Half Year 2003 Earnings

August 12, 2003

PRESS CONFERENCE

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1st Half 2003
environment presented mitigated features

Positive	Negative
▪ P&C pricing ▪ Relatively benign claims environment	▪ Exchange rates ▪ Average AUM and U.L. asset values ▪ Low interest rates ▪ Poor equity markets

Market recovery since March 31

Solid growth in Underlying Earnings thanks to focus on operating efficiency...

Euro million	*H1 2003*	*H1 2002*	*Change*	*Change at comp. FX rate*	*FY 2002*
Underlying earnings[1]	**1,085**	**1,022**	**+6%**	**+15%**	**1,687**
Sept. 11 2001 impact	-	-89			-89
Capital gains net of valuation allowances	-722	213			-240
Adjusted earnings[2]	**363**	**1,146**	**-68%**	**-64%**	**1,357**
Net income	**209**	**837**	**-75%**	**-66%**	**949**

(1) Underlying earnings are adjusted earnings excluding Sept. 11, 2001 attacks and net capital gains

(2) Adjusted earnings exclude impact from exceptional operations (primarily change in scope) and goodwill amortization

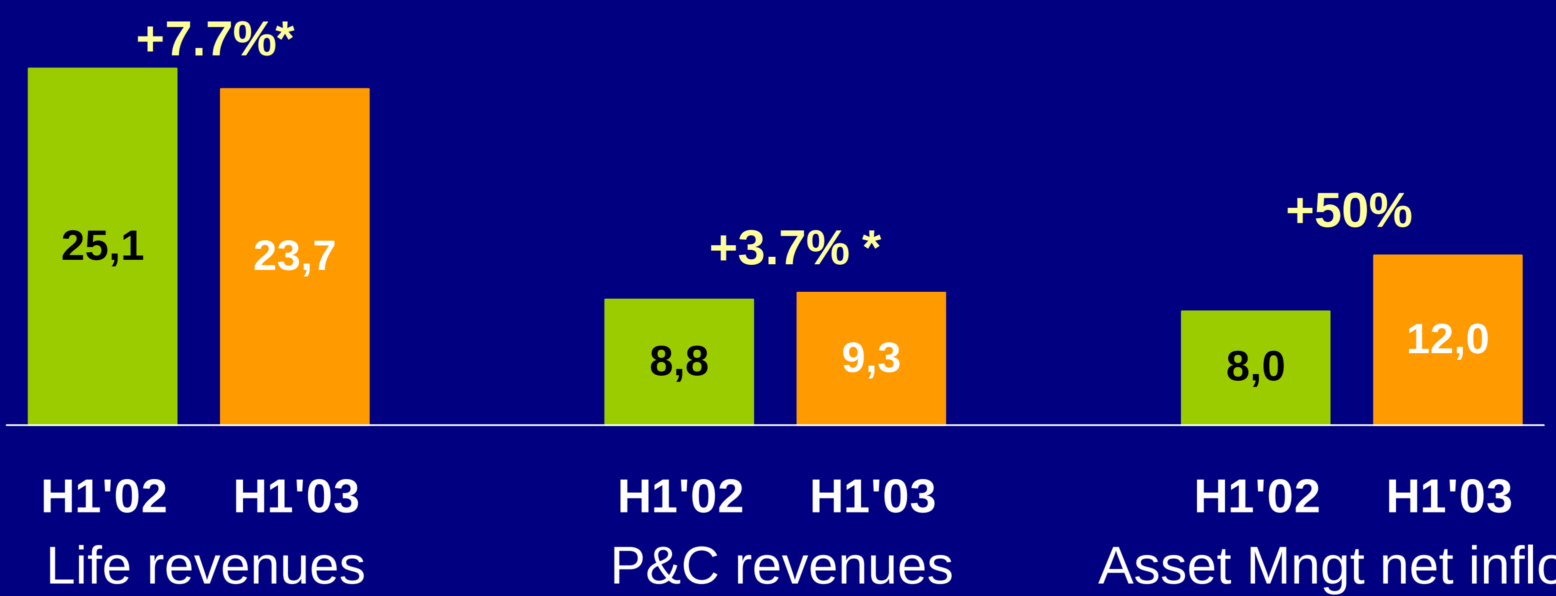
… but bottom line still suffered from market depreciation

