

Investor Day
4 December, 2013

Property & Casualty:
AXA Asia P&C
**A story of acceleration
and value creation**

Gaelle Olivier
CEO, AXA Asia P&C

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, 2012, 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

Asia P&C – a tremendous market potential

AXA: #1 International P&C insurer in Asia with a diversified footprint

A clear strategy to accelerate and anchor leadership

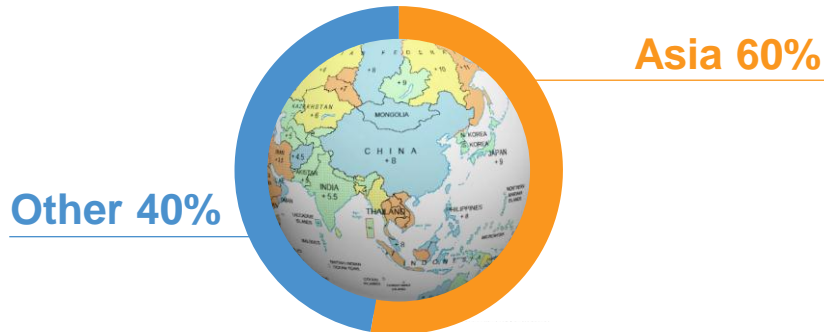
Leveraging further our competitive advantage

Conclusion

Asia P&C – a tremendous market potential

Asia: majority of world's population

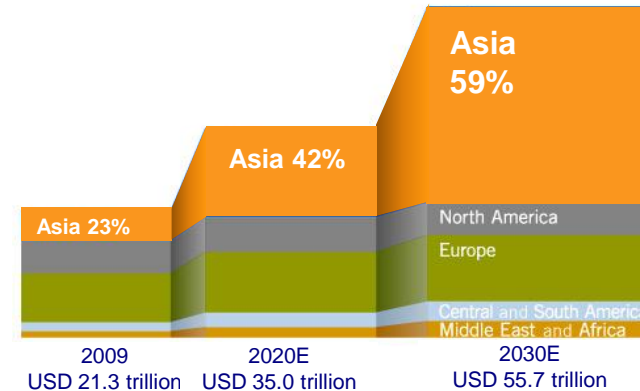
Estimated 2015 population 7 billion



Source: United Nations, Department of Economic and Social Affairs, Population Division: World Population Prospects: Total Population 2015

Rising middle class

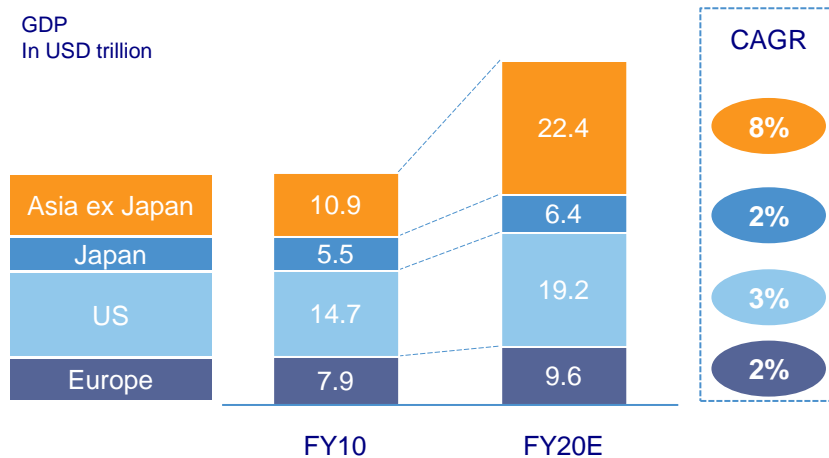
% spending of total middle class by region



Source: OECD: The emerging middle class in developing countries, 2010

Asian GDP poised to double by 2020

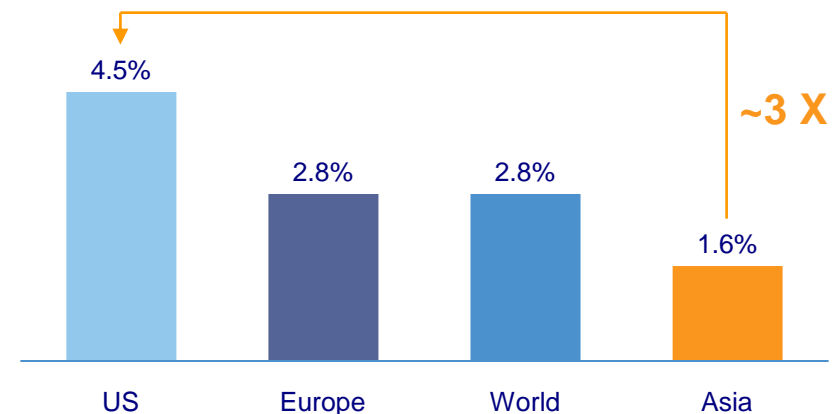
GDP
In USD trillion



Source: DBS Asian Insights "Imagining Asia 2020"

Under penetrated Asia P&C insurance market

2012 P&C premiums
as a % of GDP



Source: Swiss Re, *sigma* No 3/2013 World Insurance in 2012

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AXA Asia P&C is an integral part of the AXA Asia strategy

AXA Asia Regional Office

Regional CEO, AXA Asia
Mike Bishop



Regional shared services: IT, Finance, Human Resources, Marketing, Strategy

CEO, L&S
ex China
Kevin Wright



Regional, COO
Keith Perkins



CEO, P&C
Gaelle Olivier



Regional, CFO
Francois-Valery
Lecomte



Regional, CHRO
Shubhro Mitra



Distribution

Chief Technical
Officer

China

Hong
Kong

Singapore

Malaysia

India

Thailand

Indonesia

AXA Global Direct

A solid regional franchise with a strong track record

Number
1

**International
P&C Insurer
in Asia**

(ex Japan and Australia)

Source: Credit Suisse "Asia P&C Insurance" (2013)

