

Life & Savings workshop

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redefining / standards



Cautionary note concerning forward-looking statements

Certain statements contained herein are forward-looking statements including, but not limited to, statements that are predictions 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. Please refer to the section “Cautionary statements” in page 2 of AXA’s Document de Référence for the year ended December 31, 2009, 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.

Today's key messages

AXA's resilient business strategy, strong footprint and focused global organization

Global initiatives in place to optimize the L&S business profile

Focus on US Variable Annuity book and inforce management

Improved visibility of IFRS underlying earnings by product

Focus on new business IRR and operating Free Cash Flow generation

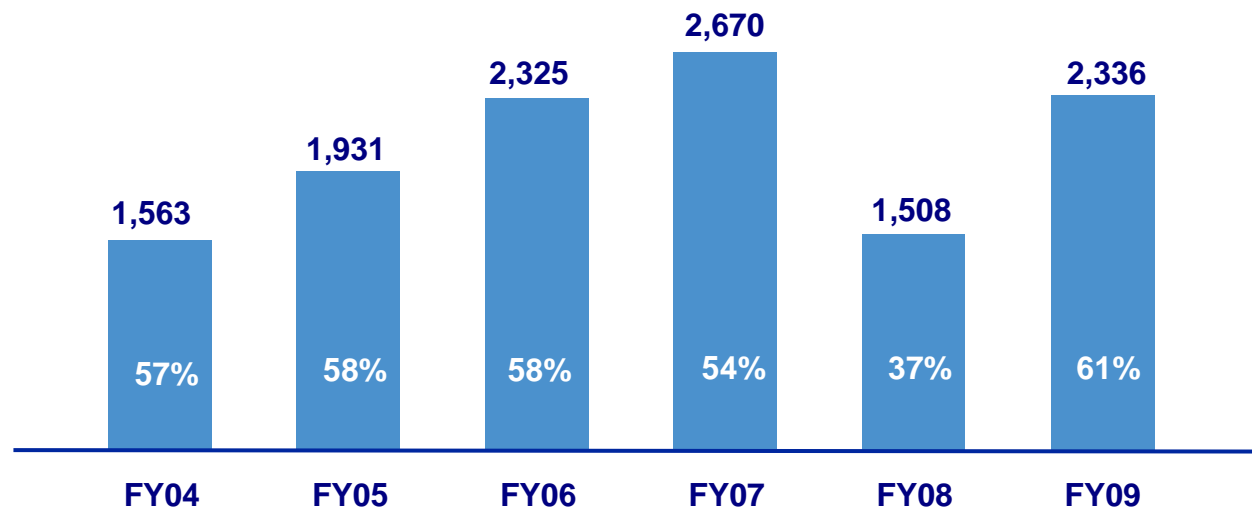
**AXA's resilient business strategy,
strong footprint
and focused global organization**

AXA's resilient business strategy

L&S underlying earnings rebounded strongly after 2008 headwind

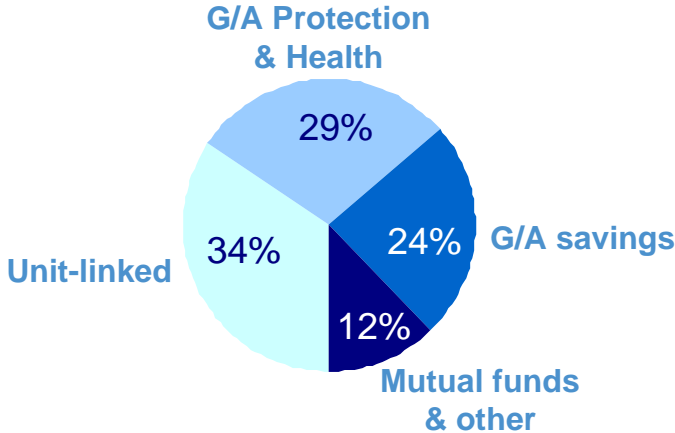
Underlying Earnings Life & Savings

Euro million and as % of total Group Underlying Earnings

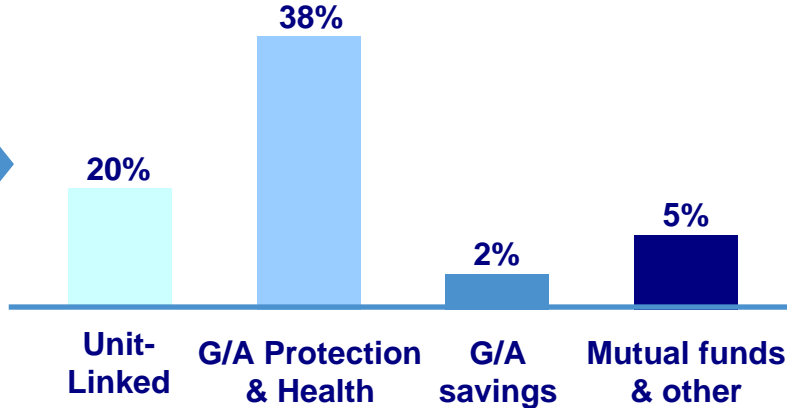


AXA's strong and diversified product, geographical & distribution footprint

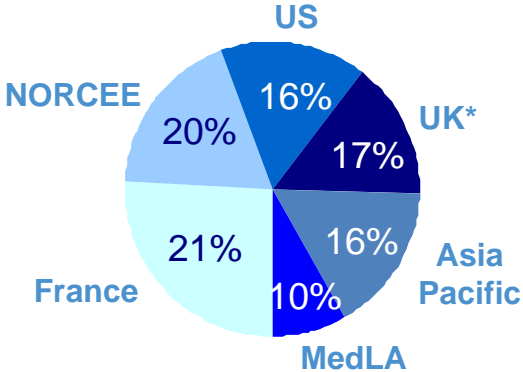
Product mix
(in % of total 1H10 APE)



