

# Full Year 2010 Earnings

February 17, 2011

Appendices

redefining / standards



# Table of content

## Group

Life & Savings

Property & Casualty

Asset Management

Balance sheet

Embedded value and cash flows

Other

# Revenues

## Revenues by segment

In Euro million	FY09	FY10	Reported basis	Comparable basis
<i>Life &amp; Savings</i>	57,620	56,923	-1%	-3%
<i>Property &amp; Casualty</i>	26,174	27,413	+5%	+1%
<i>Asset Management</i>	3,074	3,328	+8%	+5%
<i>International Insurance</i>	2,860	2,847	0%	-3%
<i>Banking &amp; Holdings</i>	395	459	+16%	+16%
<b>Revenues</b>	<b>90,124</b>	<b>90,972</b>	<b>+1%</b>	<b>-1%</b>

# Underlying Earnings by region

In Euro million	Underlying Earnings			
	FY09	FY10	% Reported	% Comparable
<b>Life &amp; Savings</b>	<b>2,336</b>	<b>2,455</b>	<b>+5%</b>	<b>+1%</b>
North America	549	488	-11%	-15%
France	470	607	+29%	+29%
NORCEE <sup>(1)</sup>	636	570	-10%	-13%
UK & Ireland	186	134	-28%	-30%
Asia-Pacific	390	562	+44%	+34%
MedLA	115	117	+2%	+1%
Other <sup>(2)</sup>	-10	-23	-125%	-125%
<b>Property &amp; Casualty</b>	<b>1,670</b>	<b>1,692</b>	<b>+1%</b>	<b>-2%</b>
NORCEE <sup>(1)</sup>	731	727	-1%	-6%
France	406	432	+6%	+6%
MedLA	326	358	+10%	+8%
UK & Ireland	100	50	-50%	-49%
Other <sup>(3)</sup>	107	125	+17%	+2%
<b>International Insurance</b>	<b>286</b>	<b>290</b>	<b>+1%</b>	<b>0%</b>
<b>Asset Management</b>	<b>355</b>	<b>269</b>	<b>-24%</b>	<b>-26%</b>
AllianceBernstein	185	143	-22%	-25%
AXA IM	171	125	-27%	-27%
<b>Banking</b>	<b>-2</b>	<b>9</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Holdings</b>	<b>-793</b>	<b>-836</b>	<b>-5%</b>	<b>-5%</b>
<b>Total</b>	<b>3,854</b>	<b>3,880</b>	<b>+1%</b>	<b>-3%</b>

(1) Northern, Central & Eastern Europe: Germany, Belgium, Switzerland, Central and Eastern Europe, Luxembourg and Russia (Property & Casualty only)

(2) AXA Global Distributors, Architas and AXA Life Europe

(3) Canada & Asia

# From Underlying Earnings to Net Income

## – Net realized capital gains/losses –

In Euro million	FY09	FY10
<b>Underlying Earnings</b>	<b>3,854</b>	<b>3,880</b>
<b>Net realized capital gains/(losses)</b>	<b>(386)</b>	<b>437</b>
<i>Realized capital gains</i>	<i>725</i>	<i>920<sup>(1)</sup></i>
<i>Impairments</i>	<i>(1,028)</i>	<i>(379)</i>
<i>Hedging of equity portfolio</i>	<i>(83)</i>	<i>(104)</i>
<b>Adjusted Earnings</b>	<b>3,468</b>	<b>4,317</b>

(1) Including Euro 190 million from release of the excess tax provision over exit tax on past realised capital gains on fixed maturity securities in French entities

## — Key drivers of change in Net income —

In Euro million	FY09	FY10
<b>Adjusted Earnings</b>	<b>3,468</b>	<b>4,317</b>
Change in fair value	612	185
<i>Of which impact from interest rates and credit spreads<sup>(2)</sup></i>	<i>1,116</i>	<i>(42)</i>
<i>Of which impact from equities &amp; alternative investments<sup>(3)</sup></i>	<i>(206)</i>	<i>224</i>
<i>Of which impact from ABS</i>	<i>63</i>	<i>131</i>
<i>Of which effects related to balance sheet protection items</i>	<i>(361)</i>	<i>(129)</i>
Exceptional and discontinued operations <sup>(4)</sup>	(202)	(1,616)
Other	(273)	(138)
<b>Net Income</b>	<b>3,606</b>	<b>2,749</b>

(2) Decrease in interest rates partly offset by credit spread widening

(3) Positive impact notably from Private Equity

(4) Mainly Euro 1,642 million exceptional loss related to the partial sale of UK Life operations

# FY10 sensitivities

In Euro billion			Impairments net of hedges	Net Income (including impairments)	OCI
Equities	▪ -25%	→	-0.3	-0.4	-1.8
	▪ +25%	→	0.0	+0.4	+2.2
Interest rates	▪ -100 bps	→	n.a.	+0.3	+6.7
	▪ +100 bps	→	n.a.	-0.1	-6.0
Corporate spreads	▪ -75 bps	→	n.a.	+0.3	+1.5
	▪ +75 bps	→	n.a.	-0.3	-1.4
ABS	▪ Valuation: spread +100bps	→	n.a.	-0.1	-0.1
	▪ Defaults: 10%<AA & 1%>=AA	→	-0.1	-0.1	+0.1
Alternatives	▪ - 10%	→	0.0	-0.3	-0.1
Real Estate	▪ - 10%	→	-0.1	-0.1	-0.1

# Table of content

Group

**Life & Savings**

Property & Casualty

Asset Management

Balance sheet

Embedded value and cash flows

Other

# Life & Savings

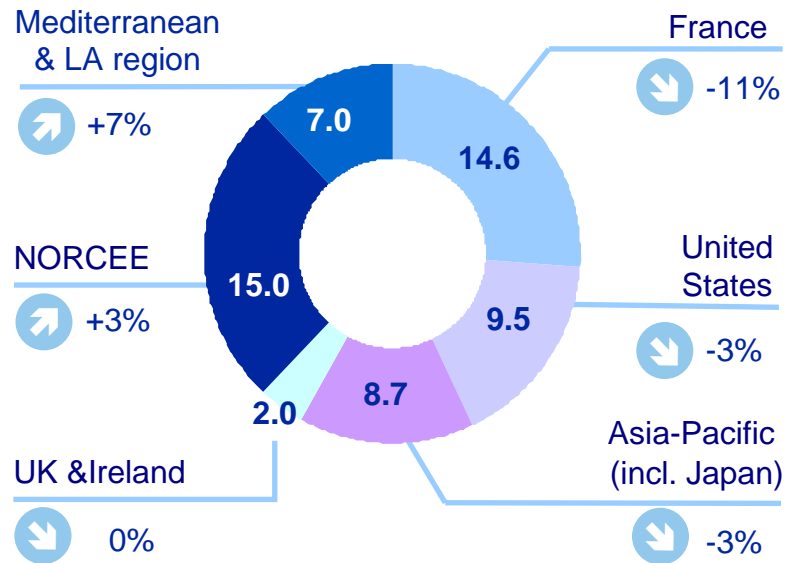
- |          |   |                |
|----------|---|----------------|
| <b>1</b> | <b>Revenues, new business volumes and profitability</b> | <b>page 9</b>  |
| <b>2</b> | <b>Underlying earnings margin analysis</b>              | <b>page 11</b> |
| <b>3</b> | <b>Underlying earnings margin analysis by product</b>   | <b>page 17</b> |



# 1 L&S – Revenues and net inflows

## L&S revenues by region

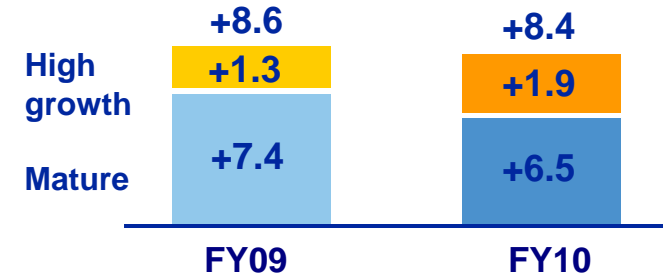
In Euro billion



Changes are on a comparable basis

## L&S Net inflows

In Euro billion



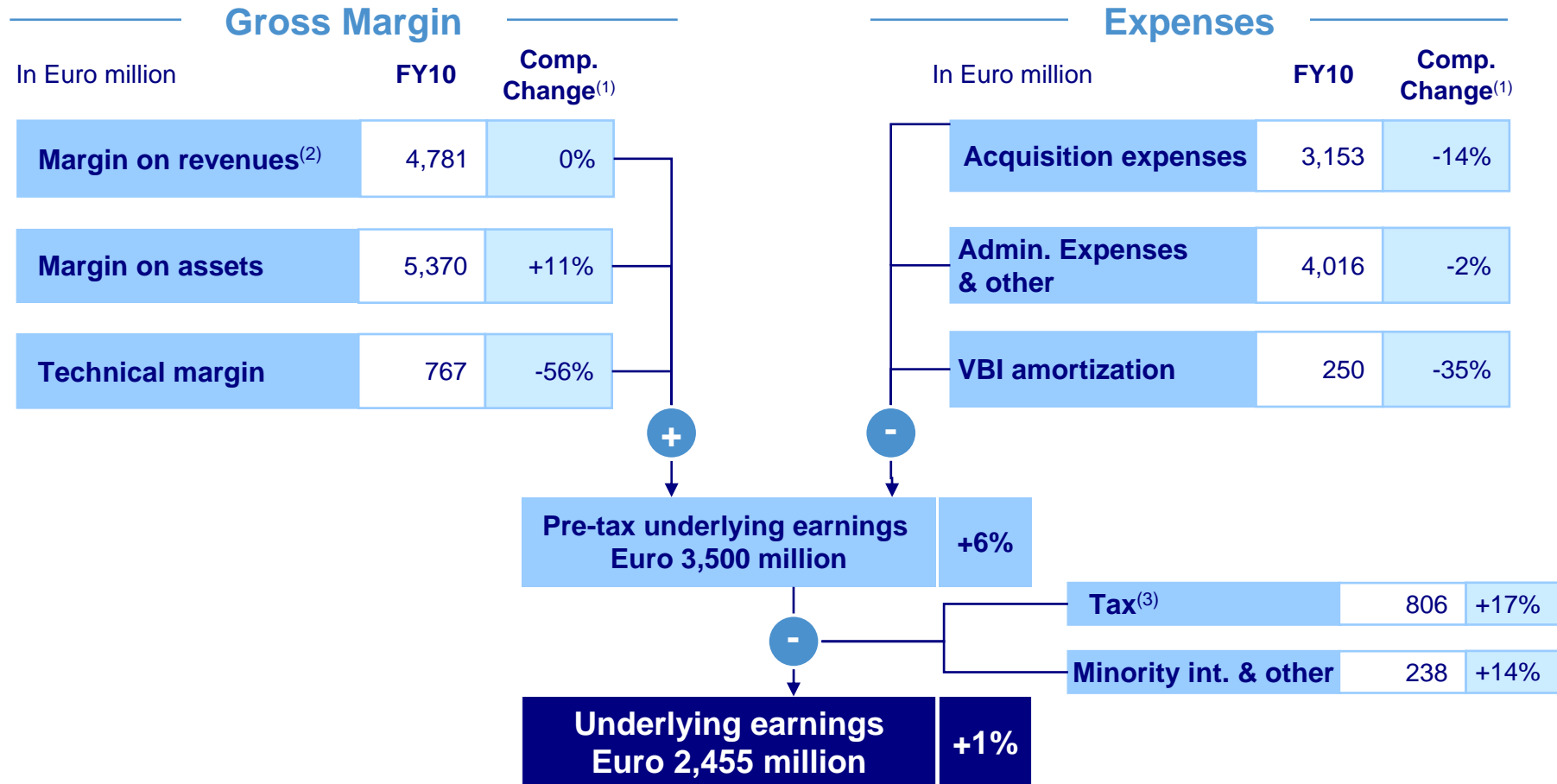
In Euro billion	FY10 Net inflows	FY10 Opening technical reserves	% of opening technical reserves
Mature markets	+6.5	466.3	1.4%
High growth markets	+1.9	13.3	14.1%
<b>Total</b>	<b>+8.6</b>	<b>479.6</b>	<b>1.8%</b>

# 1 L&S – IRR and new business investments

Euro million	FY09			FY10		
	APE	“AA rating” NB IRR	New business investments <sup>(1)</sup>	APE	“AA rating” NB IRR	New business investments <sup>(1)</sup>
France	1,602	8%	-639	1,384	8%	-623
US	994	9%	-512	986	10%	-311
UK	926	9%	-345	545	8%	-122
Japan	532	12%	-207	465	12%	-199
<b>NORCEE</b>	<b>1,156</b>	<b>9%</b>	<b>-529</b>	<b>1,239</b>	<b>9%</b>	<b>-566</b>
o/w Germany	469	8%	-259	464	8%	-228
o/w Switzerland	255	8%	-79	283	9%	-102
o/w Belgium	264	10%	-106	218	9%	-96
MedLA	497	10%	-217	553	10%	-243
Australia & NZ	269	12%	-45	283	19%	-57
Asia excl. Japan	211	43%	-44	325	52%	-71
<b>Total</b>	<b>6,188</b>	<b>10%</b>	<b>-2,539</b>	<b>5,780</b>	<b>11%</b>	<b>-2,191</b>

(1) New business strain + New business required capital

## 2 L&S – Underlying earnings margin analysis



(1) Margin and expenses component changes are adjusted for the Forex and reclassifications between margins including the reclassification in France from technical margin to acquisition expenses of charges in the context of the renewal of some Group protection contracts in 2009. Full details are provided in the activity report.

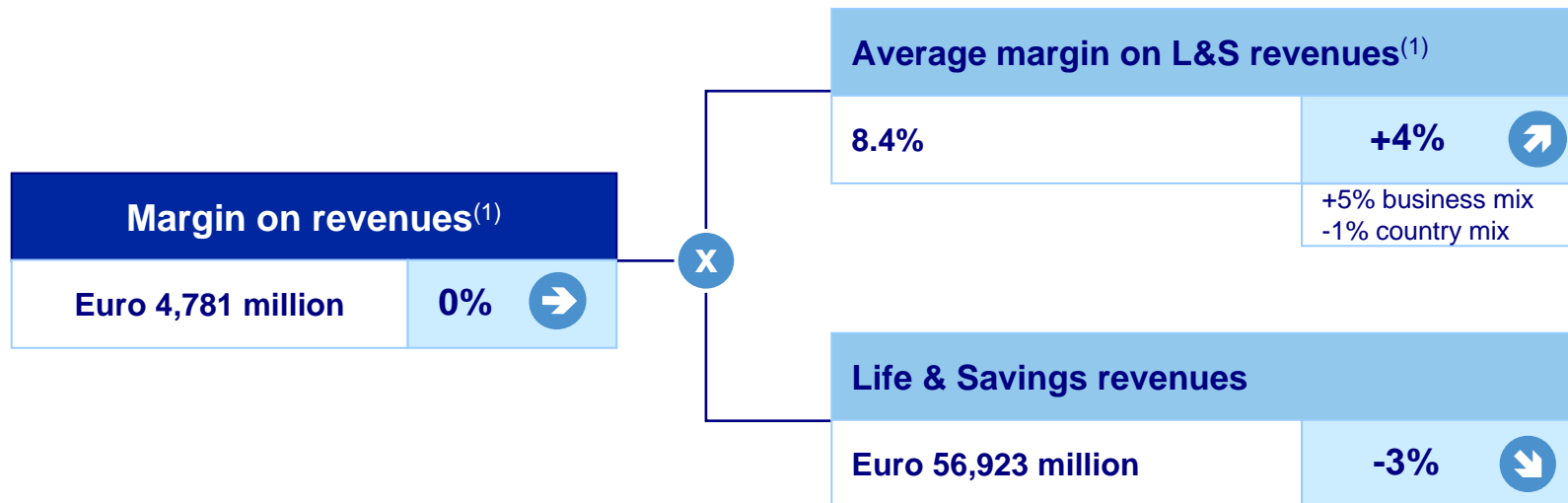
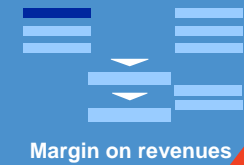
(2) Life & Savings gross written premiums and mutual fund sales.