Continued focus on lowering our breakeven point

- Strengthen organic growth (+3.5%)
- Improve our combined ratio (-3 points)
- Address legacy issues in Japan Life activities
- Deliver on the turn around of our International Insurance operations (profitable in H1 2003)
- Implement further cost reduction (Euro -215million)

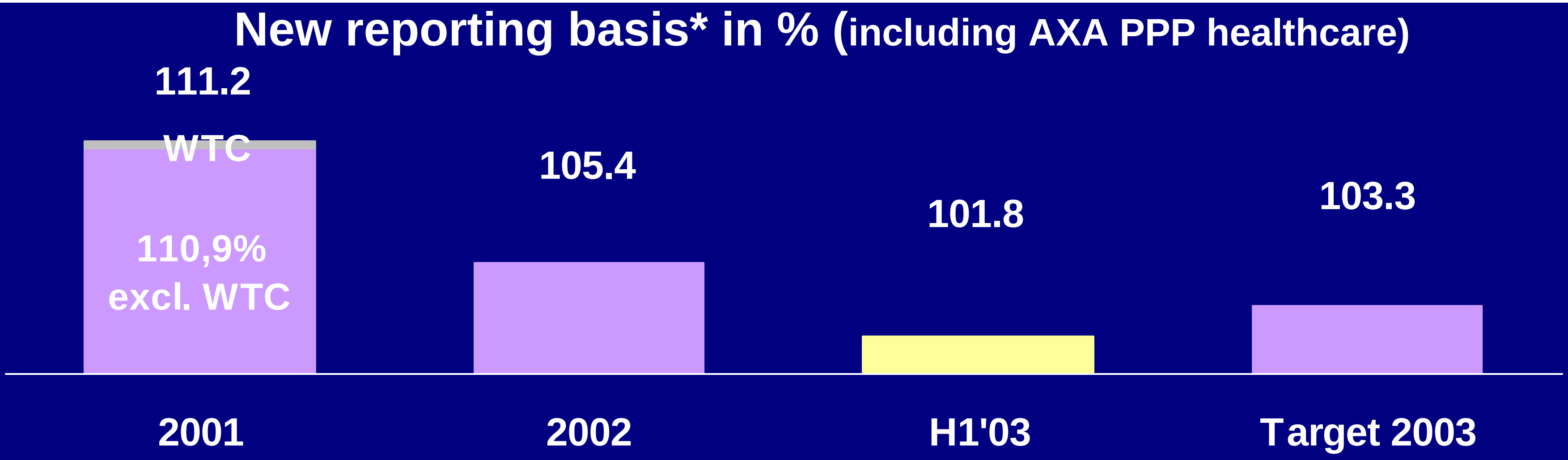
During the first half, organic growth was 3.5% on a comparable basis

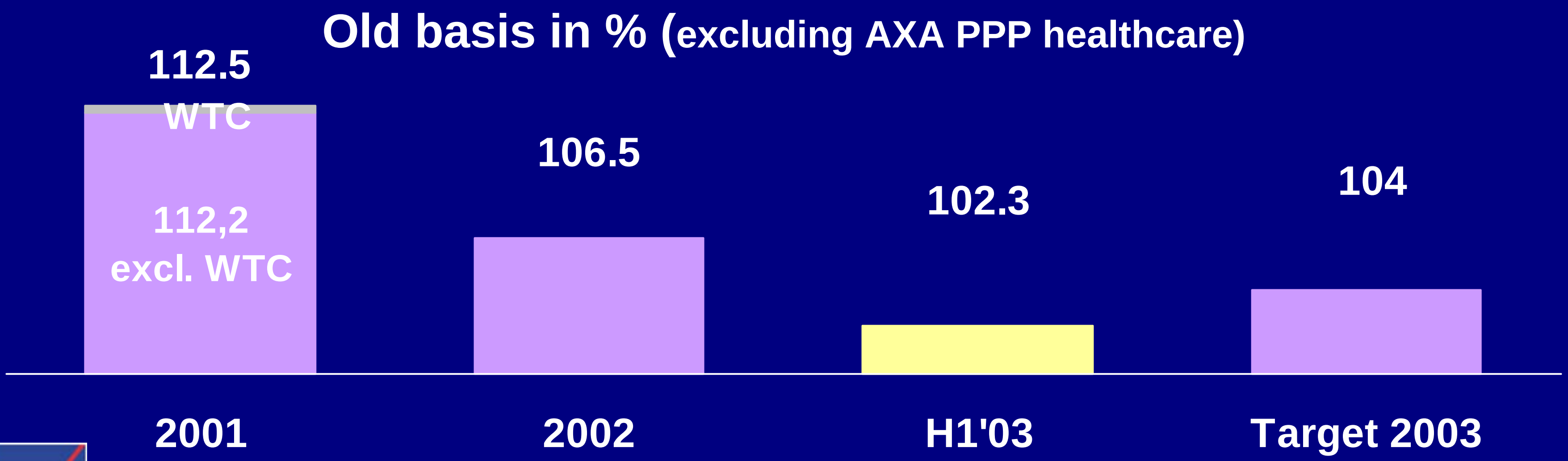
- Excluding voluntary decline of revenues on our reinsurance business, revenues grew **+5.2%** on a comparable basis
- In P&C : continental Europe experienced positive inflows in personal lines for the first time in many years
- In Asset Management : strong net inflows of euro 12bn



