

# AXA

## PRESS RELEASE

PARIS, FEBRUARY 25, 2015

### Full Year 2014 Earnings

#### Strong Performance in line with Ambition AXA

- > **Total revenues** up 3% to Euro 92 billion
- > **Underlying Earnings** up 8% to Euro 5.1 billion
- > **Adjusted Earnings** up 7% to Euro 5.5 billion
- > **Net Income** up 12% to Euro 5.0 billion
- > **Dividend** of Euro 0.95 per share, up 17% from FY13, to be proposed by the Board of Directors

“AXA has **delivered** another year of earnings growth in all business lines, with underlying earnings crossing the Euro 5 billion mark for the first time in the company’s history” said **Henri de Castries**, Chairman and CEO of AXA. “In the context of our continued successful delivery on Ambition AXA and our sustained balance sheet strength, the Board of Directors is proposing a **dividend** of Euro 0.95, an increase of 17% versus last year, which corresponds to a payout ratio of 45%.”

“In 2014, we recorded top line growth in all our businesses, maintained our **discipline** in writing profitable and capital efficient business and continued to pursue active asset liability management - all contributing to AXA’s strong and sustainable performance.”

“We are well positioned to successfully conclude our Ambition AXA plan in 2015. As we look ahead, we will continue to diversify our geographical footprint and business mix, as well as further improve our operational efficiency, which should help us perform well even in a low interest rate environment. We will also accelerate the transformation of our operations, which will involve adapting to the digital revolution and developing new partnerships to serve our customers better, and create lasting value for our stakeholders.”

#### Key figures (In Euro million unless otherwise noted)

	FY13	FY14	Change on a reported basis	Change on a comparable basis
Total revenues	91,221 <sup>1</sup>	<b>91,988</b>	+1%	+3%
New Business Value margin (%)	34.6%	<b>34.3%</b>	-0.3 pt	+1.3 pts
	FY13	FY14	Change on a reported basis	Change on constant FX
All-year combined ratio (%)	96.6% <sup>1</sup>	<b>96.9%</b>	+0.3 pt	+0.4 pt
Underlying Earnings	4,728	<b>5,060</b>	+7%	+8%
Adjusted Earnings	5,162	<b>5,503</b>	+7%	+7%
Net income	4,482	<b>5,024</b>	+12%	+12%
Group Operating Free Cash Flows (Euro bn)	5.2	<b>5.5</b>	+6%	+9%
Adjusted ROE (%)	14.8%	<b>14.5%</b>	-0.3 pt	
Debt gearing (%)	24%	<b>24%</b>	0 pt	
Solvency I ratio (%)	221%	<b>266%</b>	+45 pts	
Economic solvency ratio <sup>2</sup> (%)	206%	<b>201%</b>	-5 pts	
Dividend per share (Euro)	0.81	<b>0.95</b>	+17%	

All notes are on page 10

## FY14 Key Highlights

SALES	<p><b>Total Revenues<sup>3</sup></b> were up 3%, driven by growth in all business lines:</p> <ul style="list-style-type: none"> <li>● <b>Life &amp; Savings</b> revenues increased by 3% with growth in both mature and high growth markets;</li> <li>● <b>Property &amp; Casualty</b> revenues were up 1%, mainly driven by an overall positive price effect of 2% on average, partly offset by pruning actions in mature markets' commercial and personal non-motor lines;</li> <li>● <b>Asset Management</b> revenues grew by 4%, supported by both AXA IM and AllianceBernstein (AB), mainly driven by increased management fees as a result of higher average assets under management.</li> </ul> <p><b>Life &amp; Savings New Business Volume (Annual Premium Equivalent, APE<sup>4,5</sup>)</b> was up 6%, driven by an increase in all main business lines. Growth in Unit-Linked and G/A<sup>6</sup> Savings was mainly driven by the success of hybrid products in Continental Europe, while Protection &amp; Health<sup>7</sup> sales also increased, notably in Asia and France, more than offsetting the impact of the repositioning of the Group Life product mix in Switzerland initiated in 1Q14 and the non-repeat of 1Q13 strong Health sales recorded in Germany.</p> <p><b>Life &amp; Savings net inflows</b> amounted to Euro +4.0 billion. This was mainly driven by (i) Protection &amp; Health at Euro +5.2 billion, (ii) Unit-Linked at Euro +0.7 billion, as the positive sales momentum was partly offset by the success of the Variable Annuity GMxB buyout offer in the US (Euro -1.4 billion), and (iii) G/A Savings at Euro -2.0 billion in line with the strategy.</p>
	PROFITABILITY
EARNINGS	<ul style="list-style-type: none"> <li>● <b>Underlying Earnings<sup>5</sup></b> were up 8% to Euro 5.1 billion, driven by strong performance in all business lines.</li> <li>● <b>Adjusted Earnings<sup>5</sup></b> increased by 7% to Euro 5.5 billion, mainly driven by higher Underlying Earnings.</li> <li>● <b>Net Income</b> was up 12% to Euro 5.0 billion, mainly driven by (i) higher Adjusted Earnings, (ii) favorable changes in the fair value of financial assets and derivatives mainly attributable to interest rates and forex evolution and (iii) lower restructuring costs; partially offset by (iv) the impairment of part of the value of Reso in Russia and (v) the non-repeat of the exceptional gain from the sale of AXA Private Equity in 2013.</li> </ul>
BALANCE SHEET	<ul style="list-style-type: none"> <li>● <b>Shareholders' equity</b> was Euro 65.2 billion, up Euro 12.3 billion vs. December 31, 2013 mainly driven by (i) higher unrealized capital gains<sup>9</sup> largely attributable to lower interest rates, (ii) Net Income contribution, (iii) favorable forex movements and (iv) higher net subordinated debt as a result of pre-financing of debt maturing in the first half of 2015; partially offset by (v) dividend payment and higher pension deficit due to lower interest rates.</li> <li>● <b>Solvency I ratio</b> was at 266%, up 45 points vs. December 31, 2013 mainly driven by the impact of lower interest rates and strong contribution from Underlying Earnings.</li> <li>● <b>Economic solvency ratio</b> was at 201%, down 5 points vs. December 31, 2013 mainly driven by the impact of lower interest rates, partially offset by the operating return net of the dividend proposed by the Board of Directors.</li> <li>● <b>Debt gearing</b> was at 24%, stable vs. December 31, 2013 in line with our objectives.</li> <li>● <b>Adjusted ROE</b> was at 14.5%, down 0.3 point vs. December 31, 2013 mainly driven by an increase in average Shareholders' Equity<sup>10</sup>, partially offset by higher Adjusted Earnings.</li> <li>● <b>Group operating Free Cash Flows</b> were Euro 5.5 billion, up 9% mainly driven by Life &amp; Savings.</li> </ul>

