



# AXA

## FULL YEAR 2014 EARNINGS

---

Presentation

February 25, 2015





# TABLE OF CONTENTS

---

## INTRODUCTION & HIGHLIGHTS

PAGE A4

Henri de Castries, Chairman & CEO

## FY14 FINANCIAL PERFORMANCE

PAGE A18

Denis Duverne, Deputy CEO & Gérald Harlin, Group CFO

## CONCLUDING REMARKS

PAGE A47

Henri de Castries, Chairman & CEO



# Introduction & highlights

---

Henri de Castries, Chairman & CEO

# Our 2014 journey

---



DELIVERING – earnings growth in line with Ambition AXA



DIVIDEND – growth boosted by a higher payout ratio



DISCIPLINE – in operations and investments, for sustainable growth



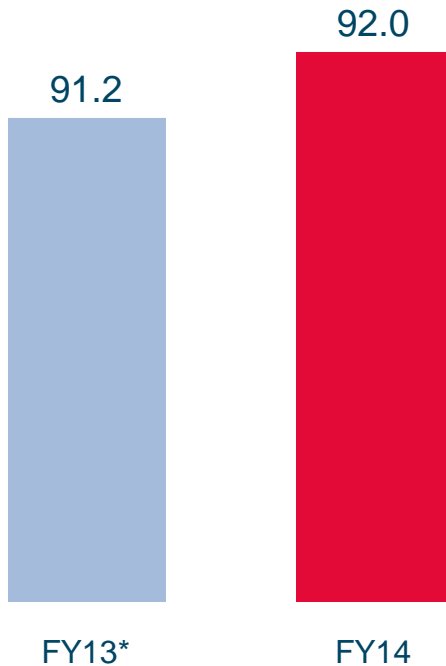
DIGITAL – fostering innovation and transforming for the future

# DELIVERING: Revenues and Earnings growth

+3%

## Revenues growth

In Euro billion



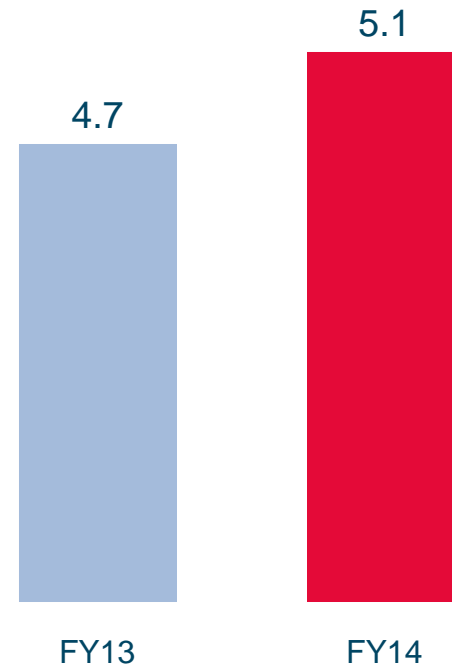
Change is on comparable basis

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

+8%

## Underlying Earnings growth

In Euro billion



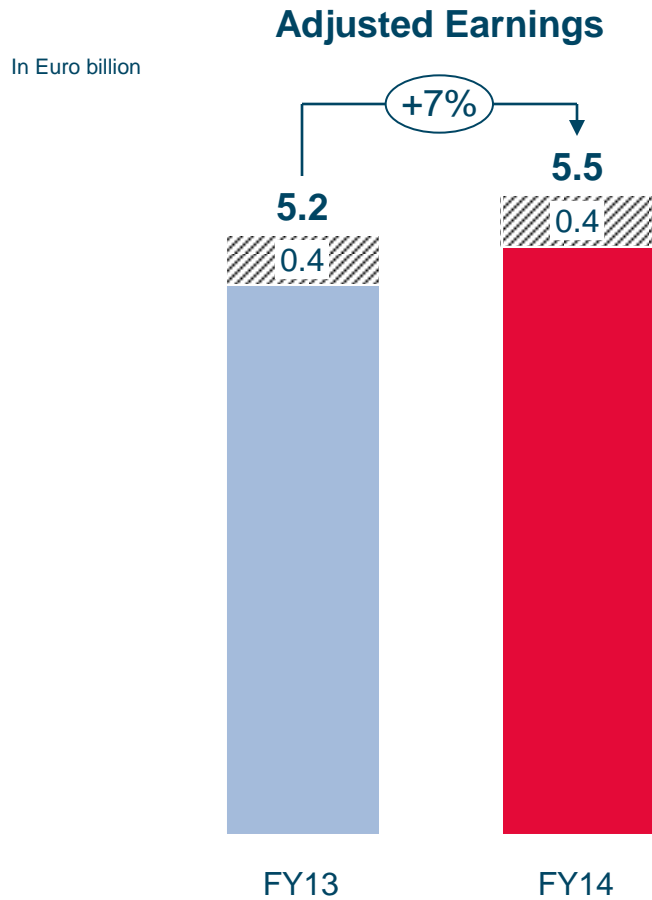
Change is at constant Forex

# DELIVERING: Across all business lines

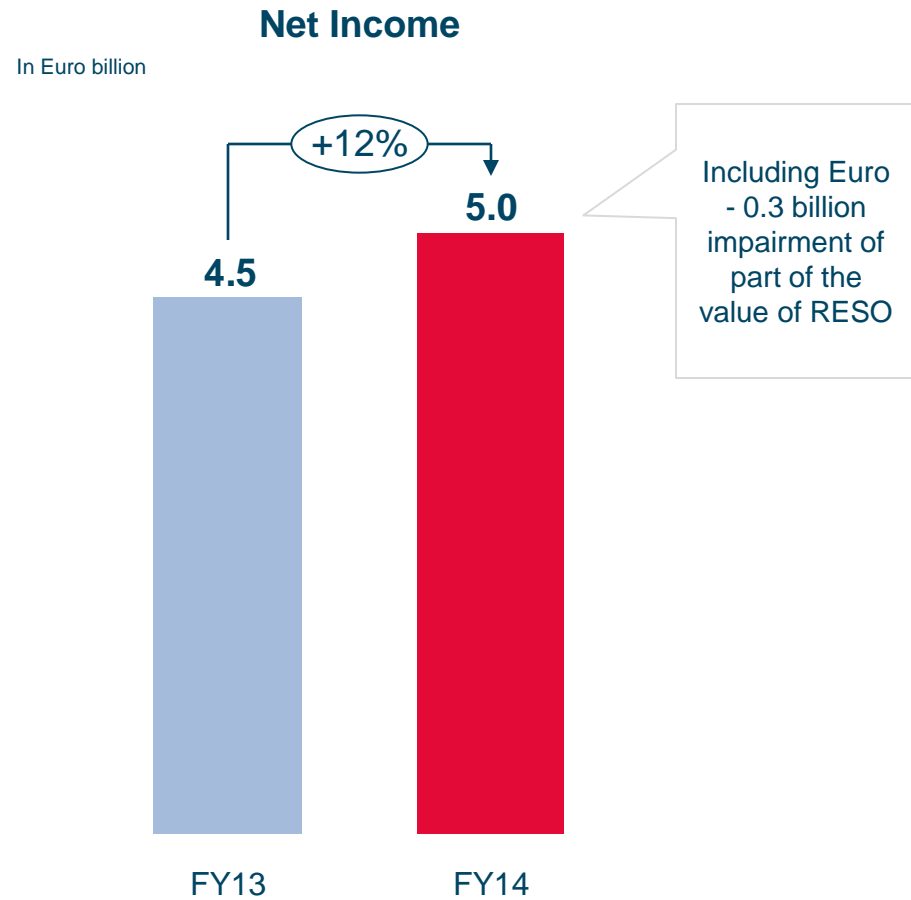
	FY14 Activity growth	FY14 Underlying Earnings growth	
Life & Savings	APE <b>+6%</b>	<b>+14%</b>	Continued resilience to low rates
Property & Casualty	Revenues <b>+1%</b>	<b>+2%</b>	Or <b>+13%</b> assuming normalized <sup>1</sup> level of Nat Cat
Asset Management	Net inflows Euro <b>+22</b> billion	<b>+12%</b>	Excluding impact from AXA Private Equity disposal <sup>2</sup>

Change is on comparable basis for activity indicators and at constant Forex for Underlying Earnings

# DELIVERING: Growth in Adjusted Earnings and Net Income



▨ Net realized capital gains



Changes are at constant Forex

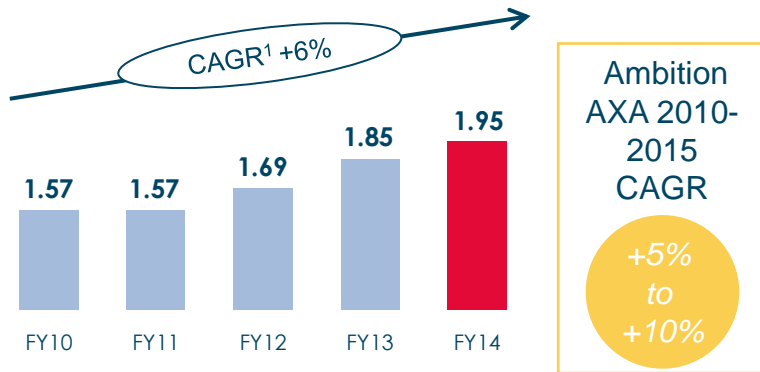




# DELIVERING on Ambition AXA

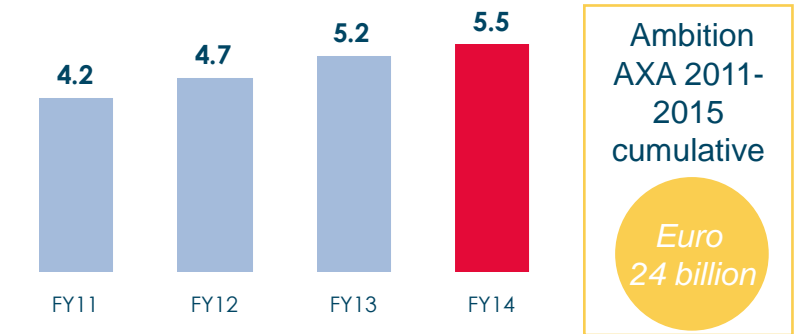
## UNDERLYING EARNINGS PER SHARE

In Euro per share

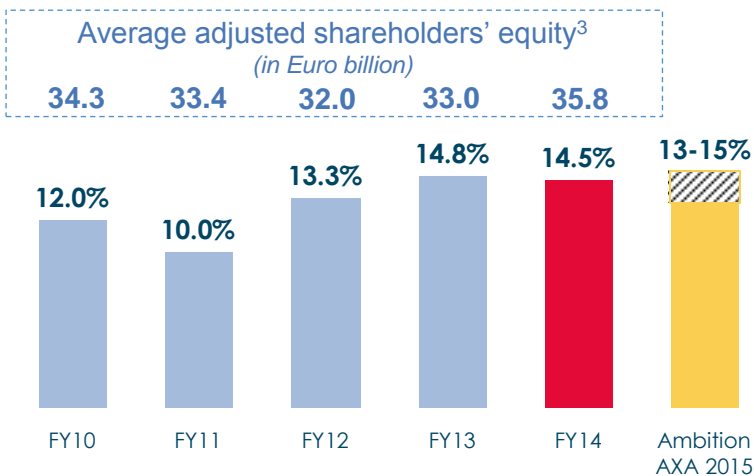


## GROUP OPERATING FREE CASH FLOWS

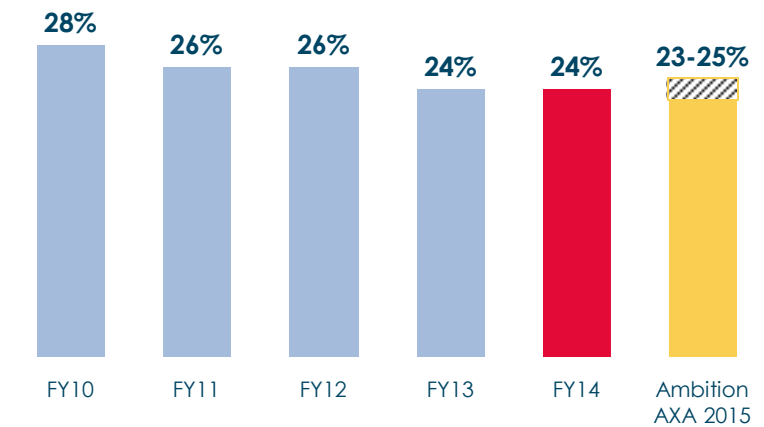
In Euro billion



## ADJUSTED RETURN ON EQUITY<sup>2</sup>

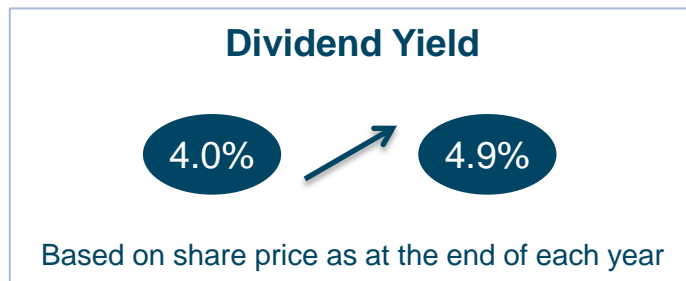
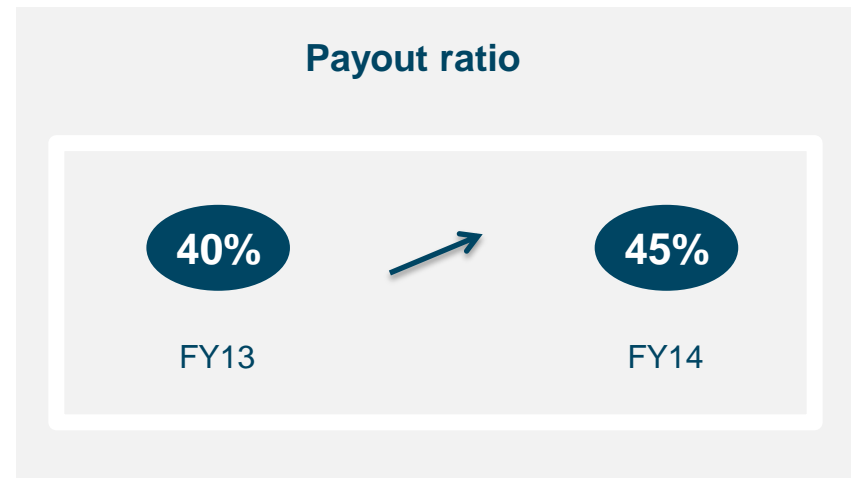
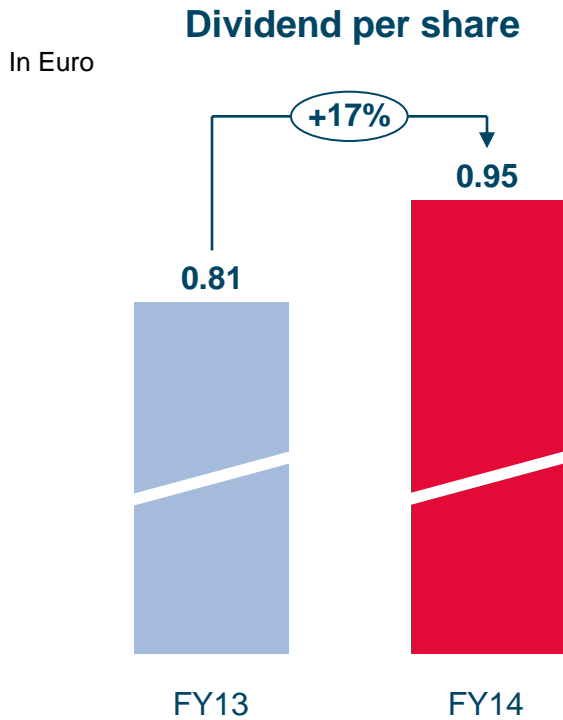


## DEBT GEARING



All numbers are as published

# DIVIDEND: Strong growth boosted by a higher payout ratio



### Dividend policy

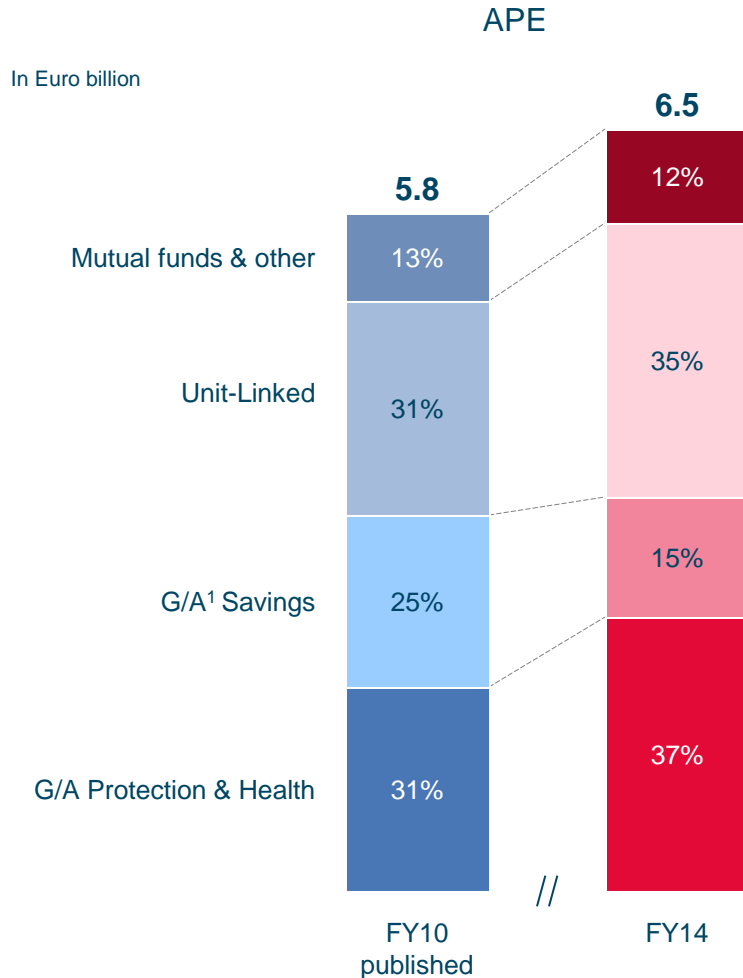
Long-term guidance unchanged

### Payout ratio of 40-50% of Adjusted Earnings

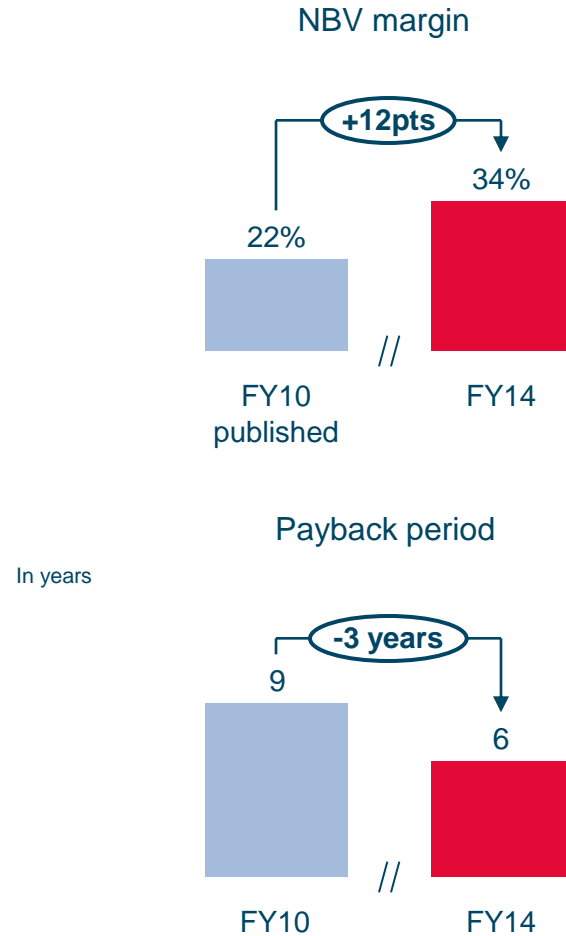
net of undated debt interest charges

# DISCIPLINE: Reshaping the Life & Savings product offer

## Improved business mix



## Leading to higher capital efficiency and profitability

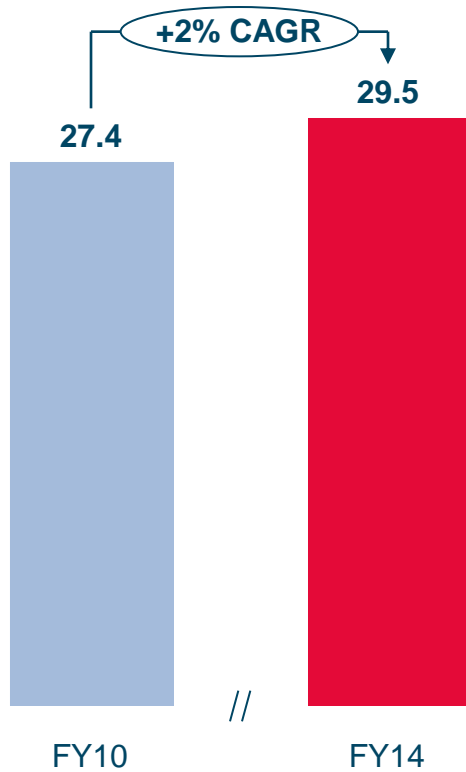


Changes are on a reported basis

# DISCIPLINE: Property & Casualty profitable growth

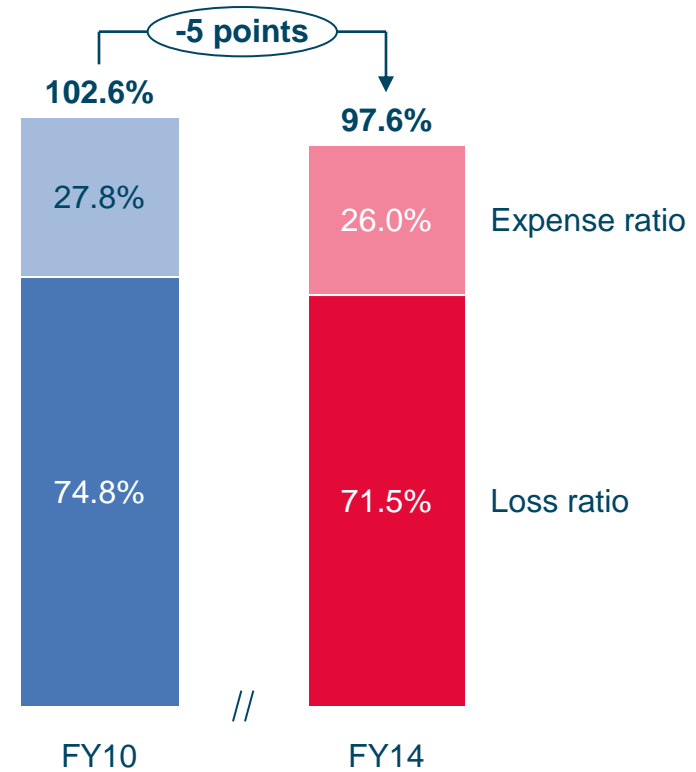
## Growth in revenues

In Euro billion



## While improving profitability

Current year combined ratio



Changes are on a reported basis

# DISCIPLINE: Asset and Liability management

Limited earnings sensitivity to low interest rates - benefiting from on-going management actions

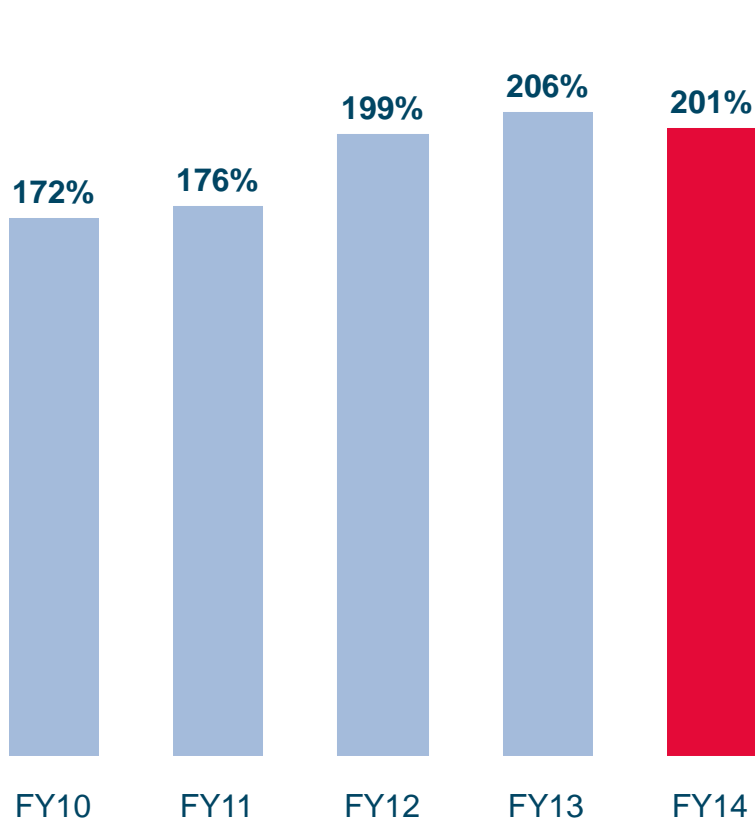
	<u>Assumed reinvestment yield</u>	<u>Estimated per annum impact on Underlying Earnings*</u>
<b>NOVEMBER 2014</b>	2.4%	Ca. Euro -0.1 billion
<b>FEBRUARY 2015</b> (POST ECB AND SNB DECISIONS)	2.0%	Additional ca. Euro -0.1 billion

Fixed income investment portfolio  
average "A" rating maintained

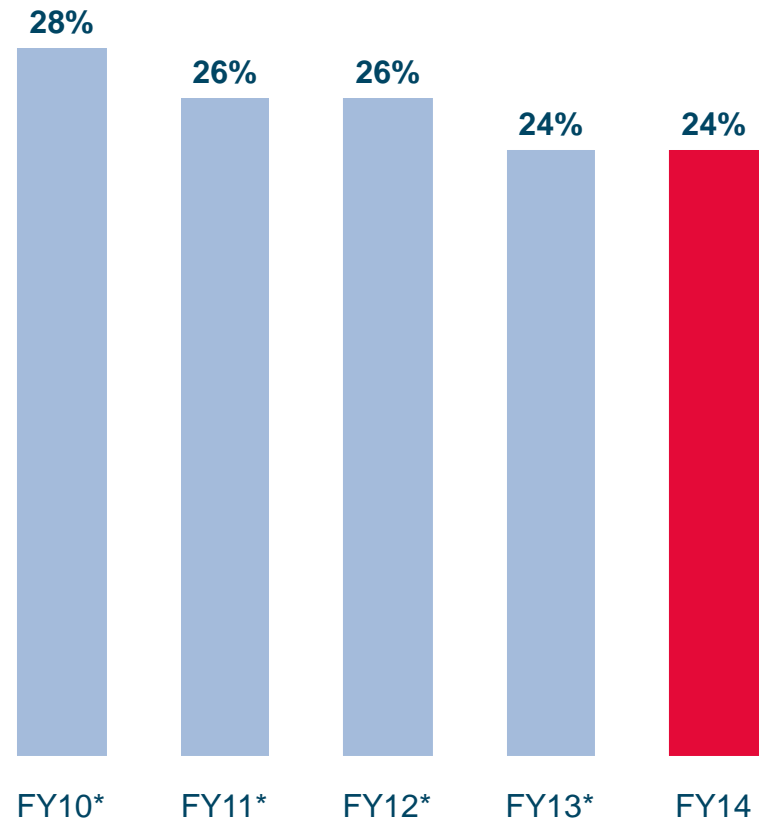
\* Includes post-tax recurring cumulative impacts from lower yields on P&C investment income, Life & Savings investment margin and US Variable Annuity GMxB margin

# DISCIPLINE: Balance sheet management

## Economic Solvency<sup>1</sup>



## Debt Gearing



All ratios adjusted for subsequent year dividend payment

\* Published

# DISCIPLINE: 2010-2014 Capital Allocation

1

Performed annual capital allocation and portfolio reviews, which led to Euro 8.9<sup>1</sup> billion of disposals since 2010

2

Less than Euro 1 billion spent per year on average for acquisitions since 2010, funded from disposals in line with our commitment

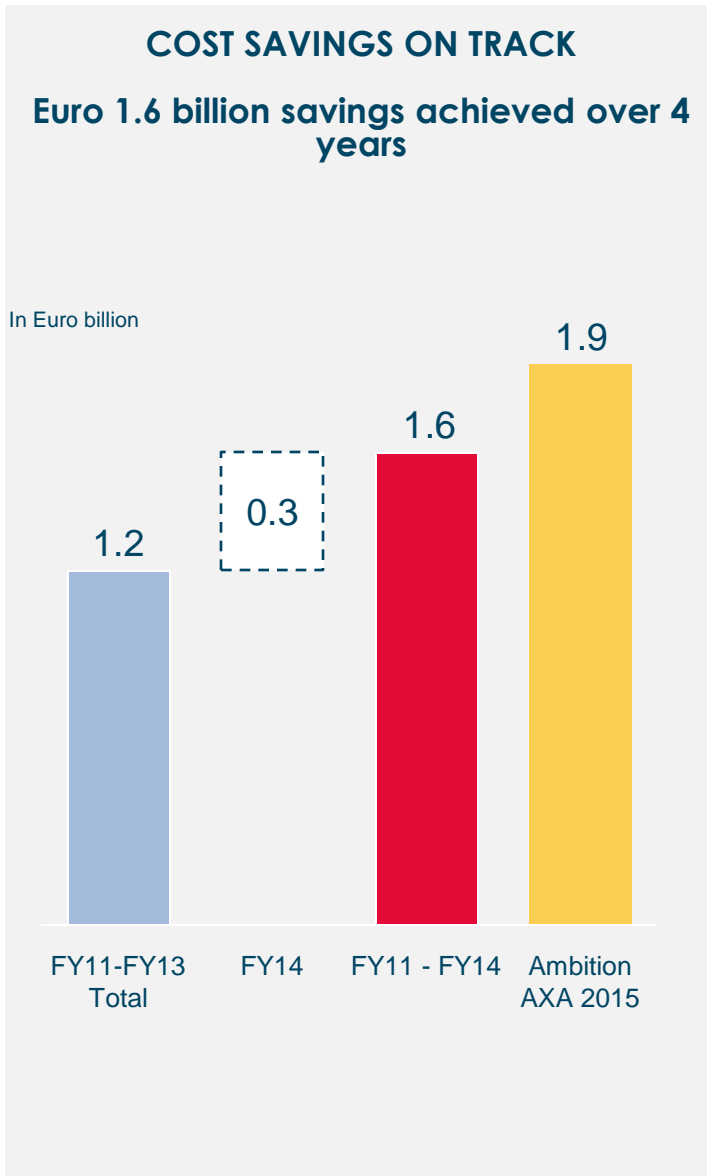
3

Reallocation of capital contributed to the shift in the geographic mix from mature markets to high growth markets, in line with Ambition AXA

