serbia/Montenegro, and Slovenia).

All operations are delivered by the Austrian platform, while sales activities are supported locally, new sales office was opened in Budapest in October 1st.

Belgium: a pioneer in creativity

The Belgian business unit demonstrated its leadership in product development by winning the "Best Insurance Product" award, granted by an official organisation in non-life insurance. This leadership was complemented by an innovative communication campaign.

Several network events reinforced the already strong relationships with travel agencies and insurance brokers and greatly contributed to the increase in profitable turnover (+10%).

The Czech & Slovak Republics

celebrate business unit's 10th anniversary

The business unit in Prague successfully launched a new Mondial Assistance Travel Insurance Branch, thereby completing the standard Group structure to develop its own travel insurance and reinsurance business. With efficient new e-commerce tools, the business unit succeeded in adding major international e-commerce clients to its customer portfolio. For both national markets,



it mostly focused on developing the assistance business in the automotive vehicle segment where local Allianz Insurance branches continue to be the auto manufacturers' most important partners. Mondial Assistance also developed a new accident support and claims management product for insurance companies, notably for motor vehicle insurance. In 2007 the business unit celebrated its 10th anniversary, which was marked by a transition to the Mondial Assistance brand.

France: innovation boosts sales

The French subsidiary contributed more than 22% of the Group's global sales in 2007. The business unit successfully grew its customer portfolio and created many innovative products and solutions.

Mondial Assistance France benefited from the growth of its main banking and insurance partners, and from the kick off of several contracts in the Lifecare business. The company also benefited from the solid support of major transportation companies for its e-commerce activity, from signature of new partnerships in the automobile business and from successful on-line sales of tele-surveillance products. Mondial Assistance France also reinforced its leading market position in tele-assistance solutions for the elderly. Innovations included the launch of an e-breakdown tool for vehicle assistance. The tool deploys new means of automated information exchange between service providers and beneficiaries. The trade press recognised its importance by awarding Mondial Assistance France with a golden award for technological innovation.

The business unit also successfully developed a more functional and ergonomic extranet site. Dedicated to travel agents, it enables, among other functionalities, reporting a claims on-line and real-time follow up of the file's treatment through to reimbursement.

Mondial Assistance France proposed a range of innovative offers to its banking and insurance clients to enhance their multi-risk home insurance contracts. These include technical diagnostic tools for the home.

Germany: travel and assistance sales going strong

2007 proved to be an intensely competitive year for the German travel insurance market. The travel company launched a new generation of products including a complete range of annual policies, which directly reflect the change in travellers' behaviour. All new products, whether for business or leisure travel, are enhanced with assistance benefits that fit the needs of an increasingly mobile society.

In line with the continuous change occurring in distribution channels, the German entity successfully transformed its business model from offline to online (+50% compared to 2006). Modular solutions for business travellers abroad (BTA) were one of the drivers of this success. BTA covers a high potential market, both on a national and international scale.

The German assistance entity continued to co-develop new domestic health products for the senior market in partnership with Allianz. At the same time, it pursued its efforts to increase quality and productivity standards. Rehacare, the dedicated entity for rehabilitation management, showed strong development perspective, proposing a high value-added comprehensive services package for insurers and their customers.



Greece maintains the lead in auto assistance

Mondial Assistance Greece increased its turnover in 2007 by 28% over the previous year. By signing new contracts with automotive importers, the Greek business unit maintained its leading position in automobile assistance (manufacturers and importers market). The business unit launched a claim handling product and extended warranty schemes, for insurance companies. Mondial Assistance Greece also launched an e-commerce based travel insurance business.

Italy: operating results soar due to strong sales and portfolio management

Mondial Assistance Italia concluded 2007 with a 11.6% growth. Growth was primarily generated by the travel industry, notably with impressive results in e-commerce and direct sales.

The business unit also focused on people management, developing an efficient new training program for top and middle managers, and creating a “talent academy” composed of 12 collaborators selected by external experts. These talented team members will follow a specific training program in 2008.

Netherlands: dynamic automobile assistance market compensates for consolidation in travel insurance

Once again, the Dutch business unit strengthened its operational productivity in 2007, due to strong volume growth in vehicle assistance. The travel insurance sector continued to focus on annual products, and shift from the travel industry toward the insurance industry as a distribution channel. The company successfully developed innovative ways to manage a shortage on the labour market by using both a dedicated recruitment website and tailor-made, home-based work possibilities. New products, like the roadside assistance solution aimed at the consumer market, were developed in 2007 for launch in 2008.

Poland: dynamic sales growth and excellent financial results.

2007 was an excellent year for the Polish business unit. It achieved 43% sales growth. After several years of constant growth, market share is very impressive, with Mondial Assistance Poland claiming 44% of the national assistance market. With improvements in the core business and the successful launches of new domestic products

targeting the mass market, the business unit has built up a strong base to foster further development.

Portugal: new big name contracts support 2-digit growth

The Portuguese business unit continued to post positive results and 2-digit growth in 2007.

The year was marked by several important business developments and innovations provided by the team of talented people.

Mondial Assistance Portugal signed a partnership agreement to provide healthcare services to a major international health group. The travel business continued to expand and concluded successful contracts with four airline companies, including Portugal’s main airline; this agreement represents one of the business unit’s best projects ever. The business unit’s roadside assistance activity also continued to grow, adding to its portfolio the number one premier auto brand.

In 2007 the Portuguese business unit was granted 14001 certification, signifying its compliance with environmental regulations and standards.

Reunion Island: sustained growth and a diversified client portfolio

The Reunion Island business unit sustained 12% growth in 2007. CRM services remain the main line of business; however, with the recent launch of several innovative solutions for corporate clients, the assistance activity is growing rapidly. This activity combines emergency hotline solutions with services and claims handling (i.e. car fleets, insurance claims and real estate management ...). The client portfolio expanded and now includes several public sector entities with the same range of products.



Russia & CIS: a new company is registered

The new Russian company was registered in August 2007. It will manage the existing contracts for Russia, CIS (Commonwealth of Independent States) countries, Bulgaria, and will develop Mondial Assistance core activities in this growing region. Operations will begin in 2008.

Spain: proactive on all fronts

Mondial Assistance Spain achieved excellent results in 2007 with a 24% growth in revenues, and was very active in all business activities. e-commerce sales of travel insurance solutions continue to drive growth. Customer acquisition was extremely successful reaching all airline targets, as well as the main on-line travel providers, thereby reinforcing the business unit's leadership on the web. The roadside assistance activity developed an automatic service dispatch system for the technical network, which is fully compatible with the main GPS/GPRS fleet management application in the Spanish market.

The result has been a drastic reduction in administration costs for the network and more efficient service delivery for clients. The company launched new extended telematic services for car manufacturers. Healthcare assistance and life-care services continued to develop via two distinct channels: the associated Contigo network, which has 10 shops open to date, and the traditional B2B distribution channels. The Property Assistance activity focused on quality improvement, and created a subsidiary company to act as an in-house service provider for clients.

Based on their quality and cost containment results, an annual competition was launched with awards for the top performing network providers (Technical and Home networks). This has proven to be an excellent tool to ensure that networks remain focused on providing clients with excellent quality services.

ZOOM

Registered in 2007, our Russian office started its operations on March 1st 2008

The Russian market offers a huge growth potential with a growing middle class expecting value added services, as well as encouraging reforms of the legal, tax and health system and the presence of foreign car manufacturers. Moreover, Russia attracts over 2 million foreign tourists each year and the Russians increasingly travel abroad. Mondial Assistance has been present on the Russian-speaking market since 1996, via co-operation with local insurance companies and correspondents. Since 1999 "Russian" contracts were taken care of by our Polish business unit and since 2004 also by the Turkish subsidiary. In order to have one platform for all these "Russian" contracts and to develop assistance services in Russia, for which a local network of providers is needed, it became essential to set a business up in this country. The services offered are part of the classic assistance range. Medical and travel assistance & insurance are offered to Russians travelling abroad. In the automotive sector the Group provides vehicle assistance for Russians home and abroad as well as for foreigners in Russia. e-commerce will be developed in the medium term.