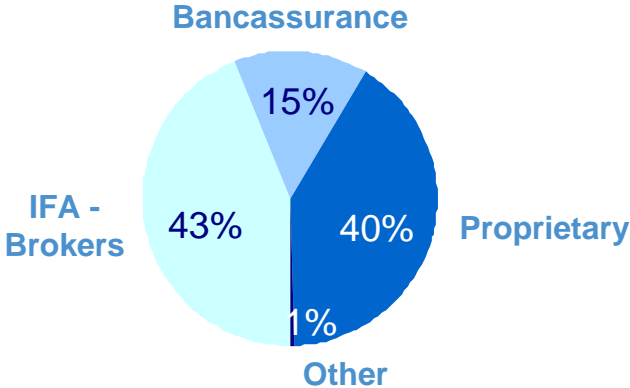
1H10 NBV margin by product
Total NBV margin of 19.1%



Geographical mix
(in % of total 1H10 APE)



Distribution mix
(in % of total 1H10 APE)



* Prior to sale of UK-based traditional life and pensions businesses to Resolution Ltd.

A global approach – Life & Savings Organization

Objectives for the global L&S

- Achieve better speed to market
- Increase return on economic capital, NBV margin and IRR
- Leverage Group resources and reap benefits of being Global

Strategic priorities of the global L&S

- 1** Accelerate diversification into Protection & Health
- 2** Enhance profitability in Savings Business
- 3** Prioritize investments in growth opportunities
- 4** Foster business efficiency to fund growth opportunities

Global Head of L&S

K. Condron

L&S Board (all AXA geographies and topics represented)

Mike Bishop	Mark Pearson	Marc Raisière	Thomas Gerber	Paul Evans	Frederic de Courtois	Keith Gibbs	Didier Weckner	Fabian Rupprecht
Regional CEO HK	CEO Japan	Head of L&S France	Head of L&S Germany	CEO UK	CEO of AXA MPS - Italy	CEO UK PPP Health	Head of Employee Benefits	COO L&S Business Line
Emerging Markets	Protection	Affluent & General Account	Inforce Management	Sub Advisory	Guarantee Concepts	Health	Employee Benefits	

Global initiatives in place to optimize Life & Savings business profile

Life & Savings future opportunities

AXA's mission

Focus on the client

- Helping retirees with guaranteed income
- Helping families accumulating wealth
- Protecting families with health protection, long term care, personal accident and death benefits

AXA's opportunities in the L&S market

- **Potential in the protection market**
 - Individual protection market (excl. Health) represented €85 billion revenues worldwide in 2008
 - AXA has approx. 3% market share
- **Growing client needs in emerging markets**
 - **China:** expected premiums CAGR of 11% over 2009-2012
 - **India:** total market size by premiums of \$51 billion in 2009/2010
 - **Indonesia:** market CAGR of premiums of 32% in 2006-2009
- **Sizeable inforce book to extract value (2009)**
 - 26.5 million customers
 - Euro 18.5 billion inforce value (VIF)
 - Ca. Euro 470 billion reserves

Source: AXA estimates

AXA Global Life and Savings: our Strategic priorities

- 1 Accelerate diversification into Protection & Health**
- 2 Enhance profitability in Savings business**
- 3 Prioritize investments in growth opportunities**
- 4 Foster business efficiency to fund growth opportunities**

1 Accelerate diversification into Protection & Health

Experiences that AXA will leverage

Direct Protection

- Sun Life Direct in UK:
 - NBV margin >100%
 - Achieved NBV of £43m in 2009

Leverage existing distribution channels

- AXA France increased its individual protection revenues by 44% driven by family protection product (9M10 vs. 9M09)

Capture Health and Long Term Care opportunities

- Long Term Care in France and Germany:
 - Germany: market growth of over 20% p.a. with AXA ranking #5 (market share of 8.9%)
 - French market: 5 million clients insured representing ca. Euro 500 million of revenues
- Successful diversification into Term and Medical in Japan
 - Limited correlation to financial markets
 - Fixed cash payments by benefits, no exposure to medical inflation risk

Niche markets

- International Creditor Business
 - Ca. Euro 4 billion revenues potential market: banks, auto, utilities/phones, wholesale & distribution sectors
 - Euro 160 million revenues achieved over 2006-2010 and Euro 430 million expected over 2011-2014

