



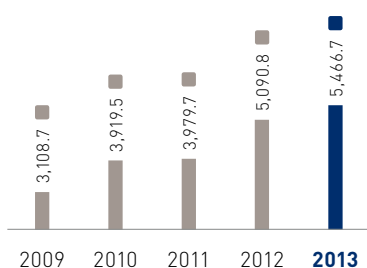
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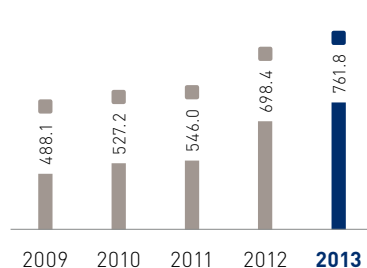
Key figures

[consolidated] on 31 December 2013

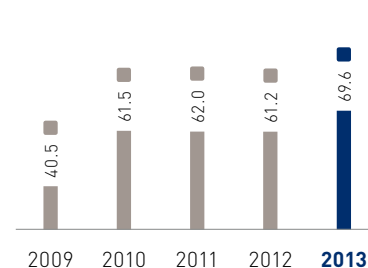
Invested assets



Shareholders' equity
(Group share)



Consolidated net result
(Group share)



Financial ratios

	2011	2012	2013
Earnings per share (in €)	6.98	6.91	7.86
P/E (stock market value on 31.12)	6.15	6.82	7.93
Recurring dividend per share (in €)	1.59	1.75	1.98
Special dividend per share (gross) (in €)		0.40	
Net dividend per share (in €)	1.35	1.83	1.68
Shareholders' equity (consolidated) per share (in €)	61.59	78.86	86.07

Employees

	2011	2012	2013
Headcount at the year-end	579	578	616
Average number of employees in FTEs	536.80	535.20	562.90
Number of agents and agency employees	701	695	727
Including professional agents and employees	300	323	348

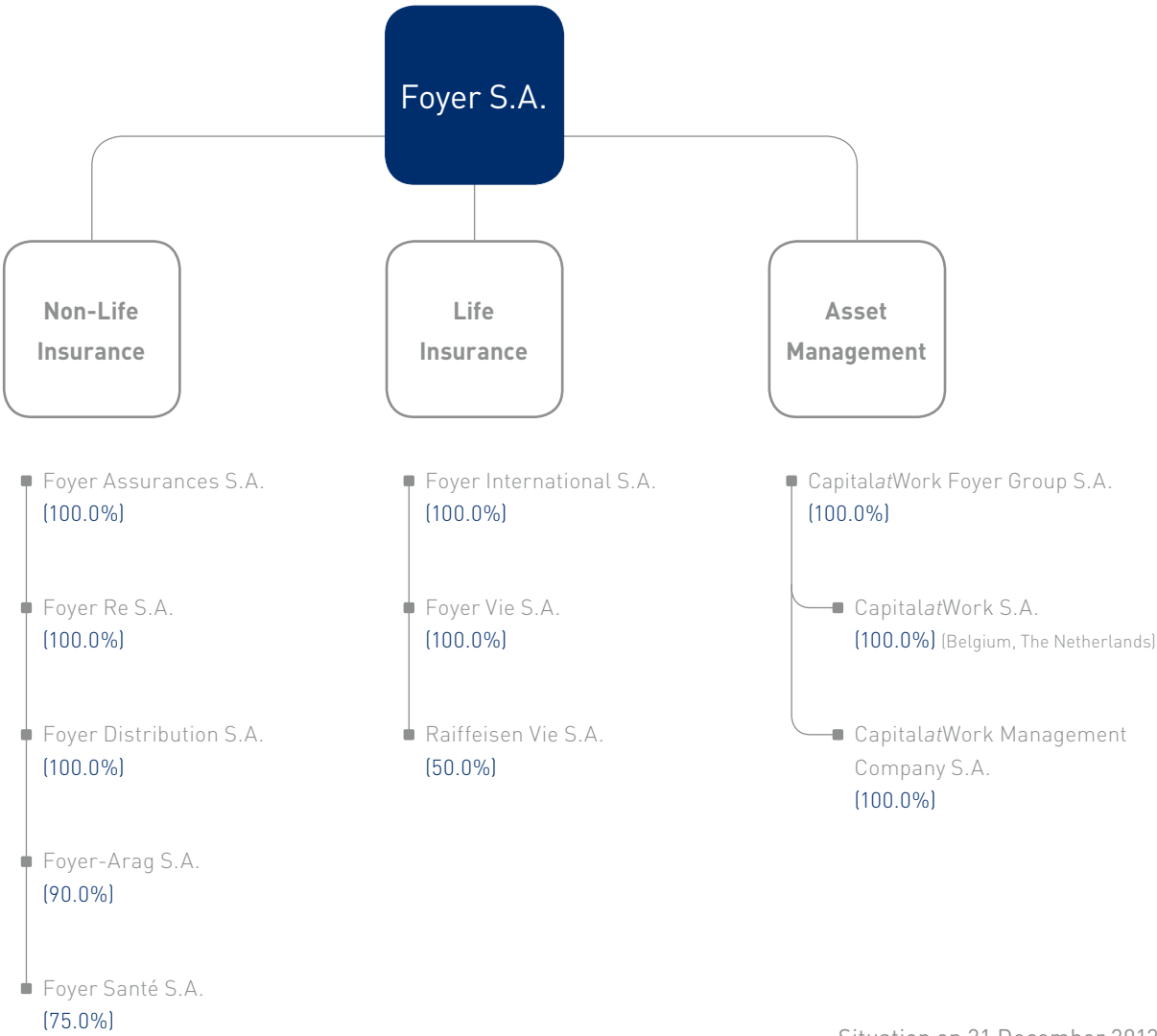


Securities portfolio / € millions	2011	2012	2013
Equity securities and fixed income securities	1,388.3	1,731.9	1,945.1
Cash and cash equivalents, net	217.6	188.4	213.8
Financial assets at fair value through income	2,347.3	3,108.3	3,241.5
Total	3,953.1	5,028.6	5,400.4

Consolidated balance sheet / € millions	2011	2012	2013
Total assets	4,225.1	5,338.3	5,805.8
Cash and cash equivalents	1,388.3	1,731.9	1,945.1
Equity securities and fixed income securities	2,347.3	3,108.3	3,241.5
Financial assets at fair value through profit or loss	244.2	250.6	280.1
Total liabilities	4,225.1	5,338.3	5,805.8
Technical provisions	1,655.7	1,764.7	1,988.1
Liabilities in respect of investment contracts	1,825.5	2,568.1	2,717.6
Shareholders' equity - Group share	546.0	698.4	761.8