FY12 P&C revenues* in Asia ex Japan

AXA Asia P&C

Euro 1.1 billion

Hong Kong
Singapore
Malaysia
India
China
Indonesia
Thailand



AXA Direct

Euro 0.3 billion

South Korea Direct



Euro 0.6 billion

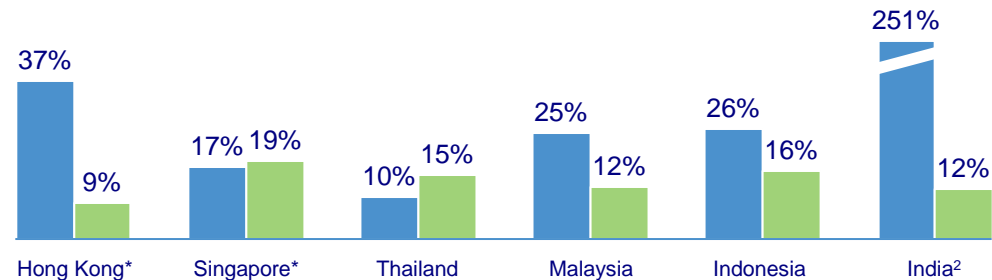
TIAN PING¹



**Outperforming
the market**

FY07-FY12 gross written premiums CAGR

■ AXA
■ Market



Source: Credit Suisse "Asia P&C Insurance" (2013) and AXA figures

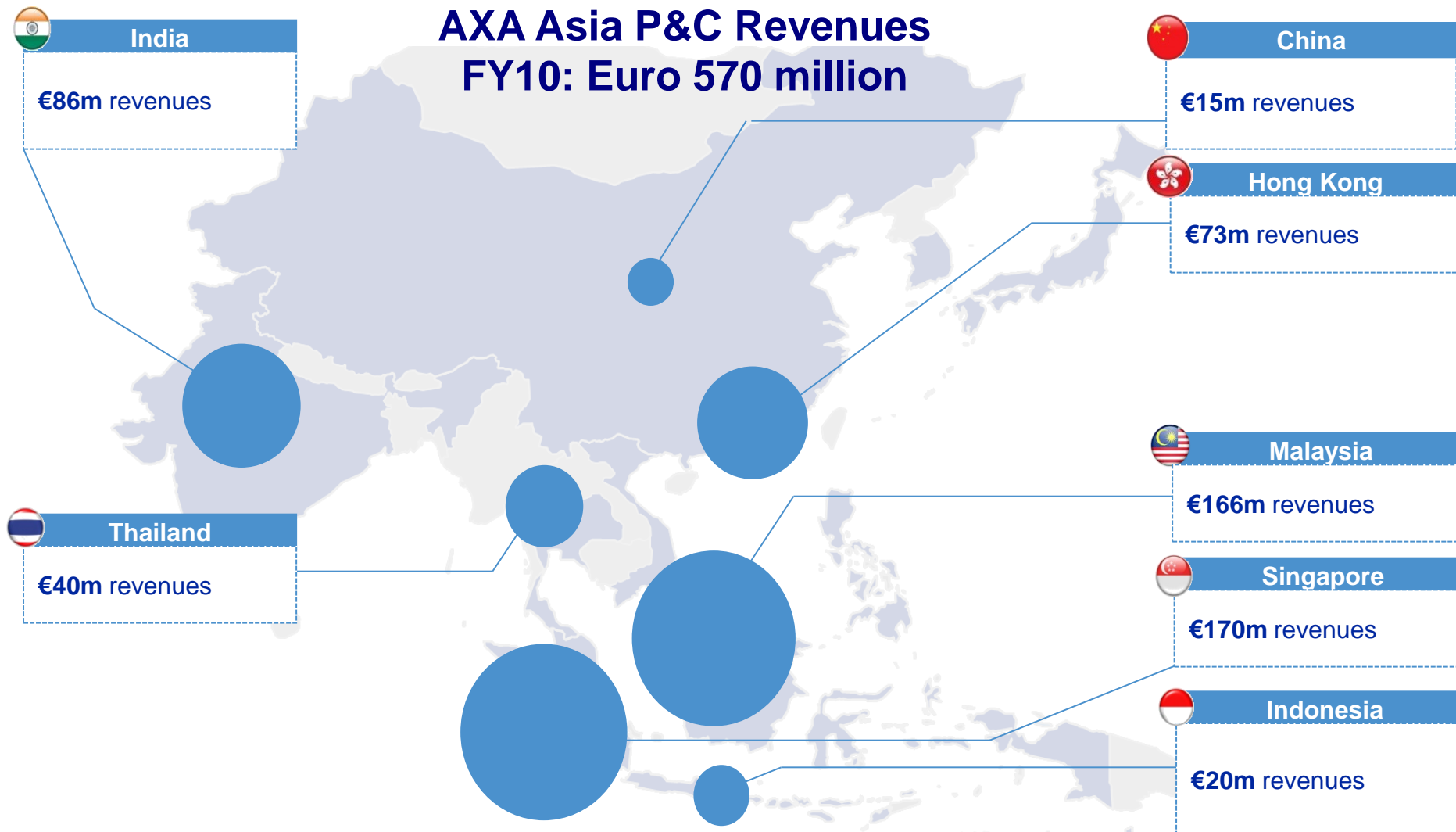
* FY12 revenues include 12 months of acquired HSBC business
Revenues on 100% basis, including non-consolidated entities
All other notes on page D26

redefining / standards



From a regional footprint...

AXA Asia P&C Revenues FY10: Euro 570 million



... to #1 foreign P&C player in Asia

AXA Asia P&C Revenues FY12*: Euro 1,093 million



India: #10**

€173m revenues
Joint Venture with Bharti
26% ownership



China: #4**

€26m revenues
100% ownership

#1 following
50% Tian Ping¹
announced
acquisition in
2013



Hong Kong: #1

€329m revenues
100% ownership



Malaysia: #7

€206m revenues
Joint Venture with Affin
42% ownership



Singapore: #2

€247m revenues
100% ownership



Indonesia: #28

€51m revenues
86% ownership on existing
40% share Joint Venture with
Mandiri



Thailand: #22

€61m revenues
99% ownership



AXA FY15E revenues

* FY12 includes 12 months of acquired
HSBC business

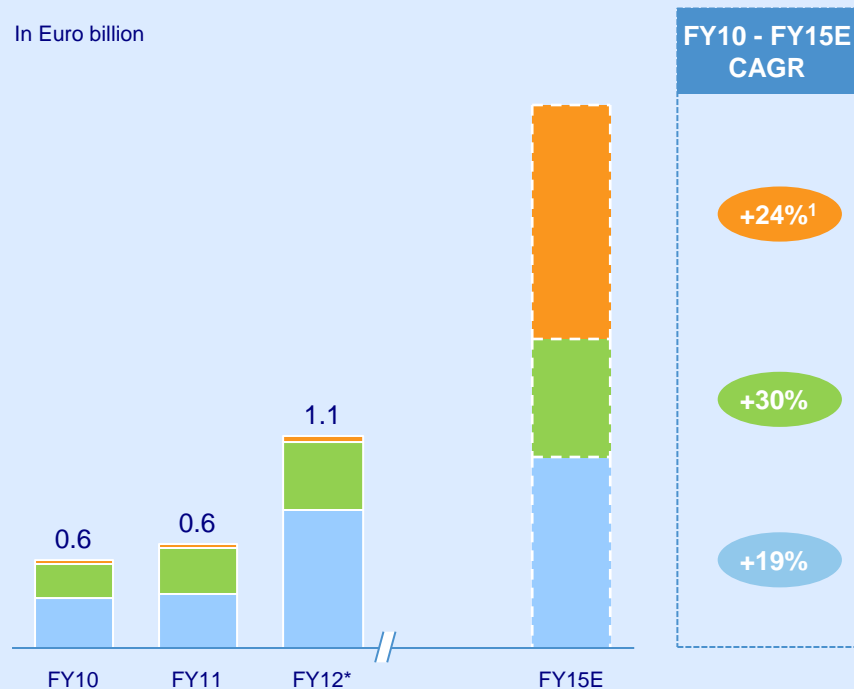
**China – among foreign players; India –
among private insurers

Revenues on 100% basis, including non-consolidated entities
Rankings sources and notes on page D26

Ambition AXA: bold plans for profitable acceleration

AXA Asia P&C Revenues FY10 - FY15E

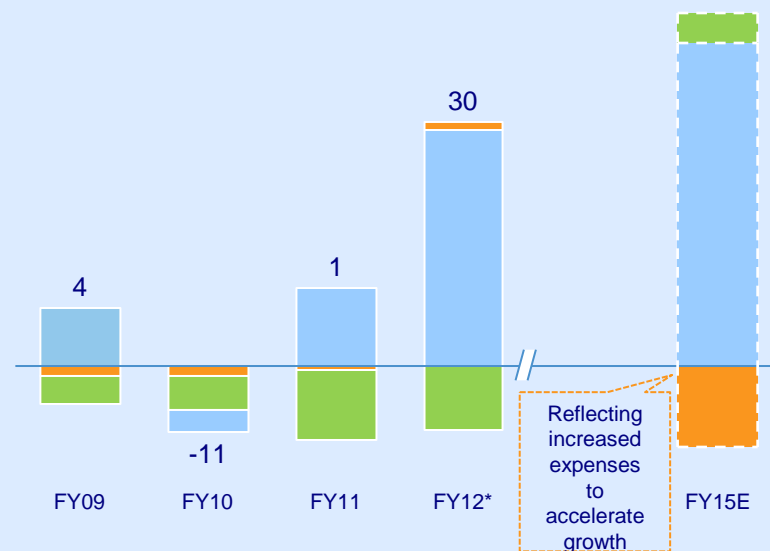
In Euro billion



*2012 includes 12 months of acquired HSBC business

AXA Asia P&C Underlying Earnings FY09 - FY15E

Group share
In Euro million



*2012 includes 12 months of acquired HSBC business



China (including Tian Ping in FY15E)

Developing entities - India, Indonesia and Thailand

Established entities - Singapore, Malaysia and Hong Kong

Revenues on 100% basis, including non-consolidated entities
All notes on page D26

redefining / standards



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A story of acceleration and value creation

Personal Motor: 31% of revenues



Commercial Lines: 37% of revenues



Future growth
drivers

1/3
Motor

1/3
Comm.
lines

1/3
Health



Health: 22% of revenues



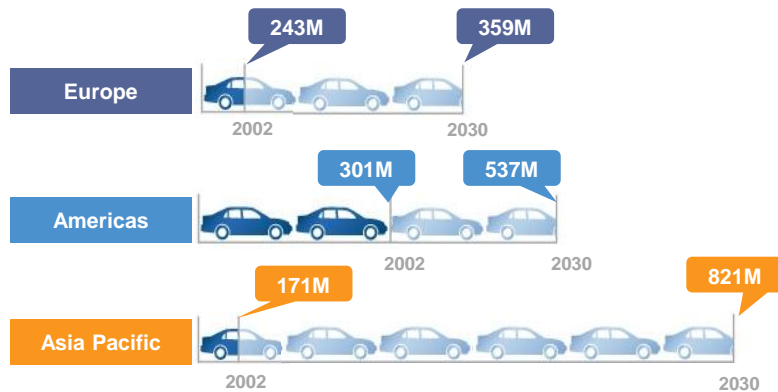
Lifestyle: 10% of revenues

Personal motor: Capture booming market demand...