Source: AXA estimates

1 Accelerate diversification into Protection & Health

Objectives

Our objective: Increase the share of protection & health business APE by 5 pts by 2015

Key actions

- Focusing on markets with opportunities through a systematic product screening process
- Building an International Direct Protection Model
 - One platform to serve several countries on term, accident and funeral products
 - Pilot launch in Belgium is underway
 - Euro 100 million APE by 2015 with IRR > 20%
- Driving the protection share in the agent and broker channels
 - Simple offer and increased focus of distribution on mass market
 - Further risk segmentation
 - Innovation: Expand long term care offering and launch Indexed Universal Life products
- Leveraging Employee Benefit Expertise
 - Leverage technical expertise in Belgium and Switzerland markets to expand into Poland and Spain
 - Grow creditor business in targeted markets (Germany, selected countries in CEE and Asia)

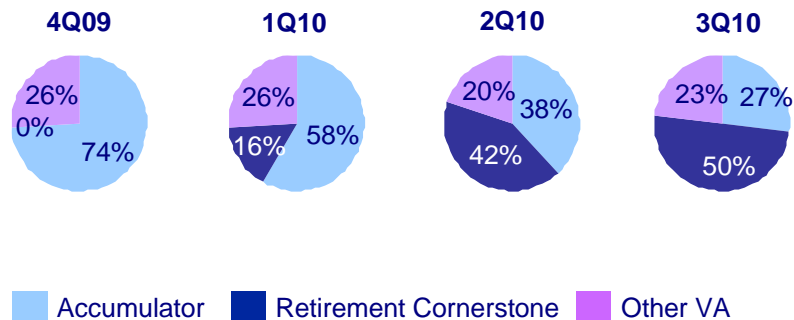
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Enhance profitability in Savings business

Experiences AXA will leverage

Improvement of risk profile and profitability through adjusted VA design

US Variable Annuity First Year Premiums



Retirement Cornerstone compared to previous VAs:

- Less capital intensive
- Stronger NBV
- Lower cost of hedge mainly due to variable roll-up rates

New structured products introduced

- **US** - Structured Capital Strategies
 - Priced at 20% NBV margin
 - Insensitive to interest rates
- **AXA MPS Italy** - AXA Coupon
 - Euro 850 million in revenues for 2010 with NBV margin of 15%

Steady improvement of G/A product design

France

- Segmentation allows differentiation of crediting policy depending on UL exposure and case size: better align value for the customer and value for the company.

Germany:

- Higher surrender charges and enhanced terminal bonuses
- Focus on single premium products

2

Enhance profitability in Savings business

Objectives

Our objective: For Continental Europe investment & savings business, increase the share of unit linked APE by 20 pts by 2015

Key actions

- **Optimize General Account and Variable Annuity products**
 - Timely re-price (VA) and/or adjust crediting rates (G/A)
 - Leverage subadvisory models in the UK with £4 billion AUM and the US with US\$85 billion AUM
- **Develop alternative Unit-Linked products**
 - For Variable Annuities, guarantees requiring less capital with lower sensitivity to volatility and to financial markets
 - Increase the share of structured products leveraging designs and appropriate sales processes
- **Drive Unit-Linked share with appropriate advice proposition and wholesale distribution model in Europe**

3

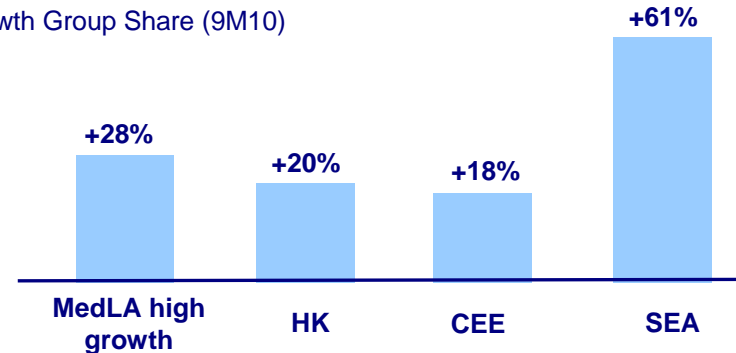
Prioritize investments for growth

Experiences AXA will leverage

Growth in high growth markets – 10% of total APE

Success through JV with banks and own proprietary sales force

APE growth Group Share (9M10)



Bancassurance successes

- Italy: Monte Dei Paschi Di Siena (MPS)
- SEA: Mandiri (Indonesia), Krungthai (Thailand) and Metrobank (Philippines)
- AXA Global Distributors (launched 6 products in 3 countries)

Innovation to drive growth

- Switzerland: Developed from #2 to #1 market position through innovative product concepts (risk preferred term life, Variable Annuities, General Account with low guaranteed rate / higher upside)
- US: Variable Life with Market Stabilizer Option (MSO) and launch of Structured Capital Strategies (SCS)

Source: AXA estimates

3

Prioritize investments for growth

Objectives

Key actions

- Continuing to drive growth in emerging markets
 - JV with ICBC, largest Chinese bank by assets and clients
 - Drive expansion of international health in Asia and Middle East support by Managing General Agents