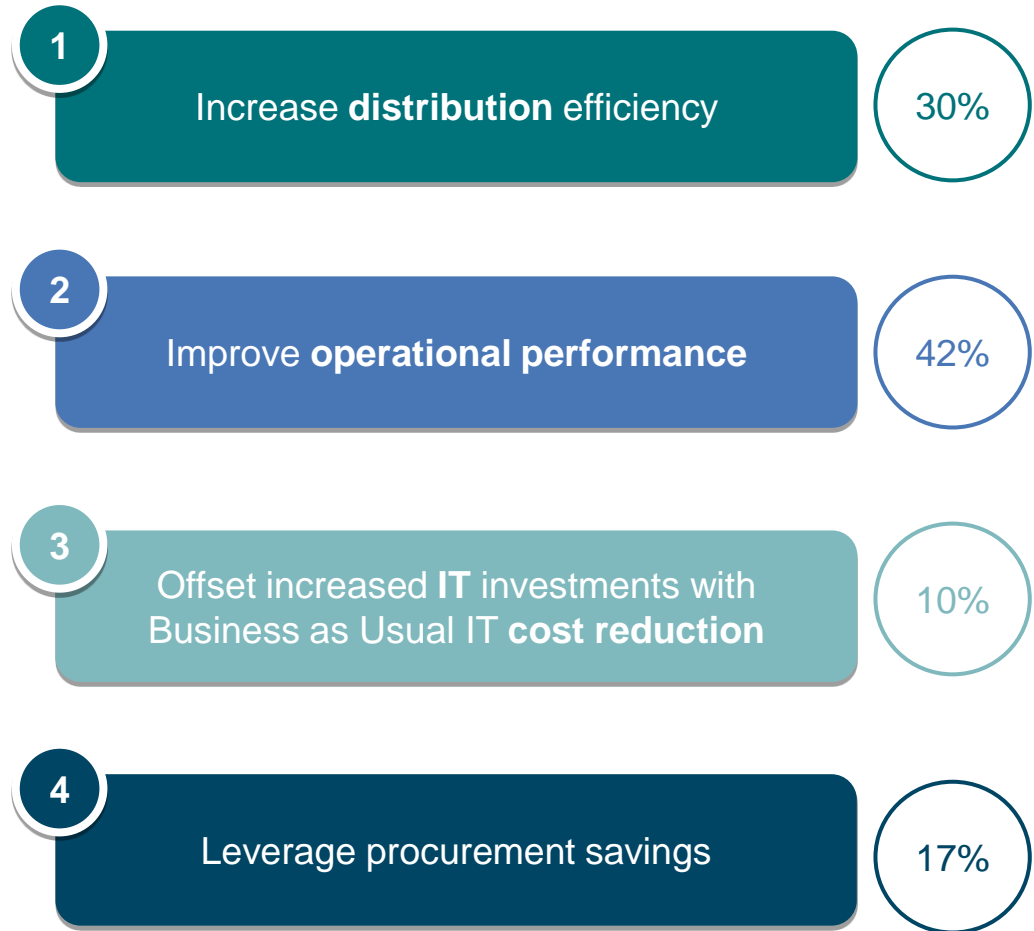
4

Remaining proceeds used to strengthen the balance sheet

# DISCIPLINE: on track to deliver cost saving



## 2011-2014 contribution





# DIGITAL – fostering innovation and transforming for the future

## Anticipating the evolving needs of our clients

### Boosting innovation & data analytics

#### Data Innovation Lab

30 projects launched across the group

Benefitting from expertise of external partners

### Enhancing sales through multi-access

28% of new personal motor contracts through the Direct channel

### Increasing interactions with customers

#### MyAXA

85,000 downloads in France



### Fostering an innovation culture



15,392 participants  
44 countries

More than 815 ideas on mobile services and big data

### Partnering with digital leaders

facebook

LinkedIn

SAMSUNG

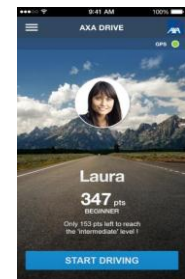
Google

nest

### Better knowing our clients' risks

#### AXA Drive

750,000 downloads in 12 countries



Investments in Digital expected to increase to ca. Euro 950 million over 2013-2015



# FY14 Financial performance

---

Denis Duverne, Deputy CEO  
&  
Gérald Harlin, Group CFO



# FY14 FINANCIAL PERFORMANCE

---

Group earnings

Life & Savings

Property & Casualty

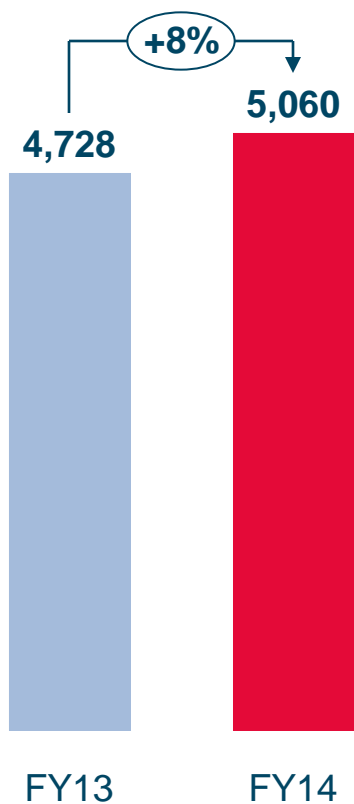
Asset Management

Balance sheet

# UNDERLYING EARNINGS (1/2)

## UNDERLYING EARNINGS

In Euro million



Change is at constant Forex

## UNDERLYING EARNINGS BY SEGMENT

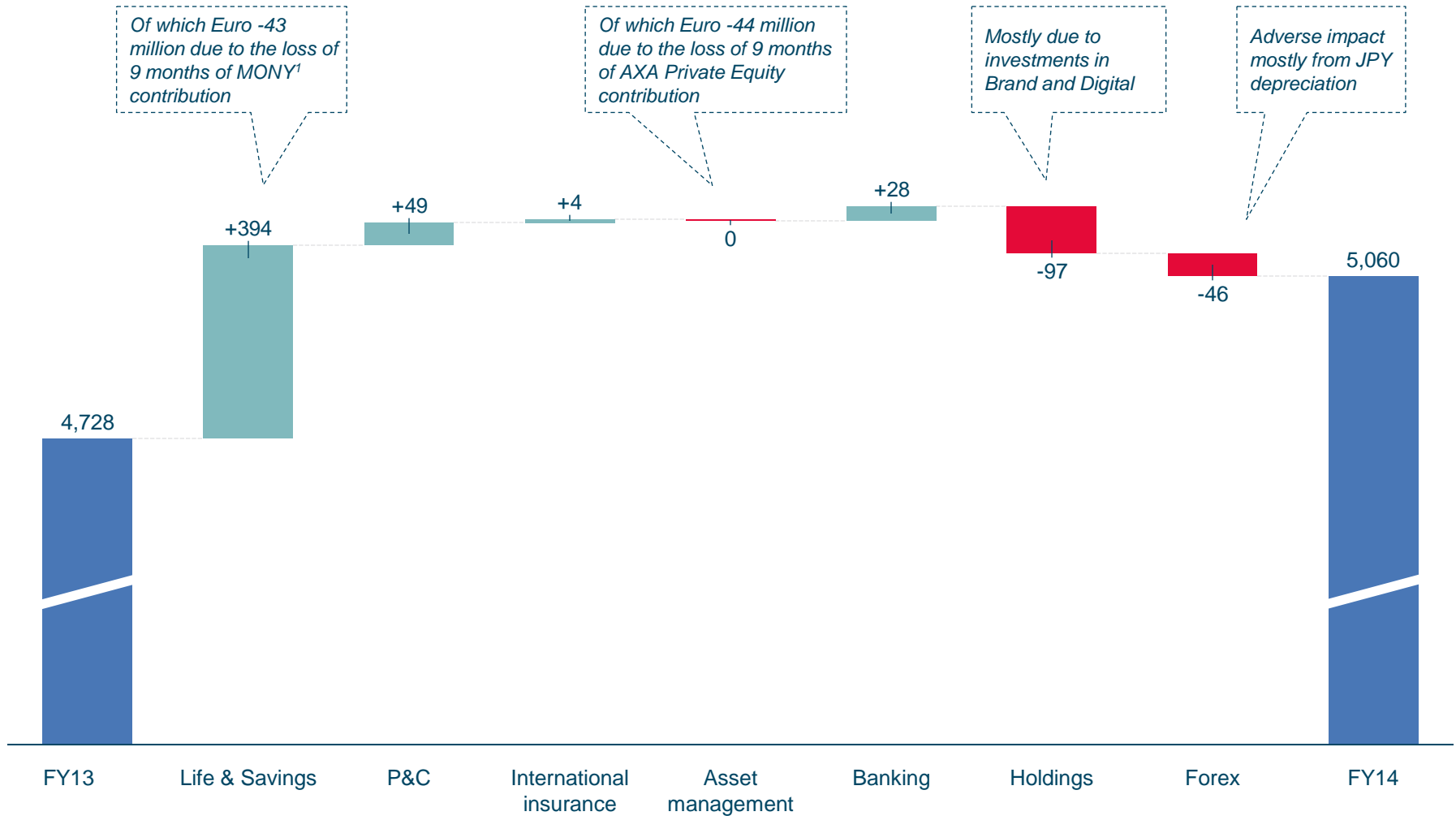
In Euro million	FY13	FY14	Constant Forex
Life & Savings	2,793	3,132	+14%
Property & Casualty	2,105	2,158	+2%
Asset Management	400	403	0%
International Insurance	202	208	+2%
Banking	78	106	+36%
Holdings	-851	-947	-11%
<b>Underlying Earnings</b>	<b>4,728</b>	<b>5,060</b>	<b>+8%</b>

Or +13% with normalized Nat Cat level

Or +12% excluding impact of AXA Private Equity disposal

Mostly due to investments in Brand and Digital

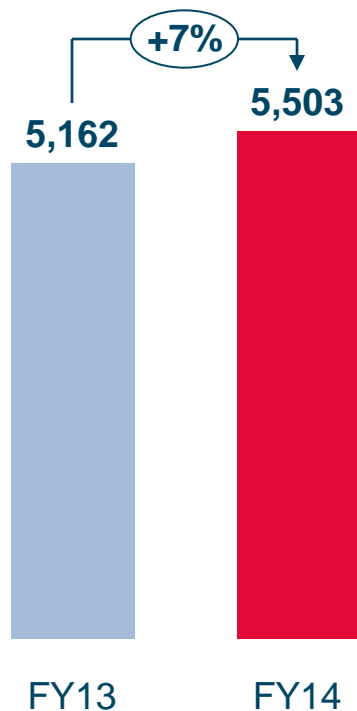
# UNDERLYING EARNINGS (2/2)



# ADJUSTED EARNINGS

## ADJUSTED EARNINGS

In Euro million



Change is at constant Forex

## DETAILS OF ADJUSTED EARNINGS

In Euro million	FY13	FY14
<b>Underlying Earnings</b>	<b>4,728</b>	<b>5,060</b>
<b>Net realized capital gains/losses</b>	<b>434</b>	<b>442</b>
<i>o/w realized capital gains</i>	801	760
<i>o/w net impairments</i>	-301	-296
<i>o/w hedging of equity portfolio</i>	-66	-22
<b>Adjusted Earnings</b>	<b>5,162</b>	<b>5,503</b>

Of which Euro 0.1 billion on fixed income

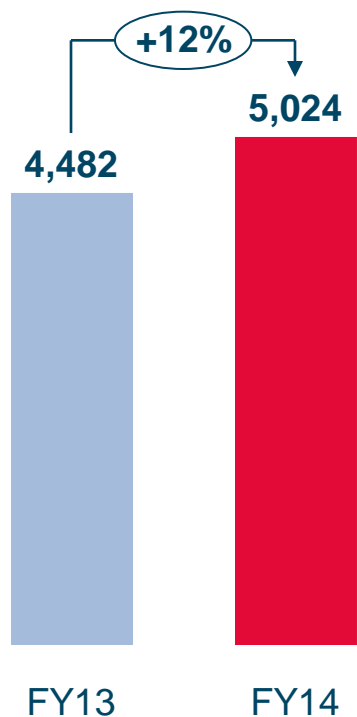


Adjusted Earnings increase mainly driven by higher Underlying Earnings

# NET INCOME

## NET INCOME

In Euro million



Change is at constant Forex

## DETAILS OF NET INCOME

In Euro million	FY13	FY14
<b>Adjusted earnings</b>	<b>5,162</b>	<b>5,503</b>
Change in fair value & Forex	-317	225
<i>o/w gains/losses on derivatives not eligible for hedge accounting under IAS 39</i>	-306	226
<i>o/w gains/losses on Forex economic hedges not eligible for hedge accounting under IAS 39</i>	-140	182
<i>o/w change in fair value of assets accounted for as fair value option</i>	129	-183
Exceptional and discontinued operations	38	-188
Integration & Restructuring costs	-263	-170
Intangibles amortization and other	-138	-345
<b>Net Income</b>	<b>4,482</b>	<b>5,024</b>

Including Euro - 0.3 billion impairment of part of the value of RESO



Net Income increase mainly driven by higher Adjusted Earnings and favorable interest rate derivatives mark to market and forex impacts



# FY14 FINANCIAL PERFORMANCE

---

Group earnings

**Life & Savings**

Property & Casualty

Asset Management

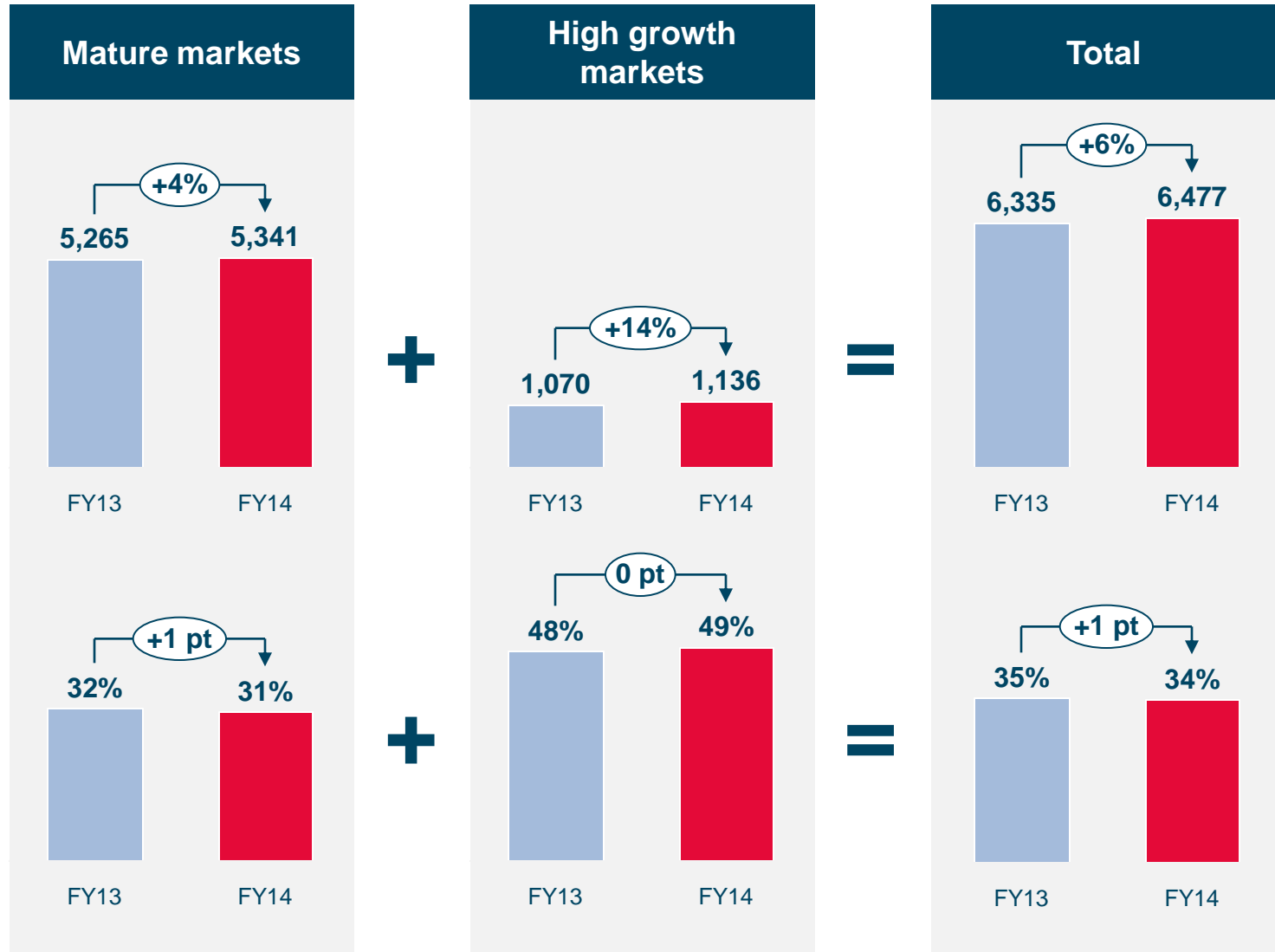
Balance sheet



# L&S – NEW BUSINESS SALES AND MARGINS BY MARKET

In Euro million

**New business sales (APE)**



Changes are on a comparable basis

# L&S – NEW BUSINESS SALES AND MARGINS BY MARKET

Business line	APE (Euro million)		NBV margin	Net Flows (Euro billion)	
	FY14	change	FY14	FY13	FY14
G/A Protection & Health	2,395	+3%	55%	+5.2	+5.2
G/A Savings	999	+11%	14%	-5.2	-2.0
Unit-Linked	2,298	+9%	31%	+0.9	+0.7
Mutual funds & Other	786	0%	6%	+0.1	+0.1
<b>Total</b>	<b>6,477</b>	<b>6%</b>	<b>34%</b>	<b>+1.1</b>	<b>+4.0</b>

*APE growth impacted by repositioning of Swiss Group Life business mix initiated in 1Q14*

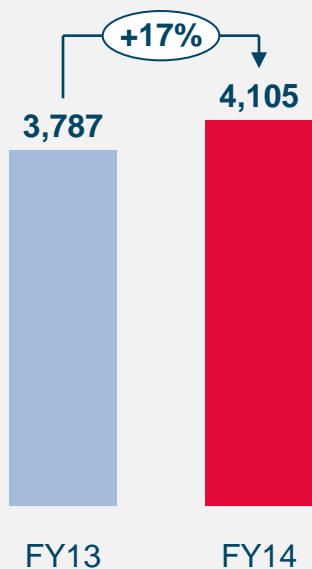
*Net flows impacted by Variable Annuity buyout offer in the US*

Changes are on a comparable basis

# L&S – PRE-TAX UNDERLYING EARNINGS BY BUSINESS

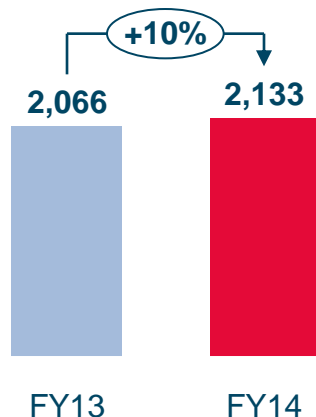
## TOTAL LIFE & SAVINGS<sup>1</sup>

In Euro million



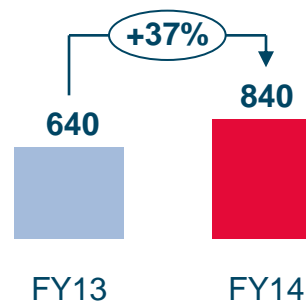
## G/A PROTECTION & HEALTH

In Euro million



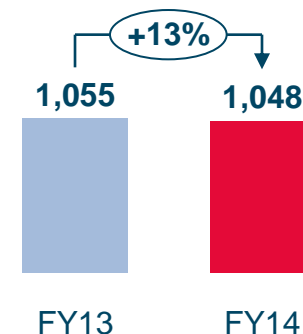
## G/A SAVINGS

In Euro million



## UNIT-LINKED

In Euro million



- + Higher fees and revenues net of expenses, in line with higher sales
- + Higher positive prior year reserve developments notably in France

- + Non-repeat of model and assumption changes on longevity in Japan in 2013
- + Higher positive prior year reserve developments

- + Higher management fees in line with higher asset base
- Lower US VA GMxB margin

Changes are on a comparable<sup>2</sup> basis

Full detail in appendix on pages B22 to B27



# FY14 FINANCIAL PERFORMANCE

---

Group earnings

Life & Savings

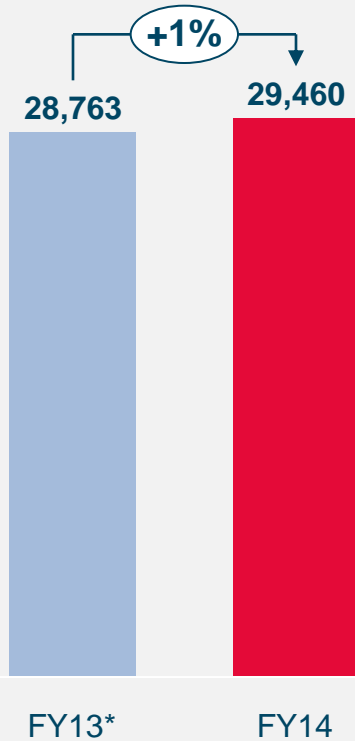
Property & Casualty

Asset Management

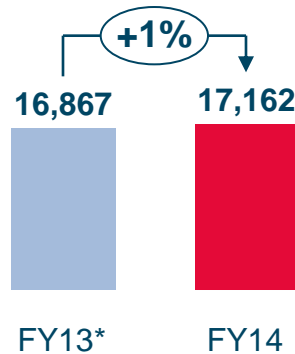
Balance sheet

# P&C – REVENUES BY SEGMENT

## TOTAL In Euro million

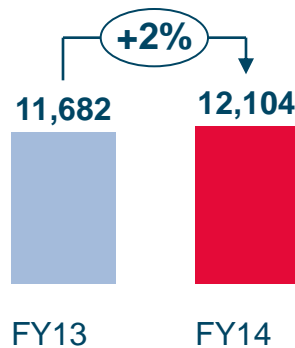


## PERSONAL LINES In Euro million



- Average price increase of +1.5%
- Motor revenues up 1%
- Non-motor revenues up 2%

## COMMERCIAL LINES In Euro million






- Average price increase of +2.2%
- Revenue growth driven by tariff increases across the board partly offset by lower volumes due to selective underwriting in mature markets

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

Changes are on a comparable basis

# P&C – PRICE INCREASES BY COUNTRY AND SEGMENT

FY14	PERSONAL LINES		COMMERCIAL LINES	
	Price increase	Revenue growth	Price increase <sup>1</sup>	Revenue growth
France	+2.3%	+3.3%	+6.0%	+2.8%
Germany	+3.8%	+1.1%	0.0%	-0.9%
UK & Ireland	+3.6%	-1.5%	+2.7%	+4.6%
Switzerland	+0.7%	+2.7%	+0.1%	+1.0%
Belgium	+2.7%	-0.4%	+1.8%	+0.3%
MedLA <sup>2</sup>	-0.4%	-1.2%	+1.3%	+0.9%
Asia <sup>3</sup>	-0.4%	+4.7%	0.0%	+9.1%
Direct	+0.3%	+5.0%		
<b>Total</b>	<b>+1.5%</b>	<b>+1.3%</b>	<b>+2.2%</b>	<b>+2.0%</b>

FY15 market pricing trends	
	• Price increases in both Personal lines and Commercial lines
	• Stabilization in both Personal lines and Commercial lines
	• Hardening of the cycle in Motor
	• Stabilization in both Personal lines and Commercial lines
	• Stabilization in both Personal lines and Commercial lines
	• Impact of economic slowdown in Southern Europe



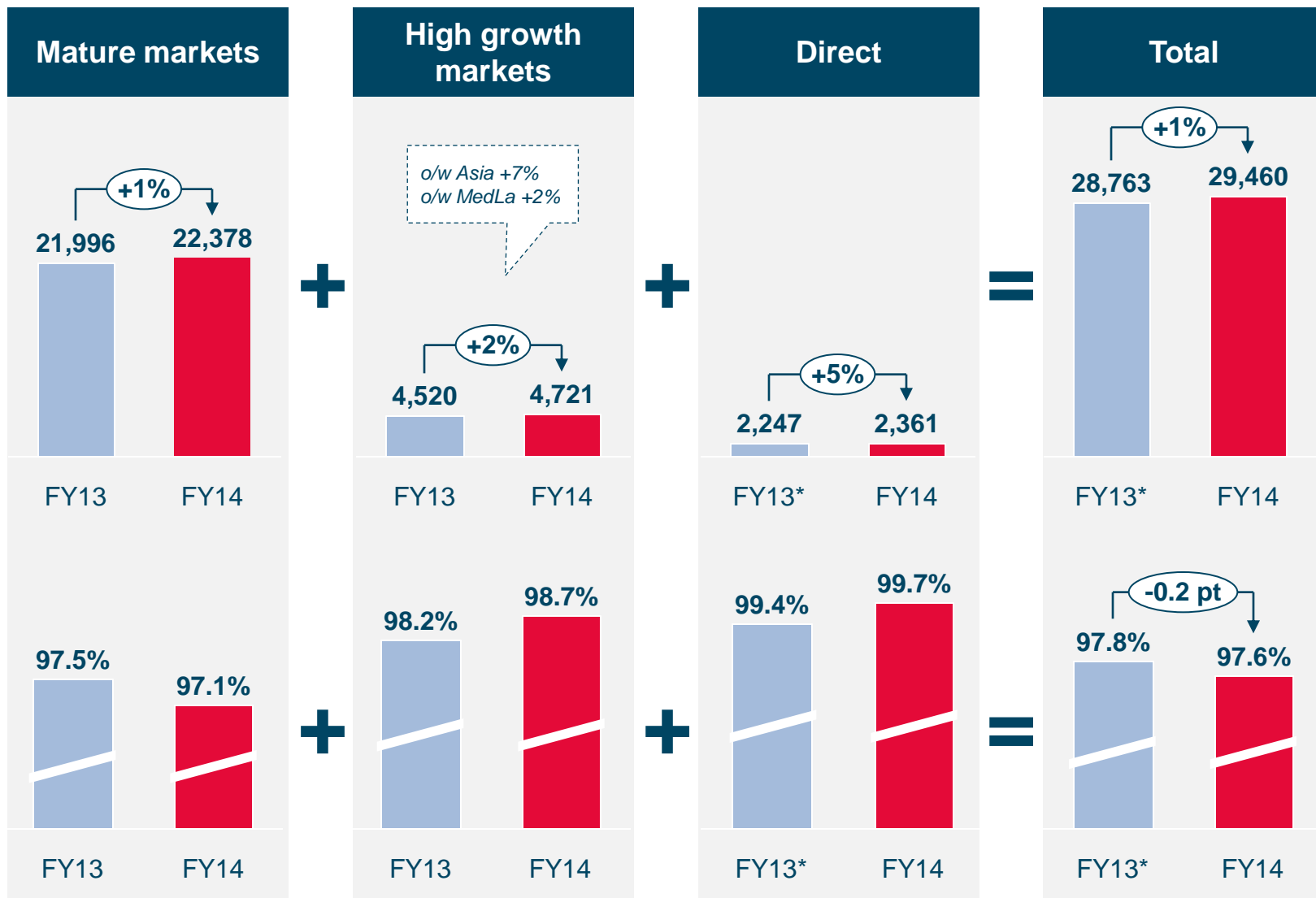
Prices expected to be stable



Prices expected to increase

# P&C – REVENUES AND MARGINS BY MARKET

In Euro million

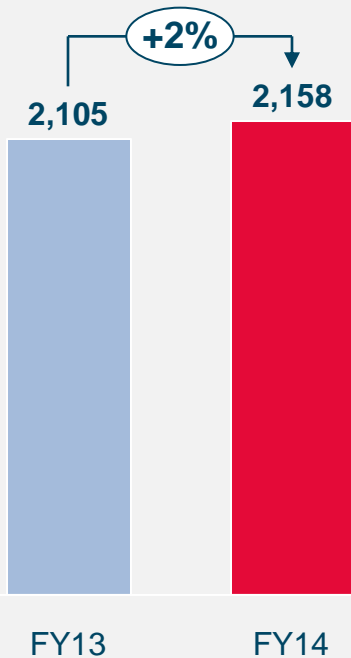


\* Comparative information related to 2013 was restated for the retrospective application of the new IFRS standards on consolidation

# P&C – UNDERLYING EARNINGS

## P&C UNDERLYING EARNINGS

In Euro million



## COMBINED RATIO

Current year combined ratio

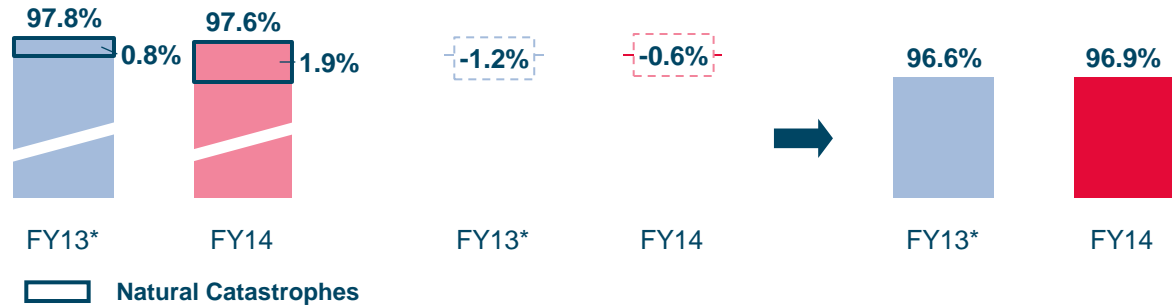
+

Prior year reserve developments



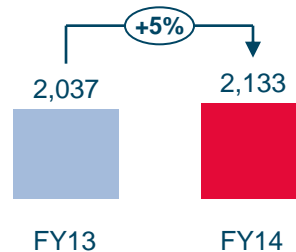
All-year combined ratio

- + Price increases
- + Lower claims frequency and expense ratio
- Higher nat cat charge and claims severity