Market context

Vehicle ownership

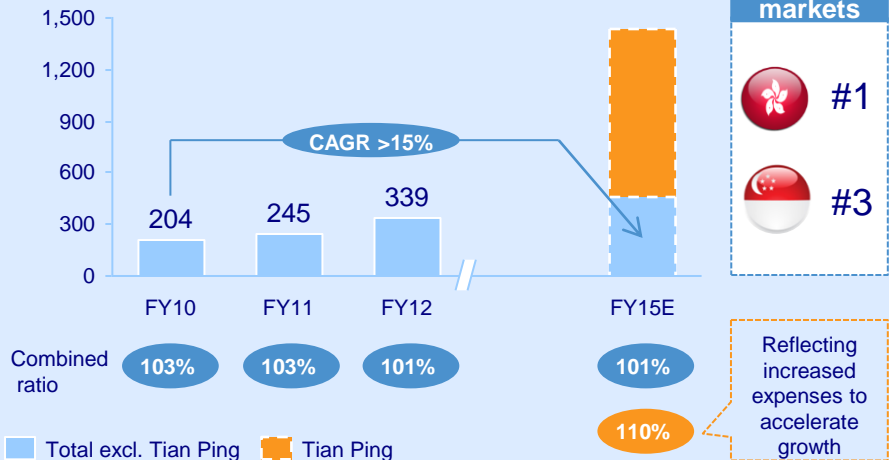
1 out of 2 cars will be sold in Asia 2030



Source: Vehicle Ownership and Income Growth, Energy Journal, 2007

AXA revenues and profitability (only personal motor)

Revenues
In Euro million



Established entities strategy

(Singapore, Malaysia, Hong Kong)

Improve profitability

Cycle management, Segmentation of portfolio, Disciplined claims management

Enhance product design

Widen products and services to accompany growing customer demand

Developing entities strategy

(India, Indonesia, Thailand, China)

Widen distribution reach

Strengthen motor retention

Increase technical agility

Revenues on 100% basis, including non-consolidated entities

Revenues include 12 months of acquired HSBC business

Rankings sources on page D26

...on the back of strong technical expertise and customer differentiation

Technical expertise

Portfolio segmentation

Loss ratio improvement

- ✓ Regional Private Motor net current year loss ratio improved by 2.7pts mainly driven by India and Singapore
- ✓ Retention efforts towards targeted profitable segments improved renewal rates by 1.5pts for the region

(respective improvements reflecting FY11 to 1H13)

Disciplined claims management



- ✓ Fraud detection of 1% of claims paid, targeting 2.5% by 2016
- ✓ Orientation rate to agreed body shops of 70% in Malaysia, Thailand, Singapore and 90% in Indonesia and reduced average cost of repair
- ✓ Build claims service into a differentiated strategy

Customer focus



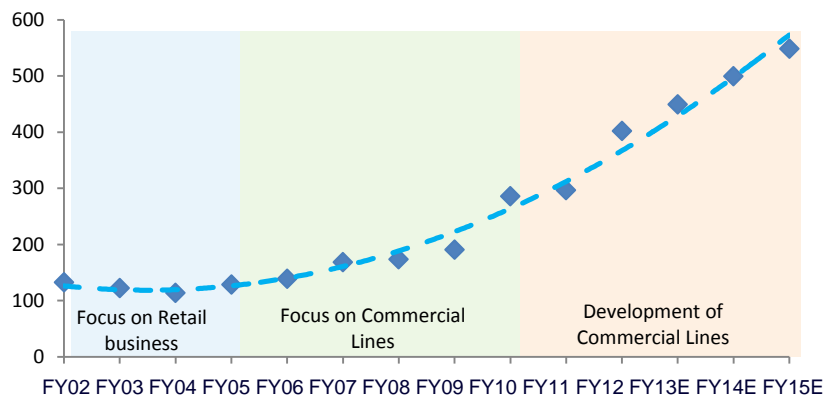
The first private motor claim app in Hong Kong and Singapore

- ✓ Large range of benefits and services to suit all customer needs
- ✓ Leverage regional platform to strengthen offer and distribution reach
- ✓ Ease of doing business: automated customer interaction / claims automation

Commercial Lines: Profitable growth driven by economic development

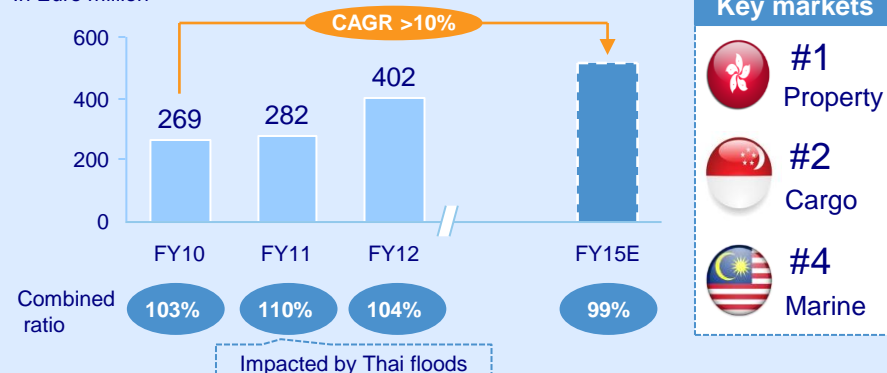
AXA historical progression

Revenues
In Euro million



AXA revenues and profitability (including commercial motor)

Revenues
In Euro million



Composition of our portfolio

Construction
4%

Marine
15%

Liability
23%

Motor
26%

Property
31%

Commercial Lines FY12 revenues: Euro 402 million

Key Strategy

Acceleration through diversification: leverage opportunities in all business segments and distribution channels

Broaden customer base to:

- SMEs, leveraging bancassurance partnerships and revamped offer
- Large segment, leveraging AXA Corporate Solutions expertise and regional presence

Strengthen technical expertise to secure profitable growth

Benefit from Group reinsurance program to enhance competitiveness

Revenues on 100% basis, including non-consolidated entities; Revenues include 12 months of acquired HSBC business

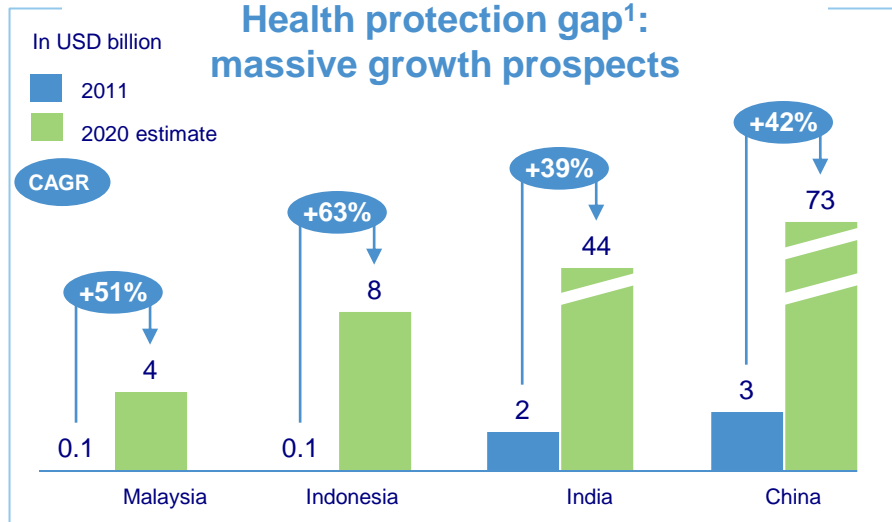
D14 - Investor Day - AXA Asia P&C - December 4, 2013

