



**AXA**

**Henri de Castries**  
**Chairman & CEO**

**September 10, 2014**

**Barclays Financial Services Conference  
2014**

**redefining / standards**



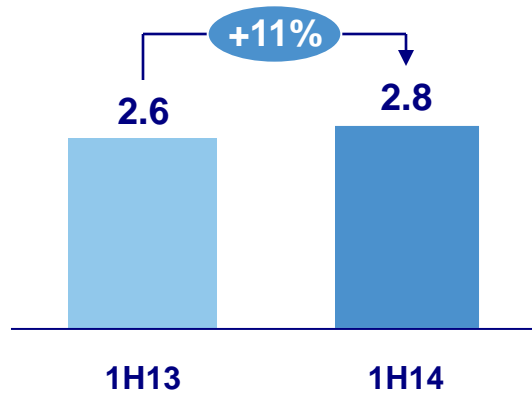
## Cautionary note concerning forward-looking statements

Certain statements contained herein may be forward-looking statements including, but not limited to, statements that are predictions of or indicate future events, trends, plans or objectives. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results and AXA's plans and objectives to differ materially from those expressed or implied in the forward looking statements. Please refer to the section "Cautionary statements" in page 2 of AXA's Document de Référence for the year ended December 31, 2013, for a description of certain important factors, risks and uncertainties that may affect AXA's business, and/or results of operations. AXA undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.