(3) Tax rate increased from 21% in FY09 to 23% in FY10 mainly due to lower positive tax one-offs which amounted to Euro 89 million in FY10 vs. Euro 129 million in FY09.

2

# L&S – Margin analysis

## Details of margin on revenues



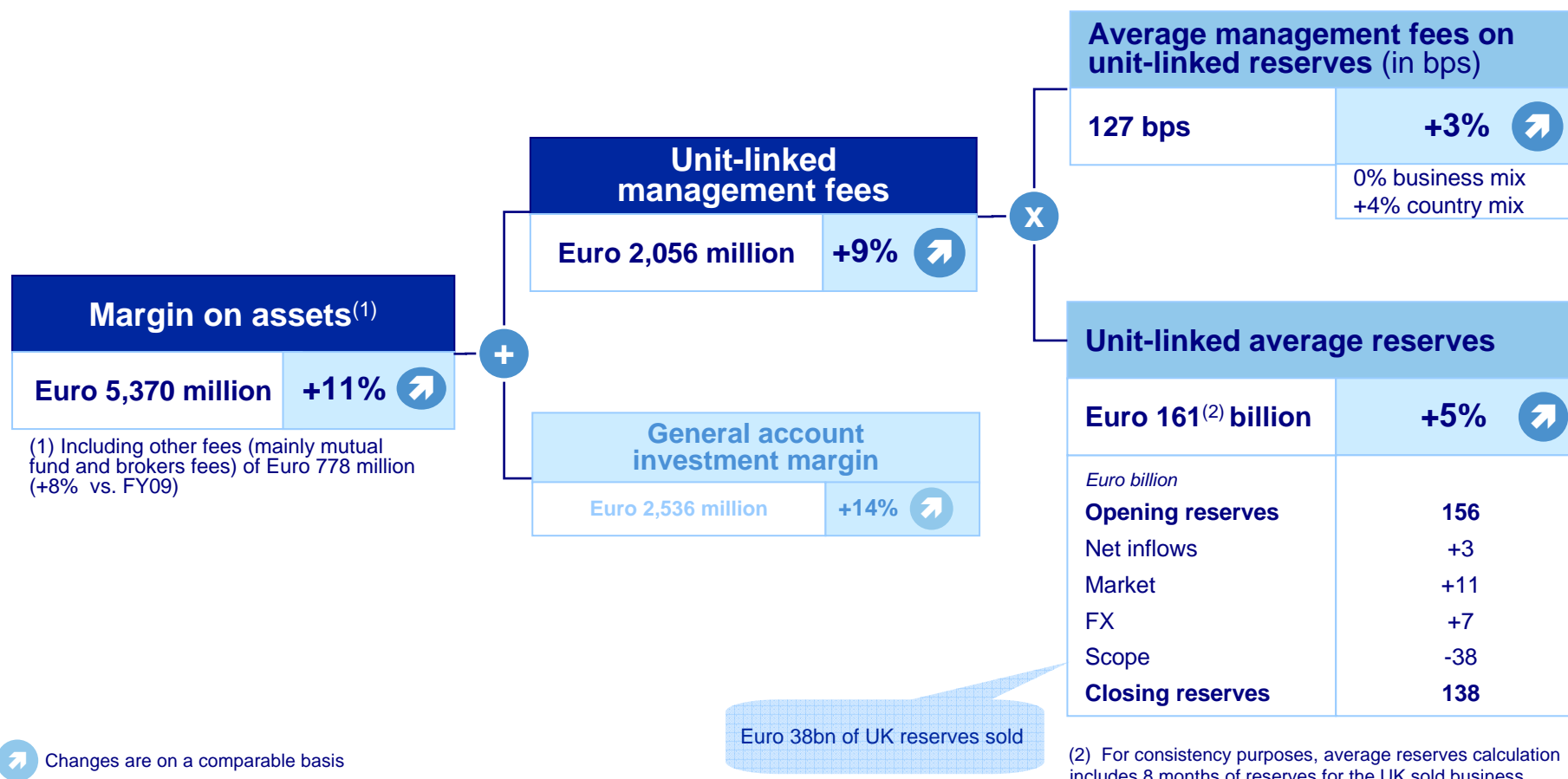
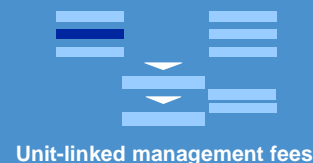
➔ Changes are on a comparable basis

(1) Life & Savings gross written premiums and mutual fund fees

2

# L&S – Margin analysis

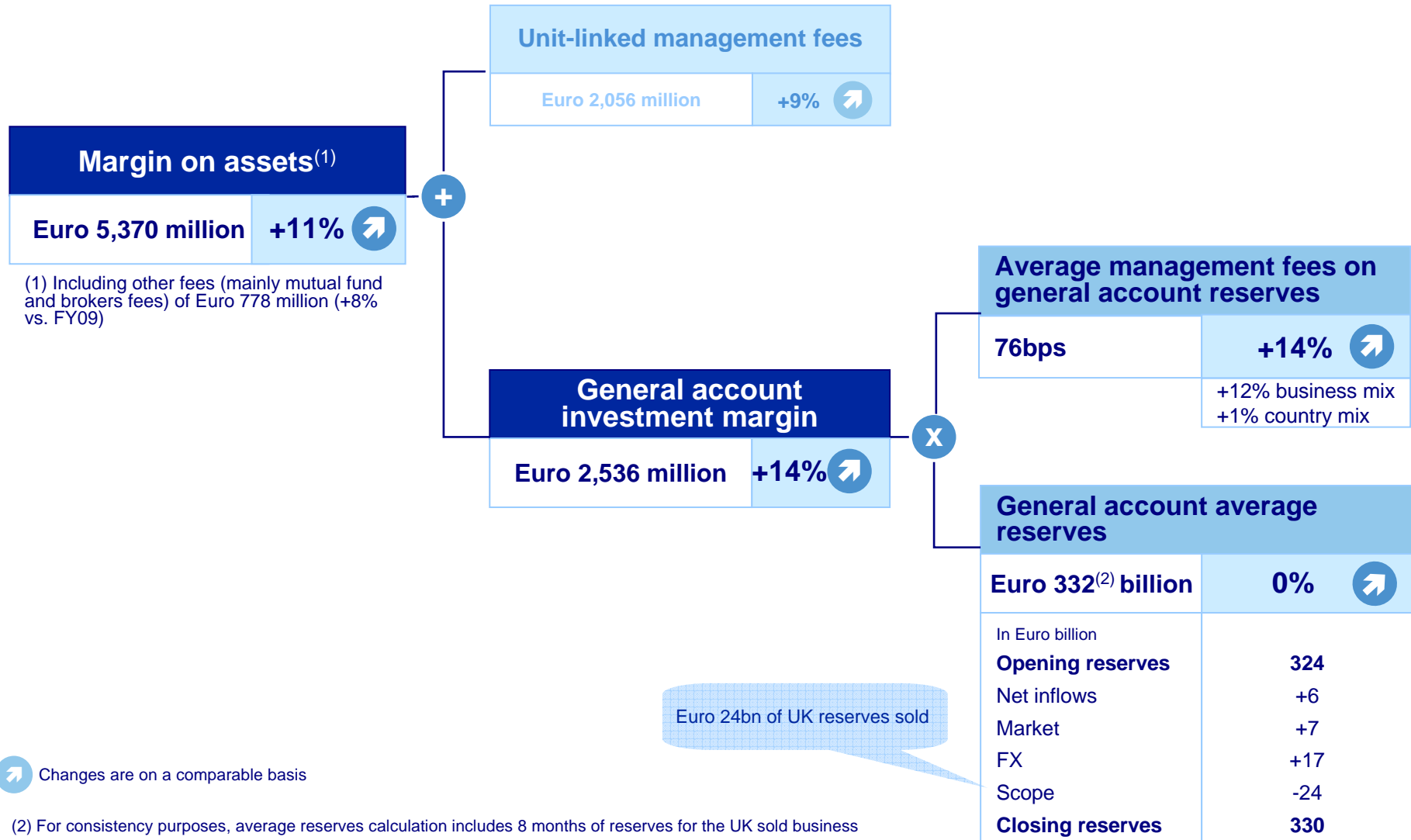
## Details of margin on unit-linked assets



2

# L&S – Margin analysis

## Details of margin on General Account assets



↗ Changes are on a comparable basis

(2) For consistency purposes, average reserves calculation includes 8 months of reserves for the UK sold business

2

# L&S – Margin analysis

## Details of technical margin



<b>Technical margin</b>			
Euro 767 million	-56%	↘	
+			
<b>Mortality &amp; morbidity margin &amp; other<sup>(1)</sup></b>			
Euro 1,584 million	-22%	↘	
<b>VA hedging margin</b>			
Euro -818 million	n.a.	↘	
In Euro million			
Basis	-51		
Volatility (equity and interest rates)	-309		
Reserve adjustments, policyholder behavior and other	-458		

↗ Changes are on a comparable basis

(1) Claims paid, maturities and surrenders

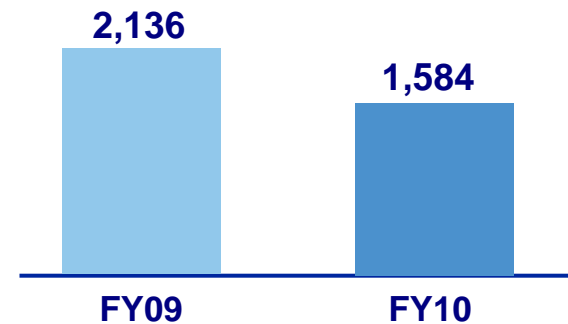
2

## L&S – Margin analysis

Focus on gross technical margin

### Gross mortality, morbidity & surrender margin (pre-tax)

In Euro million

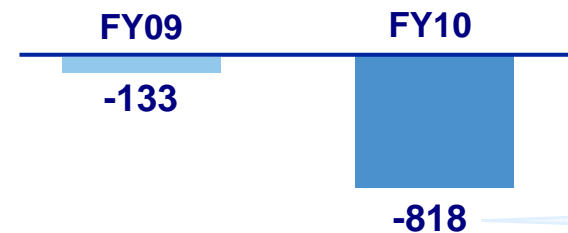


### Mainly non repeat of following 2009 items:

- €0.2 billion gain in the UK, as a result of internal restructuring of an annuity portfolio in the UK
- €0.1 billion reclassification in France from technical margin to acquisition expenses of charges in the context of contractual changes in group protection
- €0.1 billion positive prior year reserve developments on Group retirement business in France

### Gross Variable Annuity hedging margin (pre-tax, pre-DAC)

In Euro million



### 2010 hedging margin mainly explained by:

- €-0.3 billion Equity & interest rates volatility costs
- €-0.4 billion update of US Variable Annuity long-term surrender assumptions

Euro -0.2 billion P&L impact  
(net of DAC reactivity and tax)



3

## L&S – FY10 Underlying Earnings by business

Strong contribution of Protection & Health business

Euro million	FY09 Pre-tax UE	FY10 Pre-tax UE	% change
G/A Protection & Health	2,031	2,091	0%
G/A Savings	522	635	+17%
Unit-Linked	639	672	+3%
Mutual funds & Other	10	101	n.a.
<b>Pre-tax underlying earnings</b>	<b>3,201</b>	<b>3,500</b>	<b>+6%</b>
Tax and minority interest	-865	-1,044	
<b>Underlying earnings</b>	<b>2,336</b>	<b>2,455</b>	<b>+1%</b>

### 3 L&S – FY10 Margin analysis by business

	G/A Protection & Health	G/A savings	Unit-linked	Mutual Funds & Other	
Margin on premiums	3,813	384	480		8% % of GWP
Investment margin	777	1,575	170		76 bps of ave G/A reserves
Management fees			2,056		127 bps of ave UL reserves
Technical margin & Oth.	1,362	18	-581		
<b>Gross margin</b>	<b>5,953</b>	<b>1,977</b>	<b>2,125</b>	<b>862</b>	<b>10,918</b>
Admin Exp. & Others	-1,708	-792	-1,205	-559	-4,265
Acquisition Expenses	-2,153	-550	-248	-202	-3,153
<b>Pre-tax UE</b>	<b>2,091</b>	<b>635</b>	<b>672</b>	<b>101</b>	<b>3,500</b>

3

# L&S –Margin analysis by business

## G/A Protection & Health

### Technical result

In Euro million	FY10	Comp. change
Protection & Health GWP	23,879	+2%
Protection & Health Combined ratio (in %)	94.5%	+0.4 pt
<b>Net technical result</b>	<b>1,314</b>	<b>-5%</b>