(*) Growth on a comparable basis

P&C combined ratio ahead of target





(*) Starting January 1st 2003, AXA PPP healthcare is consolidated in the P&C segment.
Excluding UK discontinued business

Further cost efficiency improvement relies on 3 pillars

- Acceleration of organic growth
- Focus on technical margin improvements
- Continue to reduce fixed costs (economic expenses decreased Euro -215 mn in H1 03 versus H1 02)

To achieve this we will use

Top down

- AXA Tech
- AXA Business Services (Bangalore)
- Global procurement initiatives

Bottom up

- Productivity gains driven by volume growth
- Continuous process improvement

As a summary...

- Solid underlying performance + organic growth = stronger basis for the future
- Asset impairment rules affected adjusted earnings and net income

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Underlying earnings improved

Euro	H1 2003 million	H1 2002 million	Change	Change at comp. FX rate	H1 2003 per diluted share	Change
Underlying earnings[2]	**1,085**	**1,022**	**+6%**	**+15%**	**0.61**	**+6%**
Sept. 11, 2001 impact	-	-89				
Capital gains net of valuation allowances	-722	213				
Adjusted earnings[1]	**363**	**1,146**	**-68%**	**-64%**	**0.21**	**-68%**
Exceptional operations	137	-				
Amortization of goodwill	-290	-309				
Net income	**209**	**837**	**-75%**	**-66%**	**0.12**	**-75%**

Weighted average number of diluted shares is 1,764 mn in 2003 vs 1,776 mn in 2002

(1) Adjusted earnings exclude
- impact from exceptional operations
- goodwill amortization

(2) Underlying earnings are adjusted earnings excluding Sept. 11, 2001 attacks and net capital gains

Capital gains/losses* attributable to shareholders including equity valuation allowances

	H1 2003			H1 2002		
Euro million	Capital gains/ losses*	Equity valuation allowan-ces	Net	Capital gains/ losses*	Equity valuation allowan-ces	Net
Life & Savings	51**	-535	-484	31	-73	-42
Property & Casualty	208	-459	-251	198	-148	50
International insurance	89	-97	-8	79	-4	75
Asset Management	0	-	0	2		2
Holdings and others	37	-15	22	128		128
Total	**384**	**-1,106**	**-722**	**438**	**-225**	**213**
Gross Impairments		-1,941			-302	

(*) Excluding one-off capital gains (Euro 66 mn) presented in the prior page and including valuation allowances on bonds

(**) Including Japan DTA valuation allowance of Euro 110 mn

Underlying earnings growth was also fuelled by further economic expenses decrease

	H1 2003	H1 2002	Change
AXA Consolidated general expenses [1]	8 297	9 197	- 899
Non commissions expenses excl. Asset Management	3 850	4 365	- 515 [2]
Economic expenses (constant exchange rate basis)	**4 029**	**4 244**	**- 215**

(1) before DAC/VBI capitalization and amortization
(2) of which exchange rate impact of Euro –255 million