- Refocusing growth in developed markets on higher margins
 - Creditor, bancassurance and structured products
 - Increase market share in profitable client segments (i.e. mass affluent)
 - Identify opportunities in protection through a systematic product screening and channel investments to the most attractive places

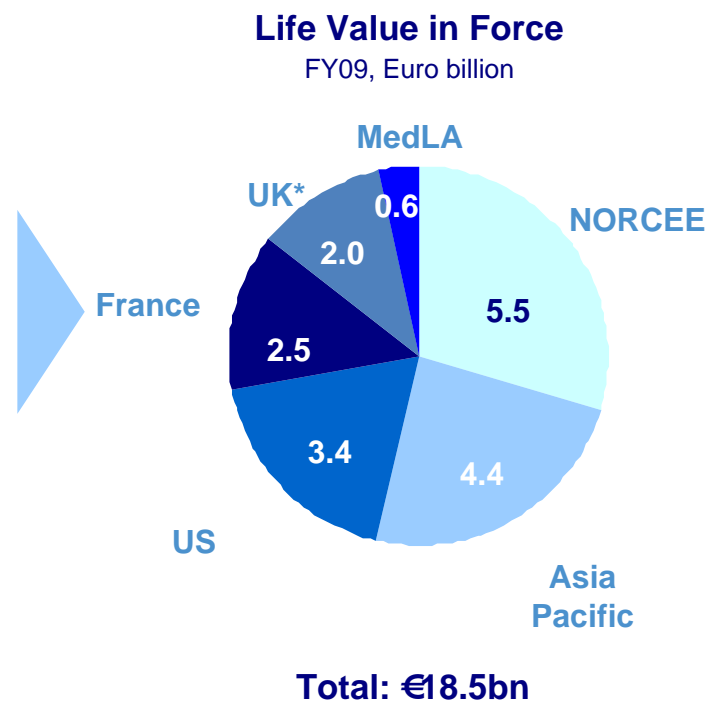
- Global Product Screening
 - Global Product Screen to review new products at an early stage to ensure attractive return on investment and to promote cross entity sharing of products

4 Foster Business Efficiency

Our objective: Reduce cost income ratio by 5 pts by 2015 (more than Euro 500 million pre-tax productivity gains) & increase operating Free Cash Flow generation

Key actions

- More proactive expense management notably in support functions
- Launching a global inforce management program with objective to:
 - Reduce capital consumption by conversion and reinsurance
 - Improve investment margins by crediting rate actions
 - Improve efficiency in claims management
 - Increase value by cross sell / upsell
- Selectively restructure/ run off
 - Identify businesses with low strategic value, little return potential and high capital consumption and send into run off or sell



* Prior to sale of UK-based traditional life and pensions businesses to Resolution Ltd.

Focus on US VA book and inforce management

Focus on VA reserving

VA GMxB Hedging Program

- Derivatives are used to offset movements in the fair value of benefits granted to policyholders (GMxBs), with cost of hedging covered by “guarantee charges”
- Policyholder behavior risks, including surrender risks and annuitization election risks, are addressed through dynamic assumptions process built into hedging and reserving

IFRS Reserving basis

- IFRS reserves for hedged book reflect the FV of the guarantees and differ from US GAAP reserves (SOP 03-01) in US filings
- IFRS reserving aligns the economics of the hedging program as changes in IFRS reserves are offset by changes in fair value of hedging program
- Earnings are impacted by the difference between change in reserve assumptions and hedging program results (e.g. basis risk on funds performance) and deviations of experience from policyholder dynamic assumptions

Focus on VA policyholders' behavior

Surrender risk

Surrender assumptions

- Dynamic surrender assumptions are used in both IFRS reserve determination and in the hedging program
- Dynamic surrender assumptions **vary by duration**, reflecting lower surrenders during the surrender charge period (i.e., 4-8 years)
- Dynamic surrender assumptions also recognize that policyholders **“in the money”** are less likely to surrender their policy

Surrender experience

- Surrender experience has been lower in 2009 and 2010 for all variable annuities (GMxB and variable annuities without guarantees), likely driven by:
 - Reduced benefits on new products in the marketplace
 - Higher ITM GMxB benefits
 - Clients uncertainty in the current environment
- **In 2H09 and in 2H10, surrender assumptions were updated for long-term surrender experience, with a net IFRS Underlying Earnings impact of approx. Euro (30) million and Euro (100) million, respectively**

Focus on VA policyholders' behavior

Annuitization risk

Annuitization assumptions

- Policyholders can elect to annuitize after 10 year waiting period and at each following anniversary date
- Annuitization election depends upon a variety of factors including:
 - In-the-moneyness of the guarantee
 - Interest rates at time of annuitization

Annuitization experience

- Election rate experience has been more favorable than assumptions for reserves and hedging
- “Natural hedge” inherent in design of the product as a policyholder may only elect either a GMIB or GMDB claim, not both

% in the money of clients eligible to elect	Historical experience (per year)	2010 YTD experience (per year)	Dynamic Election rate assumption (per year)
0%-20% I.T.M.*	<1%	<1%	5%
20%-50% I.T.M.*	<2.5%	<2.5%	10%
50%-> I.T.M.*	<5%	<5%	15%