### Net investment margin

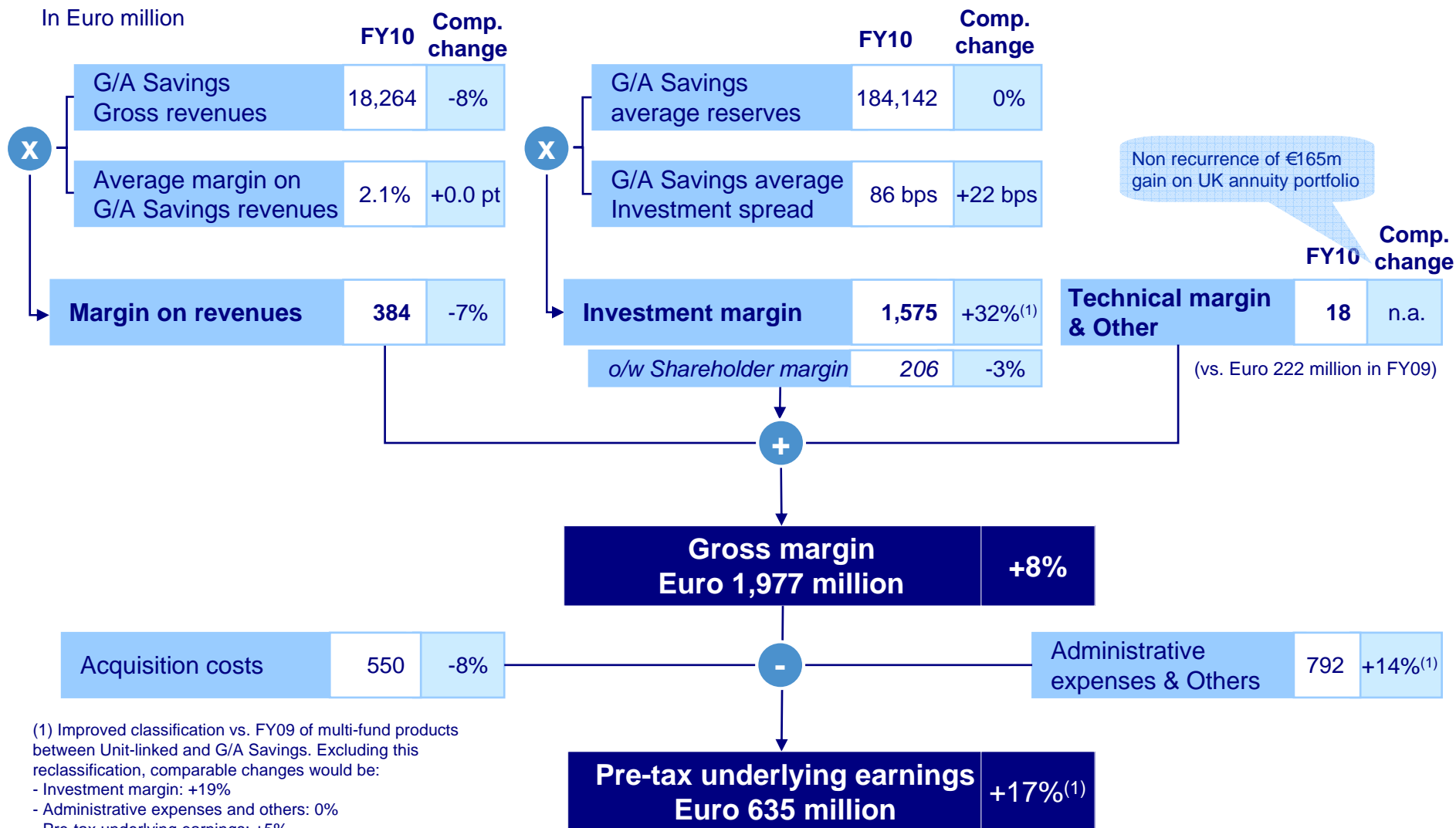
In Euro million	FY10	Comp. change
Protection & Health Average reserves	144,444	+2%
Protection & Health Average investment spread	54 bps	+3 bps
<b>Investment margin</b>	<b>777</b>	<b>+8%</b>
<i>o/w Shareholder margin</i>	230	+4%

**Pre-tax underlying earnings**  
Euro 2,091 million | **0%**

### 3 L&S – Margin analysis by business

#### G/A Savings

In Euro million



(1) Improved classification vs. FY09 of multi-fund products between Unit-linked and G/A Savings. Excluding this reclassification, comparable changes would be:

- Investment margin: +19%
- Administrative expenses and others: 0%
- Pre-tax underlying earnings: +5%



# Table of content

Group

Life & Savings

**Property & Casualty**

Asset Management

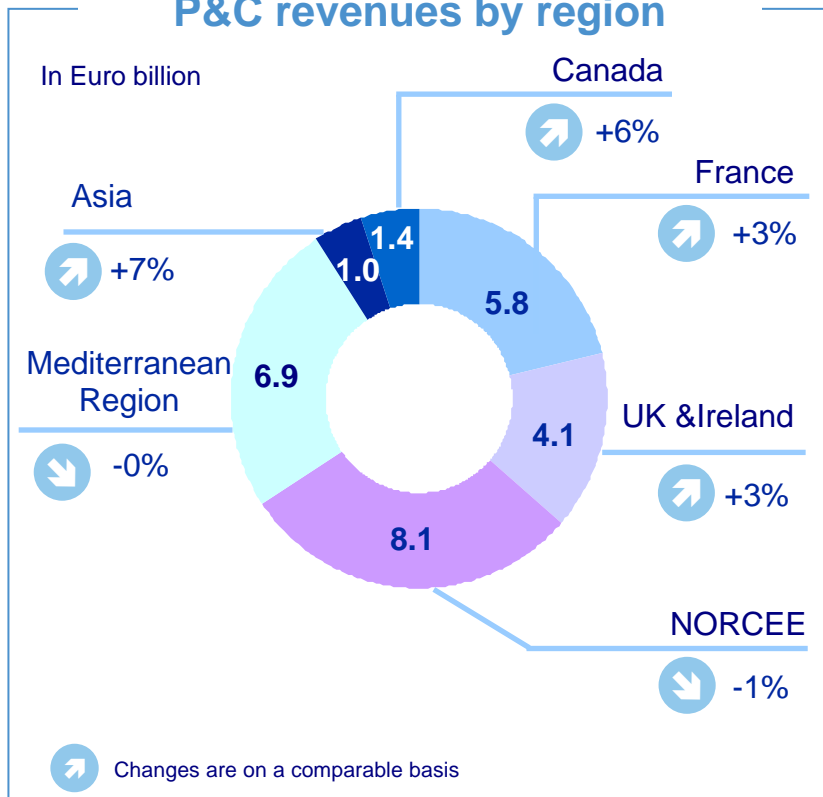
Balance sheet

Embedded value and cash flows

Other

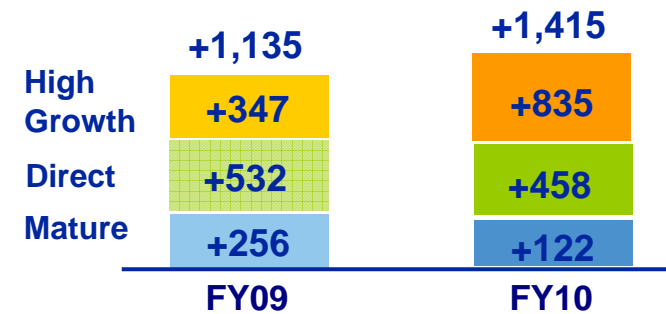
# P&C – Revenues and net new contracts

## P&C revenues by region



## P&C personal net new contracts

In thousands



More than 90% of net new contracts in high growth markets & Direct

# P&C – Revenues and price increases

	Personal lines		Commercial lines	
	Price increase	Revenues growth	Price increase	Revenues growth
France	+3.6%	+4.2%	+3.3%	+0.8%
Germany	-0.2%	-2.1%	0.0%	-0.3%
UK & Ireland	+11.0%	+12.5%	+3.5%	-8.3%
Switzerland	-0.6%	+1.1%	-0.9%	-2.2%
Belgium	+2.6%	+2.3%	0.0%	-5.4%
Canada	+5.6%	+6.6%	+1.4%	+5.8%
MedLA	+4.0%	+2.7%	+2.9%	-4.7%
<b>Total</b>	<b>+3.8%</b>	<b>+3.9%</b>	<b>+2.1%</b>	<b>-2.8%</b>

**Overall 3.1% price increase**

- Strength of AXA brand
- Dynamism of our proprietary distribution channel

- Selective underwriting
- Lowered sum insured



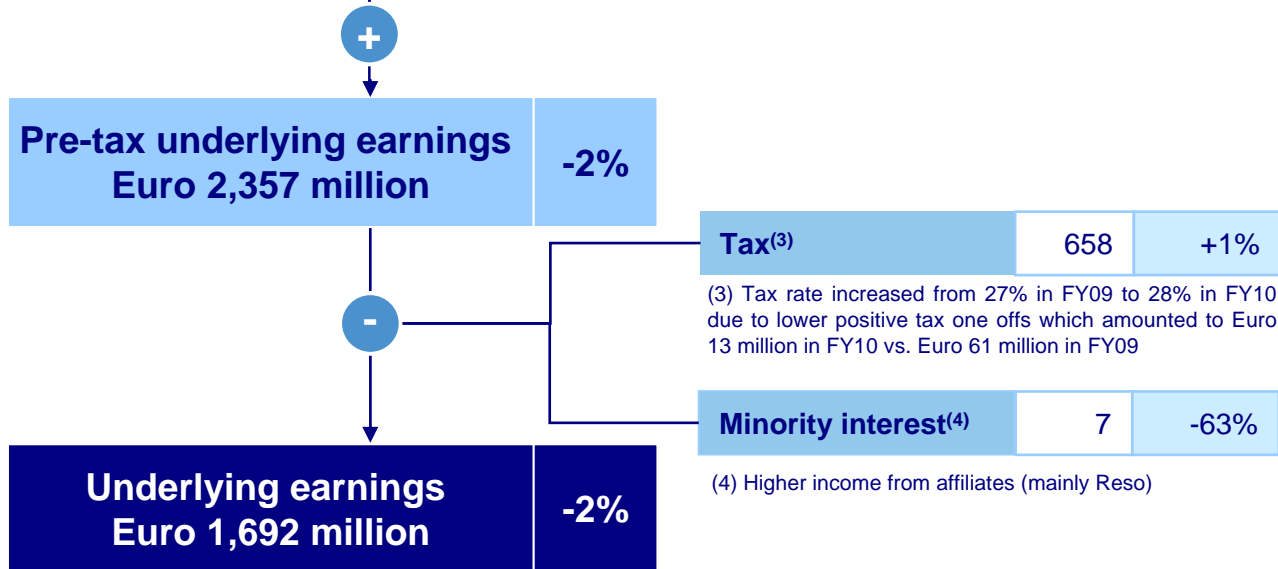
# P&C – Underlying Earnings analysis

## Net technical result

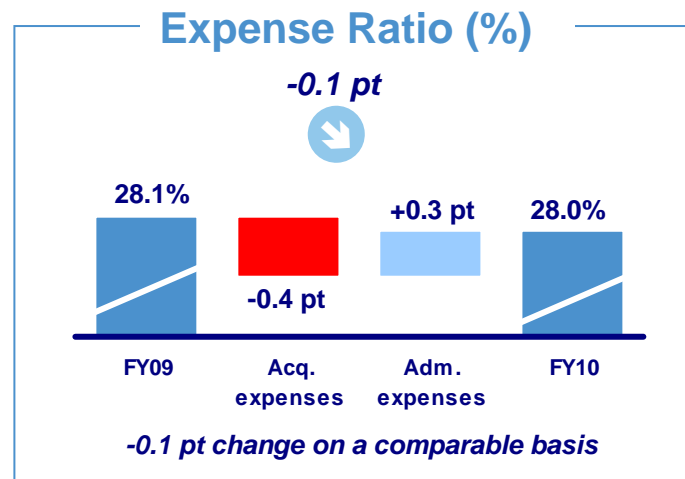
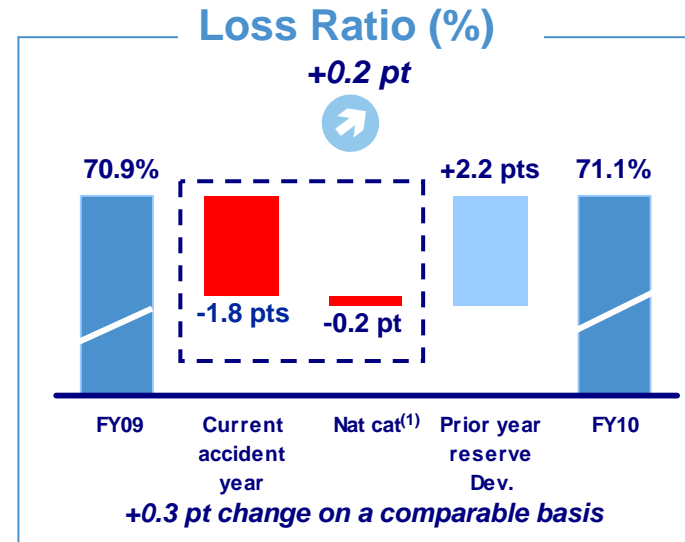
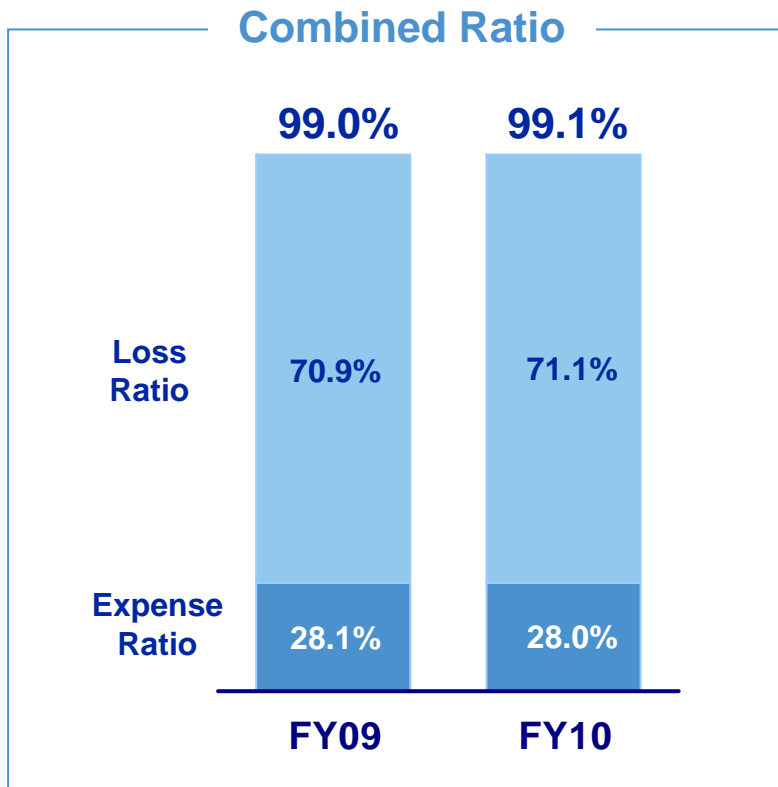
In Euro million	FY10	Comp. Change
Revenues	27,413	+1.3%
Combined ratio <sup>(1)</sup> (in %)	99.1%	+0.2 pt
<small>(1) Combined ratio calculated based on gross earned premiums</small>		
Net technical result <sup>(2)</sup>	242	-18%
<small>(2) Technical result net of expenses</small>		

## Net investment income

In Euro million	FY10	Comp. Change
Average P&C assets	57,142	-1%
Average asset yield <sup>(5)</sup>	3.7%	+1%
<small>(5) Net of interests credited to P&amp;C reserves relating to annuities. Gross asset yield was 4.0%</small>		
Net investment income	2,115	0%