Switzerland: e-commerce drives dynamic tourism industry

2007 was a very successful year for the Group's business unit in Switzerland, with revenue posting a remarkable 39.7% growth. In June Mondial Assistance Switzerland acquired Medvantis AG, which is the country's leading medical call centre. It provides services to health insurers and doctors, and employs 85 people. This acquisition generated 10.6% of overall growth. The business unit is now the clear market leader in all of the major business lines (travel insurance, automobile assistance and healthcare) in the Swiss market. The Travel activity increased by 53% due to new e-commerce contracts and a favourable economic environment. Automobile assistance, operating in a saturated market, grew by 7%. Every other new car delivered in Switzerland in 2007 came with Mondial Assistance services or telematic support. In partnership with a major retail company, Mondial Assistance Switzerland launched an innovative automobile assistance product, and, for the first time, became a direct competitor of the automobile clubs.



Turkey: Looking ahead to new growth opportunities

2007 was both a challenging and successful year for Mondial Assistance Turkey. The company succeeded in translating a temporary slow down in sales (-13%) into significant profitability gains by reorganising its structure and processes, and realising careful portfolio management.

Mondial Assistance Turkey also maintained its leading market position in the banking sector by adding a state bank (one of the top 5) to its portfolio. It boosted its market share in the insurance sector when it signed an agreement with one of the country's largest insurance companies.

The business unit is currently studying a new business model, which should allow Mondial Assistance Turkey to

expand its client offer in 2008 beyond assistance services, and hence gain access to new sectors and new growth opportunities.

During the year, the business unit hosted various projects and events, aimed at promoting company values among the staff and partners, and enhancing market perception and internal employee satisfaction. With a newly reinforced image, a fit, efficient structure, and a proactive approach, Mondial Assistance Turkey is ready to tackle 2008 at winning pace.

United Kingdom and Ireland: Booming e-commerce and streamlined processes

Although 2007 was a challenging year due to a price war amongst its major UK market competitors, the business unit's final annual results were excellent. This improvement is due to the positive results gained from implementing numerous business innovations over the last 2 years. The business unit has been particularly successful in further improving its call centre efficiency. It has also made some management changes and improved the dispatch process of its Field Based Technicians, thereby generating significant gains.

Mondial Assistance UK and Ireland has also enhanced the functionality of its Voice Over Internet Protocol telephony by introducing a home-based vs. an office-based operations staff. This innovation has created increased commercial benefit for the business unit.

In-house training, with strong support from HR, has reinforced staff loyalty and reduced changeover of voluntary staff to a level that significantly out-performs the industry average. Both have contributed towards the business unit's strong Operating Results and to maintaining high service standards. Finally, Mondial Assistance UK and Ireland continues to invest in customer satisfaction and customer-focused initiatives. Its ability to implement innovative change enables the business unit to actively demonstrate to its clients its capacity to provide them with leading services in the UK.

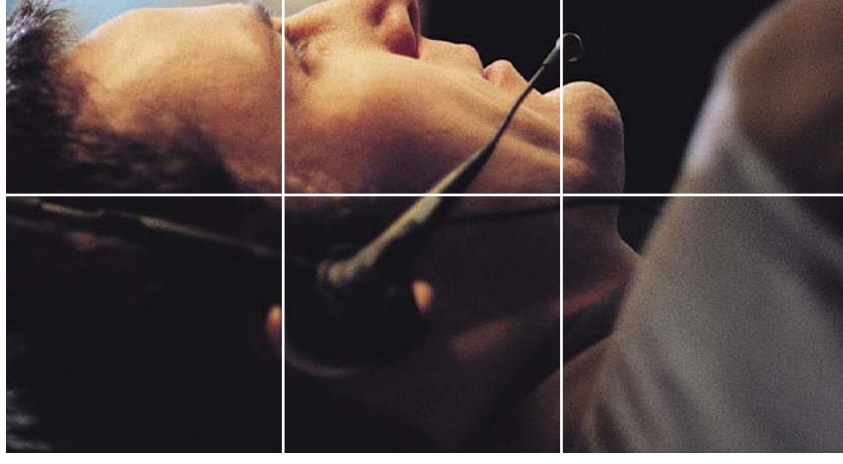
Middle East & Africa: Reinforcing the core business

Throughout 2007, Mondial Assistance supported Allianz in the development of its activities in several African and Middle East countries, by providing travel insurance. In the near Middle East region, including Lebanon, Jordan and Egypt, Mondial Assistance further developed its commercial relationships with existing or potential partners, especially airlines.

Automobile Assistance

GMS SOS device alerts Mondial Assistance to customer's health danger

My name is Paul, I work on the French platform. One morning, a customer had to make an emergency stop on the side of the road. He was doubled over the wheel in excruciating pain. Luckily his vehicle was equipped with a Pan-European telematics and GSM hand-free device enabling him to call into our emergency automobile assistance platform. All he needed to do was to hit the SOS button in his car to sound the alarm. While our customer was speaking, we could visualise the exact location of his vehicle. We immediately dispatched a team of medical firemen, who transported him to the nearest hospital where he underwent an emergency operation for kidney stones. Several weeks later, we received another call...this time to say THANK YOU!



Travel Assistance

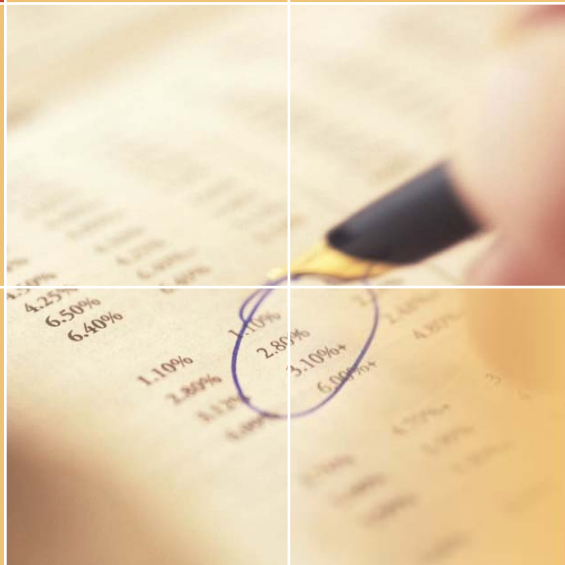
Mondial Assistance intervenes after bus accident

My name is Ines, I work on the Belgian platform. One day, at 5h30 a.m., we received a call for a serious bus accident in Germany involving 42 passengers. We worked with our German colleagues and immediately dispatched a medical team on site. We spent the day identifying patients, some of whom were seriously injured, arranging for air repatriation and contacting families. We organized for the uninjured passengers to return to Belgium. Patients were sent to 10 hospitals in 7 cities, requiring complex medical and logistical coordination. We used all of our professional and human qualities – listening, language skills, the ability to analyse and react quickly, care and keen judgement. It was a difficult situation that could have snowballed. Instead, we rescued our customers and took them to safety.



1,523

million €
turnover



52.5

million €
net profit

+11.5%

growth

In 2007, Mondial Assistance reached a double digit growth with a 11.5% increase in turnover to 1,523 million euros through the twelve month period. Service revenue contributed to this increase with a 14.5% growth, whereas insurance premiums grew by 10.6%.