* % of I.T.M. represented by Account value/Benefit base-1

Inforce management & innovative products in low interest rate environment

Product Design and Inforce Management Actions

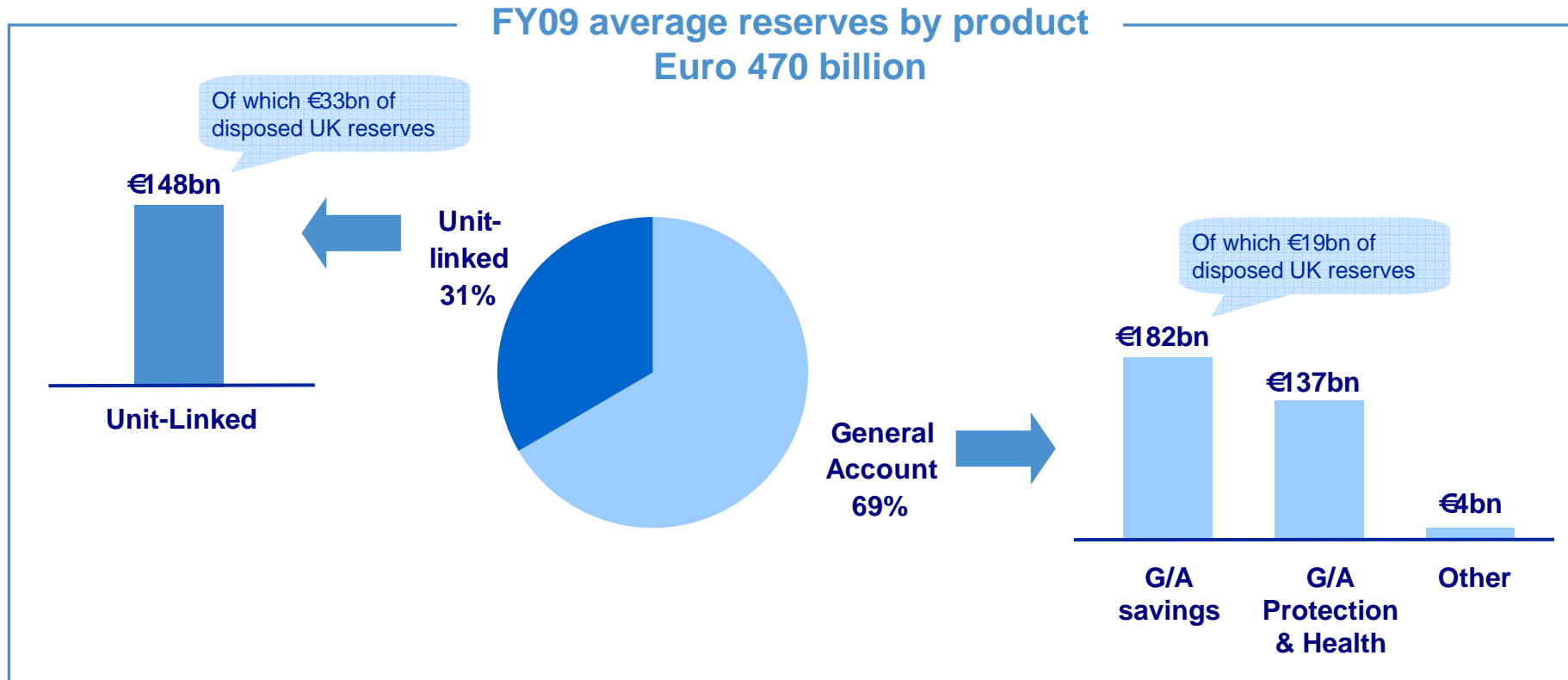
- De-risked products to maintain margins and reduce capital strain
 - Reduced benefits for Accumulator
 - Reduced guaranteed minimum crediting rates
 - Developed AXA Tactical Manager (ATM) to manage volatility
 - Reduced interest rate sensitivity and size of hedge through product design
 - Established open guided allocation accounts and fund restrictions

- Withdrew unprofitable products and reduced marketing efforts
 - Variable Life: No-Lapse Guarantee (ENLG)
 - Universal Life: Lifetime No-Lapse Guarantee (LPR)
 - Term: Eliminated 30 year

- Introduced innovative new products and features
 - Annuity products
 - Retirement Cornerstone floating rate and other innovations
 - Structured Capital Strategies (non-GMxB)
 - Life products
 - Variable Life - Market Stabilizer Option
 - Indexed Universal Life

Improved visibility of IFRS underlying earnings by product

A diversified book of business



- Ca. 30% Unit-linked savings
- Ca. 40% General Account savings
- Ca. 30% General Account Protection & Health

Higher net inflows in Protection & Health and Unit-Linked businesses in 2009

Euro billion	FY09 average reserves	FY09 net inflows	% of reserves
G/A Protection & Health	137	3.3	2.4%
G/A Savings	182	1.0	0.5%
Unit-Linked	148	4.4	3.0%
Total	470	8.6	1.8%