## INVESTMENT INCOME (pre-tax)

In Euro Million



Investment yield at 3.9%, stable vs. FY13, as the impact from lower reinvestment yield was offset by exceptional Mutual Funds dividends in France which amounted to Euro 71 million (or +12bps)

Changes are at constant Forex

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

Full detail in appendix on pages B31 to B34





# FY14 FINANCIAL PERFORMANCE

---

Group earnings

Life & Savings

Property & Casualty

**Asset Management**

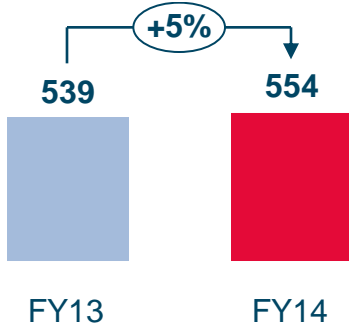
Balance sheet

# AM – ASSETS UNDER MANAGEMENT

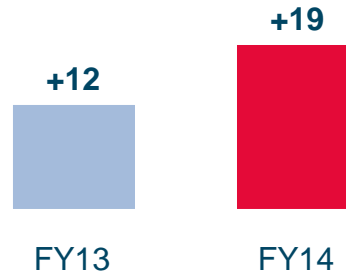


Average AUM and net flows in Euro billion  
Revenues in Euro million

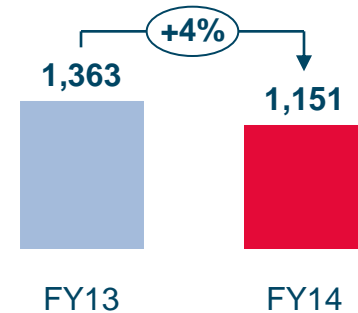
## Average AUM



## Net flows

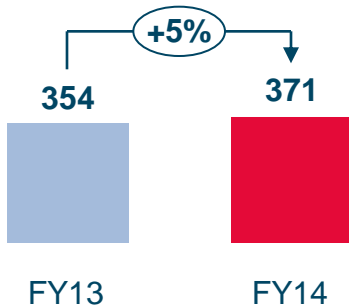


## Revenues

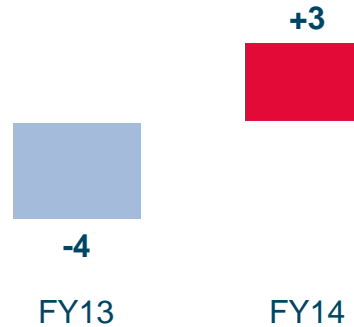


Average AUM and net flows in Euro billion  
Revenues in Euro million

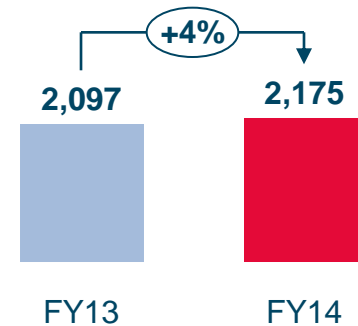
## Average AUM



## Net flows



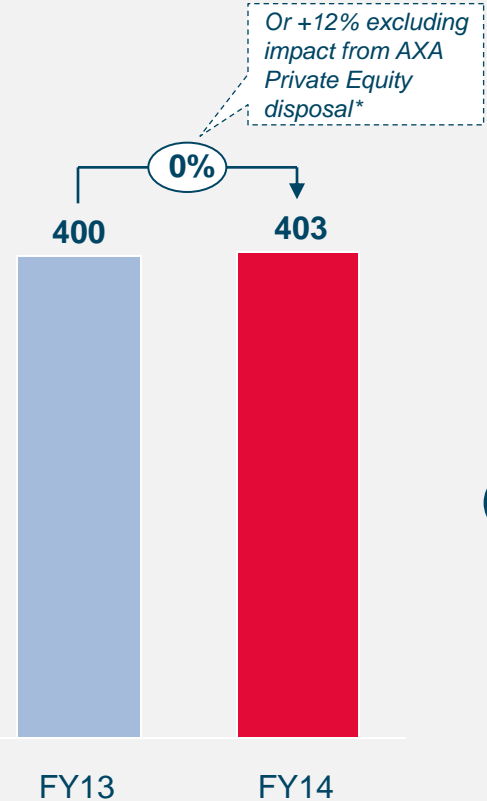
## Revenues



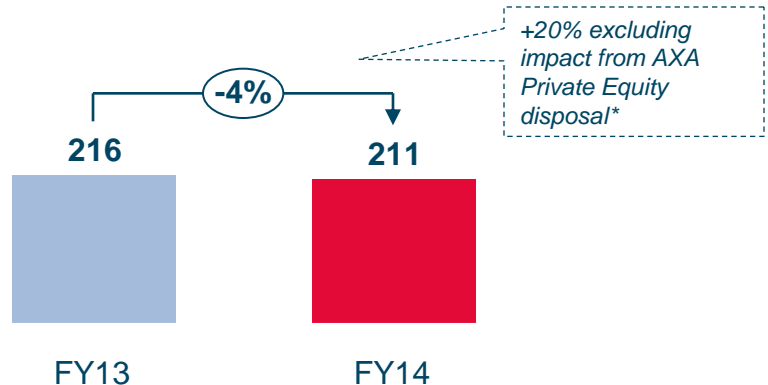
# AM – UNDERLYING EARNINGS

## ASSET MANAGEMENT

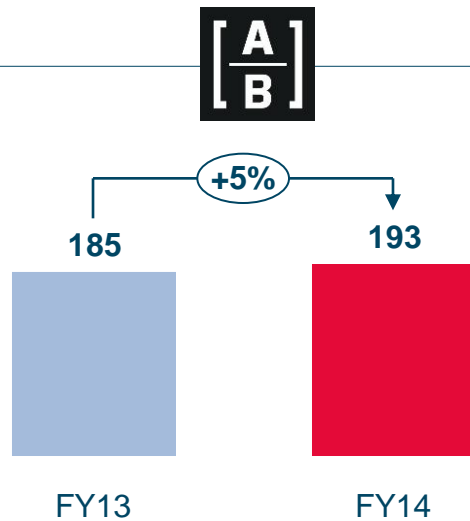
In Euro million



In Euro million



In Euro million



\* Sale of a majority stake in AXA Private Equity completed on September 30, 2013

Changes are at constant Forex



# FY14 FINANCIAL PERFORMANCE

---

Group earnings

Life & Savings

Property & Casualty

Asset Management

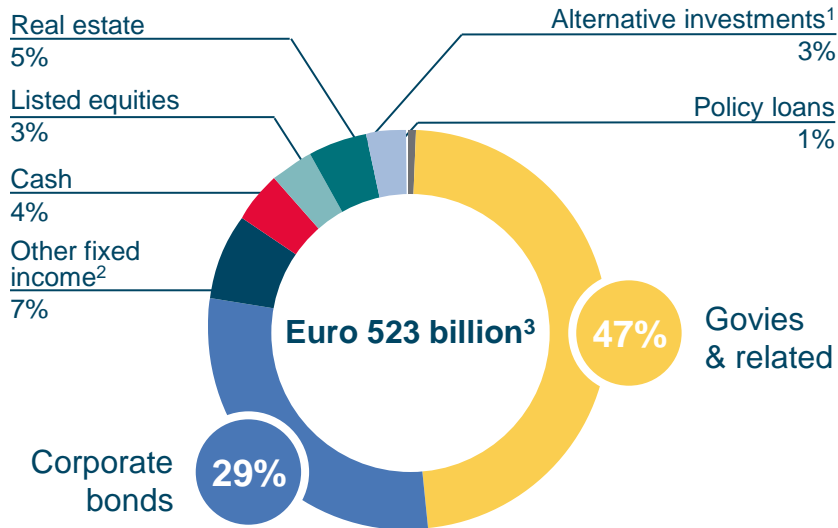
**Balance sheet**

# ASSET & LIABILITY MANAGEMENT (1/4)

Diversified and resilient investment portfolio

## FY14 Total General Account invested assets

84% in Fixed income



Average rating of govies maintained in the **AA** range

Average rating of the non-govies fixed income portfolio maintained in the **A** range

## Limited yield dilution

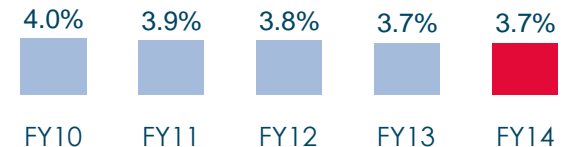
### Fixed income Assets duration as at December 31, 2014

Life & Savings	7.6 years
Property & Casualty	4.6 years

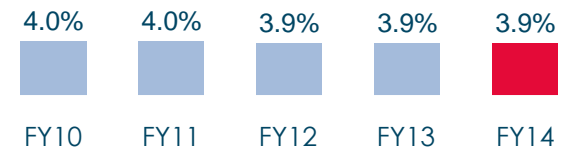
Long asset duration leading to a slow  
yield dilution



### Life & Savings



### Property & Casualty



Or 3.8% excluding  
exceptional Mutual  
Funds dividends in  
France

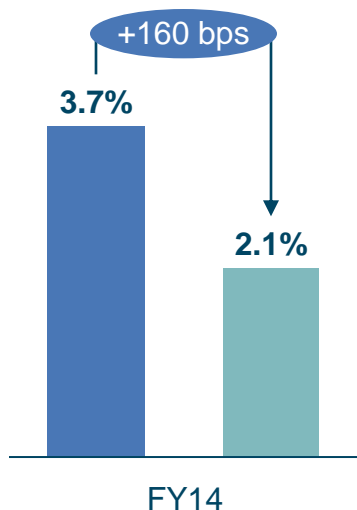
# ASSET & LIABILITY MANAGEMENT (2/4)

Life & Savings General Account investment spreads and margin

## Inforce business

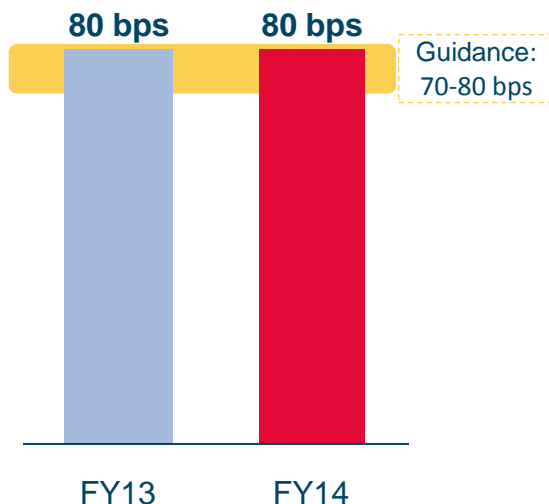
## New business

Spread above guaranteed rates

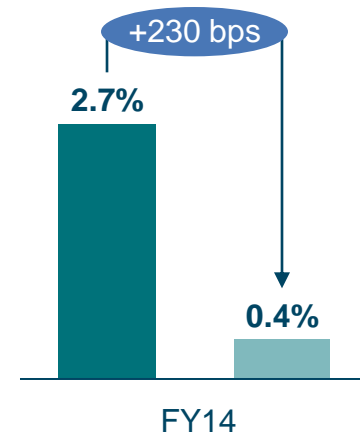


■ Yield on total L&S asset base  
■ L&S average guaranteed rate

Resilient investment margin\*



Spread above guaranteed rate



■ Reinvestment yield on L&S fixed income assets  
■ L&S average guaranteed rate

➔ Significant buffer to cover guarantees and to manage crediting rates to preserve investment margin

➔ Average reserves of Euro 327 billion

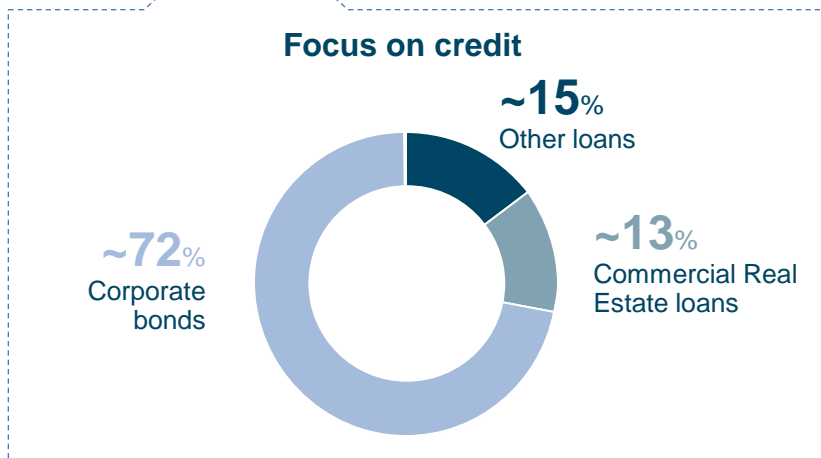
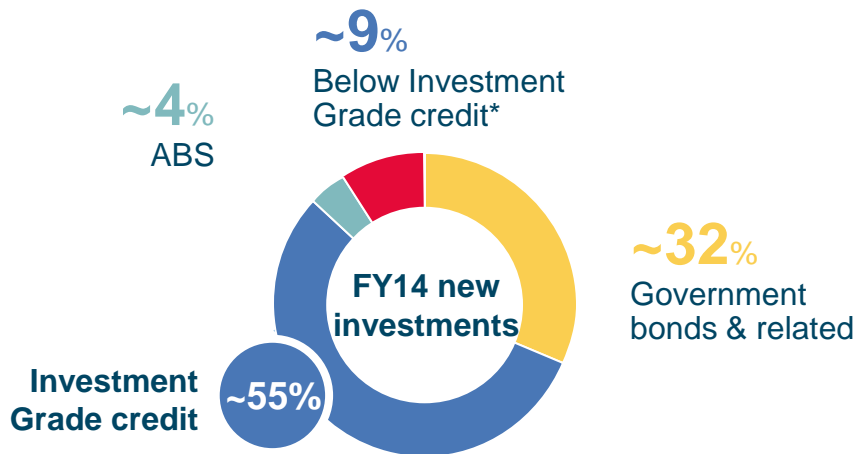
➔ Products sold to attract higher margin Unit-Linked business (hybrid<sup>1</sup> sales)

\* Group investment margin on total General Account business

# ASSET & LIABILITY MANAGEMENT (3/4)

Well diversified and high quality new investments

## New fixed income investments in FY14<sup>1</sup>



\* Mostly short duration high yield

## Resilient new investment yield

FY14 investment rate on Fixed Income assets for Life & Savings and Property & Casualty entities	
	FY14
Eurozone	2.6%
US	3.9%
Japan	1.8%
Switzerland	2.3%
<b>Total</b>	<b>2.7%</b>

Euro  
**43**  
billion

Amount invested in Fixed income in FY14

# ASSET & LIABILITY MANAGEMENT (4/4)

Earnings sensitivity to current economic environment

	Assumed reinvestment yield	Estimated impact on Underlying Earnings	
		Per annum cumulative impacts <sup>a</sup>	Per annum non-cumulative impacts
<b>NOVEMBER 2014</b>	2.4%	ca. €-0.1bn	
<b>FEBRUARY 2015</b> (POST ECB AND SNB DECISIONS)	2.0% <sup>b</sup>	Additional ca. €-0.1bn	ca. €-0.1bn <sup>c</sup>
(AND USD/CHF REEVALUATION)			ca. €+0.2bn <sup>d</sup>

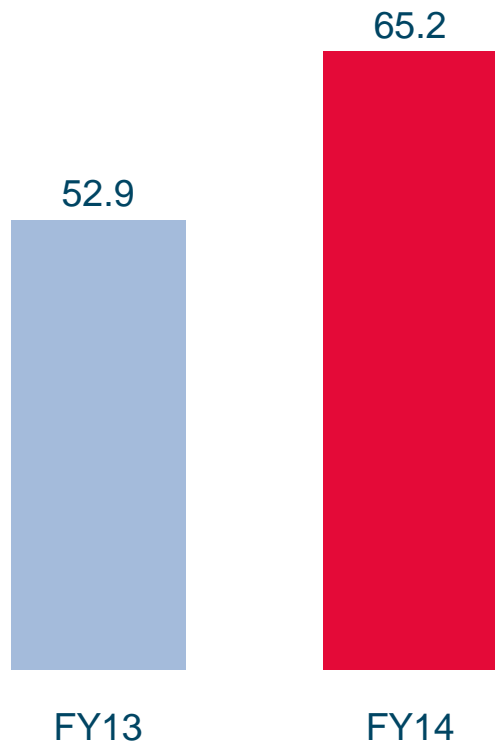
- a. Includes post-tax recurring cumulative impacts from lower investment yields on P&C investment income and Life & Savings investment margin, as well as the impact on US Variable Annuity GMxB margin
- b. Fixed income investment portfolio average "A" rating maintained
- c. Includes post tax recurring non cumulative impacts from interest rate movements mainly on P&C investment income and Life & Savings investment margin due to interest rates levels as of February 2015
- d. From the translation of CHF-, USD- and HKD- denominated underlying earnings assuming 2015 average Forex rates in line with February 2015 level



# SHAREHOLDERS' EQUITY

## Shareholders' Equity

In Euro billion



## Key drivers of change

In Euro billion

FY14 vs. FY13

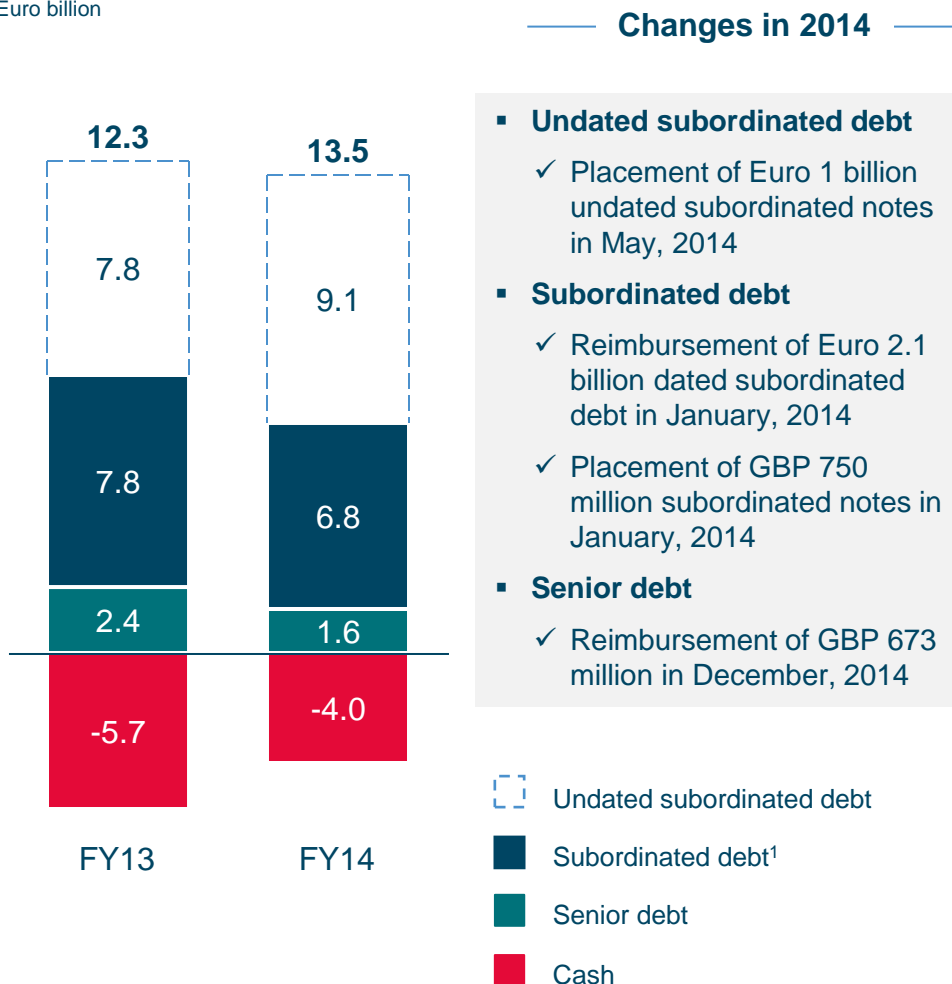
+	Change in net unrealized capital gains	+7.1
-	Dividends	-2.0
+	Forex movements net of hedging	+2.4
+	Net income for the period	+5.0
+	Subordinated debt	+0.6*
-	Change in pension benefits	-1.2
+	Other	+0.3

\* Corresponds mainly to Euro 1 billion undated subordinated debt issued in May 2014 and accumulated interests charges

# STABLE DEBT GEARING AT 24%

## Net debt

In Euro billion



### ▪ Undated subordinated debt

- ✓ Placement of Euro 1 billion undated subordinated notes in May, 2014

### ▪ Subordinated debt

- ✓ Reimbursement of Euro 2.1 billion dated subordinated debt in January, 2014
- ✓ Placement of GBP 750 million subordinated notes in January, 2014

### ▪ Senior debt

- ✓ Reimbursement of GBP 673 million in December, 2014

## Debt ratios

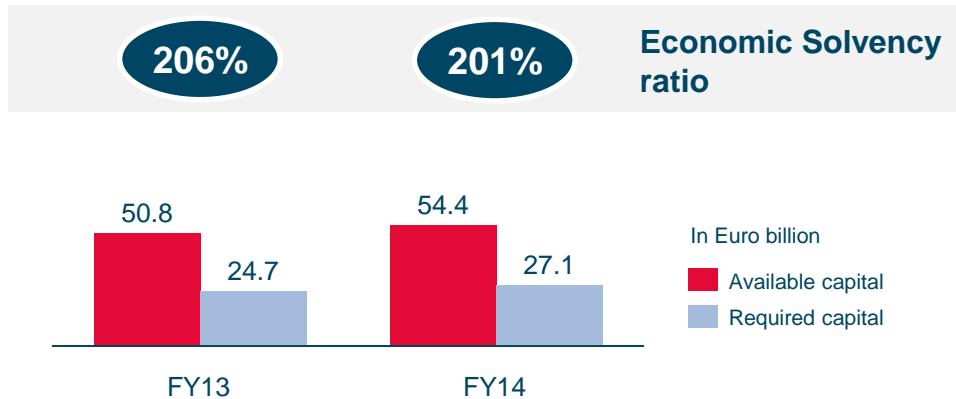
	FY13	FY14
<b>Debt Gearing</b>	<b>24%</b>	<b>24%</b>
<b>Interest Cover<sup>2</sup></b>	<b>10.2x</b>	<b>9.9x</b>

## Ratings

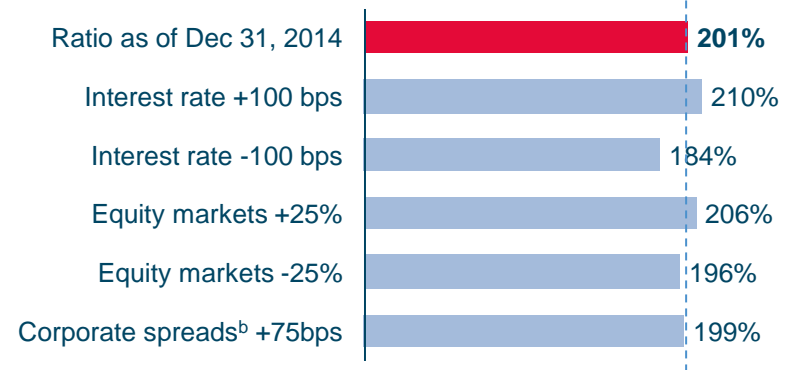
<b>STANDARD &amp; POOR'S</b>	<b>A+</b> positive	as of 15/10/2014
<b>MOODY'S</b>	<b>Aa3</b> stable	as of 09/05/2014
<b>FitchRatings</b>	<b>AA-</b> stable	as of 04/11/2014

# ECONOMIC SOLVENCY

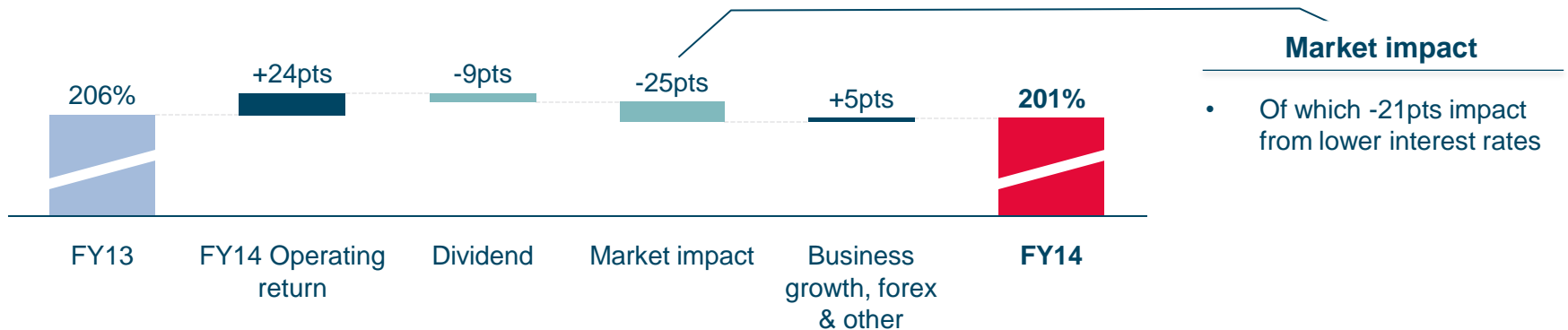
## Economic Solvency ratio<sup>a</sup>



## Key sensitivities



## Economic Solvency ratio roll-forward



a. 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

b. Net of liquidity premium as defined in QIS 5

# STRONG INCREASE IN GROUP OPERATING FREE CASH FLOW AND REMITTANCE RATIO

FY14 vs. FY13  
growth

+9%

+21%

In Euro billion

Operating Free Cash Flows  
Cash remitted from entities<sup>1</sup>



Of which Euro 0.7 billion repayment of US loan in the form of cash up-streamed to AXA SA

Remittance ratio

75%

86%

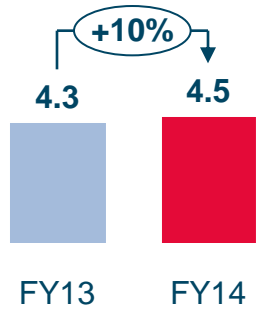
73% excluding repayment of US loan

Changes are on a comparable basis

# L&S OPERATING FREE CASH FLOWS AND INTERNAL RATE OF RETURN

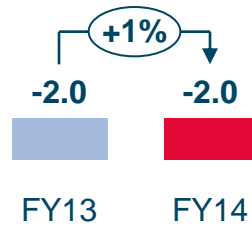
## Life & Savings Operating Free Cash Flows

Expected inforce surplus generation



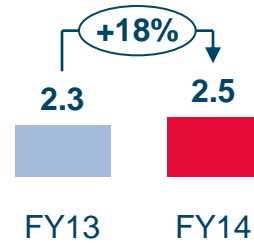
-

New business investments (capital and cash strain)



=

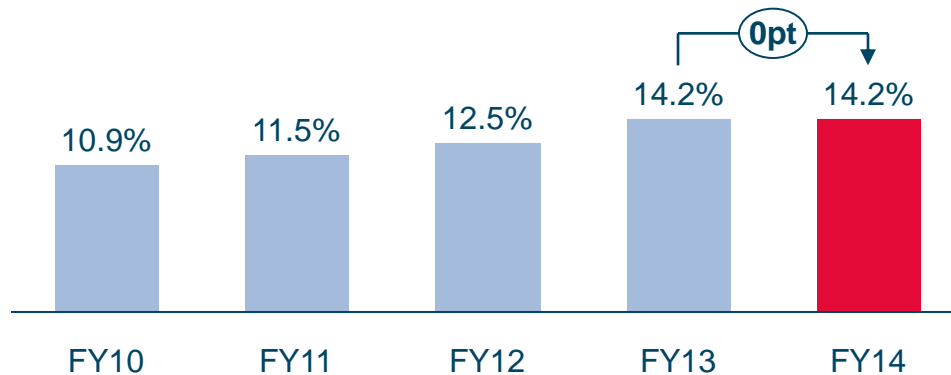
Operating Free Cash Flows



✓ Improvement in free cash flows mainly driven by improved business mix

Changes are on a comparable basis

## Life & Savings Internal Rate of Return



Stable IRR mainly driven by:

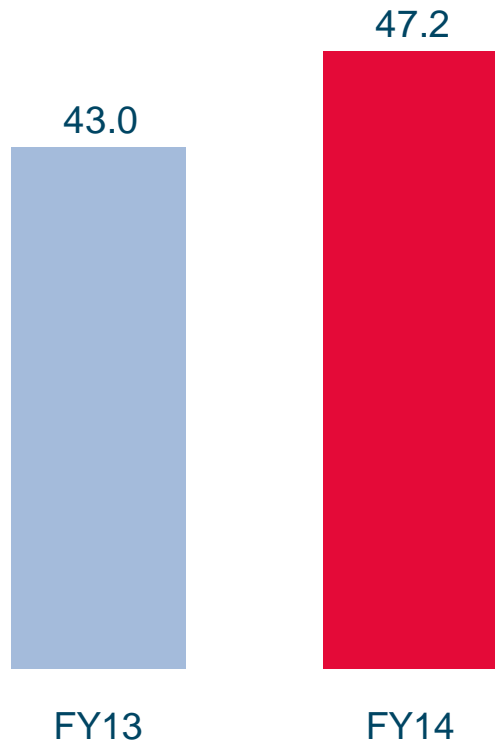
- + Improved business mix
- + Lower unit costs
- Lower management expectations for future economic conditions (updated in February 2015 post ECB and SNB decisions)

Change is on a reported basis

# GROUP EMBEDDED VALUE

## Group Embedded Value

In Euro billion



19% operating return on Group EV from strong performance across all business segments

## Key drivers of change in Group EV

In Euro billion

FY14

+	Operating return	€ +8.0 billion
+	Forex & other	€ +0.8 billion
-	Non-operating variance	€ -2.7 billion
-	FY13 dividend	€ -2.0 billion



# Concluding remarks

---

Henri de Castries, Chairman & CEO

# Concluding remarks



## Key takeaways

- ✓ Topline growth with improved business mix
- ✓ Earnings growth
- ✓ Disciplined ALM
- ✓ Increased dividend
- ✓ Strong balance sheet



## Going forward

- Well positioned to achieve Ambition AXA plan in 2015
- Continued resilience to low interest rates
- Accelerate cultural and operational transformation
- Sustainable dividend





# Q&A

---

FY14 EARNINGS

**Page A7**

1. Assuming Natural catastrophes contributing 1 point of combined ratio in FY13 (vs. actual 0.8 point) and in FY14 (vs. 1.9 points)
2. Or 0% including the impact on Underlying earnings growth of the sale of a majority stake in AXA Private Equity completed on September 30, 2013

**Page A9**

1. Compound annual growth rate
2. Adjusted ROE: Return corresponds to adjusted earnings net of interest charges on undated debt. Equity corresponds to average shareholders' equity excluding undated debt and reserves related to change in fair value
3. Average shareholders' equity excluding undated debt and reserves related to change in fair value

**Page A11**

1. General Account

**Page A14**

1. 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

**Page A15**

1. Includes the sale of AXA's mandatory Pension business in Hong Kong which is subject to customary closing conditions, including the receipt of regulatory approvals

**Page A21**

1. Closed MONY portfolio transaction completed on October 1, 2013

**Page A27**

1. Including Mutual Funds & Other. Pre-tax Underlying Earnings for Mutual Funds & Other amounted to Euro 26 million for FY13 and Euro 85 million for FY14
2. Changes are adjusted for Forex and changes related to (i) scope with the closed MONY portfolio transaction in 2013, the disposal of AXA Hungary in 2014 and the alignment of closing dates in Japan, (ii) methodology with the update of US investment income allocation in 2014, which has a zero net P&L impact

**Page A30**

1. Renewals only
2. Mediterranean and Latin American Region: Italy, Spain, Portugal, Greece, Turkey, Mexico, Morocco, Colombia and Gulf region (P&C only)
3. Hong Kong, Malaysia and Singapore, on a 100% share basis

**Page A37**

1. Mainly Private Equity and Hedge Funds
2. Other fixed income include Asset backed securities (Euro 9 billion), residential loans (Euro 11 billion), commercial & agricultural loans (Euro 15 billion) and agency pools (Euro 2 billion)
3. 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.

