



## PRESS RELEASE

Paris, December 21, 2005

### **AXA ANNOUNCES ITS INTENTION TO ACQUIRE SHARES FROM MINORITY SHAREHOLDERS OF ITS GERMAN SUBSIDIARY AXA KONZERN AG**

As part of the streamlining of the legal structure of its German subsidiaries, AXA announces its intention to acquire the 7.24% of AXA Konzern AG (Germany) shares it does not already own.

AXA proposes to offer Euro 129.3 per AXA Konzern AG ordinary share and preference share, which represents a premium of 55% compared to the closing ordinary share price as of December 20, 2005 at the floor trading of the Frankfurt stock exchange.

This premium eliminates the illiquidity discount affecting AXA Konzern AG's current share price and takes into account the recent operating performances of AXA Versicherung, AXA Lebensversicherung and AXA Krankenversicherung.

This offer is subject to procedure of control by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin).

If AXA's holding in AXA Konzern AG share capital reaches 95% at the end of the offer, AXA will consider a delisting of AXA Konzern AG through a "squeeze-out" procedure, bringing its holding to 100%. Should the 95% threshold not be reached, AXA has the option to withdraw its offer.

According to German regulations, the price used for the squeeze-out procedure will be based upon the IDWS<sup>1</sup> standard and validated by an independent expert. Shareholders who tender their shares to AXA will automatically benefit from the squeeze-out price validated by the independent expert if this price exceeds Euro 129.3 per share.

Based on a price of Euro 129.3 per share, the total cost of this transaction should be Euro 292 million. It will be self-financed and will be slightly accretive to AXA's EPS.

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<sup>1</sup> IDW valuation is published by the CPA Institute in Germany and is based on detailed data regarding the company, in particular the business plan and the projected budget and takes into account the cash value of all actual or forecasted distributable earnings.

## Streamlining the legal structure of AXA's German subsidiaries

AXA also intends to launch a squeeze-out of the 0.43% of Kölnische Verwaltungs-Aktiengesellschaft für Versicherungswerte AG (KVAG) share capital that is still publicly traded. The sole asset of this company is a 25.63% stake in AXA Konzern AG. Subject to prior approval of the proposed valuation by an independent expert, this squeeze-out will be conducted at a price of Euro 1,974.7 per ordinary share, which represents a total cost of Euro 5 million, in line with the buy-back offer of AXA Konzern AG minority shareholders. AXA may, in addition, consider a merger of AXA Konzern AG into KVAG.

In order to achieve a complete streamlining of AXA's legal structure in Germany, AXA Konzern AG may launch a squeeze-out of the minority interests of AXA Konzern AG's remaining listed subsidiaries, AXA Lebensversicherung (0.86% of the share capital) and Deutsche Ärzteversicherung (DAEV) (2,13% of the share capital).

These two transactions could be launched by AXA Konzern AG during the first quarter of 2006. The price of these offers will only be set in the first half of 2006, based on a IDWS1-compliant valuation validated by independent experts. Under the current environment, it is likely that the valuation of these two companies based on the IDWS1 standard would lead to squeeze-out prices below current market prices.

## Preliminary Indicative timetable

December 21, 2005	Announcement of the decision to acquire all shares of AXA Konzern AG minority shareholders and of the intended squeeze-out of AXA Konzern AG and KVAG shares
January 2006	Publication of the offer document regarding the acquisition of AXA Konzern AG minority shareholders shares subject to prior approval of the transaction by the BaFin and beginning of the offer period.
February / March 2006	End of AXA's offer period regarding the acquisition of AXA Konzern AG shares
Spring 2006	Launch of the squeeze-out of minority shareholders in AXA Konzern AG (subject to AXA holding at least 95% of the capital) and KVAG, as well as possibly AXA Lebensversicherung and DAEV.
Mid 2006	Squeeze-out of minority shareholders to be resolved at AXA Konzern AG and KVAG as well as possibly AXA Lebensversicherung and DAEV Shareholders' Meetings

## **About AXA**

AXA Group is a worldwide leader in financial protection. AXA's operations are diverse geographically, with major operations in Western Europe, North America and the Asia/Pacific area. AXA had Euro 935 billion in assets under management as of June 30, 2005. For full year 2004, IFRS revenues amounted to Euro 67 billion and IFRS underlying earnings amounted to Euro 2,640 million. AXA reported total IFRS revenues of Euro 37 billion and IFRS underlying earnings of Euro 1,761 million for the first half of 2005.

The AXA ordinary share is listed and trades under the symbol AXA on the Paris Stock Exchange. The AXA American Depository Share is also listed on the NYSE under the ticker symbol AXA.

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This press release is available on the AXA Group web site: [www.axa.com](http://www.axa.com)

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AT THE TIME THE EXPECTED OFFER IS COMMENCED, AXA WILL ISSUE A PRESS RELEASE ANNOUNCING THE COMMENCEMENT OF THE OFFER AND MAKE AN OFFER DOCUMENT AVAILABLE ON ITS WEBSITE, [WWW.AXA.COM](http://WWW.AXA.COM). SHAREHOLDERS ARE URGED TO READ THESE MATERIALS WHEN THEY BECOME AVAILABLE, AS THEY WILL CONTAIN IMPORTANT INFORMATION."