Life & Savings : Underlying Earnings

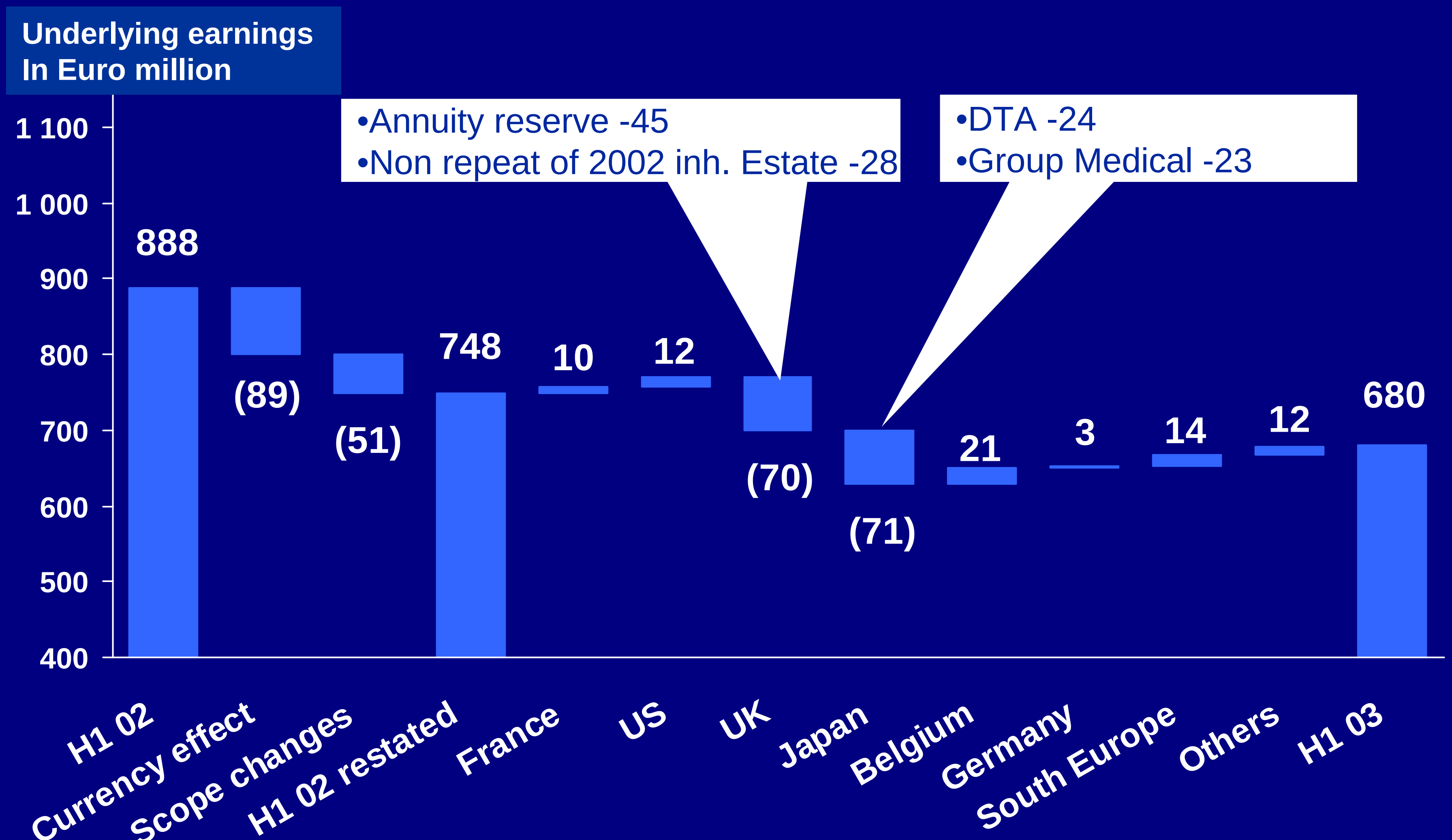
Euro million	H1 2003	H1 2002	Change	Change on a comp. FX rate
Underlying earnings[(1)]	**680**	**888**	**-23%**	**-15%**
Sept. 11, 2001 impact	-	-		
Capital gains net of valuation allowances	-484	-42		
Adjusted earnings[(2)]	**197**	**846**	**-77%**	**-72%**

(1) Underlying earnings are adjusted earnings excluding Sept. 11, 2001 attacks and net capital gains
(2) Adjusted earnings exclude impact from exceptional operations (Euro 77 mn in 2003 versus 0 in 2002) and goodwill amortization