Financial results

Review of Operations

For the year 2007

Turnover (Premium and Service Revenue)

This year again, Mondial Assistance achieved double digit growth with a 11.5% increase in turnover (growth written turnover, both insurance premiums and service revenue) to 1,523.1 million euros throughout the twelve month period ended December 31st, 2007. Service revenue contributed to this increase with a 14.5% growth, whereas insurance premiums grew by 10.6%.

The three main lines of business – travel insurance, automotive and healthcare & lifecare services, participated in generating this growth.

The first line of business, travel insurance, saw its sales increased by +12.2% in 2007 compared to 2006 and therefore maintains an overall 48.9% share of the Group's total turnover. The Group is present worldwide with turnover split primarily between Western European countries, North America and Australia, where e-commerce grew by +59%. The second line of business, automotive, represents 38.2% of total Group turnover. In 2007, automotive reported a 7.7% growth in turnover primarily in Europe where the UK and France represent more than 50% of the business.

Healthcare and lifecare services continued its expansion with a turnover increase of +19.0%. After representing 6% in 2005 and 7% in 2006, it now represents 7.9% of overall Group sales.

From a geographical perspective, sales development was positive everywhere and even strong in certain markets, with growths comparable to those in 2006. Turnover increased in the Asia-Pacific region by +25.7%, in the Americas by +15.1%, and in the EMEA zone by +4.9%.

The fluctuation in currency exchange rates in 2007, especially regarding the US dollar, had a negative impact on Group turnover. In a hypothetical situation of constant exchange rates in 2006, Group turnover in 2007 could have been 16.8 million euros higher. In addition to the US dollar, the main negative currency fluctuations concerned the Swiss franc and the British pound. However these same fluctuations had a positive impact on the Australian dollar and the Brazilian real.

Claims and Expenses

The claims ratio (including internal claims administration costs, net of reinsurance) in the insurance business continued to decrease slightly to 58.9% compared to 60.9% in 2006. This drop was caused by a combination of the +9.9% increase in net premiums earned following the premiums written net growth of +10.3%, and the reduced increase in claims (only +6.2%). The claims reserves were up by 12.7% to 170.4 million euros, due to strong development of travel insurance. As in 2006, this generated claims with a longer run-off period and higher average costs than assistance activities.

Compared to 2006, Mondial Assistance Group's reported global commission ratio (gross of reinsurance) modestly increased in 2007 by +0.3 points to 20.7% (both for insurance and service activities). This higher commission ratio compared to previous years is the result of strong development, and the renewal of several contracts with higher commission rates, notably in the e-commerce travel insurance business.

Overall, all operating entities maintained efficient expense control, as they did in 2006. Nevertheless, general expenses increased by 12.4% to 538 million euros (2006: 479 million euros). This is due to the heavy growth in turnover by +11.5%, the development of call centre activities requiring more staff, some exceptional non-recurrent items, and the new full consolidation of some affiliates. Headcounts increased by +10.5% and full time equivalent by +8.3%.

In spite of the better claims ratio, the slightly unfavourable development of the commission ratio, and especially the increase in general expenses, lead to a small increase (+0.4 points) of the combined ratio to 95.6% (2006: 95.2%, 2005: 95.8%).

Investments and financial results

At December 31st, 2007 the Group's financial investments totalled 562.4 million euros (2006: 550.0 million euros). The relatively high amount of cash and cash equivalents of 225 million euros was stable compared to 2006, with an increase of only +3.2% generated by Mondial Assistance's 7.1 million euro positive cash flow in 2007.

Investments and financial results increased by +7.3 million euros in 2007 to 33.5 million euros. This can be explained by several occurrences.

The result from investments itself was stable at 13.9 million euros (2006: 14.0 million euros). The first component of the financial results, the exchange rate result, composed of unrealised gains and losses on exchange rates, was neutral in 2007 with a gain of 0.1 million euros (2006: loss of 1.1 million euros) thanks to the parallel evolution of the Swiss franc against the US dollar. The second component, the interest and similar result, made the difference by increasing to 19.5 million euros compared to 13.4 million euros in the previous year. This increase was mainly due to a higher level of cash and cash equivalents and higher interest income across several countries, particularly in Australia and the UK with their higher interest rates, and in Germany thanks to a restructuring of the investment portfolio.

Result before and after tax, and return on equity

Despite the higher combined ratio, the double digit growth in net earned turnover (+10.6%) generated a net operating result of 64.6 million euros, up 1.7% compared to 2006. Thanks to a positive investment and financial result and other income/expenses, profit before taxes reached 95.2 million euros (+5.4%). Without any fluctuation in currency exchange rates since year-end 2006, hypothetically, this profit could have been 1.0 million euros higher.

Deducting the taxes on profits of 40.8 million euros (2006: 33.3 million euros), which increased heavily due to a change in Switzerland's tax legislation and taking effect several years prior, profit after taxes was 52.5 million euros, -6% compared to 2006.

Correspondingly, the return on equity throughout the twelve-month period ended December 31st, 2007, decreased from 17.9% in 2006 to 15.5% in 2007 (-13.4%).

Changes in Group structure

Several changes in Group structure took place during the year. 2007 saw the completion of several mergers and changes in consolidated structure. Details of these operations can be found in the chapter "Notes to the consolidated financial statements", starting on page 33 of this report.

Financial statements of Mondial Assistance Group

Consolidated Income Statement of Mondial Assistance Group for the Financial Year 2007

in thousand EUR	2007 Gross	2007 Ceded	2007 For own account	2006 For own account
INSURANCE AND ASSISTANCE BUSINESS				
Total turnover (premiums and service revenue)	1 523 068	12 382	1 510 686	1 357 082
Written premiums	1 153 975	12 382	1 141 593	1 034 673
Unearned premium reserve change	(33 682)	22	(33 704)	(26 892)
Earned premiums	1 120 293	12 404	1 107 889	1 007 781
Claims paid current year	(410 456)	(3 890)	(406 566)	(375 695)
Transferred claims administration expenses (ICHC) CY	(113 586)		(113 586)	(103 299)
Change in current year reserves	(131 559)	(2 106)	(129 453)	(119 429)
Claims incurred current year	(655 601)	(5 996)	(649 605)	(598 423)
Claims paid previous year	(88 871)	(3 392)	(85 479)	(75 706)
Transferred claims administration expenses (ICHC) PY	(9 446)		(9 446)	(12 941)
Change in previous year reserves	111 336	1 667	109 669	95 915
Claims incurred previous year	13 019	(1 725)	14 744	7 268
Other technical income / expenses	(17 960)	(330)	(17 630)	(23 010)
Total claims	(660 542)	(8 051)	(652 491)	(614 165)
Commission paid (Insurance Business)	(260 377)	(763)	(259 614)	(233 402)
Insurance margin	199 374	3 590	195 784	160 214
Service revenue			369 093	322 409
Service income deferred change			(12 707)	(5 907)
Service revenue earned			356 386	316 502
Other service income / expenses			(27 384)	(12 755)
Commission paid (service business)			(45 203)	(38 179)
Transferred service administration expenses (ISHC)			(162 222)	(158 222)
Service Margin			121 577	107 346
Staff costs			(343 705)	(310 905)
IT costs			(22 324)	(19 895)
Telecommunication costs			(13 555)	(12 886)
Fees for group services			(11 802)	(2 185)
Other administration costs			(146 643)	(132 632)
Transfer of ICHC and ISHC			285 253	274 462
General expenses after transfer			(252 776)	(204 041)
Technical result			64 585	63 519

in thousand EUR

	2007 For own count	2006 For own account
Financial operations		
Current income investments	14 223	12 910
Current expense investments	(737)	(1 205)
Current investment result	13 486	11 705
Realised gains	2 999	3 452
Realised losses	(1 802)	(1 711)
Realised result	1 197	1 741
Write-ups	76	581
Write-offs	(851)	(48)
Accountancy result	(775)	533
Result from investments	13 908	13 979
Exchange rate fluctuation gains	23 875	12 283
Exchange rate fluctuation losses	(23 761)	(13 383)
Exchange rate result	114	(1 100)
Interest and similar income	20 363	14 318
Interest and similar expenses	(859)	(962)
Interest and similar result	19 504	13 356
Financial result	19 618	12 256
Other income/expenses	(2 873)	636
Result before tax	95 238	90 390
Taxes	(40 801)	(33 257)
Result after tax	54 437	57 133
Minority interest in the results	(1 937)	(1 271)
Group result	52 500	55 862