**Page A38**

1. Hybrid products: savings products allowing clients to invest in both Unit-Linked and General Account funds.

**Page A39**

1. General Account only

**Page A42**

1. Including Euro -0.4 billion of reversal of mark-to-market on interest rates derivatives in FY14 vs. Euro -0.2 billion in FY13
2. Including undated debt interest charges

**Page A44**

1. includes cash dividends from the operating entities, cash proceeds from the US loan repayment to the Group and cash held at regional holding level to finance acquisition (Colpatría)

# DEFINITIONS

---

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.

AXA's FY14 results have been prepared in accordance with IFRS and interpretations applicable and endorsed by the European Commission at December 31, 2014.

Adjusted earnings, underlying earnings, APE, NBV and Group operating Free Cash Flows 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. For a reconciliation of underlying and adjusted earnings to net income see pages A22 and A23 of this presentation.

**AXA Life & Savings EEV** consists of the following elements: (i) Life & Savings Adjusted Net Asset Value (ANAV) which represents tangible net assets. It is derived by aggregating the local regulatory (statutory) balance sheets of the life companies and reconciled with the Life & Savings IFRS shareholders' equity. (ii) Life & Savings Value of Inforce (VIF) which represents the discounted value of the local regulatory (statutory) profits projected over the entire future duration of existing liabilities.

**Life & Savings New Business Value (NBV)** is the value of the new business sold during the reporting period. The new business value includes both the initial cost (or strain) to sell new business and the future earnings and return of capital to the shareholder. AXA Group EV is the sum of Life & Savings EEV and Shareholders' Equity of other businesses.

**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:** Morocco, Colombia, Mexico, Turkey, Gulf region, Singapore, Malaysia, Hong Kong, Ukraine.



# AXA

## FULL YEAR 2014 EARNINGS

---

Appendices

February 25, 2015





# TABLE OF CONTENT

---

BUSINESS OVERVIEW	B4
GROUP	B9
LIFE & SAVINGS	B13
PROPERTY & CASUALTY	B29
ASSET MANAGEMENT	B35
BALANCE SHEET	B38
EMBEDDED VALUE AND CASH FLOWS	B64

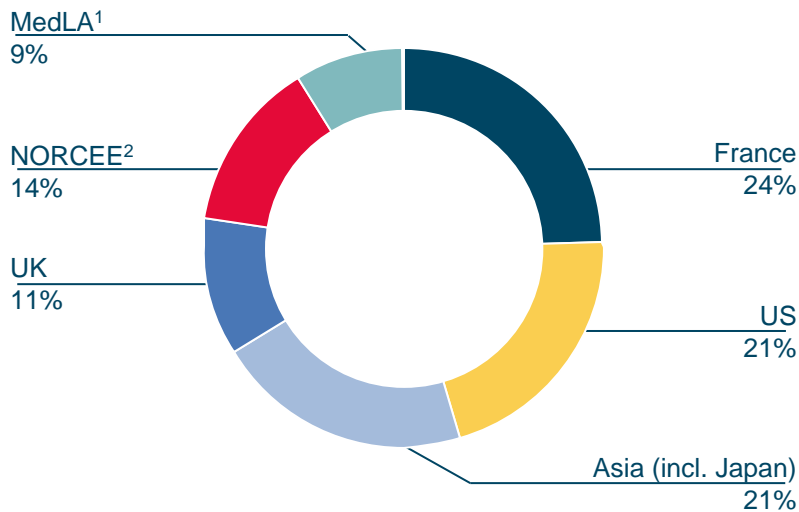


# Business overview

---

## Global footprint

FY14 APE by geography

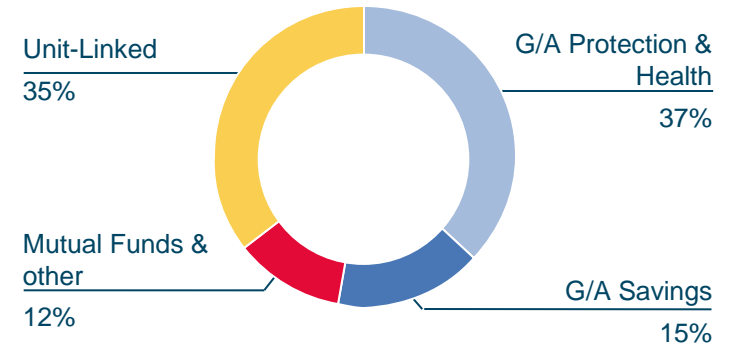


**Total APE: Euro 6,477 million**

1. Mediterranean and Latin American Region: Italy, Spain, Portugal, Greece, Turkey, Mexico, Morocco and Colombia
2. Northern, Central & Eastern Europe: Germany, Belgium, Switzerland, Poland, Hungary, Czech Republic and Slovakia

## Well balanced business mix

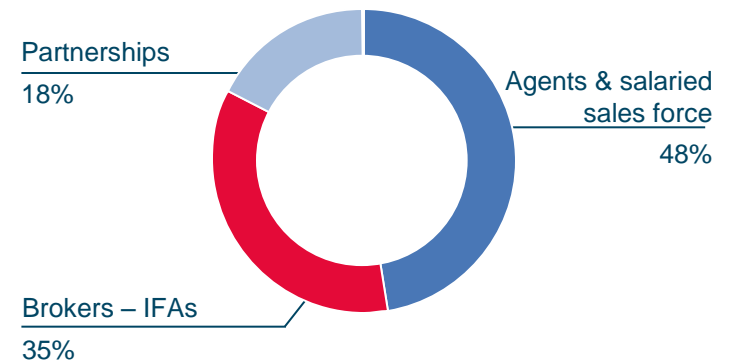
FY14 APE by business



**Total: Euro 6,477 million**

## Strong proprietary networks

FY14 APE by channel

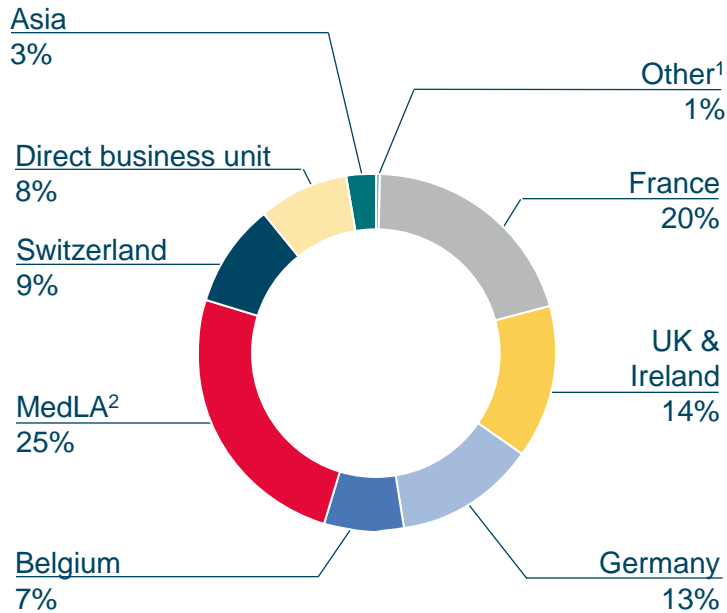


**Total: Euro 6,477 million**



## Global footprint

FY14 Revenues by geography

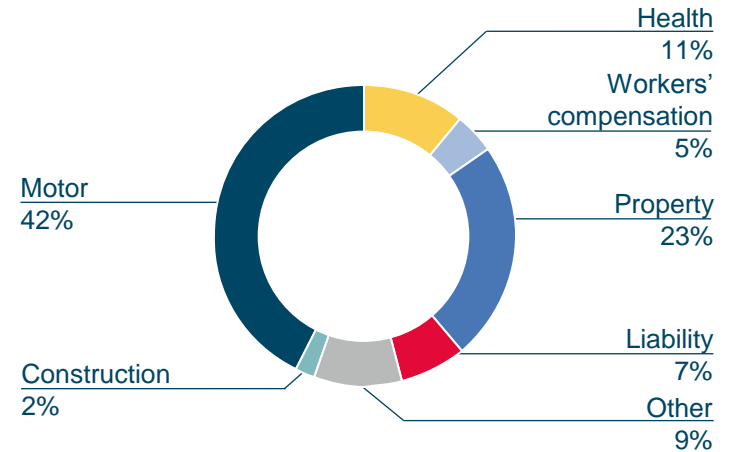


**Total: Euro 29.5 billion**

1. Luxembourg and Central & Eastern Europe
2. Mediterranean and Latin American Region: Italy, Spain, Portugal, Greece, Turkey, Morocco, Gulf region, Mexico and Colombia
3. Sales recorded through the Direct channel include the sales of the Direct business unit and Direct sales from other entities

## Strong presence in Motor

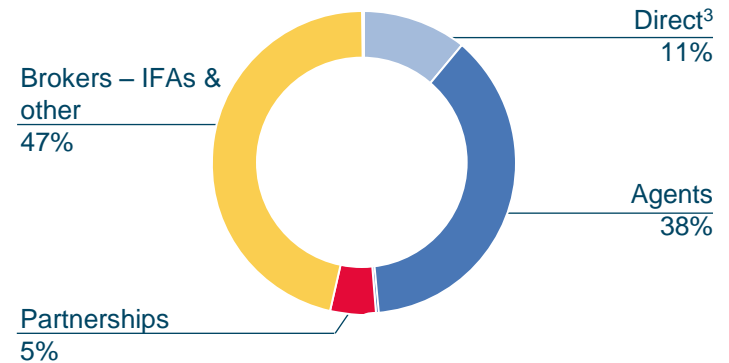
FY14 Revenues by business



**Total: Euro 29.5 billion**

## Strong proprietary networks

FY14 Revenues by channel

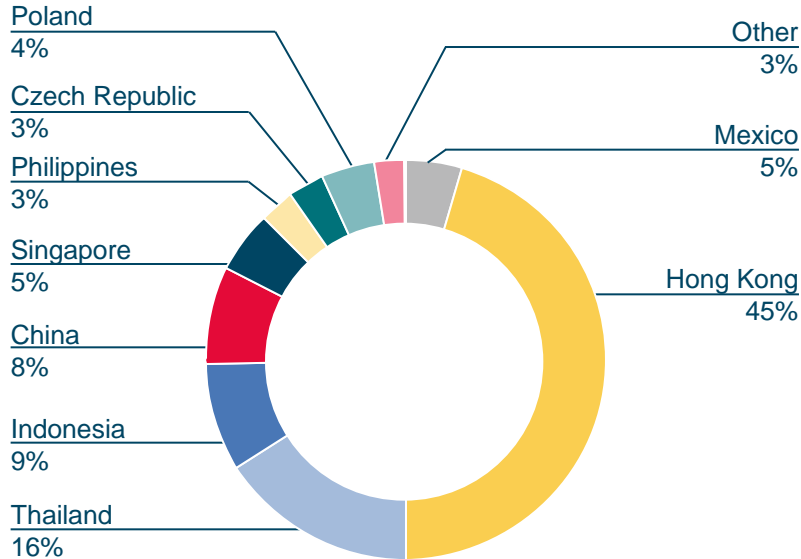


**Total: Euro 29.5 billion**

# AXA'S FOOTPRINT IN HIGH GROWTH MARKETS

## Life & Savings

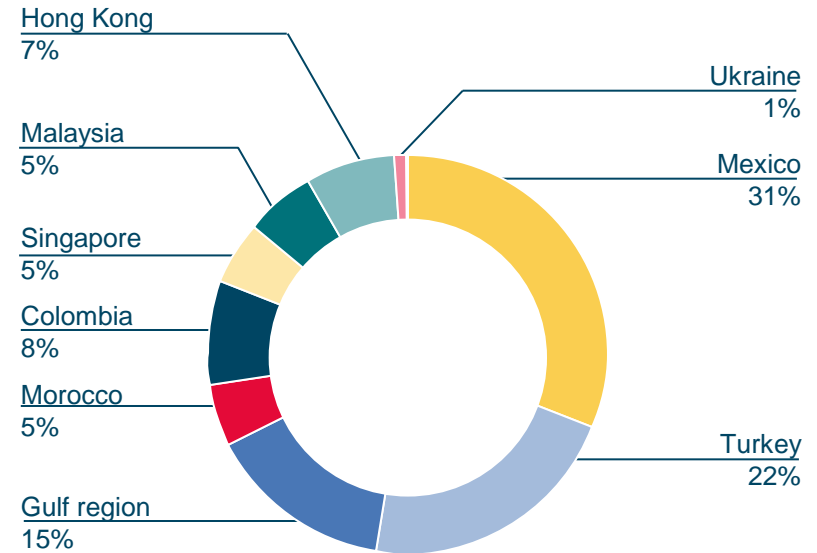
FY14 APE by geography



**Total APE: Euro 1,136 million**

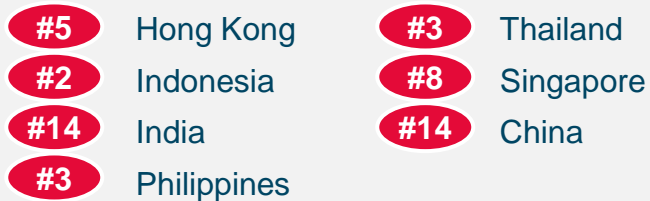
## Property & Casualty

FY14 Revenues by geography



**Total Revenues: Euro 4,721 million**

### Key rankings<sup>1</sup>



### Key rankings<sup>1</sup>



1. Source: AXA FY14 Activity report. 2013 ranking for Philippines Life & Savings and Gulf region Property & Casualty

2. Source: Superintendencia Financiera de Colombia

## Complementary business models



### PRODUCT OFFER



- Multi-expert model: structured by “Expertise”
- Expertise in fixed income, equities, quantitative equities
- Focus on alternative investments (structured finance, real estate, funds of hedge funds)
- Client centric business model across the full value chain

- Risk-reducing, return-seeking, diversifying strategies and customized solutions
- Expertise in actively managed equity and fixed income strategies, as well as index strategies
- Growing platform of alternative and multi-asset services and solutions
- Institutional research and trading

### DISTRIBUTION



- Separate distribution platforms for third parties & AXA insurance companies

- Global and integrated distribution platforms through Institutions, Retail and Private Client channels

### FOOTPRINT



- Mainly Europe

- US, Europe and Asia

### AuM



- Euro 623 billion as at 31/12/2014

- Euro 413 billion as at 31/12/2014



# Group

---

# REVENUES

## Revenues by segment

In Euro million	FY13	FY14	Change on a reported basis	Change on a comparable basis
Life & Savings	55,331	55,345	0%	+3%
Property & Casualty <sup>1</sup>	28,763	29,460	+2%	+1%
Asset Management	3,461	3,326	-4%	+4%
International Insurance	3,143	3,292	+5%	+3%
Banking & Holdings	524	564	+8%	+7%
<b>Revenues</b>	<b>91,221</b>	<b>91,988</b>	<b>+1%</b>	<b>+3%</b>

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

# UNDERLYING EARNINGS BY GEOGRAPHY

In Euro million	Underlying Earnings			
	FY13	FY14	Change on a reported basis	Change at constant Forex
<b>Life &amp; Savings</b>	<b>2,793</b>	<b>3,132</b>	<b>+12%</b>	<b>+14%</b>
United States	559	760	+36%	+37%
France	708	768	+8%	+8%
NORCEE <sup>1</sup>	622	672	+8%	+8%
UK	-12	28	na	na
Asia-Pacific (incl. Japan)	790	763	-3%	+4%
MedLA <sup>2</sup>	174	193	+11%	+11%
Other <sup>3</sup>	-48	-52	+9%	+9%
<b>Property &amp; Casualty</b>	<b>2,105</b>	<b>2,158</b>	<b>+2%</b>	<b>+2%</b>
NORCEE <sup>1</sup>	948	989	+4%	+4%
France	531	471	-11%	-11%
MedLA <sup>2</sup>	281	279	-1%	+1%
UK & Ireland	202	234	+15%	+12%
Asia	58	61	+4%	+6%
Direct	85	124	+47%	+45%
<b>International Insurance</b>	<b>202</b>	<b>208</b>	<b>+3%</b>	<b>+2%</b>
<b>Asset Management</b>	<b>400</b>	<b>403</b>	<b>+1%</b>	<b>0%</b>
AB	185	193	+4%	+5%
AXA IM	216	211	-2%	-4%
<b>Banking</b>	<b>78</b>	<b>106</b>	<b>+36%</b>	<b>+36%</b>
<b>Holdings &amp; other</b>	<b>-851</b>	<b>-947</b>	<b>-11%</b>	<b>-11%</b>
<b>Total</b>	<b>4,728</b>	<b>5,060</b>	<b>+7%</b>	<b>+8%</b>

1. Northern, Central & Eastern Europe: Germany, Belgium, Switzerland, Luxembourg, Russia (P&C only) and Central & Eastern Europe (Poland (L&S only), Czech Republic, Hungary, Slovakia, Ukraine (P&C only))
2. Mediterranean and Latin American Region: Italy, Spain, Portugal, Greece, Turkey, Mexico, Morocco, Colombia, Gulf region (P&C only) and Lebanon (P&C only)
3. Other correspond to AXA Life Invest Services, Architas and Family Protect

# FY14 KEY SENSITIVITIES

In Euro billion

		P&L			Balance Sheet
		<i>Impairments net of hedges through</i>	<i>Change<sup>1</sup> in fair value and Forex through</i>	Total impact in Net Income (incl. Impact through Adjusted Earnings)	<i>Net unrealized capital gains through</i>
		<u>Adjusted Earnings</u>	<u>Net Income</u>		<u>Shareholders' Equity</u>
Equities	-25%	-0.5	-0.1	-0.6	-1.4
	+25%	0.0	+0.2	+0.2	+1.8
Interest rates	-100 bps		+0.6	+0.6	+7.1
	+100 bps		-0.5	-0.5	-7.4
Corporate spreads	-75 bps		+0.3	+0.3	+1.5
	+75 bps		-0.2	-0.2	-1.5

1. Consists of gains/losses on derivatives and forex economic hedges not eligible for hedge accounting under IAS 39, as well as the change in fair value of assets accounted for as fair value option
2. Forex sensitivities vs. rates as of December 31, 2014. Provided for shareholders equity only, including hedging. "+10%" refers to a weakening of the currency against the Euro. "-10%" refers to a strengthening.



# Life & Savings

---



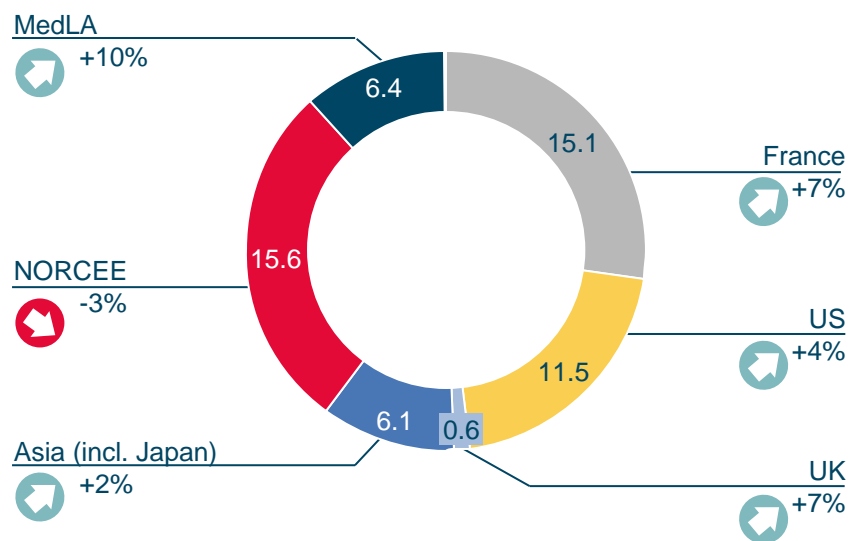
# LIFE & SAVINGS

---

1	REVENUES, NEW BUSINESS VOLUMES AND PROFITABILITY	Page B15
2	UNDERLYING EARNINGS MARGIN ANALYSIS	Page B16
3	UNDERLYING EARNINGS MARGIN ANALYSIS BY BUSINESS	Page B22
4	FOCUS ON THE US	Page B28

## FY14 L&S revenues by region

In Euro billion



**Total: Euro 55.3 billion**

Changes are on a comparable basis

## L&S net inflows

### Net flows by country/region

In Euro billion	FY13	FY14
France	+1.4	+2.5
NORCEE	+0.6	+1.0
United States	-1.8	-1.5
United Kingdom	+0.4	+0.4
Asia Pacific (incl. Japan)	+1.8	+1.6
MedLA	-1.3	0.0
Other	0.0	0.0
<b>Total</b>	<b>+1.1</b>	<b>+4.0</b>
<i>of which mature markets</i>	-0.9	+2.0
<i>of which high growth markets</i>	+2.0	+2.0

### Net flows by business

In Euro billion	FY13	FY14
G/A Protection & Health	+5.2	+5.2
G/A Savings	-5.2	-2.0
Unit-Linked	+0.9	+0.7
Mutual funds & other	+0.1	+0.1
<b>Total</b>	<b>+1.1</b>	<b>+4.0</b>

## Gross Margin

In Euro million

	FY 2014	Comp. Change <sup>1</sup>
Margin on revenues <sup>2</sup>	4,735	+2%
Margin on assets	5,335	+3%
Technical margin	769	+13%

## Expenses

In Euro million

	FY 2014	Comp. Change <sup>1</sup>
Acquisition expenses	3,873	-8%
Admin. Expenses	2,852	+4%
VBI amortization	120	-5%
UE from associates	111	+43%
Tax <sup>3</sup>	887	+10%
Minority interest	86	0%

**Pre-tax underlying earnings**  
Euro 4,105 million **+17%**

**Underlying earnings**  
Euro 3,132 million **+20%**

+

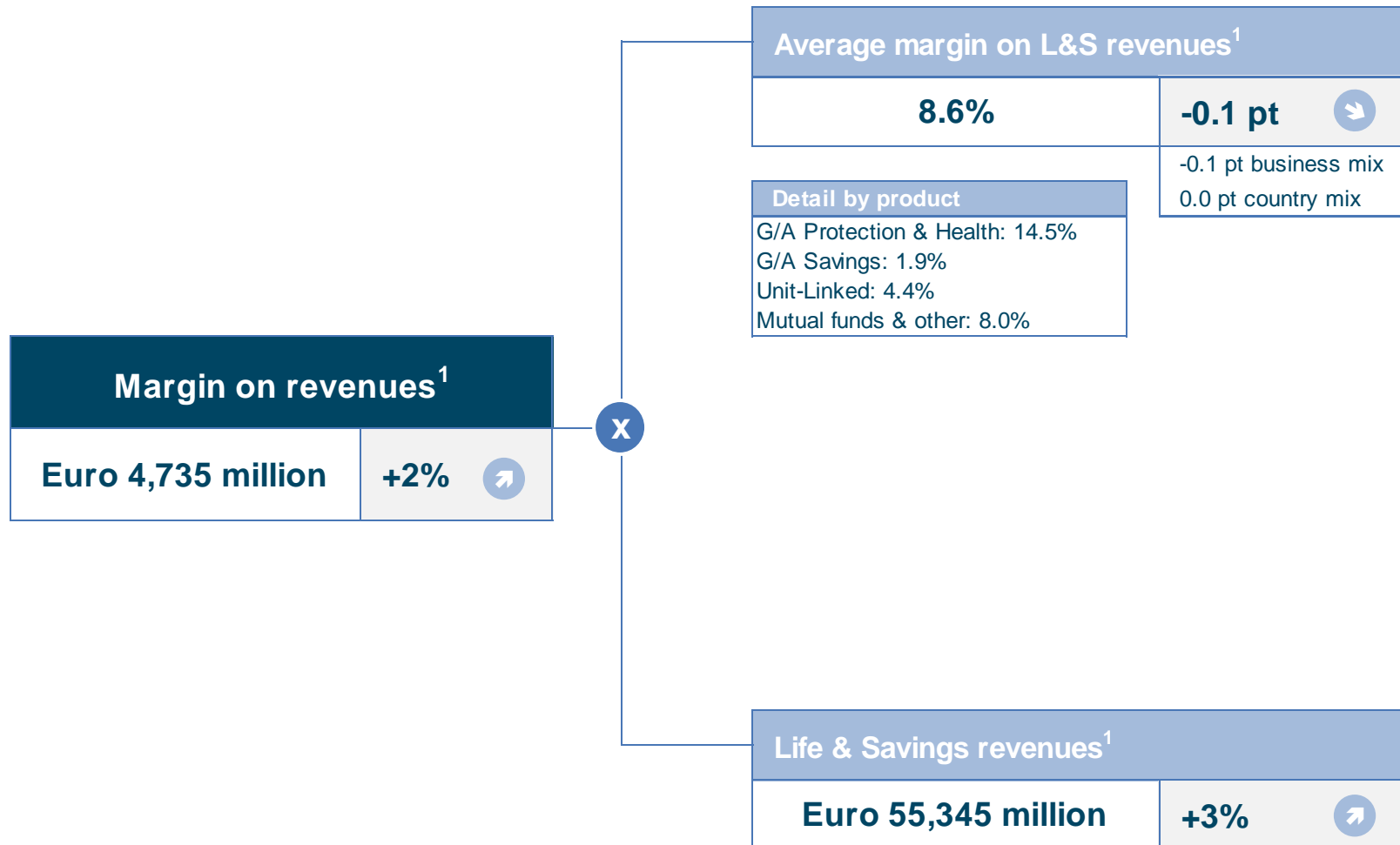
-

+

-

- Changes are adjusted for Forex and changes related to scope with the closed MONY portfolio transaction in 2014, the disposal of AXA Hungary in 2014 and the alignment of closing dates in Japan
- Life & Savings gross written premiums and mutual fund sales
- Tax rate decreased from 24% in FY13 to 22% in FY14 mainly due to higher positive tax one-offs, which amounted to Euro 184 million in FY14 vs. Euro 70 million in FY13