On a comparable exchange rate basis and excluding

AXA PPP healthcare transfer, underlying earnings decreased by 10%

Life & Savings : most countries have improved their operating performance

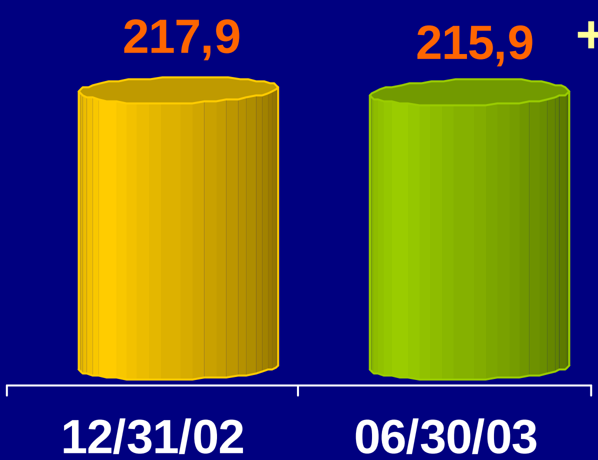


Cash flows improved on both general account and unit linked reserves

General account* reserves**

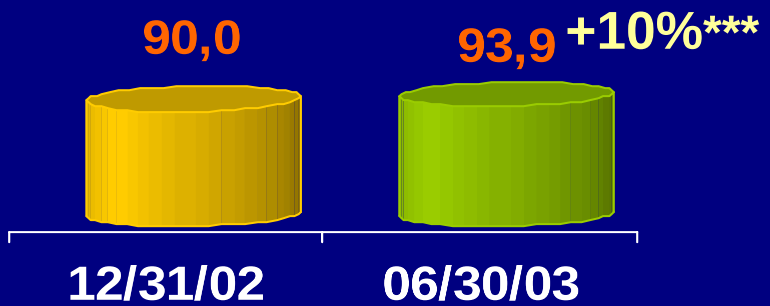
Euro billion

Group Total



Unit-Linked reserves**

Group Total



As a % of total reserves	12/31/02	06/30/03
General account	71%	70 %
Unit-Linked	29 %	30 %

H1'03	G/A	WP	U/L	Total
Net inflows	1.5	-1.1	2.7	3.1
Market impact and interests credited	3.2	1.2	6.0	10.4
Currency impact	-5.0	- 1.9	-4.8	-11.8

(*) Includes With-Profit liabilities.
(**) Gross of reinsurance.
(***) Change on a comparable basis vs. 12/31/02.

Japan: Current earnings impacted by valuation allowances

Euro million	H1 2003	H1 2002
Underlying earnings	**-21**	**55**
Net capital gains & losses	-304*	-70
Adjusted earnings	**-325**	**-14**

- Japan is a strategic market for AXA : its NBC represented 22% of Group NBC in 2002
- Therefore we have taken significant steps to secure future