Consolidated Balance Sheet of Mondial Assistance Group as at December 31st, 2007

in thousand EUR	2007	Reclassified* 2006
ASSETS		
Goodwill	19 176	14 965
Other intangible fixed assets	28 455	21 867
Intangible fixed assets	47 631	36 832
Land and buildings	7 973	8 054
Other tangible fixed assets	47 400	43 823
Tangible fixed assets	55 373	51 877
Shares	24	24
Fixed-interest securities	304 626	286 944
Other Investments	41 161	81 127
Securities - available for sale	345 811	368 095
Investments - fair value through profit & loss	4 700	1 898
Participations	284	551
Mortgages	0	0
Long term bank deposits	193 890	161 647
Loans	17 743	17 854
Mortgages, long term deposits and loans	211 633	179 501
Investments	562 428	550 045
Accounts receivable - direct business	100 504	81 375
Accounts receivable - indirect business	67 031	60 485
Accounts receivable from associated companies - current accounts	8 074	2 406
Other accounts receivable	176 262	121 367
Accounts receivable	351 871	265 633
Deferred acquisition costs	28 568	26 114
Cash and cash equivalents	225 046	217 995
Reinsurance deposits	29 873	25 127
Other deposits	5 407	4 335
Other assets	35 280	29 462
Accrued interest	10 537	9 008
Other (prepayments and accrued income)	26 680	21 828
Accruals & prepayments	37 217	30 836
Deferred taxes - assets	25 010	24 579
Total assets	1 368 424	1 233 373

in thousand EUR	2007	Reclassified* 2006
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	25 509	25 509
Additional paid in capital	30 633	30 633
Other reserves	211 363	190 982
Retained earnings brought forward	33 937	20 366
Net profit for the financial year	52 500	55 862
Shareholders' equity	353 942	323 352
Minority interest in shareholders' equity	9 416	4 690
Unearned premium reserves and deferred service income	422 837	390 303
Claim reserves	170 355	151 159
Other technical provisions	46 787	45 908
Technical provisions	639 979	587 370
Personnel provisions and similar liabilities	44 556	44 714
Provision for income taxes and similar taxes	25 822	17 830
Other non-technical provisions	12 521	11 848
Non-technical provisions	82 899	74 392
Deposits received from reinsurers	226	229
Loans	17 120	9 719
Liabilities - direct business	16 806	14 426
Liabilities - indirect business	10 813	8 420
Liabilities to associated companies - current accounts	579	1 521
Other liabilities	201 116	184 789
Deferred income	19 928	9 173
Other liabilities	266 588	228 277
Deferred taxes - liabilities	15 601	15 292
Total liabilities	1 014 483	910 021
Total shareholders' equity and liabilities	1 368 424	1 233 373

* refer to Notes for details

Cash Flow Statement of Mondial Assistance Group for the Financial Year 2007

in thousand EUR	2007	Reclassified 2006
Net result of the period	52 500	55 862
Change in unearned premiums reserve	32 533	27 719
Change in claims and claim handling costs	19 196	19 718
Change in other technical reserves	880	6 045
Change in deferred acquisition costs	(2 454)	(620)
Change in deposits held by others under reinsurance business assumed	(4 746)	(688)
Change in deposits held under reinsurance business ceded	(3)	(2 234)
Change in accounts receivable / payable on reinsurance business	(4 768)	(11 027)
Change in loans and advances to banks and customers	111	575
Change in liabilities to banks and customers	9 781	1 775
Change in other receivables and liabilities	(55 764)	11 581
Change in deferred tax assets / liabilities	219	(826)
Adjustments to reconcile amortization of goodwill	0	(36)
Depreciation and amortization expense	24 768	24 946
Other	4 888	1 866
Minority interests	1 937	1 271
Cash flow from operating activities	79 078	135 927
Change in securities available for sale	(6 940)	(20 089)
Acquisition of subsidiaries net of cash acquired	(20 996)	149
Change in fixed tangible and intangible assets	(27 382)	(26 411)
Cash flow from investing activities	(55 318)	(46 351)
Dividend payouts	(16 859)	(24 653)
Other from shareholder equity and minority interests	150	(5 440)
Cash flow from financing activities	(16 709)	(30 093)
Change in cash and cash equivalents	7 051	59 483
Cash and cash equivalents at beginning of period	217 995	158 512
Cash and cash equivalents at end of period	225 046	217 995

Notes to the consolidated financial statements of Mondial Assistance Group

Consolidation scope

The consolidated financial statements of Mondial Assistance Group comprise the annual accounts of Mondial Assistance AG and subsidiaries, which are prepared in accordance with the accounting and valuation principles of the Mondial Assistance Group. Consolidated subsidiaries are listed further in the notes to the consolidated financial statements. In 2007, France Secours International Assistance SA, Mondial Assistance France SA and Société de Services Communs merged with Mondial Assistance S.A.S France and FS2A merged with FRAGONARD ASSURANCE.

In 2007, the following new companies were founded and integrated in the Mondial Assistance Group: Mondial Services (India) Private Limited (IN), Mondial Assistance France Services à la Personne (FR), Mondial Servicios S.A. de C.V. (MX) and Mondial Mexico S.A. de C.V. (MX), Mondial Assistance Russia (RU).

In 2007, the following companies were acquired and fully integrated into Mondial Assistance: Medvantis (CH) and Jefferson Insurance Company (US). Additionally in 2007, Mondial Assistance Deutschland GmbH changed from 50% proportional consolidation and RehaCare from at equity valuation to being fully consolidated.

Consolidation principles

Subsidiaries have been recorded according to the full consolidation method when subject to the majority control of the Mondial Assistance Group. All intra-group transactions and balances have been eliminated. Interests in joint ventures are recognised by including the accounts using the equity consolidation basis. Equity investments in which the Mondial Assistance Group owns at least 20% of the voting rights are accounted for using the equity method, except for investments in which the Mondial Assistance Group is not able to exercise significant influence, in which case the cost method is used. Participations in which the company owns less than 20 % are accounted for under the cost method.

The equity and net income attributable to minority shareholders' interests are disclosed separately in the balance sheet and income statement respectively. The purchase method of accounting is used for acquired businesses, including entities under common control of Mondial Assistance AG's ultimate holding company. Companies acquired or disposed of during the year are included in the consolidated financial statements from the date of acquisition or to the date of disposal respectively.

Foreign currency translation

The Group's reporting currency is the euro (€). The functional currency for each Group company is the currency of the environment where the enterprise carries on its activities. Assets and liabilities are translated at the closing rate on the balance sheet date. Expenses and income are translated at the annual average rate from the functional currency into the reporting currency. Translation differences between the functional currency and reporting currency, including those arising in the process of equity consolidation, are taken to shareholders' equity without affecting earnings. Translation differences between the transaction currency and functional currency are reported in earnings.