FY09 pre-tax Underlying Earnings by product

Strong contribution of Protection & Health business

€m	FY09 Pre-tax UE	Contribution
G/A Protection & Health	2,031	63%
G/A Savings	522	16%
Unit-Linked	639	20%
Mutual funds & Other	10	0%
Pre-tax underlying earnings	3,201	100%
Tax and minority interest	(865)	
Underlying earnings	2,336	100%

Including €165m one-off gain on UK annuity portfolio

FY09 margins by product

	G/A Protection & Health	G/A savings	Unit-linked	Mutual Funds & Others	
Margin on premiums	3,534	399	556		8% % of GWP
Investment margin	711	1,175	305		68 bps of ave G/A reserves
Management fees			1,822		123 bps of ave UL reserves
Technical margin & Oth.	1,622	222	147		
Gross margin	5,867	1,796	2,831	713	11,207
Admin Exp. & Others	(1,686)	(685)	(1,336)	(516)	(4,224)
Acquisition Expenses	(2,149)	(590)	(856)	(186)	(3,782)
Pre-tax UE	2,031	522	639	10	3,201

Main profitability & growth drivers by product

G/A Protection & Health less sensitive to financial markets

G/A Protection & Health

Net inflows

Mortality / Morbidity

Surrenders

G/A Savings

Net inflows

Interest rates

Surrender / Longevity

Unit-linked

Net inflows

Financial markets

**Interest rates & Equity
volatility for Variable
Annuities**

Mutual funds & Others

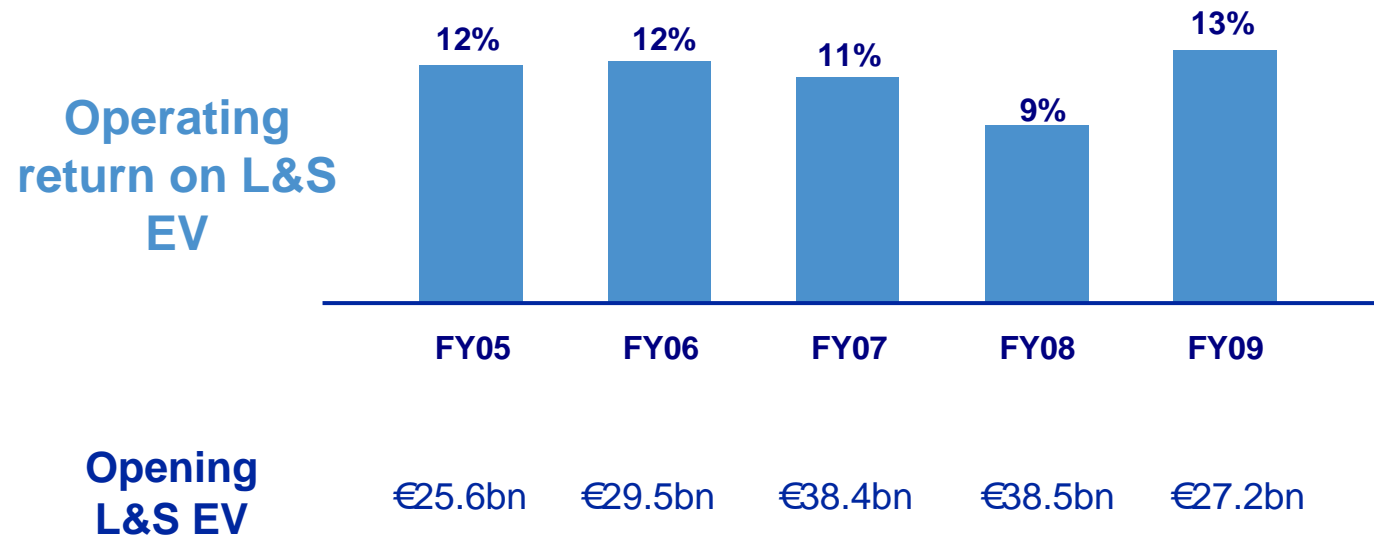
Net inflows

Equity markets

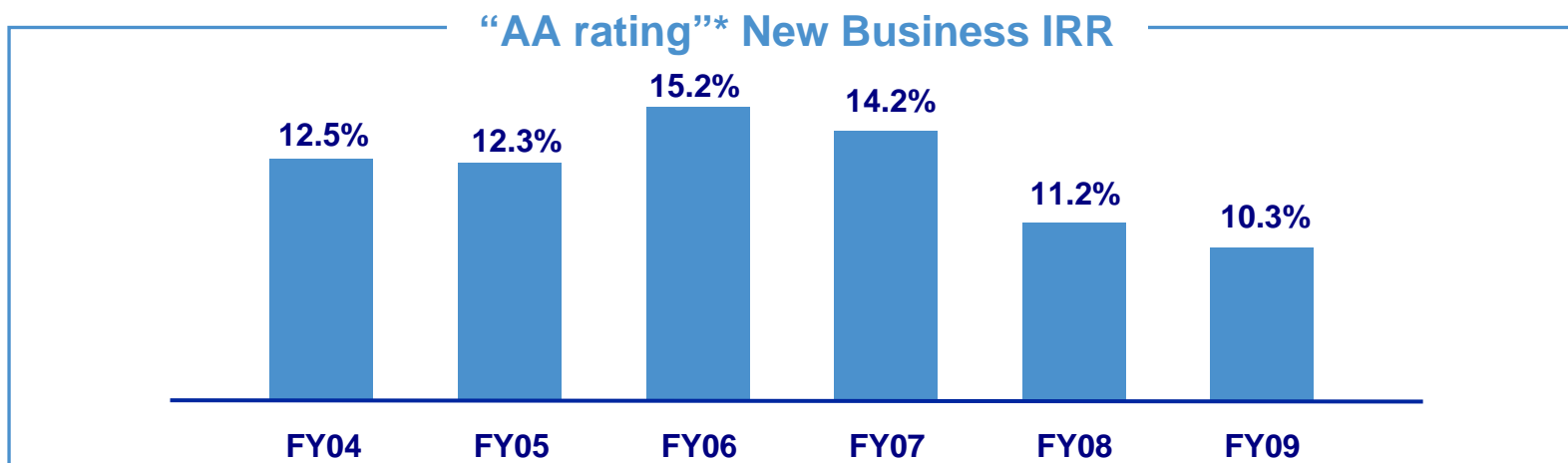
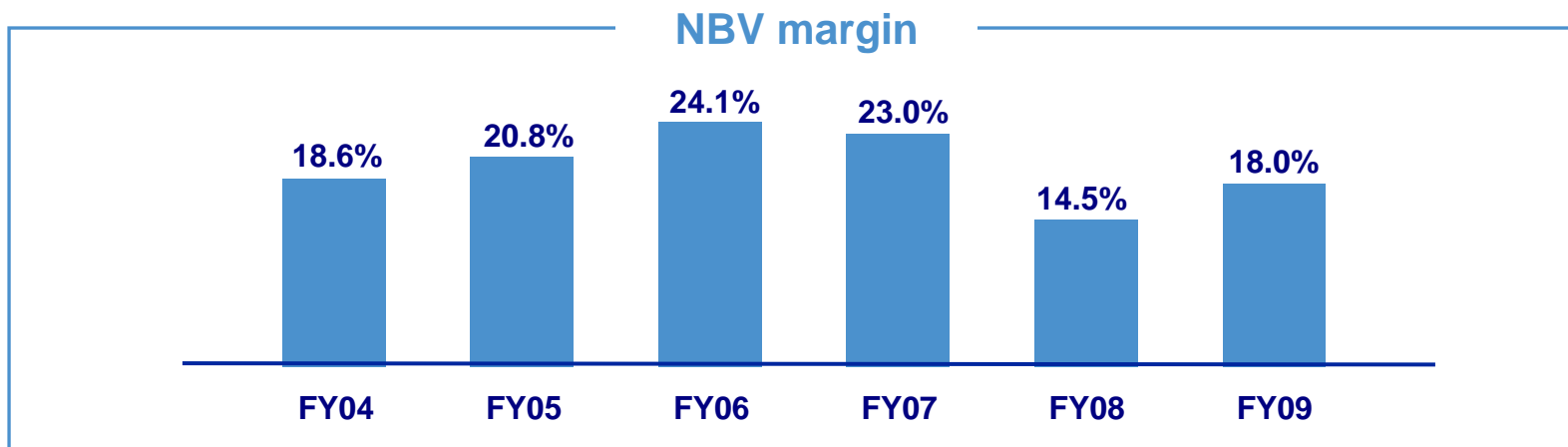
**Focus on new business IRR
and operating
Free Cash Flow generation**

Track record of value creation

Operating return on L&S EV



Historical NBV margin and New Business IRR



Satisfactory levels in 2006 and 2007

2008 and 2009 impacted by market conditions

* New business internal rate of return based on at least AA rating required capital