Consolidated profit and loss account / € millions	2011	2012	2013
Net insurance premium revenue	357.6	370.3	424.3
Other technical products and commissions	43.3	48.9	60.8
Net financial revenue	40.0	114.3	123.5
Net operating income	83.3	163.2	184.4
Net insurance benefits and claims	-250.0	-326.9	-385.5
Expenses	-113.2	-122.1	-127.6
Operating profit	77.7	84.5	95.6
Taxes	-15.5	-23.0	-25.8
Profit for the year	62.2	61.5	69.9
Group share	62.0	61.2	69.6
Earnings per share (in €)	6.98	6.91	7.86

Activities of Foyer Group



Situation on 31 December 2013



Message from the Managing Director

As we are about to present the accounts for the 2013 financial year at the General Meeting of Shareholders, I would first like to pay tribute to our Chairman, Mr Henri Marx.

Henri Marx joined the Board of Directors of Foyer S.A. on 6 April 2000, becoming Chairman on 5 April 2011. Having now reached the age limit as defined in our Corporate Governance Charter, he will step down as Director and Chairman at the General Meeting of 15 April 2014.

This is a moment full of emotion for me. Henri Marx joined our Group as a young sales manager in March 1967. When I joined the Group in 1982 from another sector, I looked around the company for people I could relate to. I very soon came to appreciate Henri's personal and professional qualities, and I realised that I could count on him. Henri has quickly risen through the ranks of the Group to become Deputy General Manager of insurance activities.

Thanks to his extensive knowledge of the sector, his loyalty and efficiency, I was able to devote myself to the Group's financial activities, strategy and development with full confidence.

On behalf of the Board of Directors, the entire staff of the Group and myself, I would like to thank Henri for all he has done for the Group and wish him a well-deserved retirement.

But Henri is not the only one to see the time pass by. As I have already announced, I shall be stepping down as Managing Director at the end of the coming General Meeting of Shareholders.

I have had the pleasure of spending thirty-two years of my working life at Foyer, where I have met some wonderful men and women. Together we have increased our market share in the Grand Duchy of Luxembourg, developed new markets beyond our borders, strengthened the resilience of the Group, but also maintained the Grand Duchy as the Group's decision-making centre.

I would therefore like to thank all those who have supported me throughout my career at the Group.

My appointed successor, Mr Marc Lauer, joined Foyer Group in May 2004. With his background as an economist and an actuary, in addition to his entrepreneurial skills, Marc is well equipped to fulfil his new role. I am certain that this transition at Group management level will be a smooth process, continuing with the strategy defined. I wish Marc every success in his new position.

At the end of this General Meeting I shall announce my candidacy for Chairmanship of the Board of Directors and will continue to support the activities and development of the Group with interest.

Strong results in 2013

With a slight recovery in the economy and rises on the stock markets during the second half of 2013, Foyer S.A. ends the year with excellent results.

Group sales are up by 12.4% thanks to good momentum in non-life insurance and the success of its single-premium savings products in the Grand Duchy. In Belgium, sales of non-life insurance products are buoyant following the increase in sales points in the south of the country.

With regard to wealth management, CapitalatWork Foyer Group saw the amount of capital under management increase to €5.14 billion, an 11.7% increase compared to 2012. This positive result is thanks to inflows, the favourable development of the stock markets and the retention at CapitalatWork Foyer Group of capital repatriated from the Grand Duchy to Belgium. Consolidated earnings after tax amount to €69.90 million, a 13.8% increase on 31 December 2012.

An increase in financial income largely helped offset a rise in vehicle liability claims due to the increase in serious physical injuries in 2013. All the Group's companies made a positive contribution to this strong result.

I am particularly pleased by the good results of CapitalatWork Foyer Group and Foyer International which represent 21.6% of our consolidated earnings in 2013. This figure reflects our strategy of diversifying our sources of income.

Group resilience

The Group's shareholder equity increased by 9.1% in 2013 to reach €761.75 million at the end of the financial year; this is above the average for insurance companies by far.

This solid financial basis will allow the Group to comply with the requirements imposed by Solvency II and, by using its own means, to continue with its ambitious development plans.

An increase in dividend

The positive results achieved in the 2013 financial year allow a gross dividend of €1.976471 per share to be proposed, a 12.75% increase on the recurring gross dividend per share for the previous financial year. It should be noted that in 2013 a special "90th birthday" gross dividend of €0.40 per share was paid as a bonus.

I would like to thank all the shareholders of Foyer S.A. for their trust in us. My thanks also go to all Foyer Group staff for their dedication and commitment, and to our customers for their loyalty to our Group.