# 1H14 – Strong growth in earnings

## Underlying Earnings

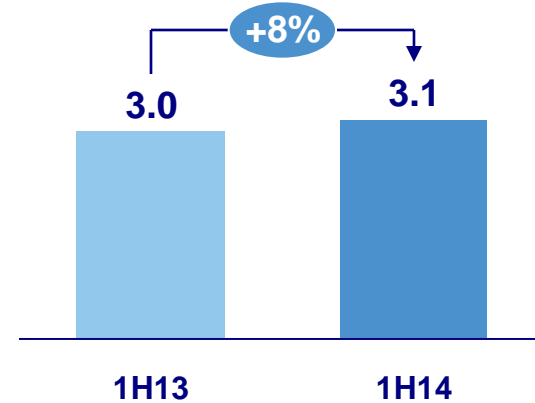
In Euro billion



Change is at constant Forex

## Adjusted Earnings

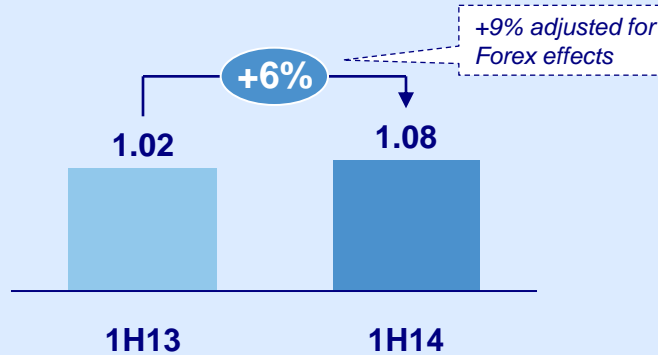
In Euro billion



Change is at constant Forex

## Underlying Earnings per share

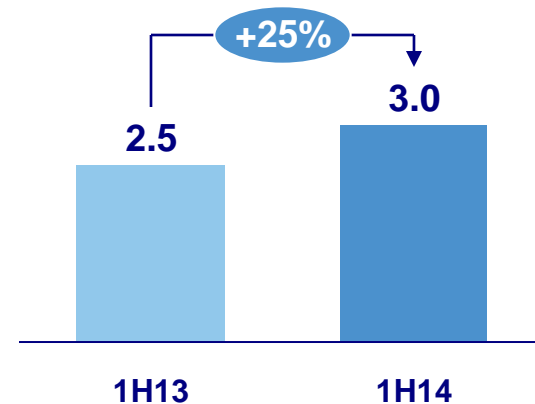
In Euro



Change is on a reported basis

## Net income

In Euro billion



Change is at constant Forex

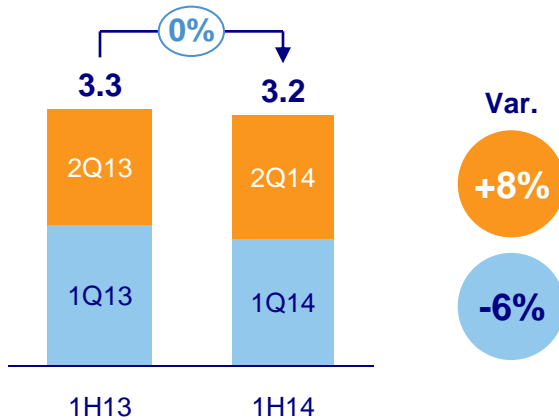
# Selectivity

Delivering profitable growth in 2014

## Life & Savings

### On track to grow APE in 2014

In Euro billion



### Profitability enhanced by selectivity efforts

	1H13	1H14	
NBV margin	32%	34%	➔
Underlying Earnings	Euro 1.5bn	Euro 1.7bn	➔

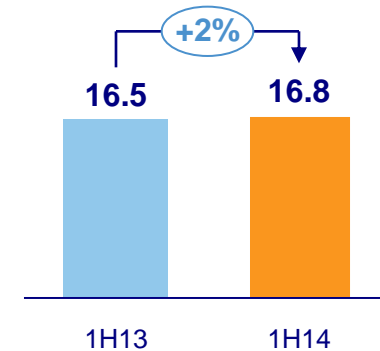
## Property & Casualty

### Portfolio growth

Personal net new contracts

-178k +328k

Revenues In Euro billion



### Continuous improvement in profitability

	1H13	1H14	
CY combined ratio	97.5%	97.1%	➔
Underlying Earnings	Euro 1.1bn	Euro 1.2bn	➔

Changes are on a comparable basis

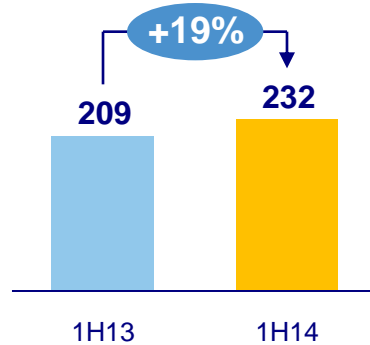
# Acceleration

Double-digit earnings development in high growth markets

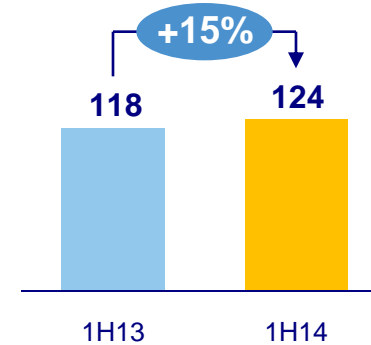
High growth markets

In Euro million  
Change is at constant Forex

## Life & Savings Underlying earnings



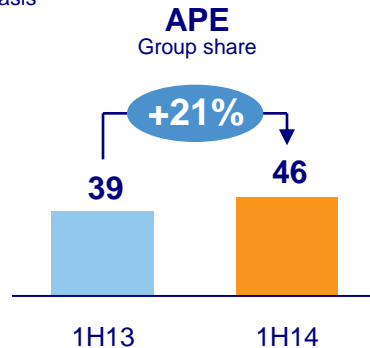
## Property & Casualty Underlying earnings



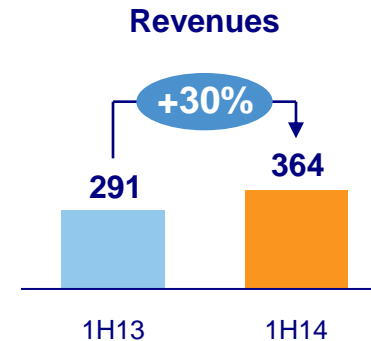
Focus on China

In Euro million  
Change is on a comparable basis

## ICBC-AXA Life



## AXA-Tian Ping<sup>1</sup>



- Positive contribution to Underlying Earnings
- Revenues Euro 0.9 billion at 1H14<sup>1</sup>

- Investing in brand, claims and pricing capabilities leveraging Group know-how
- 30% of premiums coming from Direct channel in 1H14, up from 20% in 2012

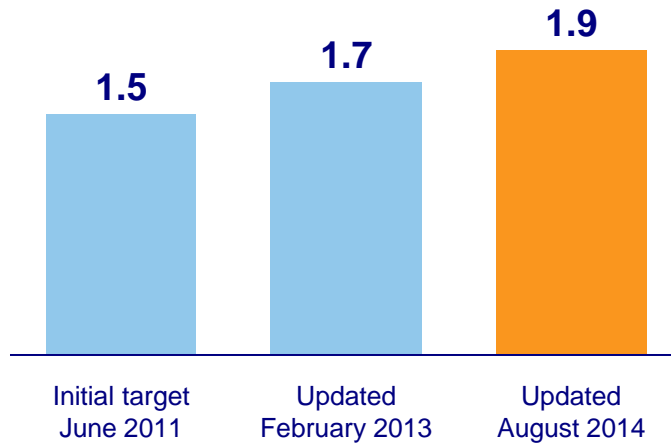
All notes are on page 12 of this document