	<ul style="list-style-type: none"> <li>● <b>A dividend</b> of Euro 0.95 per share (up 17% vs. FY13) will be proposed at the Shareholders' Annual General Meeting on April 30, 2015. The dividend is expected to be paid on May 13, 2015 with an ex-dividend date of May 11, 2015. This represents a pay-out ratio of 45% of Adjusted Earnings, net of the interest charges on undated debt.</li> </ul>
CAPITAL MANAGEMENT	<p>Significant transactions announced since January 1, 2014:</p> <p><b>Disposals:</b></p> <ul style="list-style-type: none"> <li>● Completion of the sale of Hungarian Life &amp; Savings insurance operations on June 3, 2014;</li> <li>● Announcement of the sale of mandatory Pension business in Hong Kong for an upfront consideration of Euro 270 million on November 7, 2014<sup>11</sup>;</li> <li>● Announcement of the sale of Life &amp; Savings insurance operations in Romania on December 18, 2014<sup>11</sup>.</li> </ul> <p><b>Investments:</b></p> <ul style="list-style-type: none"> <li>● Completion of the acquisition of 50% of TianPing in China for a total consideration of Euro 495 million on February 20, 2014;</li> <li>● Completion of the acquisition of 51% of Colpatria's insurance operations in Colombia for a total consideration of Euro 256 million on April 2, 2014;</li> <li>● Partnership with mBank and acquisition of 100% of mBank's Property &amp; Casualty subsidiary (BRE Insurance) in Poland for an upfront consideration of Euro 136 million on September 12, 2014<sup>11</sup>;</li> <li>● Completion of the acquisition of a majority stake in Mansard Insurance plc in Nigeria for a total consideration of Euro 198 million on December 8, 2014;</li> <li>● Announcement of the acquisition of 7% of Africa Re for a total consideration of Euro 53 million on February 20, 2015<sup>11</sup>.</li> </ul>
RATINGS	<ul style="list-style-type: none"> <li>● On May 9, 2014, Moody's Investors Services reaffirmed the 'Aa3' insurance financial strength ratings of AXA's principle insurance subsidiaries, revising the outlook to Stable from Negative.</li> <li>● On October 15, 2014, S&amp;P reaffirmed long-term ratings on AXA Group core subsidiaries at 'A+', revising the outlook to Positive from Stable.</li> <li>● On November 4, 2014, Fitch reaffirmed all AXA entities' Insurer Financial Strength ratings at 'AA-', maintaining a Stable outlook.</li> </ul>

## Change in accounting

The application of IFRS 10 and 11 became effective on January 1, 2014, and the comparative information in respect of 2013 has been restated to reflect the retrospective application of the new standards which in particular, led to the change in consolidation method of a Property and Casualty company (Natio Assurances reported within the Direct segment) from proportionate consolidation to equity method. This change in consolidation method has no impact on the profit or loss for the current year or prior year.

Non-GAAP measures such as Underlying Earnings and Adjusted Earnings are reconciled to Net Income on page 17 of this release. AXA's FY14 financial statements have been examined by the Board of Directors on February 24, 2015 and are subject to completion of audit procedures by AXA's statutory auditors.

*All comments are on a comparable basis for activity indicators (constant Forex, scope and methodology), and at constant Forex for earnings, unless otherwise specified.*

## Life & Savings

Key figures	Revenues			Underlying Earnings		
	FY13	FY14	% change	FY13	FY14	% change <sup>12</sup>
In Euro billion						
Mature markets	52.4	52.1	+3%	2.4	2.7	+20%
High growth markets	2.9	3.2	+6%	0.4	0.5	+24%
<b>Total</b>	<b>55.3</b>	<b>55.3</b>	<b>+3%</b>	<b>2.8</b>	<b>3.1</b>	<b>+20%</b>

In Euro billion	Pre-tax Underlying Earnings			APE			NBV margin		
	FY13	FY14	% change <sup>12</sup>	FY13	FY14	% change	FY13	FY14	% change
Protection & Health	2.1	2.1	+10%	2.5	2.4	+3%	59%	55%	-2 pts
G/A Savings	0.6	0.8	+37%	0.9	1.0	+11%	11%	14%	+3 pts
Unit-Linked	1.1	1.0	+13%	2.2	2.3	+9%	26%	31%	+ 5 pts
Mutual funds & Other	0.0	0.1	n.a.	0.8	0.8	0%	6%	6%	0 pt
<b>Total</b>	<b>3.8</b>	<b>4.1</b>	<b>+17%</b>	<b>6.3</b>	<b>6.5</b>	<b>+6%</b>	<b>35%</b>	<b>34%</b>	<b>+1 pt</b>
<i>of which mature markets</i>	<i>3.4</i>	<i>3.6</i>	<i>+16%</i>	<i>5.3</i>	<i>5.3</i>	<i>+4%</i>	<i>32%</i>	<i>31%</i>	<i>+1 pt</i>
<i>of which high growth markets</i>	<i>0.4</i>	<i>0.5</i>	<i>+26%</i>	<i>1.1</i>	<i>1.1</i>	<i>+14%</i>	<i>48%</i>	<i>49%</i>	<i>0 pt</i>

**New Business APE** was up 6%, driven by growth in all main business lines; growth in Unit-Linked and G/A Savings was mainly driven by the success of hybrid<sup>13</sup> products in Continental Europe, while Protection & Health sales also increased, notably in Asia and France, more than offsetting the impact of the repositioning of the Group Life product mix in Switzerland initiated in 1Q14 and the non-repeat of 1Q13 strong Health sales recorded in Germany.