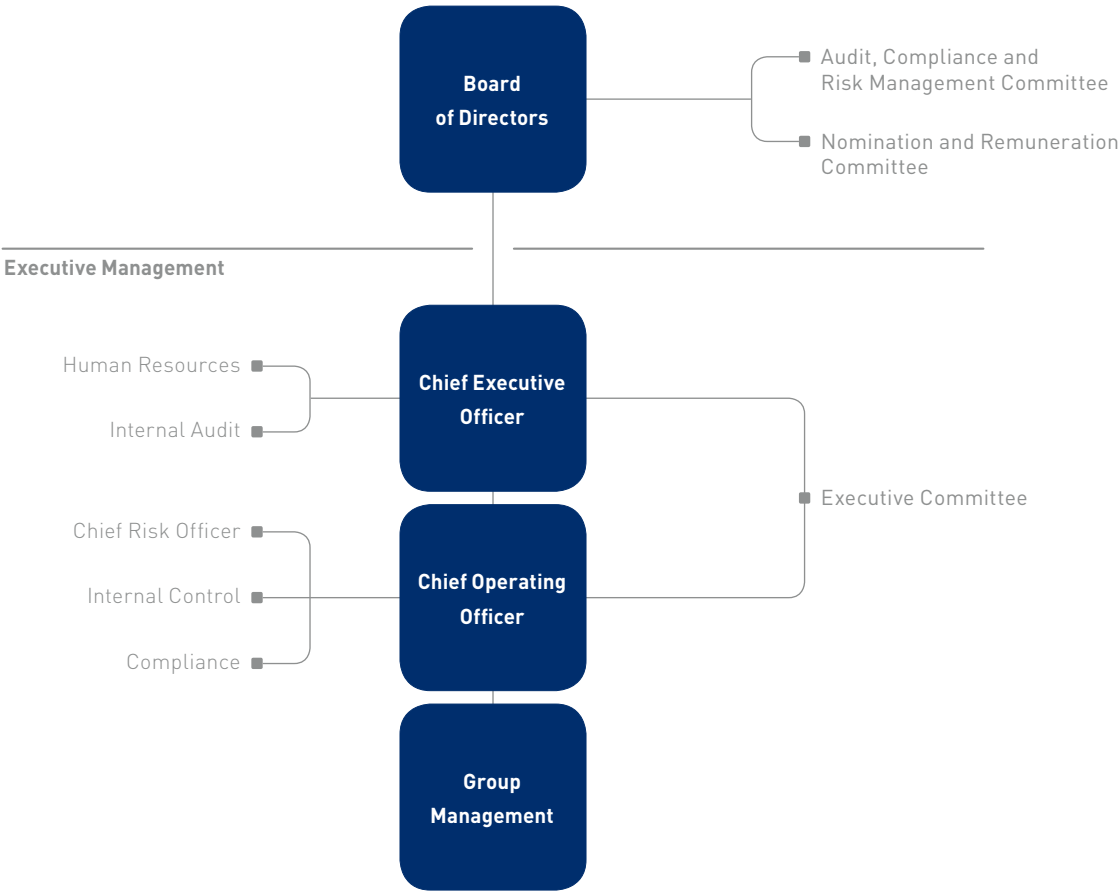
François Tesch
Managing Director



The organisational structure of the Group

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The Board of Directors



Foyer’s Board of Directors adheres to the ten principles of corporate governance set out by the Luxembourg Stock Exchange. Foyer Group also has a corporate governance charter.

On 31 December 2013, the Board of Directors is constituted as follows:

Henri Marx
Chairman of the Board of Directors
Non-executive and independent Director

François Tesch
Executive Director
CEO of Group Foyer S.A.

Romain Becker
Non-executive
and independent Director

Marc Lauer
Executive Director

Dominique Laval
Non-executive Director

Paul Mousel
Non-executive and independent Director

John Penning
Non-executive Director

Jacquot Schwertzer
Non-executive and independent Director

Michel Tilmant
Executive Director

Patrick Zurstrassen
Non-executive and independent Director



Mr Peter Vermeulen, Head of Legal, is the secretary of the Board of Directors.

From left to right, standing: Peter Vermeulen, Romain Becker, Jacquot Schwertzer, Marc Lauer, Michel Tilmant, Patrick Zurstrassen, Dominique Laval.
Sitting: Paul Mousel, Henri Marx, François Tesch, John Penning.

The Committees of the Board of Directors

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The Executive Management

In accordance with article 18 of the articles of association of Foyer S.A., the Board of Directors is assisted by the following committees:

The Audit, Compliance and Risk Management Committee

Jacquot Schwertzer
Chairman of the Committee
Non-executive and independent Director

Dominique Laval
Non-executive Director

Henri Marx
Non-executive and independent Director

Franck Tusch
Secretary of the Committee
Head of internal Audit

The Nomination and Remuneration Committee

Patrick Zurstrassen
Chairman of the Committee
Non-executive and independent Director

Romain Becker
Non-executive and independent Director

André Elvinger
External member⁽¹⁾

François Tesch
Executive Director, CEO⁽²⁾

Benoît Dourte
Secretary of the Committee
Human resources and cross-company services Manager

⁽¹⁾ Mr André Elvinger has been requested to join the Nomination and Remuneration Committee, in his capacity as Chairman of the Board of Directors of the parent company Foyer Finance S.A. in order to guarantee a consistent nomination and remuneration policy among the two business sectors grouped under Foyer Finance S.A., i.e. Foyer Group, on the one hand, and Luxempart Group on the other.

⁽²⁾ Mr François Tesch is only a member of the Nomination and Remuneration Committee for questions relating to nomination and dismissing Directors or the COO.



The Executive Committee

The Executive Committee is not a special committee within the meaning of article 18 of the articles of association.

The Executive Committee is a consultative body comprising the CEO and the COO which allows these parties to consult one another, coordinate their respective actions and exchange information.

Mr Benoît Dourte, Human Resources and cross-company services Manager and member of the Executive Committee of CapitalatWork Foyer Group, is a permanent guest to the meetings of the Executive Committee.

Depending on the items on the agenda, the Executive Committee may call on other Executive Managers or any other person capable of clarifying particular matters.



François Tesch
Chief Executive
Officer (CEO)



Marc Lauer
Chief Operating
Officer (COO)

The Group Management



Daniel Albert
Information systems



André Birget
Chief Investment Officer



Philippe Bonte
Chief Financial Officer
Chief Actuary



Jean-Louis Courange
International
Life Insurance



Benoît Dourte
Human resources and
cross-company services



Paul Fohl
Chief Risk Officer



Michel Tilmant
Wealth management



Franck Marchand
Operations (local market)



Gilbert Wolter
Sales and Marketing
(local market)



Peter Vermeulen
Legal



Foyer Group at a glance

A long time leader in the local insurance market,
and resolutely forward-looking, Foyer Group
is one of the most important institutions
in the Luxembourg economic landscape.

Founded in 1922 by a group of entrepreneurs, Foyer Group has been able to retain its family shareholder structure which guarantees strength and independence. The Group has been listed on the Luxembourg and Brussels stock exchanges since 2000. It now has a presence in several European countries through its three businesses: insurance, protection and wealth management.

The keys to this strength and longevity also lie in the Group's five core values: trust, integrity, innovation, excellence and independence. The 616 employees in three countries and 727 agents and agency staff in Luxembourg share and uphold

these values. The Group's strategy is focused on customers and their needs. In all its organisation, projects and communication, Foyer focuses on the excellence of its service and the simplicity of its products, as reflected in its promise 'Einfach fir lech do' ("Simply there for you").

Whilst constantly striving to improve its services, and given the way technology and society are changing, customer relations must be considered from a new angle. This is the reason why the Group has implemented a major reorganisation of its Luxembourg insurance activities in 2013. Firstly, Foyer reaffirmed the place of its agent network at the core of its business strategy as the preferred point of contact for its customers. The Group has also redesigned its website, and in 2014 it will launch its 'Client Area' in response to the current need for modern digital communication tools. The Client Area is a secure virtual space where insurance policies can be consulted and amended, and which provides direct communication with the company and its agents.