(*) Including DTA write off on investment losses of Euro 110 mn

Japan : Corrective actions started delivering

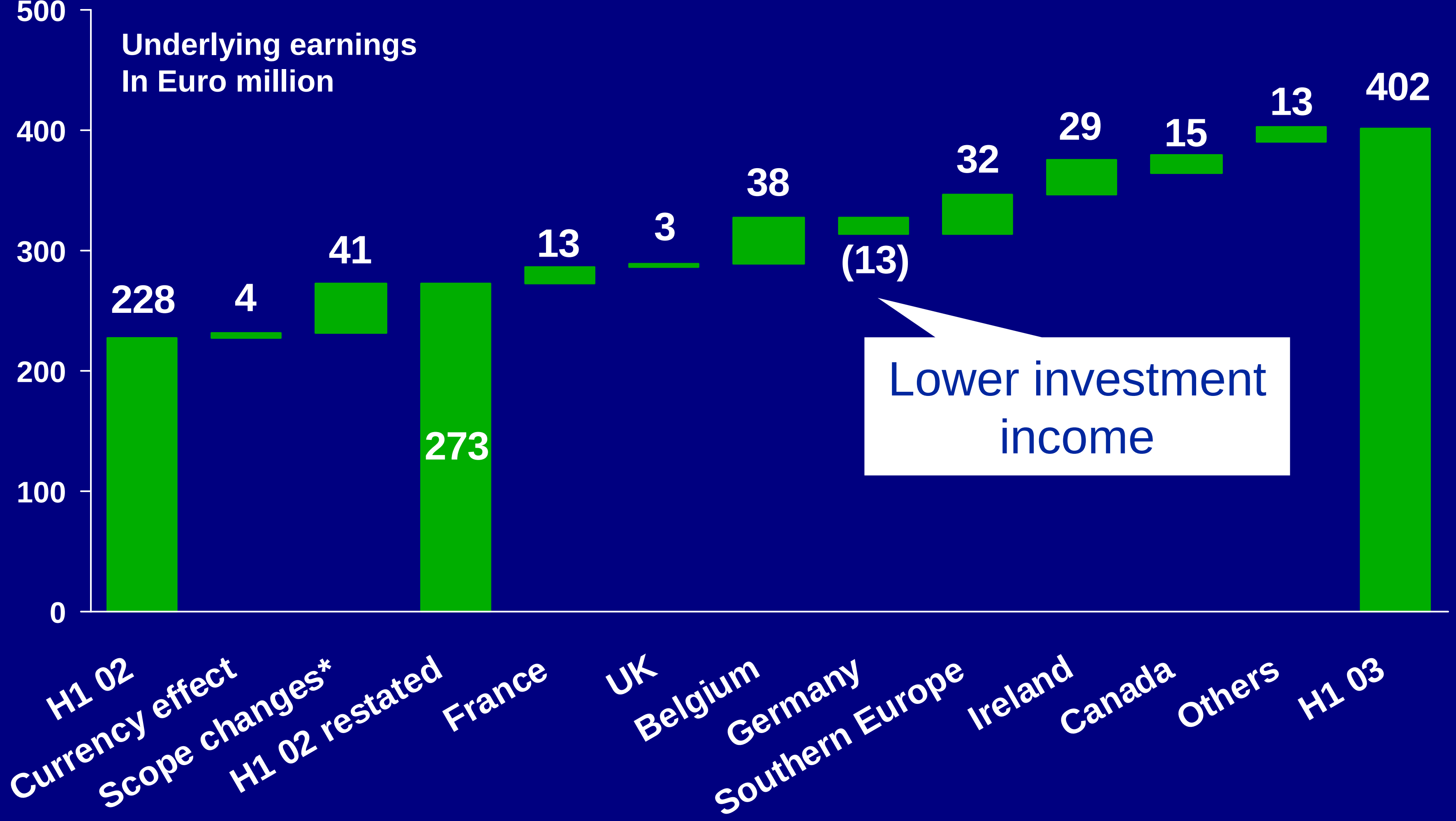
- **Short term improvements**
  - Accelerate the pace of conversion of certain policies
  - Reduce economic expense
  - Improve the retention of major group medical clients
- **Building the future**
  - Develop new product sales (Key 6 products) : APE up +29% during H1 2003
  - Increase retention on targeted individual investment & savings business
  - Continue to improve ALM

P&C underlying earnings improved strongly

Euro million	H1 2003	H1 2002	Change	Change on a comp. FX rate
Underlying earnings[(1)]	**402**	**228**	**+76%**	**+78%**
Sept. 11, 2001 impact	-	-		
Capital gains net of valuation allowances	-251	50		
Adjusted earnings[(2)]	**151**	**278**	**-46%**	**-47%**

(1) Underlying earnings are adjusted earnings excluding Sept. 11, 2001 attacks and net capital gains
(2) Adjusted earnings exclude impact from exceptional operations (Euro 45mn in 2003 versus 0 in 2002) and goodwill amortization

P&C : underlying earnings growth boosted by strong technical results



* Transfer of AXA PPP healthcare and sale of Austria/Hungary

Combined ratios[1] benefited from lower loss and expense ratios

%	H1 03	H1 02	Change	FY 02
Total P&C[1]	**101.8**	**104.6**	**-2.9**	**105.4**
Of which loss ratio	75.1	76.5	-1.4	78.0
Of which expense ratio	26.7	28.1	-1.4	27.4

(1) Combined ratios are calculated on the basis of :
(Gross claims charge + net result of reinsurance ceded + expenses) / gross earned premiums
Excluding UK discontinued business and incl. AXA PPP healthcare and UK non-risk income business

Combined ratios(1) improved across the Group

%	H1 03	H1 02	Change	FY 02
France	102.2	103.4	-1.2	102.9
Germany	99.6	102.8	-3.2	107.3
UK(2) (+PPP and Ireland)	102.4	104.7	-2.3	106.4
Belgium(3)	102.0	110.1	-8.1	109.8
Italy	105.5	107.0	-1.5	104.6
Spain	99.1	101.4	-2.3	99.9
Portugal	98.4	99.8	-1.4	101.0
Canada	97.6	103.5	-5.9	103.2
Total P&C	**101.8**	**104.6**	**-2.9**	**105.4**

(1) Combined ratios are calculated on the basis of : (Gross claims charge + net result of reinsurance ceded + expenses) / gross earned premiums
(2) Excluding discontinued business and incl. non-risk income business
(3) Including workers' compensation business