Rankings sources on page D26

redefining / standards



Health: Well equipped to capture underpenetrated market through differentiated offer



Source: Swiss Re "Health protection gap in Asia region will hit USD197 billion in 2020"

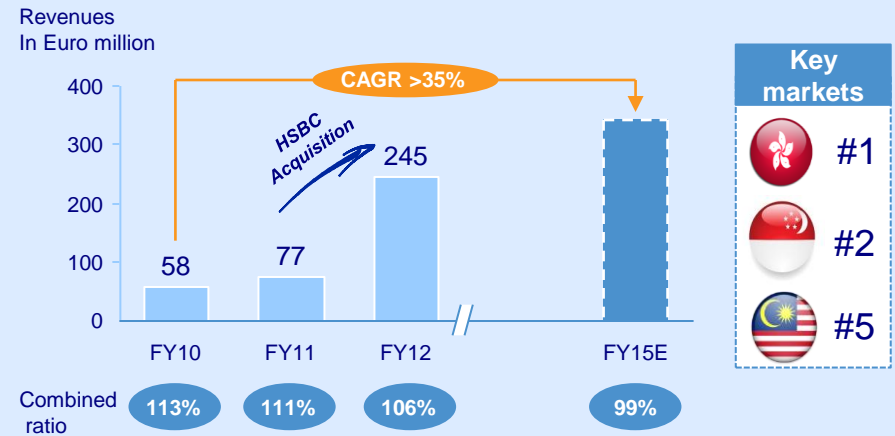
Key Strategy & our differentiation

Combine efforts with Life entities to strengthen services, claims management, distribution and infrastructure

Enhance product range, building on increasing mobile health requirements and enter Employee Benefits solutions

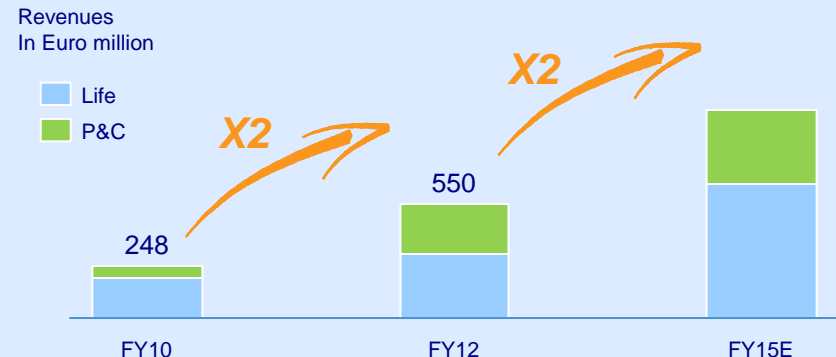
Balanced portfolio split between individual and group business (50:50)

AXA revenues and profitability



Double – Double Ambition

1/3rd of the health business in FY15E from P&C business



Revenues on 100% basis, including non-consolidated entities; Revenues include 12 months of acquired HSBC business

D15 - Investor Day - AXA Asia P&C - December 4, 2013

Rankings sources on page D26

redefining / standards



Growth supported by multi-channel distribution platform

AXA Asia P&C: multi-channel distribution

Revenues

Agency
64%

Direct & Other
9%

Bancassurance
5%

Broker
22%

FY11

Agency
51%

Direct & Other
9%

Bancassurance
22%

Broker
18%

FY12

Agency
46%

Direct & Other
30%

Bancassurance
12%

Broker
12%

FY15E

Agency

- 16,000 strong agency network
- 30% GWP growth in 2012
- Leverage life agency for cross / up-selling opportunities
- Focus on retaining talent, retention rate increased 4pts since FY12 to 83%

Broker

- Strong development with GWP expected to double between FY11 to FY15E
- Mainly focused on health and commercial lines business
- Strengthening our position in the international broker space

Bancassurance Partners

- Leveraging Life & Savings bancassurance relationships and experience
- Positive anti – selection

citibank[®]

HSBC

AXA AFFIN

AXA mandiri

Revenues on 100% basis, including non-consolidated entities;

Revenues include 12 months of acquired HSBC business

Rankings sources on page D26

Bancassurance acceleration supported by strategic alignment and shared economic interest

HSBC exclusive distribution agreement

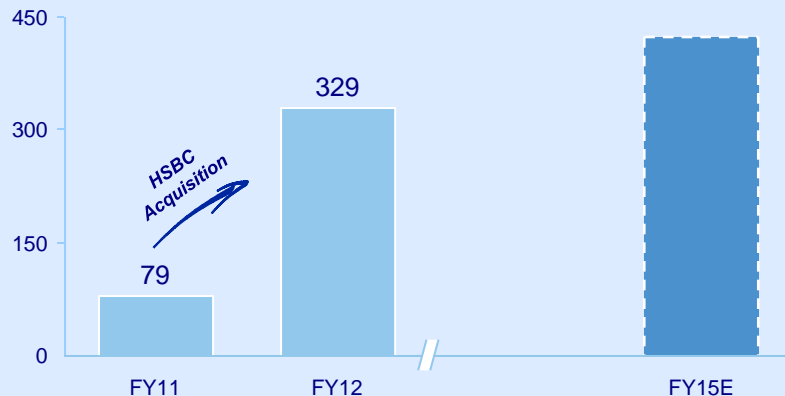
- Positions AXA as #1 in Hong Kong and #2 in Singapore
- Access to 6 million customers and 420 branches
- Strong opportunity given low HSBC client penetration rates of 8% in Hong Kong and 5% in Singapore

Joint Venture with Mandiri

- Building on our successful Life partnership
- Access to 12 million customers and 1,800 branches
- Establishing strong motor positioning given expanding customer base and increasing bank car loans
- Significant upside: current bank car loan penetration rate of 57% for Mandiri clients
- Accelerate SME offers through micro banking

Hong Kong: AXA and HSBC

Revenues
In Euro million



Indonesia: AXA - Mandiri partnership

Revenues
In Euro million



Revenues on 100% basis, including non-consolidated entities;
Revenues include 12 months of acquired HSBC business

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Leveraging our competitive advantage to turn challenges into additional opportunities

Challenges we face

**Competition/
Aggressive playing field**

Regulation

Natural catastrophes

Talent war

Our responses / Competitive advantage

Composite player offering full-fledged insurance solutions

Global insurance Group with strong local partnerships and a solid regional platform

Leverage AXA Group technical expertise

Strong brand and willingness to reinvent itself to better differentiate towards customers

Underwriting control and Reinsurance are the two main axes of our protection strategy

Underwriting

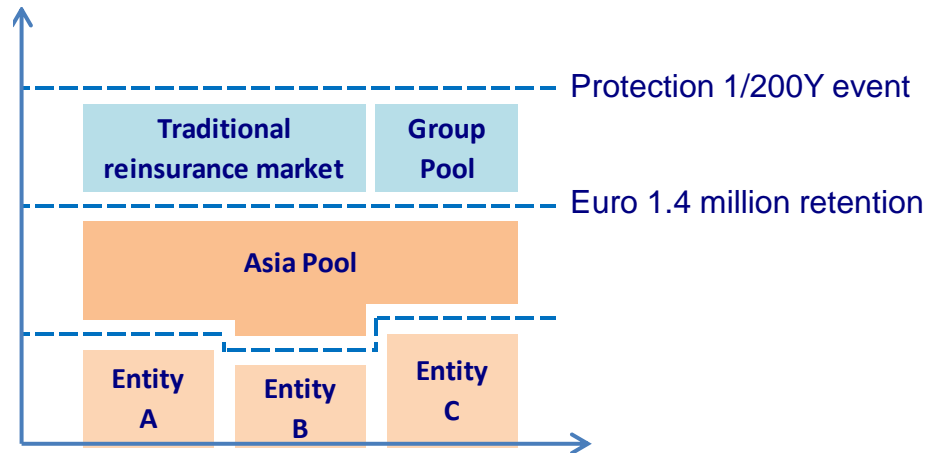
Imposing maximum claim limits especially on natural catastrophes
Monitoring our nat cat accumulation via a Group geocoding tool (AEGIS)