In high growth markets, APE grew by 14% mostly driven by Hong Kong and South-East Asia, India & China. Mature markets APE increased by 4% mainly driven by France and Italy, partly offset by Switzerland, Belgium and Germany.

AXA continued to focus on profitable new business: **NBV margin** increased by 1 point on a comparable basis to 34%, reflecting business mix improvement in most countries as well as lower unit costs due to higher volumes, partly offset by the impact of lower interest rates and Forex. On a comparable basis, margins increased by 1 point in mature markets to 31%, while remaining flat in high growth markets at 49%. As a result, **NBV** was up 10% to Euro 2.2 billion.

**Pre-tax Underlying Earnings** increased by 17% on a comparable basis driven by higher fees and revenues, lower acquisition expenses, as well as an improvement in the net technical margin mainly in Japan and in France. Investment margin was lower mainly due to the non-repeat of 2013 exceptionally high dividend income in Japan from equity and private equity funds following a Japanese stock market rally, partially offset by lower crediting rates.

- **Protection & Health APE** (37% of total) was up 3%, driven by South-East Asia, India & China as well as France (mainly stemming from Group business), Hong Kong and Mexico. This was partly offset by lower volumes in Switzerland following the repositioning of the Group Life product mix and non-repeat of 1Q13 strong sales in Germany.

**Pre-tax Underlying Earnings** were up 10% as higher fees and revenues in line with business growth and an improved technical margin, notably in France, were partly offset by higher expenses in line with commercial activity growth and a lower investment margin, notably due to the non-repeat of 2013 exceptional distributions in Japan.

- **Unit-Linked APE** (35% of total) was up 9%, mainly driven by the UK with growth in large Corporate pension scheme sales, Hong Kong with accelerated sales in anticipation of January 1, 2015 regulatory changes, both Germany and Italy following the successful launch of new hybrid products and the US with the continued success of the floating roll-up rate GMxB products; this was partly offset by Belgium and Indonesia.

**Pre-tax Underlying Earnings** were up 13% mainly driven by higher management fees due to a higher average asset base and lower expenses, partly offset by decreased technical result notably due to a lower US VA GMxB margin.

- **General Account Savings APE** (15% of total) was up 11%, mainly driven by two large contracts in French Group Retirement business, as well as higher hybrid product sales both in France and Italy. This was partly offset by Germany, mainly due to a voluntary shift in business mix towards Unit-Linked products, and CEE region.

**Pre-tax Underlying Earnings** were up 37%, mainly due to (i) higher technical margin reflecting the non-repeat of 2013 model and assumptions changes on longevity in Japan as well as positive prior year reserve developments, (ii) higher investment margin; this was partly offset by lower fees and revenues.

**Cost income ratio** improved to 63.1% from 66.8% in 2013.

On a post-tax basis, **Underlying Earnings** grew by 20% on a comparable basis, mainly driven by the increase in pre-tax Underlying Earnings as well as higher positive tax one-offs (Euro +184 million in 2014 vs. Euro +70 million in 2013).

## Property & Casualty

Key figures	Revenues (In Euro billion)			FY14 price increases
	FY13 <sup>1</sup>	FY14	% change	% change
Personal	16.9	17.2	+1%	+1.5%
Commercial	11.7	12.1	+2%	+2.2% <sup>14</sup>
Other	0.2	0.2	-11%	
<b>Total</b>	<b>28.8</b>	<b>29.5</b>	<b>+1%</b>	<b>+1.8%</b>

	Revenues (In Euro billion)			Current year combined ratio			All-year combined ratio		
	FY13 <sup>1</sup>	FY14	% change	FY13 <sup>1</sup>	FY14	% change	FY13 <sup>1</sup>	FY14	% change
Mature markets	22.0	22.4	+1%	97.5%	97.1%	-0.4 pt	96.0%	96.1%	+0.1 pt
Direct	2.2	2.4	+5%	99.4%	99.7%	+0.2 pt	99.5%	98.2%	-1.4 pts
High growth markets	4.5	4.7	+2%	98.2%	98.7%	+0.5 pt	98.2%	100.2%	+2.3 pts
<b>Total</b>	<b>28.8</b>	<b>29.5</b>	<b>+1%</b>	<b>97.8%</b>	<b>97.6%</b>	<b>-0.2 pt</b>	<b>96.6%</b>	<b>96.9%</b>	<b>+0.4 pt</b>

**Revenues** were up 1%, mainly driven by an overall positive price effect of 2% on average, partly offset by pruning actions in mature markets' commercial and personal non-motor lines;

- **Mature markets revenues** increased by 1%, mainly driven by tariff increases across the board, partly offset by lower volumes due to selective underwriting, notably in commercial lines, mainly in France and Spain and to the termination of partnerships in the UK.
- **High growth markets revenues** increased by 2%, driven by both higher volumes, principally in Asia, Colombia and the Gulf region, as well as tariff increases. This was partly offset by pruning actions in Mexico and increased competition in Turkey.
- **Direct revenues** were up 5% mainly driven by higher renewals in the UK and South Korea, as well as higher new business in France and Japan, partly offset by continued economic slowdown in Spain.

**Net new personal contracts** amounted to +506k, driven by Motor +465k and Household +41k.

**Underlying Earnings** were up 2% to Euro 2.2 billion due to a higher investment result mainly driven by exceptional distributions from mutual funds, better claims experience and improved expenses, partly offset by higher natural catastrophe charges.