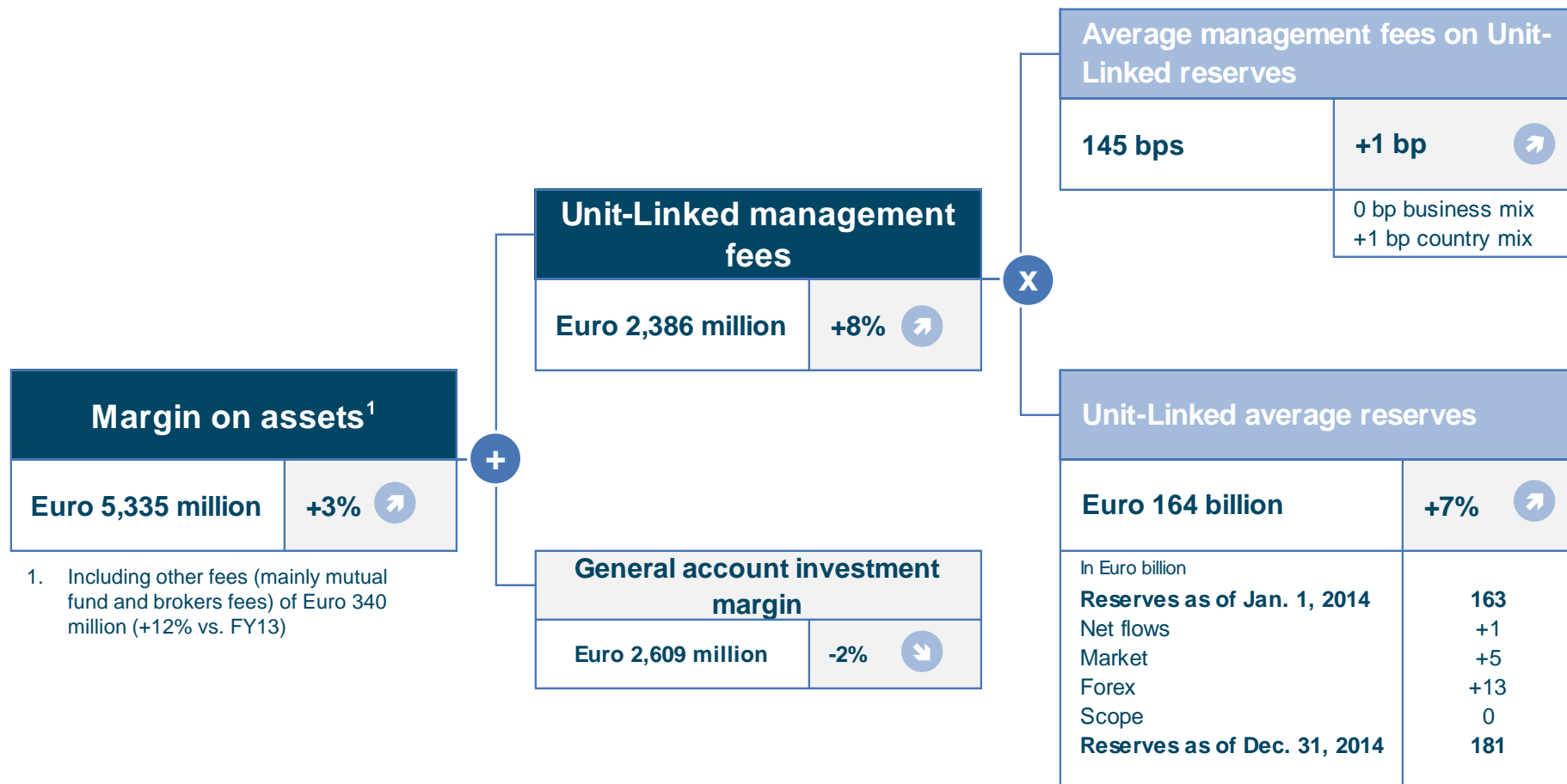
## Details of margin on revenues



↗ Changes are on a comparable basis

1. Life & Savings gross written premiums and mutual fund fees

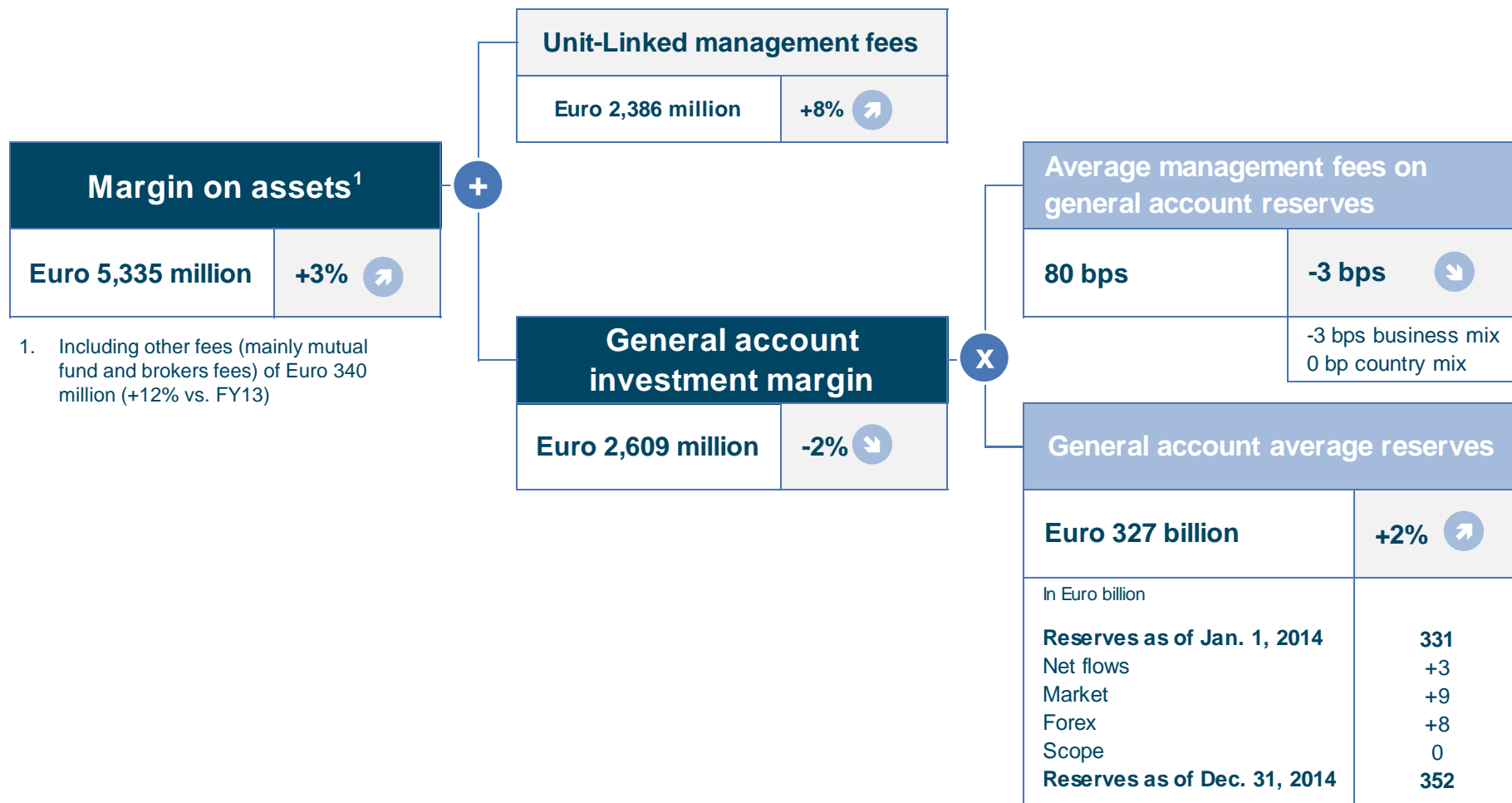
## Details of margin on Unit-Linked assets



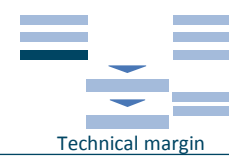
1. Including other fees (mainly mutual fund and brokers fees) of Euro 340 million (+12% vs. FY13)

↗ Changes are on a comparable basis

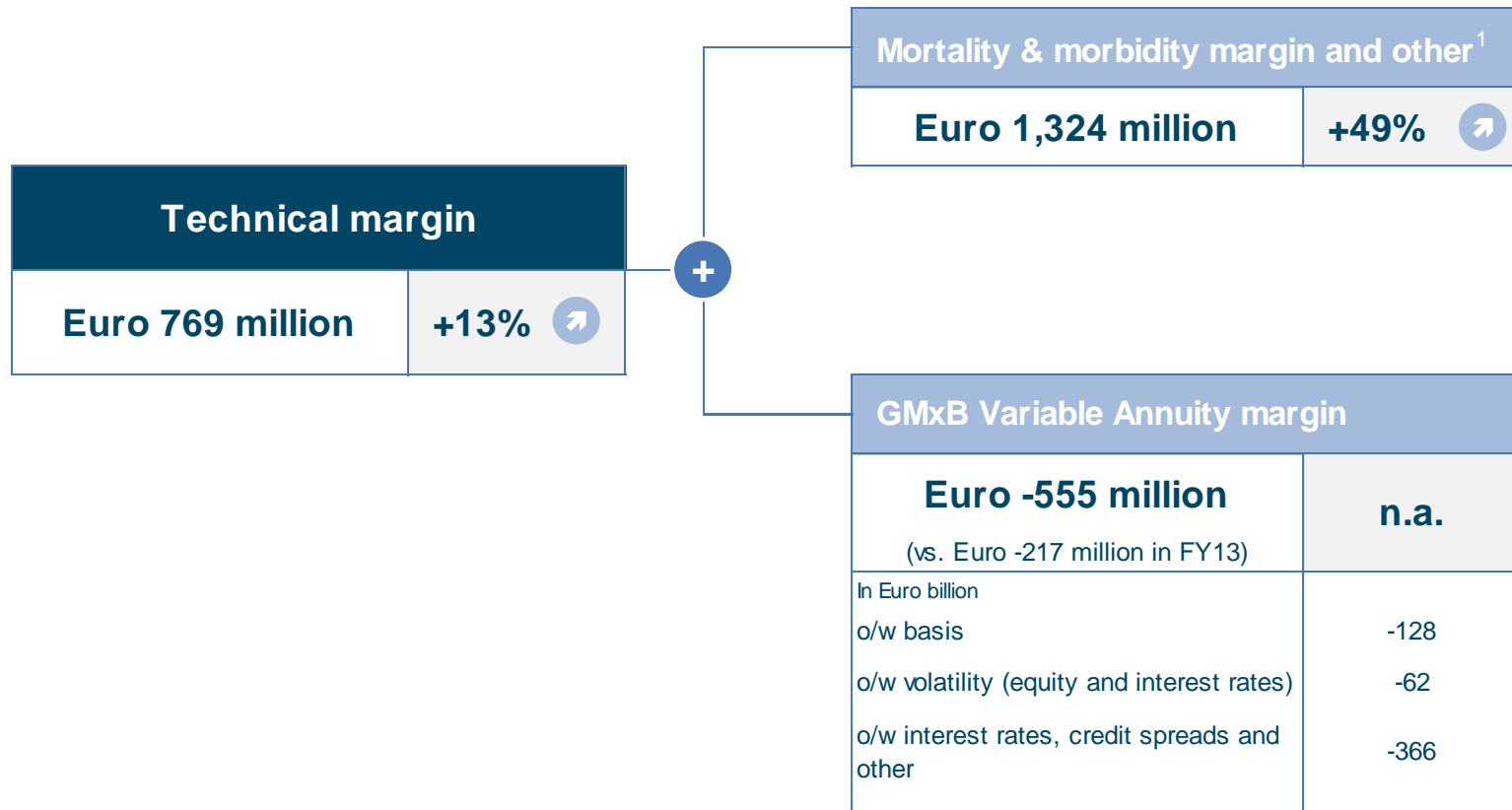
## Details of margin on General Account assets



↗ Changes are on a comparable basis



## Details of technical margin



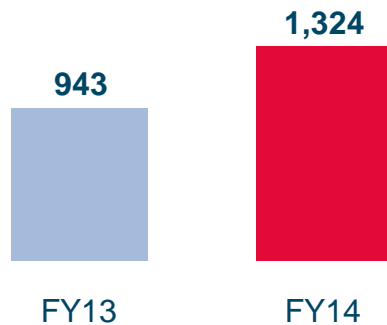
↗ Changes are on a comparable basis

1. Claims paid, maturities and surrenders

## Focus on gross technical margin

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

In Euro million

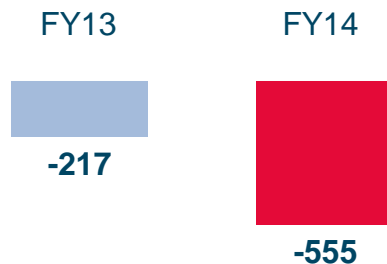


#### FY14 mortality, morbidity and surrender margin evolution mainly explained by:

- Euro +0.3 billion in total in Japan and US, mainly due to non-repeat of unfavorable model and assumption changes in 2013
- France due to more favorable prior year reserve developments

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

In Euro million



Euro -131 million net Underlying Earnings impact

#### FY14 GMxB VA technical margin (pre-tax, pre-DAC) evolution mainly explained by:


- Euro -0.3 billion in the US, mainly due to non-repeat of 2013 positive model and assumption refinements and higher basis losses



Euro million	FY13	FY14	% change <sup>1</sup> on comp. basis
G/A Protection & Health	2,066	2,133	+10%
G/A Savings	640	840	+37%
Unit-Linked	1,055	1,048	+13%
Mutual funds & Other	26	85	n.a.
<b>Pre-tax Underlying Earnings</b>	<b>3,787</b>	<b>4,105</b>	<b>+17%</b>
Tax and Minority interest	-994	-973	
<b>Underlying Earnings</b>	<b>2,793</b>	<b>3,132</b>	<b>+20%</b>

1.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 alignment of closing dates in Japan

In Euro million	G/A Protection & Health	G/A Savings	Unit-Linked	Mutual Funds & Other	
Margin on revenues	3,676	225	708		9% % of GWP
Investment margin	876	1,579	107		80 bps of ave G/A reserves
Management fees			2,386		145 bps of ave UL reserves
Technical Margin & Other	1,170	94	-451		
<b>Gross margin</b>	<b>5,722</b>	<b>1,898</b>	<b>2,749</b>	<b>470</b>	<b>10,840</b>
Admin. Exp. & Other	-1,224	-619	-929	-89	-2,861
Acquisition expenses	-2,366	-440	-772	-296	-3,873
<b>Pre-tax UE</b>	<b>2,133</b>	<b>840</b>	<b>1,048</b>	<b>85</b>	<b>4,105</b>

 Main profit drivers

## G/A Protection &amp; Health

## Technical result

In Euro million	FY14	Comp. Change <sup>1</sup>
Protection & Health GWP	25,438	+1%
Protection & Health Combined ratio (in %)	95.3%	-0.9 pt
<b>Net technical result</b>	<b>1,188</b>	<b>+24%</b>

## Net investment margin

In Euro million	FY14	Comp. Change <sup>1</sup>
Protection & Health average reserves	150,905	+3%
Protection & Health investment spread	58 bps	-7 bps
<b>Investment margin</b>	<b>876</b>	<b>-10%</b>
<b>UE from associates</b>	<b>69</b>	<b>n.a.</b>

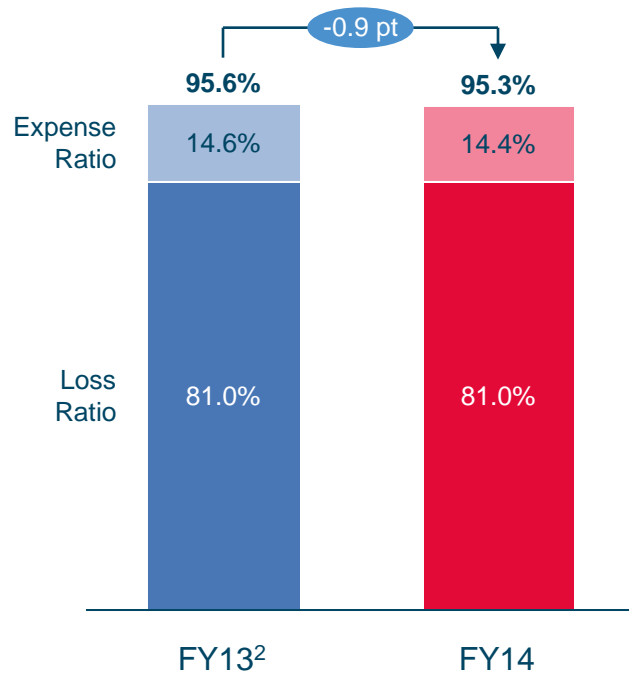
(vs. Euro 44 million in FY13)

**Pre-tax underlying earnings**  
Euro 2,133 million **+10%**

1. Changes are adjusted for Forex and changes related to (i) scope with the closed MONY portfolio transaction in 2013, the disposal of AXA Hungary in 2014 and the alignment of closing dates in Japan, (ii) methodology with the update of US investment income allocation in 2014, which has a zero net P&L impact and (iii) methodology used to compute G/A Protection & Health combined ratio (details on slides B25)

## G/A Protection &amp; Health – Details on Combined Ratio

## Combined ratio

Expense ratio<sup>1</sup>

Expense ratio deteriorated by 0.2 point mainly reflecting commercial efforts

## Loss ratio

Loss ratio improved by 1.1 points mainly due to higher positive prior year reserve developments, notably in France

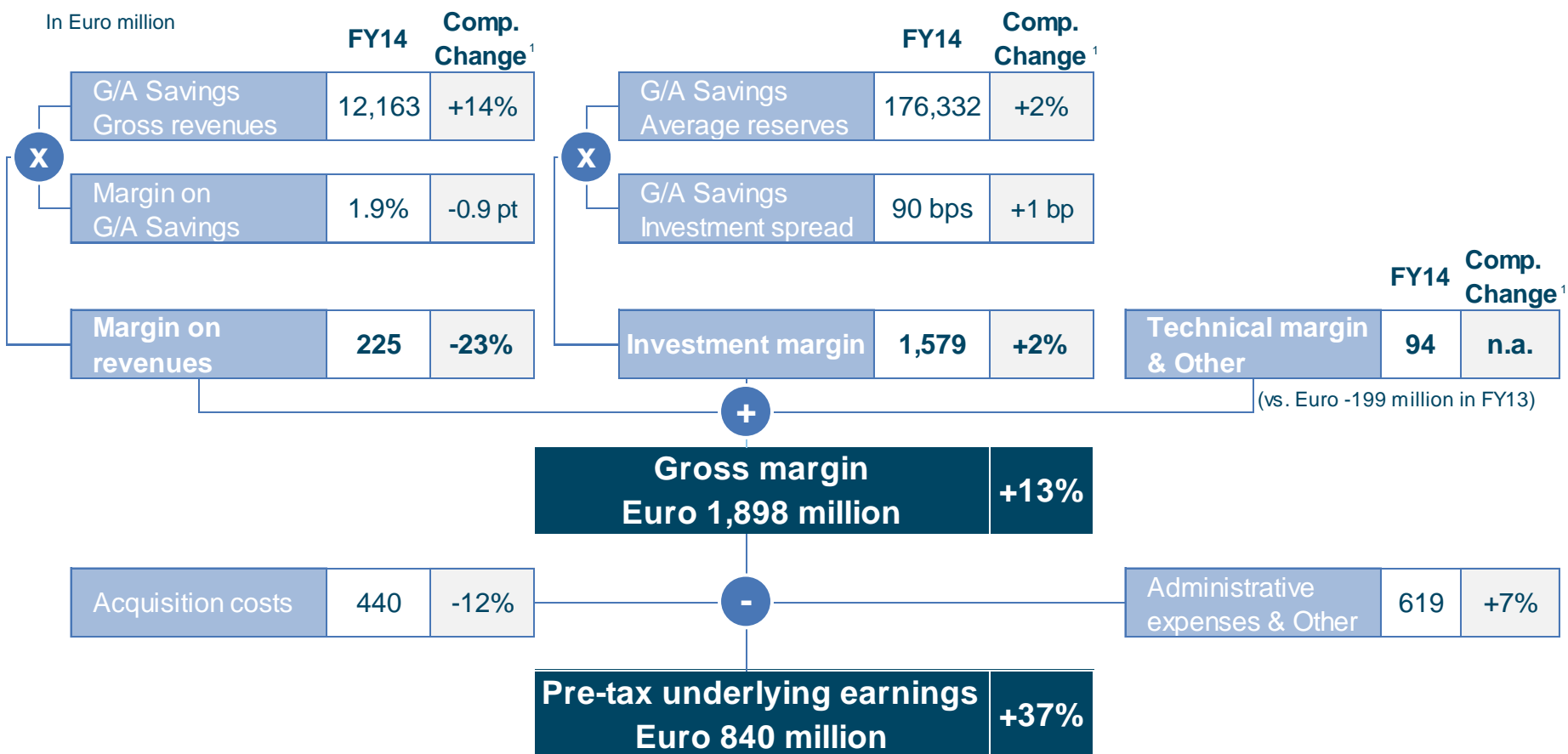
1. Expense ratio includes VBI amortization

2. FY13 was restated following a change in methodology in the calculation of the G/A Protection & Health combined ratio. FY13 published combined ratio amounted to 95.5% and included Underlying Earnings from associates

Changes are adjusted for Forex and changes related to (i) scope with the closed MONY portfolio transaction in 2013, the disposal of AXA Hungary in 2014 and the alignment of closing dates in Japan, (ii) methodology with the update of US investment income allocation in 2014, which has a zero net P&L impact and (iii) methodology used to compute G/A Protection & Health combined ratio

## G/A Savings

In Euro million



1. Changes are adjusted for Forex and changes related to (i) scope with the closed MONY portfolio transaction in 2013, the disposal of AXA Hungary in 2014 and the alignment of closing dates in Japan and (ii) methodology with the update of US investment income allocation in 2014, which has a zero net P&L impact

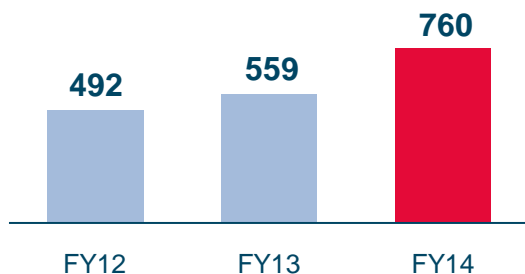


## US Variable Annuity GMxB Underlying Earnings

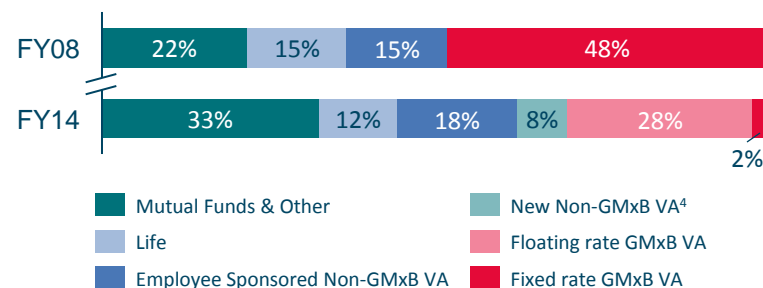
In Euro million, net of DAC and tax <sup>1</sup>	FY12 <sup>2</sup>	FY13	FY14
<b>Total Variable Annuity base fees &amp; other, less expenses</b>	<b>270</b>	<b>338</b>	<b>296<sup>3</sup></b>
<b>GMxB hedge margin</b>	<b>-156</b>	<b>-50</b>	<b>-74</b>
o/w Basis	-16	-1	-26
o/w Volatility	-59	-15	-7
o/w Interest rates, credit spreads & other	-81	-33	-41
<b>Total reserve strengthening</b>	<b>-148</b>	<b>54</b>	<b>-4</b>
o/w lapse experience / assumptions	-273	0	0
o/w other policyholder behavior	-217	0	0
o/w management actions including premium suspension, buyout program & model refinements/ assumptions	342	54	-4
<b>Variable Annuity GMxB Underlying Earnings</b>	<b>-34</b>	<b>342</b>	<b>218<sup>3</sup></b>

## US Life &amp; Savings Underlying Earnings

In Euro million



## US Life &amp; Savings APE



- Notional tax rate of 35%.
- Comparative information related to FY12 was retrospectively restated for the amendments to IAS 19.
- Negatively affected by a new risk-based allocation of investment margin among products implemented in the US starting FY14, with zero impact on total US Life & Savings Underlying Earnings. Based on this new methodology, the amount reallocated to other products would have been Euro -35 million in FY13.
- New Non GMxB Variable Annuity includes: Investment Edge and Structured Capital Strategies.

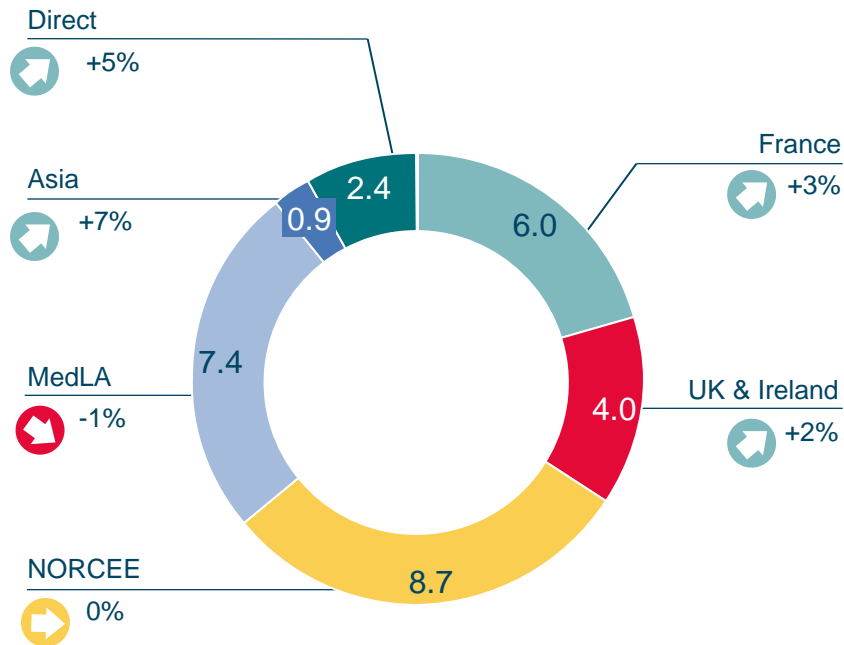
# Property & Casualty

---



### FY14 P&C revenues by region

In Euro billion

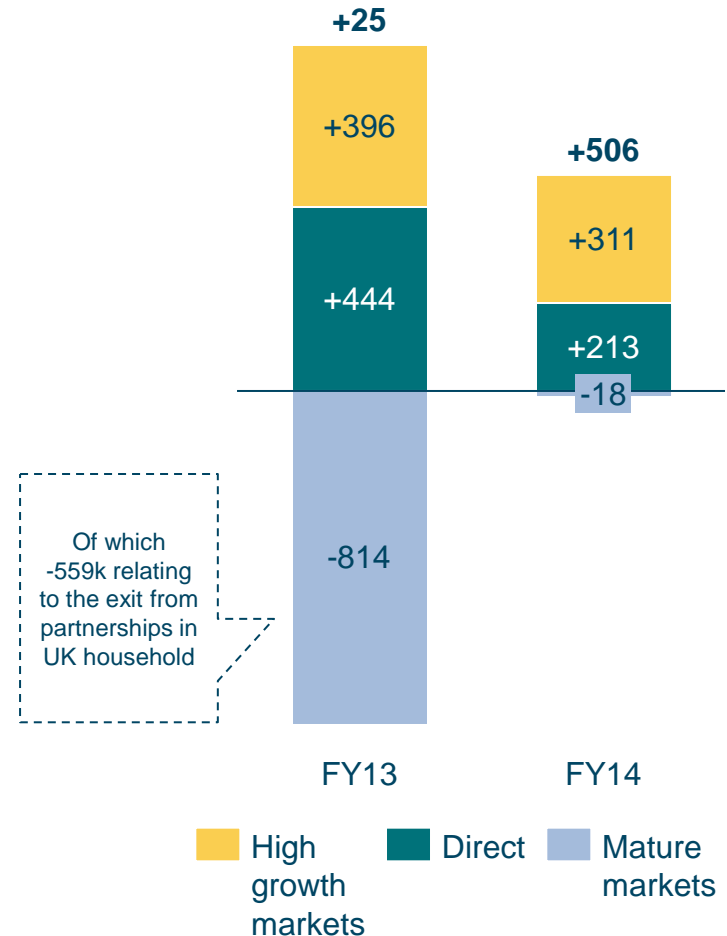


Total: Euro 29.5 billion

Changes are on a comparable basis

### P&C personal net new contracts

In thousands



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



## Net technical result

In Euro million

	FY14	Change*
Revenues	29,460	+1%
Combined ratio <sup>1</sup> (in %)	96.9%	+0.4 pt
1. Combined ratio calculated based on gross earned premiums		
Net technical result <sup>2</sup>	910	-9%
2. Technical result net of expenses		

## Net investment income

In Euro million

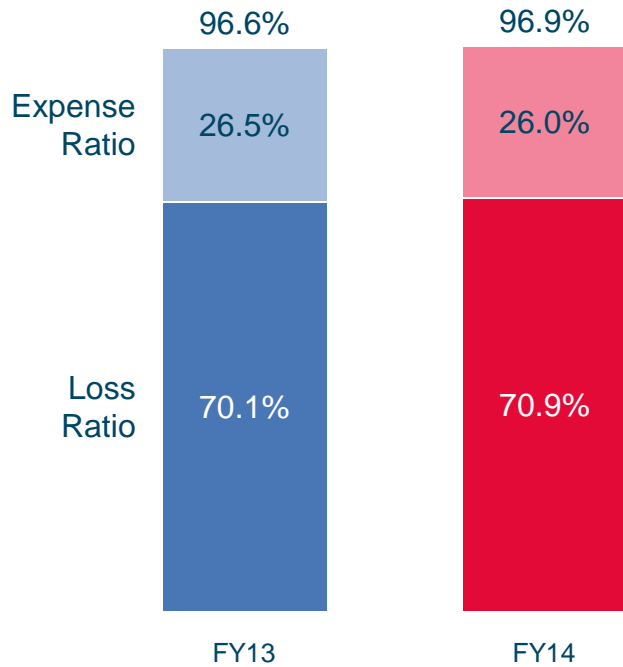
	FY14	Change*
Average P&C assets	58,418	+2%
Average Asset Yield <sup>3</sup>	3.7% <sup>3</sup>	+0.1 pt
3. Net of interests credited to P&C reserves relating to annuities. Gross asset yield was 3.9%		
Net investment income	2,133	+5%

	+	UE from associates	47	+37%
<b>Pre-tax underlying earnings</b>		<b>Euro 3,091 million</b>		<b>+1%</b>
	-	Tax <sup>4</sup>	883	-3%
		<b>Underlying earnings</b>		<b>+2%</b>
		<b>Euro 2,158 million</b>		
		Minority interest	50	+26%
		(Vs. Euro 41 million in FY13)		

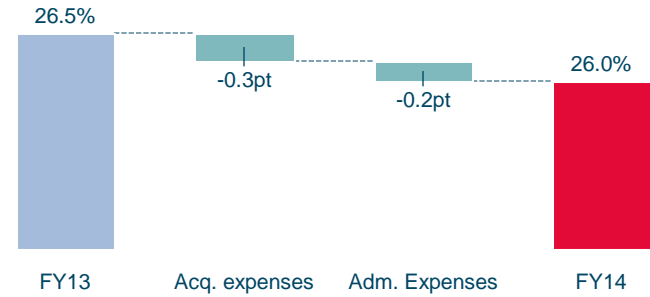
Changes are on a comparable basis for activity indicators (constant Forex, scope and methodology), and at constant Forex for earnings.