International Insurance: Back to profit

… and further improvements are expected

Euro million	H1 2003	H1 2002	change
Underlying earnings[(1)]	**50**	**-28**	**NA**
Sept. 11, 2001 impact	-	-89	
Capital gains net of valuation allowances	-8	75	
Adjusted earnings[(2)]	**42**	**-42**	**NA**

(1) Underlying earnings are adjusted earnings excluding Sept. 11, 2001 attacks and net capital gains
(2) Adjusted earnings exclude impact from exceptional operations (none in all periods) and goodwill amortization

AXA

Asset Management

Euro million	H1 2003	H1 2002	Change	Chang a co FX r
Underlying earnings[1]	**107**	**147**	**-27%**	**-14**
- Alliance Capital	**76**	**114**	**-33%**	**-18**
- AXA Investment Managers	**31**	**33**	**-6%**	**1%**
Sept. 11, 2001 impact				
Capital gains net of valuation allowances	0	2		
Adjusted earnings[2]	**106**	**148**	**-28%**	**-15**

(1) Underlying earnings are adjusted earnings excluding Sept. 11, 2001 attacks and net capital gains
(2) Adjusted earnings exclude impact from exceptional operations (none in 2003 and 2002) and goodwill amortization

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AXA consolidated solvency margin is up

- European consolidated solvency margin

	Margin*
December 31, 2001	193%
June 30, 2002	179%
December 31, 2002	172%
June 30, 2003 (est.)	212%

* Includes a limited fraction of future profits (Euro 2.1 billion as of 06/30/03 and 12/31/02 and Euro 1.9 billion as of 06/30/02 and 12/31/01)

Operating cash flows

- Cash flows across our insurance businesses remain strongly positive

→ Life & Savings:

H1 03 (Euro bn)	G/A & WP	U/L	Total
Cash flows(1) (est.)	0.4	2.7	3.1

→ P&C :

H1 03 (Euro bn)	
Cash flows(2)	0.5

(1) Written premiums net of loadings, surrenders and other benefits paid and other changes of life reserves exclude financial cash flow (investments) gross of tax

(2) Net operational cash flows including expenses, taxes and financial cash flow
Scope : France / UK / Germany / Belgium / Italy / Spain representing 87% of P&C written premiums and gross reserves

Strategic sales are improving financial flexibility

Euro bn

Divestments	Cash proceeds		
Australia Health business	0.3	Recapitalisation of operating subsidiaries	1.1
Austria and Hungary	0.2	*Of which Japan*	*0.7*
JV Cologne Ré (July 03)*	0.7		
Others (Auxifina / Members Equity)	0.1		
	1.3		

* Estimated floor price

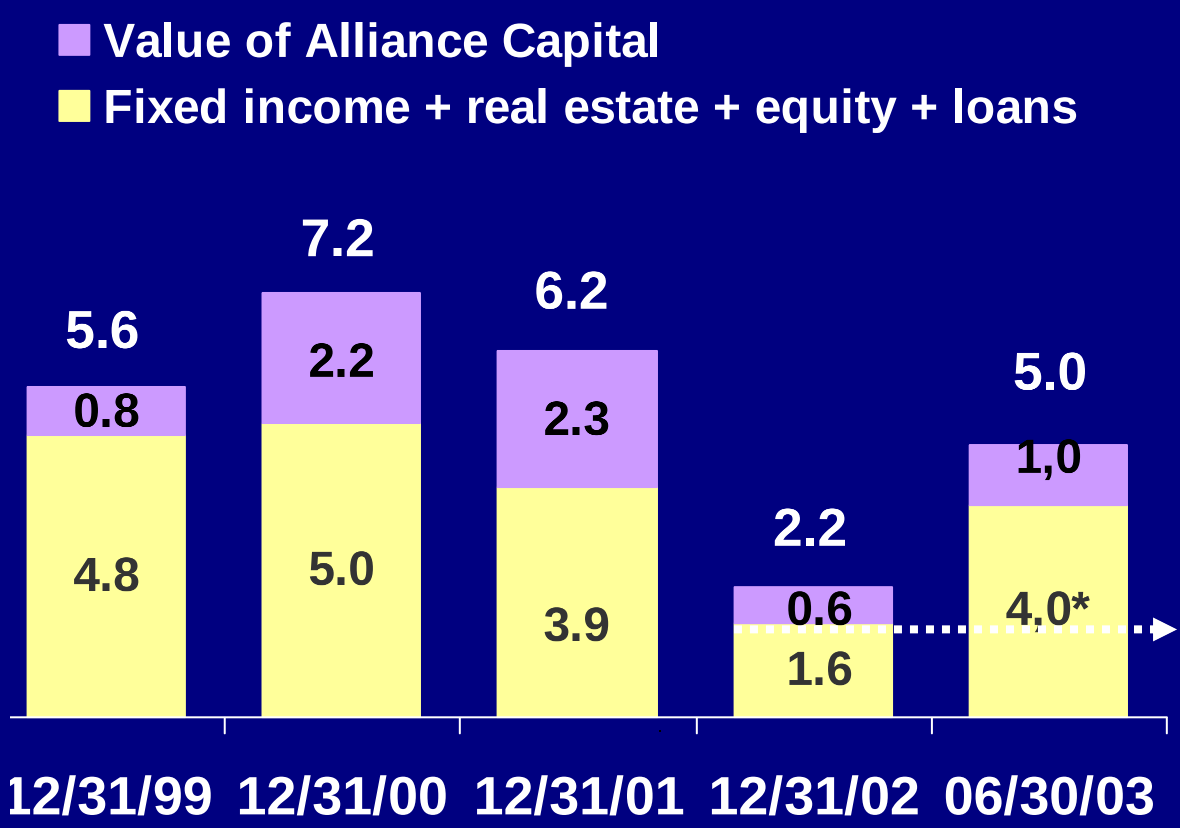
Our asset mix has remained relatively unchanged