**Current year combined ratio** improved by 0.2 point to 97.6% mainly driven by an improved expense ratio in most mature countries and lower claims frequency, partly offset by higher natural catastrophes which amounted to Euro 561 million largely as a result of Ela storm (Euro 271 million) in Europe and the Odile Hurricane (Euro 256 million) in Mexico. Natural catastrophes contributed 1.9 points compared to 0.8 point the year before.

- **Expense ratio** decreased by 0.5 point to 26.0% reflecting productivity measures and improved business mix in most of our mature markets. As a consequence, the **enlarged expense ratio** improved by 0.5 point to 30.3%;
- **Prior year reserve developments** decreased by 0.6 point to -0.6 point.

As a result, the **all-year combined ratio** deteriorated by 0.4 point to 96.9%.

## Asset Management

Key figures	Revenues			Underlying Earnings			Average Assets under Management (Euro billion)		
	FY13	FY14	% change	FY13	FY14	% change	FY13	FY14	% change
In Euro million									
AXA IM	1,363	1,151	+4%	216	211	-4%*	539	554	+5%
AB	2,097	2,175	+4%	185	193	+5%	354	371	+5%
<b>Total</b>	<b>3,461</b>	<b>3,326</b>	<b>+4%</b>	<b>400</b>	<b>403</b>	<b>0%*</b>	<b>893</b>	<b>925</b>	<b>+5%</b>

\* Excluding AXA Private Equity contribution in 2013, Underlying Earnings growth on a comparable basis was +20% for AXA IM and +12% for total Asset Management

**Asset Management revenues** were up 4% supported by both AXA IM and AB, mainly driven by higher management fees as a result of higher average Assets under Management, as well as higher institutional research fees at AB.

**Average Assets under Management** were at Euro 925 billion, up 5% mainly driven by the positive impact of market appreciation at both AXA IM and AB as well as higher net inflows.

**Asset Management net inflows** amounted to Euro 22 billion in 2014. AXA IM recorded Euro 19 billion of net inflows mainly from retail clients. AB recorded Euro 3 billion of net inflows (compared to Euro 4 billion net outflows in FY13), mainly from the institutional clients.

**Underlying Earnings** were stable or up 12% on a comparable basis, excluding the earnings contribution from the AXA Private Equity in 2013, mainly driven by operational leverage resulting from increased revenues at both AXA IM and AB.

## Adjusted Earnings

**Adjusted Earnings** increased by 7% to Euro 5.5 billion, mainly driven by higher Underlying Earnings.

## Net Income

**Net Income** was up 12% to Euro 5.0 billion, as the positive impact from (i) higher Adjusted Earnings and (ii) favorable changes in financial assets and derivatives mainly attributable to interest rates and forex evolution and (iii) lower restructuring costs; partially offset by (iv) the Euro 251 million impairment of part of the value of Reso due to deteriorated economic perspectives in Russia and (v) the non-repeat of the exceptional gain from the sale of AXA Private Equity in 2013.

## Cost Savings

AXA has already delivered Euro 1.6 billion of **cost savings** since the launch of Ambition AXA, of which Euro 0.3 billion in FY14.

## Operating Free Cash Flows

**Group operating Free Cash Flows** were Euro 5.5 billion, up 9%, mainly driven by Life & Savings.

## Economic Solvency

**Economic solvency** ratio was at 201%, down 5 points vs. December 31, 2013 mainly driven by the impact of lower interest rates, partially offset by the operating return net of dividend proposed by the Board of Directors.

## Group Embedded Value (EV)

**Group EV** was up Euro 4.1 billion to Euro 47.2 billion, or Euro 19.3 per share. The 19% operating return on opening Group EV was driven by a strong performance across all businesses.

## Dividend

A **dividend** of Euro 0.95 per share (up 17% vs. FY13) will be proposed at the Shareholders' Annual General Meeting on April 30, 2015. The dividend is expected to be paid on May 13, 2015 with an ex-dividend date of May 11, 2015. This represents a pay-out ratio of 45% of Adjusted Earnings, net of the interest charges on undated debt.

## General Account Invested Assets and Asset & Liability Management

Insurance invested assets amounted to Euro 523 billion<sup>15</sup> at December 31, 2014, up from Euro 470 billion as of December 31, 2013. The change mainly arises from the impact of lower interest rates on fixed income assets and from positive net flows. The asset allocation remained broadly stable, mostly geared towards government bonds and high quality corporate bonds (average rating in the A range).



Asset yields on the investment portfolio were 3.7% in Life & Savings and 3.9% in Property & Casualty (or 3.8% excluding exceptional Mutual Funds dividends in France which amounted to Euro 71 million in FY14), benefitting from average asset durations of 7.6 years and 4.6 years respectively. On the Life & Savings side, this compared well to the average guaranteed rate of 2.1%, that led to an investment margin of 80bps in FY14, in line with the guidance of 70 to 80 bps.

In FY14, Life & Savings and Property & Casualty entities reinvested Euro 43 billion in fixed income assets at an average yield of 2.7%, well above the Life & Savings new business average guaranteed rate of 0.4%.

## Notes

<sup>1</sup> Comparative information related to 2013 was restated for the retrospective application of the new IFRS standards on consolidation.

<sup>2</sup> The Economic Solvency ratio is based on AXA's internal model calibrated based on adverse 1/200 years shock and assuming US equivalence. AXA's internal model will be subject to a comprehensive review and approval process conducted by ACPR over the coming months as part of the implementation process around Solvency II which is scheduled to take effect January 1, 2016.

<sup>3</sup> Including Banking & Holdings revenues which were up 7% to Euro 564 million in FY14 (vs. Euro 524 million in FY13) and International Insurance revenues which were up 3% to Euro 3,292 million in FY14 (vs. Euro 3,143 million in FY13).

<sup>4</sup> Annual Premium Equivalent (APE) represents 100% of new business regular premiums + 10% of new business single premiums. APE is Group share.