Reinsurance

Reinsurance to limit our exposure to individual or catastrophic loss events

- Risk mitigation and aggregation within the limits set by our risk appetite framework
- Leveraging scale and diversification to actively monitor and adjust risk appetite

Example for Nat Cat protection



- AXA Global P&C is our internal reinsurance carrier at global level to optimize group reinsurance protection

AXA redefining the standard Asian operating model, providing clients & distributors with best in class regional platform

Industry standard operating model

Product push

Multiple platforms

Manual policy processing

Time to product launch:
2-3 months



Value for Money

Single platform across 7
countries for retail and SME
Plug and Play platform

Straight through
processing

Time to market delivery:
10 days

AXA Asia P&C: New platform rolling out in 2014!

Leverage digital opportunity for our customers



Today's key messages



Asia P&C – a tremendous market potential



AXA: #1 International P&C insurer in Asia with a diversified footprint



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Leveraging further our competitive advantage



Conclusion

Today's conclusion

Asia – a tremendous market potential

Economic development

X

Insurance penetration

X

Demographics

We are well positioned to meet our Ambition AXA targets
Outpacing market growth &
Translating growth into earnings

AXA key drivers

Portfolio diversification

X

Benefits of being global

X

People

Q&A

Notes

Rankings source:

General Insurance Association of Singapore 2012, Central Bank of Malaysia BNM (Bank Negara Malaysia) 2012, Hong Kong Office of the Commissioner of Insurance 2012, Indonesia Insurance Regulatory and Development Authority 2012, Company data, AXA estimates

Page D6

1. Announced acquisition of 50% of Tian Ping in 2013, transaction pending, subject to customary closing conditions; FY12 revenues pro-forma of Euro 0.6 billion
2. India CAGR reflects 2008-2012

Page D8

1. Announced acquisition of 50% of Tian Ping in 2013, transaction pending, subject to customary closing conditions

Page D9

1. Tian Ping CAGR reflects FY10-FY15E period; 2010 pro-forma revenues of Euro 348 million

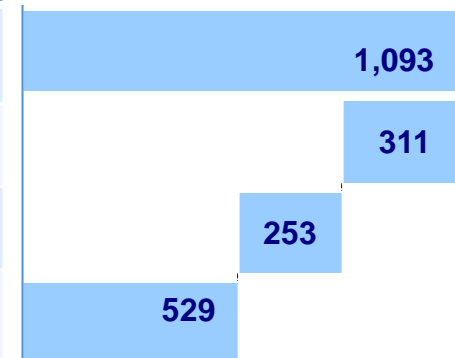
Page D14

1. The Health Protection Gap is defined as the difference between the level of healthcare costs which would be required to meet consumer needs, versus the amount that would be available to cover those costs, if society's total healthcare expenditure remained a constant percentage of GDP.

IFRS reporting reconciliation

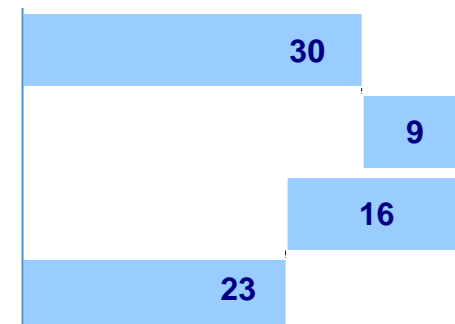
| 2012 Revenues | Commentary |
|---------------------------|---|
| Total Asia at 100% share | Fully consolidated entities (Hong Kong, Singapore, Malaysia) and non-consolidated (India, Thailand, China, Indonesia) |
| Non-consolidated entities | Excluded from IFRS Revenues definition: India, Thailand, China, Indonesia |
| HSBC scope | Adjusted for 12 months scope for Singapore and Hong Kong |
| IFRS reported revenues | Singapore, Malaysia, Hong Kong at 100% basis including 2 months of HSBC acquired business |

in Euro million



| 2012 Underlying Earnings | Commentary |
|-----------------------------------|---|
| Total Asia at Group share basis | Fully consolidated entities (Hong Kong, Singapore, Malaysia) and non-consolidated (India, Thailand, China, Indonesia) |
| Non-consolidated entities | Excluded from reported Underlying Earnings definition (India, Thailand, China, Indonesia) |
| HSBC scope | Adjusted for 12 months scope for Singapore and Hong Kong |
| IFRS reported Underlying Earnings | Singapore, Malaysia, Hong Kong at group share, including 2 months of HSBC acquired business |

in Euro million



Appendix

Country slides

Hong Kong – #1 in P&C business with 12% market share*



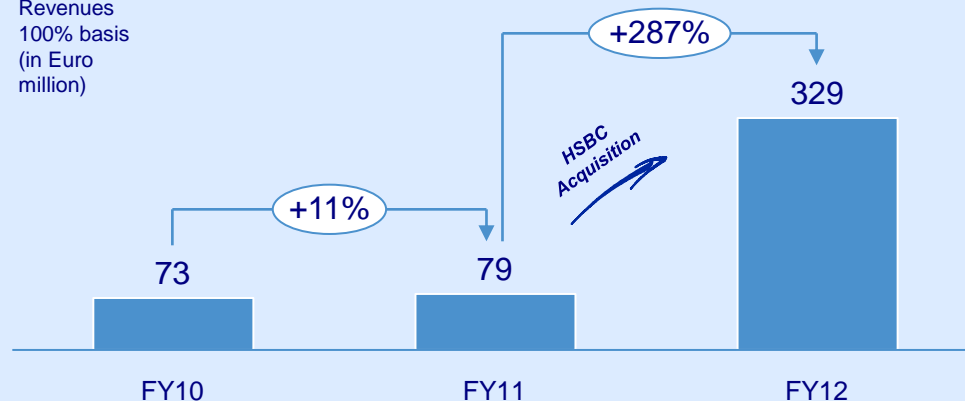
Market Context

| | |
|-------------------------|---------|
| Penetration | 1.4% |
| Premiums/ growth | |
| Total 2012 | \$5.1bn |
| 5YR CAGR | 8.6% |
| 2012 Growth | 12.9% |

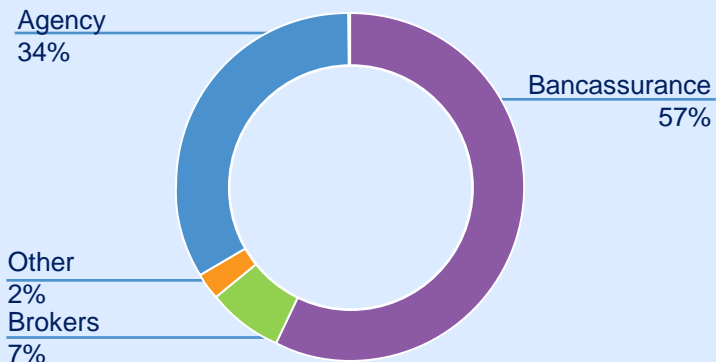
Source: Credit Suisse "Asia P&C Insurance" (2013)

AXA revenues

Revenues
100% basis
(in Euro
million)