# P&C – Details on Combined Ratio

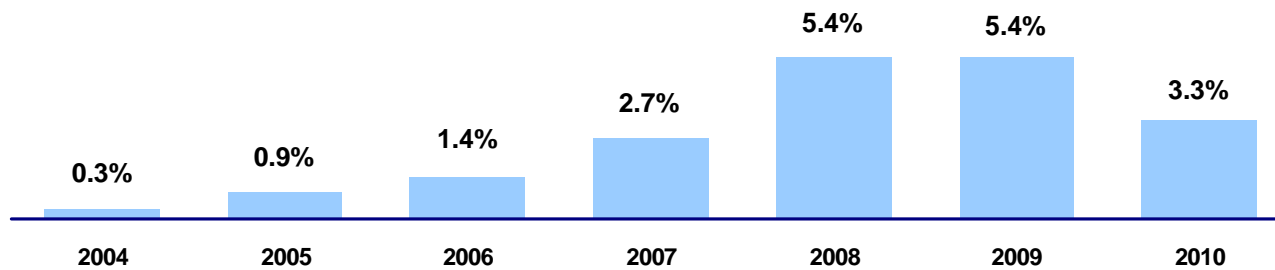


↗ Changes are on a reported basis

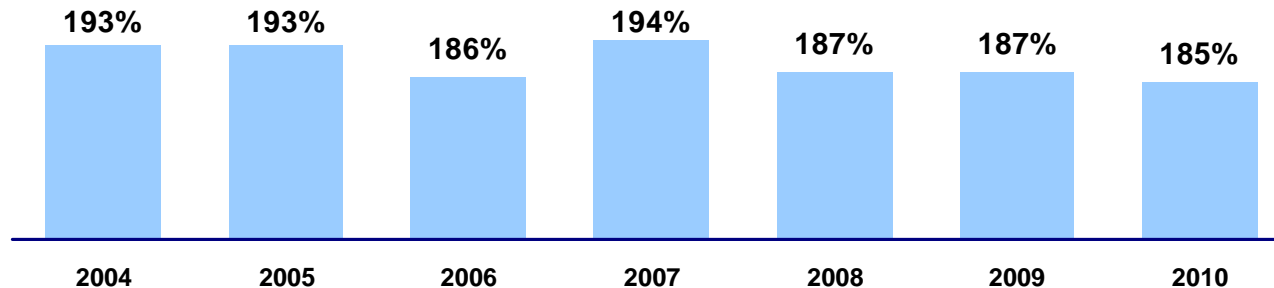
(1) Notably Xynthia storm in continental Europe, freezes in the UK and difficult winter conditions overall

# P&C – Focus on reserve developments

Prior year reserve development level <sup>(1)</sup>  
(in % of gross earned premiums)



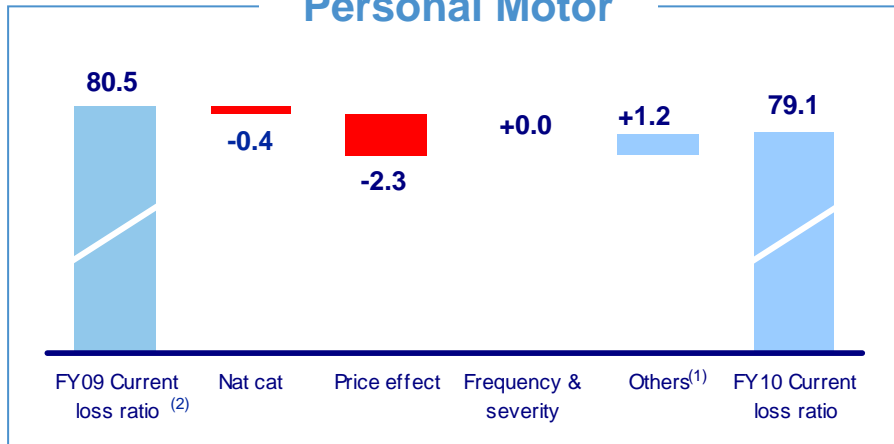
Reserving ratio  
(Net technical reserves/Net earned premiums)



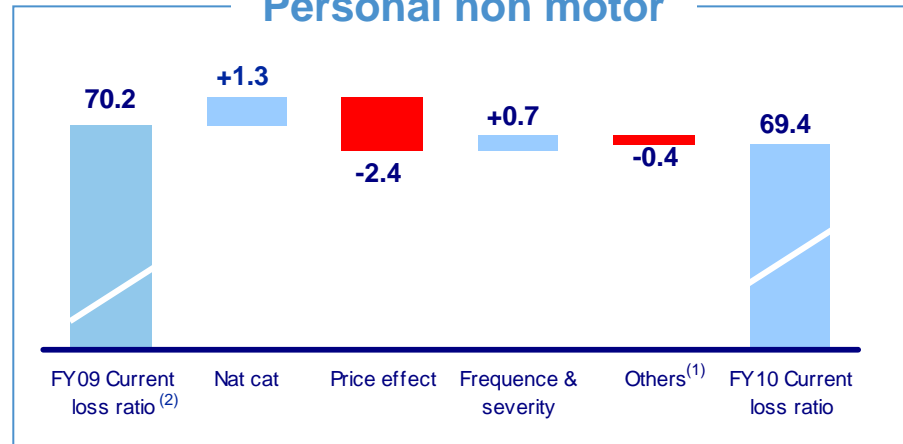
(1) Harmonized presentation of current and prior year loss ratio throughout the Group. The all accident year loss ratio, combined ratio, earnings and reserves are not impacted by this change in presentation

# P&C – Details on current year loss ratios

## Personal Motor

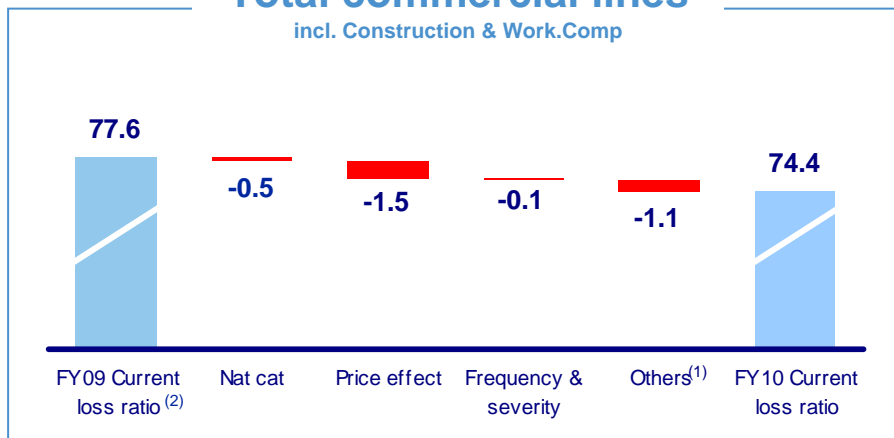


## Personal non motor

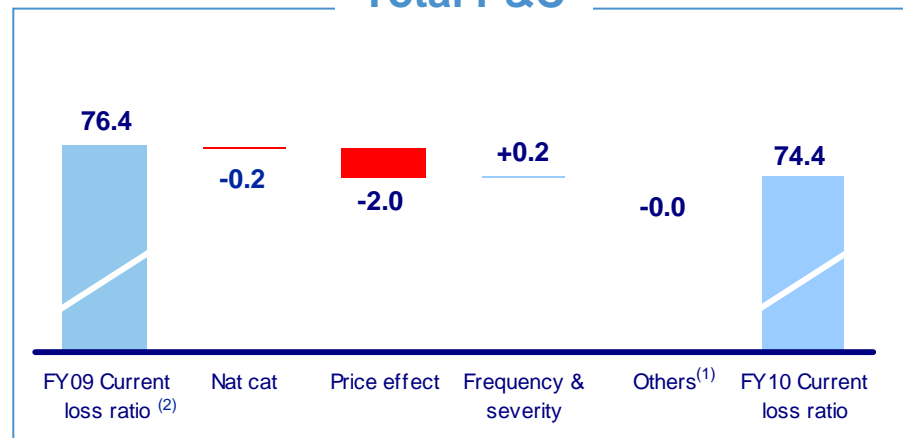


## Total commercial lines

incl. Construction & Work.Comp



## Total P&C



(1) Other includes changes in mix, claims handling costs, reinsurance impact excl. Nat events, other change in reserves, forex and scope

(2) Harmonized presentation of current and prior year loss ratio throughout the Group. The all accident year loss ratio, combined ratio, earnings and reserves are not impacted by this change in presentation

# Table of content

Group

Life & Savings

Property & Casualty

**Asset Management**

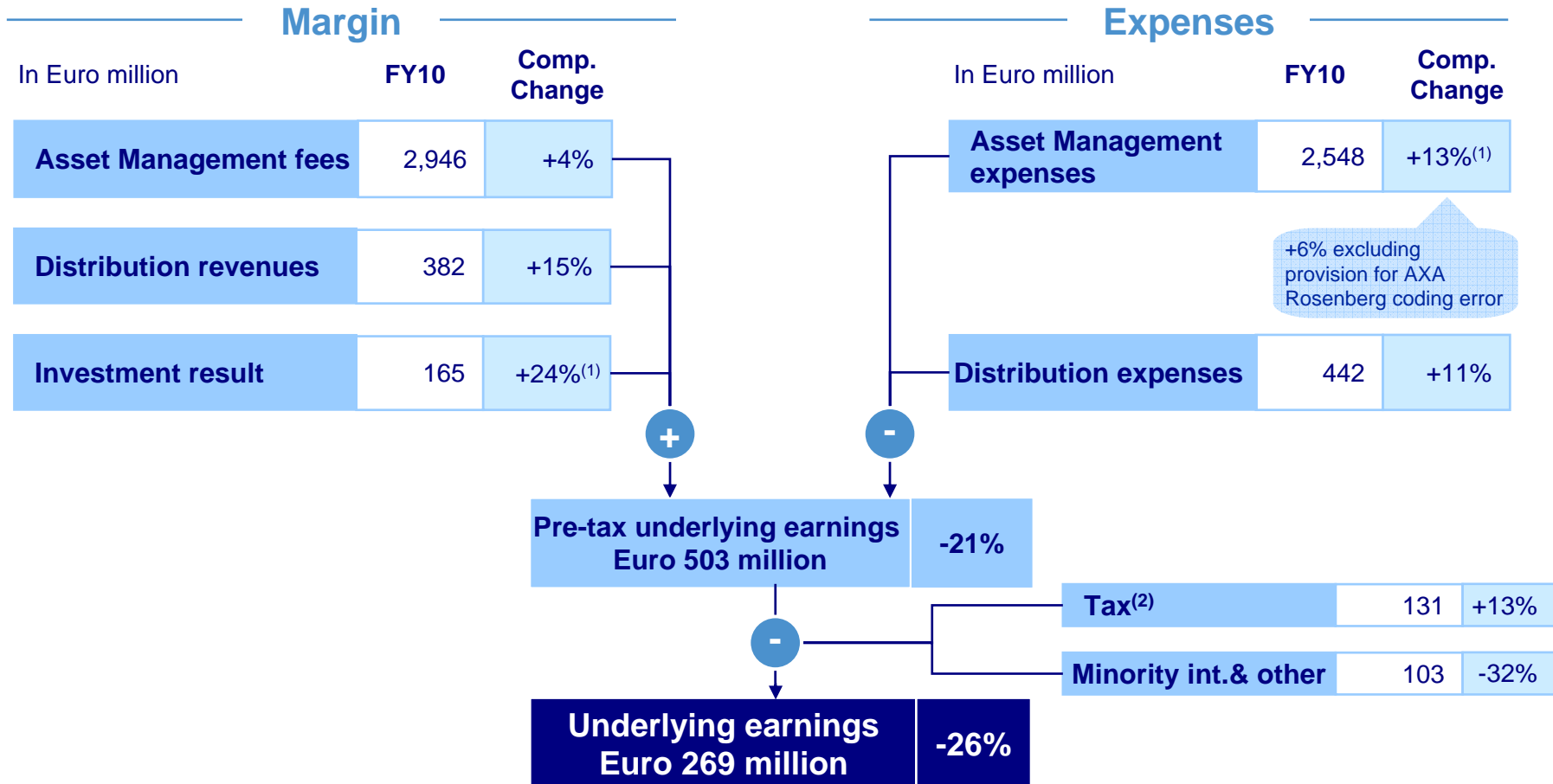
Balance sheet

Embedded value and cash flows

Other

# AM - Underlying Earnings

## Details of Asset Management margin analysis

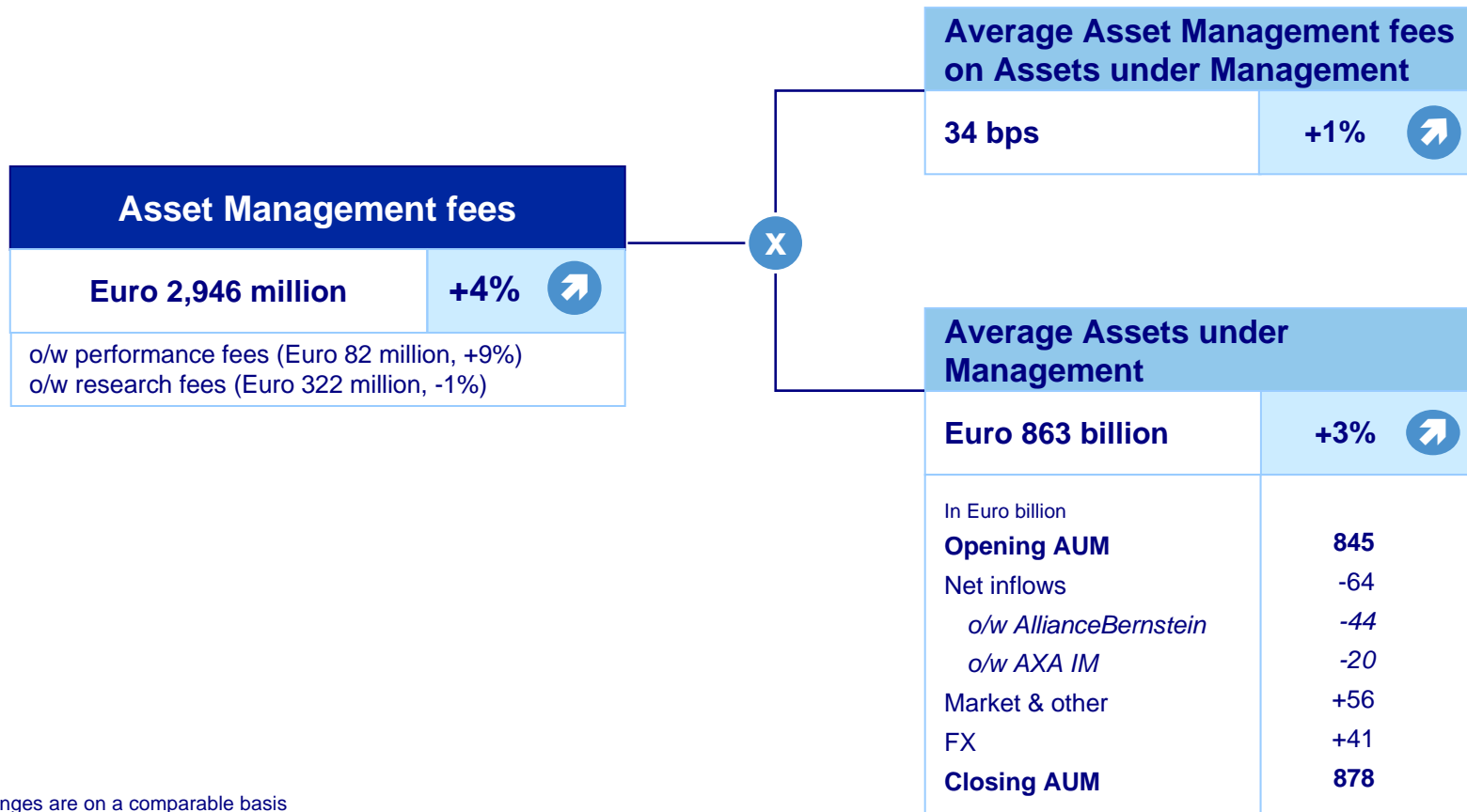


(1) Changes are restated from deferred compensation benefits variances that have zero net P&L impact with impacts in investment results fully offset in expenses (Euro +33 million impact in FY09 and Euro +11 million in FY10).