<sup>5</sup> Underlying Earnings are Adjusted Earnings, excluding net realized capital gains attributable to shareholders. Adjusted Earnings represent Net income before the impact of exceptional and discontinued operations, intangibles amortization and other, and profit or loss on financial assets (classified under the fair value option) and derivatives. Group EV, APE, NBV, Group operating Free Cash Flows, Adjusted Earnings and Underlying Earnings are non-GAAP measures and as such are not audited, may not be comparable to similarly titled measures reported by other companies and should be read together with our GAAP measures. Management uses these non-GAAP measures as key indicators of performance in assessing AXA's various businesses and believes that the presentation of these measures provides useful and important information to shareholders and investors as measures of AXA's financial performance.

<sup>6</sup> General Account.

<sup>7</sup> General Account Protection & Health.

<sup>8</sup> New Business Value is Group share.

<sup>9</sup> Excluding Forex, minority interests and other.

<sup>10</sup> Average shareholders' equity excluding undated debt and reserves related to change in fair value.

<sup>11</sup> Transaction pending, subject to customary closing conditions, including obtaining regulatory approvals.

<sup>12</sup> Changes are adjusted for Forex and changes related to (i) scope with the closed MONY portfolio transaction in 2013 and the disposal of AXA Hungary in 2014, (ii) methodology with the update of US investment income allocation in 2014, which has a zero net P&L impact and (iii) the change in reporting period in Japan in 2013.

<sup>13</sup> Hybrid products: savings products allowing clients to invest in both Unit-Linked and General Account funds.

<sup>14</sup> Renewals only.

<sup>15</sup> FY14 invested assets referenced in page 57 of the financial supplement are Euro 743 billion, which include notably Euro 181 billion of Unit-linked assets and Euro 38 billion related to the banking segment.

## Definitions

**Life & Savings high growth markets:** APE and NBV: Morocco, Colombia, Mexico, Turkey, Singapore, Indonesia, Thailand, Philippines, China, India, Hong Kong, Poland, Czech Republic, Hungary and Slovakia; Revenues: Morocco, Mexico, Turkey, Colombia, Singapore, Indonesia (excl. bancassurance entity), Hong Kong, Poland, Czech Republic, Hungary and Slovakia.

**Property & Casualty high growth markets:** Revenues: Morocco, Colombia, Mexico, Turkey, Gulf region, Singapore, Malaysia, Hong Kong, Ukraine.

**NORCEE (Northern, Central and Eastern Europe – L&S and P&C):** Germany, Belgium, Switzerland, Luxembourg, Russia (P&C only) and Central & Eastern Europe (Poland (L&S only), Czech Republic, Hungary, Slovakia, Ukraine (P&C only)); Luxembourg APE and NBV are not modeled; Russia (RESO) is not included in revenues due to consolidation under equity method.

**South-East Asia, India and China (L&S):** APE and NBV: China, India, Indonesia, Philippines, Singapore and Thailand; Revenues: Singapore and non-bancassurance subsidiaries in Indonesia; India, China, Thailand, Philippines and bancassurance business in Indonesia are not included in revenues due to consolidation under equity method; Malaysia operations are not consolidated.

**MedLA (Mediterranean and Latin American Region – L&S and P&C):** Italy, Spain, Portugal, Greece, Turkey, Mexico, Morocco, Colombia and Gulf region (P&C only). Lebanon is not included in revenues due to consolidation under equity method (P&C only). Nigerian operations are not consolidated.

**Asia (P&C):** Hong Kong, Malaysia and Singapore. India and Thailand are not included in revenues due to consolidation under equity method. China and Indonesia operations are not consolidated.

**Direct (P&C):** AXA Global Direct (France, Belgium, Spain, Portugal, Italy, Poland, South Korea and Japan), UK Direct operations. In France, Natio is not included in revenues due to consolidation under equity method.

### ABOUT THE AXA GROUP

The AXA Group is a worldwide leader in insurance and asset management, with 157,000 employees serving 103 million clients in 59 countries. In 2014, IFRS revenues amounted to Euro 92.0 billion and IFRS underlying earnings to Euro 5.1 billion. AXA had Euro 1,277 billion in assets under management as of December 31, 2014.

The AXA ordinary share is listed on compartment A of Euronext Paris under the ticker symbol CS (ISN FR 0000120628 – Bloomberg: CS FP – Reuters: AXAF.PA). AXA's American Depository Share is also quoted on the OTC QX platform under the ticker symbol AXAHY.

The AXA Group is included in the main international SRI indexes, such as Dow Jones Sustainability Index (DJSI) and FTSE4GOOD.

It is a founding member of the UN Environment Programme's Finance Initiative (UNEP FI) Principles for Sustainable Insurance and a signatory of the UN Principles for Responsible Investment.

*This press release and the regulated information made public by AXA pursuant to article L. 451-1-2 of the French Monetary and Financial Code and articles 222-1 et seq. of the Autorité des marchés financiers' General Regulation are available on the AXA Group website ([www.axa.com](http://www.axa.com)).*

<b>Investor Relations:</b>	<b>+33.1.40.75.46.85</b>	<b>Individual Shareholder Relations:</b>	<b>+33.1.40.75.46.74</b>
Andrew Wallace-Barnett:	+33.1.40.75.46.85	+33.1.40.75.48.43	Garance Wattez-Richard: +33.1.40.75.46.42
Yael Beer-Gabel:	+33.1.40.75.47.93		Hélène Caillet: +33.1.40.75.55.51
Florian Bezault:	+33.1.40.75.59.17		Jean-Baptiste Mounier: +33.1.40.75.49.68
Stéphanie Bonel:	+33.1.40.75.48.15		
Clémence Houssay:	+33.1.40.75.73.22		
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### IMPORTANT LEGAL INFORMATION AND CAUTIONARY STATEMENTS CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements contained herein may be 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 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. Please refer to the section "Cautionary statements" in page 2 of AXA's Document de Référence for the year ended December 31, 2013, for a description of certain important factors, risks and uncertainties that may affect AXA's business, and/or results of operations. 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.