# Efficiency

On track to deliver an increased Euro 1.9 billion target

In Euro billion

## 2011-2015E cost savings target (in mature Life & Savings and Property & Casualty entities)



Increased cost savings target

Further Euro 0.2 billion added to the target, from Life & Savings acquisition costs

Sales support productivity improvement

Marketing efficiency

Commissions optimization

Achievement in 1H14

- Euro 0.2 billion cost savings achieved in 1H14
- Euro 1.3 billion achieved since the beginning of Ambition AXA

# Performing well in a low interest rate environment resulting from key management actions

**Well diversified business mix reduces earnings volatility**

Ca.  
**70%**

of Group pre-tax Underlying Earnings<sup>1</sup> coming from Property & Casualty and Protection & Health<sup>2</sup>, i.e. **businesses less sensitive to financial markets**

**Strong ALM discipline**

Ca.  
**1 year**

**Duration gap** maintained around one year between assets and liabilities (which are mostly long term in nature)

**Decreased sensitivities to low interest rate environment**

Ca. Euro  
**-100 million**

**Estimated impact on Underlying Earnings<sup>3</sup>** should interest rates be 100bps lower for 1 year

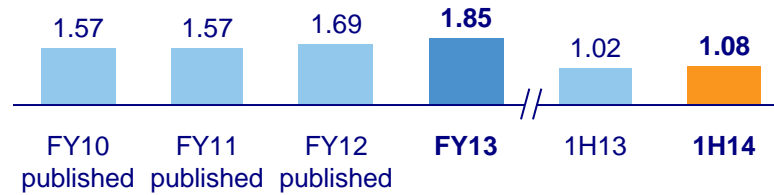
Note: FY13 Group Embedded Value sensitivity to a -100bps parallel shift in risk-free rates: -5%

All notes are on page 12 of this document

# Generating earnings and dividend growth

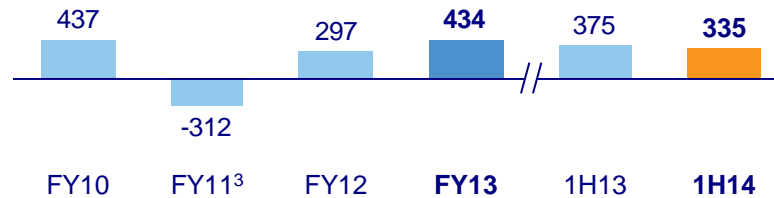
Delivering on 5-10% Underlying EPS<sup>1</sup> CAGR<sup>2</sup> target