(2) Tax rate up from 18% in FY09 to 26% in FY10 mainly due to the non repeat of 2009 positive one offs (Euro +62 million at AllianceBernstein)

# AM – Underlying Earnings

## Details on Asset Management revenues



Changes are on a comparable basis

# Table of content

Group

Life & Savings

Property & Casualty

Asset Management

**Balance sheet**

Embedded value and cash flows

Other



# Balance sheet

## 1 General accounts invested assets

**Page 34**

1.1 Government bonds & related

page 35

1.2 Corporate bonds

page 36

1.3 CDS

page 38

1.4 Government and corporate bonds gross exposure  
to selected Euro-zone countries

page 39

1.5 ABS

page 40

1.6 Equity

page 46

1.7 Real Estate

page 47

1.8 Hedge Funds

page 48

1.9 Private Equity

page 49

1.10 Mortgage loans

page 50

## 2 Solvency

**Page 51**

## 3 Net financial debt

**Page 54**

# 1 General Account invested assets

Invested assets (100%) In Euro billion	FY09	%	FY10	%
<b>Fixed income</b>	<b>328</b>	<b>81%</b>	<b>370</b>	<b>83%</b>
<i>o/w Govies and related</i>	154	38%	191	43%
<i>o/w Corporate bonds</i>	146	36%	150	34%
<i>o/w Asset backed securities</i>	10	2%	10	2%
<i>o/w Mortgage loans &amp; other<sup>(1)</sup></i>	17	4%	19	4%
<b>Cash</b>	<b>20</b>	<b>5%</b>	<b>22</b>	<b>5%</b>
<b>Listed equities</b>	<b>17</b>	<b>4%</b>	<b>18</b>	<b>4%</b>
<b>Real Estate</b>	<b>19</b>	<b>5%</b>	<b>21</b>	<b>5%</b>
<b>Alternative Investments<sup>(2)</sup></b>	<b>10</b>	<b>2%</b>	<b>12</b>	<b>3%</b>
<b>Policy loans</b>	<b>10</b>	<b>2%</b>	<b>6</b>	<b>1%</b>
<b>Total G/A and Bank Assets</b>	<b>403</b>	<b>100%</b>	<b>447<sup>(3)</sup></b>	<b>100%</b>

## – Changes in asset allocation –

- **Net inflows:** mainly invested in Government bonds
- **Mark to market:** Fixed income assets benefiting from interest rates decrease
- **Forex:** depreciation of the Euro mainly against CHF and Yen
- **Scope effect:**
  - Euro -6bn related to the sale of part of the UK Life operations

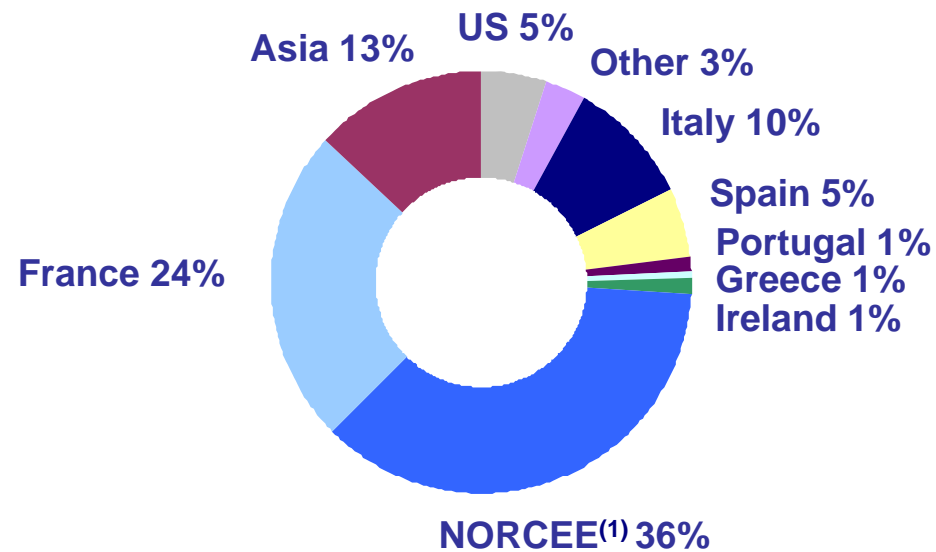
(1) Mortgage loans & other include individual mortgage and loans held by the insurance companies of the Group (Euro 13 billion, of which Euro 11 billion in Germany and Switzerland participating funds) and Agency Pools (Euro 2 billion)

(2) Mainly Private Equity and Hedge Funds

(3) Total invested assets referenced in page 51 of the financial supplement are Euro 618 billion including notably Euro 138 billion of Unit-Linked contracts, Euro 19 billion of mortgages & other loans from the banking segment which were previously reported as receivables, Euro 4 billion of Holding & Other, Euro 3 billion derivatives mark-to-market related to balance sheet hedges, Euro 3 billion of MedLa/Asian assets, Euro 1 billion Paris Re ring fenced assets, Euro 1 billion non looked-through Mutual funds

## 1.1 Government bonds and related

Government bonds gross portfolio by country  
(Euro 191 billion gross)



(1) AXA NORCEE + Austria & Netherlands

Government bonds exposure to selected Eurozone countries, net of tax and policyholder participation

**Italy:** Euro 6.0bn

**Portugal:** Euro 0.7bn

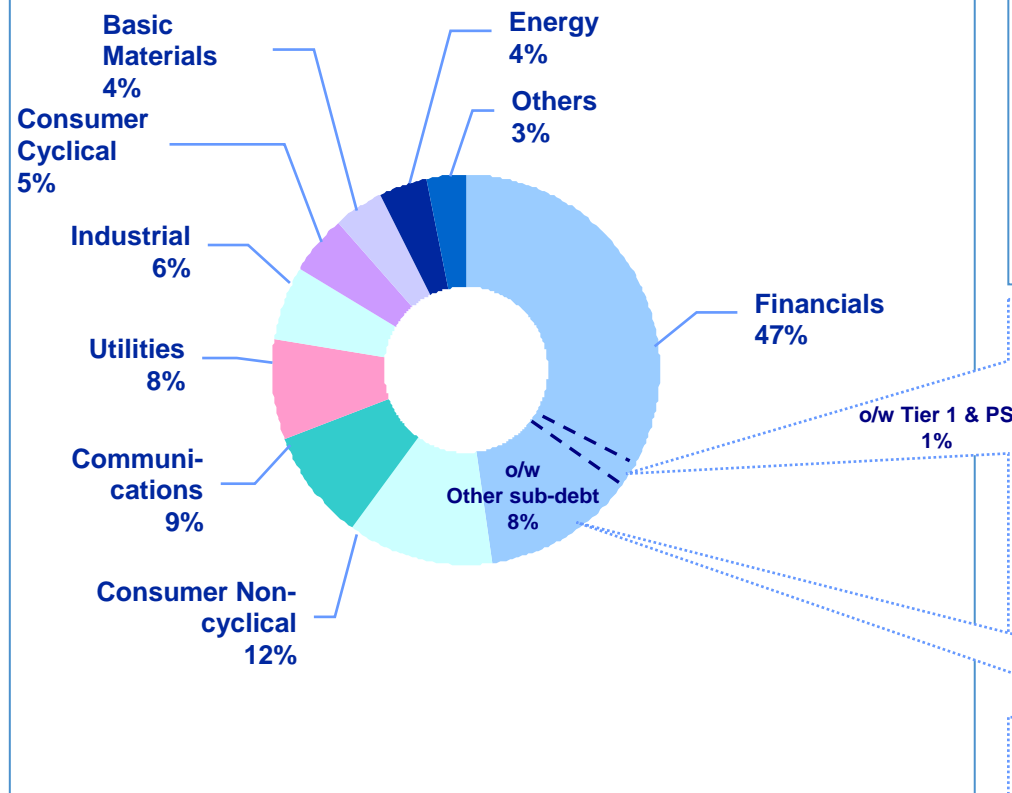
**Greece:** Euro 0.3bn

**Spain:** Euro 4.1bn

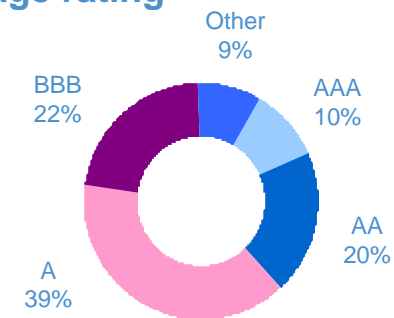
**Ireland:** Euro 0.3bn

## 1.2 Corporate bonds

**Corporate bond portfolio by industry  
(Euro 150 billion gross)**



**A+ average rating**



- **Preferred shares:** Euro 0.1<sup>(1)</sup> billion
- **Tier 1 debt:** Euro 0.7<sup>(1)</sup> billion
  - o/w United States:* < Euro 0.1<sup>(1)</sup> billion
  - o/w United Kingdom:* Euro 0.2<sup>(1)</sup> billion

- **Highest exposure to bank Tier 1:** < Euro 0.1<sup>(1)</sup> billion
- **Top ten exposures to bank Tier 1:** Euro 0.5<sup>(1)</sup> billion

**0%** upper Tier 2, **6%** lower Tier 2, **2%** senior sub

(1) Net of tax and policyholders' participation

## 1.2

# Corporate bonds breakdown by country (including CDS)

**P = Participating NP = Non-participating**

Euro billion As of December 31, 2010	US	UK	Japan	Germany		Switzerland		France		Other <sup>(1)</sup>		Total	
	NP	NP	NP	P	NP	P	NP	P	NP	P	NP	P	NP
AAA	0	0	0	3	0	3	1	4	2	1	1	11	4
AA	2	0	4	2	0	4	1	6	2	4	3	17	13
A	10	1	6	5	1	6	1	11	4	8	5	30	29
BBB	10	1	5	3	1	3	1	5	1	3	1	14	20
Below invst. grade	1	0	0	1	0	2	0	1	0	0	1	4	3
Non rated	0	0	0	1	1	0	0	0	0	1	2	3	4
<b>Total</b>	<b>24</b>	<b>2</b>	<b>16</b>	<b>15</b>	<b>3</b>	<b>19</b>	<b>4</b>	<b>27</b>	<b>10</b>	<b>17</b>	<b>13</b>	<b>78</b>	<b>72</b>

(1) Including Belgium, MPS, Spain, Italy, Asia Pacific (exc. Japan), Other

## 1.3 Corporate bonds: focus on CDS overlay strategy

- **CDS overlay Investment Strategy:**

CDS are used as an alternative to investment grade corporate bonds

<i>Euro million</i>	Net Notional As of Dec 31, 2009	Net Notional As of Dec 31, 2010
AAA	798	126
AA	2,051	667
A	6,021	4,265
BBB	2,694	1,418
Below invst. grade	212	-60
Non rated	1,175	518
<b>Total</b>	<b>12,951</b>	<b>6,933</b>
Market value	13	28

## 1.4 Government and corporate bonds gross exposure to selected Euro-zone countries

Life & Savings companies	In Euro billion	Government bonds	Corporate bonds	<i>of which financial services</i>
	France	39.8	13.7	6.2
	Germany	21.1	12.4	5.7
	Belgium	16.4	1.9	1.3
	Italy	16.5	3.6	2.1
	Spain	8.6	5.2	3.7
	Portugal	1.8	0.7	0.6
	Ireland	0.8	0.3	0.0
	Greece	1.0	0.0	0.0

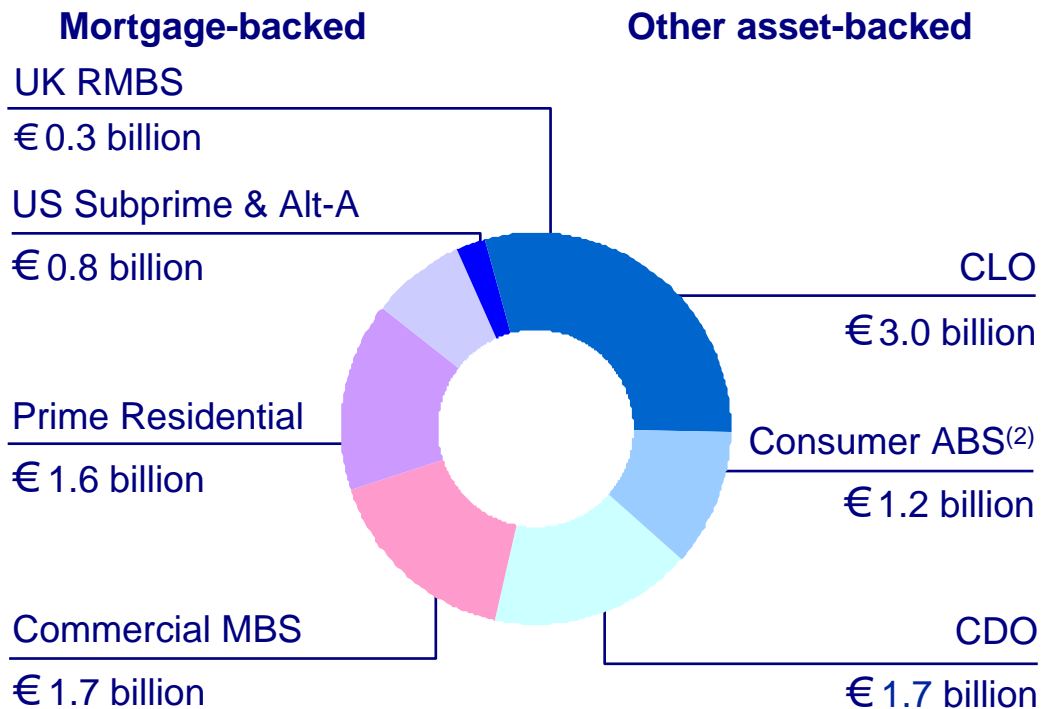
  

P&C companies	In Euro billion	Government bonds	Corporate bonds	<i>of which financial services</i>
	France	6.0	3.2	1.5
	Germany	3.5	2.5	0.9
	Belgium	3.3	0.3	0.1
	Italy	1.4	0.8	0.4
	Spain	1.7	1.3	0.9
	Portugal	0.4	0.1	0.1
	Ireland	0.2	0.1	0.0
	Greece	0.1	0.0	0.0