## AXA Group IFRS revenues – Contributions &amp; growth by segment and country/region

In Euro million	FY13	FY14	IFRS revenues change	
	IFRS	IFRS	Reported	Comp. basis
United States	11,303	11,469	+1%	+4%
France	14,115	15,121	+7%	+7%
NORCEE	16,096	15,636	-3%	-3%
of which Germany	6,520	6,640	+2%	+2%
of which Switzerland	7,063	6,720	-5%	-6%
of which Belgium	2,012	1,813	-10%	-10%
of which Central & Eastern Europe	389	320	-18%	-5%
United Kingdom	568	639	+12%	+7%
Asia Pacific	7,665	6,081	-21%	+2%
of which Japan	5,579	3,801	-32%	-1%
of which Hong Kong	1,818	1,944	+7%	+7%
of which South-East Asia, India & China	268	336	+25%	+31%
MedLA	5,575	6,384	+15%	+10%
of which Spain	699	752	+8%	+8%
of which Italy	4,280	4,836	+13%	+13%
of which Other <sup>i</sup>	595	796	+34%	-1%
Other <sup>ii</sup>	9	16	+76%	+76%
<b>Life &amp; Savings</b>	<b>55,331</b>	<b>55,345</b>	<b>0%</b>	<b>+3%</b>
of which mature markets	52,447	52,136	-1%	+3%
of which high growth markets	2,884	3,209	+11%	+6%
NORCEE	8,681	8,737	+1%	0%
of which Germany	3,779	3,779	0%	0%
of which Belgium	2,025	2,026	0%	0%
of which Switzerland	2,706	2,783	+3%	+2%
France	5,853	6,034	+3%	+3%
MedLA	7,360	7,440	+1%	-1%
of which Spain	1,797	1,714	-5%	-5%
of which Italy	1,526	1,519	0%	0%
of which Mexico	1,587	1,465	-8%	-4%
of which Turkey	1,218	1,019	-16%	-4%
of which Other <sup>iii</sup>	1,232	1,724	+40%	+10%
United Kingdom & Ireland	3,807	4,034	+6%	+2%
Asia	816	853	+5%	+7%
Direct	2,247	2,361	+5%	+5%
<b>Property &amp; Casualty</b>	<b>28,763</b>	<b>29,460</b>	<b>+2%</b>	<b>+1%</b>
of which mature markets	21,996	22,378	+2%	+1%
of which Direct	2,247	2,361	+5%	+5%
of which total high growth markets	4,520	4,721	+4%	+2%
AXA Corporate Solutions Assurance	2,093	2,118	+1%	-1%
Other international activities	1,050	1,175	+12%	+12%
<b>International Insurance</b>	<b>3,143</b>	<b>3,292</b>	<b>+5%</b>	<b>+3%</b>
AB	2,097	2,175	+4%	+4%
AXA Investment Managers	1,363	1,151	-16%	+4%
<b>Asset Management</b>	<b>3,461</b>	<b>3,326</b>	<b>-4%</b>	<b>+4%</b>
<b>Banking &amp; Holdings<sup>iv</sup></b>	<b>524</b>	<b>564</b>	<b>+8%</b>	<b>+7%</b>
<b>TOTAL</b>	<b>91,221</b>	<b>91,988</b>	<b>+1%</b>	<b>+3%</b>

<sup>i</sup> Portugal, Turkey, Mexico, Morocco, Colombia, Greece

<sup>ii</sup> AXA Life Invest Services, Architas Europe and Family Protect

<sup>iii</sup> Portugal, Morocco, Colombia, Greece and Gulf region

<sup>iv</sup> and other companies

In million local currency except Japan in billion	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14
<b>Life &amp; Savings</b>								
United States	3,558	3,749	3,796	3,894	3,671	3,853	3,656	4,094
France	3,864	3,339	3,144	3,768	3,944	3,579	3,502	4,096
United Kingdom	131	112	116	122	128	118	129	141
<b>NORCEE</b>								
Germany	1,630	1,591	1,617	1,682	1,650	1,644	1,608	1,738
Switzerland	5,164	1,232	997	1,286	4,580	1,372	938	1,275
Belgium	659	492	340	521	614	427	329	443
Central & Eastern Europe <sup>i</sup>	87	108	90	104	90	63	68	99
<b>Asia Pacific</b>								
Japan	155	140	134	268 <sup>ii</sup>	135	131	134	134
Hong Kong	5,003	5,009	5,244	3,450	4,650	4,690	5,099	5,637
MedLA <sup>i</sup>	1,087	1,909	1,188	1,391	1,437	1,925	1,227	1,795
<b>Property &amp; Casualty</b>								
<b>NORCEE</b>								
Germany	1,744	619	758	657	1,745	627	763	644
Switzerland	2,695	279	184	168	2,735	289	185	173
Belgium	620	478	473	453	627	481	467	451
France	1,923	1,220	1,365	1,345	2,029	1,274	1,433	1,298
MedLA <sup>i</sup>	1,890	1,858	1,582	2,029	1,855	1,843	1,641	2,101
United Kingdom & Ireland <sup>iii</sup>	848	886	791	696	848	902	812	701
Asia <sup>i</sup>	238	200	206	172	241	201	218	194
Direct <sup>i</sup>	562	575	556	553	597	605	596	564
<b>International Insurance</b>								
AXA Corporate Solutions Assurance	943	394	360	396	995	376	358	389
Other international activities <sup>i</sup>	314	257	292	186	336	259	272	307
<b>Asset Management</b>								
AB	674	700	667	741	687	724	727	758
AXA Investment Managers	317	377	360	309	276	287	262	326
<b>Banking<sup>i</sup></b>	121	172	105	126	134	153	124	153

<sup>i</sup> In Euro million due to multiple local currencies

<sup>ii</sup> AXA Life Japan aligned its closing date with the Group calendar year starting with 2013 annual accounts. Therefore, its contribution for the 4Q13 revenues exceptionally covered a period of 6 months, from July to December 2013