2009 IRR actual performance

Euro million	APE	NB capital & strain	“AA rating” NB IRR	Payback period	
France	1,602	(639)	8%	10 years	<ul style="list-style-type: none"> IRR 12% for protection & health products IRR of 8% for savings products (o/w 15% on unit-linked)
US	994	(512)	9%	9 years	<ul style="list-style-type: none"> IRR for both Accumulator 9.0 and Retirement Cornerstone ranges from 10% to 20%, where RC IRR is more stable Low IRR on Term Life products
UK	926	(345)	9%	8 years	<ul style="list-style-type: none"> Strategic move with disposal of part of the UK life business including legacy book Retained business IRR impacted by scale and immaturity of the business in the short term
Japan	532	(207)	12%	8 years	<ul style="list-style-type: none"> Mainly Protection & Health business 10 years interest rate of 1%
NORCEE	1,156	(528)	9%	11 years	<ul style="list-style-type: none"> Germany: G/A savings business helped by Free RfB Switzerland: Higher IRR on individual business Belgium: low contribution from unit-linked and protection & health products in business mix
<i>o/w Germany</i>	<i>470</i>	<i>(259)</i>	<i>8%</i>	<i>11 years</i>	
<i>o/w Switzerland</i>	<i>255</i>	<i>(79)</i>	<i>8%</i>	<i>11 years</i>	
<i>o/w Belgium</i>	<i>264</i>	<i>(106)</i>	<i>10%</i>	<i>12 years</i>	
MedLA	497	(228)	10%	7 years	<ul style="list-style-type: none"> High proportion of G/A savings with high capital consumption and upfront commissions MPS IRR at 10% thanks to increase in pricing and limited upfront commissions on G/A savings products
Hong-Kong, SEA & Australia	480	(90)	26%	3 years	<ul style="list-style-type: none"> Overall low strain and payback period, mainly driven by Asia
Total	6,188	(2,549)	10%	9 years	

