

FINAXA



PRESS RELEASE

June 29, 2005

UPDATE ON THE MERGER OF FINAXA INTO AXA

The Management Board of AXA (following a meeting of the Supervisory Board) and the Board of Directors of FINAXA met today June 29, 2005, and have approved the terms and conditions of the merger of FINAXA into AXA.

For AXA and its shareholders, this merger simplifies the shareholder structure, improves the standing of the stock and increases the proportion of publicly traded shares. In addition, AXA will obtain ownership of the "AXA" brand which is currently the property of FINAXA. For FINAXA shareholders, this transaction improves the liquidity of their securities and eliminates the discount which affects the value of their securities.

Following the studies conducted by the committees of independent directors appointed within the Supervisory Board of AXA and the Board of Directors of FINAXA, the Management Board of AXA and the Board of Directors of FINAXA have set an exchange ratio of 3.75 AXA shares for one FINAXA share, corresponding to 15 AXA shares for 4 FINAXA shares.

Independent banks respectively appointed by the Supervisory Board of AXA and the Board of Directors of FINAXA have each given a fairness opinion confirming that the exchange ratio is fair to the shareholders of each company.

The terms and conditions of the merger, including the exchange ratio, will be submitted to Court Appointed Merger Auditors ("Commissaires aux Apports et à la Fusion") who will deliver their reports before December 16, 2005, the date of the Extraordinary General Assemblies of FINAXA and AXA at which the merger will be presented for approval to the shareholders of each company.

Linked transactions

In connection with the AXA-FINAXA merger, it is anticipated that the outstanding FINAXA exchangeable bonds will be replaced by AXA convertible bonds as provided for in the initial terms and conditions, subject to the approval of AXA shareholders¹.

The following transactions will also be presented for approval to AXA and FINAXA shareholders:

- the merger of CFGA, FDR Participations, Oudinot Finance and Colisée Vendôme into their holding company, FINAXA²;
- the merger of SGCI into AXA.

Anticipated timetable of the merger

It is currently anticipated that the timetable of the merger will be as follows:

- October 1, 2005: Suspension of subscription, conversion and exchange rights relating to FINAXA's convertible bonds, exchangeable bonds and stock options;
- October 18, 2005: Meetings of the Board of Directors of FINAXA and of the Management Board of AXA to propose the draft merger-related resolutions, reports and prospectus (Document E) to the Extraordinary General Assemblies;
- November 2005: Filing of the Document E with the AMF. All legally required documents (including the reports of the Court Appointed Merger Auditors) to be made available to AXA and FINAXA shareholders;
- November 24, 2005: FINAXA Bondholders' Assemblies to approve the merger of FINAXA into AXA;
- December 16, 2005: AXA-FINAXA merger and related transactions submitted for approval to AXA and FINAXA shareholders' General Assemblies. The exchange of FINAXA's exchangeable bond for an AXA convertible bond and the cancellation of AXA shares received from the merger of FINAXA will also be presented to the AXA General Assembly for approval;
- December 16, 2005: Visa from the AMF on the prospectus relating to the issue of the new AXA convertible bond expected;

¹ On the basis of one AXA convertible bond for one FINAXA exchangeable bond into AXA shares. The terms and conditions of the AXA convertible bond will replicate the terms and conditions of the FINAXA exchangeable bond set out in the FINAXA prospectus (« Note d'Information ») which received the visa from the AMF (n° 98-505) on June 16, 1998 (notably exchange rate of 4.06 AXA shares for 1 bond and redemption value of Euro 99.09, equivalent to a theoretical exchange price of Euro 24.41 per AXA share)

² These mergers aim at simplifying the completion of the capital reduction of AXA that will take place after the AXA-FINAXA merger.

Potential impacts of the merger

AXA will undertake a capital increase of a minimum of 288 million shares. This number could go up to 299 million shares depending on the proportion of Finaxa's dividend paid in newly issued FINAXA shares. This number could also be adjusted for Finaxa stock-options and convertible bonds exercised up to the suspension date of these operations.

Following this capital increase, AXA shares currently held by Finaxa and its subsidiaries which amount to 336 million shares, would be cancelled.

As a consequence, AXA's shareholders equity would be reduced by Euro 0.8 to 0.9 billion³, following the merger.

Under IFRS principles, this merger would be +1.2% accretive to AXA non-diluted EPS as soon as 2005 and -0.7% dilutive to fully diluted EPS.

Mutuelles AXA⁴ and FINAXA currently own 20.35% of AXA outstanding shares and 32.20% of AXA voting rights. Following the merger, the Mutuelles AXA, which currently own 2.72% of AXA outstanding shares representing 4.38% of AXA voting rights and 71.69% of FINAXA outstanding shares representing 80.53% of FINAXA voting rights, would become the principal AXA shareholder, holding approximately 14% of AXA shares representing 23% of voting rights.

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 869 billion in assets under management as of December 31, 2004. Under IFRS, AXA reported total revenues of Euro 67 billion and underlying earnings of Euro 2,640 million for full year 2004. The AXA ordinary share is listed and trades under the symbol AXA on the Paris Stock Exchange. The AXA American Depositary Share is also listed on the NYSE under the ticker symbol AXA.

About FINAXA

FINAXA is a holding company. Its main subsidiary is AXA a worldwide leader in financial protection. FINAXA also owns the AXA brand. 2004 net income Group share was euro 360 million.

The FINAXA ordinary share is listed on the Eurolist of Euronext in Paris (ISIN code: FR0000033136, Bloomberg code: DRF FP, Reuters code: DROU.PA).

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This press release is available on the AXA Group web site: www.axa.com

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³ Including the cancellation of Euro 205 million dividend paid by AXA to Finaxa and its subsidiaries in 2005.

⁴ AXA Assurances IARD Mutuelle, AXA Assurances Vie Mutuelle and AXA Courtage Assurance Mutuelle.

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Certain statements contained herein are forward-looking statements including, but not limited to, statements that are predications of or indicate future events, trends, plans or objectives. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results and AXA's plans and objectives to differ materially from those expressed or implied in the forward looking statements (or from past results). These risks and uncertainties include, without limitation, the risk of future catastrophic events including possible future terrorist related incidents, economic and market developments, regulatory actions and developments, litigations and other proceedings. Please refer to AXA's Annual Report on Form 20-F for the year ended December 31, 2004 and AXA's Document de Référence for the year ended December 31, 2004, for a description of certain important factors, risks and uncertainties that may affect AXA's business. AXA undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.