Finally, as these new channels of communication will generate new expectations from customers, Foyer has re-designed its internal organisation to maximise the synergies between services and companies. The quality of service offered to its customers, from private individuals to small, medium and large enterprises is optimised.

Beyond Luxembourg borders, Foyer Group is capitalising on its European experience. For over ten years, it has been the insurance partner to an increasing number of private clients resident in Southern Belgium. Furthermore, over the past twenty years, Foyer Group has developed a range of products adapted to the very specific needs of its international clientele with regard to wealth management and structuring. In an environment under increasing regulatory pressure, and with stock markets particularly turbulent in recent years, Foyer has been able to demonstrate its economic and commercial strength. The robustness of its tailor-made wealth management solutions reassures our customers in times of crisis, as shown by the success of its activities in this area. Optimising its skills, Foyer Group is ready to grasp new opportunities – the sources of its future development.

Since the liberalisation of the insurance markets, Foyer has been a pioneer in the sale of life insurance products under the freedom to provide services regime, offered to a wealthy European clientele concerned about transferring its assets under the best possible conditions. The advantages of Luxembourg as a financial centre in this field are still particularly attractive. CapitalatWork Foyer Group, a subsidiary of Foyer Group with a presence in three European countries, offers its customers high-performance long-term wealth management solutions from expert advisors, analysts and managers.

Today and in the future, Foyer Group remains conscious of the importance of its social responsibility. It regularly supports social, sporting, cultural and charitable events, locally, nationally and internationally. These partnerships and its commitment to sustainable development policies, earned it the label 'Socially Responsible Company' in 2012, a label conferred by the INDR [Luxembourg National Institute for Sustainable Development and Corporate Social Responsibility].

“ In this rapidly changing world, our customers face risks that are increasingly difficult to grasp. Our challenge is to understand these risks and guide our customers by offering protection that is simple, comprehensive and adapted to their needs.

Proximity and simplicity, this is what we promise our customers every day and which is summed up in concrete words in our motto 'Einfach fir lech do!' ”

Marc Lauer Chief Operating Officer



Foyer's digital strategy for the local market



Foyer's Client Area and the Internet: Foyer enters the digital era

The digital revolution is a reality today and continues to bring dramatic changes in the society. New technologies have, for example, improved information flows, allowing both professional and personal communication to speed up and go paperless. They have radically changed our buying and consumption patterns.

The insurance sector is no exception to this change. Customers are now in the habit of searching for information, checking and comparing. They want quick and easy access to all sources of information, with no restrictions on the time, place or medium: anytime, anywhere, any way. Foyer must provide satisfactory solutions for its customers in an ever evolving society.

Launched in 2012, Foyer's global digital strategy aims at optimising customer relations in the long term, whilst reaffirming the role of its agents as the preferred point of contact for the clientele.

Foyer's wish to position itself in the digital world is clear to all; its Client Area, website and pages dedicated to its agencies demonstrate it.

The first step has been taken with the overhaul of Foyer Group's website into a more user-friendly and intuitive site. Its structure clearly shows Foyer's services and added value, and simplifies contact with Foyer's agents. A new range of simple

and competitive products has been developed specifically for the Internet distribution channel. The website also has tariff simulators for these products.

At the same time Foyer has introduced a secure Client Area. This allows customers to find the online services they expect. Furthermore it provides quick and direct access to an agent or Foyer itself. The Client Area fits perfectly with the Group's will to embrace innovation, to simplify its relationship with its customers, and to move towards a paperless administrative process. The Client Area allows customers to consult insurance policies online, submit a claim or amend their personal details. Customers can also contact their agent by email at any time via the Client Area's messaging system. To enhance the protection inherent to insurance, Foyer has integrated a virtual safe into its Client Area where important documents and personal data can be stored, saving them from loss.

The Client Area is a turning point in the history of Foyer's relationship with its customers. It allows greater proximity and simplicity, and demonstrates the Group's willingness to go paperless, speed up and constantly improve the quality of its services.

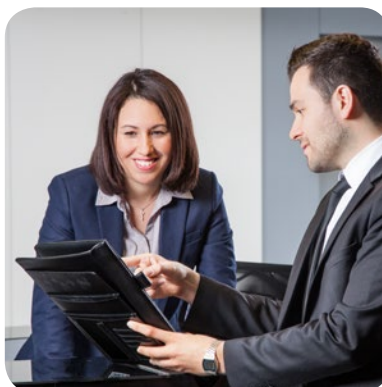
In the same vein, a special e-business unit has been set up. Its mission is to follow developments in consumption patterns by providing a rapid response to new customer expectations.

“With the launch of the Client Area we have implemented best market practices. We know that this is merely the first step in the digital era. It will continue to transform our consumption patterns and will radically transform our business over the next few years.”

Gilbert Wolter Sales and Marketing Manager



Insurance for individuals



With the aim of putting the customer at the heart of its concerns, for several years now Foyer has been focusing its strategy on two main thrusts: an all-encompassing approach to the customer and his needs on the one hand, and operational excellence on the other hand.

2013 marked an important step in this direction, with the implementation of a new internal organisational model and the launch of a multi-channel distribution strategy allowing Foyer Group to meet the needs of a society going through a process of far-reaching change.

This new organisation, in client services and operational management services, facilitates synergies both within the company and with the network of agents, helping to improve and standardise service quality.

At the same time, the multi-channel distribution strategy has gained momentum with the implementation of two large-scale projects: a new website, and the secure online Client Area. The strategic customer-focused approach has also

changed the way Foyer views the internet. Its website is more ergonomic, favouring simplicity, rapid access to information, and contact with an advisor. The Client Area itself offers direct access to policies and information, useful services, and a rapid means of contacting an agent.

Both these early projects demonstrate Foyer's desire to move with the times and offer its customers an online service based on the sector's best practices.

The agent, the key player for distributing Foyer's products on the local market, has not been forgotten in this new multi-channel strategy: it has its own personal website integrated into Foyer's site, offering the same functionality. Foyer has now taken up the challenge of offering each customer the same quality of service and response regardless of the communication channel selected: agent, customer service or personal online area. A digital presence requires strong reactivity and an improved quality of service on every level. An initiative to standardise and optimise working practices has been launched within the company and its agencies to respond to this pressing need.