In Euro per share

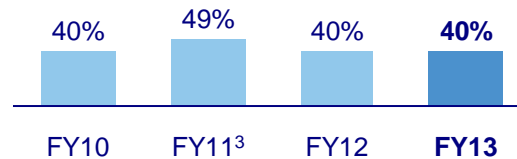


Guidance of Euro 300-500 million of Net RCG<sup>1</sup> per year

In Euro million

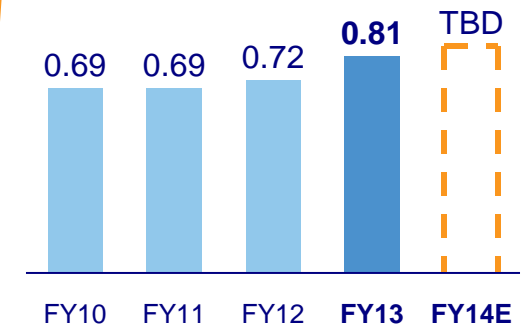


Payout ratio of 40-50% of Adjusted Earnings<sup>4</sup>



Sustained growth in dividend

In Euro per share



All notes are on page 12 of this document

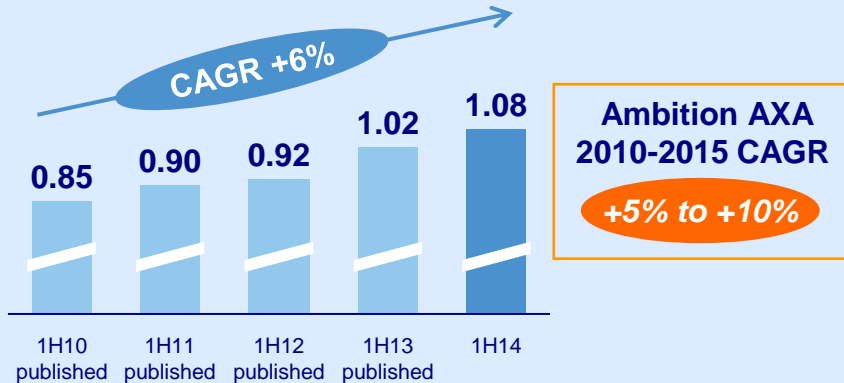


# Ambition AXA

Delivering on financial objectives in 1H14

## Underlying Earnings per share

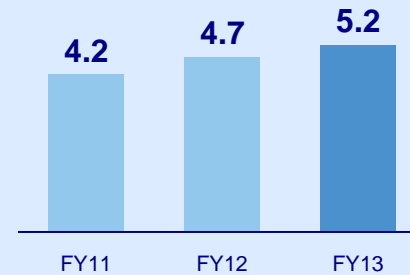
In Euro per share



## Group operating free cash flows

In Euro billion

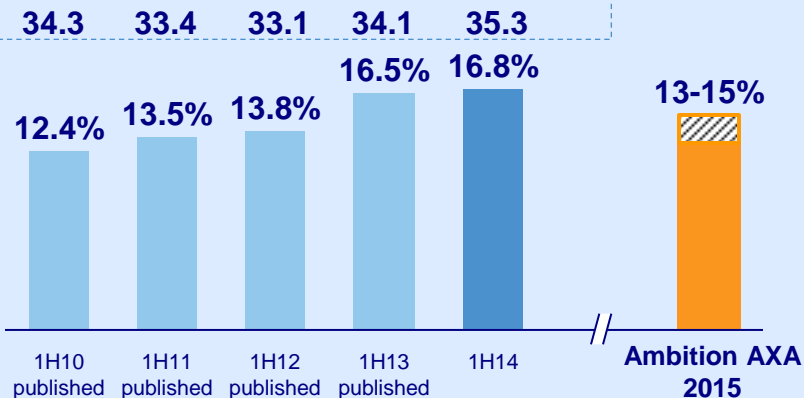
1H14 in line with Ambition AXA objectives



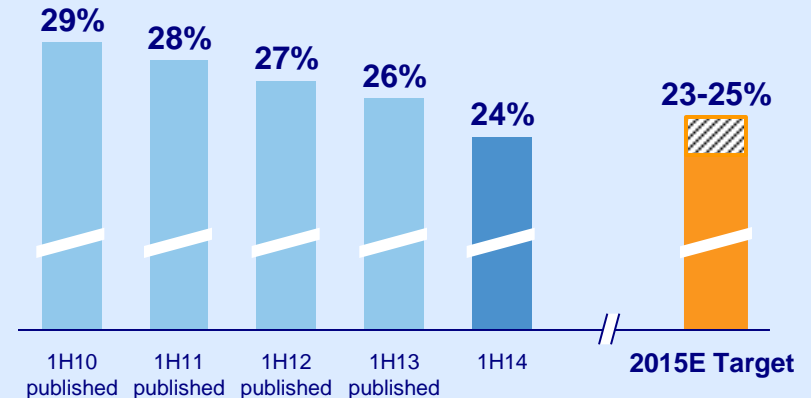
**Ambition AXA 2011-2015 cumulative**  
**Euro 24 billion**

## Adjusted return on equity<sup>1</sup>

Average adjusted shareholders' equity<sup>2</sup>  
(in Euro billion)



## Debt gearing



All notes are on page 12 of this document

# Concluding remarks

## IH14 key takeaways



Strong increase in earnings across the board



Topline growth on track



Performing well in a low interest rate environment



Delivering on Ambition AXA financial objectives



## Our priorities going forward

Deliver profitable growth



Accelerate growth through investment in brand and digital



Maintain strong discipline in capital and risk management



Offer an attractive dividend



**Q&A session**

**Q&A session**

# Notes

## Page 5

1. AXA-Tian Ping and ICBC-AXA Life are not included in Group revenues due to consolidation under equity method. Figures shown on the graph correspond to the period of January 1 to June 30. Acquisition of 50% of Tian Ping was completed on February 20, 2014

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1. Excluding holdings
2. Includes G/A Protection & Health, Property & Casualty and International Insurance
3. Estimated impact on Underlying Earnings from General Account only (G/A Savings, G/A Protection & Health and Property & Casualty)

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1. Underlying EPS: Underlying Earnings per share; Net RCG: Net realized capital gains
2. Compound annual growth rate
3. Greek government bond impairment
4. Net of undated debt interest charges

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1. 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
2. Average shareholders' equity excluding undated debt and reserves related to change in fair value