<sup>iii</sup> Ireland revenues are in GBP in this table

# APPENDIX 3: LIFE & SAVINGS – NEW BUSINESS VOLUME (APE), VALUE (NBV) AND NBV TO APE MARGIN /

## AXA – PRESS RELEASE

In Euro million	FY14 APE by product				Total APE			NBV			NBV Margin		
	G/A Protection & Health	G/A Savings	Unit-Linked	Mutual funds & other	FY13	FY14	Change on a comparable basis	FY13	FY14	Change on a comparable basis	FY13	FY14	Change on a comparable basis
United States	98	58	757	442	1,322	1,355	+3%	356	378	+6%	27%	28%	+1 pt
France	701	605	279	0	1,431	1,584	+11%	290	392	+35%	20%	25%	+4 pts
United Kingdom	28	0	433	243	647	704	+4%	21	32	+40%	3%	4%	+1 pt
<b>NORCEE</b>	<b>533</b>	<b>130</b>	<b>209</b>	<b>37</b>	<b>1,075</b>	<b>909</b>	<b>-15%</b>	347	338	-3%	32%	37%	+5 pts
<i>Germany</i>	181	68	102	22	385	373	-3%	76	115	+51%	20%	31%	+11 pts
<i>Switzerland</i>	307	5	13	4	430	329	-24%	209	172	-18%	49%	52%	+4 pts
<i>Belgium</i>	25	53	46	0	151	125	-17%	39	25	-36%	26%	20%	-6 pts
<i>Central &amp; Eastern Europe</i>	20	3	48	11	108	82	-18%	24	26	+14%	22%	32%	+9 pts
<b>Asia Pacific</b>	<b>906</b>	<b>3</b>	<b>381</b>	<b>51</b>	<b>1,411</b>	<b>1,342</b>	<b>+12%</b>	1,031	896	+4%	73%	67%	-5 pts
<i>Japan</i>	305	0	56	0	504	361	+3%	550	369	-7%	109%	102%	-11 pts
<i>Hong Kong</i>	254	3	207	51	443	515	+17%	295	352	+20%	67%	68%	+2 pts
<i>South-East Asia, India &amp; China</i>	347	0	119	0	463	466	+16%	187	176	+5%	40%	38%	-4 pts
<b>MedLA</b>	<b>115</b>	<b>203</b>	<b>239</b>	<b>12</b>	<b>443</b>	<b>570</b>	<b>+30%</b>	138	182	+33%	31%	32%	+1 pt
<i>Spain</i>	23	39	18	12	85	93	+9%	41	62	+52%	49%	67%	+19 pts
<i>Italy</i>	27	159	202	0	286	388	+36%	79	108	+37%	27%	28%	0 pt
<i>Other<sup>i</sup></i>	65	5	19	0	72	89	+30%	18	12	-30%	25%	14%	-12 pts
Other <sup>ii</sup>	14	0	0	0	7	14	+100%	9	2	-73%	124%	17%	-107 pts
<b>Total</b>	<b>2,395</b>	<b>999</b>	<b>2,298</b>	<b>786</b>	<b>6,335</b>	<b>6,477</b>	<b>+6%</b>	<b>2,193</b>	<b>2,220</b>	<b>+10%</b>	<b>35%</b>	<b>34%</b>	<b>+1 pt</b>
<i>of which mature markets</i>	1,719	991	1,909	724	5,265	5,341	+4%	1,677	1,660	+9%	32%	31%	+1 pt
<i>of which high growth markets</i>	676	8	389	62	1,070	1,136	+14%	517	560	+13%	48%	49%	0 pt

<sup>i</sup> Portugal, Morocco, Greece, Turkey, Colombia and Mexico

<sup>ii</sup> AXA Life Invest Services, Architas Europe and Family Protect

Property & Casualty revenues – contribution & growth by business line								
in %	Personal Motor		Personal Non-Motor		Commercial Motor		Commercial Non-Motor	
	% Gross revenues	Change on comp. basis	% Gross revenues	Change on comp. basis	% Gross revenues	Change on comp. basis	% Gross revenues	Change on comp. basis
<b>NORCEE</b>	<b>32%</b>	<b>+1%</b>	<b>24%</b>	<b>+1%</b>	<b>7%</b>	<b>-1%</b>	<b>35%</b>	<b>0%</b>
of which Germany	30%	+2%	27%	0%	6%	-4%	29%	0%
of which Belgium	27%	-1%	23%	0%	12%	+1%	37%	0%
of which Switzerland	36%	+1%	19%	+5%	4%	+2%	42%	+1%
France	26%	+3%	31%	+4%	10%	+5%	33%	+2%
<b>MedLA</b>	<b>37%</b>	<b>-3%</b>	<b>19%</b>	<b>+3%</b>	<b>13%</b>	<b>-7%</b>	<b>31%</b>	<b>+5%</b>
of which Spain	45%	-3%	30%	-1%	7%	-15%	19%	-8%
of which Italy	58%	-1%	24%	+3%	1%	+105%	17%	-5%
of which other <sup>i</sup>	25%	-5%	13%	+7%	20%	-7%	42%	+9%
United Kingdom & Ireland	13%	0%	34%	-2%	11%	+9%	42%	+4%
Asia	26%	+5%	23%	+4%	8%	+11%	44%	+9%
Direct	86%	+5%	14%	+7%				
<b>Total</b>	<b>34%</b>	<b>+1%</b>	<b>25%</b>	<b>+2%</b>	<b>9%</b>	<b>-1%</b>	<b>32%</b>	<b>+3%</b>
of which mature markets	30%	+1%	28%	+1%	8%	+3%	33%	+1%
of which high growth markets	25%	-4%	14%	+6%	18%	-6%	43%	+10%