Exchange rates of principal currencies

BALANCE SHEET YEAR END RATE

(against 1 euro)

	2007	2006
Australia (AUD)	1.6757	1.6691
Japan (JPY)	164.9300	156.9300
Brazil (BRL)	2.6217	2.8133
United Kingdom (GBP)	0.7334	0.6715
Switzerland (CHF)	1.6547	1.6069
USA (USD)	1.4721	1.3170

INCOME STATEMENT AVERAGE RATE

(against 1 euro)

	2007	2006
Australia (AUD)	1.6351	1.6669
Japan (JPY)	161.2478	146.0642
Brazil (BRL)	2.6648	2.7327
United Kingdom (GBP)	0.6846	0.6818
Switzerland (CHF)	1.6427	1.5731
USA (USD)	1.3705	1.2557

Reclassification of balance sheet of 2006

Two reclassifications in the balance sheet were performed.

Investments - fair value through profit & loss

This line item was shown under Securities- available for sale in the prior year.

Long term bank deposits

This line item was shown under Securities- available for sale in the prior year.

Accounting and valuation policies

Balance Sheet

Intangible fixed assets

Intangible fixed assets include goodwill and other intangible assets such as exclusivity fees and software purchased from others or developed in-house. Goodwill represents the difference between the purchase price of subsidiaries and the proportionate share of their net assets valued at the current value of all assets and liabilities at the time of acquisition. Goodwill is recognised as an asset in the balance sheet and is not amortised. The Mondial Assistance Group periodically evaluates the recoverability of Goodwill and takes into account events or circumstances that indicate the existence of an impairment. Impairment testing for goodwill is carried out at least annually, at the end of the year and at each reporting date, whenever there is an indication that an asset maybe impaired. The impairment is recognized through the income statement and the reversal of an impairment loss is prohibited.

Intangible fixed assets are measured initially at cost and are recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the Group, and the cost of the asset can be measured reliably. After initial recognition, intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Other intangible fixed assets are amortised using the straight-line method over their estimated period of benefit with a maximum of 5 years.

Tangible fixed assets

Tangible fixed assets include property and other tangible fixed assets such as equipment. Property used for own use and equipment is stated at cost and depreciated using the straight-line method over the shorter of the estimated life of the asset or the lease term. Land is not depreciated. Buildings are depreciated over 50 years, while other tangible fixed assets are depreciated over a period of their estimated useful life at the date of purchase. The Group recognises finance leases as assets and liabilities in the balance sheet at the amount equal at the inception of the lease to the fair value of the leased property. Initial direct costs incurred are included as part of the asset. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

A finance lease gives rise to depreciation expense for the asset as well as a finance expense for each accounting period. The depreciation policy for leased assets is consistent with that for other depreciable assets.

Investments

Investments include securities available for sale, investments at fair value through profit & loss, mortgages, long term bank deposits and loans.

Securities available for sale are accounted for at fair value. Positive and negative differences between market value and cost or amortised cost are included in a separate component of shareholders' equity, net of deferred tax. Realised gains and losses are principally determined by applying the average cost method.

Investments at fair value through profit & loss are accounted for at fair value. Positive and negative differences between market value and cost or amortised cost are included in profit and loss. Mortgages, long term bank deposits and loans are valued at cost.

Accounts receivable

The accounts receivable are carried at nominal value less any necessary value adjustment.

Deferred acquisition costs

Deferred acquisition costs, which are incurred in connection with the acquisition or renewal of insurance policies, are capitalised and amortised through the income statement over the term of the policies.

Cash and cash equivalents

This item includes balances with banks payable on demand, cash on hand and bank deposits with a maturity of three months or less at the date of purchase.

The carrying amount of cash with banks and cash on hand corresponds to the fair value. Cash funds are stated at their face value, with holdings of foreign notes and coins valued at year-end closing rate.

Deferred tax

The calculation of deferred tax is based on temporary differences between the carrying amounts of assets or liabilities in the published balance sheet and their tax basis, and on differences arising from the application of uniform valuation policies for consolidation purposes. The tax rates used for the calculation of deferred taxes are the local rates applicable in the countries concerned. Substantively enacted changes in tax law are already taken into account as at the balance sheet date.

Impairment of assets

All assets are reviewed regularly to ensure that no further value adjustments are required. Valuation write-downs are charged to the income statement if an other than temporary diminution in value is identified. Write-downs are based on the relevant estimated recoverable amounts.

Accounting for operating leases

Equipment and vehicles held under operating leases, whereby the risks and benefits relating to ownership of the assets remain with the lessor, are not recorded in the balance sheet and all related expenses are accounted for in the income statement in the period they arise.

Technical provisions

Technical provisions include unearned premium reserves, deferred service income, claim reserves and other technical provisions. Premiums written and service revenue attributable to future periods are deferred under unearned premium reserves respectively under deferred service income on a pro-rata basis, over the period of the contract on a daily basis. Claim reserves are assessed according to local regulatory requirements, on a case by case basis and are supplemented by IBNR reserves (reserves for claims Incurred But Not Reported) based on management and statistical estimates.

Non-technical provisions

These include personnel provisions and similar liabilities, provision for income taxes and other non-technical provisions. Pension and similar reserves are calculated taking local circumstances into account as well as expected future trends in salaries and wages, retirement rates and pension increases.

Defined benefit plans are recognised using the method of accruing actuarial gains and losses through income. Provisions for income taxes are calculated in accordance with the relevant local tax regulations.

Other liabilities

Other liabilities include deposits retained from reinsurers, loans, liabilities direct/indirect business, liabilities with associated companies (current accounts), deferred income and other liabilities.

Income statement**Turnover**

Turnover includes insurance premiums and service revenue.

Premiums earned

Premiums written for travel insurance are reported proportionately as income over the term of the insurance contract on a daily basis.

Claims and service administration expenses (internal claims handling costs ICHC and internal service handling costs ISHC)

Claims and service handling costs are assessed according to business management criteria and reported under claims incurred and service administration expenses.

Ordinary result

Interest income and interest expense are recognised on an accrual basis. Dividends are recognised as income when received. Interest on finance leases is recognised as interest expense over the term of the respective lease.

Income Taxes

Income tax expense includes current income taxes and deferred income taxes.

Explanation of the accounting and valuation policies differing from Swiss law

The most important differences are summarised below.

Investments available for sale (afs investments)

Investments available for sale are shown in the balance sheet at market value with the unrealised gains / losses being included under other reserves in shareholders' equity.

Claim equalisation reserves

Claim equalisation reserves and catastrophe reserves are not allowed under Mondial Assistance Group accounting policies because they do not represent a present obligation towards third parties.

Claims reserves

Under Mondial Assistance Group accounting policies, claims reserves usually are lower than under statutory accounting principles as they are calculated at the best estimate of the ultimate cost. The Swiss Code of Obligations requires a conservative calculation in accordance with the prudence principles.

Premium receivables / claims payable

Premium receivables from fronting transactions are shown net of claims payable.

Acquisition costs

Under Mondial Assistance Group accounting policies acquisition costs are capitalised and amortised over the term of policy.

Goodwill

Goodwill with an indefinite useful life is not amortised under Mondial Assistance Group accounting policies. Impairment testing for goodwill is carried out at least annually and if an impairment is applicable, it is recognised through the income statement.