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

### Combined ratio

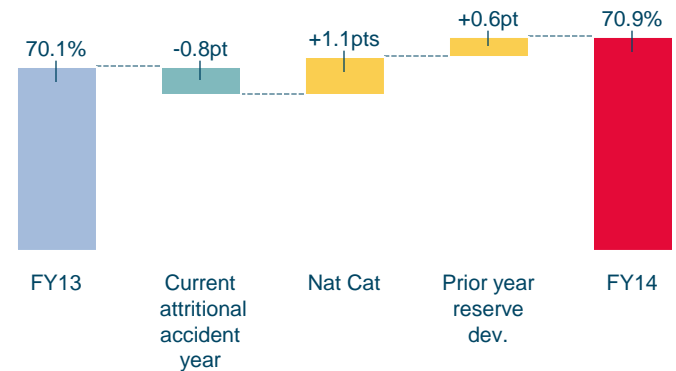


### Expense ratio roll-forward



-0.5 pt change on a comparable basis

### Loss ratio roll-forward

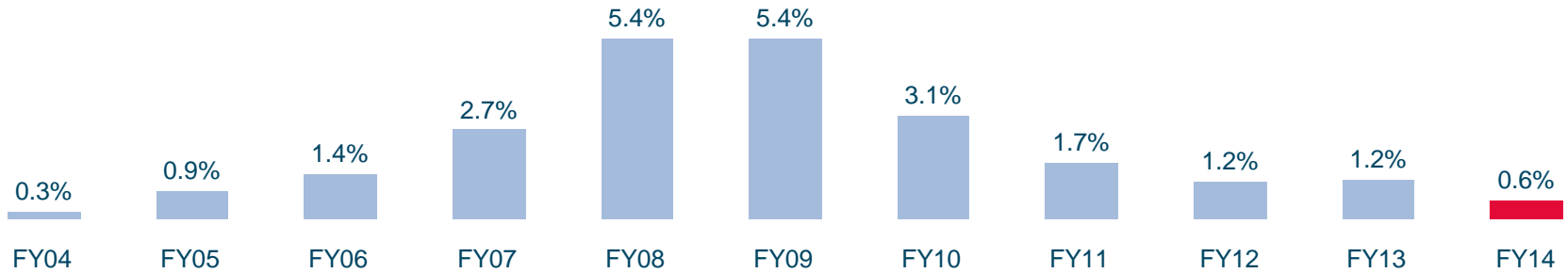


+0.9 pt change on a comparable basis

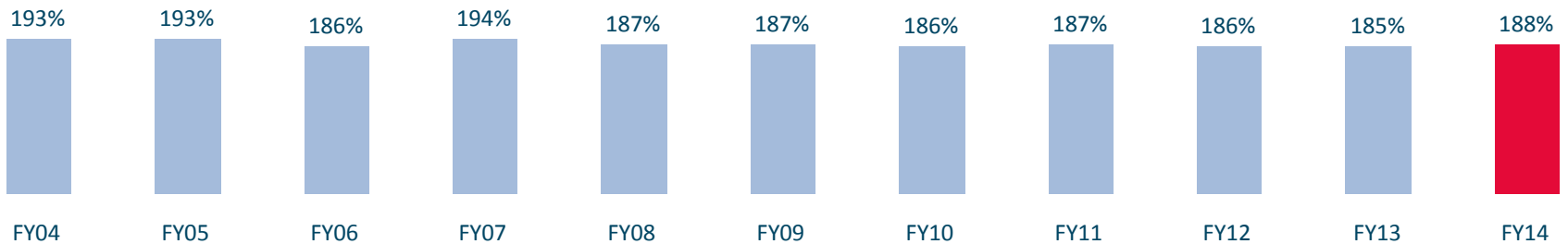
Information related to 2013 was restated for the retrospective application of the new IFRS standards on consolidation



### Prior year reserve development level (in % of gross earned premiums)



### Reserving ratio (Net technical reserves/Net earned premiums)



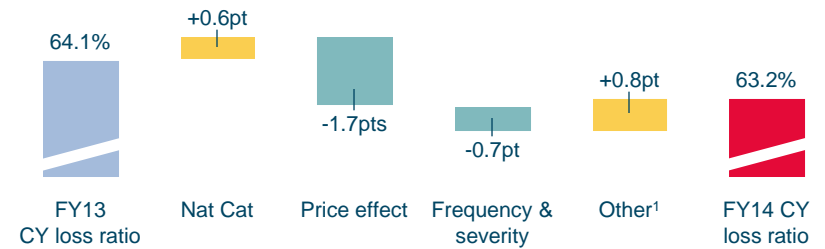
Information related to 2013 was restated for the retrospective application of the new IFRS standards on consolidation. FY04 to FY12 figures were not adjusted for this change  
 Note: FY04 to FY09 figures do not exclude Canadian operations



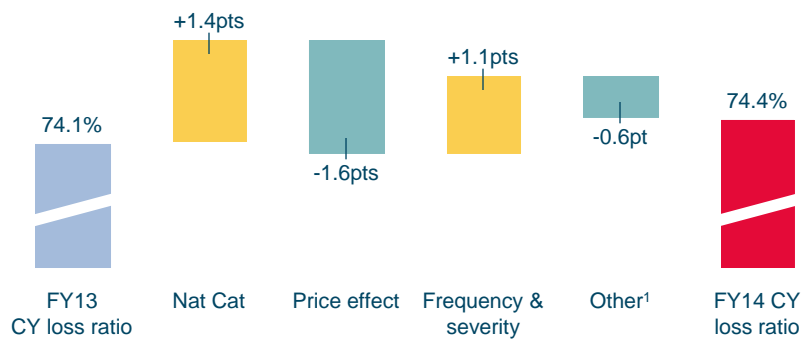
### Personal Motor



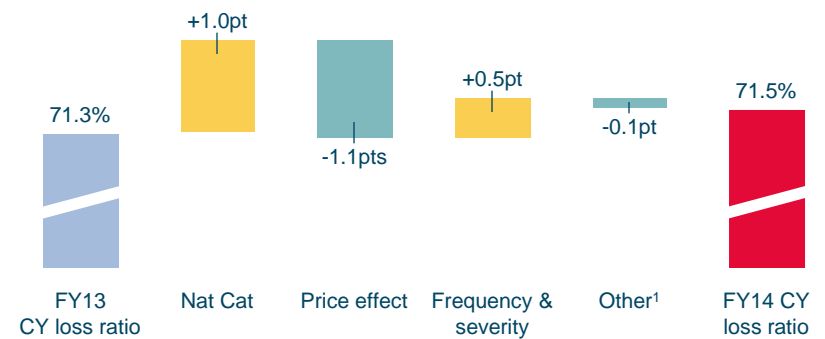
### Personal non motor



### Total commercial lines incl. Construction & Work. Comp.



### Total P&C



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

1. Other includes opening adjustments, changes in mix, claims handling costs, reinsurance impact excl. Nat Cat, other changes in reserves, Forex and scope





# Asset Management

---

# ASSET MANAGEMENT | Underlying Earnings

## Details of Asset Management margin analysis

### Margin\*

In Euro million

	FY14	Change**
Asset Management fees	3,050	+6%
Distribution revenues	671	-1%
Investment result	-19	+87%

+

### Expenses\*

In Euro million

	FY14	Change**
Asset Management expenses	2,215	-1%
Distribution expenses	679	+3%

-

<b>Pre-tax underlying earnings</b> Euro 809 million	<b>0%</b>
--	-----------

-

Tax	224	-4%
-----	-----	-----

Minority int.& other	181	+6%
----------------------	-----	-----

<b>Underlying earnings</b> Euro 403 million	<b>0%</b>
--	-----------

\* Margin and expenses are calculated gross of intercompany eliminations to help reconcile with disclosure on page 21 of FY14 Financial Supplement

\*\* Changes are on a comparable basis for activity indicators (constant Forex, scope and methodology), and at constant Forex for earnings

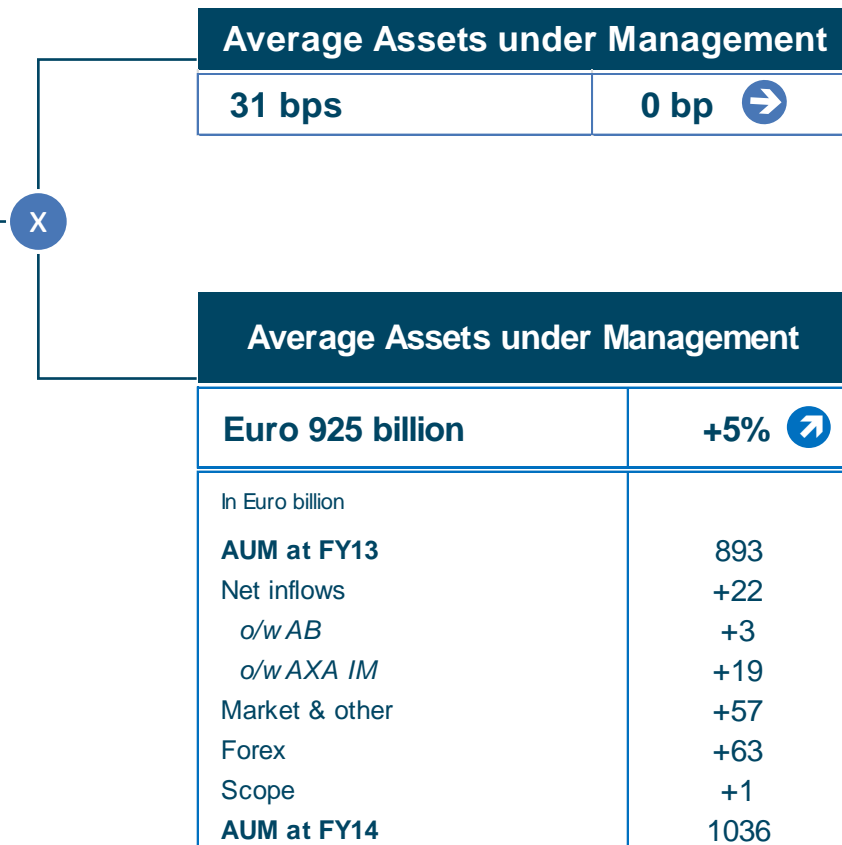
1. Tax rate down from 29% in FY13 to 28% in FY14



# ASSET MANAGEMENT | Underlying Earnings

Details on Asset Management revenues

Asset Management fees	
<b>Euro 2,325 million</b>	<b>+8%</b> ↗
o/w performance fees	Euro 97 million ( -15% )
o/w research fees	Euro 362 million ( +8% )



↗ Changes are on a comparable basis



# Balance Sheet

---

# BALANCE SHEET

---

1

## GENERAL ACCOUNT INVESTED ASSETS

- 1.1 Government bonds & related
- 1.2 Corporate bonds
- 1.3 CDS
- 1.4 ABS
- 1.5 Equity
- 1.6 Real Estate
- 1.7 Hedge Funds
- 1.8 Private Equity
- 1.9 Mortgage loans

**PAGE B40**

B41

B42

B45

B46

B50

B52

B53

B54

B55

2

## FOCUS ON NET UNREALIZED CAPITAL GAINS

- 2.1 Focus on exposure to Eurozone peripheral countries

**Page B56**

B57

3

## ASSET LIABILITY MANAGEMENT

**Page B58**

4

## SOLVENCY

**Page B60**

5

## NET FINANCIAL DEBT

**Page B63**

# GENERAL ACCOUNT INVESTED ASSETS

Invested assets (100%) in Euro billion	FY13	%	FY14	%
<b>Fixed income</b>	<b>388</b>	<b>83%</b>	<b>437</b>	<b>84%</b>
<i>o/w Govies and related</i>	210	45%	246	47%
<i>o/w Corporate bonds</i>	144	31%	154	29%
<i>o/w Asset backed securities</i>	10	2%	9	2%
<i>o/w Mortgage loans &amp; other</i> <sup>1</sup>	24	5%	28	5%
<b>Cash</b>	<b>20</b>	<b>4%</b>	<b>21</b>	<b>4%</b>
<b>Listed equities</b>	<b>18</b>	<b>4%</b>	<b>18</b>	<b>3%</b>
<b>Real Estate</b>	<b>24</b>	<b>5%</b>	<b>26</b>	<b>5%</b>
<b>Alternative investments</b> <sup>2</sup>	<b>14</b>	<b>3%</b>	<b>17</b>	<b>3%</b>
<b>Policy loans</b>	<b>5</b>	<b>1%</b>	<b>5</b>	<b>1%</b>
<b>Total Insurance Invested Assets</b> <sup>3</sup>	<b>470</b>	<b>100%</b>	<b>523</b>	<b>100%</b>

## Changes in asset mix

- ➔ **Mark to market:** positive impact on fixed income assets from interest rates decrease
- ➔ **Net inflows, investment income and maturities:** invested mainly in corporate and government bonds

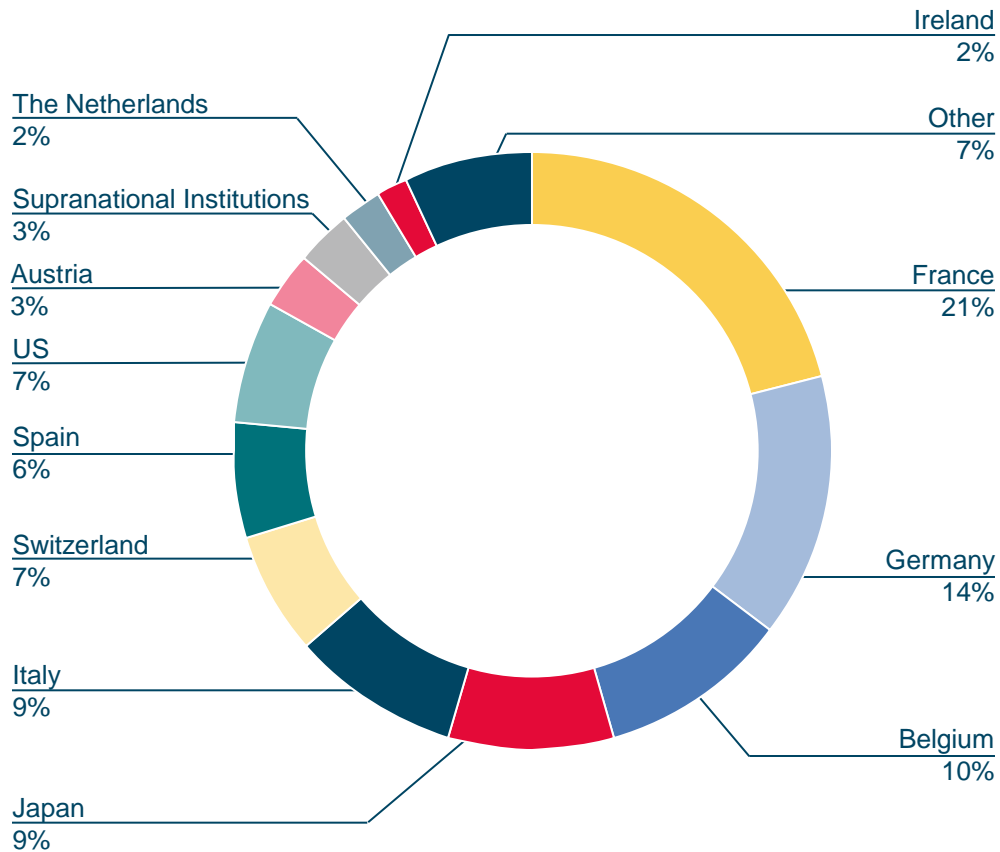
1. Mortgage loans & other include residential loans (Euro 11 billion), commercial & agricultural loans (Euro 15 billion) and Agency Pools (Euro 2 billion)

2. Mainly Private Equity and Hedge Funds

3. 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

# GOVERNMENT BONDS AND RELATED

## Breakdown by segment

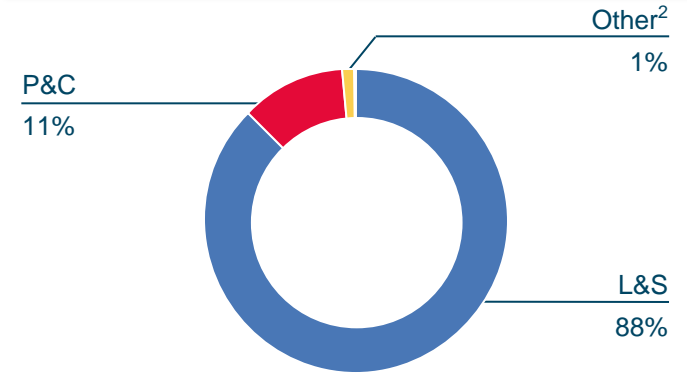


**Total: Euro 246 billion**

As of December 31, 2014

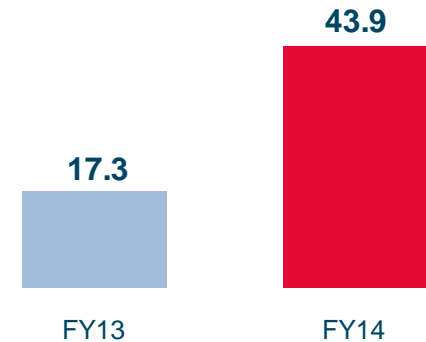
1. Gross of tax and policyholders' participation  
 2. Other includes International Insurance and Holdings segments

## Breakdown by segment



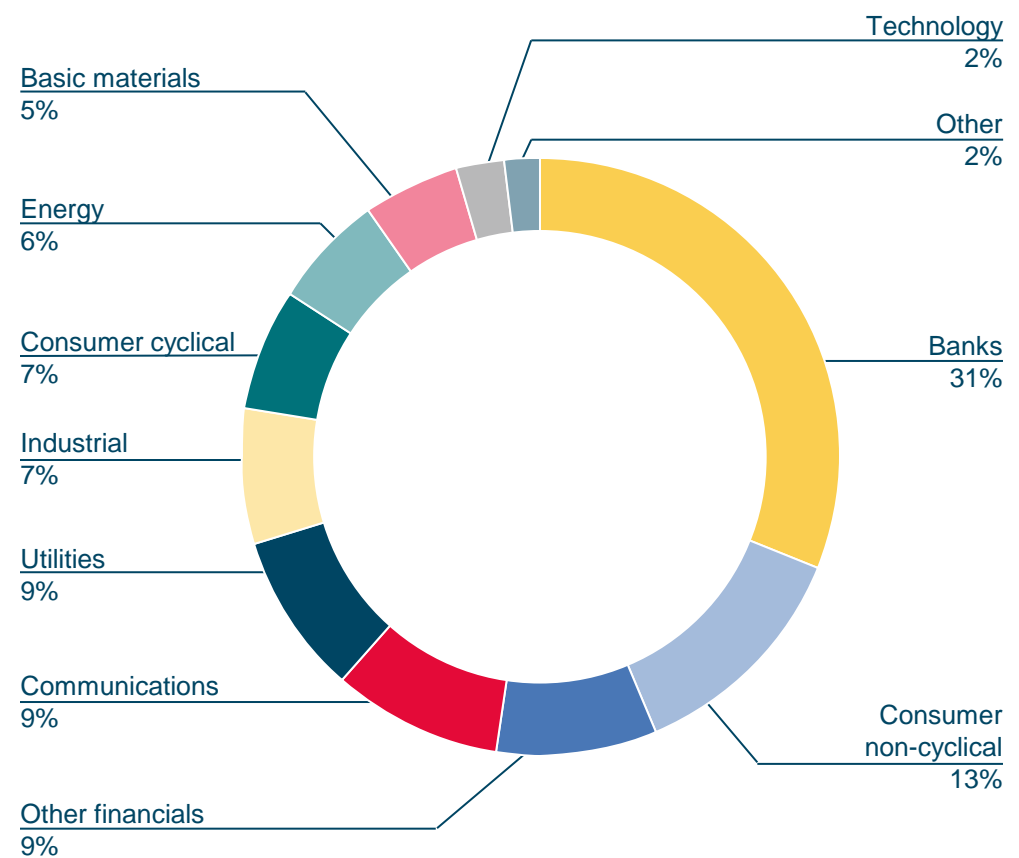
## Gross<sup>1</sup> unrealized capital gains and losses

In Euro billion



# CORPORATE BONDS

## Breakdown by industry

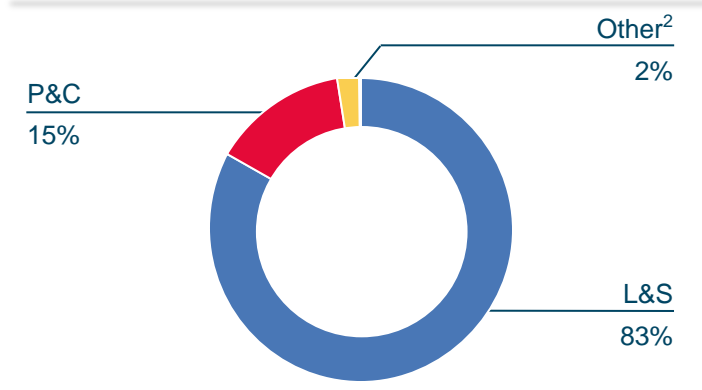


**Total: Euro 154 billion**

As of December 31, 2014

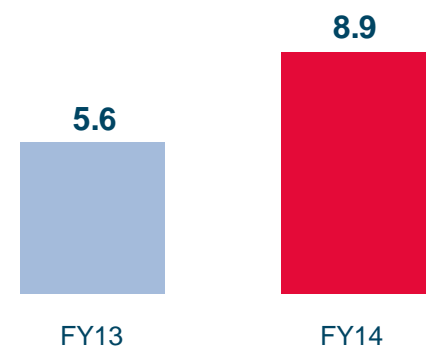
1. Gross of tax and policyholders' participation  
 2. Other includes International Insurance and Holdings segments

## Breakdown by segment



## Gross<sup>1</sup> unrealized capital gains and losses

In Euro billion



# FOCUS ON BANKING CORPORATE BONDS

As of December 31, 2014

Gross market value in Euro billion	Senior debt		Subordinated debt				Total
	Secured	Non secured	Lower Tier 2	Upper Tier 2	Tier 1	Preferred	
United States	0.3	8.5	1.1	0.0	0.1	0.0	<b>10.1</b>
France	3.1	3.5	1.1	0.0	0.0	0.0	<b>7.7</b>
UK	1.1	2.8	0.4	0.0	0.0	0.0	<b>4.3</b>
Spain	3.1	0.7	0.1	0.0	0.0	0.0	<b>4.0</b>
Germany	2.5	0.2	0.8	0.4	0.1	0.0	<b>4.0</b>
Australia	1.4	2.3	0.2	0.0	0.0	0.0	<b>3.9</b>
Italy	1.4	1.3	0.0	0.0	0.0	0.0	<b>2.7</b>
Netherlands	0.5	2.0	0.1	0.0	0.0	0.0	<b>2.7</b>
Switzerland	0.9	1.3	0.0	0.0	0.0	0.0	<b>2.2</b>
Sweden	0.3	1.5	0.1	0.0	0.0	0.0	<b>1.9</b>
Canada	0.3	0.6	0.0	0.0	0.0	0.0	<b>0.9</b>
Norway	0.6	0.2	0.0	0.0	0.0	0.0	<b>0.8</b>
Other <sup>1</sup>	0.5	1.7	0.1	0.1	0.0	0.0	<b>2.4</b>
<b>TOTAL</b>	<b>15.8</b>	<b>26.7</b>	<b>4.0</b>	<b>0.6</b>	<b>0.5</b>	<b>0.0</b>	<b>47.6</b>

1. More than 30 countries

# CORPORATE BONDS BREAKDOWN BY COUNTRY AND RATING

(including CDS)

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

in Euro billion As of Dec. 31, 2014	France		US		Belgium		Germany		Switzerland		Japan	Other <sup>1</sup>		Total	
	P	NP	P	NP	P	NP	P	NP	P	NP	NP	P	NP	P	NP
AAA	1.7	0.7	0.1	0.3	0.1	0.1	3.9	0.6	0.9	0.3	0.4	0.1	0.3	6.8	2.6
AA	3.8	1.4	0.4	1.7	0.6	0.3	1.5	0.3	3.0	0.4	1.8	1.6	0.9	10.7	6.9
A	11.8	4.9	1.9	9.2	1.4	1.5	4.4	0.9	5.7	1.0	6.3	5.5	3.7	30.6	27.5
BBB	11.2	4.7	1.3	8.9	1.0	1.4	3.9	1.3	5.4	1.1	2.6	2.9	2.9	25.7	22.9
Below investment grade	2.2	1.4	0.1	0.8	0.1	0.9	1.7	0.5	2.0	0.5	0.3	0.3	0.4	6.4	4.9
Non rated	1.0	0.6	0.0	0.6	0.2	0.7	0.8	0.4	1.6	0.1	0.5	0.8	1.2	4.6	4.1
<b>Total</b>	<b>31.6</b>	<b>13.7</b>	<b>3.8</b>	<b>21.5</b>	<b>3.4</b>	<b>4.8</b>	<b>16.2</b>	<b>4.1</b>	<b>18.6</b>	<b>3.4</b>	<b>11.9</b>	<b>11.2</b>	<b>9.4</b>	<b>84.9</b>	<b>68.7</b>

1. Including UK, MedLA, Asia Pacific (excl. Japan), CEE, Direct P&C excluding Direct Japan

## FOCUS ON CDS

### → CDS mainly used as alternative to investment grade corporate bonds

- Net CDS exposure excluding NBT strategy mainly corresponds to an “overlay” strategy (synthetically replicate corporate bonds by selling CDS on top of government bonds to enhance return)
- NBT strategy: buy credit derivatives on corporate names to form negative basis trade

### → CDS also used to get liquid exposure to local sovereign risks

in Euro billion	Corporate bonds			Government bonds and related
	Net CDS exposure excl. NBT strategy Net notional as of Dec. 31, 2014	NBT strategy Net notional as of Dec. 31, 2014	Total Net notional as of Dec. 31, 2014	Total Net notional as of Dec. 31, 2014
AAA	-	-	-	2.8
AA	0.6	0.0	0.6	-1.2
A	2.0	-0.2	1.8	0.3
BBB	1.2	-2.0	-0.8	-0.3
Below investment grade	-0.2	-0.6	-0.8	0.0
Non rated	0.9	-0.5	0.4	0.2
<b>Total</b>	<b>4.5</b>	<b>-3.4</b>	<b>1.1</b>	<b>1.8</b>

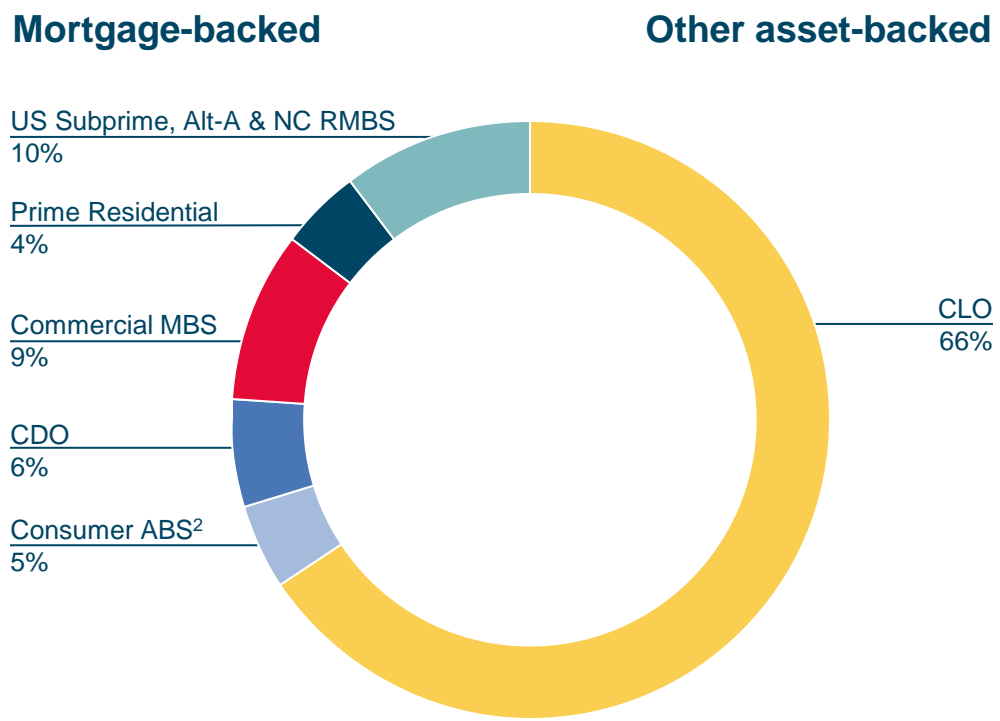
mainly Spain

Represents total market value of Euro -115 million



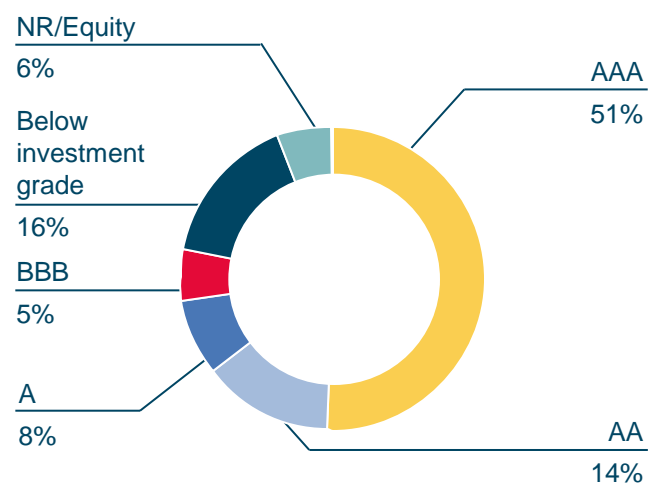
# ASSET BACKED SECURITIES

## Breakdown by asset type<sup>1</sup>



**Total: Euro 9 billion**

## Breakdown by rating



As of December 31, 2014

1. Including debt and equity tranches of ABS  
 2. Mainly consumer loan ABS (plus some leases and operating ABS assets)



## CREDIT RISK MANAGEMENT: ABS INVESTMENTS

### Group ABS exposure decreased mainly driven by:

- ➔ Net outflows of Euro 1.6 billion, comprised of Euro 4.6 billion of redemptions and sales, partially offset by Euro 3.0 billion of purchases, mainly on CLOs and reinvestment of matured positions
- ➔ A positive market effect of Euro 0.8 billion driven by a positive Forex impact, due to the appreciation of the USD, and spread tightening, specially for US Subprimes