In addition to these structural projects, Foyer continues to innovate and develop its range of products to respond to consumers' changing needs in an ever changing world.

Foyer's products offer different levels of cover depending on the personal circumstances of each customer. Flexible, they can be adapted to suit individual needs upon request. At every stage in their life, Foyer provides its clients with a customised solution to all their needs, be they protecting family and property, saving for retirement or investing savings to finance future projects.

Well-researched products and tailor-made service to meet the expectations of a demanding clientele

Our non-life insurance products now feature two different ranges depending upon the level of cover the customer requires.

The new 'Start' line offers auto, home and health insurance cover. These products are designed to be clear and competitive and target young people or those who are very price-sensitive. They offer quality cover, which is streamlined in comparison to other reference products that include services with a high added value.

The Start line's online tariff simulator helps to draw in potential new clients. The agent who receives the request for information can then use his expertise to provide appropriate advice for his customers.

To provide customers with easily accessible assistance at all times, all Foyer's helplines are now accessible through just one number, available 24/7.

Foyer's very comprehensive and flexible range of products reflects the expertise of the Group. It is based on the following needs:

■ Mobility

When purchasing car insurance, clients expect that their vehicle, passengers and themselves are protected and compensated in the event of an accident.







Foyer promises its customers even more: with **mobile service**, it is committed to maintaining the client's mobility under all circumstances and to making each claim a 'non-event' by providing immediate assistance and support.

By adding **mobile credit** – a combined credit and auto insurance facility – to its range, Foyer is responding fully to the mobility needs of its clients: in just one step customers can finance and insure their vehicle through Foyer or one of its agents.

The ability to combine several vehicles in a single policy with a sliding tariff scale is a feature that encourages customer loyalty.

To support eco-mobility, Foyer Group has a unique offer on the Luxembourg market: assistance in the event of a power failure and a guarantee on the batteries of electric vehicles; **mobile** therefore protects customers against the main risks associated with the use of an electric vehicle whilst promoting their use.

Individuals' areas of need

Insurance			Protection & Wealth Management		
					
Mobility	Home protection and carefree living	Health protection	Investment	Retirement planning	Savings and the family protection

■ Home protection and carefree living

With **reebou family**, Foyer provides a comprehensive and flexible solution for protecting home and family.

reebou family is an ideal insurance for the home and its contents, to which are added a variety of packages to protect the whole family when travelling or in the event of personal accident or litigation.

To ensure the best possible service to the customer, the **reebou family** policy has been designed to evolve with the needs and personal circumstances of the client. The combined cover within a single policy enables the customer to see all the cover available at a single glance and simplifies daily management.

■ Health protection

The optimal management of health care under all circumstances guarantees the client security and peace of mind.

With **medicis**, Foyer Group has developed a comprehensive offer which, in addition to the statutory benefits, reimburses all healthcare costs, be they related to out-of-hospital care, hospital costs, or dental and optical expenses.

Depending on the formula selected, the free choice of hospital throughout the whole of Europe without prior authorisation from the Caisse Nationale de Santé [National Health Service] allows customers to access the best medical practices and skills.

■ Investment

In terms of investment, the **flexivie** line is the right response to the different risk profiles of our clients.

Through the guaranteed capital formula, designed for the more cautious investors, or through the invest formula, which is based upon the good performance of the profiled funds managed by CapitalatWork Foyer Group, the **flexivie** line of products offers clients the opportunity to invest while enjoying the advantages of life insurance.

The **flexivie** line has constant success thanks to good performances in recent years, and more and more clients are putting their trust in Foyer for the long-term investment of their savings.

Many investors are choosing to diversify their investments through the acquisition of real estate. To protect them, Foyer has developed **reebou invest**, an innovative product that meets all the requirements of real estate investment: building cover, owner's liability, legal protection and insurance against non-payment of tenants.

■ Retirement planning

The future of the state pension is increasingly uncertain owing inter alia to demographic changes and the difficulty of financing past promises. Subscribing to a personal pension savings plan allows everyone to prepare for the future by gradually building up capital which will provide additional income during retirement.

With a comprehensive range of pension savings plans, Foyer provides its clients with customised advice and solutions which include the tax advantages of such products.

To prepare for retirement the client may choose a secured formula where capital is guaranteed, or opt for a selection of profiled funds managed by CapitalatWork Foyer Group.

■ Savings and family protection

With its **helios** line, Foyer Group offers its clients solutions which combine savings and protection. These products provide an attractive yield on the amounts invested and pay survivors a lump sum in the event of death.

A network of professional agents giving a human face to our value offer

As regards insurance, protection or wealth management, the designing of quality products is only relevant if they are accompanied by a structured sales approach and advice commensurate with the expectations of clients.

To substantiate its promise, Foyer Group focuses on operational excellence, regardless of the entry point chosen by the customer.

Foyer Group relies primarily on its network of professional agents who have all the skills required to engage with the customer, identify his current and future needs, and offer the most appropriate solutions for their personal situation.

The continuous professional development of our agents and the sustainability of the network are a priority for Foyer Group. The launching of 'Foyer Academy', a programme of technical, commercial and professional training designed for future agents and sales representatives, demonstrates the Group's willingness to support the network in continuously improving professional skills – a guarantee of quality service.

Agents also have mobile IT tools at their disposal allowing them to accompany each client by offering the best possible service.

Foyer constantly assists its network of agents and offers clients the same quality of advice. Foyer's 'Customer Services' department is a unique, multi-disciplinary team able to respond to every request, regardless of the product or service. With regard to claims management, Foyer's customers also have 24hr access to an emergency contact number; this allows Foyer to organise assistance and help at the early stages, thus ensuring a prompt response to the situation.

Clients can contact Foyer through the channel of their choice, confident that their agent will remain their main point of contact, offering personalised advice.

Foyer's firm strategy of putting the client first is made possible by the constant sharing of information with its agents and the implementation of cutting-edge technology.

"Putting the client first is a key driver of the Group's strategy. It affects all levels of the business from product design to internal organisation, through the marketing approach based on personalised advice and long-term monitoring."

Gilbert Wolter Sales and Marketing Manager



Insurance for businesses



Firmly rooted in Luxembourg's economic landscape since it was founded nearly a century ago, Foyer Group has supported and accompanied the country's economic growth throughout its history. Foyer has become the natural insurance partner for a broad professional, corporate and industrial clientele.

With regards to professional risk, insurers must continuously innovate in order to help companies in the development of their business and the exploration of new opportunities.