VALUATION ANALYSIS INVESTMENTS

in thousand EUR	2007	Reclassified* 2006
Fixed-income securities and other investments		
Acquisition cost of portfolio	343 099	366 776
Fair value per end of period	345 787	368 071
Difference	2 688	1 295
Shares		
Cost	17	17
Fair value	24	24
Revaluation reserve	7	7

INTANGIBLE AND TANGIBLE FIXED ASSETS

in thousand EUR	Intangible fixed assets	tangible assets	real estate	Total
Balance value as of December 31st, 2006	36 832	43 823	8 054	88 709
Exchange rate change	(1 812)	(1 042)	0	(2 854)
Additions	12 376	26 359	0	38 735
Change scope of consolidation	9 956	1 307	0	11 263
Disposals	(262)	(7 819)	0	(8 081)
Amortisation	(9 459)	(15 228)	(81)	(24 768)
Balance value as of December 31st, 2007	47 631	47 400	7 973	103 004

Real Estate

The capitalised cost of buildings is calculated on the basis of acquisition cost and depreciation over a maximum of 50 years in accordance with the useful life of the real estate. The gross capitalised values totalled 10.987 million euros at the beginning of the year and remained the same at the end of the year. Accumulated depreciation amounted to 2.933 million euros at the beginning of the year and 3.014 million euros at the end of the year.

Tangible fixed assets

Tangible fixed assets such as equipment, vehicles and hardware are depreciated over 3 to 10 years according to their useful lives. The gross capitalised values totalled 118.637 million euros at the beginning of the year and 132.904 million euros at the end of the year. Accumulated depreciation amounted to 74.814 million euros at the beginning of the year and 85.504 million euros at the end of the year. Expenditures to restore the future economic benefits from the assets are capitalised if they extend the useful life of the asset, otherwise they are recognised as an expense.

Intangible fixed assets

Impairment testing for goodwill is carried out at least annually. Goodwill (net) amounted to 14.965 million euros at the beginning and 19.176 million euros at the end of the period. Other intangible assets (net) totalled 21.867 million euros at the beginning of the year and 28.455 million euros at the end of the year.

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

in thousand EUR

	2007	2006
Shareholders' equity as of January 1st	323 352	300 952
Exchange rate differences	(1 061)	(3 725)
Net profit for the financial year	52 500	55 862
Unrealised gains on afs investments	(695)	(3 600)
Unrealised losses on afs investments	(1 716)	(2 016)
Dividends to shareholders	(16 859)	(24 653)
Others	(1 579)	532
Shareholders' equity as of December 31st	353 942	323 352

DISCLOSURES OF ARTICLE 663 A/B CO, SUPPLEMENTED BY VOLUNTARY INFORMATION

in thousand EUR if not otherwise indicated

	2007	2006
1. Contingent liabilities	51 031	52 340
2. Assets pledged as security for own obligations	178	196
3. Leasing obligations	83 682	64 211
4. Fire insurance value for tangible fixed assets	88 618	91 422
5. Elvia Reiseversicherungs-Gesellschaft AG and Mondial Assistance AG belong to the Allianz Suisse Insurance value added tax group and are therefore jointly and severably liable for all value added tax liabilities of the value added tax group to the Swiss Federal Tax Administration.		
6. Participations with at least 20% of voting rights or capital share		

EUROPE

Austria

		2007	2006
Mondial Assistance GmbH, Vienna	Share capital in ATS	15 000 000	15 000 000
Purpose: Assistance and services	Share	100%	100%

Belgium

Société Belge d'Assistance Internationale S.A., Bruxelles	Share capital in EUR	7 709 000	7 709 000
Purpose: Insurance	Share	94.14%	94.14%
Société Belge de Services Téléphoniques S.A., Bruxelles	Share capital in EUR	74 400	74 400
Purpose: Services	Share	94.43%	94.43%

Czech Republic

Mondial Assistance s.r.o., Prague	Share capital in CZK	30 000 000	30 000 000
Purpose: Services	Share	100%	100%

France

Mondial Assistance Réunion S.A., Saint Denis (Reunion Island)	Share capital in EUR	329 008	329 008
Purpose: Services	Share	99.97%	99.97%
Gestion de Télésecurité et de Services S.A., Chatillon	Share capital in EUR	720 000	720 000
Purpose: Services	Share	99.98%	99.98%

* refer to Notes for details

		2007	2006
France Secours International Assistance S.A., Bagnolet	Share capital in EUR		2 745 000
Purpose: Services	Share		91.00%
FS2A S.A., Paris	Share capital in EUR		10 775 000
Purpose: Insurance	Share		91.00%
Mondial Assistance France S.A., Paris	Share capital in EUR		6 926 850
Purpose: Services and broker	Share		92.36%
Mondial Assistance France S.A.S., Paris	Share capital in EUR	7 538 390	37 800
Purpose: Services and broker	Share	94.43%	99.99%
Fragonard Assurance S.A., Paris	Share capital in EUR	35 688 980	25 037 000
Purpose: Insurance	Share	94.43%	92.36%
Mondial Assistance S.A.S, Paris	Share capital in EUR	20 088 900	20 088 900
Purpose: Holding	Share	99.99%	99.99%
TEL2S , SARL	Share capital in EUR	72 510	22 500
Purpose: Services	Share	99.91%	99.98%
Société Européenne de Protection et de Services d'Assistance à Domicile S.A., Paris	Share capital in EUR	174 750	174 750
Purpose: Security and others	Share	56.00%	56.00%
Société de Services Communs, Paris	Share capital in EUR		221 067
Purpose: Services	Share		95.34%
Mondial Assistance France Services à la personne SAS	Share capital in EUR	340 000	
Purpose: Services	Share	94.43%	
Germany			
Mondial Assistance Deutschland GmbH, Munich	Share capital in EUR	50 000	50 000
Purpose: Services	Share	50.00%	50.00%
REHACARE GmbH, Munich	Share capital in EUR	128 000	128 000
Purpose: Service	Share	37.44%	37.44%
Great Britain			
MONDIAL Assistance United Kingdom Ltd, Croydon Surrey	Share capital in GBP	1 360 940	1 360 940
Purpose: Assistance and services	Share	99.99%	99.99%
World Access Europe Ltd, London	Share capital in GBP	100	100
Purpose: Assistance and services	Share	99.99%	99,99%
Greece			
POLY - Assistance & Services A.E., Athens	Share capital in EUR	60 000	60 000
Purpose: Assistance and services	Share	50.99%	50.99%
Hungary			
ELVIA Assistance Kft., Budapest	Share capital in HUF	3 000 000	3 000 000
Purpose: Services	Share	100%	100%
Ireland			
Assistance and Services Corporation of Ireland Ltd, Dublin	Share capital in EUR	146 050	146 050
Purpose: Services	Share	99.99%	99.99%
Italy			
Mondial Service Italia S.r.l., Milan	Share capital in EUR	98 000	98 000
Purpose: Services	Share	100%	100%
Mondial Assistance Italia S.p.A., Milan	Share capital in EUR	7 908 216	6 708 000
Purpose: Insurance and reinsurance	Share	100%	100%
Permatel S.r.l., Rome	Share capital in EUR	95 000	95 000
Purpose: Services	Share	100%	100%
The Netherlands			
Mondial Assistance B.V., Amsterdam	Share capital in EUR	454 000	454 000
Purpose: Reinsurance and services	Share	100%	100%
ELVIA Travel Insurance International N.V., Amsterdam	Share capital in EUR	23 156 868	15 999 868
Purpose: Insurance	Share	100%	100%