% in book value	**L&S***	**P&C**	**Int'l**	**Total Group H1 2003**	**Total Group FY2002**
Fixed maturities**	67%	55%	55%	65%	66%
Equity	13%	25%	12%	15%	15%
Mortgage, policy and others loans	8%	2%	0%	7%	8%
Real Estate	4%	7%	2%	4%	4%
Cash and cash equivalent ***	7%	10%	30%	9%	7%
Total Invested Assets ** (euro billion)**	**188.9**	**32.5**	**9.6**	**241.2**	**237.6**

(*) Excluding separate account assets (Euro 93.7 bn in 2003 vs. Euro 90.5 bn in 2002) and assets backing with-profit liabilities (Euro 27.5 bn in 2003 vs. Euro 28.8 bn in 2002)
(**) Including mutual funds in bonds
(***) Not netted of bank overdrafts
(****) Excluding investment in affiliated companies consolidated under the equity method (Euro 2.1 bn in 2003 and 2002)

Unrealized capital gains attributable to shareholders benefited from market improvements ...

Euro billion



Roll Forward[1] (euro billion)	Total
Opening @ 12/31/02	1.6
2003 harvesting[2]	-0.7
Market/currency impact	1.9
Positive impact of val. allowances[2]	+1.2
Closing @ 06/30/03	4.0

(1) excluding Alliance Capital
(2) in the Profit & Loss Account (all assets)

* Japan as of 06/30/03 (Euro 449 mn versus Euro 97mn as of 03/31/03)

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Our objectives are clear

Organic growth and operating efficiency

- Revenue growth
- Cash flow growth
- Growing asset base and client retention
- Fixed and variable cost decrease

Entities specific

- Specific issues addressed

➔ back to the Group normalized profitability level

- Japan Life

- International Insurance

- UK

+

Opportunistic external growth

Outlook

- If financial markets stabilize at their current level, the second half of the year should benefit, in Life & Savings and Asset Management, from increased average assets under management
- In Property & Casualty and International insurance, in the absence of major catastrophic events, the first half of 2003 improving trend in the Group combined ratio should confirm our ability to be ahead of our stated target by year-end
- Any sign of economic recovery over the next months should help AXA to further enhance its organic growth capability, taking advantage of its improved operating efficiency gained over the last two years

Cautionary Statements Concerning Forward-looking Statements

Certain statements contained herein are forward-looking statements including, but not limited to, statements that are predications of or indicate future events, trends, plans or objectives. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results and AXA's plans and objectives to differ materially from those expressed or implied in the forward looking statements (or from past results). These risks and uncertainties include, without limitation, the risk of future catastrophic events including possible future terrorist related incidents. Please refer to AXA's Annual Report on Form 20-F for the year ended December 31, 2002 and AXA's Document de Référence for the year ended December 31, 2002, for a description of certain important factors, risks and uncertainties that may affect AXA's business. AXA undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.