Innovation, which serves clients, encompasses several areas. First and foremost, it aims to provide the best protection against the risks the entrepreneur must face. Secondly, it must prepare new means of communication between the business and the insurer. Lastly, it must allow the insurer's internal processes to develop so that they can become more efficient.



Protecting businesses against risk

Foyer Group offers its business customers a cutting-edge service, and its broad range of products provides solutions to all their insurance needs.

In this context, insurance primarily concerns protecting the working tools – source of income for the business.

Foyer has therefore developed insurance products to protect the means of production. The Group offers its customers tailor-made solutions, for example, to cover vehicles, high-tech and valuable machinery, premises or electronic data.

Covering the means of production is the first step. The potential unavailability of one of these could lead to significant damage: the business may have to suspend all or part of its activity, putting survival at stake. To ensure that the business can carry on, Foyer provides its business customers with tailor-made insurance products to cover potential operating losses.

The insurer's support for its business customers goes far beyond simply protecting equipment and covering operating losses. The increasingly complex rules of law are constantly changing. It is increasingly common for those responsible for damage to be sued, even if they are not at fault.

Claims relating to third party liability in instances of environmental damage or medically-related incidents are just two examples to illustrate an underlying trend. In certain cases the manager's personal liability can be invoked.

To help businesses and their managers cover these risks, Foyer offers a broad range of constantly evolving products, from legal cover to third party liability cover for the business and its managers.

A business's success is also the result of the collaboration between the men and women who constitute its most valuable asset: its human capital.

Attracting talented people, gaining their loyalty, motivating and protecting them are key contributory factors to the success of a business. Foyer Group has invested in the development of employee benefits. These allow businesses to provide maximum financial security for their employees and encourage their loyalty and motivation. There are many tools that businesses can implement in the framework of an attractive and dynamic wages and managerial policy.

Lastly, a company health is also closely linked to the health of its employees. Foyer's *medicis pro* product offers supplementary health care cover, ensuring that the company's staff will get the best medical care.

Employees who are victims of an illness or an accident, including during the course of their professional activities, may face a substantial drop in their income. Foyer Group provides businesses with solutions that protect their employees from the financial consequences of such events.

Given current demographic trends, pensions that compulsory pension schemes may be able to pay, risk being a huge disappointment for many employees and managers. To anticipate this situation, Foyer offers its business customers the possibility to subscribe to a supplementary pension scheme which complies fully with the legal criteria applicable to pensions savings, and offers a tax framework favourable to both the employer and the employee, who also has the opportunity to make personal contributions.

Efficient communication

The ability to innovate is one of the conditions required to provide the best cover for the risks that businesses have to face, yet it is not sufficient. Working and communication practices are constantly evolving and the insurer must provide the best solutions to meet its clients’ needs.

Foyer has therefore implemented a modern IT structure allowing it to communicate effectively with its business customers.

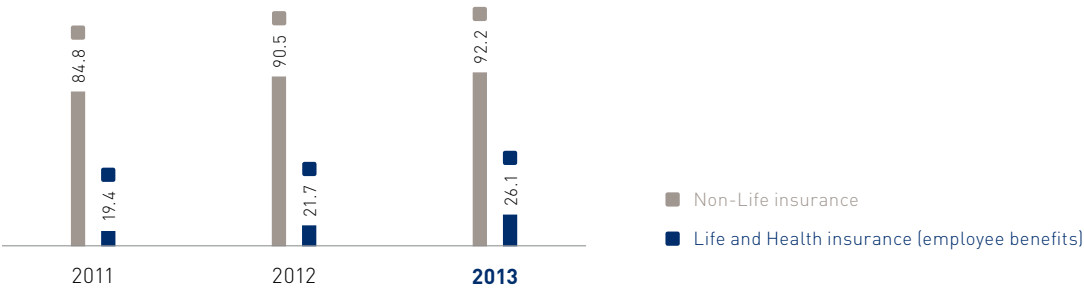
The e-advantis tool, for example, allows employees who are affiliated to their company’s supplementary pension plan to consult their benefits online through a secure interface. Every company subscribing to a complementary pension plan can ac-

cess this new service, which offers greater transparency, better communication and a significant time saving. It allows consultation of vested rights, initiation or modification of investment policies, and nomination of beneficiaries in the event of death.

Another example: e-voyage is an internet portal which allows partner travel agents to communicate with Foyer, in real time, 24/7.

These two examples demonstrate Foyer Group’s will to pursue on the digital road. By going paperless in some of its administrative procedures, Foyer allows its business customers to shorten reaction time.

Change in business client sales / € millions





Optimising procedures

Foyer Group’s search for innovation is also reflected in its operational excellence. This puts customers first. The time when service quality was measured by the height of the pile of files being processed is definitely over.

In practical terms, this is reflected in the implementation of new corporate performance indicators. The quality of the service rendered to the client and cost control are the cornerstones by which the effectiveness of management processes is measured.

Foyer is fully committed to this permanent approach in order to meet clients expectations at most.

“The search for innovation to provide the best service for entrepreneurs is one of the leitmotifs of our Group.

Through innovation, we aim at offering the best protection against the risks the entrepreneur must face, at preparing new means of communication between the professional and the insurer and at making the internal processes even more efficient.”

Franck Marchand Operational Manager



Life insurance under the freedom to provide services regime



In the context of a historical change for the Luxembourg financial place totally transparent solutions for a new start.

In 2013, the Luxembourg financial sector had to deal with major regulatory and legislative changes, on both a national and an international level. This fundamental paradigm shift starts a period of supply and demand adjustment for the entire financial sector. This restructuring will lead market players to focus on the needs of a 'high net worth' clientele rather than on those of a 'mass affluent' clientele. With this in view, life insurance has great development opportunities in full transparency whilst forging long-term strong partnerships.