		2007	2006
Poland			
Mondial Assistance Sp.z o.o., Warsaw	Share capital in PLN	3 800 000	3 800 000
Purpose: Services	Share	100%	100%
Portugal			
Mondial Assistance Portugal Servicos de Assistencia LDA, Lisbon	Share capital in EUR	1 600 000	1 600 000
Purpose: Services	Share	100%	100%
Russia			
Mondial Assistance sarl	Share capital in RUB	48 000 000	
Purpose: Services	Share	99.99%	
Spain			
Mondial Assistance Seguros y Reaseguro Diversos, S.A., Madrid	Share capital in EUR	4 209 782	4 209 782
Purpose: Assistance and Insurance	Share	100%	100%
Sociedad Mundial de Asistencia S.A., Madrid	Share capital in EUR	210 350	210 350
Purpose: Services	Share	99.99%	99.99%
Switzerland			
ELVIA Reiseversicherungs-Gesellschaft AG, Zurich	Share capital in CHF	25 000 000	25 000 000
Purpose: Insurance and assistance	Share	100%	100%
MEDVANTIS	Share capital in CHF	125 450	
Purpose: Services	Share	100%	
Turkey			
SAT S.A., Istanbul	Share capital in TRY	206 785	206 785
Purpose: Services	Share	95.99%	96.99%
AFRICA			
Mauritius Island			
Mascareignes Services Assistance Ltd, Port Louis	Share capital in MUR	1 103 000	1 103 000
Purpose: Services	Share	99.99%	99.99%
ASIA-PACIFIC			
Australia			
Mondial Assistance Australia Holding (Pty) Ltd, Toowong	Share capital in AUD	11 000 000	11 000 000
Purpose: Holding	Share	100%	100%
ETI Australia (Pty) Ltd, Toowong	Share capital in AUD	11 000 000	11 000 000
Purpose: Services	Share	100%	100%
China			
Mondial Assistance Beijing Services Co. Ltd., Beijing	Share capital in EUR	1 780 000	1 780 000
Purpose: Services	Share	99.99%	99.99%
India			
Mondial Services (India) Private Limited	Share capital in INR	120 202 370	
Purpose: Services	Share	99.99%	
Japan			
Millea Mondial Co Ltd, Tokyo	Share capital in JPY	100 000 000	100 000 000
Purpose: Services	Share	50.00%	50.00%
Singapore			
World Access Asia (PTE) Ltd, Singapore	Share capital in SGD	2 050 000	2 050 000
Purpose: Assistance and services	Share	100%	100%
Thailand			
Mondial Assistance (Thailand) CO Ltd., Bangkok	Share capital in THB	20 408 200	20 408 200
Purpose: Services	Share	44.10%	44.10%

		2007	2006
NORTH AMERICA			
Canada			
World Access Canada Inc., Waterloo	Share capital in CAD	1 394 484	1 394 484
Purpose: Assistance and services	Share	100%	100%
World Access Insurance Broker Ltd, Waterloo	Share capital in CAD	1	1
Purpose: Insurance broker	Share	47.37%	47.37%
USA			
Travel Care Inc., Richmond	Share capital in USD	25 000	25 000
Purpose: Assistance and travel agency	Share	100%	100%
World Access Inc., Richmond	Share capital in USD	74	74
Purpose: Holding	Share	100%	100%
ELVIA WA Building	Share capital in USD	2 500	2 500
Purpose: Assistance and services	Share	100%	100%
Jefferson Insurance Company	Share capital in USD	4 181 500	
Purpose: Insurance	Share	100%	
World Access Service Corp., Richmond	Share capital in USD	5 000	5 000
Purpose: Assistance and insurance agency	Share	100%	100%
Mexico			
Mondial Servicios S.A. De C.V.	Share capital in MXN	50 000	
Purpose: Services	Share	99.99%	
Mondial Mexico S.A. De C.V.	Share capital in MXN	50 000	
Purpose: Services	Share	100.00%	
SOUTH AMERICA			
Argentina			
Mercosul Assistance Argentine S.A., Buenos Aires	Share capital in ARS	212 000	212 000
Purpose: Services	Share	100.00%	100.00%
Brazil			
Mercosul Assistance Participacoes Ltda, São Bernardo do Campo	Share capital in BRL	7 641 918	7 641 918
Purpose: Services	Share	99.99%	99.99%
Mondial Protection Corretora de Seguros Ltda, São Bernardo do Campo	Share capital in BRL	10 000	10 000
Purpose: Broker	Share	99.98%	99.98%
7. Shareholders with more than 5% votes			
Allianz Compagnia Italiana Finanziamenti S.p.A.	Share	50%	
RAS International N.V., Amsterdam	Share	0%	50%
AGF Holding S.A., Paris	Share	29.8%	29.8%
AGF Iart S.A., Paris	Share	10.1%	10.1%
AGF Vie S.A., Paris	Share	10.1%	10.1%
8. Accounts receivable and payable with associated companies in thousand EUR:			
Accounts receivable from insurance business		31 626	23 313
Deposit retained on reinsurance assumed		25 960	23 670
Accounts receivable for services		9 024	4 334
Other accounts receivable		18 034	21 255
Liabilities from insurance business		17 961	17 972
Deposit from insurance business		936	936
Rendering of service debts		6	4
Other liabilities		1 496	1 443

Report of the Group Auditors to the General Meeting of Mondial Assistance AG, Wallisellen

As group auditors, we have audited the consolidated financial statements rendered on pages 28 to 40 (balance sheet, income statement, cash flow statement and notes) of Mondial Assistance AG for the year ended December 31st, 2007.

These consolidated financial statements are the responsibility of the board of directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with Swiss Auditing Standards, which require that an audit be planned and performed to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the consolidated financial statements. We have also assessed the accounting principles used, significant estimates made and the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements comply with Swiss law and the consolidation and valuation principles as set out in the notes.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG Ltd



Ian Sutcliffe
Auditor in Charge



Dominic Kamer

Zurich, April 1st, 2008

Financial statements of Mondial Assistance AG

Balance Sheet of Mondial Assistance AG of December 31st, 2007

in thousand CHF

	2007	2006
ASSETS		
Fixed assets		
Other intangible fixed assets	876	1 245
Participations	398 511	398 511
Loans	0	6 076
Total fixed assets	399 387	405 832
Current assets		
Cash and cash equivalents	47 889	10 531
Receivables	9 132	10 914
Accrued income	307	322
Total current assets	57 328	21 767
Total assets	456 715	427 599
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Accruals and deferred income	315	459
Other liabilities	1 595	1 363
Total liabilities	1 910	1 822
Shareholders' equity		
Share capital	40 000	40 000
Legal reserve	357 977	357 977
Retained earnings brought forward	0	3 660
Net profit for the financial year	56 828	24 140
Total shareholders' equity	454 805	425 777
Total liabilities and shareholders' equity	456 715	427 599

Income Statement of Mondial Assistance AG for the financial year 2007

	2007	2006
in thousand CHF		
Financial Income	61 103	29 535
General expenses	(4 234)	(5 395)
Profit for the financial year before taxes	56 869	24 140
Taxes	(41)	0
Profit for the financial year	56 828	24 140

Notes to the financial statements of Mondial Assistance AG

DISCLOSURES UNDER ART. 663B CO, SUPPLEMENTED BY VOLUNTARY INFORMATION

in thousand CHF (if not otherwise indicated)

		2007	2006
1. Participations with at least 20% of voting rights or capital share:			
Elvia Reiseversicherungs-Gesellschaft AG, Wallisellen	Share capital	25 000	25 000
Purpose: Insurance and assistance	Share	100%	100%
Mondial Assistance S.A.S, Paris	Share capital		
	in thousand EUR	20 089	20 089
Purpose: Holding	Share	99.99%	99.99%
2. Long-term liabilities over 3 years		-	-
3. Loans to associated companies		-	6 076
4. Accounts receivable and payable with associated companies			
Other accounts receivable		30	88
Other liabilities		1 020	388

5. Mondial Assistance AG belongs to the Allianz Suisse Insurance value added tax group and is therefore jointly and severably liable for all value added tax liabilities of the value added tax group to the Swiss Federal Tax Administration.