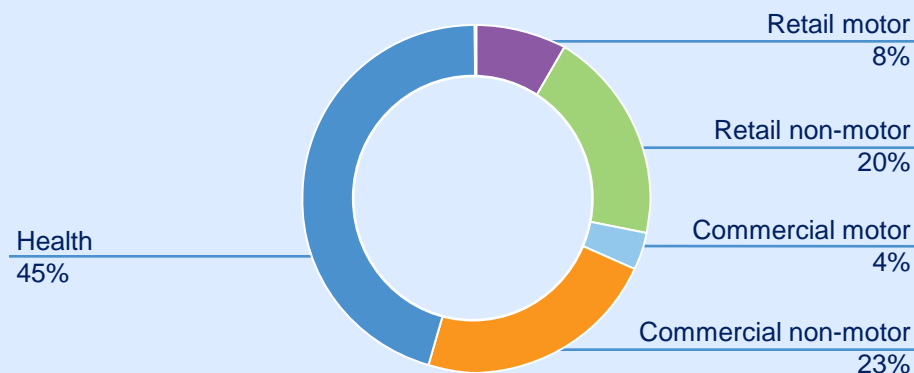


Distribution mix



Hong Kong 2012 revenues: Euro 329 m

Product mix



Hong Kong 2012 revenues: Euro 329 m

2012 includes 12 months of acquired HSBC business
Change at constant Forex

* Market share includes P&C business sold by non-P&C entities and pro forma of acquired HSBC business

redefining / standards



Singapore – #2 in P&C business with 12% market share*



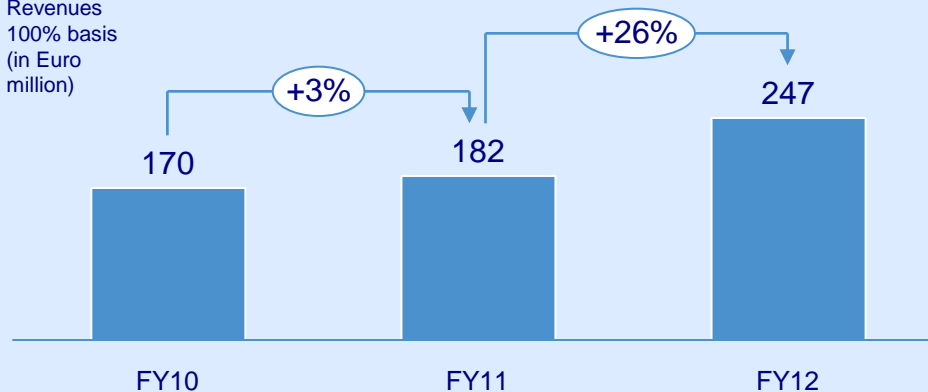
Market Context

| | |
|-------------------------|---------|
| Penetration | 3.5% |
| Premiums/ growth | |
| Total 2012 | \$2.7bn |
| 5YR CAGR | 18.5% |
| 2012 Growth | -11.8% |

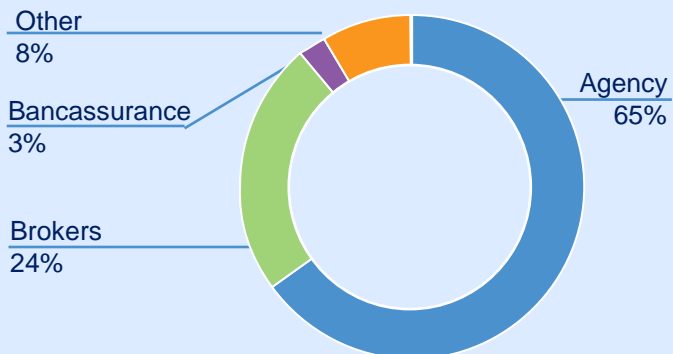
Source: GIA, Credit Suisse "Asia P&C Insurance" (2013)

AXA revenues

Revenues
100% basis
(in Euro
million)

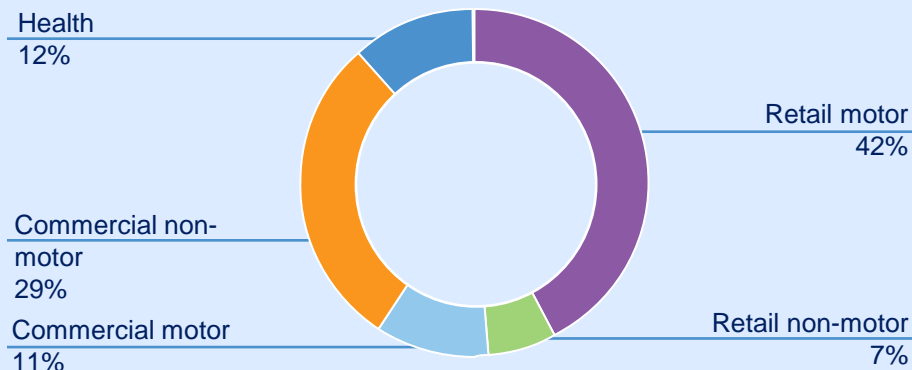


Distribution mix



Singapore 2012 revenues: Euro 247 m

Product mix



Singapore 2012 revenues: Euro 247 m

2012 includes 12 months of acquired HSBC business but excludes HSBC unearned premium reserve

Change at constant Forex

* Market share pro forma of acquired HSBC business

Malaysia – #7 in P&C business with 5% market share



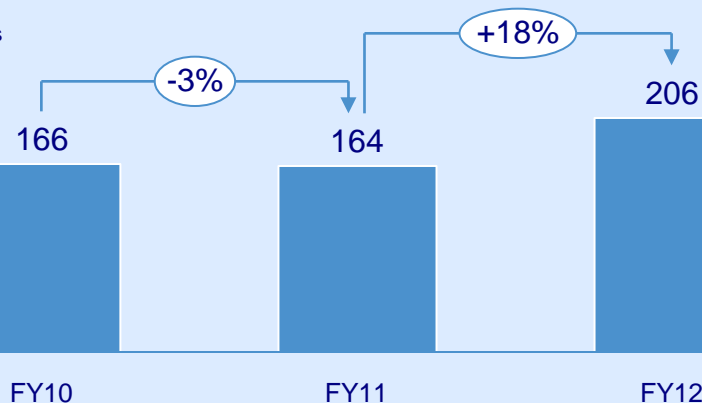
Market Context

| | |
|-------------------------|---------|
| Penetration | 1.7% |
| Premiums/ growth | |
| Total 2012 | \$4.0bn |
| 5YR CAGR | 12.3% |
| 2012 Growth | 1.6% |

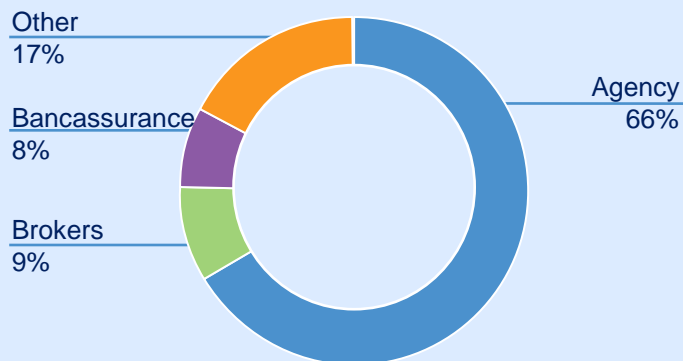
Source: Credit Suisse "Asia P&C Insurance" (2013)

AXA revenues

Revenues
100% basis
(in Euro
million)