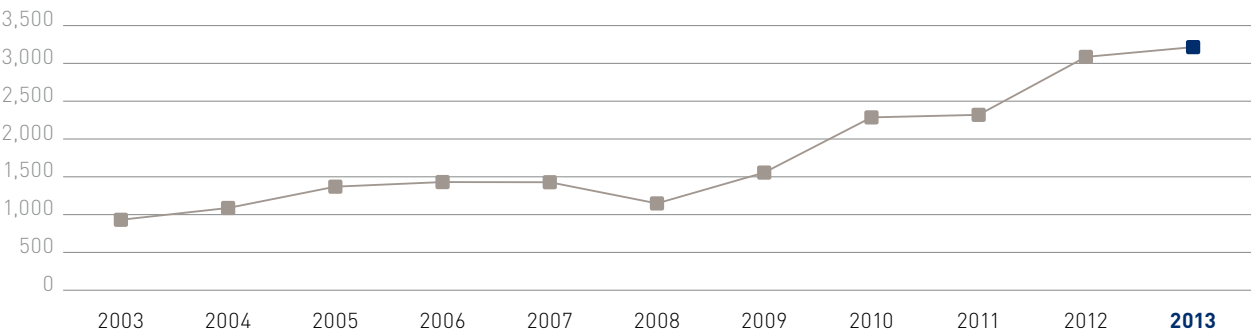
The opportunities offered by the freedom to provide services regime across the borders of the Grand Duchy of Luxembourg have allowed Foyer International to offer a comprehensive range of products targeting a high-end clientele. These solutions combine sophisticated wealth management services, the tax benefits of life insurance and the financial security

demanding by well-informed investors. In each country, the tailor-made solutions offered meet long-term tax optimisation, estate planning and financial soundness needs.

Working exclusively in partnership with wealth management professionals, over the years Foyer International has become a partner of reference, renowned for the quality of its specialist advice. Since the launch of its activities in Finland in 2013, Foyer International is now active in nine European countries (Germany, Belgium, Spain, Finland, France, Italy, Norway, Portugal and Sweden) working in close collaboration with internal and external experts, offering practical high-end, flexible, transferable and portable life insurance solutions that comply with the applicable regulations.

Foyer International offers tailor-made solutions based on an open architecture to guarantee long-term, effective and safe wealth management. Specific products have thus been devised to meet the demands of a wealthy clientele, whilst offering tax and inheritance benefits and complying with the legal and tax environments of their country of residence, a factor in long-term security.

Foyer International
Commitments towards clients / € millions



New challenges always present new opportunities: Foyer International thus adapts to the frequent regulatory changes, with respect to both national legislation and changes in European directives. Foyer International’s specialists are in constant contact with tax and legal experts in all the countries where it is active. Foyer International takes great care to ensure that all the solutions offered comply fully with Luxembourg and foreign regulations.

The increasing mobility of European citizens calls for more and more frequent customised cross-border solutions. The experience of the teams at Foyer International allows this need to be

met with the support of local specialists in each of the countries concerned, and in synergy with all the other professions that participate in managing relations with high-end customers.

Foyer International benefits from its affiliation with an independent Group; it is able to retain its character and firmly rooted family values, whilst offering the transparency of a listed company. The Group’s fidelity to its principles of operational excellence and its financial soundness are what make the difference for the customers who place their trust in it.

“Focusing exclusively on the clientele of a mature international private banking market, which is constantly growing, Foyer International will be able to expand, in full transparency, its range of products and services, using life insurance as one of the key components available to a clientele that is seeking expertise and tailor-made solutions.”

Jean-Louis Courange Managing Director of Foyer International



Asset management by CapitalatWork Foyer Group



In 2013, CapitalatWork Foyer Group stepped up its expansion following a clear and straightforward strategy.

This model is based on an alternative to traditional banks, a focus on discretionary investment management for private clients and the implementation of a consistent management philosophy developed internally.

For the first time in 2013, assets under management at CapitalatWork Foyer Group have topped the €5 billion mark. This increase results from a sustained marketing effort in the three countries where CapitalatWork Foyer Group has a presence (Luxembourg, Belgium and the Netherlands). Although the situation varied between the three countries, and despite changes to banking secrecy in Luxembourg, each succeeded in achieving net inflows.

The marketing success of CapitalatWork Foyer Group is partly explained by the fact that the clientele is increasingly placing its trust in independent specialists. Belonging to a Luxembourg group which is over 90 years old, with a shareholder structure guaranteeing its independence is particularly appreciated by clients.

CapitalatWork Foyer Group's discretionary investment management approach and long-term vision based on an independent management and valuation method implemented for over 15 years differentiates it from its competitors. This allows investment choices to be clearly explained, which is reassuring for clients in an increasingly complex world.

CapitalatWork Foyer Group's management approach is characterized by its in-depth knowledge of the companies in which it invests. All investments made on behalf of clients are first analysed and valued by internal teams of analysts. These specialists deliberately focus only on traditional asset classes, equities

and bonds, and avoid complex and structured products and less liquid investments. As cash flow generation is the basis for investment decisions, there is no investment in commodities, which are deemed purely speculative.

The financial results of CapitalatWork Foyer Group were excellent in 2013. Whilst part of this is due to exceptional elements and, to a large extent, due to very positive stock market developments, importantly, income from ordinary activities could be significantly and sustainably increased over previous years. This was achieved as a result of strict cost control and the strengthened marketing momentum of recent years.

Umbrella SICAV

Funds		Performance 2013	Benchmark	Morningstar
Equity Funds	Contrarian Equities at Work	23.55%	21.20%	★★★★
	European Equities at Work	20.71%	20.79%	★★★★★
	American Equities at Work	21.75%	31.55%	★★★
	Asian Equities at Work	5.48%	3.25%	★★★
	Dividends at Work	17.14%	13.44%	N/A
Bond Funds	Corporate Bonds at Work	-1.60%	2.37%	★★★
	Government Bonds at Work	-2.73%	2.23%	★★
	Cash+ at Work	-0.21%	0.14%	★★★★
	Inflation at Work	-4.19%	-4.06%	★★★