PROPOSAL FOR THE DISTRIBUTION OF PROFITS

in thousand CHF

	2007	2006
Net profit for the financial year	56 828	24 140
Balance at the beginning of the year	0	3 660
Available profit	56 828	27 800
It is proposed to the annual general meeting to allocate this profit as follows:		
Proposal for dividend distribution	40 706	27 800
Balance carried forward	16 122	-
Available profit	56 828	27 800

Report of the Statutory Auditors to the General Meeting of Mondial Assistance AG, Wallisellen

As statutory auditors, we have audited the accounting records and the financial statements rendered on pages 42 and 43 (balance sheet, income statement and notes) of Mondial Assistance AG for the year ended December 31st, 2007.

These financial statements are the responsibility of the board of directors. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with Swiss Auditing Standards, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free of material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements and the proposed appropriation of available earnings comply with Swiss law and the company's articles of incorporation.

We recommend that the financial statements submitted to you be approved.

KPMG Ltd



Ian Sutcliffe
Auditor in Charge



Dominic Kamer

Zurich, April 1st, 2008

Business years 2006 - 2007

in million EUR

INCOME STATEMENT

	2007	2006
Total turnover (premiums and service revenue)	1 523.1	1 366.1
Net earned premiums and service income	1 464.3	1 324.3
Claims	(652.5)	(614.2)
Costs	(747.2)	(646.6)
Technical result	64.6	63.5
Investment result	13.9	14.0
Financial result and other income/expenses	16.7	12.9
Result before Tax	95.2	90.4
Taxes	(40.8)	(33.3)
Result after Tax	54.4	57.1
Minority interest in the results	(1.9)	(1.3)
Group result	52.5	55.8

BALANCE SHEET

Assets		
Investments	562.4	550.0
Cash and cash equivalents	225.0	218.0
Accounts receivable	351.9	265.6
Total remaining assets	229.1	199.8
Total assets	1 368.4	1 233.4
Shareholders' equity and liabilities		
Shareholders' equity	353.9	323.4
Technical provisions	640.0	587.4
Other liabilities	374.5	322.6
Total shareholders' equity and liabilities	1 368.4	1 233.4



Mondial Assistance would like to thank all its staff for their kind contribution to this annual report.

Mondial Assistance worldwide

Zone	Country	Business Unit	Address	Website
AMERICAS	Brazil	Mondial Assistance Brazil	Al. Santos, 745-2º andar - cj. 22 - 01419-001- Sao Paulo - SP	www.mondial-assistance.com.br
	Canada	Mondial Assistance	4273 King street East Kitchener, Ontario N2P 2E9	www.mondial-assistance.ca
	Mexico	Mondial Servicios S.A. de CV.	Bldv. Adolfo López Mateos N°.379 Col. Atlamaya - C.P. 01760 - México, D.F.	
	USA	Mondial Assistance	2805 North Parham Road - Richmond, VA 23294	www.mondialusa.com
ASIA PACIFIC	Australia	Mondial Assistance Australia	Mondial Assistance House - 74 High Street Toowong QLD 4066	www.mondial-assistance.com.au
	China	Mondial Assistance (Beijing) Services Co., Ltd.	1403-08, Air China Plaza 36 Xiaoyun Road Chaoyang District - Beijing 100027	www.mondial-assistance.com.cn
	India	Mondial Services (India) Pvt Ltd	21 st Floor, DLF Square, M-Block, Jacaranda Marg, Phase-II Gurgaon, Haryana - 122002	www.mondial-assistance.in
	Japan	Millea Mondial Co., Ltd	Shinagawa Seaside South Tower 3F 4-12-1 Higashi-Shinagawa-Shinagawa-ku, Tokyo 140-0002	www.mondial-assistance.co.jp
	Singapore	Mondial Assistance Asia Pacific	143 Cecil Street - 13-01 GB Building - Singapore 069 542	www.mondial-assistance-asiapacific.com
	Thailand	Mondial Assistance Thailand Auto Assist Co., Ltd.	29 th Floor, Thanapoom Tower, 1550 New Petchburi Road, Makasan - Rajathevi, Bangkok 10400	www.mondial-assistance.co.th
EUROPE, MIDDLE EAST AND AFRICA	Austria	Mondial Assistance Austria	Pottendorfer Strasse 25-27 - 1120 Wien	www.mondial-assistance.at
	Belgium	Mondial Assistance Belgium	rue des hirondelles 2 - 1000 Brussels	www.mondial-assistance.be
	Czech Rep.	ELVIA Assistance s.r.o.	Na Maninách 7 - 170 00 Praha 7	www.mondial-assistance.cz
	France	Mondial Assistance France S.A.S.	54, rue de Londres - 75008 Paris	www.mondial-assistance.fr
	France	GTS Gestion Télésecurité Services S.A.	81, rue Pierre Sémar - 92324 Chatillon Cedex	www.gts-teleassistance.fr
	France	SEPSAD Société Européenne de Protection	2, boulevard Montmartre - 75009 Paris	www.sepsad.com
	Germany	ELVIA Reiseversicherungs-Gesellschaft	Ludmillastr. 26 - 81543 München	www.elvia.de
	Germany	Mondial Assistance GmbH Deutschland REHACARE	Hohenlindener Str.4 - 81677 München	www.rehacare.net
	Germany	Mondial Assistance GmbH Deutschland	Riedenburger Strasse 2 - 81677 München	www.mondial-assistance.de
	Greece	Mondial Assistance Greece	10 Premetis Str. - Athens - 173 42	www.mondial-assistance.gr
	Hungary*	Mondial Assistance	ORCO Business Park B. épület 4. em. 2040 Budaörs - Szabadság út 117.	
	Ireland	Mondial Assistance Ireland (ASCI)	2 Bracken Court Bracken Road Sandyford - Dublin 18	www.mondial-assistance.ie
	Italy	Mondial Assistance Italia SpA	Via Ampère 30 - 20131- Milano	www.mondial-assistance.it
	Morocco**	Mondial Assistance Morocco (ISAAF S.A)	Lotissement de la Civim, lot N°131, route de l'aéroport QI Sidi Maârouf - Casablanca	www.mondial-assistance.ma
	Poland	Mondial Assistance Poland	ul. Domaniewska 50B - 02-672 Warszawa	www.mondial-assistance.pl
	Portugal	Mondial Assistance Portugal	Rua Quinta da Fonte - Edifício Bartolomeu Dias 2774 - 535 Paço de Arcos	www.mondial-assistance.pt
	Reunion Island	Mondial Assistance Reunion Island (B.S.A.)	11, rue Roland Garros - 97400 Saint Denis	www.mondial-assistance.re
	Russia	Mondial Assistance Russia	Timiryazevskaya str. 1 - 127422 Moscow	www.mondial-assistance.ru
	Slovak Rep.*	Elvia Assistance	ajakova 18 - 811 05 Bratislava 1	www.mondial-assistance.sk
	Spain	Mondial Assistance Spain	Edificio Delta Norte, 3 Avenida de Manoteras - 46 bis - Madrid 28050	www.mondial-assistance.es
Switzerland	ELVIA Reiseversicherungs-Gesellschaft	Hertistrasse 2 - 8304 Wallisellen	www.elvia.ch	
The Netherlands	ELVIA Netherlands Mondial Assistance Netherlands	Poeldijkstraat 4 - Amsterdam - 1059 VM	www.mondial-assistance.nederland.nl	
Turkey	Mondial Assistance Turkey (S.A.T.)	Buyukdere C Enka Binasi 108 Kat 10 Esentepe - Istanbul 34394	www.mondial-assistance.com.tr	
UK	Mondial Assistance UK	102 George Street Croydon - Surrey CR9 1AJ	www.mondial-assistance.co.uk	

*Commercial offices

**Special partner

Connected		Proactive		
	Professional		Trust	
		Caring		



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