Disciplined investment in new business

Objective to increase “AA rating” unlevered IRR by at least 200 bps on a sustainable basis through both increased exposure to Unit-Linked, Protection & Health businesses, and productivity gains

Reduce payback periods

Actions taken for improvement

France

- Develop know-how and advice capabilities of distributors and related support in Savings (diversification of client assets through combination of Unit-Linked and G/A assets) and in Protection & Health

US

- Developing a more diversified, balanced product portfolio
- Increasing distribution penetration
- Optimizing the value of in-force business

UK

- Retained business is capital light and moving to no upfront commissions
- Expected to strongly benefit from increase in scale and maturity going forward

Japan

- Reduce new business strain and break-even year by spreading out commission payment periods in all core distribution channels
- Strengthen claw back provisions and lapse monitoring

NORCEE

- Product de-risking and re-pricing in Germany & Belgium
- Focus on single premium products in Germany
- Gradual increase of unit-linked share in Belgium

MedLA

- G/A savings: continue increasing prices, lowering guaranteed rates and reinforcing surrender penalties
- Commercial action to improve the mix of unit-linked and protection products with lower capital strain and higher profitability

L&S operating Free Cash Flow generation

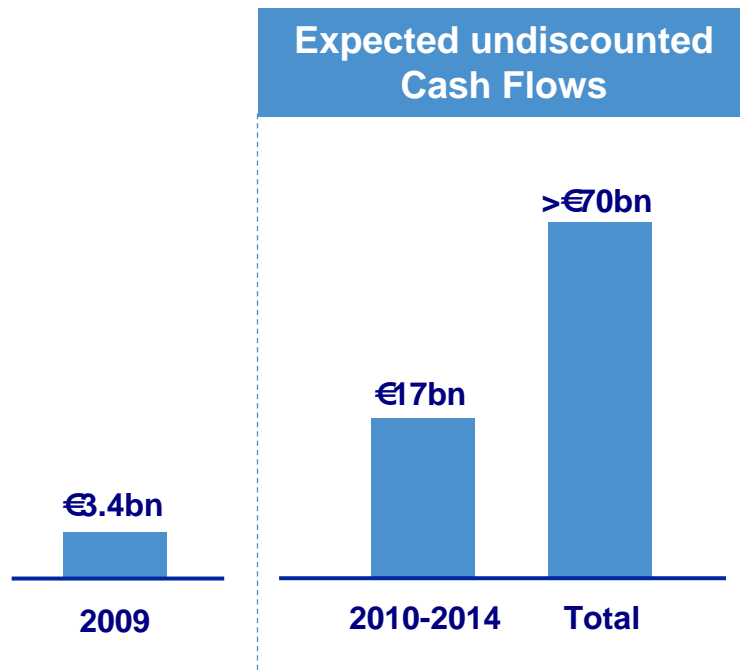
In Euro billion	2007	2008	2009	Expected 2010
Inforce surplus generation	+3.6	+4.0	+3.2	
Inforce required capital change	-0.5	-0.9	+0.2	
New business strain	-1.7	-1.5	-1.7	
New business required capital change	-0.6	-0.7	-0.8	
L&S operating Free Cash Flow generation	+0.9	+1.0	+0.8	+1.2

2010 L&S operating Free Cash Flow generation expected to increase by ca. 50% vs. 2009 through:

- actions taken to improve New Business strain
- increase* in Free Cash Flow generation from inforce (expected to be stable vs. 2009 despite disposal of significant portion of UK L&S inforce)

* On a comparable basis, i.e. excluding from 2009 figures the sold UK business

Future Free Cash Flow generation from inforce



- Euro 17 billion undiscounted free cash flows expected to emerge from 2009 inforce over the next 5 years
- On top of this, expected Free Cash Flow generation from inforce expected to be driven by:
 - new business written from 2010 on
 - actions to improve value of the existing book
 - actions to release more capital from the existing book

Conclusion: AXA Global L&S Strategic Priorities

Accelerate diversification into Protection & Health

- Increase the share of protection & health business APE by 5 pts by 2015

Enhance profitability in Savings business

- For Continental Europe investment & savings business, increase the share of unit linked APE by 20 pts by 2015

Prioritize investments in growth opportunities

Foster business efficiency to fund growth opportunities

- Reduce cost income ratio by 5 pts by 2015 (more than Euro 500 million pre-tax productivity gains) & increase operating Free Cash Flow

Increase “AA rating” unlevered IRR by at least 200 bps on a sustainable basis and reduce payback periods