<i>In Euro million</i>	Group ABS Exposure		Asset value	
	31/12/13	31/12/14	31/12/13	31/12/14
<b>Mortgage-backed</b>				
Prime Residential	447	413	93%	97%
Commercial MBS	930	881	85%	64%
NC RMBS	122	129	78%	91%
US Subprime	703	799	63%	73%
US Alt-A	38	46	66%	74%
<b>Other asset-backed</b>				
Consumer ABS	886	452	93%	117%
CLO	4,797	6,221	91%	93%
Investment grade CDO	1,747	359	102%	95%
High-Yield CDO	31	31	72%	73%
Structured Finance CDO	37	25	18%	18%
Other CDO	127	134	90%	104%
<b>Total</b>	<b>9,866</b>	<b>9,490</b>	<b>88%</b>	<b>105%</b>

## FOCUS ON MORTGAGE-BACKED SECURITIES

<i>Euro million</i> <i>As of December 31, 2014</i> <i>(unless indicated)</i>	<b>Prime Residential MBS</b>	<b>Commercial MBS</b>	<b>UK &amp; NC RMBS</b>	<b>US Subprime RMBS</b>	<b>US Alt-A RMBS</b>
% of par @ 31/12/11	80%	59%	57%	45%	27%
% of par @ 31/12/12	88%	61%	71%	52%	52%
% of par @ 31/12/13	93%	85%	78%	63%	66%
% of par @ 31/12/14	97%	64%	91%	73%	74%
AAA	233	140	17	-	-
AA	69	29	57	40	-
A	33	79	9	48	-
BBB	19	103	-	62	-
Below investment grade	59	527	41	647	45
Equity / Non rated	0	4	6	0	1
<b>Total exposure</b>	<b>413</b>	<b>881</b>	<b>129</b>	<b>799</b>	<b>46</b>
<b>Shareholders' exposure</b>	<b>71%</b>	<b>65%</b>	<b>61%</b>	<b>42%</b>	<b>75%</b>
OCI <sup>1</sup>	76%	84%	28%	91%	78%
P&L	24%	16%	72%	9%	22%

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

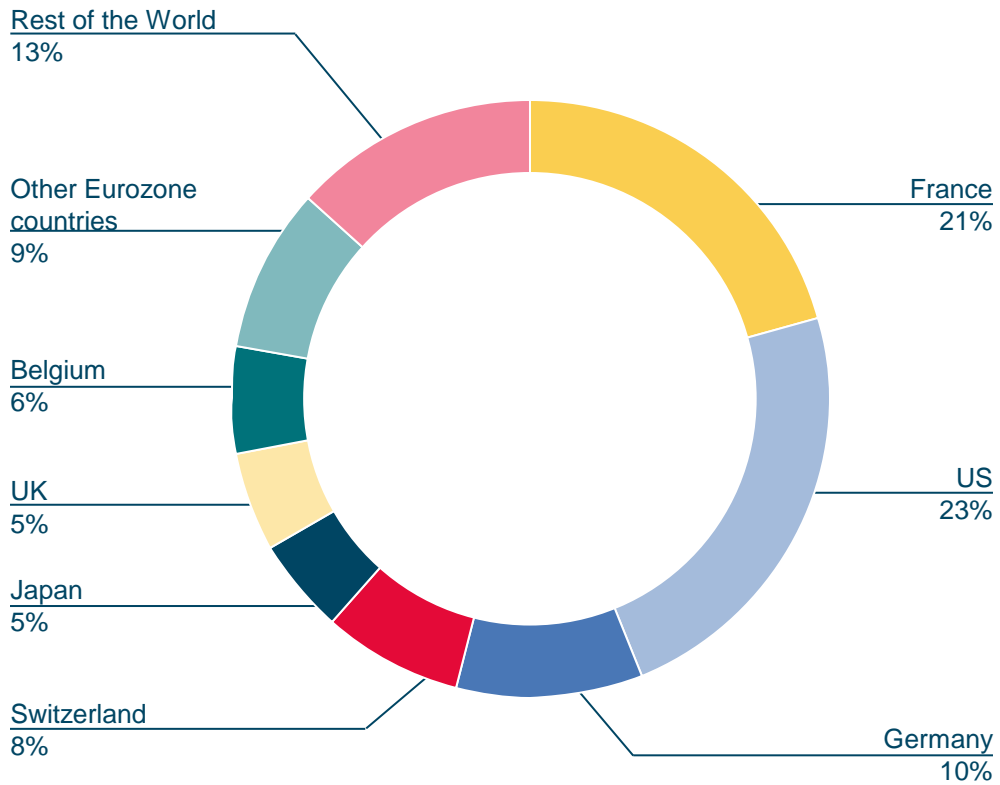
# FOCUS ON CDO

<i>Euro million</i> <i>As of December 31, 2014</i>	Investment grade	High Yield	Structured Finance	Other CDOs	Total
AAA	-	-	-	-	-
AA	-	9	-	3	12
A	251	-	-	1	252
BBB	41	-	-	2	42
Below investment grade	0	11	22	15	48
Equity / Non rated	67	11	3	113	194
<b>Total exposure</b>	<b>359</b>	<b>31</b>	<b>25</b>	<b>134</b>	<b>549</b>
<b>Shareholders' exposure</b>	<b>48%</b>	<b>74%</b>	<b>73%</b>	<b>70%</b>	<b>56%</b>
<i>OCI</i> <sup>1</sup>	5%	55%	69%	55%	23%
<i>P&amp;L</i>	95%	45%	31%	45%	77%

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

# LISTED EQUITY PORTFOLIO OVERVIEW

## Breakdown by geography

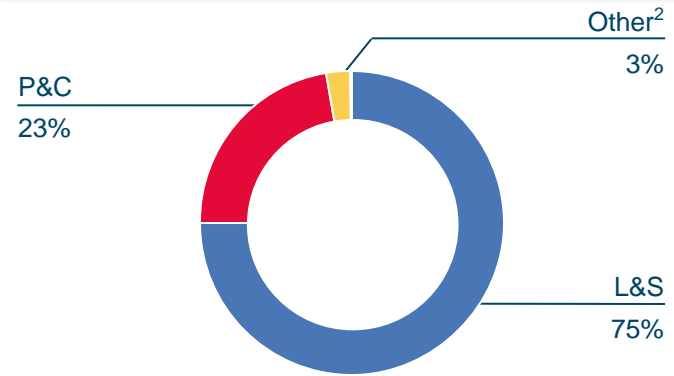


**Total: Euro 18 billion**

As of December 31, 2014

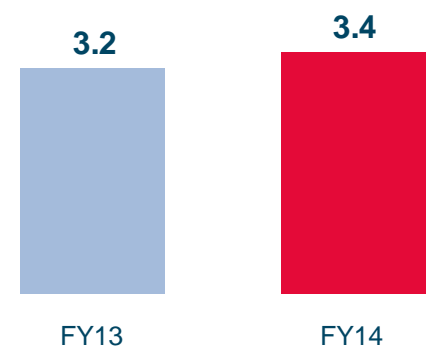
1. Gross of tax and policyholders' participation  
 2. Other includes International Insurance and Holdings segments

## Breakdown by segment



## Gross<sup>1</sup> unrealized capital gains and losses

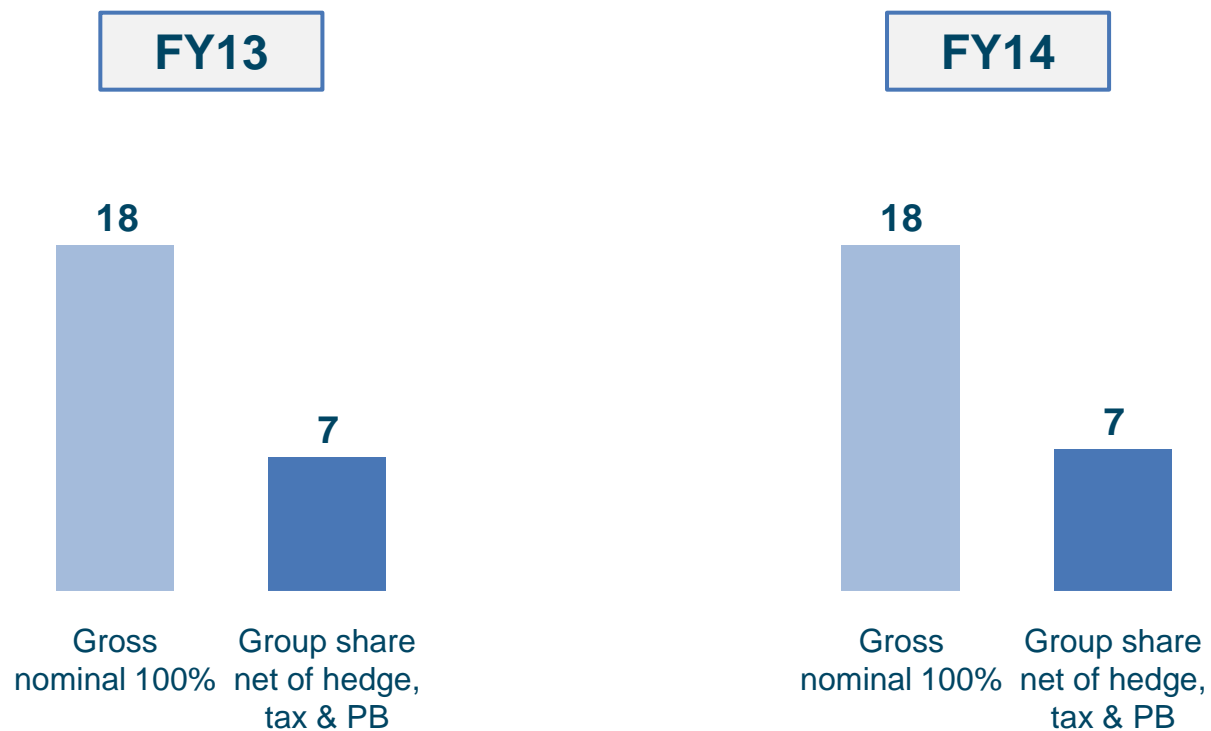
In Euro billion



# SHAREHOLDERS' EXPOSURE TO LISTED EQUITY

## Estimated shareholders' exposure to equity

(In Euro billion)

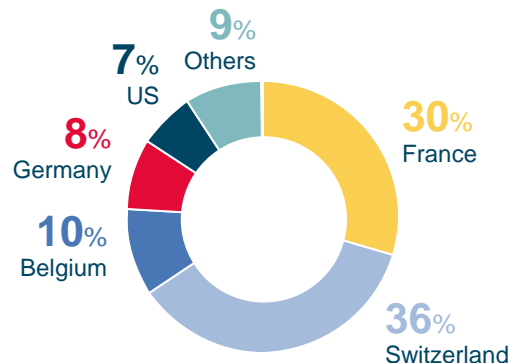


## Key indicators

Market value  
(in Euro billion)

FY14

## FY14 market value by country



## Split by type

	France	Switz.	Germany	Belgium
<b>Office</b>	~ 47%	~ 40%	~ 66%	~ 77%
<b>Residential</b>	~ 10%	~ 47%	~ 9%	~ 0%
<b>Commercial</b>	~ 29%	~ 0%	~ 18%	~ 20%
<b>Other</b>	~ 15%	~ 12%	~ 7%	~ 3%

Portfolio Yield from Rental Income ~ 5%

1. Representing Euro 3.5 billion of unrealized gains, net of tax and PB

## Environment

- Europe is in a recovery phase, with growth in the Eurozone still negatively impacted by a combination of austerity measures and structural problems.
- Growth is stronger in the larger cities given the concentration of business activity. Needs for better quality and centrally located property are growing within the biggest conurbations. London is still leading in Europe.
- Demand for investments was strong in 2014 across the full geographic/risk spectrum. Prime yields fell below their previous levels in all of the core European markets. Demand for secondary property strongly increased given the shortage of prime investments.

AXA portfolio  
return driver

- Returns mainly driven by rental income
- High visibility on assets: >90% of the investments directly managed

## 2015 outlook

- Due to the relatively weak business demand, rental value growth is expected to be weaker compared to previous economic recoveries.
- Prime property should remain the defensive play.
- Prime yields are expected to fall further as significant investment capacity in this asset class is expected to put pressure on the spread against government bonds.

## Key indicators

### Market value

(in Euro billion)

5



FY14

### Exposure and concentration risk

- Management of diversified funds of hedge funds and Alternative Credit
- Top 10 fund managers in diversified portfolios represent ~55% of market value
- Focusing on 8 strategic categories, with the largest strategy representing ~18% of a diversified portfolio
- Liquid portfolios, with controlled and typically lower beta exposure to risky assets versus the industry

## Environment

- Continued industry inflows, albeit on a lower speed. Record high AuM
- Most new money directed to large well-established managers
- Net inflows mainly originating from US and to a lesser extent Europe based institutions, directed mainly to Event Driven and Equity Hedge strategies
- Industry returns were flat to mildly up in FY14

## AXA portfolio return drivers

- Discretionary programme (~40% of assets): focus on low volatility and uncorrelated returns. Annual performance was positive but slightly below the stated objectives. Over 80% of the invested strategies were up, with Equity Market Neutral / Systematic investments contributing the most
- Alternative Credit programme, (~60% of assets): AuM grew to Euro 3.0 billion from Euro 1.7 billion the year before. Return was small positive in FY14, despite a volatile late part of the year. Further investments and partnerships likely in 2015

## 2015 outlook

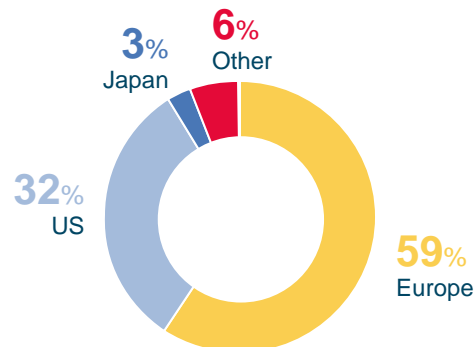
- Diverging central bank policies and economic trajectories will remain key themes: Continued US Fed talks on potential lift-off, steady programme implementation by the BoJ and multiplied stimulus efforts in the Eurozone
- Downward drifting Inflation expectations in the US and Europe contrasting with global growth pick-up expectations
- Non-directional strategies as well as multi-PM platforms should continue to benefit from a wide array of return sources



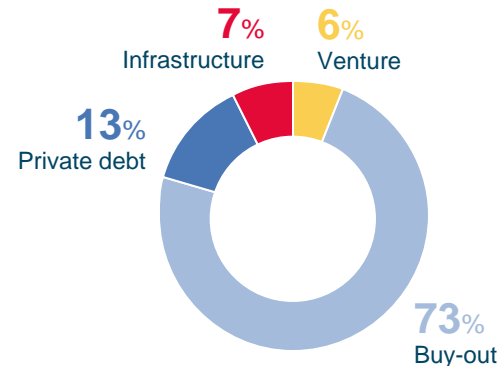
## Key indicators

Market value  
(in Euro billion)

Breakdown by geography



Breakdown by expertise



## Environment

- Valuations considerably increased in 2014
- Positive exit environment over 2014 with a good trend in the IPO market until end of August 2014

## AXA portfolio return drivers

- Diversified portfolio: counter-cyclical fields of expertise (Infrastructure and Private debt) and exposure to quality buy-outs
  - 44% Direct: high quality portfolio
  - 56% Funds of Funds: very active monitoring
- In 2014, valuations and distributions increased in all expertise
  - Overall good operational performance has allowed underlying companies to continue deleveraging
  - Exit of portfolio investments realized at high multiples

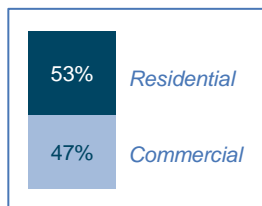
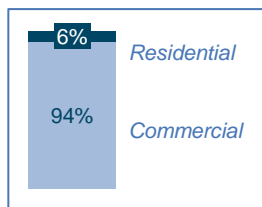
## 2015 outlook

- Active private equity activity (both investments and disposals) in both Direct and Funds of Funds
- Targets: anti-cyclical companies, high quality assets resilient to crisis, portfolio of funds
- New investments to be fully financed by the distributions from existing portfolio

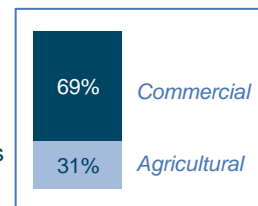
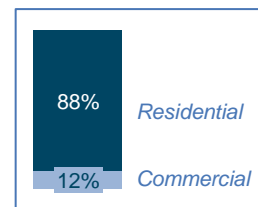
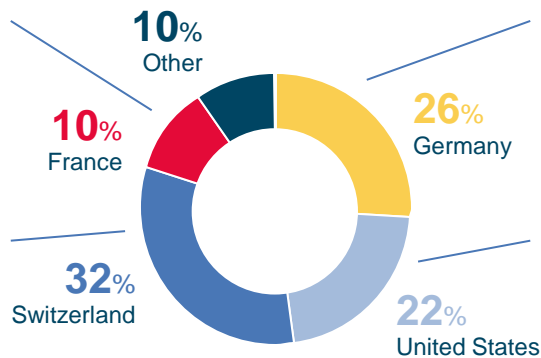
NB: Assets held by insurance companies only

### Key indicators

Market value  
(in Euro billion)



FY14 market value by country<sup>2</sup>



**Very secured portfolio:**  
**FY14 default rate**  
**0.05%**  
**FY14 loan to value**  
**55%**

### Details by country

→ **United States**

- Good loan-to-value
  - 63% for commercial mortgages
  - 46% for agricultural mortgages
- Diversified by product type and region
- Ca. 1,500 loans

→ **Germany**

- Mortgage loans are located in participating funds

→ **Switzerland**

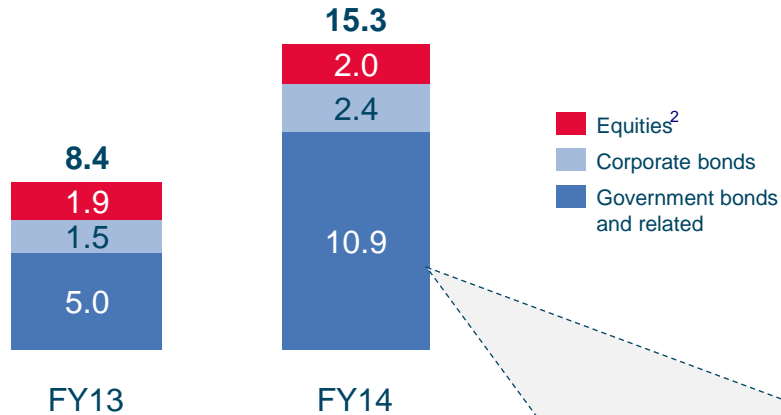
- Primarily residential loans located in participating funds

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

# FOCUS ON NET UNREALIZED CAPITAL GAINS

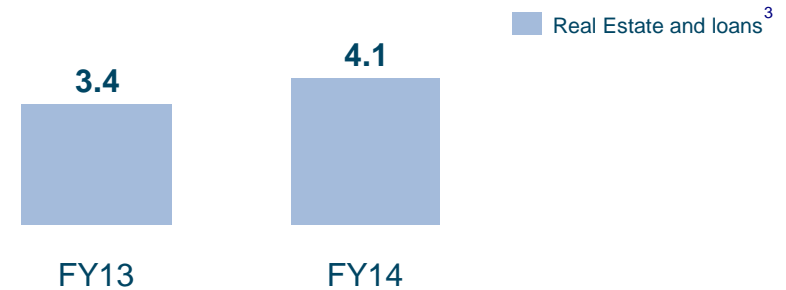
## Balance sheet net unrealized capital gains<sup>1</sup>

In Euro billion

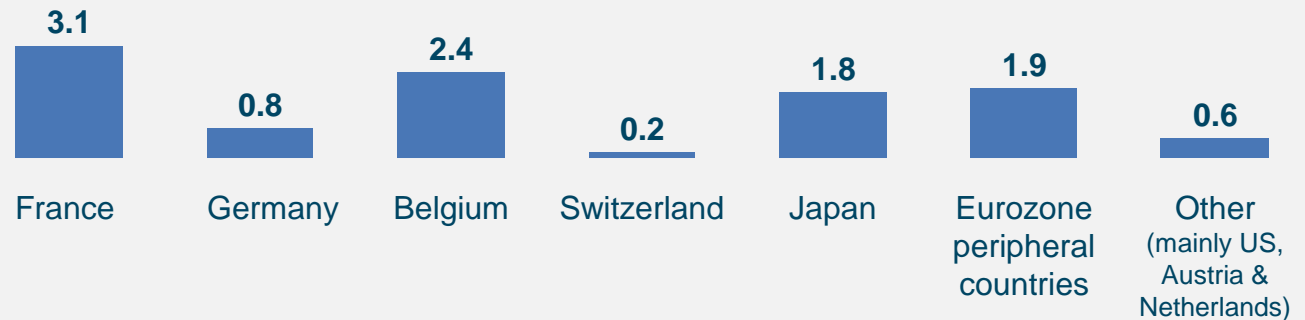


## Off balance sheet net unrealized capital gains

In Euro billion



### Net unrealized capital gains on Government bonds and related by issuer



1. Excluding Forex, minority interests and other

2. Including ABS, alternative investments and other assets

3. Excluding net unrealized gains on bank loans. Total off-balance sheet net unrealized gains, including net unrealized gains on bank loans, amounted to €5.7bn in FY14 vs. €4.6bn in FY13

# 2.1 FOCUS ON EXPOSURE TO EUROZONE PERIPHERAL COUNTRIES GOVERNMENT BONDS

## Exposure by issuer

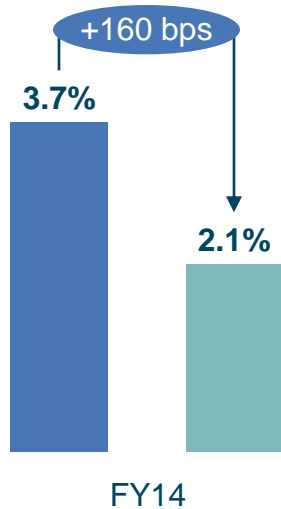
in Euro billion	Gross book value December 31, 2013	Gross book value June 30, 2014	Gross book value December 31, 2014	Gross market value December 31, 2014
Italy	19.1	19.5	19.4	23.2
Spain	10.7	11.2	11.3	14.1
Ireland	3.1	3.0	3.3	3.8
Portugal	0.7	0.6	0.6	0.7
Greece	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>33.5</b>	<b>34.4</b>	<b>34.6</b>	<b>41.8</b>

# ASSET & LIABILITY MANAGEMENT (1/2)

## L&S General Account investment spreads and margin

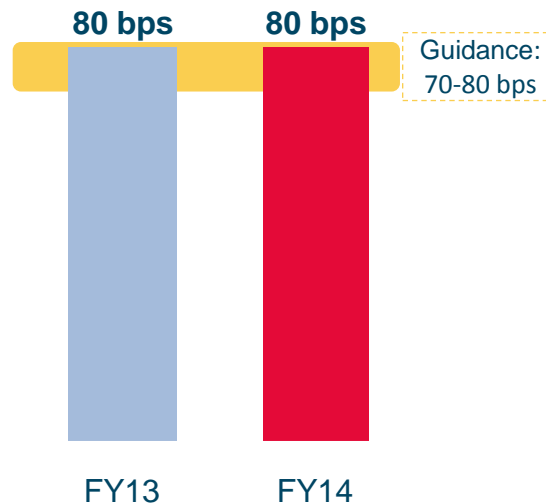
### Inforce business

#### Spread above guaranteed rates



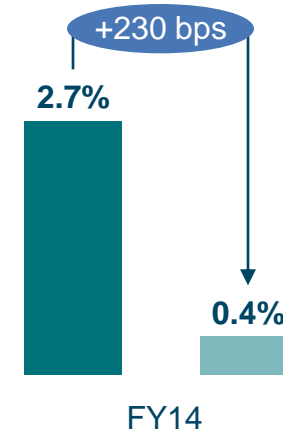
■ Yield on total L&S asset base  
■ L&S average guaranteed rate

#### Resilient investment margin<sup>1</sup>



### New business

#### Spread above guaranteed rate



■ Reinvestment yield on L&S fixed income assets  
■ L&S average guaranteed rate

→ Significant buffer to cover guarantees and to manage crediting rates to preserve investment margin

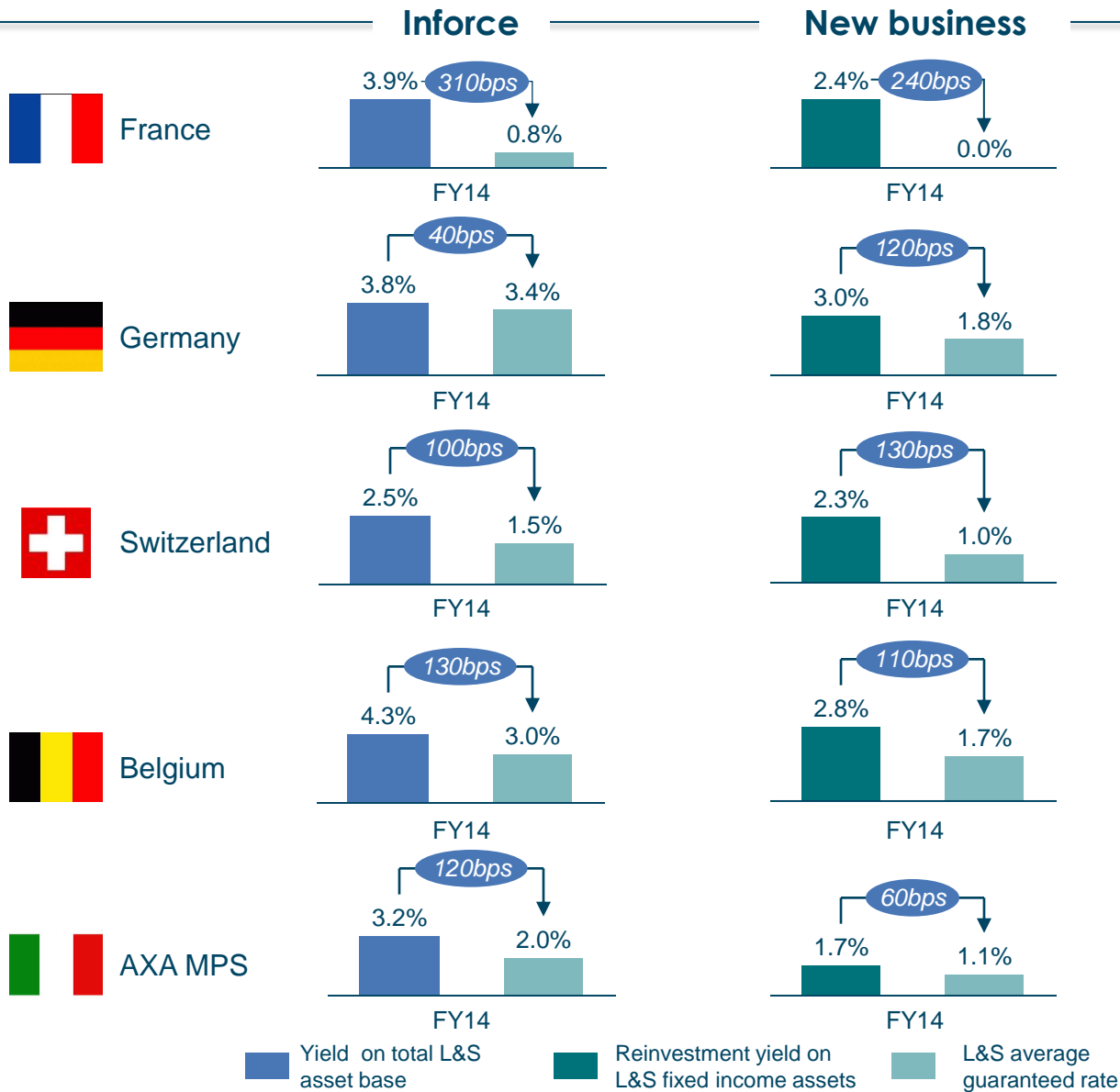
→ Average reserves of Euro 327 billion

→ Products sold to attract higher margin Unit-Linked business

1. Group investment margin on total General Account business

# ASSET & LIABILITY MANAGEMENT (2/2)

L&S General Account investment spreads for main entities



- Average G/A reserves: Euro 100 billion
- G/A Savings new business sales with long term guarantees stopped in 1998

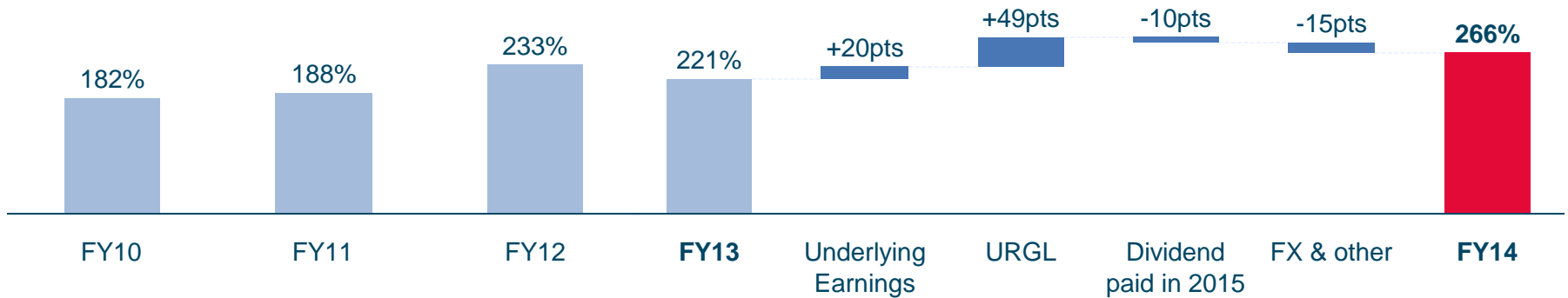
- Average G/A reserves: Euro 57 billion
- Asset portfolio well diversified with long investment horizon (average duration of 9 years) and with limited reinvestments in Bunds