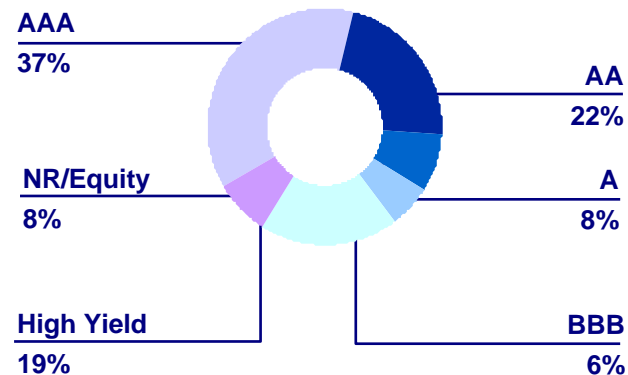
# 1.5 Asset Backed Securities by underlying type of asset

## Economic breakdown of ABS by asset type<sup>(1)</sup>

As of December 31, 2010  
Total ABS = Euro 10.3 billion



## Ca. 60% AAA & AA



(1) Including debt and equity tranches of ABS

(2) Mainly consumer loan ABS (plus some leases and operating ABS assets)



## 1.5 Credit risk management: ABS investments

### Group ABS exposure remained fairly stable mainly driven by:

- -15% decrease due to maturities and amortization, mainly on Consumer ABS
- -8% sales notably Consumer ABS
- +5% increase in asset value, mainly on CLOs partly offset by CMBS
- +18% purchase notably CLOs

<i>In Euro million</i>	Group ABS Exposure		Asset values	
	31/12/2009	31/12/2010	31/12/2009	31/12/2010
<b>Mortgage-backed</b>				
Prime Residential	1,897	1,596	89%	87%
Commercial MBS	2,092	1,718	75%	69%
UK RMBS	291	259	59%	65%
US Subprime	616	761	42%	51%
US Alt-A	36	34	14%	21%
<b>Other asset-backed</b>				
Consumer ABS	1,446	1,188	92%	91%
CLO	2,283	3,023	70%	78%
Investment Grade CDO	1,371	1,442	75%	78%
High-Yield CDO	150	96	68%	59%
Structured Finance CDO	60	60	22%	25%
Other CDO	170	122	33%	31%
<b>Total</b>	<b>10,412</b>	<b>10,300</b>	<b>70%</b>	<b>72%</b>

## 1.5 Focus on Mortgage-Backed Securities

<i>Euro million As of December 31, 2010 (unless indicated)</i>	Prime Residential MBS	Commercial MBS	UK RMBS	US Subprime RMBS	US Alt-A RMBS
% of par @ 31/12/07	98%	92%	96%	72%	59%
% of par @ 31/12/08	91%	77%	59%	45%	14%
% of par @ 31/12/09	89%	75%	59%	42%	14%
% of par @ 31/12/10	87%	69%	65%	51%	21%
AAA	1,249	230	168	31	3
AA	151	452	60	96	2
A	110	220	6	101	2
BBB	44	225	6	97	3
Below invst. Grade	41	520	20	435	24
Equity / Non rated	1	71	0	1	0
<b>Value</b>	<b>1,596</b>	<b>1,718</b>	<b>259</b>	<b>761</b>	<b>34</b>
<b>Shareholder Exposure</b>	<b>73%</b>	<b>82%</b>	<b>63%</b>	<b>39%</b>	<b>92%</b>
<b>OCI<sup>(1)</sup></b>	<b>52%</b>	<b>92%</b>	<b>32%</b>	<b>90%</b>	<b>40%</b>
<b>P&amp;L</b>	<b>48%</b>	<b>8%</b>	<b>68%</b>	<b>10%</b>	<b>60%</b>

(1) Fair value changes of assets classified as available for sale are recognized in the OCI component in shareholders' equity.

## 1.5 Focus on US Subprime RMBS by vintage

<i>Euro million As of December 31, 2010</i>	2008		2007		2006		2005		2004 & Prior		Total	
	value		value	value	value	value	value	value	value	value	value	value
AAA	0	-	3	95%	0	-	11	94%	18	89%	31	91%
AA	0	-	1	92%	7	92%	67	92%	22	82%	96	90%
A	0	-	0	98%	7	76%	80	83%	14	55%	101	77%
BBB	0	-	8	51%	21	78%	58	68%	9	63%	97	67%
Below invst. grade	0	-	131	46%	182	45%	90	34%	31	27%	435	41%
Not rated	1	80%	0	-	0	-	0	-	0	91%	1	80%
<b>Value</b>	<b>1</b>	<b>80%</b>	<b>143</b>	<b>47%</b>	<b>216</b>	<b>49%</b>	<b>306</b>	<b>58%</b>	<b>95</b>	<b>47%</b>	<b>761</b>	<b>51%</b>
Shareholder Exposure	76%		39%		35%		28%		83%		39%	
OCI <sup>(1)</sup>	71%		91%		94%		95%		65%		90%	
P&L	29%		9%		6%		5%		35%		10%	

(1) Fair value changes of assets classified as available for sale are recognized in the OCI component in shareholders equity.

## 1.5 Focus on other asset-backed securities

<i>Euro million</i> <i>As of December 31, 2010</i>	CDO	CLO	Consumer ABS
% of par @ 31/12/07	78%	90%	98%
% of par @ 31/12/08	42%	75%	90%
% of par @ 31/12/09	62%	70%	92%
% of par @ 31/12/10	65%	78%	91%
AAA	925	515	714
AA	33	1,378	127
A	21	124	203
BBB	29	145	55
Below invst. grade	369	525	56
Equity / Non rated	344	338	32
<b>Value</b>	<b>1,721</b>	<b>3,023</b>	<b>1,188</b>
<b>Shareholder Exposure</b>	<b>41%</b>	<b>59%</b>	<b>72%</b>
<b>OCI<sup>(1)</sup></b>	<b>8%</b>	<b>77%</b>	<b>56%</b>
<b>P&amp;L</b>	<b>92%</b>	<b>23%</b>	<b>44%</b>

- Consumer ABS is comprised of the following:

Leases	16%
Other Consumer	26%
Operating	12%
Credit Cards	18%
Auto	26%
Student Loans	2%

(1) Fair value changes of assets classified as available for sale are recognized in the OCI component in shareholders equity.

## 1.5 Focus on CDO

<i>Euro million</i> <i>As of December 31, 2010</i>	Investment grade	High Yield	Structured Finance	Other CDOs	Total
AAA	921	0	0	4	925
AA	10	2	12	8	33
A	3	0	15	3	21
BBB	11	9	1	9	29
Below invst. grade	296	28	27	19	369
Equity / Non rated	202	57	5	80	344
<b>Value</b>	<b>1,442</b>	<b>96</b>	<b>60</b>	<b>122</b>	<b>1,721</b>
<b>Shareholder Exposure</b>	<b>36%</b>	<b>67%</b>	<b>70%</b>	<b>62%</b>	<b>41%</b>
<b>OCI<sup>(1)</sup></b>	<b>2%</b>	<b>25%</b>	<b>33%</b>	<b>48%</b>	<b>8%</b>
<b>P&amp;L</b>	<b>98%</b>	<b>75%</b>	<b>67%</b>	<b>52%</b>	<b>92%</b>

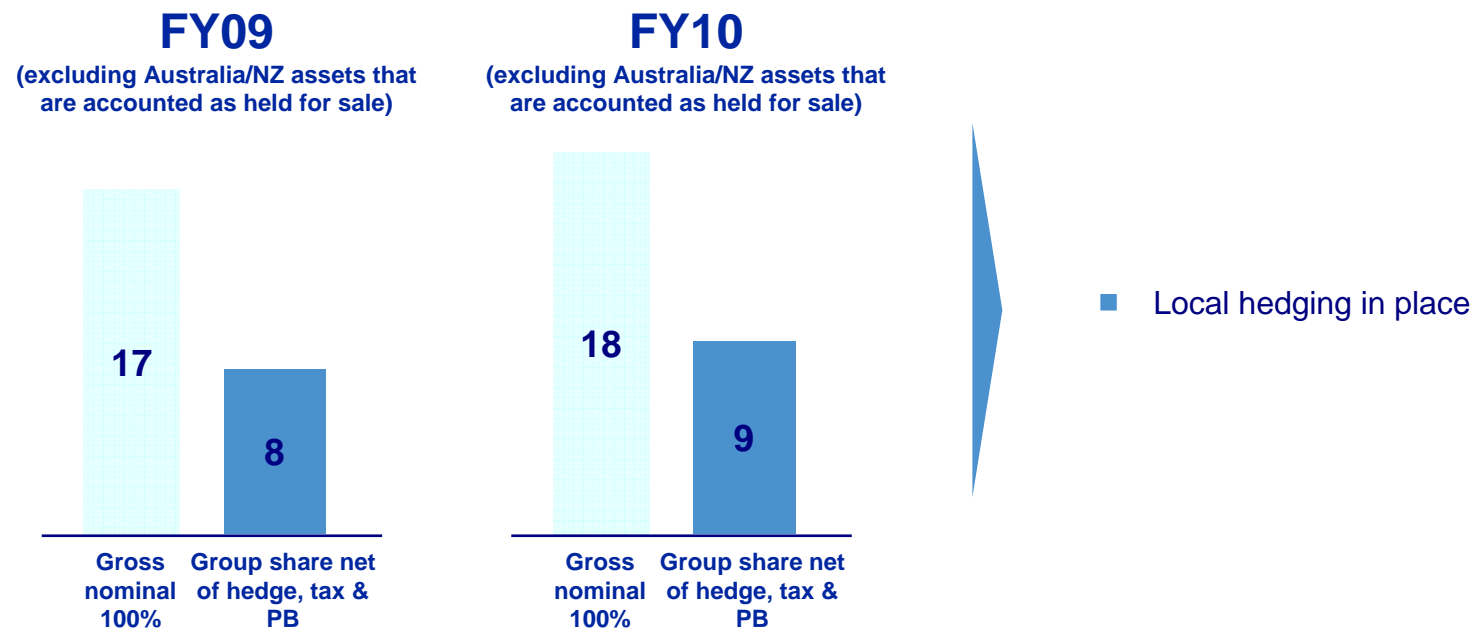
(1) Fair value changes of assets classified as available for sale are recognized in the OCI component in shareholders equity.

## 1.6 Update on equity hedges

### Euro 9 billion net equity exposure

Estimated shareholders' exposure as of December 31, 2010

In Euro billion



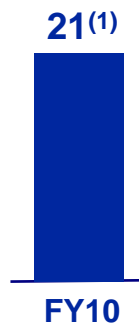
# 1.7

## Real Estate investments

Defensive portfolio with good performance over the long term

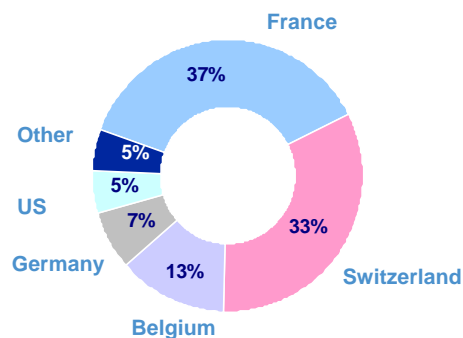
### Key indicators

#### Market value (in Euro billion)



(1) Representing €2.7bn of unrealized gains, net of tax and PB

#### FY10 market value by country



#### Split by type

	France	Switz.	Belgium	Germany
Office	~50%	~45%	~75%	~70%
Residential	~10%	~50%	~0%	~5%
Commercial	~25%	~0%	~20%	~15%
Other	~15%	~5%	~5%	~10%

Average capitalization rate  
~ 6%

### Environment

- In 2010, prices continued to stabilize and even increased in some markets such as France and the UK, in particular for high quality assets
- Transaction volumes continued to improve with focus remaining on high quality assets
- Switzerland and Germany continue to prove very stable and countercyclical markets

### AXA portfolio return drivers

- Defensive portfolio given low exposure to risky markets (Spain, US...)
- Prime assets hence liquid portfolios
- High visibility on assets: >90% of the investments are directly managed

### 2011 outlook

- Prime assets pricing expected to stabilize, most of the performance should derive from rental income
- Secondary and risky properties pricing expected to remain depressed

## 1.8

# Hedge Fund investments

## Stable performance

### Key indicators

#### Market value

(in Euro billion)



#### Exposure and concentration risk

- Mostly management of **funds of hedge funds**
- **Stable exposures** throughout 2010
- **Top 10** fund managers represent ~**30%** of portfolio market value
- Broad **strategy diversification** (largest strategy <25%)
- Portfolios are **liquid**

#### Environment

- HF industry continued to grow in 2010 nearly reaching back pre-crisis levels
- 2010 proved to be a reasonably good year for hedge funds
- Long beta positioning paid off for many funds as risky assets rallied in 2H10 on the back of expectations of further provision of liquidity by the Fed

#### AXA portfolio performance

- 2010 performance of 7% achieved with **low beta** to equity and credit markets
- Return sources in 2010 have been **broadly diversified** across all substrategies – main drivers are Global Macro, FI Arbitrage, CTAs/managed futures, Event Driven and Multi-strategy
- Hedge Funds continue to act as very a good diversifier in insurance portfolios
- Excellent 5 year performance at Euribor + 2.6%

#### 2011 Outlook

- The continuation of the economic recovery from the credit crisis and the very loose monetary policy by the US Fed are providing a backdrop for risky assets
- However, uncertainties around further issues in the Eurozone and an economic slowdown in China
- As a result, 2011 should somewhat resemble to 2010 which overall proved to be a good environment for hedge funds



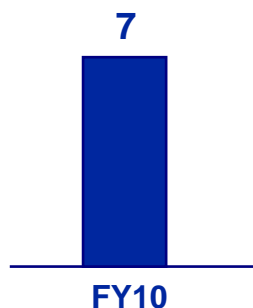
1.9

# Private Equity investments

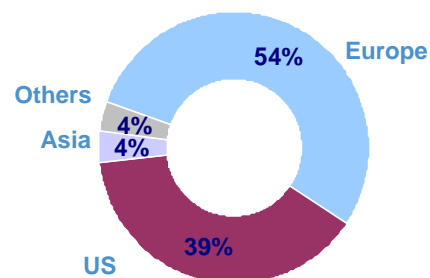
Diversified portfolio built over the long run