<sup>i</sup> Portugal, Turkey, Mexico, Morocco, Greece, Colombia and Gulf region

<b>Assets under Management rollforward</b>			
In Euro billion	<b>AB</b>	<b>AXA IM</b>	<b>Total</b>
<b>AUM at FY13</b>	<b>346</b>	<b>547</b>	<b>893</b>
Net flows	+3	+19	+22
Market appreciation	+12	+45	+57
Scope	+2	-1	+1
Forex impact	+50	+13	+63
<b>AUM at FY14</b>	<b>413</b>	<b>623</b>	<b>1,036<sup>ii</sup></b>
<b>Average AUM over the period<sup>i</sup></b>	<b>371</b>	<b>554</b>	<b>925</b>
<i>Change of average AUM on a reported basis vs. FY13</i>	+5%	+3%	+4%
<i>Change of average AUM on a comparable basis vs. FY13</i>	+5%	+5%	+5%

<sup>i</sup> Average AUM for AXA IM is calculated excluding the contribution from joint ventures

<sup>ii</sup> The difference with Euro 1,277 billion of total assets under management mentioned in the Financial Supplement on page 69 corresponds to assets directly managed by AXA insurance companies.



## AXA – PRESS RELEASE

Earnings: Key figures				
In Euro million	FY13	FY14	Change	
			Reported	At constant Forex
Life & Savings	2,793	3,132	+12%	+14%
Property & Casualty	2,105	2,158	+2%	+2%
Asset Management	400	403	+1%	0%
International Insurance	202	208	+3%	+2%
Banking	78	106	+36%	+36%
Holdings	-851	-947	-11%	-11%
<b>Underlying Earnings</b>	<b>4,728</b>	<b>5,060</b>	<b>+7%</b>	<b>+8%</b>
Realized capital gains/losses	801	760	-5%	-5%
Impairments	-301	-296	+2%	+2%
Equity portfolio hedging	-66	-22	+67%	+68%
<b>Adjusted Earnings</b>	<b>5,162</b>	<b>5,503</b>	<b>+7%</b>	<b>+7%</b>
Change in fair value & Forex	-317	225	-	-
Goodwill and related intangibles	-138	-345	-150%	-182%
Integration and restructuring costs	-263	-170	+35%	+35%
Exceptional and discontinued operations	38	-188	-	-
<b>Net Income</b>	<b>4,482</b>	<b>5,024</b>	<b>+12%</b>	<b>+12%</b>

Earnings per share – Fully diluted			
In Euro	FY13	FY14	Reported change
Underlying EPS <sup>i</sup>	1.85	1.95	+5%
Adjusted EPS <sup>i</sup>	2.03	2.14	+5%
Net income per share <sup>i</sup>	1.75	1.94	+11%

<sup>i</sup> Net of interest charges on undated subordinated notes (TSDI) and undated deeply subordinated notes (TSS).

AXA Group Assets		
In Euro billion	FY13 restated	FY14 preliminary
Goodwill	14.8	16.1
VBI	2.4	2.3
DAC & equivalent	19.3	21.1
Other intangibles	3.2	3.1
Investments	643.2	722.0
Other assets & receivables	51.1	53.8
Cash & cash equivalents	21.5	22.0
<b>TOTAL ASSETS</b>	<b>755.4</b>	<b>840.1</b>

AXA Group Liabilities		
In Euro billion	FY13 restated	FY14 preliminary
Shareholders' Equity, Group share	52.9	65.2
Minority interests	2.5	2.8
<b>SH EQUITY &amp; MINORITY INTERESTS</b>	<b>55.4</b>	<b>68.0</b>
Financing debt	10.4	8.7
Technical reserves	608.4	673.1
Provisions for risks & charges	10.4	12.7
Other payables & liabilities	70.8	77.6
<b>TOTAL LIABILITIES</b>	<b>755.4</b>	<b>840.1</b>

Comparative information related to 2013 was restated for the retrospective application of the new IFRS standards on consolidation

## AXA – PRESS RELEASE

**Changes in scope:** No significant changes in scope

**4Q14 main press releases**

Please refer to the following web site address for further details: <http://www.axa.com/en/press/pr/>

- 10/09/2014 - [AXA is the 1st insurance brand worldwide for the 6th consecutive year](#)
- 10/23/2014 - [9M14 Activity Indicators](#)
- 10/24/2014 - [AXA announces the Subscription Prices for its 2014 employee share offering \(Shareplan 2014\)](#)
- 11/07/2014 - [AXA to sell its mandatory Pension business in Hong Kong to The Principal Financial Group](#)
- 11/20/2014 - [AXA held today its Investor Day dedicated to Savings and Asset Management.](#)
- 11/28/2014 - [AXA to enter the Nigerian market through the acquisition of a majority stake in Mansard Insurance plc](#)
- 12/03/2014 - [AXA announces senior executive appointments, sets up a Global Business Line for its Health insurance business worldwide](#)
- 12/08/2014 - [Results of the AXA Group employee share offering in 2014](#)
- 12/08/2014 - [AXA has completed the acquisition of a majority stake in Mansard Insurance plc in Nigeria](#)
- 12/18/2014 - [AXA to sell its Romanian operations](#)

**FY14 Operations on AXA shareholders' equity and debt**

**Shareholders' Equity:** No significant operation

**Debt:**

- 01/02/2014 - Redemption of Euro 2.1bn dated subordinated debt.
- 01/09/2014 - [AXA announced the successful placement of GBP 750 million subordinated notes.](#)
- 05/16/2014 - [AXA announced the successful placement of EUR 1 billion undated subordinated notes.](#)
- 11/06/2014 - [AXA announced the final results of its offer to exchange four series of Euro- and GBP-denominated undated deeply subordinated notes into two new series of Euro- and GBP-denominated undated deeply subordinated notes.](#)

**Post FY14 closing event**

- 02/20/2015 - [AXA to acquire 7% of Africa Re, the leading reinsurer in Africa Re, the leading reinsurer in Africa](#)

**Next main investor events**

- 04/30/2015 - Shareholders' Annual General Meeting in Paris, Palais des Congrès
- 05/07/2015 - First Three Months 2015 Activity Indicators
- 08/04/2015 - Half year 2015 Earnings Release