- Average G/A reserves: Euro 50 billion
- Protection components making products very profitable

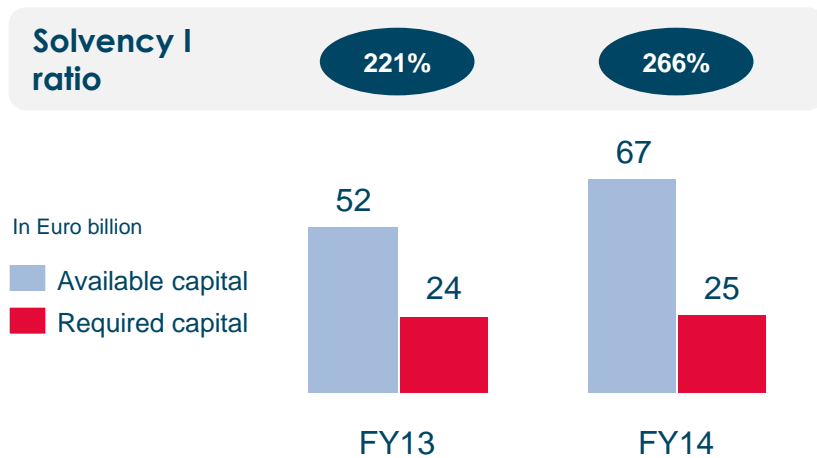
- Average G/A reserves: Euro 25 billion
- Emphasizing new hybrid products, using G/A to develop Unit-Linked

- Average G/A reserves: Euro 11 billion
- Emphasizing hybrid products and Protection businesses

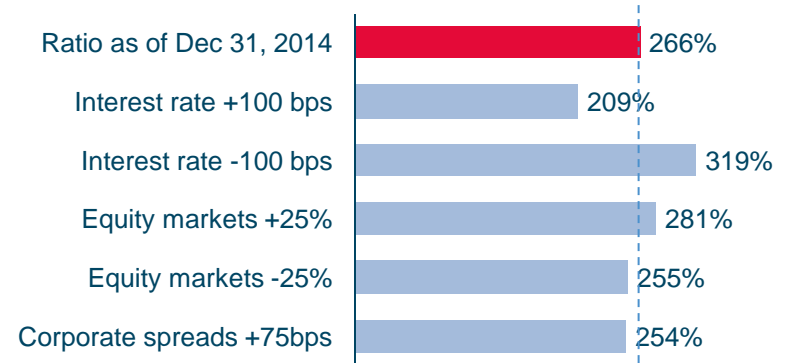
## Solvency I ratio



## Solvency I – Available and Required capital



## Solvency I ratio - Sensitivities

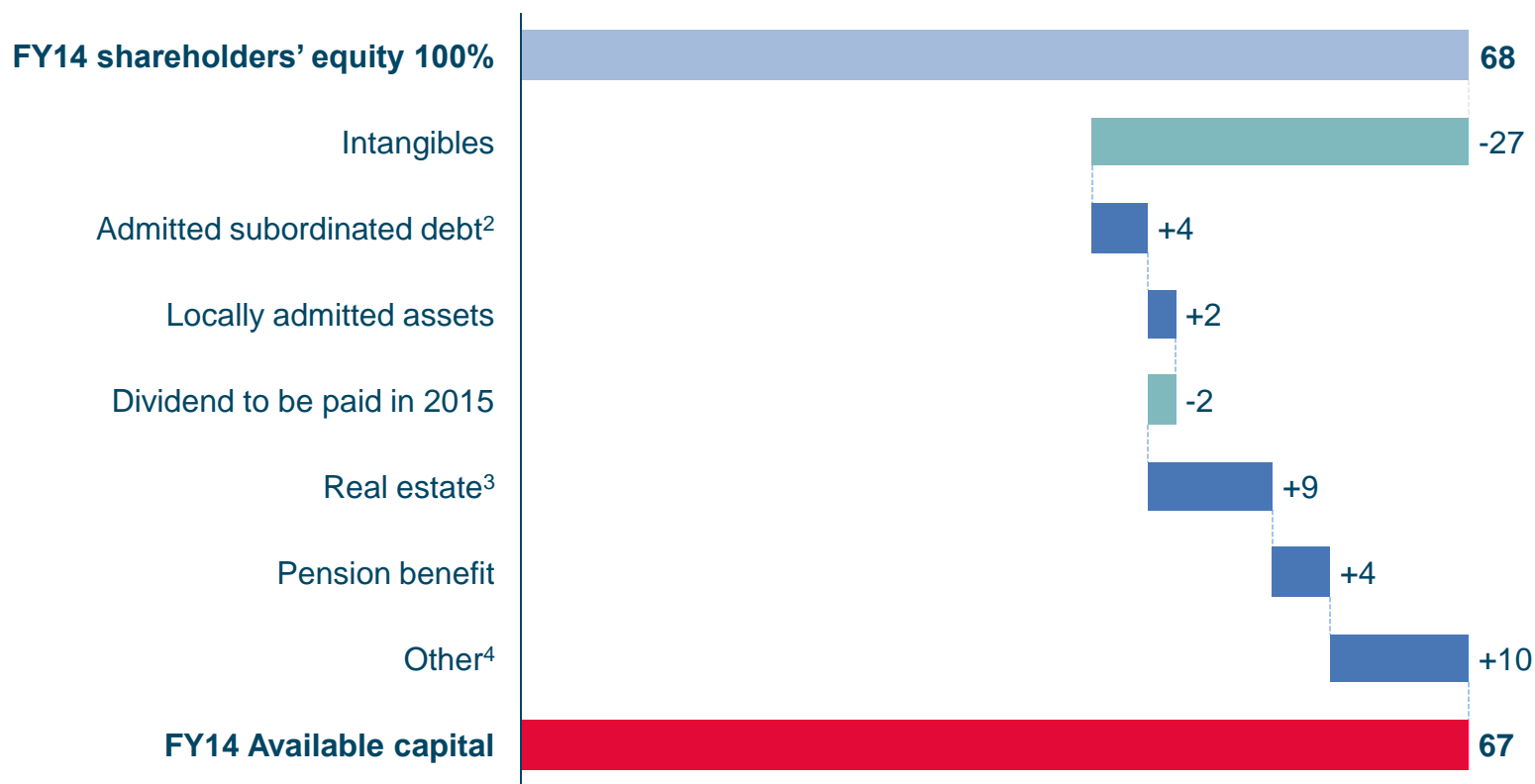


On fixed income assets, the combination of sensitivity impacts from interest rates increase and widening corporate spreads is capped at -86pts of solvency

# SOLVENCY I AFR RECONCILIATION TO SHAREHOLDERS' EQUITY

## Solvency I Available Financial Resources<sup>1</sup> (AFR)

In Euro billion

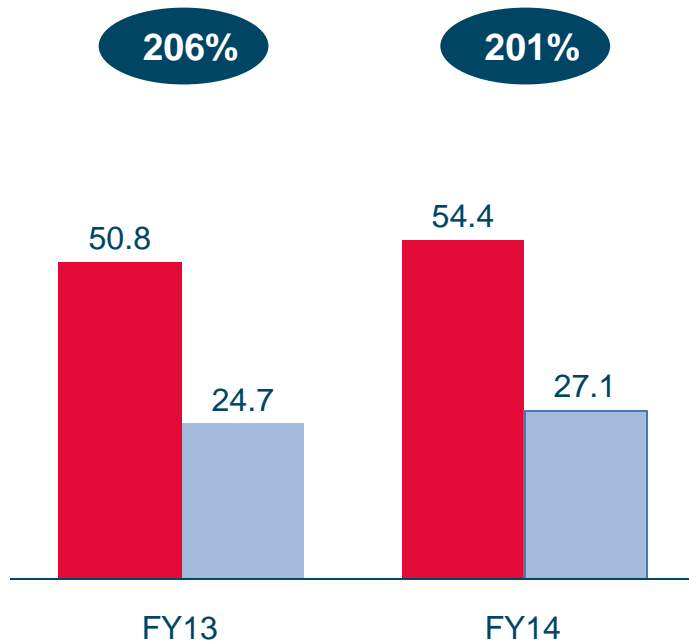


1. AXA is not a financial conglomerate but its solvency margin is nevertheless reduced by the amount of its equity interests in credit institutions, investment companies or financial institutions if the Group holds more than 20% in the mentioned entities. These stakes are deducted in "Other" for a total €-4.5 billion
2. All subordinated debt (including undated already booked in shareholders' equity) is admitted up to 50% of requirements
3. And loans
4. Notably includes gross up of tax and policyholder participation of net unrealized gains on investments minus net consolidated book value in financial services (see (1)) and Zillmer adjustment)



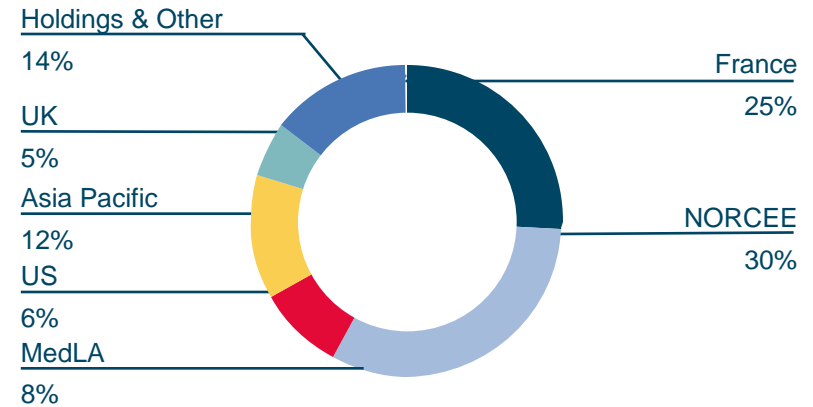
# ECONOMIC CAPITAL MODEL

## Economic Solvency ratio<sup>1</sup>

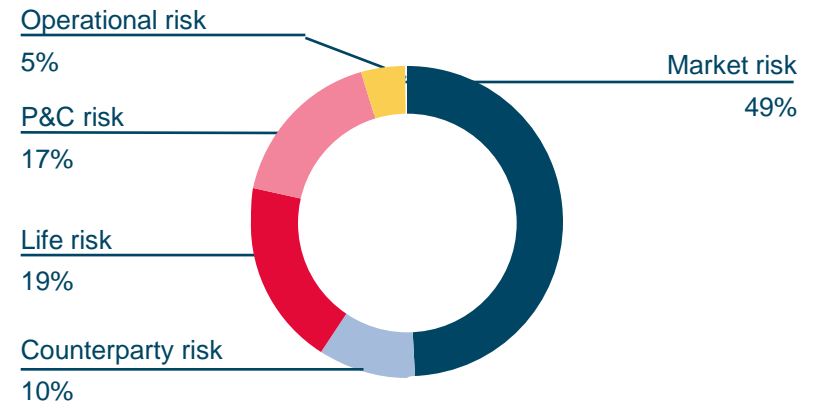


- Available capital (in Euro billion)
- Required capital (in Euro billion)
- Economic solvency ratio

## FY14 Economic capital by geography



## FY14 Economic capital by risk

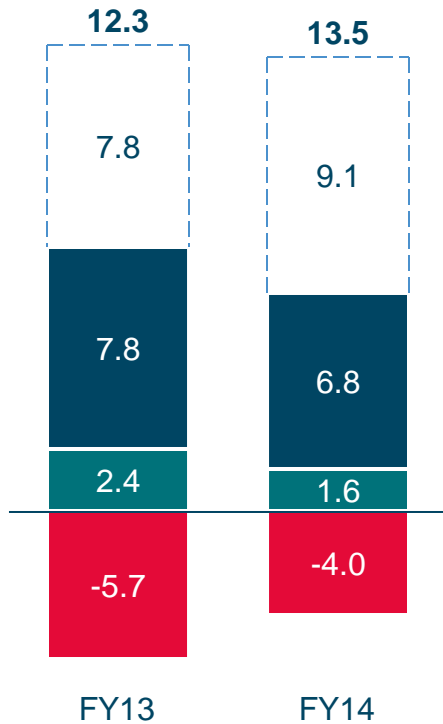


1. The Economic Solvency ratio is based on AXA's internal model calibrated based on adverse 1/200 years shock and assuming US equivalence. AXA's internal model will be subject to a comprehensive review and approval process conducted by ACPR over the coming months as part of the implementation process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

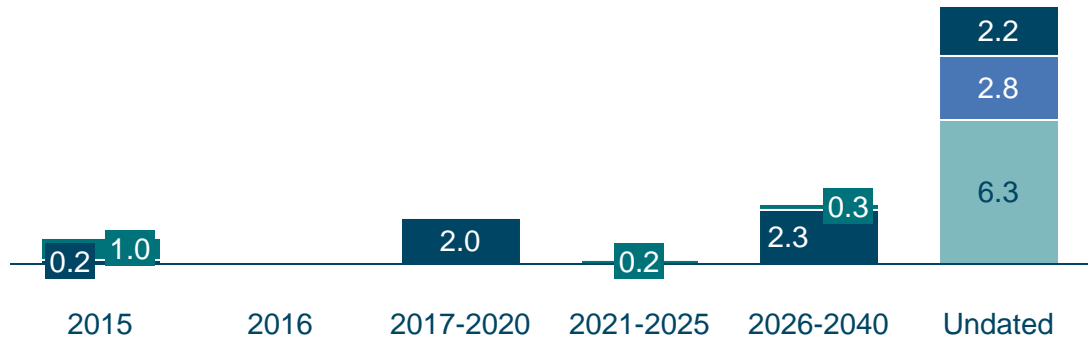
# NET FINANCIAL DEBT - Long-term maturities

## Net financial debt

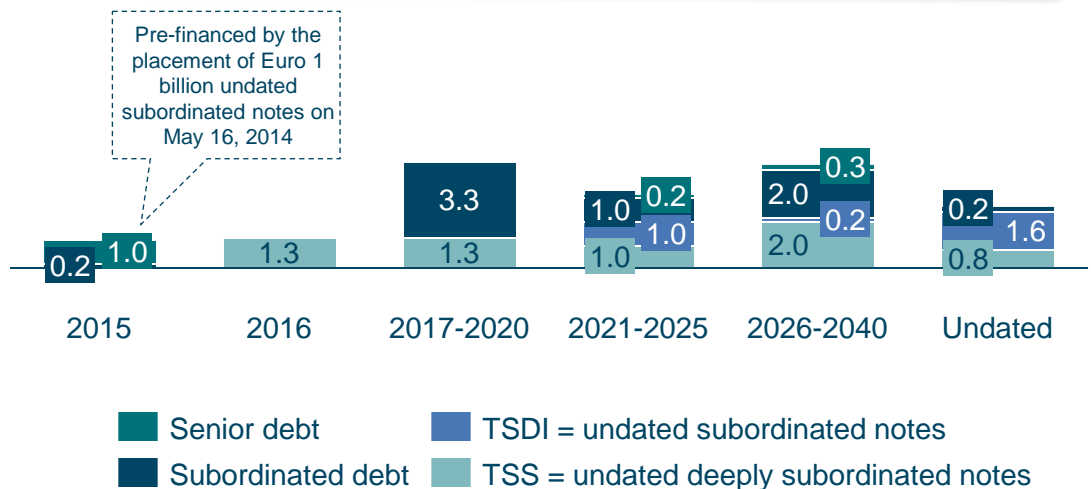
In Euro billion



## Contractual maturity breakdown



## Economic maturity breakdown



- Undated subordinated debt
- Subordinated debt<sup>1</sup>
- Senior debt
- Cash

1. Including Euro -0.4 billion of reversal of mark-to-market on interest rates derivatives in FY14 vs. Euro -0.2 billion in FY13

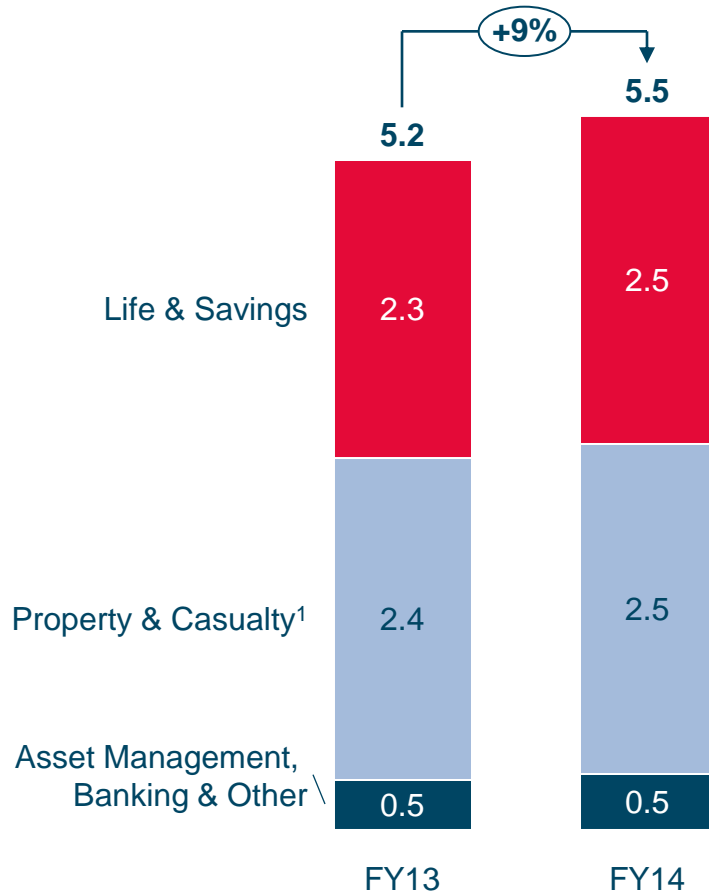


# Embedded Value and Cash Flows

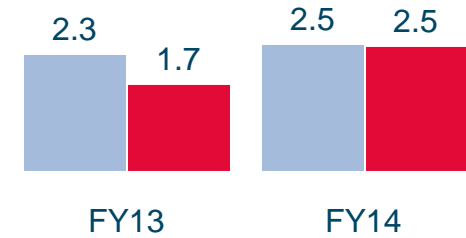
---

# OPERATING FREE CASH FLOW AND CASH REMITTANCE BY SEGMENT

## Operating Free Cash Flows



## Life & Savings



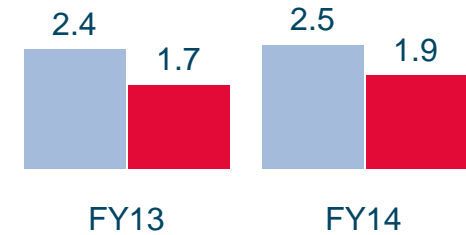
Remittance ratio

75%

99%<sup>2</sup>

Operating Free Cash Flows Cash upstreamed from entities

## Property & Casualty<sup>1</sup>



Remittance ratio

71%

77%

Operating Free Cash Flows Cash upstreamed from entities

Changes are on a comparable basis

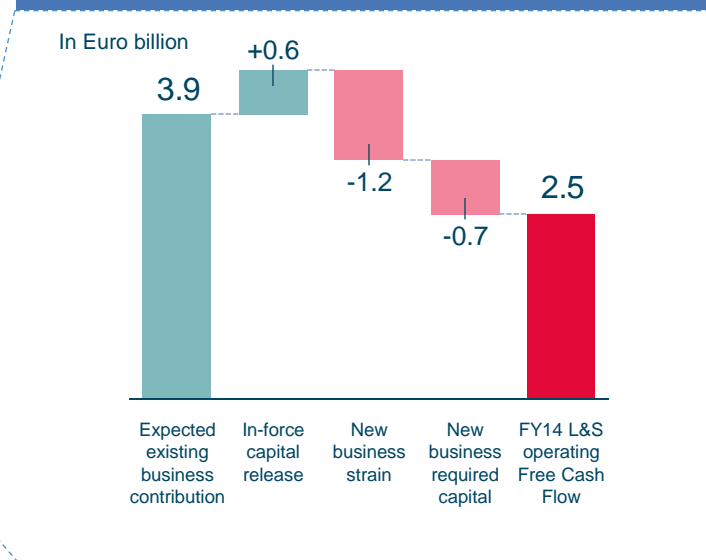
1. Including international insurance

2. Or 72% excluding Euro 0.7 billion repayment of US loan

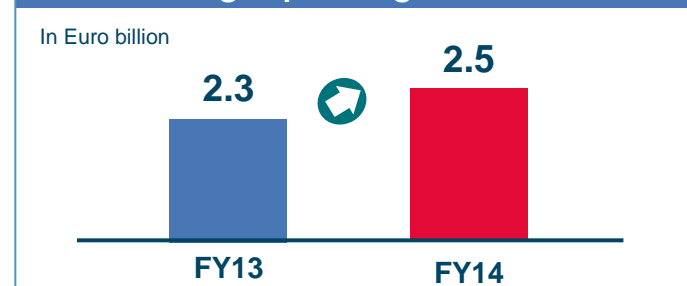
# Life & Savings Embedded Value

In Euro billion	L&S EV	=	VIF	+	ANAV	Required capital (included in ANAV)
<b>Opening (FY13)</b>	<b>47.9</b>		27.8		20.1	14.7
Modeling adj. and scope	<b>(0.7)</b>		(0.6)		(0.1)	(0.1)
Existing business contribution	<b>3.1</b>		(0.8)		3.9	(0.6)
New business value	<b>2.2</b>		3.4		(1.2)	0.7
Operational variances*	<b>0.8</b>		1.3		(0.5)	0.0
Economic variances	<b>(3.7)</b>		(7.0)		3.4	0.8
Capital flows, Forex and other	<b>(0.2)</b>		1.1		(1.3)	0.8
<b>Closing (FY14)</b>	<b>49.5</b>		25.3		24.3	16.4

## FY14 Life & Savings Free Cash Flow breakdown



## Life & Savings operating Free Cash Flows



# Life & Savings Embedded Value key sensitivities

Key sensitivities	Impact on L&S NBV		Impact on L&S EEV	
	In Euro million	In %	In Euro million	In %
Closing 2014 original amounts	2,220	100%	49,535	100%
<b>Sensitivity to equity markets</b>				
<i>10% increase</i>	+69	+3%	+1,606	+3%
<i>10% decrease</i>	-68	-3%	-1,732	-3%
<b>Sensitivity to interest rates</b>				
<i>Upward 100bps shift</i>	+1	0%	+2,020	+4%
<i>Downward 100bps shift</i>	-144	-6%	-4,904	-10%
<b>Sensitivity to volatility</b>				
<i>25% increase in volatility on equity markets</i>	-40	-2%	-768	-2%
<i>25% increase in volatility on bonds</i>	-132	-6%	-2,013	-4%

## Life & Savings – IRR and new business investments

In Euro million	FY13			FY14		
	APE	NB IRR <sup>1</sup>	New business investments <sup>2</sup>	APE	NB IRR <sup>1</sup>	New business investments <sup>2</sup>
France	1,431	9.7%	(543)	1,584	9.7%	(556)
US	1,322	16.4%	(325)	1,355	24.2%	(165)
UK	647	6.0%	(173)	704	6.3%	(167)
Japan	504	12.4%	(296)	361	11.9%	(229)
NORCEE	1,075	11.5%	(292)	909	11.4%	(289)
<i>o/w Germany</i>	385	11.0%	(80)	373	10.5%	(86)
<i>o/w Switzerland</i>	430	14.9%	(79)	329	11.8%	(90)
<i>o/w Belgium</i>	151	13.3%	(56)	125	12.9%	(53)
MedLA	443	18.3%	(111)	570	16.7%	(169)
Asia excl. Japan <sup>3</sup>	906	27.9%	(299)	981	22.1%	(387)
<b>Total</b>	<b>6,335</b>	<b>14.2%</b>	<b>(2,039)</b>	<b>6,477</b>	<b>14.2%</b>	<b>(1,963)</b>

1. New Business Internal Rate of Return
2. New business strain + New business required capital
3. Hong Kong, South-East Asia, India & China

# Life & Savings – operating Free Cash Flows

In Euro million	FY13			FY14		
	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	1,179	(543)	<b>635</b>	1,306	<b>(556)</b>	<b>750</b>
US <sup>2</sup>	745	(325)	<b>419</b>	707	<b>(165)</b>	<b>542</b>
UK	136	(173)	<b>(38)</b>	166	<b>(167)</b>	<b>(1)</b>
Japan	491	(296)	<b>195</b>	444	<b>(229)</b>	<b>215</b>
NORCEE	1,038	(292)	<b>747</b>	1,113	<b>(289)</b>	<b>824</b>
<i>Germany</i>	369	(80)	<b>289</b>	266	<b>(86)</b>	<b>180</b>
<i>Switzerland</i>	322	(79)	<b>243</b>	434	<b>(90)</b>	<b>345</b>
<i>Belgium</i>	247	(56)	<b>191</b>	294	<b>(53)</b>	<b>241</b>
<i>CEE</i>	99	(76)	<b>23</b>	119	<b>(61)</b>	<b>58</b>
MedLA	291	(111)	<b>181</b>	292	<b>(169)</b>	<b>123</b>
Asia excl. Japan	435	(299)	<b>135</b>	423	<b>(387)</b>	<b>36</b>
<i>Hong Kong</i>	295	(233)	<b>62</b>	292	<b>(323)</b>	<b>(32)</b>
<i>South-East Asia, India &amp; China</i>	140	(66)	<b>74</b>	132	<b>(64)</b>	<b>68</b>
<b>Total</b>	<b>4,315</b>	<b>(2,039)</b>	<b>2,276</b>	<b>4,452</b>	<b>(1,963)</b>	<b>2,489</b>

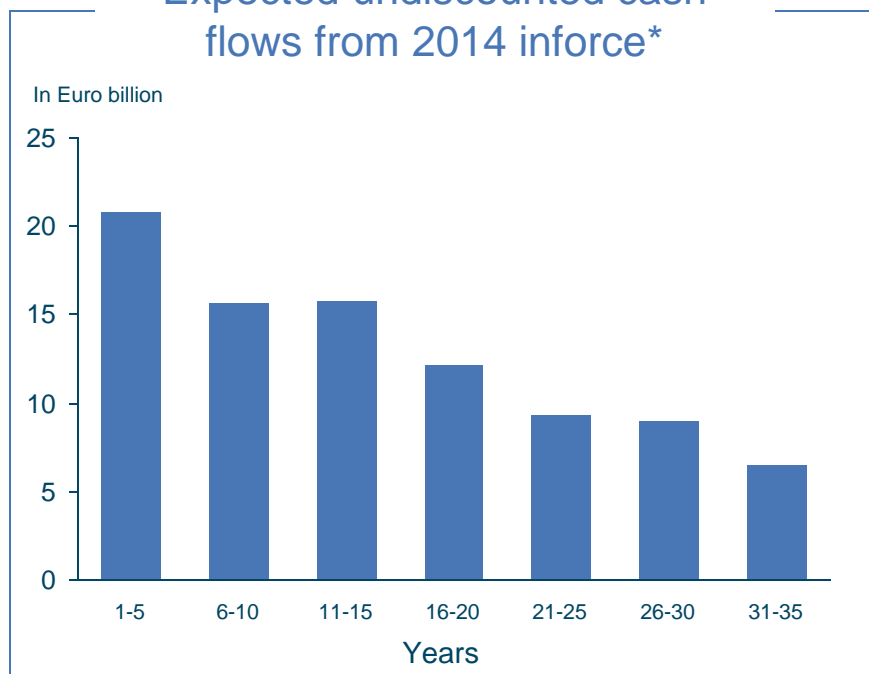
1. New business strain + New business required capital

2. including MONY in FY13 (Euro 0.1bn)

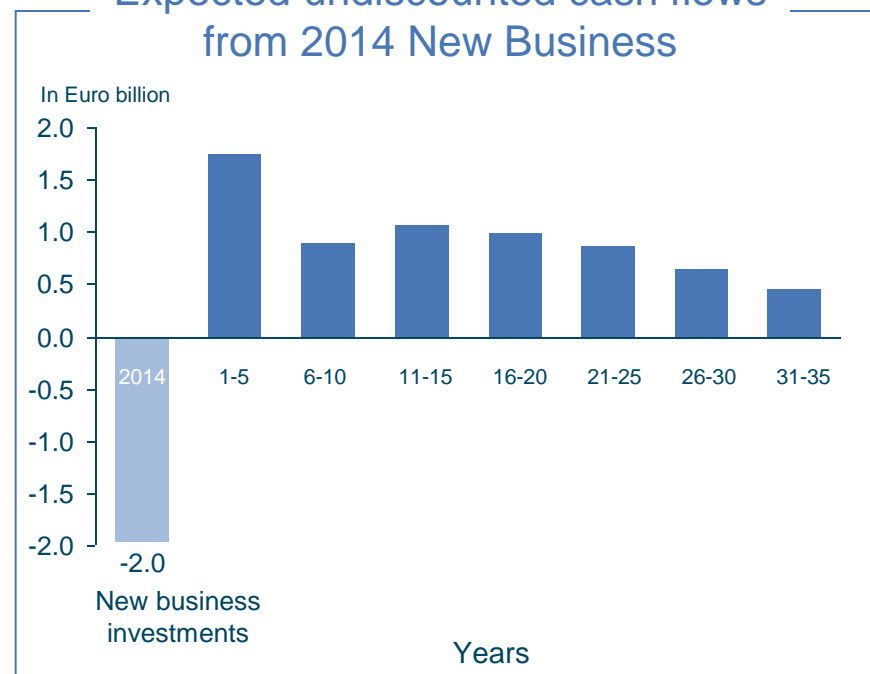


# Life & Savings Free Cash Flows emergence from inforce and new business

## Expected undiscounted cash flows from 2014 inforce\*



## Expected undiscounted cash flows from 2014 New Business



Euro 21 billion undiscounted free cash flows expected to be released from 2014 inforce\* over 5 years

Overall, expected undiscounted free cash flows decreased vs. FY13 as a consequence of lower management expectations for future economic conditions (updated in February 2015, post ECB and SNB decisions)

Above cash flows are expected to be improved by inforce management initiatives of the company, in particular:

- Actions to improve value of the existing book
- Actions to release more capital from the existing book

\* including 2014 new business, to be released from January 1, 2015 onwards