## Key indicators

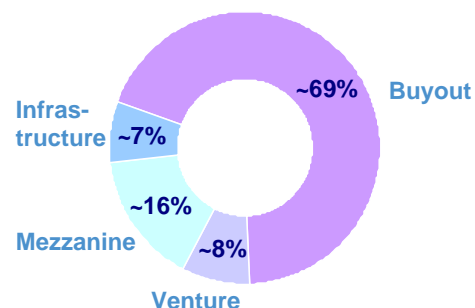
**Market value**  
(in Euro billion)



**Breakdown by geography**



**Breakdown by expertise**



**Performance**

**AXA Private Equity voted**  
“The firm considered most likely to outperform for investors over the next decade” by HEC - Dow Jones

### Environment

- Valuations are up since mid 2010
- Private equity market reactivated as liquidity and visibility improved

### AXA portfolio return drivers

- Diversified portfolio with anticyclical field of expertise (Infrastructure)
  - 43% of funds managed directly: very good knowledge on underlying assets
  - 57% of funds of funds: strong presence in Boards to get very good visibility on assets
- In 2010:
- Valuations and distributions increased in all expertises
  - Clean Direct portfolio (no default / repayment issues) and Funds of Funds portfolio (overall, underlying companies have strongly deleveraged)

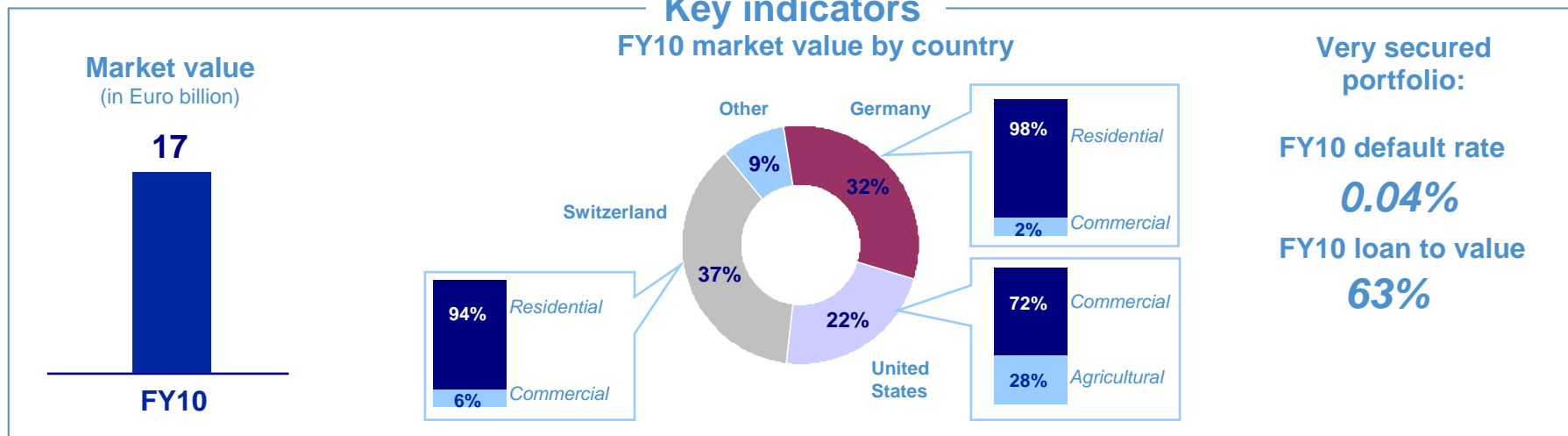
### 2011 outlook

- Private equity activity (both investments and disposals) expected to increase strongly in both Direct and Funds of Funds
- AXA still buyer with no pressure to sell assets

# 1.10

## Mortgage loans & other Low risk mortgage loan portfolio

### Key indicators



### Details by country

#### United States

- Good loan-to-value
- 73% for commercial mortgages
- 44% for agricultural mortgages
- Diversified by product type and region
- Ca 2,000 loans

#### Germany

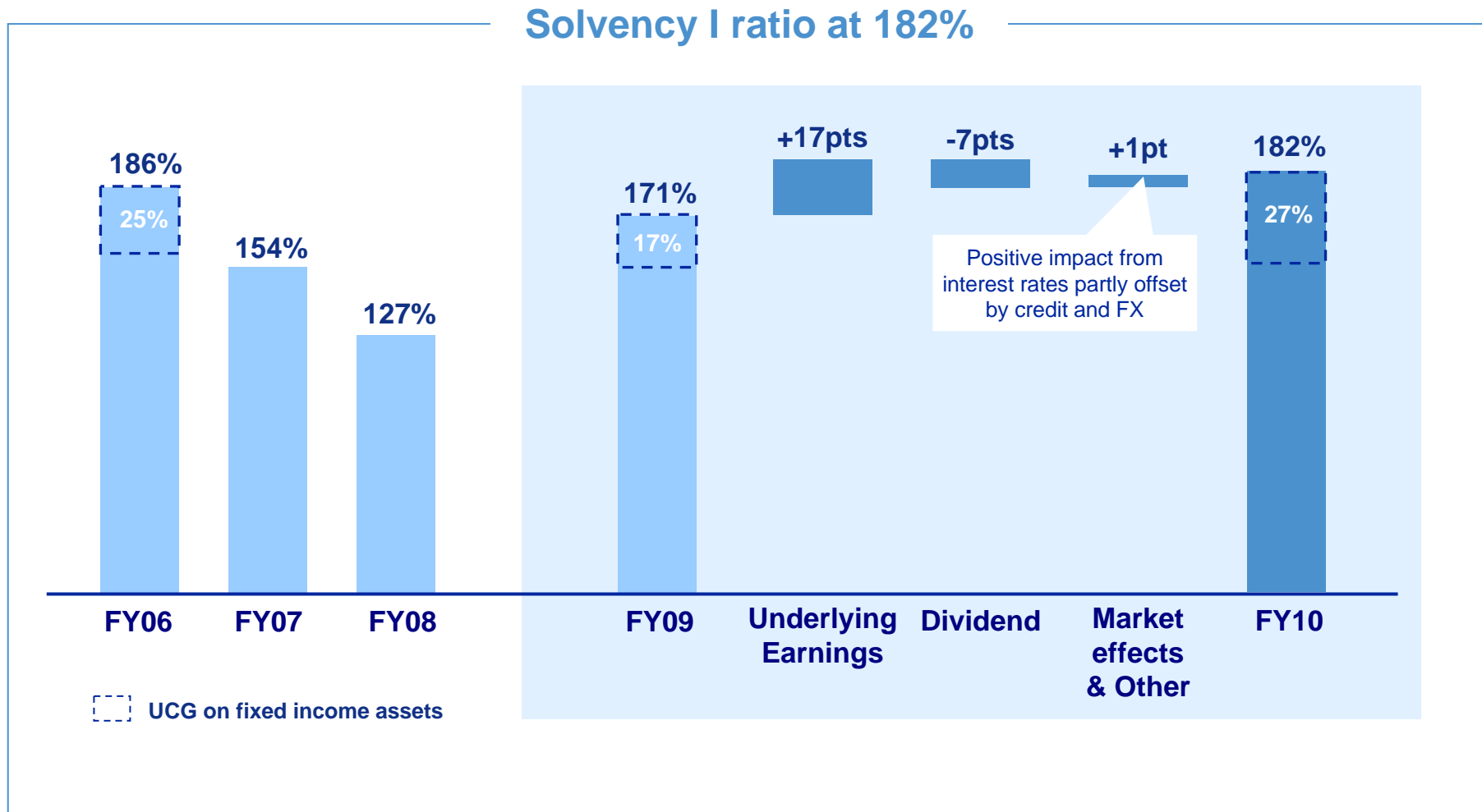
- Mortgage loans are located in participating funds

#### Switzerland

- Primarily residential and located in participating funds

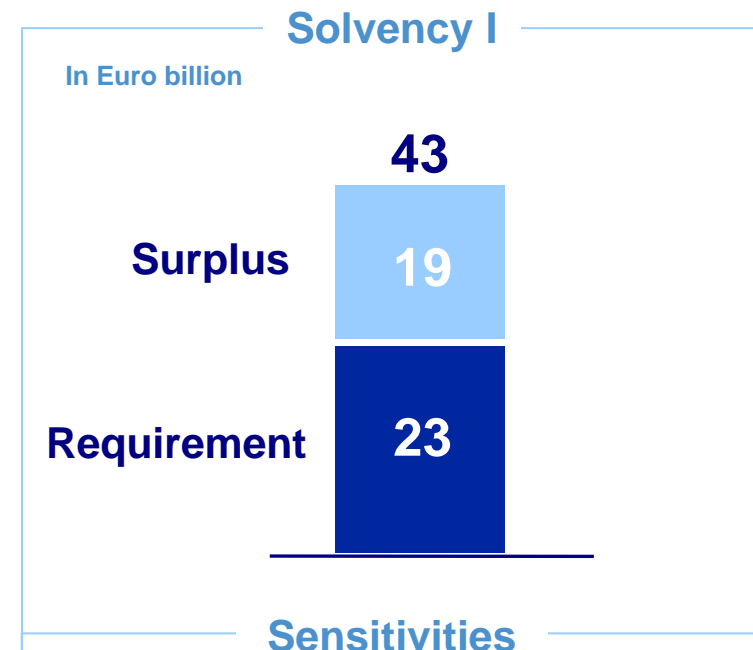
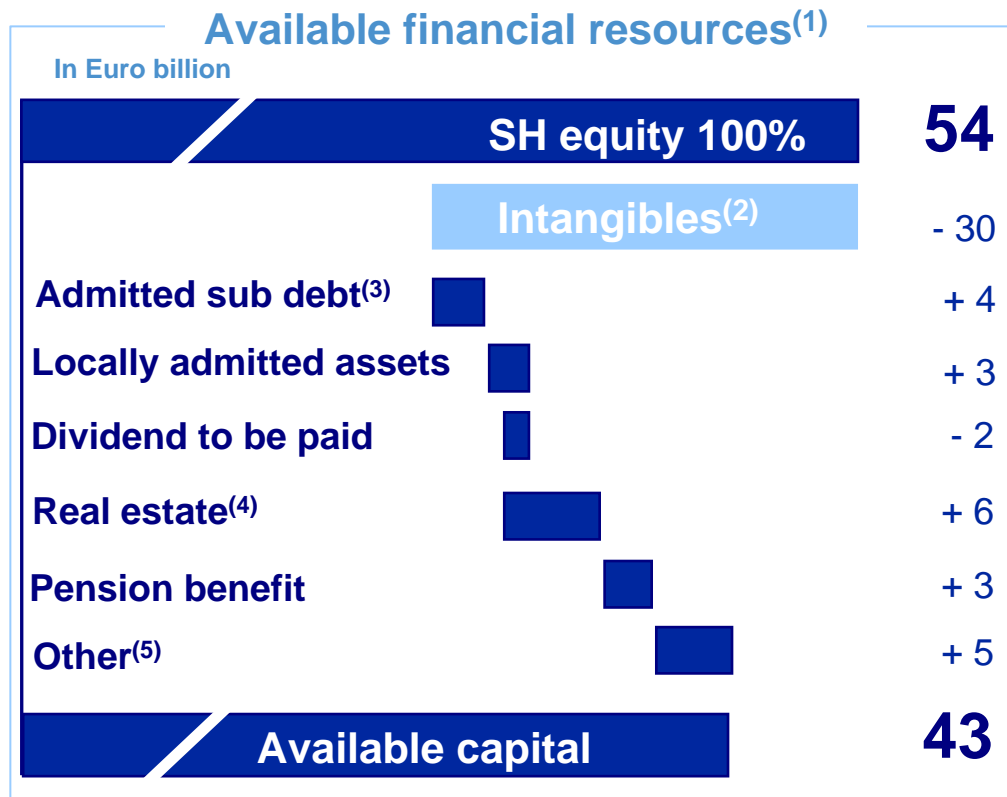
(1) Excluding Euro 2 billion of Agency pools (Mortgage-backed securities issued by US Government Sponsored Enterprises)

## 2 Continued increase in Solvency I ratio



## 2

# Solvency I reconciliation to shareholders' equity & sensitivities



<b>Equities</b>	▪ - 10%	-6 pts
	▪ +10%	+5 pts
<b>Real Estate</b>	▪ - 10 %	-6 pts
	▪ - 10%	-2 pts

On fixed income assets, sensitivities to market evolutions are: -8 pts to 10 bps increase in interest rates, -3 pts to 10 bps increase in corporate spreads, with the combination of both impacts capped at -28 pts of Solvency

(1): AXA is not a financial conglomerate but its solvency margin is nevertheless reduced by the amount of its equity interests in credit institutions, investment companies or financial institutions if the Group holds more than 20% in the mentioned entities. These stakes are deducted in "Other" for a total €3.8 billion

(2): Of which Euro 28.8 billion shareholders' share intangibles

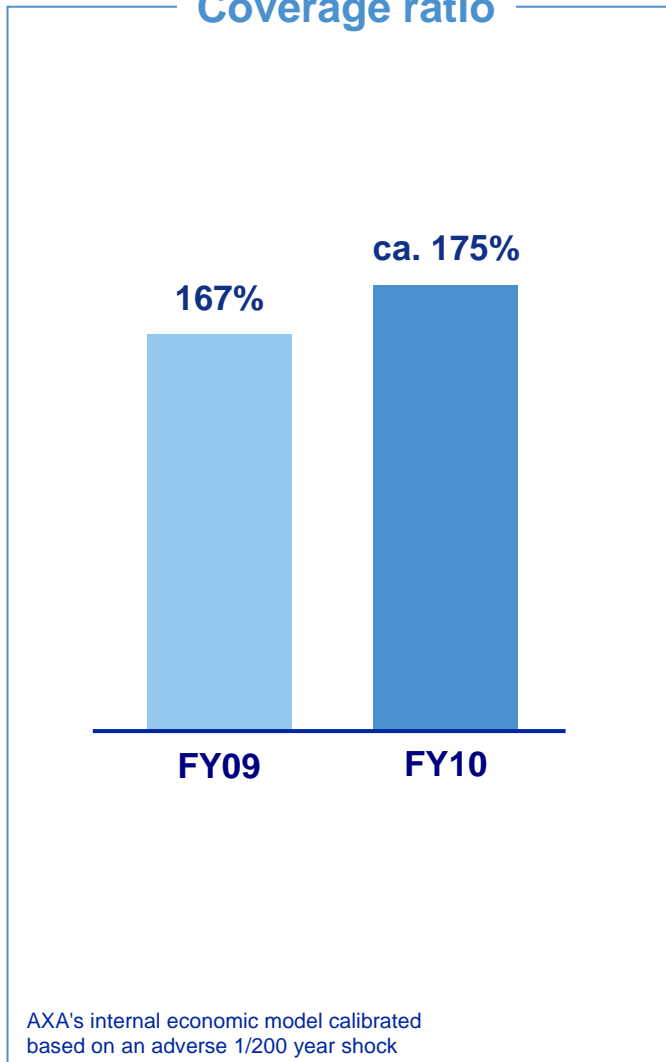
(3): All Sub debts (including undated debt already booked in shareholders' equity) are admitted up to 50% of requirements