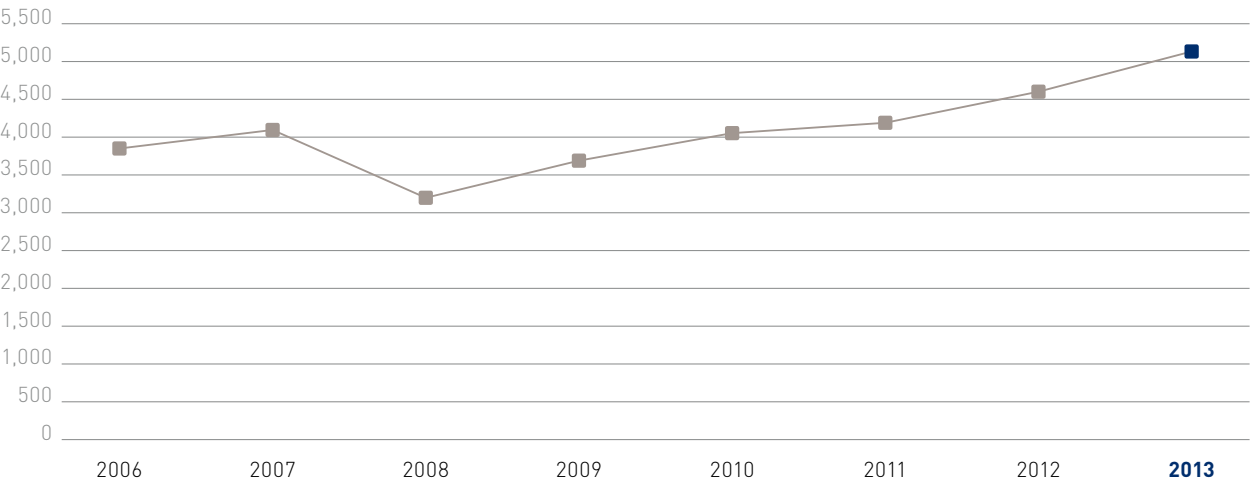
2013 results and 2014 outlook

In 2013, investment management at CapitalatWork Foyer Group has been driven by two key beliefs.

Firstly, we were convinced of the outperformance potential of equities versus bonds. We had therefore overweighed equities in client portfolios. This decision proved sound given the superior performance of stock markets versus bond investments.

Secondly, we did not anticipate a rise in interest rates. The American and European central banks reiterated their willingness to hold short-term rates at low levels. The announcement from the US Federal Reserve to gradually reduce its support measures nevertheless provoked a rise in bond rates, particularly in the US. The euro proved surprisingly and unexpectedly strong versus the majority of currencies, contributing to the weaker performance of bonds not denominated in euros.

Evolution of managed assets / € millions (pro forma data)





As far as 2014 is concerned, financial markets should show a few major trends.

Equities should continue to outperform bonds, although there is no guarantee that the performance of equities will match that of 2013.

Interest rates are likely to remain low, but a slight rise in long rates cannot be ruled out. Inflation should remain weak, particularly in Europe where the risk of deflation is increasing as a result of the inevitable process of global deleveraging. Central banks will therefore be forced to keep short-term rates at levels close to zero. Accordingly, the yield curve is likely to remain very steep, making bonds with a longer maturity preferable.

Other currencies could take over from the euro in 2014, boosted by attractive interest rates. Against this background, currency diversification will remain key in both the equity and bond portfolios. As regards bond portfolios, on the one hand, this diversifies risk (as with for example Norwegian bonds) and on the other, offers opportunities to optimize returns (bonds in emerging markets are currently yielding close to 6%).

Finally, CapitalatWork Foyer Group's strong point is its methodology for selecting individual companies based on in-depth analysis of their balance sheets and cash flows, and this will remain an important source of return in client portfolios.

“We differentiate ourselves from our competitors by offering discretionary investment management and a long-term vision, based on an independent management and valuation method. This allows us to clearly explain our investment choices, which is reassuring for clients in an increasingly complex world.”

Michel Tilmant Managing Director of CapitalatWork Foyer Group



Foyer S.A. on the stock market

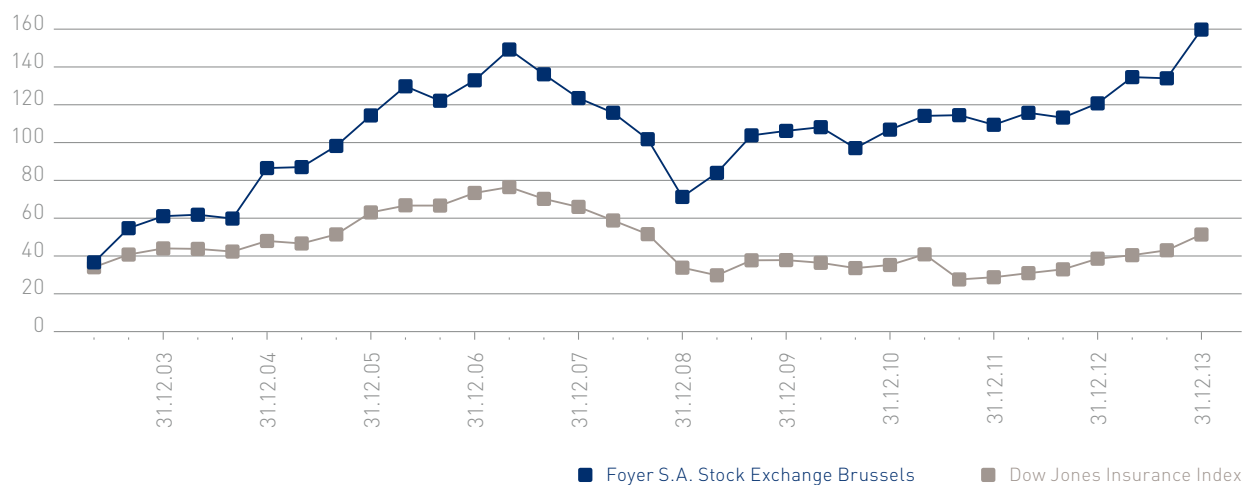
Structure of the shareholding on 31.12.2013

Foyer Finance S.A. _____	79.36%
Luxempart S.A. _____	6.12%
Public and Institutions _____	12.87%
Foyer S.A. _____	1.65%

Stock value

	2011	2012	2013
Number of shares in circulation _____	8,865,304.0	8,859,119.0	8,850,451.0
Closing price _____	43.0	47.1	62.3
Market capitalisation _____	381,208,072.0	417,175,913.7	551,471,601.8
High for the year _____	51.6	47.4	65.0
Low for the year _____	41.4	42.6	45.8
Free float _____	1,283,909.0	1,204,614.0	1,158,187.0

Information on changes in the stock market price (base 100 in July 2000)



Financial reporting

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ISIN Code: LU 112960504
We invite you to visit our website at: www.groupe.foyer.lu
The publication of the annual and half-yearly results as well as the interim management statements
will take place on the dates indicated in the financial calendar (voir site www.groupe.foyer.lu)



Financial calendar

Wednesday 5 March 2014	Publication of the 2013 annual results
Tuesday 15 April 2014	2014 Annual General Meeting
Thursday 15 May 2014	Interim Management Statement
Friday 22 August 2014	Publication of first half 2014 results
Thursday 13 November 2014	Interim Management Statement