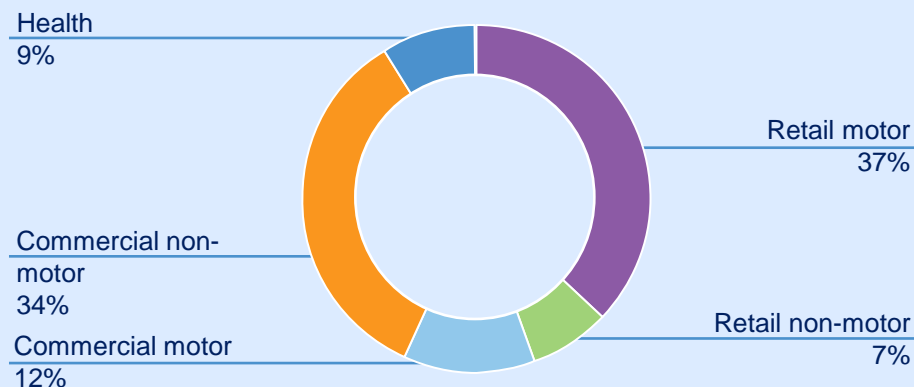


Distribution mix



Malaysia 2012 revenues: Euro 206 m

Product mix



Malaysia 2012 revenues: Euro 206m

India – #10 in P&C business with <1% market share



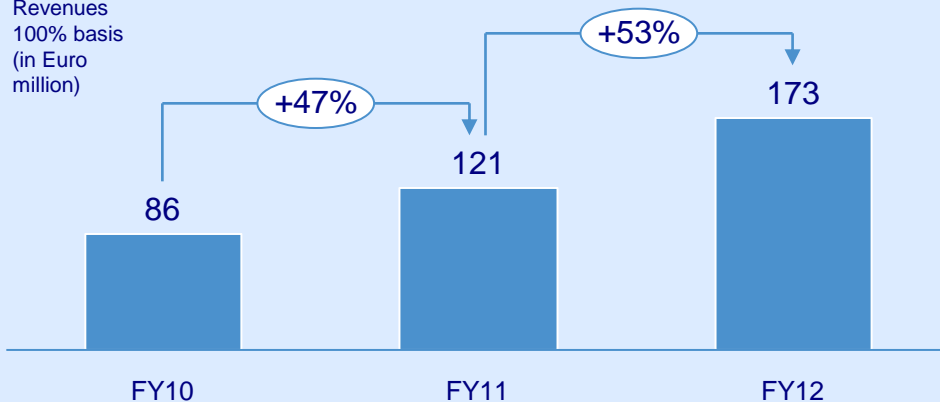
Market Context

| | |
|-------------------------|---------|
| Penetration | 0.8% |
| Premiums/ growth | |
| Total 2012 | \$8.5bn |
| 5YR CAGR | 11.6% |
| 2012 Growth | 24.2% |

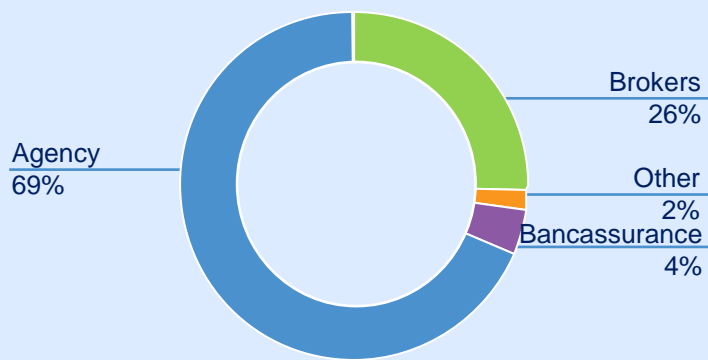
Source: Credit Suisse "Asia P&C Insurance" (2013)

AXA revenues

Revenues
100% basis
(in Euro
million)



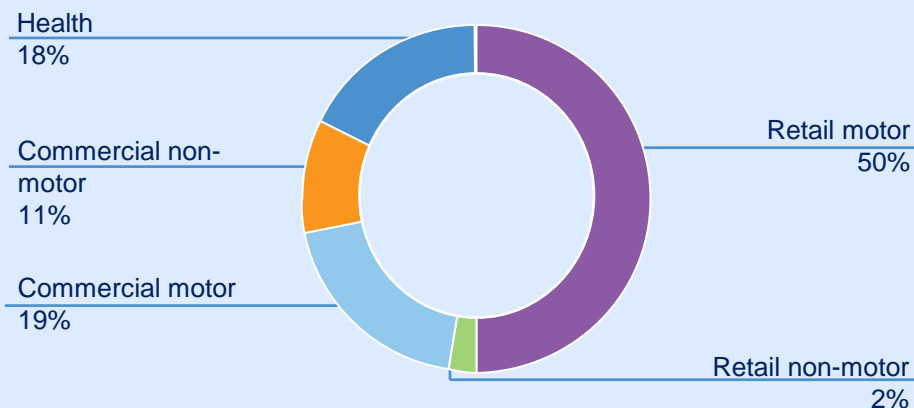
Distribution mix



India 2012 revenues: Euro 173 m

India ranking among private insurers

Product mix



India 2012 revenues: Euro 173m

Change at constant Forex

redefining standards



Thailand – #22 in P&C business with 2% market share



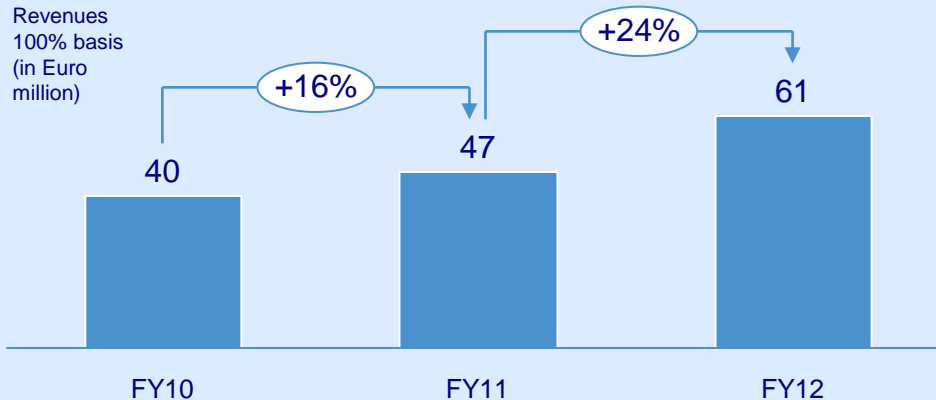
Market Context

| | |
|-------------------------|---------|
| Penetration | 2.1% |
| Premiums/ growth | |
| Total 2012 | \$4.5bn |
| 5YR CAGR | 15.0% |
| 2012 Growth | 21.7% |

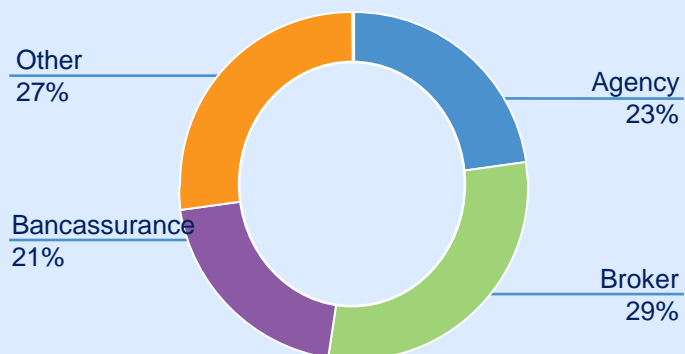
Source: Credit Suisse "Asia P&C Insurance" (2013)

AXA revenues

Revenues
100% basis
(in Euro
million)

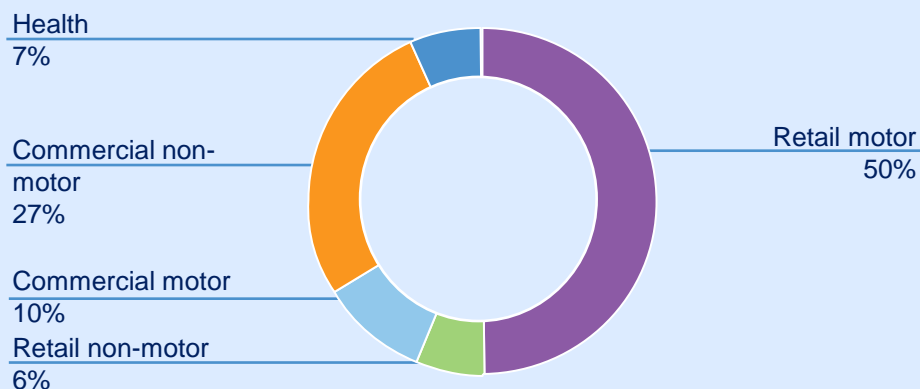


Distribution mix



Thailand 2012 revenues: Euro 61m

Product mix



Thailand 2012 revenues: Euro 61m

China – #4 foreign player in P&C business #1 following Tian Ping acquisition in 2013