(4): and loans

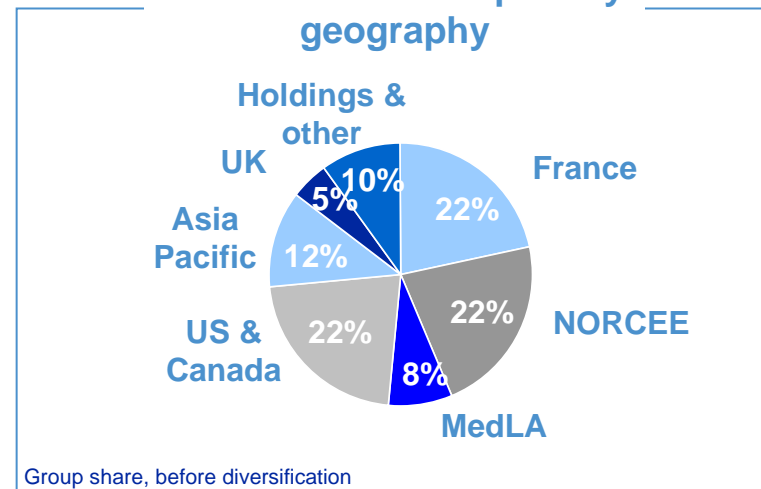
(5): Notably includes Zillmer adjustment, gross up of tax and policyholder participation of net unrealized gains on investments minus net consolidated book value in financial services (see (1))

## 2 Economic capital model

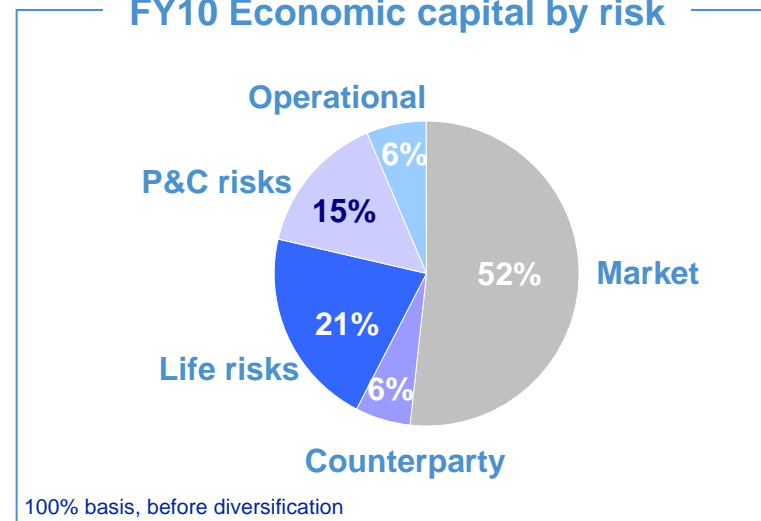
Coverage ratio



FY10 Economic capital by geography



FY10 Economic capital by risk



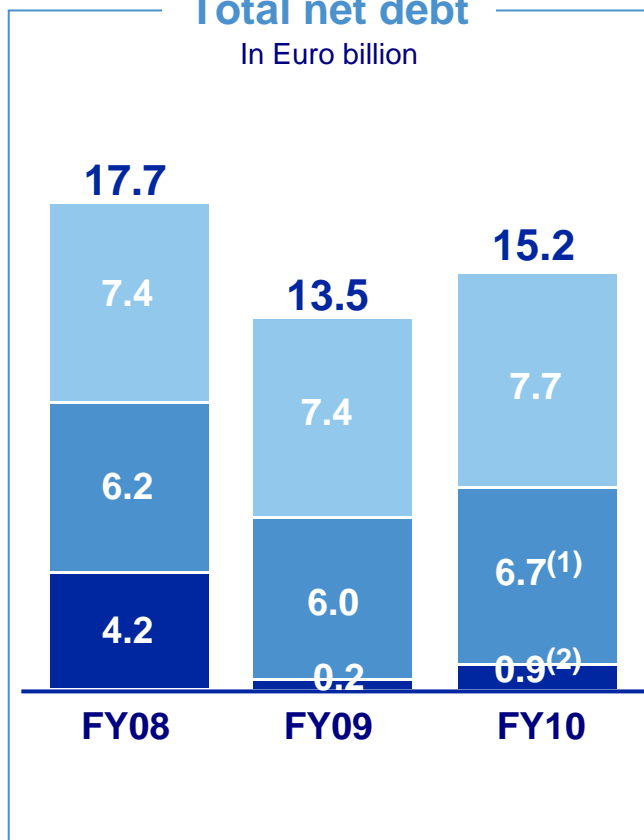
3

# Net financial debt

## Long-term maturities

### Total net debt

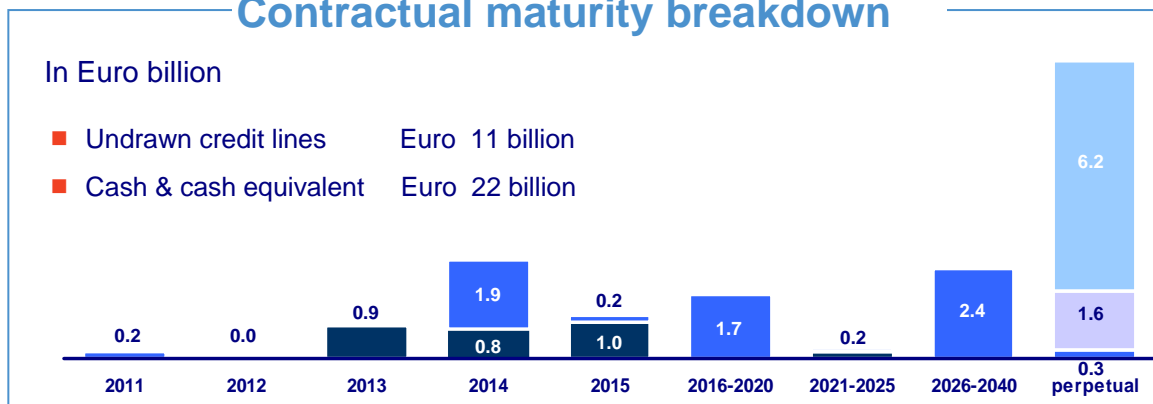
In Euro billion



### Contractual maturity breakdown

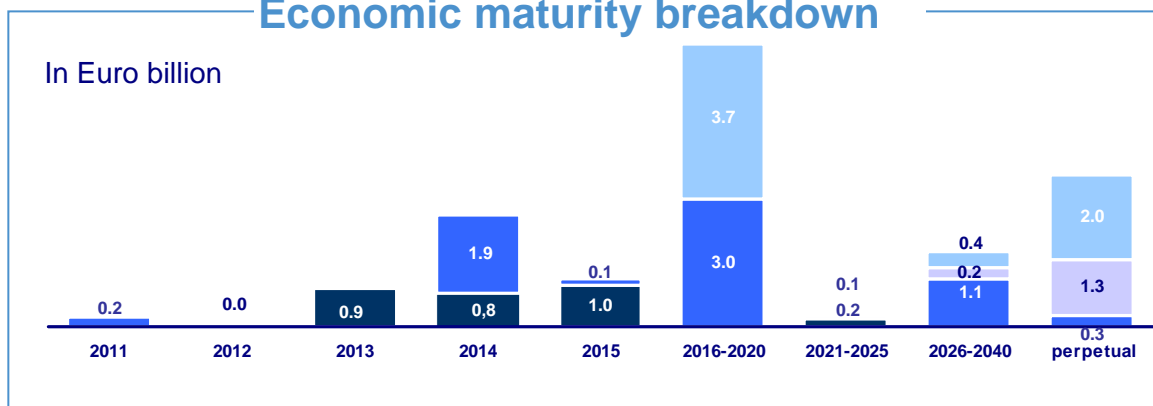
In Euro billion

- Undrawn credit lines Euro 11 billion
- Cash & cash equivalent Euro 22 billion



### Economic maturity breakdown

In Euro billion



(1) Including Euro -0.4 billion of reversal of mark-to-market on interest rate derivatives

(2) Senior debt and commercial paper outstanding, net of Euro 2.5 billion available cash at holdings' levels

- Senior debt
- Subordinated debt
- TSS = undated deeply subordinated notes
- TSDI = undated subordinated notes

# Table of content

Group

Life & Savings

Property & Casualty

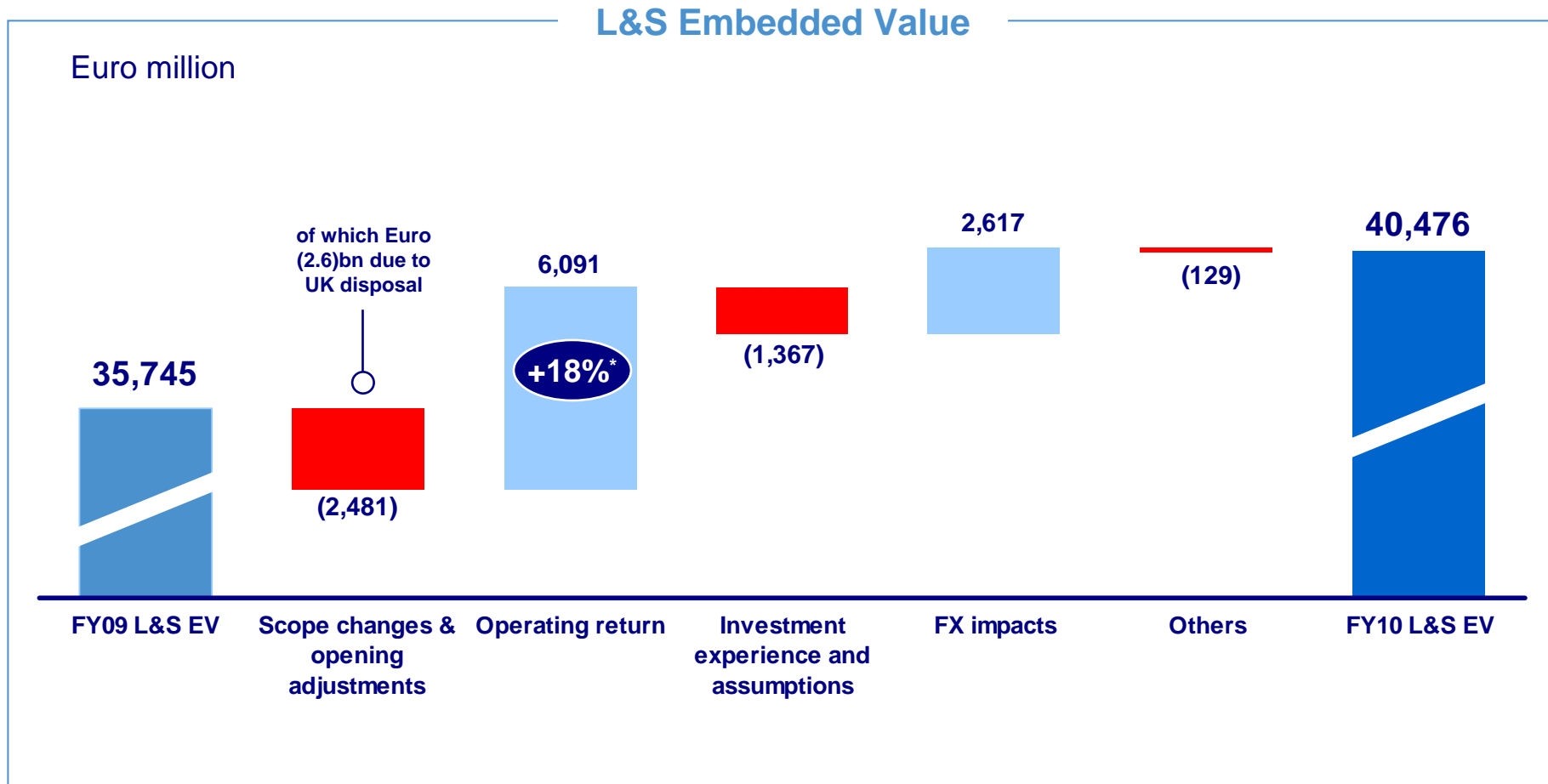
Asset Management

Balance sheet

**Embedded value and cash flows**

Other

# L&S Embedded Value increased by Euro 4.7 billion



\* Operating return is assessed as follows: (Operating performance+ NBV)/ adjusted opening EEV



## L&S Embedded Value key sensitivities

Key sensitivities	Impact on L&S NBV		Impact on L&S EEV	
	Euro million	%	Euro million	%
<b>Sensitivity to equity markets</b>				
<i>10% increase</i>	+69	+5%	+1,401	+3%
<i>10% decrease</i>	-70	-5%	-1,536	-4%
<b>Sensitivity to interest rates</b>				
<i>Upward 100bps parallel shift</i>	+7	+1%	+781	+2%
<i>Downward 100bps parallel shift</i>	-77	-6%	-2,440	-6%
<b>Sensitivity to volatility</b>				
<i>25% increase in volatility on equity markets</i>	-42	-3%	-778	-2%
<i>25% increase in volatility on bonds</i>	-65	-5%	-1,168	-3%

# Life & Savings operating Free Cash Flows

In Euro million	FY09			FY10		
	Expected inforce surplus generation	New business investments <sup>(1)</sup>	L&S operating free cash flows	Expected inforce surplus generation	New business investments <sup>(1)</sup>	L&S operating free cash flows
France	773	(639)	<b>134</b>	873	(623)	<b>250</b>
US	972	(512)	<b>459</b>	862	(311)	<b>551</b>
UK	242	(345)	<b>(102)</b>	82	(122)	<b>(39)</b>
Japan	454	(207)	<b>247</b>	541	(199)	<b>342</b>
NORCEE	556	(529)	<b>27</b>	725	(566)	<b>160</b>
<i>o/w Germany</i>	290	(259)	<b>31</b>	318	(228)	<b>90</b>
<i>o/w Switzerland</i>	91	(79)	<b>12</b>	223	(102)	<b>120</b>
<i>o/w Belgium</i>	119	(106)	<b>13</b>	110	(96)	<b>14</b>
<i>o/w CEE</i>	56	(85)	<b>(29)</b>	75	(139)	<b>(64)</b>
MedLA	135	(217)	<b>(82)</b>	282	(243)	<b>39</b>
Australia & New Zealand	83	(45)	<b>38</b>	112	(57)	<b>55</b>
Asia excl. Japan	135	(44)	<b>91</b>	137	(71)	<b>66</b>
<b>Total</b>	<b>3,350</b>	<b>(2,539)</b>	<b>811</b>	<b>3,615</b>	<b>(2,191)</b>	<b>1,423</b>

(1) New business strain + New business required capital

# Table of content

Group

Life & Savings

Property & Casualty

Asset Management

Balance sheet

Embedded value and cash flows

**Other**

# US DAC sensitivities to stock market movements

2011 equity market performance In Euro billion	US Underlying Earnings <sup>(1)</sup>
-10%	0.0
-25%	0.0
-40%	-0.1

(1) Net of tax