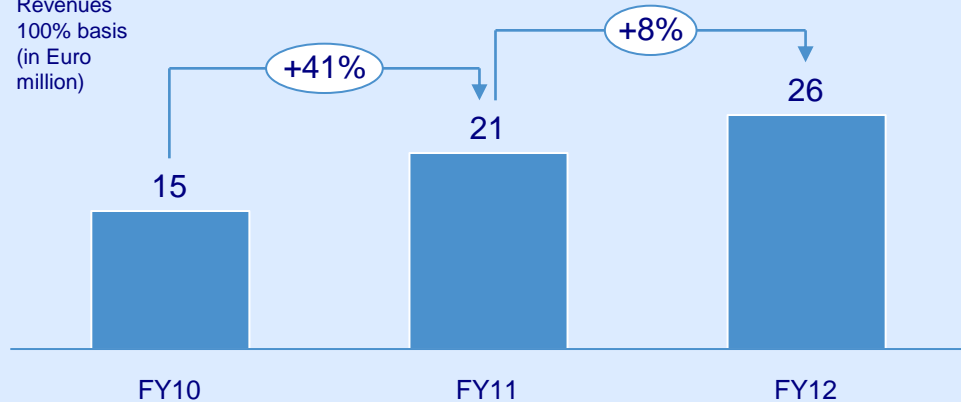
Market Context

| | |
|-------------------------|----------|
| Penetration | 1.2% |
| Premiums/ growth | |
| Total 2012 | \$90.7bn |
| 5YR CAGR | 25.3% |
| 2012 Growth | 16.6% |

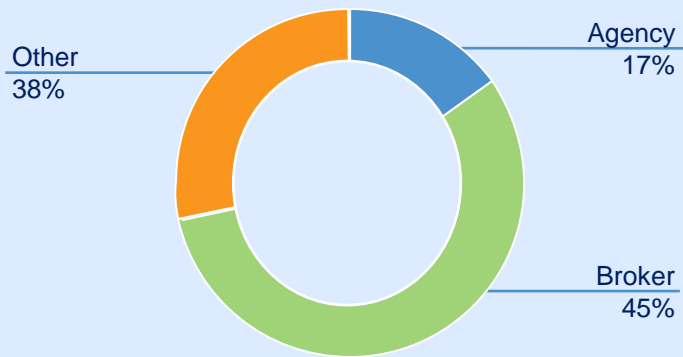
Source: Credit Suisse "Asia P&C Insurance" (2013)

AXA revenues

Revenues
100% basis
(in Euro
million)

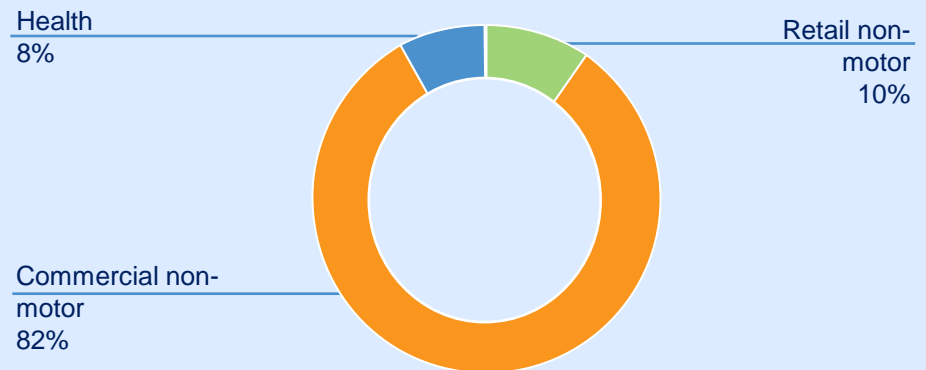


Distribution mix



China 2012 revenues: Euro 26 m

Product mix



China 2012 revenues: Euro 26 m

Indonesia – 2 operations: AGI (86%) & MAGI – Joint Venture with Bank Mandiri (40%) AGI - #28 & MAGI - #47



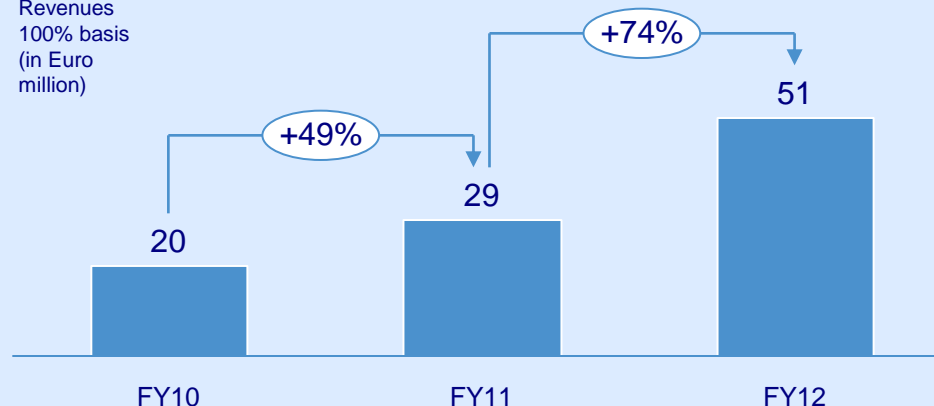
Market Context

| | |
|-------------------------|---------|
| Penetration | 0.5% |
| Premiums/ growth | |
| Total 2012 | \$2.4bn |
| 5YR CAGR | 15.9% |
| 2012 Growth | 10.3% |

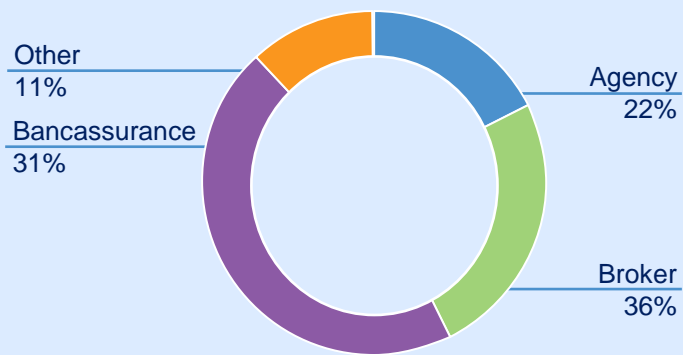
Source: Credit Suisse "Asia P&C Insurance" (2013)

AXA revenues

Revenues
100% basis
(in Euro
million)

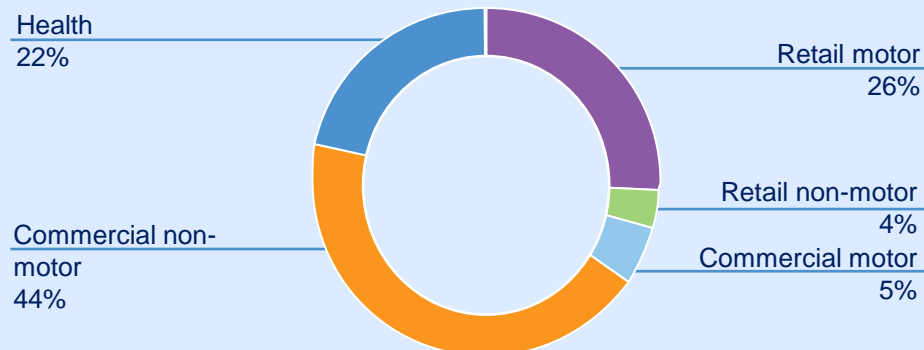


Distribution mix



Indonesia 2012 revenues: Euro 51m

Product mix



Indonesia 2012 revenues: Euro 51m

Biography

Gaëlle Olivier

- Since April 2011, Gaëlle Olivier has been the CEO of AXA Asia P&C
- Gaëlle Olivier is a graduate of Ecole Polytechnique, ENSAE and a chartered actuary from the Institut des Actuaire.
- Gaëlle Olivier joined the AXA Group in 1998. She held several positions at AXA Investment Managers and then at AXA's head office, as Supervisory Board and Management Board Secretary.
- In 2004, she joined AXA Japan, as Head of Investment Operations, before becoming Head of Strategy and Audit.
- In 2009, she was appointed Head of Group Communication and Corporate Responsibility.